



AP RENTALS HOLDINGS LIMITED 亞積邦租賃控股有限公司*

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

Stock Code 股份代號：1496

2020

Annual Report 年報



* For identification purposes only 僅供識別



CONTENTS 目錄

4	Corporate Information	公司資料
8	Chairman's Statement	主席報告
12	Management Discussion and Analysis	管理層討論與分析
24	Five Year Financial Summary	五年財務概要
27	Directors' Report	董事會報告
46	Corporate Governance Report	企業管治報告
62	Directors and Senior Management	董事及高級管理層
73	Independent Auditor's Report	獨立核數師報告
81	Consolidated Statement of Profit or Loss and Other Comprehensive Income	綜合損益及其他全面收益表
82	Consolidated Statement of Financial Position	綜合財務狀況表
84	Consolidated Statement of Changes in Equity	綜合權益變動表
85	Consolidated Statement of Cash Flows	綜合現金流量表
87	Notes to Consolidated Financial Statements	綜合財務報表附註



ABOUT AP RENTALS

關於亞積邦租賃

We are a leading equipment rental service company in Hong Kong with the capability of providing a wide range of construction, E&M engineering and event and entertainment equipment, equipment rental-related solutions and value-added services to our customers. We serve a diverse range of customers including leading construction and E&M engineering companies and large scale event and entertainment companies. Our rental equipment principally covers power and energy equipment, high-reach equipment, material handling equipment and other equipment (include lifting, earth moving, foundation, road and transportation, tunneling, demolition and small equipment).

亞積邦租賃是香港的領先設備出租服務公司，有能力向客戶提供各式各樣建築、機電工程及節目及娛樂設備、設備出租相關解決方案及增值服務。我們為各大建築及機電工程公司以及大型節目及娛樂公司等不同範疇的客戶提供服務。出租設備主要包括動力能源設備、高空工作設備、物料處理設備及其他設備(包括起重、土方工程、地基、道路及交通、隧道、拆卸及小型設備)。



AR RENTALS

(SEHK Stock Code: 1496)

Leading the past · Building the future

AP Rentals · Construction Innovation EXPO 2019

Leading the past · Building the future

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POWER CRIP

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors:

Lau Pong Sing (*Chairman*)
Chan Kit Mui, Lina

Non-executive Director:

Nakazawa Tomokatsu

Independent Non-executive Directors:

Ho Chung Tai, Raymond
Siu Chak Yu
Li Ping Chi

AUDIT COMMITTEE

Li Ping Chi (*Chairman*)
Ho Chung Tai, Raymond
Siu Chak Yu

REMUNERATION COMMITTEE

Siu Chak Yu (*Chairman*)
Li Ping Chi
Lau Pong Sing

NOMINATION COMMITTEE

Lau Pong Sing (*Chairman*)
Siu Chak Yu
Li Ping Chi

RISK MANAGEMENT COMMITTEE

Lau Pong Sing (*Chairman*)
Chan Kit Mui, Lina
Wong Cheuk Man

AUTHORISED REPRESENTATIVES

Lau Pong Sing
Wong Cheuk Man

COMPANY SECRETARY

Wong Cheuk Man (HKICPA, ACCA)

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor, One Pacific Place
88 Queensway
Hong Kong

董事會

執行董事：

劉邦成 (*主席*)
陳潔梅

非執行董事：

中澤友克

獨立非執行董事：

何鍾泰
蕭澤宇
李炳志

審核委員會

李炳志 (*主席*)
何鍾泰
蕭澤宇

薪酬委員會

蕭澤宇 (*主席*)
李炳志
劉邦成

提名委員會

劉邦成 (*主席*)
蕭澤宇
李炳志

風險管理委員會

劉邦成 (*主席*)
陳潔梅
王卓敏

授權代表

劉邦成
王卓敏

公司秘書

王卓敏 (HKICPA、ACCA)

核數師

德勤·關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場一座35樓

CORPORATE INFORMATION

公司資料

LEGAL ADVISER

As to Hong Kong Law

Deacons
5th Floor, Alexandra House
18 Chater Road, Central
Hong Kong

PRINCIPAL BANKER

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 806A, 8th Floor,
Tower II, South Seas Centre,
No. 75, Mody Road,
Kowloon
Hong Kong

STOCK CODE

1496

COMPANY WEBSITE

www.aprentalshk.com

法律顧問

有關香港法律
的近律師行
香港
中環遮打道18號
歷山大廈5樓

主要往來銀行

中國銀行(香港)有限公司
香港上海滙豐銀行有限公司

股份過戶登記總辦事處

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

香港股份過戶登記辦事處分處

香港中央證券登記有限公司
香港
灣仔皇后大道東183號
合和中心17樓1712至1716號舖

註冊辦事處

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

總辦事處及香港主要營業地點

香港
九龍
麼地道75號
南洋中心第二座
8樓806A室

股份代號

1496

公司網址

www.aprentalshk.com





CHAIRMAN'S STATEMENT

主席報告



*Chairman; Chief Executive Officer
and Executive Director*

Mr. Lau Pong Sing

劉邦成先生

主席、行政總裁兼執行董事

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board of Directors (the “**Board**”) of AP Rentals Holdings Limited (“**AP Rentals**” or the “**Company**”), I hereby present the audited consolidated annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2020 (the “**Year**” or “**FY2020**”).

For FY2020, the Group had a total revenue of approximately HK\$145.8 million, representing a decrease of approximately 0.2% as compared to that of approximately HK\$146.1 million for the year ended 31 March 2019 (“**FY2019**”). The Group’s loss for the Year increased from approximately HK\$2.5 million in FY2019 to loss for the Year of approximately HK\$19.7 million in FY2020. Please refer to the section headed “Management Discussion and Analysis” (“**MD&A**”) for details of the Group’s business performance for FY2020. The Environmental, Social and Governance Report, which summarizes our effort and performance in promoting and strengthening corporate social responsibility among the Group during the Year, will be published separately within three months after the publication of the annual report of the Company.

It has been a challenging year for the Group as market sentiments continue to be filled with uncertainties due to the Sino-US trade war, the months of large-scale protests in Hong Kong in the second half of the year 2019 and the outbreak of Coronavirus disease 2019 (the “**COVID-19**”) since January 2020, which has then become a pandemic. The pandemic has significantly affected firstly the economy of People’s Republic of China (excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan for the purpose of this annual report) (“**PRC**”) and later globally. The Group’s leasing business has been affected by the pandemic in the PRC.

In FY2020, the overall market sentiment of the construction industry in Hong Kong was poor and price competition was keen for the construction and its related businesses due to the completion of key projects, namely, the Express Rail Hong Kong section (“**Express Rail HK**”) and the Hong Kong-Zhuhai-Macao bridge Hong Kong boundary Crossing Facilities (“**HZMB**”). Furthermore, existing key projects faced difficulties in their progress. For instance, the work progress of the third Runway of the Hong Kong International Airport (the “**Third Runway**”) has experienced a delay in most of the year 2019 and has only started to speed up after September 2019.

各位股東：

本人謹代表亞積邦租賃控股有限公司（「**亞積邦租賃**」或「**本公司**」）董事會（「**董事會**」）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**」或「**2020年財政年度**」）的經審核綜合年度業績。

於2020年財政年度，本集團的總收益約為145.8百萬港元，較截至2019年3月31日止年度（「**2019年財政年度**」）約146.1百萬港元減少約0.2%。本集團本年度的虧損由2019財政年度的約2.5百萬港元增加至2020財政年度約19.7百萬港元。有關本集團2020年財政年度業務表現詳情，請參閱「管理層討論與分析」（「**管理層討論與分析**」）一節。環境、社會及管治報告概述本集團於本年度在促進及加強企業社會責任上付出的努力及表現，將於本公司年報刊發後三個月內另行刊發。

本年度對本集團而言充滿挑戰性，市場氣氛持續出現不確性，乃由於中美貿易戰、2019年下半年數月於香港舉行的大規模示威活動以及自2020年1月爆發及後成為大流行的2019冠狀病毒病（「**COVID-19**」）。疫情首先對中華人民共和國（於本年報而言，不包括香港，中國澳門特別行政區和台灣）（「**中國**」）經濟造成嚴重影響，其後更波及全球。本集團的租賃業務受中國的疫情影響。

於2020年財政年度，若干重點項目（即高鐵香港段（「**高鐵**」）及港珠澳大橋香港口岸人工島（「**港珠澳大橋**」）竣工後，建築業的整體市場氣氛不佳且建築及相關行業的價格競爭激烈。此外，現有重點項目的進展亦遇到種種困難。例如，香港國際機場第三條跑道（「**三跑**」）的工程進展於2019年延誤大半年，直到2019年9月起才開始加速。

CHAIRMAN'S STATEMENT

主席報告

Even in such a challenging year, the Group only recorded a minor decrease in revenue of approximately HK\$0.3 million or 0.2% as compared to that of approximately HK\$146.1 million for FY2019. The main reason was that this year the Group has devoted more effort on machinery sales, especially for overseas. The Group recorded approximately HK\$27.6 million for FY2020, which accounted for approximately 18.9% of the Group's total revenue for FY2020 (FY2019: approximately HK\$10.5 million). Nevertheless, the price competition is very keen, which inevitably reduce the gross profit of the Group.

However, the Group still made investment in new, advanced and specific machines in FY2020, including the generators for our newly introduced Automatic Power System ("APS") in the Smart System in Mobile Electricity ("SSME"), crawler cranes and excavator in FY2020 (approximately HK\$68.8 million). The Group expected to continue its invest in SSME in the year ending 31 March 2021 ("FY2021") so as to avoid intensive price competition, which will further jeopardize our gross profit. For details, please refer to the MD&A section. In FY2021, the Group is still focusing on the key projects in Hong Kong, namely the Third Runway, Central Kowloon Route and the Kai Tak Sports Park.

For the Group businesses in PRC, we have acquired 亞積邦建設工程機械(上海)有限公司 Ajax Pong (Shanghai) Limited* (its name was changed to AP Rentals (Shanghai) Limited*) ("AP Shanghai") on 20 September 2019 but its performance has been hit by the COVID-19 in February and March 2020. However, the PRC government has released some economic stimulus. The Group will try to seek business opportunities to be generated by these economic stimulus so as to improve the performance of AP Shanghai in FY2021.

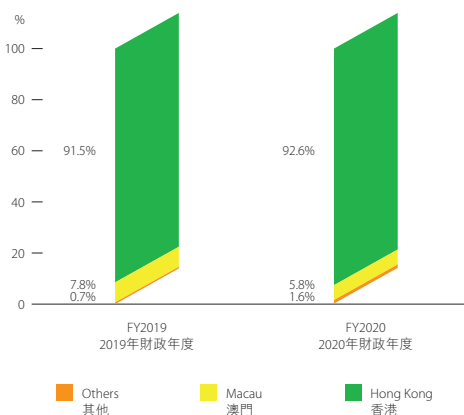
儘管本年困難重重，本集團的收益僅輕微減少約0.3百萬港元或較2019財政年度的約146.1百萬港元減少0.2%。主要原因乃由於今年本集團加大機械銷售力度，尤其向海外。於2020年財政年度，本集團錄得約27.6百萬港元(2019年財政年度：約10.5百萬港元)，佔本集團於2020年財政年度的總收益18.9%。儘管如此，價格競爭激烈，無可避免地令本集團的毛利減少。

然而，於2020年財政年度，本集團仍投資於嶄新、先進和特定的機械，包括移動電源智能系統(「移動電源智能系統」)新引進自動電源系統(「自動電源系統」)的發電機及2020年財政年度履帶式起重機及挖掘機(約68.8百萬港元)。於截至2021年3月31日止年度(「2021年財政年度」)，本集團預計將繼續對移動電源智能系統進行投資，以避免激烈價格競爭進一步危害我們的毛利。詳情請參閱「管理層討論與分析」一節。於2021年財政年度，本集團仍將繼續專注於香港的主要項目(即三跑、中九龍幹線及啟德運動公園)。

於本集團於中國的業務而言，我們於2019年9月20日收購了亞積邦建設工程機械(上海)有限公司 Ajax Pong (Shanghai) Limited* (後稱 AP Rentals (Shanghai) Limited*) (「亞積邦上海」)，但其業績因2020年2月及3月的COVID-19遭受影響。儘管如此，中國政府仍釋放經濟刺激，本集團將努力尋找由經濟刺激帶來的任何業務機遇，以提升亞積邦租賃上海有限公司於2021年財政年度的業績。

GEOGRAPHICAL BREAKDOWN OF GROUP'S REVENUE

本集團收益之地域細分



* For identification purposes only

* 僅供識別

CHAIRMAN'S STATEMENT

主席報告

For the machinery sales, the COVID-19 has hit our oversea sales. The Group will keep continuous attention on the situation of the COVID-19 and implement necessary action to maintain our machinery sales overseas in FY2021.

Looking ahead, the Group would continue its investment in advanced machines to alleviate the effect of price competition and will be continuously disposing of our aged machines so as to maintain the competitiveness and profitability of the Group in FY2021. More importantly, the Group is ready to make quick and right responses to any change in the economy globally caused by the pandemic, either on the positive or negative side.

Last but not least, I would like to express my gratitude to the board for its brilliant leadership, the entire staff for their untiring efforts during the Year, as well as the strong support from our shareholders (the **"Shareholders"**). I would also like to thank our investors, customers, suppliers and business partners for their backing. We will continue to fortify AP Rental's leadership in the equipment rental industry, realize sustainable growth and generate satisfactory returns for Shareholders.

The board does not recommend the payment of a final dividend for the year ended 31 March 2020.

By Order of the Board
Mr. Lau Pong Sing
Chairman and Executive Director
29 June 2020

於機械銷售而言，COVID-19打擊我們的海外銷售。本集團將繼續關注COVID-19的狀況，並採取必要行動以維持我們於2021年財政年度的海外機械銷售。

展望未來，本集團將繼續投資先進機器以減輕價格競爭的影響，並將繼續出售我們的舊機器，以維持於2021年財政年度本集團的競爭力和盈利能力。更重要的是，本集團為對疫情於全球範圍內造成的積極或消極的經濟變化，作好迅速及正確回應的準備。

最後，於本年度承蒙董事會英明領導、全體員工努力不懈及股東（「股東」）鼎力支持，本人謹此致謝。本人亦藉此機會感謝我們的投資者、客戶、供應商及業務夥伴給予支持。我們將繼續鞏固亞積邦租賃於設備出租行業的領導地位，實現可持續增長，並為股東帶來豐厚回報。

董事會不建議就截至2020年3月31日止年度派付末期股息。

承董事會命
劉邦成先生
主席兼執行董事
2020年6月29日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

GROUP OVERVIEW

The Group is a leading equipment rental service company in Hong Kong. The principal activities of the Group encompass the provision of equipment rental-related solutions and value-added services to customers. The Group owns and maintains a strong rental fleet of over 2,250 units of equipment as at 31 March 2020 and also rents equipment from its suppliers, mainly from its shareholder and strategic partner, Kanamoto Co., Ltd. ("KJC"), which is one of the leading construction equipment rental groups in Japan.

The Group strives to serve our valuable customers better with the provision of the equipment rental-related solutions and value-added services. For **FY2020**, the Group recorded a loss for the year of approximately HK\$19.7 million as compared to the loss for the year of approximately HK\$2.5 million for **FY2019**. The increase in loss for the year for FY2020 is mainly attributable to:

1. the change in the mix of the revenue lines in FY2020 as compared to that of FY2019, which is mainly a result of:
 - (i) the decrease in leasing of machinery by around 9.3%, which is mainly due to:
 - the poor economic sentiment due to the trade war between the United States of America (the "US") and China;
 - completion of large casino projects in Macau;
 - the demand for the key project, the Third Runway, being far below that expected due to the unexpected delay of its progress;
 - the above reasons thus leading to reduction in demand for machinery and then price competition in Hong Kong and Macau; and
 - the outbreak of the COVID-19 since January 2020, which has then become a pandemic; and had halted the Group's leasing business in the PRC in February 2020 and affected those in March 2020;

集團概覽

本集團是香港的領先設備出租服務公司。本集團的主要活動包括向客戶提供設備出租相關解決方案及增值服務。截至2020年3月31日，本集團擁有並維持涉及超過2,250台設備的大量出租機組，亦會向供應商租用設備，有關供應商主要是其股東及策略合作夥伴Kanamoto Co., Ltd. (「金本日本」)，該公司是日本一間領先建築設備出租集團。

本集團致力透過提供設備出租相關解決方案及增值服務，為寶貴客戶提供更優質服務。於**2020年財政年度**，本集團錄得本年度虧損約19.7百萬港元，於**2019年財政年度**的年度虧損約為2.5百萬港元。2020年財政年度虧損增加主要由於：

1. 與2019年財政年度相比，2020年財政年度收益業務組合出現變動，主要由於：
 - (i) 機械租賃減少約9.3%，主要由於：
 - 美利堅合眾國(「美國」)與中國之間的貿易戰導致經濟情緒不佳；
 - 澳門大型娛樂場項目完工；
 - 對主要項目三跑的需求因其意外延期而遠低於預期；
 - 故此，以上原因導致對機械的需求降低及香港和澳門的價格競爭；及
 - 自2020年1月起，COVID-19爆發並於其後演變成情；其亦令本集團於中國(就本報告目的而言，不包括香港、中華人民共和國澳門特別行政區及台灣)的租賃業務於2020年2月出停頓並於2020年3月繼續帶來影響；

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

GROUP OVERVIEW (Continued)

1. (Continued)
 - (ii) the decrease in operating service income of around 22.2%, which is due to the shrinking in demand for operators upon the completion of various key projects in Hong Kong, including the Express Rail and the HKZMB, and the shift of the Group's focus due to its inherent risk in employing and managing the operators;
 - (iii) the decrease in other service income of around 36.1%, which mainly contributed by the decrease of the income from transportation; and
 - (iv) an increase in sales of machinery and spare parts by around 161.6% was recorded in FY2020 when compared to that of FY2019, as the Group sold more machines overseas.
2. a decline of around 38.5% in the overall gross profit margin as compared to that of FY2019, which is mainly a result of:
 - (i) price competition due to the reasons mentioned in paragraph 1(i) above;
 - (ii) written off of the aged construction equipment in the Group's stock amounted to approximately HK\$536,000 (FY2019: nil) after considering the deterioration of the global economy due to the outbreak of COVID-19; and
 - (iii) increase in depreciation expenses due to continuous investment in advanced machines and the acquisition of 亞積邦建設工程機械(上海)有限公司 AP Shanghai (formerly known as Ajax Pong (Shanghai) Limited*), which became a wholly-owned subsidiary of the Company upon completion of the acquisition. AP Shanghai is principally engaging in the construction equipment rental services business in the PRC;

集團概覽(續)

1. (續)
 - (ii) 操作服務收入減少約22.2%，乃由於香港多項主要項目(包括高鐵及港珠澳大橋)竣工後，對操作員的需求減少，以及本集團由於聘請及管理操作員方面的固有風險而將其集中點改變所致；
 - (iii) 其他服務收入減少約36.1%，主要由於來自運輸的收入減少；及
 - (iv) 由於本集團向海外銷售更多機械，故與2019年財政年度相比，2020年財政年度機械及零件銷售增加約161.6%。
2. 與2019年財政年度相比，毛利率整體下跌約38.5%，主要由於：
 - (i) 因上文段(1)(i)所述原因令價格出現競爭；
 - (ii) 經考慮COVID-19爆發令全球經濟惡化後，撇銷本集團存貨中陳舊的建築設備，約為536,000港元(2019年財政年度：零)；及
 - (iii) 因持續投資於先進機器及收購亞積邦建設工程機械(上海)有限公司(「亞積邦上海」)(前稱亞積邦建設工程機械(上海)有限公司)(其於收購完成後成為本公司的全資附屬公司)令折舊開支增加。亞積邦上海主要在中國從事建築設備租賃服務業務；

* For identification purposes only

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

GROUP OVERVIEW (Continued)

- the increase in expected credit loss of the Group because the default risk has increased globally due to the outbreak of COVID-19;
- no commission income was recognised for provision of service to Kanamoto (HK) Co., Ltd, ("KHK") which is a wholly-owned subsidiary of one of the Company's shareholders, KJC in FY2020 (FY2019: approximately HK\$1.7 million); and
- impairment loss recognised on rental machinery amounted to approximately HK\$2.5 million (FY2019: nil).

However, the Group has implemented strategies to strive for long term success. As such, in FY2020, the Group has invested in new, advanced and specific machines, including the generators for our newly introduced APS in the SSME, crawler cranes and excavator amounting to approximately HK\$68.8 million (FY2019: approximately HK\$91.8 million). On the other hand, we continued our disposal of approximately HK\$15.9 million (being the net book value) of aged machines. Such measures will definitely improve our competitiveness in the market and enable the Group to provide more value-adds to our customers in long run. As a result, the Group will not be heavily involved in the price war in the rental market. We would continue to be a solution-provider. During FY2020, the Group has acquired AP Shanghai on 20 September 2019, which provides a way for the Group to penetrate into the PRC market despite the fact that its result was greatly affected by the outbreak of COVID-19. A minor net loss of approximately CNY457,000 was recorded since its acquisition till 31 March 2020.

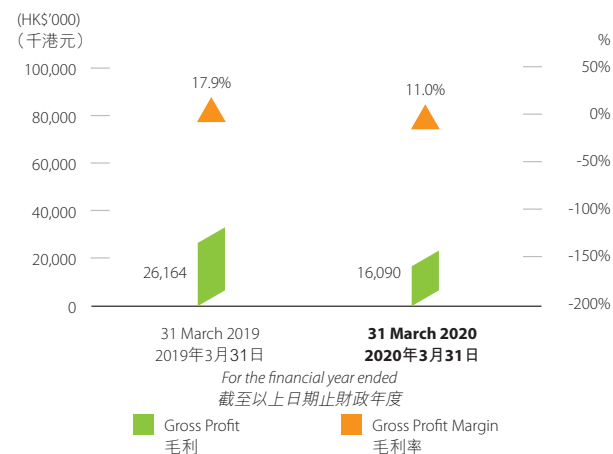
集團概覽(續)

- COVID-19爆發令全球違約風險上升，導致本集團預期信貸虧損增加；
- 於2020年財政年度，並無就向金本(香港)有限公司(「金本香港」)(本公司其中一位股東金本日本的全資附屬公司)提供服務確認佣金收入(2019年財政年度：約1.7百萬港元)；及
- 確認出租機械減值虧損約2.5百萬港元(2019年財政年度：零)。

然而，本集團已實施策略，致力取得長期成功。為此，於2020年財政年度，本集團已投資嶄新、先進和特定的機械，包括與於移動電源智能系統新引入的自動電源系統有關的發電機、履帶起重機及挖掘機，價值約68.8百萬港元(2019年財政年度：約91.8百萬港元)。另一方面，我們繼續出售賬面淨值約15.9百萬港元的陳舊機器。有關措施將無疑於長遠而言可改善我們於市場的競爭力，且使本集團得以向客戶提供更多增值服務。因此，本集團將不會全力參與租賃市場的價格戰，並將繼續作為解決方案供應商。2020年財政年度，本集團於2019年9月20日收購亞積邦上海，雖然其業績因COVID-19爆發而大受影響，其亦為本集團提供深入中國市場的方法。自收購該公司起至2020年3月31日，錄得輕微淨虧損約人民幣457,000元。

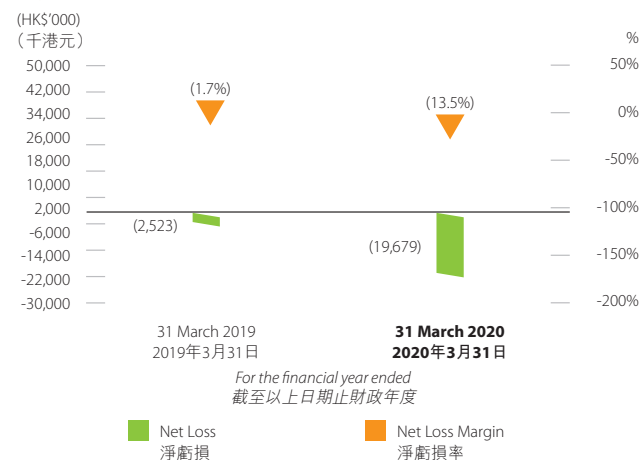
GROSS PROFIT

毛利



NET LOSS

淨虧損



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

GROUP OVERVIEW (Continued)

For FY2020, the Group recorded revenue of approximately HK\$145.8 million, representing a decrease of approximately 0.2% as compared to that of approximately HK\$146.1 million for FY2019. For FY2020, the Group recorded gross profit of approximately HK\$16.1 million, representing a decrease of approximately 38.5% as compared to that of approximately HK\$26.2 million for FY2019. The gross profit margin for FY2020 was approximately 11.0% (FY2019: approximately 17.9%), representing a decrease of approximately 38.5% as compared to that for FY2019. Please refer to the section headed "Financial Review" of this report for further details of the Group's performance in FY2020.

Loss for the year attributable to owners of the Company increased by approximately HK\$17.2 million from approximately HK\$2.5 million in FY2019 to approximately HK\$19.7 million in FY2020.

Basic loss per share attributable to owners of the Company for FY2020 was approximately HK2.28 cents (FY2019: approximately HK0.29 cent).

BUSINESS OVERVIEW

During FY2020, the overall market sentiment of the construction industry is not good after the completion of certain key projects, namely, the Express Rail and the HKZMB. In the meantime, the Group is also affected by the delay in the progress of the Third Runway in the first half of FY2020. However, we have increased our involvement in other key projects, namely Central Kowloon Route and the Kai Tak Sports Park. In the second half of FY2020, the demands from the Third Runway began to pick up. Nevertheless, the demand on construction equipment was overall still weak and price competition is intensive due to the continuous trade war between the US and PRC and the social unrest in Hong Kong. The pandemic has significantly affected firstly the economy of PRC and later globally. In Macau, the overall demand on construction equipment remained weak after the completion of some major casino projects in early 2019. In Singapore, we have conducted a change in our business model, which led to lower administrative expenses and an increase in revenues in FY2020. However, the leasing price in relation to leasing of machines is still low, which led to gross loss margin of AP Equipment Rentals (Singapore) Pte. Ltd. ("AP Singapore"). Thus, there was an increase in revenue and net loss in AP Singapore has been reduced to approximately SGD0.5 million in FY2020 (FY2019: approximately SGD0.7 million). Despite the fact that the above negative factors have materially hit our business in Hong Kong, Macau, Singapore and PRC, our continuous investment in advanced equipment, generators with APS in the SSME, starts to provide some contributions to our leasing revenue, which has to some degree alleviate our pressure on price competition, which can prevent a further materially decline in our gross profit margin. Our machines with SSME have been widely used in the Kai Tak Sports Park and in the Third Runway projects. The increasing demand in used construction equipment in Southeast Asian countries have significantly boosted up our sales in construction equipment in FY2020. We had disposal proceeds of used construction equipment in FY2020.

集團概覽(續)

於2020年財政年度，本集團錄得收益約145.8百萬港元，較2019年財政年度的收益約146.1百萬港元減少約0.2%。於2020年財政年度，本集團錄得毛利約16.1百萬港元，較2019年財政年度的毛利約26.2百萬港元減少約38.5%。2020年財政年度的毛利率約為11.0%（2019年財政年度：約17.9%），較2019年財政年度減少約38.5%。有關本集團於2020年財政年度表現的進一步詳情，請參閱本報告「財務回顧」一節。

本公司擁有人應佔本年度虧損由2019年財政年度約2.5百萬港元增加約17.2百萬港元至2020年財政年度約19.7百萬港元。

2020年財政年度本公司擁有人應佔每股基本虧損約為2.28港仙（2019年財政年度：約0.29港仙）。

業務概覽

於2020年財政年度，若干重點項目（即高鐵及港珠澳大橋）竣工後，建築業的整體市場氣氛不佳。與此同時，於2020年財政年度上半年，三跑進度延遲對本集團亦有所影響。然而，我們已更加積極參與其他重點項目，即中九龍幹線及啟德體育園。於2020年財政年度下半年，三跑相關需求開始回升。儘管如此，建築設備的需求整體呈疲軟態勢且價格競爭激烈，乃由於中美持續貿易戰、香港社會動盪不安。疫情亦首先對中國經濟造成嚴重影響，其後更波及全球。於澳門，部分主要娛樂場項目於2019年初竣工後，建築設備的整體需求仍然疲軟。於新加坡，我們已轉變業務模式，從而降低行政開支且收益於2020年財政年度錄得增長。然而，與機械租賃相關的租賃價格仍然很低，導致AP Equipment Rentals (Singapore) Pte. Ltd.（「AP Singapore」）出現毛虧損率。因此，AP Singapore的收益出現增長，而其淨虧損已於2020年財政年度減至約0.5百萬新加坡元（2019年財政年度：約0.7百萬新加坡元）。儘管上述不利因素對我們在香港、澳門、新加坡及中國的業務產生重大影響，但我們於先進設備、於移動電源智能系統引進自動電源系統的發電機的持續投資開始為我們的租賃收益作出一定的貢獻，此舉在一定程度上減輕了我們的價格競爭壓力，防止我們的毛利率進一步大幅下降。於啟德體育園及三跑項目中，我們已廣泛採用配備移動電源智能系統的機械。東南亞國家對二手建築設備的需求不斷增加，大大推動我們於2020年財政年度的建築設備銷售。我們於2020年財政年度有出售二手建築設備的所得款項。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS OVERVIEW (Continued)

Lastly, the management of the Company will keep continuous attention on the situation of the COVID-19, assess and react actively to its impacts on the financial position and operating results of the Group for the year ending 31 March 2021.

PROSPECTS

The Hong Kong economy has been deteriorating since April 2019 and was further affected due to the continuous Trade War between the US and PRC and then the recent social unrest in Hong Kong. The COVID-19 has led to the loss of the event business in Hong Kong in the first half of 2020 and probably even for the whole 2020.

Nevertheless, recently, it was reported by the Hong Kong media that the material supply for the Third Runway has been improved continuously. There is continuous progress in the Third Runway. The Group has increased its leasing of machines for this project since the second half of FY2020. The Group expects such increase in demand of leasing machines in the Third Runway project would continue in 2020 since the contractors are trying their best effort to keep up the original time schedule for the completion of the Third Runway. Other than the Third Runway, the Group expects to increase its exposure in terms of machinery sales and leasing business in 2020 in certain key projects in Hong Kong, including the Kai Tak Sports Park and the Central Kowloon Route. In addition, the Group will continue to invest in SSME and expects to increase its revenue and profitability in the near future.

For the machinery trading business, due to the COVID-19, the whole world has experienced an unprecedented global lockdown of the economy. As the result, the Group does not expect that we can resume our trading business and our disposal of our machine overseas before August 2020. However, the Group would closely monitor any possible chances to resume our trading business and our disposal of machines overseas once it is available.

However, the Group expects to benefit from the improved demand from the aforesaid key projects in Hong Kong in near future. For our business in Macau, the Group has provided more types of equipment for Macau's market and we expect that this can gradually improve our performance in Macau in the long run. For Singapore, due to its coronavirus lockdown starting from April 2020 (it has just lifted the lockdown in 3 phases from June 2, 2020). The business of AP Singapore has been affected. The Group will try its best to pick up the business after the uplifting of the lockdown fully in Singapore.

業務概覽(續)

最後，本公司管理層將持續關注COVID-19的情況，評估並積極應對其對本集團截至2021年3月31日止年度財務狀況及經營業績的影響。

展望

自2019年4月以來，香港經濟不斷惡化，由於中美持續貿易戰及其後近期香港社會動盪不安，香港經濟受到進一步影響。再加上COVID-19疫情，導致香港節目業務於2020年上半年甚至可能於整年均有所損失。

然而，最近據香港傳媒報導，三跑的材料供應情況持續改善。三跑建設不斷取得進展。本集團自2020年財政年度下半年起已加強該項目的出租機械服務。由於承包商正盡力按原定時間表完成三跑工程，故本集團預計三跑的租賃機械需求於2020年仍將持續增長。除三跑外，本集團預期於2020年在香港若干主要項目（包括啟德體育園及中九龍幹線）的機械銷售及租賃業務方面尋求更多機會。此外，本集團將繼續投資於移動電源智能系統，並預期於短期內增加其收入及盈利能力。

就機械貿易業務而言，由於受到COVID-19疫情影響，世界各地正經歷前所未有的全球經濟大封鎖。因此，本集團預期本公司無法於2020年8月前恢復我們的貿易業務及出售機械至海外。儘管如此，本集團將密切監察任何可能恢復海外貿易業務的機會，以及一旦有機會將機械出售至海外。

然而，由於上述香港主要項目的相關需求有所提升，預期本集團於短期內受惠。就澳門的業務而言，本集團已為澳門市場提供多種設備，預期可長期逐步改善我們於澳門的表現。就新加坡而言，其自2020年4月起採取防疫封城措施，（其自2020年6月2日起剛開始分三個階段解除封鎖）因此，AP Singapore的業務亦受到影響。本集團將盡力在新加坡完全解除封鎖後恢復業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

PROSPECTS (Continued)

Lastly, in PRC, after the acquisition of AP Shanghai, the Group has started to plan for a change of the business model from depending on the leasing and sale agents of AP Shanghai to using the sale force being employed by itself starting from year 2020 so that AP Shanghai could earn more profit and has more control on its business development in the future. Unfortunately, the COVID-19 has temporarily ceased the progress but the Group will resume this strategic change in the second half of 2020. The COVID-19 has also halted its business in February 2020 and affected it badly in March and April 2020. However, in late May 2020, the PRC government has released its plans to issue CNY3.75 trillion of special local government bonds this year, up CNY1.6 trillion from the previous year, with priority given to new infrastructure, new urbanization initiatives and major projects. The Group expects that with the continuous investment by the PRC government on its infrastructure, mainly the construction of projects on 5G, express railway and new urbanization, especially for those to be implemented in Guangzhou, these will provide great chance for business growth of AP Shanghai in coming year.

FINANCIAL REVIEW

Revenue

For FY2020, the Group recorded a minor decrease in revenue of approximately HK\$0.3 million, with the total revenue amounting to approximately HK\$145.8 million for FY2020, representing a decrease of approximately 0.2% as compared to that of approximately HK\$146.1 million for FY2019. The minor decrease in revenue mainly resulted from the decrease of revenues of all segments of business of the Group except the sales of machinery and spare parts, which has increased tremendously and has offset most of the decrease of other segments.

(i) Lease of machinery

During FY2020, the Group's rental income from rental services, which involved the rental of construction, electrical and mechanical engineering and event and entertainment equipment in Hong Kong, Macau, PRC and Singapore, decreased to approximately HK\$101.7 million compared to that of approximately HK\$112.1 million for FY2019.

As mentioned above, the Group's rental business in Hong Kong and Macau continued to decline in FY2020 due to the reasons mentioned in the section headed "Business Review" above.

Rental income of machinery accounted for approximately 69.8% of the Group's total revenue for FY2020 (FY2019: approximately 76.7%). The decrease of the above percentage was led by the increase in the sales of machinery and parts in FY2020.

展望(續)

最後，就中國的業務而言，於收購亞積邦上海後，本集團已計畫自2020年起改變業務模式，由依賴亞積邦上海的租賃及銷售代理服務，轉為任用本集團所聘請的銷售人員，以便亞積邦上海於未來業務發展中賺取更多利潤及擁有更大控制權。遺憾地，雖然COVID-19疫情暫時阻礙有關進展，但本集團將於2020年下半年恢復此項戰略變革。有鑑於COVID-19疫情，本集團已於2020年2月暫停營運，而於2020年3月及4月亦幾乎停止營運。然而，於2020年5月下旬，中國政府宣佈於本年發行人民幣3.75萬億元地方政府專項債券（比上年增加人民幣1.6萬億元），計劃將重點投向新基建、新型城鎮化及其他重大項目。本集團預期，中國政府對基建的持續投資（主要包括5G、高鐵及新型城鎮化的建設項目，尤其是將於廣州實施的項目）將於來年為亞積邦上海提供龐大業務增長機會。

財務回顧

收益

於2020年財政年度，本集團的收益略減約0.3百萬港元，2020年財政年度的總收益約為145.8百萬港元，較2019年財政年度約146.1百萬港元下降約0.2%。收益小幅減少的主要因為本集團所有業務分部收益減少，除機械及零件銷售收益有大幅增加，並大部分抵銷其他業務的下降。

(i) 出租機械

於2020年財政年度，本集團來自出租服務（涉及在香港、澳門、中國及新加坡出租建築、機電工程及活動及娛樂設備）的租金收入減少至約101.7百萬港元，而於2019年財政年度則約為112.1百萬港元。

如上所述，本集團於香港及澳門的出租業務於2020年財政年度持續倒退，有關原因於上文「業務回顧」一節提述。

來自機械的租金收入佔本集團2020年財政年度總收益約69.8%（2019年財政年度：約76.7%）。上述百分比的降幅乃由於在2020年財政年度機械及零件銷售上升所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Revenue (Continued)

(ii) Operating service income

The Group offers equipment operating services in Hong Kong by providing equipment operators to operate the equipment at the job sites of its customers. For FY2020, revenue from equipment operating services decreased by approximately 22.2% to approximately HK\$8.4 million (FY2019: approximately HK\$10.8 million), and accounted for approximately 5.8% of the Group's total revenue for FY2020 (FY2019: approximately 7.4%). The decrease in operating service income for FY2020 was attributable to the shrinking in demand for operators by sizable construction companies in Hong Kong upon the completion of various key projects in Hong Kong and the shift of the Group's focus due to its inherent risk in employing and managing of the operators.

(iii) Other service income

The Group's other service income, which arises from rental arrangements including repair, transportation, maintenance and technical support services during the rental period, was approximately HK\$8.1 million for FY2020 (FY2019: approximately HK\$12.7 million). The decrease was mainly contributed by the decrease of the income from transportation, which was approximately HK\$4.7 million for FY2020 (FY2019: approximately HK\$9.2 million). The Group's other service income accounted for approximately 5.6% of the Group's total revenue for FY2020 (FY2019: approximately 8.7%).

(iv) Sales of machinery and spare parts

The Group is shifting its focus on mainly rental business to more on machinery trading business (including the disposal of the plant fleet of the Group) in FY2020. The revenue from sales of machinery and spare parts increased significantly by approximately 162.9% from approximately HK\$10.5 million in FY2019 to approximately HK\$27.6 million for FY2020, which accounted for approximately 18.9% of the Group's total revenue for FY2020 (FY2019: approximately 7.2%).

財務回顧(續)

收益(續)

(ii) 操作服務收入

本集團在香港提供設備操作服務，派遣設備操作員到客戶工地操作設備。2020年財政年度，設備操作服務的收益減少約22.2%至約8.4百萬港元(2019年財政年度：約10.8百萬港元)及佔本集團2020年財政年度總收益約5.8%(2019年財政年度：約7.4%)。2020年財政年度操作服務的收益減少乃由於香港多項主要項目竣工後，香港大型建築公司對操作員的需求減少，以及本集團由於聘請及管理操作員方面的固有風險而將其重心轉移所致。

(iii) 其他服務收入

2020年財政年度，本集團的其他服務收入(來自出租安排，包括於出租期間的維修、運輸、保養及技術支援服務)約為8.1百萬港元(2019年財政年度：約12.7百萬港元)。其他服務收入減少主要因為來自運輸的收入減少。來自運輸的收入於2020年財政年度約為4.7百萬港元(2019年財政年度：約9.2百萬港元)。本集團的其他服務收入佔本集團2020年財政年度總收益約5.6%(2019年財政年度：約8.7%)。

(iv) 機械及零件銷售

2020年財政年度，本集團正將其業務重心由主要的租賃業務轉移至機械貿易業務(包括出售本集團的機組)。來自銷售機械及零件的收益由2019年財政年度約10.5百萬港元大幅增加約162.9%至2020年財政年度約27.6百萬港元，佔本集團2020年財政年度總收益約18.9%(2019年財政年度：約7.2%)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Cost of Sales

The Group's cost of sales amounted to approximately HK\$129.7 million for FY2020, representing a year-on-year increase of approximately 8.2% (FY2019: approximately HK\$119.9 million). Cost of sales mainly comprised machinery hiring expenses, staff costs for the Group's equipment operators, technicians and truck drivers, costs for machinery and parts for trading and depreciation, which together accounted for approximately 87.7% of the Group's total cost of sales in FY2020 (FY2019: approximately 86.0%).

Among the four major items under cost of sales, Staff costs decreased by approximately 1.2% due to decrease in the demand for the Group's operators by the market and the shift of our business focus as mentioned before, which led to the decrease in number of operators required. The external machinery hiring expenses were decreased by approximately 30.2% due to increase the use of the new machine of the Group. Depreciation of property, plant and equipment increased by approximately 13.2% year-on-year. The increase in total investment in machinery for rental was greater than the amount of disposed machinery, which led to the net increase in depreciation. Costs for machinery and parts increased by approximately 215.2% due to the increase in machinery sale in FY2020.

Gross Profit and Gross Profit Margin

The Group's overall gross profit decreased by approximately 38.5% from approximately HK\$26.2 million for FY2019 to approximately HK\$16.1 million for FY2020 and the Group's gross profit margin recorded a decline to approximately 11.0% for FY2020 (FY2019: approximately 17.9%). The decrease in gross profit margin was due to (i) the decrease in rental income for machines and intensive price competition for both selling and leasing of machines; (ii) an increase in depreciation due to continuous investment on advanced machines and acquisition of AP Shanghai; and (iii) written off of the aged construction equipment in the Group's stock due to the outbreak of COVID-19.

Other Income

The Group recorded other income amounting to approximately HK\$2.5 million in FY2020 (FY2019: approximately HK\$4.2 million), which represented a decrease of approximately 40.5% from FY2019. The decrease was due to a decrease of an amount of approximately HK\$1.7 million in FY2020 for no commission income was recognised for the provision of services to KHK in FY2020.

財務回顧(續)

銷售成本

本集團於2020年財政年度的銷售成本約為129.7百萬港元，同比上升約8.2%（2019年財政年度：約119.9百萬港元）。銷售成本主要包括機械租用開支、本集團設備操作員、技術人員及卡車司機的員工成本、可供購買機械及零件成本以及折舊，合共佔本集團於2020年財政年度總銷售成本約87.7%（2019年財政年度：約86.0%）。

銷售成本下四個主要項目中，員工成本減少約1.2%，乃由於市場對本集團操作員的需求減少，以及（如上文所述）我們正將業務重心轉移，繼而導致所需操作員數目減少。外部機械租用開支減少約30.2%，乃由於本集團新機器使用量增加。物業、機械及設備折舊同比增加約13.2%。折舊出現淨升幅，乃由於出租機械的總投資升幅高於出售機械的金額所致。機械及零件成本增加約215.2%，乃由於2020年財政年度的機械銷售增加所致。

毛利及毛利率

本集團的整體毛利從2019年財政年度約26.2百萬港元減少約38.5%至2020年財政年度約16.1百萬港元，而本集團於2020年財政年度的毛利率減少至約11.0%（2019年財政年度：約17.9%）。毛利率減少乃由於(i)機械租金收入減少及機械銷售及租賃的價格競爭激烈；(ii)由於持續投資於先進機械及收購亞積邦上海令折舊增加；及(iii)因COVID-19爆發而撇銷本集團存貨中的陳舊建築設備。

其他收入

本集團於2020年財政年度錄得其他收入約2.5百萬港元（2019年財政年度：約4.2百萬港元），較2019年財政年度下降約40.5%。有關降幅乃由於在2020年財政年度，並無就向金本香港提供服務確認佣金收入，令2020年財政年度下降約1.7百萬港元所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Other Gains and Losses

Other gains and losses amounted to approximately HK\$5.0 million in FY2020 (FY2019: approximately HK\$5.3 million), representing a decrease of approximately 5.7% over FY2019.

Due to the shifting of focus (as mentioned under the paragraph headed "Sales of machinery and spare part", a gain on disposal of plant and equipment of approximately HK\$5.4 million was recorded in FY2020 (FY2019: approximately HK\$5.3 million). In addition, the Group recorded an exchange loss of approximately HK\$0.5 million in FY2020 (FY2019: approximately HK\$0.1 million).

Impairment Losses Recognised on Lease Receivables and Trade Receivables, Net and the impairment loss recognised on plant and equipment

Due to the outbreak of the COVID-19, the Group has recognised the impairment losses on lease receivables and trade receivables, net of approximately HK\$5.6 million (FY2019: approximately HK\$1.2 million) and the impairment loss on plant and equipment of approximately HK\$2.5 million (FY2019: nil).

Administrative Expenses

For FY2020, administrative expenses amounted to approximately HK\$34.8 million (FY2019: approximately HK\$34.9 million), representing a decrease of approximately 0.3% over FY2019.

Selling and Distribution Expenses

For FY2020, selling and distribution expenses amounted to approximately HK\$1.2 million (FY2019: approximately HK\$1.4 million), representing a decrease of approximately 14.3% over FY2019. The decrease in selling and distribution expenses was mainly due to decrease in carriage outwards expenses for we used our trucks instead of using our vendors'.

Finance Cost

Finance costs comprised interest on the Group's borrowings, which amounted to approximately HK\$1.2 million for FY2020 (FY2019: approximately HK\$0.5 million). The increase was attributable to the addition of new loans for financing the purchase of rental machinery during FY2020.

財務回顧(續)

其他收益及虧損

2020年財政年度的其他收益及虧損約為5.0百萬港元(2019年財政年度：約5.3百萬港元)，較2019年財政年度減少約5.7%。

由於業務重心轉移(如「機械及零件銷售」一段所述)，於2020年財政年度錄得出售機械及設備收益約5.4百萬港元(2019年財政年度：約5.3百萬港元)。此外，本集團於2020年財政年度錄得匯兌虧損約0.5百萬港元(2019年財政年度：約0.1百萬港元)。

已確認租賃應收款及貿易應收款項減值虧損淨額及已確認機械及設備減值虧損

因COVID-19爆發，本集團錄得租賃應收款及貿易應收款項減值虧損淨額約5.6百萬港元(2019年財政年度：約1.2百萬港元)，而機械及設備的減值虧損約為2.5百萬港元(2019年財政年度：零)。

行政開支

2020年財政年度，行政開支約為34.8百萬港元(2019年財政年度：約34.9百萬港元)，較2019年財政年度減少約0.3%。

銷售及分銷開支

2020年財政年度，銷售及分銷開支約為1.2百萬港元(2019年財政年度：約1.4百萬港元)，較2019年財政年度減少約14.3%。銷售及分銷開支減少主要由於我們使用自身而非賣家的貨車令外運開支減少。

融資成本

融資成本包括本集團借款的利息，於2020年財政年度約為1.2百萬港元(2019年財政年度：約0.5百萬港元)。融資成本增加乃由於2020年財政年度用作資助購買出租機械的新增貸款所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Total Comprehensive Expense for FY2020

The Group recorded loss attributable to owners of the Company of approximately HK\$19.7 million for FY2020 (FY2019: approximately HK\$2.5 million, representing a loss margin of approximately (13.5)% (FY2019: approximately (1.7)%). The increase in loss attributable to owners of the Company in FY2020 was mainly due to (i) decrease in gross profit due to intensive price competition, increase in depreciation, written off of stock and change in the mix of the revenue lines; (ii) impairment losses recognised on plant and equipment, lease receivables and trade receivables due to the COVID-19; and (iii) decrease in other income.

Capital Expenditure

The Group's capital expenditures in FY2020 primarily comprised expenditures on machinery and office equipment, amounting to a total of approximately HK\$69.6 million (FY2019: approximately HK\$92.5 million). The vast majority of the capital expenditures were used to fund the expansion of the Group's owned rental fleet of machinery, which accounted for approximately 98.9% of the total capital expenditure for FY2020.

Liquidity and Financial Resources Review

The Group financed its operations through a combination of cash flow from operations and borrowings. As at 31 March 2020, the Group had bank balances and cash equivalents of approximately HK\$30.0 million (as at 31 March 2019: approximately HK\$51.8 million) that were mainly denominated in HKD, JPY, MOP, SGD, CNY and USD, and had borrowings of approximately HK\$23.2 million (as at 31 March 2019: approximately HK\$17.5 million) that were mainly denominated in HKD and USD.

As at 31 March 2020, the Group had banking facilities of approximately HK\$55.7 million (as at 31 March 2019: approximately HK\$53.5 million), of which approximately HK\$35.0 million (as at 31 March 2019: approximately HK\$19.1 million) had been drawn down, and approximately HK\$20.7 million (as at 31 March 2019: approximately HK\$34.4 million) were unutilised.

As at 31 March 2020, the gearing ratio of the Group was approximately 10.6% (as at 31 March 2019: nil), which was calculated based on the net debt divided by total equity. Net debt is defined as the sum of the interest bearing liabilities, which include borrowings, bank overdraft, leases liabilities, loans from a related Company, and a trade payable carrying on an interest rate of 3.6% per annum, minus the cash and cash equivalents.

Going forward, the Group expects to fund its future operations and expansion plans primarily with cash generated from operations and borrowings.

財務回顧(續)

2020年財政年度全面開支總額

本集團於2020年財政年度錄得本公司擁有人應佔虧損約19.7百萬港元(2019年財政年度:約2.5百萬港元),虧損率約13.5%(2019年財政年度:約1.7%)。2020年財政年度本公司擁有人應佔虧損增加,乃主要由於(i)價格競爭激烈令毛利減少、折舊增加、撇銷存貨及收益業務組合轉變;(ii)因COVID-19而就機械及設備、租賃應收款及貿易應收款項確認減值虧損;及(iii)其他收入減少。

資本支出

本集團於2020年財政年度資本支出主要包括機械及辦公室設備的支出,合共約為69.6百萬港元(2019年財政年度:約92.5百萬港元)。資本支出大部份用於撥付本集團自置出租機械機組的擴張,佔2020年財政年度總資本支出約98.9%。

流動資金及財務資源回顧

本集團透過來自經營活動的現金流量及借貸撥付其營運。於2020年3月31日,本集團有銀行結餘及現金等價物約30.0百萬港元(於2019年3月31日:約51.8百萬港元)主要以港元、日圓、澳門元、新加坡元、人民幣及美元計值,以及有借款約23.2百萬港元(於2019年3月31日:約17.5百萬港元)主要以港元及美元計值。

於2020年3月31日,本集團有銀行融資約55.7百萬港元(於2019年3月31日:約53.5百萬港元),其中約35.0百萬港元(於2019年3月31日:約19.1百萬港元)已提取,約20.7百萬港元(於2019年3月31日:約34.4百萬港元)未動用。

於2020年3月31日,本集團的資本負債比率為約10.6%(於2019年3月31日:零),乃按債務淨額除以權益總額計算得出。債務淨額定義為計息負債的總和(其中包括借款、銀行透支、租賃負債、來自一間關聯公司之貸款及一筆年利率為3.6%的貿易應付款項)減現金及現金等價物。

展望未來,本集團預期主要以來自經營活動的現金及借款撥付其未來營運及擴展計劃。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Foreign Exchange Risk

Certain transactions of the Group are denominated in currencies which are different from the functional currencies of the Group, namely, Hong Kong Dollars, and therefore the Group is exposed to foreign exchange risk. Payments made by the Group for the settlement of its purchases from suppliers are generally denominated in HKD, JPY, SGD, CNY and USD. Payments received by the Group from its customers are mainly denominated in HKD, MOP, SGD, CNY and USD.

The Group does not have a foreign currency hedging policy. However, the Group will continue to monitor closely its exposure to currency movement and take proactive measures.

Contingent Liabilities

As at 31 March 2020, the Group had no material contingent liabilities (as at 31 March 2019: Nil).

Material Acquisitions and Disposals of Subsidiaries and Associated Companies and Joint Ventures

On 10 May 2019, AP Rentals (China) Limited, a wholly-owned subsidiary of the Company, entered into an equity transfer agreement ("Equity Transfer Agreement") with Ajax Pong Construction Equipment Limited to acquire 100% equity interest in Ajax Pong (Shanghai) Limited* (the "Acquisition"), a company principally engaged in the construction equipment rental services business in the PRC since 2015. Completion of the Acquisition took place on 20 September 2019.

Significant Investments

As at 31 March 2020, the Group did not have any significant investments except the acquisition of AP Shanghai (formerly known as Ajax Pong (Shanghai) Limited*). The Group completed the acquisition of AP Shanghai on 20 September 2019. The principal business of AP Shanghai is provision of the construction equipment rental services in PRC. For further details of the acquisition and the financial impacts of AP Shanghai, please refer to the section headed "Material Acquisitions and Disposals of Subsidiaries and Associated Companies and Joint Venture" above and note 31 of the notes to consolidated financial statements below. For the investment strategies and future prospect of AP Shanghai, the Group is expected to (i) expand its business and diversify its income streams geographically; and (ii) expand its owned equipment fleet and customer base. The expansion into the PRC market, through AP Shanghai, will also enable the Group to capitalize on the national policies of the PRC government to develop the Guangdong-Hong Kong-Macao Greater Bay Area, which will bring along macroeconomic momentum and opportunities.

* For identification purposes only

財務回顧(續)

外匯風險

本集團若干交易用以計值的貨幣有別於本集團的功能貨幣(即港元),因此,本集團面臨外匯風險。本集團用以結算其向供應商購貨的付款一般以港元、日圓、新加坡元、人民幣及美元計值。本集團自客戶收取的付款主要以港元、澳門元、新加坡元、人民幣及美元計值。

本集團並無外匯對沖政策。然而,本集團將繼續密切監察其面對的貨幣變動風險及採取積極措施。

或然負債

於2020年3月31日,本集團並無重大或然負債(於2019年3月31日:無)。

附屬公司及聯營公司的重大收購及出售

於2019年5月10日,本公司全資附屬公司亞積邦租賃(中國)有限公司與亞積邦建設機械有限公司訂立股權轉讓協議(「股權轉讓協議」),以收購 Ajax Pong (Shanghai) Limited*100%的權益(「收購事項」),一間自2015年起主要於中國從事建設機械出租服務業務的公司。該收購於2019年9月20日完成。

重大投資

於2020年3月31日,除收購亞積邦上海(前稱 Ajax Pong (Shanghai) Limited*)外,本集團並無任何重大投資。本集團於2019年9月20日完成收購亞積邦上海。亞積邦上海的主要業務為在中國提供建築設備租賃服務。有關收購事項及亞積邦上海之財務影響之進一步詳情,請參閱上文「附屬公司及聯營公司以及合營企業的重大收購及出售」一節及下文綜合財務報表之附註所載的附註31。有關亞積邦上海之投資策略及未來前景,本集團預期(i)擴大其業務及使其收入來源地理多元化;及(ii)擴大其自置設備機組及客戶群。透過亞積邦上海拓展至中國市場將使本集團憑藉中國政府的國家政策,以發展能帶來宏觀經濟動力及機遇的粵港澳大灣區。

* 僅供識別

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Capital Commitments and Future Plans for Material Investments or Capital Assets

As at 31 March 2020, the Group had capital commitments of approximately HK\$1.0 million (as at 31 March 2019: nil).

After 31 March 2020, the Group entered into an agreement to purchase machines for rental purpose from KHK ("KHK Purchase"), which was in the amount of approximately HK\$5.5 million. The KHK Purchase will be funded by the Group's internal resources and the banking facilities.

Pledge of Assets

As at 31 March 2020, deposit placed for a life insurance policy of approximately HK\$2.8 million (as at 31 March 2019: approximately HK\$2.7 million), plant and machinery of approximately HK\$10.3 million as at 31 March 2020 (as at 31 March 2019: approximately HK\$8.7 million), and bank deposits of approximately HK\$0.4 million (as at 31 March 2019: approximately HK\$0.4 million) have been pledged to secure the Group's borrowings of approximately HK\$23.1 million (as at 31 March 2019: approximately HK\$2.5 million).

Human Resources and Employees' Remuneration

As at 31 March 2020, the Group had 120 employees (as at 31 March 2019: 115 employees), of which 112 employees were in Hong Kong (as at 31 March 2019: 106 employees), 4 employees were in Macau (as at 31 March 2019: 4 employees) and 4 employees were in Singapore (as at 31 March 2019: 5 employees). Employees' remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. The remuneration policy will be reviewed by the Board from time to time. In addition to basic remuneration, the Group also provides medical insurance, makes contributions to provident funds and provides other benefits to the employees. The total staff cost including remuneration, other benefits and contributions to retirement schemes for the directors of the Company and other staff of the Group for FY2020 amounted to approximately HK\$41.4 million (FY2019: approximately HK\$42.1 million). The decrease in staff cost was mainly due to the decrease in headcount of operators due to decrease of the demand of the market on operators.

The Group's technical staff attend seminars jointly conducted by manufacturers and the Group to acquire product knowledge to ensure they are equipped with the necessary skills and knowledge to perform their duties. Such seminars include training regarding the equipment structures, operational features, operator safety training and equipment repair. In addition to the training jointly conducted by manufacturers and the Group, the Group's technical staff also attend external training courses and obtain relevant certificates.

財務回顧(續)

有關重大投資及資本資產的資本承擔及未來計劃

於2020年3月31日，本集團資本承擔約1.0百萬港元(於2019年3月31日：零)。

於2020年3月31日後，本集團與金本香港簽署協議並購買機械作出租用途(「金本香港購買事項」)，其價值約為5.5百萬港元。本集團將透過內部資源及銀行融資為金本香港購買事項提供資金。

資產質押

於2020年3月31日，就壽險保單投放的存款約2.8百萬港元(於2019年3月31日：約2.7百萬港元)、於2020年3月31日約10.3百萬港元(於2019年3月31日：約8.7百萬港元)的機械及設備及約0.4百萬港元(於2019年3月31日：約0.4百萬港元)的銀行存款已抵押，用作本集團借款約23.1百萬港元(於2019年3月31日：約2.5百萬港元)的擔保。

人力資源及僱員薪酬

於2020年3月31日，本集團有120名僱員(於2019年3月31日：115名僱員)，其中112名僱員位於香港(於2019年3月31日：106名僱員)、4名僱員位於澳門(於2019年3月31日：4名僱員)及4名僱員位於新加坡(於2019年3月31日：5名僱員)。僱員薪酬待遇是參考市場資料及個人表現而釐定，將定期檢討。董事會不時檢討薪酬政策。在基本薪酬之外，本集團亦提供醫療保險、向公積金供款及為僱員提供其他福利。2020年財政年度的總員工成本(包括薪酬、其他福利及為本公司董事及本集團其他員工的退休計劃供款)約為41.4百萬港元(2019年財政年度：約42.1百萬港元)。員工成本減少，主要由於市場所需的操作員人手減少所致。

本集團的技術員工參加由生產商及本集團聯合舉辦的研討會，以獲得產品知識，確保彼等具備必要技能及知識履行職責。有關研討會包括設備結構的訓練、操作特點、操作員安全訓練及設備維修。除生產商與本集團聯合舉辦的訓練外，本集團的技術員工亦參加外部訓練課程，取得相關證書。

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

For the year ended 31 March

截至3月31日止年度

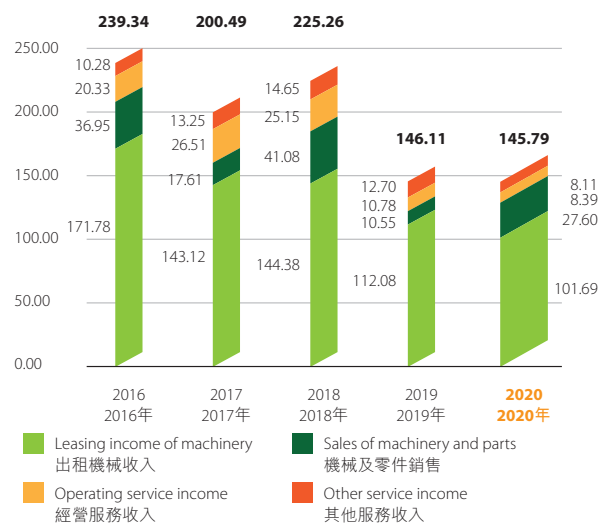
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元	2016 2016年 HK\$'000 千港元
Revenue	收益					
Leasing income of machinery	出租機械收入	101,691	112,086	144,383	143,121	171,777
Sales of machinery and parts	機械及零件銷售	27,594	10,549	41,081	17,612	36,957
Operating service income	經營服務收入	8,388	10,777	25,153	26,512	20,329
Other service income	其他服務收入	8,114	12,698	14,644	13,246	10,278
		145,787	146,110	225,261	200,491	239,341
Gross profit	毛利	16,090	26,164	57,246	46,391	76,828
Other income	其他收入	2,508	4,193	3,863	4,768	2,552
Other gains and (losses)	其他收益及(虧損)	4,965	5,250	8,363	1,956	494
Impairment loss recognised on property, plant and equipment	已確認物業、機械及設備減值虧損	(2,525)	-	-	-	-
Impairment losses recognised on lease receivables and trade receivables, net	已確認應收租賃款項及貿易應收款項減值虧損淨額	(5,600)	(1,181)	(1,210)	N/A 不適用	N/A 不適用
(Loss) profit before tax	除稅前(虧損)溢利	(21,806)	(2,382)	26,297	15,283	29,030
Income tax credit/(expense)	所得稅抵免/(開支)	2,127	(141)	(5,216)	(3,312)	(8,107)
(Loss) profit for the year	本年度(虧損)溢利	(19,679)	(2,523)	21,081	11,971	20,923
Per share data	每股資料					
(Loss) earnings per share — basic (HK cents)	每股(虧損)盈利 — 基本(港仙)	(2.28)	(0.29)	2.44	1.41	2.94
Financial ratios	財務比率					
Gross profit margin	毛利率	11.0%	17.9%	25.4%	23.1%	32.1%
Net (loss) profit margin	(淨虧損率)純利率	(13.5%)	(1.7%)	9.4%	6.0%	8.7%
Return on total assets	總資產回報率	(5.7%)	(0.8%)	6.3%	3.6%	7.5%
Return on equity	權益回報率	(8.9%)	(1.0%)	8.6%	5.1%	17.4%
Current ratio	流動比率	1.28	1.67	2.22	1.77	0.77
Assets and liabilities	資產及負債					
Total assets	總資產	344,909	332,056	333,666	334,856	279,071
Total liabilities	總負債	(124,154)	(91,511)	(87,492)	(101,424)	(158,579)
Total equity	總權益	220,755	240,545	246,174	233,432	120,492

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

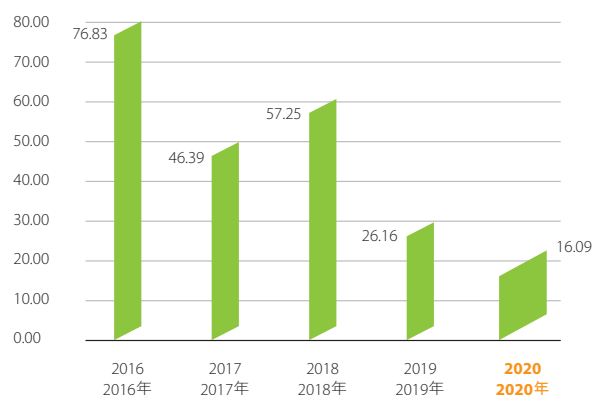
REVENUE (HK\$ Million)

收益(百萬港元)



GROSS PROFIT (HK\$ Million)

毛利(百萬港元)



(LOSS) PROFIT ATTRIBUTABLE TO OWNERS

(HK\$ Million)

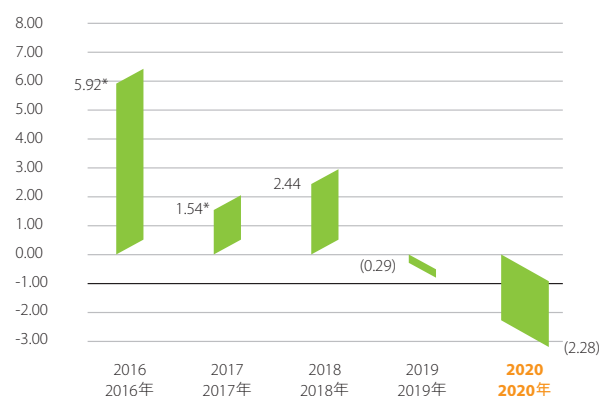
擁有人應佔(虧損)溢利(百萬港元)



(LOSS) EARNINGS PER SHARE

(HK cents)

每股(虧損)盈利(港仙)



* Underlying profit and total comprehensive income for the year ended 31 March 2017 and year ended 31 March 2016 ("FY2016") represent reported profit attributable to owners of the Company before deducting one-off listing expenses of approximately HK\$1.11 million for the year ended 31 March 2017 (FY2016: approximately HK\$21.27 million).

* 截至2017年3月31日止年度及截至2016年3月31日止年度(「2016年財政年度」)相關溢利及全面收益總額指於扣除截至2017年3月31日止年度一次性上市開支約1.11百萬港元(2016年財政年度:約21.27百萬港元)前的本公司擁有人應佔報告溢利。

FIVE YEAR FINANCIAL SUMMARY

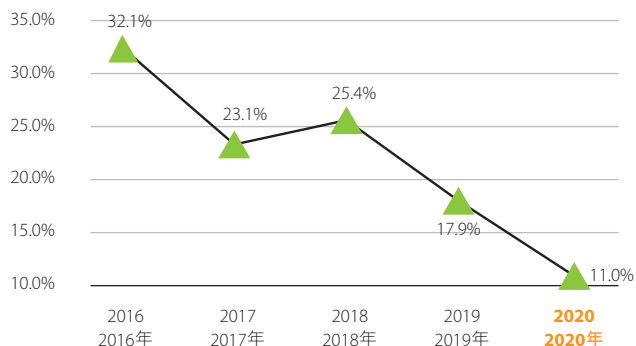
五年財務概要

FINANCIAL RATIOS

財務比率

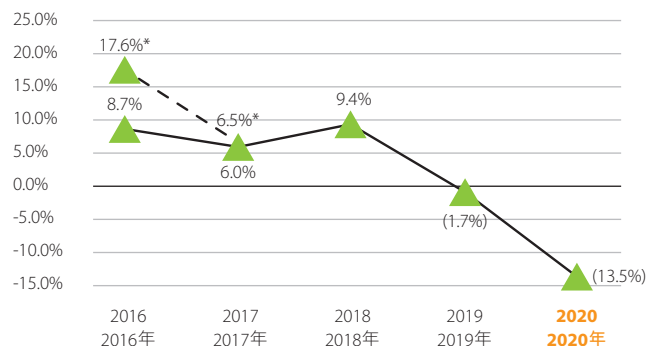
GROSS PROFIT MARGIN (%)

毛利率(%)



NET (LOSS) PROFIT MARGIN (%)

(淨虧損率) 純利率(%)



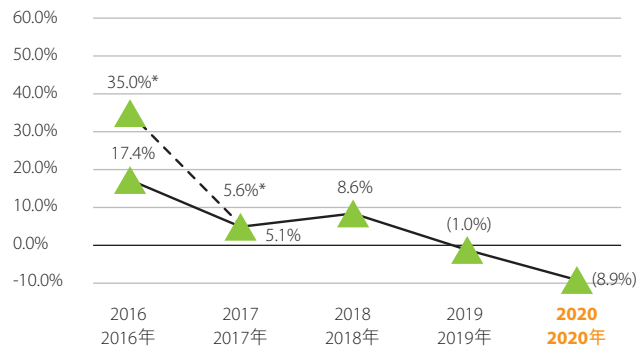
RETURN ON TOTAL ASSET (%)

總資產回報率(%)



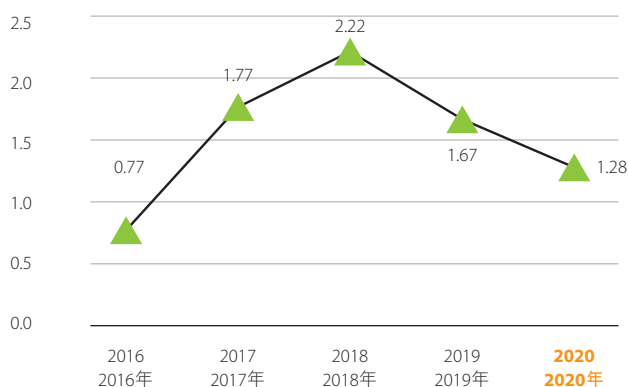
RETURN ON EQUITY (%)

權益回報率(%)



CURRENT RATIO (%)

流動比率(%)



* Underlying profit and total comprehensive income for the FY2017 and FY2016 represent reported profit attributable to owners of the Company before deducting one-off listing expenses of approximately HK\$1.11 million for FY2017 (FY2016: approximately HK\$21.27 million).

* 2017年財政年度及2016年財政年度相關溢利及全面收益總額指於扣除2017年財政年度一次性上市開支約1.11百萬港元(2016年財政年度：約21.27百萬港元)前的本公司擁有人應佔報告溢利。

DIRECTORS' REPORT

董事會報告

The Directors submit herewith their annual report together with the audited consolidated financial statements for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Group is principally engaged in the provision of equipment rental-related solutions and value-added services to customers. The principal activities of the Company's subsidiaries are set out in note 37 to the consolidated financial statements.

RESERVES

Details of movement in the reserves of the Group during the year are set out in the consolidated statement of change in equity on page 84.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 March 2020, distributable reserves of the Company amounted to approximately HK\$90.2 million (as at 2019: approximately HK\$109.9 million).

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2020 and the state of affairs of the Company and the Group as at 31 March 2020 are set out in the consolidated financial statements on pages 81 to 180 of this annual report.

The Board does not recommend the payment of a final dividend for the year ended 31 March 2020 (FY2019: nil).

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion of the Group's future business development are set out in the "Chairman's Statement" and the "Management Discussion and Analysis" section on pages 8 to 11 and on pages 12 to 23 of this annual report respectively.

董事謹此提呈其截至2020年3月31日止年度的年報及經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本集團主要從事為客戶提供設備出租相關解決方案及增值服務。本公司附屬公司的主要業務載於綜合財務報表附註37。

儲備

本年度本集團儲備變動的詳情載列於第84頁的綜合權益變動表。

本公司可供分派儲備

於2020年3月31日，本公司的可供分派儲備約為90.2百萬港元（於2019年：約109.9百萬港元）。

業績及分派

本集團截至2020年3月31日止年度的業績以及本公司及本集團於2020年3月31日的事務狀況載於本年報第81至180頁的綜合財務報表。

董事會不建議就截至2020年3月31日止年度派付末期股息（2019年財政年度：每股無派息）。

業務回顧

本集團於本年度的業務回顧及有關本集團未來業務發展的討論分別載於本年報第8至11頁的「主席報告」及第12至23頁的「管理層討論與分析」各節。

DIRECTORS' REPORT

董事會報告

RISKS RELATING TO OUR BUSINESS

The equipment rental industry is cyclical in general and its revenues are tied to general economic conditions and to conditions in the construction and electrical and mechanical engineering (“E&M” or “E&M engineering”) industry in particular. Our products and services are used primarily in construction projects which is cyclical and sensitive to changes in general economic conditions. Weakness in our end-markets, such as a decline in construction and E&M engineering activity, may decrease the demand for the Group’s equipment or the rental rates or prices that the Group can charge. Factors that may cause weakness in our end-markets include:

- (i) global economic recession due to the outbreak of COVID-19 since January 2020;
- (ii) increase in the cost of construction materials and labour costs;
- (iii) the possible increase of Sino-US tensions; and
- (iv) adverse changes in the government infrastructure spending.

Further description of possible capital risks and financial risks facing the Group are set out in note 29 and note 30 to the audited consolidated financial statements for the year ended 31 March 2020 and the section headed “**Management Discussion and Analysis — Foreign Exchange Risk**” on page 22 of this annual report.

An analysis of the Group’s performance during the year using financial key performance indicators is set out in the Group’s Five Year Financial Summary and the section headed “**Management Discussion and Analysis — Financial Review**” on pages 24 to 26 and on pages 17 to 23 of this annual report respectively. Particulars of important events affecting the Company that have occurred since the end of the financial year ended 31 March 2020, if any, can also be found in this section and the above sections of this annual report and notes to the consolidated financial statements.

與我們業務有關的風險

設備出租一般屬週期性行業，其收益與整體經濟狀況(尤其是建造及電子與機械工程(「機電」或「機電工程」)行業的狀況)息息相關。我們的產品及服務主要用於建設項目，而建設項目有其週期性，亦較易受整體經濟狀況改變的影響。我們的最終市場狀況轉弱，如建造及機電工程活動減少，可能使市場對本集團設備的需求或本集團可收取的出租費或價格下降。可導致我們最終市場狀況轉弱的因素包括：

- (i) 自2020年1月起因新冠病毒引起的環球經濟衰退；
- (ii) 建材及勞工成本上漲；
- (iii) 中美關係磨擦機會的增加；及
- (iv) 政府基建開支逆轉。

有關本集團可能面臨的資金風險及財務風險的進一步說明載於本年報所載截至2020年3月31日止年度的經審核綜合財務報表附註29及附註30以及第22頁的「**管理層討論與分析 — 外匯風險**」一節。

使用主要財務表現指標對本集團本年度表現所作分析分別載於本年報第24至26頁的本集團五年財務概要及第17至23頁的「**管理層討論與分析 — 財務回顧**」一節。自截至2020年3月31日止財政年度結束以來所發生影響本公司的重大事件(如有)詳情，亦可於本年報本節及上文所載章節及綜合財務報表附註查閱。

DIRECTORS' REPORT

董事會報告

ENVIRONMENTAL PROTECTION AND COMPLIANCE WITH LAWS AND REGULATIONS

The Group is committed to contributing to the sustainability of the environment. In terms of environmental friendliness, we have obtained the Quality Powered Mechanical Equipment (“QPME”) identification for most of our rental equipment to which the QPME system is applicable, and we have filed application for all our equipment which are subject to the Air Pollution Control (Non-road Mobile Machinery) (Emission) Regulation (Chapter 311Z of the Laws of Hong Kong) (the “NRMM” Regulation), and have obtained the NRMM label for most of such equipment.

Further details on (i) the Group’s environmental policies and performance; and (ii) the Group’s compliance with laws and regulations that have a significant impact on the Group will be set out in the “**Environmental, Social and Governance Report**”.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Environmental, Social and Governance Report of the Company prepared in accordance with Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) will be published within three months after the publication of the annual report of the Company.

RELATIONSHIP WITH KEY STAKEHOLDERS

The Group recognises that employees, customers and suppliers are keys to its sustainable development. The Group is committed to establishing a close and caring relationship with its employees, providing quality services to its customers and enhancing cooperation with its business partners. The Company provides a fair and safe workplace, promotes diversity to our staff, provides competitive remuneration and benefits and career development opportunities based on their merits and performance. The Group also puts ongoing efforts to provide adequate trainings and development resources to the employees so that they can keep abreast of the latest development of the market and the industry and, at the same time, improve their performance and self-fulfillment in their positions.

環保及遵守法律及規例

本集團致力為環境的可持續性作出貢獻。在環保方面，我們大部分適用於優質機動設備（「QPME」）制度的出租設備已取得QPME資格，而我們已為所有受香港法例第311Z章《空氣污染管制（非道路移動機械）（排放）規例》（「NRMM」規例）規管的設備遞交申請，當中有關大部分設備已取得NRMM標籤。

有關(i)本集團環境政策及表現；及(ii)本集團遵守對本集團有重大影響的法例及法規的進一步詳情將載於「環境、社會及管治報告」。

環境、社會及管治報告

根據香港聯合交易所有限公司證券上市規則（「上市規則」）附錄27編製的本公司環境、社會及管治報告將於本公司年報刊發後三個月內刊發。

與主要持份者的關係

本集團認識到僱員、客戶及供應商均為其持續發展的關鍵因素。本集團致力與僱員建立緊密關顧關係，為客戶提供優質服務，並加強與業務夥伴合作。本公司提供公平而安全的工作環境、提倡員工多元化、根據彼等的長處及表現提供具競爭力的薪酬及福利以及事業發展機會。本集團亦竭力為僱員提供充足培訓及發展資源，以使彼等可緊貼市場及行業的最新發展，與此同時改善於其職位上的表現及實現自我價值。

DIRECTORS' REPORT

董事會報告

RELATIONSHIP WITH KEY STAKEHOLDERS (Continued)

The Group provides a wide range of construction, E&M engineering and event and entertainment equipment, equipment rental-related solutions and value-added services to customers. The Group maintains good working relationships between the Group and the customers. The Group enhances the relationship by continuous interaction with customers to gain insight on the changing market demand for different products so that the Group can respond proactively.

The Group maintains sound business relationship with its suppliers and service providers. In order to have better and close monitoring of suppliers' performance, the Group's management conducts performance review regularly targeting the Group's major suppliers and service providers, and communicates with them for rectification and improvements.

FINANCIAL SUMMARY

A summary of the results and assets and liabilities of the Group for the last 5 financial years are set out on page 24 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL

Details of the movements in share capital of the Company during the year are set out in note 26 to the consolidated financial statements.

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

During the year ended 31 March 2020, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association ("**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.

與主要持份者的關係(續)

本集團為客戶提供各式各樣建築、機電工程及節目及娛樂設備、設備出租相關解決方案以及增值服務。本集團維持本集團與客戶之間的良好工作關係。本集團透過與客戶持續互動洞悉不同產品日益轉變的市場需求，使本集團能夠積極回應，藉此增強彼此關係。

本集團與其供應商及服務供應商維持穩健業務關係。為更有效及密切監察供應商的表現，本集團管理層定期檢討本集團主要供應商及服務供應商的表現，並與彼等溝通以期作出糾正及改善。

財務概要

本集團過去五個財政年度的業績以及資產及負債概要載於本年報第24頁。

物業、機械及設備

本集團本年度物業、機械及設備變動詳情載於綜合財務報表附註14。

股本

本公司本年度股本變動詳情載於綜合財務報表附註26。

購買、出售或贖回本公司的上市證券

於截至2020年3月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

優先購買權

本公司組織章程細則(「**細則**」)或開曼群島法律概無訂明有關優先購買權的條文，規定本公司須按比例向現有股東發售新股份。

CHARITABLE DONATIONS

No charitable donations were made by the Group during the year (FY2019: HK\$15,000).

SHARE OPTION SCHEME

To attract and retain the most suitable personnel for development of the Group, the Group has adopted the share option scheme (the “**Share Option Scheme**”) on 17 March 2016. Share options may be granted to eligible employees of the Group as a long-term incentive. From the date of the adoption of the Share Option Scheme and up to 31 March 2020, no share option has been granted or agreed to be granted under the Share Option Scheme.

1. Purpose of the Share Option Scheme

- (a) The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that Eligible Participants (as defined below) had made or may make to the Group.
- (b) The Share Option Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in the Company with the view to achieving the following principal objectives:
 - (i) motivate the Eligible Participants to optimise their performance and efficiency for the benefit of the Group; and
 - (ii) attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to the Group.
- (c) For the purpose of the Share Option Scheme, “**Eligible Participant**” means any person who satisfies the eligibility criteria in paragraph 2 below.

慈善捐款

本集團於本年度沒有慈善捐款。(2019財政年度：15,000港元)。

購股權計劃

為本集團發展而吸引及留聘最合適的人員，本集團於2016年3月17日採納購股權計劃（「**購股權計劃**」）。購股權可作為長期激勵授予本集團合資格僱員。自購股權計劃採納日期起至2020年3月31日止，並無根據購股權計劃授出或同意授出購股權。

1. 購股權計劃目的

- (a) 購股權計劃為股份獎勵計劃，設立該計劃旨在嘉許及酬謝曾經或可能會對本集團作出貢獻的合資格參與者（定義見下文）。
- (b) 購股權計劃將為合資格參與者提供機會收購本公司的資本權益，以達致以下主要目標：
 - (i) 鼓勵合資格參與者爭取最佳表現及效率，使本集團受益；及
 - (ii) 吸引及留聘或以其他方式維持與合資格參與者的持續業務關係，而彼等的貢獻有利於、將有利或預期有利於本集團。
- (c) 就購股權計劃而言，「**合資格參與者**」指符合下文第2段所述合資格標準的任何人士。

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEME (Continued)

2. Who may join and basis for determining eligibility

- (a) The Board may at its discretion grant options to: (i) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company ("**Affiliate**"); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.
- (b) In order for a person to satisfy the Board that he/she/it is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing his/her/its eligibility (or continuing eligibility).
- (c) Each grant of options to a connected person (as defined in the Listing Rules) of the Company, or any of his associates (as defined in the Listing Rules), must be approved in accordance with the requirements of the Listing Rules.
- (d) Should the Board resolve that a grantee fails/has failed or otherwise is/has been unable to meet the continuing eligibility criteria under the Share Option Scheme, the Company would (subject to any relevant laws and regulations) be entitled to deem any outstanding option or part thereof, granted to such grantee and to the extent not already exercised, as lapsed, subject to certain requirements (the details of which are set out in the section headed "**Share Option Scheme**" in Appendix IV of the prospectus of the Company dated 24 March 2016 (the "**Prospectus**")).

購股權計劃(續)

2. 參加資格及釐定資格的基準

- (a) 董事會可酌情向下列人士授出購股權：(i)本集團任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人或顧問或承包商或本集團擁有權益的公司或該公司的附屬公司（「**聯屬人士**」）；或(ii)以本集團任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人或顧問或承包商或聯屬人士為受益人的任何信託或以上述各方為全權受益人的任何全權信託的受託人；或(iii)本集團任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人、顧問或承包商或聯屬人士實益擁有的公司。
- (b) 為使董事會信納某位人士合資格為（或，如適用，繼續合資格為）合資格參與者，該人士須提供董事會可能要求作評估其是否合資格（或是否繼續合資格）用途的所有有關資料。
- (c) 向本公司關連人士（定義見上市規則）或彼等的任何聯繫人（定義見上市規則）授出購股權必須根據上市規則的規定獲批准。
- (d) 倘董事會議決承授人不符合／已經不符合或未能／已未能符合購股權計劃下的持續合資格標準，則本公司（受任何相關法律及法規規限）有權將已授予有關承授人的任何尚未行使購股權或其部份（以尚未行使者為限）視為失效，惟須受若干規定（有關詳情載於本公司日期為2016年3月24日的招股章程（「**招股章程**」）附錄四「**購股權計劃**」一節）規限。

SHARE OPTION SCHEME (Continued)

3. Maximum number of shares of the Company ("Shares") available for issue

- (a) The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes must not, in aggregate, exceed 30% of the issued share capital of the Company from time to time. No options may be granted under any schemes of the Company (including the Share Option Scheme) if this will result in the said 30% limit being exceeded.
- (b) The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes involving the issue or grant of options or similar rights over Shares or other securities by the Company shall not, in aggregate, exceed 10% of the issued share capital of the Company as at 8 April 2016 (the "Listing Date"), and such 10% limit represents 86,400,000 Shares. 86,400,000 Shares represents 10% of the total Shares in issue as at the date of this annual report.

4. The maximum entitlement of each participant under the Share Option Scheme

No option may be granted to any Eligible Participant which, if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of the options already granted or to be granted to such Eligible Participant under the Share Option Scheme (including exercised, cancelled and outstanding share options) in the twelve-month period up to and including the date of such new grant exceeding 1% in aggregate of the issued share capital of the Company as at the date of such grant. Any grant of further share options above this limit shall be subject to certain requirements provided under the Listing Rules.

5. Time of exercise of option

- (a) Subject to certain restrictions contained in the Share Option Scheme, an option may be exercised in accordance with the terms of the Share Option Scheme and the terms of grant thereof at any time during the applicable option period, which is not more than ten years from the date of grant of option.

購股權計劃 (續)

3. 可供發行的本公司股份(「股份」)數目上限

- (a) 根據購股權計劃及任何其他計劃授出而尚未行使的全部尚未行使購股權獲行使時可能發行的股份數目上限，合共不可超過本公司不時已發行股本30%。倘授出購股權將導致超過上述30%限額，則不可根據本公司任何計劃(包括購股權計劃)授出任何購股權。
- (b) 本公司根據購股權計劃以及涉及本公司發行或授出購股權或有關股份或其他證券的類似權利的任何其他購股權計劃而可能授出的購股權所涉及股份數目上限，合共不得超過本公司於2016年4月8日(「上市日期」)已發行股本的10%，上述10%限額相當於86,400,000股股份。86,400,000股股份相當於本年報日期已發行股份總數的10%。

4. 購股權計劃各參與者的最高配額

倘全面行使購股權將導致任何合資格參與者於直至該新授出當日(包括當日)止十二個月期間內因根據購股權計劃已獲授出或將獲授出的購股權(包括已行使、已註銷及尚未行使的購股權)獲行使時發行及將予發行的股份總數合共超過本公司於該授出當日的已發行股本的1%，則不得向該合資格參與者授出購股權。授出超出上述限額的任何額外購股權均須符合上市規則項下的若干規定。

5. 購股權行使時間

- (a) 於購股權計劃所載若干限制規限下，可於所適用購股權期間(即不超過授出購股權日期起計十年)隨時根據購股權計劃條款及有關授出購股權的條款行使購股權。

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEME (Continued)

5. Time of exercise of option (Continued)

- (b) There is no general requirement on the minimum period for which an option must be held or the performance targets which must be achieved before an option can be exercised under the terms of the Share Option Scheme. However, at the time of granting any option, the Board may, on a case by case basis, make such grant subject to such conditions, restrictions or limitations including (without limitation) those in relation to the minimum period of the options to be held and/or the performance targets to be achieved as the Board may determine in its absolute discretion.

6. Consideration for share options and the exercise price

On and subject to the terms of the Share Option Scheme, the Board shall be entitled at any time on a business day within ten years commencing on the effective date of the Share Option Scheme to offer the grant of an option to any Eligible Participant as the Board may in its absolute discretion select in accordance with the eligibility criteria set out in the Share Option Scheme. An offer shall be accepted when the Company receives the duly signed offer letter together with a non-refundable payment of HK\$1.00 (or such other sum in any currency as the Board may determine).

The exercise price for any Share under the Share Option Scheme shall be a price determined by the Board and notified to each grantee and shall be not less than the highest of (i) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a business day, (ii) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the relevant option and (iii) the nominal value of a Share on the date of grant. The exercise price shall also be subject to certain adjustments (the details of which are set out in the section headed "Share Option Scheme" in Appendix IV of the Prospectus).

購股權計劃(續)

5. 購股權行使時間(續)

- (b) 並無有關須持有購股權的最短期間或於根據購股權計劃的條款行使購股權前須達致的表現目標的一般規定。然而，董事會可於授出任何購股權時按個別情況授出有關購股權，惟須遵守有關條件、限制或規限(包括(但不限於)該等與董事會可能全權酌情釐定須持有購股權的最短期間及/或須達致的表現目標相關者)。

6. 購股權代價及行使價

根據及遵照購股權計劃條款，董事會將可於購股權計劃生效日期起計十年內的營業日隨時建議向任何合資格參與者(由董事會根據購股權計劃所載合資格條件全權甄選)授出購股權。當本公司接獲正式簽署的要約函件及不可退還款項1.00港元(或董事會可能釐定的任何貨幣數額)時，有關授出要約被視為已獲接納。

購股權計劃項下任何股份的行使價將由董事會釐定及通知各承授人，惟該價格不得低於以下各項的最高者：(i)於授出有關購股權日期(該日必須為營業日)在聯交所每日報價表所報股份收市價；(ii)相等於緊接授出有關購股權日期前五個營業日在聯交所每日報價表所報股份平均收市價的金額；及(iii)股份於授出日期的面值。行使價亦須作出若干調整(其詳情載於招股章程附錄四「購股權計劃」一節)。

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEME (Continued)

7. Remaining life of the Share Option Scheme

Options may be granted to Eligible Participants under the Share Option Scheme during the period of ten years commencing on the effective date of the Share Option Scheme. The remaining life of the Share Option Scheme is approximately five years and nine months as at the date of this annual report.

For further details of the Share Option Scheme, please refer to the section headed "Share Option Scheme" on pages IV-12 to IV-22 in Appendix IV to the Prospectus.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2020, the aggregate amount of revenue attributable to the Group's five largest customers are as follows:

The largest customer	8.2%
The five largest customers in aggregate	24.8%

The percentages of total purchases (defined as the sum of (i) the Group's total cost of sales less staff cost and depreciation and (ii) purchases of the Group's owned rental equipment) for the year attributable to the Group's major suppliers are as follows:

The largest supplier	38.1%
The five largest suppliers in aggregate	75.7%

At no time during the year did the Directors, their close associates or any shareholders of the Company, which to the best knowledge of the Directors, owned more than 5% of the Company's issued share capital, have any interest in any of the Group's five largest customers and suppliers except that Kanamoto (HK) Co., Ltd., which is a wholly owned subsidiary of Kanamoto Co., Limited, a company holding approximately 7.5% of the shares of the Company as at the date of this annual report. Kanamoto (HK) Co., Ltd. contributed to the supply of approximately 38.1% of total purchases of the Group and is one of the Group's five largest suppliers.

購股權計劃(續)

7. 購股權計劃的尚餘有效期

自購股權計劃生效當日起計十年期間內，可根據購股權計劃向合資格參與者授出購股權。於本年報日期，購股權計劃的尚餘有效期為約五年及九個月。

有關購股權計劃的進一步詳情，請參閱招股章程附錄四第IV-12至IV-22頁「購股權計劃」一節。

主要客戶及供應商

截至2020年3月31日止年度，本集團五大客戶的總收益如下：

最大客戶	8.2%
五大客戶合共	24.8%

本集團主要供應商於本年度所佔總採購額(定義為(i)本集團總銷售成本減員工成本及折舊與(ii)本集團採購自置出租設備的總和)百分比如下：

最大供應商	38.1%
五大供應商合共	75.7%

除 Kanamoto Co., Limited 的全資附屬公司金本(香港)有限公司於本年報日期持有本公司股份約7.5%外，於本年度任何時間概無董事、其緊密聯繫人或本公司任何股東(據董事所深知擁有本公司已發行股本5%以上)擁有本集團任何五大客戶及供應商的任何權益。金本(香港)有限公司的供應量佔本集團總採購量約38.1%，並為本集團五大供應商之一。

DIRECTORS' REPORT

董事會報告

DIRECTORS

The Directors during the year under review and up to the date of this annual report were:

Executive Directors

Lau Pong Sing (Chairman)
Chan Kit Mui, Lina

Non-executive Director

Nakazawa Tomokatsu

Independent non-executive Directors

Ho Chung Tai, Raymond
Siu Chak Yu
Li Ping Chi

Pursuant to Article 84 of the Articles, at each annual general meeting, one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

By virtue of Article 84 of the Articles, 2 Directors, namely Ms. Chan Kit Mui, Lina and Li Ping Chi, will retire from office at the 2020 AGM and, being eligible, will offer themselves for re-election.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 62 to 72 of this annual report.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the AGM has an unexpired service contract which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

董事

於回顧年度及直至本年報日期任職的董事為：

執行董事

劉邦成 (主席)
陳潔梅

非執行董事

中澤友克

獨立非執行董事

何鍾泰
蕭澤宇
李炳志

根據細則第84條，在每屆股東週年大會上，當時三分之一董事須輪值退任，惟每位董事須至少每三年於股東週年大會退任一次。

根據細則第84條，兩名董事（即陳潔梅女士及李炳志）將於2020年股東週年大會退任，並符合資格及願意重選連任。

董事及高級管理層的簡歷

董事及本集團高級管理層的簡歷詳情載於本年報第62至72頁。

董事的服務合約

擬於股東週年大會上重選連任的董事概無任何本公司不可在一年內不予賠償（法定賠償除外）的情況下終止的未到期服務合約。

DIRECTORS' REPORT

董事會報告

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

As at 31 March 2020, the interests or short positions of the Directors 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 Future Ordinance (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the directors and chief executive were deemed or taken to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be recorded in the register therein, or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules (the "Model Code") are as follows:

董事於股份、相關股份及債權證中的權益及淡倉

於2020年3月31日，董事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分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例該等條文視為或當作由董事及最高行政人員擁有的權益及淡倉)，或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益或淡倉如下：

Name of Director	Nature of Interest	Number of Shares	Approximate Percentage of Total Issued Shares (%)
董事姓名	權益性質	股份數目	佔已發行股份總數概約百分比(%)
Mr. Lau Pong Sing (Note 1, 2) 劉邦成先生(附註1、2)	Interest in a controlled corporation 受控法團權益	363,528,000 (L)	42.08%
	Interest of spouse 配偶權益	284,471,352 (L)	32.92%
Ms. Chan Kit Mui, Lina (Note 3, 4) 陳潔梅女士(附註3、4)	Interest in a controlled corporation 受控法團權益	284,471,352 (L)	32.92%
	Interest of spouse 配偶權益	363,528,000 (L)	42.08%

DIRECTORS' REPORT

董事會報告

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

(Continued)

Note 1: The Company was directly owned as to 42.08% by New Club House International Holdings Limited ("**New Club House**"). By virtue of his 100% shareholding in New Club House, Mr. Lau Pong Sing ("**Mr. Lau**") is deemed to be interested in the same number of Shares held by New Club House.

Note 2: Mr. Lau is the spouse of Ms. Chan Kit Mui, Lina ("**Ms. Chan**"). Under the SFO, Mr. Lau is deemed to be interested in the same number of Shares in which Ms. Chan is interested.

Note 3: The Company was directly owned as to 32.92% by Great Club House Holdings Limited ("**Great Club House**"). By virtue of her 100% shareholding in Great Club House, Ms. Chan is deemed to be interested in the same number of Shares held by Great Club House.

Note 4: Ms. Chan is the spouse of Mr. Lau. Under the SFO, Ms. Chan is deemed to be interested in the same number of Shares in which Mr. Lau is interested.

Save as disclosed above, to the best knowledge of the Directors, as at 31 March 2020, none of the Directors or chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

董事於股份、相關股份及債權證中的權益及淡倉(續)

附註1：本公司由New Club House International Holdings Limited (「**New Club House**」) 直接擁有42.08%權益。劉邦成先生(「**劉先生**」) 因擁有New Club House的100%股權而被視為於New Club House所持相同數目股份中擁有權益。

附註2：劉先生為陳潔梅女士(「**陳女士**」) 的配偶。根據證券及期貨條例，劉先生被視為於陳女士持有的相同數目股份中擁有權益。

附註3：本公司由Great Club House Holdings Limited (「**Great Club House**」) 直接擁有32.92%權益。陳女士因擁有Great Club House的100%股權而被視為於Great Club House所持相同數目股份中擁有權益。

附註4：陳女士為劉先生的配偶。根據證券及期貨條例，陳女士被視為於劉先生擁有權益的相同數目股份中擁有權益。

除上文所披露者外及據董事所盡悉，於2020年3月31日，本公司董事或主要行政人員概無於本公司或其相聯法團(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，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例的規定擁有或視為擁有的權益或淡倉)，或根據證券及期貨條例第352條須登記於該條所述登記冊或根據標準守則須知會本公司及聯交所的權益或淡倉。

DIRECTORS' REPORT

董事會報告

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

As at 31 March 2020, so far as the Directors are aware, the following persons (other than the directors or chief executive of the Company) were, directly or indirectly, interested in 5% or more of the shares or short positions in the shares and the underlying shares of the Company, which are required to be disclosed under provisions of Divisions 2 and 3 of Part XV of the SFO, or which will be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein, were as follows:

主要股東於股份及相關股份中的權益及淡倉

於2020年3月31日，據董事所知，以下人士（本公司董事或最高行政人員除外）直接或間接於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須作出披露或根據證券及期貨條例第336條須記入該條所述登記冊的5%或以上的股份權益或淡倉如下：

Name of Shareholders	Nature of Interest	Total Number of Shares Held	Approximate Percentage of the Issued Share Capital 佔已發行股本 概約百分比
股東名稱	權益性質	所持股份總數	
New Club House ¹ (Note 1)	Beneficial interest	363,528,000 (L)	42.08%
New Club House ¹ (附註1)	實益權益		
Great Club House ² (Note 2)	Beneficial interest	284,471,352 (L)	32.92%
Great Club House ² (附註2)	實益權益		
Kanamoto Japan ³ (Note 3)	Beneficial interest	64,800,648 (L)	7.50%
金本日本 ³ (附註3)	實益權益		

Note 1: It is directly wholly-owned by Mr. Lau Pong Sing. It is a controlling shareholder holding 363,528,000 shares of the Company.

附註1：其由劉邦成先生直接全資擁有。其為持有本公司363,528,000股股份的控股股東。

Note 2: It is directly wholly-owned by Ms. Chan Kit Mui, Lina. It is a controlling shareholder holding 284,471,352 shares of the Company.

附註2：其由陳潔梅女士直接全資擁有。其為持有本公司284,471,352股股份的控股股東。

Note 3: It is a shareholder holding 64,800,648 shares of the Company.

附註3：其為持有本公司64,800,648股股份的股東。

(L): Long position

(L): 好倉

¹ **"New Club House"**: New Club House International Holdings Limited, a company incorporated in the British Virgin Islands with limited liability on 8 June 2015.

¹ **「New Club House」**: New Club House International Holdings Limited, 於2015年6月8日在英屬處女群島註冊成立的有限責任公司。

² **"Great Club House"**: Great Club House Holdings Limited, a company incorporated in the British Virgin Islands with limited liability on 8 June 2015.

² **「Great Club House」**: Great Club House Holdings Limited, 於2015年6月8日在英屬處女群島註冊成立的有限責任公司。

³ **"Kanamoto Japan"**: Kanamoto Co., Ltd.* (株式会社力ナモト), a company incorporated in Japan on 24 September 1937.

³ **「金本日本」**: Kanamoto Co., Ltd.* (株式会社力ナモト), 於1937年9月24日在日本註冊成立的公司。

DIRECTORS' REPORT

董事會報告

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

(Continued)

Save as disclosed above, as at 31 March 2020, the Directors were not aware of any other corporation or individual (other than the Directors or chief executives of the Company) who had an interest or a short position in the Shares or underlying Shares of the Company as recorded in the register of interests required to be kept pursuant to Section 336 of the SFO.

PERMITTED INDEMNITY PROVISION

Article 164 of the Articles of Association of the Company provides, among other things, that the Directors and other officers shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses as a result of any act or failure to act in carrying out his/her functions. The Company has arranged appropriate Directors and officers liability insurance.

MANAGEMENT CONTRACTS

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

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme as set out in this annual report, no equity-linked agreements were entered into by the Group, or subsisted during the year ended 31 March 2020.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the section headed "Share Option Scheme" disclosed above, at no time during the year, the Company, its holding company or any of its subsidiaries was a party to any arrangements which would enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or its subsidiaries. Save as disclosed in this report, none of the Directors or any of their spouses or children under the age of 18 was granted any right to subscribe for the shares or debentures of the Company or its subsidiaries or had exercised any such right during the year.

主要股東於股份及相關股份中的權益及淡倉(續)

除上文所披露者外，於2020年3月31日，董事並不知悉任何其他公司或個人(本公司董事或行政總裁除外)於本公司股份或相關股份中擁有權益或淡倉而須記錄於根據證券及期貨條例第336條存置的權益登記冊內。

獲准彌償條文

本公司組織章程細則第164條規定(其中包括)董事及其他高級職員可就因履行其職務時的作為及不作為招致的所有訴訟、成本、收費、損失、損害及開支從本公司的資產及溢利獲得彌償及獲擔保免受損害。本公司已為董事及高級職員投設適當責任保險。

管理層合約

於本年度並無訂立或存在涉及本公司全部或任何重大部分業務的管理及行政的合約。

股權掛鈎協議

除本年報所載購股權計劃外，於截至2020年3月31日止年度，本集團並無訂立或存續任何股權掛鈎協議。

董事收購股份或債權證的權利

除上文「購股權計劃」一節披露者外，於本年度任何時間，本公司、其控股公司或其任何附屬公司概無訂立任何安排，使董事得以透過收購本公司或其附屬公司的股份或債權證獲利。除本報告披露者外，本年度概無董事或任何彼等的配偶或18歲以下的子女獲授任何權利以認購本公司或其附屬公司股份或債權證或已行使任何該等權利。

DIRECTORS' REPORT

董事會報告

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 March 2020, the Directors were not aware of any business or interest of the Directors and their respective associates that had competed or might compete with the business of the Group and any other conflicts of interests which any such person had or might have with the Group except those disclosed under the section headed **"Non-Competition Undertaking by Controlling Shareholders"**.

REMUNERATION POLICY

As at 31 March 2020, the Group employed a total of 120 employees. For the year ended 31 March 2020, the staff costs of the Group amounted to approximately HK\$41.4 million.

The remuneration policy of the employees of the Group is set up by the Board on the basis of their performance, qualifications, competence and job nature.

The remuneration of the Directors are recommended by the Remuneration Committee and are decided by the Board, having regard to the Group's operating results, individual performance and comparing with market conditions. The Company has adopted the Share Option Scheme as an incentive to eligible employees.

RETIREMENT SCHEME

The Group has established a Mandatory Provident Fund Scheme (the **"MPF Scheme"**) for its Hong Kong employees. The assets of the scheme are held separately in funds which are under the control of independent trustees. The retirement benefit scheme contributions charged to profit or loss represent contributions paid or payable by the Group to the scheme at 5% of each of the employees' monthly relevant income capped at HK\$30,000 per month.

The total costs charged to loss for the year of approximately HK\$1,474,000 (FY2019: approximately HK\$1,549,000), comprised approximately HK\$72,000 and HK\$1,402,000 (FY2019: approximately HK\$72,000 and HK\$1,477,000) in directors' emoluments and other staff costs respectively, and represented contributions paid or payable to the schemes by the Group in respect of the current accounting period. At the end of the reporting period, there were no forfeited contributions available to reduce future obligations.

董事於競爭業務的權益

於2020年3月31日，除「**控股股東的不競爭承諾**」一節披露者外，董事概不知悉彼等及彼等各自的聯繫人的任何業務或權益對本集團業務造成競爭或可能造成競爭，或任何該等人士與本集團存在或可能存在任何其他利益衝突。

薪酬政策

於2020年3月31日，本集團聘用合共120名僱員。截至2020年3月31日止年度，本集團的員工成本約為41.4百萬港元。

董事會按本集團僱員的表現、資格、能力及工作性質制定其薪酬政策。

董事薪酬由薪酬委員會提出建議，並由董事會經考慮本集團經營業績、個人表現及與市況比較後決定。本公司已採納購股權計劃，作為對合資格僱員的獎勵。

退休計劃

本集團已為其香港僱員設立強制性公積金計劃（「**強積金計劃**」）。該計劃的資產以獨立信託人監管的基金形式分開持有。於損益扣除的退休福利計劃供款為本集團按各僱員以每月30,000港元為上限的有關每月收入5%已付或應付該計劃的供款。

本年度於虧損扣除的總成本約為1,474,000港元（2019年財政年度：約1,549,000港元），包括董事酬金及其他員工成本分別約72,000港元及1,402,000港元（2019年財政年度：約72,000港元及1,477,000港元），相當於本集團就當前會計期間已付或應付的計劃供款。截至報告期末，並無沒收的供款可供減低未來供款責任。

DIRECTORS' REPORT

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, at least 25% of the Company's total issued share capital is held by the public as required under the Listing Rules.

CONFIRMATION OF INDEPENDENCE

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

DIRECTORS'/CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, no contracts of significance to which the Company or any of its subsidiaries was a party and in which any Director or Controlling Shareholders of the Company had a material interest, whether directly or indirectly, subsisted as at 31 March 2020 or during the year.

公眾持股量充足

根據本公司可獲取的公開資料及就董事所知悉，於本年報日期，上市規則所規定的本公司已發行股本總額至少25%由公眾人士持有。

確認獨立身分

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立身分所發出的年度確認函，並認為所有獨立非執行董事均屬獨立人士。

董事／控股股東於重大合約的權益

除本年報披露者外，於2020年3月31日或於本年度，概無存續任何由本公司或其任何附屬公司訂立且本公司任何董事或控股股東於當中直接或間接擁有重大權益的重大合約。

DIRECTORS' REPORT

董事會報告

USE OF NET PROCEEDS FROM IPO

The Company's shares have been listed on the Main Board of the Stock Exchange since 8 April 2016. The net proceeds from IPO of the Company (after deducting underwriting fee and relevant expenses) were approximately HK\$81.8 million. The following table sets forth the status of the use of proceeds from IPO as at 31 March 2020:

首次公開發售所得款項淨額用途

本公司股份自2016年4月8日起在聯交所主板上市。本公司首次公開發售所得款項淨額(扣除包銷費及相關開支後)約為81.8百萬港元。下表載列於2020年3月31日的首次公開發售所得款項使用情況：

		Net proceeds from IPO	Utilised up to 31 March 2020	Unutilised as at 31 March 2020
		首次公開發售 所得款項淨額	直至2020年 3月31日止 已動用款項	於2020年 3月31日 未動用款項
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Investment in rental equipment	出租設備投資	58,242	58,242	-
Development of GPS equipment monitoring system	發展全球衛星定位設備監察系統	8,507	3,627	4,880
Investment in transportation equipment	運輸設備投資	5,808	4,039	1,769
Improvement of facility for maintenance of the Group's equipment	就本集團設備保養改善設施	3,517	802	2,715
General working capital	一般營運資金	5,726	5,726	-
		81,800	72,436	9,364

The unutilised amounts of the net proceeds from IPO will be applied in such manner consistent with that mentioned in the Prospectus.

首次公開發售所得款項淨額的未動用款項將按招股章程所述方式應用。

DIRECTORS' REPORT

董事會報告

EVENTS AFTER THE REPORTING PERIOD

After 31 March 2020, the Group entered into an agreement to purchase machines for rental purpose from KHK, which was in the amount of approximately HK\$5.5 million. The KHK Purchase will be funded by the Group's internal resources and the banking facilities.

RELATED PARTY TRANSACTIONS

A summary of the significant related party transactions which were conducted in the ordinary course of business are set out in Note 35 to the consolidated financial statements.

None of the related party transactions set out in Note 35 to the consolidated financial statements constituted connected transactions/continuing connected transactions, or they constituted connected transactions/continuing connected transactions but were exempted from all disclosure and independent Shareholders' approval requirements under the Listing Rules.

DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 March 2020.

DIVIDEND POLICY

On 29 January 2019, the dividend policy was approved by the Board with details as set out below.

Provided that the Group is profitable and without affecting the normal operations of the Group, the Company may consider to declare and pay dividends to the Shareholders.

In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account various factors including but not limited to, (i) the cashflow of the Group, whether it is adequate for the Group to operate its daily operation; (ii) capital requirements of the Group; (iii) operating results and performance of the Group; (iv) the indebtedness of the Group; (v) the economic outlook; (vi) the compliance of any signed financial covenants of the Group; and (vii) the future prospects of the Group, as well as the interests of the Shareholders.

Declaration and payment of dividend by the Company are also subject to the laws of the Cayman Islands, the memorandum and articles of association of the Company and any applicable laws, rules and regulations (including but not limited to the Listing Rules).

For the avoidance of doubt, there can be no assurance that a dividend will be proposed or declared in any specific period.

報告期後事項

於2020年3月31日後，本集團與金本香港簽署協議並購買機械作出租用途，其價值約為5.5百萬港元。本集團將透過內部資源及銀行融資為金本香港購買事項提供資金。

關聯方交易

於日常業務過程中進行的重大關聯方交易概要載於綜合財務報表附註35。

綜合財務報表附註35所載的關聯方交易概無構成關連交易／持續關連交易，或已構成關連交易／持續關連交易但獲豁免遵守上市規則要求的所有披露及獨立股東批准規定。

股息

董事會不建議就截至2020年3月31日止年度派發末期股息。

股息政策

於2019年1月29日，股息政策已獲董事會批准，詳情載列如下。

在本集團有盈利且不影響本集團的正常營運的前提下，本公司可考慮向股東宣派及派付股息。

在決定是否建議派付股息及釐定股息金額時，董事會應考慮各種因素，包括但不限於(i)本集團的現金流量，是否足以讓本集團經營日常運作；(ii)本集團的資本要求；(iii)本集團的經營業績及表現；(iv)本集團的債務；(v)經濟前景；(vi)本集團任何已簽署金融契約的遵守情況；及(vii)本集團的未來前景以及股東的利益。

本公司宣派及派付股息亦須遵守開曼群島法例、本公司組織章程大綱及細則以及任何適用法律、規則及法規(包括但不限於上市規則)。

為免生疑問，概不能保證於任何特定期間內會建議派付或宣派股息。

DIRECTORS' REPORT

董事會報告

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the 2020 AGM, the register of members of the Company will be closed from 21 August 2020 to 26 August 2020 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2020 AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre 183 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. on 20 August 2020.

AUDITORS

The consolidated financial statements for the year ended 31 March 2020 have been audited by Messrs. Deloitte Touche Tohmatsu who will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Messrs. Deloitte Touche Tohmatsu as auditors of the Company is to be proposed at the 2020 AGM.

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

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

By order of the Board

LAU Pong Sing

Chairman and Executive Director
Hong Kong, 29 June 2020

暫停辦理股份過戶登記手續

為釐定有權出席2020年股東週年大會，並於會上投票的股東身分，本公司將於2020年8月21日至2020年8月26日（包括首尾兩日）暫停辦理股份過戶登記手續，期間不會進行任何本公司股份過戶登記。為確保有權出席2020年股東週年大會並於會上投票，所有過戶表格連同有關股票，須於2020年8月20日下午四時三十分前送達本公司的股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716號舖，以辦理登記手續。

核數師

於截至2020年3月31日止年度的綜合財務報表已由德勤·關黃陳方會計師行審核，該核數師將退任，惟符合資格並願意接受續聘。2020年股東週年大會上將提呈決議案，以續聘德勤·關黃陳方會計師行為本公司核數師。

對上市證券持有人的稅務寬減及減免

本公司並不知悉任何因持有本公司證券而提供予股東的稅務寬減或減免。

承董事會命

劉邦成

主席兼執行董事
香港，2020年6月29日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is pleased to present the corporate governance report of the Company for the year ended 31 March 2020.

CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of corporate transparency and accountability. The Company is committed in achieving a high standard of corporate governance and leading the Group to attain better results and improve its corporate image with effective corporate governance procedures.

During the year ended 31 March 2020, the Company has engaged an international consulting firm (the “**Consultant**”) to review and recommend appropriate actions so as to ensure that the Company is complying with the requirement of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) in relation to internal controls. A review on the Company’s corporate governance practices was conducted by the Consultant for FY2020, and the Company has been improving its corporate governance practices continuously with reference to the Consultant’s recommendations. Moreover, the Company has adopted its corporate governance practices which are reproduced from the code provisions in the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules.

During the year ended 31 March 2020, the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules (“**CG Code**”), save and except for the deviation from code provision A.2.1.

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The roles of chairman and chief executive officer of the Company are both performed by Mr. Lau Pong Sing. The Board believes that vesting of the roles of both chairman and chief executive officer in the same individual provides the Company with strong and consistent leadership, efficient usage of resources and allows for effective planning, formulation and implementation of the Company’s business strategies, which will enable the Company to sustain the development of its business efficiently.

董事會欣然提呈本公司截至2020年3月31日止年度的企業管治報告。

企業管治常規

本公司深明企業透明度及問責制度的重要性。本公司於致力達致高水平的企業管治同時，亦透過有效的企業管治程序帶領本集團取得更好的業績及提升企業形象。

於截至2020年3月31日止年度，本公司已委聘國際顧問公司（「顧問」）檢討及建議適當的措施，以確保本公司於內部監控方面符合香港聯合交易所有限公司證券上市規則（「上市規則」）的規定。於2020年財政年度，顧問已檢討本公司的企業管治常規，且本公司持續參照顧問的建議改善其企業管治常規。此外，本公司已採納其企業管治常規，該企業管治常規乃取自證券上市規則附錄14所載的企業管治守則及企業管治報告的守則條文。

於截至2020年3月31日止年度，本公司已遵守上市規則附錄14所載的企業管治守則（「企業管治守則」）的守則條文，惟偏離守則條文第A.2.1條之規定除外。

企業管治守則的守則條文第A.2.1條規定，主席及行政總裁的職位應分開及並非由同一人士擔任。本公司主席及行政總裁的角色均由劉邦成先生兼任。董事會相信，由同一人士兼任主席及行政總裁的角色可強勢及貫徹領導本公司，以及有效運用資源，並容許有效地計劃、制訂及推行本公司的業務策略，使本公司能繼續有效率地發展業務。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted The Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. The Company has made specific enquiries to all directors of the Company regarding any non-compliance with the Model Code.

All the directors of the Company confirmed that they have fully complied with the required standard set out in the Model Code during the year ended 31 March 2020.

RESPONSIBILITIES OF AND DELEGATION BY THE BOARD

The Board provides leadership and guidance to the Group’s activities and is responsible for formulating the overall strategies and determining the direction of future development of the Group. The Board oversees the Group’s operation and financial performance. The Board has delegated its powers to the management for the Group’s daily management and operations.

BOARD COMPOSITION

Currently, the Board comprises two executive Directors, one non-executive Director and three independent non-executive Directors. Since there are three independent non-executive Directors and at least one of the independent non-executive Directors possesses the appropriate professional accounting qualifications and financial management expertise, the Company has complied with the requirements under Rule 3.10 of the Listing Rules. Furthermore, the Company has complied with Rule 3.10A of the Listing Rules. The number of independent non-executive Directors represents more than one-third of the Board. As such, there exists a strong independent element in the Board, which can effectively exercise independent judgement. The Board comprises the following Directors:

遵守證券交易標準守則

本公司已採納上市規則附錄10所載的「上市發行人董事進行證券交易的標準守則」（「標準守則」）作為本公司董事進行證券交易的行為守則。本公司已就有否違反標準守則向本公司全體董事作出具體查詢。

本公司全體董事均確認，彼等於截至2020年3月31日止年度全面遵守標準守則所訂的標準。

董事會的職責及授權職責

董事會負責本集團業務的領導及指引，並負責制定整體策略及釐定本集團未來發展的方向。董事會監督本集團的營運及財務表現。董事會授予管理層處理本集團日常管理及營運事宜的權力。

董事會的組成

董事會現時由兩名執行董事、一名非執行董事及三名獨立非執行董事組成。由於共有三名獨立非執行董事及至少一名獨立非執行董事具備合適的專業會計資格及財務管理專業知識，故本公司已符合上市規則第3.10條的規定。此外，本公司已符合上市規則第3.10A條的規定。獨立非執行董事的數目佔董事會三分之一以上，因此，董事會具高度獨立性，能有效作出獨立判斷。董事會由以下董事組成：

CORPORATE GOVERNANCE REPORT

企業管治報告

EXECUTIVE DIRECTORS

Mr. Lau Pong Sing (劉邦成) (Chairman; Chief Executive Officer)

Ms. Chan Kit Mui, Lina (陳潔梅) (Chief Operating Officer)

NON-EXECUTIVE DIRECTOR

Mr. Nakazawa Tomokatsu (中澤友克)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ir Dr. Ho Chung Tai, Raymond (何鍾泰)

Mr. Siu Chak Yu (蕭澤宇)

Mr. Li Ping Chi (李炳志)

The Chairman and executive Director, Mr. Lau Pong Sing, is the spouse of Ms. Chan Kit Mui, Lina, an executive Director. The executive Directors, namely Mr. Lau Pong Sing and Ms. Chan Kit Mui, Lina, are interested in the shares of the Company through their interest in New Club House International Holdings Limited (“**New Club House**”) and Great Club House Holdings Limited (“**Great Club House**”) respectively (for details, please refer to the Prospectus). Instances of actual or potential conflict have been identified and minimised. Please refer to the “**Directors and Senior Management**”, “**Directors’ Report — Directors’ Interests and Short Positions in Shares, Underlying Shares and Debentures**” and “**Directors’ Report — Related Party Transactions**” on pages 62 to 72, pages 37 to 40 and page 44 in this annual report respectively for more details. Save as disclosed above, the Directors have no other financial, business, family or other material/relevant relationships with one another as at the date of this annual report.

Non-executive Director and Independent non-executive Directors

Coming from diverse business and professional backgrounds, the non-executive Director and the independent non-executive Directors of the Company have shared their valuable experiences to the Board for promoting the best interests of the Company and its shareholders. The non-executive Director and all of the independent non-executive Directors are appointed under an initial term of three years and are also subject to retirement by rotation in accordance with the articles of association of the Company (the “**Articles**”).

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each independent non-executive Director, a written confirmation of his independence to the Company pursuant to the requirements of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the relevant guidelines set out in Rule 3.13 of the Listing Rules.

執行董事

劉邦成先生(主席；行政總裁)

陳潔梅女士(營運總監)

非執行董事

中澤友克先生

獨立非執行董事

何鍾泰博士工程師

蕭澤宇先生

李炳志先生

主席兼執行董事劉邦成先生為執行董事陳潔梅女士的配偶。執行董事(即劉邦成先生及陳潔梅女士)透過彼等分別於New Club House International Holdings Limited(「**New Club House**」)及Great Club House Holdings Limited(「**Great Club House**」)的權益於本公司股份中擁有權益(有關詳情，請參閱招股章程)。已識別實際或潛在衝突情況，並已盡量減少有關情況。有關詳情，請參閱分別載於本年報第62至72頁的「**董事及高級管理層**」、第37至40頁的「**董事會報告 — 董事於股份、相關股份及債權證中的權益及淡倉**」以及第44頁的「**董事會報告 — 關聯方交易**」。除上文披露者外，於本年報日期，董事之間並無其他財務、商業、家族或其他重大／相關關係。

非執行董事及獨立非執行董事

為促進本公司及其股東的最佳利益，來自不同業務及專業背景之本公司非執行董事及獨立非執行董事已與董事會分享其寶貴經驗。非執行董事及全體獨立非執行董事的初步任期為三年，亦須根據本公司的組織章程細則(「**細則**」)輪值退任。

獨立非執行董事的獨立身分

本公司已接獲各獨立非執行董事根據上市規則規定發出的確認函，確認其獨立於本公司。按照上市規則第3.13條所載相關指引，本公司認為全體獨立非執行董事均屬獨立人士。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT

Each newly appointed Director was provided with the necessary induction, training and information to ensure that he/she has proper understanding of his/her responsibilities under the Listing Rules and the applicable laws, rules and regulations prior to his/her appointment. The Directors are encouraged to participate in continuous professional development courses and seminars to develop and refresh their knowledge and skills. The Company will continue to arrange and fund suitable training and regular seminars to provide Directors with updates on the latest developments and changes in the Listing Rules and other relevant legal and regulatory requirements from time to time.

During the year ended 31 March 2020, all Directors have attended training in connection with their responsibilities as a director of the Company, and the attendance of each of the Directors is set out in the table below:

董事的持續專業發展

各新委任董事均獲提供所需入職簡介、培訓及資料以確保其於委任前正確瞭解其於上市規則及適用法律、規則及規例項下的責任。董事獲鼓勵參與持續專業發展課程及研討會以增進及重溫其知識及技能。本公司將繼續安排及資助合適培訓及定期研討會，為董事提供有關上市規則及其他相關法律及監管規定不時的最新發展及變動的最新资讯。

於截至2020年3月31日止年度，全體董事均已出席有關彼等作為本公司董事所承擔職責的培訓，各董事出席記錄載於下表：

Name of Director 董事姓名		Attendance 出席
EXECUTIVE DIRECTORS		
執行董事		
Mr. Lau Pong Sing (劉邦成) (Chairman; Chief Executive Officer)	劉邦成先生 (主席；行政總裁)	✓
Ms. Chan Kit Mui, Lina (陳潔梅) (Chief Operating Officer)	陳潔梅女士 (營運總監)	✓
NON-EXECUTIVE DIRECTOR		
非執行董事		
Mr. Nakazawa Tomokatsu (中澤友克)	中澤友克先生	✓
INDEPENDENT NON-EXECUTIVE DIRECTORS		
獨立非執行董事		
Ir Dr. Ho Chung Tai, Raymond (何鍾泰)	何鍾泰博士工程師	✓
Mr. Siu Chak Yu (蕭澤宇)	蕭澤宇先生	✓
Mr. Li Ping Chi (李炳志)	李炳志先生	✓
X Not attended ✓ Attended		
X 未有出席 ✓ 已出席		

CORPORATE GOVERNANCE REPORT

企業管治報告

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

Each of the executive Directors has entered into a service agreement with the Company on 17 March 2016 for an initial term of three years commencing from 8 April 2016, and may be terminated pursuant to the respective terms of the service agreements. Mr. Nakazawa Tomokatsu, a non-executive Director, entered into a letter of appointment dated 14 December 2018 with the Company for an initial term of three years, and may be terminated pursuant to the terms of the letter of appointment.

In April 2019, each of the executive Directors has entered into a service agreement with the Company with no fixed term but may be terminated pursuant to the respective terms of the service agreement (including the termination by 3 months' prior notice in writing by either party to the service agreement). The basic directors' emoluments for Mr. Lau Pong Sing and Ms. Chan Kit Mui, Lina are HK\$2,808,000 for 12 months and HK\$2,304,000 for 12 months, respectively. In addition, each of the independent non-executive Directors, namely Mr. Li Ping Chi, Mr. Siu Chak Yu and Mr. Ho Chung Tai, Raymond, has entered into a letter of appointment with the Company for an initial term of three years and may be terminated pursuant to the respective terms of the letters of appointment. Each of Mr. Siu Chak Yu and Mr. Li Ping Chi, is entitled to a remuneration in the sum of HK\$21,000 per month. Mr. Ho Chung Tai, Raymond, is entitled to a remuneration in the sum of HK\$52,500 per month.

The procedures and process of appointment, re-election and removal of the Directors are governed by the Articles. Article 83(3) of the Articles provides that any director appointed by the Board to fill a casual vacancy in the Board shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company ("**AGM**") and shall then be eligible for re-election.

In accordance with Article 84 of the Articles, at each AGM, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to, but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at AGM at least once every three years. A retiring Director shall be eligible for re-election. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

董事委任、重選及免職

各執行董事已於2016年3月17日與本公司訂立服務協議，任期自2016年4月8日起初步為期三年，可根據服務協議的相應條款終止。非執行董事中澤友克先生於2018年12月14日與本公司簽訂委任狀，任期初步為期三年，可根據委任狀的條款終止。

於2019年4月，各執行董事與本公司訂立服務協議，該等協議並無固定任期，但可根據服務協議的相應條款終止(包括由服務協議其中一方發出三個月事先書面通知予以終止)。劉邦成先生及陳潔梅女士的基本董事酬金分別為每12個月2,808,000港元及每12個月2,304,000港元。此外，獨立非執行董事李炳志先生、蕭澤宇先生及何鍾泰先生，已各自與本公司訂立委任函，初步任期為期三年，可根據委任函的相應條款終止。蕭澤宇先生及李炳志先生各自有權收取酬金每月21,000港元，而何鍾泰先生有權收取酬金每月52,500港元。

董事委任、重選及免職的程序及過程受細則規管。細則第83(3)條規定，任何獲董事會委任以填補董事會臨時空缺的董事，任期僅直至其獲委任後本公司首次股東大會為止，並須於該大會上重選連任，而任何獲董事會委任以加入現有董事會的董事，任期僅直至本公司下屆股東週年大會(「**股東週年大會**」)為止，屆時將符合資格重選連任。

根據細則第84條，於每屆股東週年大會上，其時三分之一的董事(或倘董事人數並非三的倍數，則為最接近但不少於三分之一的人數)須輪值退任，惟每名董事須至少每三年在股東週年大會上退任一次。退任董事符合資格重選連任。輪值退任的董事須包括(在有需要確定輪值退任董事人數的情況下)有意退任及不願重選連任的任何董事。其餘退任董事應為自上次重選連任或獲委任以來任期最長並須輪值退任的其他董事，惟如有超過一名董事上次乃於同一日重選連任，則會以抽籤方式釐定退任者(除非彼等另行達成協議)。

CORPORATE GOVERNANCE REPORT

企業管治報告

At the last AGM held on Thursday, 29 August 2019, Mr. Lau Pong Sing, Mr. Nakazawa Tomokatsu and Mr. Siu Chak Yu have retired. Both of them have been re-elected as Directors of the Company at the last AGM.

BOARD MEETING

Pursuant to the CG Code provision A.1.1, the Board should meet regularly and board meetings should be held at least four times a year. The Board meets regularly to discuss and formulate the overall strategies as well as the operation and financial performance of the Group. Directors may participate in Board meetings either in person or through electronic means of communications.

If a director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the Director shall abstain from voting on the relevant resolutions and he/she shall not be counted in the quorum in the Board meeting discussing the matter concerned.

ATTENDANCE RECORD OF MEETINGS

During the year ended 31 March 2020, 9 Board meetings were held and 2 general meetings of the Company were held. Set out below are details of the attendance record of each Director at the Board meetings, committee meetings and general meetings held during the year ended 31 March 2020:

在本公司於2019年8月29日(星期四)舉行的上屆股東週年大會上，劉邦成先生、中澤友克先生、及蕭澤宇先生已告退任。彼等均已於上屆股東週年大會上重選連任為本公司董事。

董事會會議

根據企業管治守則條文第A.1.1條，董事應定期會面，而每年應舉行至少四次董事會會議。董事會定期會面以討論及制訂本集團整體策略以及營運及財務表現。董事可親自或透過電子通訊方式參與董事會會議。

倘董事於董事會將予考慮的某項事宜上存有利益衝突，而董事會認為該項利益衝突屬重大，則該名董事須於討論該項事宜的董事會會議上就相關決議案放棄投票，且不得計入法定人數。

會議出席記錄

於截至2020年3月31日止年度，董事會曾舉行9次會議及本公司曾舉行兩次股東大會。下文載列各董事出席於截至2020年3月31日止年度所舉行董事會會議、委員會會議及股東大會的記錄詳情：

Name of Director 董事姓名	Board Meeting 董事會會議	Meetings attended/Held 出席/舉行會議				General Meeting of the Company 本公司股東大會
		Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議		
EXECUTIVE DIRECTORS	執行董事					
Mr. Lau Pong Sing (劉邦成) (Chairman)	劉邦成先生(主席)	9/9	N/A 不適用	1/1	2/2	2/2
Ms. Chan Kit Mui, Lina (陳潔梅)	陳潔梅女士	9/9	N/A 不適用	N/A 不適用	N/A 不適用	2/2
NON-EXECUTIVE DIRECTOR	非執行董事					
Mr. Nakazawa Tomokatsu (中澤友克)	中澤友克先生	8/9	N/A 不適用	N/A 不適用	N/A 不適用	2/2
INDEPENDENT NON-EXECUTIVE DIRECTORS	獨立非執行董事					
Ir Dr. Ho Chung Tai, Raymond (何鍾泰)	何鍾泰博士工程師	9/9	9/9	N/A 不適用	N/A 不適用	2/2
Mr. Siu Chak Yu (蕭澤宇)	蕭澤宇先生	9/9	9/9	1/1	2/2	2/2
Mr. Li Ping Chi (李炳志)	李炳志先生	8/9	9/9	1/1	2/2	2/2

CORPORATE GOVERNANCE REPORT

企業管治報告

THE ANNUAL GENERAL MEETING

An AGM is an important forum in which the management of the Company can communicate with the shareholders. The last AGM was held on 29 August 2019 and the upcoming AGM will be held on 26 August 2020.

BOARD COMMITTEES

The Board has established the Audit Committee, the Nomination Committee and the Remuneration Committee (collectively the “**Board Committees**”). The Audit Committee, the Nomination Committee and the Remuneration Committee perform their distinct roles in accordance with their respective terms of reference which are available to shareholders on the websites of the Company and the Stock Exchange. The Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

AUDIT COMMITTEE

The Audit Committee was established on 17 March 2016, with specific written terms of reference in compliance with Rule 3.22 of the Listing Rules and paragraph C.3 of the CG Code. The Audit Committee comprises three members, all being independent non-executive Directors, namely, Dr. Ho Chung Tai, Raymond, Mr. Siu Chak Yu and Mr. Li Ping Chi (Chairman).

The primary responsibilities of the Audit Committee include, among others, making recommendations to the Board on the appointment and removal of the external auditor, reviewing the financial statements and material advice in respect of financial reporting and overseeing the internal control procedures of the Company.

The Company has complied with Rule 3.21 of the Listing Rules in that the Audit Committee must comprise a minimum of three members, at least one of whom is an independent non-executive Director who possesses appropriate professional qualifications or accounting or related financial management expertise as required in Rule 3.10(2) of the Listing Rules. The Audit Committee must be chaired by an independent non-executive director.

During the year ended 31 March 2020, 9 meetings of the Audit Committee were held to make recommendations to the Board as follows: (i) on the re-appointment of the auditor and to approve the engagement letter of the auditor; and (ii) advise the Board to engage the Consultant to provide advisory services about the internal controls system for FY2020. The Audit Committee also reviewed reports on continuing connected transactions every six months.

股東週年大會

股東週年大會是能讓本公司管理層與股東溝通的重要平台。上屆股東週年大會於2019年8月29日舉行，而應屆股東週年大會將於2020年8月26日舉行。

董事委員會

董事會已成立審核委員會、提名委員會及薪酬委員會(統稱「**董事委員會**」)。審核委員會、提名委員會及薪酬委員會按照各自的職權範圍履行其獨有職能，其職權範圍載於本公司網站及聯交所網站供股東查閱。董事委員會獲得充足資源履行職務，並可應合理要求，於適當情況下徵詢獨立專業意見，開支由本公司承擔。

審核委員會

審核委員會於2016年3月17日成立，並根據上市規則第3.22條及企業管治守則第C.3段制定其具體書面職權範圍。審核委員會由三名成員組成，彼等均為獨立非執行董事，即何鍾泰博士、蕭澤宇先生及李炳志先生(主席)。

審核委員會的主要職責包括但不限於就委任及罷免外聘核數師向董事會作出推薦建議、審閱財務報表及有關財務申報的重要意見，並監察本公司的內部監控程序。

本公司已遵守上市規則第3.21條，審核委員會必須由最少三名成員組成，且其中最少一名必須為擁有上市規則第3.10(2)條所規定的合適專業資格或會計或相關財務管理專業知識的獨立非執行董事。審核委員會的主席必須由獨立非執行董事出任。

於截至2020年3月31日止年度，審核委員會曾舉行九次會議，以就下列事項向董事會作出推薦建議：(i)續聘核數師並批准核數師的聘書；(ii)建議董事會委聘顧問提供有關2020年財政年度的內部監控制度的顧問服務。此外，審核委員會每六個月審閱有關持續關連交易的報告。

CORPORATE GOVERNANCE REPORT

企業管治報告

On 15 June 2020, a meeting was held to review the Company's continuing connected transactions. On 29 June 2020, a meeting was held to review the Group's financial statements for the year ended 31 March 2020. The Audit Committee is of the opinion that the financial statements of the Group for the year ended 31 March 2020 complied with the applicable accounting standards and the Listing Rules.

CORPORATE GOVERNANCE FUNCTION

The Audit Committee oversees the corporate governance functions of the Company. The responsibilities of the Audit Committee in relation to corporate governance functions are set out in the terms of reference of the Audit Committee. Upon the listing of the Company, the Audit Committee appointed the Consultant to perform a CG Code compliance review. The review covered the Company's terms of reference of board committees, corporate governance policies and practices, training and continuous professional development of the Directors and the senior management and disclosures in the Corporate Governance Report. The Consultant has provided certain recommendations on improving the Company's corporate governance practices, which the Company has adopted accordingly to ensure sound corporate governance practices.

NOMINATION COMMITTEE

The Nomination Committee was established on 17 March 2016, with specific written terms of reference in compliance with paragraph A.5 of the CG Code. The Nomination Committee comprises three members, being one executive Director, namely, Mr. Lau Pong Sing (Chairman), and two independent non-executive Directors, namely, Mr. Siu Chak Yu and Mr. Li Ping Chi. Accordingly, a majority of the members are independent non-executive Directors.

The primary responsibilities of the Nomination Committee include reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy and assessing the independence of independent non-executive Directors.

During the year ended 31 March 2020, 1 meeting of the Nomination Committee was held to review composition of board members.

於2020年6月15日舉行了一次會議審閱本公司的持續關連交易。於2020年6月29日舉行了另一次會議審閱本集團截至2020年3月31日止年度的財務報表。審核委員會認為本集團截至2020年3月31日止年度的財務報表符合適用會計準則及上市規則的規定。

企業管治職能

審核委員會監察本公司的企業管治職能。審核委員會有關企業管治職能的職責載於審核委員會的職權範圍。於本公司上市後，審核委員會委任顧問進行企業管治守則合規審查。審查涵蓋本公司董事委員會的職權範圍、企業管治政策及常規、董事及高級管理層的培訓和持續專業發展以及企業管治報告的披露事項。顧問已就改善本公司的企業管治常規提供若干推薦建議，而本公司已相應採納以確保企業管治常規穩健。

提名委員會

提名委員會於2016年3月17日成立，並根據企業管治守則第A.5段制定其具體書面職權範圍。提名委員會由三名成員組成，當中一名為執行董事（即劉邦成先生（主席））及兩名為獨立非執行董事（即蕭澤宇先生及李炳志先生）。因此，大多數成員為獨立非執行董事。

提名委員會的主要職責包括檢討董事會的架構、規模及組成（包括技能、知識及經驗方面），並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議及評核獨立非執行董事的獨立身分。

於截至2020年3月31日止年度，提名委員會曾舉行一次會議，以檢討董事會成員的組成。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE

The Remuneration Committee was established on 17 March 2016, with specific written terms of reference in compliance with Rule 3.26 of the Listing Rules and paragraph B.1 of the CG Code. The Remuneration Committee comprises three members, being one executive Director, namely, Mr. Lau Pong Sing, and two independent non-executive Directors, namely, Mr. Siu Chak Yu (Chairman) and Mr. Li Ping Chi. Accordingly, a majority of the members are independent non-executive Directors.

The primary responsibilities of the Remuneration Committee include, among others, (i) making recommendations to the Board on the policy and structure for all remuneration of the Directors and senior management and on the establishment of a set of formal and transparent procedures for developing policies on such remuneration; (ii) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; and (iii) making recommendations to the Board on the remuneration packages of executive Directors and members of senior management.

During the year ended 31 March 2020, 2 meetings of the Remuneration Committee were held (i) to review the remuneration package of the individual executive Directors, individual independence non-executive Directors and senior management and the staff of the Group and to make recommendations to the Board on such remuneration packages.

薪酬委員會

薪酬委員會於2016年3月17日成立，並根據上市規則第3.26條及企業管治守則第B.1段制定其具體書面職權範圍。薪酬委員會由三名成員組成，當中一名為執行董事（即劉邦成先生）及兩名為獨立非執行董事（即蕭澤宇先生（主席）及李炳志先生）。因此，大多數成員為獨立非執行董事。

薪酬委員會的主要職責其中包括(i)就有關董事及高級管理層一切薪酬的政策及架構以及就制定有關薪酬的政策設立一套正式及透明的程序向董事會作出推薦建議；(ii)根據董事會的企業目標及宗旨，就管理層的薪酬建議進行審閱及批准；及(iii)就執行董事及高級管理層成員的薪酬方案向董事會作出推薦建議。

於截至2020年3月31日止年度，薪酬委員會曾舉行兩次會議，以(i)審閱個別執行董事、個別獨立非執行董事、高級管理層及本集團員工的薪酬方案，並就有關薪酬方案向董事會作出推薦建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION OF THE MEMBERS OF THE SENIOR MANAGEMENT BY BAND

Pursuant to Code Provision B.1.5 of the CG Code, details of the annual remuneration of the senior management of the Company then in office by band for the year ended 31 March 2020 are as follows:

Number of individuals

Remuneration band 薪酬組別		Number of individuals 人數
Nil to HK\$1,000,000	零至 1,000,000 港元	3
HK\$2,500,001 to HK\$3,000,000	2,500,001 港元至 3,000,000 港元	2
Total	總計	5

Details of the remuneration of each Director for the year ended 31 March 2020 are set out in note 11 to the consolidated financial statements.

OTHER COMMITTEES

A Risk Management Committee under the management of the Company has been established. The Risk Management Committee comprises three members, being two executive Directors, namely, Mr. Lau Pong Sing and Ms. Chan Kit Mui, Lina, and one senior staff member of the Company, namely Mr. Wong Cheuk Man. The primary responsibilities of the Risk Management Committee are to deliberate risk management related policies and procedures, review the effectiveness of risk management activities and handle issues of emergency.

During the year ended 31 March 2020, 1 meeting was held to review the risks of the Company due to the outbreak of the COVID-19. The Group has then implemented a series of policies to protect the staff, including working from home and provision of necessary sanitizing products.

BOARD DIVERSITY POLICY

The Board has a board diversity policy (which was revised on 29 January 2019). The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. Diversity of Board members can be achieved through consideration of a number of factors, including but not limited to gender, age, cultural background and ethnicity, in addition to educational background, professional qualifications, industry and regional experience, skills, knowledge and length of service. All the Board appointments will be based on meritocracy, and candidates will be considered against appropriate criteria, having due regard for the benefits of diversity on the Board.

高級管理層按組別劃分的薪酬

根據企業管治守則守則條文第B.1.5條，於截至2020年3月31日止年度，本公司當時在任的高級管理層按組別劃分的年度薪酬詳情如下：

人數

各董事於截至2020年3月31日止年度的薪酬詳情載於綜合財務報表附註11。

其他委員會

在本公司的管理下已成立風險管理委員會。風險管理委員會由三名成員組成，當中兩名為執行董事（即劉邦成先生及陳潔梅女士）及一名為本公司高級員工（即王卓敏先生）。風險管理委員會的主要職責為商討風險管理相關政策及程序、檢討風險管理活動的成效，並處理突發事件。

於截至2020年3月31日止年度，本公司曾舉行一次會議以檢討本公司因新冠病毒的發生而面對的風險。本集團往後已推行一系列政策，包括提供必要的消毒用品及在家工作安排。

董事會多元化政策

董事會已制定董事會多元化政策（於2019年1月29日經修訂）。本公司明白並深信董事會成員多元化對提升本公司表現質素裨益良多。透過考慮多項因素可達致董事會成員多元化，該等因素包括但不限於性別、年齡、文化背景及種族，以及教育背景、專業資格、行業及地區經驗、技能、知識及服務年期。所有董事會作出的任命均基於用人唯才原則，考慮人選時將按適當準則，並充分顧及董事會多元化的裨益。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTOR NOMINATION POLICY

1. Purpose and objectives

On 29 January 2019, the director nomination policy (the “Policy”) was approved by the Board with details as set out below:

- 1.1 The Policy sets out the procedures and criteria to be adopted by the Nomination Committee of the Company in relation to the selection, appointment and reappointment of the Directors.
- 1.2 The Policy aims at ensuring that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business.

2. Selection criteria

The Nomination Committee shall consider the following factors (“Selection Criteria”) when nominating potential candidates for the appointment and reappointment of Directors:

- whether the individual’s educational background and qualification, skills and experience are relevant to the Company’s business model and specific needs;
- the individual’s character and reputation for integrity;
- whether the individual would be able to devote sufficient time to the Board;
- (in respect of appointment and reappointment of independent non-executive Directors) independence of the individual with reference to the independence criteria set out in Rule 3.13 of the Listing Rules;
- how the individual would be able to contribute to the diversity of the Board with reference to the factors set out in the Board Diversity Policy of the Company from time to time in force; and
- Board succession planning considerations.

董事提名政策

1. 宗旨及目標

於2019年1月29日，董事提名政策（「該政策」）已獲董事會批准，詳情載列如下：

- 1.1 該政策載列本公司提名委員會就甄選、委任及及重新委任董事時所採用的程序及準則。
- 1.2 該政策旨在確保董事會因應本公司業務發展而適切具備均衡技能、經驗及多樣的觀點。

2. 甄選標準

於提名委任及重新委任董事的潛在候選人時，提名委員會應考慮以下因素（「甄選標準」）：

- 該人士的教育背景及資格、技能及經驗是否與本公司的業務模式及具體需求相關；
- 該人士的品格及誠信聲譽；
- 該人士是否能夠為董事會投入足夠的時間；
- 參考上市規則第3.13條所載的獨立性標準，（就委任及重新委任獨立非執行董事而言）考慮該人士的獨立性；
- 參考本公司不時生效的董事會成員多元化政策所載的因素，考慮該人士如何為董事會多元化作出貢獻；及
- 董事會的繼任計劃考慮因素。

CORPORATE GOVERNANCE REPORT

企業管治報告

3. Procedures and process for nomination of Directors

- 3.1 The Board or the Nomination Committee shall deploy such channel(s) for identifying suitable director candidates as it deems appropriate, including but not limited to referrals from existing Directors, Shareholders, advisers and third party agency firms and advertisements.
- 3.2 The Nomination Committee shall adopt such process as it deems appropriate in evaluating the suitability of the potential candidates, such as interviews, background checks and third party reference checks, and select or make recommendations to the Board on the selection of individuals to be nominated for directorships based on the Selection Criteria.
- 3.3 The ultimate responsibility for the selection and appointment of Directors shall rest with the Board.

NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

Mr. Lau Pong Sing, Ms. Chan Kit Mui, Lina, New Club House and Great Club House (collectively the **“Controlling Shareholders”**), have entered into a deed of non-competition dated 18 March 2016 (**“Deed of Non-competition”**) with the Company, pursuant to which the Controlling Shareholders of the Company have irrevocably undertaken to the Company that he/she/it would not, and would procure that his/her/its close associates (except any members of the Group) would not, during the restricted period, directly or indirectly, either on his/her/its own account or in conjunction with or on behalf of any person, firm or company, among other things, carry on, participate or be interested or engaged in or acquire or hold (in each case whether as shareholder, director, partner, agent, employee or otherwise, and whether for profit, reward or otherwise) any business which is or may be in competition with the business currently carried on or contemplated to be carried on by any member of the Group (save and except for certain residual contracts of which shall be terminated upon their respective expiry dates (the details of which are set out in the Prospectus)). Details of the Deed of Non-competition are set out in the section headed **“Relationship with Controlling Shareholders”** of the Prospectus. The Company entered into the supplemental deed on 10 May 2019 (**“Supplemental Deed”**) with the Controlling Shareholders to amend the Deed of Non-competition. Pursuant to the Supplemental Deed, the geographic coverage under the definition of **“Restricted Business”** (as defined in the Deed of Non-competition) and the undertaking given by the Controlling Shareholders will be expanded to include the PRC. The details of the transaction were set out in the announcement of the Company dated 10 May 2019 and the circular of the Company dated 3 June 2019, respectively.

3. 提名董事的程序及過程

- 3.1 董事會或提名委員會應在其認為適當的情況下透過各種途徑物色合適的董事人選，包括但不限於由現任董事、股東、顧問以及第三方代理公司及廣告商轉介。
- 3.2 於評估潛在候選人的合適性時，提名委員會應採用其認為適當的程序，例如面試、背景審查及第三方資歷查核，並根據甄選標準，甄選提名擔任董事職位的人選或就其甄選向董事會提供推薦建議。
- 3.3 甄選及委任董事的最終責任由董事會負責。

控股股東的不競爭承諾

劉邦成先生、陳潔梅女士、New Club House 及 Great Club House (統稱**「控股股東」**)已與本公司訂立日期為2016年3月18日的不競爭契據(**「不競爭契據」**)據此，本公司控股股東已不可撤回地向本公司承諾，於受限制期間內，將不會並促使其緊密聯繫人(本集團任何成員公司除外)不會自行或連同或代表任何人士、商號或公司，直接或間接(其中包括)進行、參與或擁有權益或從事或收購或持有(不論是否以股東、董事、合夥人、代理、僱員或其他身分，亦不論為溢利、回報或其他原因)任何足以或可能對本集團任何成員公司目前所從事或擬從事的業務構成競爭的任何業務(惟於其各自屆滿日期終止的若干餘下合約除外(其詳情載於招股章程))。有關不競爭契據的詳情載於招股章程**「與控股股東的關係」**一節。本公司已於2019年5月10日與控股股東訂立補充契據(**「補充契據」**)，以修訂不競爭契據。根據補充契據，**「受限制業務」**(定義見不競爭契據)釋義下地理範圍及控股股東作出的承諾將擴大至包括中國。交易的詳情分別載於本公司日期為2019年5月10日的公告及本公司日期為2019年6月3日的通函。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Supplemental Deed and the rights and obligations thereunder are conditional upon (i) the independent shareholders of the Company having approved the Supplemental Deed and the rights and obligations thereunder at a general meeting of the Company as required by and in accordance with the Listing Rules; and (ii) the completion of the transactions contemplated under the Equity Transfer Agreement. The Supplemental Deed and the transactions contemplated thereunder were approved at an extraordinary general meeting of the Company on 25 June 2019. Completion of the Acquisition took place on 20 September 2019.

Each of the Controlling Shareholders has provided confirmation(s) in respect of compliance with his/her/its undertaking (i) under the Deed of Non-competition dated 18 March 2016 during the period from 1 April 2019 to 19 September 2019; and (ii) under the Deed of Non-competition (as amended and supplemented by the Supplemental Deed) during the period from 20 September 2019 to 31 March 2020.

The independent non-executive Directors have reviewed the status of compliance by each of the Controlling Shareholders of the terms of the Deed of Non-competition (and in the case of the period from 20 September 2019 to 31 March 2020, the Deed of Non-competition (as amended and supplemented by the Supplemental Deed)) and were satisfied that each of the Controlling Shareholders has complied with his/her/its undertaking during the year ended 31 March 2020.

EXTERNAL AUDITORS' REMUNERATION

For the year ended 31 March 2020, the remunerations paid or payable to the external auditors in respect of its audit services and non-audit services provided to the Group were approximately HK\$1.9 million and HK\$0.6 million, respectively. The non-audit services consist of taxation, internal control advice and other services.

DIRECTORS' AND AUDITOR'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company and of the Group for the year ended 31 March 2020. The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 73 to 80.

補充契據及其項下的相關權利及法律約束以下述兩項為前提：(i) 本公司的獨立股東已遵守上市規則的要求，於本公司股東大會上批准補充契據及其項下的相關權利及法律約束；(ii) 完成股權轉讓協議項下擬進行的交易。補充契據及其項下擬進行的交易於2019年6月25日特別召開的股東大會上獲批准，並於2019年9月20日完成收購手續。

各控股股東已於2016年3月18日(i) 就遵守2019年4月1日至2019年9月19日期間於不競爭契據項下的承諾提供確認函；(ii) 就遵守2019年9月20日至2020年3月31日期間於(已由補充契據修訂及補充)的不競爭契據下的承諾提供確認函。

獨立非執行董事已審閱各控股股東遵守不競爭契據(及2019年9月20日至2020年3月31日期間(已由補充契據修訂及補充)的不競爭契據)條款的情況，並信納各控股股東於截至2020年3月31日止年度已遵守其於不競爭契據項下的承諾。

外聘核數師薪酬

於截至2020年3月31日止年度，就外聘核數師向本集團提供審核服務及非審核服務而已付或應付外聘核數師的薪酬分別約為1.9百萬港元及0.6百萬港元。非審核服務包括稅務、內部監控意見及其他服務。

董事及核數師就財務報表的責任

董事確認彼等編製本公司及本集團截至2020年3月31日止年度財務報表的責任。董事並不知悉任何重大不確定因素與可能對本公司持續經營能力構成重大疑問的事件或情況相關。本公司獨立核數師有關彼等對財務報表的申報責任所作聲明載於第73至80頁的獨立核數師報告。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Group has established a risk management framework, which consists of the Board of Directors, the Audit Committee and the Risk Management Committee. The Board of Directors determines the nature and extent of risks that shall be taken in achieving the Group's strategic objectives, and has the overall responsibility for monitoring the design, implementation and the overall effectiveness of risk management and internal control systems.

The Group has formulated and adopted Risk Management Policy in providing direction in identifying, evaluating and managing significant risks. At least on an annual basis, the Risk Management Committee identifies risks that would adversely affect the achievement of the Group's objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners are then established and assigned for those risks considered to be significant.

The Board is responsible for maintaining and reviewing the effectiveness of the Group's internal control system. The internal controls are designed to meet the Group's particular needs and to minimise the risks to which the Group is exposed, and are designed to manage rather than eliminate the risks to achieve business objectives of the Group, and can only provide reasonable but not absolute assurance against misstatements or losses.

The Company does not have an internal audit function. During the year ended 31 March 2020, the Company engaged the Consultant to review the effectiveness of certain of the Group's internal controls system. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board of Directors on a timely basis to ensure prompt remedial actions are taken. Results of internal controls review are reported to the Audit Committee and the Board at least once a year. During the year under review, the Consultant has issued the internal controls report ("**IC Report**") to the Audit Committee and the Board. The Board has adopted the advice made in the IC Report and has continuously improving its corporate governance practices with reference to the Consultant's recommendations.

As a result of the above review, the Board confirms that the Group's risk management and internal control systems are adequate and effective and have complied with the CG Code provisions on risk management and internal control throughout the year ended 31 March 2020.

風險管理及內部監控制度

本集團已設立風險管理架構，由董事會、審核委員會及風險管理委員會組成。董事會釐定為達致本集團策略目標所須承擔風險的性質與範圍，且須整體負責監視風險管理及內部監控制度的設計、實施及整體成效。

本集團已制訂並採納風險管理政策，為識別、評估及管理重大風險提供方向。風險管理委員會至少每年識別將對達致本集團目標構成不利影響的風險，並根據一套標準準則，然後就該等被視為重大的風險制訂風險緩解計劃及委派風險負責人。

董事會負責維持並檢討本集團內部監控制度的成效。內部監控旨在滿足本集團的特定需要及盡量減低本集團所承受的風險，並旨在管理而非消除風險，以達致本集團的業務目標，且僅可就錯誤陳述或虧損提供合理而非絕對的保證。

本公司並無內部審核職能。於截至2020年3月31日止年度，本公司委聘顧問檢討本集團若干內部監控制度的成效。顧問已識別有關設計及實施內部監控方面的不足並提供建議改善的推薦建議。有關內部監控的重大不足之處均及時向審核委員會及董事會匯報，以確保從速採取補救行動。每年至少向審核委員會及董事會匯報一次有關內部監控的檢討結果。於回顧年度，顧問已向審核委員會及董事會發出內部監控報告（「**內部監控報告**」），董事會已採納內部監控報告中的建議，並已持續參照顧問的建議改善其企業管治常規。

鑑於上述審閱，董事會確認本集團的風險管理及內部監控制度為足夠及有效，且於截至2020年3月31日止整個年度一直遵守有關風險管理及內部監控的企業管治守則規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

PROCEDURES AND INTERNAL CONTROLS FOR THE HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Group complies with requirements of the Securities & Futures Ordinance (“SFO”) and the Listing Rules. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensure that information contained in announcements are not false or misleading as to a material fact, or false or misleading through the omission of a material fact. The Group is committed to ensure that information contained in announcements is presented in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

處理及發佈內幕消息的程序及內部監控

本集團符合證券及期貨條例(「證券及期貨條例」)及上市規則的規定。本集團在合理可行情況下盡快向公眾披露內幕消息，除非有關消息屬證券及期貨條例所訂明任何「安全港」範圍則作別論。向公眾全面披露消息前，本集團確保信息絕對保密。倘本集團相信無法維持所須必要保密程度或消息可能外洩，本集團將立即向公眾披露消息。本集團致力確保公告所載消息對於重大事實不構成虛假或誤導，或不因遺漏重大事實而導致虛假或誤導。本集團致力確保公告所載消息以清晰持平方式呈列，而就此須就正面及負面事實作出同等披露。

60

COMPANY SECRETARY

The role of the company secretary of the Company (“**Company Secretary**”) is performed by Mr. Wong Cheuk Man. The Company Secretary is responsible for facilitating the Board’s processes and communications among Board members, shareholders and the management of the Company. The Company Secretary undertakes at least 15 hours of relevant professional training annually to update his skills and knowledge.

公司秘書

本公司的公司秘書(「**公司秘書**」)一職由王卓敏先生擔任。公司秘書負責協調董事會的程序及董事會成員之間及與本公司股東和管理層之間的溝通。公司秘書承諾每年接受至少15小時相關專業培訓，以增進其技能及知識。

SHAREHOLDERS’ RIGHTS

The general meetings of the Company provide an opportunity for communications between the shareholders and the Board. An AGM of the Company shall be held in each year and at the place as may be determined by the Board.

股東權利

本公司股東大會為股東及董事會提供溝通的機會。本公司每年於董事會決定的地點舉行股東週年大會。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING (“EGM”)

Pursuant to Article 58 of the Articles, any one or more shareholders of the Company holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company 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. Such requisition shall be made in writing to the Board or the company secretary at the head office of the Company in Hong Kong, which is presently situated at Unit 806A, 8th Floor, Tower II, South Seas Centre, No. 75, Mody Road, Kowloon, Hong Kong. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself/herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

PUTTING ENQUIRIES BY SHAREHOLDERS TO THE BOARD

Shareholders may send written enquiries to the Company for the attention of the Company Secretary at the Company's head office in Hong Kong.

PROCEDURES FOR PUTTING FORWARD PROPOSALS BY SHAREHOLDERS AT SHAREHOLDERS' MEETING

Shareholders are requested to follow Article 58 of the Articles for putting forward a resolution at an EGM. The requirements and procedures are set out above in the paragraph headed “Shareholders to Convene an Extraordinary General Meeting”.

CONSTITUTIONAL DOCUMENTS

The Company has adopted, on 17 March 2016, the amended and restated memorandum and articles of association of the Company which took effect from 8 April 2016. There was no change in the constitutional documents of the Company during the year ended 31 March 2020.

By order of the Board

Lau Pong Sing

Chairman and Executive Director
29 June 2020

股東召開股東特別大會(「股東特別大會」)

根據細則第58條，本公司任何一名或以上於遞呈要求日期時持有不少於本公司實繳股本(附有於本公司股東大會上投票權)十分之一的股東，於任何時候均有權向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理該項要求指明的任何事務；且有關大會應於遞呈該項要求後兩個月內舉行。該項要求須以書面向董事會或本公司香港總辦事處的公司秘書作出(其現時地址為香港九龍麼地道75號南洋中心第二座8樓806A室)。倘董事會於該項要求呈交後21日內未能召開該大會，則提出要求者本人(彼等)可以相同方式召開大會，而本公司須向提出要求者償付提出要求者因董事會未能召開大會而產生的所有合理開支。

股東對董事會提出查詢

股東可向本公司遞交書面查詢，註明由本公司於香港總辦事處的公司秘書收。

股東於股東大會提呈建議的程序

股東向股東特別大會提呈決議案時須遵守細則第58條，相關規定及程序載於上文「股東召開股東特別大會」一段。

章程文件

本公司已於2016年3月17日採納本公司自2016年4月8日起生效的經修訂及重列組織章程大綱和細則。於截至2020年3月31日止年度，本公司的章程文件概無出現變動。

承董事會命

劉邦成

主席兼執行董事
2020年6月29日

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

OVERVIEW

The table below contains certain information about our Directors and senior management.

概覽

下表載列若干有關董事及高級管理層的資料。

Name	Age	Position	Date of joining the Group	Date of appointment to the current position 獲委任目前職位的日期	Responsibilities in the Group 於本集團的職責
姓名	年齡	職位	加入本集團的日期		
Mr. Lau Pong Sing (劉邦成)	63	Executive Director; Chairman; Chief executive officer	22 December 2004	11 June 2015	Our overall management and business development; setting business strategies, direction and goals
劉邦成先生	63	執行董事；主席； 行政總裁	2004年12月22日	2015年6月11日	我們的整體管理及業務發展； 制定業務策略、方向及 目標
Ms. Chan Kit Mui, Lina (陳潔梅)	62	Executive Director; Chief operating officer	22 December 2004	11 June 2015	Overseeing our administration, financial control and human resources
陳潔梅女士	62	執行董事；營運總監	2004年12月22日	2015年6月11日	監督我們的行政、財務控制 及人力資源
Mr. Nakazawa Tomokatsu (中澤友克)	47	Non-executive Director	14 December 2018	14 December 2018	Supervising the management of the Company
中澤友克先生	47	非執行董事	2018年12月14日	2018年12月14日	監督本公司的管理
Ir Dr. Ho Chung Tai, Raymond (何鍾泰)	81	Independent Non-executive Director	17 March 2016	17 March 2016	Supervising the management of the Company
何鍾泰博士工程師	81	獨立非執行董事	2016年3月17日	2016年3月17日	監督本公司的管理
Mr. Siu Chak Yu (蕭澤宇)	59	Independent Non-executive Director	17 March 2016	17 March 2016	Supervising the management of the Company
蕭澤宇先生	59	獨立非執行董事	2016年3月17日	2016年3月17日	監督本公司的管理
Mr. Li Ping Chi (李炳志)	60	Independent Non-executive Director	17 March 2016	17 March 2016	Supervising the management of the Company
李炳志先生	60	獨立非執行董事	2016年3月17日	2016年3月17日	監督本公司的管理

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

OVERVIEW (Continued)

概覽(續)

Name	Age	Position	Date of joining the Group	Date of appointment to the current position	Responsibilities in the Group
姓名	年齡	職位	加入本集團的日期	獲委任目前職位的日期	於本集團的職責
Mr. Shinji Mitsuya (三矢信二)	66	Director of AP Singapore	3 March 2017	3 March 2017	Oversee the operations business in AP Singapore, a subsidiary of the Company in Singapore
三矢信二先生	66	AP Singapore 董事	2017年3月3日	2017年3月3日	監督本公司於新加坡的附屬公司AP Singapore的業務營運
Mr. Lau Tsz Fung (劉子鋒)	34	Vice president — sales and marketing	1 April 2009	1 April 2014	Overseeing our sales and marketing affairs
劉子鋒先生	34	副總裁(銷售及營銷)	2009年4月1日	2014年4月1日	監督我們的銷售及營銷事務
Mr. Wong Cheuk Man (王卓敏)	54	Financial controller	1 January 2010	1 January 2010	Overseeing our financial management and company secretarial matters
王卓敏先生	54	財務總監	2010年1月1日	2010年1月1日	監督我們的財務管理及公司秘書事務

Notes:

- (1) Mr. Lau is the spouse of Ms. Chan and father of Mr. TF Lau.
- (2) Ms. Chan is the spouse of Mr. Lau and mother of Mr. TF Lau.
- (3) Mr. Lau Tsz Fung ("Mr. TF Lau") is the son of Mr. Lau and Ms. Chan.
- (4) Mr. Nakazawa Tomokatsu is an employee of Kanamoto HK and Kanamoto Japan, and was appointed as a non-executive Director of the Company on 14 December 2018.

The business address of our Directors and senior management is Unit 806A, 8th Floor, Tower II, South Seas Centre, No. 75, Mody Road, Kowloon, Hong Kong.

附註：

- (1) 劉先生為陳女士的配偶及劉子鋒先生的父親。
- (2) 陳女士為劉先生的配偶及劉子鋒先生的母親。
- (3) 劉子鋒先生(「劉子鋒先生」)為劉先生及陳女士的兒子。
- (4) 中澤友克先生為金本香港及金本日本的僱員，於2018年12月14日獲委任為本公司非執行董事。

董事及高級管理層的業務地址為香港九龍麼地道75號南洋中心第二座8樓806A室。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS

The Board currently consists of six Directors, comprising two executive Directors, one non-executive Director and three independent non-executive Directors. The following table sets forth information regarding our Directors. The functions and duties of the Board include convening shareholders' meetings, reporting on the Board's work at these meetings, implementing the resolutions passed at these meetings, determining business and investment plans, formulating our annual budget and final accounts, and formulating our proposals for profit distributions and for the increase or reduction of registered capital. In addition, the Board is responsible for exercising other powers, functions and duties in accordance with the Articles of Association of the Company.

Executive Directors

Mr. LAU Pong Sing 劉邦成

Executive Director, chairman and chief executive officer

Mr. Lau, aged 63, was appointed as our executive Director and Chairman of the Board on 11 June 2015 and concurrently serves as our chief executive officer. Mr. Lau is primarily responsible for the Group's overall management and business development, as well setting our business strategies, direction and goals. Mr. Lau is also a member of our Remuneration Committee and Nomination Committee. Mr. Lau is the chairman of our Nomination Committee.

Prior to joining the Group in 2004 as one of the founders, Mr. Lau had accumulated over 20 years of experience in the construction equipment industry through his directorship in and management of Ajax Pong Construction Equipment Limited from September 1983 to March 1992 and Ajax Pong (Holdings) Limited from April 1992 to December 2014. Mr. Lau had in the past managed or oversight various aspects of the Group, including business development and strategies, financial management and management of training to be given to our employees. Under the leadership of Mr. Lau and Ms. Chan, the Group has entered into strategic partnership agreements with reputable construction equipment suppliers, and participated in a number of landmark construction projects.

Mr. Lau is the spouse of Ms. Chan and father of Mr. TF Lau.

董事

董事會包括六名董事，由兩名執行董事、一名非執行董事及三名獨立非執行董事組成。下表載列有關董事的資料。董事會的職能及職責包括召開股東會議、於有關會議上報告董事會的工作、執行有關會議通過的決議案、釐定業務及投資計劃、制定年度預算及決算賬目以及制定利潤分派及增加或削減註冊資本的方案。此外，董事會負責根據本公司組織章程細則行使其他權力、職能及職責。

執行董事

劉邦成先生

執行董事、主席及行政總裁

劉先生，63歲，於2015年6月11日獲委任為執行董事兼董事會主席，同時兼任我們的行政總裁。劉先生主要負責本集團整體管理及業務發展，以及制定業務策略、方向及目標。劉先生亦為薪酬委員會及提名委員會成員。劉先生為提名委員會主席。

於2004年以創辦人之一的身分加入本集團前，劉先生透過於1983年9月至1992年3月在亞積邦建設機械有限公司及於1992年4月至2014年12月在亞積邦(集團)有限公司擔任董事及管理層職務，於建設機械業累積逾20年經驗。劉先生過往曾管理或監督本集團各方面事宜，包括業務發展及策略、財務管理，並管理將向僱員提供的培訓。在劉先生與陳女士的領導下，本集團已與有良好聲譽的建設機械供應商訂立策略夥伴協議，並參與多項地標建設項目。

劉先生為陳女士的配偶及劉子鋒先生的父親。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS (Continued)

Executive Directors (Continued)

Ms. CHAN Kit Mui, Lina 陳潔梅

Executive Director and chief operating officer

Ms. Chan, aged 62, has been our executive Director since 11 June 2015 and also serves as our chief operating officer. She is in charge of the Group's administration, financial control and human resources.

Prior to joining the Group in 2004 as one of the founders, Ms. Chan has acquired over 20 years of experience in the construction equipment industry. She was principally responsible for corporate reorganisation, business management control, as well as setting up corporate administration systems and finance systems, during her positions as deputy managing director of Ajax Pong Construction Equipment Limited from April 1989 to March 1992, and deputy managing director of Ajax Pong (Holdings) Limited from April 1992 to December 2014.

Since joining the Group, she has worked closely with Mr. Lau to expand the Group's business in Hong Kong and Macau and assisted in the set up of our current operation system and staff welfare scheme.

Ms. Chan obtained a Secretarial Diploma from the Chinese Young Men's Christian Association of Hong Kong in May 1978 and an Intermediate Stage Certificate in Book-keeping from the London Chamber of Commerce and Industry in Spring 1978. She also completed the Computerized Accounting System for Commerce and Industry Training Course given by the Hong Kong Productivity Council in October 1986.

Ms. Chan is the spouse of Mr. Lau and mother of Mr. TF Lau.

董事 (續)

執行董事 (續)

陳潔梅女士

執行董事兼營運總監

陳女士，62歲，自2015年6月11日起擔任執行董事並兼任我們的營運總監。彼負責本集團行政、財務控制及人力資源。

於2004年以創辦人之一的身份加入本集團前，陳女士於建設機械業累積逾20年經驗。彼於1989年4月至1992年3月擔任亞積邦建設機械有限公司副董事總經理職務及於1992年4月至2014年12月擔任亞積邦(集團)有限公司副董事總經理職務，期間主要負責企業重組、業務管理控制以及制訂企業行政系統與金融系統。

彼自加入本集團以來，與劉先生緊密合作，拓展本集團於香港及澳門的業務，並協助制訂目前營運制度與員工福利計劃。

陳女士於1978年5月於香港中華基督教青年會取得秘書文憑，並於1978年春天取得英國倫敦工商會中級簿記證書。彼亦於1986年10月完成香港生產力促進局舉辦的工商業電腦化會計系統培訓課程。

陳女士為劉先生的配偶及劉子鋒先生的母親。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS (Continued)

Non-executive Director (Continued)

Mr. Nakazawa Tomokatsu 中澤友克

Mr. Nakazawa Tomokatsu (中澤友克), aged 47, is the Deputy General Manager of Overseas Business Division of Kanamoto. He has over 22 years of relevant working experience in Kanamoto and its subsidiaries (the “**Kanamoto Group**”), and is familiar with business operations, overseas business development plan, and company policy of Kanamoto Group.

He graduated from Tohoku Gakuin University in Japan in 1996 and obtained a Bachelor degree of Arts in Economics.

Mr. Nakazawa started to develop his career in construction machinery business with Kanamoto immediately after his graduation. He was assigned to Sendai Sales Branch responsible for all-round sales and marketing activities of rental, leasing and sale of construction machineries and equipment. He was then promoted to Chief and Deputy Associate Director of Sendai Sales Branch in 1999 and 2001 respectively.

Since 2002, Mr. Nakazawa has been transferred to various branches and divisions accountable for sales and marketing management, business strategy planning, budget control, customer management and internal management for construction machinery business of Kanamoto Group. He was then transferred to Kyokuto Lease Co., Ltd. (“**Kyokuto**”), a subsidiary of Kanamoto and was promoted to Managing Director & Sales General Manager in 2008. His job duties included total management of Kyokuto from internal management to business development. Since 2014, he has been Deputy General Manager of Overseas Business Division responsible for general management of overseas businesses of Kanamoto Group.

Throughout Mr. Nakazawa’s long career in Kanamoto Group, he has been engaging in the full spectrum of general management from business management to internal management. Through such job duties, he acquired a clear picture of the business operations, business network and overseas business development plan. He is familiar with the business trend of the industry and market trends of construction machinery in Asian regions.

董事(續)

非執行董事(續)

中澤友克先生

中澤友克先生，47歲，為金本海外業務部副總經理。彼於金本及其附屬公司(「**金本集團**」)擁有逾22年的相關工作經驗，並熟悉金本集團的業務營運、海外業務拓展計劃及公司政策。

彼於1996年自日本東北學院大學畢業，並獲頒經濟學文學士學位。

緊隨畢業後，中澤先生於金本開展建築機械業務的職業生涯。彼獲分派至仙台銷售分公司，負責出租、租賃及銷售建築機械及設備的全方位銷售及營銷活動。彼分別於1999年及2001年獲晉升為仙台銷售分公司的首席及副助理總監。

自2002年起，中澤先生被調任至不同分公司及部門，負責金本集團建築機械業務的銷售及營銷管理、業務戰略規劃、預算控制、客戶管理及內部管理。隨後彼被調往金本的附屬公司Kyokuto Lease Co., Ltd.(「**Kyokuto**」)，並於2008年獲晉升為董事總經理兼銷售總經理。其職責包括Kyokuto從內部管理至業務發展方面的全面管理。自2014年以來，彼一直擔任海外業務部副總經理，負責金本集團海外業務的整體管理。

在中澤先生於金本集團的長期職業生涯中，彼一直從事從企業管理至內部管理方面的全方位整體管理。通過該等職責，彼清楚了解到業務營運、業務網絡及海外業務拓展計劃。彼熟悉亞洲地區的建築機械行業業務趨勢及市場趨勢。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS (Continued)

Independent Non-executive Directors

Ir Dr. Ho Chung Tai, Raymond 何鍾泰

Independent non-executive Director

Ir Dr. Ho Chung Tai, Raymond, SBS, MBE, S.B. St. J., JP, aged 81, was appointed as our independent non-executive Director on 17 March 2016. He is a member of our Audit Committee.

Dr. Ho has over 50 years of experience in civil, structural, environmental and geotechnical engineering industries and has directly managed a number of mega-sized engineering projects.

Dr. Ho received his degree of doctor of philosophy in Civil Engineering from the City University of London in June 1971, an Honorary Doctor of Laws from the University of Manchester in September 2001 and an Honorary degree of Doctor of Business Administration from the City University of Hong Kong in November 1999. He graduated from the University of Hong Kong in November 1963 with a Bachelor of Science in Engineering and obtained his diploma for advanced studies in engineering, soil mechanics from the University of Manchester in July 1964.

董事 (續)

獨立非執行董事

何鍾泰博士工程師

獨立非執行董事

何鍾泰博士工程師，銀紫荊星章，MBE，聖約翰五級員佐勳銜，太平紳士，81歲，於2016年3月17日獲委任為獨立非執行董事。彼為審核委員會成員。

何博士於土木、結構、環境及岩土工程業累積逾50年經驗，曾直接管理多個大型工程項目。

何博士於1971年6月取得倫敦城市大學土木工程哲學博士學位，於2001年9月取得曼徹斯特大學法學榮譽博士學位及於1999年11月取得香港城市大學工商管理學榮譽博士學位。彼於1963年11月於香港大學畢業，取得工程學理學士學位，並於1964年7月取得曼徹斯特大學岩土工程研究院文憑。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS (Continued)

Independent Non-executive Directors (Continued)

As at the date of the annual report, Dr. Ho served or is currently serving as director of the following listed public companies in Hong Kong:

董事(續)

獨立非執行董事(續)

於年報日期，何博士曾或現正擔任下列香港上市公眾公司的董事：

Period 期間	Office 職務	Listed public company on the Stock Exchange 聯交所上市公眾公司
Since 18 February 2020 自 2020 年 2 月 18 日起	Independent non-executive director 獨立非執行董事	Fu Shek Financial Holdings Limited (stock code: 2263) 富石金融控股有限公司(股份代號：2263)
Since September 2018 to 16 June 2020 自 2018 年 9 月起至 2020 年 6 月 16 日止	Chairman and Non-Executive Director 主席及非執行董事	SCUD Group Limited (stock code: 1399) 飛毛腿集團有限公司(股份代號：1399)
Since December 2013 自 2013 年 12 月起	Independent non-executive director 獨立非執行董事	ChinLink International Holdings Limited (stock code: 997) 普匯中金國際控股有限公司(股份代號：997)
Since September 2007 自 2007 年 9 月起	Independent non-executive director 獨立非執行董事	GCL-Poly Energy Holdings Limited (stock code: 3800) 保利協鑫能源控股有限公司(股份代號：3800)
From June 2005 to 3 June 2019 由 2005 年 6 月至 2019 年 6 月 3 日	Independent non-executive director 獨立非執行董事	China State Construction International Holdings Limited (stock code: 3311) 中國建築國際集團有限公司(股份代號：3311)
Since September 1993 自 1993 年 9 月起	Independent non-executive director 獨立非執行董事	Deson Development International Holdings Limited (stock code: 262) 迪臣發展國際集團有限公司(股份代號：262) 何博士目前其他任命及職務進一步載列如下：

Other current appointments and offices of Dr. Ho are further set out below:

Current appointments and offices 目前任命及職務	<ul style="list-style-type: none"> Honorary Chairman (since April 2019) and Chairman (from February 2005 to April 2019) of the Guangdong Daya Bay Nuclear Plant and Ling Ao Nuclear Plant Safety Consultative Committee 廣東省大亞灣核電站及嶺澳核電站核安全諮詢委員會榮譽主席(自 2019 年 4 月起)及主席(由 2005 年 2 月至 2019 年 4 月) Professional advisor to the Office of the Ombudsman of Hong Kong (for the periods 1 July 1995 to 31 March 2013 and 1 October 2015 to present) 香港申訴專員公署專業顧問(1995 年 7 月 1 日至 2013 年 3 月 31 日期間及 2015 年 10 月 1 日至今)
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DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS (Continued)

Independent Non-executive Directors (Continued)

Mr. SIU Chak Yu 蕭澤宇

Independent non-executive Director

Mr. Siu, BBS, JP, aged 59, was appointed as our independent non-executive Director on 17 March 2016. He is a member of our Remuneration Committee, Audit Committee and Nomination Committee. Mr. Siu is the chairman of our Remuneration Committee.

Mr. Siu has gained experience in legal practice in Hong Kong. He obtained a Bachelor of Laws degree and a Postgraduate Certificate in Laws from the University of Hong Kong in November 1983 and July 1984, respectively. He was admitted as a solicitor in Hong Kong in September 1986, England and Wales in June 1990, Australian Capital Territory in February 1991, and in Singapore in September 1992; and as a barrister in Australia in February 1991. Mr. Siu was appointed as a Notary Public in April 1997, a China-Appointed Attesting Officer in January 2000, and currently a partner of Hastings & Co.

He is currently the chairman of the Environmental Impact Assessment Appeal Board and a board member of the Estates Agents Authority and the Guardianship Board.

董事 (續)

獨立非執行董事 (續)

蕭澤宇先生

獨立非執行董事

蕭先生，銅紫荊星章，太平紳士，59歲，於2016年3月17日獲委任為獨立非執行董事。彼為薪酬委員會、審核委員會及提名委員會成員。蕭先生為薪酬委員會主席。

蕭先生具備香港法律的執業經驗。彼於1983年11月及1984年7月先後獲香港大學頒發法學學士學位及法學專業證書。彼於1986年9月、1990年6月、1991年2月及1992年9月分別在香港、英格蘭和威爾斯、澳洲首都領地及新加坡獲認可為律師，並於1991年2月成為澳洲的大律師。蕭先生於1997年4月及2000年1月先後獲委任為國際公證人及中國委託公證人，現為希仕廷律師行合夥人。

彼現為環境影響評估上訴委員會主席及地產代理監管局及監護委員會董事局成員。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

DIRECTORS (Continued)

Independent Non-executive Directors (Continued)

Mr. LI Ping Chi 李炳志

Independent non-executive Director

Mr. Li, aged 60, was appointed as our independent non-executive Director on 17 March 2016. He is a member of our Audit Committee, Remuneration Committee and Nomination Committee. Mr. Li is the chairman of our Audit Committee.

Mr. Li has over 30 years of experience in accounting and auditing. He was an assistant assessor for the Hong Kong Inland Revenue Department from August 1982 to February 1985. He joined Touche Ross Hong Kong in March 1985 and was promoted to the position of audit manager in August 1989. He later joined Deloitte China in April 1990 as a result of its merger with Touche Ross Hong Kong and had been a partner from June 1996 to May 2013.

Mr. Li received a higher diploma in accountancy with distinction from the Hong Kong Polytechnic University in November 1982. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants.

SENIOR MANAGEMENT

Our senior management members are responsible for the day-to-day management of the Company's business. None of the members of our senior management has been a director of a public company the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Mitsuya Shinji 三矢信二

Director of AP Singapore

Mr. Mitsuya, aged 66, has been the consultant of a subsidiary of the Company, AP Rentals Limited, since 1st of January, 2017. In the wake of establishment of a new company under the Group in Singapore, AP Singapore, he was appointed and assigned as Director of AP Singapore on 3 March 2017.

Mr. Mitsuya's main roles are to launch an equipment rental business in Singapore capitalizing the Group's experience and know-how as a solution provider, to develop a new market in the South Pacific Ocean and to establish a closer relationship and communications with Japanese partners based on long term strategy.

董事(續)

獨立非執行董事(續)

李炳志先生

獨立非執行董事

李先生，60歲，於2016年3月17日獲委任為獨立非執行董事。彼為審核委員會、薪酬委員會及提名委員會成員。李先生為審核委員會主席。

李先生具備逾30年會計及審核經驗。彼於1982年8月至1985年2月為香港稅務局助理評稅主任；後於1985年3月加入Touche Ross Hong Kong，並於1989年8月晉升為審核經理；再於1990年4月因德勤中國與Touche Ross Hong Kong合併而加入德勤中國，並於1996年6月至2013年5月擔任合夥人。

李先生於1982年11月以優異成績取得香港理工大學會計學高級文憑。彼為香港會計師公會會員及英國特許公認會計師公會資深會員。

高級管理層

我們的高級管理層成員負責本公司業務的日常管理。概無高級管理層的成員於證券在香港或海外任何證券市場上市的任何公眾公司擔任過董事。

三矢信二先生

AP Singapore 的董事

三矢先生，66歲，自2017年1月1日起擔任本公司旗下附屬公司亞積邦租賃有限公司的顧問。隨著本集團在新加坡設立新公司AP Singapore，彼於2017年3月3日獲委任及委派出任AP Singapore的董事。

三矢先生的主要職能是憑藉本集團在提供解決方案方面的經驗及專業知識在新加坡推出設備出租業務，以開發南太平洋地區的新市場，從而以長遠策略與日本業務夥伴建立更密切關係及保持更緊密溝通。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

SENIOR MANAGEMENT (Continued)

Prior to joining the Group, he has been in Europe from 2007 to 2012, three years in Lyon, France and three years in Utrecht, Holland as a general manager of local company of Furukawa Unic Corporation, establishing new sales channels in EU countries.

He has been engaged in overseas marketing since early 1980th at Hokuetsu Industries Co., Ltd., known as Airman air-compressor until 2006.

Having been working for a long time for Japanese construction machinery manufacturers, he expanded sales opportunities through new dealers including commencement of local production in the global market. He obtained Bachelor's degree in Mechanical Engineering from Kanto Gakuin University in March 1977.

Mr. LAU Tsz Fung (劉子鋒), aged 34, is our vice president and oversees the sales and marketing department of the Company. He is principally responsible for encouraging sustainable development through the delivery of updated market analysis and information, and works closely with the sales team in attracting potential customers and contracts. His roles and duties include maintaining a high volume of rental transactions and good relationships with worldwide manufacturers and suppliers. Mr. TF Lau has completed training sessions on construction equipment given by Donaldson Company, Inc., Nippon Sharyo, Ltd., Furukawa UNIC Corporation and Denyo Co., Ltd..

Mr. TF Lau received his Bachelor's degree in Business Economics from the University of California Santa Barbara in September 2008. Prior to joining the Group as a sales and marketing officer in April 2009, he was a marketing officer assistant at Ajax Pong (Holdings) Limited from April 2008 to June 2008, where he was responsible for managing relationship with potential customers and overseas buyers.

Mr. TF Lau is the son of Mr. Lau and Ms. Chan.

高級管理層 (續)

加盟本集團之前，彼於2007年至2012年駐足歐洲，其中三年在法國里昂，三年在荷蘭烏特勒支，擔任Furukawa Unic Corporation於當地分公司的總經理，在歐盟國家建立新銷售網絡。

彼自1980年代初起於Hokuetsu Industries Co., Ltd. (2006年前稱為Airman air-compressor) 涉足海外營銷業務。

三矢先生長期為日本建築機械製造商工作，透過與新交易商合作擴闊於環球市場的銷售商機，包括開始在當地生產。彼於1977年3月獲Kanto Gakuin University頒授機械工程學士學位。

劉子鋒先生，34歲，為我們的副總裁，監督本公司的銷售及營銷部。彼主要負責通過傳遞最新的市場分析及資訊促進可持續發展，並與銷售團隊緊密合作，招攬潛在客戶及合約。其職務包括維持高流量租賃交易以及與世界各地製造商及供應商保持良好關係。劉子鋒先生已完成由Donaldson Company, Inc.、Nippon Sharyo, Ltd.、Furukawa UNIC Corporation及電友株式会社提供的建設機械培訓課程。

劉子鋒先生於2008年9月獲The University of California Santa Barbara頒發商業經濟學學士學位。劉子鋒先生於2009年4月加入本集團擔任銷售及營銷主任前，彼自2008年4月至2008年6月擔任亞積邦(集團)有限公司助理營銷主任，負責管理與潛在客戶及海外買家的關係。

劉子鋒先生為劉先生與陳女士的兒子。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

SENIOR MANAGEMENT (Continued)

Mr. WONG Cheuk Man (王卓敏), aged 54, is the financial controller, company secretary and one of the authorised representatives of the Company. He is primarily responsible for the Group's accounting, internal control, financial reporting, resource management and information technology affairs.

Mr. Wong graduated from the University of Western Sydney Nepean with a Bachelor's degree in Business Administration in September 1999 and obtained a Master's degree in International Accounting from the City University of Hong Kong in November 2001. Mr. Wong has over 29 years of experience in accounting. He was an assistant accountant at Sanyo Electric (Hong Kong) Ltd. from July 1987 to April 1990, cost accountant and later assistant finance manager of STD Holding Ltd. from August 1990 to September 1994. He served as accounting manager and subsequently financial controller of Ajax Pong (Holdings) Limited from September 1994 prior to joining the Group in January 2010.

Mr. Wong is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

Each of our senior management did not hold any other directorship in listed public companies in the three years prior to the date of this annual report.

高級管理層(續)

王卓敏先生，54歲，為本公司的財務總監、公司秘書及其中一名授權代表。彼主要負責本集團的會計、內部監控、財務報告、資源管理及資訊科技事務。

王先生於1999年9月在The University of Western Sydney Nepean畢業，取得商業行政學士學位，於2001年11月獲香港城市大學頒發國際會計學碩士學位。王先生累積逾29年會計經驗。彼於1987年7月至1990年4月出任三洋電機(香港)有限公司的助理會計師；於1990年8月至1994年9月於STD Holding Ltd.先後擔任成本會計師及助理財務經理。彼於2010年1月加入本集團前，自1994年9月起擔任亞積邦(集團)有限公司的會計經理，其後晉升為財務總監。

王先生為香港會計師公會會員兼英國特許公認會計師公會資深會員。

我們各名高級管理層於本年報日期前三年間內概無於上市公眾公司擔任任何其他董事職位。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Deloitte.

德勤

TO THE SHAREHOLDERS OF AP RENTALS HOLDINGS LIMITED

亞積邦租賃控股有限公司

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of AP Rentals Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 81 to 180, 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, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 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.

致亞積邦租賃控股有限公司列位股東

(於開曼群島註冊成立的有限公司)

意見

我們已審核列載於第81至180頁的亞積邦租賃控股有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的綜合財務報表，當中包括於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、綜合權益變動表及綜合現金流量表以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈的香港財務報告準則(「**香港財務報告準則**」)真實而公平地反映 貴集團於2020年3月31日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈的「香港審計準則」(「**香港審計準則**」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審核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核意見提供基礎。

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.

關鍵審計事項

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

Key audit matters

關鍵審計事項

How our audit addressed the key audit matters

我們的審計如何對關鍵審計事項進行處理

Impairment assessment of plant and machinery

機械及設備減值評估

We identified the impairment assessment of plant and machinery as a key audit matter due to the significance of the carrying value of plant and machinery to the consolidated financial statements as a whole and the judgements associated with the assessment of the recoverable amount of plant and machinery by the management of the Group.

基於機械及設備的賬面值對整體綜合財務報表的重要性以及貴集團管理層評估機械及設備的可收回金額所作出的判斷，我們識別機械及設備減值評估為關鍵審計事項。

As disclosed in the note 14 to the consolidated financial statements, the carrying value of plant and machinery reported under property, plant and equipment as at 31 March 2020 was HK\$231,207,000 (2019: HK\$216,052,000). An impairment loss of HK\$2,525,000 (2019: nil) has been recognised in the profit or loss for the current year.

誠如綜合財務報表附註14所披露，於2020年3月31日，物業、機械及設備下所呈報機械及設備的賬面值為231,207,000港元（2019年：216,052,000港元）。而2,525,000（2019年：零）的減值損失已被確認為今年的利潤或損失。

As detailed in note 4 to the consolidated financial statements, the determination of the recoverable amounts of the assets is based on the higher of:

誠如綜合財務報表附註4所詳述，資產可收回金額乃根據較高者釐定。

- Value in use, based on the estimation on the future profitability from leasing the assets, future utilisation and future lease rates; and
基於未來的獲利能力而估計的使用價值，而使用價值來自資產的租賃、未來的使用率，及未來的租賃率，和
- Fair value less cost of disposal, based on the estimation on resale values, with reference to the historical disposal values and cost of disposal, or market transactions.
基於轉售價值為基礎的公允值減去出售成本，此公允值減去出售成本以歷史處置價值、處置成本，或市場交易作參考。

Our procedures in relation to management's impairment assessment of plant and machinery included:

我們就管理層就機械及設備減值進行評估所實施的程序包括：

- Understanding the management's impairment assessment process on identifying assets that may be indicative to be impaired, and evaluating the reasonableness of the management's assessment with reference to the utilisation and income generated from the plant and machinery in recent years;
瞭解管理層於識別可能有跡象顯示減值的資產時評估減值的過程，並參照近年機械及設備的使用情況及所產生收入評核管理層作出的評估是否合理；及
- Assessing the reasonableness of the management's key assumptions used to estimate the value in use of the plant and machinery by evaluating the estimated future income generated from the assets with reference to the historical utilisation and lease rates, management's business plan, or other relevant information in the industry; and
通過參考歷史使用率和租賃率、管理層的業務計劃或行業中的其他相關信息，評估資產產生的估計性未來收益，從而評估管理層用來估計機械及設備使用價值的主要假設，及其合理性。
- Assessing the reasonableness of the fair value less cost of disposal estimated by the management by checking, on a sample basis, to the recent disposal values, third parties' quotations or transaction prices of similar assets in the market.
通過抽樣檢查與市場上類似資產的最近處置價值、第三方報價或交易價格，評估管理層估計的公允值減去處置成本的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matters

關鍵審計事項

How our audit addressed the key audit matters

我們的審計如何對關鍵審計事項進行處理

Impairment assessment of lease receivables and trade receivables

應收租賃款項及貿易應收款項減值評估

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

基於應收租賃款項及貿易應收款項對貴集團綜合財務狀況的重要性以及評估貴集團於報告期末的應收租賃款項及貿易應收款項的預期信貸虧損(「預期信貸虧損」)涉及主觀判斷及管理層估計，我們識別應收租賃款項及貿易應收款項減值評估為關鍵審計事項。

As at 31 March 2020, the Group's aggregate amounts of lease receivables and trade receivables amounted to HK\$36,479,000 (2019: HK\$39,550,000), and out of which HK\$33,258,000 (2019: HK\$31,107,000) were past due.

於2020年3月31日，貴集團的應收租賃款項及貿易應收款項總額為36,479,000港元(2019年：39,550,000港元)。其中33,258,000港元已逾期(2019年：31,107,000港元)。

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

我們就應收租賃款項及貿易應收款項減值評估所實施的程序包括：

- Understanding how the management estimates the credit loss allowance for lease receivables and trade receivables; 瞭解管理層如何估計應收租賃款項及貿易應收款項的信貸虧損撥備；

- Challenging management's basis and judgement in determining credit loss allowance on lease receivables and trade receivables as at 31 March 2020, including the reasonableness of management's grouping of lease receivables and trade receivables into different categories in the provision matrix, and the basis of estimated loss rate applied in each category in the provision matrix (with reference to historical default rates and forward-looking information);

質疑管理層在釐定於2020年3月31日的應收租賃款項及貿易應收款項的信貸虧損撥備所用的基準及判斷、管理層於撥備矩陣中將餘下應收租賃款項及貿易應收款項分類至不同類別的合理性，以及應用於撥備矩陣各類別的估計虧損率的基礎(參考過往違約率及前瞻性資料)；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matters

關鍵審計事項

As disclosed in notes 4 and 30 to the consolidated financial statements, the management of the Group estimates the amount of lifetime ECL of lease receivables and trade receivables based on individual assessment or by means of provision matrix through grouping of various debtors that have similar risk exposure, after considering internal credit ratings of lease receivables and trade receivables, ageing, repayment history and/or past due status and forward-looking information of respective lease receivables and trade receivables that is reasonable and supportable available without undue costs or effort. Estimated losses are based on historical observed default rates over the expected life of the lease receivables and trade receivables and are adjusted for forward-looking information.

誠如綜合財務報表附註4及30所披露，貴集團管理層根據對已釐定為應收租賃款項及貿易應收款項所進行的個別評估，估計應收租賃款項及貿易應收款項的全期預期信貸虧損金額，而應收租賃款項及貿易應收款項亦應按照撥備矩陣評估，並在考慮應收租賃款項及貿易應收款項的內部信貸評級、賬齡、還款記錄及／或逾期狀況以及無需付出不必要的費用或努力即可獲得相關應收租賃款項及貿易應收款項的合理及有理據前瞻性資料後，對具有類似風險敞口的各類應收賬款進行分組。估計虧損乃根據應收租賃款項及貿易應收款項於預計年期內的過往觀察到的違約率計算得出，並就前瞻性資料作出調整。

As disclosed in note 18 to the consolidated financial statements, the Group's lifetime ECL on lease receivables and trade receivables as at 31 March 2020 amounted to HK\$12,315,000 (2019: HK\$6,715,000).

誠如綜合財務報表附註18所披露，貴集團於2020年3月31日的應收租賃款項及貿易應收款項的全期預期信貸虧損為12,315,000港元(2019年：6,715,000港元)。

How our audit addressed the key audit matters

我們的審計如何對關鍵審計事項進行處理

- Checking calculation and basis of default rates adopted by the management for both individual assessment and assessment by provision matrix to the underlying information used by management, on a sample basis, with reference to the historical settlement analysis of lease receivables and trade receivables; and
經參考應收租賃款項及貿易應收款項的過往結算分析後，抽樣檢查管理層於個別評估及透過撥備矩陣進行評估時所採納的違約率計算方式及基準，以及管理層所用的相關資料；及
- Checking the information used by management for developing the provision matrix for lease receivables and trade receivables, including aged analysis as at 31 March 2020, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices and other supporting documents.
透過將分析中的個別項目與相關銷售發票及其他證明文件進行比較，抽樣檢查管理層就應收租賃款項及貿易應收款項制定撥備矩陣的所用資料，包括於2020年3月31日的賬齡分析。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

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

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與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。

董事及管治層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港財務報告準則及香港公司條例的披露規定編製真實而公平地反映情況的綜合財務報表，並對其認為為使綜合財務報表的編製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。

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

管治層須負責監督 貴集團的財務申報程序。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

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

核數師就審核綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照協定聘用條款僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用專業判斷並保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，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、虛假陳述或凌駕內部監控之上的情況，故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監控，以設計適當的審計程序，惟並非旨在對貴集團的內部監控成效發表意見。
- 評估董事所採用會計政策是否恰當以及所作出會計估計及相關披露是否合理。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎是否恰當作出結論，並根據所獲取的審計憑證，確定是否存在與可能導致對 貴集團的持續經營能力產生重大疑慮的事件或情況有關的重大不確定因素。倘我們認為存在重大不確定因素，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。倘有關披露不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事件或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易及事件。
- 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督及執行。我們為審核意見承擔全部責任。

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

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

除其他事項外，我們與管治層就審計的規劃範圍、時間安排及重大審計發現進行溝通，包括我們在審計過程中識別的任何重大內部監控缺失。

我們還向管治層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

The engagement partner on the audit resulting in the independent auditor's report is Cheung Chung Yin Lawrence.

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

出具本獨立核數師報告的審計項目合夥人為張頌賢。

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

29 June 2020

德勤•關黃陳方會計師行

執業會計師

香港

2020年6月29日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 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		
Goods and services	貨品及服務		44,096	34,024
Leasing of machineries	租賃機械		101,691	112,086
Total revenue	總收益		145,787	146,110
Cost of sales and services	銷售及服務成本		(129,697)	(119,946)
Gross profit	毛利		16,090	26,164
Other income	其他收入	6	2,508	4,193
Other gains and losses	其他收益及虧損	7	4,965	5,250
Impairment loss recognised on property, plant and equipment	已確認物業、機械及 設備減值虧損	14	(2,525)	-
Impairment losses recognised on lease receivables and trade receivables, net	已確認應收租賃款項及 貿易應收款項減值虧損 淨額	30	(5,600)	(1,181)
Administrative expenses	行政開支		(34,845)	(34,927)
Selling and distribution expenses	銷售及分銷開支		(1,197)	(1,368)
Finance costs	融資成本	8	(1,202)	(513)
Loss before tax	除稅前虧損		(21,806)	(2,382)
Income tax credit (expense)	所得稅抵免(開支)	9	2,127	(141)
Loss for the year	本年度虧損	10	(19,679)	(2,523)
Other comprehensive expense for the year	本年度其他全面開支			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益的項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		(111)	(82)
Total comprehensive expense for the year	本年度全面開支總額		(19,790)	(2,605)
Loss per share — basic (HK cents)	每股虧損 — 基本(港仙)	13	(2.28)	(0.29)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2020 於 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、機械及設備	14	234,643	221,246
Right-of-use assets	使用權資產	15	7,224	—
Deposits paid for acquisition of property, plant and equipment	就收購物業、機械及設備的已付按金	18	421	—
Rental deposits	租賃按金	18	650	—
Deposit placed for a life insurance policy	壽險保單存款	16	2,760	2,725
Deferred tax assets	遞延稅項資產	23	123	167
			245,821	224,138
Current Assets 流動資產				
Inventories	存貨	17	25,311	12,134
Trade and other receivables, deposits and prepayments	貿易及其他應收款項、按金及預付款項	18	43,462	43,577
Pledged bank deposit	已抵押銀行存款	19	360	360
Bank deposits with original maturity less than three months	原到期日為三個月以內的銀行存款	19	—	15,000
Bank balances and cash	銀行結餘及現金	19	29,955	36,847
			99,088	107,918
Current Liabilities 流動負債				
Trade and other payables and accrued charges	貿易及其他應付款項及應計費用	20	37,335	45,391
Contract liabilities	合約負債	21	13,233	563
Receipts in advance	預收賬款		412	529
Tax liabilities	稅項負債		74	643
Borrowings — due within one year	借款 — 一年內到期	22	23,164	17,461
Lease liabilities	租賃負債	25	2,907	—
			77,125	64,587
Net Current Assets	流動資產淨值		21,963	43,331
Total Assets less Current Liabilities	總資產減流動負債		267,784	267,469

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2020 於 2020 年 3 月 31 日

		Notes	2020 2020 年 HK\$'000 千港元	2019 2019 年 HK\$'000 千港元
		附註		
Non-current Liabilities	非流動負債			
Trade payable	貿易應付款項	20	12,358	–
Deferred tax liabilities	遞延稅項負債	23	25,901	26,924
Loans from a related company	來自一間關聯公司之貸款	24	4,393	–
Lease liabilities	租賃負債	25	4,377	–
			47,029	26,924
Net Assets	資產淨值		220,755	240,545
Capital and Reserves	資本及儲備			
Issued capital	已發行股本	26	864	864
Reserves	儲備		219,891	239,681
Total Equity	總權益		220,755	240,545

The consolidated financial statements on pages 81 to 180 were approved and authorised for issue by the Board of Directors on 29 June 2020 and are signed on its behalf by:

載於第 81 頁至第 180 頁之綜合財務報表已於 2020 年 6 月 29 日獲董事會批准及授權刊發，並由下列董事代表簽署：

LAU PONG SING

劉邦成

Director

董事

CHAN KIT MUI, LINA

陳潔梅

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2020 截至2020年3月31日止年度

		Issued capital 已發行股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元 (Note i) (附註 i)	Legal reserve 法定儲備 HK\$'000 千港元 (Note ii) (附註 ii)	Translation reserve 匯兌儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於2018年4月1日	864	232,345	(102,443)	12	(50)	115,446	246,174
Loss for the year	本年度虧損	-	-	-	-	-	(2,523)	(2,523)
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	(82)	-	(82)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	-	(82)	(2,523)	(2,605)
Dividend recognised as distribution (note 12)	確認為分派的股息 (附註12)	-	-	-	-	-	(3,024)	(3,024)
At 31 March 2019	於2019年3月31日	864	232,345	(102,443)	12	(132)	109,899	240,545
Loss for the year	本年度虧損	-	-	-	-	-	(19,679)	(19,679)
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	(111)	-	(111)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	-	(111)	(19,679)	(19,790)
At 31 March 2020	於2020年3月31日	864	232,345	(102,443)	12	(243)	90,220	220,755

Notes:

- Merger reserve represents the difference between the amount of share capital and share premium of the Company issued, and the issued share capital of AP Rentals Limited exchanged in connection with the group reorganisation on 21 July 2015.
- In accordance with Article 377 of the Commercial Code of Macau Special Administrative Region, the subsidiary registered in Macau is required to transfer part of its profits of each accounting period of not less than 25% as legal reserve, until it reaches an amount equal to half of the capital.

附註：

- 合併儲備指本公司已發行股本金額及股份溢價與因本集團於2015年7月21日重組而交換亞積邦租賃有限公司已發行股本之差額。
- 根據澳門特別行政區商法典第377條，於澳門註冊的附屬公司須將其各會計期間不少於25%的溢利轉撥至法定儲備，直至達到相等於其資本一半的金額。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2020 截至2020年3月31日止年度

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Operating activities	經營業務		
Loss before tax	除稅前虧損	(21,806)	(2,382)
Adjustments for:	就以下項目作出調整：		
Impairment loss recognised on property, plant and equipment	已確認物業、機械及設備減值虧損	2,525	-
Impairment losses recognised on lease receivables and trade receivables, net	已確認應收租賃款項及貿易應收款項減值虧損淨額	5,600	1,181
Depreciation of property, plant and equipment	物業、機械及設備折舊	57,246	50,933
Depreciation of right-of-use assets	使用權資產折舊	1,463	-
Finance costs	融資成本	1,202	513
Gain on disposal of property, plant and equipment	出售物業、機械及設備收益	(5,435)	(5,348)
Interest income	利息收入	(243)	(423)
Write-down of inventories	存貨撇減	536	-
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	41,088	44,474
Increase in inventories	存貨增加	(13,713)	(4,966)
(Increase) decrease in trade and other receivables, deposits and prepayments	貿易及其他應收款項、按金及預付款項(增加)減少	(2,369)	19,474
(Decrease) increase in trade and other payables and accrued charges	貿易及其他應付款項及應計費用(減少)增加	(15,165)	9,371
Increase in contract liabilities	合約負債增加	12,670	125
Decrease in receipts in advance	預收賬款減少	(117)	(923)
Cash generated from operations	營運所得現金	22,394	67,555
Income tax paid	已付所得稅	(569)	(2,243)
Net cash from operating activities	經營業務所得現金淨額	21,825	65,312
Investing activities	投資活動		
Interest received	已收利息	147	327
Increase in deposits paid for acquisition of property, plant and equipment	已付收購物業、機械及設備按金增加	(421)	-
Purchase of property, plant and equipment	購買物業、機械及設備	(50,663)	(92,478)
Proceeds from disposal of property, plant and equipment	出售物業、機械及設備所得款項	21,385	23,500
Net cash outflow arising from acquisition of a subsidiary (note 31)	收購一間附屬公司所產生之現金流出淨額(附註31)	(17,000)	-
Net cash used in investing activities	投資活動所用現金淨額	(46,552)	(68,651)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2020 截至2020年3月31日止年度

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financing activities	融資活動		
Interest paid	已付利息	(1,115)	(513)
New borrowings raised	新增借款	46,656	11,360
Repayments of borrowings	償還借款	(40,953)	(13,979)
Repayments of lease liabilities	償還租賃負債	(1,403)	-
Repayment of trade payables	償還貿易應付款項	(500)	-
Dividend paid	已付股息	-	(3,024)
Net cash from (used in) financing activities	融資活動所得(所用)現金淨額	2,685	(6,156)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(22,042)	(9,495)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	51,847	61,397
Effect of foreign exchange rate changes	外匯匯率變動之影響	150	(55)
Cash and cash equivalents at end of the year	年末現金及現金等價物	29,955	51,847
Analysis of the balances of cash and cash equivalents	現金及現金等價物結餘分析		
Bank deposit with original maturity less than three months	原到期日為三個月以內的 銀行存款	-	15,000
Bank balances and cash	銀行結餘及現金	29,955	36,847
		29,955	51,847

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

1. GENERAL

AP Rentals Holdings Limited (the “**Company**”) was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 11 June 2015. The shares of the Company have been listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 8 April 2016. The addresses of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Unit 806A, 8th Floor, Tower II, South Seas Centre, No. 75, Mody Road, Kowloon, Hong Kong.

The Company acts as an investment holding company. Details of the principal activities of the subsidiaries are set out in note 37.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

New and Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time in the current year:

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle

1. 一般事項

亞積邦租賃控股有限公司(「**本公司**」)於2015年6月11日根據開曼群島公司法第二十二章(1961年第3號法例，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司並於開曼群島註冊。本公司股份自2016年4月8日起在香港聯合交易所有限公司(「**聯交所**」)上市。本公司註冊辦事處的地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，其主要營業地點為香港九龍麼地道75號南洋中心第二座8樓806A室。

本公司為投資控股公司。附屬公司的主要業務詳情載於附註37。

綜合財務報表乃以港元(「**港元**」)呈列，港元亦為本公司功能貨幣。

2. 應用新訂及經修訂香港財務報告準則(「**香港財務報告準則**」)

於本年度強制生效的新訂及經修訂香港財務報告準則

本集團於本年度首次應用香港會計師公會(「**香港會計師公會**」)頒佈之以下新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理方法的不確定性
香港財務報告準則第9號的修訂本	具有負補償的提早還款特性
香港會計準則第19號的修訂本	計劃修訂、縮減或清償
香港會計準則第28號的修訂本	於聯營公司及合營企業的長期權益
香港財務報告準則的修訂本	香港財務報告準則2015年至2017年週期的年度改進

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 *Leases* (“HKAS 17”), and the related interpretations.

Definition of a lease

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

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

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效的新訂及經修訂香港財務報告準則（續）

除下文所述者外，於本年度應用香港財務報告準則的新訂及經修訂將不會對本年度及過往年度本集團財務表現及狀況以及／或該等綜合財務報表載列的披露造成重大影響。

香港財務報告準則第16號「租賃」

本集團於本年度已首次應用香港財務報告準則第16號。香港財務報告準則第16號已取代香港會計準則第17號「租賃」（「香港會計準則第17號」）及相關詮釋。

租賃的定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號「釐定安排是否包括租賃」識別為租賃的合約應用香港財務報告準則第16號，而並無對先前並未識別為包括租賃的合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在的合約。

就於2019年4月1日或之後訂立或修訂的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃的定義。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and Amendments to HKFRSs that are mandatorily effective for the current year (Continued)

HKFRS 16 Leases (Continued)

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts, and elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application.

On transition, the Group has elected not to recognise any lease liabilities nor right-of-use assets at 1 April 2019 upon application of HKFRS 16 as the remaining lease terms of its leases amounting to HK\$150,000 which are disposed as operating lease contracts as at 31 March 2019 are ended with twelve months from 1 April 2019.

As a lessor

In accordance with the transitional provisions in HKFRS 16, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

Upon application of HKFRS 16, new lease contracts entered into but commence after the date of initial application relating to the same underlying assets under existing lease contracts are accounted as if the existing leases are modified as at 1 April 2019. The application has had no impact on the Group’s consolidated statement of financial position at 1 April 2019. However, effective 1 April 2019, lease payments relating to the revised lease term after modification are recognised as income on straight-line basis over the extended lease term.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效的新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於首次應用日期(2019年4月1日)確認。

於過渡時應用香港財務報告準則第16號項下的經修訂追溯法時，本集團按逐項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關的租賃應用可行權宜方法，並選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債。

於過渡時，由於2019年3月31日披露作為經營租賃合約的金額為150,000港元的租賃餘下租期將於2019年4月1日起十二個月內終止，於採用香港財務報告準則第16號後本集團已於2019年4月1日選擇不確認任何租賃負債及使用權資產。

作為出租人

根據香港財務報告準則第16號之過渡性條文，本集團毋須就本集團為出租人之租賃於過渡時作出任何調整，惟須根據香港財務報告準則第16號自首次應用日期起為該等租賃入賬，而比較資料並未經重列。

於應用香港財務報告準則第16號後，已訂立但於首次應用日期後開始的新租賃合約(內容與現有租賃合約的相關資產相同)按猶如於2019年4月1日修訂現有租賃的方式入賬。有關應用對本集團於2019年4月1日的綜合財務狀況表並無影響。然而，由2019年4月1日開始，有關修訂後的經修訂租期的租賃付款於延長的租期內按直線基準確認為收入。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective

HKFRS 17	Insurance Contracts ¹
Amendments to HKFRS 16	Covid-19-Related Rent Concessions ⁵
Amendments to HKFRS 3	Definition of a Business ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁴
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ⁴

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

² Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

³ Effective for annual periods beginning on or after a date to be determined

⁴ Effective for annual periods beginning on or after 1 January 2020

⁵ Effective for annual periods beginning on or after 1 June 2020

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

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

香港財務報告準則第17號	保險合約 ¹
香港財務報告準則第16號的修訂本	有關新型冠狀病毒的租金寬減 ⁵
香港財務報告準則第3號的修訂本	業務的定義 ²
香港財務報告準則第10號及香港會計準則第28號的修訂本	投資者與其聯營公司或合營企業之間的資產銷售或投入 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 ⁴
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 ⁴

¹ 於2021年1月1日或之後開始的年度期間生效

² 就收購日期為2020年1月1日或之後開始的首個年度期間起或之後的業務合併及資產收購生效

³ 於某特定日期或之後開始的年度期間生效

⁴ 於2020年1月1日或之後開始的年度期間生效

⁵ 於2020年6月1日或之後開始的年度期間生效

除上文之新訂及經修訂香港財務報告準則外，經修訂香港財務報告之概念框架已於2018年頒佈。其隨後修訂、*香港財務報告準則之概念框架指之修訂*，將於2020年4月1日或之後開始的年度期間生效。

除下文所述之新訂及經修訂香港財務報告準則外，本公司董事預期，於可見將來應用所有其他新訂及經修訂香港財務報告準則將不會對本集團綜合財務報表造成重大影響。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKFRS 3 Definition of a Business

The amendments:

- add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The election on whether to apply the optional concentration test is available on transaction-by-transaction basis;
- clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs; and
- narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs.

The Group will apply the amendments prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after the annual reporting period beginning on or after 1 April 2020.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

香港財務報告準則第3號的修訂本「業務的定義」

該修訂本：

- 加入選擇性集中性測試，容許簡化評估被收購的活動及資產組別是否屬於業務。可按個別交易基準選擇是否應用選擇性集中性測試；
- 澄清若要被視為業務，被收購的活動及資產組別必須最少包括共同對創造產出能力有莫大貢獻的投入及實質性流程；及
- 收窄業務及產出的定義，專注於向客戶所提供的貨品及服務，並移除對節省成本能力的提述。

本集團將應用此修訂本於收購日期為2020年4月1日或之後的業務合併及資產收購。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and amendments to HKFRSs in issue but not yet effective (Continued)

Amendments to HKAS 1 and HKAS 8 Definition of Material

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgments. In particular, the amendments:

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

The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group’s annual period beginning on 1 April 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for the deposit placed for a life insurance policy that is measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

香港會計準則第1號及香港會計準則第8號的修訂本「重大的定義」

修訂本透過在作出重大性判斷時加入額外指導及解釋，對重大的定義進行細微改進。修訂本特別：

- 包括「模糊的」重大資料概念，其影響與遺漏或誤報資料相似；
- 將影響使用者之重大性門檻由「可影響」更改為「合理預期可影響」；及
- 包括使用「主要使用者」片語，而非只簡單使用「使用者」一詞。在決定於財務報表披露資料上，「使用者」一詞過於空泛。

該等修訂本與各香港財務報告準則的定義一致，並將在集團於2020年4月1日開始的年度期間強制生效。預期應用該等修訂本不會對本集團的綜合財務狀況及表現造成重大影響，惟可能影響於綜合財務報表中的呈列及披露。

3. 重大會計政策

綜合財務報表乃按香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例規定的適用披露資料。

綜合財務報表已按歷史成本基準編製，惟就壽險保單投放的存款如下文所載的會計政策所述於各個報告期間結束時按公允值計量除外。

歷史成本一般基於為換取貨物及服務而支付代價的公允值。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 重大會計政策(續)

公允值為於計量日期於市場參與者之間進行的有序交易中出售資產可收取或轉讓負債須支付的價格，不論該價格是否直接可觀察或使用另一估值技術估計所得。在估計一項資產或負債的公允值時，本集團會考慮市場參與者於計量日期為資產或負債定價時所考慮的資產或負債的特點。於綜合財務報表中作計量及／或披露用途的公允值乃按此基準釐定，惟屬於香港財務報告準則第2號「以股份為基礎的付款」（「香港財務報告準則第2號」）範圍內的以股份為基礎的付款交易、屬於香港財務報告準則第16號（自2019年4月1日起）或香港會計準則第17號（應用香港財務報告準則第16號之前）範圍內的租賃交易以及與公允值存在一些相似之處但並非公允值（例如香港會計準則第2號「存貨」的可變現淨值或香港會計準則第36號「資產減值」的使用價值）的計量則除外。

此外，就財務報告而言，公允值計量根據公允值計量的輸入數據可觀察程度及公允值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據乃實體於計量日期可取得的相同資產或負債於活躍市場的報價（未經調整）；
- 第二級輸入數據乃就資產或負債直接或間接可觀察的輸入數據（第一級內包括的報價除外）；及
- 第三級輸入數據乃資產或負債的不可觀察輸入數據。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation

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

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

3. 重大會計政策(續)

綜合基準

綜合財務報表包括本公司及受本公司及其附屬公司控制之實體之財務報表。當本公司符合以下所列者，則視為獲得控制：

- 對投資對象可施行權力；
- 參與投資對象而獲得或有權獲得可變回報；及
- 擁有行使權力以影響其回報之能力。

倘事實及情況反映上文所列三項控制因素其中一項或多項改變，則本集團會重估是否仍然控制投資對象。

本集團獲得附屬公司控制權時便開始將附屬公司綜合入賬，於失去控制權時則終止綜合入賬。具體而言，有關年度所收購或出售附屬公司之收入及開支於本集團自獲得控制權日期計入綜合損益及其他全面收益表，直至本集團不再控制該附屬公司為止。

如需要，將會調整附屬公司之財務報表，使其會計政策與本集團之會計政策貫徹一致。

所有有關本集團成員之間交易的集團內公司間資產、負債、權益、收入、開支及現金流量會於綜合入賬時全數撇銷。

業務合併

收購業務使用收購法入賬。業務合併所轉讓代價按公允值計量，即計算於收購日期本集團轉讓資產之公允值、本集團承擔被收購方前擁有人之負債以及本集團為換取被收購方之控制而發行之股權之總和。收購相關成本一般於產生時於損益確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combination (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date (see the accounting policy below);
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred. The excess is recognised immediately in profit or loss as a bargain purchase gain.

3. 重大會計政策(續)

業務合併(續)

於收購日期，所收購可識別資產及所承擔負債按公允值予以確認，惟：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債已分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 涉及被收購方以股份為基礎的付款安排或為取代被收購方以股份為基礎的付款安排而訂立之本集團以股份為基礎的付款安排之負債或股本工具按香港財務報告準則第2號於收購日期予以計量(見以下會計政策)；
- 按香港財務報告準則第5號「持作銷售之非流動資產及已終止經營業務」分類為持作銷售之資產(或出售組別)按該準則予以計量；及
- 倘所收購的租賃於收購日期為新租賃，租賃負債會以剩餘租賃付款的現值(定義見香港財務報告準則第16號)確認及計量，惟(a)租期於收購日期起計12個月以內結束；或(b)相關資產為低價值的租賃除外。使用權資產按有關租賃負債的同等金額確認及計量，並進行調整以反映與市場條件相比租賃的有利或不利條件。

商譽乃按已轉讓代價及收購人先前於被收購方持有之股權公允值(如有)之總額超逾於收購日期所收購可識別資產與所承擔負債之淨額之差額計量。倘經重新評估後，所收購可識別資產與所承擔負債之淨額超逾已轉讓代價之總和，超出部份即時於損益中確認為議價購買收益。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combination (Continued)

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9 *Financial Instruments* ("HKFRS 9") would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3. 重大會計政策(續)

業務合併(續)

當本集團於業務合併時轉讓之代價包含因或然代價安排時，或然代價將按收購日期之公允值計量，並被視為業務合併時所轉讓代價之一部份。符合作為計量期間調整之或然代價之公允值變動，需以追溯方式進行調整。計量期間調整是指於「計量期間」(不超出收購日期起計一年)因取得於收購日期已存在之事實及情況之額外資料而作出之調整。

不合資格作計量期間調整的或然代價之其後會計處理乃取決於或然代價如何分類。分類為權益之或然代價不會於其後報告日期重新計量，而其後結算於權益內入賬。分類為資產或負債之或然代價於其後報告日期重新計量至公允值，而相應之收益或虧損於損益確認。

分階段實現業務合併時，將本集團先前在被購買方持有的股權在購買日(即本集團獲得控制權的日期)重新計量為公平價值，並確認由此產生的任何損益，計入適當的損益或其他全面收入。於收購日期前，先前在其他全面收益中確認並根據香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)計量的由被收購方權益產生的金額將按與本集團具有相同要求的基準入賬，如本集團直接出售先前持有的股權。

如於合併發生的報告期末，企業合併的初始會計處理不完整，則本集團將報告其會計處理不完整的項目的臨時金額。臨時金額在計量期間內進行追溯及調整(見上文)，並確認額外資產或負債，以反映所獲得的於購置日期的事實和情況的新信息，如果已知，該事實和情況可能會影響在購買日確認的金額。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

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

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

3. 重大會計政策(續)

物業、機械及設備

物業、機械及設備是用於生產或是提供貨品或服務或作行政用途的有形資產。物業、機械及設備乃按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表內列賬。

折舊按撇銷資產項目成本減估計可使用年期剩餘價值，以直線法確認。估計可使用年期、剩餘價值及折舊方法於各報告期末審閱，而任何估計變動之影響按前瞻基準入賬。

物業、機械及設備項目於出售或預期不會自持續使用該資產產生日後經濟利益時取消確認。出售或報廢物業、機械及設備項目所產生之收益或虧損按資產出售所得款項與賬面值之差額釐定並於損益確認。

物業、機械及設備及使用權資產的減值

於各報告期末，本集團檢討其物業、機械及設備和使用權資產之賬面值，以決定是否有任何跡象顯示該等資產錄得減值虧損。如有任何該等跡象，則會估計資產之可收回金額，以釐定減值虧損(如有)的程度。物業、機械及設備和使用權資產的可收回金額乃個別進行估計。倘不大可能估計個別資產的可收回金額，則本集團會估計資產所屬現金產生單位的可收回金額。

物業、機械及設備和使用權資產的可收回金額乃個別進行估計。倘不大可能估計個別資產的可收回金額，則本集團會估計資產所屬現金產生單位的可收回金額。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment on property, plant and equipment and right-of-use assets (Continued)

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

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

3. 重大會計政策(續)

物業、機械及設備及使用權資產的減值(續)

於測試現金生產單位減值，如可建立合理及一致分配基準，則公司資產亦被分配至相關現金產生單位，或於其他情況下被分配至可識別合理及一致分配基準的最小現金產生單位組合。可收回金額是以企業資產所屬的現金產生單位或現金產生單位組合釐定，並與相關現金產生單位或現金產生單位組合的賬面值作比較。

可收回金額是指公允值減去出售成本後的餘額和使用價值兩者中的較高者。在評估使用價值時，預計未來現金流量會採納稅前折現率折現為現值，該稅前折現率應反映對貨幣時間價值的當前市場評價及該資產(或現金產生單位)特有的風險(未針對該風險調整估計未來現金流量)。

倘若估計資產(或現金產生單位)之可收回金額低於其賬面值，則資產(或現金產生單位)之賬面值將調低至其可收回金額。就無法按合理一致的基準分配到現金產生單位的企業資產或企業資產的一部分而言，本集團比較現金產生單位組合的賬面值，包括分配到現金產生單位組合的企業資產或企業資產的一部分的賬面值，及現金產生單位組合的可回收金額。在分配減值虧損時，將首先分配減值虧損以減少任何商譽的賬面值(如適用)，然後根據該單位各資產的賬面值按比例分配至其他資產。資產的賬面值不得減少至低於其公允值減去出售成本(如可計量)、其使用價值(如可確定)及零的最高值。否則，已分配至該資產的減值虧損金額會按比例分配至該單位其他資產。減值虧損乃即時於損益中確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment on property, plant and equipment and right-of-use assets (Continued)

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale.

Financial instruments

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

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

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. 重大會計政策(續)

物業、機械及設備及使用權資產的減值(續)

倘若減值虧損於其後撥回，資產(或現金產生單位或現金產生單位組合)之賬面值將調升至其經修訂之估計可收回金額，而增加後之賬面值不得超過倘若該資產(或現金產生單位或現金產生單位組合)在過往年度並無確認減值虧損時原應釐定之賬面值。減值虧損之撥回乃即時於損益中確認。

存貨

存貨按成本及可變現淨值兩者較低者列賬。存貨成本按先入先出法釐定。可變現淨值指存貨之估計售價減去一切出售所需成本。

金融工具

金融資產及金融負債於集團實體成為工具合約條文的訂約方時確認。

金融資產及金融負債初步按公允值計量，惟客戶合約產生的貿易應收款項根據香港財務報告準則第15號作初步計量除外。收購或發行金融資產及金融負債(通過損益按公允值列賬(「通過損益按公允值列賬」)的金融資產除外)直接應佔的交易成本，於首次確認時加入金融資產或金融負債的公允值，或從金融資產或金融負債的公允值扣除(視情況而定)。收購通過損益按公允值列賬的金融資產直接產生的交易成本即時於損益內確認。

實際利率法是一種用於計算金融資產或金融負債之已攤銷成本以及在相關期間內分配利息收入的方法。實際利率是可將金融資產或金融負債於預計年期或較短期間(如適當)之估計未來現金收入(包括構成實際利率整體部分之全部已付或已收費用及貼息、交易成本及其他溢價或折讓)確切貼現至首次確認時之賬面淨值之利率。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

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

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

All other financial assets are subsequently measured at FVTPL.

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

3. 重大會計政策(續)

金融工具(續)

金融資產

金融資產的分類及後續計量

符合下列條件的金融資產按攤銷成本進行後續計量：

- 管理該金融資產的業務模式是以收取合約現金流量為目標；及
- 合約條款規定在特定日期產生的現金流量僅為支付本金及未償還本金金額之利息。

所有其他金融資產通過損益按公允值列賬進行後續計量。

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產採用實際利率法確認利息收入。利息收入乃透過將實際利率應用於金融資產的賬面值而計算，惟其後出現信貸減值的金融資產則除外(見下文)。就其後出現信貸減值的金融資產而言，利息收入按將實際利率應用於自下個呈報期起計的金融資產攤銷成本予以確認。倘出現信貸減值金融工具的信貸風險降低，令金融資產不再維持信貸減值，則利息收入在斷定資產不再維持信貸減值後，按將實際利率應用於自呈報期初起計的金融資產賬面總值予以確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets
(Continued)

(ii) Financial assets at FVTPL

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade and other receivables, pledged bank deposit, bank deposits with original maturity less than three months and bank balances) and lease receivables which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及後續計量(續)

(ii) 通過損益按公允值列賬的金融資產

通過損益按公允值列賬的金融資產，在各報告期末以公允值計量，如有任何公允值收益或虧損，則在損益中確認。在損益中確認的收益或虧損淨額不包括就金融資產獲得的任何股息或利息。

金融資產減值

本集團就須根據香港財務報告準則第9號計提減值的金融資產(包括貿易及其他應收款項、已抵押銀行存款、原到期日為三個月以內的銀行存款以及銀行結餘)及應收租賃款項的預期信貸虧損(「預期信貸虧損」)進行減值評估。預期信貸虧損金額於各報告日期更新，以反映信貸風險自首次確認以來的變動。

全期預期信貸虧損指於相關工具預計年內發生的所有可能違約事件所導致的預期信貸虧損。相對地，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告日期後12個月內可能發生的違約事件所導致的部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗進行，並根據債務人特定因素、整體經濟狀況以及於報告日期的當前狀況及未來狀況預測的評估而作出調整。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial asset (Continued)

The Group always recognises lifetime ECL for trade receivables and lease receivables. The ECL on these assets are assessed individually and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

本集團在所有情況下就貿易應收款項及應收租賃款項確認全期預期信貸虧損。該等資產的預期信貸虧損使用具有適當分組的撥備矩陣進行個別及/或共同評估。

就所有其他工具而言，本集團計量相等於12個月預期信貸虧損的虧損撥備，除非自首次確認以來信貸風險已有顯著增加，本集團則會確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自首次確認以來發生違約之可能性或風險的顯著增加而定。

(i) 信貸風險顯著增加

於評估自首次確認以來信用風險是否大幅增加時，本集團將於報告日期金融工具發生的違約風險與首次確認日期金融工具發生的違約風險進行比較。於進行該評估時，本集團考慮合理且有理據的定量和定性資料，包括毋須付出不必要的成本或努力即可獲得的過往經驗及前瞻性資料。

特別是，在評估信貸風險是否顯著增加時會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標嚴重轉差(如信貸息差大幅增加、債務人的信貸違約掉期價格)；
- 預計會造成債務人償還債務能力大幅下降的業務、財務或經濟狀況的現有或預期不利變化；

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial asset (Continued)

(i) Significant increase in credit risk (Continued)

- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, there is a rebuttable presumption that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, except for those the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(i) 信貸風險顯著增加(續)

- 債務人營運業績的實際或預期大幅惡化；或
- 導致債務人償還債務能力大幅下降的債務人監管、經濟或科技環境的實際或預期重大不利變化。

不論上述評估的結果如何，可以反駁的假設是，當合約付款逾期超過30日，自首次確認以來信貸風險已大幅增加，除非本集團有合理及有理據的資料證明則另作別論。

儘管如此，倘有關債務工具被確定為於呈報日期擁有低信貸風險，本集團乃假設該債務工具的信貸風險並無自首次確認以來顯著增加。倘(i)債務工具擁有低違約風險；(ii)借款人具備強大實力能履行其短期內之合約現金流量責任；及(iii)較為長遠之經濟及業務狀況之不利變化可能會(但不一定會)削弱借款人履行其合約現金流量責任的能力，債務工具會被確定為擁有低信貸風險。本集團在債務工具之內部或外部信貸評級按國際認可定義為達到「投資級別」時，方會認定債務工具擁有低信貸風險。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險有否顯著增加。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial asset (Continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, there is rebuttable presumption that default does not occur later than when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(ii) 違約的定義

於內部信貸風險管理方面，本集團認為當內部生成或自外部來源獲得的資料顯示債務人不太可能向其債權人(包括本集團)悉數還款(不計及本集團持有的任何抵押品)時，則發生違約事件。

不論上述者如何，可以反駁的假設是，違約不會發生，除非遲於金融資產的到期日超過90天時。除非本集團有合理及有理據的資料顯示更滯後之違約準則更為適合則作別論。

(iii) 出現信貸減值的金融資產

金融資產在發生一項或以上對該金融資產的估計未來現金流量構成不利影響的違約事件時出現信貸減值。金融資產出現信貸減值的證據包括有關下列事件的可觀察數據：

- (a) 發行人或借款人遭遇重大財困；
- (b) 違反合約(如違約或逾期事件)；
- (c) 借款人的貸款人因涉及借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠；或
- (d) 借款人將可能陷入破產或其他財務重組。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial asset (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16 (since 1 April 2019) or HKAS 17 (prior to 1 April 2019).

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(iv) 撇銷政策

當有資料顯示交易對手處於嚴重財困及並無實際復原跡象(如交易對手已被清盤或已陷入破產程序)時,本集團會撇銷金融資產。經考慮法律意見後(如合適),已撇銷的金融資產可能仍須按本集團收回程序強制處理。撇銷構成取消確認事項。任何其後收回在損益中確認。

(v) 計量及確認預期信貸虧損

計量預期信貸虧損為違約概率、違約損失率程度(即倘發生違約之損失幅度)及違約風險之函數。違約概率及違約損失率程度之評估乃根據經前瞻性資料調整的歷史數據作出。預期信貸虧損的估計反映以發生相關違約風險的金額作為加權數值而確定的公允概率加權金額。

一般而言,預期信貸虧損估計為根據合約應付本集團之所有合約現金流量與本集團預期將收取之現金流量間之差額,並按首次確認時釐定之實際利率貼現。就應收租賃而言,用於釐定預期信貸虧損的現金流量與根據香港財務報告準則第16號(自2019年4月1日起)香港會計準則第17號(2019年4月1日前)計量應收租賃所用之現金流量貫徹一致。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial asset (Continued)

(v) Measurement and recognition of ECL (Continued)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped with reference to the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of lease receivables and trade receivables where the corresponding adjustment is recognised through a loss allowance account.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 計量及確認預期信貸虧損(續)

倘預期信貸虧損按整體基準計量或迎合個別工具水平證據未必存在的情況，則金融工具按下列基準歸類：

- 金融工具的性質；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(如有)。

歸類工作經管理層定期檢討，以確保各組別成份繼續分擔類似信貸風險特點。

利息收入乃按金融資產之賬面總值計算，除非該金融資產出現信貸減值，在此情況下，利息收入按金融資產之攤銷成本計算。

本集團透過調整所有金融工具的賬面值於損益中確認其減值收益或減值虧損，惟按攤銷成本列賬的貿易應收款項透過虧損撥備賬確認相應調整除外。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables, borrowings and loans from a related company) are subsequently measured at amortised cost, using the effective interest method.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

取消確認金融資產

僅當從資產收取現金流量之合約權利屆滿，或當本集團轉讓金融資產且將該資產擁有權之絕大部份風險及回報轉移至另一實體，本集團方會取消確認金融資產。倘若本集團並無轉讓或保留擁有權之絕大部份風險及回報，並繼續控制已轉讓之資產，則本集團會確認其於資產的保留權益及可能需要支付的相關負債款項。倘若本集團保留已轉讓金融資產擁有權之絕大部份風險及回報，則本集團繼續確認金融資產並同時就已收所得款項確認抵押借款。

於取消確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價的差額將於損益中確認。

金融負債及股本

分類為債務或股本

債務及股本工具乃根據合約安排的內容及金融負債和股本工具的定義，分類為金融負債或股本。

股本工具

股本工具指證明實體於扣除其所有負債後於資產擁有剩餘權益的任何合約。由本集團發行之股本工具按已收所得款項扣除直接發行成本確認。

按攤銷成本計量的金融負債

金融負債(包括貿易及其他應付款項、來自一間關聯公司的貸款)其後以實際利率法按攤銷成本計量。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Revenue from contracts with customers

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

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

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

取消確認金融負債

只有本集團的責任獲解除、取消或屆滿時，本集團才會取消確認金融負債。取消確認的金融負債的賬面值與已付及應付代價之間的差額於損益中確認。

客戶合約收益

本集團於完成履約責任時(或就此)(即於與特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時)確認收益。

履約責任指一項明確的貨品及服務(或一批貨品或服務)或一系列大致相同的明確貨品或服務。

倘符合以下其中一項條件，則控制權為隨時間轉移，而收益則參考相關履約責任的完成進度隨時間確認：

- 客戶於本集團履約時同時收取及耗用本集團履約所提供的利益；
- 本集團的履約創建及增強客戶於本集團履約時控制的資產；或
- 本集團的履約並未創建對本集團具有替代用途的資產，而本集團對迄今已履約部分的款項具有強制執行的權利。

否則，收益會於客戶獲得明確貨品或服務的控制權在某一時點確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers (Continued)

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

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

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligation (including repair and maintenance services, installation services and delivery services), the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

3. 重大會計政策(續)

客戶合約收益(續)

合約資產指本集團就換取本集團已向客戶轉讓的貨品或服務而收取代價的權利(尚未成為無條件)。其乃按照香港財務報告準則第9號進行減值評估。相反，應收款項指本集團收取代價的無條件權利，即代價僅需時間推移即到期支付。

合約負債指本集團就已收客戶收取代價(或已到期代價金額)，而須向客戶轉讓貨品或服務之責任。

與同一份合約有關的合約資產及合約負債按淨額基準入賬及呈列。

具有多項履約責任的合約(包括交易價格的分配)

對於包含一項以上履約責任的合約(包括維護服務、安裝服務及交付服務)，本集團以相對獨立的銷售價格基準將交易價格分配至各項履約責任。

不同貨品或服務相關的各項履約責任之單獨售價於合約成立時釐定。其指本集團將承諾的貨品或服務單獨出售予客戶的價格。倘一項獨立的銷售價格不能直接觀察，本集團採用適當的技術進行估計，以便最終分攤至任何履約責任之交易價格反映本集團預期將承諾的貨品或服務轉讓予客戶有權換取的代價金額。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers (Continued)

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

3. 重大會計政策(續)

客戶合約收益(續)

隨時間確認收入：計量履約責任的完成進度

產出法

本集團主要基於產出法計量完全達成履約責任的進度，即直接計量已經向客戶轉讓的貨品或服務與合約中承諾的剩餘貨品或服務的價值。該方法最適當地體現了本集團在向客戶轉讓貨品或服務中的履約情況。

存有重大融資成分

確定交易價格時，如果已商定付款時間(明示或暗示)使客戶或本集團可因提供資金向客戶轉讓貨品或服務而獲得重大利益，則本集團會因貨幣的時間價值影響而對承諾的對價金額加以調整。在該等情況下，合約包括重大融資成分。無論是否於合約中明確規定或通過合約各方約定的付款條款隱含地規定融資承諾，都可能存有重大融資成分。

對於支付至轉移相關貨品或服務的期限少於一年的合約，本集團採用權宜處理不因任何重大融資成分而調整交易價格。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 2)

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

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

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)

Short-term leases

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

The cost of right-of-use asset includes:

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

3. 重大會計政策(續)

租賃

租賃的定義(根據附註2之過渡條文應用香港財務報告準則第16號後)

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

對於在首次應用日期當日或之後訂立或修訂或因業務合併而產生合約，本集團根據香港財務報告準則第16號的定義於初始、修訂日期或收購日期評估合約是否為租賃或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

本集團作為承租人(根據附註2之過渡條文應用香港財務報告準則第16號後)

短期租賃

對於租期自開始日期起計為12個月或以內且並無包含購買選擇權的租賃，本集團應用短期租賃確認豁免。短期租賃的租賃付款按直線基準或另一系統性基準於租期內確認為開支。

使用權資產

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團於拆解及搬遷相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況而產生的成本估計。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Right-of-use assets (Continued)

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

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

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

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

Lease liabilities

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

3. 重大會計政策(續)

租賃(續)

本集團作為承租人(根據附註2之過渡條文應用香港財務報告準則第16號後)(續)

使用權資產(續)

使用權資產按成本減去任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

就本集團於租期結束時合理確定獲取相關租賃資產所有權的使用權資產而言，有關使用權資產自開始日期起至使用年期結束期間計提折舊。在其他情況下，使用權資產按直線基準於其估計使用年期及租期(以較短者為準)內計提折舊。

本集團於綜合財務狀況表內將使用權資產呈列為單獨項目。

可退回租賃按金

已付可退回租賃按金根據香港財務報告準則第9號入賬，並初步按公允值計量。於初始確認時對公允值的調整被視為額外租賃付款，並計入使用權資產成本。

租賃負債

於租賃開始日期，本集團按該日未付的租賃付款現值確認及計量租賃負債。於計算租賃付款現值時，倘租賃隱含的利率難以釐定，則本集團使用租賃開始日期的增量借款利率計算。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Lease liabilities (Continued)

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- amounts expected to be payable by the Group under residual value guarantees; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

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

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

3. 重大會計政策(續)

租賃(續)

本集團作為承租人(根據附註2之過渡條文應用香港財務報告準則第16號後)(續)

租賃負債(續)

租賃付款包括:

- 固定付款(包括實質性的固定付款)減任何應收租賃優惠;
- 本集團預期應付的剩餘價值擔保金額;及
- 終止租賃的罰款金額,倘租賃期反映本集團行使終止租賃選擇權。

於開始日期後,租賃負債根據利息增長及租賃付款作出調整。

倘出現以下情況,本集團重新計量租賃負債(及對相關使用權資產作出相應調整):

- 租期有所變動或行使購買選擇權的評估發生變化,在此情況下,相關租賃負債透過使用重新評估日期的經修訂折現率折現經修訂租賃付款而重新計量。
- 租賃付款因進行市場租金調查後市場租金費率變動而出現變動,在此情況下,相關租賃負債透過使用初始折現率折現經修訂租賃付款而重新計量。

本集團於綜合財務狀況表內將租賃負債呈列為單獨項目。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as a lessee (prior to 1 April 2019)

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

3. 重大會計政策(續)

租賃(續)

本集團作為承租人(根據附註2之過渡條文應用香港財務報告準則第16號後)(續)

租賃修訂

倘出現以下情況，本集團將租賃的修訂作為一項單獨的租賃進行入賬：

- 該項修訂通過增加使用一項或以上相關資產的權利擴大租賃範圍；及
- 租賃代價增加的金額相當於擴大範圍對應的單獨價格，加上以反映特定合約的實際情況對單獨價格進行的任何適當調整。

就未作為一項單獨租賃入賬的租賃修訂而言，本集團透過使用修訂生效日期的經修訂折現率折現經修訂租賃付款，根據經修訂租賃的租期重新計量租賃負債。

本集團通過對相關使用權資產進行相應調整，對租賃負債的重新計量進行會計處理。當修改後的合約包含租賃組成部分和一個或多個其他租賃或非租賃組成部分時，本集團會根據租賃組成部分的相對獨立價格及非租賃組成部分的總獨立價格將修改後的合約中的對價分配至每個租賃組成部分。

本集團作為承租人(2019年4月1日前)

凡在租賃條款中將所有權的絕大部分風險及回報轉移予承租人的租賃，該等租約被分類為融資租賃。所有其他租賃一概分類為經營租賃。

經營租賃付款以直線法按租期確認為開支。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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

Rental income which are derived from the Group's ordinary course of business are presented as revenue.

The Group as a lessor (upon application of HKFRS 16 in accordance with transitions in note 2)

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Lease modification

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

3. 重大會計政策(續)

租賃(續)

本集團作為出租人

租賃分類及計量

本集團為出租人的租賃分類為融資或經營租賃。倘租賃的條款將相關資產所有權所產生絕大多數風險及回報轉讓予承租人，則合約分類為融資租賃。所有其他租賃均分類為經營租賃。

來自經營租賃的租金收入按直線法於相關租賃的租期內於損益確認。磋商及安排經營租賃所產生的初始直接成本計入租賃資產賬面值，而有關成本按直線法於租期內確認為開支。

來自本集團日常業務過程的租金收入呈列為收益。

本集團作為出租人(根據附註2之過渡條文應用香港財務報告準則第16號後)

可退回租賃按金

已收取可退回租賃按金根據香港財務報告準則第9號入賬，並初步按公允值計量。於首次確認時對公允值作出的調整被視為來自承租人的額外租賃付款。

租賃修訂

由修訂生效日期起，本集團將經營租賃修訂列作為新租賃入賬，當中將與原有租賃相關的任何預付或應計租賃款項，視作新租賃的部分租賃款項。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated statement of financial position and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 重大會計政策(續)

借款成本

收購、建造或生產合資格資產(指需要一段頗長時期籌備方能達致其擬定用途或出售之資產)直接應佔之借款成本計入該等資產之成本,直至該等資產已大致上可作其擬定用途或出售。

所有其他借款成本於產生期間確認為損益。

稅項

所得稅開支指即期應繳稅項遞延稅項之總和。

即期應繳稅項按本年度應課稅溢利計算。應課稅溢利與除稅前虧損不同,乃由於其他年度應課稅或可扣稅收入或開支以及從未課稅或扣稅項目所致。本集團的即期稅項負債按報告期末已頒布或實質已頒布的稅率計算。

遞延稅項根據綜合財務狀況報表中資產及負債之賬面值及其用於計量應課稅溢利之相應稅基之間之暫時差額而確認。遞延稅項負債通常會就所有應課稅暫時差額確認,而遞延稅項資產則一般於可能出現應課稅溢利以抵銷可扣稅之暫時差額時就所有可扣稅暫時差額予以確認。如暫時差額源自初始確認(業務合併除外)對應課稅溢利及會計溢利皆無影響交易中之資產及負債,該等遞延稅項資產及負債將不予確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

3. 重大會計政策 (續)

稅項 (續)

倘應課稅暫時差額與投資附屬公司相關，則會確認遞延稅項負債，惟本集團能夠控制暫時差額之撥回，且暫時差額在可預見將來有可能不會撥回則除外。與該等投資有關的可扣稅暫時差額產生的遞延稅項資產，僅於可能將有充足應課稅溢利以使用暫時差額的利益，以及預期於可見將來可撥回時，方予確認。

遞延稅項資產之賬面值於各報告期末審閱，並調減至不再可能具備足夠應課稅溢利以收回該項資產全部或任何部分為止。

遞延稅項資產及負債乃根據於償還負債或變現資產期間預期適用之稅率計量，以報告期末已實施或大體上已實施之稅率（及稅務法例）為基礎。

遞延稅項負債及資產之計量反映倘按本集團預期於報告期末收回或結算其資產及負債賬面值計算的稅項結果。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定使用權資產或租賃負債是否享有減稅額。

就於租賃負債享有減稅額的租賃交易而言，本集團應用香港會計準則第12號的要求於整體租賃交易。有關使用權資產及租賃負債的暫時差額以淨額基準評估。就租賃負債的本金部分而言，使用權資產折舊超過租賃付款，以致可扣除的暫時淨差額。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of the reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

3. 重大會計政策(續)

稅項(續)

遞延稅項資產及負債只可在有合法執行權利將即期稅項資產及即期稅項負債抵銷，以及其與同一課稅機關向同一課稅實體徵收的所得稅有關。

即期及遞延稅項於損益中確認，除非與在其他全面收益中確認或直接在權益中確認的項目有關，在此情況下，即期和遞延稅項亦分別在其他全面收益中或直接在權益中確認。於業務合併的初始會計出現即期稅或遞延稅時，稅收影響包括在業務合併的會計中。

外幣

於編製各個別集團實體的財務報表時，以實體之功能貨幣以外貨幣(外幣)進行的交易按交易日的現行匯率確認。於報告期末，以外幣列值的貨幣項目以該日現行匯率重新換算。以外幣列值按歷史成本計量的非貨幣項目不予重新換算。

貨幣項目所產生之匯兌差額於產生期間的損益內確認。

為呈列綜合財務報表，本集團海外經營資產及負債按報告期末當前匯率換算為本集團呈列貨幣，即港元。收入及開支項目按年內平均匯率換算，惟倘期內匯率大幅波動，則採用交易日期的當前匯率。產生的匯兌虧損(如有)於其他全面收益中確認及於匯兌儲備的權益中累計。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, including Mandatory Provident Fund Scheme (the "MPF" Scheme) and state-managed retirement benefit schemes, are recognised as an expense when employees have rendered service entitling them to the contributions.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are 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 the assets within the next financial year including the expected rentals generated of the plant and machinery less than its carrying value of remaining useful life.

3. 重大會計政策(續)

短期及其他長期僱員福利

短期僱員福利於僱員提供服務時按預期支付福利的未折現金額確認。所有短期僱員福利均確認為開支，除非有另一項香港財務報告準則規定或允許將福利計入資產成本則作別論。

僱員累計福利(如工資及薪金、年假及病假)於扣除任何已付金額後確認為負債。

退休福利成本

向界定供款退休福利計劃(包括強制性公積金計劃(「強積金」計劃)及國家管理退休福利計劃)所作供款於僱員已提供服務而有權獲得供款時，確認為開支。

4. 估計不確定性的主要來源

於應用本集團的會計政策(其於附註3內闡述)時，本公司董事須作出有關難於從其他來源獲得的資產及負債賬面值的判斷、估計及假設。該等估計及相關假設乃基於過往經驗及被認為有關的其他因素。實際業績或有別於該等估計。

該等估計及相關假設乃按持續經營基準予以檢討。倘會計估計的變動只影響即期，則有關影響於估計變動即期確認。倘該項會計估計之變動影響即期及以後期間，則有關影響於即期及以後期間確認。

以下為於報告期末，就未來及其他估計的不確定性的主要來源所作出的主要假設，該等假設有足以導致下個財政年度的資產賬面值發生重大調整的重大風險，包括機械及設備產生的預期租金低於其剩餘使用年期的賬面值。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Estimated impairment of plant and machinery

The Group's major operating assets are plant and machinery included in property, plant and equipment. Management performs review for impairment of these plant and machinery whenever events or changes in circumstances indicate that their carrying values may not be recovered.

The recoverable amounts of the plant and machinery are determined based on the higher of value in use calculations and fair value less cost of disposal. The Group uses fair value less cost of disposal as the recoverable amounts which requires the management to estimate the resale values with reference to the historical disposal values, or market transactions of similar assets. Where the actual cash flows are less than expected, or changes in facts and circumstances result in reduction of estimated cash flows, impairment loss may arise. As at 31 March 2020, the carrying amounts of plant and machinery are HK\$231,207,000 (2019: HK\$216,052,000), after taking into account the impairment losses of HK\$2,525,000 (2019: nil) in respect of plant and machinery that have been recognised respectively. Details of the impairment of plant and machinery are disclosed in note 14.

Provision of ECL for trade receivables and lease receivables

Certain of trade receivables and lease receivables are assessed for ECL individually. In addition, the Group uses provision matrix to calculate ECL for the remaining trade receivables and lease receivables. The provision rates are based on internal credit ratings as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

At 31 March 2020, the carrying amount of trade receivables and lease receivables are HK\$4,483,000 (2019: HK\$1,835,000) and HK\$31,996,000 (2019: HK\$37,715,000), net of allowance for credit loss of HK\$678,000 (2019: HK\$191,000) and HK\$11,637,000 (2019: HK\$6,524,000) respectively. The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables and lease receivables are disclosed in note 30.

4. 估計不確定性的主要來源(續)

機械及設備估計減值

本集團主要經營資產為計入物業、機械及設備的機械及設備。當在各種情況下存在事件或變動顯示該等機械及設備的賬面值可能無法收回時，管理層會審閱該等機械及設備是否須進行減值。

機械及設備的可收回金額按使用價值計算與公允值減出售成本兩者的較高者釐定。本集團將公允值減去出售成本作為可收回金額，此要求管理層經參考過往出售價值或類似資產的市場交易後估計轉售價值。倘實際現金流少於預期，或實際事件及情況變動導致估計現金流減少，則可能出現減值虧損。於2020年3月31日，機械及設備的賬面值為231,207,000港元(2019年：216,052,000港元)，已計及已分別確認的有關機械及設備的減值損失2,525,000港元(2019年：無)。有關的機械及設備的減值詳情於附註14披露。

貿易應收款項及租賃應收款項的預期信貸虧損的撥備

若干貿易應收款項及租賃應收款項進行個別預期信貸虧損評估。此外，本集團使用撥備矩陣以計算剩餘貿易應收款項及租賃應收款項的預期信貸虧損。撥備率是根據具有類似虧損模式的各類債務人分組的內部信貸評級。撥備矩陣參考過往違約率，並考慮無需付出不必要的費用或努力項的合理及有理據前瞻性資料。在各報告日期，過往觀察到的違約率將予重新評估，並會考慮前瞻性資料的變動。

於2020年3月31日，貿易應收款項及應收租賃款項的賬面值分別為4,483,000港元(2019年：1,835,000港元)及31,996,000港元(2019年：37,715,000港元)，已扣除信貸虧損撥備分別為678,000港元(2019年：191,000港元)及11,637,000港元(2019年：6,524,000港元)。有關預期信貸虧損以及本集團貿易應收款項及應收租賃款項的資料於附註30披露。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION

(a) Revenue

(i) Disaggregation of revenue from contracts with customers

5. 收益及分部資料

(a) 收益

(i) 客戶合約收益的分類

		For the year ended 31 March 2020 截至2020年3月31日止年度					
		Sales of machinery and parts	Lease related operating services	Repair and maintenance service	Delivery service	Installation service	Total
		機械及零件銷售	與租賃有關的操作服務	維修及保養服務	派送服務	安裝服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Geographical markets	地理市場						
Hong Kong	香港	27,555	7,430	2,478	4,417	843	42,723
Macau	澳門	24	-	49	308	-	381
Other	其他	15	958	6	13	-	992
Total	總計	27,594	8,388	2,533	4,738	843	44,096
Timing of revenue recognition	收益確認時間						
A point in time	某一時間點確認	27,594	-	2,533	4,738	-	34,865
Over time	隨時間確認	-	8,388	-	-	843	9,231
Total	總計	27,594	8,388	2,533	4,738	843	44,096

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Revenue (Continued)

(i) Disaggregation of revenue from contracts with customers (Continued)

5. 收益及分部資料(續)

(a) 收益(續)

(i) 客戶合約收益的分類(續)

		For the year ended 31 March 2019 截至2019年3月31日止年度					
		Sales of machinery and parts 機械及 零件銷售	Lease related operating services 與租賃有關 的操作服務	Repair and maintenance service 維修及 保養服務	Delivery service 派送服務	Installation service 安裝服務	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Geographical markets 地理市場							
Hong Kong 香港		10,154	10,150	2,373	8,603	1,135	32,415
Macau 澳門		395	3	7	534	30	969
Others 其他		-	624	2	14	-	640
Total 總計		10,549	10,777	2,382	9,151	1,165	34,024
Timing of revenue recognition 收益確認時間							
A point in time 某一時間點確認		10,549	-	2,382	9,151	-	22,082
Over time 隨時間確認		-	10,777	-	-	1,165	11,942
Total 總計		10,549	10,777	2,382	9,151	1,165	34,024

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Revenue (Continued)

(i) Disaggregation of revenue from contracts with customers (Continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

5. 收益及分部資料(續)

(a) 收益(續)

(i) 客戶合約收益的分類(續)

下表載列客戶合約收益與分部資料所披露金額的對賬。

		Segment revenue 分部收益	
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Lease related operating services and other services	與租賃有關的操作服務及 其他服務	16,502	23,475
Trading	貿易	27,594	10,549
Revenue from contracts with customers	客戶合約收益	44,096	34,024
Leasing of machinery	機械租賃	101,691	112,086
Total revenue	總收益	145,787	146,110

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Revenue (Continued)

(ii) Performance obligations for contracts with customers

Sales of machinery and parts

Revenue from sales of machinery and parts is from contracts with customers and recognised at a point in time when the customer obtains control of the goods.

Revenue is recognised when control of the goods has transferred, being when the goods have been accepted by the customer. The customer has full discretion over the usage of the goods, and has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 0 to 30 days upon invoice issued.

The Group normally receives 10% to 40% of the contract value as deposits from customers when it signs the sale and purchase agreement. The deposits will be recognised as revenue when the customer obtains control of the machinery.

All the sales of machinery and parts are completed within one year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Lease related operating service income

The Group offers equipment operating services in Hong Kong by sending equipment operators to operate the equipment at the job sites of its customers. Such services are recognised as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. The normal credit term is 0 to 45 days upon invoice issued. The invoice is issued upon the completion of service.

The contract periods for lease related operating service are one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

5. 收益及分部資料(續)

(a) 收益(續)

(ii) 客戶合約的履約責任

機械及零件銷售

機械及零件銷售的收益來自客戶合約，並於客戶取得貨品的控制權時即時確認。

收益於貨品的控制權已轉讓，即當貨品已轉讓予客戶時確認。客戶可全權酌情決定使用及消費貨品的方式，並於銷售貨品時承擔主要責任及貨品報廢及損失的風險。一般信貸期為發出發票後的0至30日。

本集團一般會於簽訂買賣協議時向客戶收取合約價值的10%至40%作為訂金。訂金將會於客戶取得機械的控制權時確認為收益。

所有機械及零件銷售均於一年內完成。在香港財務報告準則第15號所允許下，並無披露分配至該等未完成合約的交易價格。

與租賃有關的操作服務收入

本集團在香港提供設備操作服務，派遣設備操作員到客戶工地操作設備。由於客戶在本集團履約時同時接受及使用本集團履約所帶來的利益，該等服務確認為隨時間完成的履約責任。一般信貸期為發票後0至45日。發票於服務完成後開具。

與租賃有關的操作服務的合約期為一年或以下。在香港財務報告準則第15號所允許下，並無披露分配至該等未完成合約的交易價格。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

(a) Revenue (Continued)

(ii) Performance obligations for contracts with customers (Continued)

Lease related other service income

The Group's other service income, which arise from rental arrangements including repair, maintenance, installation and delivery services. Revenue from delivery is recognised when the goods have been delivered to the customer's specific location. Revenue from repair and maintenance service are recognised when the service rendered is completed. Revenue from installation service is recognised over time because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The normal credit term is 0 to 45 days upon invoice issued. The invoice is issued upon the completion of service.

The contract periods for lease related other services are one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

(iii) Leases

For operating leases:
Lease payments that are fixed

5. 收益及分部資料(續)

(a) 收益(續)

(ii) 客戶合約的履約責任(續)

與租賃有關的其他服務收入

本集團的其他服務收入來自出租安排，包括維修、保養、安裝及派送服務。派送收益乃於貨品派送至客戶指定的地點時確認。維修及保養服務的收益於完成提供服務時確認。安裝服務的收益隨時間確認，原因為本集團的履約行為創造或改良一項於資產被創造或改良時由客戶控制的資產。一般信貸期為發票後0至45日。發票於服務完成後開具。

與租賃有關的其他服務的合約期為一年或以下。在香港財務報告準則第15號所允許下，並無披露分配至該等未完成合約的交易價格。

(iii) 租賃

		2020 2020年 HK\$'000 千港元
For operating leases:	就經營租賃而言：	
Lease payments that are fixed	固定租賃付款	101,691

For the year ended 31 March 2020, there is no contingent rental recognised.

截至2020年3月31日止年度，並無確認或然租金。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information

For management purpose, the Group is organised based on its business activities. The Group determines its operating segments based on these business activities that are regularly reviewed by the chief operating decision maker, i.e. the executive directors of the Company, for the purpose of resources allocation and performance assessment.

Specifically, the Group's reportable and operating segments under HKFRS 8 *Operating Segments* are as follows:

Leasing	—	Leasing of machinery, repair and maintenance service, delivery service and installation service
Trading	—	Sales of machinery and parts, and delivery service

Segment information about these reportable and operating segments is presented below:

Segment revenue and results

For the year ended 31 March 2020

		Leasing 租賃 HK\$'000 千港元	Trading 買賣 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收益			
Segment revenue from external customers	來自外部客戶的分部收益	118,193	27,594	145,787
Results	業績			
Segment results	分部業績	6,652	1,888	8,540
Unallocated income	未分配收入			209
Unallocated expenses	未分配開支			(30,555)
Consolidated loss before tax of the Group	本集團的綜合除稅前虧損			(21,806)

5. 收益及分部資料(續)

(b) 分部資料

為管理目的，本集團按其業務活動組織。本集團按此等業務活動釐定其營運分部，由首席營運決策者（即本公司執行董事）定期審閱，以分配資源及評估表現。

具體而言，本集團根據香港財務報告準則第8號「經營分部」的可呈報及經營分部如下：

租賃	—	機械租賃、維修及保養服務、派送服務及安裝服務
買賣	—	機械及零件銷售，及派送服務

有關此等可呈報及經營分部的分部資料於下文呈列：

分部收益及業績

截至2020年3月31日止年度

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

Segment revenue and results (Continued)

For the year ended 31 March 2019

		Leasing 租賃 HK\$'000 千港元	Trading 買賣 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收益			
Segment revenue from external customers	來自外部客戶的分部收益	135,561	10,549	146,110
Results	業績			
Segment results	分部業績	23,684	1,740	25,424
Unallocated income	未分配收入			362
Unallocated expenses	未分配開支			(28,168)
Consolidated loss before tax of the Group	本集團的綜合除稅前溢利			(2,382)

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies described in note 3. Segment results represent the profit earned by each segment without allocation of certain interest income and sundry income, exchange loss, certain sundry income and central administration expenses. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

The chief operating decision maker makes decisions according to operating results of each segment. No analysis of segment assets and liabilities are presented as the information is not regularly reported to the chief operating decision maker for the purpose of resource allocation and assessment of performance.

可呈報及經營分部的會計政策與附註3所述本集團的會計政策相同。可報告及經營分部的會計政策與附註3所述的本集團會計政策相同。分部業績指各個分部所賺取的溢利，而未分配若干利息收入及雜項收入、匯兌虧損、若干雜項收入及中央行政開支。此乃向主要經營決策者匯報以用作資源分配及評估分部表現而採取的衡量指標。

主要經營決策者根據各個分部的經營業績作出決定。並無呈列分部資產及負債的分析，原因為該等資料並無定期向主要經營決策者匯報以用作資源分配及評估分部表現。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

Other segment information

For the year ended 31 March 2020

	Leasing 租賃 HK\$'000 千港元	Trading 買賣 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Impairment loss recognised on plant and equipment	2,525	-	-	2,525
Impairment loss recognised on lease receivables and trade receivables, net	5,113	487	-	5,600
Depreciation of property, plant and equipment	55,854	12	1,380	57,246
Depreciation of right-of-use assets	1,382	-	81	1,463
Gain on disposal of property, plant and equipment	5,435	-	-	5,435

For the year ended 31 March 2019

截至2019年3月31日止年度

	Leasing 租賃 HK\$'000 千港元	Trading 買賣 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Impairment losses recognised for lease receivables and trade receivables, net	1,027	154	-	1,181
Depreciation of property, plant and equipment	49,457	5	1,471	50,933
Gain on disposal of property, plant and equipment	5,348	-	-	5,348

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

5. REVENUE AND SEGMENT INFORMATION (Continued)

(b) Segment information (Continued)

Geographical information

The Group's revenue from external customers is mainly derived from customers located in Hong Kong, Macau and other locations, which is determined based on the location of customers.

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
External revenue:	外部收益：		
Hong Kong	香港	134,927	133,716
Macau	澳門	8,516	11,408
Others	其他	2,344	986
		145,787	146,110

The Group's non-current assets based on the geographical location of the group companies owning these assets are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Non-current assets:	非流動資產：		
Hong Kong	香港	211,199	210,032
Macau	澳門	8,107	5,843
Others	其他	23,632	5,371
		242,938	221,246

Note: Non-current assets excluded deposit placed for a life insurance policy and deferred tax assets.

Information about major customers

There are no customers contributing over 10% of the total revenue of the Group during both years.

5. 收益及分部資料(續)

(b) 分部資料(續)

地理資料

本集團來自外部客戶的收益主要衍生自香港、澳門及其他地點的客戶，收益按客戶所在地點釐定。

本集團的非流動資產(按此等資產集團公司擁有其地理位置劃分)載列如下：

附註：非流動資產不包括壽險保單存款及遞延稅項資產。

有關主要客戶的資料

於兩個年度均無客戶佔本集團總收益逾10%。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

6. OTHER INCOME

6. 其他收入

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Interest income from:	利息收入來自：		
— bank deposits	— 銀行存款	147	327
— deposit placed for a life insurance policy	— 壽險保單存款	96	96
Storage income	倉存收入	1,712	1,677
Sundry income	雜項收入	553	2,093
		2,508	4,193

7. OTHER GAINS AND LOSSES

7. 其他收益及虧損

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Exchange loss, net	匯兌虧損淨額	(470)	(98)
Gain on disposal of property, plant and equipment	出售物業、機械及設備收益	5,435	5,348
		4,965	5,250

8. FINANCE COSTS

8. 融資成本

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Interest on borrowings (note 22)	借款利息(附註22)	975	513
Interest on lease liabilities (note 25)	租賃負債利息(附註25)	140	-
Imputed interest on loans from a related company (note 24)	來自一間關聯公司之貸款的推算利息(附註24)	87	-
		1,202	513

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

9. INCOME TAX (CREDIT) EXPENSE

9. 所得稅(抵免)開支

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Current tax	當期稅項		
Hong Kong Profits Tax	香港利得稅	–	–
Macau Complementary Income Tax	澳門所得補充稅	–	153
Deferred taxation (note 23)	遞延稅項(附註23)	– (2,127)	153 (12)
		(2,127)	141

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits for both years.

For the subsidiary registered in Singapore which is subject to Singapore income tax at 17% (2019: 17%). No provision for Singapore income tax had been made as it had no assessable profits for both years.

For the subsidiary registered in Macau, Macau Complementary Income Tax is calculated at 12% of the estimated assessable profit exceeding MOP600,000 after the deduction of dividend paid for both years. No provision for Macau Complementary Income Tax had been made as it had no assessable profits for the current year.

For subsidiary registered in China, under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25%.

由於本集團於兩個年度並無應課稅溢利，故未有計提香港利得稅撥備。

於新加坡註冊的附屬公司須按17%(2019年：17%)的稅率繳納新加坡所得稅。由於在該兩個年度均無應課稅溢利，故未有計提新加坡所得稅撥備。

就於澳門註冊成立的附屬公司而言，該兩個年度的澳門所得補充稅按扣除已派發股息後超過600,000澳門元的估計應課稅溢利的12%計算。由於本集團於本年度並無應課稅溢利，故未有計提澳門所得補充稅撥備。

就於中國註冊成立的附屬公司，根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司須按25%繳納企業所得稅。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

9. INCOME TAX (CREDIT) EXPENSE (Continued)

The income tax (credit) expense for the year can be reconciled from the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

9. 所得稅(抵免)開支(續)

本年度所得稅(抵免)開支與綜合損益及其他全面收益表所載除稅前虧損對賬如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss before tax	除稅前虧損	(21,806)	(2,382)
Tax at applicable tax rate of 16.5%	按適用稅率 16.5% 計算的稅項	(3,598)	(393)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	866	803
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(24)	(54)
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	593	646
Effect of different tax rate of subsidiary operating in other jurisdiction	於其他司法管轄區經營的附屬公司的稅率差異的影響	(140)	(58)
Others	其他	176	(803)
Income tax (credit) expense for the year	本年度所得稅(抵免)開支	(2,127)	141

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

10. LOSS FOR THE YEAR

10. 本年度虧損

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss for the year has been arrived at after charging:	扣除下列項目後的本年度虧損：		
Auditor's remuneration	核數師酬金	1,905	1,883
Cost of inventories recognised as expenses	確認作開支的存貨成本	17,868	5,668
Depreciation of property, plant and equipment	物業、機械及設備折舊	57,246	50,933
Depreciation of right-of-use assets	使用權資產折舊	1,463	-
Write-down of inventories	存貨撇減	536	-
Staff costs:	員工成本：		
Directors' emoluments (note 11)	董事酬金(附註11)	6,749	6,660
Other staff costs:	其他員工成本：		
— Salaries, allowances and other benefits	— 薪金、津貼及其他福利	33,224	34,008
— Retirement benefits scheme contributions	— 退休福利計劃供款	1,402	1,477
		34,626	35,485
Total staff costs	總員工成本	41,375	42,145
Operating lease rentals in respect of rented premises	租賃處所的經營租賃租金		
— minimum lease payments	— 最低租賃付款	-	5,113

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

10. LOSS FOR THE YEAR (Continued)

Note: The Group has established the MPF Scheme for its Hong Kong employees. The assets of the scheme are held separately in funds which are under the control of independent trustees. The retirement benefit scheme contributions recognised in profit or loss represent contributions paid or payable by the Group to the scheme at 5% of each of the employees' monthly relevant income capped at HK\$30,000 (2019: HK\$30,000) per month.

The eligible employees of the Company's subsidiaries in the Macau, Singapore and the PRC are members of pension schemes operated respective local governments. The subsidiary in Macau is required to contribute MOP60 for every employee per month while the subsidiary in Singapore is required to contribute 16% of the employee's monthly gross salary. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contribution under the schemes.

The total costs charged to profit or loss for the year of HK\$1,474,000 (2019: HK\$1,549,000), comprised HK\$72,000 and HK\$1,402,000 (2019: HK\$72,000 and HK\$1,477,000) in directors' emoluments and other staff costs respectively, and represented contributions paid or payable to the schemes by the Group in respect of the current year. At the end of the reporting period, there were no forfeited contributions available to reduce future obligations.

10. 本年度虧損(續)

附註：本集團已為香港僱員設立強積金計劃。計劃的資產以獨立信託人監管的基金形式分開持有。於損益確認的退休福利計劃供款為本集團按各僱員以30,000港元(2019年：30,000港元)為上限的有關月薪5%的已付或應付供款。

本公司於澳門、新加坡及中國的附屬公司的合資格僱員為各當地政府管理的退休金計劃成員，澳門的附屬公司須每月就每名僱員供款60澳門元，而新加坡附屬公司須就僱員月薪總金額作出16%供款。本集團有關退休福利計劃的唯一責任為根據計劃作出所須供款。

於年內損益扣除之成本總額約為1,474,000港元(2019年：1,549,000港元)，包括分別為72,000港元及1,402,000港元(2019年：72,000港元及1,477,000港元)的董事酬金及其他員工成本，為本集團就本年度向計劃作出的已付或應付供款。於報告期末，並無沒收的供款可供減低未來供款責任。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Details of the emoluments paid or payable to the directors of the Company are as follows:

11. 董事、最高行政人員及僱員酬金

已付或應付本公司董事的酬金詳情如下：

		Other emoluments 其他酬金				Total 總計
		Fees 袍金 HK\$'000 千港元	Basic salaries, allowances and other benefits 基本薪金、津貼及其他福利 HK\$'000 千港元	Discretionary bonus 酌情花紅 HK\$'000 千港元 (Note) (附註)	Retirement benefits scheme contributions 退休福利計劃供款 HK\$'000 千港元	
For the year ended 31 March 2020	截至2020年3月31日止年度					
Executive directors:	執行董事：					
Lau Pong Sing	劉邦成	-	2,776	-	36	2,812
Chan Kit Mui, Lina	陳潔梅	-	2,768	-	36	2,804
Non-executive director:	非執行董事：					
Tomokatsu Nakazawa	中澤友克	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事：					
Li Ping Chi	李炳志	252	-	-	-	252
Siu Chak Yu	蕭澤宇	252	-	-	-	252
Ho Chung Tai, Raymond	何鍾泰	629	-	-	-	629
		1,133	5,544	-	72	6,749
For the year ended 31 March 2019	截至2019年3月31日止年度					
Executive directors:	執行董事：					
Lau Pong Sing	劉邦成	-	2,772	-	36	2,808
Chan Kit Mui, Lina	陳潔梅	-	2,736	-	36	2,772
Non-executive directors:	非執行董事：					
Tomokatsu Nakazawa (appointed on 14 December 2018)	中澤友克(於2018年 12月14日獲委任)	-	-	-	-	-
Lu Tao (resigned on 14 December 2018)	呂濤(於2018年 12月14日辭任)	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事：					
Li Ping Chi	李炳志	240	-	-	-	240
Siu Chak Yu	蕭澤宇	240	-	-	-	240
Ho Chung Tai, Raymond	何鍾泰	600	-	-	-	600
		1,080	5,508	-	72	6,660

Note: The discretionary bonus is mainly determined on the basis of the performance of the Group and individual.

附註：酌情花紅主要以本集團業績及個人表現為基礎釐定。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

The Group has been providing accommodation, which is leased from third party, to Ms. Chan Kit Mui, Lina for use by her and her family members at no charge. The estimated money value of the benefit in kind is approximately HK\$484,000 (2019: HK\$468,000).

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company. No emoluments were paid to the non-executive directors for both years. There was no arrangement under which a director or the Chief Executive of the Company waived or agreed to waive any remuneration for both years.

Mr. Lau Pong Sing is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

Of the five individuals with the highest emoluments in the Group for the year, two (2019: two) of them were directors of the Company, whose emoluments are included in above. The emoluments of the remaining three (2019: three) individuals were as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Basic salaries and allowance and other benefits	基本薪金及津貼及其他福利	2,523	2,244
Discretionary bonus	酌情花紅	146	-
Retirement benefits scheme contributions	退休福利計劃供款	54	54
		2,723	2,298

11. 董事、最高行政人員及僱員酬金 (續)

本集團一直免費提供第三方租用的住宿，以供陳潔梅女士及其家庭成員使用。實物利益的估計貨幣價值為約484,000港元(2019年：468,000港元)。

上述執行董事酬金主要與其就管理本公司及本集團事務提供服務有關。上述獨立非執行董事酬金主要與其就擔任本公司董事提供服務有關。該兩個年度概無向非執行董事支付酬金。本公司董事或最高行政人員於該兩個年度內並無放棄或同意放棄任何酬金的安排。

劉邦成先生亦為本公司最高行政人員，上文所披露其酬金包括其作為最高行政人員提供服務的酬金。

本年度本集團五名最高薪人士中兩名(2019年：兩名)為本公司董事，其酬金已計入上文內。餘下三名(2019年：三名)人士的酬金如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

The number of the highest paid employees who are not directors of the Company whose remuneration within the following band is as follows:

		2020 2020年 Number of individuals 人數	2019 2019年 Number of individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	3	3

No emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office during both years.

12. DIVIDEND

Dividend recognised as distributions of the Company during the year ended 31 March 2019 represented final dividend for the year ended 31 March 2018 of HK cent 0.35 per share, totalling HK\$3,024,000 in aggregate.

No final dividend has been proposed for the year ended 31 March 2020.

11. 董事、最高行政人員及僱員酬金 (續)

酬金介乎下列範圍的非本公司董事最高薪僱員數目如下：

		2020 2020年 Number of individuals 人數	2019 2019年 Number of individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	3	3

於兩個年度，本集團並無向本公司董事或五名最高薪人士(包括董事及僱員)支付酬金作為加盟本集團或加盟時的獎勵或離職補償。

12. 股息

本公司截至2019年3月31日止年度確認為分派的股息指截至2018年3月31日止年度末期股息每股0.35港仙，合共3,024,000港元。

截至2020年3月31日止年度，並無擬派末期股息。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

13. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	用於計算每股基本虧損的本公司擁有人應佔本年度虧損	(19,679)	(2,523)
		'000 千股	'000 千股
Number of shares Number of ordinary shares for the purpose of basic loss per share	股份數目 用於計算每股基本虧損的普通股股數	864,000	864,000

Note: The calculations of the basic loss per share for both years are based on the loss attributable to owners of the Company using the number of shares in issue during the year.

No diluted loss per share is presented for both years as there were no potential ordinary shares in issue.

13. 每股虧損

本公司擁有人應佔每股基本虧損乃基於下列數據計算：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	用於計算每股基本虧損的本公司擁有人應佔本年度虧損	(19,679)	(2,523)
		'000 千股	'000 千股
Number of shares Number of ordinary shares for the purpose of basic loss per share	股份數目 用於計算每股基本虧損的普通股股數	864,000	864,000

附註：上述兩個年度每股基本虧損乃按本公司擁有人應佔虧損及年內已發行股份數計算。

由於並無潛在已發行普通股，故概無呈列該兩個年度的每股攤薄虧損。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、機械及設備

		Furniture and fixtures and leasehold improvements and motor vehicles and tools						Total
		Plant and machinery	Office equipment	Furniture and fixtures	Leasehold improvements	Motor vehicles	Tools	
		機械及設備	辦公室設備	傢具及固定裝置	租賃物業裝修	汽車	工具	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
COST								
	成本							
At 1 April 2018	於2018年4月1日	324,316	2,978	228	5,430	14,812	1,576	349,340
Additions	添置	91,757	91	203	317	1	109	92,478
Disposals	出售	(33,998)	(172)	-	-	(80)	-	(34,250)
Exchange realignment	匯兌調整	1	-	-	-	-	-	1
At 31 March 2019	於2019年3月31日	382,076	2,897	431	5,747	14,733	1,685	407,569
Acquisition of a subsidiary (note 31)	收購一間附屬公司(附註31)	19,914	-	-	-	-	-	19,914
Additions	添置	68,844	307	20	112	-	355	69,638
Disposals	出售	(30,169)	(31)	(46)	-	(88)	-	(30,334)
Exchange realignment	匯兌調整	(464)	-	-	-	-	-	(464)
At 31 March 2020	於2020年3月31日	440,201	3,173	405	5,859	14,645	2,040	466,323
DEPRECIATION AND IMPAIRMENT								
	折舊及減值							
At 1 April 2018	於2018年4月1日	134,230	1,730	112	4,258	10,059	1,098	151,487
Provided for the year	年度提撥	47,749	395	133	558	1,847	251	50,933
Eliminated on disposals	出售時註銷	(15,956)	(65)	-	-	(77)	-	(16,098)
Exchange realignment	匯兌調整	1	-	-	-	-	-	1
At 31 March 2019	於2019年3月31日	166,024	2,060	245	4,816	11,829	1,349	186,323
Provided for the year	年度提撥	54,745	374	83	535	1,268	241	57,246
Impairment loss recognised in profit or loss	已於損益確認的減值虧損	2,525	-	-	-	-	-	2,525
Eliminated on disposals	出售時註銷	(14,270)	(10)	(16)	-	(88)	-	(14,384)
Exchange realignment	匯兌調整	(30)	-	-	-	-	-	(30)
At 31 March 2020	於2020年3月31日	208,994	2,424	312	5,351	13,009	1,590	231,680
CARRYING VALUES								
	賬面值							
At 31 March 2020	於2020年3月31日	231,207	749	93	508	1,636	450	234,643
At 31 March 2019	於2019年3月31日	216,052	837	186	931	2,904	336	221,246

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum after taking into account the residual values:

Plant and machinery	15% to 30%
Others	20%

The Group as lessor

The Group leases out a number of machineries under operating leases. The leases typically run for an initial period of one month. None of the leases includes variable lease payments. These machineries under operating leases included within plant and machinery.

Impairment Assessment

The management of the Group assessed and concluded if there was indication for impairment by reference to the utilisation and income generated from the plant and machinery in recent years, impairment assessment are conducted on recoverable amounts of the plant and equipment with impairment indicator. The recoverable amount of the plant and equipment are estimated individually.

The impairment amount has been recognised and such that the carrying amount of each plant and machinery is not reduced below the highest of its fair value less cost of disposal, its value in use and zero. The management determine the recoverable amount based on fair value less cost of disposal by reference to the recent disposal values, third parties' quotations or transaction prices of similar assets. Based on the recoverable amount of the individual assets, HK\$2,525,000 has been recognised against the carrying amount of plant and equipment.

14. 物業、機械及設備(續)

上述物業、機械及設備項目計及剩餘價值後以直線法按下列年率折舊：

機械及設備	15%至30%
其他	20%

本集團為出租人

本集團以經營租賃方式出租若干機械。租賃一般為期一個月，所有租賃均不包含可變租賃付款。有關經營租賃的機械包括在機械及設備內。

減值評估

本集團管理層評估並得出結論，參照近年機械及設備的使用情況及所產生收入，如果有減值跡象，則對有減值跡象的機械及設備的可收回金額進行減值估。

減值金額已確認，以致各機械及設備的賬面值未削減至低於其公允值減出售成本、其使用價值及零三者中的最高值。管理層參照最近出售值、第三方報價或類似資產的交易價格，並按公允值減出售成本以釐可收回金額。根據個別資產的可收回金額，已確認機械及設備的賬面值2,525,000港元。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

15. RIGHT-OF-USE ASSETS

15. 使用權資產

		Leased properties 租賃物業
		HK\$'000 千港元
As at 1 April 2019	於2019年4月1日	
Carrying amount	賬面值	–
As at 31 March 2020	於2020年3月31日	
Carrying amount	賬面值	7,224
For the year ended 31 March 2020	截至2020年3月31日止年度	
Depreciation charge	折舊費	1,463
Expense relating to short-term leases and other leases with lease terms end within 12 months of the date of initial application of HKFRS 16	在首次應用香港財務報告準則第16號 之日起12個月內終止的短期租賃及 其他具有租賃條款的開支	
— in respect of rented premise	— 有關租賃處所	4,454
— in respect of machinery rentals	— 有關機械租賃	18,823
Total cash outflow for leases	總租賃現金流出	23,973
Additions to right-of-use assets	使用權資產的補充	8,687

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

16. DEPOSIT PLACED FOR A LIFE INSURANCE POLICY 16. 壽險保單存款

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Deposit placed for a life insurance policy 壽險保單存款	2,760	2,725

The Group entered into a life insurance policy (the “Policy”) with an insurance company to insure a director of the Company. Under the Policy, the beneficiary and policy holder is a subsidiary of the Company and the total insured sum is US\$1,000,000 (equivalent to approximately HK\$7,757,000).

At inception of the Policy, the Group is required to make a single upfront payment of US\$322,000 (equivalent to approximately HK\$2,497,000) which includes a fixed policy premium charge and a deposit. Monthly policy expense and insurance charges will be incurred over the insurance period with reference to the terms set out in the Policy. The insurance company will pay the Group a guaranteed interest rate of 4.2% for the first year and a variable return per annum afterwards (with guaranteed minimum interest rate of 2%) during the effective period of the Policy. The Group may request full surrender of the Policy at any time and receive cash back based on the value of the Policy at the date of withdrawal, which is determined by the gross premium paid plus accumulated interest earned and minus the policy expense and insurance premium charge. If such withdrawal is made between the first to eighteenth policy year, a pre-determined specified surrender charge will be imposed on the Group.

The directors of the Company consider that the possibility of terminating the Policy during the first eighteen years was low and the expected life of the life insurance policy remains unchanged since its initial recognition. The policy premium, expense and insurance charges are recognised in profit or loss and any fair value changes of the deposit placed is recognised in profit or loss.

本集團與保險公司訂有壽險保單(「保單」)，為本公司一名董事投保。根據保單，受益人及保單持有人為本公司附屬公司，而總投保額為1,000,000美元(相等於約7,757,000港元)。

於開立保單時，本集團須支付一筆過預付款322,000美元(相等於約2,497,000港元)，包括定額保費及存款。每月保險開支及保險手續費將於保險期內參照保單所載條款產生。保險公司將向本集團支付首年保證利率4.2%，並於往後保單生效期內每年支付可變回報(最低保證利率為2%)。本集團可隨時要求全額退保，並收回相等於退保日期保單價值(按已付保費總額加累計已獲利息並扣除保單開支及保費手續費而釐定)的現金。倘於第一至第十八個保單年度之間退保，本集團將須繳付預定退保手續費。

本公司董事認為於首十八個保單年度內終止保單的可能性低，故壽險保單的預計有效期自首次確認起維持不變。保費、開支及保險手續費於損益確認，而所付存款的任何公允價變動亦於損益確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

17. INVENTORIES

17. 存貨

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Finished goods	製成品	25,311	12,134

18. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

18. 貿易及其他應收款項、按金及預付款項

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Lease receivables from:	應收下列人士租金：		
— outsiders	— 外界人士	42,436	42,228
— a subsidiary of a shareholder of the Company	— 本公司一名股東的附屬公司	768	1,314
— a related company	— 一間關聯公司	429	697
Less: Allowance for credit loss	減：信貸虧損撥備	(11,637)	(6,524)
		31,996	37,715
Trade receivables from contracts with customers	來自客戶合約的貿易應收款項	5,161	2,026
Less: Allowance for credit loss	減：信貸虧損撥備	(678)	(191)
		4,483	1,835
Other receivables	其他應收款項	50	194
Value added tax recoverable	可收回增值稅	1,169	-
Rental deposits paid	已付租賃按金	1,052	540
Other deposits and prepayments	其他按金及預付款項	5,783	3,293
		44,533	43,577
Analysed as:	分析為：		
Current	流動	43,462	43,577
Non-current — Deposits paid for acquisition of property, plant and equipment	非流動 — 收購物業、機械及設備的已付按金	421	-
Non-current — rental deposits	非流動 — 租賃按金	650	-
		44,533	43,577

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

18. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)

As at 1 April 2018, trade receivables from contracts with customers amounted to HK\$4,678,000.

The following is an aged analysis of lease receivables and trade receivables, net of allowance for credit losses, presented based on the invoice date at the end of the reporting period:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within 30 days	30日內	8,656	10,341
31 to 60 days	31日至60日	14,792	12,538
61 to 90 days	61日至90日	2,506	4,759
91 to 180 days	91日至180日	6,318	6,108
Over 180 days	超過180日	4,207	5,804
		36,479	39,550

As at 31 March 2020, included in the Group's lease receivables and trade receivables balances were debtors with aggregate carrying amount of HK\$28,552,000 (2019: HK\$31,107,000) which were past due at the end of the reporting period. Out of the past due balances as at 31 March 2020, HK\$9,320,000 (2019: HK\$13,590,000) has been past due 90 days or more and are not considered as in default as debtors normally will settle the outstanding balances after 90 days overdue with reference to the debtors settlement pattern. The Group does not hold any collateral over these balances.

Details of impairment assessment of trade and other receivables are set out in note 30.

18. 貿易及其他應收款項、按金及預付款項(續)

於2018年4月1日，客戶合約產生的貿易應收款項為4,678,000港元。

以下為於報告期末按發票日期呈列的應收租賃款項及貿易應收款(已扣除信貸虧損撥備)的賬齡分析：

於2020年3月31日，本集團應收租賃款項及貿易應收款項結餘包括總賬面值為28,552,000港元(2019年：31,107,000港元)的應收賬款，其於報告期末已逾期。於2020年3月31日已逾期結餘中，9,320,000港元(2019年：13,590,000港元)已逾期90日或以上但不被視為違約，因應收賬款一般會在逾期90日後參考應收賬款支付方式結清未償還結餘。本集團並未就該等結餘持有任何抵押品。

貿易及其他應收款項的減值評估詳情載於附註30。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

19. BANK DEPOSITS WITH ORIGINAL MATURITY LESS THAN THREE MONTHS/BANK BALANCES AND CASH/PLEDGED BANK DEPOSIT

At 31 March 2020, bank balances carry interest at market rates of 0.01% per annum (2019: 0.01% per annum).

At 31 March 2019, the bank deposits with original maturity less than three months carried fixed interest ranging from 1.9% to 2.6% per annum.

At 31 March 2020, pledged bank deposit carries fixed interest at 0.05% per annum (2019: 0.2% per annum).

Details of impairment assessment of bank deposits with original maturity less than three months, bank balances and pledged bank deposit are set out in note 30.

19. 原到期日為三個月以內的銀行存款／銀行結餘及現金／已抵押銀行存款

於2020年3月31日，銀行結餘按市場年利率0.01%（2019年：年利率0.01%）計息。

於2019年3月31日，原到期日為三個月以內的銀行存款按介乎1.9%至2.6%的固定年利率計息。

於2020年3月31日，已抵押銀行存款按固定年利率0.05%（2019年：年利率0.2%）計息。

原到期日為三個月以內的銀行存款、銀行結餘及已抵押銀行存款的減值評估詳情載於附註30。

20. TRADE AND OTHER PAYABLES AND ACCRUED CHARGES

20. 貿易及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
Trade payables (Note a)	貿易應付款項(附註a)	37,177	33,438
Accrued expenses (Note b)	應計開支(附註b)	9,560	7,604
Other payables (Note c)	其他應付款項(附註c)	2,956	4,349
		49,693	45,391
Analysed as:	分析為：		
Current	流動	37,335	45,391
Non-current	非流動		
— trade payable to a subsidiary of a shareholder of the Company	— 應付本公司一名股東的附屬公司的貿易款項	12,358	—
		49,693	45,391

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

20. TRADE AND OTHER PAYABLES AND ACCRUED CHARGES (Continued)

Notes:

- (a) As at 31 March 2020, included in trade payables is HK\$21,669,000 (2019: HK\$10,179,000) payable to a subsidiary of a shareholder of the Company. Except for a trade payable of HK\$18,475,000 carrying on an interest rate of 3.6% per annum and payable by 36 monthly instalments from 25 March 2020, other trade payables are under normal credit term granted by suppliers.
- (b) As at 31 March 2020, included in accrued expenses are mainly accrued staff costs of HK\$5,047,000 (2019: HK\$4,812,000).
- (c) As at 31 March 2020 and 2019, included in other payables are mainly professional fee payable, insurance payable and other utility payable.

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within 30 days	30日內	20,818	9,588
31 to 60 days	31至60日	5,045	12,257
61 to 90 days	61至90日	499	7,173
91 to 180 days	91至180日	9,505	1,737
Over 180 days	超過180日	1,310	2,683
		37,177	33,438

The credit period on trade payables is ranging from 0 to 180 days (2019: 0 to 180 days).

20. 貿易及其他應付款項及應計費用 (續)

附註：

- (a) 於2020年3月31日，貿易應付款項包括應付本公司一名股東的附屬公司款項21,669,000港元(2019年：10,179,000港元)。除一筆年利率為3.6%並須自2020年3月25日起分36個月付款的貿易應付款項18,475,000港元外，其他貿易應付款項乃按供應商授予的一般信貸期付款。
- (b) 於2020年3月31日，應計開支主要包括應計員工成本5,047,000港元(2019年：4,812,000港元)。
- (c) 於2020年及2019年3月31日，其他應付款項主要包括應付專業費用、應付保費及其他應付公共設施費用。

下表載列貿易應付款項於報告期末按發票日期呈列的賬齡分析：

貿易應付款項的信貸期介乎0至180日(2019年：0至180日)不等。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

21. CONTRACT LIABILITIES

21. 合約負債

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Relating to sales of machinery and parts	與機械及零件銷售相關	13,233	563

As at 1 April 2018, contract liabilities amounted to HK\$438,000.

於2018年4月1日，合約負債為438,000港元。

The Group normally receives 10% to 40% of the contract value as deposits from customers when it signs that sale and purchase agreement. The deposits will be recognised as revenue when the customer obtains control of the machinery and parts.

本集團通常於客戶簽訂買賣協議時向他們收取合約價值的10%至40%作為訂金。訂金將會於客戶取得機械及零件的控制權時確認為收益。

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities and how much relates to performance obligation that were satisfied in prior periods.

下表顯示已確認的收入中多少與結轉合約負債相關及多少與前期已履行的履約責任相關。

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Balance at the beginning of the year	年初餘額	563	438
Decrease in contract liabilities as a result of recognising revenue during the year that were included in the contract liabilities at the beginning of the year	年內確認收入(於年初計入合約負債)導致合約負債減少	(563)	(438)
Increase in contract liabilities as a result of receiving deposits in respect of sales of machinery and parts	因收取機械及零件銷售的按金導致合約負債增加	13,233	563
Balance at the end of the year	年末餘額	13,233	563

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

22. BORROWINGS

22. 借款

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Secured borrowings	有抵押借款	23,164	16,852
Unsecured borrowings	無抵押借款	-	609
		23,164	17,461
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Carrying amounts of borrowings that do not contain a repayable on demand clause and are repayable based on the scheduled repayment dates set out in the loan agreements:	並無須按要求還款條款惟須按貸款協議所載預定還款日期還款的借款的賬面值：		
Within one year	一年內	-	5,109
Carrying amounts of borrowings that contain a repayable on demand clause (shown under current liabilities) and the maturity analysis based on the scheduled repayment dates set out in the loan agreements are:	包含須按要求還款條款的借款(於流動負債項下呈列)的賬面值及按貸款協議所載預定還款日期所作到期日分析為：		
Within one year	一年內	13,534	8,602
More than one year but not exceeding two years	多於一年，但不多於兩年	7,054	3,750
More than two years but not exceeding five years	多於兩年，但不多於五年	2,576	-
		23,164	12,352
		23,164	17,461
Less: Amounts due within one year shown under current liabilities	減：於流動負債項下呈列的一年內到期款項	(23,164)	(17,461)
Amounts shown under non-current liabilities	於非流動負債項下呈列的款項	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

22. BORROWINGS (Continued)

At 31 March 2020, included in Group's borrowings of HK\$23,164,000 (2019: HK\$12,443,000) are fixed-rate borrowings carry interest ranging from 2.05% to 2.35% (2019: ranging from 2.05% to 2.20%) per annum.

At 31 March 2019, included in the Group's borrowings of HK\$518,000 and HK\$4,500,000 were variable-rate borrowings carry interest at Hong Kong Best Lending Rate minus 0.9% and Hong Kong Interbank Offered Rate plus 2.75% respectively. The remaining are fixed-rate borrowings carry interest ranging from 2.05% to 2.35% (2019: ranging from 2.05% to 2.20%) per annum.

The secured borrowings were secured by property, plant and equipment, deposit placed for a life insurance policy and pledged bank deposit as disclosed in note 34.

As at 31 March 2020, the Group's general banking facilities amounting to HK\$55,749,000 (2019: HK\$53,528,000) are secured by unlimited corporate guarantee from the Company.

23. DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	(123)	(167)
Deferred tax liabilities	遞延稅項負債	25,901	26,924
		25,778	26,757

22. 借款(續)

於2020年3月31日，本集團的借款中包括23,164,000港元(2019年：12,443,000港元)的固定利率借款，按介乎2.05%至2.35%(2019年：介乎2.05%至2.20%)年利率計息。

於2019年3月31日，本集團的借款中包括518,000港元及4,500,000港元的浮息借款，分別按港元最優惠利率減0.9%及香港銀行同業拆息加2.75%計息。餘下為按介乎2.05%至2.35%(2019年：介乎2.05%至2.20%)年利率計息的固定利率借款。

有抵押借款以附註34所披露的物業、機械及設備、壽險保單存款以及已抵押銀行存款作抵押。

於2020年3月31日，本集團的一般銀行融資額為55,749,000港元(2019年：53,528,000港元)，以本公司無限制公司擔保作抵押。

23. 遞延稅項資產／負債

就於綜合財務狀況表的呈列而言，若干遞延稅項資產及負債已被抵銷。以下為就財務報告而言的遞延稅項餘額分析：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

23. DEFERRED TAX ASSETS/LIABILITIES (Continued)

The following are the major deferred tax liabilities (assets) recognised by the Group and movements thereon during both years:

23. 遞延稅項資產／負債(續)

以下為本集團於兩個年度內確認的主要遞延稅項負債(資產)及其變動：

		Accelerated tax depreciation	Tax losses	ECL provision 預期信貸 虧損撥備	Fair value adjustments	Total
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2018	於2018年4月1日	26,769	-	-	-	26,769
Charge (credit) to profit or loss	自損益扣除(計入 損益)	3,508	(2,553)	(967)	-	(12)
At 31 March 2019	於2019年3月31日	30,277	(2,553)	(967)	-	26,757
Acquisition of a subsidiary (note 31)	收購一間附屬公司 (附註31)	41	-	-	1,107	1,148
(Credit) charge to profit or loss	(計入損益)自損益 扣除	(554)	(1,568)	161	(166)	(2,127)
At 31 March 2020	於2020年3月31日	29,764	(4,121)	(806)	941	25,778

At the end of the reporting period, the Group has unused tax losses of HK\$32,152,000 (2019: HK\$19,390,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$24,976,000 (2019: HK\$15,473,000) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$7,176,000 (2019: HK\$3,917,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately HK\$517,000 (2019: nil) that will expire within 5 years from the date of originating. Other tax losses may be carried forward indefinitely.

於報告期末，本集團有未動用稅項虧損32,152,000港元(2019年：19,390,000港元)可供抵銷未來溢利，並已就有關虧損24,976,000港元(2019年：15,473,000港元)確認遞延稅項資產。由於無法預測未來溢利，故並無就餘下的7,176,000港元(2019年：3,917,000港元)確認遞延稅項資產。約517,000港元(2019年：無)的虧損包括在未確認的稅項虧損中，於發起之日起5年內到期。其他稅項虧損可無限期結轉。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

24. LOANS FROM A RELATED COMPANY

Loans from a related company are unsecured and carried the effective interest rate of 4.07% per annum. Included in the carrying amounts of US\$337,794 (equivalent to approximately HK\$2.6 million) and US\$217,794 (equivalent to approximately HK\$1.7 million) are repayable in October 2021 and August 2021 respectively.

The related company has common directors with the Company.

24. 來自一間關聯公司之貸款

關聯公司的貸款為無抵押且實際年利率為4.07%。賬面值337,794美元(相當於約2.6百萬港元)和217,794美元(相當於約1.7百萬港元)分別於2021年10月和2021年8月還款。

關聯公司與本公司有共同董事。

25. LEASE LIABILITIES

25. 租賃負債

		2020 2020年 HK\$'000 千港元
Lease liabilities payable:	應付租賃負債	
Within one year	一年內	2,907
Within a period of more than one year but not more than two years	為期多於一年，但不多於兩年	2,892
Within a period of more than two years but not more than five years	為期多於兩年，但不多於五年	1,485
		7,284
Less: Amount due for settlement with 12 months shown under current liabilities	12個月內到期結算的款項 (於流動負債下列示)	(2,907)
Amount due for settlement after 12 months shown under non-current liabilities	12個月後到期結算的款項 (於非流動負債下列示)	4,377

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

26. ISSUED CAPITAL

26. 已發行股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.001 each	每股面值0.001港元的普通股		
Authorised:	法定：		
At 1 April 2018, 31 March 2019 and 31 March 2020	於2018年4月1日、 2019年3月31日及 2020年3月31日	10,000,000,000	10,000
Issued:	已發行：		
At 1 April 2018, 31 March 2019 and 31 March 2020	於2018年4月1日、 2019年3月31日及 2020年3月31日	864,000,000	864

27. SHARE-BASED PAYMENTS

The Group has adopted the share option scheme (the “**Share Option Scheme**”) pursuant to a resolution in writing passed by all the shareholders in the extraordinary general meeting on 17 March 2016. The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that eligible participants had made or may make to the Group.

Under the Share Option Scheme, the Board of Directors may at its discretion grant options to eligible participants, including: (i) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company (“**Affiliate**”); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

27. 以股份為基礎的付款

本集團已根據所有股東於2016年3月17日的股東特別大會上通過書面決議案所採納的購股權計劃(「**購股權計劃**」)。購股權計劃為股份獎勵計劃，設立該計劃旨在嘉許及酬謝曾經或可能會對本集團作出貢獻的合資格參與者。

根據購股權計劃，董事會可酌情向合資格參與者授出購股權，包括：(i)本集團任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人或顧問或承包商或本集團擁有權益的公司或該公司的附屬公司(「**聯屬人士**」)；或(ii)以本集團任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人或顧問或承包商或聯屬人士為受益人的任何信託或以上述各方為全權受益人的任何全權信託的受託人；或(iii)本集團任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人、顧問或承包商或聯屬人士實益擁有的公司。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

27. SHARE-BASED PAYMENTS (Continued)

The exercise price for any share under the Share Option Scheme shall be a price determined by the Board of Directors and notified to each grantee and shall be not less than the highest of (i) the closing price of the Company's share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a business day, (ii) an amount equivalent to the average closing price of the Company's share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of the relevant option and (iii) the nominal value of the Company's share on the date of grant. The exercise price shall also be subject to certain adjustments.

Subject to certain restrictions contained in the Share Option Scheme, an option may be exercised in accordance with the terms of the Share Option Scheme and the terms of grant thereof at any time during the applicable option period, which is not more than ten years from the date of grant of option.

Under the Share Option Scheme, there is no general requirement on the minimum period for which an option must be held or the performance targets which must be achieved before an option can be exercised under the terms of the Share Option Scheme. However, at the time of granting any option, the Board may, on a case by case basis, make such grant subject to such conditions, restrictions or limitations including (without limitation) those in relation to the minimum period of the options to be held and/or the performance targets to be achieved as the Board may determine in its absolute discretion.

From the date of the adoption of the Share Option Scheme and up to 31 March 2020, no share option has been granted or agreed to be granted under the Share Option Scheme.

27. 以股份為基礎的付款(續)

購股權計劃項下任何股份的行使價將由董事會釐定及通知各承授人，惟該價格不得低於以下各項的最高者：(i) 於授出有關購股權日期(該日必須為營業日)在聯交所每日報價表所報本公司股份收市價；(ii) 相等於緊接授出有關購股權日期前五個營業日在聯交所每日報價表所報本公司股份平均收市價的金額；及(iii) 本公司股份於授出日期的面值。行使價亦須作出若干調整。

於購股權計劃所載若干限制規限下，可於所適用購股權期間(即不超過授出購股權日期起計十年)隨時根據購股權計劃條款及有關授出購股權的條款行使購股權。

根據購股權計劃，並無有關須持有購股權的最短期間或於根據購股權計劃的條款行使購股權前須達致的表現目標的一般規定。然而，董事會可於授出任何購股權時按個別情況授出有關購股權，惟須遵守有關條件、限制或規限(包括(但不限於)該等與董事會可能全權酌情釐定須持有購股權的最短期間及/或須達致的表現目標相關者)。

自購股權計劃採納日期起至2020年3月31日止，並無根據購股權計劃授出或同意授出購股權。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

28. STATEMENT OF FINANCIAL POSITION OF THE COMPANY AND RESERVES OF THE COMPANY

28. 本公司財務狀況表及本公司儲備

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Non-current Assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	138,135	138,135
Loans to a subsidiary	貸款予一間附屬公司	39,615	47,664
Amounts due from subsidiaries	應收附屬公司款項	32,506	18,570
		210,256	204,369
Current Assets	流動資產		
Prepayments	預付款項	211	854
Amounts due from subsidiaries	應收附屬公司款項	21,527	10,151
Loans to a subsidiary	貸款予一間附屬公司	8,049	7,684
Bank deposits with original maturity less than three months	原到期日為三個月以內的 銀行存款	-	15,000
Bank balances and cash	銀行結餘及現金	4,297	3,447
		34,084	37,136
Current Liability	流動負債		
Other payables and accrued expense	其他應付款項及應計開支	1,964	1,715
Net Current Assets	流動資產淨值	32,120	35,421
Net Assets	資產淨值	242,376	239,790
Capital and Reserves	資本及儲備		
Issued capital	已發行股本	864	864
Reserves	儲備	241,512	238,926
Total Equity	總權益	242,376	239,790

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

28. STATEMENT OF FINANCIAL POSITION OF THE COMPANY AND RESERVES OF THE COMPANY

(Continued)

The followings are the movements of the Company's reserves for both years:

		Share premium 股份溢價	Retained profits 保留溢利	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2018	於2018年4月1日	232,345	10,642	242,987
Loss and total comprehensive expense for the year	本年度虧損及全面開支 總額	–	(1,037)	(1,037)
Dividend recognised as distribution (note 12)	確認為分派的股息 (附註12)	–	(3,024)	(3,024)
At 31 March 2019	於2019年3月31日	232,345	6,581	238,926
Profit and total comprehensive income for the year	本年度溢利及全面收益 總額	–	2,586	2,586
At 31 March 2020	於2020年3月31日	232,345	9,167	241,512

29. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of net debts, which include borrowings, loans from a related company, and cash and cash equivalents and equity attributable to owners of the Company, comprising issued capital and reserves.

The directors of the Company review the capital structure periodically. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. The management uses short-term funding to finance its daily operation to minimise finance costs. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends and new share issues or repayment of existing debt.

28. 本公司財務狀況表及本公司儲備 (續)

下表載列自兩個年度本公司的儲備變動：

		Share premium 股份溢價	Retained profits 保留溢利	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2018	於2018年4月1日	232,345	10,642	242,987
Loss and total comprehensive expense for the year	本年度虧損及全面開支 總額	–	(1,037)	(1,037)
Dividend recognised as distribution (note 12)	確認為分派的股息 (附註12)	–	(3,024)	(3,024)
At 31 March 2019	於2019年3月31日	232,345	6,581	238,926
Profit and total comprehensive income for the year	本年度溢利及全面收益 總額	–	2,586	2,586
At 31 March 2020	於2020年3月31日	232,345	9,167	241,512

29. 資本風險管理

本集團管理其資本以確保於本集團的實體將可持續經營，同時透過優化債務及權益結餘，為股東爭取最大回報。年內，本集團的整體策略一直維持不變。

本集團的資本架構包括債務淨額，當中包括借款、來自一間關聯公司之貸款、及現金及現金等價物以及本公司擁有人應佔權益(包括已發行股本及儲備)。

本公司董事定期檢討資本架構。作為此檢討的一部分，董事考慮資本成本及與各類資本相關的風險。管理層使用短期資金撥付其日常運營，以最大程度地降低融資成本。根據董事建議，本集團將透過支付股息及發行新股份或償還現有債務平衡其整體資本架構。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Financial assets	金融資產		
FVTPL	通過損益按公允值列賬	2,760	2,725
Amortised cost	攤銷成本	67,896	91,951
Financial liabilities	金融負債		
Amortised cost	攤銷成本	67,690	55,248
Lease liabilities	租賃負債	7,284	-

b. Financial risk management objectives and policies

The major financial instruments of the Group include deposit placed for a life insurance policy, trade and other receivables, lease receivables, bank deposits with original maturity less than three months, pledged bank deposit, bank balances and cash, trade and other payables, borrowings and loans from a related company. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

Certain transactions of the Group are denominated in currencies which are different from the functional currencies of the relevant group entities and therefore the Group is exposed to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure if necessary.

30. 金融工具

a. 金融工具類別

b. 金融風險管理目標及政策

本集團的主要金融工具包括壽險保單存款、貿易及其他應收款項、應收租賃款項、原到期日為三個月以內的銀行存款、已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項、借款及來自一間關聯公司之貸款。與此等金融工具相關的風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險。有關如何減低此等風險的政策載於下文。管理層管理及監察此等風險，以確保及時及有效實行適當措施。

市場風險

貨幣風險

本集團若干交易以相關集團實體的功能貨幣以外的貨幣計值，因此本集團面臨外幣風險。本集團目前並無外幣對沖政策。然而，管理層監察外匯風險，並將於有需要時考慮對沖重大外幣風險。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Market risk (Continued)

Currency risk (Continued)

The carrying amounts of the foreign currency denominated monetary assets and monetary liabilities of the respective group entities at the end of the reporting period are as follows:

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

於報告期末，各集團實體以外幣計值的貨幣資產及貨幣負債賬面值如下：

		Assets 資產		Liabilities 負債	
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Japanese Yen ("JPY") against HK\$	日圓(「日圓」)兌港元	2,908	1,257	577	2,612
United States dollars ("US\$") against HK\$	美元(「美元」)兌港元	7,053	3,098	16,029	2,219
Euro ("EUR") against HK\$	歐元(「歐元」)兌港元	4	5	140	143
HK\$ against Singapore dollars ("SG\$")	港元兌新加坡元 (「新加坡元」)	1,337	–	802	11,290

Sensitivity analysis

The following table details the sensitivity of the Group to a 5% increase and decrease in foreign currencies against the relevant functional currencies of the respective group entities. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates a decrease in post-tax loss where the relevant currencies strengthen 5% against HK\$. For a 5% weakening of the relevant currencies against the relevant functional currencies of the respective group entities, there would be an equal and opposite impact on the post-tax loss.

敏感度分析

下表詳列本集團對各集團實體外幣兌有關功能貨幣匯率上升及下降5%的敏感度。5%為內部向主要管理層人員報告外幣風險時所用的敏感度比率，反映管理層對匯率可能變動的評估。敏感度分析僅包括於報告期末以未償還外幣計值的貨幣項目，並以匯率變動5%作匯兌調整。下文的正數顯示有關貨幣兌港元的匯率上升5%的稅後虧損跌幅。倘有關貨幣兌各集團實體的有關功能貨幣的匯率下降5%，將對稅後虧損構成相等但相反的影響。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Market risk (Continued)

Currency risk (Continued)

Sensitivity analysis (Continued)

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
JPY against HK\$	日圓兌港元	117	(57)
EUR against HK\$	歐元兌港元	(6)	(6)
HK\$ against SG\$	港元兌新加坡元	26	(472)

For the monetary assets and liabilities denominated in US\$, since HK\$ is currently pegged to US\$, the management considers that the exchange rate fluctuation is not significant. Accordingly, no foreign currency sensitivity analysis is disclosed in the consolidated financial statements in respect of the US\$.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed rate borrowings, bank deposits with original maturity less than three months and pledged bank deposit. The management will take appropriate measures to manage interest rate exposure if interest rate fluctuates significantly. The management considers the fair value interest rate risk to the Group is insignificant.

At 31 March 2019, the Group is also exposed to cash flow interest rate risk in relation to deposit placed for a life insurance policy, bank balances and variable-rate borrowings due to the fluctuation of the prevailing market interest rate. The Group's cash flow interest rate risk was mainly concentrated on the fluctuation of the variable rates from the Group's borrowings denominated in HK\$.

The Group has not entered into any interest rate hedging contracts or any other interest rate related derivative financial instruments. However, management monitors the Group's related interest rate exposure closely and will consider hedging significant interest rate exposure when the need arises.

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

敏感度分析(續)

就以美元計值的貨幣資產及負債而言，由於港元目前與美元掛鈎，管理層認為匯率波動並不重大，因此並無就美元於綜合財務報表中披露外幣敏感度分析。

利率風險

本集團面對與固定利率借款、原到期為三個月以內的銀行存款及已抵押銀行存款有關的公允值利率風險。倘利率大幅波動，管理層將採取適當措施管理利率風險。管理層認為本集團的公允值利率風險並不重大。

於2019年3月31日，本集團亦面對與壽險保單存款、銀行結餘及浮動利率借款有關的現金流利率風險，原因是當前市場利率波動。本集團的現金流量利率風險主要集中於本集團以港元計值借款的浮動利率波幅。

本集團並無訂立任何利率對沖合約或任何其他與利率相關的衍生金融工具。然而，管理層嚴密監察本集團利率相關風險，並將於有需要時考慮對沖重大利率風險。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Market risk (Continued)

Interest rate risk (Continued)

Sensitivity analysis

Sensitivity analysis on deposit placed for a life insurance policy and bank balances is not presented as the management of the Group considers that the Group's exposure to interest rate fluctuation is insignificant.

For the year ended 31 March 2019, the sensitivity analysis below had been determined based on the exposure to interest rates for variable-rate borrowings outstanding at the end of the reporting period. The analysis was prepared assuming the variable-rate borrowings outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2019: 50 basis point) represented management's assessment of the reasonably possible change in interest rates. If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 March 2019 would increase/decrease by HK\$21,000.

No sensitivity analysis is prepared for the year ended 31 March 2020 since no variable-rate borrowings outstanding as at 31 March 2020.

In management's opinion, the sensitivity analysis is unrepresentative of the interest rate risk inherent in the financial assets and financial liabilities as the year end exposure does not reflect the exposure during the year.

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

市場風險(續)

利率風險(續)

敏感度分析

由於本集團管理層認為本集團的利率波動風險微不足道，故並無呈列對壽險保單存款及銀行結餘的敏感度分析。

截至二零一九年三月三十一日止年度，下文敏感度分析根據報告期末尚未償還浮息借款所面對的利率風險釐定。分析乃假設於報告期末尚未償還浮息借款於整個年度仍未償還而作出。50個基點(2019年：50個基點)為管理層對利率合理可能變動的評估。倘利率上升/下跌50個基點，而所有其他變數維持不變，則本集團截至2019年3月31日止年度的稅後虧損將增加/減少21,000港元。

截至2020年3月31日止年度，未有準備敏感度分析，原因為於2020年3月31日，並無未償還浮息借款。

管理層認為，敏感度分析並未能代表金融資產及金融負債的內在利率風險，因年末的風險並未反映整個年度內的風險。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to deposit placed for a life insurance policy, trade and other receivables, lease receivables, bank deposits with original maturity less than three months, pledged bank deposit and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

Trade receivables arising from contracts with customers and lease receivables

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group uses an internal credit grading system to assess the potential customer's credit quality and defines credit limits by customer. Limits and grading attributed to customers are reviewed each year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the management of the Group estimates the amount of lifetime ECL of lease receivables and trade receivables based on individual assessment whereas the remaining balance are assessed by means of provision matrix through grouping of various debtors that have similar risk exposure, after considering internal credit ratings of lease receivables and trade receivables, ageing, repayment history and/or past due status and forward-looking information of respective lease receivables and trade receivables that is reasonable and supportable available without undue costs or effort. Estimated losses are based on historical observed default rates over the expected life of the lease receivables and trade receivables and are adjusted for forward-looking information. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估

信貸風險指本集團的交易對手於合約責任上違約而導致本集團財務虧損的風險。本集團的信貸風險之函數主要由於壽險保單投放的存款、貿易及其他應收款項、租賃應收款項、原到期日為三個月以內的銀行存款、已抵押銀行存款及銀行結餘。本集團未持有任何抵押品或其他增信以彌補其有關金融資產的信貸風險。

來自客戶合約的貿易應收款項及應收租賃款項

為盡量減低信貸風險，本集團管理層已委派團隊負責釐定信貸限額及信貸審批。在接納任何新客戶前，本集團使用內部信貸評分制度評估潛在客戶的信貸質量並界定客戶的信貸限額。客戶應佔限額及得分每年均會審閱。其他監控程序亦已制定，以確保採取跟進行動收回逾期債務。另外，本集團管理層根據對應收租賃款項及貿易應收款項所進行的個別評估，估計應收租賃款項及貿易應收款項的全期預期信貸虧損金額，而餘下結餘則按照撥備矩陣評估，有關矩陣在考慮應收租賃款項及貿易應收款項的內部信貸評級、賬齡、還款記錄及／或逾期狀況以及無需付出不必要的費用或努力即可獲得相關應收租賃款項及貿易應收款項的合理及有理據前瞻性資料後，對具有類似風險敞口的各類應收賬款進行分組。估計虧損乃根據應收租賃款項及貿易應收款項於預期計年期內的過往觀察到的違約率計算得出，並就前瞻性資料作出調整。就此而言，本公司董事認為本集團的信貸風險大幅降低。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

Other receivables and rental deposits

For other receivables and rental deposits, the directors of the Company make periodic individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The directors of the Company believe that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the year ended 31 March 2020 and 2019, the Group assessed the ECL for other receivables and rental deposits were insignificant and thus no loss allowance was recognised.

Deposit placed for a life insurance policy, bank deposits with original maturity less than three months, pledged bank deposit and bank balances

The credit risk on liquid funds are limited because the counterparties are banks and an insurance company with high credit-ratings assigned by international credit-rating agencies. The Group assessed 12m ECL for deposit placed for a life insurance policy, bank deposits with original maturity less than three months, pledged bank deposit and bank balances by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. Based on deposit placed for a life insurance policy, the average loss rates, the 12m ECL on bank deposits with original maturity less than three months, pledged bank deposit and bank balances are considered to be insignificant.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk as lease receivables and trade receivables consist of a large number of customers.

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for 83% (2019: 88%) of the lease receivables and trade receivables as at 31 March 2020.

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

其他應收款項及租賃按金

就其他應收款項及租賃按金而言，本公司董事按歷史結算記錄、過往經驗、合理的定量和定性資料及有理據的前瞻性資料進行定期個別評估。本公司董事相信自首次認證及本集團提供按12個月預期信貸虧損之減值，有關金額的信貸風險並無顯著增加。截至2019年及2020年3月31日止年度，本集團評估其他應收款項的預期信貸虧損，而租賃按金並不重大，因此未確認任何虧損準備金。

壽險保單存款、原到期日為三個月以內的銀行存款、已抵押銀行存款及銀行結餘

流動資金的信貸風險有限，原因是對手方乃獲國際信貸評級機構指定屬於高信貸評級的銀行及保險公司。本集團參考有關違約概率及外部信貸評級機構發布的相應信貸評級等級的違約損失率程度，以評估壽險保單投放的存款、原到期日為三個月以內的銀行存款、已抵押銀行存款及銀行結餘的12個月預期信貸虧損。根據壽險保單投放的存款，平均虧損率、原到期日為三個月以內的銀行存款的12個月預期信貸虧損、已抵押銀行存款及銀行結餘被視為並不重大。

除存放於若干高信貸評級銀行的流動資金有信貸集中風險外，本集團在其他方面並無重大信貸集中風險，原因是應收租賃款項及貿易應收款項涉及大量客戶。

本集團按地理位置劃分的信貸風險主要集中在香港，佔2020年3月31日應收租賃款項及貿易應收款項83%(2019年：88%)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

Deposit placed for a life insurance policy, bank deposits with original maturity less than three months, pledged bank deposit and bank balances (Continued)

The Group has concentration of credit risk as 10% (2019: 5%) and 27% (2019: 20%) of the lease receivables and trade receivables was due from the Group's largest customer and the five largest customers respectively within the industry of the property and infrastructure construction.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables/ lease receivables 貿易應收款項/ 應收租賃款項	Other financial assets 其他金融資產
內部信貸評級	內容		
Low risk 低風險	The counterparty has a low risk of default and usually settles after due date 對方違約風險低，且通常於到期日後悉數付款	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值	12m ECL 12個月預期信貸虧損
Doubtful 呆賬	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 根據內部或外部來源得出的資料，自初步確認以來信貸風險大幅增加	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值	Lifetime ECL — not credit-impaired 全期預期信貸虧損 — 並無信貸減值
Loss 虧損	There is evidence indicating the asset is credit-impaired 有證據顯示資產已信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 信貸減值	Lifetime ECL — credit-impaired 全期預期信貸虧損 — 信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人處於嚴重財政困難，而本集團無實際可收回款項的期望	Amount is written off 金額已撇銷	Amount is written off 金額已撇銷

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

壽險保單存款、原到期日為三個月以內的銀行存款、已抵押銀行存款及銀行結餘(續)

本集團的信貸風險集中，原因是應收租賃款項及貿易應收款項，分別有10%(2019年：5%)及27%(2019年：20%)乃應收本集團最大客戶及五大客戶的款項，該等客戶來自物業及基礎建設行業。

本集團就內部信貸風險評級進行的評估包括以下類別：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

The table below details the credit risk exposures of the Group's financial assets under the Group's assessment, which are subject to ECL assessment:

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

下表詳述由本集團評估的本集團金融資產信貸風險(受預期信貸虧損評估規限)：

2020	Note	External credit rating	Internal credit rating	12m or lifetime ECL 12個月預期信貸虧損或全期 預期信貸虧損	Gross carrying amount	
2020年	附註	外部信貸評級	內部信貸評級		賬面總值	
					HK\$'000 千港元	HK\$'000 千港元
Financial assets at FVTPL 通過損益按公允值列賬的金融資產						
Deposit placed for a life insurance policy 壽險保單存款	16	Aa2	N/A 不適用	N/A 不適用	2,760	2,760
Financial assets at amortised cost 按攤銷成本列賬的金融資產						
Trade receivables — sales of machinery and parts 貿易應收款項 — 機械及零件銷售	18	N/A 不適用	(Note) (附註) Loss 虧損	Lifetime ECL (provision matrix) 全期預期信貸虧損(撥備矩陣) Credit-impaired 信貸減值	4,911 250	5,161
Lease receivables 應收租賃款項	18	N/A 不適用	(Note) (附註) Loss 虧損	Lifetime ECL (provision matrix) 全期預期信貸虧損(撥備矩陣) Credit-impaired 信貸減值	35,951 7,682	43,633
Rental deposits 租賃按金	18	N/A 不適用	Low risk 低風險	12m ECL 12個月預期信貸虧損	1,052	1,052
Other receivables 其他應收款項	18	N/A 不適用	Low risk 低風險	12m ECL 12個月預期信貸虧損	50	50
Pledge bank deposit 已抵押銀行存款	19	Aa2	N/A 不適用	12m ECL 12個月預期信貸虧損	360	360
Bank balances 銀行結餘	19	A2 or above A2或以上	N/A 不適用	12m ECL 12個月預期信貸虧損	29,901	29,901

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

2019	Note	External credit rating	Internal credit rating	12m or lifetime ECL 12個月預期信貸虧損或全期 預期信貸虧損	Gross carrying amount	
2019年	附註	外部信貸評級	內部信貸評級		賬面總值	
					HK\$'000	HK\$'000
					千港元	千港元
Financial assets at FVTPL						
通過損益按公允值列賬的金融資產						
Deposit placed for a life insurance policy 壽險保單存款	16	AA	N/A 不適用	N/A 不適用	2,725	2,725
Financial assets at amortised cost						
按攤銷成本列賬的金融資產						
Trade receivables — sales of machinery and parts 貿易應收款項 — 機械及零件銷售	18	N/A 不適用	(Note) (附註) Loss 虧損	Lifetime ECL (provision matrix) 全期預期信貸虧損(撥備矩陣) Credit-impaired 信貸減值	2,022 4	2,026
Lease receivables 應收租賃款項	18	N/A 不適用	(Note) (附註) Loss 虧損	Lifetime ECL (provision matrix) 全期預期信貸虧損(撥備矩陣) Credit-impaired 信貸減值	39,995 4,244	44,239
Other receivables 其他應收款項	18	N/A 不適用	Low risk 低風險	12m ECL 12個月預期信貸虧損	194	194
Pledge bank deposit 已抵押銀行存款	19	AA or above AA或以上	N/A 不適用	12m ECL 12個月預期信貸虧損	360	360
Bank deposits with original maturity less than three months 原到期日為三個月以內的 銀行存款	19	AA or above AA或以上	N/A 不適用	12m ECL 12個月預期信貸虧損	15,000	15,000
Bank balances 銀行結餘	19	AA or above AA或以上	N/A 不適用	12m ECL 12個月預期信貸虧損	36,801	36,801

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

Note:

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors that are assessed individually, the Group determines the expected credit losses on these items by using a provision matrix, grouped by similar risk exposure, after considering ageing, repayment history, and/or past due status.

The following table provides information about the exposure to credit risk for lease receivables and trade receivables which are assessed based on provision matrix as at 31 March 2020 by lifetime ECL (not credit-impaired). Debtors with gross carrying HK\$7,932,000 (2019: HK\$4,248,000) respectively as at 31 March 2020 were assessed individually.

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

附註：

就貿易應收款項而言，本集團已應用香港財務報告準則第9號項下簡化方式以計量於全期預期信貸虧損的虧損準備金。除個別評估的債務人，本集團透過使用撥備矩陣，並在考慮賬齡、還款記錄及／或逾期狀況，對具有類似風險敞口進行分組，以釐定有關項目的預期信貸虧損。

下表提供有關租賃應收款項及貿易應收款項的信貸風險敞口的信息，有關信息按於2020年3月31日的全期預期信貸虧損(並無信貸減值)的撥備矩陣所評估。於2020年3月31日，賬面總值分別為7,932,000港元(2019年：4,248,000港元)的債務人受個別評估。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

Gross carrying amount for balances under provision matrix

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

撥備矩陣項下餘額的賬面總額

Internal credit grading	Average loss rate	Trade receivables from sales of machinery and parts 來自機械及零件銷售的 貿易應收款項 HK\$'000 千港元	Lease receivables	Total
內部信貸評級	平均虧損率	貿易應收款項 HK\$'000 千港元	應收租賃款項 HK\$'000 千港元	總計 HK\$'000 千港元
2020				
2020年				
Low risk	8%	4,845	24,021	28,866
低風險				
Doubtful	23%	66	11,930	11,996
呆賬				
		4,911	35,951	40,862
2019				
2019年				
Low risk	3%	1,339	23,567	24,906
低風險				
Doubtful	22%	683	16,428	17,111
呆賬				
		2,022	39,995	42,017

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

Gross carrying amount for balances under provision matrix

(Continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The following table shows the movement in lifetime ECL that has been recognised for lease receivables and trade receivables under the simplified approach.

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

撥備矩陣項下餘額的賬面總額(續)

估計虧損率根據過往觀察到的違約率按應收賬款的預計年期估計，並根據無需付出不必要的費用或努力即可獲得的前瞻性資料進行調整。分組情況由管理層定期檢討，以確保有關特定應收賬款的相關資料已更新。

下表顯示就應收租賃款項及貿易應收款項根據簡化方式確認的全期預期信貸虧損變動。

		Lifetime ECL (not credit- impaired)	Lifetime ECL (credit- impaired)	Total
		全期預期 信貸虧損 (並無信貸 減值)	全期預期信貸 虧損(信貸 減值)	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 April 2018	於2018年4月1日	–	5,534	5,534
Impairment losses reversed	已撥回減值虧損	–	(3,414)	(3,414)
New financial assets originated	新增金融資產	4,595	–	4,595
At 31 March 2019	於2019年3月31日	4,595	2,120	6,715
Transfer to credit impaired	轉撥至信貸減值	(1,190)	1,190	–
Impairment losses reversed	已撥回減值虧損	(1,962)	(626)	(2,588)
New financial assets originated	新增金融資產	3,574	4,614	8,188
At 31 March 2020	於2020年3月31日	5,017	7,298	12,315

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Credit risk and impairment assessment (Continued)

Changes in the loss allowance for trade receivables are mainly due to:

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

信貸風險及減值評估(續)

貿易應收款項虧損撥備變動主要由於：

		Increase (decrease) in lifetime ECL 全期預期信貸虧損增加(減少)	
		Not credit- impaired 並無信貸減值 HK\$'000 千港元	Credit- impaired 信貸減值 HK\$'000 千港元
2020	2020年		
Trade debtors with a gross amount of HK\$48,794,000 recognised allowance for trade receivables	已就貿易應收款項確認撥備總值48,794,000港元的應收賬款	3,547	4,614
Settlement in full of trade debtors with a gross carrying amount of HK\$2,588,000	結清賬面總值2,588,000港元的應收賬款	(1,962)	(626)
2019	2019年		
Trade debtors with a gross carrying amount of HK\$42,017,000 recognised allowance for trade receivables	已就貿易應收款項確認撥備賬面總值42,017,000港元的應收賬款	4,595	–
Settlement in full of trade debtors with a gross carrying amount of HK\$3,414,000	結清賬面總值3,414,000港元的應收賬款	–	(3,414)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations of the Group, and mitigate the effects of fluctuations in cash flows.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

Liquidity risk analysis

		Weighted average interest rate	On demand or less than 1 year	1 to 2 years	More than 2 years	Total undiscounted cash flows	Carrying amounts
		加權平均利率	按要求或少於1年	1-2年	多於2年	未貼現現金流量總額	賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		%	千港元	千港元	千港元	千港元	千港元
31 March 2020	2020年3月31日						
<i>Non-derivative financial liabilities</i>	<i>非衍生金融負債</i>						
Trade and other payables	貿易及其他應付款項						
— interest-bearing	— 計息	3.60	6,662	6,662	6,107	19,431	18,475
— non-interest bearing	— 免息	—	21,658	—	—	21,658	21,658
Borrowings	借款	2.14	23,164	—	—	23,164	23,164
Loans from a related company	來自一間關聯公司之貸款	4.06	—	4,654	—	4,654	4,393
Other item	其他項目						
Lease liabilities	租賃負債	3.92	3,123	2,995	1,500	7,618	7,284
			54,607	14,311	7,607	76,525	74,974

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

流動資金風險

就流動資金風險的管理而言，本集團監察及維持管理層認為足夠的現金及現金等價物水平以為本集團的營運提供資金，並減低現金流波動的影響。

下表詳列本集團非衍生金融負債的餘下合約到期日。圖表按根據本集團可被要求支付的最早日期金融負債的未貼現現金流所編製。具體而言，帶有須按要求還款條款的借款包括於最早的時間組別內，不論銀行有多大可能選擇行使彼等的權利。其他非衍生金融負債的到期日以協定還款日期為基準。

流動資金風險分析

		Weighted average interest rate	On demand or less than 1 year	1 to 2 years	More than 2 years	Total undiscounted cash flows	Carrying amounts
		加權平均利率	按要求或少於1年	1-2年	多於2年	未貼現現金流量總額	賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		%	千港元	千港元	千港元	千港元	千港元
31 March 2020	2020年3月31日						
<i>Non-derivative financial liabilities</i>	<i>非衍生金融負債</i>						
Trade and other payables	貿易及其他應付款項						
— interest-bearing	— 計息	3.60	6,662	6,662	6,107	19,431	18,475
— non-interest bearing	— 免息	—	21,658	—	—	21,658	21,658
Borrowings	借款	2.14	23,164	—	—	23,164	23,164
Loans from a related company	來自一間關聯公司之貸款	4.06	—	4,654	—	4,654	4,393
Other item	其他項目						
Lease liabilities	租賃負債	3.92	3,123	2,995	1,500	7,618	7,284
			54,607	14,311	7,607	76,525	74,974

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Liquidity risk (Continued)

Liquidity risk analysis (Continued)

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金風險分析(續)

	Weighted average interest rate 加權 平均利率 %	On demand or less than 1 year 按要求或 少於1年 HK\$'000 千港元	1 to 2 years 1-2年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amounts 賬面值 HK\$'000 千港元
31 March 2019					
<i>Non-derivative financial liabilities</i>					
Trade and other payables		37,787	–	37,787	37,787
Borrowings	2.83	17,659	–	17,659	17,461
		55,446	–	55,446	55,248

The Group's borrowings with a repayment on demand clause are included in the "On demand or less than 1 year" time band in the above maturity analysis. At 31 March 2020, the carrying amounts of these borrowings amounted to HK\$23,164,000 (2019: HK\$12,352,000).

上述到期日分析「按要求或少於1年」時間組別中包括本集團帶有須按還款條款的借款。於2020年3月31日，此等借款的賬面值為23,164,000港元(2019年：12,352,000港元)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies

(Continued)

Liquidity risk (Continued)

Liquidity risk analysis (Continued)

Taking into account the Group's financial position, the directors do not believe that it is probable that the counterparties will exercise their discretionary rights to demand immediate repayment. The directors believe that such borrowings will be repaid within two years after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements, details of which are set out in the table below:

30. 金融工具(續)

b. 金融風險管理目標及政策(續)

流動資金風險(續)

流動資金風險分析(續)

經考慮本集團財務狀況後，董事相信交易方不大可能行使彼等的酌情權要求即時還款。董事相信該等借款將根據貸款協議所載預訂還款日期於報告期末後兩年內償還，有關詳情載於下表：

		Maturity Analysis — Borrowings subject to a repayment on demand clause based on scheduled repayment dates				
		到期日分析 — 帶有須按要求還款條款 根據預訂還款日期的借款				
		Less than one year	1 to 2 years	2 to 5 years	Total undiscounted cash outflows	Carrying amounts
		少於1年	1-2年	2-5年	總計未貼現現金流出	賬面值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
31 March 2020	2020年3月31日	14,236	7,293	2,622	24,151	23,164
31 March 2019	2019年3月31日	8,917	3,828	–	12,745	12,352

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

倘浮動利率的變動與於報告期末釐定的利率估計有所差異，則上述有關非衍生金融負債浮動利率工具的金額會有所變動。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

c. Fair value measurements of financial instruments

The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

Fair value measurement recognised in the consolidated statement of financial position

Some of the Group's financial assets are measured at fair value at the end of the reporting period.

The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

30. 金融工具(續)

c. 金融工具的公允值計量

金融資產與金融負債的公允值乃根據公認定價模式按貼現現金流分析釐定。

本公司董事認為於綜合財務報表按攤銷成本列賬的金融資產及金融負債賬面值與其公允值相若。

於綜合財務狀況表確認的公允值計量

本集團部分金融資產於報告期末按公允值計量。

下表所提供資料有關該等金融資產的公允值釐訂的方法(特別是所用估值技巧及輸入數據)以及公允值層級,有關評級根據公允值計量所用輸入數據的可觀察程度,將公允值計量分類(第一級至第三級)。

- 第一級公允值計量依據同類資產或負債在活躍市場上的報價(未經調整)進行;
- 第二級公允值計量依據第一級所載資產或負債可觀察的報價以外的輸入數據進行,有關數據可直接得出(即價格)或間接得出(即源自價格);及
- 第三級公允值計量依據估值技巧進行,有關技巧包括並非以可觀察市場數據為基準的資產或負債輸入數據(不可觀察輸入數據)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

30. FINANCIAL INSTRUMENTS (Continued)

c. Fair value measurements of financial instruments

(Continued)

Fair value measurement recognised in the consolidated statement of financial position (Continued)

Financial assets in the consolidated statement of financial position

於綜合財務狀況表的金融資產

Fair value as at
於以下日期的公允值

2020	2019
2020年	2019年

30. 金融工具(續)

c. 金融工具的公允值計量(續)

於綜合財務狀況表確認的公允值計量(續)

Valuation techniques and key inputs

估值技巧及主要輸入數據

Financial assets in the consolidated statement of financial position	Fair value as at	Fair value hierarchy	Valuation techniques and key inputs
於綜合財務狀況表的金融資產	於以下日期的公允值	公允值層級	估值技巧及主要輸入數據
	2020	2019	
	2020年	2019年	
Deposit placed for a life insurance policy classified as financial assets at FVTPL	Assets — HK\$2,760,000	Assets — Level 3 HK\$2,725,000	Discounted cash flows — reference to expected cash flows and applied appropriate discount rate
分類為通過損益按公允值列賬的壽險保單存款	資產 — 2,760,000 港元	資產 — 第三級 2,725,000 港元	已折現的現金流量 — 參考預期現金流量及已應用適當折現率

31. ACQUISITION OF A SUBSIDIARY

On 20 September 2019, the Group acquired an 100% interest in AP Rentals (Shanghai) Limited (“AP Shanghai”) from its shareholders for a consideration of HK\$18.3 million. This acquisition has been accounted for using the purchase method. AP Shanghai is principally engaged in the construction equipment rental services business in the People’s Republic of China (the “PRC”) since 2015. AP Shanghai was acquired so as to continue the expansion of the Group’s leasing of machinery business in the PRC.

Acquisition-related costs amounting to HK\$212,000 have been excluded from the consideration transferred and have been recognised as an expense, within the administrative expenses line item in the consolidated statement of profit or loss and other comprehensive income.

31. 收購一間附屬公司

於2019年9月20日，本集團從亞積邦租賃(上海)有限公司(「亞積邦上海」)的股東收購100%股權，代價為18.3百萬港元。有關收購已使用購買方法入賬。自2015年，亞積邦上海主要在中國涉及建築設備租賃服務業務。收購亞積邦上海以繼續擴張本集團於中國的機械租賃業務。

為212,000港元的收購有關成本已從代價轉讓中剔除，並已確認為開支於綜合損益及其他全面收益表內的行政開支細列項目內的開支。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

31. ACQUISITION OF A SUBSIDIARY (Continued)

Assets acquired and liabilities recognised at the date of acquisition are as follows:

		HK\$'000 千港元
Property, plant and equipment	物業、機械及設備	19,914
Trade and other receivables, deposits and prepayments	貿易及其他應收款項、按金及預付款項	3,770
Bank balances and cash	銀行結餘及現金	1,300
Trade and other payables and accrued charges	貿易及其他應付款項及應計費用	(992)
Tax liabilities	稅項負債	(201)
Loans from a related company	來自一間關聯公司之貸款	(4,343)
Deferred tax liabilities	遞延稅項負債	(1,148)
		18,300

The fair value of trade and other receivables at the date of acquisition amounted to HK\$2,450,000. The gross contractual amounts of those trade and other receivables acquired amounted to HK\$2,771,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected amounted to HK\$321,000.

31. 收購一間附屬公司(續)

於收購日期所收購之資產及所確認之負債如下：

	HK\$'000 千港元
於收購日期的貿易及其他應收款項的公允值為2,450,000港元。於收購日期，有關貿易的總合約額及其他收購之貿易及其他應收款項為2,771,000港元。於收購日期，預期無法收取之合約現金流量之最佳估計為321,000港元。	

Net cash outflow on acquisition of AP Shanghai:

收購亞積邦上海的現金淨額流出：

		HK\$'000 千港元
Cash consideration paid	已付現金代價	18,300
Less: Bank balances and cash acquired	減：已收購銀行結餘及現金	(1,300)
		17,000

Included in the loss for the year is HK\$509,000 attributable to the additional business generated by AP Shanghai. Revenue for the year includes HK\$755,000 generated from AP Shanghai.

為509,000港元計入本年度虧損，由於亞積邦上海的額外業務。亞積邦上海於本年度帶來的收益為755,000港元。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

31. ACQUISITION OF A SUBSIDIARY (Continued)

Had the acquisition been completed on 1 April 2019, revenue for the year of the Group would have been HK\$148,138,000, and loss for the year of the Group would have been HK\$18,294,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2019, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and profit of the Group had AP Shanghai been acquired at the beginning of the current year, the directors of the Company have:

- calculated depreciation of plant and equipment acquired on the basis of the fair values arising in the initial accounting for the business combination rather than the carrying amounts recognised in the pre-acquisition financial statements; and
- determined borrowing costs based on the funding levels, credit ratings and debt/equity position of the Group after the business combination.

32. OPERATING LEASES

The Group as lessee

The Group had contracted for the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2019年 HK\$'000 千港元
Within one year 一年內	1,150

Operating lease payments represent rentals payable by the Group for certain of its office premises. Leases are negotiated for a period of one to five years and rentals are fixed at the time of entering the respective leases.

31. 收購一間附屬公司(續)

如收購於2019年4月1日完成，本集團的本年度收益將為148,138,000港元，而本集團的本年度虧損將為18,294,000港元。備考資料僅作說明之用，並不一定顯示本集團如收購於2019年4月1日完成的實際收益及經營結果，亦無意預測未來結果。

就釐定如果亞積邦上海於本年年初被收購時本集團的「備考」收益和溢利，本公司董事有：

- 根據對業務合併的初始會計處理中產生的公允價而非收購前財務報表中確認的賬面值計算購得的機械和設備的折舊；及
- 按業務合併後本集團的資金水平、信貸評級及債務／權益狀況釐定借款成本。

32. 經營租賃承擔

本集團為承租人

本集團根據不可撤銷經營租賃訂有於下列期間屆滿的未來最低租賃付款：

	2019年 HK\$'000 千港元
Within one year 一年內	1,150

經營租賃付款為本集團就其若干辦公室物業應付的租金。協定租賃期為一至五年，而租金於訂立各租賃時釐定。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

32. OPERATING LEASES (Continued)

The Group as lessor

Income earned from leasing of machinery during the year is HK\$101,691,000 (2019: HK\$112,086,000). Leases are negotiated on a monthly basis.

Minimum lease payment receivable on leases are as follows:

		2020 2020年 HK\$'000 千港元
Within one year	一年內	904

The Group had contracted with customers for the following future minimum lease payments:

		2019 2019年 HK\$'000 千港元
Within one year	一年內	853

32. 經營租賃承擔(續)

本集團為出租人

於本年度，出租機械所賺取收入為101,691,000港元(2019年：112,086,000港元)。租賃協定按月計算。

應收租賃最低租賃付款如下：

		2020 2020年 HK\$'000 千港元
Within one year	一年內	904

本集團與客戶已訂約的未來最低租賃付款如下：

		2019 2019年 HK\$'000 千港元
Within one year	一年內	853

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

33. CAPITAL COMMITMENTS

33. 資本承擔

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated statement of financial statements	就已訂約收購物業、機械及設備但未於綜合財務報表計提撥備的資本開支	983	-

34. PLEDGE OF ASSETS

The following assets were pledged to banks as securities to secure the borrowings and facilities granted to the Group at the end of the reporting period:

34. 資產質押

於報告期末質押予銀行作為本集團所獲授借款及融資抵押品的資產如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Property, plant and equipment	物業、機械及設備	10,284	8,653
Deposit placed for a life insurance policy	壽險保單存款	2,760	2,725
Pledged bank deposit	已抵押銀行存款	360	360
		13,404	11,738

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

35. RELATED PARTY DISCLOSURES

Other than as disclosed elsewhere, during the year, the Group entered into the following transactions with related parties in which some directors have beneficial interests:

35. 關聯方披露

除其他部分所披露者外，於本年度，本集團與若干董事擁有實益權益的關聯方訂立下列交易：

		2020 2020年		2019 2019年	
		Related companies in which Mr. Lau Pong Sing has beneficial interest		Related companies in which Mr. Lau Pong Sing has beneficial interest	
		A subsidiary of a shareholder	A subsidiary of a shareholder	A subsidiary of a shareholder	A subsidiary of a shareholder
		一名股東的附屬公司	一名股東的附屬公司	一名股東的附屬公司	一名股東的附屬公司
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Delivery income	交付收入	-	-	119	23
Leasing income of machinery	機械租賃收入	320	-	1,561	687
Other service income	其他服務收入	52	-	181	418
Sales of parts	零件銷售	413	15	731	836
Storage income	倉存收入	1,712	-	1,521	-
Sundry income	雜項收入	-	-	1,668	-
Expenses recharge	收取開支	257	-	251	-
Operating lease expenses in respect of rented machinery	有關租賃機械的經營租賃開支	12,306	-	22,812	-
Purchases of inventories	採購存貨	8,382	-	12	-
Acquisition of property, plant and equipment	收購物業、機械及設備	25,730	-	-	-

Balances with related parties are disclosed in the consolidated statement of financial position and related notes.

The Company's key management personnel are the directors and their remunerations are included in the emoluments disclosed in note 11.

關聯方結餘於綜合財務狀況表及相關附註中披露。

本公司的主要管理層人員為董事，而彼等的酬金計入附註11所披露的薪酬。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

36. 融資活動產生的負債對賬

下表列出本集團因融資活動產生的負債變動詳情，包括現金及非現金變動。融資活動產生的負債及指其現金流量或未來現金流量已或將於本集團綜合現金流量表中分類為融資活動所得現金流量的負債。

		Dividend payable	Trade payable-interest bearing	Borrowings	Lease liabilities	Total
		應付股息	計息貿易應付款項	借款	租賃負債	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 April 2018	於2018年4月1日	-	-	20,080	-	20,080
Financing cash flows	融資現金流量	(3,024)	-	(3,132)	-	(6,156)
Finance costs	融資成本	-	-	513	-	513
Dividend recognised as distribution	確認為分派的股息	3,024	-	-	-	3,024
At 31 March 2019	於2019年3月31日	-	-	17,461	-	17,461
Financing cash flows	融資現金流量	-	(500)	4,728	(1,543)	2,685
Finance costs	融資成本	-	-	975	140	1,115
New lease entered/ lease modified	新訂租賃/經修訂租賃	-	-	-	8,687	8,687
Acquisition of property, plant and equipment	收購物業、機械及設備	-	18,975	-	-	18,975
At 31 March 2020	於2020年3月31日	-	18,475	23,164	7,284	48,923

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2020 截至2020年3月31日止年度

37. PARTICULARS OF SUBSIDIARIES

Particulars of the Company's subsidiaries as at 31 March 2020 and 31 March 2019 were as follows:

37. 附屬公司詳情

於2020年3月31日及2019年3月31日，本公司附屬公司詳情如下：

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration/ operation 註冊成立/ 登記/經營地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股本/ 註冊股本	Equity interests attributable to the Group 應屬本集團股權				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2020 2020年	2019 2019年	2020 2020年	2019 2019年	
AP Rentals (BVI) Holdings Limited AP Rentals (BVI) Holdings Limited	British Virgin Islands 英屬處女群島	US\$2 2美元	100%	100%	-	-	Investment holding 投資控股
AP Rentals Limited 亞積邦租賃有限公司	Hong Kong 香港	HK\$27,378,000 27,378,000港元	-	-	100%	100%	Investment holding, trading and leasing of machinery and parts, and provision of operating and other related services 投資控股、買賣及出租機械及零件， 以及提供操作及其他相關服務
AP Equipment Leasing and Engineering Limited 亞積邦建機租賃及工程 有限公司	Macau 澳門	MOP25,000 25,000澳門元	-	-	100%	100%	Leasing of construction machinery 出租建築機械
AP Equipment Rentals (Singapore) Pte. Ltd.	Singapore 新加坡	SGD100,000 100,000新加坡元	100%	100%	-	-	Trading and leasing of machinery and parts, provision of operating and other related services 買賣及租賃機械及零件，提供經營及 其他相關服務
AP Rentals China (BVI) Holdings Limited AP Rentals China (BVI) Holdings Limited	British Virgin Islands 英屬處女群島	US\$2 2美元	100%	100%	-	-	Inactive 暫無業務
AP Power Limited (2019: Luen On Heavy Equipment Ltd.) 亞積邦電力有限公司	Hong Kong 香港	HK\$10,000	-	-	100%	100%	Inactive 暫無業務
AP Rentals (China) Limited 亞積邦租賃(中國)有限公司	Hong Kong 香港	HK\$10,000	-	-	100%	N/A	Inactive 暫無業務
AP Rentals (Shanghai) Limited 亞積邦建設工程機械(上海) 有限公司	The PRC 中國	US\$2,100,000	-	-	100%	N/A	Leasing of construction machinery 出租建築機械

None of the subsidiaries had issued any debt securities at the end of the reporting period.

於報告期末，概無附屬公司已發行任何債務證券。



AP RENTALS HOLDINGS LIMITED

亞積邦租賃控股有限公司*

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

Stock Code 股份代號 : 1496

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