

Win Win Way Construction Holdings Ltd. 恆誠建築控股有限公司

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

Stock Code 股份代號: 994



Contents 目錄

	百次
Corporate Information 公司資料	2
Chairman's Statement 主席報告	4
Management Discussion and Analysis 管理層討論與分析	6
Biographies of Directors and Senior Management 董事及高級管理人員履歷	18
Directors' Report 董事會報告	27
Corporate Governance Report 企業管治報告	45
Independent Auditor's Report 獨立核數師報告	61
Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表	e 70
Consolidated Statement of Financial Position 綜合財務狀況表	71
Consolidated Statement of Changes in Equity 綜合權益變動表	73
Consolidated Cash Flow Statement 綜合現金流量表	74
Notes to the Financial Statements 財報報表附註	75
Financial Summary 財務摘要	156

Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Lee Kai Lun *(Chairman)* Kan Hou Sek, Jim Lee Sai Man Wong Siu Kwai Kwong Po Lam

Independent Non-Executive Directors

Fan Siu Kay Leung William Wai Kai Lo Chi Leung

AUDIT COMMITTEE

Lo Chi Leung *(Chairman)* Fan Siu Kay Leung William Wai Kai

REMUNERATION COMMITTEE

Fan Siu Kay (Chairman) Lee Kai Lun Leung William Wai Kai

NOMINATION COMMITTEE

Lee Kai Lun *(Chairman)* Kan Hou Sek, Jim Fan Siu Kay Leung William Wai Kai Lo Chi Leung

AUTHORISED REPRESENTATIVES

Kan Hou Sek, Jim Cheng Wai Hei

COMPANY SECRETARY

Cheng Wai Hei

AUDITOR

KPMG

董事會

執行董事

利啟麟*(主席)* 簡厚錫 李世民 黃紹桂 鄺保林

獨立非執行董事

樊紹基 梁煒佳 盧志良

審核委員會

盧志良*(主席)* 樊紹基 梁煒佳

薪酬委員會

樊紹基(主席) 利啟麟 梁煒佳

提名委員會

利啟麟(主席) 簡厚錫 樊紹基 梁煒佳 盧志良

授權代表

簡厚錫 鄭偉禧

公司秘書

鄭偉禧

核數師

畢馬威會計師事務所

Corporate Information 公司資料

COMPLIANCE ADVISER

KGI Capital Asia Limited

PRINCIPAL BANKERS

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

REGISTERED OFFICE

Clifton House, 75 Fort Street, PO Box 1350 Grand Cayman KY1-1108, Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 902-3, 9/F., Nan Fung Commercial Centre 19 Lam Lok Street, Kowloon Bay, Kowloon, Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited

WEBSITE

www.winwinway.com.hk

STOCK CODE

994

合規顧問

凱基金融亞洲有限公司

主要往來銀行

香港上海匯豐銀行有限公司 中國銀行(香港)有限公司 星展銀行有限公司

註冊辦事處

Clifton House, 75 Fort Street, PO Box 1350 Grand Cayman KY1-1108, Cayman Islands

總部及香港主要營業地點

香港九龍九龍灣臨樂街19號 南豐商業中心9樓902-3室

香港股份過戶登記分處

寶德隆證券登記有限公司

開曼群島股份過戶登記總處

Estera Trust (Cayman) Limited

網站

www.winwinway.com.hk

股份代號

994

Chairman's Statement 主席報告

To Our Shareholders,

2017 was a remarkable year for us. We made a move to one of the most recognised capital markets in the world. The shares of Win Win Way Construction Holdings Ltd. (the "Company") were listed (the "Listing") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 17 July 2017 (the "Listing Date"). We believe that the Listing provided additional funding capital to improve our financial position, strengthened our position in Hong Kong to capture more sizeable and profitable projects and strengthened our capital base.

Established in 1999, we are a construction company principally providing foundation works and ancillary services, as well as general building works in Hong Kong. The long established relationship with customers, subcontractors and the suppliers and the commitment of our management team to provide quality work and service has played a vital role in building up our reputation and the Group's competitiveness in the market.

In the coming year, we believe the construction market in Hong Kong will remain competitive and challenging. We faced with cutthroat competition among contractors in tendering for new projects which have been widely commented in the media and among peers, we are mindful not to reduce our profit margin without considering the negative impact to our shareholders' interest. Nevertheless, we remain confident and are well-positioned in the market. In this financial year, facing such steep competition, we are still able to be awarded 10 new contracts with an aggregate contract sum of HK\$112.3 million. As at 31 December 2017, we had a total of 18 contracts on hand (including contracts in progress and contracts yet to be commenced) and the relevant awarded contract sum of these contracts on hand amounted to approximately HK\$1,943.4 million. The amount of contract sum yet to be recognised as at 31 December 2017 amounted to approximately HK\$708.8 million.

尊敬的股東:

2017年對我們而言是非凡的一年。我們進入全球最受認可的資本市場之一。恆誠建築控股有限公司(「本公司」)股份於2017年7月17日(「上市日期」)在香港聯合交易所有限公司(「聯交所」)上市(「上市」)。我們相信,上市已為改善我們的財務狀況提供額外資金,強化我們於香港的地位以獲取更多大型及可盈利項目,並鞏固我們的資本基礎。

我們是一間於1999年成立的建築公司,主要於香港提供地基工程及配套服務與一般建築工程。與客戶、分包商及供應商的長期良好關係,以及管理層團隊提供優質工程及服務的承諾,在建立我們於市場的聲譽及本集團的競爭力中起著至關重要的作用。

未來一年,我們相信,香港建築市場仍將充滿競爭及挑戰重重。在新項目投標中,我們面臨已被媒體和同行廣泛評論的承建商的殘酷競爭,我們時刻緊記,調低我們的利潤率的同時不要忘記考慮由此對我們股東權益的負面影響。然而,我們仍然保有信心及在市場上處於有利地位。於本財政年度,面臨如此激烈的競爭,我們仍然能夠獲授10份新合約,合約總額為112.3百萬港元。於2017年12月31日,我們擁有合共18份手頭合約(包括在建合約及尚未開始的合約),而該等手頭合約的相關批出合約金額約為1,943.4百萬港元。於2017年12月31日尚未獲確認的合約金額約為708.8百萬港元。

Chairman's Statement 主席報告

On behalf of the Board of Directors of the Company, I am pleased to present you with the annual report for the year ended 31 December 2017. During the financial year, our net profit excluding listing expenses (the "Adjusted Net Profit") reached HK\$40.2 million, with a turnover of HK\$821.9 million. Current ratio increased to 2.1 and gearing ratio substantially decreased to 25.1%.

本人代表本公司董事會欣然向 閣下呈列截至2017年12月31日止年度的年度報告。於本財政年度,我們的未計上市開支的純利(「經調整純利」)達40.2百萬港元,營業額為821.9百萬港元。流動比率增加至2.1,槓桿比率大幅減少至25.1%。

Looking ahead, we remain positive about the prospects of the construction market of Hong Kong, with the Government's continued commitment to infrastructure investments and housing policy by various short, medium and long term land supply initiatives. Just like our name "Win Win", we are convinced that we will continue to build a win-win situation with our shareholders.

展望未來,鑒於政府持續承諾進行基建投資及通過各種短期、中期及長期土地供應措施,執行其房屋政策,我們對香港建築市場前景持積極態度。如同我們的名稱「Win Win」,我們深信我們將繼續與股東構建雙贏局面。

On behalf of the Board, I would like to take this opportunity to extend my sincere appreciation to our shareholders, customers, subcontractors and suppliers for their continuous support, as well as the management team and the staff of the Group for their hard work and dedication.

本人代表董事會謹藉此機會衷心感謝股東、客戶、 分包商及供應商對我們的持續支持,以及本集團 管理層團隊及員工的辛勤工作與奉獻。

Lee Kai Lun

Chairman

Hong Kong, 27 March 2018

利啟麟

主席

香港,2018年3月27日

BUSINESS REVIEW

The principal activities of the Group are the provision of construction services which mainly include foundation works and ancillary services and general building works, and sales of piles. The Group mainly serves customers in Hong Kong from the private sector but also serves customers from the public sector.

In October 2014, the Group entered into a construction contract in Saipan as main contractor, providing foundation works and ancillary services and general building works ("Saipan Project"), which is a construction project of a resort hotel located at San Antonio, Saipan, Commonwealth of the Northern Mariana Islands ("CNMI"). The foundation works lasted from May 2015 to October 2015. The general building works commenced in May 2016 and was preliminarily expected to complete in or around February 2018. However, due to (i) the inclement weather; (ii) change of policy on worker visa application, such taht a substantial amount of workers could not obtain the necessary work permit carry out the work in Saipan; and (iii) change in design as instructed by the customer, and permit for this work not having been obtained, the progress of the Saipan Project was hindered. The Saipan Project is now expected to complete in February 2019 and the Board will continue to closely monitor the progress of the project. Since the delay was not due to factors attributable to the fault of our Group, we have applied for extension of time with the customer. On 19 March 2018, the customer has issued a letter to us indicating its agreement to our application for extension of time and the completion date of the Saipan Project was extended to February 2019.

Construction services

As at 31 December 2017, the Group had a total of 18 contracts on hand (including contracts in progress and contracts yet to be commenced) and the relevant awarded contract sum of these contracts on hand amounted to approximately HK\$1,943.4 million. The amount of contract sum yet to be recognised as at 31 December 2017 amounted to approximately HK\$708.8 million.

業務回顧

本集團的主要業務為提供建築服務,主要包括地 基工程及配套服務與一般建築工程,以及銷售樁 柱。本集團主要服務來自私營機構的香港客戶,亦 服務來自公營機構的客戶。

於2014年10月,本集團在塞班訂立建築合約,作為 總承建商為一個位於北馬里亞納群島自由邦(「北 馬里亞納群島自由邦」)塞班聖安東尼奧的度假酒 店建築項目(「塞班項目」)提供地基工程及配套服 務與一般建築工程。地基工程從2015年5月持續至 2015年10月。一般建築工程於2016年5月施工,初 步預期於2018年2月或前後竣工。然而,由於(i)惡劣 天氣;(ii)工人簽請申請政策變動,令大量工人無法 取得於塞班工作所需的簽證;(iii)按客戶指示更改 設計,但仍未就是項工程取得許可,塞班項目的進 度因而受阻。目前預期賽班項目將於2019年2月完 工,而董事會將繼續密切監察項目進度。由於出現 延誤並非本集團的過失導致的因素所造成,我們 已向客戶申請延長工程時間。於2018年3月19日, 客戶向我們發出函件,表示其同意延長工程時間 的申請,而塞班項目的完工日期已延後至2019年2 月。

建築服務

於2017年12月31日,本集團擁有合共18份手頭合約 (包括在建合約及尚未開始的合約),而該等手頭 合約的相關批出合約金額約為1,943.4百萬港元。於 2017年12月31日尚未確認的合約金額約為708.8百 萬港元。

Foundation Works and Ancillary Services

Foundation works mainly include mini-piling, percussive piling, rock socketed in steel H-piles and bored piles, together with the construction of pile caps. Ancillary services mainly include site formation and demolition works, for example, clearance of the site, excavation, demolition of a building or any substantial part of a building.

During the year ended 31 December 2017, there were 44 (2016: 44) foundation works and ancillary services projects contributing revenue of HK\$131.3 million (2016: HK\$370.4 million) to this business segment.

General Buildings Works

General building works mainly include structural alteration and additional works, development of superstructures such as entire dwelling, office buildings, stores, public utility buildings, farm buildings, etc.

During the year ended 31 December 2017, there were 11 (2016: 9) general building works projects contributing revenue of HK\$622.9 million (2016: HK\$344.6 million) to this business segment.

Trading of Piles

The piles are manufactured and supplied by 廣州羊城管椿有限公司 ("GZYC"), the related party of the Company. Win Win Way Materials Supply Limited ("WWW Materials"), the indirect wholly owned subsidiary of the Company, has been granted the exclusive distribution right by GZYC for its pile products in Hong Kong from August 2010 to July 2020. The piles sourced from GZYC are "YANGCHENG" precast prestressed concrete piles (the "PHC Piles").

On 1 March 2017 and 24 June 2017, WWW Materials entered into a purchase agreement and a supplemental purchase agreement, respectively (collectively, the "Existing PHC Pile Purchase Agreement"), with GZYC pursuant to which the WWW Materials agreed to make a one-off purchase of a total of 164,000 meters of PHC Piles of four different specifications and 4,500 units of steel cross shoes from GZYC to satisfy our Hong Kong customers' demand.

地基工程及配套服務

地基工程主要包括微型打椿、撞擊式打椿、嵌岩式 鋼工字椿及鑽孔椿,連同樁帽工程。配套服務主要 包括地盤平整及拆卸工程,例如清理地盤、挖掘、 拆卸樓宇或樓宇的任何主要部分。

截至2017年12月31日止年度,共有44個(2016年:44個)地基工程及配套服務項目,為本業務分部帶來收益131.3百萬港元(2016年:370.4百萬港元)。

一般建築工程

一般建築工程主要包括結構上的改動及加建工程、開發整個住宅、寫字樓物業、店舖、公共設施建築、農場建築物等。

截至2017年12月31日止年度,共有11個(2016年:9個)一般建築工程項目,為本業務分部帶來收益622.9百萬港元(2016年:344.6百萬港元)。

樁柱買賣

樁柱是由本公司的關聯方廣州羊城管樁有限公司 (「廣州羊城」)製造及供應。本公司間接持有的全 資附屬公司恆誠物料有限公司(「恆誠物料」)已獲 廣州羊城授予獨家經銷權,自2010年8月至2020年 7月在香港獨家經銷其樁柱產品。向廣州羊城採購 的樁柱為「羊城」預製預應力混凝土樁柱(「PHC樁 柱」)。

於2017年3月1日及2017年6月24日,恆誠物料與廣州羊城分別訂立採購協議及補充採購協議(統稱「現有PHC樁柱採購協議」),據此,恆誠物料同意向廣州羊城一次過購買共164,000米、四種不同規格的PHC樁柱及4,500個單位的交叉鋼頭鞋,以滿足我們香港客戶的需求。

In light of the delays in certain projects of the Group's customers, WWW Material and GZYC have agreed to extend the expiry date of the Existing PHC Piles Purchase Agreement from 31 December 2017 to 30 June 2018 by the supplemental agreement to the PHC Piles Purchase Agreement dated 15 November 2017.

During the year ended 31 December 2017, trading of piles contributed HK\$67.7 million (2016: HK\$0.1 million) revenue to the Group.

FINANCIAL REVIEW

During the year ended 31 December 2017, we completed 11 projects involving foundation works and ancillary services, and 1 project involving general building works.

For the year ended 31 December 2017, the Group's revenue amounted to approximately HK\$821.9 million (2016: HK\$715.1 million). The increase was mainly attributable to (i) increase in general building works projects during the year, together with contribution from Saipan Project for its general building works commenced in May 2016; and (ii) revenue contributed from sales of piles during the year.

For the year ended 31 December 2017, the overall gross profit was HK\$113.9 million (2016: HK\$126.5 million), while the overall gross profit margin was 13.9% (2016: 17.7%). The gross profit and gross profit margin of the projects are affected by a number of factors, including scope of work, technical complexity, geological conditions of the work sites, variation orders and/or work programme, and therefore varies from project to project. Foundation work projects undertaken by the Group generally have a higher gross profit margin compared with general building work projects. During the year ended 31 December 2017, 82.6% revenue of construction contract segment was contributed from general building work projects (2016: 48.2%). The decrease in gross profit margin was due to higher portion of revenue from general building work projects.

由於本集團客戶的若干項目延期,恆誠物料及廣州 羊城同意訂立日期為2017年11月15日的PHC樁柱採 購協議之補充協議,以將現有PHC樁柱採購協議的 到期日由2017年12月31日延遲至2018年6月30日。

截至2017年12月31日止年度, 椿柱買賣為本集團帶來收益67.7百萬港元 (2016年: 0.1百萬港元)。

財務回顧

截至2017年12月31日止年度,我們完成了11個涉及 地基工程及配套服務的項目;及1個涉及一般建築 工程的項目。

截至2017年12月31日止年度,本集團的收益約為821.9百萬港元(2016年:715.1百萬港元)。增長主要由於(i)年內一般建築工程增加,連同於2016年5月展開的塞班項目一般建築工程帶來的收益;及(ii)於年內銷售樁柱帶來的收益。

截至2017年12月31日止年度,整體毛利為113.9百萬港元(2016年:126.5百萬港元),整體毛利率則為13.9%(2016年:17.7%)。項目的毛利及毛利率受多項因素影響,包括工程範圍、技術複雜性、地盤的地質條件、更改指令及/或工程計劃,因此,各項目的毛利及毛利率會有所不同。本集團所承接地基工程項目的毛利率普遍較一般建築工程項目高。截至2017年12月31日止年度,建築合約分部中82.6%的收益乃由一般建築工程項目所貢獻(2016年:48.2%)。毛利率下降是由於來自一般建築工程項目的收益所佔比例增加。

General and administrative expenses (the "G&A Expenses") primarily comprise staff costs, business development expenses, transportation expenses, depreciation, bank charges, office expenses and professional charges that includes the non-recurring listing related expenses. The G&A Expenses for the year increased by approximately HK\$11.4 million to approximately HK\$81.4 million, compared with approximately HK\$70.0 million in last year, which was mainly due to additional staff costs (including directors' remuneration) of approximately HK\$5.3 million, legal and professional fees of approximately HK\$4.1 million and promoting expenses of approximately HK\$2.5 million incurred during the year.

一般及行政開支主要包括員工成本、業務發展費用、交通開支、折舊、銀行費用、辦公室開支及專業費用(包括非經常性上市相關開支)。年內一般及行政開支較去年約70.0百萬港元增加約11.4百萬港元至約81.4百萬港元,主要由於在年內產生額外員工成本(包括董事酬金)約5.3百萬港元、法律及專業費用約4.1百萬港元及發起開支約2.5百萬港元。

As a result, profit for the year has decreased from approximately HK\$42.1 million in last year to approximately HK\$22.9 million, representing a decrease of 45.6%. Excluding the non-recurring listing related expenses, the Adjusted Net Profit for the year ended 31 December 2017 amounted to approximately HK\$40.2 million (31 December 2016: HK\$61.5 million), representing a decrease of 34.6%.

因此,年內溢利由去年約42.1百萬港元減少45.6%至約22.9百萬港元。撇除非經常性上市相關開支,截至2017年12月31日止年度的經調整純利約為40.2百萬港元(2016年12月31日:61.5百萬港元),下跌34.6%。

PRINCIPAL RISKS AND UNCERTAINTIES

I MINE IN THE MISKS THE STREET WHITES

Failure to obtain new projects

Almost all of our revenue is mostly derived from contracts awarded through competitive tendering which are not recurring in nature. Whether we will succeed in our tender process depends on a number of factors, including the pricing and other terms and conditions offered by our competitors. There is no guarantee that we will succeed in the tender process or maintain comparable tender success rates in the future.

未能獲得新項目

主要風險及不明朗因素

我們的幾乎所有收益大部分來自通過競標獲授的 合約,屬非經常性質。我們能否中標取決於若干因 素,包括競爭對手所提供的定價及其他條款及條 件。概不保證,我們日後將會中標或保持相若的中 標率。

There is no assurance that we will be invited to or are made aware of the tendering process or that our tenders will be selected by our customers. We may have to lower our service fees or offer more favourable terms to our customers to increase the competitiveness of our tenders. The failure to reduce our costs accordingly may materially or adversely affect our profitability and results of operations. In addition, there is no guarantee that we will secure new projects or business opportunities from our customers after completion of the existing projects, If we cannot maintain similar amount of contracts or obtain new projects of similar or larger contract sum on a continuous basis, our results of operations, financial condition as well as business prospects may be materially and adversely affected.

概不保證我們將受邀參加或獲悉招標程序或我們的投標將獲客戶選定。我們可能須降低我們的服務費或向客戶提供更有利的條款,以提高我們投標的競爭力。因此,未降低成本可能對我們的盈利能力及經營業績造成重大或不利影響。此外,概不保證我們在完成現有項目後將能夠向客戶獲得新項目或商機。倘我們不能持續維持相若合約金額或獲得相若或更大合約金額的新項目,我們的經營業績、財務狀況及業務前景可能受到重大不利影響。

Failure to estimate the costs involved in the implementation of the project and delay in completion of the project

Whether we are able to submit tender proposal at a competitive price with adequate profit margin and maintain our profitability depends on various factors. We generally adopt a cost-plus pricing model and determine the tender price by taking into account factors comprising the scope and complexity of the project, the site conditions, project time frame, estimated construction materials costs, the labour and machinery requirement, extent of subcontracted works required, our relationship with the potential customer, and the prevailing market conditions. A majority of our contracts with customers were fixed price contracts. Once we and the customer agree on the tender price, we generally will have to bear any additional costs incurred. If we fail to properly estimate the project costs or if there is any unforeseen factor leading to any increase in costs, we may be subject to cost overruns, which will turn result in lower profit margin or even a loss for a project.

Furthermore, our contracts entered in normally contained specified completion schedule requirements and liquidated damages provision (i.e. we may have to pay customers liquidated damages if we do not meet the schedules). Liquidated damages are typically levied at an agreed rate for each day of delay that is owing to our default. We may need to pay liquidated damages resulting from any failure to meet the completion schedule requirements of our contracts, to the extent that our customers do not grant us time extension. This may reduce or diminish our expected profit and cash inflow from the relevant contracts.

There is no assurance that we will not encounter cost overruns or delays on our current and future projects and our customers may not agree to extend the completion date or grant us time extension. If such cost overruns or delays occur, we may experience increase in costs exceeding our budget or be required to pay liquidated damages, hence reducing our expected profits and cash inflow that may be generated from our contracts, and may result in material adverse impact on our results of operations and financial performance.

未能估計執行項目所涉及的成本及項目延遲完成

我們能否以具競爭力而有恰當利潤率的價格提交標書及保持我們的盈利能力視乎多項因素。我們一般採用成本加成定價模式,釐定投標價格時間考慮項目範圍及複雜性、地盤狀況、項目完成所時間、估計建築材料成本、所需勞工及機械、所需分包工程的程度、與潛在客戶的合作關係及現機械及現實合約。一旦我們與客戶釐定了投標價格,我們可能別東了投標價格,我們可能別東了投標價格,我們可能出現成本。倘我們無法以致質估計項目成本或倘出現任何不可預見因素以致項目的利潤率下降或甚至出現虧損。

此外,我們簽訂的合約通常包含具體完成進度要求及違約賠償金條款(即,倘若我們未符合進度,我們可能需要向客戶支付違約賠償金)。違約賠償金一般按我們違約所導致的延誤每日按協定比率徵收。倘無法達成合約所示的完工進度規定,而我們的客戶不批准時間延長,我們或會支付違約賠償金。這可能會減少或降低預期來自相關合約的溢利及現金流量。

無法保證我們現時及將來的項目將不會出現成本 超支或延誤及我們的客戶或許不同意延長完工日 期或授予我們時間延長。倘出現有關成本超支或 延誤,我們可能出現成本上漲至超出預算或需要 支付違約賠償金的情況,因而減少預期來自合約 的溢利,並可能對我們的經營業績及財務表現造 成重大不利影響。

Changes in labour costs or construction material costs

Labour costs and construction material costs represent a significant portion of our cost of sales. For projects without pre-bod agreements with our subcontractors or suppliers of material, we prepare tenders based on estimated project costs (which mainly include subcontracting charges and construction material costs) plus a mark-up margin. However, the related actual subcontracting costs and material costs will not be determined, either until after we enter into agreements without customers or when those costs are fixed and pre-agreed between the subcontractors or suppliers and us during the tender preparation stage. Any material fluctuations in such charges or costs during this period may affect our profitability.

Competitive environment

The construction industry in Hong Kong has many participants and is competitive. We consider that generally construction companies operating in Hong Kong play the role of competitors as well as business partners in our construction business. Occasionally, new participants may which to enter the industry. They may do so if they have the appropriate skills, local experience, necessary machinery and equipment, capital and are granted the requisite licences by relevant regulatory bodies. Increased competition may result lower operating margins and loss of market share, which may adversely affect our profitability and results of operations.

RELATIONSHIPS WITH CUSTOMERS, WORKING PARTNERS AND EMPLOYEES

The Group maintains long-term relationships with its customers and working partners (including subcontractors, suppliers and consultants), some of which have established more than 10 years of working relationship with the Group. The close working relationship can also be demonstrated by the increasing number of customer portfolios and continuous cooperation with working partners which may be engaged by the Group in one or more of its projects at the same time. Building successful long-term relationships with them is a key element of the Group's business model, which is closely interlinked with all the other elements of its model. Successful long-term relationships are built on trust – a trust that the Group is able to provide quality service and excellent customer experience. To achieve this, the Group needs experienced people with the right skills and capabilities as well as continuous supports from its working partners

勞動力成本或建築材料成本出現變動

勞動力成本及建築材料成本佔我們銷售成本的比例較大。就並未與我們的分包商或材料供應商訂立投標前協議的項目而言,我們根據估計項目成本(主要包括分包費用及建築材料成本)加提成編製標書。然而,相關的實際分包成本及材料成本在我們與客戶訂立協議或於標書編製階段,分包商或供應商與我們談定及預先協定有關成本之前無法釐定。於本期間,有關費用或成本的任何重大波動或會影響我們的盈利能力。

環境競爭激烈

香港的建築行業擁有眾多參與者且競爭激烈。我們認為,在我們的建築業務中於香港經營的建築公司通常既為競爭者亦為業務夥伴。有時會有新的參與者計劃加入本行業。倘若彼等具備適當技能、當地經驗、擁有所需的機械及設備、資本及獲有關監管機關授予必要的牌照,則彼等可能會加入建築行業。競爭增加或會導致經營利潤較少,以及減少市場份額,從而對我們的盈利能力及經營業績造成不利影響。

與客戶、工作夥伴及僱員的關係

本集團與其客戶及工作夥伴(包括分包商、供應商及顧問)的關係長久,部份與本集團已建有逾十年的工作關係。客戶數目持續上升,與工作夥伴合作無間,彼等可同時獲本集團同時僱用進行一個了多個項目,足見本集團與客戶及工作夥伴間有緊密的合作關係。與彼等建立成功的長久關係是本集團業務模式的主要元素,其與我們業務模式所有其他元素環環緊扣。成功的長久關係建基於信任,是對本集團能提供優質服務及極佳客戶體驗的信任。為達致前文所述,本集團需要具備合適技能及能力的熟手人才,以及工作夥伴不斷的支持。

The Group also maintains a very stable and experienced management team and an amicable long-term relationship with its employees. The Group's key management team comprises executive Directors and senior management, the biographies of Directors and Senior Management" in this report. The Group's experienced management team, coupled with a stable pool of skilled labour, is one of its key drives in delivering high quality work to customers in order to attain high customers' satisfaction.

COMPLIANCE WITH RELEVANT LAWS AND REGULATION

The Group mainly undertakes foundation works and ancillary services, as well as general building works in the private sector in Hong Kong and is thus subject to the rules and regulations implemented by the Buildings Department which regulates contractors in the private sectors. The Directors confirmed that during the year ended 31 December 2017 and up to the date of this report, the Group had obtained all the registrations and certifications required for its business and operations in Hong Kong, and had complied with the applicable laws and regulations in Hong Kong in all material respects.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to environmental protection and sustainable development through promoting and adopting green practices in its business activities. Initiatives within the Group include, but are not limited to, encouraging employees to reduce paper consumption by reuse of single-sided printed paper, to assess the necessity of printing where appropriate and to use duplex printing. The Environment, Social and Governance Report of the Company prepared in accordance with Appendix 27 to the Listing Rules will be published within three months after the publication of this annual report on the websites of the Company and the Stock Exchange.

本集團亦有一支非常穩定及經驗豐富的管理團隊,並與僱員維持長期友好的關係。本集團的主要管理團隊包括執行董事及高級管理層,彼等的履歷載於本報告「董事及高級管理層」一節。本集團擁有經驗豐富的管理團隊,加上穩健的人才庫,是我們向客戶提供優質工作,從而獲得高客戶滿意度的主要助力之一。

遵守相關法例及規例

本集團主要於香港私營界別提供地基工程及配套服務以及一般建築工程,因而須遵守屋宇署所就規管私營界別承建商所實施的規則及規例。董事確認,於截至2017年12月31日止年度內及截至本報告日期止,本集團已取得於香港進行業務及營運所需要的所有登記及證明,並已於所有重大方面遵守香港的適用法例及規例。

環境政策及表現

本集團致力透過於業務活動中提倡及採納綠色措施保護環境及可持續發展。本集團所採取的措施包括(但不限於)鼓勵僱員重用單面印刷紙張、視乎情況評估是否需要打印及使用雙面打印來減少用紙。本集團根據上市規則附錄二十七所編製的環境、社會及管治報告將於本年報刊發後三個月內刊載於本公司及聯交所網站。

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

流動資金、財務資源及股本架構

	As at	As at
	31 December	31 December
	2017	2016
	於2017年	於2016年
	12月31日	12月31日
Current ratio ¹ 流動比率 ¹	2.1	1.6
Gearing ratio (%) ² 槓桿比率(%) ²	25.1	36.5
Net debt to equity ratio (%) ³ 淨債務權益比率(%) ³	1.7	21.0
The debt to equity ratio (70)	1.7	

Notes:

- Current ratio based on the total current assets divided by the total current liabilities.
- Gearing ratio based on the total debt (which includes bank loans and obligations under finance leases) divided by total equity and multiplied by 100%.
- Net debt to equity ratios based on net debts (which include bank loans and obligations under finance leases less cash and bank balances) divided by total equity and multiplied by 100%.
- 4. Interest coverage based on the profit before taxation and interest divided by the total interest expenses incurred.

Current ratio increased from 1.6 as at 31 December 2016 to 2.1 as at 31 December 2017, mainly due to increase in cash and bank balances. Gearing ratio decreased from 36.5% as at 31 December 2016 to 25.1% as at 31 December 2017, mainly due to the net addition in equity after including net profit for the year and new shares issued upon the Listing. Net debt to equity ratio decreased from 21.0% as at 31 December 2016 to 1.7% as at 31 December 2017, mainly due to increase in cash and bank balances and total equity. Interest coverage decreased from 24.4 for the year ended 31 December 2016 to 20.0 for the year ended 31 December 2017, mainly due to larger decrease effect of profit before interest and tax, compared with finance costs.

附註:

- 流動比率根據流動資產總值除以流動負債總額計算。
- 槓桿比率根據負債總額(包括銀行貸款及融資租 賃承擔)除以權益總額乘以100%計算。
- 3. 淨債務權益比率根據負債淨額(包括銀行貸款及融資租賃承擔減現金及銀行結餘)除以權益總額乘以100%計算。
- 4. 利息償付率根據除税前溢利及利息除以產生的利息開支總額計算。

流動比率由2016年12月31日的1.6增加至2017年12月31日的2.1,主要由於現金及銀行結餘上升。槓桿比率由2016年12月31日的36.5%減至2017年12月31日的25.1%,主要由於計入年度純利及於上市時發行新股份後錄得權益增加淨額。淨債務權益比率由2016年12月31日的21.0%減至2017年12月31日的1.7%,主要由於現金及銀行結餘及權益總額上升。利息償付率由截至2016年12月31日止年度的24.4減至截至2017年12月31日止年度的20.0,主要由於對比財務成本除利息及税項前溢利帶來較大的下跌效應。

As at 31 December 2017, the Group had cash and bank balances of approximately HK\$56.1 million (31 December 2016: HK\$19.5 million). The Group expected to fund the future cash flow needs through internally generated cash flows from operations, bank facilities and equity financing.

於2017年12月31日,本集團有現金及銀行結餘約56.1百萬港元(2016年12月31日:19.5百萬港元)。 本集團預期將透過來自營運的內部產生現金流、 銀行信貸及股權融資為未來現金流提供資金。

The capital structure of the Group consisted of equity of HK\$239.6 million and debts (bank loans and obligations under finance leases) of HK\$60.1 million as at 31 December 2017.

於2017年12月31日,本集團的股本架構包括權益 239.6百萬港元及債項(銀行貸款及融資租賃承擔) 60.1百萬港元。

The Group adopts a prudent approach in cash management. Apart from certain debts including bank loans and obligations under finance leases, the Group did not have any material outstanding debts as at 31 December 2017. In any case, the Group may utilise its banking facilities of HK\$160.0 million, of which HK\$67.4 million remain unused as at 31 December 2017.

本集團在現金管理方面採取審慎政策。除若干債項(包括銀行貸款及融資租賃承擔)外,於2017年12月31日,本集團並無任何重大未償還債項。本集團可在任何情況下動用其銀行融資160.0百萬港元,於2017年12月31日,當中尚有67.4百萬港元未曾動用。

USE OF NET PROCEEDS FROM THE LISTING

上市所得款項淨額用途

The net proceeds from the Listing will be utilised in accordance with the proposed applications set out in the prospectus of the Company dated 30 June 2017 (the "Prospectus"). The table below sets out the proposed applications of the net proceeds and actual usage up to 31 December 2017:

上市所得款項淨額將根據本公司日期為2017年6月 30日的招股章程(「招股章程」)所載的擬訂用途使 用。下表載列所得款項淨額的擬訂用途及直至2017 年12月31日的實際用途:

		Proposed application 擬訂用途 HK\$'million 百萬港元	Actual usage up to 31 December 2017 直至2017年 12月31日的 實際用途 HK\$'million 百萬港元
		7117070	H 1 7/8/3
Strengthen our Hong Kong market	加強我們於香港的市場地位		
position to capture profitable projects	以把握獲利項目	16.5	16.5
Acquire additional machinery	購買額外機械及設備		
and equipment		9.4	_
Finance the issue of surety bonds for	為就未來項目發出履約		
future projects	保證提供資金	16.5	_
General working capital	一般營運資金	4.7	4.7
		47.1	21.2

EMPLOYEES

The Group had 353 employees as at 31 December 2017. The Group offers competitive remuneration package that is based on overall market rates and employee performance, as well as performance of the Group. Remuneration package is comprised of salary, performance-based bonus, and other benefits including training and provident funds.

CAPITAL COMMITMENTS

The Group had no capital commitments as at 31 December 2017.

CHARGES ON GROUP ASSETS

As at 31 December 2017, the Group had obligations under finance leases of approximately HK\$9.1 million (31 December 2016: HK\$17.0 million). The Group's obligations under finance leases are secured by the lessors' charge over the leased assets with net book values of HK\$0.1 million as at 31 December 2017 (31 December 2016: HK\$6.2 million). In addition, as at 31 December 2017, bank deposits of HK\$36.3 million were pledged to secure the banking facilities granted to the Group.

CONTINGENT LIABILITIES

Except for those disclosed in note 22 to the financial statements, the Group had no other contingent liabilities as at 31 December 2017.

FOREIGN EXCHANGE EXPOSURE

The Group has no significant exposure to foreign currency risk as substantially all of the Group's transactions are denominated in Hong Kong dollars and United States dollars. As the Hong Kong dollars is pegged to the United States dollars, the Group considers the risk of movements in exchange rates between the Hong Kong dollars and the United States dollars to be insignificant.

As at 31 December 2017, the Group does not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider using hedging instruments in respect of significant foreign currency exposure as and when appropriate.

僱員

於2017年12月31日,本集團有353名僱員。本集團根據整體市場水平、僱員表現及本集團的業績表現提供具競爭力的薪酬組合。薪酬組合包括薪金、表現掛鈎獎金及其他福利,包括培訓及公積金。

資本承擔

於2017年12月31日,本集團並無任何資本承擔。

集團資產押記

於2017年12月31日,本集團有融資租賃承擔約9.1 百萬港元(2016年12月31日:17.0百萬港元)。本集 團的融資租賃承擔由出租人的出租資產押記所抵 押,於2017年12月31日,該等出租資產的賬面淨值 為0.1百萬港元(2016年12月31日:6.2百萬港元)。 此外,於2017年12月31日,銀行存款36.3百萬港元 已予抵押,作為本集團所獲授銀行信貸的抵押品。

或然負債

除財務報表附註22所披露者外,本集團於2017年12 月31日並無其他或然負債。

外匯風險

本集團並無承受重大外幣風險,乃因為本集團絕 大部分交易以港元及美元計值。由於港元與美元 掛鈎,故本集團認為港元兑美元的匯率變動風險 甚微。

於2017年12月31日,本集團並無就其外幣資產及負債制定外幣對沖政策。本集團將密切監察其外幣 風險,並將於適當時候考慮運用對沖工具應付重 大外幣風險。

LEASE COMMITMENTS

The Group leases office a number of properties under noncancellable operating lease agreements. The lease terms are 2 to 5 vears and the lease arrangements are renewable at the end of the lease period at market rate. For details of the lease commitments, please refer to note 21 to the financial statements.

SIGNIFICANT INVESTMENT HELD, MATERIAL **ACQUISITIONS AND DISPOSALS OF** SUBSIDIARIES AND AFFILIATED COMPANIES

The Company was incorporated in the Cayman Islands on 5 October 2015 with limited liability under the Companies Law of the Cayman Islands. In preparation of the listing of the Company's shares on the Stock Exchange, the Group underwent the reorganisation pursuant to which the Company became the holding company of the subsidiaries now comprising the Group on the date of Listing (the "Reorganisation"). For details of the Reorganisation, please refer to note 2(b) to the financial statements.

Apart from the Reorganisation in relation to the Listing, there were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies during the year ended 31 December 2017.

和賃承擔

本集團根據不可撤銷經營租賃協議租賃若干物業。 和期為2至5年,和賃安排可於和期結束時按市價 重續。有關租賃承擔的詳情,請參閱財務報表附許 21 0

持有重大投資、重大收購或出售附屬 公司及聯屬公司,以及有關重大投資 或資本資產的計劃

本公司乃於2015年10月5日根據開曼群島公司法 註冊成立為有限公司。為籌備本公司股份於聯交 所上市,本集團進行重組,據此,本公司於上市 日期成為本集團現時旗下附屬公司的控股公司 (「重組」)。有關重組的詳情,請參閱財務報表附 註2(b)。

除就上市進行的重組外,截至2017年12月31日止年 度,概無持有重大投資、重大收購或出售附屬公司 及聯屬公司。

SHARE OPTIONS

Written resolutions of the sole shareholder were passed on 23 June 2017 to adopt the share option scheme (the "Scheme"). No share options have been granted, exercised or cancelled under the Scheme since its adoption date and up to the date of this annual report. The Scheme will remain in force for a period of 10 years after the date of adoption.

EVENT AFTER THE REPORTING PERIOD

There is no material subsequent event undertaken by the Company or by the Group after 31 December 2017 and up to the date of this annual report.

PROSPECTS

In view of the growth prospects for both public and private development projects, the Group intend to expand the business capacity and scale to strength the market position in Hong Kong to capture more sizeable and profitable projects. The Directors believe that the Group can capture such opportunities and take an active part in the foundation works and ancillary services, as well as general building works required for such projects. The Group intend to strengthen Hong Kong market position and further diversify the customer base by pursuing works from more private residential developers.

購股權

唯一股東的書面決議案已於2017年6月23日獲通過,以採納購股權計劃(「計劃」)。自採納日期起直至本年度報告日期,概無根據計劃授出、行使或註銷購股權。計劃將於採納日期起10年內保持有效。

報告期後事項

於2017年12月31日後直至本年度報告日期止,本公司或本集團並無進行任何重大期後事項。

前景

鑒於公共及私人發展項目的增長前景,本集團計劃擴大業務能力及規模,以加強其在香港的市場地位,爭取更大規模並可產生更高盈利的項目。董事相信,本集團可把握這些機會,積極參與地基工程及配套服務,以及有關項目所需的一般建築工程。本集團擬透過獲得更多私人住宅發展商的工程,加強其香港市場地位及使客戶基礎更多元化。

BOARD OF DIRECTORS

The composition of the Board of Directors during the year end up to the date of this annual report is set out below:-

Executive Director

Mr. Lee Kai Lun ("Mr. KL Lee"), aged 69, is the Chairman and executive Director of our Group and is responsible for strategic planning and overall development. Mr. KL Lee appointed as our executive director on 6 May 2016. He obtained degrees of Bachelor Arts in Architectural Studies and Bachelor of Architecture from the University of Hong Kong in November 1970 and 1972 respectively. He has been a corporate member of Royal Institute of British Architects since February 1974, a member of the Hong Kong Institute of Architects since February 1974 and a fellow of the Hong Kong Institute of Architects since July 2006. He is also a registered architect under Architects Registration Board of Hong Kong and authorised person (List of Architects) with the Buildings Department of Hong Kong. Pursuant to section 45 of the Buildings Ordinance, he has been appointed as a member of the Appeal Tribunal Panel of the Development Bureau of Hong Kong since 2009. He has been the sole proprietor of Kailun Lee Chartered Architect which has been providing architect and interior design services since 1974. Since September 2012, he served as a partner of KLDL Consultants which provides development and design consultancy services.

董事會

於本年度截至本年報日期止董事會組成載列如下:

執行董事

利啟麟先生(「利啟麟先生」),69歲,擔任本集團董事長及執行董事,負責戰略規劃和整體發展。於2016年5月6日,利啟麟先生被任命為我們的執行董事。於1970年11月和1972年,彼於香港大學分別取得建築學研究文學學士學位和建築學學士學位。彼自1974年2月為英國皇家建築師協會之企業員,自1974年2月為香港建築師學會資深會員。彼宗書認可人士(建築師名單)根據建築物條例第45條,彼自2009年獲任為香港發展局上訴審裁團成員。自1974年起,彼為Kailun Lee Chartered Architect (提供建築及室內設計服務)之獨資經營者。自2012年9月起,彼擔任KLDL Consultants 合夥人,該公司提供開發及設計顧問服務。

Dr. Kan Hou Sek, Jim ("Dr. Kan"), aged 60, is an executive Director of our Group and is responsible for business development, quality and technical assurance. Dr. Kan joined our Group in January 2003 and appointed as the executive Director on 5 October 2015. He has over 25 years of experience in the constitution industry in Hong Kong. Dr. Kan obtained a degree of Bachelor of Science from the Heriot-Watt University in July 1981, majoring in civil engineering. He also obtained a degree of Master of Science in Engineering Geology from Imperial College of Science and Technology in August 1983. In December 1987, Dr. Kan was awarded the degree of Doctor of Philosophy by the Victoria University of Manchester. Before joining our Group, Dr. Kan was employed as an engineer in Sir William Halcrow & Partners Limited in the United Kingdom from April 1986 to September 1988. Dr. Kan then joined Tralfagar House Technology Limited in the United Kingdom as a senior geotechnical engineer from October 1998 to January 1989. After that, Dr. Kan worked in New World Development Company Limited in Hong Kong from February 1989 to April 1992 and his last position was the chief geotechnical engineer who was responsible for providing geotechnical consultancy services. Dr. Kan then joined Sunlink Limited, which was a foundation construction firm, as a director from May 1992 to March 2003. At the same period, Dr. Kan also served as the director of Precast Piling & Engineering Company Limited. From 1994 to 1997, Dr. Kan served as the director and general manager of Shanghai Metro-Sunlink Real Estate Limited, which was a property developer. During 1998 to 1999, Dr. Kan also served as commercial representative of People's Government of Wuging District in Tianjin of the PRC. Then, Dr. Kan worked as a Technical Director in Join Ocean Construction Machinery Engineering Company Limited which was a construction contractor from 2003 to February 2004. From November 1993 to 1997, Dr. Kan worked as director at Waysome International (Tianjin) Hotel Limited which was conducting hotel operation. From January 1994 to 1997, Dr. Kan also worked as director at Hotel (Tianjin) Property Development Limited which was conducting property development. Since July 1993, Dr. Kan has been acting as the general manager of Waysome Taxi (Tianjin) Company Limited which is conducting taxi rental business. From June 2009 to October 2014, Dr. Kan worked as director at Parsons Brinckerhoff (Tianjin) Limited which was conducting construction engineering design and consultancy services.

簡厚錫博士(「簡博士」),60歲,擔任本集團執行 董事,並負責業務發展、質量和技術保證。簡博士 於2003年1月加入本集團及於2015年10月5日獲委任 為執行董事。彼於香港建築業擁有25年以上經驗。 於1981年7月,簡博士於赫瑞瓦特大學取得土木工 程專業理科學士學位。於1983年8月,彼亦於倫敦 帝國學院取得工程地質學理學碩士學位。於1987 年12月,簡博士於曼徹斯特維多利亞大學取得博 士學位。加入本集團之前,於1986年4月至1988年9 月期間,簡博士於英國Sir William Halcrow & Partners Limited 出任工程師一職。於1988年10月至1989年1 月,簡博士隨後加入英國Tralfagar House Technology Limited 出任高級土木工程師一職。其後,簡博士 於1989年2月至1992年4月期間於香港新世界發展 有限公司任職,最後職位為首席岩土工程師,負 責提供岩土工程諮詢服務。自1992年5月至2003年 3月,簡博士隨後加入地基建築公司旭匯有限公 司擔任董事。於同一時期,簡博士亦擔任建成打 椿工程有限公司董事。自1994年至1997年,簡博士 亦擔任物業發展商上海地鐵旭匯置業有限公司董 事和總經理。於1998年至1999年期間,簡博士亦擔 任中國天津市武清區人民政府商務代表。此後, 自2003年至2004年2月,簡博士於建築承包商Join Ocean Construction Machinery Engineering Company Limited 擔任技術總監。於1993年11月至1997年,簡 博士於威龍國際(天津)大酒店有限公司出任董事 一職,該公司從事酒店營運。於1994年1月至1997 年,簡博士於漢山(天津)房地產開發有限公司出 任董事一職,該公司從事物業發展。自1993年7月 起,簡博士一直於威龍國際(天津)出租車有限公 司擔任總經理,該公司從事出租車業務。於2009年 6月至2014年10月,簡博士於柏誠(天津)建築設計 有限公司出任董事一職,該公司從事建築工程設 計及諮詢服務。

Mr. Lee Sai Man ("Mr. SM Lee"), aged 58, is an executive Director of our Group and is responsible for business development, tendering process and daily operation. Mr. SM Lee joined our Group in 2000 and appointed as the executive Director on 5 October 2015. Mr. SM Lee was awarded a Diploma in Civil Engineering Studies from the Technical Institute of Education Department of Hong Kong in July 1981. Mr. SM Lee has over 20 years of experience in the construction industry in Hong Kong. Before joining our Group, Mr. SM Lee was a technician engineer of Franki Contractors Limited from July 1981 to June 1982. Mr. SM Lee then worked in Shine Construction Company Limited as a site engineer from July 1982 to May 1985. Mr. SM Lee joined Leighton Bruckner Foundation Engineering Limited as a site agent from May 1985 to March 1994. After that, Mr. SM Lee worked in Intrusion Prepakt (Far East) Limited as a project manager. Mr. SM Lee served as a production manager of Sum Tat Piling & Engineering Company Limited from October 1995 to February 1997. During October 1997 to December 2005, he was a director of Polystar Engineering Limited. The above mentioned companies were all foundation contractors.

Mr. Wong Siu Kwai ("Mr. Wong"), aged 54, is an executive Director of our Group. Mr. Wong is responsible for production, site management and supervision. Mr. Wong is a founder of our Group and appointed as the executive Director on 5 October 2015. Mr. Wong has over 30 years of experience in the construction industry in Hong Kong. Mr. Wong attended secondary school education in Hong Kong and graduated in July 1982. He has been awarded a Technically Competent Person T1 Certificate by the Construction Industry Training Authority of Hong Kong in May 2005. Before founding our Group, Mr. Wong worked as a site engineer of Shine Construction Company Limited which was a foundation contractor from August 1982 to March 1985. Mr. Wong was employed as a leveler by Leighton Bruckner Foundation Engineering Limited which was a foundation contractor from April 1987 to April 1990. Mr. Wong was a partner of Lung Tang Construction Company which was a civil engineering contractor from April 1990 to February 1999.

李世民先生(「李世民先生」),58歲,擔任本集團 執行董事,負責業務發展、招標過程和日常營運。 李世民先生亦自2000年起擔任恆誠建築之董事。李 世民先生於1981年7月獲香港科技教育學院頒發之 土木工程文憑。李世民先生於香港工程行業擁有逾 20年經驗。於加入本集團之前,李世民先生自1981 年7月至1982年6月於建新工程有限公司任職技術 工程師。隨後李世民先生自1982年7月至1985年5月 於Shine Construction Company Limited任職工地工 程師。李世民先生自1985年5月至1994年3月出任禮 頓地基工程有限公司之地盤總管。及後,李世民先 生加入Intrusion Prepakt (Far East) Company Limited 出任項目經理。李世民先生自1995年10月至1997 年2月加入Sum Tat Piling & Engineering Company Limited任職生產經理。自1997年10月至2005年12 月,李世民先生擔任寶星工程有限公司之董事職 務。上述公司均為地基承建商。

黃紹桂先生(「黃先生」),54歲,擔任本集團執行董事,負責生產、現場管理和監督。黃先生為本集團創辦人及於2015年10月5日獲委任為執行董事。黃先生於工程行業擁有逾30年經驗。黃先生於香港接受中學程度教育及於1982年7月在香港畢業。彼於2005年5月獲香港建造業訓練局頒發適任技術人員T1證書。創辦本集團之前,黃先生於1982年8月至1985年3月受聘於地基承建商迅達建築有限公司,任職地盤工程師。黃先生自1987年4月至1990年4月受聘於地基承建商禮頓地基工程有限公司,任職水平測量員。黃先生自1990年4月至1999年2月為土木工程承建商龍騰建築工程有限公司的合夥人。

Mr. Kwong Po Lam ("Mr. Kwong"), aged 61, is an executive Director of our Group. Mr. Kwong is responsible for quality and technical assurance. Mr. Kwong appointed as the executive Director on 6 May 2016. Mr. Kwong has over 30 years of experience in the construction industry. Before joining our Group, he worked as assistant engineer of Stresstek (H.K.) Limited, in which he was responsible for construction site management and supervision, from January 1980 to March 1981. He then worked as structural designer of Gordon Wu & Associates, in which he was responsible for engineering design and construction site inspections, from April 1981 to September 1982. He then joined Ove Arup & Partners Hong Kong Limited as an engineer, in which he was responsible for civil/structural engineering design and on-site supervision, from September 1982 to January 1986. From February 1986 to November 1989, he was the assistant head of the structural section and structural engineer of KNW Architects & engineers Limited, in which he was responsible for site inspections and supervision, processing engineering plans submission and providing structural engineering advices. He was employed by the Hong Kong Government as structural engineer from December 1989 to August 1990. He then joined Dywidag-Systems International Canada Limited as engineer from February 1992 to December 1993 and was mainly responsible for project planning, civil/structural engineering design and site supervision. He has been working at Wong & Cheng Consulting Engineers Limited which is specialised in engineering design, preparation of drawings and technical specifications, contract administration, site supervision and other related works since January 1994 and is currently its managing director. He was awarded with an associateship in Civil and Structural Engineering from Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic) in November 1981. He also obtained a degree of Master of Science in Engineering (Civil Engineering) from the University of Hong Kong in November 2000. He has been holding the following memberships, namely (i) member of the Institution of Civil Engineers; (ii) member of the Institution of Structural Engineers; and (iii) member of the Association of Professional Engineers and Geoscientists of British Columbia, Canada. He was admitted as fellow of the Hong Kong Institution of Engineers in July 2003. He was qualified as Chartered Engineer of the Engineering Council of the United Kingdom in May 1986, and a Registered Professional Engineer with Engineers Registration Board of Hong Kong in November 1995. He was also authorised as Civil Engineer by the Land, Public Works and Transport Bureau of the Macao Special Administrative Region in January 2016. He was qualified as registered structural engineer since 1987 and is currently authorised person (list of engineers), registered inspector (list of engineers) and registered geotechnical engineer with Building Authority. He obtained the Certificate of Class I Registered Structural Engineer of the PRC in July 2001. He was also admitted as a member of The Macau Institution of Engineers in Junes 2017.

鄺保林先生(「鄺先生」),61歲,擔任本集團執行 董事,負責質量和技術保證。鄺先生於2016年5月6 日獲委任為執行董事。鄺先生於建築行業擁有逾30 年經驗。於加入本集團前,彼自1980年1月至1981 年3月於應力工程(香港)有限公司任職助理工程 師,負責建築工地管理及監督。隨後,彼自1981年 4月至1982年9月於Gordon Wu & Associates擔任結構 丁程師, 負責工程設計及建築工地視察。隨後, 彼 自1982年9月至1986年1月加入奧雅納工程顧問(香 港)有限公司擔任工程師,負責土木/結構工程設 計及現場監督。於1986年2月至1989年11月期間, 彼成為關吳黃建築師,工程師有限公司的助理主 管,負責工地視察及監督、處理工程規劃提交及提 供結構工程意見。彼自1989年12月至1990年8月獲 香港政府聘用為結構工程師。於1992年2月至1993 年12月期間,彼加入Dywidag-Systems International Canada Limited 任職工程師,主要負責項目規劃、 土木/結構工程設計及地盤監督。自1994年1月 起,彼一直於黃鄭顧問工程師有限公司任職,該公 司專門從事工程設計、編製圖紙及技術規格、合約 管理、工地監督及其他相關工作,目前為其常務 董事。於1981年11月,彼成為香港理工大學(前稱 香港理工學院)土木及結構工程學院院士。彼亦於 2000年11月獲香港大學頒發理學碩士工程(土木工 程)學位。彼擁有下列會員資格:(i)英國土木工程 師學會會員;(ii)英國結構工程師學會會員;及(iii)加 拿大卑詩省專業工程師和地質學家協會會員。於 2003年7月彼獲香港工程師學會承認為資深會員。 彼分別於1986年5月及1995年11月成為英國工程委 員會特許工程師及香港工程師註冊管理局之註冊 專業工程師。彼亦於2016年1月獲澳門特別行政區 土地工務運輸局認可為土木工程師。彼自1987年 符合資格成為註冊結構工程師,現時為屋宇署之 認可人士(工程師名單)、認可檢查人員(工程師 名單)及註冊岩土工程師。彼於2001年7月獲得國 家一級註冊結構工程師證書。彼亦獲於2017年6月 獲澳門工程師學會接納為會員。

Independent Non-Executive Directors

Mr. Fan Siu Kay ("Mr. Fan"), aged 67, was appointed as our independent non-executive Director on 6 May 2016. Mr. Fan was conferred honorary fellowship of the Hong Kong Polytechnic University in 2010 and has been the adjunct professor of the department of building and real estate in the Hong Kong Polytechnic University since 2011. Mr. Fan has over 40 years of experience in structural design and construction management, inter alia, Mr. Fan has worked for the Buildings Department for approximately 9 years and gained wide experience in dealing with the regulations and procedures of Hong Kong Government. During March 1980 to May 1988, he was employed by the Hong Kong Government as structural engineer. From July 1990 to March 1998, he worked at Kam Wo Construction Company Limited, a company principally conducting general construction and his last position was the chairman. He worked at Daido Concrete (HK) Limited (Stock Code: 544) from May 1988 and his last position was executive director. From March 1998 to June 2000, he was a director of Siu Yin Wai & Associates Limited, a company mainly provided structural consultancy services. He served as managing director of Joint Management Technologies Limited which was a general construction contractor from June 2000 to March 2001 and was responsible for construction supervision. He worked as director of Paul Y. Construction Company Limited which was a general construction contractor from March 2001 to November 2003 and was responsible for project supervision and daily management. He worked at Hyder consulting Limited, a global design and consultancy firm listed on London Stock Exchange, from November 2003 to May 2009 and his last position was the head of façade engineering department. He has been acting as a director of Head Benefit Limited and Johnny Fan & Associates Limited which are both structural consultancy company since May 2009 and June 2012 respectively. Mr. Fan was awarded higher diploma structural engineering from the Hong Kong Technical College on 31 July 1972. Mr. Fan obtained a degree of Bachelor of Science with honors in July 1976 and a degree of Master of Science from the City University of London in January 1979. Mr. Fan has been a member of the Institution of Structural Engineer since 1979. Mr. Fan has been a registered structural engineer and authorised person (list of engineers) with Building Authority since 1987. Mr. Fan was admitted as fellow of the Institution of Structural Engineers and the Hong Kong Institution of Engineers in January 1994 and February 1996 respectively. Mr. Fan obtained the Certificate of Class I Registered Structural Engineer of the PRC in June 2003.

獨立非執行董事

樊紹基先生(「樊先生」),67歳,於2016年5月6日 獲委任為本集團獨立非執行董事。樊先生於2010 年被香港理工大學授予榮譽學人,自2011年起為香 港理工大學建築及房地產學系客座教授。樊先生 在結構設計及工程管理方面擁有逾40年經驗,樊 先生於屋宇署工作約9年,在處理香港政府規定及 程序方面擁有豐富經驗。於1980年3月至1988年5月 期間,彼獲香港政府聘任為結構工程師。彼自1990 年7月至1998年3月於Kam Wo Construction Company Limited (一間主要從事一般建築的公司)工作, 最後擔任的職位為主席。彼於1988年5月受聘於主 要從事一般建築的公司Daido Concrete (HK) Limited (股份代號:544),其最後職位為執行董事。彼自 1998年3月至2000年6月期間於邵賢偉建築工程師 有限公司(一間主要提供結構諮詢服務的公司)出 任董事職務。及後,於2000年6月至2001年3月,彼 擔任卓宏科技工程有限公司(為一般建築承建商) 之董事總經理,負責建造監督。彼自2001年3月至 2003年11月期間於保華建築有限公司(為一般建 築承建商)出仟董事一職,負責項目監督及日常管 理。彼於2003年11月至2009年5月期間於安誠工程 顧問有限公司(一間全球性設計及諮詢公司,於倫 敦證券交易所上市)工作,出任技術總監一職,而 其最後職位為幕牆工程部門主管。由2009年5月及 2012年6月起,彼一直分別擔任導豪有限公司及樊 紹基建築工程師事務所有限公司(兩間公司均為 結構諮詢公司)之董事。樊先生於1972年7月31日獲 香港科技學院頒發結構工程高級文憑,並分別於 1976年7月及1979年1月獲倫敦城市大學頒發榮譽 理學士學位及理學士碩士學位。樊先生自1979年 起成為英國結構工程師學會會員。樊先生自1987 年成為屋宇署之註冊結構工程師及認可人士(工 程師名單)。樊先生分別於1994年1月及1996年2月 獲英國結構工程師學會及香港工程師學會承認為 資深會員。樊先生於2003年6月獲得中國國家一級 註冊結構工程師證書。

Mr. Leung William Wai Kai, aged 63, was appointed as our independent non-executive Director on 6 May 2016. Mr. Leung graduated from the Illinois Institute of Technology with a Master Degree in Architecture in May 1981. Mr. Leung is a Registered Architect in the United States and has worked for architectural firms in both the United States and Hong Kong for 9 years before joining New World Development Company Limited (Stock Code: 017), a company specialised in property development projects in Hong Kong and the PRC. He also worked at New World Project Management Limited from May 1990 to May 2009 and was responsible for the management and development of numerous property projects in Hong Kong, the PRC and Southeast Asia and his last position was director and general manager. He has been working at New Metro Consultants Limited as a managing director since May 2009 and is responsible for construction consultancy. From September 2013 to December 2014, he was chief operating officer of Bonds Group of Companies Limited, a company mainly focused on real estate development and investment, property management, hotel operations and financial investments. Since January 2015, he has served as director of planning and operations of Imperial Pacific International Holdings Limited (Stock Code: 1076).

梁煒佳先生,63歲,於2016年5月6日獲委任為本集 團獨立非執行董事。梁先生於1981年5月在伊利諾 理工學院畢業並獲頒發建築學碩士學位。梁先生為 美國註冊建築師,於加入新世界發展有限公司(股 份代號:017,一間專注於香港及中國物業發項目 的公司)之前曾於美國及香港建築師事務所工作9 年。彼亦自1990年5月至2009年5月受聘於新發展策 劃管理有限公司,負責管理及發展香港、中國及東 南亞多個物業項目,而其最後職位為董事兼總經 理。彼自2009年5月起一直受聘於新城顧問有限公 司,出任常務董事一職,負責建築顧問。彼自2013 年9月至2014年12月於寶聲(集團)有限公司(一間 主要專注於房地產開發及投資、物業管理、酒店 經營及金融投資的公司)擔任首席營運官職務。自 2015年1月起,彼曾在博華太平洋國際控股有限公 司(股份代號:1076)擔任規劃及營運主管。

Mr. Lo Chi Leung, aged 34, was appointed as the independent non-executive Director on 6 May 2016. Mr. Lo has over 8 years of experience in finance industry since July 2007. He was a graduate engineer of China State Construction International Holdings Limited (Stock Code: 3311) from June 2006 to July 2007. After that, Mr. Lo started his career in finance industry and worked for Dealogic Limited as a research assistant and he was responsible for the maintenance of a global mergers and acquisition transactions database from July 2007 to February 2008. He then joined BMI Appraisals Limited as business analyst and was responsible for business and financial instruments valuation from February 2008 to November 2008. Mr. Lo was employed by Asian Capital (Corporate Finance) Limited, in which he was responsible for mergers and acquisitions and resumption of trading matters, for the period of November 2008 to May 2011 and March 2012 to February 2013 and his last position was manager. During May 2011 to March 2012 and March 2013 to December 2015, Mr. Lo worked for TC Capital Asia Limited, in which he was responsible for mergers and acquisitions, initial public offering matters and his last position was associate director. From January 2016 to February 2016, he served as managing director of Southwest Securities (HK) Capital Limited, in which he was responsible for investment banking matters. Since March 2016, he was associate director of Frontpage Capital Limited, in which he was responsible for mergers and acquisitions, initial public offering matters. Mr. Lo received degrees of Bachelor of Engineering in civil engineering and Master of Finance from the University of Hong Kong in December 2006 and November 2010 respectively. Mr. Lo is also a certified public accountant certified by the Hong Kong Institute of Certified Public Accountants since January 2015.

盧志良先生,34歲,於2016年5月6日獲委任為本集 團獨立非執行董事。盧先生自2007年7月起在金融 業擁有逾8年經驗。彼自2006年6月至2007年7月為 中國建築國際集團有限公司(股份代號:3311)的 見習工程師。自此之後,盧先生開始投身金融業, 於2007年7月至2008年2月於迪羅基有限公司任職 研究助理,負責維護一個全球併購交易數據庫。彼 其後於2008年2月至2008年11月加入中和邦盟評估 有限公司任職業務分析員,負責業務及金融工具 評估。 盧先生於2008年11月至2011年5月及由2012 年3月至2013年2月期間獲卓亞(企業融資)有限公 司聘用,負責併購及復牌事宜,最後擔任的職位為 經理。於2011年5月至2012年3月及由2013年3月至 2015年12月期間, 盧先生任職天財資本國際有限公 司,負責併購及首次公開發行事宜,最後擔任的職 位為助理總監。盧先生由2016年1月至2016年2月任 職西證(香港)融資有限公司總經理,負責投資銀 行事宜。彼自2016年3月起為富比資本有限公司聯 席董事,負責併購及首次公開發行事宜。盧先生分 別於2006年12月及2010年11月在香港大學獲得工學 學士(土木工程)及金融學碩士學位。自2015年1月 起, 盧先生亦為香港會計師公會執業會計師。

SENIOR MANAGEMENT

Mr. Yeung Nai Cheong, aged 56, joined our Group in October 2004. He serves as a project manager and Technical Director of our Group and is responsible for project management and technical assurance. He has over 25 years working experience in the construction industry. From August 1986 to February 1987, he started his career as a technician engineer at Enpack (H.K.) Limited which was a ground investigation contractor. He joined Vianini Lavori S.P.A. which was a construction contractor as a site engineer from August 1987 to September 1988. From October 1989 to March 1991, he served as assistant resident engineer at Binnie Consultants Limited which was a construction consultancy company and was responsible for supervision of three projects. He worked as an assistant engineer of H.K. Cheng & Partners Limited which was a structural consultancy company from April 1991 to March 1993. During April 1993 to March 2003, he was employed by Sunlink Limited which was a foundation contractor as a project manager and was responsible for all project management of construction works. During March 2003 to October 2004, he was served as project manager in Precast Piling and Engineering Company Limited which was a piling contractor. He was awarded the Higher Diploma in Civil Engineering (Geotechnology) in November 1985 from Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic). He was also awarded the Hong Kong Polytechnic's Associateship award in Civil and Structural Engineering in November 1986 from Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic) which is deemed to be equivalent of an academic degree. He has completed a 28-hour part-time construction safety supervisor course in October 1999 and a 30-hour part-time demolition of building course for supervision/foremen in May 2000 which were both arranged by the Construction Industry Training Authority.

高級管理層

楊乃昌先生,56歲,於2004年10月加入本集團。彼 擔任本集團之項目經理及技術總監,負責項目管 理及技術保證。彼於工程行業擁有逾25年經驗。 由1986年8月至1987年2月期間,彼於地面勘察承建 商綜建(香港)有限公司任職技術工程師開展事 業。自1987年8月至1988年9月,彼加入建築承建商 Vianini Lavori S.P.A作為工地工程師。於1989年10月 至1991年3月期間,彼加入建築顧問公司博威工程 顧問有限公司作為助理工地工程師,負責監督三 個項目。隨後彼自1991年4月至1993年3月期間於結 構顧問公司鄭漢鈞顧問工程師有限公司作為助理 工程師。於1993年4月至2003年3月期間,彼受聘於 地基承建商旭匯有限公司擔任項目經理,負責建 築工程的所有項目管理。於2003年3月至2004年10 月,彼受聘於樁柱承建商建成打樁工程有限公司, 任職項目經理。彼於1985年11月獲香港理工大學 (前稱香港理工學院)頒發之土木工程(岩土工程 學)高級文憑。彼亦於1986年11月獲香港理工大學 (前稱香港理工學院)頒發土木工程及結構工程文 憑。彼於1999年10月已完成28小時之兼讀建造業安 全督導員課程及於2000年5月完成30小時之兼讀拆 卸樓宇監工課程,該兩項課程均由建造業訓練局 安排。

Mr. Ching Yat Cheung, aged 51, joined our Group in January 2005. He serves as a project manager of our Group and is responsible for project management and technical assurance. He has over 20 years working experience in the construction industry. From July 1990 to December 1993, he was an assistant engineer of Leighton Bruckner Foundation Engineering Limited which was a foundation contractor. He joined Geotechnics and Concrete Engineering (H.K.) Limited which was a concrete engineering testing company as project engineer from September 1997 to April 1999. During December 2001 to July 2003, he was employed by Chun Wo Foundations Limited which was foundation contractor as site agent. He worked as project manager and construction engineer of Huang Wan Construction Company Limited which was a foundation contractor from September 2003 to December 2004. He obtained a degree of Bachelor of Science in Engineering from the University of Hong Kong in December 1990. He has been a member of the Hong Kong Institution of Engineers since March 2001. He was also a registered professional engineer under Engineers Registration Board of Hong Kong from February 2003 to January 2016.

程億章先生,51歲,於2005年1月加入本集團。彼擔任本集團之項目經理,負責項目管理及技術保證。彼於建築行業擁有逾20年經驗。自1990年7月至1993年12月,彼於地基承建商禮頓地基工程有限公司作為助理工程師。隨後於1997年9月至1999年4月期間,彼加入混凝土工程測試公司土力混凝土工程有限公司任職項目工程師。彼自2001年12月至2003年7月受聘於地基承建商俊和地基工程有限公司擔任工地總管。於2003年9月至2004年12月期間彼於地基承建商Huang Wan Construction Company Limited擔任項目經理及建築工程師。彼於1990年12月獲得香港大學理學士(工程)學位,彼自2001年3月成為香港工程師學會會員。於2003年2月至2016年1月,彼亦為香港工程師註冊管理局註冊專業工程師。

COMPANY SECRETARY

Mr. Cheng Wai Hei, aged 37, joined our Group in November 2015 as chief financial officer and was later appointed as the company secretary of our Group on 6 May 2016. Mr. Cheng is responsible for the accounting and financial functions, internal control as well as the company secretarial affairs of the Group. Mr. Cheng holds a Master of Business Administration from The Hong Kong Polytechnic University. He is a fellow member of the Association of Charter Certified Accountants and an associate of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries. Mr. Cheng has over 10 years of experience in accounting and corporate governance.

公司秘書

鄭偉禧先生,37歲,於2015年11月加入本集團為財務總監,其後於2016年5月6日獲委任為本集團公司秘書。鄭先生負責本集團之會計及財務工作、內部控制以及公司秘書事務。鄭先生於香港理工大學取得工商管理碩士學位。鄭先生為特許公認會計師公會資深會員、英國特許秘書及行政人員公會會員。鄭先生於會計及企業管治方面擁有逾10年經驗。

The Board submits the annual report together with the audited financial statements of the Group for the year ended 31 December 2017 (the "Financial Statements").

董事會謹此提呈本集團截至2017年12月31日止年度的年報連同經審核財務報表(「財務報表」)。

PRINCIPAL PLACE OF BUSINESS

The Company is a company incorporated in Cayman Islands and domiciled in Hong Kong. The principal place of business of the Company at Room 902-3, 9/F., Nan Fung Commercial Centre, 19 Lam Lok Street, Kowloon Bay, Hong Kong.

PRINCIPAL ACTIVITIES

The Company is an investment holding company, and its subsidiaries are principal engaged in foundation works and ancillary services, general building works and sales of piles. The activities and particulars of the Company's subsidiaries are shown under note 12 to the Financial Statements.

BUSINESS REVIEW

The business review of the Group, with the description of the principal risk and uncertainties, for the year ended 31 December 2017 and the likely future development, are included in the section headed "Management Discussion and Analysis" in this annual report on page 6 to 17, which forms part of this report.

MAJOR CUSTOMERS, SUBCONTRACTORS AND SUPPLIERS

During the year ended 31 December 2017, the Group's five largest customers in aggregate accounted for approximately 62.0% (2016: 57.8%) of the Group's total revenue. The largest customer accounted for approximately 19.4% (2016: 17.0%) of the Group's total revenue.

During the year ended 31 December 2017, the Group's five largest subcontractors in aggregate accounted for approximately 39.0% (2016: 47.5%) of the Group's total subcontracting fee. The largest subcontractor accounted for approximately 16.2% (2016: 23.1%) of the Group's total subcontracting fee.

主要營業地點

本公司在開曼群島註冊成立,在香港營運。本公司主要營業地點為香港九龍灣臨樂街19號南豐商業中心9樓902-3室。

主要業務

本公司為一間投資控股公司,其附屬公司主要從事地基工程及配套服務與一般建築工程,以及銷售樁柱。本公司附屬公司之主要活動及詳情載於財務報表附註12。

業務回顧

本集團於截至2017年12月31日年度之業務回顧(包括主要風險及不明朗因素)及未來可能發展載於本年報第6至17頁「管理層討論與分析」一節,其為本年報的一部分。

主要客戶、分包商及供應商

截至2017年12月31日止年度,本集團五大客戶合共 佔本集團總收益約62.0%(2016年:57.8%)。最大客 戶佔本集團總收益約19.4%(2016年:17.0%)。

截至2017年12月31日止年度,本集團五大分包商合共佔本集團總分包費用約39.0%(2016年:47.5%)。最大分包商佔本集團總分包費用約16.2%(2016年:23.1%)。

During the year ended 31 December 2017, the Group's five largest suppliers in aggregate accounted for approximately 54.5% (2016: 20.2%). The largest supplier accounted for approximately 14.2% (2016: 11.5%) of the Group's total material costs.

At no time during the year have directors, their associates or any shareholder of the Company (which to knowledge of the directors owns more than 5% of the number of issued shares of the Company) had any interest in these major customers, subcontractors and suppliers.

GROUP REORGANISATION

The Company was incorporated in the Cayman Islands on 5 October 2015 as an exempted company with limited liability under the Company Law (as revised) of the Cayman Islands. In preparation of the Listing, the Group underwent the reorganisation pursuant to which the Company became the holding company of the subsidiaries now comprising the Group on 17 July 2017. For details of the Reorganisation, please refer to note 2(b) to the Financial Statements.

The Listing was completed on 17 July 2017.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated statement of profit or loss and other comprehensive income on page 70 of this annual report.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2017.

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last four financial years are included in the section headed "Financial Summary" in this annual report on page 156, which forms part of this report.

MANAGEMENT CONTRACT

The Company did not enter into any contract, other than the contracts of service with the directors or any person engaged in the full-time employment of the Company, whereby any individual, firm or body corporate undertakes the management and administration of the whole, or any substantial part of any business of the Company.

截至2017年12月31日止年度,本集團五大供應商合 共佔本集團總材料成本約54.5%(2016年:20.2%)。 最大供應商佔本集團總材料成本約14.2%(2016年:11.5%)。

於本年度,概無本公司董事、彼等的聯繫人或就董事所知持有本公司已發行股份數目5%以上的任何股東於上述主要客戶、分包商及供應商中擁有任何權益。

集團重組

本公司於2015年10月5日根據開曼群島公司法(經修訂)在開曼群島註冊成立為獲豁免有限公司。為籌備上市,本集團進行重組,據此,本公司於2017年7月17日成為現時組成本集團的附屬公司的控股公司。請參閱財務報表附註2(b)以瞭解重組之詳情。

上市已於2017年7月17日完成。

業績及股息

本集團截至2017年12月31日止年度的業績載於本 年報第70頁綜合損益及其他全面收益表。

董事不建議就截至2017年12月31日止年度派付末 期股息。

財務摘要

本集團過去四個財政年度的已公佈業績與資產及 負債概要載於本年報第156頁「財務摘要」一節,其 為本年報的一部分。

管理合約

除與董事或任何本公司以全職形式僱用的人士所 訂立的任何服務合約外,本公司並無訂立任何合 約,以讓任何個人、公司或法團管理及經營本公司 全部業務(或當中任何重要部份)。

SHARES ISSUED DURING THE YEAR

Details of the shares issued during the year ended 31 December 2017 are set out in note 19 to the Financial Statements.

TAX RELIEF

The Company is not aware of any relief from taxation available to shareholders by reason of their holding of the Company's shares.

DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company's reserves available for distribution to shareholders of the Company amounted to approximately HK\$81.4 million.

Movements of the reserves of the Group are set out in the consolidated statement of changes in equity on page 73 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2017 are set out in note 11 to the Financial Statements.

SHARE OPTION SCHEME

A share option scheme (the "Scheme") was adopted pursuant to a written resolutions of the sole shareholder of the Company passed on 23 June 2017 for the purpose of recognising and motivating the contributions that the eligible participants have made or may make to the Group.

Pursuant to the Scheme, the Company may grant options to (i) an executive; (ii) the director or proposed director (including an independent non-executive director) of any member of the Group; (iii) the consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group; (iv) the person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to any member of the Group; and (v) the close associate of any of the foregoing persons, to subscribe for shares in the Company in accordance with the terms of the Scheme.

於年內已發行股份

於截至2017年12月31日止年度已發行股份之詳情 載於財務報表附註19。

税項寬免

本公司並不知悉股東因持有本公司股份而可獲得的税項寬免。

可分派儲備

於2017年12月31日,本公司可供分派予本公司股東的儲備約為81.4百萬港元。

本集團的儲備變動載於本年度第73頁的綜合權益 變動表。

物業、廠房及設備

本集團於截至2017年12月31日止年內物業、廠房及 設備變動之詳情載於財務報表附註11。

購股權計劃

本公司已根據本公司唯一股東於2017年6月23日 通過的書面決議案採納一項購股權計劃(「該計劃」),作為對合資格參與者曾經或可能為本集團 作出的貢獻的肯定及激勵。

根據該計劃,本公司可向(i)高級行政人員;(ii)本集團任何成員公司的董事或候任董事(包括獨立非執行董事);(iii)本集團任何成員公司之顧問、業務或合營夥伴、特許經營商、承包商、代理或代表;(iv)向本集團任何成員公司提供研究、開發或其他技術支援或任何諮詢、顧問、專業或其他服務之個人或實體;(v)任何上述人士之緊密聯繫人,以根據該計劃之條款認購本公司之股份。

An offer of the grant of an option shall be deemed to have been accepted when the acceptance letter of the option duly signed by the grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within the period specified in the letter containing the offer of the grant of the option. No offer shall be capable of or remain open for acceptance after the expiry of 10 years commencing on the Listing Date.

於本公司在載有授出購股權要約之函件所訂明之期間內收到經承授人妥為簽署的購股權接納函件,連同作為授出購股權之代價而向本公司支付之股款1.00港元,則授出購股權之要約視作已獲接納。於上市日期起計10年期間屆滿後,概無要約可以或仍可供接納。

The subscription price of a share shall not be less than the highest of (i) the nominal value of ta share; (ii) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the offer date; and (iii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the offer date.

股份之認購價不得低於以下之最高者:(i)股份之面值:(ii)於要約日期聯交所每日報價表所報股份之收市價:及(iii)緊接要約日期前五個營業日聯交所每日報價表所報股份之平均收市價。

The share options granted are exercisable at any time during a period as the Directors may determine which shall not exceed 10 years from the date of an offer for the grant of the option, subject to the provisions for early termination contained in the Scheme, and provided that the Directors may determine the minimum period for which an option has to be held or other restrictions before its exercise.

所授出之購股權可於董事釐定之期間內隨時行使, 有關期間不得超過授出購股權之要約日期起計10 年,惟受該計劃所載之提早終止條文所規限;當中 訂明董事可釐定購股權於可予行使前須持有的最 短期間或其他限制。

The maximum number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes must not, in aggregate, exceed 10% of the number of shares of the Company in issue on the Listing Date (i.e. 51,200,000 shares). The total number of shares issued and to be issued upon exercise of the options granted to each participant (including exercised, cancelled and outstanding options) in any 12-month period up to the date of grant shall not exceed 1% in aggregate of the shares of the Company in issue. The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the shares of the Company in issue from time to time.

根據該計劃及任何其他計劃及任何其他計劃授出的所有購股權獲行使時可予發行的最高股份數目,合共不得超過本公司於上市日期已發行股份數目的10%(即51,200,000股股份)。於截至授出日期的10%(即51,200,000股股份)。於截至授出日期任任何12個月期間在授予各承受人之購股權(包括已行使、已註銷及未行使之購股權)獲行使時已發行及將予發行之股份總數,合共不得超過本公司任何其他購股權計劃所授出但尚未獲行使的購股權獲行使時可予配發及發行的股份最高數目,合共不得超過本公司不時已發行股份的30%。

The Scheme will remain in force for a period of 10 years after the date of adoption.

該計劃將於採納日期後10年期間內一直有效。

No share options have been granted, exercised or cancelled under the Scheme since its adoption date and up to the date of this annual report and the total number of shares available for grant under the scheme was 51,200,000 shares, representing 10% of the issued share capital of the Company as at the date of this annual report.

自該計劃採納日期起至截至本年報日期,概無購股權根據該計劃獲授出、行使或註銷,根根,據計劃可予授出的股份總數為51,200,000股股份,相當於本公司於本年報日期已發行股本的10%。

DIRECTORS

The Directors during the financial year and up to this annual report were:

Executive Directors

Lee Kai Lun *(Chairman)* Kan Hou Sek, Jim Lee Sai Man Wong Siu Kwai Kwong Po Lam

Independent Non-Executive Directors

Fan Siu Kay Leung William Wai Kai Lo Chi Leung

Pursuant to Article 108 of the Articles of Association, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation at every annual general meeting of the Company provided that every Director (including those appointed for a specific item) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

Further, pursuant to Article 112 of the Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting.

In accordance with Articles 108 and 112 of the Articles of Association, Kan Hou Sek, Jim, Lee Sai Man and Wong Siu Kwai, shall retire from office at the 2018 annual general meeting (the "2018 AGM"). All of the above retiring Directors, being eligible, will offer themselves for reelection at the 2018 AGM.

Details of the Directors standing for re-election at the 2018 AGM are set out in the circular to be despatched to the shareholders of the Company together with this annual report.

董事

於本財政年度內及直至本報告日期止的董事為:

執行董事

利啟麟先生(主席) 簡厚錫博士 李世民先生 黃紹桂先生 鄺保林先生

獨立非執行董事

樊紹基先生 梁煒佳先生 盧志良先生

根據組織章程細則第108條,於本公司每屆股東週年大會上,當時三分之一的董事(或如董事人數並非三或三的倍數,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(包括特定任期的董事)最少須每三年輪值退任一次。退任董事應合資格膺選連任。

此外,根據組織章程細則第112條,獲董事會委任 以填補臨時空缺的任何董事的任期僅至其獲委任 後的本公司首次股東大會為止,並可於該大會上 膺選連任。

根據組織章程細則第108及112條,簡厚錫、李世民 及黃紹桂將於2018年股東週年大會上(「2018年股 東週年大會」)退任。上述所有退任董事均符合資 格並願意於2018年股東週年大會上膺選連任。

於2018年股東週年大會上膺選連任的董事詳情載 於本公司將連同本年報一併寄發予本公司股東的 通函內。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out in the section headed "Biographies of Directors and Senior Management" on pages 18 to 26 of this annual report.

DIRECTORS' SERVICE CONTRACTS

None of the Directors being proposed for re-election at the 2018 AGM has a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and there was no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

PERMITTED INDEMNITY PROVISION

The Articles of Association provide that every Director shall be indemnified out of the assets of the Company against all losses and liabilities incurred or sustained by him as a Director in the execution of his duties or otherwise in relation thereto, provided that such indemnity shall not extend to any matter in respect of fraud or dishonesty which may attach to such Director. There is appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group. Such provision was in force as of date of this annual report and during the financial year ended 31 December 2017.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transaction, arrangement or contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director had a material interest, subsisted at the end of the year or at any time during the year.

董事及高級管理人員履歷

董事及高級管理人員簡介之詳情載於本年報第18 至26頁「董事及高級管理人員履歷 | 一節。

董事服務合約

概無擬於2018年股東週年大會上膺選連任的董事 與本集團任何成員公司訂有不可由本集團於一年 內終止而毋須支付賠償(法定賠償除外)之服務合 約。

優先購買權

本公司的組織章程細則並無優先購買權條文及開 曼群島法例亦無對有關權利作出限制,訂明本公 司須按比例向現有股東發售新股份。

獲准許的彌償保證條文

組織章程細則規定,每名董事有權就其履行其董事職責或相關的其他事宜時引致或遭受的所有損失及負債,獲本公司從其資產中作出彌償,惟本彌償保證不延伸至與上述董事的欺詐或不忠誠有關的事宜。董事和本集團職員享有適當的董事及職員責任保險。有關條文於本年報日期及截至2017年12月31日止財政年度內生效。

董事的交易、協議或合約權益

於年末或年內任何時間,本公司、其任何控股公司、附屬公司或同系附屬公司並無訂立董事於其 中擁有重大權益的任何交易、安排或合約。

DIRECTORS' INTERESTS IN SECURITIES

As at the date of this annual report, the interests and short positions of the Directors in the shares, underlying shares or debentures of the Company and its associated corporations, within the meaning of the Securities and Futures Ordinance (the "SFO"), which (a) 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 they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to recorded in the register referred to therein; or (c) 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 (the "Model Code") as set out in Appendix 10 of the Listing Rules, were as follows:-

董事於證券的權益

於本年報日期,董事於本公司及其相聯法團(定義 見證券及期貨條例)的股份、相關股份或債權證中 擁有(a)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之權益及淡倉(包括根據證 券及期貨條例相關條文被當作或視為擁有的權益 及淡倉);或(b)根據證券及期貨條例第352條須於 該條所指登記冊記錄;或(c)根據載於上市規則附 錄十之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及淡 倉如下:

Long positions in the shares:

(a) 於股份之好倉

Name of shareholders	Nature of interest	Number of shares held	Percentage of shareholding in the Company 佔本公司
股東名稱	權益性質	所持股份數目	股權之百分比
Dr. Kan Hou Sek, Jim ("Dr. Kan") ¹ (Note 1)	Interest in a controlled corporation	384,000,000	75%
簡厚錫博士(「簡博士」) ¹ (附註1)	受控制法團權益		
Mr. Lee Sai Man ("Mr. SM Lee") ² (Note 2)	Interest in a controlled corporation	384,000,000	75%
李世民先生(「李世民先生」) ² (附註2)	受控制法團權益		
Mr. Wong Siu Kwai ("Mr. Wong") ³ (Note 3)	Interest in a controlled corporation	384,000,000	75%
黃紹桂先生(「黃先生」)³ (附註3)	受控制法團權益		

Notes

- 384,000,000 shares are beneficially owned by Condover Assets Limited ("Condover Assets"). Dr. Kan beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Dr. Kan is deemed, or taken to be, interested in all the shares held by Condover Assets for the purpose of the SFO.
- 384,000,000 shares are beneficially owned by Condover Assets. Mr. SM Lee beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. SM Lee is deemed, or taken to be, interested in all the shares held by Condover Assets for the purpose of the SFO.
- 384,000,000 shares are beneficially owned by Condover Assets. Mr. Wong beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. Wong is deemed, or taken to be, interested in all the shares held by Condover Assets for the purpose of the SFO.

附註:

- 該384,000,000股股份由Condover Assets Limited (「Condover Assets」) 實益擁有。簡 博士實益擁有Condover Assets約33.33%已發 行股本。因此,根據證券及期貨條例,簡博 士被視為或當作於Condover Assets持有的所 有股份中擁有權益。
- 該384.000.000股股份由Condover Assets實益 擁有。李世民先生實益擁有Condover Assets 約33.33%已發行股本。因此,根據證券及 期貨條例,李世民先生被視為或當作於 Condover Assets持有的所有股份中擁有權 益。
- 該384,000,000股股份由Condover Assets實益 3 擁有。黃先生實益擁有Condover Assets約 33.33%已發行股本。因此,根據證券及期 貨條例,黃先生被視為或當作於Condover Assets持有的所有股份中擁有權益。

(b) Long positions in the ordinary shares of associated corporation of the Company

(b) 於本公司相聯法團之普通股之好倉

Name of director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity/ nature of interest 身份/權益性質	Total interests 權益總額	Approximately percentage 概約百分比
Dr. Kan 簡博士	Condover Assets Condover Assets	Beneficial owner 實益擁有人	384,000,000 (Note 1) (附註1)	75%
Mr. SM Lee 李世民先生	Condover Assets Condover Assets	Beneficial owner 實益擁有人	384,000,000 (Note 2) (附註2)	75%
Mr. Wong 黃先生	Condover Assets Condover Assets	Beneficial owner 實益擁有人	384,000,000 (Note 3) (附註3)	75%

Notes:

- 384,000,000 shares are beneficially owned by Condover Assets. Dr. Kan beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Dr. Kan is deemed, or taken to be, interested in all the shares held by Condover Assets for the purpose of the SFO.
- 384,000,000 shares are beneficially owned by Condover Assets. Mr. SM Lee beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. SM Lee is deemed, or taken to be, interested in all the shares held by Condover Assets for the purpose of the SFO.
- 384,000,000 shares are beneficially owned by Condover Assets. Mr. Wong beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. Wong is deemed, or taken to be, interested in all the shares held by Condover Assets for the purpose of the SFO.

附註:

- 該384,000,000股股份由Condover Assets實益 擁有。簡博士實益擁有Condover Assets約 33.33%已發行股本。因此,根據證券及期 貨條例,簡博士被視為或當作於Condover Assets持有的所有股份中擁有權益。
- 該384,000,000股股份由Condover Assets實益 擁有。李世民先生實益擁有Condover Assets 約33.33%已發行股本。因此,根據證券及 期貨條例,李世民先生被視為或當作於 Condover Assets持有的所有股份中擁有權 益。
- 該384,000,000股股份由Condover Assets實益 3 擁有。黃先生實益擁有Condover Assets約 33.33%已發行股本。因此,根據證券及期 貨條例,黃先生被視為或當作於Condover Assets持有的所有股份中擁有權益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN **SECURITIES**

So far as was known to the Directors, as at the date of this annual report, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

主要股東於證券的權益

就董事所知,於本年報日期,以下人士(並非董事 或本公司最高行政人員)於股份或相關股份中擁 有或被視為擁有根據證券及期貨條例第XV部第2 及第3分部之條文須向本公司及聯交所披露之權益 或淡倉,或於附帶權利可於所有情況下在本集團 任何成員公司之股東大會上投票之任何類別股本 面值10%或以上中擁有直接或間接權益:

Name of shareholders 股東姓名/名稱	Capacity/Nature of interest 身份/權益性質	Number of shares held 所持股份數目	Percentage of shareholding in the Company 佔股權之百分比
Condover Assets Condover Assets	Beneficial interest 實益權益	384,000,000	75%
Dr. Kan¹ 簡博士¹	Interest in a controlled corporation 受控制法團權益	384,000,000	75%
Mr. SM Lee ² 李世民先生 ²	Interest in a controlled corporation 受控制法團權益	384,000,000	75%
Mr. Wong³ 黃先生³	Interest in a controlled corporation 受控制法團權益	384,000,000	75%
Ms. Poon Man Yee ⁴ 潘敏兒女士 ⁴	Interest of spouse 配偶權益	384,000,000	75%
Ms. Sheba Kishinchand Daswani⁵ Sheba Kishinchand Daswani女士⁵	Interest of spouse 配偶權益	384,000,000	75%
Ms. Ho Lai Kuen ⁶ 何麗娟女士 ⁶	Interest of spouse 配偶權益	384,000,000	75%

Notes:

- Dr. Kan beneficially owns approximately 33.33% of issued share capital
 of Condover Assets. Therefore, Dr. Kan is deemed, or taken to be,
 interested in all the shares held by Condover Assets for the purpose of
 the SFO.
- Mr. SM Lee beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. Lee is deemed, or taken to be, interested in all the shares held by Condover Assets for the purpose of the SFO.
- Mr. Wong beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. Wong is deemed, or taken to be, interested in all the shares held by Condover Assets for the purpose of the SFO.
- 4. Ms. Pong Man Yee is the spouse of Dr. Kan. Accordingly Ms. Poon Man Yee is deemed, or taken to be, interested in all the shares in which Dr. Kan is interested for the purpose of the SFO.
- 5. Ms. Sheba Kishinchand Daswani is the spouse of Mr. SM Lee. Accordingly Ms. Sheba Kishinchand Daswani is deemed, or taken to be, interested in all the shares in which Mr. SM Lee is interested for the purpose of the SFO.
- 6. Ms. Ho Lai Kuen is the spouse of Mr. Wong. Accordingly Ms. Ho Lai Kuen is deemed, or taken to be, interested in all the shares in which Mr. Wong is interested for the purpose of the SFO.

Save as disclosed above, as at the date of this annual report, the Directors were not aware of any other person (other than the Directors) who had, or was deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

附註:

- 簡博士實益擁有Condover Assets約33.33%已發行股本。因此,根據證券及期貨條例,簡博士被視為或當作於Condover Assets持有的所有股份中擁有權益。
- 李世民先生實益擁有Condover Assets約33.33%已發 行股本。因此,根據證券及期貨條例,李世民先生 被視為或當作於Condover Assets持有的所有股份 中擁有權益。
- 3. 黃先生實益擁有Condover Assets約33.33%已發行股本。因此,根據證券及期貨條例,黃先生被視為或當作於Condover Assets持有的所有股份中擁有權益。
- 4. 潘敏兒女士為簡博士的配偶。因此,根據證券及期 貨條例,潘敏兒女士被視為或當作於簡博士擁有 權益的所有股份中擁有權益。
- 5. Sheba Kishinchand Daswani女士為李世民先生的配偶。因此,根據證券及期貨條例,Sheba Kishinchand Daswani女士被視為或當作於李世民先生擁有權益的所有股份中擁有權益。
- 6. 何麗娟女士為黃先生的配偶。因此,根據證券及期 貨條例,何麗娟女士被視為或當作於黃先生擁有 權益的所有股份中擁有權益。

除上文所披露者外,於本年報日期,董事並不知悉有任何其他人士(並非董事)於股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露之權益或淡倉,或於附帶權利可於所有情況下在本集團任何成員公司之股東大會上投票之任何類別股本面值10%或以上中擁有直接或間接權益。

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the paragraph headed "Directors' Interests in Securities" above, at no time during the year was the Company, its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors of the Company or their associates to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

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

During the period from the Listing to 31 December 2017, neither did the Company nor any of its subsidiaries purchase, sell or redeem any of the Company's listed securities.

RELATED PARTY TRANSACTIONS

The significant related party transactions entered into by the Group during the year ended 31 December 2017 are set out in note 23 to the Financial Statements.

Save as disclosed in the section headed "Connected Transactions and Continuing Connected Transactions" in this annual report, none of the related party transactions constitute a connected transaction (as defined in the Listing Rules) that is required to be disclosed.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

The Group has entered into certain agreements with the Company's connected persons (as defined under Chapter 14A of the Listing Rules) constitute connected transactions and continuing connected transactions of the Company under Chapter 14A of the Listing Rules. The independent non-executive Directors of the Company confirmed that the continuing connected transactions for the year ended 31 December 2017 and that they were entered into:

- 1. in the ordinary course of the business of the Group;
- 2. on normal commercial terms or better; and
- 3. in accordance with the relevant written agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

董事購買購份或債權證的權利

除上述「董事於證券的權益」一段所披露者外,於年內任何時間,本公司、其控股公司、附屬公司或同系附屬公司概無訂立任何安排,可讓本公司董事或彼等的聯繫人透過收購本公司或任何其他法人團體的股份或債權證而獲益。

購買、出售或贖回本公司的上市證券

於上市起至2017年12月31日止期間,本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

關聯方交易

本集團於截至2017年12月31日止年度訂立之重大 關聯方交易載於財務報表附註23。

除本年報「關連交易及持續關連交易」一節所披露外,概無關聯方交易構成關連交易(定義見上市規則)而須予以披露。

關連交易及持續關連交易

本集團已與本公司關連人士(定義見上市規則第14A章)訂立若干協議,根據上市規則第14A章,此等協議構成關連交易及持續關連交易。本公司獨立非執行董事確認,截至2017年12月31日止年度之持續關連交易乃:

- 1. 在本集團日常業務過程中訂立;
- 2. 按一般商業條款或更優惠條款訂立;及
- 3. 根據規管該等交易之相關書面協議訂立,而 該等協議之條款屬公平合理,並符合本公司 股東的整體利益。

Pursuant to Rule 14A.56 of the Listing Rules, the Company has engaged the auditor of the Company to conduct certain procedures in respect of the continuing connected transactions of the Group in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

根據上市規則第14A.56條規定,本公司已委聘本公司核數師根據香港會計師公會頒佈的香港核證業務準則第3000號(經修訂)「歷史財務資料審計或審閱以外的核證工作」,並參照實務説明第740號「關於香港上市規則規定的持續關連交易的核數師函件」就本集團的持續關連交易進行若干程序。

The auditor has confirmed to the Board in writing that for the year ended 31 December 2017, the continuing connected transactions, which were entered into:

核數師已向董事會發出書面確認,於截至2017年 12月31日止年度,已訂立之持續關連交易:

- 1. have obtained the approval of the Board;
- 2. have been in accordance with the pricing policies of the Group for transactions involving the provision of goods or services by the Group;
- 3. have been in accordance with the relevant agreements governing such transactions; and
- 4. have not exceeded the relevant announced cap amounts for the financial year ended 31 December 2017.

Details of the connected and continuing connected transactions of the Company for the year ended 31 December 2017 are as follows:

1. 已獲得董事會批准;

- 涉及本集團提供貨品或服務的交易乃根據本 集團定價政策進行;
- 3. 根據規管該等交易的有關協議進行;及
- 4. 並無超出截至2017年12月31日止財政年度的 有關已公告上限金額。

本公司於截至2017年12月31日止年度進行的關連 交易及持續關連交易之詳情載列如下:

Connected Transactions - Purchase of materials from GZYC

Connected person

GZYC is a 30%-controlled company held indirectly by Dr. Kan, Poon Man Yee (Dr. Kan's spouse) on behalf of Dr. Kan, Mr. SM Lee and Mr. Wong, and is therefore an associate of Dr. Kan, Mr. SM Lee and Mr. Wong and a connected person of the Company under the Listing Rules.

關連交易-向廣州羊城採購材料

關連人士

廣州羊城為由簡博士、潘敏兒女士(簡博士之配偶)代表簡博士、李世民先生及黃先生間接持有30%權益之受控制公司,因此,根據上市規則,廣州羊城為簡博士、李世民先生及黃先生之聯繫人以及本公司之關連人士。

Description of the transactions

Existing PHC Pile Purchase Agreement

On 1 March 2017, 24 June 2017 and 15 November 2017, WWW Materials entered into a purchase agreement, a supplemental purchase agreement and second supplemental purchase agreement, respectively, with GZYC (collectively, the "Existing PHC Piles Purchase Agreement") pursuant to which WWW Materials has agreed to make a one-off purchase of a total of 164,000 meters of PHC Piles of four different specifications and 4,500 units of steel cross shoes from GZYC.

New PHC Pile Purchase Agreement

On 15 November 2017 and 8 December 2017, WWW Materials entered into a purchase agreement and a supplemental purchase agreement, respectively, with GZYC (collectively, the "New PHC Piles Purchase Agreement") pursuant to which WWW Materials has conditionally agreed to make a one-off purchase of a total of 106,000 meters of PHC Piles of four different specifications and 3,600 units of steel cross shoes from GZYC

On 29 December 2017, the Company obtained independent shareholders' approval at the extraordinary general meeting in accordance with the Listing Rules.

During the year ended 31 December 2017, the total purchase from GZYC amounted to approximately HK\$41.6 million.

Details of the above-mentioned transactions were disclosed in the prospectus dated 30 June 2017; announcements dated 15 November 2017 and 8 December 2017; and circular dated 12 December 2017 of the Company.

Exempt continuing connected transaction – Provision of consultancy services by Wong & Cheng Consulting Engineers Limited ("Wong & Cheng")

Connected person

Wong & Cheng is owned by Mr. Kwong Po Lam ("Mr. Kwong"), the executive Director of the Company, as to approximately 32% and by an independent third party as to 68%. Wong & Cheng is an associate of Mr. Kwong, and is therefore a connected person of the company under Listing Rules.

交易詳情

現有PHC椿柱採購協議

於2017年3月1日、2017年6月24日及2017年11月15日,恒誠物料與廣州羊城分別訂立採購協議、補充採購協議及第二份補充採購協議(統稱為「現有PHC樁柱採購協議」),據此,恆誠物料已同意向廣州羊城一次性採購合共164,000米四種不同規格的PHC樁柱及4,500個單位的交叉鋼頭鞋。

新PHC椿柱採購協議

於2017年11月15日及2017年12月8日,恆誠物料與廣州羊城分別訂立了採購協議及補充採購協議(統稱為「新PHC樁柱採購協議」),據此,恆誠物料已有條件同意向廣州羊城一次性採購合共106,000米四種不同規格的PHC樁柱及3,600個單位的交叉鋼頭鞋。

於2017年12月29日,本公司已根據上市規則於股東特別大會上取得獨立股東之批准。

截至2017年12月31日止年度,向廣州羊城作出的總採購額約為41.6百萬港元。

上述交易詳情已於本公司日期為2017年6月30日之招股章程、日期為2017年11月15日及2017年12月8日之公告、日期為2017年12月12日之通函披露。

豁免持續關連交易一黃鄭顧問工程師有限公司 (「黃鄭」) 提供諮詢服務

關連人士

黃鄭由本公司執行董事鄺保林先生(「鄺先生」)擁有約32%及一名獨立第三方擁有68%。黃鄭乃鄺先生的聯繫人,因此根據上市規則亦為本公司的關連人士。

Description of the transaction

The Company engaged Wong & Cheng for the provision of consultancy services relating to submission of works such as piling foundation, ELS and hoarding amendment to the relevant government departments, including the Buildings Department for approval on an ad-hoc basic ("W&C Consultancy Services"). On 23 June 2017, Win Win Way Construction Co., Limited ("WWW Construction"), the indirect wholly-owned subsidiary of the Company, entered into a framework consultancy agreement (the "W&C Framework Consultancy Agreement") with Wong & Cheng pursuant to which Wong & Cheng shall provide W&C Consultancy Services to the WWW Construction from time to time.

Listing Rules implications

Since each of the relevant percentage ratio under the Listing Rules in respect of the total annual consideration of the transactions under the W&C Framework Consultancy Agreement is expected to be less than 5% and the total annual consideration is expected to be less than HK\$3 million, the transaction constitutes de minimis transaction under Rule 14A.76 (1) which is fully exempt from the shareholders' approval, annual review and all disclosure requirements.

During the year ended 31 December 2017, the total consultancy fee paid to Wong & Cheng amounted to approximately HK\$2.2 million.

Details of the above-mentioned transaction was disclosed in the prospectus dated 30 June 2017 of the Company.

Non-exempt continuing connected transactions – Provision of consultancy services by Paul Tong & Associates Consulting Engineers Limited ("Paul Tong")

Connected person

Paul Tong is a Hong Kong incorporated private company principal engaged in the provision of general construction consulting services and certification of piles manufactured by GZYC. It is held as to 75% by Dr. Kan and as to 25% by Mr. Yeung Nai Cheong, a senior management of the Company, and is therefore an associate of Dr. Kan and a connected person of the Company under the Listing Rules. Paul Tong obtained the Building Department's approval for the use of PHC Piles in 2006 subject to certain conditions and requirements being met, rendering Paul Tong's certification necessary for use of the PHC Piles in Hong Kong.

交易詳情

本公司聘請黃鄭就特殊情況下向相關政府部門(包括屋宇署)呈交工程審批(例如地基打樁、ELS及圍板修護等工程)提供有關諮詢服務(「黃鄭諮詢服務」)。於2017年6月23日,本公司間接持有的全資附屬公司恆誠建築工程有限公司(「恆誠建築」)與黃鄭簽訂諮詢框架協議(「黃鄭諮詢框架協議」),據此,黃鄭須不時向恆誠建築提供黃鄭諮詢服務。

上市規則涵義

由於黃鄭諮詢框架協議項下交易的年度總代價根據上市規則的各相關百分比率預期將低於5%,而且年度總代價預期將少於3百萬港元,因此根據上市規則第14A.76(1)條的規定,該項交易構成最低豁免交易,故獲全面豁免遵守關於股東批准、年度審閱及所有披露的規定。

截至2017年12月31日止年度,向黃鄭支付的總顧問 費約為2.2百萬港元。

上述交易詳情已於本公司日期為2017年6月30日之 招股章程披露。

不獲豁免持續關連交易一由唐玉麟工程顧問有限公司(「唐玉麟」)提供諮詢服務

關連人士

唐玉麟為在香港註冊成立的私人公司,主要從事提供一般建築諮詢服務及認證廣州羊城製造的樁柱。該公司由簡博士及本公司的高級管理人員楊乃昌先生分別持有75%及25%,因此根據上市規則為簡博士的聯繫人及本公司的關連人士。唐玉麟於2006年獲屋宇署批准使用PHC樁柱,但須符合若干條件及規定。因此,在香港使用PHC樁柱須獲得唐玉麟認證。

Description of the transactions

2017 Paul Tong Framework Consultancy Agreement

On 2 May 2017, WWW Materials entered into a consultancy agreement (the "2017 Paul Tong Framework Consultancy Agreement") with Paul Tong pursuant to which Paul Tong will provide PHC Piles Consultancy Services to the Group from time to time during the term of that agreement.

2018 Paul Tong Framework Consultancy Agreement

On 15 November 2017, WWW Materials entered into a consultancy agreement (the "2018 Paul Tong Framework Consultancy Agreement") with Paul Tong pursuant to which Paul Tong will provide PHC Piles Consultancy Services to the Group from time to time during the term of that agreement.

Listing Rules implications

As Paul Tong is a connected person of the company and in light of the view of the Directors (including the independent non-executive Directors) as described below, the transactions as contemplated under the 2017 Paul Tong Framework Consultancy Agreement and the 2018 Paul Tong Framework Consultancy Agreement constitute continuing connected transactions of the Company and are subject to the reporting, annual review and announcement requirements, but are exempt from the independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

交易詳情

2017年唐玉麟框架諮詢協議

於2017年5月2日,恆誠物料與唐玉麟訂立諮詢協議 (「2017年唐玉麟框架諮詢協議」),據此,唐玉麟 將於該協議期限內不時向本集團提供PHC樁柱諮 詢服務。

2018年唐玉麟框架諮詢協議

於2017年11月15日,恆誠物料與唐玉麟訂立諮詢協議(「2018年唐玉麟框架諮詢協議」),據此,唐玉麟將於該協議期限內不時向本集團提供PHC樁柱諮詢服務。

上市規則涵義

由於唐玉麟為本公司的關連人士,並鑒於下述董事(包括獨立非執行董事)的意見,根據上市規則第14A章,2017年唐玉麟框架諮詢協議及2018年唐玉麟框架諮詢協議項下擬進行的交易構成本公司的持續關連交易,並須遵守申報、年度審閱及公告規定,但獲豁免遵守獨立股東批准的規定。

The transaction amounts and the annual cap for the year ended 31 December 2017 under the 2017 Paul Tong Framework Consultancy Agreement were as follows:

2017年唐玉麟框架諮詢協議項下截至2017年12月 31日止年度的交易金額及年度上限載列如下:

Agreement 協議		Transaction amount for the year ended 31 December 2017 截至2017年 12月31日止年度的 交易金額 HK\$'000 千港元	Annual Cap for the year ended 31 December 2017 截至2017年 12月31日止年度的 年度上限 HK\$'000 千港元
2017 Paul Tong Framework Consultancy Agreement	2017年唐玉麟框架諮詢協議	6,191	8,200

Details of the above-mentioned transactions were disclosed in the prospectus dated 30 June 2017 and announcements dated 15 November 2017 of the Company.

上述交易詳情已於本公司日期為2017年6月30日之 招股章程及日期為2017年11月15日之公告披露。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules from the Listing Date and up to the date of this annual report.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report on pages 45 to 60.

RETIREMENT SCHEMES

The Group participates in the mandatory provident fund prescribed by the Mandatory Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). Save as the aforesaid, the Group did not participate in any other pension schemes during the year ended 31 December 2017.

足夠公眾持股量

根據本公司所得的公開資料及據董事所知,本公 司於上市日期起及截至本年報日期一直維持上市 規則項下指定的公眾持股量。

企業管治

本公司採納之主要企業管治常規載於第45至60頁 之企業管治報告。

退休計劃

本集團參與強制性公積金計劃條例(香港法例第 485章)所訂明的強制性公積金。除前述者外,本集 團於截至2017年12月31日止年度內並無參與任何 其他退休金計劃。

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers contained in Appendix 10 to the Listing Rules as its own code of conduct of dealings in securities of the Company by Directors. Upon specific enquires of all the Directors, each of them confirmed that they have complied with the required standards set out in the Model Code during the year.

SPECIFIC PERFORMANCE OF CONTROLLING SHAREHOLDERS UNDER RULE 13.18 OF THE LISTING RULES

On 25 October 2017, Win Win Way Construction Co., Limited ("WWW Construction"), an indirect wholly-owned subsidiary of the Company, entered into a facility agreement (the "Facility Agreement") for a banking facilities up to HK\$60 million with a bank (the "Lender"). If Mr. Kan Hou Sek, Jim, Mr. Lee Sai Man and Mr. Wong Siu Kwai hold less than 51% interests in the Company, then the Lender is entitled to request immediate repayment of any amount owing or payable by WWW Construction.

EVENTS AFTER THE REPORTING PERIOD

There is no material subsequent event undertaken by the Company or the Group after 31 December 2017 and up to the date of this annual report.

AUDITOR

The Financial Statements for the year ended 31 December 2017 have been audited by KPMG, who will retire and being eligible, offer themselves for re-appointment at the 2018 AGM.

By order of the Board

Lee Kai Lun

Chairman

Hong Kong, 27 March 2018

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董 事進行證券交易的標準守則,作為董事買賣本公 司證券的操守準則。經向全體董事作出具體查詢 後,各董事均確認彼等於本年度已遵守標準守則 所載的規定標準。

控股股東根據上市規則第13.18條的特 定履約責任

於2017年10月25日,本公司間接持有的全資附屬公司恆誠建築工程有限公司(「恆誠建築」)與一間銀行(「放款人」)訂立一項信貸協議(「信貸協議」),內容有關一筆金額最高達60百萬港元的銀行信貸。倘簡厚錫先生、李世民先生及黃紹桂先生持有本公司的權益低於51%,則放款人有權要求恆誠建築即時償還所結欠或應付的任何金額。

報告期後事項

於2017年12月31日後直至本年報日期止,本公司或本集團概無進行其他重大期後事項。

核數師

截至2017年12月31日止年度的財務報表已由畢馬 威會計師事務所審核,其將於2018年股東週年大 會上退任,並符合資格且願意獲重新委任。

承董事會命

利啟麟

主席

香港,2018年3月27日

The Board is pleased to present this Corporate Governance Report of the Company.

董事會欣然提呈本公司之企業管治報告。

CORPORATE GOVERNANCE PRACTICES

The Board recognises the importance of corporate transparency and accountability. The Company is committed to 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.

Since Listing, the Board is of the opinion that the Company had adopted, applied and complied with code provisions as set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), except for the following deviation.

Under Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company did not officially have chief executive. The role and function of chief executive have been performed by all the executive Directors collectively. The Board believes that the present arrangement is adequate to ensure an effective management and control of the Group's business operations. The Board will continue to review the effectiveness of the Group's structure as business continues to grow and develop in order to assess whether any changes, including the appointment of chief executive officer, is necessary.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules upon the Listing. All the Directors confirmed that they had complied with the required standard set out in the Model Code during the period from the Listing Date to the date of this annual report in response to the specific enquiry made by the Company.

The Board has established written guidelines no less exacting than the Model Code for relevant employees in respect of their dealings in the securities of the company as required under the CG Code. No incident of non-compliance of such guidelines by the relevant employees was noted by the Company since the Listing.

企業管治常規

董事會深明企業透明度及問責至關重要。本公司致力達致高水準的企業管治,及通過有效的企業管治程序帶領本集團取得更好業績及提升企業形象。

董事會認為,本公司自上市起一直採納、應用及遵守聯交所證券上市規則(「上市規則」)附錄十四企業管治守則(「企業管治守則」)所載之守則條文,惟下列偏離者除外。

根據企業管治守則守則條文第A.2.1條,主席及行政總裁的角色應有所區分,且不應由同一人士擔任。本公司並無正式的行政總裁。行政總裁的角色及職能由全體執行董事共同履行。董事會相信,目前的安排足以確保本集團的業務營運得到有效的管理及控制。隨著業務持續增長及發層,董事會將繼續檢討本集團架構的成效,以評估是否有需要作出任何變動,包括委任行政總裁。

董事證券交易

於上市後,本公司已採納上市規則附錄十所載上 市發行人董事進行證券交易的標準守則(「標準守 則」)。經本公司作出具體查詢後,全體董事確認, 彼等自上市日期至本年報日期期間一直遵守標準 守則所載的規定準則。

董事會已根據企業管治守則規定就有關僱員買賣本公司證券事宜制定書面指引,其條款不遜於標準守則。本公司自上市起概無發現有關僱員違反該等指引之事件。

THE BOARD

The Board acts in good faith, with due diligence and care, to discharge its duties concerning the best interests of the Company and its shareholders. The primary role of the Board is protect and entrance long term shareholders' value; it also oversees the management, business, strategies and financial performance of the Group to ensure that good corporate governance policies and practices are implemented within the Group. The management is responsible for the execution of the strategies in the Group's daily operations and the implementation of the risk management and internal control systems.

The composition of the Board during the year and up to the date of this annual report is set out below:

Executive Director

Lee Kai Lun *(Chairman)* Kan Hou Sek, Jim Kwong Po Lam Lee Sai Man Wong Siu Kwai

Independent Non-Executive Directors

Fan Siu Kay Leung William Wai Kai Lo Chi Leung

The biographies of the Directors during the year and up to the date of this annual report and the relationships among them are set out in the "Biographies of Directors and Senior Management" section on pages 18 to 26 of this annual report. The executive Directors bring a good balance of skills and experience to the Company. The independent non-executive Directors provide their independent judgement on the development, performance and risk management of the Group. The Directors are fully aware that they individually and collectively accountable to shareholders.

董事會

董事會就本公司及其股東的最佳利益,真誠、盡責及謹慎履行其職責。董事會的主要職責為保障及提升股東的長期價值,亦負責監督本集團的管理、業務、策略及財務表現,以確保本集團內已實施良好的企業管治政策及常規。管理層負責於本集團的日常營運中執行策略及實施風險管理及內部監控制度。

於本年度及截至本報告日期止董事會的成員載列如下:

執行董事

利啟麟(主席) 簡厚錫 鄺保林 李世民 黃紹桂

獨立非執行董事

樊紹基 梁煒佳 盧志良

董事於本年度及截至本年報日期止的履歷及互相之間的關係詳情載於本年報第18至26頁「董事及高級管理人員履歷」一節。執行董事為本公司帶來良好的技能與經驗上的平衡。獨立非執行董事對本集團的發展、表現及風險管理提供獨立判斷。董事充分瞭解彼等須個別及共同向股東負責。

The executive Directors have entered into employment contracts with the Company and each of the independent non-executive Directors have been appointed on a specific term of three years. Notwithstanding the specific term of appointments, the articles of association of the company (the "Articles of Association") provide that every Directors shall be subject to retirement by rotation at the annual general meeting at least once every three years. At each annual general meeting, one-third of the Directors for the time being shall retire shall retire from office by rotation and be eligible for reelection by the shareholders.

執行董事已與本公司<mark>訂立僱傭</mark>合約,而各獨立非 執行董事已按三年指定任期獲委任。儘管以指定 任期委任,本公司組織章程細則(「章程細則」)規 定,每名董事須至少每三年一次於股東週年大會 上輪值退任。於每屆股東週年大會上,當時三分 之一的董事須輪值退任並符合資格獲股東重選連 任。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Since the Listing Date, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent.

DELEGATION BY THE BOARD

The management, consisting of executive Directors along with other senior executives, is delegated with responsibilities for implementing the strategy and direction as adopted by the Board from time to time, and conducting the day-to-day operations of the Group. Executive Directors and senior executives meet regularly to review the performance of the businesses of the Group as a whole, co-ordinate overall resources and make financial and operational decisions. The Board also gives clear directions as to their powers of management including circumstances where management should report back, and will review the delegation arrangements on a periodic basis to ensure that they remain appropriate to the needs of the Group.

BOARD MEETINGS

The Board meets regularly to discuss and formulate the overall strategy as well as the operation and financial performance of the Group. Directors may participate either in person or through electronic means of communication.

獨立非執行董事

自上市日期起,董事會於任何時間均符合上市規則有關董事會須委任最少三名獨立非執行董事作為董事會三分之一的成員,而其中一位具備合適之專業資格或會計或有關財務管理專業知識之規定。

本公司已接獲各獨立非執行董事參照上市規則第 3.13條所載的獨立性指引發出的年度確認書以確 認彼等之獨立性。本公司認為所有獨立非執行董 事均屬獨立。

董事會授權

管理層(由執行董事及其他高級行政人員組成) 獲指派負責執行董事會不時採納的戰略及方向, 以及進行本集團的日常運作。執行董事及高級管 理層定期舉行會議,以檢討本集團整體的業務表 現、協調整體資源,以及作出財務及營運決策。董 事會亦就管理層的管理權力作出清晰指示,包括 管理層須作出匯報的情況,並將定期檢討授權安 排,確保有關安排仍然適合本集團的需要。

董事會會議

董事會定期舉行會議以討論及擬定整體策略及本 集團之營運及財務表現。董事可親身或以電子通 訊方式參與會議。

Pursuant to code provision A.1.1 of the CG Code, the Board should meet regularly and board meetings should be held at least four times a year.

根據企業管治守則之守則條文第A.1.1條,董事會 應每年舉行最少四次定期董事會會議。

The attendance of the respective Directors to the Board Meeting since the Listing and up to the date of this annual report are set out below:

各董事自上市起及截至本年報日期止出席董事會 會議之情況載列如下:

Attendance/Number of meeting between the Listing Date and the date of this annual report 自上市日期至本年報日期期間出席/舉行會議數目

Executive Director	執行董事	
Mr. Lee Kai Lun	利啟麟先生	5/5
Mr. Kan Hou Sek, Jim	簡厚錫博士	5/5
Mr. Kwong Po Lam	鄺保林先生	5/5
Mr. Lee Sai Man	李世民先生	5/5
Mr. Wong Siu Kwai	黃紹桂先生	5/5
Independent Non-Executive Director	獨立非執行董事	
Mr. Fan Siu Kay	樊紹基先生	5/5
Mr. Leung William Wai Kai	梁煒佳先生	5/5
Mr. Lo Chi Leuna	盧志良先生	5/5

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

During the period from the Listing Date to the date of this annual report, all Directors confirmed to comply with the provision of the CG Code in relation to continuous professional development. In doing so, the Directors have undertaken various forms of activities relevant to the Company's business, Directors' duties and responsibilities. The Company held a training for all Directors to provide them with knowledge on the duties and responsibilities of the Directors before Listing.

董事持續專業發展

自上市日期至本年報日期期間,所有董事確認彼 等一直遵守有關持續專業發展的企業管治守則條 文。為此,董事已參與有關本公司業務、董事職務 及職責的各項活動。本公司於上市前曾為全體董 事舉行培訓,向彼等提供有關董事職務及責任的 知識。

The record of continuous professional development relating to director's duties and regulatory and business development that have been received by the Directors for the period from the Listing Date and up to the date of this annual report are summarised as follows:

自上市日期起直至本<mark>年報日</mark>期期間,董事已接受的有關董事職責以及監管及業務發展的持續專業發展記錄概括如下:

Type of Training^(Note) 培訓類別^(附註)

Executive Director	執行董事	
Mr. Lee Kai Lun	利啟麟先生	В
Mr. Kan Hou Sek, Jim	簡厚錫博士	В
Mr. Kwong Po Lam	鄺保林先生	В
Mr. Lee Sai Man	李世民先生	В
Mr. Wong Siu Kwai	黃紹桂先生	В
Independent Non-Executive Director	獨立非執行董事	
Mr. Fan Siu Kay	樊紹基先生	В
Mr. Leung William Wai Kai	梁煒佳先生	В
Mr. Lo Chi Leung	盧志良先生	А, В

Note:

附註:

Type of Training

- A: Attending training sessions, including but not limited to, briefings, seminars, conferences and workshops
- B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications

培訓類別

- A: 出席培訓課程,包括但不限於簡報會、研討會、論 壇及工作坊
- B: 閱讀有關的新聞提示、報章、期刊、雜誌及相關出版物

BOARD COMMITTEES

The Board has established certain Board committees, namely the Audit committee, the Remuneration Committee and the Nomination Committee, to oversee specific aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which clearly outline the committees' authority and duties. The terms of reference of the Board committees are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request.

The majority of the members of each Board committee are independent non-executive Directors. The members of the Board committees during the period from the Listing Date and up to the date of this annual report are set out below:

Audit Committee

Lo Chi Leung *(Chairman)* Fan Siu Kay Leung William Wai Kai

Remuneration Committee

Fan Siu Kay *(Chairman)* Lee Kai Lun Leung William Wai Kai

Nomination Committee

Lee Kai Lun *(Chairman)* Kan Hou Sek, Jim Fan Siu Kay Leung William Wai Kai Lo Chi Leung

Board committee 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.

董事委員會

董事會已成立三個下屬委員會,即審核委員會、薪酬委員會及提名委員會,以監督本公司事務之特定範疇。本公司所有董事委員會均訂有特定書面職權範圍,當中清晰概述委員會的權限及職責。董事委員會之職權範圍刊載於本公司網站及聯交所網站,股東有需要時亦可向公司索取。

各董事委員會主要由獨立非執行董事組成。各董事委員會自上市日期至本年報日期期間的成員載 列如下:

審核委員會

盧志良(主席) 樊紹基 梁煒佳

薪酬委員會

樊紹基(主席) 利啟麟 梁煒佳

提名委員會

利啟麟(主席) 簡厚錫 樊紹基 梁煒佳 盧志良

董事委員會獲提供足夠資源以履行其職責,如提出的要求合理,可於適當情況下尋求獨立專業意見,費用由本公司承擔。

Audit Committee

The Company has set up the Audit Committee on 23 June 2017 with written terms of reference of no less exacting terms than those set out in the CG Code. The main duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, internal control and risk management systems, scope of audit and appointment of external auditors, and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The attendance of the respective members to the Audit Committee Meeting since the Listing and up to the date of this annual report are set out below:

審核委員會

本公司已於2017年6月23日成立審核委員會,並按不遜於企業管治守則所載條款訂立書面職權範圍。 審核委員會的主要職責為協助董事會審閱財務資料及申報程序、內部控制及風險管理系統、審核範圍及委任外聘核數師,以及安排本公司僱員可對本公司財務申報、內部控制或其他方面可能出現的違規行為提出關注。

各審核委員會成員自上市起直至本年報日期止出 席審核委員會會議之情況載列如下:

Attendance/Number of meeting between the Listing Date and the date of this annual report 自上市日期至本年報日期期間出席/舉行會議數目

Mr. Lo Chi Leung <i>(Chairman)</i>	盧志良先生 <i>(主席)</i>	4/4
Mr. Fan Siu Kay	樊紹基先生	4/4
Mr. Leung William Wai Kai	梁煒佳先生	4/4

The Audit Committee also met the external auditors on 13 December 2017 and 27 March 2018 without the presence of the executive Directors.

審核委員會於2017年12月13日及2018年3月27日亦 與外聘核數師會面,其時沒有執行董事在場。

Remuneration Committee

The Company has set up the Remuneration Committee on 23 June 2017 with written terms of reference of no less exacting terms those set out in the CG Code. The primary functions of the Remuneration Committee include determining/reviewing and making recommendations to the Board on the remuneration packages of individual executive Directors and senior management, the remuneration policy and structure for all Directors and senior management; and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration.

The Remuneration committee held one meeting on 27 March 2018 to review and make recommendation to the Board on the remuneration policy and structure of the Company and the remuneration packages of the executive Directors and senior management and other related matters.

Details of the remuneration of the Directors and senior management are set out in the sections headed "Directors' Remuneration" and "Remuneration of the Senior Management" in this annual report.

薪酬委員會

本公司已於2017年6月23日成立薪酬委員會,並按不遜於企業管治守則所載條款訂立書面職權範圍。薪酬委員會主要職責包括釐定/檢討各執行董事及高級管理人員之薪酬待遇、全體董事及高級管理層的薪酬政策及架構並就上述事項向董事會提出建議;以及設立透明程序制訂此等薪酬政策及架構以確保無董事或其任何聯繫人會參與釐定其自身薪酬。

薪酬委員會於2018年3月27日舉行一次會議,以檢討本公司薪酬政策及架構、執行董事及高級管理人員的薪酬待遇及其他有關事項,並就上述事項向董事會提出建議。

董事及高級管理人員的薪酬待遇詳情載於本年報 [董事薪酬]及「高級管理人員薪酬」各節。

Attendance/Number of meeting between the Listing Date and the date of this annual report 自上市日期至本年報日期期間出席/舉行會議數目

Nomination Committee

The Company has set up the Nomination Committee on 23 June 2017 with written terms of reference of no less exacting terms than those set out in the CG Code.

The principal duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of independent non-executive Directors.

In assessing the Board composition, the Nomination committee would take into account various aspects as well as factors concerning Board diversity as set out in the Company's board diversity policy, including but not limited to skills, industry and regional experience, background, race, gender and other qualities etc. In forming its perspective on diversity, the Company will also take into account factors based on its own business model and specific needs from time to time. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board.

提名委員會

本公司已於2017年6月23日成立提名委員會,並按 不遜於企業管治守則所載條款訂立書面職權範圍。

提名委員會的主要職責包括檢討董事會的組成、 開發及制定提名及委任董事的有關程序、就董事 之委任及繼任計劃向董事會提出建議,以及評估 獨立非執行董事的獨立性。

於評估董事會的組成時,提名委員會將考慮若干方面以及本公司董事會多元化政策所載董事會多元化諸多因素,包括但不限於技能、行業、地區經驗、背景、種族、性別及其他特質等。在形成多元化視角方面,本公司亦將根據本身的業務模式及不時的特定需要考慮各種因素。提名委員會將商討並協定達成董事會多元化之可計量目標(如必要),並向董事會提供建議,供其採納。

於物色及選定合適的董事人選時,提名委員會將 於向董事會提供建議前考慮候選人之性格、資格、 經驗、獨立性及其他相關必要標準,以執行企業策 略及達致董事會成員多元化(如適用)。

The Nomination Committee held one meeting on 27 March 2018 to review the composition of the Board and the independence of the independent non-executive Directors, to consider the qualifications of the retiring directors standing election at the forthcoming annual general meeting of the Company to be held on 12 June 2018. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board is maintained.

提名委員會於2018年3月27日舉行一次會議,以審閱董事會之組成以及獨立非執行董事之獨立性,並考慮於將於2018年6月12日舉行之應屆股東週年大會上重選連任之退任董事的資格。提名委員會認為董事會在多元化方面已維持適當平衡。

Attendance/Number of meeting between the Listing Date and the date of this annual report 自上市日期至本年報日期期間出席/舉行會議數目

Corporate Governance Functions

The Board is responsible for performing the functions set out in the code provision D.3.1 of the CG Code.

During the period from the Listing Date to the date of this annual report, the Board had reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code by Directors and relevant employees, and the Company's compliance with the CG Code and disclosures in this Corporate Governance Report.

企業管治職能

董事會負責執行載於企業管治守則守則條文第 D.3.1條的職能。

自上市日期至本年報日期期間,董事會已審閱本公司的企業管治政策和常規、董事及高級管理層的培訓和持續專業發展、本公司遵守法律及法規規定的政策及常規、董事及有關僱員遵守標準守則的情況、以及本公司遵守企業管治守則的情況及本企業管治報告的披露內容。

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems.

The Group has established a risk management policy which sets out the process of identification, evaluation and management of the principal risks affecting the business.

- 1. Each division is responsible for identifying and assessing principal risks within its divisions on a quarterly basis and establishing mitigation plans to manage the risks identified.
- The management is responsible for overseeing the Group's risk management and internal control activities, attending quarterly meetings with each division to ensure principal risks are properly managed, and new or changing risks are identified and documented.
- The Board is responsible for reviewing and approving the effectiveness and adequacy of the Group's risk management and internal control systems.

風險管理及內部控制

董事會承認其對風險管理及內部控制系統以及檢討其成效之責任。該等系統旨在管理而非消除未能達成業務目標之風險,且僅能就不會有重大失實陳述或損失作出合理而非絕對保證。

董事會全面負責評估及釐定本公司為達成戰略目標所願承擔的風險性質及程度,並制訂及維持合 適且有效之風險管理及內部控制系統。

本集團已制訂風險管理政策,當中載有對影響業 務的主要風險之識別、評估及管理程序。

- 各部門負責於每個季度識別及評估部門內的 主要風險並制訂緩解方案以管理所識別之風 險。
- 管理層負責監管本集團的風險管理及內部控制活動,與各部門舉行季度會議以確保主要風險得到適當管理並識別及記錄全新或變化的風險。
- 董事會負責定期審查及批准本集團風險管理及內部控制系統之有效性及適當性。

The Group has maintained internal control guidance and procedures on the Group's operational cycles relating to revenue, purchase and expenditure, inventory and human resources etc., to ensure proper accounting records and kept so that reliable financial reporting can be provided, the effectiveness and efficiency of operation can be achieved, and the compliance with applicable laws and regulations and safeguarding of assets can be maintained. These procedures, together with the Company's compliance manual, have also shaped the control environment in which and how the Group operates, including the budgeting controls, investment decision making, risk assessment and practices of corporate governance. These systems are designed to provide reasonable protection against errors, losses and fraud.

本集團就有關收益、採購及開支、存貨及人力資源 等方面的營運週期設有內部控制指引及程序,以確 保存置適當的會計記錄,以便能夠提供可靠財務 報告,達致營運效率與效益,以及保持遵守適用法 律及規例以及保護資產。該等程序加上本公司之 合規手冊,亦塑造本集團在預算控制、投資決策、 風險評估及企業管治常規等方面的控制環境,以 供本集團操作。該等制度旨在提供防止錯誤、遺失 及欺詐的合理保障。

The Company does not establish a standalone internal audit department, however, the Board has put in place adequate measures to perform the internal audit function at different aspects of the Group.

本公司並無設立獨立內部審核部門,然而,董事會已實施充足的措施,從本集團不同方面履行內部 審核職能。

The Company has engaged CT Partners Consultants Limited to conduct a review on the effectiveness of the internal controls of the Group for the year ended 31 December 2017. The review covered certain operational procedures and included recommendations for improving and strengthening the internal control system. No significant area of concern that may affect the financial, operational, compliance, control and risk management of the Group has been identified. The Board has conducted a review of the effectiveness of the internal control system of the Group and is satisfied that the Group has complied with the Code in respect of internal control from the date of Listing up to the date of this annual report.

本集團已委聘CT Partners Consultants Limited,對本集團於截至2017年12月31日止年度內部控制之有效性作出檢討。該檢討涵蓋若干運作程序,並包括就改進及加強本集團內部控制系統所提出之建議。概無發現可能影響本集團財務、業務營運、合規、控制及風險管理的重大關注領域。董事會已審閱本集團內部監控系統的成效,並信納本集團於上市日期起至本年報日期止期間已就內部監控遵守守則的規定。

Regular meetings were held between the executive Directors and senior management to review and monitor the business and financial performance against the targets, the progress of certification and contract receipts from the customers, the efficiency in the use of the Group's resources in comparison to the budgets, and the operational matters to ensure the Group has complied with the regulations that have material impact to the Group's business. The aim is to enhance the communication and accountability of the Directors and management so that significant strategic, financial, operational and compliance risks or potential deviations are timely identified and dealt with in proper manner, which significant issues are reported back to the Board for their attention.

執行董事與高級管理層定期舉行會議,以審閱及監察業務及財務表現對比目標的進度、自客戶獲取證書及合約的進度、本集團資源的運用效率與預算對比,以及營運方面的事務,以確保本集團遵守對業務有重大影響的監管規定。此舉旨在增強董事與管理層的溝通與問責,從而令重大策略、財政、營運及合規風險或潛在偏離狀況得以及時辨識,並以適當方式處理,而重大事項則向董事會匯報。

With respect to the monitoring and disclosure of inside information, the Group has developed its disclosure policy which provides a general guide to the Group's Directors, officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquires. While any potential inside information will be escalated to the executive meetings or the Board via the established reporting channels, the Directors will assess and determine if the inside information of the Group exist where timely disclosure is required to be made by way of an announcement published on the Stock Exchange website. Control procedures have been implemented to ensure that unauthorised access and use of inside information are strictly prohibited.

關於監控及內幕消息披露,本公司已制定披露政策,以向本集團董事、職員、高級管理人員及相關僱員就處理保密資料、監控信息披露及回應查詢提供一般指引。任何潛在內幕消息將會透過既定的申報渠道上報執行會議或董事會,董事將評估及釐定本公司是否存在內幕消息,而須按規定於聯交所網站上發表公告作及時披露。監控程序經已實施,以確保嚴禁擅自獲取及使用內幕消息。

DIRECTORS' REMUNERATION

Directors' emoluments are determined with reference to Directors' duties, responsibilities and performance and the results of the Group. In addition, the Directors' remuneration is reviewed by the Remuneration Committee of the Company annually. Details of the Directors' remuneration are set out in note 8 to the Financial Statements.

董事薪酬

董事酬金乃依據董事的職務、責任及表現以及本 集團的業績釐定。此外,董事薪酬由本公司薪酬委 員會每年檢討。董事薪酬之詳情載於財務報表附 計8。

REMUNERATION OF THE SENIOR MANAGEMENT

During the year ended 31 December 2017, the remuneration of senior management is listed below by band:

高級管理人員薪酬

於截至2017年12月31日止年度,高級管理人員的酬金範圍載列如下:

Band of remuneration Number of Person 酬金範圍 人數

HK\$1,000,001 to HK\$2,000,000

1,000,001港元至2,000,000港元

3

AUDITOR'S REMUNERATION

For the year ended 31 December 2017, the remunerations paid or payable to KPMG in respect of its audit services and non-audit services are HK\$2,280,000 and HK\$275,000. The non-audit services mainly include the service fee for the reporting on continuing connected transactions and advisory service in relation to environment, social and governance reporting. The Audit Committee was satisfied that the non-audit services in 2017 did not affect the independence of the auditor.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of Financial Statements for the year ended 31 December 2017 which give a true and fair view of the financial position of the Group. In preparing the Financial Statements which give a true and fair view, it is fundamental that the appropriate accounting policies are selected and applied consistently. The statement of the external auditor of the Company about their reporting responsibilities on the Financial Statements is set out in the "Independent Auditor's Report" on pages 61 to 69 of this annual report. The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

COMPANY SECRETARY

The Company's company secretary, Mr. Cheng Wai Hei, coordinates the supply of information to the Directors and is the primary contact person within the Company for all matters relating to the duties and responsibilities of the company secretary. All Directors have access to company secretary to ensure that Board procedures and all applicable laws, rules and regulations are followed. During the year ended 31 December 2017, he had taken no less than 15 hours of relevant professional training as required under Rule 3.29 of the Listing Rules. For details of his biography, please refer to the section headed "Biographies of Directors and Senior Management" of this annual report.

核數師酬金

於截至2017年12月31日止年度,就審核服務及非審核服務已付或應付予畢馬威會計師事務所的酬金分別為2,280,000港元及275,000港元。非審核服務主要包括就持續關連交易作出報告及有關環境、社會及管治報告所提供的顧問服務之服務費用。審核委員會信納2017年非審核服務並不影響核數師之獨立性。

董事及核數師對財務報表之責任

董事知悉彼等有責任編製截至2017年12月31日止年度之財務報表,以真實及公平地反映本集團財務狀況。於編製該真實及公平反映狀況之財務報表時,董事已選擇適當之會計政策並貫徹應用。本公司外部核數師有關彼等對財務報表申報責任的聲明,載於本年報第61至69頁之「獨立核數師報告」一節。董事並不知悉有任何重大不明朗因素之事件或狀況可能對本集團能否繼續經營嚴重存疑。

公司秘書

本公司之公司秘書鄭偉禧先生負責協調向董事提供資訊,並為就涉及公司秘書職務及職責的一切事宜擔任本公司主要聯絡人。所有董事均可接觸到公司秘書,以確保能夠遵守董事會議事規則及所有適用法律、規則及規例。於截至2017年12月31日止年度,彼已按照上市規則第3.29條規定參加不少於15個小時的相關專業培訓。請參閱本年報「董事及高級管理人員履歷」一節以瞭解彼之履歷詳情。

SHAREHOLDERS' RIGHTS

We seriously take care of the shareholders' interest to ensure that they are treated fairly and are able to exercise their shareholders' rights effectively. Shareholders are entitled by the Articles of Association and are also encouraged to participate in the Company's general meetings or appoint proxies to attend meetings may request the Board to convene an extraordinary general meeting and put forward proposals. Such requisition should be made in writing to the Board or the company secretary for such purpose and should specify the objects of the meeting.

The Board is not aware of any provisions allowing the shareholders of the Company to put forward proposals at general meetings of the Company under the Articles of Association and the Companies Law of the Cayman Islands. Shareholders who wish to put forward proposals at general meetings may refer to the preceding paragraph to make written requisition to require the convening of an extraordinary general meeting of the Company.

In case a shareholder wishes to nominate a person for election as director in general meeting, the particulars of the candidate must be stated in a nomination notice signed and deposited together with a notice of willingness signed by the candidate to the company secretary at the Company principal place of business (Room 902-3, 9/F., Nam Fung commercial Centre, 19 Lam Lok Street, Kowloon Bay, Kowloon, Hong Kong) or at the Hong Kong branch share registrar and transfer office of the Company. The notice should be given at least seven days prior to the date of such general meeting.

INVESTOR RELATIONS

The Company is committed to maintaining effective and timely dissemination of the Group's information to its shareholders and the market. The annual shareholders' meetings of the Company are the primary forum for communication by the Company with its shareholders and for shareholder participation. At the annual general meeting of the Company, the Directors (or their delegates as appropriate) are available to meet shareholders and answer their enquires. In addition, the Company's website (http://www.winwinway.com.hk) contains extensive company information which is easily accessible.

股東權利

我們傾力保障股東之權益,以確保彼等獲公平對 待,並可有效行使其股東權利。章程細則賦予股東 權利且鼓勵股東親身或委派代表出席股東大會, 並可於會上要求董事會召開股東特別大會及提呈 議案。有關請求須以書面向董事會或公司秘書遞 呈,並須列明會議事項。

董事會並不知悉章程細則及開曼群島公司法有任何條文允許本公司股東於本公司之股東大會上提 呈議案。股東如欲於股東大會上提呈議案,可參照 前段所述遞呈請求書以要求召開本公司股東特別 大會。

股東如欲於股東大會上提名任何人士出選董事, 則須將載有候選人詳細資料的經簽署提名通知書 連同經候選人簽署的候選同意書,交予本公司主 要營業地點(地址為香港九龍九龍灣臨樂街19號 南豐商業中心9樓902-3室)送呈本公司之公司秘書 或本公司之香港股份過戶登記分處。通知書須於 有關股東大會日期前最少七天發出。

投資者關係

本公司致力於維持向其股東及市場有效及時地傳達本公司資料。本公司之股東週年大會乃本公司與股東間溝通之主要平台,亦供股東參與。於本公司之股東週年大會上,董事(或其指派之人士)會出席與股東會面,以及解答彼等之查詢。此外,本公司網站(http://www.winwinway.com.hk)載有豐富的公司資料,方便瀏覽。

CONSTITUTIONAL DOCUMENTS

There was no change to the Company's constitutional documents since Listing Date. An up-to-date version of the Company memorandum and articles of association is available on the websites of the Company and Hong Kong Stock Exchange.

ENOUIRIES TO THE BOARD

Enquiries may put to the Board through the Company's principal place of business in Hong Kong at Room 902-3, 9/F., Nam Fung commercial Centre, 19 Lam Lok Street, Kowloon Bay, Kowloon, Hong Kong (email: info@winwinway.com.hk).

章程文件

自上市日期起,本公司的章程文件概無變動。本公司的組織章程大綱及細則的最新版本載於本公司及香港交易所之網站。

向董事會作出查詢

股東可以透過本公司主要營業地點,地址為香港 九龍九龍灣臨樂街19號南豐商業中心9樓902-3室 (電郵: info@winwinway.com.hk),向董事會作出查 詢。



Independent auditor's report to the shareholders of Win Win Way Construction Holdings Ltd.

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Win Win Way Construction Holdings Ltd. ("the Company") and its subsidiaries ("the Group") set out on pages 70 to 155 which comprise the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017 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") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致恒誠建築控股有限公司股東 的獨立核數師報告

(於開曼群島註冊成立的有限公司)

意見

本所(以下簡稱「我們」)已審計列載於第70至155 頁恆誠建築控股有限公司(「貴公司」)及其附屬公司(「貴集團」)的合併財務報表,此合併財務報表 包括於2017年12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」)所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2017年12月31日的綜合財務狀況,以及其於截至該日止年度的綜合財務表現及綜合現金流量,並已按照香港《公司條例》的披露規定妥為編製。

意見基準

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在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會的「專業會計師道德守則」(「守則」),以及與我們審計開曼群島綜合財務報表相關的道德要求,我們為獨立於 貴集團,並已按照該等規定及守則履行其他道德責任。我們相信所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

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,認為對我們審計本期間綜合財務報表最為重要的事項。該 等事項已在我們審計整份綜合財務報表及出具意 見時處理,而我們不會就該等事項單獨提供意見。

Contract accounting estimates

合約會計估計

Refer to accounting policies 2(i) and 2(q)(i) and notes 4(a) and 15 to the consolidated financial statements 請參閱會計政策第2(i)項及第2(q)(i)項,以及綜合財務報附註4(a)及15。

The Key Audit Matter

關鍵審計事項

How the matter was addressed in our audit 審計時處理方法

The Group recorded revenue from the provision of foundation works and ancillary services and general building works in Hong Kong and Saipan totalling HK\$754 million for the year ended 31 December 2017.

於截至2017年12月31日止年度, 貴集團自於香港及塞班提供地基工程及配套服務以及一般建築工程錄得收益754百萬港元。

Contract revenue and profit are recognised using the percentage of completion method, measured by reference to the percentage of the estimated total revenue for the contracts entered into by the Group that have been performed to date.

合約收益及溢利使用完成百分比法確認,當中會參考截至本報告日期 貴集團所訂立合約中已完成部份的估計收益總額的百分比計算。

Our audit procedures to assess contract accounting estimates included the following:

我們就評定合約會計估算所進行的審計程序包括以下各項:

 assessing the design, implementation and operating effectiveness of key internal controls over the contract revenue and profit recognition processes;

評定就合約收益及溢利確認程序所實施的主要內部 監控的設計、執行情況及運作成效;

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Contract accounting estimates

合約會計估計

Refer to accounting policies 2(i) and 2(q)(i) and notes 4(a) and 15 to the consolidated financial statements 請參閱會計政策第2(i)項及第2(q)(i)項,以及綜合財務報附註4(a)及15。

The Key Audit Matter 關鍵審計事項 How the matter was addressed in our audit 審計時處理方法

Management reviews and revises the estimates of contract revenue, contract costs and variation orders for each construction contract by comparing the most current budgeted amounts with corresponding actual amounts as the contract work progresses.

隨著合約工程展開,管理層通過比較最近期預算金額及相應的實際金額,審閱及修訂就每份建造合約的收益金額、合約成本及更改指令所作出的估計。

The recognition of revenue and profit therefore relies on management's estimate of the final outcome of each contract, which involves the exercise of significant management judgement, particularly in forecasting the costs to complete a contract, in valuing contract variations, claims and liquidated and ascertained damages and in assessing the ability of the Group to deliver services according to the agreed timetable.

因此,確認收益及溢利時須依賴管理層對每份合約最終結果所作出的估計,當中涉及管理層作出重大判斷,尤其為預測完成一項合約的成本、估計更改合約、申索及算定及確定損害賠償,以及評估 貴集團按照協定時間表提供服務的能力。

discussing with management the performance of contracts in progress during the year, on a sample basis, and challenging the key estimates and assumptions adopted in the forecasts for contract revenue and contract costs, including estimated costs to completion, the recognition of variation orders, the adequacy of contingency provisions and the assessment of potential liquidated and ascertained damages for contracts which were behind schedule, by obtaining and evaluating relevant information in connection the assumptions adopted, including contract agreements and subcontracts, correspondence with customers regarding contract variations and claims and by considering historical outcomes for similar contracts and industry norms;

以抽樣方式,與管理層討論年內在建合約的表現,並透過取得及評估與所採納假設有關的相關資料(包括合約協議及分包合約,以及就修訂合約及申索與客戶的往來書信),以及考慮以往類似合約的結果及行業慣例,對預測合約收益及合約成本時所採納的主要估計及假設(包括達致完成的估計成本、更改指令的確認、或然撥備是否足夠,以及評估進度落後的合約的潛在算定及確定損害賠償)提出質疑;

 obtaining a detailed breakdown of the total estimated costs to completion for all contracts in progress during the year and comparing, on a sample basis, actual costs incurred to the reporting date and future cost estimates with agreements, certifications or correspondence with subcontractors and suppliers and other documentation referred to by management in its assessment of the estimated costs to completion;

取得年內所有在建合約的估計完成總成本的詳細分析,並抽樣將截至報告日期止所產生的實際成本及未來成本估計與和分包商及供應商所訂立的協議、證明或往來書信及管理層評估達致完成的估計成本時所參考的其他文件作比較;

KEY AUDIT MATTERS (continued)

關鍵審計事項(續)

Contract accounting estimates

合約會計估計

Refer to accounting policies 2(i) and 2(q)(i) and notes 4(a) and 15 to the consolidated financial statements 請參閱會計政策第2(i)項及第2(q)(i)項,以及綜合財務報附註4(a)及15。

The Key Audit Matter 關鍵審計事項 How the matter was addressed in our audit 審計時處理方法

We identified contract accounting estimates as a key audit matter because the estimation of the total contract revenue and total costs to complete contracts is inherently subjective and requires significant management judgement and estimation and because errors in the forecast of contract revenue and contract costs could result in a material variance in the amount of profit or loss recognised from contracts to date and, therefore, in the current period.

我們識別合約會計估算為關鍵審計事項,乃因為估算總合約收益及完成合約的總成本無可避免地涉及主觀因素,且管理層需要作出大量判斷及估計,以及因為預期合約收益及合約成本時的錯誤可導致本報告日期就合約所確認的溢利或虧損金額出現重大差異,從而令本期間所確認的金額出現重大差異。

for all projects in progress at the reporting date, challenging the assumptions and critical judgements made by management which impacted their estimations of the liquidated and ascertained damages assessments by comparing the key terms and conditions in the assessments with contract agreements with customers and by comparing the estimated contract completion time with the Group's updated progress report or correspondence from customers;

就報告日期的所有在建項目而言,我們會通過將評估中的主要條款及條件與和客戶所訂立的合約協議作比較,以及將估計合約完成時間與 貴集團的最新進度報告或客戶發出的書信作比較,對管理層所作出對評估算定及確定損害賠償的估計有影響的假設及關鍵判斷提出質疑;

 recalculating the percentage of contract revenue recognised for contracts in progress during the year, on a sample basis, with reference to the estimated total contract revenue and certifications from the surveyors appointed by the customers or payment applications from the in-house surveyor;

抽樣重新計算就年內在建合約所確認的合約收益百分比,當中會參考客戶所委聘測量師的估計合約收益總額及發出的證明或公司內部測量師的付款申請:

 conducting site visits, on a sample basis, to observe the progress of individual contracts, discussing with site personnel the status of each project and evaluating whether the project progress was consistent with the agreed timetable and the Group's financial accounting records;

> 抽樣進行實地視察,以觀察個別合約的進度、與地盤人員討論各項目的狀況,以及評定項目進度是否 與協定的時間表及 貴集團的財務會計記錄一致;

KEY AUDIT MATTERS (continued)

閣鍵審計事項(續)

Contract accounting estimates

合約會計估計

Refer to accounting policies 2(i) and 2(q)(i) and notes 4(a) and 15 to the consolidated financial statements 請參閱會計政策第2(i)項及第2(g)(i)項,以及綜合財務報附註4(a)及15。

The Key Audit Matter 關鍵審計事項

How the matter was addressed in our audit 審計時處理方法

- performing a retrospective review of contracts completed during the current year by comparing the final outcome of the contracts with previous estimates made for those contracts to assess the reliability of the management's forecasting process; and 對本年度內完成的合約進行追溯審閱,方法為將合 約的最終結果與過往就該等合約所作出的估計進行 比較,以評估管理層預測程序的可靠性;及
- inspecting a sample of contract agreements with customers and subcontractors to identify key terms and conditions, including the contracting parties, the contract period, the contract sum, the scope of work, the methodology for calculating liquidated and ascertained damages, and evaluating whether these key terms and conditions had been appropriately reflected in the total estimated revenue and costs to complete in the forecast of the outcome of the contracts.

抽樣檢查與客戶及分包商訂立的合約協議,以識別 主要條款及條件,包括訂約方、合約期間、合約金 額、工程範圍、計算算定及確定損害賠償的方法, 以及評定在預測合約結果時,該等主要條款及條件 是否已於估計收益總額及完工成本內妥為反映。

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than 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 THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

綜合財務報表及就其發出的核數師報 告以外的資料

董事須對其他資料負責。其他資料包括年報內所 載的資料,但不包括綜合財務報表及我們就其發 出的核數師報告。

我們就綜合財務報表發出的意見並不涵蓋其他資料,我們亦不對該等資料發表任何形式的鑒證結 論。

就我們對綜合財務報表的審計而言,我們的責任 是細閱其他資料,並在過程中考慮其他資料與綜 合財務報表或我們於審計過程中所了解的情況是 否有重大抵觸,或似乎存在重大錯誤陳述的情況。

基於我們已執行的工作,倘我們認為其他資料存在重大錯誤陳述,我們需要報告有關事實。就此而言,我們並無任何事項需要報告。

董事就綜合財務報表承擔的責任

董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定編製真實而中肯的綜合財務報表,以及落實其認為屬必要的內部控制,以使所編製的綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時,董事負責評估 貴集團繼續以持續基準經營的能力,並在適用情況下披露與以持續基準經營有關的事項,以及使用持續經營的會計基礎,惟董事有意將 貴集團清盤或停止經營,或除此以外別無其他實際的替代方案則除外。

董事在審核委員會協助下履行彼等監督 貴集團 財務報告流程的職責。

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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism 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.

核數師就審計綜合財務報表承擔的責任

我們的目標為對綜合財務報表整體是否不存在由 於欺詐或錯誤而導致的重大錯誤陳述取得合理保 證,並向 閣下發出載有我們意見的核數師報告。 本報告僅向 閣下整體發出,除此之外別無其他 目的。我們不會就本報告的內容向任何其他人士 負上或承擔任何責任。

合理保證是高水平的保證,但不能保證按照《香港審計準則》進行的審計總能發現已存在的重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起,如果合理預期有關錯誤陳述(個別或共同)會影響使用者根據綜合財務報表所作出的經濟決定,則有關錯誤陳述被視為重大。

在根據《香港審計準則》進行審計的過程中,我們會作出專業判斷,並保持專業懷疑態度。我們亦:

- · 識別和評估由於欺詐或錯誤而導致綜合財務 報表存在重大錯誤陳述的風險,設計及執行 審計程序以應對這些風險,以及獲取充足和 適當的審計憑證,作為我們意見的基礎。由 於欺詐可能涉及串謀、偽造、蓄意遺漏、失實 陳述,或凌駕內部控制,因此,未能發現因欺 詐而導致的重大錯誤陳述的風險高於未能發 現因錯誤而導致的重大錯誤陳述的風險。
- · 了解與審計有關的內部控制,以設計適用於 有關情況的審計程序,但並非旨在對 貴集 團內部控制的成效發表意見。

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

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

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

核數師就審計綜合財務報表承擔的責任(續)

- 評估董事所採用會計政策是否恰當,以及董事所作出的會計估計及相關披露是否合理。
- 評估綜合財務報表的整體呈列方式、架構及 內容(包括披露資料),以及綜合財務報表是 否以達致中肯呈列反映相關交易及事件。
- 就 貴集團內各實體或業務活動的財務資料獲得充足的合適審計憑證,以就綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

我們與審核委員會就(其中包括)審計工作的計劃 範圍、時間安排及重大審計發現(包括我們於審計 期間識別出的內部監控的任何重大缺陷)進行溝 通。

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ho Wai Ming.

核數師就審計綜合財務報表承擔的責 仟 (續)

我們亦向審核委員會提交聲明, 説明我們已符合 有關獨立性的道德要求,並就所有被合理認為可 能影響我們獨立性的關係及其他事宜及(如適用) 相關防範措施,與彼等進行溝通。

從與審核委員會溝通的事項中,我們確定對本期 綜合財務報表的審計工作最為重要的事項,而有 關事項因而為關鍵審計事項。除非法律或法規不 容許公開披露此等事項,或於極罕見的情況下,我 們認為由於可合理預期披露此等事項的不良後果 將超越公眾知悉此等事項的利益,因而不應於報 告中披露,否則我們會於核數師報告中説明此等 事項。

出具本獨立核數師報告的審計項目合夥人為何偉 明。

KPMG

Certified Public Accountants

8th Floor, Prince's Building 10 Chater Road Central, Hong Kong

27 March 2018

畢馬威會計師事務所

執業會計師

香港中環 遮打道10號 太子大廈8樓

2018年3月27日

Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表

For the year ended 31 December 2017 截至2017年12月31日止年度 (Expressed in Hong Kong dollars) (以港元列示)

			2017	2016
		Note	\$'000	\$'000
		附註	千元	千元
Revenue	收益	4	821,907	715,107
Direct costs	直接成本		(707,997)	(588,573)
Gross profit	毛利		113,910	126,534
Other income	其他收入	5	301	1,143
General and administrative expenses	一般及行政開支		(81,365)	(70,032)
Profit from operations	經營溢利		32,846	57,645
Finance costs	財務成本	6(a)	(1,640)	(2,358)
Thance costs	<u> </u>	O(a)	(1,040)	(2,550)
Profit before taxation	除税前溢利	6	31,206	55,287
Income tax	所得税	7(a)	(8,319)	(13,150)
Profit for the year	年內溢利		22,887	42,137
Other comprehensive income	年內其他全面收益			
for the year				
Item that may be reclassified	其後可重新分類至			
subsequently to profit or loss:	損益的項目:			
Exchange difference on translation of	換算海外附屬公司			
financial statements of	財務報表的匯兑差額			
overseas subsidiaries			(1)	2
Profit and total comprehensive	年內溢利及			
income for the year	全面收益總額		22,886	42,139
Earnings per share (Hong Kong cents)	每股盈利(港仙)	10		
Basic and diluted	基本及攤薄		5.17	10.97

The notes on pages 75 to 155 form part of these financial statements. 第75至155頁的附註為此等財務報表的一部分。

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2017 於2017年12月31日 (Expressed in Hong Kong dollars) (以港元列示)

			2017	2016
		Note	\$'000	\$'000
		附註	千元	千元
		בת נוץ	1 70	1 76
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	5,267	16,473
Deposits and prepayments	按金及預付款項	13	-	1,021
Deferred tax assets	遞延税項資產	7(c)	648	1,021
Deferred tax assets	<u></u> 一些化分良性	/ (C)	040	
			5,915	17,494
Current assets	流動資產			
Gross amounts due from customers	應收客戶合約工程款項	15		
for contract work	總額	13	215,927	151,240
Trade and other receivables	貿易及其他應收款項	1 2		
		13	171,774	150,662
Cash and bank balances	現金及銀行結餘	14(a)	56,051	19,501
			443,752	321,403
				321,103
Current liabilities	流動負債			
Gross amounts due to customers	應付客戶合約工程款項	15		
for contract work	總額		11,597	7,177
Trade and other payables	貿易及其他應付款項	16	130,709	150,208
Amounts due to related parties	應付關聯方款項	23(b)	4,345	-
Obligations under finance leases	融資租賃承擔	17	6,674	7,823
Bank loans	銀行貸款	18		,
			50,996	29,033
Tax payable	應繳税項 	7(c)	3,310	9,453
			207,631	203,694
Net current assets	流動資產淨值 		236,121	117,709
Total assets less current liabilities	總資產減流動負債		242,036	135,203
	JL 'ᅷ록! 与 /≠			
Non-current liabilities	非流動負債			
Obligations under finance leases	融資租賃承擔	17	2,461	9,135
Deferred tax liabilities	遞延税項負債	7(c)		204
			2,461	9,339
				·
NET ASSETS	資產淨值		239,575	125,864

Consolidated Statement of Financial Position (continued) 綜合財務狀況表 (續)

As at 31 December 2017 於2017年12月31日 (Expressed in Hong Kong dollars) (以港元列示)

TOTAL EQUITY	權益總額		239,575	125,864
Reserves	儲備		234,455	125,630
Share capital	股本	19(c)	5,120	234
CAPITAL AND RESERVES	資本及儲備	19		
		附註	千元	千元
		Note	2017 \$'000	2016 \$'000

Approved and authorised for issue by the board of directors on 27 由董事會於2018年3月27日批准及授權刊發。 March 2018.

> Lee Kai Lun 利啟麟 Director 董事

Kan Hou Sek, Jim 簡厚錫 Director 董事

The notes on pages 75 to 155 form part of these financial statements.

第75至155頁的附註為此等財務報表的一部分。

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 December 2017 截至2017年12月31日止年度 (Expressed in Hong Kong dollars) (以港元列示)

		Note 附註	Share capital 股本 \$′000 千元	Share premium 股份溢價 \$'000 千元	Other reserve 其他儲備 \$'000 千元	Exchange reserve 匯兑儲備 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Total equity 權益總額 \$'000 千元
At 1 January 2016	於2016年1月1日		_	-	41,656	(11)	185,490	227,135
Changes in equity for 2016:	2016年權益變動:							
Capital injection	注資		468	-	-	-	-	468
Profit for the year	年內溢利		-	-	-	-	42,137	42,137
Other comprehensive income for the year	年內其他全面收益			-	-	2	-	2
Total comprehensive income	年內全面收益總額							
for the year			-	-	-	2	42,137	42,139
Dividend declared	已宣派股息	19(b)	-	-	-	-	(143,644)	(143,644)
Reorganisation	重組		(234)	_	_		_	(234)
At 31 December 2016	於2016年12月31日		234	-	41,656	(9)	83,983	125,864
At 1 January 2017	於2017年1月1日		234	-	41,656	(9)	83,983	125,864
Changes in equity for 2017:	2017年權益變動:							
Profit for the year	年內溢利		-	-	-	-	22,887	22,887
Other comprehensive income	年內其他全面收益							
for the year			-	-	-	(1)	-	(1)
Total comprehensive income	年內全面收益總額							
for the year			-	-	-	(1)	22,887	22,886
Issuance of new shares under	根據重組發行新股份	19(c)(iii)						
the reorganisation			234	-	-	-	-	234
Reorganisation	重組	19(c)(iii)	(234)	-	-	-	-	(234)
Issuance of new shares under the Initial Public Offering ("IPO"), net of issuing expenses	根據首次公開發售 (「首次公開發售」) 發行新股份,	19(c)(iv)						
	扣除發行開支		1,280	89,545	-	-	-	90,825
Capitalisation issue	資本化發行	19(c)(v)	3,606	(3,606)	-	-	-	-
At 31 December 2017	於2017年12月31日		5,120	85,939	41,656	(10)	106,870	239,575

The notes on pages 75 to 155 form part of these financial statements.

第75至155頁的附註為此等財務報表的一部分。

Consolidated Cash Flow Statement 綜合現金流量表

For the year ended 31 December 2017 截至2017年12月31日止年度 (Expressed in Hong Kong dollars) (以港元列示)

		Note 附註	2017 \$′000 千元	2016 \$'000 千元
Cash (used in)/generated from	經營(所用)/所得現金	14(b)		
operations	近日 (川川)/ 川内30至	14(0)	(58,261)	41,335
Tax paid	已付税項		(15,314)	(14,012)
Net cash (used in)/generated from operating activities	經營活動 (所用)/ 所得現金淨額		(73,575)	27,323
Investing activities	投資活動			
Increase in pledged bank deposits Payment for the purchase of property,	已抵押銀行存款增加 購買物業、廠房及設備之		(36,315)	_
plant and equipment Deposits for the purchase of property,	款項 購買物業、廠房及設備之		(976)	(1,236)
plant and equipment funded	已付按金		-	605
Decrease in amounts due from related parties	應收關聯方款項減少		-	73,382
Net cash (used in)/generated from	投資活動(所用)/			
investing activities	所得現金淨額 		(37,291)	72,751
Financing activities	融資活動			
Payment of listing expenses Proceeds from capital injection	上市開支之款項 注資所得款項		(11,479)	(5,943) 468
Distributions to Controlling Shareholders			_	400
upon reorganisation	分派		_	(234)
Dividend paid	已付股息		-	(36,388)
Capital element of finance lease	已付融資租賃租金之			
rentals paid	資本部份		(7,823)	(8,566)
Interest element of finance lease	已付融資租賃租金之		(626)	(1.02.4)
rentals paid Proceeds from new bank loans	利息部份 新銀行貸款之所得款項		(636) 43,996	(1,024) 14,744
Repayments of bank loans	新		(22,033)	(37,898)
Proceeds from issuance of	發行新股份之		(22,033)	(37,070)
new shares	所得款項		110,080	_
Interest paid	已付利息		(1,004)	(1,334)
Decrease in amounts due to related parties	應付關聯方款項減少		_	(18,202)
Net cash generated from/(used in)	融資活動所得/			(10/202)
financing activities	(所用)現金淨額		111,101	(94,377)
Net increase in cash and cash equivalents	現金及現金等價物 增加淨額		235	5,697
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物		19,501	13,804
Cash and cash equivalents at the end of the year	年末現金及現金等價物	14(a)	19,736	19,501

The notes on pages 75 to 155 form part of these financial statements.

第75至155頁的附註為此等財務報表的一部分。

(Expressed in Hong Kong dollars) (以港元列示)

1. GENERAL INFORMATION

Win Win Way Construction Holdings Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") are principally engaged in the provision of construction and related services, which mainly included foundation works and ancillary services and general building works, and sales of piles. The Company was incorporated in the Cayman Islands on 5 October 2015 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 17 July 2017 (the "Listing").

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

1. 一般資料

恒誠建築控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)主要從事提供建築及相關服務,主要包括地基工程及配套服務與一般建築工程,以及銷售椿柱。本公司於2015年10月5日根據開曼群島公司法第22章(1961年法例,經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。本公司股份於2017年7月17日在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

2. 重大會計政策

(a) 合規聲明

此等財務報表乃根據香港會計師公會 (「香港會計師公會」)頒佈的所有適用 香港財務報告準則(「香港財務報告準 則」,其為包括所有適用的個別香港財 務報告準則、香港會計準則(「香港財 務報告準則」)及詮釋的統稱)及香港公司 會計原則,以及香港公司條例的披露規 定而編製。此等財務報表亦符合聯交所 證券上市規則(「上市規則」)的適用披 露條文。本集團所採納的重大會計政策 於下文披露。

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則,有關準則於本集團本會計期間首次生效或可供提前採納。附註2(c)載有首次應用該等變動(以於此等財務報表內所反映的當前及過往會計期間與本集團相關者為限)對會計政策所產生的任何變動的資料。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Basis of preparation and presentation

These consolidated financial statements for the year ended 31 December 2017 comprise the Company and its subsidiaries.

Pursuant to a group reorganisation completed on 23 June 2017 (the "Reorganisation"), the Company became the holding company of the companies now comprising the Group. Details of the Reorganisation are set out in the prospectus of the Company dated 30 June 2017 (the "Prospectus").

The Group's businesses were conducted principally through Win Win Way Construction Co., Limited ("WWWC"), Smart City Engineering Limited ("SCE"), Win Win Way Materials Supply Limited ("WWWM") and Win Win Way Construction Co., (Saipan) Inc. ("WWWC (Saipan)"). Prior to the Reorganisation, WWWC and WWWM were wholly-owned by Win Win Way Holdings Limited ("WWWH") and WWWC (Saipan) was whollyowned by Moral Grace Investment Limited ("MGIL"). WWWH and SCE were owned as to 33.33% by Mr. Kan Hou Sek, Jim ("Mr. Kan"), 33.33% by Mr. Lee Sai Man ("Mr. Lee") and 33.33% by Mr. Wong Siu Kwai ("Mr. Wong") and MGIL was held by Cheung Yuk Kwan on trust which was owned as to 33.33% by Mr. Kan, 33.33% by Mr. Lee and 33.33% by Mr. Wong. Mr. Kan, Mr. Lee and Mr. Wong are collectively the "Controlling Shareholders" and were acting in concert during the current and prior periods.

2. 重大會計政策(續)

(b) 編製及呈列基準

此等截至2017年12月31日止年度的綜合財務報表包括本公司及其附屬公司的財務報表。

根據於2017年6月23日完成的集團重組 (「重組」)·本公司已成為本集團現時 旗下各公司的控股公司。重組的詳情載 於本公司日期為2017年6月30的招股章 程(「招股章程」)。

本集團主要透過恆誠建築工程有限 公司(「恆誠建築」)、駿城工程有限 公司(「駿城工程」)、恆誠物料有限 公司(「恆誠物料」)及Win Win Way Construction Co., (Saipan) Inc. (\[\text{WWWC} \] (Saipan) |) 進行業務。於重組前,恆誠 建築及恆誠物料由恆誠控股有限公 司(「恆誠控股」)全資擁有,而WWWC (Saipan)由彩賢投資有限公司(「彩賢投 資」)全資擁有。恆誠控股及駿城工程 分別由簡厚錫先生(「簡先生」)、李世 民先生(「李先生」)及黃紹桂先生(「黃 先生」)擁有33.33%、33.33%及33.33%, 而彩賢投資由Cheung Yuk Kwan受託持 有,分別由簡先生、李先生及黃先生擁 有33.33%、33.33%及33.33%。於本期間 及 禍往期間,簡先生、李先生及黃先生 合稱為「控股股東」,並一致行動。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Basis of preparation and presentation (continued)

The companies that took part in the Reorganisation were controlled by the Controlling Shareholders before and after the Reorganisation. As the control is not transitory and, consequently, there was a continuation of risks and benefits to the Controlling Shareholders, the Reorganisation is considered to be a restructuring of entities under common control. The financial statements for the year ended 31 December 2016 have been prepared using the merger basis of accounting as if the Group has always been in existence. The net assets of the companies taking part in the Reorganisation are combined using the book values from the Controlling Shareholders' perspective.

(c) Changes in accounting policies

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these impact on the accounting policies of the Group. However, additional disclosure has been included in note 14(c) to satisfy the new disclosure requirements introduced by the amendments to HKAS 7, Statement of cash flows: Disclosure initiative, which require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financial activities, including both changes arising from cash flows and non-cash changes.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. 重大會計政策(續)

(b) 編製及呈列基準(續)

於重組前後,參與重組的公司由控股股 東控制。控制權並非過渡性質,故控股 股東持續承擔風險及享有利益。因此, 重組被視為受共同控制實體之重整。 截至2016年12月31日止年度的財務資 料已按合併會計法編製,猶如本集團一 直存在。參與重組之公司的資產淨值按 從控股股東角度計算的賬面值合併入 賬。

(c) 會計政策的變動

香港會計師公會已頒佈若干於本集團本會計期間首次生效的香港財務報告準則修訂本。該等變動對本集團的會計政策並無影響。然而,為符合香港會計準則第7號(修訂本),現金流量表:披露計劃所引入的新披露規定,已於附近14(c)加入額外披露,該準則規定實體所作出的披露須可讓財務報表使用者計估融資活動所產生的負債變動(包括因現金流量及非現金變動而產生的變動)。

本集團並無應用任何於本會計期間尚 未生效的新準則或詮釋。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Basis of measurement and use of estimates and iudgements

These financial statements are presented in Hong Kong dollars, rounded to the nearest thousand. The measurement basis used in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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.

Judgements made by management in the application of HKFRSs that have significant effect on these financial statements and major sources of estimation uncertainty are discussed in note 3.

2. 重大會計政策(續)

(d) 計量基準及使用估計和判斷

此等財務報表以港元呈列,並四捨五入 至千位數。於編製財務報表時所使用的 計量基準為歷史成本基準。

編製符合香港財務報告準則的財務報表需要管理層作出判斷、估計及假設會影響會計政策的應用及資產、負債、收入及支計政策的應用及資產、負債、收入及支出關假設及在有關情況下認為合理的基礎發及在有關情況下認為合理的基礎對大他多種因素作出,而有關結果乃作類就該等不可基於其他資料來源而顯斷地得出的資產及負債賬面值的判斷。

對估計及相關假設會不斷作出檢討。 對會計估計的修訂如只影響該期間, 則於估計修訂的期間確認,或如修訂影 響現時期間及未來期間,則於修訂期間 及未來期間確認。

管理層在應用香港財務報告準則過程 中所作出對此等財務報表有重大影響 的判斷,以及估計不明朗因素的主要來 源於附註3內討論。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(h)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

2. 重大會計政策(續)

(e) 附屬公司

附屬公司是指受本集團控制的實體。 當本集團因參與實體業務而對所得可 變回報承擔風險或擁有權利以及可運 用其對實體的權力影響該等回報金額 時,則本集團控制該實體。於評估本集 團是否擁有權力時,僅計及本集團及其 他訂約方實質權利。

於附屬公司的投資自控制開始當日起至控制終止當日止綜合計入綜合財務報表。集團內公司間結餘、交易及現金流量以及集團公司間交易所產生的任何未變現溢利會在編製綜合財務報表時悉數抵銷。集團內公司間交易所引致未變現虧損的抵銷方法與未變現收益相同,惟僅以無證據顯示出現減值的情況為限。

當本集團失去一間附屬公司的控制權時,其將作為出售該附屬公司全部權益入賬,所產生的損益於損益內確認。於失去控制權當日在前附屬公司保留的任何權益按公允價值確認,有關金額視為於首次確認一項金融資產的公允價值或(如適用)首次確認於聯營公司或合營公司投資之成本時之公允價值。

於本公司的財務狀況表中,投資於一間 附屬公司乃以成本扣除減值虧損呈列 (見附註2(h)),除非有關投資被分類為 持作出售(或已計入一個已分類為持 作出售的出售組別中)。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(f) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses (see note 2(h)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

Furniture and fixtures5 years

Motor vehicles5 years

Plant and machinery
 3 to 4 years

Office equipment5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

2. 重大會計政策(續)

(f) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及 減值虧損(見附註2(h))列賬。

報廢或出售物業、廠房及設備項目所產生的損益以該項目的出售所得款項淨額與其賬面值之間的差額釐定,並於報廢或出售當日在損益內予以確認。

物業、廠房及設備折舊按下列估計可使用年期,在扣除其估計剩餘價值(如有)後,以直線法撤銷其成本計算:

- 傢俬及裝置 5年

- 汽車 5年

一 廠房及機器 3至4年

一 辦公室設備 5年

倘物業、廠房及設備項目各部分的可使 用年期不同,則該項目的成本會合理分 配至各部分,而每部分須分開折舊。資 產的可使用年期及其剩餘價值(如有) 須每年檢討。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(g) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

2. 重大會計政策(續)

(q) 租賃資產

倘本集團釐定由一項交易事項或一系 列交易事項組成的安排涵蓋個別資產 或多項資產於協定年期內的使用權, 以換取付款或一系列付款,則該項安排 乃屬或包含一項租賃。有關釐定工作乃 以評估該項安排的實質內容為基準, 而不論該項安排是否擁有租賃的法律 形式。

(i) 貴集團租賃資產之分類

對於本集團以租賃持有的資產, 倘將所有權之絕大部分風險及回 報轉移至本集團,則有關資產分 類為以融資租賃持有。倘並無將 所有權之絕大部分風險及回報 轉移至本集團,則分類為經營租 賃。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(g) Leased assets (continued)

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 2(f). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(h). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2. 重大會計政策(續)

(q) 租賃資產(續)

(ii) 根據資租賃收購的資產

如本集團以融資租賃獲得資產的 使用權,會將相當於租賃資產公 平值或最低租賃付款額的現值 (如為較低的數額)確認為物業、 廠房及設備,而扣除融資費用後 的相應負債則列為融資租賃承 擔。折舊是在相關的租賃期或資 產的可用期限(如本集團可能取 得資產的所有權)內撇銷資產成 本的比率計提;有關資產的年期 載列於附註2(f)。減值虧損按照附 註2(h)所載的會計政策入賬。租賃 付款內含的融資費用於租賃期內 的損益賬內扣除,使每個會計期 間的融資費用佔承擔餘額的比率 大致相同。或然租金在其產生的 會計期間於損益內扣除。

(iii) 經營租賃費用

倘本集團能使用根據經營租賃持 有之資產,根據租賃作出之付款 會於租期含蓋之會計期間內分期 平均自損益中扣除,惟倘有其他 更能表現來自租賃資產之利益優 模式則除外。所收取之租賃優 模式則除外。所收取之租賃 便式 於損益中確認為合共作出之租 付款淨額之一部分。或然租金於 產生之會計期間計入損益中。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Impairment of assets

(i) Impairment of trade and other receivables

Trade and other current and non-current receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

2. 重大會計政策(續)

(h) 資產減值

(i) 貿易及其他應收款減值

按成本或攤銷成本入賬的貿易及 其他即期及非即期應收款項於各 報告期末予以檢討,以確定是否 存在任何客觀減值證據。減值的 客觀證據包括本集團注意到有關 下列一項或多項損失事件的可觀 察數據:

- 一 債務人有重大財務困難;
- 一 違約,如拖欠或無法如期償還利息或本金;
- 債務人可能將會破產或進 行其他財務重組;及
- 技術、市場、經濟或法律環境出現對債務人造成不利影響的重大變動。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Impairment of assets (continued)

(i) Impairment of trade and other receivables (continued)

If any such evidence exists, impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

2. 重大會計政策(續)

(h) 資產減值(續)

(i) 貿易及其他應收款減值(續)

倘若其後期間減值虧損金額減少,而有關減少可客觀地與確認減值虧損後發生的事件聯繫,則有關減值虧損會透過損益撥回。減值虧損的撥回不應導致資產的賬面值超過倘在以往年度並無確認任何減值虧損而應釐定的金額。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Impairment of assets (continued)

(i) Impairment of trade and other receivables (continued)

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment; and
- investments in subsidiaries in the Company's statement of financial position.

2. 重大會計政策(續)

(h) 資產減值(續)

(i) 貿易及其他應收款減值(續)

(ii) 其他資產減值

內部及外界資料來源於各報告期 末予以檢討,以識別有否跡象顯 示下列資產出現減值或先前已確 認的減值虧損已不存在或可能已 減少:

- 一 物業、廠房及設備;及
- 本公司財務狀況表內所示於附屬公司的投資。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

If any such indication exists, the asset's recoverable amount is estimated.

Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

2. 重大會計政策(續)

(h) 資產減值(續)

(ii) 其他資產減值(續)

若有任何此等跡象,本集團將估計資產的可收回金額。

一 計算可收回金額

一 確認減值虧損

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(i) Construction contracts

Construction contracts are contracts specifically negotiated with a customer for the construction of an asset or a group of assets, where the customer is able to specify the major structural elements of the design. The accounting policy for contract revenue is set out in note 2(q)(i). When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

2. 重大會計政策(續)

(h) 資產減值(*續*)

(ii) 其他資產減值(續)

- 撥回減值虧損

倘用作釐定可收回金額的 估計出現有利變動,則會撥 回減值虧損。

撥回減值虧損僅限於過往 年度未確認減值虧損而釐 定的資產賬面值。減值虧損 之撥回在確認撥回的年度 計入損益。

(i) 建築合約

建築合約乃就一項資產或一組資產的 建築而與客戶特別磋商的合約,客戶可 在合約內指明設計的主要結構元素。合 約收益的會計政策載於附註2(q)(i)。 。倘 建築合約的結果能可靠估計,合約成成 經參考報告期末的合約完成進度將破 認為開支。倘合約總成本可能超過合 總收益,預期虧損將即時確認為開支。 倘不能可靠地估計建築合約的結果,合 約成本將於其產生期間確認為開支。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Construction contracts (continued)

Construction contracts in progress at the end of the reporting period are recorded at the net amount of costs incurred plus recognised profit less recognised losses and progress billings, and are presented in the statements of financial position as the "Gross amounts due from customers for contract work" (as an asset) or the "Gross amounts due to customers for contract work" (as a liability), as applicable. Progress billings not yet paid by the customer are included under "Trade and other receivables". Amounts received before the related work is performed are included under "Trade and other payables".

(j) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 2(h)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

(k) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

2. 重大會計政策(續)

(i) 建築合約(續)

於報告期末尚在進行當中的建築合約 按所產生成本淨額加上已確認溢利, 再減去已確認虧損及進度款項列賬,並 於財務狀況表內呈列為「應收客戶合約工程款項總額」(作為資產)或「應付 客戶合約工程款項總額」(作為負債) (如適用)。客戶尚未支付的進度款項 計入「貿易及其他應收款項」下。於相 關工程進行前所收取的金額乃計入「貿 易及其他應付款項」下。

(j) 貿易及其他應收款項

貿易及其他應收款項初步按公平值確認,其後採用實際利息法按攤銷成本減呆賬減值撥備(見附註2(h))列賬,惟倘應收款項為向關聯方所提供無任何固定償還期限的免息貸款或貼現影響並不重大則除外。於該等情況下,應收款項將按成本減呆賬減值撥備列賬。

(k) 計息借款

計息借款初步按公平值減應佔交易成本確認。初步確認後,計息借款按攤銷成本列賬,而初步確認金額與贖回價值之間的任何差額連同任何應付利息及應付費用則按實際利率法於借款期間在損益內確認。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(I) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

(n) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

2. 重大會計政策(續)

(1) 貿易及其他應付款項

貿易及其他應付款項初步按公平值確認,其後則按攤銷成本列賬,惟倘貼現 影響並不重大,則按成本列賬。

(m) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、存於銀行及其他金融機構的活期存款,以及可隨時轉換為已知數額的現金,所承受的價值變動風險不大,並於購入後三個月內到期的短期高流通性投資。就編製綜合現金流量表而言,現金及現金等價物也包括作為本集團現金管理一部分而又隨時可被要求還款的銀行透支。

(n) 僱員福利

工資、年度花紅、帶薪年假、界定供款 退休計劃供款及非貨幣福利的成本於 僱員提供相關服務年度內累計。倘延遲 付款或結算並造成重大影響,則該等金 額將按現值列賬。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits

2. 重大會計政策(續)

(o) 所得税

年內所得稅包括即期稅項及遞延稅項 資產及負債的變動。即期稅項及遞延稅 項資產及負債的變動於損益內確認,惟 與於其他全面收益確認或直接於權益 確認的項目有關者除外,於此情況下, 有關稅項款項分別於其他全面收益確 認或直接於權益確認。

即期税項乃年度應課税收入的預期應 繳税項(按於報告期末已頒佈或實質 上已頒佈的税率計)以及以往年度應繳 税項的任何調整。

遞延税項資產及負債分別源自可扣税 及應課税暫時差額,即作財務申報之用 的資產及負債賬面值與彼等税基的差 額。遞延税項資產亦源自未動用税項虧 損及未動用税項抵免。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Income tax (continued)

Apart from certain limited exceptions, all deferred tax liabilities and all deferred tax assets, to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

2. 重大會計政策(續)

(o) 所得税(續)

除若干為數不多的例外情況外,將確認 所有遞延税項負債及所有遞延税項資 產,惟限於可能有可利用資產抵扣的未 來應課税溢利的情況。可支持確認由可 抵扣暫時差額所產生遞延税項資產的 未來應課税溢利包括因撥回現有應課 税暫時差額將產生的數額;惟該等差額 須與同一税務機關及同一應課税實體 有關,並預期在可抵扣暫時差額預計撥 回同一期間或遞延税項資產所產生税 項虧損可向後期或向前期結轉期間內 撥回。倘應課税暫時差額與同一税務機 關及同一應課税實體有關,並預期於可 動用税項虧損或税項抵免期間撥回, 則釐定現有應課税暫時差額是否足以 支持確認未動用税項虧損及税項抵免 產生的遞延税項資產時,亦採納同一準 則。

已確認之遞延税項金額按照資產及負債賬面值之預期變現或清償方式,採用 在報告期末已執行或實際已執行之稅 率計算。遞延税項資產及負債均不作貼 現。

即期税項結餘及遞延税項結餘以及當中的變動會各自分開呈列,且不會抵銷。倘本公司或本集團有合法強制執行權利可將即期税項資產與即期税項負債抵銷,並符合以下額外條件,即期税項資產與即期税項負債抵銷,而遞延税項資產則與遞延税項負債抵銷:

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Income tax (continued)

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(p) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 重大會計政策(續)

(o) 所得税(續)

- 如為即期稅項資產及負債,本公司或本集團有意以淨額基準結算,或同時變現資產及結清負債;或
- 如為遞延税項資產及負債,倘其 與同一稅務機關就以下各項所徵 收的所得稅相關:
 - 一同一應課税實體;或
 - 不同應課稅實體,而各實體 有意於預期結清或收回遞 延稅項負債或資產重大金 額的各未來期間以淨額基 準變現即期稅項資產及結 清即期稅項負債,或將之同 時變現及結清。

(p) 撥備及或然負債

當本集團或本公司因過往事件而須承 擔法律或推定責任,而履行該責任可能 會導致經濟利益外流,並可作出可靠估 計時,須就該等時間或數額不確定的負 債計提撥備。倘貨幣時間值重大,則有 關撥備按履行責任預期所需開支的現 值列賬。

倘不大可能需要流出經濟利益,或相關金額不能可靠地估計,則須披露有關責任為或然負債,惟流出經濟利益的可能性極低除外。倘可能承擔的責任須視乎一項或多項未來事件是否發生方會確定是否存在,則該等責任亦披露為或然負債,惟流出經濟利益的可能性極低者除外。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(q) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Construction contract revenue

When the outcome of a construction contract can be estimated reliably, revenue from a fixed price contract work is recognised based on the stage of completion of the contracts, provided that the stage of contract completion and the gross billing value of contracting work can be measured reliably. The stage of completion of a contract is established according to the progress certificate (by reference to the amount of completed works confirmed by surveyor) issued by the customers or the progress payment application (by reference to the amount of completed works confirmed by inhouse surveyor) submitted to the customers.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that they have been agreed with the customer or the outcome of which can be estimated reliably by management and are capable of being reliably measured.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

2. 重大會計政策(續)

(q) 收益確認

收益乃按已收或應收代價的公平值計量。倘本集團可能獲得經濟利益,且收益及成本(如適用)能可靠地計量,則按下列方式於損益內確認收益:

(i) 建築合約收益

合約工程修改、申索及獎勵金計 入合約收益,以已與客戶協定或 管理層能夠可靠計量的結果且能 可靠計量者為限。

倘不能可靠地估計工程合約的結果,僅會將所產生而有可能收回的合約成本確認為收益。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(q) Revenue recognition (continued)

(ii) Sales of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(iii) Rental income from lease of machinery

Rental income receivable from lease of machinery is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method.

2. 重大會計政策(續)

(q) 收益確認(續)

(ii) 銷售貨品

收益在貨品送達客戶場地時(即客戶接納貨品及其所有權相關之風險及回報之時)確認。收益並不包括增值税或其他銷售税,並已扣除任何營業折扣。

(iii) 租賃機械的租金收入

租賃機械應收的租金收入乃於租賃期涵蓋的期間內分期等額於損益確認,惟倘有其他基準更能代表使用租賃資產所得利益的模式則除外。授出的租賃優惠於損益確認為應收淨租賃付款總額的創設。或然租金於賺取的會計期間確認為收入。

(iv) 利息收入

利息收入按實際利率法於應計時 確認。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(r) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(s) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

2. 重大會計政策(續)

(r) 外幣換算

年內進行的外幣交易按交易日的匯率 換算。以外幣計值的貨幣資產及負債則 按報告期末的匯率換算。匯兑收益及虧 損於損益內確認。

以外幣按歷史成本計算的非貨幣資產 及負債,使用交易日當時的匯率換算。

海外業務之業績按於交易日之外幣匯 率相若之匯率換算為港元。財務狀況 表項目乃以報告期末之匯率換算為港 元。所產生之匯兑差額於其他全面收益 中確認並於匯兑儲備中單獨於權益累 計。

於出售海外業務時,與該海外業務有關 的累計匯兑差額,將於出售項目的損益 獲確認時由權益重新分類為損益。

(s) 借貸成本

直接涉及收購、建造或生產資產(即須 於較長時期後方能投入作擬定用途或 出售者)的借貸成本均會資本化作為該 資產的部分成本。其他借貸成本於其產 生期間列作開支。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(s) Borrowing costs (continued)

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(t) Related parties

- (1) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (2) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

2. 重大會計政策(續)

(s) 借貸成本(續)

屬於合資格資產成本一部分的借貸成本在資產產生開支、借貸成本產生及使資產投入擬定用途或銷售所必需的活動進行期間開始資本化。在使合資格資產投入擬定用途或銷售所必需的絕大部分準備工作中止或完成時,借貸成本便會暫停或停止資本化。

(t) 關聯方

- (1) 倘一名人士符合下列條件,則該 名人士或其家庭近親成員與本集 團有關聯:
 - (i) 控制或共同控制本集團;
 - (ii) 對本集團有重大影響力;或
 - (iii) 為本集團或本集團母公司 的主要管理層成員。
- (2) 倘一個實體符合下列任何條件, 則該實體與本集團有關聯:
 - (i) 該實體與本集團屬同一集 團的成員公司(即各母公司、附屬公司及同系附屬公司及同系附屬公司相互關聯)。
 - (ii) 一個實體為另一實體的聯 營公司或合營企業(或另一 實體為成員公司的集團旗 下成員公司的聯營公司或 合營企業)。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(t) Related parties (continued)

- (2) An entity is related to the Group if any of the following conditions applies: (continued)
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (t)(1).
 - (vii) A person identified in (t)(1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. 重大會計政策(續)

(t) 關聯方(續)

- (2) 倘一個實體符合下列任何條 件,則該實體與本集團有關聯: (續)
 - (iii) 兩個實體均為同一第三方 的合營企業。
 - (iv) 一個實體為第三方實體的 合營企業,而另一實體為該 第三方實體的聯營公司。
 - (v) 實體為本集團或與本集團 有關聯的實體就僱員福利 設立的離職後福利計劃。
 - (vi) 實體受(t)(1)所述人士控制 或共同控制。
 - (vii) (t)(1)(i)所述人士對實體有重 大影響力或屬該實體(或該 實體的母公司)主要管理層 成員。
 - (viii) 實體或實體作為集團任何 成員公司其中一部分向本 集團或本集團母公司提供 主要管理人員服務。

一名人士的近親家庭成員指預期在與 實體的交易中可影響該人士或受該人 士影響的家庭成員。

(Expressed in Hong Kong dollars) (以港元列示)

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(u) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. ACCOUNTING JUDGEMENTS AND ESTIMATES

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

2. 重大會計政策(續)

(u) 分部報告

貴集團為分配資源予本集團各業務及 地區及評估其表現,會定期向本集團 最高級行政管理人員提供財務資料, 從中可找出財務報表所呈報經營分部 及各分部項目的金額。

個別重要的經營分部不會匯總作財務 申報,除非有關分部具有類似經濟特徵 且產品及服務性質、生產流程性質、客 戶類型或類別、分銷產品或提供服務所 採用的方法及監管環境的性質方面相 似。倘並非個別重要的經營分部共同擁 有上述大部分特徵,該等經營分部可予 匯總呈報。

3. 會計判斷及估計

(a) 於應用本集團會計政策時的主要會計 判斷

於應用本集團會計政策時,管理層已作出以下會計判斷:

(Expressed in Hong Kong dollars) (以港元列示)

3. ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(a) Critical accounting judgements in applying the Group's accounting policies (continued)

(i) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account the estimated residual value. The Group reviews the estimated useful lives of the property, plant and equipment regularly in order to determine the amount of depreciation expense to be recorded during any reporting period. The useful lives are based on the Group's historical experience with similar assets taking into account anticipated technological changes. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

(ii) Impairment of trade receivables

The Group evaluates whether there is any objective evidence that trade receivables are impaired, and estimates allowances for doubtful debts as a result of the inability of the debtors to make required payments. The Group bases the estimates on the ageing of the trade receivables balance, creditworthiness of the customer and historical write-off experience. If the financial condition of the debtors were to deteriorate, actual write-offs would be higher than estimated.

3. 會計判斷及估計(續)

(a) 於應用本集團會計政策時的主要會計 判斷(續)

(i) 物業、廠房及設備折舊

(ii) 貿易應收款項減值

貴集團評估是否有任何客觀證據 證明貿易應收款項減值,並估計 因債務人未能作出規定付款而產 生的呆賬撥備。本集團根據貿易 應收款項結餘的賬齡分析、客戶 的信用及過往撇銷經驗作出估 計。倘債務人的財政狀況惡化, 實際的撇銷額將高於估計。

(Expressed in Hong Kong dollars) (以港元列示)

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

Sources of estimation uncertainty

Construction contracts

As explained in policy notes 2(i) and 2(g)(i), revenue recognition on a project is dependent on management's estimation of the total outcome of the construction contract, with reference to the progress payment applications submitted by the Group and progress certificates issued by customers. The Group reviews and revises the estimates of contract revenue, contract costs and variation orders, prepared for each construction contract as the contract progresses. Budgeted construction costs are prepared by management on the basis of quotations from time to time provided by the major subcontractors, suppliers or vendors involved and the experience of management. In order to keep the budget accurate and up-to-date, management conducts periodic reviews of the budgeted construction costs by comparing the budgeted amounts to the actual costs incurred. Significant judgement is required in estimating the contract revenue, contract costs and variation work which may have an impact on percentage of completion of the construction contracts and the corresponding profit taken. In addition, actual outcomes in terms of total revenue or costs may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future periods as an adjustment to the amounts recorded to date.

3. 會計判斷及估計(續)

估計不明朗因素的來源

建築合約

如政策附註2(i)及2(q)(i)所述,對項目的 收益確認取決於管理層對建築合約總 結果的估計,並參照本集團提交的進 度付款申請及客戶發出的進度證明。 本集團於合約進行時檢討及修訂為各 建築合約編製的合約收益、合約成本及 變更項目估計。管理層根據參與項目 的主要分包商、供應商或賣方不時提 供的報價及管理層的經驗編製建築成 本預算。為維持準確及最新的預算,管 理層通過比較預算金額及實際產生成 本而定期對建築成本預算進行審閱。 由於估計合約收益、合約成本及更改 工程須作出重大判斷,因而或會影響 建築合約完工百分比及相應溢利之計 算。此外,於報告期末,以總收益或成 本計的實際成果可能高於或低於所估 算者,從而影響未來期間確認的收益及 溢利,作為至今所記錄金額的調整。

(Expressed in Hong Kong dollars) (以港元列示)

REVENUE AND SEGMENT INFORMATION

收益及分部資料

(a) Revenue

Revenue represents revenue from construction contracts earned and sales of piles during the year.

收益 (a)

收益指於有關期間來自建築合約賺取 及銷售樁柱的收益。

		2017 \$′000 千元	2016 \$′000 千元
Revenue from construction contracts Sales of piles	來自建築合約的收益銷售樁柱	754,203 67,704	715,006 101
		821,907	715,107

Segment information

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Construction contracts: this segment provides foundation and general building works to customers in Hong Kong and Saipan.
- Sales of piles: this segment covers sales of piles to customers in Hong Kong.

分部資料 (b)

本集團按業務的分部管理其業務。為與 向本集團最高級行政管理層內部呈報 以分配資源及評估表現的資料一致, 本集團已呈報下列兩個可呈報分部。 並無經營分部匯總組成以下可呈報分 部。

- 建築合約:本分部向香港及塞班 客戶提供地基及一般建築工程服 務。
- 銷售樁柱:本分部包涵向香港客 戶銷售樁柱。

(Expressed in Hong Kong dollars) (以港元列示)

REVENUE AND SEGMENT INFORMATION

(continued)

Segment information (continued)

Segment results, assets and liabilities

For the purpose of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all current and non-current assets with the exception of deferred tax assets (if any) and other corporate assets. Segment liabilities include all current and non-current liabilities with the exception of deferred tax liabilities (if any) and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments. The measure used for reporting segment profit is profit before taxation except that unallocated corporate expenses are excluded from this measurement.

收益及分部資料(續)

分部資料(續)

分部業績、資產及負債

就評估分部表現及在分部之間分 配資源而言,本集團最高級行政 管理人員按以下基準監察各可 呈報分部應佔的業績、資產及負 倩:

分部資產包括所有流動及非流 動資產,惟不包括遞延税項資產 (如有)及其他企業資產。分部負 債包括按所有流動及非流動負 債,惟不包括遞延税項負債(如 有)及其他企業負債。

收益及開支參考該等分部產生的 收益及開支,或該等分部應佔資 產折舊所產生的收益及開支分配 至可呈報分部。報告分部溢利所 用的計量為除税前溢利,惟未分 配公司開支不撥入該項計算。

(Expressed in Hong Kong dollars) (以港元列示)

REVENUE AND SEGMENT INFORMATION

(continued)

Segment information (continued)

Segment results, assets and liabilities (continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year is set out below:

收益及分部資料(續)

分部資料(續)

分部業績、資產及負債(續)

就年內的資源分配及分部表現評 估而向本集團最高級行政管理人 員所提供的本集團可呈報分部資 料載列如下:

		Construction contracts 建築合約 \$'000 千元	2017 Sales of piles 銷售椿柱 \$'000 千元	Total 總計 \$′000 千元
Revenue from external customers	外部客戶收益	754,203	67,704	821,907
Reportable segment revenue	可呈部分部收益	754,203	67,704	821,907
Reportable segment profit	可呈部分部溢利	49,257	5,848	55,105
Interest expenses Depreciation for the year	利息開支 年內折舊	1,640 720	-	1,640 720
Reportable segment assets Additions to non-current segment assets during	可呈報分部資產 年內向非流動分部資產 添置	448,883	6,984	455,867
the year		976	-	976
Reportable segment liabilities	可呈報分部負債	213,236	2,698	215,934

(Expressed in Hong Kong dollars) (以港元列示)

REVENUE AND SEGMENT INFORMATION

4. 收益及分部資料(續)

(continued)

Segment information (continued)

(b) 分部資料(續)

Segment results, assets and liabilities (continued)

分部業績、資產及負債(續)

		Construction	2016	
		contracts 建築合約 \$'000 千元	Sales of piles 銷售樁柱 \$'000 千元	Total 總計 \$'000 千元
Revenue from external customers	外部客戶收益	715,006	101	715,107
Reportable segment revenue	可呈部分部收益	715,006	101	715,107
Reportable segment profit	可呈部分部溢利	79,820	22	79,842
Interest expenses Depreciation for the year	利息開支 年內折舊	2,358 802	- -	2,358 802
Reportable segment assets Additions to non-current segment assets during	可呈報分部資產 年內向非流動分部資產 添置	331,024	206	331,230
the year	//\!\ <u>E</u>	1,236	-	1,236
Reportable segment liabilities	可呈報分部負債	204,258	867	205,125

(Expressed in Hong Kong dollars) (以港元列示)

REVENUE AND SEGMENT INFORMATION

4. 收益及分部資料(續)

(continued)

Segment information (continued)

(b) 分部資料(續)

(ii)	Pacanciliation	of ronartable	seament profit
(11)	Reconciliation	or reportable	seament pront

可呈報分部溢利對賬

		2017 \$′000 千元	2016 \$′000 千元
Reportable segment profit Unallocated corporate expenses	可呈部分部溢利 未分配公司開支	55,105 (23,899)	79,842 (24,555)
Consolidated profit before taxation	税前綜合溢利	31,206	55,287

(iii) Reconciliation of reportable segment assets and liabilities

(iii) 可呈報分部資產與負債對賬

		2017	2016
		\$'000	\$'000
		千元	千元
Assets	資產		
Reportable segment assets	可呈報分部資產	455,867	331,230
Other corporate assets	其他公司資產	_	7,776
Elimination of inter-segment	分部間應收款項對銷		
receivables		(6,848)	(109)
		449,019	338,897
Deferred tax assets	遞延税項資產	648	-
Consolidated total assets	綜合資產總值	449,667	338,897

(Expressed in Hong Kong dollars) (以港元列示)

REVENUE AND SEGMENT INFORMATION

4. 收益及分部資料(續)

(continued)

Segment information (continued)

(b) 分部資料(續)

(iii) Reconciliation of reportable segment assets and liabilities (continued)

(iii) 可呈報分部資產與負債對賬 (續)

		2017 \$′000 千元	2016 \$'000 千元
Liabilities	負債		
Reportable segment	可呈報分部負債		
liabilities		215,934	205,125
Other corporate liabilities	其他公司負債	1,006	7,813
Elimination of inter-segment	分部間應付款項對銷		
payables		(6,848)	(109)
		210,092	212,829
Deferred tax liabilities	遞延税項負債	-	204
Consolidated total liabilities	綜合負債總額	210,092	213,033

(Expressed in Hong Kong dollars) (以港元列示)

REVENUE AND SEGMENT INFORMATION

(continued)

Segment information (continued)

(iv) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment ("specified noncurrent assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the assets.

Revenue from external customers:

收益及分部資料(續)

分部資料(續)

(iv) 地區資料

下表載列有關(i)本集團外部客戶 收益,及(ii)本集團物業、廠房及 設備(「特定非流動資產」)的地 理位置資料。客戶地理位置是基 於提供服務或交付貨物的位置。 特定非流動資產的地理位置是基 於資產的實際所在地。

外部客戶收益:

	2017	2016		
	\$'000	\$'000		
	千元	千元		
Hong Kong 香港				
(place of domicile) (營運地點	662,768	656,839		
Saipan 塞班	159,139	58,268		
	821,907	715,107		
1				
Physical location of the specified non-cu	rrent 特定非流動	特定非流動資產的實際所在地:		
assets:				
	2017	2016		
	\$'000	\$'000 ——		
	千元	千元		
Hong Kong 香港	2.570	0.000		
(place of domicile) (營運地黑		9,080		
Saipan 塞班	2,697	7,393		
		16.470		
	5,267	16,473		

(Expressed in Hong Kong dollars) (以港元列示)

REVENUE AND SEGMENT INFORMATION

收益及分部資料(續)

(continued)

Information about major customers (c)

Revenue from customers during the year contributing over 10% of the total revenue of the Group is as follows:

(c) 有關主要客戶的資料

年內來自佔本集團總收益超過10%的客 戶的收益如下:

		2017 \$′000 千元	2016 \$′000 千元
Customer A (note)	客戶A(見附註)	159,139	*
Customer B	客戶B	104,882	*
Customer C	客戶C	101,602	*
Customer D	客戶D	*	80,622
Customer E	客戶E	*	78,585

Revenue from the relevant customer was less than 10% of the Group's total revenue for the respective year.

Note: The Controlling Shareholders hold 10% effective interest in Customer A through a private company co-owned by the Controlling Shareholders.

來自相關客戶的收益少於本集團有 關年度總收益10%。

附註:控股股東透過一間由控股股東共同 擁有的私人公司擁有客戶A的10%實 際權益。

5. OTHER INCOME

其他收入

		2017 \$′000 千元	2016 \$′000 千元
Rental income from lease of machinery Sales of scrap materials Exchange (loss)/gain Others	出租機械的租金收入 廢料銷售 外匯(虧損)/收益 其他	180 - (149) 270	562 60 180 341
		301	1,143

(Expressed in Hong Kong dollars) (以港元列示)

PROFIT BEFORE TAXATION

除税前溢利

Profit before taxation is arrived at after charging/(crediting):

除税前溢利乃經扣除/(計入)下列各項後

				2017 \$′000 千元	2016 \$'000 千元
(a)	Finance costs Interest on bank overdrafts Interest on bank loans Finance charges on obligations	(a)	財務成本 銀行透支利息 銀行貸款利息 融資租賃承擔的	13 991	108 1,226
	under finance leases		財務費用	636	1,024
				1,640	2,358
(b)	Staff costs (including directors' remuneration) Contributions to defined contribution retirement plans Salaries, wages and other benefits	(b)	員工成本(包括 董事酬金) 定額供款退休 計劃的供款 薪金、工資及其他福利	3,577 118,441	3,714 115,530
				122,018	119,244
	Less: Amount included in construction contracts in progress		減:計入在建建築 合約的款項	(96,540)	(99,220)
				25,478	20,024
(c)	Other items Depreciation Less: Amount included in construction contracts in progress	(c)	其他項目 折舊 減:計入在建建築 合約的款項	12,182 (11,462)	20,333 (19,531)
	contracts in progress		II WIRINAYA	720	802
	Operating lease charges: minimum lease payments in respect of leasing of properties Less: Amount included in construction contracts in progress		經營租賃支出: 租賃物業的 最低租金款項 減:計入在建建築 合約的款項	4,134 (635)	4,207 (936)
				3,499	3,271
	Cost of goods sold Listing expenses Write off of retention receivables Write off of deposits and prepayments Auditors' remuneration		已售貨物成本 上市開支 撇銷應收保留金 撇銷按金及預付款項 核數師酬金	60,171 17,314 - 1,021 2,555	34 19,316 1,400 - 333

(Expressed in Hong Kong dollars) (以港元列示)

INCOME TAX

Income tax in the consolidated statement of profit or loss (a) and other comprehensive income represents:

7. 所得税

綜合損益及其他全面收益表中的所得 税指:

		2017 \$′000 千元	2016 \$′000 千元
Current tax – Hong Kong Profits Tax	即期税項-香港利得税		
Provision for the year	年內撥備	9,171	14,419
Deferred tax Origination and reversal of	遞延税項 暫時差額的產生及撥回		
temporary differences		(852)	(1,269)
		8,319	13,150

Notes:

- Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and British Virgin Islands.
- The provision for Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year. No provision for overseas taxation as the Group's overseas subsidiaries either did not have assessable profits or have tax credits in excess of assessable profits during the year in the relevant jurisdiction.

附註:

- 根據開曼群島及英屬處女群島的規則 (i) 及規例,本集團毋須繳納開曼群島及 英屬處女群島任何所得税。
- 香港利得税撥備乃按年內的估計應課 税溢利的16.5%計算。由於年內本集團 的海外附屬公司並無於相關司法權區 產生應課税溢利或有超出應課稅溢利 的税項抵免,故並無就海外税項作出 撥備。

(Expressed in Hong Kong dollars) (以港元列示)

INCOME TAX (continued) 7.

Reconciliation between income tax expense and accounting profit before taxation at applicable tax rate:

7. 所得税(續)

按適用税率計算的所得税開支及會計 除税前溢利對賬如下:

		2017 \$′000 千元	2016 \$′000 千元
Profit before taxation	除税前溢利	31,206	55,287
Notional tax on profit before taxation, calculated at the rates applicable to the profits in the jurisdictions concerned Tax effect of non-deductible	除税前溢利的名義税項, 按有關司法權區適用 於溢利的税率計算 不可扣税開支的税務影響	5,996	9,192
expenses		3,197	4,477
Tax effect of non-taxable income	毋須課税開支的税務影響	(814)	(479)
Statutory tax concession	法定税項優惠	(60)	(40)
Actual income tax expense	實際所得税開支	8,319	13,150

- Income tax in the consolidated statement of financial position represents:
- 綜合財務狀況表中的所得税指:

Current taxation

即期税項

		2017 \$′000 千元	2016 \$′000 千元
Provision for the year	年內撥備	9,171	14,419
Provisional tax paid	已付暫繳税項	(14,110)	(12,796)
Balance of tax provision	與過往年度有關的		
relating to prior years	税項税撥備結餘	8,249	7,830
Tax payable	應繳税項	3,310	9,453

(Expressed in Hong Kong dollars) (以港元列示)

7. **INCOME TAX** (continued)

7. 所得税(續)

(c) (continued)

(續) (C)

Deferred taxation

遞延税項

折舊的差額 \$'000 千元 於2016年1月1日 At 1 January 2016 1,473 Credited to profit or loss 計入損益 (1,269)於2016年12月31日及2017年1月1日 At 31 December 2016 and 1 January 2017 204 Credited to profit or loss 計入損益 (852) 於2017年12月31日 At 31 December 2017 (648)

There were no material unrecognised deferred tax assets and liabilities as at 31 December 2016 and 2017.

於2016及2017年12月31日,概無 重大未確認的遞延税項資產及負 債。

Depreciation allowances in excess of the related depreciation 折舊撥備 超過相關

(Expressed in Hong Kong dollars) (以港元列示)

DIRECTORS' EMOLUMENTS

Directors' emoluments during the year which was included in the staff costs as disclosed in note 6(b) is as follows:

於年內已計入附註6(b)所披露的員工成本的 董事酬金如下:

		2017			
			Salaries,	Retirement	
			allowances and	scheme	
		Directors' fees	benefits in kind	contribution	Total
			薪金、津貼及		
		董事袍金	實物福利	退休計劃供款	總計
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Executive Directors	執行董事				
Mr. Lee Sai Man (i)	李世民先生(i)	-	1,183	18	1,201
Mr. Kan Hou Sek, Jim (i)	簡厚錫先生(i)	-	1,183	18	1,201
Mr. Wong Siu Kwai (ii)	黄紹桂先生(ii)	-	1,183	18	1,201
Mr. Lee Kai Lun (v)	利啟麟先生(v)	-	1,300	-	1,300
Mr. Kwong Po Lam (v)	鄺保林先生(v)	-	1,300	18	1,318
Independent	獨立非執行董事				
Non-Executive Directors					
Mr. Fan Siu Kay (vi)	樊紹基先生(vi)	110	-	-	110
Mr. Leung William Wai Kai (vi)	梁煒佳先生(vi)	110	-	-	110
Mr. Lo Chi Leung (vi)	盧志良先生(vi)	110	<u>-</u>	-	110
Total	總計	330	6,149	72	6,551

(Expressed in Hong Kong dollars) (以港元列示)

DIRECTORS' EMOLUMENTS (CONTINUED)

董事酬金(續)

2016

	20.0				
		Salaries,	Retirement		
		allowances and	scheme		
	Directors' fees	benefits in kind	contribution	Total	
		薪金、津貼及			
	董事袍金	實物福利	退休計劃供款	總計	
	\$'000	\$'000	\$'000	\$'000	
	千元	千元	千元	千元	
劫行警車					
		1 102	10	1 201	
	_			1,201	
	_	1,183	18	1,201	
黃紹桂先生(ii)	-	1,183	18	1,201	
利啟麟先生(v)	-	800	-	800	
鄺保林先生(v)	-	800	14	814	
獨立非執行董事					
樊紹基先生(vi)	-	-	-	_	
梁煒佳先生(vi)	_	_	-	-	
盧志良先生(vi)		_		_	
∞ 全	_	5 1/10	68	5,217	
	鄭保林先生(v) 獨立非執行董事 樊紹基先生(vi) 梁煒佳先生(vi)	執行董事 李世民先生(i) - 簡厚錫先生(i) - 新紀桂先生(ii) - 利啟麟先生(v) - 鄭保林先生(v) - 獨立非執行董事 學紹基先生(vi) 樂網基先生(vi) - 潔煒佳先生(vi) - 盧志良先生(vi) -	Directors' fees Director	Directors' fees benefits in kind contribution 新金、津貼及 董事袍金 實物福利 退休計劃供款 \$'000 \$'000 \$'000 千元 千元 千元 千元 千元 千元 千元	

Notes:

- During the years ended 31 December 2016 and 2017, emoluments of Mr. Lee and Mr. Kan were paid by WWWC and the Company for their directorships in WWWC and the Company respectively.
- During the years ended 31 December 2016 and 2017, emolument of Mr. Wong was paid by SCE and the Company for his directorship in SCE and the Company respectively.
- No director received any emoluments from the Group as an inducement to join or upon joining the Group or as compensation for loss of office during the year. No director waived or agreed to waive any emoluments during the year.

附註:

- 於截至2016年及2017年12月31日止年度內, 由於李先生及簡先生為恆誠建築及本公司 的董事,彼等的薪酬由恆誠建築及本公司各 自支付。
- 於截至2016年及2017年12月31日止年度內, 由於黃先生為駿城工程及本公司的董事, 彼的薪酬由駿城工程及本公司各自支付。
- 年內,本集團並無向董事支付任何酬金,作 為加入本集團或於加入時的聘金或作為離 職補償。年內,並無董事放棄或同意放棄收 取任何酬金。

(Expressed in Hong Kong dollars) (以港元列示)

DIRECTORS' EMOLUMENTS (CONTINUED) 8.

Notes: (continued)

- The Company has adopted a share option scheme on 23 June 2017. There were no options granted for the purchase of ordinary shares in the Company during the year ended 31 December 2017.
- Mr. Lee Kai Lun ("Mr. KL Lee") and Mr. Kwong Po Lam ("Mr. Kwong") were appointed as executive directors of the Company on 6 May 2016.
- Mr. Fan Siu Kay, Mr. Leung William Wai Kai and Mr. Lo Chi Leung were appointed as independent non-executive directors of the Company on 6 May 2016.

EMOLUMENTS OF FIVE HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments, all (2016: three) are directors whose emoluments are disclosed in note 8. The aggregate of the emoluments in respect of the remaining individuals are as follows:

董事酬金(續)

附註:(續)

- 本公司於2017年6月23日採納一項購股權計 劃。於截至2017年12月31日止年度概無授出 購股權以購買本公司的普通股。
- 利啟麟先生(「利啟麟先生」)及鄺保林先生 (「鄺先生」)於2016年5月6日獲委任為本公 司執行董事。
- 樊紹基先生、梁煒佳先生及盧志良先生於 2016年5月6日獲委任為本公司獨立非執行 董事。

五名最高薪酬人士的酬金

五名最高薪酬人士中,全部(2016年:3名) 均為董事,其酬金披露於附註8。其餘人士的 酬金總額如下:

		2017 \$′000 千元	2016 \$′000 千元
Salaries, allowances and benefits in kind Discretionary bonuses Retirement scheme contributions	薪金、津貼及實物福利 酌情花紅 退休計劃供款	- - -	1,860 155 38
		-	2,053

(Expressed in Hong Kong dollars) (以港元列示)

EMOLUMENTS OF FIVE HIGHEST PAID INDIVIDUALS (continued)

The emoluments of the above individuals are within the following bands:

五名最高薪酬人士的酬金(續)

上述人十的酬金屬下列範疇:

		2017 Number of individuals 人數	2016 Number of individuals 人數
Nil to \$1,000,000 \$1,000,001 to \$1,500,000	零至1,000,000元 1,000,0001元至1,500,000元	-	1

10. EARNINGS PER SHARE

Basic earnings per share (a)

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of \$22,887,000 (2016: \$42,137,000) and the weighted average of 442,915,068 (2016: 384,000,000) ordinary shares for the year ended 31 December 2017 on the assumption that the Reorganisation, subdivision of shares of the Company and the Capitalisation Issue, as detailed in notes 2(b), 19(c)(i) and 19(c)(v) respectively, had been completed on 1 January 2016.

(b) Diluted earnings per share

There were no potential dilutive shares in existence during the years ended 31 December 2017 and 2016 and, therefore, diluted earnings per share are the same as the basic earnings per share.

10. 每股盈利

基本每股盈利 (a)

基本每股盈利是按照截至2017年12 月31日止年度本公司股權股東應佔 溢利22,887,000元(2016年:42,137,000 元)及截至2017年12月31日止年度加 權平均股數442,915,068股(2016年: 384,000,000股)普通股計算,並假設重 組、本公司股份拆細及資本化發行(詳 情分別載於附註2(b)、19(c)(i)及19(c)(v)) 已於2016年1月1日完成。

攤薄每股盈利 (b)

截至2017年及2016年12月31日止年度, 並不存在具潛在攤薄效應的股份,故攤 薄每股盈利與基本每股盈利相同。

(Expressed in Hong Kong dollars) (以港元列示)

11. PROPERTY, PLANT AND EQUIPMENT

11. 物業、廠房及設備

		Plant and machinery 廠房及	Furniture and fixtures 家具及	Motor vehicles	Office equipment 辦公室	Total
		機械	装置	汽車	設備	總計
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Cost:	成本:					
At 1 January 2016	於2016年1月1日	104,879	2,468	1,300	141	108,788
Additions	添置	750	254	232	_	1,236
Disposals	出售	_	_	(68)		(68)
At 31 December 2016	於2016年12月31日	105,629	2,722	1,464	141	109,956
At 1 January 2017	於2017年1月1日	105,629	2,722	1,464	141	109,956
Additions	添置	392	584	-		976
At 31 December 2017	於2017年12月31日	106,021	3,306	1,464	141	110,932
Accumulated depreciation:	累計折舊:					
At 1 January 2016	於2016年1月1日	71,413	1,023	745	37	73,218
Charge for the year	年內扣除	19,694	427	185	27	20,333
Written back on disposals	出售時撥回		_	(68)	_	(68)
At 31 December 2016	於2016年12月31日	91,107	1,450	862	64	93,483
At 1 January 2017	於2017年1月1日	91,107	1,450	862	64	93,483
Charge for the year	年內扣除	11,462	484	212	24	12,182
At 31 December 2017	於2017年12月31日	102,569	1,934	1,074	88	105,665
Net book value:	賬面淨值:					
At 31 December 2017	於2017年12月31日	3,452	1,372	390	53	5,267
At 31 December 2016	於2016年12月31日	14,522	1,272	602	77	16,473

(Expressed in Hong Kong dollars) (以港元列示)

11. PROPERTY, PLANT AND EQUIPMENT

11. 物業、廠房及設備(續)

(continued)

Assets held under finance leases

Certain machinery and motor vehicles were held under finance leases and their net book value is analysed as follows:

根據融資租賃持有的資產

根據融資租賃持有的若干機械及汽車及其賬 面淨值分析如下:

		2017 \$′000 千元	2016 \$′000 千元
Cost – Capitalised finance lease Accumulated depreciation	成本-資本化融資租賃 累計折舊	44,146 (44,035)	56,236 (50,061)
Net book value	賬面淨值	111	6,175

(Expressed in Hong Kong dollars) (以港元列示)

12. INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

12. 於附屬公司的投資

下表僅列出對本集團業績、資產或負債有主 要影響的附屬公司的詳情。除另有指明者 外,所持股份的類別均為普通股。

> Proportion of ownership interest 擁有權百分比

Name of company	Place of incorporation	Date of incorporation	Issued and fully paid-up capital 已發行及	Group's effective interest 本集團的	Held by the Company 由本公司	Principal activities
公司名稱	註冊成立地點	註冊成立日期	繳足股本	實際權益	持有	主要業務
WWWC	Hong Kong	7 May 1999	\$81,636,000	100%	-	Construction and engineering
恆誠建築	香港	1999年5月7日	81,636,000元			建築及工程
SCE	Hong Kong	19 January 2006	\$10,000	100%	-	Construction and engineering
駿城工程	香港	2006年1月19日	10,000元			建築及工程
WWWM 恆誠物料	Hong Kong 香港	20 October 2004 2004年10月20日	\$10,000 10,000元	100%	-	Trading of piles 椿柱買賣
WWWC (Saipan)	Saipan	26 August 2014	US\$200,000	100%	-	Construction and engineering
WWWC (Saipan)	塞班	2014年8月26日	200,000美元			建築及工程

(Expressed in Hong Kong dollars) (以港元列示)

13. TRADE AND OTHER RECEIVABLES

13. 貿易及其他應收款項

		2017 \$′000 千元	2016 \$′000 千元
Trade debtors Deposits, prepayments and	應收貿易賬款 按金、預付款項及其他	59,101	45,401
other receivables (note (i))	應收款項(附註(i))	13,858	20,088
Retentions receivable (note (ii))	應收保留金(附註(ii))	98,815	86,194
		171,774	151,683
Less: Non-current portion	減:非即期部分	-	(1,021)
		171,774	150,662

Notes:

- Except for the amount of \$715,000 as at 31 December 2017 (2016: \$614,000) which was expected to be recovered or recognised as expense after one year, all of the remaining balance is expected to be recovered or recognised as expense within one year.
- Except for the amount of \$71,744,000 as at 31 December 2017 (2016: \$71,285,000) which was expected to be recovered after one year, all of the remaining balance is expected to be recovered within one year.

附註:

- 於2017年12月31日,除715,000元(2016年: 614,000元)預期將於一年後收回或確認為開 支外,所有餘額預期將於一年內收回或確認 為開支。
- 於2017年12月31日,除71,744,000元(2016 年:71,285,000元)預期將於一年後收回外, 所有餘額預期將於一年內收回。

(Expressed in Hong Kong dollars) (以港元列示)

13. TRADE AND OTHER RECEIVABLES (continued)

(a) Ageing analysis

Included in trade and other receivables are trade debtors. based on invoice date (net of allowance for doubtful debts) with the following ageing analysis at the end of the reporting period:

13. 貿易及其他應收款項(續)

賬齡分析 (a)

計入貿易及其他應收款項中的為應收 貿易賬款(扣除呆賬撥備),其於報 告期末按發票日期得出的賬齡分析如 下:

		2017 \$′000 千元	2016 \$′000 千元
Within 1 month	1個月內	10,605	42,649
1 to 2 months	1至2兩個月	2,200	350
2 to 3 months	2至3個月	_	_
Over 3 months	3個月以上	46,296	2,402
		59,101	45,401

Trade debtors are normally due within 0-60 days from invoice date. Further details on the Group's credit policy are set out in note 20(a).

(b) Impairment of trade debtors

Impairment losses in respect of trade debtors are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors directly (see note 2(h)(i)).

At 31 December 2017 and 2016, none of the Group's trade debtors were considered to be impaired.

應收貿易賬款一般於發票日期起計零 至60日內到期。有關本集團信貸政策的 進一步詳情載於附註20(a)。

應收貿易賬款減值 (b)

有關應收貿易賬款的減值虧損使用撥 備賬記錄,除非本集團信納收回款項 的機會甚微,在此情況下,減值虧損直 接於應收貿易賬款內撇銷(見附註2(h) (i)) °

於2017年及2016年12月31日,概無本集 **團應收貿易賬款被視為減值。**

(Expressed in Hong Kong dollars) (以港元列示)

13. TRADE AND OTHER RECEIVABLES (continued)

(c) Trade debtors that are not impaired

The ageing analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

13. 貿易及其他應收款項(續)

未減值應收貿易賬款 (c)

並無個別及共同被視為減值的應收貿 易賬款的賬齡分析如下:

		2017 \$′000 千元	2016 \$′000 千元
NI SI	土袋期子無法 /5	10.605	12.640
Neither past due nor impaired	未逾期亦無減值	10,605	42,649
Less than 1 month past due	逾期少於1個月	2,200	350
1 to 3 months past due	逾期1至3個月	1,188	152
Over 3 months past due	逾期超過3個月	45,108	2,250
		59,101	45,401

Receivables which were neither past due nor impaired related to a range of customers for whom there was no recent history of default.

Receivables which were past due but not impaired related to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been significant change in credit quality and the balances are still considered fully recoverable.

未逾期亦無減值的應收款項乃與眾多 近期並無違約紀錄的客戶有關。

已逾期但無減值的應收款項與多名與 本集團有良好往績記錄之獨立客戶有 關。根據過往經驗,由於信貸質素並無 重大變動,且結餘仍被視為可悉數收 回,故管理層相信毋須就此等結餘作出 減值撥備。

(Expressed in Hong Kong dollars) (以港元列示)

14. CASH AND BANK BALANCES

14. 現金及銀行結餘

(a) Cash and bank balances comprise:

(a) 現金及銀行結餘包括:

	2017	2016
	\$'000	\$'000
	千元	千元
1. 世銀行存款		
附註18)	36,315	_
_了 及手頭現金	19,736	19,501
宗合財務狀況表的現金		
及銀行結餘		
	56,051	19,501
已抵押銀行存款	(36,315)	-
宗合現金流量表的		
見金及現金等價物		
	19,736	19,501
	了及手頭現金 宗合財務狀況表的現金 及銀行結餘 已抵押銀行存款 宗合現金流量表的	\$'000 千元 抵押銀行存款 附註18) 36,315 5及手頭現金 19,736 混合財務狀況表的現金 發銀行結餘 56,051 已抵押銀行存款 (36,315)

(Expressed in Hong Kong dollars) (以港元列示)

14. CASH AND BANK BALANCES (continued)

14. 現金及銀行結餘(續)

(b) Reconciliation of profit before taxation to cash generated from operations:

(b) 除税前溢利與經營所得現金的對賬:

		Note 附註	2017 \$′000 千元	2016 \$'000 千元
Operating activities Profit before taxation	經營活動 除税前溢利		31,206	55,287
Adjustments for: Finance costs Depreciation Write off of retention receivables Write off of deposits and prepayments	就下列各項調整: 財務成本 折舊 撇銷應收保留金 撇銷按金及預付款項	6(a) 6(c) 6(c) 6(c)	1,640 720 - 1,021	2,358 802 1,400
Changes in working capital: Increase in trade and other receivables	營 運資金變動: 5 貿易及其他應收款項 增加		/20 000\	(2.049)
Increase in gross amounts due from customers for contract work	應收客戶合約工程 款項總額增加 貿易及其他應付款項		(28,888) (53,810)	(3,948) (67,994)
(Decrease)/increase in trade and other payables Increase/(decrease) in gross amounts	員勿及其他應刊款項 (減少)/增加 應付客戶合約工程款項		(19,499)	57,842
due to customers for contract work Increase in amounts due to related parties	總額增加/(減少) 應付關聯方款項增加		5,004 4,345	(4,412) -
Cash (used in)/generated	經營(所用)/所得現金		·	
from operations			(58,261)	41,335

(Expressed in Hong Kong dollars) (以港元列示)

14. CASH AND BANK BALANCES (continued)

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities. Liabilities arising from financing activities are liabilities for which cash flows were, or further cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

14. 現金及銀行結餘(續)

融資活動所產生負債的對賬

下表載列本集團來自融資活動的負債 的變動詳情。融資活動所產生的負債為 現金流或未來現金流將會於本集團綜 合現金流量表中被分類為融資活動現 金流的負債。

		Bank loans 銀行貸款 \$'000 千元 (note 18) (附註18)	Finance leases 融資租賃 \$'000 千元 (note 17) (附註17)	Total 總計 \$'000 千元
At 1 January 2017	於2017年1月1日	29,033	16,958	45,991
Changes from financing cash flows:	融資現金流變動:			
Proceeds from new bank loans	新造銀行貸款所得 款項	43,996	_	43,996
Repayment of bank loans	償還銀行貸款	(22,033)	_	(22,033)
Interest paid	已付利息	(1,004)	_	(1,004)
Capital element of finance	已付融資租賃租金			
lease rentals paid	的資本部份	-	(7,823)	(7,823)
Interest element of finance	已付融資租賃租金			
lease rentals paid	的利息部份	-	(636)	(636)
Total changes from financing	融資現金流變動總額			
Total changes from financing cash flows	融員児並加愛期總領	20,959	(8,459)	12,500
Other changes:	其他變動:			
Financial charges on obligations	融資租賃承擔的財務			
under finance leases (note 6(a))	費用(附註6(a))	_	636	636
Interest expenses	利息開支	1,004	-	1,004
Total other changes	其他變動總額	1,004	636	1,640
At 31 December 2017	於2017年12月31日	50,996	9,135	60,131

(Expressed in Hong Kong dollars) (以港元列示)

14. CASH AND BANK BALANCES (continued)

(d) Major non-cash transactions

As disclosed in note 19(b) to these financial statements. dividends of \$107,256,000 for the year ended 31 December 2016 were set off against "Amounts due from related parties".

15. GROSS AMOUNTS DUE FROM/TO **CUSTOMERS FOR CONTRACT WORK**

14. 現金及銀行結餘(續)

(d) 主要非現金交易

誠如財務報表附註19(b)所披露,截至 2016年12月31日止年度107,256,000港元 之股息與「應收關聯方款項」對銷。

15. 應收/應付客戶合約工程款項總

		2017 \$′000 千元	2016 \$′000 千元
Gross amounts due from customers for contract work	應收客戶合約工程款項 總額		
Contract costs incurred plus recognised profits less recognised losses Less: Progress billings received and	已產生合約成本加已確認 溢利減已確認虧損 減:已收及應收進度付款	2,100,257	1,483,963
receivable		(1,884,330)	(1,332,723)
		215,927	151,240
Gross amounts due to customers for contract work	應付客戶合約工程款項 總額		
Progress billings received and receivable Less: Contract costs incurred plus recognised profits less	已收及應收進度付款 減:已產生合約成本加 已確認溢利減	37,629	195,807
recognised losses	已確認虧損	(26,032)	(188,630)
		11,597	7,177

All gross amounts due from/to customers for contract work are expected to be recovered/settled within one year.

所有應收/應付客戶合約工程款項總額預期 於一年內收回/償清。

(Expressed in Hong Kong dollars) (以港元列示)

16. TRADE AND OTHER PAYABLES

16. 貿易及其他應付款項

		2017 \$′000 千元	2016 \$′000 千元
Trade creditors Other payables and accruals Receipt in advance Retentions payable	應付貿易賬款 其他應付款項及應計費用 預收款項 應付保留金	86,892 22,744 – 21,073	78,063 59,306 1,260 11,579
		130,709	150,208

Note: Except for the amount of \$17,856,000 as at 31 December 2017 (2016: \$10,470,000), which was expected to be settled after one year, all of the remaining balances are expected to be settled within one year.

附註:於2017年12月31日,除17,856,000元(2016 年:10,470,000元)預期將於一年後收回外, 所有餘額預期將於一年內收回。

Included in trade and other payables are trade creditors, based on invoice date, with the following ageing analysis at the end of the reporting period:

計入貿易及其他應付款項中的為應付貿易賬 款,其於報告期末按發票日期得出的賬齡分 析如下:

		2017 \$′000 千元	2016 \$'000 千元
	<u> </u>		
Within 1 month	1個月內	43,991	31,274
1 to 2 months	1至2兩個月	14,137	17,750
2 to 3 months	2至3個月	7,228	8,446
Over 3 months	3個月以上	21,536	20,593
		86,892	78,063

(Expressed in Hong Kong dollars) (以港元列示)

17. OBLIGATIONS UNDER FINANCE LEASES

17. 融資租賃承擔

At 31 December 2017, the Group had obligations under finance leases repayable as follows:

於2017年12月31日,本集團的融資租賃承擔 按下列期限償還:

		2017		2016	2016	
		Present value of the minimum lease payments 最低租賃 付款現值 \$'000	Total minimum lease payments 最低租賃 付款總額 \$'000	Present value of the minimum lease payments 最低租賃 付款現值 \$'000	Total minimum lease payments 最低租賃 付款總額 \$'000	
		千元	千元	千元	千元	
Within 1 year	1年內	6,674	6,952	7,823	8,454	
After 1 year but within 2 years After 2 years but	1年後但2年內 2年後但5年內	2,461	2,502	6,674	6,952	
within 5 years	2 X =3 1	-	-	2,461	2,502	
		2,461	2,502	9,135	9,454	
		9,135	9,454	16,958	17,908	
Less: Total future interest expenses	減:未來利息開支 總額		(319)		(950)	
Present value of lease obligations	租賃承擔現值		9,135		16,958	

(Expressed in Hong Kong dollars) (以港元列示)

18. BANK LOANS

18. 銀行貸款

The bank loans were repayable as follows:

銀行貸款按下列期限償還:

		2017 \$′000 千元	2016 \$'000 千元
Within 1 year or on demand	1年內或按要求償還	50,996	29,033

As at 31 December 2016, the Group's banking facilities were secured and guaranteed by:

- a guarantee to the extent of \$4,800,000 granted by the Government of the Hong Kong Special Administrative Region under the Special Loan Guarantee Scheme;
- legal charges over bonds, deposits and certain properties held by related parties;
- personal guarantees provided by the Controlling (c) Shareholders of the Company;
- (d) corporate guarantees provided by related parties;
- assignments of insurance proceeds over the Controlling (e) Shareholders of the Company; and
- (f) counter-indemnity provided by a subsidiary for the issuance of guarantee or performance bond.

於2016年12月31日,本集團銀行融資以下列 項目作抵押及擔保:

- 由香港特別行政區政府根據特別信貸 保證計劃授予的擔保4,800,000元;
- 以債券、存款及關聯方持有的若干物業 (b) 作出的法定抵押;
- 由本公司控股股東提供的個人擔保; (C)
- 由關聯方提供的企業擔保; (d)
- 向本公司控股股東分配保險賠償金; (e)
- 由一間附屬公司就出具擔保或履約保 (f) 證而提供的反彌償。

(Expressed in Hong Kong dollars) (以港元列示)

18. BANK LOANS (continued)

Except for (f), the above pledge of properties and guarantees had been released and replaced by guarantees of the Company as at 31 December 2017. Bank deposits of \$36,315,000 (see note 14(a)) were also pledged to secure the banking facilities granted to the Group as at 31 December 2017. In addition, it was provided in the agreement with a bank for banking facilities that if the Controlling Shareholders hold less than 51% interests in the Company, then the bank is entitled to request immediate repayment of any outstanding loans and accrued interest.

The bank loans bear interest ranging from 3.75% to 5% per annum for the year ended 31 December 2017 (2016: 3% to 5% per annum).

The bank loans are classified by the Group as current liabilities as they are repayable within one year or the lender possesses unconditional right to call the loan at any time on demand.

All of the Group's banking facilities are subject to the fulfilment of covenants as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 20(b). As at 31 December 2017, none of the covenants relating to drawn down facilities had been breached (2016: \$Nil).

18. 銀行貸款(續)

除(f)項以外,上述物業抵押及擔保預期 將於2017年12月31日解除並由本公司 的擔保取代。於2017年12月31日,銀行 存款36,315,000元(見附註14(a))已予抵 押,作為本集團所獲授銀行信貸的抵押 品。此外,就銀行信貸與一間銀行所訂 立的協議中訂明,倘控股股東於本公司 所持有的權益低於51%,則該銀行有權 要求即時償還任何未償還的貸款及應 計利息。

於截至2017年12月31日止年度,銀行 貸款按介乎3.75%至5%的年利率(2016 年:3%至5%的年利率)計息。

本集團將銀行貸款分類為流動負債, 乃由於其須於一年內償還,或貸款人擁 有無條件權利可隨時要求償還貸款。

本集團所有銀行融資均須履行常見於 與財務機構訂立的借貸安排的契諾。 倘本集團違反契諾,已提取的融資將成 為應要求償還。本集團定期監察履行該 等契諾的情況。有關本集團管理流動資 金風險的進一步詳情載於附註20(b)。 於2017年12月31日,概無有關已提取融 資的契諾已遭違反(2016年:零元)。

(Expressed in Hong Kong dollars) (以港元列示)

19. CAPITAL, RESERVES AND DIVIDENDS

Movement in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the Company's individual components of equity between the beginning and the end of the period are set out below:

19. 資本、儲備及股息

權益組成部分變動

本集團綜合權益各組成部分的期初及 期末結餘之間的對賬載於綜合權益變 動表。本公司期初及期末個別權益組成 部分的詳情載列如下:

The Company

本公司

			*1**	4 -	
		Share capital	Share premium	Accumulated losses	Total
		Capital 股本	股份溢價	累計虧損	總計
		\$'000	\$′000	\$'000	\$'000
		千元	千元	千元	千元
Balance at	於2016年1月1日的結餘				
1 January 2016		_*	_	_	_*
Loss and total comprehensive income for the year	年內虧損及全面收益 總額	_	-	_	_
	₩				
Balance at 31 December 2016	於2016年12月31日的 結餘	_*	-	_	_*
Balance at	於2017年1月1日的結餘				
1 January 2017		_*	-	-	_*
Issuance of new shares under the Reorganisation	根據重組發行新股份 (附註19(c)(iii))				
(note 19(c)(iii))	(11) HI 12(C)(III))	234	_	_	234
Issuance of new shares under IPO, net of issuing expenses	根據首次公開發行發行 新股份,扣除發行				
(note 19(c)(iv))	開支 (附註19(c)(iv))	1,280	89,545	_	90,825
Capitalisation issue	資本化發行	,			,.
(note 19(c)(v))	(附註19(c)(v))	3,606	(3,606)	-	-
Loss and total comprehensive	年內虧損及全面收益				
income for the year	總額	-	-	(4,522)	(4,522)
Balance at	於2017年12月31日的				
31 December 2017	結餘	5,120	85,939	(4,522)	86,537

The balance represents an amount of less than \$1,000.

該餘額代表少於1,000元的金額。

(Expressed in Hong Kong dollars) (以港元列示)

19. CAPITAL, RESERVES AND DIVIDENDS

(continued)

(b) Dividends

The directors did not propose the payment of a dividend by the Company for the year ended 31 December 2017. For the year ended 31 December 2016, dividend of \$143,644,000 was declared and settled by WWWC to the then shareholder.

(c) **Share capital**

The Company was incorporated on 5 October 2015. Upon incorporation of the Company, 3,000 ordinary shares of \$0.1 each were allotted and issued at par.

Share capital as at 31 December 2017 solely represented the share capital of the Company. Share capital as at 31 December 2016 represented the combined share capital of the Company and Win Win Way Investment Holdings Limited.

19. 資本、儲備及股息(續)

(b) 股息

董事不建議本公司就截至2017年12月 31日止年度派付股息。截至2016年12月 31日止年度,恆誠建築向當時的股東宣 派並結清股息143,644,000元。

股本 (c)

本公司於2015年10月5日註冊成立。於 本公司註冊成立後,3,000股每股面值 0.1元的普通股按面值配發及發行。

於2017年12月31日的股本純粹指本公 司的股本。於2016年12月31日的股本 指本公司及Win Win Way Investment Holdings Limited的合併股本。

(Expressed in Hong Kong dollars) (以港元列示)

19. CAPITAL, RESERVES AND DIVIDENDS

19. 資本、儲備及股息(續)

(continued)

Share capital (continued)

(c) 股本(續)

The Company

本公司

			2017		2016	
			No. of		No. of	
		Par value	shares	Amount	shares	Amount
		面值	股份數目	金額	股份數目	金額
		\$		\$'000		\$'000
		元		千元		千元
Authorised ordinary shares	法定普通股					
At 1 January	於1月1日	0.01/0.1	38,000,000	380	3,800,000	380
Share subdivision (note (i))	股份拆細(附註(i))		-	-	34,200,000	-
Increase in authorised	法定普通股增加					
ordinary shares (note (ii))	(附註(ii))	0.01	962,000,000	9,620	_	_
At 31 December	於12月31日	0.01	1,000,000,000	10,000	38,000,000	380
Issued and fully paid	已發行及繳足普通股					
ordinary shares						
At 1 January	於1月1日	0.01/0.1	30,000	_*	3,000	-
Share subdivision (note (i))	股份拆細(附註(i))		-	-	27,000	-
Issuance of new shares under	根據重組發行新股份					
the reorganisation (note (iii))	(附註(iii))	0.01	23,400,000	234	_	-
Issuance of new shares	根據首次公開發行發行					
under IPO, net of issuing	新股份,扣除發行					
expenses (note (iv))	開支 (附註(iv))	0.01	128,000,000	1,280	-	-
Capitalisation issue (note (v))	資本化發行(附註(v))	0.01	360,570,000	3,606	-	_
At 31 December	於12月31日	0.01	512,000,000	5,120	30,000	_*

The balance represents an amount of less than \$1,000.

該餘額代表少於1,000元的金額。

(Expressed in Hong Kong dollars) (以港元列示)

19. CAPITAL, RESERVES AND DIVIDENDS

(continued)

Share capital (continued)

Notes:

- (i) On 3 February 2016, the Company divided each of the issued and unissued ordinary shares of par value of \$0.1 each in the share capital of the Company into 10 ordinary shares of par value of \$0.01 each.
- On 23 June 2017, the authorised share capital of the Company was increased from \$380,000 divided into 38,000,000 ordinary shares of par value of \$0.01 each to \$10.000.000 divided into 1.000.000.000 ordinary shares of par value of \$0.01 each by the creation of an additional 962,000,000 ordinary shares of par value of \$0.01 each.
- On 23 June 2017, Mr. Kan, Mr. Lee and Mr. Wong (as vendors) and the Company (as purchaser) entered into a sales and purchase agreement, pursuant to which the Company acquired the entire issued share capital of Win Win Way Investment Holdings Limited held by Mr. Kan, Mr. Lee and Mr. Wong (the "Transfer"). In consideration of the Transfer, the Company issued a total of 23,400,000 ordinary shares to Condover Assets Limited ("Condover Assets") at the direction of Mr. Kan, Mr. Lee and Mr. Wong.
- On 17 July 2017, the Company was successfully listed on the Stock Exchange following the completion of its share offer of 128,000,000 shares issued at a price of \$0.86 per share. The Company received net proceeds of approximately \$90,825,000 (after deducting listing expenses) in respect of the Listing.
- On 17 July 2017, a total of 360,570,000 shares were allotted and issued, credited as fully paid at par, to Condover Assets by way of capitalisation of a sum of \$3,606,000 standing to the credit of the share premium account of the Company (the "Capitalisation Issue").

19. 資本、儲備及股息(續)

股本(續) (c)

附註:

- 於2016年2月3日,本公司將其股本中 每股面值0.1元的已發行及未發行普 涌股分為10股每股面值0.01元的普通 股。
- 於2017年6月23日,本公司透過增設 額外962,000,000股每股面值0.01元的 普通股,將其法定股本由380,000元 (分為38.000.000股每股面值0.01元 的普通股)增至10,000,000元(分為 1,000,000,000股每股面值0.01元的普通 股)。
- 於2017年6月23日,簡先生、李先生及 黃先生(作為賣方)與本公司(作為 買方)訂立買賣協議,據此,本公司收 購簡先生、李先生及黃先生於Win Win Way Investment Holdings Limited持有 的全部已發行股本(「轉讓」)。作為 轉讓的代價,本公司按簡先生、李先 生及黃先生的指示向Condover Assets Limited (「Condover Assets」) 發行合 共23.400.000股普通股。
- 於2017年7月17日,本公司在完成按 每股0.86元的價格發行128,000,000股 股份的股份發售後,成功於聯交所上 市。本公司就上市取得所得款項淨額 約90,825,000元(扣除上市開支後)。
- 於2017年7月17日,透過將本公司股份 溢價賬的進賬款項3,606,000元撥充次 本的方式,向Condover Assets配發及 發行360,750,000股入賬列作繳足的股 份(「資本化發行」)。

(Expressed in Hong Kong dollars) (以港元列示)

19. CAPITAL, RESERVES AND DIVIDENDS

(continued)

Nature and purpose of reserves

Share premium

The share premium account is governed by the Companies Law of the Cayman Islands and may be applied by the Company subject to provisions, if any, of its memorandum and articles of association in paying distributions or dividends to equity shareholders.

No distribution or dividend may be paid to equity shareholders out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

Other reserve

The other reserve represents the deemed contributions from and distributions to the Controlling Shareholders as a result of the reorganisation before the Listing.

(iii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2(r).

Distributability of reserves

At 31 December 2017, the aggregate amount of the Company's reserves available for distribution to equity shareholders of the Company, as calculated in accordance with the Companies Law of the Cayman Islands and the Company's memorandum and articles of association, was \$81,417,000 (2016: \$Nil).

19. 資本、儲備及股息(續)

儲備的性質及目的

股份溢價 (i)

股份溢價賬受開曼群島公司法監 管,在其組織章程大綱及細則的 條文(如有)規限下,可由本公司 用作支付向權益股東作出的分派 或股息。

除非於緊隨分派或股息建議支付 之日後,本公司將有力支付其日 常業務過程中到期的債務,否則 不得以股份溢價賬向權益股東支 付分派或股息。

其他儲備

其他儲備指因上市前進行重組而 視作來自控股股東的注資及向控 股股東作出的分派。

(iii) 匯兑儲備

匯兑儲備包括就換算海外業務財 務報表所產生的所有外匯差額。 本儲備根據附註2(r)所載的會計政 策處理。

儲備可分派性 (e)

於2017年12月31日,本公司可供分派予 本公司權益股東的儲備總金額(根據開 曼群島公司法及本公司組織章程大綱 及細則計算)為81,417,000元(2016年: 零元)。

(Expressed in Hong Kong dollars) (以港元列示)

19. CAPITAL, RESERVES AND DIVIDENDS

(continued)

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to fund its business, provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-equity ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest bearing loans and borrowings, and obligations under finance leases) less cash and bank balances. Total equity comprises all components of equity attributable to equity shareholders of the Company. During 2017, the Group's strategy was to maintain the adjusted net debtto-equity ratio at a reasonable level, not exceeding 50%. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, raise new debt financing or sell assets to reduce debt.

The Government of Hong Kong Special Administrative Region (the "Government") requires contractors on the list of approved contractors for public works (the "List") to maintain such minimum working capital as the Government may from time to time determine (the "Required Minimum Working Capital"). A subsidiary of the Company is subject to the Required Minimum Working Capital as the subsidiary is a contractor on the List. Except for this, neither the Company nor its subsidiaries are subject to externally imposed capital requirements.

19. 資本、儲備及股息(續)

資本管理 (f)

本集團管理資本的主要目標為保障本 集團持續經營的能力,以為其業務提供 資金、為股東提供回報及為其他持份者 提供利益,並維持最佳資本架構以減少 資金成本。

本集團積極並定期檢討及管理其資本 架構,以在較高借貸水平可能帶來的較 高股東回報與穩健資本狀況所帶來的 優勢及保障之間取得平衡, 並因應經濟 狀況的轉變對資本架構作出調整。

本集團按經調整債務淨額對權益比率 監察其資本架構。就此而言,經調整債 務淨額乃界定為債務總額(包括計息 貸款及借款及融資租賃責任)減現金及 銀行結餘項目。權益總額包括本公司 權益股東應佔權益的所有組成部分。 於2017年,本集團採取之策略為將經調 整債務淨額對權益比率維持在合理水 平,即不超過50%。為維持或調整該比 率,本集團可調整支付予股東之股息金 額、發行新股份、籌措新的債務融資或 出售資產以減少債務。

香港特別行政區政府(「政府」)要求 名列認可公共工程承建商名冊(「名 冊」)的承建商維持由政府不時釐定的 有關最低營運資本(「指定最低營運資 本」)。本公司一間附屬公司受指定最 低營運資本的規限,原因為該附屬公司 為名冊上的承建商。除此以外,本公司 及其附屬公司均不受外部施加資本規 定的規限。

(Expressed in Hong Kong dollars) (以港元列示)

20. FINANCIAL RISK MANAGEMENT AND FAIR **VALUES OF FINANCIAL INSTRUMENTS**

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to bank deposits and trade and other receivables. The Group has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Cash is deposited with financial institutions with sound credit ratings and the Group has exposure limit to any single financial institution. Given their high credit ratings, management does not expect any of these financial institutions and counterparties will fail to meet their obligations.

In respect of trade and other receivables, individual credit evaluations are performed as part of the acceptance procedures for new construction contracts. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 0-60 days from the date of billing. Normally, the Group does not obtain collateral from customers.

At the end of the reporting period, the Group has significant concentration of credit risk in a few customers. In view of their credit standing, good payment record and long established relationships with the Group, management does not consider the Group's credit risk to be significant. At 31 December 2017, 70% (2016: 36%) of the total trade debtors was due from the Group's largest customer and 77% (2016: 78%) of the total trade debtors was due from the Group's five largest customers.

20. 金融風險管理及金融工具公平值

本集團於正常業務過程中承受信貸、流動資 金、利率及貨幣風險。本集團承受該等風險 及本集團管理該等風險所採用的金融風險管 理政策及常規載於下文。

(a) 信貸風險

本集團的信貸風險主要來自銀行存款、 貿易及其他應收款項。本集團備有信貸 政策及持續監控該等信貸風險。

現金乃存放於信貸良好的金融機構,而 本集團亦對每一金融機構設置額度。 鑒於該等金融機構擁有高信貸評級, 管理層預期該等金融機構及對手方不 會無法履行責任。

就貿易及其他應收款項而言,作為新建 築合約接納程序一部分,本集團會進行 個別的信貸評核。此等評核集中於客戶 過往支付到期款項的記錄及現時的付 款能力, 並考慮客戶的特定資料及客戶 經營所在經濟環境的情況。貿易應收款 項於發票日期起計0至60日內到期。本 集團一般不向客戶收取抵押品。

於報告期末,本集團並無重大信貸風險 集中於少數客戶。基於客戶的信貸評 級、付款記錄良好及與本集團已建立的 長期關係,管理層認為本集團的信貸風 險並不重大。於2017年12月31日,應收 貿易款項總額中的70% (2016年: 36%) 乃應收自本集團最大客戶,而應收貿易 款項總額中的77% (2016年: 78%) 乃應 收自本集團五大客戶。

(Expressed in Hong Kong dollars) (以港元列示)

20. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

Credit risk (continued)

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 13.

(b) Liquidity risk

Individual subsidiaries within the Group are responsible for their own cash management, including the raising of loans to cover the expected cash demands. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed funding lines from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay.

For bank loans subject to repayment on demand clause which can be exercised at the bank's sole discretion, the maturity analysis shows the cash outflow based on expected repayment dates with reference to the schedule of repayments set out in the banking facilities letter and, separately, the impact to the timing of the cash outflow if the lenders were to invoke unconditional rights to call the loans with immediate effect.

20. 金融風險管理及金融工具公平值 (續)

信貸風險(續)

有關本集團所承受產生自貿易及其他 應收款項的信貸風險的進一步量化披 露載於附註13。

流動資金風險 (b)

本集團旗下各附屬公司負責其本身的 現金管理,包括籌集貸款以滿足預期現 金需求。本集團的政策為定期監控當前 及預期流動資金需要及其遵守借款契 諾的情況,以確保其維持足夠現金儲備 及獲主要財務機構授予充足的已承諾 資金額度,應付其短期及長期的流動資 金需要。

下表詳列本集團金融負債於報告期末 的剩餘合約到期情況,此乃根據合約未 貼現現金流量(包括按合約利率(如屬 浮息,則根據於報告期末的即期利率) 計算的利息付款)及本集團可被要求付 款的最早日期而得出。

就附帶銀行可全權酌情決定行使的按 要求償還條款的銀行貸款而言,到期日 分析顯示經參考銀行融資函件所載還 款時間表,根據預期還款日期得出的現 金流出,以及個別顯示倘貸款人發出即 時催還貸款的無條件權利而對現金流 出時間造成的影響。

(Expressed in Hong Kong dollars) (以港元列示)

20. FINANCIAL RISK MANAGEMENT AND FAIR **VALUES OF FINANCIAL INSTRUMENTS**

20. 金融風險管理及金融工具公平值 (續)

(continued)

(b) Liquidity risk (continued)

(b) 流動資金風險(續)

		At 31 December 2017 於2017年12月31日					
		Carrying amount	Total contractual undiscounted cash flow 合約未貼現	Within in 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Over 5 years
		賬面值 \$′000 千元	現金流量 總額 \$ ′000 千元	1年內或 應要求 \$′000 千元	1年以上 但2年內 \$′000 千元	2年以上 但5年內 \$′000 千元	5年以上 \$′000 千元
Bank loans Trade and other payables Obligations under finance leases	銀行貸款 貿易及其他應付款項 融資租賃承擔	50,996 130,709 9,135	52,060 130,709 9,454	52,060 112,853 9,454	- 17,856 -	- - -	- - -
		190,840	192,223	174,367	17,856	-	-

(Expressed in Hong Kong dollars) (以港元列示)

20. FINANCIAL RISK MANAGEMENT AND FAIR **VALUES OF FINANCIAL INSTRUMENTS**

20. 金融風險管理及金融工具公平值 (續)

(continued)

Liquidity risk (continued)

流動資金風險(續)

At 31 December 2016 於2016年12月31日

		Carrying amount	Total contractual undiscounted cash flow 合約未貼現 現金流量	Within in 1 year or on demand 1年內或	More than 1 year but less than 2 years 1年以上	More than 2 years but less than 5 years 2年以上	Over 5 years
		賬面值 \$′000 千元	總額 \$′000 千元	應要求 \$'000 千元	但2年內 \$'000 千元	但5年內 \$'000 千元	5年以上 \$'000 千元
Bank loans Trade and other payables Obligations under finance leases	銀行貸款 貿易及其他應付款項 融資租賃承擔	29,033 150,208 16,958	30,965 150,208 17,908	16,703 139,738 8,454	2,141 10,470 6,952	11,817 - 2,502	304 - -
		196,199	199,081	164,895	19,563	14,319	304
Adjustments to present cash flows on bank loans based on lender right to demand repayment			(1,932)	12,330	(2,141)	(11,817)	(304)
	1372477 70 ## 1/10 ##		197,149	177,225	17,422	2,502	

(c) Interest rate risk

The Group's interest rate risk arises primarily from bank borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group has not used financial derivatives to hedge against the interest rate risk. However, from time to time, if interest rate fluctuates significantly, appropriate measures would be taken to manage interest risk exposure. The Group's interest rate profile as monitored by management is set out in (i) below.

The interest rates and terms of repayment of interestbearing borrowings of the Group are disclosed in note 18 to these financial statements.

(c) 利率風險

本集團的利率風險主要來自銀行借款。 按浮動利率授出的借款令本集團承受 現金流量利率風險。本集團並無使用任 何衍生金融產品對沖利率風險。然而, 倘利率大幅波動,會不時採取適當措施 以管理利率風險。管理層所監控的本集 團利率情況載於下文(i)。

本集團計息借款的利率及償還條款於 財務報表附註18披露。

(Expressed in Hong Kong dollars) (以港元列示)

20. FINANCIAL RISK MANAGEMENT AND FAIR **VALUES OF FINANCIAL INSTRUMENTS**

(continued)

Interest rate risk (continued)

(i) Interest rate profile

The following table details the interest rate profile of the Group's borrowings.

20. 金融風險管理及金融工具公平值 (續)

利率風險(續)

(i) 利率概况

下表詳列本集團借款的利率概 況。

		2017 Effective interest rate 實際利率 %	Effective interest rate Amount 實際利率 金額		Amount 金額 \$'000 千元
Variable rate borrowings:	浮動利率借款:				
Bank loans	銀行貸款	3.75% to 至5%	50,996	3% to 至5%	29,033

Sensitivity analysis

At 31 December 2017, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after taxation and retained profits by approximately \$426,000 (2016: \$242,000), in response to the general increase/decrease in interest rates.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at that date. The analysis has been performed on the same basis as 2016.

敏感度分析 (ii)

於2017年12月31日,估計倘利率 整體上升/下降100個基點,而 所有其他變數維持不變,本集團 除税後溢利及保留溢利將因應利 率整體上升/下降分別減少/增 加約426,000元(2016年:242,000 元)。

上述敏感度分析乃按假設利率變 動已於報告期末發生而釐定,並 已用於當日已存在的非衍生金融 工具的利率風險上。該項分析於 2016年按相同基準進行。

(Expressed in Hong Kong dollars) (以港元列示)

20. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(continued)

Foreign currency risk

The Group has no significant exposure to foreign currency risk as substantially all of the Group's transactions are denominated in Hong Kong dollars and United States dollars. As the Hong Kong dollars is pegged to the United States dollars, the Group considers the risk of movements in exchange rates between the Hong Kong dollars and the United States dollars to be insignificant.

Fair values measurement (e)

The carrying amounts of the Group's financial assets and liabilities carried at cost or amortised cost are not materially different from their fair values as at 31 December 2017 and 2016.

21. COMMITMENTS

At 31 December 2017, the Group's total future minimum lease payments under non-cancellable operating leases are payable as follows:

20. 金融風險管理及金融工具公平值 (續)

外幣風險

本集團並無面臨重大外幣風險,因本 集團的絕大部分交易以港元及美元計 值。由於港元與美元掛鈎,本集團認為 港元兑美元之匯率變動風險不重大。

公平值計量

本集團按成本或攤銷成本計量的金融 資產及負債的賬面值與其於2017年及 2016年12月31日的公平值並無重大差

21. 承擔

於2017年12月31日,本集團根據不可撤銷經 營租賃應付的未來最低租金付款總額如下:

		2017 \$′000 千元	2016 \$′000 千元
Within 1 year After 1 year but within 5 years	1年內 1年後但5年內	2,984 3,700	1,965 83
		6,684	2,048

(Expressed in Hong Kong dollars) (以港元列示)

21. COMMITMENTS (continued)

The Group is the lessee in respect of a number of properties held under operating leases. The leases typically run for an initial period of 2 to 5 years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

During 2015, Mr. Lee, a director and controlling shareholder of the Company, provided a personal guarantee in respect of the observation of all terms and conditions, including payment of rent of \$13,000 per month, of one of the Group's tenancy agreements entered into with a landlord with a lease period commencing from 6 November 2015 to 5 November 2017. On 13 October 2016, the Group served a notice to the landlord to terminate the aforesaid tenancy agreement effective from 12 November 2016.

22. CONTINGENT LIABILITIES AND CLAIMS

- At 31 December 2017, the Group had contingent liabilities in respect of performance bonds to guarantee the due and proper performance of the obligations undertaken by the Group's subsidiaries for projects amounting to \$64,667,500 (2016: \$84,062,500).
- In 2012, WWWC set up an arrangement with a third party to jointly undertake a construction project with a contract sum of \$270,000,000. Pursuant to the requirements of the construction contract (the "Contract"), WWWC and the third party entered into an agreement with the customer to jointly and severally guarantee the due and proper performance of the Contract and thus the Group had contingent liabilities in this respect as at 31 December 2017. Given the defect liability period for the Contract had expired in October 2015 and no claims were received from the customer up to the date of approval of these financial statements, the directors do not consider it is probable that a claim would be made against the Group and no provision has been made in the financial statements.

21. 承擔(續)

本集團為以經營租賃形式租用多項物業的承 和人。首段和賃期一般為2至5年,並有權重 新磋商所有條款重續租約。該等租賃不包括 或然和金。

於2015年,本公司董事兼控股股東李先生就 遵守其中一份由本集團與業主所訂立租期 由2015年11月6日起至2017年11月5日止的租 賃協議的所有條款及條件(包括支付租金每 月13,000元)提供個人擔保。於2016年10月13 日,本集團向業主發出通知終止上述租賃協 議,自2016年11月12日起生效。

22. 或然負債及申索

- (a) 於2017年12月31,本集團就擔保本集團 附屬公司準時妥為履行就項目所承諾 的責任出具履約保證涉,因而產生或然 負債64,667,500元(2016年:84,062,500 元)。
- 於2012年,恆誠建築與一名第三方訂 立一項安排共同承接一項合約總額為 270,000,000元的建築項目。根據建築合 約(「該合約」)的要求,恆誠建築及該 第三方與客戶訂立一項協議,共同及 個別地擔保準時妥為履行合約,因此, 本集團於2017年12月31日就此存在或 然負債。鑒於該合約的保養責任期已 於2015年10月到期,且直至此等財務報 表告獲批日期並無收到客戶提出的索 賠,董事認為並無可能出現針對本集團 的索償,故並無在此等財務報表中作出 撥備。

(Expressed in Hong Kong dollars) (以港元列示)

22. CONTINGENT LIABILITIES AND CLAIMS

(continued)

The Group initiated legal proceedings in December 2015 and filed a statement of claims in January 2016 against a subcontractor and its director for their breach of a sub-contracting agreement in relation to a project (the "Project") and claimed an amount of approximately \$9,914,000, representing the Group's direct payments to other subcontractors in relation to the Project which were made on behalf of the subcontractor. In May 2016, the subcontractor filed a defence and made passing reference to a counterclaim of approximately \$41,328,000. However, no counterclaim is formulated and presented in the defence by the subcontractor. Based on the opinion of the Group's legal adviser, the directors are of the view that the claim from the subcontractor is invalid with little prospect of success and accordingly no provision has been made in the financial statements.

Having considered the pending determination of the final account of the Project between the Group and the customer, the Group took out a stay summons on 7 August 2017 and a discontinuance summons on 16 August 2017 on its legal proceedings against the subcontractor so as to consolidate the claim of \$9,914,000 against the subcontractor with the determination of final account of the Project. In September 2017, the High Court of the Hong Kong Special Administrative Region granted leave to the Group to withdraw the stay summons and to discontinue the legal proceedings.

Regarding the aforesaid Project, there was a delay in its completion by the Group. The architect appointed by the customer indicated that the customer was entitled to deduct a sum of approximately \$21,125,000 for liquidated damages ("LD Claim"), in addition to the liquidated damages of approximately \$1,950,000 already deducted by the customer. The Group has engaged an external contract consultant to assess the exposure of the potential LD Claim. Based on the opinion of the contract consultant, the Directors consider that the likelihood of the Group being liable to such LD Claim is highly unlikely and hence no provision has been made in the financial statements.

22. 或然負債及申索(續)

本集團於2015年12月就一名分包商及 (c)其董事違反有關一個項目(「該項目」) 的分包協議向彼等提起法律訴訟,並 於2016年1月提交申索陳述書,申索金 額約9.914.000元,相當於本集團就該項 目代表該分包商向其他分包商直接支 付的款項。於2016年5月,該分包商提 出抗辯,並概略提述會提出反申索約 41,328,000元。然而,分包商的抗辯中並 無擬定及呈交反申索書。根據本集團法 律顧問的意見,董事認為分包商的申索 無效,且勝算機會極微,因此並無在此 等財務報表中作出撥備。

> 考慮到本集團與客戶一直未能確定該 項目的最終金額,本集團已就針對分 包商提出的法律程序於2017年8月7日 發出暫緩聆訊的傳票,以及於2017年8 月16日發出中止法律程序的傳票,以將 向分包商申索的9,914,000港元與確定該 項目的最終金額合併處理。於2017年9 月,香港特別行政區最高法院頒令許可 本集團撤回暫緩聆訊傳票,並中止法律 行動。

> 就前述項目而言,本集團出現延誤完工 的情況。客戶所指派的建築師指出,除 客戶已扣減的算定損害賠償約1,950,000 元外,客戶有權就算定損害賠償扣減約 21,125,000元(「算定損害賠償申索」)。 本集團已委聘一名外部合約顧問,以 評估潛在算定損害賠償申索的風險。 根據合約顧問的意見,董事認為本集團 須就算定損害賠償申索負責的可能性 極微,因此並無在財務報表作出撥備。

(Expressed in Hong Kong dollars) (以港元列示)

23. 重大關聯方交易 23. MATERIAL RELATED PARTY TRANSACTIONS

Material related party transactions identified during the year are summarised as follows:

本集團於年內已訂立下列重大關聯方交易:

關聯方交易

(a)

Related party transactions

Name of party Relationships 關聯方名稱 關係 Paul Tong & Associates A private company owned by Mr. Kan 唐玉麟工程顧問 一間由簡博士及本公司的高級 有限公司 Consulting Engineers Limited and a senior management of 管理人員擁有的私人公司 (「唐玉麟」) ("Paul Tong") the Company 一間由鄺先生及一名獨立第三 Wong & Cheng Consulting 黃鄭顧問工程師 A private company owned by Mr. 方擁有的私人公司 **Engineers Limited** Kwong and an independent 有限公司 (「黃鄭顧問」) ("Wong & Cheng") third party 恒誠控股的共同董事及間接 Guangzhou Yangcheng Common director and indirect Guangzhou Yangcheng Pile Co. Ltd associate of WWWH Pile Co. Ltd 聯營公司 ([Guangzhou ("Guangzhou Yangcheng") Yangcheng]) KLDL Consultants ("KLDL") A private company owned **KLDL** Consultants 一間由利啟麟先生擁有的私人 ([KLDL]) 公司 by Mr. KL Lee 2017 2016 \$'000 \$'000 千元 千元 Consultancy fee paid to Paul Tong 向唐玉麟支付的顧問費 (附註) (note) 6,191 向黃鄭顧問支付的顧問費 Consultancy fee paid (附註) to Wong & Cheng (note) 2,172 2,864 Purchase of goods from 向Guangzhou Yangcheng Guangzhou Yangcheng (note) 購買貨品(附註) 41,624 Consultancy fee paid to KLDL 向KLDL支付的顧問費 1,000 450

Note: As defined in Chapter 14A of the Listing Rules, the abovementioned related party transactions in respect of consultancy fees paid to related companies and purchase of goods from a related company constitute continuing connected transactions or connected transactions. The disclosures required by Chapter 14A of the Listing Rules are provided in section headed "Connected Transactions and Continuing Connected Transactions" of the Directors' Report.

附註:根據上市規則第十四A章所界定,上 述有關已付關聯公司顧問費及向一 間關聯公司購買貨物的關聯方交易 構成持續關連交易或關連交易。上市 規則第十四A章所規定作出的披露載 於董事會報告「關連交易及持續關連 交易」一節。

(Expressed in Hong Kong dollars) (以港元列示)

23. MATERIAL RELATED PARTY TRANSACTIONS 23. 重大關聯方交易(續)

(continued)

Balances with related parties

(b) 與關聯方的結餘

At 31	Decer	nber
於1	2月31	日

		於12)	於12月31日	
		2017	2016	
		\$'000	\$'000	
		千元	千元	
Amounts due to directors	應付董事款項	4,345	_	

Amounts due to directors are unsecured, interest-free and have no fixed repayment terms.

應付董事款項為無抵押、免息且並無固 定還款條款。

Key management personnel

Remuneration of key management personnel, including amounts paid to the executive directors as disclosed in note 8 and senior management as disclosed in note 9, is as follows:

(c) 主要管理人員

主要管理人員的薪酬(包括已付執行 董事的款項(見附註8所披露)及已付 高級管理層的款項(見附註9所披露)) 載列如下:

		2017 \$′000 千元	2016 \$'000 千元
Short-term employee benefits Post-employment benefits	短期僱員福利 離職後福利	9,334 126	8,009 123
		9,460	8,132

Total remuneration is included in "staff costs" (see note 6(b)).

酬金總額已計入「員工成本」(見附註 6(b)) °

(Expressed in Hong Kong dollars) (以港元列示)

24. COMPANY-LEVEL STATEMENT OF **FINANCIAL POSITION**

24. 公司層面的財務狀況表

At 31 December 於12月31日 2017 2016 \$'000 Note \$'000 附註 千元 千元 非流動資產 Non-current assets 於附屬公司的投資 Investments in subsidiaries 234 234 **Current assets** 流動資產 Amounts due from subsidiaries 應收附屬公司款項 88,812 202 現金及銀行結餘 Cash and bank balances 1,028 89,840 202 **Current liabilities** 流動負債 Other payables 其他應付款項 202 3,537 202 3,537 流動資產淨值 Net current assets 86,303 Total assets less current liabilities 總資產減流動負債 86,537 **NET ASSETS** 資產淨值 86,537 **CAPITAL AND RESERVES** 資本及儲備 19(a) 股本 Share capital 19(c) 5,120 儲備 Reserves 81,417

權益總額

TOTAL EQUITY

86,537

The balance represents an amount of less than \$1,000.

該餘額代表少於1,000元的金額。

(Expressed in Hong Kong dollars) (以港元列示)

25. IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2017, the directors consider the immediate parent and ultimate controlling party of the Group to be Condover Assets, which is incorporated in the British Virgin Islands. This entity does not produce financial statements available for public use.

26. POSSIBLE IMPACT OF AMENDMENTS, **NEW STANDARDS AND INTERPRETATIONS** ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2017 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

25. 直接及最終控股方

於2017年12月31日,董事認為於英屬處女群 島註冊成立的Condover Assets為本集團的直 接母公司及最終控股方。該實體並無編製供 公眾使用的財務報表。

26. 於截至2017年12月31日止年度已 頒佈但尚未生效的修訂、新訂準 則及詮釋的可能影響

直至此等財務報表刊發之日,香港會計師 公會已頒佈一系列於截至2017年12月31日止 年度尚未生效的修訂、新訂準則及詮釋,前 述各項並無於此等財務報表中採納。該等修 訂、新訂準則及詮釋包括以下可能與本集團 相關者。

> Effective for accounting periods beginning on or after 自下列日期或之後 開始的會計期間生效

HKFRS 9, Financial instruments	香港財務報告準則第9號,金融工具	1 January 2018 2018年1月1日
HKFRS 15, <i>Revenue from contracts</i> with customers	香港財務報告準則第15號·來自與 客戶合約的收益	1 January 2018 2018年1月1日
HKFRS 16, <i>Leases</i>	香港財務報告準則第16號· <i>租約</i>	1 January 2019 2019年1月1日

(Expressed in Hong Kong dollars) (以港元列示)

26. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the following paragraphs set out the Group's assessment to date, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ending 30 June 2018. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that financial report.

HKFRS 9, Financial instruments

HKFRS 9 will replace the current standard on accounting for financial instruments, HKAS 39, Financial instruments: Recognition and measurement. HKFRS 9 introduces new requirements for classification and measurement of financial assets, including the measurement of impairment for financial assets. On the other hand, HKFRS 9 incorporates without substantive changes the requirements of HKAS 39 for recognition and derecognition of financial instruments and the classification and measurement of financial liabilities.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to use the exemption from restating comparative information and will recognise any transition adjustments against the opening balance of equity at 1 January 2018.

Expected impacts of the new requirements on the Group's financial statements are as follows:

Classification and measurement (a)

The Group has assessed that its financial assets currently measured at amortised cost will continue with their respective classification and measurements upon the adoption of HKFRS 9.

26. 於截至2017年12月31日止年度已 頒佈但尚未生效的修訂、新訂準 則及詮釋的可能影響(續)

本集團正評估該等修訂、新訂準則及詮釋於 首次應用期間的預期影響。本集團目前已識 別新訂準則中若干可能會對綜合財務報表有 重大影響的方面。預期影響的進一步詳情於 下文討論。雖然以下數段載列本集團截至本 報告日期止的評估,但由於截至本報告日期 所完成的評估乃以本集團現時可得的資料為 基礎,故首次採納準則的實際影響可能有所 不同,且於首次在本集團截至2018年6月30日 止六個月的中期財務報告應用該等準則前可 能會發現進一步影響。於首次在該財務報告 應用該等準則前,本集團亦可能會改變其選 用的會計政策(包括過渡選項)。

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號將取代現時有關金 融工具的會計處理準則香港會計準則第39號 金融工具:確認及計量。香港財務報告準則 第9號引入有關金融資產的分類及計量新要 求,包括金融資產減值的計量。另一方面, 香港財務報告準則納入香港會計準則第39號 有關確認及終止確認金融工具及金融負債的 分類及計量的規定,而並無對其作出重大變 動。

香港財務報告準則第9號於2018年1月1日或 之後開始之年度期間生效,並可追溯應用。 本集團計劃使用重列比較資料的豁免,並將 於2018年1月1日的權益期初結餘中確認任何 過渡調整。

新規定對本集團財務報表的預期影響如下:

分類及計量 (a)

本集團已評定,於採納香港財務報告準 則第9號後,其現時以攤銷成本計量的 金融資產的分類及計量將維持不變。

(Expressed in Hong Kong dollars) (以港元列示)

26. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 9. Financial instruments (continued)

Classification and measurement (continued)

The classification and measurement requirements for financial liabilities under HKFRS 9 are largely unchanged from HKAS 39, except that HKFRS 9 requires the fair value change of a financial liability designated at fair value through profit or loss ("FVTPL") that is attributable to changes of that financial liability's credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). The Group currently does not have any financial liabilities designated at FVTPL and therefore this new requirement will not have any impact on the Group on adoption of HKFRS 9.

(b) Impairment

The new impairment model in HKFRS 9 replaces the "incurred loss" model in HKAS 39 with an "expected credit loss" model. Under the expected credit loss model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 12-month expected credit loss or a lifetime expected credit loss, depending on the asset and the facts and circumstances. The Group expects that the application of the expected credit loss model will result in earlier recognition of credit losses. Based on a preliminary assessment, if the Group were to adopt the new impairment requirements at 31 December 2017, accumulated impairment loss at that date would not significantly increase as compared with that recognised under HKAS 39.

26. 於截至2017年12月31日止年度已 頒佈但尚未生效的修訂、新訂準 則及詮釋的可能影響(續)

香港財務報告準則第9號,金融工具(續)

(a) 分類及計量(續)

香港財務報告準則第9號項下金融負債 分類及計量的規定大致與香港會計準 則第39號保持不變,惟香港財務報告準 則規定指定為按公平值計入損益的金 融負債因該項金融負債信貸風險改變 所產生的公平值變動將於其他全面數 益中確認(毋須重新分類至損益)。本 集團目前並無任何指定為按公平值計 入損益的金融負債,因此,於採納香港 財務報告準則第9號時,新規定將不會 對本集團有任何影響。

(b) 減值

香港會計準則竹39號的「已產生虧損」 模型被香港財務報告準則第9號的新減 值模型「預期信貸虧損」模型所取代。 在預期信貸虧損模型下,其將不再需要 於發生虧損事件後方確認減值虧損。除 而代之,一間實體需要視乎資產、事實 及情況,確認及計量12個月預期信貸虧 損或使用期預期信貸虧損。本集團預期 應用預期信貸虧損模式將導致提前確 認信貸虧損。根據初步評估,倘本集團 於2017年12月31日採納新的減值規定, 則於該日的累計減值虧損與根據香港 會計準則第39號所確認者將不會有大 幅增加。

(Expressed in Hong Kong dollars) (以港元列示)

26. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 15. Revenue from contracts with customers

HKFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. HKFRS 15 will replace the existing revenue standards, HKAS 18, Revenue, which covers revenue arising from sale of goods and rendering of services, and HKAS 11, Construction contracts, which specifies the accounting for revenue from construction contracts.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5 step approach to revenue recognition:

Step 1: Identify the contract(s) with customer.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates.

26. 於截至2017年12月31日止年度已 頒佈但尚未生效的修訂、新訂準 則及詮釋的可能影響(續)

香港財務報告準則第15號,來自與客戶合約 的收益

香港財務報告準則第15號為確認來自與客戶 合約的收益設立一間完善的框架。香港財務 報告準則第15號將取代現有的收益準則香港 會計準則第18號收益(其覆蓋銷售貨物及提 供服務所產生的收益)及香港會計準則第11 號建築合約(其訂明來自建築合約的收益的 會計處理方式)。

香港財務報告準則第15號的核心原則為實體 就説明向客戶轉讓所承諾貨品或服務所確 認的收益金額,應能反映該實體預期就交換 該等貨品或服務而有權獲得的代價。具體而 言,該準則引入一個五步收益確認方法:

第一步: 識別與客戶訂立的合約。

第二步: 識別合約中的履約責任。

第三步: 釐定交易價。

第四步: 將交易價分配至合約的履約責任。

第五步:於(或當)實體完成履約責任時確

認收益。

香港財務報告準則第15號之原則乃為計量及 確認收入提供一個更具結構性的方法。該準 則亦引入詳盡的定性及定量披露規定,包括 拆分收益總額、有關履約責任的資料、各期 間之間合約資產及負債賬目結餘的變動以及 關鍵判斷及估計。

(Expressed in Hong Kong dollars) (以港元列示)

26. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 15. Revenue from contracts with customers

Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

(a) Timing of revenue recognition

The Group's revenue recognition policies are disclosed in note 2(g). Currently, revenue arising from construction contracts and the provision of services is recognised over time, whereas revenue from the sale of goods is generally recognised when the risks and rewards of ownership have passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. HKFRS 15 identifies three situations in which control of the promised good or service is regarded as being transferred over time:

- When the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs;
- When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced:
- (iii) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

26. 於截至2017年12月31日止年度已 頒佈但尚未生效的修訂、新訂準

香港財務報告準則第15號,來自與客戶合約 的收益(續)

根據截至本報告日期所完成的評估,本集團 已識別以下預期會受到影響的範圍:

確認收益的時間 (a)

本集團的收益確認政策於附註2(q)披 露。現時,建築合約及提供服務所產生 的收益乃隨時間確認,據此,銷售貨物 所產生的收益一般乃於所有權的風險 及回報已轉交客戶時確認。

根據香港財務報告準則第15號,收益乃 於客戶取得合約中的已承諾貨物的控 制權或服務時確認。香港財務報告準則 第15號確認三個已承諾產品的控制權 或服務隨時間而轉讓的情況:

- 當客戶於實體覆約時同時收到及 享用實體覆約所提供的利益時;
- 當實體履約創造或增強一項於創 造或增強時由客戶控制的資產 (如在建工程)時;
- (iii) 當實體的履約並無創造對實體而 言具替代用途的資產,且該實體 對迄今完成的履約的付款有強制 執行的權利時。

(Expressed in Hong Kong dollars) (以港元列示)

26. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 15. Revenue from contracts with customers

Timing of revenue recognition (continued) (a)

If the contract terms and the entity's activities do not fall into any of these three situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

The Group expects that the new revenue standard is not likely to have significant impact on the timing of recognising revenue from sales of piles i.e. recognised at a point in time. For the provision of construction and related services, the Group expects that its contracts with customers would fulfil the criteria for recognising revenue over time under HKFRS 15. Methods that can be used under HKFRS 15 to measure the Group's progress towards complete satisfaction of a performance obligation satisfied over time include (i) output method (i.e. recognise revenue on the basis of direct measurement of the value to the customer of the entity's performance to date) and; (ii) input method (i.e. recognise revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation). In measuring the work progress under the new revenue standard, the Group expects to apply an output method with reference to progress certificates issued by the customers or the progress payment applications submitted to the customers, with additional adjustments where necessary to depict the Group's performance in transferring control of goods or services promised to customers for individual projects. So far as the measurement of progress of the Group's typical contracts is concerned, the Group expects that there would not be any significant impact on the revenue recognition profile.

26. 於截至2017年12月31日止年度已 頒佈但尚未生效的修訂、新訂準 則及詮釋的可能影響(續)

香港財務報告準則第15號,來自與客戶合約 的收益(續)

確認收益的時間(續) (a)

倘合約條款及實體活動並不屬於任何 該等三種情況,則根據香港財務報告準 則第15號,實體於某一指定時間點(即 控制權轉移時)確認銷售貨物或服務的 收益。所有權風險及回報的轉移僅為釐 定控制權轉移發生時所考慮的其中一 項指標。

本集團預期新收益準則不大可能對銷 售樁柱的收益確認時間(即於某一時 間確認)有重大影響。就提供建築及相 關服務而言,本集團預期其與客戶所訂 立的合約將符合香港財務報告準則第 15號下隨時間確認收益的準則。香港財 務報告準則第15號下可用作計量本集 團完全履行一項隨時完成的覆約責任 的進度的方法包括:(i)輸出法(即以直 接計量實體截至本日的履約情況對客 戶的價值為基準確認收益);及(ii)輸入 法(即以實體就完成一項履約責任所投 放的努力或投入為基準確認收益)。於 根據新收益準則確認在建工時,本集團 預期會參考客戶所發出的進度證明或 向客戶提交的進度付款申請應用輸出 法, 並作出必要的額外調整, 以説明本 集團就個別項目向客戶轉讓已承諾貨 物或服務控制權的情況。就計量本集團 一般合約的進度而言,本集團預期不會 對收益確認分析有任何重大影響。

(Expressed in Hong Kong dollars) (以港元列示)

26. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 15. Revenue from contracts with customers

(b) Timing of recognition of contract costs

Under HKFRS 15, if the costs incurred in fulfilling a contract with a customer are not within the scope of another standard, assets shall only be recognised if the costs incurred (i) relate directly to a contract or an anticipated contract that can be specifically identified; (ii) generate or enhance resources of the entity that will be used in satisfying performance obligations in the future; and (iii) are expected to be recovered. Costs that relate to satisfied performance obligations (or partially satisfied performance obligations) in the contracts and costs for which an entity cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations shall be expensed as incurred under HKFRS 15.

Currently, contract costs of the Group are recognised by reference to the stage of completion of the contract, which is measured with reference to the progress certificates issued by the customers or the progress payment applications submitted to the customers. Under HKFRS 15, as contract costs that related to satisfied performance obligations are expensed as incurred, the Group expects that the timing of recognition of contract costs would change and it would no longer be possible to defer or accrue costs to report a consistent margin percentage over the term of a contract.

The Group expects that the adoption of HKFRS 15 will result in additional disclosures in the Group's consolidated financial statements.

The Group plans to elect to use the cumulative effect transition method for the adoption of HKFRS 15 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2018.

26. 於截至2017年12月31日止年度已 頒佈但尚未生效的修訂、新訂準

香港財務報告準則第15號,來自與客戶合約 的收益(續)

確認合約成本的時間 (b)

根據香港財務報告準則第15號,倘覆行 與一名客戶所訂立的合約所產生的成 本不屬於另一準則的範圍內,則僅會於 所產生的成本屬以下情況下方會確認 資產:(i)與一項可明確識別的合約或預 期合約直接相關;(ji)產生或提升實體 將於未來用作覆行履約責任的資源; 及(iii)預期將會收回。與合約中的特定 履約責任(或部份已履行的履約責任) 相關的成本,以及實體無法分辦是否與 未履行的履約責任或已履行的履約責 任相關的成本,將根據香港財務報告準 則第15號於產生時支銷。

現時,本集團的合約成本乃參考合約的 完成階段確認,完成階段則參考客戶所 發出的進度證明或向客戶提交的進度 付款申請計量。根據香港財務報告準則 第15號,由於與已履行的履約責任相關 的合約成本乃於產生時支銷,本集團 預期確認合約成本的時間將會有變, 且不再可能為使合約期內所報告的利 潤百分比一致而將成本作遞延或累計 處理。

本集團預期採納香港財務報告準則第15號將 導致於本集團的綜合財務報表中作出額外披 露。

本集團計劃就採納香港財務報告準則第15號 使用累計影響過渡法,並將於2018年1月1日 的權益期初結餘中將首次應用的累計影響確 認為調整。

(Expressed in Hong Kong dollars) (以港元列示)

26. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 16, Leases

HKFRS 16 provides comprehensive guidance for the identification of lease arrangements and their treatment by lessees and lessors. In particular, HKFRS 16 introduces a single lessee accounting model, whereby assets and liabilities are recognised for all leases, subject to limited exceptions. It replaces HKAS 17, Leases and the related interpretations including HK(IFRIC) 4, Determining whether an arrangement contains a lease.

When HKFRS 16 is adopted in the future, it is expected that certain portion of lease commitments will be required to be recognised in the statement of financial position as rightof-use assets and lease liabilities. As disclosed in note 21, at 31 December 2017 the Group's future minimum lease payments under non-cancellable operating leases amounted to \$6,684,000 for properties. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting. Based on the preliminary assessment, the adoption of HKFRS 16 is not expected to have a significant impact on the Group's consolidated financial statements.

HKFRS 16 is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date.

26. 於截至2017年12月31日止年度已 頒佈但尚未生效的修訂、新訂準 則及詮釋的可能影響(續)

香港財務報告準則第16號, 和約

香港財務報告準則第16號為出租人及承租 人提供識別租賃安排及其處理方式的全面 指引。此外,香港財務報告準則第16號引入 一個單一承租人會計處理模型,除有限的例 外情況外,須就所有租賃確認資產及負債。 其取代了香港會計準則第17號租賃及相關詮 釋,包括香港(國際財務報告詮釋委員會)第 4號確定某項安排中是否存在租賃。

當於日後採納香港財務報告準則第16號時, 預計租賃承擔的若干部分將須在財務狀況表 中確認為使用權資產及租賃負債。誠如附註 21所披露,於2017年12月31日,本集團根據 不可撤銷經營租賃就物業擁有的未來最低租 賃付款為6.684.000元。因此,於採納香港財務 報告準則第16號後,該等金額中可能將有一 部分須確認為租賃負債,並須確認相應的使 用權資產。於採納香港財務報告準則第16號 時,在考慮可行的權宜方法的可行性,以及 就任何於現時至採納香港財務報告準則第16 號期間所訂立或終止的租賃及貼現的影響作 出調整後,本集團將須作出更詳盡的分析以 確定經營租賃承擔所產生的新資產及負債的 金額。根據初步評估,預期採納香港財務報 告準則第16號不會對本集團的綜合財務報表 造成重大影響。

香港財務報告準則第16號於2019年1月1日或 之後開始的財務年度強制應用。於現階段, 本集團不擬於其生效日期前採納有關準則。

Financial Summary 財務摘要

A summary of the results and assets and liabilities of the Group for the last four financial years is as follows.

以下為本集團過往四個財政年度之業績以及資產 及負債概要。

RESULT

業績

			Year ended 31 December 截至12月31日止年度		
		2017 \$′000 千元	2016 \$'000 千元	2015 \$'000 千元	2014 \$′000 千元
Revenue	收益	821,907	715,107	628,732	448,719
Profit before income tax Income tax expenses	所得税前溢利 所得税開支	31,206 (8,319)	55,287 (13,150)	67,442 (13,115)	53,886 (9,229)
Profit for the year	年度溢利	22.887	42.137	54.327	44.657

ASSETS AND LIABILITIES

資產及負債

			As at 31 December 於12月31日			
		2017 \$'000 ===	2016 \$'000 ===	2015 \$'000 ===	2014 \$'000 ===	
Total assets	資產總值	千元 449,667	千元 338,897	千元 438,408	千元 376,914	
Total liabilities	負債總值	(210,092)	(213,033)	(211,273)	(202,544)	
Net assets	淨資產 ———————————	239,575	125,864	227,135	174,370	

This annual report is publish in both English and Chinese languages. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.

本年報以中英文刊登。中英文版本如有任何不符, 概以英文版為準。

