



Wan Kei Group Holdings Limited 宏基集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1718

Annual Report
2020/2021
年度報告

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CORPORATION INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Yan Shuai (*Chairman*)

Mr. Chan Kwan

Mr. Zhu Jiayu

Non-executive Directors

Mr. Zhang Zhenyi

Mr. Chui Kwong Kau

Independent Non-executive Directors

Mr. Lo Wa Kei Roy

Mr. Leung Ka Fai Nelson

Mr. Eric, Todd

COMPANY SECRETARY

Ms. Wong Kit Ying

AUTHORISED REPRESENTATIVES

Mr. Chan Kwan

Mr. Zhu Jiayu

AUDIT COMMITTEE

Mr. Lo Wa Kei Roy (*Chairman*)

Mr. Leung Ka Fai Nelson

Mr. Eric, Todd

REMUNERATION COMMITTEE

Mr. Leung Ka Fai Nelson (*Chairman*)

Mr. Yan Shuai

Mr. Lo Wa Kei Roy

NOMINATION COMMITTEE

Mr. Lo Wa Kei Roy (*Chairman*)

Mr. Yan Shuai

Mr. Leung Ka Fai Nelson

REGISTERED OFFICE IN THE CAYMAN ISLANDS

Windward 3

Regatta Office Park

P.O. Box 1350

Grand Cayman KY1-1108

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit No. 901, 9th Floor

Capital Centre

No. 151 Gloucester Road, Wanchai

Hong Kong

董事

執行董事

嚴帥先生 (*主席*)

陳昆先生

朱佳瑜先生

非執行董事

張振義先生

崔光球先生

獨立非執行董事

盧華基先生

梁嘉輝先生

達振標先生

公司秘書

黃潔瑩女士

授權代表

陳昆先生

朱佳瑜先生

審核委員會

盧華基先生 (*主席*)

梁嘉輝先生

達振標先生

薪酬委員會

梁嘉輝先生 (*主席*)

嚴帥先生

盧華基先生

提名委員會

盧華基先生 (*主席*)

嚴帥先生

梁嘉輝先生

開曼群島註冊辦事處

Windward 3

Regatta Office Park

P.O. Box 1350

Grand Cayman KY1-1108

Cayman Islands

總辦事處及香港主要營業地點

香港

灣仔告士打道151號

資本中心

9樓901室

CORPORATION INFORMATION

公司資料

LEGAL ADVISER AS TO HONG KONG LAW

Nixon Peabody CWL
5th Floor, Standard Chartered Bank Building,
4-4A Des Voeux Road, Central,
Hong Kong

INDEPENDENT AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
and Registered Public Interest Entity Auditor
31/F, Gloucester Tower
The Landmark
11 Pedder Street, Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park,
P.O. Box 1350, Grand Cayman KY1-1108
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Asia) Limited
Hang Seng Bank Limited
Bank of Communications Co., Ltd.
DBS Bank (Hong Kong) Limited
Bank of China (Hong Kong) Limited
China Everbright Bank

STOCK CODE

01718

COMPANY WEBSITE

www.hkex1718.hk

有關香港法律的法律顧問

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香港
中環德輔道4-4A號
渣打銀行大廈5樓

獨立核數師

國衛會計師事務所有限公司
執業會計師
及註冊公眾利益實體核數師
香港
中環畢打街11號
置地廣場
告羅士打大廈31樓

開曼群島股份過戶登記總處

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park,
P.O. Box 1350, Grand Cayman KY1-1108
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

主要往來銀行

中國工商銀行(亞洲)有限公司
恒生銀行有限公司
交通銀行股份有限公司
星展銀行(香港)有限公司
中國銀行(香港)有限公司
中國光大銀行

股份代號

01718

公司網址

www.hkex1718.hk

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Wan Kei Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”), I would like to present to the shareholders of the Company (the “**Shareholders**”), the annual report of the Group for the year ended 31 March 2021 (the “**Reporting Period**” or “**YR2021**”).

During the Reporting Period, the Group recorded an increase in revenue of approximately HK\$38,064,000 or approximately 14.9% to approximately HK\$293,599,000 compared with the year ended 31 March 2020 (the “**YR2020**”). The increase in revenue was due to increase of the number of sizable projects tendered by the Group during the Reporting Period.

The Board is of the view that despite the constant overhang of novel coronavirus, there are hopeful signs of a steady recovery of the overall foundation industry in Hong Kong. Sizeable projects in both private and public sector have been steadily increased. In general, the Group will be prudent in tendering potential project but future strategy will depend on the evolvement of the pandemic.

In order to maintain a stable and sustainable development of the Group's existing businesses as well as diversifying and expanding the Group's businesses at the same time, the Company will leverage on its industrial experience and the advantage of its existing resources and talented team to seek cooperation and investment opportunities with high-quality companies in the emerging industries in the People's Republic of China (the “**PRC**”).

In recent years, intellectual property (the “**IP**”) rights (“**IP Rights**”) licensing industry have developed rapidly in PRC. In addition to exploiting the core content of the IP Rights through movies, television series, animations and games, Chinese companies as licensees of the IP Rights maximize the overall value by also expanding to the downstream derivative market of the IP Rights in the PRC, including manufacturing IP Rights-related toys, clothings and food and beverages, as well as operating and managing IP Rights-themed exhibitions, theme parks, hotels and catering services. Accordingly, the scale of consumer demand and revenue sources generated through the commercialisation of the IP Rights have significantly expanded.

致各位股東，

本人謹代表宏基集團控股有限公司（「**本公司**」）及其附屬公司（統稱「**本集團**」）董事（「**董事**」）會（「**董事會**」）向本公司股東（「**股東**」）呈報本集團截至二零二一年三月三十一日止年度（「**報告期間**」或「**二零二一年度**」）之年報。

於報告期間，本集團錄得的收入較截至二零二零年三月三十一日止年度（「**二零二零年度**」）增加約38,064,000港元或約14.9%至約293,599,000港元。收入增加乃由於本集團於報告期間所投得的大型項目數量增加。

董事會認為，儘管新型冠狀病毒的陰影一直籠罩著香港，香港整體地基建行業有希望穩步復甦。私營及公共領域的大型項目穩步增加。一般而言，本集團將會審慎對待潛在項目投標，惟未來策略仍將取決於疫情的發展狀況。

為維持本集團現有業務之穩定及可持續發展，同時多元化發展及擴大本集團業務，本公司將借助其行業經驗以及其現有資源及人才團隊之優勢，尋求與中華人民共和國（「**中國**」）新興產業的優質企業合作及投資機會。

近年，知識產權（「**知識產權**」）授權行業於中國迅速發展。除透過電影、電視劇、動畫及遊戲開發知識產權之核心內容外，中國公司（作為知識產權之獲授權人）亦透過擴展至中國知識產權下游衍生品市場（包括製造知識產權相關玩具、服裝以及食品及飲品），以及營運及管理知識產權主題之展覽、主題公園、酒店及餐飲服務，盡量提高整體價值。因此，透過商業化知識產權產生之消費者需求及收益來源之規模已大幅擴大。

CHAIRMAN'S STATEMENT

主席報告

Keen to leverage on the rapid expansion to the downstream derivative market in the PRC, on 4 September 2020, the Company completed the acquisition of the 35% of issued share capital of Matsu Gami IP Development Limited (the “**Matsu Gami**”, together with its subsidiaries, the “**Matsu Gami Group**”) which is principally engaged in the business of provision of food and beverage catering services utilizing well-known IP Rights.

On behalf of the Board, I would like to take this opportunity to express my deepest gratitude to our Shareholders and business partners for their continued support, and to our management and staff members for their commitment and contribution to the growth of the Group.

Wan Kei Group Holdings Limited
Yan Shuai
Chairman

Hong Kong, 30 July 2021

本公司有意借助向中國下游衍生品市場之快速擴展，故於二零二零年九月四日完成收購松神IP發展有限公司（「**松神**」，連同其附屬公司統稱「**松神集團**」）之35%已發行股本，松神主要從事利用知名知識產權提供餐飲服務業務。

本人謹代表董事會，藉此機會對股東及業務夥伴的不懈支持，以及管理層及員工對本集團發展作出的投入及貢獻致以深摯的謝意。

宏基集團控股有限公司
主席
嚴帥

香港，二零二一年七月三十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Group is principally engaged in providing: (i) foundation construction; (ii) ground investigation services; (iii) financial services in Hong Kong; and (iv) trading of beauty and skin care products.

Foundation Construction

During the Reporting Period, the foundation construction undertaken by the Group mainly consisted of the construction of socketed H-piles, mini piles, soldier piles, pipe piles and king posts. The Group undertook foundation construction projects in both the public and private sectors. Revenue from the foundation works contributed approximately 75.5% to the total revenue of the Group during the Reporting Period (YR2020: approximately 83.2%).

Ground Investigation Services

The Group also acted as a contractor to provide ground investigation services in both public and private sectors in Hong Kong during the Reporting Period. Revenue from the ground investigation services contributed approximately 22.1% to the total revenue of the Group during the Reporting Period (YR2020: approximately 15.4%).

Financial Services

During the Reporting Period, revenue from the financial services contributed approximately 1.2% to the total revenue of the Group (YR2020: approximately 1.1%).

Trading of beauty and skin care products

During the Reporting Period, revenue from trading business contributed approximately 1.2% of the total revenue of the Group (YR2020: approximately 0.3%).

業務回顧

本集團主要於香港從事提供：(i)地基建業；(ii)土地勘測服務；(iii)金融服務；及(iv)美容及護膚產品貿易。

地基建業

於報告期間，本集團承接的地基建業主要包括建造插座式工字樁、微型樁、豎樁、管樁及起重柱。本集團承接公營及私營部門地基建業項目。於報告期間，地基工程所得收入佔本集團總收入約75.5%（二零二零年度：約83.2%）。

土地勘測服務

於報告期間，本集團亦於香港作為承建商向公營及私營部門提供土地勘測服務。於報告期間，土地勘測服務所得收入佔本集團總收入約22.1%（二零二零年度：約15.4%）。

金融服務

於報告期間，金融服務所得收入佔本集團總收入約1.2%（二零二零年度：約1.1%）。

美容及護膚產品貿易

於報告期間，貿易業務所得收入佔本集團總收入約1.2%（二零二零年度：約0.3%）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

The Group's total revenue for the Reporting Period increased by approximately HK\$38,064,000, or approximately 14.9%, from approximately HK\$255,535,000 for the year ended 31 March 2020 to approximately HK\$293,599,000 for the Reporting Period, which was primarily due to:

Foundation Construction

The revenue from undertaking foundation construction projects increased by approximately HK\$8,909,000, or approximately 4.2%, from approximately HK\$212,641,000 for the year ended 31 March 2020 to approximately HK\$221,550,000 for the Reporting Period. This was primarily due to the increase of the number of sizable projects tendered by the Group during the Reporting Period.

Ground Investigation Services

The revenue from ground investigation services increased by approximately HK\$25,521,000, or approximately 65.0%, from approximately HK\$39,251,000 for the year ended 31 March 2020 to approximately HK\$64,772,000 for the Reporting Period. This was primarily due to the increase in the number of sizable projects tendered by the Group during the Reporting Period.

Financial Services

During the Reporting Period, revenue for financial services amounted to approximately HK\$3,614,000 for the Reporting Period (YR2020: approximately HK\$2,728,000).

Trading of beauty and skin care products

During the Reporting Period, the revenue for trading business amounted to approximately HK\$3,662,000 for the Reporting Period (YR2020: approximately HK\$916,000).

財務回顧

收入

本集團於報告期間之總收入由截至二零二零年三月三十一日止年度之約255,535,000港元增加約38,064,000港元或約14.9%至報告期間之約293,599,000港元，主要原因如下：

地基建築

承接地基建築項目所得收入由截至二零二零年三月三十一日止年度之約212,641,000港元增加約8,909,000港元或約4.2%至報告期間之約221,550,000港元，主要由於本集團於報告期間所投得的大型項目數量增加。

土地勘測服務

土地勘測服務所得收入由截至二零二零年三月三十一日止年度之約39,251,000港元增加約25,521,000港元或約65.0%至報告期間之約64,772,000港元，主要由於本集團於報告期間所投得的大型項目數量增加。

金融服務

於報告期間，金融服務的收入為約3,614,000港元（二零二零年度：約2,728,000港元）。

美容及護膚產品貿易

於報告期間，貿易業務的收入為約3,662,000港元（二零二零年度：約916,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gross Profit and Gross Profit Margin

The gross profit increased from approximately HK\$21,254,000 for the year ended 31 March 2020 to approximately HK\$56,973,000 for the Reporting Period. The Group's overall gross profit margin during the Reporting Period was approximately 19.4% (YR2020: approximately 8.3%).

The gross profit of the Group's foundation construction segment increased from approximately HK\$3,638,000 for the year ended 31 March 2020 to approximately HK\$24,184,000 for the Reporting Period. Gross profit margin of the foundation construction segment amounted to approximately 10.9% (YR2020: approximately 1.7%). The increase in gross profit margin was mainly due to (i) the tight control of direct costs; and (ii) the improvement of the bidding prices on the new tenders.

Gross profit of the Group's ground investigation services segment was approximately HK\$25,514,000 for the Reporting Period, representing an increase of approximately 78.3% from approximately HK\$14,306,000 as compared to that for the year ended 31 March 2020. Gross profit margin of the ground investigation services segment increased from approximately 36.4% for the year ended 31 March 2020 to approximately 39.4% for the Reporting Period. The increase in gross profit margin was mainly due to higher gross profit margin projects tendered by the Group during the Reporting Period.

Gross profit of the Group's financial service was approximately HK\$3,613,000 for the Reporting Period (YR2020: approximately HK\$2,393,000). Gross profit margin of the financial services amounted to approximately 100% (YR2020: approximately 87.7%).

Gross profit of the Group's trading business was approximately HK\$3,662,000 for the Reporting Period (YR2020: approximately HK\$916,000).

毛利及毛利率

毛利由截至二零二零年三月三十一日止年度的約21,254,000港元增加至報告期間的約56,973,000港元。本集團於報告期間的整體毛利率約為19.4%（二零二零年度：約8.3%）。

本集團的地基建築分部的毛利由截至二零二零年三月三十一日止年度的約3,638,000港元增加至報告期間的約24,184,000港元。地基建築分部之毛利率約為10.9%（二零二零年度：約1.7%）。毛利率上升乃主要由於(i)對直接成本嚴格控制；及(ii)新投標項目的投標價格提高。

本集團土地勘測服務分部於報告期間的毛利約為25,514,000港元，較截至二零二零年三月三十一日止年度的約14,306,000港元增加約78.3%。土地勘測服務分部的毛利率由截至二零二零年三月三十一日止年度的約36.4%上升至報告期間的約39.4%。毛利率上升乃主要由於報告期間本集團投得的項目毛利率較高。

本集團金融服務於報告期間的毛利約為3,613,000港元（二零二零年度：約2,393,000港元）。金融服務的毛利率為約100%（二零二零年度：約87.7%）。

本集團貿易業務於報告期間的毛利約為3,662,000港元（二零二零年度：約916,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Other Revenue

The other revenue of the Group increased by approximately HK\$4,840,000, or approximately 91.8%, from approximately HK\$5,271,000 for the year ended 31 March 2020 to approximately HK\$10,111,000 for the Reporting Period. The increase was mainly due to (i) the absence of insurance claim; and (ii) the government grants which amounted to approximately HK\$9,350,000 (YR2020: nil).

Other Net Loss

The other net loss decreased from approximately HK\$17,354,000 for the year ended 31 March 2020 to approximately HK\$4,211,000 for the Reporting Period. The decrease was mainly due to the net change in fair value on financial assets at fair value through profit or loss (Reporting Period: loss of approximately HK\$6,016,000; YR2020: loss of approximately HK\$19,857,000).

General and administrative expenses

The Group's general and administrative expenses for the Reporting Period were approximately HK\$62,243,000 (YR2020: approximately HK\$61,450,000), representing an increase of approximately 1.3% as compared to that for the year ended 31 March 2020. The increase was mainly attributable to (i) the impairment losses on trade and other receivables, contract assets and loan receivables and debt investment at fair value through other comprehensive income (YR2021: approximately HK\$5,129,000; YR2020: approximately HK\$772,000); and (ii) the bad debt written off of trade receivables and contract assets (YR2021: nil; YR2020: approximately HK\$5,885,000).

其他收入

本集團其他收入由截至二零二零年三月三十一日止年度的約5,271,000港元增加約4,840,000港元或約91.8%至報告期間的約10,111,000港元。該增加乃主要由於(i)無保險索償；及(ii)政府補貼約9,350,000港元(二零二零年度：無)。

其他虧損淨額

其他虧損淨額由截至二零二零年三月三十一日止年度的約17,354,000港元減少至報告期間的約4,211,000港元。該減少乃主要由於按公平值計入損益之金融資產公平值之變動淨額(報告期間：虧損約6,016,000港元；二零二零年度：虧損約19,857,000港元)。

一般及行政開支

本集團於報告期間的一般及行政開支約為62,243,000港元(二零二零年度：約61,450,000港元)，較截至二零二零年三月三十一日止年度增加約1.3%。該增加乃主要由於(i)貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益之債務投資之減值虧損(二零二一年度：約5,129,000港元；二零二零年度：約772,000港元)；及(ii)撇銷貿易應收款項及合約資產壞賬(二零二一年度：無；二零二零年度：約5,885,000港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Finance Costs

The finance costs increased by approximately HK\$2,085,000, from approximately HK\$8,500,000 for the year ended 31 March 2020 to approximately HK\$10,585,000 for the Reporting Period. The increase was mainly due to the increase of interest-bearing borrowing from a director of a subsidiary.

Income Tax

The tax expense for the Reporting Period was approximately HK\$2,052,000 (YR2020: tax credit of approximately HK\$406,000). The change was mainly due to the increase in assessable profits of Hong Kong Profits Tax and the change of deferred tax for the Reporting Period.

Financial assets at fair value through profit or loss

During the Reporting Period, the financial assets at fair value through profit or loss represents the (i) private fund; and (ii) the profit guarantee, put option, and call option in relation to acquisition of an associate.

The private fund is measured at fair value and were subscribed and purchased by a wholly owned subsidiary of the Group. During the Reporting Period, the net fair value loss of private fund was recognised in the consolidated statement of profit or loss amounted to approximately HK\$2,764,000 (YR2020: approximately HK\$19,857,000).

The profit guarantee, call option and put option are measured at fair value using the Monte Carlo simulation model and binomial options pricing model. During the Reporting Period, the net fair value loss of profit guarantee, put option and call option amounted to approximately HK\$3,252,000 (YR2020: nil).

融資成本

融資成本由截至二零二零年三月三十一日止年度的約8,500,000港元增加約2,085,000港元至報告期間的約10,585,000港元。該增加乃主要由於來自一名附屬公司董事的計息借貸增加。

所得稅

報告期間之稅項支出約為2,052,000港元（二零二零年度：稅項抵免約406,000港元）。該變動乃主要由於報告期間香港利得稅的應課稅溢利增加及遞延稅項變動所致。

按公平值計入損益之金融資產

於報告期間，按公平值計入損益之金融資產指 (i) 私募基金；及(ii) 溢利擔保、認沽期權以及有關收購一間聯營公司的認購期權。

私募基金按公平值計量，並由本集團全資附屬公司認購及購買。於報告期間，私募基金的公平值淨虧損於綜合損益表確認，約為2,764,000港元（二零二零年度：約19,857,000港元）。

溢利擔保、認購期權及認沽期權使用蒙特卡羅模擬模型及二項式期權定價模型按公平值計量。於報告期間，溢利擔保、認沽期權及認購期權的公平值淨虧損約為3,252,000港元（二零二零年度：無）。

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Debt investment at fair value through other comprehensive income

During the Reporting Period, the debt investment at fair value through other comprehensive income represents the private fund. The debt investment is measured at fair value and were subscribed and purchased by a wholly owned subsidiary of the Group. During the Reporting Period, the net fair value gain of debt investment was recognised in the consolidated statement of other comprehensive income amounted to approximately HK\$2,250,000 (YR2020: nil) and the gain on disposal of the private fund was approximately HK\$181,000 (YR2020: nil).

Share of loss of an associate

The acquisition of 35% equity interest of Matsu Gami was completed on 4 September 2020. The share of loss of Matsu Gami was approximately HK\$233,000 during the Reporting Period. This amount of loss was attributable to share of the post-acquisition profit amounted to approximately HK\$2,484,000, which net off with approximately HK\$2,717,000 of amortization expense and deferred tax impact on the intangible assets arising from the fair value adjustments made on the acquisition date.

For details, please refer to the announcements of the Company dated 10 December 2019, 9 June 2020 and 4 September 2020.

LOSS ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

For the Reporting Period, the Group recorded a net loss of approximately HK\$12,240,000, as compared with the net loss of approximately HK\$60,372,000 for the year ended 31 March 2020.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend to the equity Shareholders for the Reporting Period (YR2020: nil).

按公平值計入其他全面收益之債務投資

於報告期間，按公平值計入其他全面收益之債務投資指私募基金。債務投資按公平值計量，並由本集團全資附屬公司認購及購買。於報告期間，債務投資的公平值淨收益於綜合其他全面收益表確認，約為2,250,000港元（二零二零年度：無），而出售私募基金的收益約為181,000港元（二零二零年度：無）。

應佔一間聯營公司之虧損

收購松神35%之股權已於二零二零年九月四日完成。於報告期間，應佔松神的虧損約為233,000港元。該筆虧損歸因於收購後應佔溢利約2,484,000港元，與收購日期產生之無形資產之攤銷費用及遞延稅項影響約2,717,000港元相抵銷。

有關詳情，請參閱本公司日期為二零一九年十二月十日、二零二零年六月九日及二零二零年九月四日的公告。

本公司權益股東應佔虧損

於報告期間，本集團錄得淨虧損約12,240,000港元，而截至二零二零年三月三十一日止年度則錄得淨虧損約60,372,000港元。

末期股息

董事會並不建議向權益股東派付報告期間之末期股息（二零二零年度：無）。

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PROSPECTS

The Board is of the view that despite the constant overhang of novel coronavirus, there are hopeful signs of a steady recovery of the overall foundation industry in Hong Kong. Sizeable projects in both private and public sector have been steadily increased. In general, the Group will be prudent in tendering potential project but future strategy will depend on the evolvement of the pandemic.

In order to maintain a stable and sustainable development of the Group's existing businesses as well as diversifying and expanding the Group's businesses at the same time, the Company will leverage on its industrial experience and the advantage of its existing resources and talented team to seek cooperation and investment opportunities with high-quality companies in the emerging industries in the PRC.

In recent years, IP Rights licensing industry have developed rapidly in PRC. In addition to exploiting the core content of the IP Rights through movies, television series, animations and games, Chinese companies as licensees of the IP Rights maximize the overall value by also expanding to the downstream derivative market of the IP Rights in the PRC, including manufacturing IP Rights-related toys, clothings and food and beverages, as well as operating and managing IP Rights-themed exhibitions, theme parks, hotels and catering services. Accordingly, the scale of consumer demand and revenue sources generated through the commercialisation of the IP Rights have significantly expanded.

Keen to leverage on the rapid expansion to the downstream derivative market in the PRC, on 4 September 2020, the Company completed the acquisition of the 35% of issued share capital of Matsu Gami which is principally engaged in the business of provision of food and beverage catering services utilizing well-known IP Rights.

前景

董事會認為，儘管新型冠狀病毒的陰影一直籠罩著香港，香港整體地基行業有希望穩步復甦。私營及公共領域的大型項目穩步增加。一般而言，本集團將會審慎對待潛在項目投標，惟未來策略仍將取決於疫情的發展狀況。

為維持本集團現有業務之穩定及可持續發展，同時多元化發展及擴大本集團業務，本公司將借助其行業經驗以及其現有資源及人才團隊之優勢，尋求與中國新興產業的優質企業合作及投資機會。

近年，知識產權授權行業於中國迅速發展。除透過電影、電視劇、動畫及遊戲開發知識產權之核心內容外，中國公司（作為知識產權之獲授權人）亦透過擴展至中國知識產權下游衍生品市場（包括製造知識產權相關玩具、服裝以及食品及飲品），以及營運及管理知識產權主題之展覽、主題公園、酒店及餐飲服務，盡量提高整體價值。因此，透過商業化知識產權產生之消費者需求及收入來源之規模已大幅擴大。

本公司有意借助向中國下游衍生品市場之快速擴展，故於二零二零年九月四日完成收購松神之35%已發行股本，松神主要從事利用知名知識產權提供餐飲服務業務。

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DEBTS AND CHARGE ON ASSETS

The total interest-bearing borrowings of the Group mainly consisted of leases liabilities, borrowing from a director of a subsidiary and borrowing from a related company. The above borrowings were incurred during the Reporting Period (YR2021: approximately HK\$236,138,000; YR2020: approximately HK\$221,293,000). All borrowings were mainly denominated in Hong Kong dollar. Interest on borrowings are charged at fixed rates. The Group currently does not have an interest rate hedging policy and the Group monitors interest risks continuously and considers hedging any excessive risk when necessary.

NET CURRENT ASSETS

As at 31 March 2021, the Group's net current assets amounted to approximately HK\$136,149,000, which was approximately HK\$59,814,000 lower than net current assets of approximately HK\$195,963,000 as at 31 March 2020. As at 31 March 2021, the Group's current liabilities amounted to approximately HK\$281,351,000, representing an increase of approximately HK\$13,457,000 from approximately HK\$267,894,000 as at 31 March 2020. The increase was mainly due to (i) the net borrowing from a director of a subsidiary during the Reporting Period, with the principal amount of HK\$6,000,000, and (ii) the interests incurred by the borrowing from a related company and a director of a subsidiary during the Reporting Period, with the amount of approximately HK\$10,179,000.

債務及資產押記

本集團的計息借貸總額主要包括租賃負債、來自一名附屬公司董事的借貸及來自一間關連公司的借貸。以上借貸均於報告期間發生（二零二一年度：約236,138,000港元；二零二零年度：約221,293,000港元）。所有借貸主要以港元計值。借貸利息以固定利率計息。本集團目前並無利率對沖政策，而本集團持續監察利率風險及於需要時考慮對沖任何過高風險。

流動資產淨值

於二零二一年三月三十一日，本集團的流動資產淨值約為136,149,000港元，較二零二零年三月三十一日的流動資產淨值約195,963,000港元減少約59,814,000港元。於二零二一年三月三十一日，本集團的流動負債約為281,351,000港元，較二零二零年三月三十一日的約267,894,000港元增加約13,457,000港元。該增加主要由於(i)報告期間內向一名附屬公司董事取得本金額為6,000,000港元的借貸淨額，及(ii)報告期間內向一間關連公司及一名附屬公司董事借貸而產生利息約10,179,000港元。

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LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2021, the Group had cash and bank balances of approximately HK\$136,947,000, representing a decrease of approximately HK\$91,773,000 (as at 31 March 2020: approximately HK\$228,720,000), which were mainly denominated in Hong Kong dollar.

CASH FLOW

The net cash used by the Group in its operating activities amounted to approximately HK\$11,900,000 during the Reporting Period, which was mainly used for the foundation construction and ground investigation services. Net cash used in investing activities was approximately HK\$63,970,000 in which HK\$21,475,000 arose from the payment of acquisition cost of an associate and HK\$40,000,000 arose from the net payment for purchase of debt investment at fair value through other comprehensive income. And the net cash used in financing activities was approximately HK\$16,913,000, in which approximately HK\$19,429,000 arose from the payment for purchase of shares in connection with share award scheme.

The gearing ratio of the Group as at 31 March 2021 (defined as total interest-bearing liabilities divided by the Group's total equity) was approximately 130.6% (as at 31 March 2020: approximately 106.4%).

TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy position of liquidity throughout the Reporting Period. The Group strives to reduce the exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

流動資金及財務資源

於二零二一年三月三十一日，本集團有現金及銀行結餘約136,947,000港元，減少約91,773,000港元（於二零二零年三月三十一日：約228,720,000港元），主要以港元計值。

現金流量

於報告期間，本集團經營活動所用的現金淨額約為11,900,000港元，主要用於地基建及土地勘測服務。投資活動所用現金淨額約為63,970,000港元，其中21,475,000港元來自支付收購一間聯營公司之費用及40,000,000港元來自購買按公平值計入其他全面收益的債務投資之款項淨額。融資活動所用現金淨額約為16,913,000港元，其中約19,429,000港元來自購買股份獎勵計劃有關股份之款項。

本集團於二零二一年三月三十一日的資本負債比率（定義為總計息負債除以本集團的總權益）約為130.6%（於二零二零年三月三十一日：約106.4%）。

庫務政策

本集團已對其庫務政策採取審慎的財務管理方針，故在整個報告期間內維持穩健的流動資金狀況。本集團致力透過進行持續的信貸評估及評估其客戶的財務狀況降低信貸風險。為管理流動資金風險，董事會密切監察本集團的流動資金狀況，以確保本集團資產、負債及其他承擔的流動資金架構可滿足其不時的資金要求。

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FOREIGN EXCHANGE EXPOSURE

Since the Group mainly operates in Hong Kong and most of the revenue and transactions arising from its operations were mainly settled in Hong Kong dollar, and the Group's assets and liabilities are primarily denominated in Hong Kong dollar, the Directors believe that the Group's risk in foreign exchange is insignificant and the Group will have sufficient foreign exchange to meet its foreign exchange requirements. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates; and it has not adopted any currency hedging policy or other hedging instruments during the Reporting Period.

CAPITAL STRUCTURE

The share capital of the Group only comprises of ordinary shares.

As at 31 March 2021, the Company's issued share capital was HK\$9,600,000 (as at 31 March 2020: HK\$9,600,000) and the number of its issued ordinary shares was 960,000,000 (as at 31 March 2020: 960,000,000) of HK\$0.01 each.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

(a) Acquisition of an associate

On 10 December 2019, the Company, the vendors and the vendor guarantors entered into the sale and purchase agreement, pursuant to which the Company conditionally agreed to purchase, and the vendors conditionally agreed to sell, 51% of issued share capital of the Matsu Gami which is principally engaged in the business of provision of food and beverage catering services utilizing well-known IP Rights.

外匯風險

由於本集團主要在香港經營且大部分來自營運的收入及交易主要以港元結算，而本集團的資產與負債主要以港元計值，故董事認為本集團的外匯風險甚微且本集團將有足夠外匯應付其匯兌需要。於報告期間，本集團並無因貨幣匯率波動而面臨任何經營或流動資金方面的重大困難或影響；及其亦未採納任何貨幣對沖政策或其他對沖工具。

資本結構

本集團股本僅由普通股組成。

於二零二一年三月三十一日，本公司已發行股本為9,600,000港元（於二零二零年三月三十一日：9,600,000港元）及其每股0.01港元之已發行普通股數目為960,000,000股（於二零二零年三月三十一日：960,000,000股）。

附屬公司及聯營公司的重大投資、重大收購及出售事項

(a) 收購一間聯營公司

於二零一九年十二月十日，本公司與賣方及賣方擔保人訂立買賣協議，據此，本公司有條件同意購買，而賣方有條件同意出售松神（主要從事利用知名知識產權提供餐飲服務之業務）51%的已發行股本。

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On 4 September 2020, the Company, the vendors and the vendor guarantors entered into the 2nd supplemental agreement to supplement and amend the terms of the sale and purchase agreement. The Company conditionally agreed to purchase, and the vendors conditionally agreed to sell, 35% of the issued share capital of the Matsu Gami for a total consideration of HK\$41,475,000. All the conditions under the sale and purchase agreement have been fulfilled and the completion took place on 4 September 2020.

For further details, please refer to the announcements of the Company dated 10 December 2019, 9 June 2020 and 4 September 2020.

(b) Subscription of a private fund

On 20 April 2020, the Company subscribed for the Class C Shares in the Sky Success Finance Limited at a total subscription amount of HK\$60,000,000. The fund manager will achieve capital appreciation with periodic income generation by investing in fixed income securities, debt instruments and money lending projects. The Company is entitled to a return equal to 8% per annum of its subscription amount. During the Reporting Period, the Company redeemed part of subscription amount which amounted to HK\$20,000,000 with relative 8% preferred return per annum.

For further details, please refer to the announcements dated 20 April 2020 and 8 May 2020.

Save as disclosed in this report, there were no significant investments, material acquisitions or disposal of subsidiaries and associated companies made by the Group.

於二零二零年九月四日，本公司與賣方及賣方擔保人訂立第二份補充協議，以補充及修訂買賣協議之條款。本公司有條件同意購買，而賣方有條件同意出售松神35%的已發行股本，總代價為41,475,000港元。買賣協議項下之所有條件均已達成，並於二零二零年九月四日落實完成。

有關進一步詳情，請參閱本公司日期為二零一九年十二月十日、二零二零年六月九日及二零二零年九月四日的公告。

(b) 認購一個私募基金

於二零二零年四月二十日，本公司認購天成財務有限公司之C類股份，總認購金額為60,000,000港元。基金管理人將透過投資固定收入證券、債務工具及放債項目以產生定期收入，從而達致資本增值。本公司有權獲取相等於按其認購金額每年8%計算之回報。於報告期間，本公司贖回20,000,000港元之部分認購金額連同相關的每年8%優先回報。

有關進一步詳情，請參閱日期為二零二零年四月二十日及二零二零年五月八日的公告。

除本報告所披露者外，本集團概無重大投資、重大收購或出售附屬公司及聯營公司事項。

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GUARANTEED PROFIT AND GUARANTEED IP RIGHT IN RESPECT OF THE ACQUISITION OF 35% ISSUED SHARE CAPITAL OF MATSU GAMI

Reference is made to the announcements of the Company dated 10 December 2019, 9 June 2020 and 4 September 2020 in relation to the acquisition of the 35% issued share capital of Matsu Gami which is principally engaged in the business of provision of food and beverage catering services utilizing well-known IP Rights (the “**Announcements**”). Unless otherwise defined, capitalised terms used shall have the same meanings as those defined in the Announcements.

Under the terms of the Sale and Purchase Agreement, Massive Dynamic Venture Limited and Shen Garden Holdings Limited (collectively the “**Vendors**”) and Mr. Shao Chao and Mr. Shen Kan (collectively the “**Vendor Guarantors**”) unconditionally and irrevocably guaranteed and warranted to the Company for each of the two years ended 31 March 2021 and 2022 (the “**Guaranteed Period(s)**”) that the audited consolidated net profits after tax but before deduction of non-recurring income and expenses of the Matsu Gami Group according to the Hong Kong Financial Reporting Standards (the “**Actual Profit**”) shall not be less than HK\$10,000,000 and HK\$20,000,000 (the “**Guaranteed Profit**”) respectively; and Matsu Gami Group acquires at least one IP Rights as designated by the Company to be used in relation to the Matsu Gami Group’s business(es) (the “**Guaranteed IP Right**”).

Based on the audited figures of Matsu Gami for the year ended 31 March 2021, the Actual Profit had exceeded HK\$10,000,000. Further, Matsu Gami Group has acquired at least one Guaranteed IP Right for the year ended 31 March 2021. Therefore, the Board is pleased to announce the Guaranteed Profit and Guaranteed IP Right for the 2020-2021 Guaranteed Period have been fulfilled. The Company will publish announcements in due course to inform the Shareholders whether the Matsu Gami Group has achieved the Guaranteed Profit and Guaranteed IP Right for the 2021-2022 Guaranteed Period.

有關收購松神35%的已發行股本之保證溢利及保證知識產權

茲提述本公司日期為二零一九年十二月十日、二零二零年六月九日及二零二零年九月四日的公告（「**該等公告**」），內容有關收購松神35%的已發行股本，該公司主要使用知名知識產權從事提供餐飲服務之業務。除非文義另有界定者外，以下所用詞彙與該等公告所界定者具有相同涵義。

根據買賣協議之條款，巨能投資有限公司及沈家花園控股有限公司（統稱「**賣方**」）與邵超先生及沈侃先生（統稱「**賣方擔保人**」）無條件及不可撤回地向本公司擔保及保證截至二零二一年及二零二二年三月三十一日止兩個年度各年（「**擔保期間**」），松神集團根據香港財務報告準則之經審核綜合除稅後但扣除非經常性收入及開支前溢利淨額（「**實際溢利**」）應分別不得低於10,000,000港元及20,000,000港元（「**保證溢利**」）；及松神集團取得至少一項由本公司指定及將用於松神集團業務之知識產權（「**保證知識產權**」）。

根據松神截至二零二一年三月三十一日止年度的經審核數字，實際溢利已超過10,000,000港元。此外，松神集團於截至二零二一年三月三十一日止年度已取得至少一項保證知識產權。因此董事會欣然宣佈，二零二零年至二零二一年擔保期間之保證溢利及保證知識產權已獲達成。本公司將適時刊發公告，告知股東松神集團是否已達致二零二一年至二零二二年擔保期間的保證溢利及保證知識產權。

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ESCROW AGREEMENT IN RESPECT OF THE ACQUISITION OF 35% ISSUED SHARE CAPITAL OF MATSU GAMI

Reference is made to the announcement of the Company dated 25 June 2021 in relation to, among others, the Financial Assistance (the “**FA Announcement**”). Unless otherwise specified, capitalised terms used shall have the same meanings as those defined in the FA Announcement.

In or around late April 2021, in the course of the Group’s financial auditing, it was discovered that the Escrow Amount was replaced by two promissory notes issued by Moon Ace Limited, a company incorporated in the British Virgin Islands, in the principal amount of HK\$12,885,000 and HK\$8,590,000, respectively.

Upon discovery of the early release of the Escrow Amount and the Financial Assistance, the Company immediately requested the Vendors to repay the Escrow Amount and the interest accrued into the Escrow Accounts. On 23 June 2021, the Vendors deposited HK\$21,679,747.95 into the Escrow Accounts. Accordingly, no loss has been suffered by the Company.

Due to the failure of Mr. Yan Shuai (“**Mr. Yan**”) to inform the Board of the early release of the Escrow Amount and the Financial Assistance, the Company has not complied with Rule 14.34 of the Listing Rules that the Financial Assistance has not been previously announced in a timely manner in accordance with the Listing Rules.

To prevent the reoccurrence of similar incidents in the future, the Company has engaged an internal control adviser to review the current internal control policies, to make suggestions to amend such policies and to implement a more robust internal control system. Moreover, the Company has arranged for professional advisors to provide additional training to Mr. Yan, with particular focus on the requirement in Chapters 14 and 14A of the Listing Rules.

有關收購松神35%的已發行股本之託管協議

茲提述本公司日期為二零二一年六月二十五日的公告（「**財務資助公告**」），內容有關（其中包括）財務資助。除非文義另有所指，否則以下所用詞彙與財務資助公告所界定者具有相同涵義。

於二零二一年四月底或前後，本集團於財務審計過程中發現託管金額被Moon Ace Limited（一間於英屬處女群島註冊成立之公司）發行的兩項本金額分別為12,885,000港元及8,590,000港元的承兌票據所替代。

經發現提前發放託管金額及提供財務資助後，本公司立即要求賣方償還託管金額及應計利息至託管賬戶。於二零二一年六月二十三日，賣方向託管賬戶存入21,679,747.95港元。因此，本公司並無遭受任何損失。

由於嚴帥先生（「**嚴先生**」）未能知會董事會有關提前發放託管金額及財務資助，故本公司未遵守上市規則第14.34條，即先前未根據上市規則及時就財務資助作出公告。

為防止日後再次發生類似事件，本公司已委任內部監控顧問審閱現時內部監控政策，以就修改有關政策及實施更健全的內部監控系統提供建議。此外，本公司已安排專業顧問向嚴先生提供額外培訓，尤其關注上市規則第14及14A章之規定。

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CONTINGENT LIABILITIES

The Group had no contingent liabilities as at 31 March 2021 and 2020.

EVENTS AFTER THE REPORTING PERIOD

There are no other significant event after the Reporting Period up to the date of this report.

LITIGATIONS

As at 31 March 2021, the Group had no material pending litigation.

或然負債

於二零二一年及二零二零年三月三十一日，本集團概無或然負債。

報告期後事項

於報告期間後及截至本報告日期概無其他重大事項。

訴訟

於二零二一年三月三十一日，本集團並無重大未決訴訟。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2021, the Group had 137 full-time employees (as at 31 March 2020: 143 full-time employees).

The remuneration policy and packages of the Group's employees are periodically reviewed. Apart from mandatory provident fund and in-house training programmes, salary increment and discretionary bonuses may be awarded to employees according to the assessment of individual performance. The total remuneration cost incurred by the Group for the Reporting Period was approximately HK\$70,892,000 as compared to approximately HK\$66,861,000 for the year ended 31 March 2020.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's key risk exposures are summarised as follows:

- (i) The Group has a concentrated clientele base. Any loss for major customers or decrease in the number of projects with the top 5 customers of the Group may adversely affect the Group's operations and financial results.
- (ii) The Group's past revenue and profit margin may not be an indicative of the Group's future revenue and profit margin. In particular, the Group's revenue is on project basis, which is non-recurrent in nature, and the Group may achieve lower-than expected revenue if it fails to maintain continuity of the Group's order book for its new projects.
- (iii) The Group is dependent on its Board members and senior management staff, the departure of its staff may adversely affect the Group's business operations.

僱員及薪酬政策

於二零二一年三月三十一日，本集團有137名全職僱員（於二零二零年三月三十一日：143名全職僱員）。

本集團定期審閱僱員的薪酬政策及待遇。除強制性公積金及內部培訓課程外，本集團亦根據個人表現評核而增加工資及授予僱員酌情花紅。於報告期間，本集團產生的總薪酬成本約為70,892,000港元，而截至二零二零年三月三十一日止年度則約為66,861,000港元。

主要風險及不確定性

本集團的主要風險概述如下：

- (i) 本集團的客戶群集中。任何主要客戶的流失或本集團五大客戶項目數目的減少均可能對本集團的營運及財務業績造成不利影響。
- (ii) 本集團的過往收入及利潤率未必代表本集團未來收入及利潤率。尤其是，本集團的收入按項目基準計算，屬非經常性質，如本集團未能持續獲取新項目的訂單，其收入可能低於預期。
- (iii) 本集團依賴其董事會成員及高級管理層員工，其員工流失或會對本集團的業務營運構成不利影響。

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- (iv) Failure to accurately estimate and control the costs of the Group's projects may adversely affect the Group's financial performance.
 - (v) Any delay or default of progress payments or retention monies by the customers may affect the Group's cash flow and may have adverse impact on the Group's financial results.
 - (vi) Failure to renew the Group's current registrations and licenses may adversely affect the Group's business operations. For other risks and uncertainties facing the Group, please refer to the section headed "Risks Factors" in the prospectus of the Company dated 28 July 2015 (the "**Prospectus**").
- (iv) 未能準確估計及控制本集團項目的成本或會對本集團的財務表現構成不利影響。
 - (v) 客戶延遲或拖欠進度付款或保留款項可能影響本集團的現金流量及可能對本集團的財務業績造成不利影響。
 - (vi) 未能重續本集團的現有註冊及牌照可能對本集團的業務營運構成不利影響。有關本集團面臨的其他風險及不確定因素，請參閱本公司日期為二零一五年七月二十八日之招股章程（「招股章程」）「風險因素」一節。

RELATIONSHIP WITH CUSTOMERS, SUPPLIERS, SUBCONTRACTORS AND EMPLOYEES

The Group's success also depends on the support from key stakeholders which comprise employees, customers and suppliers.

Customers

For foundation construction, the principal customers are generally from the main contractors of construction projects in Hong Kong. For ground investigation services, the principal customers are generally from the employers of construction projects in Hong Kong. During the Reporting Period, the Directors considered that the Group did not rely on any single customer. The Group also maintains a long-term relationship with its customers, some of which have established more than 10 years of working relationship with the Group.

與客戶、供應商、分包商及僱員的關係

本集團的成功亦取決於主要持份者（包括僱員、客戶及供應商）的支持。

客戶

就地基建築而言，主要客戶一般為香港建築項目的總承建商。就土地勘測服務而言，主要客戶一般為香港建築項目的僱主。於報告期間，董事認為，本集團並不依賴任何單一客戶。本集團亦與其客戶維持長期關係，部分客戶已與本集團建立10年以上工作關係。

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Suppliers and Subcontractors

During the Reporting Period, the suppliers of goods and services which were specific to the business of the Group and were acquired on a regular basis to enable the Group to continue to carry its business included (i) subcontractors engaged by the Group to perform the site works; (ii) materials and equipment suppliers to supply materials and equipments used in the site works; and (iii) suppliers of miscellaneous goods and services required for the Group's business operations. The Group maintains multiple suppliers and subcontractors to avoid the over-reliance on a few suppliers and subcontractors; and did not experience any material difficulties in sourcing materials from suppliers and assigning subcontractors during the Reporting Period. The Group did not have any significant disputes with any of its suppliers and subcontractors during the Reporting Period.

Employees

The Group recognised employees as valuable assets of the Group. During the Reporting Period, the Group has complied with the applicable labour laws and regulations and regularly reviewed the benefits of existing staff for improvement. The Group intends to use its best effort to attract and retain appropriate and suitable personnel to serve the Group. The objective of the Group's human resource management is to reward and recognise performing staff by providing an attractive remuneration package.

The Group determines the salary of its employees mainly based on each employee's qualification, relevant experience, position and seniority. The Group conducts annual review on salary increment, bonuses and promotions based on the performance of each employee.

The Group considers that the Group has maintained a good relationship with its employees. The Group has not experienced any strikes, work stoppages or labour disputes which affected its operations during the Reporting Period. The Directors also acknowledge that the management team and the employees have maintained a good relationship and co-operated well during the Reporting Period.

供應商及分包商

於報告期間，就本集團業務屬特定且須定期供應貨物及服務以便本集團能繼續進行其業務的供應商包括：(i)本集團委聘進行地盤工程的分包商；(ii)供應地盤工程使用的物料及設備的物料及設備供應商；及(iii)供應本集團業務營運所需的其他各種貨品及服務的供應商。本集團維持多名供應商及分包商以避免對少數供應商及分包商過度依賴，於報告期間，本集團於向供應商採購物料及委派分包商方面並無遭遇任何重大困難。本集團於報告期間並無與其任何供應商及分包商有任何重大糾紛。

僱員

本集團視僱員為本集團的寶貴資產。於報告期間，本集團已遵守適用勞動法律及法規，並定期審閱及完善現有員工福利。本集團擬盡最大努力吸引及挽留適當及合適人員為本集團服務。本集團人力資源管理的目標為透過提供具吸引力的薪酬待遇，以獎勵及認可表現優秀的員工。

本集團主要根據各僱員的資格、相關經驗、職位及年資釐定僱員薪酬。本集團每年根據各僱員的表現對加薪、花紅及晉升進行檢討。

本集團認為本集團與其僱員保持良好關係。於報告期間，本集團並無發生任何影響其營運的罷工、停工或勞資糾紛。董事亦認為，於報告期間管理團隊與僱員之間一直保持良好關係及合作。

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ENVIRONMENTAL POLICIES

The Group places an emphasis on environmental protection when undertaking its projects. The Group was awarded the ISO 14001:2015 (environmental management system). During the Reporting Period, the ISO 14001:2015 certificate was valid from 7 April 2018 to 29 April 2021. When preparing the tender documents, the Group will take into consideration the environmental protection requirements of potential customers as well as the relevant laws and regulations in relation to environmental protection. The Group's safety officers are responsible for ensuring that the Group satisfies the applicable laws and regulations requirements and identifying and reporting on environmental issues to our project management team.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operation are mainly carried out by the Company's subsidiaries in Hong Kong while the Company itself is a holding company. Our operations accordingly shall comply with the relevant laws and regulations in Hong Kong. During the Reporting Period and up to the date of this annual report, there is no material non-compliance with the relevant prevailing laws and regulations by the Group.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not have other plans for material investments and capital assets up to the date of this annual report.

環保政策

本集團在進行項目時注重環保。本集團獲授 ISO 14001:2015 (環境管理體系)。於報告期間，現時ISO 14001:2015認證的有效期為二零一八年四月七日至二零二一年四月二十九日。於準備投標文件時，本集團會考慮潛在客戶的環保要求以及與環保有關的相關法律及法規。本集團的安全主任負責確保本集團符合適用法律及法規的規定，並識別環保方面的問題，向項目管理團隊匯報。

遵守法律及法規

本集團的營運主要透過本公司於香港的附屬公司進行，而本公司本身為一間控股公司。因此，我們的營運須遵守香港有關法律及法規。於報告期間及直至本年報日期，本集團並無嚴重違反相關現行法律及法規。

重大投資及資本資產的未來計劃

直至本年報日期，本集團並無其他重大投資及資本資產計劃。

MANAGEMENT DISCUSSION AND ANALYSIS

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CORPORATE GOVERNANCE

The Company had complied with all applicable code provisions as set out in the Corporate Governance Code (the “**Code**”) contained in Appendix 14 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) during the Reporting Period, except for the deviation from the code provision A.6.7.

For further details, please refer to the corporate governance report on page 31 to 59 of this annual report.

CODE OF CONDUCT REGARDING 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 as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code throughout the Reporting Period.

企業管治

本公司於報告期間已遵守香港聯合交易所有限公司（「**聯交所**」）證券上市規則（「**上市規則**」）附錄十四所載之企業管治守則（「**守則**」）之所有適用守則條文，惟守則條文第A.6.7條的偏離情況除外。

有關進一步詳情，請參閱本年報第31至59頁的企業管治報告。

董事進行證券交易之操守守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「**標準守則**」），作為董事進行證券交易之操守守則。經本公司作出具體查詢後，全體董事確認彼等於整個報告期間已遵守標準守則所載的規定標準。

BIOGRAPHICAL DETAILS OF DIRECTORS AND COMPANY SECRETARY

董事及公司秘書的履歷詳情

EXECUTIVE DIRECTORS

Mr. Yan Shuai (嚴帥), aged 33, obtained his bachelor's degree in financial management from Shanghai University of International Business and Economics (上海對外經貿大學) in 2009, bachelor's degree of business administration (majoring in financial services and administration) (long distance learning course) from Douglas College in 2009 and Master Degree in Science (majoring in Economics and Finance) from University of Durham in the United Kingdom in 2011. Mr. Yan also obtained a fund practice certificate* (中國證券投資基金業從業證書) issued by Asset Management Association of China (中國證券投資基金業協會) in February 2018. Mr. Yan has over 9 years of experience in the finance field. Mr. Yan has been a director of Links Network & Technology Co., Limited (上海凌脈網路科技股份有限公司), a company listed on National Equities Exchange and Quotations (Stock code: 835718) since May 2017. He has also been a senior investment manager of Shenzhen Capital Group Co. Limited (深圳市創新投資集團) and Shanghai Chuangxin Investment Management Company Limited* (上海創新投資管理有限公司) since 2011, responsible for fund-raising and project financing. Mr. Yan has joined the Company since 13 March 2018.

Mr. Chan Kwan (陳昆), aged 33, obtained his bachelor's degree in Biomedical Science from University of Essex in June 2012 and bachelor's degree of laws from University of Leicester in July 2015. He is also a diamond graduate of Gemological Institute of America (美國寶石學院). Mr. Chan has extensive experience in both assets management and commercial acquisition. He has been a non-executive director of CAQ Holdings Limited, a company listed on the Australia Stock Exchange with Listing Corporation Code of CAQ since November 2017. Mr. Chan also served as a legal and project director of China Cambodia International Special Economic Zone Co. Limited from October 2015 to February 2018. Mr. Chan has joined the Company since 13 March 2018.

執行董事

嚴帥先生，33歲，於二零零九年自上海對外經貿大學取得財務管理學士學位、於二零零九年自道格拉斯學院取得工商管理學士學位（主修金融服務及行政管理）（遙距學習課程）以及於二零一一年自英國杜倫大學取得理學碩士學位（主修經濟及金融）。嚴先生亦於二零一八年二月取得中國證券投資基金業協會頒發之中國證券投資基金業從業證書。嚴先生於金融領域擁有逾9年經驗。嚴先生自二零一七年五月起為上海凌脈網路科技股份有限公司（一間於全國中小企業股份轉讓系統上市之公司（股份代號：835718））之董事。彼亦自二零一一年起為深圳市創新投資集團及上海創新投資管理有限公司之高級投資經理，負責集資及項目融資。嚴先生自二零一八年三月十三日起加入本公司。

陳昆先生，33歲，於二零一二年六月自埃塞克斯大學取得生物醫學學士學位及於二零一五年七月自萊斯特大學取得法律學士學位。彼亦為美國寶石學院鑽石課程畢業生。陳先生於資產管理及商業收購方面均擁有豐富經驗。自二零一七年十一月起，彼一直為CAQ Holdings Limited（一間於澳洲證券交易所上市之公司，上市公司代碼：CAQ）之非執行董事。陳先生亦曾於二零一五年十月至二零一八年二月擔任中東國際經濟特區有限公司之法律及項目總監。陳先生自二零一八年三月十三日起加入本公司。

BIOGRAPHICAL DETAILS OF DIRECTORS AND COMPANY SECRETARY 董事及公司秘書的履歷詳情

Mr. Zhu Jiayu (朱佳瑜), aged 48, obtained his Master Degree of Science in Electrical Engineering from the University of Wyoming in 1996. Mr. Zhu has over 26 years of business and managerial experiences in various industries including telecommunication, IT software, chip manufacturing, infrastructural constructions, industrial equipment, gaming and new media. He has been the co-founder and partner of Shanghai Yi Hong Internet Technology Company Limited* 上海乙宏網絡科技有限公司, which is engaged in the production of internet streaming programs in the People's Republic of China, since July 2015. Mr. Zhu has joined the Company since 18 September 2019.

NON-EXECUTIVE DIRECTORS

Mr. Zhang Zhenyi (張振義), aged 40, has over 17 years' experience in financial, risk and investment management. He currently acts as the executive director, chief financial officer, company secretary and authorised representative of Mason Group Holdings Limited (a company listed on the main board of the Stock Exchange, stock code: 273) in April 2020, as an independent non-executive director of Jiangsu Protruly Vision Technology Group Company Limited (江蘇保千里視像科技集團股份有限公司) (a company listed on the Shanghai Stock Exchange, Stock Code: 600074) since July 2018 and an independent non-executive director, a member of each of the audit committee, remuneration committee and nomination committee of Carry Wealth Holdings Limited (a company listed on the main board of the Stock Exchange, stock code: 643) since March 2017. Mr. Zhang currently serves as a corporate instructor of MPACC at Harbin Institute of Technology and a practices instructor of postgraduate students of accounting and auditing at Jinan University. Mr. Zhang obtained a master degree of business management* (工商管理碩士學位) from the University of Science and Technology Beijing in 2011. He also holds qualifications as a certified public accountant, senior international finance manager and senior accountant in the PRC. Mr. Zhang is a fellow member of the Chartered Institute of Management Accountants, fellow member of CPA Australia and holds the certificate of Chartered Global Management Accountant and certificate of independent director of the Shanghai Stock Exchange.

朱佳瑜先生，48歲，於一九九六年自懷俄明大學(University of Wyoming)取得電子工程理學碩士學位。朱先生於多個行業(包括電訊、資訊科技軟件、芯片製造、基礎設施建設、工業設備、遊戲及新媒體)之業務及管理方面擁有逾26年經驗。彼自二零一五年七月起為上海乙宏網絡科技有限公司之共同創辦人及合夥人，該公司於中華人民共和國從事製作互聯網串流節目。朱先生自二零一九年九月十八日起加入本公司。

非執行董事

張振義先生，40歲，於財務、風險及投資管理方面擁有逾17年經驗。彼自二零二零年四月起於茂宸集團控股有限公司(於聯交所主板上市之公司，股份代號：273)出任執行董事、首席財務官、公司秘書及授權代表，並自二零一八年七月起於江蘇保千里視像科技集團股份有限公司(於上海證券交易所上市之公司，證券代碼：600074)出任獨立非執行董事及於二零一七年三月起於恒富控股有限公司(於聯交所主板上市之公司，股份代號：643)出任獨立非執行董事、審核委員會、薪酬委員會及提名委員會各自之成員。張先生目前擔任哈爾濱工業大學會計碩士企業導師及暨南大學會計與審計碩士研究生實踐導師。張先生於二零一一年於北京科技大學取得工商管理碩士學位。彼亦擁有中國註冊會計師、高級國際財務管理師及高級會計師資格。張先生為英國特許管理會計師公會資深會員及澳洲會計師公會的資深會員，持有特許環球管理會計師證書及上海證券交易所獨立董事證書。

BIOGRAPHICAL DETAILS OF DIRECTORS AND COMPANY SECRETARY 董事及公司秘書的履歷詳情

Mr. Chui Kwong Kau (崔光球), aged 54, has over 20 years of experiences in financial management, accounting, and auditing fields.

Mr. Chui, is currently an executive director of Yuk Wing Group Holdings Limited (stock code: 1536), a non-executive director of Boill Healthcare Holdings Limited (stock code: 1246) and an executive director of Hong Kong Life Sciences and Technologies Group Limited (“**HK Life Sci**”) (stock code: 8085). The securities of HK Life Sci had been listed on the GEM of the Stock Exchange until 14 September 2020.

He was an independent non-executive director of Aurum Pacific (China) Group Limited (stock code: 8148) from March 2010 to March 2016, an executive director of China Energy Development Holdings Limited (stock code: 228) from October 2005 to June 2016 and a non-executive director of DeTai New Energy Group Limited (stock code: 559) from December 2015 to March 2020.

Mr. Chui was an executive director of Ming Lam Holdings Limited (“**Ming Lam Hldgs**”) (stock code: 1106) from July 2019 to August 2020. Mr. Chui was informed that Ming Lam Hldgs was ordered to be wound up and an official receiver was appointed as the provisional liquidator by the High Court of Hong Kong on 31 August 2020. Mr. Chui confirmed that he was not a party of such winding up proceedings and is not aware of any actual or potential claim that has been or will be made against him as a result of the above.

Mr. Chui was a non-executive director of Hsin Chong Group Holdings Limited (stock code: 404) from May 2015 to March 2019 whose securities were listed on the main board of the Stock Exchange until 31 December 2019. Hsin Chong was wound up by an order of the Supreme Court of Bermuda dated 20 January 2020, following winding-up petitions made by a creditor of Hsin Chong. Mr. Chui confirmed that he was not a party of such winding up proceedings and is not aware of any actual or potential claim that has been or will be made against him as a result of the above. Mr. Chui has joined the Company since 7 January 2021.

崔光球先生，54歲，於財務管理、會計及審計方面擁有逾20年經驗。

崔先生現任煜榮集團控股有限公司（股份代號：1536）之執行董事、保集健康控股有限公司（股份代號：1246）之非執行董事及香港生命科學技術集團有限公司（「**香港生命科學技術**」）（股份代號：8085）之執行董事。香港生命科學技術之證券曾於聯交所GEM上市直至二零二零年九月十四日止。

彼於二零一零年三月至二零一六年三月期間擔任奧栢中國集團有限公司（股份代號：8148）之獨立非執行董事，於二零零五年十月至二零一六年六月擔任中國能源開發控股有限公司（股份代號：228）之執行董事及於二零一五年十二月至二零二零年三月擔任德泰新能源團有限公司（股份代號：559）之非執行董事。

崔先生於二零一九年七月至二零二零年八月擔任銘霖控股有限公司（「**銘霖控股**」）（股份代號：1106）之執行董事。崔先生獲悉，銘霖控股於二零二零年八月三十一日被香港高等法院頒令清盤，而破產管理署署長獲委任為該公司的臨時清盤人。崔先生確認其並非該清盤程序的其中一方，且並不知悉因上述事宜對彼提出或將對彼提出任何實際或潛在索償。

崔先生於二零一五年五月至二零一九年三月擔任新昌集團控股有限公司（股份代號：404）之非執行董事，該公司之證券曾於聯交所主板上市直至二零一九年十二月三十一日止。於新昌之債權人提出之清盤呈請後，新昌根據百慕達最高法院日期為二零二零年一月二十日之命令清盤。崔先生確認其並非該清盤程序的其中一方，且並不知悉因上述事宜對彼提出或將對彼提出任何實際或潛在索償。崔先生自二零二一年一月七日起加入本公司。

BIOGRAPHICAL DETAILS OF DIRECTORS AND COMPANY SECRETARY

董事及公司秘書的履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lo Wa Kei Roy (盧華基), aged 50, has over 28 years of experience in auditing, accounting and finance. Mr. Lo received a bachelor's degree of business administration from the University of Hong Kong in 1993 and a master's degree of professional accounting from the Hong Kong Polytechnic University in 2000. He is a certified public accountant, a fellow member of the Hong Kong Institute of Certified Public Accountants, fellow member of CPA Australia and fellow of the Institute of Chartered Accountants in England and Wales. Mr. Lo is a practising accountant in Hong Kong, and has become the managing partner of SHINEWING (HK) CPA Limited since 2014. Mr. Lo currently serves as the independent non-executive director of each of the Hong Kong listed companies below, namely, China Zhongwang Holdings Limited (stock code: 1333) since February 2009, China Oceanwide Holdings Limited (stock code: 715) since November 2014, Xinming China Holdings Limited (stock code: 2699) since June 2015, China Tonghai International Financial Limited (stock code: 952) since February 2017 and G-Resources Group Limited (stock code: 1051) since July 2017. Mr. Lo was an independent non-executive director of Sheen Tai Holdings Group Company Limited (stock code: 1335) from 22 June 2012 to 29 May 2020 and an independent non-executive director of Sun Hing Vision Group Holdings Limited (stock code: 125) from May 1999 to 1 March 2021. Mr. Lo is also the member of the Shanghai Pudong New Area Committee of the Chinese People's Political Consultative Conference and the founding executive vice-president and council member of the Hong Kong Independent Non-Executive Director Association and the Divisional President 2019 - Greater China of CPA Australia. Mr. Lo has joined the Company since 8 March 2017.

獨立非執行董事

盧華基先生，50歲，於審計、會計及財務方面擁有逾28年經驗。盧先生於一九九三年獲香港大學頒授工商管理學士學位，並於二零零零年獲香港理工大學頒授專業會計碩士學位。彼為註冊會計師、香港會計師公會資深會員、澳洲會計師公會資深會員及英格蘭及威爾士特許會計師協會資深會員。盧先生為香港執業會計師，並自二零一四年起成為信永中和（香港）會計師事務所有限公司之管理合夥人。盧先生現任下列各香港上市公司之獨立非執行董事，即中國忠旺控股有限公司（股份代號：1333）（自二零零九年二月起）、中泛控股有限公司（股份代號：715）（自二零一四年十一月起）、新明中國控股有限公司（股份代號：2699）（自二零一五年六月起）、中國通海國際金融有限公司（股份代號：952）（自二零一七年二月起）及國際資源集團有限公司（股份代號：1051）（自二零一七年七月起）。盧先生於二零一二年六月二十二日至二零二零年五月二十九日擔任順泰控股集團有限公司（股份代號：1335）之獨立非執行董事，於一九九九年五月至二零二一年三月一日擔任新興光學集團控股有限公司（股份代號：125）之獨立非執行董事。盧先生亦為中國人民政治協商會議上海市浦東新區委員會委員、香港獨立非執行董事協會創會常務副會長及理事和澳洲會計師公會大中華區分會二零一九屆會長。盧先生自二零一七年三月八日起加入本公司。

BIOGRAPHICAL DETAILS OF DIRECTORS AND COMPANY SECRETARY 董事及公司秘書的履歷詳情

Mr. Leung Ka Fai Nelson (梁嘉輝), aged 45, has over 14 years of work experience in legal area. He has worked for various professional companies and specialised in intellectual property, cross border legal business and general company legal affairs. Mr. Leung served as an assistant director in a department of a legal related service company from September 2006 to September 2020. Mr. Leung graduated from China University of Political Science and Law in 2002 with a bachelor degree of law, majoring in economics law* (法學學士(經濟法專業)). Mr. Leung has joined the Company since 5 July 2017.

Mr. Eric, Todd (達振標), aged 59, possesses extensive professional experience in the auditing, financial management, investment and media industry. Mr. Todd holds a bachelor of science degree in business administration from the School of Management of Boston University in Massachusetts, United States of America. He was a certified public accountant in the State of California, the United States from September 1989 to January 2010.

Mr. Todd started his career at the Hong Kong office of KPMG (formerly known as KPMG Peat Marwick) from 1985 to 1990 and subsequently joined the Standard Chartered Bank Group and worked from 1991 to 1995. Prior to joining the Company, he had been employed as a business consultant and also served as finance director for several companies engaged in the media industry.

Mr. Todd is currently an executive director and chairman of DeTai New Energy Group Limited (stock code: 559), an executive director and chairman of Far East Holdings International Limited (stock code: 36) and an independent non-executive director of Jimu Group Limited (stock code: 8187).

Mr. Todd was a director of Tech Pro Technology Development Limited (stock code: 3823) ("Tech Pro") from March 2020 to June 2021, the issued shares of which were listed on the main board of the Stock Exchange and delisted on 2 March 2020. Mr. Todd was also an executive director of Chinese Food and Beverage Group Limited (stock code: 8272) from March 2020 to April 2021 (the issued shares of which were listed on the GEM board of the Stock Exchange and delisted on 13 July 2021) and a non-executive director of Leyou Technologies Holdings Limited (stock code: 1089) from July 2015 to December 2020 (the issued shares of which were listed on the main board of the Stock Exchange and delisted on 24 December 2020).

* For identification purpose only

梁嘉輝先生，45歲，擁有逾14年法律事務工作經驗。彼曾於不同專業公司從事知識產權、跨境法律業務及一般公司法律事務。自二零零六年九月至二零二零年九月，梁先生任職於一家法律相關服務公司，擔任助理主任。梁先生在二零零二年畢業於中國政法大學，獲得法學學士(經濟法專業)學位。梁先生自二零一七年七月五日起加入本公司。

達振標先生，59歲，於審計、財務管理、投資及媒體行業擁有豐富的專業經驗。達先生持有美利堅合眾國馬薩諸塞州波士頓大學管理學院(School of Management of Boston University in Massachusetts)的工商管理學士學位。彼於一九八九年九月至二零一零年一月為美國加利福尼亞州之註冊會計師。

達先生於一九八五年至一九九零年於畢馬威會計師事務所(前稱畢馬域會計師行)香港辦事處開始其職業生涯，其後加入渣打銀行集團，並於一九九一年至一九九五年在該銀行任職。於加入本公司前，彼獲多間從事傳媒行業的公司聘用為業務顧問及擔任財務主管。

達先生現任德泰新能源集團有限公司(股份代號：559)的執行董事及主席、遠東控股國際有限公司(股份代號：36)的執行董事及主席，以及積木集團有限公司(股份代號：8187)的獨立非執行董事。

達先生於二零二零年三月至二零二一年六月擔任德普科技發展有限公司(股份代號：3823) (「德普」)的董事，該公司的已發行股份於聯交所主板上市並於二零二零年三月二日除牌。達先生亦於二零二零年三月至二零二一年四月擔任華人飲食集團有限公司(股份代號：8272)的執行董事，該公司的已發行股份於聯交所GEM板上市並於二零二一年七月十三日除牌；以及於二零一五年七月至二零二零年十二月擔任樂遊科技控股有限公司(股份代號：1089)的非執行董事，該公司的已發行股份於聯交所主板上市並於二零二零年十二月二十四日除牌。

BIOGRAPHICAL DETAILS OF DIRECTORS AND COMPANY SECRETARY 董事及公司秘書的履歷詳情

Mr. Todd was an executive director of Shi Shi Services Limited (stock code: 8181) from August 2016 to October 2020, and an independent non-executive director of Boill Healthcare Holdings Limited (stock code: 1246) from July 2016 to August 2017. Mr. Todd was an executive director of Hsin Chong Group Holdings Limited (stock code: 404) (“Hsin Chong”) from March 2017 to March 2019, whose securities were listed on the main board of the Stock Exchange until 31 December 2019. Hsin Chong was wound-up by an order of the Supreme Court of Bermuda dated 20 January 2020 (“Winding-up Order”), following winding-up petitions made by a creditor of Hsin Chong. Mr. Todd confirmed that he was not a party to such winding up petition and is not aware of any actual or potential claim that has been or will be made against him as a result thereof. Mr. Todd has joined the Company since 7 January 2021.

COMPANY SECRETARY

Ms. Wong Kit Ying (黃潔瑩) joined the Company in January 2017. She currently serves as an assistant financial controller. She holds a bachelor of accounting degree in the Edinburgh Napier University and is a member of the Hong Kong Institute of Certified Public Accountants. Prior to joining the Company, Ms. Wong worked in Sheen Tai Holdings Group Company Limited, a company listed on the main board of the Stock Exchange (stock code: 1335) as a finance manager and several accounting firms. Ms. Wong has over 10 years of extensive experience in the field of accounting, auditing and financial management.

達先生於二零一六年八月至二零二零年十月擔任時時服務有限公司(股份代號: 8181)的執行董事, 以及於二零一六年七月至二零一七年八月擔任保集健康控股有限公司(股份代號: 1246)的獨立非執行董事。達先生於二零一七年三月至二零一九年三月擔任新昌集團控股有限公司(股份代號: 404) (「新昌」)的執行董事, 該公司的證券曾於聯交所主板上市直至二零一九年十二月三十一日止。於新昌之債權人提出之清盤呈請後, 新昌根據百慕達最高法院日期為二零二零年一月二十日之命令清盤(「清盤命令」)。達先生確認其並非該清盤程序的其中一方, 且並不知悉因此而對彼提出或將對彼提出任何實際或潛在索償。達先生自二零二一年一月七日起加入本公司。

公司秘書

黃潔瑩女士於二零一七年一月加入本公司。彼現任助理財務總監。彼持有愛丁堡納皮爾大學會計學士學位及為香港會計師公會之會員。於加入本公司前, 黃女士曾於順泰控股集團有限公司(一間於聯交所主板上市之公司(股份代號: 1335))擔任財務經理及於多間會計師事務所工作。黃女士於會計、審計及財務管理方面擁有逾10年的豐富經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board of Directors of Wan Kei Group Holdings Limited and its subsidiaries is committed to achieving and maintaining the highest standard of corporate governance. The Board believes that a good corporate governance standard will provide a framework for the Group to formulate the business strategies and policies, and manage the associated risk through effective internal control procedures. It will also enhance the transparency of the Group and strengthen its accountability to the Shareholders of the Company.

The Company has complied with all the applicable principles and code provisions in the Code set out in Appendix 14 to the Listing Rules during the Reporting Period, except for the deviation from the code provision A.6.7.

In accordance with code provision A.6.7 of Code, the non-executive Director and independent non-executive Directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. However, one of the independent non-executive Directors was absent from the annual general meeting of the Company held on 1 September 2020 due to other business engagement. The Company will finalise and inform the dates of the general meetings as early as possible to ensure that all the independent non-executive Directors can attend the general meetings in future.

宏基集團控股有限公司及其附屬公司董事會致力達致及維持最高標準之企業管治。董事會相信，良好的企業管治準則可為本集團提供制訂業務策略及政策的大綱，並可透過有效的內部監控程序管理相關風險，同時亦可提高本集團的透明度，加強對本公司股東的問責性。

本公司於報告期間已遵守上市規則附錄14所載之守則之所有適用原則及守則條文，惟守則條文第A.6.7條的偏離情況除外。

根據守則的守則條文第A.6.7條，非執行董事及獨立非執行董事應出席股東大會，以對股東的意見有公正的了解。然而，其中一名獨立非執行董事由於有其他公務安排，未有出席本公司於二零二零年九月一日舉行的股東週年大會。本公司日後將盡早決定並知會股東大會的日期，以確保全體獨立非執行董事均能出席股東大會。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group commits to continuously improving its corporate governance practices by periodic review to ensure that the Group continues to meet the requirements of the Code.

The key corporate governance practices of the Group are summarised as follows:

BOARD OF DIRECTORS

Composition

As at the date of this report, the Board currently comprises three executive Directors, two non-executive Directors, and three independent non-executive Directors.

Executive Directors

Mr. Yan Shuai
Mr. Chan Kwan
Mr. Zhu Jiayu

Non-executive Directors

Mr. Zhang Zhenyi
Mr. Chui Kwong Kau (appointed on 7 January 2021)

Independent Non-executive Directors

Mr. Lo Wa Kei Roy
Mr. Leung Ka Fai Nelson
Mr. Qin Fen (resigned on 7 January 2021)
Mr. Eric, Todd (appointed on 7 January 2021)

本集團透過定期檢討，致力不斷完善企業管治常規，確保本集團一直符合守則規定。

本集團的主要企業管治常規概述如下：

董事會

組成

於本報告日期，董事會現時由三名執行董事、兩名非執行董事及三名獨立非執行董事組成。

執行董事

嚴帥先生
陳昆先生
朱佳瑜先生

非執行董事

張振義先生
崔光球先生（於二零二一年一月七日獲委任）

獨立非執行董事

盧華基先生
梁嘉輝先生
秦奮先生（於二零二一年一月七日辭任）
達振標先生（於二零二一年一月七日獲委任）

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company has complied with rules 3.10(1) and 3.10A of the Listing Rules during the Reporting Period. There are currently three independent non-executive Directors in the Board and the number of independent non-executive Directors represents more than one-third of the Board. As such, there exists a strong independent element in the Board, which can effectively exercise independent judgement. The Company has also complied with rule 3.10(2) of the Listing Rules which stipulates that one of the independent non-executive Directors must possess appropriate professional qualification or accounting or related financial management expertise. In compliance with the Code, the independent non-executive Directors expressly identified as such in all corporate communications that disclosed the name of the Directors.

Each of the independent non-executive Directors namely, Mr. Lo Wa Kei Roy, Mr. Leung Ka Fai Nelson and Mr. Eric, Todd has entered into a service contract with the Company for a fixed term unless terminated by not less than three months' notice in writing served by either party on the other. The independent non-executive Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company ("**AGM**") in accordance with the articles of association of the Company (the "**Articles**").

At each AGM, one-third of the Directors are required to retire from office. Each Director shall retire from office once every three years. The Directors to be retired in every year shall be those appointed by the Board during the year and those who have been longest in office since their last election or re-election. Mr. Lo Wa Kei Roy and Mr. Leung Ka Fai Nelson will retire from office as Directors at the forthcoming AGM pursuant to Article 108 of the Articles, and being eligible, offer themselves for re-election at the AGM.

New Directors appointed by the Board during the year shall retire and submit themselves for re-election at the AGM immediately following their appointments. Mr. Chui Kwong Kau and Mr. Eric, Todd will retire from office as Director at the forthcoming AGM of the Company, being eligible, offer himself for re-election pursuant to Article 112 of the Articles. No Director proposed for re-election at the AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

本公司於報告期間已遵守上市規則第3.10(1)及3.10A條。董事會現有三名獨立非執行董事，而獨立非執行董事人數佔董事會成員三分之一以上。因此，董事會具高度獨立性以有效作出獨立判斷。本公司亦已遵守上市規則第3.10(2)條規定，其訂明其中一名獨立非執行董事必須具備適合專業資格或會計或相關財務管理專業知識。為遵守守則，於披露董事姓名的所有公司通訊中，已明確識別獨立非執行董事身份。

各獨立非執行董事（即盧華基先生、梁嘉輝先生及達振標先生）已與本公司訂立具固定年期之服務合約，除非任何一方向另一方發出不少於三個月的書面通知予以終止。獨立非執行董事須根據本公司組織章程細則（「**細則**」）在本公司股東週年大會（「**股東週年大會**」）上輪席退任及膺選連任。

於各屆股東週年大會上，三分之一董事須退任董事職務。每位董事須每三年告退一次。每年退任的董事須為年內獲董事會委任及自上一次獲選或膺選連任後任期最長者。根據細則第108條，盧華基先生及梁嘉輝先生將於應屆股東週年大會上退任董事職務，並符合資格及願意於股東週年大會上膺選連任。

年內獲董事會委任的新董事均須退任，並於緊隨彼等獲委任後的股東週年大會上接受重選。根據細則第112條，崔光球先生及達振標先生將於本公司應屆股東週年大會上退任董事職務，並符合資格及願意膺選連任。概無建議於股東週年大會上膺選連任的董事與本公司訂有不可於一年內由本公司終止而毋須支付賠償（法定補償除外）的服務合約。

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The Company has received from each of its independent non-executive Directors an annual confirmation of its independence pursuant to rule 3.13 of the Listing Rules. The Group considers all independent non-executive Directors to be independent under the Listing Rules.

Save as disclosed in this report, there are no financial, business, family or other material/relevant relationship among the members of the Board. The biographical details of each of the Directors are set out in the section headed "Biographical Details of Directors and Company Secretary" of this annual report.

BOARD AND GENERAL MEETING

The Board meets regularly and, in addition to regular meetings, it meets as and when warranted by particular circumstances. During the Reporting Period, 10 board meetings were held. The Directors' attendance of the Board meetings and general meeting are set out as follows:

本公司已收到各獨立非執行董事根據上市規則第3.13條呈交的年度獨立性確認書。本集團認為全體獨立非執行董事均為獨立，符合上市規則的規定。

除本報告所披露者外，董事會成員之間並無財務、業務、家屬或其他重大／相關關係。各董事之履歷詳情載於本年報「董事及公司秘書的履歷詳情」一節。

董事會及股東大會

董事會定期召開會議，而除例會外，亦在有特殊情況需要時召開會議。於報告期間，共舉行10次董事會會議。董事出席董事會會議及股東大會的次數如下：

| | | Attendance/ Number of general meeting during the Reporting Period 於報告期間 股東大會的 出席次數/ 會議次數 | Attendance/ Number of Board meetings during the Reporting Period 於報告期間 董事會會議的 出席次數/ 會議次數 |
|---|---------------------------|---|---|
| Executive Directors | 執行董事 | | |
| Mr. Yan Shuai | 嚴帥先生 | 1/1 | 10/10 |
| Mr. Chan Kwan | 陳昆先生 | 1/1 | 9/10 |
| Mr. Zhu Jiayu | 朱佳瑜先生 | 1/1 | 10/10 |
| Non-executive Directors | 非執行董事 | | |
| Mr. Zhang Zhenyi | 張振義先生 | 1/1 | 9/10 |
| Mr. Chui Kwong Kau (appointed on 7 January 2021) | 崔光球先生 (於二零二一年 一月七日獲委任) | N/A 不適用 | N/A 不適用 |
| Independent Non-executive Directors | 獨立非執行董事 | | |
| Mr. Lo Wa Kei Roy | 盧華基先生 | 1/1 | 10/10 |
| Mr. Leung Ka Fai Nelson | 梁嘉輝先生 | 1/1 | 10/10 |
| Mr. Qin Fen (resigned on 7 January 2021) | 秦奮先生 (於二零二一年 一月七日辭任) | 0/1 | 2/9 |
| Mr. Eric, Todd (appointed on 7 January 2021) | 達振標先生 (於二零二一年 一月七日獲委任) | N/A 不適用 | N/A 不適用 |

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企業管治報告

BOARD RESPONSIBILITIES AND DELEGATION

The Board is responsible to the Shareholders for leadership and control of the Group and be collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board focuses on formulating the Group's overall strategies, approving the annual development plan and budget; monitoring financial and operating performance; reviewing the effectiveness of the internal control and risk management system and supervising and managing the management's performance.

Regarding the Group's corporate governance, during the Reporting Period, the Board has performed the following duties in accordance with the terms of reference:

- determined and reviewed the policies and practices on corporate governance of the Group and make recommendations;
- reviewed and monitored the training and continuous professional development of the Directors and senior management;
- reviewed and monitored the Group's policies and practices on compliance with legal and regulatory requirements;
- developed, reviewed and monitored the code of conduct applicable to Directors and employees; and
- reviewed the Company's compliance with the Code and disclosure in this corporate governance report.

The Board delegates the day-to-day management, administration and operation of the Group to the management. The delegated functions are reviewed by the Board periodically to ensure they remain appropriate to the needs of the Group. The Board gives clear directions to the management as to the matters that must be approved by the Board before decisions are made on behalf of the Group by the management. In addition, the Board has also delegated various responsibilities to the board committees of the Company (the "Board Committee").

董事會職責及權力的轉授

董事會代表股東領導及監控本集團，通過指導及監督本集團的事務，集體負責促進本集團的成功。董事會致力於制訂本集團的整體策略、審批年度發展計劃及預算；監察財務及營運業績；檢討內部監控及風險管理制度的有效性，以及監督及管理管理層的表現。

就本集團企業管治而言，於報告期間，董事會根據職權範圍已履行以下職責：

- 釐定及檢討本集團的企業管治政策及常規，並作出推薦建議；
- 檢討及監察董事及高級管理層人員的培訓及持續專業發展；
- 檢討及監察本集團在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察董事及僱員的適用操守準則；及
- 檢討本公司是否遵守守則及本企業管治報告中的披露事項。

董事會授權管理層處理本集團的日常管理、行政及營運。董事會定期檢討授出的職能，以確保符合本集團的需要。對於須經董事會批准的事宜，董事會會先行給予管理層清晰指示，再由管理層代表本集團作出決策。此外，董事會亦已將各職責分派予本公司董事委員會（「董事委員會」）。

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CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under code provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Yan Shuai, the Chairman of the Board, is responsible for providing strategic advice and guidance for the development of the Group, leading the Board and guaranteeing effective operation of the Board in accordance with sound corporate governance practice and procedures, as well as advocating an open and active discussing culture to promote the Directors to effectively contribute to the Board. The Company has not appointed the chief executive officer during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct of the Company regarding directors' transactions of the listed securities of the Company.

The Company has made specific enquiry to all Directors, and all Directors confirmed that they have complied with the Model Code and its code of conduct during the Reporting Period.

DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME

All Directors confirmed that they have complied with code provision A.6.5 of the Code during the Reporting Period that all Directors have participated in continuous professional development to develop and refresh their knowledge and skills. The Company has arranged an in-house training on the Listing Rules in the form of a seminar during the Reporting Period conducted by the legal advisor as to Hong Kong laws and relevant training materials were distributed to all the Directors. All Directors attended the in-house training. The training covered topics including the Code, listed company regulations and disclosure obligations in Hong Kong, disclosable transactions and connected transactions, etc.

主席及行政總裁

根據守則之守則條文第A.2.1條，主席及行政總裁的角色應有所區分，且不應由同一名人士擔任。董事會主席嚴帥先生負責就本集團的發展提供戰略建議及指引，根據良好的企業管治常規及程序提供董事會的領導並確保董事會的有效運作，以及提倡公開、積極討論的文化以促進董事對董事會作出有效貢獻。於報告期間，本公司尚未委任行政總裁。

董事進行證券交易之標準守則

本公司已採納標準守則，作為董事進行本公司上市證券交易之本公司操守守則。

經本公司向全體董事作出具體查詢後，全體董事確認彼等於報告期間已遵守標準守則及其操守守則。

董事持續專業發展計劃

全體董事確認彼等於報告期間已遵守守則的守則條文第A.6.5條參與持續專業發展，以開拓及增進彼等的知識及技能。本公司已於報告期間安排有關上市規則的內部培訓，形式為由有關香港法律的法律顧問舉行研討會，而相關培訓材料已派發予全體董事。全體董事已出席內部培訓。培訓涵蓋守則、香港上市公司規例及披露責任、須予披露交易及關連交易等課題。

CORPORATE GOVERNANCE REPORT

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BOARD COMMITTEES

The Board has established the (i) audit committee (the “**Audit Committee**”), (ii) remuneration committee (the “**Remuneration Committee**”), and (iii) the nomination committee (the “**Nomination Committee**”) with defined terms of reference. The terms of reference of each of the Board Committees, which explain their respective roles and authority delegated to them by the Board, are available on the websites of the Company and the Stock Exchange. The Board Committees are provided with sufficient resources to discharge their duties and upon reasonable requests, are able to seek independent professional advice and other assistance under appropriate circumstances, at the Company’s expenses.

AUDIT COMMITTEE

The Company has established the Audit Committee on 9 May 2015 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 of the Code. The Audit Committee currently consists of three independent non-executive Directors, namely, Mr. Lo Wa Kei Roy, Mr. Leung Ka Fai Nelson and Mr. Eric, Todd, with Mr. Lo Wa Kei Roy being the chairman of the Audit Committee.

The primary duties of the Audit Committee are, inter alia, to assist the Board in providing an independent view of the effectiveness of the financial reporting system, internal control procedures and risk management control systems, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board. During the Reporting Period, the Audit Committee has reviewed with the management on the Group’s unaudited interim results, audited annual results, the consolidated financial statements and this report.

董事委員會

董事會已成立(i)審核委員會(「**審核委員會**」)；(ii)薪酬委員會(「**薪酬委員會**」)；及(iii)提名委員會(「**提名委員會**」)，並界定其職權範圍。各董事委員會的職權範圍說明彼等各自的角色及董事會授予彼等的權力，有關職權範圍可於本公司及聯交所網站查閱。董事委員會獲提供充足資源以履行其職責，並在合理要求及適當情況下可尋求獨立專業意見及其他協助，費用由本公司承擔。

審核委員會

本公司已遵照上市規則第3.21條及守則第C3段所載規定於二零一五年五月九日成立審核委員會，並訂明書面職權範圍。審核委員會目前由三名獨立非執行董事盧華基先生、梁嘉輝先生及達振標先生組成，盧華基先生為審核委員會的主席。

審核委員會的主要職責為(其中包括)就財務申報制度、內部監控程序及風險管理監控系統的成效提供獨立意見從而協助董事會、監察審核程序以及履行董事會指派的其他職務與職責。於報告期間，審核委員會已與管理層審閱本集團未經審核中期業績、經審核年度業績、綜合財務報表及本報告。

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During the Reporting Period, 4 meetings were held by the Audit Committee. The attendance record of each member of the Audit Committee is set out below:

於報告期間，審核委員會已舉行4次會議。審核委員會各成員的出席記錄載列如下：

| Name of committee members | | Attendance/ Number of meetings during the Reporting Period |
|--|-----------------------|--|
| 委員會成員姓名 | | 於報告期間的 出席次數/ 會議次數 |
| Mr. Lo Wa Kei Roy (<i>Chairman</i>) | 盧華基先生 (主席) | 4/4 |
| Mr. Leung Ka Fai Nelson | 梁嘉輝先生 | 4/4 |
| Mr. Qin Fen (resigned on 7 January 2021) | 秦奮先生 (於二零二一年一月七日辭任) | 2/3 |
| Mr. Eric, Todd (appointed on 7 January 2021) | 達振標先生 (於二零二一年一月七日獲委任) | N/A 不適用 |

There had been no disagreement between the Board and the Audit Committee during the Reporting Period.

於報告期間，董事會與審核委員會並無意見分歧。

During the Reporting Period, members of the Audit Committee had performed the following duties under the terms of reference:

於報告期間，根據職權範圍，審核委員會成員已履行以下職責：

Relationship with the Company's auditors

與本公司核數師之關係

- to be primarily responsible for making recommendations to the board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The audit committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;

- 主要負責就外聘核數師的委任、重新委任及罷免以及批准外聘核數師的聘用薪酬及條款向董事會提供建議，及解答有關其辭任或罷免之任何疑問；
- 按適用的標準檢討及監控外聘核數師是否獨立客觀及核數程序是否有效。審核委員會將於審計開始前與核數師討論審計的性質及範圍以及申報責任；

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- (c) to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, “external auditor” includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The audit committee should report to the board, identifying and making recommendations on any matters where action or improvement is needed;

Review of the Company’s financial information

- (d) to monitor integrity of the issuer’s financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgements contained in them. In reviewing these reports before submission to the board, the committee should focus particularly on:—
- (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments resulting from audit;
 - (iv) the going concern assumptions and any qualifications;
 - (v) compliance with accounting standards; and
 - (vi) compliance with the Listing Rules and legal requirements in relation to financial reporting;

- (c) 就委聘外聘核數師提供非核數服務制定政策，並予以執行。就此規定而言，「外聘核數師」包括與負責核數的公司處於同一控制權、所有權或管理權之下的任何實體，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該實體屬於該負責核數的公司的本土或國際業務的一部分的任何實體。審核委員會應就任何須採取行動或改善的事項向董事會報告並提出建議；

審閱本公司的財務資料

- (d) 監察發行人的財務報表以及年度報告及賬目、半年度報告及(若擬刊發)季度報告的完整性，並審閱報表及報告所載有關財務申報的重大判斷。委員會在向董事會提交相關報表及報告前對報表及報告作出審閱時，應特別針對下列事項：—
- (i) 會計政策及實務的任何更改；
 - (ii) 重要判斷的領域；
 - (iii) 因核數而出現的重大調整；
 - (iv) 企業持續經營的假設及任何保留意見；
 - (v) 是否遵守會計準則；及
 - (vi) 是否遵守有關財務申報的上市規則及法律規定；

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- (e) Regarding (d) above:–
- (i) members of the committee should liaise with the board and senior management and the committee must meet, at least twice a year, with the issuer's auditors; and
 - (ii) the committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, it should give due consideration to any matters that have been raised by the issuer's staff responsible for the accounting and financial reporting function, compliance officer or auditors.

Oversight of the issuer's financial reporting system, risk management and internal control systems

- (f) to review the issuer's financial controls, and unless expressly addressed by a separate board risk committee, or by the board itself, to review the issuer's risk management and internal control systems;
- (g) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the issuer's accounting and financial reporting function;
- (h) to consider major investigation findings on risk management and internal control matters as delegated by the board or on its own initiative and management's response to these findings;
- (i) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the issuer, and to review and monitor its effectiveness;

- (e) 就上述(d)項而言：–

- (i) 委員會成員應與董事會及高級管理人員聯絡。委員會須至少每年兩次與發行人的核數師召開會議；及
- (ii) 委員會應考慮於報告及賬目中所反映或可能需反映的任何重大或不尋常事項，並應適當考慮任何由發行人屬下的會計及財務申報職員、監察主任或核數師提出的事項。

監管發行人財務申報制度、風險管理及內部監控系統

- (f) 檢討發行人的財務監控、以及（除非有另設的董事會轄下風險委員會或董事會本身明確處理）檢討發行人的風險管理及內部監控系統；
- (g) 與管理層討論風險管理及內部監控系統，確保管理層已履行職責建立有效的系統。討論內容應包括發行人在會計及財務申報職能方面的資源、員工資歷及經驗是否足夠，以及培訓課程及有關預算是否充足；
- (h) 應董事會的委派或主動，就有關風險管理及內部監控事宜的重要調查結果及管理層對該等調查結果的回應進行研究；
- (i) 如設有內部審核功能，須確保內部和外聘核數師的工作得到協調；也須確保內部審核功能在發行人內部擁有足夠資源運作並有適當的地位，以及檢討及監察其成效；

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| (j) | to review the group's financial and accounting policies and practices; | (j) | 檢討集團的財務及會計政策及實務； |
| (k) | to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response; | (k) | 檢討外聘核數師給予管理層的函件、該核數師就會計記錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應； |
| (l) | to ensure that the board will provide a timely response to the issues raised in the external auditor's management letter; | (l) | 確保董事會及時回應於外聘核數師給予管理層的函件中提出的事宜； |
| (m) | to report to the board on the matters in this code provision; | (m) | 就本守則條文內的事宜向董事會匯報； |
| (n) | to consider other topics, as defined by the board; | (n) | 考慮其他由董事會界定的議題； |
| (o) | to review arrangements employees of the issuer can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The audit committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action; and | (o) | 檢討可由發行人僱員暗中就財務申報、內部監控或其他方面可能發生的不正當行為提出關注的安排。審核委員會應確保有適當安排，以對此等事宜作出公平獨立的調查及採取適當行動；及 |
| (p) | to act as the key representative body for overseeing the issuer's relations with the external auditor. | (p) | 擔任發行人與其外聘核數師之間的主要代表，負責監察二者之間的關係。 |

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee on 9 May 2015. As at the date of this report, the Remuneration Committee comprises an executive Director, namely Mr. Yan Shuai and two independent non-executive Directors, namely Mr. Lo Wa Kei Roy and Mr. Leung Ka Fai Nelson. Mr. Leung Ka Fai Nelson is the chairman of the Remuneration Committee.

薪酬委員會

本公司於二零一五年五月九日成立薪酬委員會。於本報告日期，薪酬委員會由一名執行董事嚴帥先生及兩名獨立非執行董事盧華基先生及梁嘉輝先生組成。梁嘉輝先生為薪酬委員會主席。

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The written terms of reference of the Remuneration Committee adopted by the Board are in line with the Code and are available on the websites of the Company and the Stock Exchange.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Group's policy and structure for the remuneration of all Directors and senior management, reviewing and approving the management's remuneration proposals with reference to the corporate goals and objectives of the Board from time to time. The Board as a whole has determined the remuneration policy and packages of the Directors. No individual Director was allowed to be involved in deciding his/her own remuneration.

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 the consolidated financial statements of this annual report.

REMUNERATION OF THE SENIOR MANAGEMENT

During the Reporting Period, the remuneration of senior management is listed as below by band:

| Band of remuneration (HK\$) | | No. of person |
|--------------------------------|-------------------------|---------------|
| 薪酬範圍 (港元) | | 人數 |
| Below HK\$1,000,000 | 1,000,000港元以下 | – |
| HK\$1,000,000 to HK\$1,500,000 | 1,000,000港元至1,500,000港元 | 3 |
| HK\$1,500,001 to HK\$2,000,000 | 1,500,001港元至2,000,000港元 | 4 |
| HK\$2,000,001 to HK\$2,500,000 | 2,000,001港元至2,500,000港元 | – |

Further details of the remuneration of the Directors and the 5 highest paid employees required to be disclosed under Appendix 16 to the Listing Rules have been set out in the consolidated financial statements of this annual report.

董事會採納的薪酬委員會書面職權範圍與守則一致，並於本公司及聯交所的網站可供參閱。

薪酬委員會的主要職責包括就本集團董事及高級管理人員的全體薪酬政策及架構向董事會作出推薦建議，並根據董事會不時的公司目標及宗旨檢討及審批管理層的薪酬建議。董事會全體決定薪酬政策及董事的福利計劃。並無個別董事獲准參與決定其自身薪酬。

董事薪酬

董事酬金依據董事的職務、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審閱。董事薪酬的詳情載於本年報綜合財務報表。

高級管理人員薪酬

於報告期間，高級管理人員的薪酬範圍載列如下：

根據上市規則附錄十六須予披露的董事及五名最高薪酬僱員薪酬的進一步詳情載於本年報綜合財務報表。

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During the Reporting Period, the Remuneration Committee held 2 meetings and all the members (except the newly appointed members) have attended to review the Group's remuneration policy and approved the terms of executive Directors' service contracts. The committee members' attendance of the Remuneration Committee is set out as follow:

於報告期間，薪酬委員會舉行了2次會議且全體成員(新獲委任成員除外)均有出席，以審閱本集團薪酬政策及批准執行董事服務合約的條款。薪酬委員會成員出席委員會會議的情況載列如下：

| | | Attendance/ Number of meetings during the Reporting Period 於報告期間的 出席次數/ 會議次數 |
|---|------------|---|
| Mr. Leung Ka Fai Nelson (<i>Chairman</i>) | 梁嘉輝先生 (主席) | 2/2 |
| Mr. Lo Wa Kei Roy | 盧華基先生 | 2/2 |
| Mr. Yan Shuai | 嚴帥先生 | 2/2 |

During the Reporting Period, members of the Remuneration Committee had performed the following duties under the terms of reference:

於報告期間，薪酬委員會成員已根據職權範圍履行以下職責：

- assessed the performance of executive Directors and consulted the Chairman of the Board and the Chief Executive Officer about their remuneration proposals for other executive Directors;
- made recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration;
- reviewed and approved the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- made recommendations to the Board on the remuneration packages of individual executive Directors and senior management;
- 評估執行董事的表現並就其他執行董事的薪酬建議諮詢董事會主席及行政總裁；
- 就本公司全體董事及高級管理人員的薪酬政策及架構，向董事會作出推薦建議；
- 因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；
- 就個別執行董事及高級管理人員的薪酬待遇向董事會作出推薦建議；

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- made recommendations to the Board on the remuneration of non-executive Directors;
- considered salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- ensured that no Director or any of his/her associates is involved in deciding his/her own remuneration; and
- reviewed and approved compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive.
- 就非執行董事的薪酬向董事會作出推薦建議；
- 考慮可資比較公司支付的薪酬、須付出的時間及職責以及本公司及其附屬公司內其他職位的僱傭條件；
- 確保任何董事或其任何聯繫人不得自行參與釐定其本身的薪酬；及
- 檢討及批准向執行董事及高級管理人員就其任何喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平，不致過多。

NOMINATION COMMITTEE

The Company established a Nomination Committee on 9 May 2015. As at the date of this report, the Nomination Committee comprises an executive Director, namely Mr. Yan Shuai, and two independent non-executive Directors, namely Mr. Lo Wa Kei Roy and Mr. Leung Ka Fai Nelson. Mr. Lo Wa Kei Roy is the chairman of the Nomination Committee.

The written terms of reference of the Nomination Committee adopted by the Board are in line with the Code and are available on the websites of the Company and the Stock Exchange.

The principal duties of the Nomination Committee are to review the structure, size, diversity and competition of the Board, assess the independence of independent non-executive Directors and make recommendations to the Board on matters relating to the appointment of Directors.

提名委員會

本公司於二零一五年五月九日成立提名委員會。於本報告日期，提名委員會由一名執行董事嚴帥先生及兩名獨立非執行董事盧華基先生及梁嘉輝先生組成。盧華基先生為提名委員會主席。

董事會採納的提名委員會書面職權範圍與守則一致，並於本公司及聯交所網站可供參閱。

提名委員會的主要職責為檢討董事會的架構、規模、多元化及競爭、評估獨立非執行董事之獨立性及就有關董事委任的事項向董事會作出推薦建議。

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Nomination Policy

The director nomination policy sets out the approach and procedures the Board adopts for the nomination and selection of Directors including the appointment of additional directors, replacement of directors, and re-election of directors. The selection criteria in assessing the suitability of potential candidates includes, but not limited to, their professionalism and personal ethics, reputation for integrity, character and integrity, board experience, expertise, time commitment, measurable objectives set out in the board diversity policy. The Nomination Committee may use any process it considers appropriate for evaluating and shortlisting candidates, which may include, personal interviews, background checks, written submission by the candidates and third party references. The selection process for each of their appointments shall be evaluated using a substantially similar process and shall be fair and transparent.

During the Reporting Period, the Nomination Committee held 2 meetings and all the members (except the newly appointed members) had attended to review the Group's nomination policy. The committee members' attendance of the Nomination Committee is set out as follow:

提名政策

董事提名政策載列董事會就提名及甄選董事時採納的方針及程序，包括委任新增董事、替換董事及重選董事。評估潛在候選人適合度的甄選準則包括但不限於彼等的專業程度及個人道德、誠信聲譽、品格節操、董事會經驗、專長、投入時間、董事會多元化政策所載可計量目標。提名委員會可使用任何其認為適當的程序評估及甄選候選人，其中可包括個人面試、背景調查、候選人及第三方推薦人的書面文件。彼等各項委任的甄選程序將透過大致相同的程序評估，並應公平及具透明度。

於報告期間，提名委員會舉行了2次會議，以審閱本集團提名政策，全體成員（新獲委任成員除外）均有出席。提名委員會成員出席委員會會議的情況載列如下：

| | | Attendance/ Number of meetings during the Reporting Period 於報告期間的 出席次數/ 會議次數 |
|---------------------------------------|------------|---|
| Mr. Lo Wa Kei Roy (<i>Chairman</i>) | 盧華基先生 (主席) | 2/2 |
| Mr. Leung Ka Fai Nelson | 梁嘉輝先生 | 2/2 |
| Mr. Yan Shuai | 嚴帥先生 | 2/2 |

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During the Reporting Period, members of the Nomination Committee had performed the following duties under the terms of reference:

- reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board and made recommendations on proposed changes (if any) to the Board to complement the Company's corporate strategy;
- reviewed the Company's Board Diversity Policy and the progress on achieving the objectives set for implementing the said policy;
- determined the policy for the nomination of Directors;
- assessed the independence of independent non-executive Directors; and
- made recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and the Chief Executive Officer.

BOARD DIVERSITY POLICY

The Company adopted a board diversity policy (the "**Board Diversity Policy**") from the date of Listing up to the date of this corporate governance report. A summary of this Board Diversity Policy, together with the measurable objectives set for implementing this Board Diversity Policy, and the progress made towards achieving those objectives are disclosed below.

於報告期間，提名委員會成員已根據職權範圍履行以下職責：

- 檢討董事會的架構、規模及組成（包括技能、知識及經驗方面），並就為配合本公司的企業策略而對董事會擬作出的變動（如有）向董事會提出推薦建議；
- 檢討本公司的董事會多元化政策及實現執行上述政策所設定目標的進展；
- 釐定董事的提名政策；
- 評核獨立非執行董事的獨立性；及
- 就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃的有關事宜向董事會提出推薦建議。

董事會多元化政策

本公司自上市日期起直至本企業管治報告日期均有採納董事會多元化政策（「**董事會多元化政策**」）。本董事會多元化政策的概要連同為執行本董事會多元化政策而制定的可計量目標以及達標進度披露如下。

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The Company recognised the benefits of having a diverse Board to enhance the quality of its performance. The Board Diversity Policy aims to set out the approach to achieve diversity on the Board. In designing the Board's composition, the Board's diversity has been considered from a number of measurable aspects including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of services, all of which the Company considers to be important to enhance the quality of its performance. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regards for the benefits of diversity on the Board.

The Nomination Committee will monitor the implementation of the Board Diversity Policy and recommend any proposed changes to the Board for approval. The Nomination Committee will from time to time review the Board Diversity Policy as appropriate to ensure its effectiveness.

At the date of this report, the Board comprises 8 Directors, amongst which two of them are under 34 years old. Further, members of the Board have a variety of education backgrounds, including holding bachelor and/or master degrees in the science, law, financial management as well as the business administration fields. Most of the members also possess various finance-related experiences. The composition of the Board reflects the necessary balance of skills, professional experience and knowledge for an effective leadership of the Company.

The Nomination Committee has reviewed the Board Diversity Policy to ensure its effectiveness and considered that the Group achieved the objectives in Board Diversity Policy during the Reporting Period.

本公司深明董事會多元化對提升公司的表現裨益良多。董事會多元化政策旨在載列為達致董事會多元化而採取的方針。本公司在設定董事會成員組合時，會從多個可計量方面考慮董事會多元化，包括（但不限於）性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年期等，本公司認為此等因素對提升其表現甚為重要。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會多元化之裨益。

提名委員會將負責監察董事會多元化政策之執行，並將任何擬更改的建議提交董事會審批。提名委員會將在適當時候不時檢討董事會多元化政策，以確保其行之有效。

於本報告日期，董事會由8名董事組成。其中兩名董事年齡低於34歲。此外，董事會成員具備不同的教育背景，包括持有科學、法律、金融管理以及工商管理範疇的學士及／或碩士學位。大多數成員亦具備多項金融相關經驗。董事會組成反映技能、專業經驗及知識的必要平衡，以便有效領導本公司。

提名委員會已檢討董事會多元化政策，以確保其行之有效且認為本集團於報告期間已達到董事會多元化政策的目標。

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DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge and understand their responsibility for preparing the consolidated financial statements and to ensure that the consolidated financial statements of the Group are prepared in a manner which reflects the true and fair view of the state of affairs, results of its operations and cash flows of the Group and are in compliance with the relevant accounting standards and principles, applicable laws and disclosure provisions required of the Listing Rules. The Directors are of the view that the consolidated financial statements of the Group for each financial year have been prepared on this basis.

EXTERNAL AUDITORS' REMUNERATION

The Company engaged HLB Hodgson Impey Cheng Limited as its external auditors for the year ended 31 March 2021. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditor. There is no non-audit services provided by the auditors. Details of the fees paid/payable to HLB Hodgson Impey Cheng Limited during the Reporting Period are as follows:

董事就綜合財務報表須承擔的責任

董事確認及了解彼等須負責編製綜合財務報表，並確保本集團編製的綜合財務報表真實而公平地反映本集團的事務狀況、其經營業績及現金流量，且符合相關會計準則及原則、適用法例以及上市規則規定的披露條文。董事認為，本集團各財政年度的綜合財務報表均已按該基準編製。

外聘核數師的薪酬

本公司委聘國衛會計師事務所有限公司為截至二零二一年三月三十一日止年度的外聘核數師。董事會及審核委員會在挑選、委聘、辭退或罷免外聘核數師方面並無意見分歧。核數師並無提供非核數服務。報告期間內已付／應付國衛會計師事務所有限公司的費用詳情如下：

HK\$
港元

| | | |
|----------------|------|---------|
| Audit services | 審核服務 | 970,000 |
|----------------|------|---------|

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RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its responsibility to evaluate and determine the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and to ensure that the Group establishes and maintains appropriate and effective risk management and internal control systems. However, risk-taking is an unavoidable necessity and an accepted part of the Company's business while effective risk management is an integral part to present competitive advantages and ensure the Company achieves its strategic and business objectives. The risk management and internal control systems are designed to manage rather than eliminate the risk of failing to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatements or losses.

Risk Management

Risk management applies to all aspects of the Group's business and is a critical component in developing strategic plans, preparing operational plans and budgets, approving investment projects and managing project plans.

Risks are evaluated by the Board and management based on the severity of impact on the Company and the probability of risk occurring.

Based on the risk evaluation, the Group will manage the risks as follows:

- Risk elimination: management may identify and implement certain changes or controls that in effect eliminate the risk entirely.

風險管理及內部控制

董事會明白其有責任評估及釐定本集團就達成策略目標所願意接納的風險性質及程度，並確保本集團設立及維持適當有效的風險管理及內部監控制度。然而，本公司業務無法完全避免風險，此亦為必要及固有部分，有效的風險管理對呈現競爭優勢及確保本公司達成其策略及業務目標至關重要。風險管理及內部監控制度旨在管理而非消除導致未能達成業務目標的風險，並且僅能提供合理而非絕對保證可防範重大錯誤陳述或損失。

風險管理

風險管理適用於本集團業務的各層面，且為制定戰略計劃、編製營運計劃及預算、批准投資項目及管理項目計劃的關鍵組成部分。

董事會與管理層的風險評估乃基於對本公司影響的嚴重性及風險發生的概率。

本集團將根據風險評估結果，按以下方式管理風險：

- 排除風險：管理層可確認並實施若干變動或控制，完全排除風險。

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- Risk mitigation: management may implement a risk mitigation plan designed to reduce the likelihood and/or severity of impact to an acceptable level.
- Risk acceptance: management may decide that the risk rating is acceptable for the Company meanwhile and no action is thus required. However, the risk would continue to be monitored to ensure the level of risk does not increase to an unacceptable level.
- 減低風險水平：管理層可實施風險緩解計劃，將風險可能性及／或影響的嚴重性降至可接受水平。
- 接受風險：管理層認為本公司風險評級為可接受水平，而無須採取措施。然而，本公司將繼續監察風險，確保風險水平不會上升至不可接受水平。

Controls and Reviews

Policies and procedures are in place to ensure that the relevant management directives are carried out and actions that may be needed to address risks are taken. These may include approvals, verifications, reviews, safeguarding of assets and segregation of duties.

Control activities can be divided into operations, financial reporting and compliance, although there may, on occasion, be some overlaps between them. The typical control activities adopted by the Group include:

- analytical reviews: such as conducting reviews of actual performance against prior periods;
- direct functional or activity management: review of performance reports;
- physical controls: ensuring equipment, inventories and other assets are safeguarded and subject to periodic checks; and
- segregation of duties: dividing and segregating duties among different people, with a view to strengthening checks and minimizing the risk of errors and abuse.
- 分析檢討：例如把實際表現對比前期進行檢討；
- 直接職能或工作管理：審閱表現報告；
- 實物監控：確保設備、存貨及其他資產得到保護并定期接受檢查；及
- 職責分權：劃分不同人員之間的職責，以加強檢查及盡量減少出錯及濫權的風險。

監控及檢討

本公司設有政策及流程，確保有關管理指示得以執行，以及處理風險的所需行動得以進行。這可能包括批准、查證、檢討、保障資產及職責分權。

監控工作可分為營運、財務報告及合規，惟該等工作之間有時或會重疊。本集團所採取的監控工作通常包括：

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Inside Information

With respect to procedures and internal controls for the handling and dissemination of inside information, the Group:

- conducts its affairs with high regard to the “Guidelines on Disclosure of Inside Information” issued by the Securities and Futures Commission;
- closely communicates and seeks advice from its legal advisor in assessing the likely impact of any unexpected and significant event that may impact the price of the Shares or their trading volume, and to determine whether the relevant information is considered inside information that needs to be disclosed as soon as reasonably practicable pursuant to the SFO and the Listing Rules;
- has included in its Corporate Code of Conduct a strict prohibition on the unauthorized use of confidential or inside information; and
- ensures, through its own internal reporting process and the consideration of their outcome by senior management, the appropriate handling and dissemination of inside information.

內幕消息

有關處理及發佈內幕消息的流程及內部監控，本集團：

- 於處理事務時，嚴格遵循證券及期貨事務監察委員會刊發的「《內幕消息披露指引》」；
- 與法律顧問密切溝通並尋求其意見，以評估任何可能影響股份價格或交易量的突發及重大事件的可能影響，並確定相關信息是否被視作內幕消息，須根據證券及期貨條例及上市規則於合理切實可行的範圍內盡快披露；
- 在其《企業行為守則》內載有嚴格禁止在未經授權下使用機密資料或內幕消息的規定；及
- 透過其自身內部報告程序並經高級管理人員考慮有關的結果，確保公司適當地處理及發佈內幕消息。

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Assessing the Effectiveness of Risk Management and Internal Control Systems

The Board, via the Audit Committee, is responsible for the review and assessment of the major risks the Group faces and the review, approval and monitoring of the Group's response to such risks annually.

The Audit Committee oversees the risk management process and reviews the effectiveness of the risk management and internal control systems by performing the following procedures:

- Review with management annually those reports on compliance with the risk management policy;
- Discuss with management annually on the Group's major risks and the steps management has taken since then or should take to address and deal with such risks; and
- Review the effectiveness of the Group's risk management practices.

Management is responsible for ensuring the Group's business operations being conducted in line with our risk management policy, taking into consideration changes in external environment and the Group's risk tolerance level.

In addition to the Board's oversight, the Group has developed a risk management process to identify, evaluate and manage significant risks and to remediate material internal control deficiencies (if any). Management, through the engagement of the independent internal control and risk advisory team, is responsible for the annual risk reporting process. The independent internal control and risk advisory team meets with members of the senior management to review and assess risks and discuss remedial measures to address material internal control deficiencies (if any), including any changes relevant to a given year. Risks are compiled, ratings assigned and migration plans documented. The risk assessment is reviewed by management and presented to the Audit Committee and the Board for their review.

評估風險管理與內部監控制度的有效性

董事會負責透過審核委員會每年檢討及評估本集團面對的主要風險，並檢討、批准及監察本集團就有關風險的應對措施。

審核委員會透過以下程序監督風險管理程序並檢討風險管理及內部監控制度的有效性：

- 每年與管理層審閱遵從風險管理政策的報告；
- 每年就本集團的主要風險及管理層此後所採取的或應採取應對及解決有關風險的措施與管理層商討；及
- 檢討本集團風險管理常規的有效性。

管理層負責確保本集團業務營運符合本集團風險管理政策而進行，並計及外在環境變動及本集團可承受風險水平。

除董事會進行監督外，本集團已設立風險管理程序以識別、評估及管理重大風險及補救重大內部監控缺漏(如有)。管理層透過委聘獨立內部監控及風險諮詢團隊，負責年度風險報告程序。獨立內部監控及風險諮詢團隊與高級管理人員會面，檢討及評估風險並商討應對重大內部監控缺漏(如有)的補救措施，包括某一年份有關的任何變動。該等風險將予以匯編、評級並記錄有關緩解計劃。管理層檢討風險評估及向審核委員會及董事會呈報以供彼等審閱。

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The Group has in place effective processes and systems for the identification, capture and reporting of operational, financial and compliance-related information in a form and timeframe intended to ensure that staff carry out their designated responsibilities.

Risk Management and Internal Control Process

On behalf of the Board, the Audit Committee reviews annually the continuous effectiveness of the Group's risk management and internal control systems dealing with risk and financial accounting and reporting, the effectiveness and efficiency of operations, compliance with laws and regulations, and risk management functions.

The assessment considers:

- the scope and quality of management's ongoing monitoring of risks and of the risk management and internal control systems;
- the extent and frequency with which the results of monitoring are communicated, enabling the Committee to build up a cumulative assessment of the state of control in the Group and the effectiveness with which risk is being managed;
- the incidence of any significant control failings or weaknesses that have been identified at any time during the period and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Group's financial performance or condition;
- the effectiveness of the Group's processes in relation to financial reporting and statutory and regulatory compliance;
- areas of risk identified by management;

本集團已實行有效程序及制度，按既定形式及時間識別、掌握及報告營運、財務及合規有關資料，確保員工履行其指定職責。

風險管理與內部監控程序

審核委員會代表董事會每年就本集團對處理風險與財務會計及報告的風險管理及內部監控制度是否持續有效、營運是否有效及有效率、有否遵守有關法律法規和風險管理職能等方面進行檢討。

評估工作會考慮：

- 管理層持續監察風險以及風險管理及內部監控制度的工作範疇及質素；
- 監控結果獲得傳達的程度及頻密度，以便委員會就本集團的監控狀況及風險管理的有效程度進行累積評估；
- 期內任何時候發現的任何重大監控失誤或監控不足的次數，及因此導致未能預見的後果或緊急情況的嚴重程度，而這些後果或情況對本集團的財務表現或狀況已經產生、可能已經產生或將來可能會產生重大影響；
- 本集團有關財務報告及法定和合規程序的有效性；
- 管理層識別的風險範疇；

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- significant risks reported by the independent internal control and risk advisory team;
- work programs proposed by the independent internal control and risk advisory team and the external auditors; and
- significant issues arising from internal and external audit.
- 獨立內部監控及風險諮詢團隊匯報的重大風險；
- 獨立內部監控及風險諮詢團隊與外聘核數師建議的工作計劃；及
- 內部及外部審核產生的重大事項。

As a result of the above review, the Board considers that the Group's risk management and internal control systems are effective and adequate and have complied with the Code Provisions on risk management and internal control throughout the year and up to the date of this annual report.

Internal Audit

The Group has engaged an independent internal control and risk advisory team, Riskory Consultancy Limited, which has assisted in monitoring the corporate governance of the Group and providing an objective assessment to the Board on whether a sound internal control system is maintained and operated by management.

The internal control and risk advisory team conducted a review on a number of corporate governance areas and business cycles and provided recommendations for the improvement and strengthening of the internal control system. No significant control finding or weakness has been identified by the internal control and risk advisory team. The Audit Committee reviews the findings and recommendations of the internal control and risk advisory team on the effectiveness of the Group's internal control system and reports to the Board on such reviews.

根據上述檢討的結果，董事會認為本集團的風險管理及內部監控制度有效足夠，且於本年度及直至本年報日期，均已符合風險管理及內部監控的守則條文。

內部審核

本集團已委任獨立內部監控及風險諮詢團隊 Riskory Consultancy Limited，協助監察本集團的企業管治，並就管理層有否維持與執行良好內部監控制度為董事會提供客觀評估。

內部監控及風險諮詢團隊對若干企業管治領域及業務環節進行檢討並對改善及加強內部監控制度作出建議。概無嚴重監控問題或缺陷被內部監控及風險諮詢團隊發現。審核委員會檢討內部監控及風險諮詢團隊關於本集團內部監控制度有效性之結論及建議，並向董事會呈報有關檢討。

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Dividend policy

The Company has adopted a dividend policy. The Company may consider declaring and paying dividends to the Shareholders provided that the Group is profitable and without affecting the normal operations of the Group. In determining the declaration of dividends and the dividend amount, the Board will take into consideration, inter alia, the following factors:

- the Group's actual and expected financial performance;
- the liquidity position and capital requirements of the Group;
- retained earnings and distributable reserves of the Company and each of the members of the Group; and
- any other factors that the Board may consider appropriate.

The declaration and payment of dividend by the Company are also subject to restrictions under the applicable laws and the memorandum and articles of association of the Company.

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

The Board would review the Company's dividend policy from time to time considering factors including but not limited to capital investment and business plan.

股息政策

本公司已採納一項股息政策。在本集團處於盈利狀態及不影響本集團正常業務的前提下，本公司或會考慮向股東宣派及派付股息。於釐定是否宣派股息及宣派股息之金額時，董事會將考慮（其中包括）以下因素：

- 本集團之實際及預期財務表現；
- 本集團之流動資金狀況及資本需求；
- 本公司及本集團各成員公司之保留盈利及可供分派儲備；及
- 董事會認為合適之任何其他因素。

本公司宣派及派付股息亦受適用法律及本公司組織章程大綱及細則的條文的限制。

為免生疑，概不保證將於任何特定期間建議宣派或宣派股息。

董事會將不時檢討本公司之股息政策，以考慮包括但不限於股本投資以及業務計劃等各種因素。

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COMPANY SECRETARY

Mr. Jan Wing Fu, Barry was appointed as the company secretary of the Company (the “**Company Secretary**”) on 9 April 2019 and resigned on 7 January 2021.

Ms. Wong Kit Ying has been appointed as the Company Secretary in place of Mr. Jan Wing Fu, Barry since 7 January 2021.

The Company Secretary reports directly to the Board. All Directors have easy access to the Company Secretary and the responsibility of the Company Secretary is to ensure the Board meetings are properly held and are in compliance with the relevant laws and regulations. The Company Secretary is also responsible for giving advices with respect to the Directors’ obligations on securities interest disclosure, disclosure requirements of disclosable transactions, connected transactions and inside information.

The Company Secretary, Ms. Wong Kit Ying, had taken no less than 15 hours of relevant professional training during the Reporting Period.

GENERAL MEETINGS WITH SHAREHOLDERS

The AGM is a forum in which the Board and the Shareholders could communicate directly and exchange views concerning the affairs and overall performance of the Group, and its future developments, etc. At the AGM, the Directors (including the independent non-executive Directors) are available to attend to questions raised by the Shareholders. The external auditors of the Company is also invited to be present at the AGM to address to queries of the Shareholders concerning the audit procedures and the auditors’ report.

The next AGM of the Company will be held within 2021, the notice of which shall be sent to the Shareholders at least 20 clear business days prior to the meeting.

公司秘書

鄭永富先生已於二零一九年四月九日獲委任為本公司之公司秘書（「**公司秘書**」），並於二零二一年一月七日辭任。

黃潔瑩女士已於二零二一年一月七日獲委任為公司秘書以取代鄭永富先生。

公司秘書直接向董事會匯報。所有董事均可方便獲得公司秘書的服務，公司秘書的職責是確保董事會會議遵循相關法律法規妥為舉行。公司秘書亦負責就董事擁有證券權益的披露責任、須予披露的交易、關連交易及內幕消息的披露要求向董事提供意見。

於報告期間，公司秘書黃潔瑩女士已接受不少於15個小時之相關專業培訓。

股東大會

股東週年大會為董事會與股東可就本集團事務、整體表現及其未來發展等直接溝通及交換意見的平台。董事（包括獨立非執行董事）會出席股東週年大會回答股東提問。本公司外聘核數師亦會獲邀出席股東週年大會，以回答股東有關審核程序及核數師報告的提問。

本公司下屆股東週年大會將於二零二一年舉行，大會通告將於大會前最少20個完整營業日寄發予股東。

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SHAREHOLDERS' RIGHTS

Procedures for Convening General Meetings by Shareholders

Pursuant to Article 64 of the Articles, the Board may whenever it thinks fit call extraordinary general meetings.

Extraordinary general meetings shall also be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid-up capital of the Company having the right to vote at general meetings.

Such requisition shall be made in writing to the Board or the Company Secretary by mail at Unit No. 901, 9th Floor, Capital Centre, No. 151 Gloucester Road, Wanchai, Hong Kong for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Procedures for Putting Forward Proposals at Shareholders' Meeting

Shareholders are requested to follow Article 64 of the Articles for including a resolution at an extraordinary general meeting. The requirements and procedures are set out above in the paragraph headed "Procedures for Convening General Meetings by Shareholders".

股東權益

股東召開股東大會的程序

根據細則第64條，董事會可酌情召開股東特別大會。

股東特別大會亦須於一名或多名於要求寄存日期持有不少於有權於股東大會上投票的本公司實繳股本十分之一的股東要求時召開。

該項要求須以書面郵寄方式（地址為香港灣仔告士打道151號資本中心9樓901室）向董事會或公司秘書提呈，以供董事會就該要求所指定的任何業務交易要求召開股東特別大會。該大會須於該項要求寄存後2個月內舉行。倘董事會於寄存該項要求後21日內未能召開該大會，提出要求者本人（彼等）可以相同方式召開大會，而本公司須向提出要求人士償付所有由提出要求人士因董事會未能召開大會而產生的合理開支。

股東於股東大會上提呈建議的程序

在股東特別大會上提呈決議案的股東應遵循細則第64條的規定。有關規定及程序載於上文「股東召開股東大會的程序」一段。

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Pursuant to Article 113 of the Articles, no person (other than a retiring Director) shall be eligible for election to the office of Director at any general meeting unless a notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office no earlier than the day after the dispatch of the notice of the general meeting for such election and no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

Procedures by which Enquiries may be Put to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to the Company Secretary by post to the principal place of business in Hong Kong set out in the section headed “Corporation Information” by fax at +852 3793 3530 or by email at info@1718hk.com. The Company Secretary is responsible for forwarding communications relating to matters within the Board’s direct responsibilities to the Board and communications relating to ordinary business matters, such as suggestions and inquiries, to the Chief Executive Officer of the Company.

Investor Relations

To ensure transparent and comprehensive disclosures to investors, the Group delivers information of the Group to the public through various channels, including general meetings, public announcements and financial reports. The investors are also able to access the latest news and information of the Group via our website (www.hkex1718.hk).

In order to maintain good and effective communication, the Company together with the Board extend their invitation to all Shareholders and encourage them to attend the forthcoming AGM and all future general meetings.

根據細則第113條，除退任董事外，任何人士概無資格於任何股東大會上競選董事職位，除非股東發出一份書面通知表明有意提名該人士競選董事職位，而該名人士亦發出一份書面通知表明願意參選，並將該等通知遞交至總辦事處或登記處，惟有關期間將不早於就該選舉而指定舉行的股東大會通告的寄發日期翌日開始及不遲於該股東大會日期前7日結束，而可向本公司遞交有關通告的期限最短將為期7日。

向董事會提出諮詢的程序

股東可透過郵遞（寄送至「公司資料」一節所列的香港主要營業地點）、傳真（傳真號碼：+852 3793 3530）或電郵（電郵地址：info@1718hk.com）方式，向公司秘書發出其對董事會的查詢及關注事項。公司秘書負責將與董事會直接職責有關的事宜轉達董事會，而將有關日常業務的事宜（如建議及諮詢）轉達本公司行政總裁。

投資者關係

為確保透明及全面向投資者披露資訊，本集團循多個渠道向公眾人士傳達本集團的資料，包括股東大會、刊發公告及財務報告。投資者亦可於本公司網站(www.hkex1718.hk)查閱本集團最新消息及資料。

為維持良好有效溝通，本公司與董事會誠邀並鼓勵全體股東出席應屆股東週年大會以及日後所有股東大會。

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The Shareholders may also forward their enquiries and suggestions in writing to the Company to the followings:

Address: Unit No. 901, 9th Floor,
Capital Centre,
No. 151 Gloucester Road,
Wanchai, Hong Kong
Email: info@1718hk.com

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

During the Reporting Period, there had been no significant changes in the constitutional documents of the Company.

CONCLUSION

The Company believes that good corporate governance could ensure an effective distribution of the resources and Shareholders' interests. The senior management will continue endeavours in maintaining, enhancing and increasing the Group's corporate governance level and quality.

股東亦可以下列方式向本公司提出書面查詢及意見：

地址：香港灣仔
告士打道151號
資本中心
9樓901室
電郵：info@1718hk.com

章程文件之重大更改

於報告期間，本公司章程文件並無重大更改。

結論

本公司認為，良好的企業管治可確保有效分配資源及股東權益。高級管理層將繼續竭力維持、增強及提升本集團的企業管治水平及質素。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

This report was prepared for an overview of the performance of the Group on environmental, social and governance (“**ESG Report**”). This ESG Report has been prepared in accordance with the “Environmental, Social and Governance Reporting Guide” (the “**ESG Reporting Guide**”) as set out in Appendix 27 to the Listing Rules.

Unless otherwise stated, the ESG Report covers the overall performances, risks, strategies, measures and commitments of the Group in environmental, social, and governance areas for the year ended 31 March 2021 (“**YR2021**”).

During the YR2021, the Group is principally engaged in providing foundation construction, ground investigation services, financial services and trading of beauty and skin care products in Hong Kong. The foundation construction is its major business, which mainly consists of the construction of socketed H-piles, mini piles, soldier piles, pipe piles and king posts. The Group conducts foundation construction through Wan Kei Geotechnical Engineering Company Limited and ground investigation services through Chun Shun Boring Engineering Company Limited. Therefore, the ESG Report will mainly focus on the above businesses.

For the Group’s corporate governance practice information, please refer to the corporate governance report on pages 31 to 59 of this annual report.

關於本報告

本報告為概述本集團在環境、社會及管治範疇上的表現所編製之報告（「**ESG報告**」）。本ESG報告已根據上市規則附錄27所載的「環境、社會及管治報告指引」（「**ESG報告指引**」）予以編製。

除另有說明者外，本ESG報告涵蓋本集團於截至二零二一年三月三十一日止年度（「**二零二一年度**」），在環境、社會及管治等方面之整體表現、風險、策略、措施及承諾。

於二零二一年度，本集團主要於香港從事提供地基建、土地勘測服務、金融服務及美容及護膚產品貿易。地基建是其主要業務，其主要包括建造插座式工字樁、微型樁、豎樁、管樁及起重柱。本集團透過宏基土力工程有限公司提供地基工程及中信鑽探工程有限公司提供現場土地勘測服務。因此，ESG報告將主要闡述上述業務。

有關本集團企業管治常規的資料，請參閱本年報第31頁至第59頁的企業管治報告。

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STAKEHOLDERS ENGAGEMENT AND COMMUNICATION

The Group defines its stakeholders as people who affect its business or who are affected by its business. Its stakeholders include government and regulatory agency, investors and shareholders, customers, employees, suppliers and the general public. The Group actively communicates with these stakeholders and presents its updated operation condition to them proactively through various channels. The Group integrates their opinions with its daily operational decisions, strive to balance the interests of the parties and satisfy the expectations and demands of stakeholders.

持份者參與和溝通

本集團認為持份者乃為影響其業務並受其業務影響的人士。其持份者包括政府及監管機構、投資者及股東、客戶、僱員、供應商及社會公眾。本集團積極與該等持份者溝通，透過不同渠道主動向他們更新其經營狀況，並將他們的意見融入日常營運決策當中，盡力平衡各方權益，滿足持份者的期望與訴求。

| Stakeholders 持份者 | Needs and Expectations 需要及期望 | Communication Channels 溝通渠道 |
|--|---|--|
| Government and Regulatory Agencies 政府及監管機構 | <ul style="list-style-type: none"> Comply with relevant laws and regulations Proper tax payment 遵循相關法律法規 準時繳納稅項 | <ul style="list-style-type: none"> Law-abiding operations Tax payment on time and in full 依法經營 按時足額繳稅 |
| Investors and Shareholders | <ul style="list-style-type: none"> Investment return Transparency of information Corporate strategy and governance | <ul style="list-style-type: none"> Better manage risk and generate sustainable long-term returns Statutory reports and general disclosures Interim and annual reports |
| 投資者及股東 | <ul style="list-style-type: none"> 投資回報 資訊透明度 企業策略及管治 | <ul style="list-style-type: none"> 優化風險管理及產生可持續長期回報 法定報告及一般披露 中期及年度報告 |
| Customers | <ul style="list-style-type: none"> Durable and solid foundation High-quality ground investigation services | <ul style="list-style-type: none"> Regular meetings with contractors/customers Maintain good reputation in the foundation industry |
| 客戶 | <ul style="list-style-type: none"> Direct Communication 持續穩固的地基 優質土地勘測服務 直接溝通 | <ul style="list-style-type: none"> Customers' feedback survey 定期與承辦商／客戶舉行會議 於地基行業維持良好聲譽 客戶意見調查 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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| Stakeholders 持份者 | Needs and Expectations 需要及期望 | Communication Channels 溝通渠道 |
|----------------------------|---|---|
| Employees 員工 | <ul style="list-style-type: none"> • Remuneration and promotion prospect • Healthy and safe working environment • Corporate culture and well-being • 薪酬及晉升機會 • 健康及安全的工作環境 • 企業文化及福祉 | <ul style="list-style-type: none"> • Performance reviews and appraisals • Implement health and safety management system • In-house training • 績效回顧及評核 • 實施健康及安全管理系统 • 內部培訓 |
| Suppliers 供應商 | <ul style="list-style-type: none"> • Stable cooperation relationship • Respect to contractual commitment and payment terms • 穩定合作關係 • 尊重合約精神及付款條款 | <ul style="list-style-type: none"> • Conduct assessment survey • Fulfilment of contractual obligations in accordance with laws and regulations • 進行評估調查 • 根據法律法規履行合約義務 |
| The General Public 社會公眾 | <ul style="list-style-type: none"> • Ensure the daily life was not affected by engineering • Constructions cause no structural danger upon the completion of works • Comply with relevant environmental laws related to noise, air pollution and others • 確保日常生活不受工程影響 • 工程完工後不會造成建築物結構性危險 • 遵循噪音及空氣污染等相關環保法例 | <ul style="list-style-type: none"> • Minimise noises in compliance with the Noise Control Ordinance • Adhere to green operations • Law-abiding operations • 遵照《噪音管制條例》將噪聲降至最低 • 秉持綠色經營 • 依法經營 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

MATERIALITY ASSESSMENT

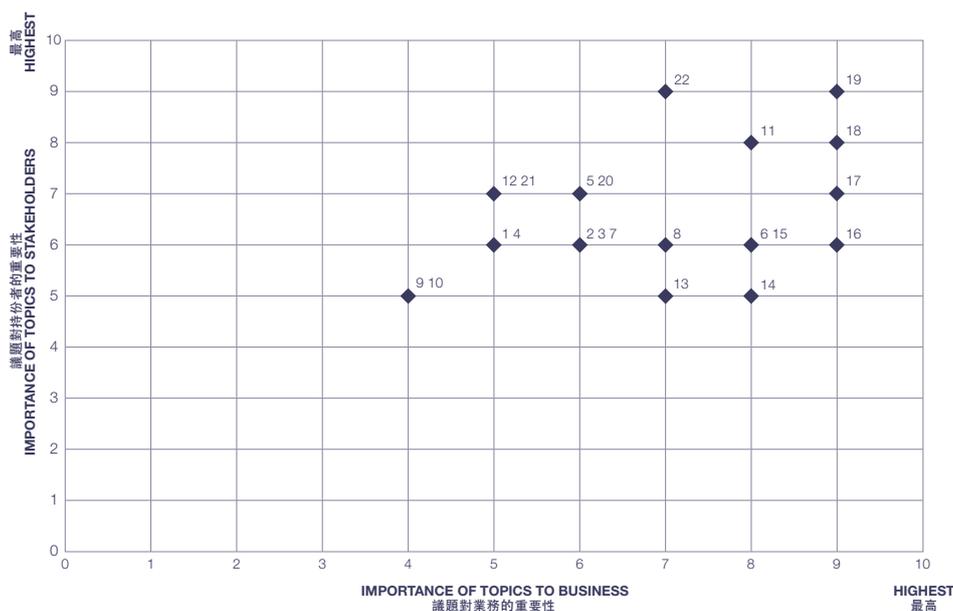
The Group carried out materiality assessment on a number of ESG issues in order to identify which issues were crucial to the Group's business and were of the material concerns to stakeholders. The Group has identified 22 ESG issues covering environmental, social and operation. Management and employees of the Group have participated in the preparation of the materiality assessment and assessed the importance of these 22 ESG issues to businesses of the Group and stakeholders, and make disclosure of relevant information.

The Group's materiality matrix of ESG issues in YR2021:

重要性評估

本集團就多個ESG議題進行重要性評估，以識別對本集團業務而言屬關鍵且持份者十分關切的議題。本集團已識別22個有關環境、社會及營運的ESG議題。本集團的管理層及僱員參與編製重要性評估，並評估該等22個ESG議題對本集團業務及持份者的重要性，從而作出相關資料披露。

本集團於二零二一年度的ESG議題重要性矩陣：



| Environmental issues 環境問題 | Social issues 社會問題 | Operation issues 營運問題 |
|--|--|---|
| 1. Greenhouse gas emissions 溫室氣體排放 | 9. Local community engagement 當地社區參與 | 17. Economic value generated 產生的經濟價值 |
| 2. Energy consumption 能源消耗 | 10. Community investment 社區投資 | 18. Corporate governance 企業管治 |
| 3. Water consumption 用水 | 11. Occupational health and safety 職業健康與安全 | 19. Anti-corruption 反貪污 |
| 4. Waste 廢棄物 | 12. Labour standards in supply chain 供應鏈的勞工標準 | 20. Supply chain management 供應鏈管理 |
| 5. Environmental impact of construction 建設的環境影響 | 13. Training and development 培訓及發展 | 21. Customer satisfaction 客戶滿意度 |
| 6. Green buildings certification 綠色建築認證 | 14. Employee welfare 僱員福利 | 22. Customer privacy 客戶私隱 |
| 7. Customer engagement in environmental issues 客戶在環境問題方面的參與 | 15. Inclusion and equal opportunities 包容及平等機會 | |
| 8. Use of chemicals 化學品使用 | 16. Talent attraction and retention 吸引及留住人才 | |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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ENVIRONMENTAL PROTECTION

The Group is engaged in foundation construction and ground investigation services, which may inevitably produce exhaust gas, greenhouse gas, dust, sewage, noises and other emissions. However, the Group has implemented detailed internal codes, and made clear guidelines on management of site environment, control on emissions, and even management of office environment, in an effort to minimise the impacts of its daily operation on the environment.

As a recognition to the Group's environment policies, its environmental management system concerning the design, supply and installation of the rock-socketed steel H-pile in pre-bored hole and mini pile work, has been identified to be in compliance with ISO 14001:2015 after the assessment since 2007. The Group has been granted the OHSAS 18001:2007 Certification of Environment Management System by Accredited Certification International Limited, the Best Safety and Environment Protection Subcontractor Award and the On-site Best Safety and Environmental Subcontractor Award by customers, all of which prove the Group's endeavour in promoting environmentally responsible practices.

1. Emissions

Air Pollution – Exhaust Gas and Greenhouse Gas Emissions

Greenhouse gas emissions (“**GHG Emission**”) from daily business activities mainly represent direct exhaust emissions from construction machineries and transport vehicles while carrying out projects, as well as electricity and paper consumption in office and warehouse. The Group has issued specific internal guidance for regulating and monitoring the GHG Emissions and exhaust emissions during the daily operation, including the construction process and environment management on the site, turning off all idle construction machineries and strictly enforcing “Switch off Idling Vehicles”, as well as reminding staff to turn off all electric appliances while leaving the working place.

環保

本集團從事地基建及土地勘測服務，過程中難免會產生廢氣、溫室氣體、粉塵、污水、噪音及其他排放物。然而，本集團已訂立詳細的內部守則，對工地環境管理、排放物控制，甚至辦公室環境管理等均有明確指引，以減少其日常營運過程中對環境的影響。

作為對本集團環境政策的認可，其有關設計、供應及安裝預鑽孔嵌岩式工字鋼樁及微型樁工程的環保管理系統已自二零零七年經評估並認證為符合ISO 14001:2015要求。本集團亦先後獲國際認可認證有限公司授予環境管理體系的OHSAS 18001:2007認證、獲客戶授予最佳安全及環保分包商嘉許獎狀及施工現場最安全最環保分包商稱號，足以證明本集團推動環保負責的生產常規所作出的努力。

1. 排放物

空氣污染—廢氣及溫室氣體排放

日常經營活動產生的溫室氣體排放（「**溫室氣體排放**」）主要為項目施工時各類施工機械及運輸車輛的直接廢氣排放，以及來自辦公室和貨倉電力、紙張等消耗。本集團已對規管及監察日常經營活動中的溫室氣體排放、廢氣排放發出明確內部指引，包括工地施工流程及環境管理、關閉所有閒置的施工機械及嚴格執行「停車熄匙」，以及提醒員工離開工作場所前關掉所有電器等。

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The Group has complied with the Air Pollution Control Ordinance and other regulations promulgated by governments and currently applicable to the Group, as well as environmental requirements of contractor. All machineries, including leased machineries, used on the site shall obtain approval or exemption from the Environmental Protection Administration, and shall not be used on the site until the approval label or exemption label being attached. Those machineries consume ultra-low-sulfur diesel to reduce the emission of suspended particles effectively.

In addition, the Group maintains and repairs machineries, equipment and vehicles on regular basis, with a view to prevent them from generating excess emissions of exhaust caused by broken parts and other reasons, and to facilitate the reduction of fuel consumption.

During the YR2021, the greenhouse gas and exhaust data are as followed:

本集團遵循《空氣污染管制條例》及政府所頒佈且現時適用於本集團之其他規例，以及遵守承建商之環保要求。地盤所用之所有機械（包括租賃機械）均須獲環保署的核准或豁免，且未貼上核准標籤或豁免標籤前不得在工地使用。這些機械均使用超低硫柴油，有效減少懸浮粒子排放。

此外，本集團會定期保養及維修機械、設備及車輛，以防止因零件破損及其他原因而排放過量廢氣，促進減少油耗。

於二零二一年度，溫室氣體及廢氣排放數據如下：

| Categories of emissions 排放種類 | Unit 單位 | 2021 二零二一年 | 2020 二零二零年 |
|--|--|---------------|---------------|
| Air emissions 廢氣排放 | | | |
| Nitrogen oxides (NO _x) emissions 氮氧化物排放 | kg 千克 | 594.8 | 622.2 |
| Sulphur oxides (SO _x) emissions 硫氧化物排放 | kg 千克 | 1.2 | 1.3 |
| Particulate matter (PM) emission 顆粒物排放 | kg 千克 | 48.9 | 51.5 |
| GHG emissions 溫室氣體排放 | | | |
| Total GHG emissions ¹ 溫室氣體總排放 ¹ | ton CO ₂ e 噸二氧化碳當量 | 7,002.7 | 7,905.4 |
| GHG emissions intensity 溫室氣體排放密度 | ton CO ₂ e (per employee) 噸二氧化碳當量 (每名僱員) | 51.1 | 55.3 |
| Direct emissions (Scope 1) 直接排放 (範圍一) | ton CO ₂ e 噸二氧化碳當量 | 6,910.8 | 7,813.8 |
| Indirect emissions (Scope 2) 間接排放 (範圍二) | ton CO ₂ e 噸二氧化碳當量 | 76.0 | 75.1 |
| Other indirect emissions (Scope 3) 其他間接排放 (範圍三) | ton CO ₂ e 噸二氧化碳當量 | 15.6 | 15.5 |

¹ GHG emissions can be divided into three separate areas (i) direct; (ii) indirect; and (iii) other indirect.

¹ 溫室氣體排放可分為三大獨立類別(i)直接排放；(ii)間接排放；及(iii)其他間接排放。

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Scope 1: Direct GHG emissions from gasoline consumption by the Group.

Scope 2: Indirect GHG emissions resulting from electricity consumption by the Group.

Scope 3: Other indirect GHG emissions include emission from business travel by air by employees and emission from electricity consumption for processing fresh water and sewage.

範圍一：本集團消耗汽油所產生的直接溫室氣體排放。

範圍二：本集團消耗電力所產生的間接溫室氣體排放。

範圍三：其他間接溫室氣體排放包括僱員乘飛機出差產生的排放以及處理淡水及污水消耗電力所產生的排放。

Air Pollution – Dust

Dust is generated during construction work. Dust emissions can mainly be attributed to wind and kinesis. Construction materials such as sand and cement stored outdoor as well as the dust of the exposed construction area are easily scattered in dry and windy weather. In addition, dust is generated by external force in particular the construction trucks and machineries during the process of excavation and soil loosening.

In compliance with the Air Pollution Control Ordinance, the Group controls the emission of air pollutants by following the Group's internal guidance. It covers all vehicles carrying sand and other scraps completely with canvas to ensure that no large amount of dust is generated during transportation. In order to prevent dust spreading around, the Group installs water sprinklers on the sites to clean tires of construction vehicles while entering into or leaving the sites and roads.

空氣污染—揚塵

施工工程會產生揚塵。揚塵排放主要歸因於風力起塵和動力起塵。露天堆放的砂石、水泥等建材及無遮蓋施工區的浮塵在乾燥大風天氣容易起塵。此外，外力因素亦會產生揚塵，特別是工程車及機械在挖掘及鬆土時。

遵循《空氣污染管制條例》，本集團根據其內部指引控制空氣污染物排放。本集團會用帆布完全遮蓋所有運載砂石及其他廢料的車輛，確保運載過程中不會產生大量揚塵。為防止揚塵飛散，本集團在工地安裝灑水器，於施工車輛進入或離開工地及道路時清洗輪胎。

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Hazardous and Non-hazardous Waste Treatment

Waste from daily operation includes general inert waste and non-inert construction materials from construction works. The Group manages waste from the site in accordance with the internal waste management guidance and the Waste Disposal Ordinance. In general, the Group categorises the waste from construction works. General inert waste from work, such as rocks, if applicable, shall be reused as filling materials at the site or collected by professional contractors as reclamation materials in the future. Other waste that is not applicable for recycle or reuse shall be discarded to the public dumping area. Metal and chemical waste within the site shall be collected and discarded by licensed contractors. All waste shall be well disposed before being removed from the site.

In respect of office waste, apart from dumping waste at the designated place in line with the requirements of the property management office of the office premise, the Group also categorises the waste and engages a contractor to collect toner cartridge. Meanwhile, the Group regularly monitors the consumption of paper, toner cartridges and ink cartridges.

During the YR2021, the data of non-hazardous waste is as follows:

有害及無害廢棄物處理

日常營運產生的廢棄物包括施工工程產生的一般惰性廢物及非惰性建築物料。本集團根據內部廢棄物管理指引以及《廢物處置條例》，管理工地廢物。一般而言，本集團會將施工工程產生的廢棄物分類。工程中的一般惰性廢物，例如石塊（如適用），我們會重用作為地盤填土物料，或交由專業承辦商回收作日後填海物料；對於其他廢棄物，如不適合回收或再用，我們會運往公眾堆填區棄置。工地內的金屬及化學廢料由持牌承辦商回收及棄置。所有的廢棄物於運離工地前，均會妥善處置。

辦公室廢物方面，除了根據辦公室大廈管業處要求，將一般垃圾棄置於指定地方外，本集團亦會進行垃圾分類，並委聘承辦商回收碳粉盒。同時，本集團定期監察紙張、碳粉盒及墨盒等的消耗情況。

於二零二一年度，無害廢棄物數據如下：

| Categories of waste 廢棄物種類 | Unit 單位 | 2021 二零二一年 | 2020 二零二零年 |
|--|--------------------------------|---------------|---------------|
| Waste 廢棄物 | | | |
| Total non-hazardous waste produced ² 所產生無害廢棄物總量 ² | ton 噸 | 98 | 74 |
| Non-hazardous waste produced intensity 所產生無害廢棄物密度 | ton (per employee) 噸 (每名僱員) | 0.7 | 0.5 |
| Total hazardous waste produced ³ 所產生有害廢棄物總量 ³ | ton 噸 | N/A 不適用 | N/A 不適用 |
| Hazardous waste produced intensity 所產生有害廢棄物密度 | ton (per employee) 噸 (每名僱員) | N/A 不適用 | N/A 不適用 |
| Paper 紙張 | kg 千克 | 2,126 | 2,031 |

² During the YR2021, the Group's non-hazardous waste from daily operation mainly comprises of iron.

² 於二零二一年度，本集團日常營運產生的無害廢棄物主要包括鐵。

³ During the YR2021, no hazardous waste is generated.

³ 於二零二一年度，並無產生有害廢棄物。

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Sewage Discharge

The Group has complied with the Water Pollution Control Ordinance. Water consumed at the site shall be discharged to the designated environmental treatment facility in accordance with the instruction of the contractors before being discharged outside the site. The Group shall deploy adequate manholes and deposition pools in line with seasons, with an aim to mitigate the water pollution caused by garbage, oil or other materials.

The Group strictly regulates the operation of its business to ensure the compliance with local laws and regulations relating to environmental protection and pollutant emissions. During the YR2021, the Group is not aware of any material non-compliance with the Air Pollution Control Ordinance, the Waste Disposal Ordinance and other relevant laws and regulations relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that would have significant impact on the environment. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the YR2021.

污水排放

本集團遵守《水污染管制條例》。工地用水須按照承建商之指示，排放到指定之環保處理設施，方可排出工地外。為減少因垃圾、油或其他物料造成的水污染，本集團會因應季節變化，配置足夠的隔沙井及沉積池。

本集團嚴格規管其業務營運，確保符合當地有關環保及污染物排放的法律及法規。於二零二一年度，本集團並不知悉任何違反《空氣污染管制條例》、《廢物處置條例》及其他與廢氣及溫室氣體排放、向水及土地排污、產生有害及無害廢棄物有關的法律及法規的重大違規情況，而將對環境產生重大影響。此外，於二零二一年度，並無有關因違反相關法律及法規而受到重大罰款或處罰的報告。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

2. Use of Resources

The Group encourages its staff to make good use of resources, and issues internal notice to all of the staff, requiring them to save energy and reduce consumption:

- Turn off all the air conditioners and lighting systems before leaving the working environment;
- Use LED lighting in the office;
- Maintain the indoor temperature at 25 degrees Celsius in the office;
- Use recycled paper and double-sided printing as well as old envelopes for internal documents or non-important/unclassified documents;
- Use electronic documents such as email as possible and reduce paper usage;
- Reduce the use of disposable goods and reuse office stationery; and
- Make use of telephone/video conferencing equipment to avoid unnecessary business travelling.

2. 資源使用

本集團鼓勵其員工善用資源，並向所有員工發出內部通告，要求員工節能減耗：

- 離開工作環境前關閉所有空調及照明系統；
- 於辦公室內使用LED照明；
- 辦公室室內溫度保持於25攝氏度；
- 內部文件或非重要／非保密文件應使用環保紙及雙面打印、以及使用舊信封；
- 盡量使用電郵等電子文件，減少用紙；
- 減少使用一次性物品及重複使用辦公室文具；及
- 善用電話／視像會議設備，避免不必要出差。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

During the YR2021, data of resources consumption is as follows:

於二零二一年度，資源消耗數據如下：

| Type of resources consumption 資源消耗種類 | Unit 單位 | 2021 二零二一年 | 2020 二零二零年 |
|--|---|---------------|---------------|
| Electricity purchases for consumption 購電消耗 | kWh 千瓦時 | 138,968 | 133,992 |
| Electricity consumption intensity 耗電密度 | kWh (per employee) 千瓦時 (每名僱員) | 1,014 | 937 |
| Amount of water consumption 耗水量 | m ³ 立方米 | 8,292 | 2,828 |
| Water consumption intensity 耗水密度 | m ³ (per employee) 立方米 (每名僱員) | 61 | 20 |
| Total packaging material used for finished products ⁴ 製成品所用包裝材料總量 ⁴ | kg 千克 | N/A 不適用 | N/A 不適用 |
| Amount of packaging material per unit produced ⁴ 每件產品的包裝材料數量 ⁴ | kg 千克 | N/A 不適用 | N/A 不適用 |
| Petrol 汽油 | liters 公升 | 37,713 | 39,181 |
| Diesel 柴油 | liters 公升 | 2,600,791 | 2,944,199 |
| Cement 水泥 | ton 噸 | 20,586 | 16,429 |

The Group considers water resources to be quite valuable and the Group is committed to promoting the concept of saving water. There is a wide range of water use at construction sites. Although the water supply facilities at the sites are provided by the contractors, the Group calls on the construction workers from time to time not to waste water. As for offices, the Group puts up some slogans with saving water near taps to remind staff to save water.

本集團認為水資源相當珍貴，所以本集團致力提倡節約用水觀念。建築工地的用水情況較為廣泛。雖然工地的供水設備由承辦商提供，本集團不時呼籲建築工人切勿浪費水資源。辦公室方面，本集團於水喉附近位置張貼「節約用水」標語，提醒員工節約用水。

⁴ No use of packaging materials since the Group does not have physical products for sale. Therefore, this disclosure is not applicable to the Group.

⁴ 由於本集團並無實物產品銷售，故並不使用包裝材料，因此，該披露不適用於本集團。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

3. The Environment and Natural Resource

Noise Management

As certain procedures would produce noises during the construction, which cause impacts to the residents nearby, the Group adopts necessary measures to minimize noises in compliance with the Noise Control Ordinance. The Group conducts construction during designated time (e.g. 7 a.m. to 7 p.m. on normal working days) and applies for Noise Control Permit (NCP) for certain works or construction ways.

The Group would set noise barriers or noise enclosure at the early stage during construction period to suppress the noise level.

Enhancing Environmental Awareness

The Group actively enhances the environmental awareness of its staff in addition to enhancing environmental measures, including issuing of internal environmental guidance and sharing of relevant environmental information in relation to green office.

3. 環境及天然資源

噪音管理

由於施工過程中的部分工序會產生噪音，影響附近居民，故此本集團遵守《噪音管制條例》，採取必要措施盡量降低噪音。本集團於指定時間(如正常工作日上午七時至下午七時)施工，並就個別工程或施工方式申請噪音管制許可証。

於施工前期，本集團將設置隔音屏障或隔音罩，遏制噪音水平。

提升環保意識

除加強執行環保措施，本集團亦積極提升員工的環保意識，包括發出內部環保指引及分享綠色辦公室等相關環保資訊。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIETY

Employment and Labour Practices

1. Employment

Employment Policy

The Group has established a series of internal policies related to employment according to the guidance under Hong Kong Employment Ordinance, industry features and practices to ensure that its employees are provided with equal promotion opportunity and other packages, such as minimum wage security, maximum working hours, compensatory leave, mandatory provident fund or pension security and rewards for long-term services.

In general, subsidiaries of the Group would make proper upward or downward adjustment to the number of existing staff in the recruitment process based on the scale and actual situation or progress of the existing sites and the sites awarded. As all employees on the sites are paid on a daily basis, the employee turnover is relatively at a high level.

As general foundation construction and ground investigation services involve certain high-risk activities, only staff possessed of the Construction Industry Safety Training Certificate can carry out related work on the site.

Besides, as our subsidiaries engage in construction business, they will also subcontract some projects to other subcontractors. In order to ensure that the employees of the subcontractors could receive reasonable wages, we usually pay the wages to such employees responsible for relevant projects on behalf of the subcontractors.

During the YR2021, the Group did not involve any illegal activities related to employment that had caused material impact on the Group.

社會

僱傭及勞工慣例

1. 僱傭

僱傭政策

本集團根據香港《僱傭條例》指引、行業特性和慣例制訂一系列僱傭相關內部政策，確保員工獲得平等晉升機會及其他待遇，如最低工資保障、最高工時、補假、強積金或退休保障、長期服務獎勵等。

一般情況下，本集團旗下附屬公司，在招聘過程中會視乎現有地盤及中標地盤之規模及實際情況或進度，適當的增聘或減少現有員工數目。由於所有工地員工均為日薪員工，故僱員流動性相對較大。

由於日常地基建築及土地勘測服務涉及部分高危活動，只有持有建造業安全訓練證明書的員工方可在工地進行有關工作。

另外，我們的附屬公司由於從事建築業務，亦會外包部分工程予其他分包商。為確保分包商員工可取得合理薪金，我們通常代分包商向員工發放其所負責相關項目之薪金。

於二零二一年度，本集團並無牽涉任何有關僱傭且對本集團構成重大影響的違法活動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Equal Opportunity and Diversity Policy

The Group's principal businesses are foundation construction and ground investigation services, which demand plenty of physical labour force, hence traditionally male employees are a majority in the workforce of construction business.

The Group is impartial in choosing its employees, and has gradually established and improved its recruitment mechanism. Recruitment of employees is based on their work experience, techniques and skills, work performance. The Group does not discriminate our employees on the basis of their gender, age, origin, nationality, race, religious belief, sexual orientation, physical disability, marital status and so on.

Staff Communication

The Group places high priority on staff communication through various activities and channels, by which it can understand its staff's needs and strengthen our relationship. In some traditional Chinese festivals, such as Chinese New Year Eve, the Company organised New Year Eve's dinner for all staff in order to create a harmonious and friendly working atmosphere and strengthen communication with staff.

Dismissal

The Group complies with the guidance under Hong Kong Employment Ordinance. If terminating the employment of staff, the Group will follow the process to make reasonable compensation to the dismissed employees. The relevant provisions on termination of the employment relationship are set out in the employment contracts of every employee.

平等機會及多元政策

本集團之主營業務是地基建築及土地勘測服務，需要大量體力勞動，因此在傳統上，男性員工是建築業務的主要勞動力。

本集團秉持公平的用人風格，逐步建立完善人才招聘機制，以工作經驗、技術技能、工作表現為員工招聘基準，不以性別、年齡、地域、國籍、種族、宗教信仰、性取向、身體殘疾、婚姻狀況等歧視員工。

員工溝通

本集團高度重視員工溝通，透過各種活動及渠道，了解員工需求，加強雙方關係。在除夕等一些傳統中國節日，本公司組織年夜飯，與全體員工聚餐，營造和諧友善的工作氣氛，加強與員工的溝通。

解僱

本集團遵守香港《僱傭條例》指引，如解僱員工，本集團將按照流程處理，給予被解僱員工合理賠償。解除僱傭關係的相關條文已載列於各員工的僱傭合約中。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The employment data as at 31 March 2021 is set out below:

於二零二一年三月三十一日的僱傭數據載列如下：

| Employment data 僱傭數據 | Unit 單位 | As at 31 March 於三月三十一日 | |
|---------------------------------------|-------------------------|---------------------------|---------------|
| | | 2021 二零二一年 | 2020 二零二零年 |
| Total number of staff 員工總數 | Number of staff 員工人數 | 137 | 143 |
| By gender 性別劃分 | | | |
| Male 男性 | % | 87 | 88 |
| Female 女性 | % | 13 | 12 |
| Employment Type 僱傭類別 | | | |
| Full-time staff (Male) 全職員工 (男性) | % | 36 | 35 |
| Full-time staff (Female) 全職員工 (女性) | % | 12 | 11 |
| Contract staff (Male) 合約員工 (男性) | % | 51 | 53 |
| Contract staff (Female) 合約員工 (女性) | % | 1 | 1 |
| Age Distribution 年齡分佈 | | | |
| Below 30 30歲以下 | % | 7 | 8 |
| 30-39 30-39歲 | % | 18 | 17 |
| 40-49 40-49歲 | % | 22 | 23 |
| 50-59 50-59歲 | % | 36 | 35 |
| Above 60 60歲或以上 | % | 17 | 17 |
| New employees 新聘員工 | Number of staff 員工人數 | 25 | 55 |
| Staff turnover 員工流失 | Number of staff 員工人數 | 31 | 40 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group strictly regulates the operation of its business to ensure the compliance with local laws and regulations relating to employment during the course of operation. During the YR2021, the Group is not aware of any material non-compliance with the Employment Ordinance and other relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare in Hong Kong. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the YR2021.

2. Health and Work Safety

Occupational Safety

The Group cares about the health and well-being of our employees. Due to the nature of its businesses, some employees have to operate a variety of large machines during daily work, which involves certain safety risk. As such, the Group implemented various safety measures to ensure the occupational safety of the employees.

All employees who perform engineering operation must undergo mandatory basic safety training. Only those awarded with the Construction Industry Safety Training Certificate, commonly known as the “Green Card”, can be employed to carry out related work on the site. In order to enhance site safety supervision and staff’s safety awareness, the Group has also engaged professional safety consultants to conduct inspection on site safety so as to rectify site safety problems immediately and reduce the occurrence of industrial injury incidents. The Group’s professional safety consultants also regularly provide certain safety courses and guidelines on site safety for site staff and supervisors.

As there are many machinery and other equipment in the construction sites, employees will be more prone to industrial accidents. The Group strictly requires workers to wear safety protection equipment such as safety helmets and obey the safety guidelines of contractors and the Group.

本集團嚴格規管其業務營運，以確保於營運過程中遵守與僱傭相關的當地法律及法規。於二零二一年度，本集團概無知悉在香港有任何嚴重違反《僱傭條例》及與補償及解僱、招聘及晉升、工作時數、休息時間、平等機會、多元化、反歧視及其他待遇和福利有關的其他相關法律及法規的情況。此外，於二零二一年度，並無因違反相關法律及法規而招致重大罰款或制裁的報告。

2. 健康及工作安全

職業安全

本集團關注僱員的健康與福祉，由於本集團業務性質，部分僱員在日常工作中需要操作各類大型機械，其中存在一定安全風險。因此，本集團已實施多項安全措施，以確保僱員的工作安全。

所有參與工程作業的僱員均須接受強制性基本安全訓練。僅獲發建造業安全訓練證明書（俗稱「綠咭」）的人員方可受僱在地盤開展相關工作。為加強地盤安全監督及僱員的安全意識，本集團亦已委聘專業安全顧問負責檢查地盤安全，以便即時糾正地盤安全問題，減少工傷事故的發生。本集團的專業安全顧問亦會定期向地盤人員及監工提供若干關於地盤安全的安全課程及指引。

由於建造地盤有眾多機械及其他設備，僱員更易發生工傷事故。本集團嚴格要求工人佩戴安全帽等防護設備，以及遵守承建商及本集團的安全指引。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Physical and mental health

Apart from daily work, the Group encourages employees to participate in various types of outdoor activities which benefit to the body fitness and mind and keep healthy to promote the physical and mental development of employees and maintain a work-life balance.

The Group strictly regulates the operation of its business to ensure the compliance with local laws and regulations relating to health and safety during the course of operation. In YR2021, there was no case of material non-compliance with the Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong) and the relevant laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards that have a significant impact in Hong Kong. In addition, there was no record significant safety accidents and occupational injuries, nor did it have any events regarding safe working environment and protecting employees from occupational hazards; and no violation of health and safety laws and regulations was found in YR2021.

3. Development and Training

The Group actively attracts and retains talents, and trains employees who have the potential to become managers in the long run. Therefore, the Group encourages its employees to receive further education in relation to the development needs of the Group and make good use of their talents to achieve their career goals. The Group offers sufficient internal promotion opportunities to its employees. The Group promotes its staff based on their staff performance evaluation results. The Group's senior management has extensive experience in the industry and will actively share their knowledge to facilitate the development of our employees. Employees may also communicate with and seek professional advice from their department heads on their personal career development planning.

身心健康

除日常工作以外，本集團鼓勵僱員參與各類有益身心的戶外活動，注意健康，促進僱員身心發展，保持工作及生活平衡。

本集團嚴格規範自身業務經營，確保經營過程中遵守與健康及安全相關的本地法例及規例。於二零二一年度，概無發生就《職業安全及健康條例》（香港法例第509章）及在香港有重大影響的關於提供安全工作環境及保護僱員不受職業危害的相關法例及規例的重大不合規情況。此外，於二零二一年度，本集團並未發生重大安全事故及職業傷害，且並未發生任何關於安全工作環境及保護僱員不受職業危害的事件，且未發現存在任何違反健康及安全法例及規例的情況。

3. 發展及培訓

本集團積極吸引及挽留人才，並培養有潛力在未來成為管理人員的僱員。因此，本集團鼓勵僱員結合本集團發展需求接受進修，充分發掘自身才能，實現事業抱負。本集團為僱員提供足夠的內部晉升機會。本集團依據員工績效評估的結果，決定員工晉升。本集團的高級管理層擁有豐富行業經驗，並會積極分享自身知識，幫助僱員發展。僱員亦可就其個人職業發展規劃，與其部門主管溝通，獲取專業的指導意見。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

All staff on the construction site are required to attend site safety lectures organised by the contractor that last for half a day to one and a half days depending on requirements of such contractor. The Group has also asked staff to attend lectures on construction site safety and crisis training organised by professionals.

The Group has appointed professionals to provide its Directors and senior management with trainings on various aspects such as the Listing Rules and corporate governance.

4. Labour Standards

The Group rigidly complies with all relevant labour standards in Hong Kong and actively protects the basic personal rights and interests of its employees, ensuring that they work in a fair environment and are respected. The Group strictly forbids unlawful acts such as child and forced labour. In order to combat illegal employment of child and forced labour, the Human Resources Department of the Group requires job seekers to provide valid identification before confirming employment to ensure that applicants can be employed in accordance with the law.

The Group strictly regulates the operation of its business to ensure the compliance with local laws and regulations relating to labour standards during the course of operation. In YR2021, there was no case of material non-compliance with the Employment Ordinance and the relevant laws and regulations relating to preventing child or forced labour in Hong Kong. In addition, the Group did not employ child and forced labour, nor did it record any cases of discrimination involving race, religion, age or disability in YR2021.

所有建造地盤員工均需參加由承建商舉辦的為期半天至一天半（視相關承建商的要求而定）的地盤安全講座。本集團亦要求員工參加由專業人士組織的建造地盤安全講座及危機培訓。

本集團已聘請專業人士為董事及高級管理層提供關於上市規則及企業管治等各方面的培訓。

4. 勞工準則

本集團嚴格遵守香港的所有相關勞工準則，積極保障僱員的基本個人權益，確保僱員在公平、受尊重的環境中工作。本集團嚴禁童工及強制勞工等非法行為。為防止非法僱用童工及強制勞工情況的發生，本集團人力資源部門在確認僱傭前，會要求求職者提供有效的身份證明，以確保可依法僱用申請人。

本集團嚴格規範自身業務經營，確保經營過程中遵守與勞工準則相關的本地法例及規例。於二零二一年度，概無發生就《僱傭條例》及香港關於禁止童工及強迫勞工的相關法例及規例的重大不合規情況。此外，於二零二一年度，本集團未僱用童工及強迫勞工，亦未發生任何涉及種族、宗教、年齡、殘疾的歧視案件。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

OPERATING PRACTICE

5. Supply Chain Management

The Group has a total of 181 suppliers, mainly including subcontractors and material suppliers which are Hong Kong based companies. There was no major change in the regional ratio during the year.

The Group has long-term relationships and mutual trust with its major suppliers (including subcontractors, material suppliers, etc.) based on long term cooperation and mutual trust, and all of them have been our material suppliers for more than a decade. As the Group's businesses are based in Hong Kong, it chooses to purchase from suppliers in Hong Kong to save transportation costs.

In addition to geographical factors, the Group chooses and evaluates its suppliers based on their professional qualifications, product quality, service capabilities and pricing, etc. and in accordance with our procurement policy. Furthermore, the Group strictly stipulated that all purchase orders on materials are placed by the office's purchaser, and purchase orders must be signed by Directors to be valid.

6. Product Responsibility

Product quality

The Group has been engaged in foundation construction and ground investigation services for over a decade and has completed hundreds of projects one after another. The Group is widely recognised and highly praised by its clients as it focuses on service quality and is committed to providing its clients with top-tier service portfolio. To meet the demand of its clients, the Group has developed its internal management system and closely monitored its project execution process, with an aim to render premium and reliable service to its clients.

營運慣例

5. 供應鏈管理

本集團共有181名供應商，主要為分包商及材料供應商。分包商及材料供應商均為香港公司。年內地區比例並沒有重大改變。

本集團與主要供應商（包括分包商、材料供應商等）均建有長期合作關係及互信基礎，主要供應商均為本集團提供材料超過10年。由於本集團之業務均在香港，因此，為節省運輸成本，我們選擇向香港的供應商採購。

除了地理因素，本集團會根據採購政策考慮供應商的專業資質、產品質量、服務能力及價格等進行篩選與評估。此外，本集團嚴格規定所有物料採購均由辦公室之採購員負責落單，而採購單均須由董事簽字方為有效。

6. 產品責任

產品質量

本集團從事提供地基建築及現場土地勘測服務已逾10年，先後完成數百個項目。本集團獲得客戶廣泛支持和認可，主要由於我們重視服務質素，致力為客戶提供優質服務組合。本集團以滿足客戶需求為目標，建立內部管理體系，嚴格管理項目執行流程，為客戶提供優質、可靠的服務。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

All foundation construction and ground investigation services provided by the Group shall be verified by the contractor or surveyor, and the Group believes that this will also help enhance its clients' confidence on and recognition of its services. The Group's quality control system on the design, supply and installation of Rock-socketed Steel H-pile in Pre-bored Hole and Minipile work has been accredited with ISO9001:2015 certification of quality management system by Accredited Certification International Limited. During the YR2021, the Group received no complaints or claims from our customers arising from the quality issues of the work performed by the Group or sub-contractors, which in the view of Directors, is attributable to the effective quality control measures.

Policies of privacy

The Group acts as a provider of money lending business and has access to personal data of its customers, hence ensuring privacy of its customers' information is one of the most important issues. The Group attaches great attention to the protection of privacy and intellectual property. The Group ensures that all the business data of its customers which may be accessible will be properly dealt with by its staff and will not be used or leaked without authorisation.

Communication with customers

The Group actively communicates with its customers to understand their needs and their feedbacks on the services provided by the Group. In the event that the Group's projects could not reach the requirements and expectation of the customers, the Group will actively cooperate with the customers and make some remedies so as to satisfy the requirements of the contractors or surveyors.

本集團所提供的地基建及土地勘測服務均須由承建商或測量師驗證，而本集團相信此舉亦有助提升客戶對我們服務的信心及認可。本集團有關設計、供應及安裝預鑽孔嵌岩式工字鋼樁及微型樁工程的質量管理體系已獲國際認可認證有限公司授予品質管理體系的ISO9001:2015。於二零二一年度，本集團概無由於與本集團或再分包商完成的工程有關的品質問題而接獲客戶的任何投訴或任何賠償要求，而董事將之歸功於有效的品質控制措施。

私隱政策

本集團作為借貸業務提供商行事並能接觸到本集團客戶的個人資料，因此確保其客戶資料的私隱乃最重要的事項之一。本集團高度重視對私隱及知識產權的保護。本集團會確保其員工妥善處理所有可能接觸到的本集團客戶的商業資料，不會在未經授權的情況下使用和洩漏。

客戶溝通

本集團積極與其客戶進行溝通，了解客戶需要以及對本集團所提供服務之意見反饋。如本集團的項目與客戶的要求及期望出現一些差異，本集團會積極配合客戶，進行一些補救工作，從而達到承建商或測量行之要求。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Credit approval policy

Money Lending Policy adopted by the Group has been designed to ensure that the Group's business operates in accordance with the Money Lenders Ordinance (Cap. 163, Laws of Hong Kong). The Group will regularly monitor, review and, when necessary, update the existing policy to ensure the money lending business is strictly in compliance with the Money Lenders Ordinance (Cap. 163, Laws of Hong Kong).

The Group is not aware of any material non-compliance with the Personal Data (Privacy) Ordinance (Cap. 486, Laws of Hong Kong), the Trade Descriptions Ordinance, the Money Lenders Ordinance (Cap. 163, Laws of Hong Kong) and other applicable laws and regulations that have a significant impact relating to advertising, labelling and privacy matters relating to products and services provided by the Group in Hong Kong in YR2021.

7. Anti-Corruption

The Group and its subsidiaries all strictly adhere to the Prevention of Bribery Ordinance promulgated by the Hong Kong SAR Government. The Group seeks to further review the customers' information through understanding customers' background by way of interview, thereby identifying and preventing the customers and employees from bribery, blackmail, fraud and money-laundering in any way. The Group will regularly review the implementation of relevant systems and put more resources in improving the mechanism, if necessary.

The Group has developed a Whistle-blowing Policy internally. Staff may report to relevant department managers or senior management in the event that they identify any irregularities, and the Group will protect the identity of the informer. The Group shall conduct detailed investigation on the reported event and take appropriate actions according to the result.

The Group has engaged an independent internal control and risk advisory team, which has assisted in monitoring the corporate governance of the Group and in providing an objective assessment to the Board on whether a sound internal control system is maintained and operated by management. The Group also engaged independent auditors to conduct external audit, in order to prevent and control the fraud or wrongdoings within the Group.

信貸審批政策

本集團採納之借貸政策乃為確保本集團業務營運根據香港法例第163章《放債人條例》而設計。本集團將定期監察、審閱及更新現有政策(如有需要),以確保借貸業務嚴格遵守香港法例第163章《放債人條例》。

本集團並不知悉任何嚴重違反香港法例第486章《個人資料(私隱)條例》、《商品說明條例》、香港法例第163章《放債人條例》以及對有關本集團於二零二一年度在香港提供有關產品及服務的廣告、標籤及私隱事宜有重大影響的其他適用法律及法規。

7. 反貪污

本集團及旗下附屬公司均嚴格遵守香港特區政府頒佈之《防止賄賂條例》。本集團通過詢問了解客戶背景,進一步審閱客戶信息,從而識別及防止客戶和員工以任何方式進行賄賂、勒索、欺詐及洗黑錢。本集團會定期檢視有關制度的執行情況,如有需要,投放更多資源以完善機制。

本集團內部已制訂舉報政策,若任何員工發現任何違規事項,可向相關部門主管或高級管理層舉報,本集團會保護舉報人身份。本集團會就舉報事件作詳細調查,並根據調查結果採取適當行動。

本集團已委任獨立內部監控及風險諮詢團隊,協助監察本集團的企業管治,並就管理層有否維持與執行良好內部監控制度為董事會提供客觀評估。本集團亦聘請獨立審計師對本集團進行外部審計,預防和控制本集團發生舞弊或不道德行為。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group strictly regulates the operation of its business to ensure the compliance with local laws and regulations relating to anti-corruption during the course of operation. In YR2021, there was no case of any material non-compliance with the Prevention of Bribery Ordinance and the relevant laws and regulations relating to bribery, extortion, fraud and money laundering in Hong Kong that have a significant impact. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in YR2021.

8. Community Investment

The Group is committed to and take pride in contributing to the community in a variety of forms. As a part of the community that it cherishes, the Group has put its best effort in helping the local communities and people in needs in the society and contributing to the well-being of a community beyond financial support. The Group constantly encourages its employees to contribute their skills and time to the community by volunteering its time in the community development and outreach programs. The Group has been striving to “reward the community” in different ways. The Group values its corporate social responsibility by dedicating to improve its staff awareness of community care.

The Group proactively seeks to promote the spirit of corporate social responsibility within the company by organising or participating in appropriate community activities. Through various types of events, we encourage our employees to contribute to the community so as to help the needy and improve the relationship among staff, enterprise and community.

In the coming future, the Group will continue to attach great importance to community services, and will encourage its staff members to be actively engaged in voluntary services and join hands together to disseminate the spirit of services in the community where the Group all depends on.

本集團嚴格規管其業務營運，以確保於營運過程中遵守有關反貪污的當地法律及法規。於二零二一年度，本集團並無任何嚴重違反《防止賄賂條例》及有關於香港有重大影響的賄賂、勒索、詐騙、洗黑錢的相關法律及法規的案列。此外，於二零二一年度，並無因違反相關法律及法規而招致重大罰款或制裁的報告。

8. 社區投資

本集團以各類形式為社區做出貢獻而感到自豪。作為本集團所珍視之社區之一部分，除財務支持外，本集團盡最大努力幫助本地社區及社會上的有需要的人士，並為社區福祉作出貢獻。本集團一直鼓勵其僱員通過自願參與社區發展及外延活動來為社區貢獻彼等的技能及時間。本集團一直希望能透過不同方式「回饋社會」。本集團重視企業社會責任，致力提升員工對社區關懷的意識。

本集團會積極研究於企業內宣揚企業社會責任，組織或參與合適的社區活動。我們希望透過各類型活動鼓勵員工回饋社區，幫助有需要人士，增進員工、企業與社區間的關係。

於日後，本集團將繼續重視社區服務並鼓勵其員工積極參與自願服務，並攜手在為本集團所有人所依賴的社區中傳播服務精神。

REPORT OF THE DIRECTORS

董事會報告

The Board presents this annual report together with the audited consolidated financial statements of the Group for the financial year ended 31 March 2021.

PRINCIPAL PLACE OF BUSINESS

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 7 October 2014. Its registered office and principal place of business are at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands and Unit no. 901, 9th Floor, Capital Centre, No. 151 Gloucester Road, Wanchai, Hong Kong, respectively.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and details of the principal activities of its subsidiaries are set out in the consolidated financial statements of this annual report. There was no significant change in the Group's principal activities during the Reporting Period.

BUSINESS REVIEW

The business review of the Group for the Reporting Period as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) is included in the section "Management Discussion and Analysis" in this annual report. This discussion forms part of this report of the Directors.

SEGMENT INFORMATION

An analysis of the Group's performance for the Reporting Period by operating segments is set out in the consolidated financial statements of this annual report.

董事會謹此提呈本年報以及本集團於截至二零二一年三月三十一日止財政年度的經審核綜合財務報表。

主要營業地點

本公司於二零一四年十月七日在開曼群島註冊成立為獲豁免的有限責任公司。其註冊辦事處地址及主要營業地點分別位於Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands及香港灣仔告士打道151號資本中心9樓901室。

主要業務

本公司主要業務為投資控股，而其附屬公司的主要業務詳情載於本年報綜合財務報表。本集團於報告期間的主要業務並無重大變動。

業務回顧

根據香港法例第622章香港《公司條例》附表五的規定，本集團於報告期間的業務回顧載於本年報的「管理層討論及分析」一節。該討論為本董事會報告之一部分。

分部資料

按營運分部劃分的有關本集團於報告期間表現的分析載於本年報綜合財務報表。

REPORT OF THE DIRECTORS

董事會報告

RESULTS AND APPROPRIATIONS

The results of the Group for the Reporting Period are set out in the consolidated statement of profit or loss and other comprehensive income in this annual report. No dividend was paid or proposed by the Company during the Reporting Period, nor has any dividend been proposed by the Directors since the end of the Reporting Period (2020: nil).

CLOSURE OF REGISTER OF MEMBERS

The forthcoming AGM of the Company will be held on 15 September 2021. For the purpose of determining the entitlement of the Shareholders of the Company to attend and vote at the AGM, the transfer of books and register of members of the Company will be closed from 10 September 2021 to 15 September 2021, both days inclusive. During such period, no share transfer will be effected. In order to be qualified for attending the forthcoming AGM, all transfer documents accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 9 September 2021.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Company and the Group during the Reporting Period are set out in the consolidated financial statements of this annual report.

SHARE CAPITAL

Details of movements during the Reporting Period in the share capital of the Company are set out in the consolidated financial statements of this annual report.

業績及分配

本集團於報告期間的業績載於本年報綜合損益及其他全面收益表。本公司於報告期間概無派付或建議派付股息，董事亦無建議於報告期末以後期間派付任何股息（二零二零年：無）。

暫停辦理股份過戶登記手續

本公司將於二零二一年九月十五日舉行應屆股東週年大會。為釐定本公司股東出席股東週年大會並於會上投票的權利，本公司將於二零二一年九月十日至二零二一年九月十五日（包括首尾兩日）期間暫停辦理股份過戶登記手續。該期間將不會辦理任何股份過戶登記。為符合資格出席應屆股東週年大會，所有過戶文件連同有關股票，必須於二零二一年九月九日下午四時三十分前送達本公司的香港股份過戶登記分處卓佳證券登記有限公司以供登記，地址為香港皇后大道東183號合和中心54樓。

物業、廠房及設備

本公司及本集團物業、廠房及設備於報告期間的變動詳情載於本年報綜合財務報表。

股本

本公司股本於報告期間的變動詳情載於本年報綜合財務報表。

REPORT OF THE DIRECTORS

董事會報告

RESERVES

Details of movements in the reserves of the Group during the Reporting Period are set out in the consolidated statement of changes in equity in this annual report.

As at 31 March 2021, the Company had reserves amounted to approximately HK\$19,573,000 (YR2020: approximately HK\$32,306,000) available for distribution as calculated based on Company's share premium and capital reserve and retained profits/accumulated loss under applicable provisions of the Companies Law in the Cayman Islands.

GROUP FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for last five financial years, as extracted from the audited consolidated financial statements in this annual report and the Prospectus is set out on page 224 in this annual report. This summary does not form part of the audited consolidated financial statements in this annual report.

EMOLUMENT POLICY FOR DIRECTORS

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 the consolidated financial statements in this annual report.

SHARE OPTION SCHEME

Pursuant to the written resolutions of the Shareholders on 9 May 2015, the Company adopted a share option scheme (the "**Scheme**") to attract and retain the best available personnel, to provide additional incentive to employees (full-time or part-time), Directors, consultants or advisors, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

儲備

本集團儲備於報告期間的變動詳情載於本年報綜合權益變動表。

於二零二一年三月三十一日，本公司有可供分派的儲備約19,573,000港元（二零二零年度：約32,306,000港元），乃根據開曼群島公司法的適用條文按本公司的股份溢價及資本儲備以及保留盈利／累計虧損計算。

本集團財務概要

本年報第224頁載有本集團於過去五個財政年度的業績以及資產負債概要（摘錄自本年報經審核綜合財務報表及招股章程）。此概要並不構成本年報經審核綜合財務報表一部分。

董事薪酬政策

董事之薪酬乃經參考董事的職責、責任及表現以及本集團業績而釐定。此外，董事的酬金由本公司薪酬委員會每年審閱。董事酬金詳情載於本年報綜合財務報表。

購股權計劃

根據股東於二零一五年五月九日的書面決議案，本公司採納購股權計劃（「**計劃**」）以吸引及挽留現有最佳人才、向本集團的僱員（全職或兼職）、董事、諮詢師或顧問、分銷商、承包商、供應商、代理商、客戶、業務夥伴或服務供應商提供額外獎勵及促進本集團業務的成功。

REPORT OF THE DIRECTORS

董事會報告

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's Shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's Shareholders. Options granted to substantial Shareholders or independent non-executive Directors or any of their respective associates (including a discretionary trust whose discretionary objects include a substantial Shareholders, independent non-executive Directors, or any of their respective associates) in any 12-month period in excess of 0.1% of the Company's share capital or with a value in excess of HK\$ 5 million must be approved in advance by the Company's Shareholders.

Options granted must be taken up within seven days inclusive of the day on which such offer was made, upon payment of HK\$1 per option. Options may be exercised at any time during a period as the Directors may determine which shall not exceed ten years from the date of grant. The exercise price is determined by the Directors, and will be at least the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

The Scheme will remain in force for a period of ten years commencing on the date of adoption (i.e. 9 May 2015) and shall expire at the close of business day immediately preceding the tenth anniversary thereof unless terminated earlier by the Shareholders in general meeting. Accordingly, the remaining life of the Scheme is approximately 4 years.

No share options were granted since the adoption of the Scheme and there are no outstanding share options at the end of the Reporting Period. A summary of the principal terms and conditions of the Scheme is set out in Appendix IV to the Prospectus.

未經本公司股東事先批准，有關根據計劃可能授出購股權的股份總數不得超逾本公司於任一時間點已發行股份的10%。未經本公司股東事先批准，於任何一年授予及可能授予任何個人的購股權所涉及的已發行及將予發行股份數目不得超逾本公司於任一時間點已發行股份的1%。倘授予主要股東或獨立非執行董事或彼等各自任何聯繫人士（包括全權信託對象為主要股東、獨立非執行董事或彼等各自任何聯繫人士的全權信託）的購股權於任何12個月期間超逾本公司股本的0.1%或價值超過5百萬港元，則須事先取得本公司股東批准。

於支付每份購股權1港元後，購股權須於作出有關要約起計七日（包括有關要約當日）內接納。購股權可於董事可能釐定期間內隨時行使，惟不得超過自授出日期起計十年。行使價由董事釐定，至少將為下列三者中的最高者：(i)於授出日期本公司股份的收市價；(ii)於緊接授出日期前五個營業日股份的平均收市價；及(iii)本公司股份的面值。

計劃將於採納日期（即二零一五年五月九日）當日起計十年期間內有效，除非在股東大會上遭股東提早終止，否則於緊接計劃滿十週年前一個營業日的營業時間結束時屆滿。因此，計劃的剩餘年期約為4年。

自採用計劃以來並無授出購股權且於報告期末並無未獲行使的購股權。計劃的主要條款及條件概要載於招股章程附錄四。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

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

Executive Directors

Mr. Yan Shuai
Mr. Chan Kwan
Mr. Zhu Jiayu

Non-executive Directors

Mr. Zhang Zhenyi
Mr. Chui Kwong Kau (appointed on 7 January 2021)

Independent Non-executive Directors

Mr. Lo Wa Kei Roy
Mr. Leung Ka Fai Nelson
Mr. Qin Fen (resigned on 7 January 2021)
Mr. Eric, Todd (appointed on 7 January 2021)

Information regarding Directors' emoluments is set out in the consolidated financial statements in this report. An annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules have been received from each of the independent non-executive Directors.

DIRECTORS' SERVICE CONTRACT

All the independent non-executive Directors have entered into a service contract with the Company for a fixed term unless terminated by not less than three months' notice in writing served by either party on the other.

董事

於報告期間及直至本年報日期任職的董事如下：

執行董事

嚴帥先生
陳昆先生
朱佳瑜先生

非執行董事

張振義先生
崔光球先生 (於二零二一年一月七日獲委任)

獨立非執行董事

盧華基先生
梁嘉輝先生
秦奮先生 (於二零二一年一月七日辭任)
達振標先生 (於二零二一年一月七日獲委任)

有關董事薪酬的資料載於本報告綜合財務報表。本公司已接獲各獨立非執行董事根據上市規則第3.13條呈交的年度獨立性確認書。

董事的服務合約

全體獨立非執行董事已與本公司訂立具固定年期之服務合約，除非一方向另一方發出不少於三個月的書面通知予以終止。

REPORT OF THE DIRECTORS

董事會報告

CHANGE IN INFORMATION OF DIRECTORS

董事資料變動

Pursuant to Rule 13.51B(1) of the Listing Rules, change in the information of the Directors since the date of the 2019/2020 annual report and up to the date of this report is set out below:

根據上市規則第13.51B(1)條，董事資料自二零一九年／二零二零年年報日期直至本報告日期以來之變動載列如下：

| Name of Director 董事姓名 | Board Change and Changes in Directors' Information 董事會變動及董事資料變動 |
|-----------------------------|---|
| Mr. Qin Fen 秦奮先生 | Resigned as the independent non-executive Director with effect from 7 January 2021 已辭任獨立非執行董事，自二零二一年一月七日起生效 |
| Mr. Chui Kwong Kau 崔光球先生 | Appointed as the non-executive Director with effect from 7 January 2021; Appointed as the executive director of Yuk Wing Group Holdings Limited with stock code: 1536 since 4 June 2021 已獲委任為非執行董事，自二零二一年一月七日起生效；自二零二一年六月四日起獲委任為煜榮集團控股有限公司（股份代號：1536）的執行董事 |
| Mr. Eric, Todd 達振標先生 | Appointed as the Independent non-executive Director with effect from 7 January 2021; Appointed as the executive director of Far East Holdings International Limited with stock code: 36 since 26 February 2021; Resigned as the executive director of Chinese Food And Beverage Group Limited with stock code: 8272 since 30 April 2021 (the issued shares of which were listed on the GEM board of the Stock Exchange and delisted on 13 July 2021); Appointed as the independent non-executive director of Jimu Group Limited with stock code: 8187 since 25 May 2021 已獲委任為獨立非執行董事，自二零二一年一月七日起生效；自二零二一年二月二十六日起獲委任為遠東控股國際有限公司（股份代號：36）的執行董事；自二零二一年四月三十日起辭任華人飲食集團有限公司（股份代號：8272）執行董事（該公司的已發行股份於聯交所GEM板上市並於二零二一年七月十三日除牌）；自二零二一年五月二十五日起獲委任為積木集團有限公司（股份代號：8187）的獨立非執行董事 |
| Mr. Lo Wa Kei Roy 盧華基先生 | Resigned as the independent non-executive director of Sun Hing Vision Group Holdings Limited with stock code: 125 since 1 March 2021 自二零二一年三月一日起辭任新興光學集團控股有限公司（股份代號：125）獨立非執行董事 |

REPORT OF THE DIRECTORS

董事會報告

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

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

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, no transaction, arrangement or contract of significance to which the Group was a party in which a Director or an entity connected with a Director had a material interest whether directly or indirectly subsisted at the end of the Reporting Period or any time during the Reporting Period.

DIRECTORS' AND SENIOR MANAGEMENT BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out in the section "Biographical Details of Directors and Company Secretary" of this annual report.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in the consolidated financial statements in this annual report, respectively.

除上文所披露者，概無其他資料須根據上市規則第13.51B(1)條予以披露。

除上述者外，概無擬於應屆股東週年大會上膺選連任的董事與本公司訂有不可於一年內由本公司終止而毋須支付賠償（法定補償除外）的服務合約。

董事的重大合約權益

除本年報所披露者外，概無本集團為訂約方並且董事或與董事有關連的實體直接或間接擁有重大權益的重大交易、安排或合約於報告期末或報告期間內任何時間存續。

董事及高級管理層的履歷

董事及本集團高級管理層的履歷詳情載於本年報「董事及公司秘書的履歷詳情」一節。

董事及五名最高薪酬人士的酬金

董事及本集團五名最高薪酬人士的酬金詳情分別載於本年報綜合財務報表。

REPORT OF THE DIRECTORS

董事會報告

MANAGEMENT CONTRACTS

As at 31 March 2021, the Company did not enter into or have any management and administration contracts in respect of the whole and any principal business of the Company.

DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2021, none of the Directors nor Chief Executive of the Company had any beneficial interests (including interests or short positions) in the shares of the Company (the "Shares"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they are taken or deemed to have taken under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to in that section, or will be required, pursuant to the Model Code in the Listing Rules, to be notified to the Company and the Stock Exchange.

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

As at 31 March 2021, the following persons (not being a Director or Chief Executive of the Company) had interests or short positions in the shares of the Company or underlying Shares which fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

管理合約

於二零二一年三月三十一日，本公司並無就本公司整體或任何主要業務訂立或設有任何管理及行政合約。

董事及行政總裁於股份、相關股份及債權證的權益及淡倉

於二零二一年三月三十一日，概無董事或本公司行政總裁於本公司股份（「股份」）、本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的相關股份及債權證中擁有根據證券及期貨條例第XV部分第7及8分部須知會本公司及聯交所（包括根據證券及期貨條例之有關係文被當作或被視為擁有之權益及淡倉）或根據證券及期貨條例第352條須記錄於該條例所述之登記冊或須根據上市規則之標準守則知會本公司及聯交所之任何實益權益（包括權益或淡倉）。

主要股東及其他人士於股份及相關股份的權益及淡倉

於二零二一年三月三十一日，以下人士（並非本公司董事或行政總裁）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之規定須披露予本公司，及記錄於本公司根據證券及期貨條例第336條須存置之登記冊內之權益或淡倉：

REPORT OF THE DIRECTORS

董事會報告

| Name | Capacity/Nature of interest | Number of Ordinary Shares held/interested 所持/ 擁有權益的 普通股份數目 | Approximate percentage of interest 權益概約百分比 |
|--|---|---|---|
| 名稱/姓名 | 身份/權益性質 | | |
| Suntecli Company Limited ("Suntecli") | Interests held jointly with other persons; beneficial owner (Note 1 and 5) | 273,920,000 | 28.53% |
| 新得利有限公司(「新得利」) | 與其他人士共同持有的權益；實益擁有人 (附註1及5) | | |
| Samwood Global Limited ("Samwood") | Interests held jointly with other persons (Note 1 and 7) | 273,920,000 | 28.53% |
| 森活環球有限公司(「森活」) | 與其他人士共同持有的權益(附註1及7) | | |
| Mr. Lau Woon Si ("Mr. Lau") | Interests held jointly with other person; interest in controlled corporation (Note 1 and 6) | 273,920,000 | 28.53% |
| 劉煥詩先生(「劉先生」) | 與其他人士共同持有的權益；於受控法團的權益(附註1及6) | | |
| Mr. Fong Hon Hung ("Mr. Fong") | Interests held jointly with other persons; interest in controlled corporation (Note 1 and 7) | 273,920,000 | 28.53% |
| 方漢鴻先生(「方先生」) | 與其他人士共同持有的權益；於受控法團的權益(附註1及7) | | |
| Ms. So Choi 蘇才女士 | Interest of spouse (Note 2) 配偶權益(附註2) | 273,920,000 | 28.53% |
| Ms. Kwong Sui Sim 鄺瑞嬋女士 | Interest of spouse (Note 3) 配偶權益(附註3) | 273,920,000 | 28.53% |
| Mr. Leung Man Lun Stephen ("Mr. Leung") | Interest held jointly with other persons (Note 1) | 273,920,000 | 28.53% |
| 梁文麟先生(「梁先生」) | 與其他人士共同持有的權益(附註1) | | |
| Ms. Chan Sui Yau Cathy 陳瑞優女士 | Interest of spouse (Note 4) 配偶權益(附註4) | 273,920,000 | 28.53% |

REPORT OF THE DIRECTORS

董事會報告

Notes:

- (1) Suntecli and Samwood with Mr. Lau, Mr. Fong and Mr. Leung, are parties acting in concert (having the meaning as ascribed thereto in the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”)) pursuant to a confirmatory deed dated 3 December 2014 (the “**Concert Party Deed**”) and accordingly each of them is deemed to be interested in the Shares held by each other. Pursuant to the Concert Party Deed, Mr. Lau, Mr. Fong, Mr. Leung, Suntecli and Samwood have been parties acting in concert (having the meaning as ascribed thereto in the Takeovers Code) in the course of the Reorganisation and will continue to be parties acting in concert (having the meaning as ascribed thereto in the Takeovers Code) until such arrangement is terminated in writing by them pursuant to the Concert Party Deed.
- (2) Ms. So Choi is the spouse of Mr. Lau and is deemed or taken to be interested in all the Shares in which Mr. Lau has, or is deemed to have, an interest for the purposes of the SFO. Mr. Lau was an executive Director of the Company and resigned as executive Director on 7 September 2018.
- (3) Ms. Kwong Sui Sim is the spouse of Mr. Fong and is deemed or taken to be interested in all the Shares in which Mr. Fong has, or is deemed to have, an interest for the purposes of the SFO. Mr. Fong re-designated from an executive Director to non-executive Director on 18 September 2019, and resigned as the non-executive Director on 17 January 2020.
- (4) Ms. Chan Sui Yau Cathy is the spouse of Mr. Leung and is deemed or taken to be interested in all the Shares in which Mr. Leung has, or is deemed to have, an interest for the purposes of the SFO. Mr. Leung was an executive Director of the Company and resigned as executive Director on 3 January 2017.
- (5) The 273,920,000 shares (which were beneficially owned by Suntecli) were charged to Kingston Finance Limited to secure a loan granted to it. Kingston Finance Limited is wholly owned by Ample Cheer Limited, which is owned as to 20% by Insight Glory Limited and 80% by Best Forth Limited. Insight Glory Limited and Best Forth Limited are wholly owned by Mrs. Chu Yuet Wah.
- (6) Mr. Lau owns approximately 94.65% shareholding in Suntecli which in turn beneficially owns 28.53% shareholding in the Company. Therefore, Mr. Lau is deemed or taken to be interested in all the Shares which are beneficially owned by Suntecli for the purpose of SFO. Mr. Lau resigned as the Chairman and executive Director of the Company with effect from 7 September 2018.
- (7) Mr. Fong owns approximately 79% shareholding in Samwood.

附註：

- (1) 根據日期為二零一四年十二月三日的確認契約（「**一致行動人士契約**」），新得利及森活與劉先生、方先生及梁先生為一致行動人士（具有香港公司收購及合併守則（「**收購守則**」）賦予該詞的涵義），因此彼等各自被視為於彼此所持有的股份中擁有權益。根據一致行動人士契約，劉先生、方先生、梁先生、新得利及森活於重組過程中為一致行動人士（具有收購守則賦予該詞的涵義）及將繼續為一致行動人士（具有收購守則賦予該詞的涵義），直至彼等根據一致行動人士契約書面終止有關安排為止。
- (2) 蘇才女士乃劉先生的配偶，就證券及期貨條例而言，被視為或當作於劉先生擁有或視為擁有的所有股份中擁有權益。劉先生為本公司之執行董事及於二零一八年九月七日辭任執行董事。
- (3) 鄺瑞嬋女士乃方先生的配偶，就證券及期貨條例而言，被視為或當作於方先生擁有或視為擁有的所有股份中擁有權益。方先生於二零一九年九月十八日自執行董事調任為非執行董事，及於二零二零年一月十七日辭任非執行董事。
- (4) 陳瑞優女士乃梁先生的配偶，就證券及期貨條例而言，被視為或當作於梁先生擁有或視為擁有的所有股份中擁有權益。梁先生曾擔任本公司執行董事並已於二零一七年一月三日辭任執行董事。
- (5) 該273,920,000股股份（由新得利實益擁有）已抵押予金利豐財務有限公司作為其獲授貸款之抵押。金利豐財務有限公司由Ample Cheer Limited全資擁有，Ample Cheer Limited由Insight Glory Limited擁有20%權益及由Best Forth Limited擁有80%權益。Insight Glory Limited及Best Forth Limited由李月華女士全資擁有。
- (6) 劉先生擁有新得利約94.65%股權，而新得利實益擁有本公司28.53%股權。因此，就證券及期貨條例而言，劉先生被視為或當作於新得利實益擁有的所有股份中擁有權益。劉先生於二零一八年九月七日起辭任本公司主席及執行董事。
- (7) 方先生擁有森活約79%股權。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than those disclosed under the paragraphs headed "Share Option Scheme" and "Directors' and Chief Executive Officer's Interests and Short Positions in Shares, Underlying Shares and Debentures", at no time during the year ended 31 March 2021 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective close associates, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Reporting Period and up to the date of this annual report, no Directors are considered to have interests in the following businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group other than those businesses where the Directors of the Company were appointed as Directors to represent the interests of the Company and/or the Group pursuant to the Listing Rules.

As the Board of Directors is independent of the boards of these entities, the Group is therefore capable of carrying on such business independently of, and at arm's length from the businesses of these entities.

董事收購股份或債權證的權利

除「購股權計劃」及「董事及行政總裁於股份、相關股份及債權證的權益及淡倉」段落所披露者外，於截至二零二一年三月三十一日止年度內任何時間，概無董事或彼等各自的緊密聯繫人獲授任何權利，可藉收購本公司股份或債權證而獲得利益，亦無行使任何有關權利；或本公司、其控股公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使董事可獲得任何其他法團的有關權利。

董事於競爭業務的權益

於報告期間及直至本年報日期，概無董事在上述根據上市規則被視為直接或間接與本集團業務構成競爭或可能構成競爭之業務（除為代表本公司及／或本集團權益而委任本公司董事為董事之業務外）中擁有權益。

由於董事會乃獨立於該等實體的董事會，故本集團能獨立於該等實體的業務、基於各自利益來經營其業務。

REPORT OF THE DIRECTORS

董事會報告

All the independent non-executive Directors are delegated with the authority to review the non-competition undertakings (the “**Non-competition Undertakings**”) given by Mr. Lau, Mr. Fong, Mr. Leung, Suntecli and Samwood during the Reporting Period. The independent non-executive Directors were not aware of any non-compliance of the Non-competition Undertakings during the Reporting Period.

Each of Mr. Lau, Mr. Fong, Mr. Leung, Suntecli and Samwood has confirmed that he/it had complied with the Non-competition Undertakings given by them during the Reporting Period.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of the Group’s purchases and revenue attributable to major suppliers and customers during the Reporting Period and 31 March 2020 are as follows:

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|-------------------------|---------------|---------------|
| Percentage of construction material purchases and construction subcontracted: | 採購建築材料及所分包的 建築工程百分比： | | |
| From the largest supplier | 來自最大供應商 | 9.70% | 12.20% |
| From the five largest suppliers | 來自五大供應商 | 37.62% | 36.60% |
| Percentage of revenue: | 收入百分比： | | |
| From the largest customers | 來自最大客戶 | 25.86% | 30.13% |
| From the five largest customers | 來自五大客戶 | 62.64% | 69.18% |

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

全體獨立非執行董事獲授權審閱劉先生、方先生、梁先生、新得利及森活於報告期間的不競爭承諾（「**不競爭承諾**」）。獨立非執行董事並不知悉於報告期間有任何違反不競爭承諾的情況。

劉先生、方先生、梁先生、新得利及森活各自已確認，於報告期間已遵守彼等作出的不競爭承諾。

主要客戶及供應商

主要供應商及客戶於報告期間及二零二零年三月三十一日所佔本集團採購額及收入的百分比如下：

各董事、彼等的緊密聯繫人或任何股東（據董事所知擁有本公司股本5%以上者）於報告期間概無於五大客戶或供應商中擁有任何權益。

REPORT OF THE DIRECTORS

董事會報告

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Save as to the purchase of 31,654,000 shares of the Company at a consideration of HK\$19,429,000, details of which are set out in note 28 to the consolidated financial statements, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities during the Reporting Period.

PERMITTED INDEMNITY

During the Reporting Period, the Company has arranged Directors' and officers' liability insurance for all Directors and senior management of the Company. The insurance covers the corresponding costs, charges, expenses and liabilities for legal action of corporate activities against them.

PRE-EMPTIVE RIGHTS

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

EQUITY-LINKED AGREEMENT

During the Reporting Period, the Group did not enter into any equity-linked agreements.

DONATIONS

During the Reporting Period, the Group did not make any charitable donation (YR2020: nil).

購買、出售或贖回本公司證券

除以代價19,429,000港元購買本公司31,654,000股股份(有關詳情載於綜合財務報表附註28)外,於報告期間,本公司或其任何附屬公司並無購買、出售或贖回本公司任何證券。

獲准許的彌償

於報告期間,本公司已為本公司之全體董事及高級管理層投保董事及高級行政人員責任險。該保險涵蓋與針對彼等提出之有關公司活動的法律訴訟相關的成本、費用、開支及責任。

優先購股權

章程細則或開曼群島法例均無有關優先購股權的條文,規定本公司須向現有股東按比例提呈發售新股份。

股票掛鈎協議

於報告期間,本集團並無訂立任何股票掛鈎協議。

捐款

於報告期間,本集團並無作出任何慈善捐款(二零二零年度:無)。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS AND RELATED PARTY TRANSACTIONS

持續關連交易及關連方交易

During the Reporting Period, the Group had following continuing connected transactions:

於報告期間，本集團有以下持續關連交易：

Lease agreements

租賃協議

| Name of suppliers 供應商名稱 | Term of lease agreements 租賃協議期限 | Monthly rent 月租金 HK\$ 港元 | Annual rent 年租金 HK\$ 港元 |
|----------------------------|--|-----------------------------------|----------------------------------|
| Chung Hang 中恆 | 1 April 2020 to 31 March 2021 二零二零年四月一日至 二零二一年三月三十一日 | 60,000 | 720,000 |
| Chung Wah 中華 | 1 April 2020 to 31 March 2021 二零二零年四月一日至 二零二一年三月三十一日 | 115,000 | 1,380,000 |
| | | | 2,100,000 |

Chung Hang Enterprises Holdings Limited (“**Chung Hang**”) is owned by Mr. Lau as to approximately 94.65%. Mr. Lau is one of the controlling Shareholders and a former executive Director.

中恆企業控股有限公司（「**中恆**」）由劉先生擁有約94.65%。劉先生為一名控股股東及前執行董事。

Chung Wah Investment Company Limited (“**Chung Wah**”) is owned by Chung Hang and Mr. Lau as to 95.00% and 2.50%, respectively.

中華投資發展有限公司（「**中華**」）分別由中恆及劉先生擁有95.00%及2.50%。

The transaction constitutes connected transactions and is subject to disclosure requirement under Chapter 14A of the Listing Rules.

有關交易構成關連交易，並須遵守上市規則第14A章下的披露規定。

REPORT OF THE DIRECTORS

董事會報告

The lease agreements were entered into on normal commercial terms and in the ordinary and usual course of business of the Group where each of the relevant percentage ratios calculated for the purpose of Chapter 14A of the Listing Rules is less than 5% and the total fees payable under lease agreements are less than HK\$3,000,000. Pursuant to Chapter 14A of the Listing Rules, the lease agreements are exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The significant related party transactions entered into by the Group during the Reporting Period set out in the consolidated financial statements included transactions that constitute connected/continuing connected transactions for which the disclosure requirement under the Listing Rules have been complied with.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has retained the prescribed public float of at least 25% of the Company's total issued share capital as at the date of this annual report pursuant to the Listing Rules.

AUDITORS

The Company has nominated HLB Hodgson Impey Cheng Limited as the auditors of the Group during the Reporting Period until conclusion of the forthcoming AGM.

The consolidated financial statements for the years ended 31 March 2021 and 2020 have been audited by HLB Hodgson Impey Cheng Limited, who will retire and, being eligible, offer themselves for reappointment at the forthcoming AGM.

該等租賃協議乃按正常商業條款及於本集團一般及日常業務中訂立，而就上市規則第14A章計算的各相關百分比率低於5%及根據租賃協議應付的費用總額少於3,000,000港元。根據上市規則第14A章，該等租賃協議獲豁免遵守上市規則第14A章下的申報、年度審閱、公告及獨立股東批准規定。

載於綜合財務報表由本集團於報告期間訂立的重大關連方交易包括構成關連／持續關連交易的交易，有關交易已遵守上市規則下的披露規定。

公眾持股量

根據本公司可獲得的公開資料及就董事所深知，於本年報日期，本公司已根據上市規則維持佔本公司已發行股本總額至少25%的規定公眾持股量。

核數師

本公司已指定國衛會計師事務所有限公司為本集團於報告期間之核數師，直至應屆股東週年大會結束為止。

國衛會計師事務所有限公司已審核截至二零二一年及二零二零年三月三十一日止年度的綜合財務報表，並將於應屆股東週年大會上退任並合資格且願意獲續聘。

REPORT OF THE DIRECTORS

董事會報告

CORPORATE GOVERNANCE CODE

The Company had complied with all the applicable principles and code provisions as set out in the Code contained in Appendix 14 to the Listing Rules during the Reporting Period, except for the deviation from the code provision A.6.7.

The details of Group's compliance with the Code is set out in the Corporate Governance Report in this annual report.

On behalf of the Board

Yan Shuai

Chairman

Hong Kong, 30 July 2021

企業管治守則

本公司於報告期間已遵守上市規則附錄十四所載守則的所有適用原則及守則條文，惟守則條文第A.6.7條的偏離情況除外。

本集團遵守守則的詳情載於本年報的企業管治報告。

代表董事會

主席

嚴帥

香港，二零二一年七月三十日

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



國衛會計師事務所有限公司
HODGSON IMPEY CHENG LIMITED

31/F, Gloucester Tower 香港
The Landmark 中環
11 Pedder Street 畢打街11號
Central 置地廣場
Hong Kong 告羅士打大廈31樓

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF WAN KEI GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Wan Kei Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 109 to 223, which comprise the consolidated statement of financial position as at 31 March 2021, the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2021, 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.

獨立核數師報告 致宏基集團控股有限公司各股東

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第109至223頁的宏基集團控股有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的綜合財務報表,此綜合財務報表包括於二零二一年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、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,此綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈的《香港財務報告準則》(「**香港財務報告準則**」)真實而中肯地反映 貴集團於二零二一年三月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional 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.

意見的基礎

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

關鍵審計事項

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

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

Accounting for construction contract revenue 建造合約收入的會計處理

We identified the revenue and profit recognition of construction contracts as a key audit matter due to significant management's judgements and estimations are required in the determination of the total outcome of the construction contracts as well as the stage of completion of construction contracts.

我們將建造合約的收入及溢利確認識別為一項關鍵審計事項，原因為在釐定建造合約的總結果及完成建造合約的進度時，需要作出重大管理層判斷及估計。

Our audit procedures in relation to construction contract revenue mainly included:

我們就建造合約收入的審計程序主要包括：

- Reviewing the contract sum and budgeted costs to respective signed contracts and budgets prepared by management;
- 審閱各項已簽訂的合約及管理層編製的預算的合約金額及預算成本；
- Obtaining an understanding from management about how the budgets were prepared and the respective stage of completion were determined;
- 向管理層了解預算的編製方法及各完成進度的釐定方法；
- Reviewing the reasonableness of key judgements inherent in the budgets and assessing the reliability of budgets by comparing the actual outcome against management's estimation of completed contracts on a sample basis;
- 審閱預算中所含主要判斷的合理性並透過抽樣比較已完成合約的實際結果與管理層的估計而評估預算的可靠性；
- Obtaining the progress payment applications submitted by the Company and progress certificates issued by customers to evaluate the reasonableness of stage of completion as at year end and testing the revenue recognition based on stage of completion; and
- 取得 貴公司提交的進度付款申請及客戶發出的進度證明以評估於年結日完成進度的合理性並根據完成進度測試收入確認；及
- Assessing the presentation and related disclosures in the consolidated financial statements with reference to the requirement of HKFRS 15.
- 參考香港財務報告準則第15號的規定，評估綜合財務報表的呈報及有關披露。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

Loss allowance for trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income

貿易及其他應收款項、合約資產及應收貸款以及按公平值計入其他全面收益的債務投資的虧損撥備

The Group's trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income arise from the Group's construction contracts, ground investigation services, financial services business, trading of beauty and skin care products and investing activities. As at 31 March 2021, the aggregate amount of trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income was approximately HK\$259,472,000.

貴集團的貿易及其他應收款項、合約資產、應收貸款以及按公平值計入其他全面收益的債務投資產生自貴集團的建造合約、土地勘測服務、金融服務業務、美容及護膚產品貿易及投資活動。於二零二一年三月三十一日，貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益的債務投資的總額約為259,472,000港元。

The Group measures loss allowances on trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income at amounts equal to 12-months or lifetime expected credit losses (the "ECL") which involved significant management judgement in estimating loss rate and adjusting factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

貴集團按等於12個月或全期預期信貸虧損（「預期信貸虧損」）的金額計量貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益的債務投資的虧損撥備，當中涉及管理層估算虧損率及調整債務人特定因素時的重大判斷以及對報告日期的當前及預測整體經濟狀況的評估。

We identified the loss allowance for trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income as a key audit matter because of the significant balances at the end of the reporting period and because the recognition of ECL is inherently subjective and requires the exercise of significant management judgement.

我們將貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益的債務投資的虧損撥備識別為一項關鍵審計事項，原因為報告期末的結餘重大以及確認預期信貸虧損本身具有主觀性及須行使重大管理層判斷。

Our audit procedures in relation to loss allowance for trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income mainly included:

我們就貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益的債務投資的虧損撥備的審計程序主要包括：

- Assessing the design and implementation of key internal controls over the credit control and estimation of the ECL;
- 評估有關信貸控制及估計預期信貸虧損的主要內部監控的設計及實施；
- Assessing the reasonableness of the ECL by examining the key data inputs used by management to form such estimates, enquiring the assumptions, including both historical and forward-looking information, and evaluating whether such data inputs are appropriately applied in the ECL model;
- 透過檢查管理層形成有關估計所使用的關鍵數據輸入值、探究假設（包括歷史及前瞻性資料）及評估有關數據輸入值是否於預期信貸虧損模式中妥善應用評估預期信貸虧損的合理性；
- Assessing whether items in the ageing report were categorised appropriately for contract assets and trade receivables by comparing a sample of individual items with the underlying documentation; and
- 通過比較單個項目樣本與相關文件，評估合約資產及貿易應收款項賬齡報告中的項目是否準確分類；及
- Assessing the related disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.
- 參考現行會計準則的規定，評估綜合財務報表中的有關披露。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

Impairment assessment of interest in an associate 於一間聯營公司的權益之減值評估

We have identified the impairment of interest in an associate as a key audit matter because of its significance to the consolidated financial statements and because the Group's assessment of impairment of this associate is a judgmental process which requires estimates concerning the methods and assumptions to be applied in determining the recoverable amount. The selection of valuation model, adoption of key assumptions and input data may be subject to management bias and changes in these assumptions and input to valuation model may result in significant financial impact.

我們將於一間聯營公司的權益減值識別為一項關鍵審計事項，乃由於其對綜合財務報表至關重要，並且由於貴集團對該聯營公司減值的評估為一個判斷過程，需要就釐定可收回金額所用的方法及假設作出估計。估值模型的選擇、主要假設及輸入數據的採納可能受管理層偏好所規限，而該等假設及估值模型輸入數據的變動可能引致重大的財務影響。

Our audit procedures in relation to impairment assessment of interest in an associate mainly included: 我們就於一間聯營公司的權益之減值評估的審計程序主要包括：

- Assessing the appropriateness of management's accounting for interest in an associate;
- 評估管理層就於一間聯營公司的權益所作會計處理的合理性；
- Understanding management's assessment of the indicators of impairment and the methods and assumptions used in the valuation model to estimate the recoverable amount of the investment;
- 了解管理層對減值跡象的評估以及估計投資可收回金額的估值模型中所採用的方法及假設；
- Discussing the indicators of possible impairment with the management and, where such indicators were identified, assessed the management's impairment testing;
- 與管理層討論可能出現減值的跡象，及倘減值跡象獲確認，評估管理層所進行的減值測試；
- Engaging an auditors' expert to assist our assessment on the appropriateness of the methodologies and the reasonableness of the assumptions and critical judgement used by the management based on our knowledge of the business and industry; and
- 委聘審計專家，根據我們對業務及行業的認識，協助我們評估管理層所使用之估值方法的適當性以及其假設及關鍵判斷的合理性；及
- Evaluating the independent qualified professional valuer's competence, capabilities and objectivity and reviewing their terms of engagement with the Group.
- 評估獨立合資格專業估值師的資格、能力及客觀性，並審核彼等與貴集團的委聘條款。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

Valuation of financial assets categorised as level 3 分類為第三級的金融資產估值

As at 31 March 2021, the fair value of the Group's financial assets categorised at level 3 amounted to approximately HK\$46,007,000.

於二零二一年三月三十一日，貴集團分類為第三級的金融資產的公平值約為46,007,000港元。

The valuation of the Group's financial instruments is based on a combination of market data and valuation models which often require judgement.

貴集團金融工具的估值乃基於對市場數據及估值模型的綜合考慮而定，其通常需要作出判斷。

Some of the inputs used in the valuation models are obtained from readily available data for liquid markets. Where such observable data is not readily available, as in the case of level 3 financial instruments, estimates need to be developed which can involve significant management judgement.

估值模型所用若干輸入數據乃自流動市場現時可得數據中取得。倘有關可觀察數據並非現時可得，即屬第三級金融工具之情況，則須作出估計，當中會涉及重大管理層判斷。

We identified assessing the fair value of level 3 financial instruments as a key audit matter because of the degree of complexity involved in valuing these financial instruments and the significant degree of judgement exercised by management in determining the inputs used in the valuation models.

我們將評估第三級金融工具公平值識別為一項關鍵審計事項，概因該等金融工具估值較為複雜且釐定估值模型所用輸入數據須管理層作出重大判斷。

Our audit procedures to assess the valuation of financial assets categorised as level 3 in the fair value hierarchy included the following:

我們評估於公平值層級中分類為第三級的金融工具公平值的審計程序包括下列各項：

- Reviewing the agreements for level 3 financial instruments to understand the relevant terms and identify any conditions that were relevant to the valuation of these financial instruments;
- 審閱第三級金融工具之協議，以了解相關條款並識別與該等金融工具估值相關之任何條件；
- Obtaining and reviewing the valuation reports prepared by the external valuer engaged by the Company;
- 獲得及審閱由貴集團委聘之外部估值師所編製之估值報告；
- Assessing the reasonableness of the valuation by examining the key data inputs used by management to form such estimates, enquiring the assumptions, including both historical and forward-looking information, and evaluating whether such data inputs are appropriately applied in the valuation model;
- 透過檢查管理層形成有關估計所使用的關鍵數據輸入值、探究假設（包括歷史及前瞻性資料）及評估有關數據輸入值是否於估值模型中妥善應用評估估值的合理性；
- Assessing the external valuer's qualifications, experience and expertise and considered its objectivity and independence;
- 評估外部估值師之資格、經驗及專業知識並考慮其客觀性及獨立性；

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

Valuation of financial assets categorised as level 3 (Continued)
分類為第三級的金融資產估值 (續)

- Engaging an auditors' expert to assist our assessment on the appropriateness of the methodologies and the reasonableness of the assumptions and critical judgement used by the management based on our knowledge of the business and industry; and
- 委聘審計專家，根據我們對業務及行業的認識，協助我們評估管理層所使用之估值方法的適當性以及其假設及關鍵判斷的合理性；及
- Evaluating the independent qualified professional valuer's competence, capabilities and objectivity and reviewing their terms of engagement with the Group.
- 評估獨立合資格專業估值師的資格、能力及客觀性，並審核彼等與 貴集團的委聘條款。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

OTHER INFORMATION IN THE ANNUAL REPORT

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 auditors' report thereon.

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

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

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

年報內的其他信息

董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對且將不對該等其他信息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，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

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

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

審核委員會協助 貴公司董事履行其監督 貴集團的財務報告過程的責任。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

AUDITORS' 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 auditors' 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 skepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。本報告僅向閣下（作為整體）作出，除此以外不可用作其他用途。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，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，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、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的恰當性及董事作出會計估計和相關披露的合理性。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於截至核數師報告日所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評估綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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.

我們與審核委員會溝通了（其中包括）計劃的審計範圍、時間安排、重大審計發現等事項，包括我們在審計中識別出內部控制的任何重大缺陷。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

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

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 auditors' 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 director on the audit resulting in this independent auditors' report is Kwok Kin Leung.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Kwok Kin Leung
Practising Certificate Number: P05769

Hong Kong, 30 July 2021

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，為消除威脅或採取的保障措施而採取的行動。

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

出具本獨立核數師報告的審計項目董事是郭健樑。

國衛會計師事務所有限公司
執業會計師

郭健樑
執業證書號碼：P05769

香港，二零二一年七月三十日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 March 2021 (in HK dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

| | | Notes 附註 | 2021 二零二一年 | 2020 二零二零年 |
|---|----------------------|-------------|----------------------|---------------|
| Revenue | 收入 | 4(a) | 293,598,630 | 255,534,989 |
| Direct costs | 直接成本 | | (236,626,043) | (234,280,827) |
| Gross profit | 毛利 | | 56,972,587 | 21,254,162 |
| Other revenue | 其他收入 | 5 | 10,111,110 | 5,271,228 |
| Other net loss | 其他虧損淨額 | 6 | (4,210,891) | (17,353,974) |
| General and administrative expenses | 一般及行政開支 | | (62,242,802) | (61,449,609) |
| Profit/(loss) from operations | 經營溢利 / (虧損) | | 630,004 | (52,278,193) |
| Finance costs | 融資成本 | 7(a) | (10,584,640) | (8,499,654) |
| Share of loss of an associate | 應佔一間聯營公司之虧損 | | (233,532) | – |
| Loss before taxation | 除稅前虧損 | 7 | (10,188,168) | (60,777,847) |
| Income tax (expenses)/credit | 所得稅 (開支) / 抵免 | 8 | (2,051,681) | 406,115 |
| Loss for the year attributable to equity shareholders of the Company | 本公司權益股東應佔年內虧損 | | (12,239,849) | (60,371,732) |
| Loss per share | 每股虧損 | | | |
| Basic and diluted (HK cents) | 基本及攤薄 (港仙) | 13 | (1.30) | (6.29) |

Details of the dividends for the year are disclosed in note 12 to the consolidated financial statements.

本年度股息之詳情披露於綜合財務報表附註12。

The accompanying notes form part of these consolidated financial statements.

隨附附註構成該等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2021 (in HK dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

| | Notes 附註 | 2021 二零二一年 | 2020 二零二零年 |
|--|-------------|---------------------|---------------|
| Loss for the year | | (12,239,849) | (60,371,732) |
| Other comprehensive income: | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences on translation of financial statements of foreign operations | | 1,226,407 | – |
| Share of other comprehensive income of investment accounted for using the equity method | | 964,896 | – |
| Debt investment at fair value through other comprehensive income (recycling): | | | |
| – net movement in fair value reserve | | 2,575,407 | – |
| – reclassification adjustment for gain on disposal included in profit or loss | | (180,822) | – |
| Other comprehensive income for the year | 11 | 4,585,888 | – |
| Loss and total comprehensive expenses for the year attributable to equity shareholders of the Company | | (7,653,961) | (60,371,732) |

The accompanying notes form part of these consolidated financial statements.

隨附附註構成該等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2021 (in HK dollars) 於二零二一年三月三十一日 (以港元計值)

| | | Notes 附註 | 2021 二零二一年 | 2020 二零二零年 |
|--|-------------------|-------------|--------------------|---------------|
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 14 | 13,569,199 | 17,407,447 |
| Interest in an associate | 於一間聯營公司的權益 | 16 | 35,017,364 | – |
| Club membership | 會籍 | | 290,000 | 290,000 |
| Deposit for acquisition of property, plant and equipment | 收購物業、廠房及設備之按金 | | 177,629 | – |
| | | | 49,054,192 | 17,697,447 |
| Current assets | 流動資產 | | | |
| Contract assets | 合約資產 | 19 | 108,186,396 | 87,581,206 |
| Trade and other receivables | 貿易及其他應收款項 | 20 | 80,730,385 | 73,062,144 |
| Loan receivables | 應收貸款 | 21 | 28,485,643 | 54,584,808 |
| Financial assets at fair value through profit or loss | 按公平值計入損益的金融資產 | 17 | 21,081,601 | 19,908,126 |
| Debt investment at fair value through other comprehensive income | 按公平值計入其他全面收益的債務投資 | 18 | 42,069,655 | – |
| Cash and cash equivalents | 現金及現金等價物 | 22(a) | 136,946,605 | 228,720,343 |
| | | | 417,500,285 | 463,856,627 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 貿易及其他應付款項 | 23 | 43,900,659 | 48,326,584 |
| Amount due to a related company | 應付一間關連公司款項 | 24 | 108,600,000 | 104,100,000 |
| Amount due to a director of a subsidiary | 應付一名附屬公司董事之款項 | 24 | 122,378,127 | 110,699,082 |
| Lease liabilities | 租賃負債 | 25 | 2,671,267 | 2,756,941 |
| Tax payable | 應付稅項 | | 3,801,318 | 2,010,895 |
| | | | 281,351,371 | 267,893,502 |
| Net current assets | 流動資產淨值 | | 136,148,914 | 195,963,125 |
| Total assets less current liabilities | 資產總值減流動負債 | | 185,203,106 | 213,660,572 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2021 (in HK dollars) 於二零二一年三月三十一日 (以港元計值)

| | | Notes 附註 | 2021 二零二一年 | 2020 二零二零年 |
|--|----------------------|-------------|--------------------|---------------|
| Non-current liabilities | 非流動負債 | | | |
| Long service payment liabilities | 長期服務金負債 | | 972,924 | 579,804 |
| Lease liabilities | 租賃負債 | 25 | 2,488,204 | 3,736,897 |
| Deferred tax liabilities | 遞延稅項負債 | 8(c) | 916,330 | 1,435,103 |
| | | | 4,377,458 | 5,751,804 |
| Net assets | 資產淨值 | | 180,825,648 | 207,908,768 |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 27(c) | 9,600,000 | 9,600,000 |
| Reserves | 儲備 | | 171,225,648 | 198,308,768 |
| Total equity attributable to equity shareholders of the Company | 本公司權益股東應佔權益總額 | | 180,825,648 | 207,908,768 |

The consolidated financial statements on pages 109 to 223 were approved and authorised for issue by the Board of Directors on 30 July 2021 and are signed on its behalf by:

第109至223頁的綜合財務報表於二零二一年七月三十日經董事會批准及授權刊發，並由以下人士代表簽署：

Yan Shuai
嚴帥
Director
董事

Zhu Jiayu
朱佳瑜
Director
董事

The accompanying notes form part of these consolidated financial statements.

隨附附註構成該等綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2021 (in HK dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

| | | Attributable to equity shareholders of the Company 本公司權益股東應佔 | | | | | | | | |
|---|--|---|--------------------|---------------------------|---------------------------|--------------------------------|------------------|---|---|--------------------|
| | | Share capital | Share premium | Merger reserve | Capital reserve | Fair value reserve (recycling) | Exchange reserve | Shares held under share award scheme | Retained earnings/ (accumulated losses) | Total equity |
| | | 股本 (note 27) (附註27) | 股份溢價 | 合併儲備 (note a) (附註a) | 資本儲備 (note b) (附註b) | 公平值儲備 (可撥回) | 匯兌儲備 | 股份獎勵 計劃持有 股份 (note 28) (附註28) | 保留盈利/ (累計虧損) | 權益總額 |
| Balance at 1 April 2019 | 於二零一九年 四月一日之結餘 | 9,600,000 | 211,357,601 | 3,955,820 | 9,669,301 | - | - | - | 33,697,778 | 268,280,500 |
| Loss and total comprehensive expenses for the year | 年內虧損及全面開支總額 | - | - | - | - | - | - | - | (60,371,732) | (60,371,732) |
| Balance at 31 March 2020 and at 1 April 2020 | 於二零二零年 三月三十一日及 於二零二零年 四月一日之結餘 | 9,600,000 | 211,357,601 | 3,955,820 | 9,669,301 | - | - | - | (26,673,954) | 207,908,768 |
| Loss for the year | 年內虧損 | - | - | - | - | - | - | - | (12,239,849) | (12,239,849) |
| Exchange differences on translation of financial statements of foreign operations | 換算海外業務財務報表的匯兌差額 | - | - | - | - | - | 1,226,407 | - | - | 1,226,407 |
| Share of other comprehensive income of investment accounted for using the equity method | 按權益法入賬之應佔投資之其他全面收益 | - | - | - | - | - | 964,896 | - | - | 964,896 |
| Debt investment at fair value through other comprehensive income (recycling): | 按公平值計入其他全面收益之債務投資(可撥回): | - | - | - | - | - | - | - | - | - |
| - net change in fair value and impairment loss allowance | - 公平值及減值虧損撥備之淨變動 | - | - | - | - | 2,575,407 | - | - | - | 2,575,407 |
| - reclassification adjustments for gain on disposal included in profit or loss | - 計入損益的出售收益之重新分類調整 | - | - | - | - | (180,822) | - | - | - | (180,822) |
| Loss and total comprehensive expenses for the year | 年內虧損及全面開支總額 | - | - | - | - | 2,394,585 | 2,191,303 | - | (12,239,849) | (7,653,961) |
| Shares purchased for share award scheme | 股份獎勵計劃購買股份 | - | - | - | - | - | - | (19,429,159) | - | (19,429,159) |
| Balance at 31 March 2021 | 於二零二一年 三月三十一日 之結餘 | 9,600,000 | 211,357,601 | 3,955,820 | 9,669,301 | 2,394,585 | 2,191,303 | (19,429,159) | (38,913,803) | 180,825,648 |

Notes:

附註：

- (a) Merger reserve represents the difference between the nominal value of the shares issued by the Company in exchange for the nominal value of the share capital of its subsidiaries arising from the reorganisation of the Group (the "Reorganisation").
- (a) 合併儲備指於本集團重組(「重組」)時為換取本公司附屬公司股本而由本公司發行股份之面值與該等股本面值之差額。
- (b) The capital reserve represents the deemed capital contribution from its equity shareholders, Suntecli Company Limited, Samwood Global Limited, Mr. Leung Man Lun Stephen and Ms. Yeung Siu Lai Shirley, in relation to listing expenses reimbursed to the Company during the year ended 31 March 2016.
- (b) 資本儲備指來自其權益股東新得利有限公司、森活環球有限公司、梁文麟先生及楊少麗女士有關截至二零一六年三月三十一日止年度內本公司獲償付的上市開支被視為注資。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2021 (in HK dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

| | Note 附註 | 2021 二零二一年 | 2020 二零二零年 |
|--|------------|---------------------|---------------|
| Operating activities | | | |
| Cash used in operations | 22(b) | (11,120,106) | (98,001,066) |
| Interest paid | | - | (195) |
| Tax (paid)/refund | | (780,031) | 565,617 |
| Net cash used in operating activities | | (11,900,137) | (97,435,644) |
| Investing activities | | | |
| Payments for purchase of property, plant and equipment | | (4,413,341) | (1,737,069) |
| Payment for the deposit for acquisition of property, plant and equipment | | (178,800) | - |
| Proceeds from disposal of property, plant and equipment | | 1,658,050 | 2,980,000 |
| Acquisition of interest in an associate and related financial assets at fair value through profit or loss arising from the acquisition | | (21,475,000) | - |
| Payment for purchase of debt investment at fair value through other comprehensive income | | (60,000,000) | - |
| Proceeds from sale of debt investment at fair value through other comprehensive income | | 20,180,822 | - |
| Interest received | | 258,254 | 3,714,838 |
| Payment of refundable earnest money for potential acquisition | | - | (20,000,000) |
| Net cash used in investing activities | | (63,970,015) | (15,042,231) |

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2021 (in HK dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

| | Notes 附註 | 2021 二零二一年 | 2020 二零二零年 |
|---|------------------------|--------------------------|---------------|
| Financing activities | 融資活動 | | |
| Capital element of leases rentals paid | 已付租賃租金的資本部分 | (3,078,045) | (7,652,312) |
| Interest element of leases rentals paid | 已付租賃租金的利息部分 | (405,595) | (361,841) |
| Payments for purchase of shares in connection with share award scheme | 購買股份獎勵計劃有關股份之款項 | 28 (19,429,159) | – |
| Proceeds from borrowing from a director of a subsidiary | 來自一名附屬公司董事借貸之所得款項 | 19,000,000 | 14,500,000 |
| Repayment of borrowing from a director of a subsidiary | 償還一名附屬公司董事借貸之款項 | (13,000,000) | (2,800,000) |
| Net cash (used in)/generated from financing activities | 融資活動(所用)／所得現金淨額 | (16,912,799) | 3,685,847 |
| Net decrease in cash and cash equivalents | 現金及現金等價物減少淨額 | (92,782,951) | (108,792,028) |
| Cash and cash equivalents at the beginning of the year | 年初現金及現金等價物 | 228,720,343 | 337,512,371 |
| Effect of foreign exchange rate changes | 匯率換算變動之影響 | 1,009,213 | – |
| Cash and cash equivalents at the end of the year | 年末現金及現金等價物 | 22(a) 136,946,605 | 228,720,343 |

The accompanying notes form part of these consolidated financial statements.

隨附附註構成該等綜合財務報表的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

1. GENERAL INFORMATION

Wan Kei Group Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability on 7 October 2014 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

The address of the Company’s registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of the Company’s principal place of business in Hong Kong is Unit No. 901, 9th Floor, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong. The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 15 to the consolidated financial statements.

The Company’s share were listed on the Main Board of the Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) on 11 August 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These consolidated 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 consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. A summary of the significant accounting policies adopted by the Company and its subsidiaries (together referred to as the “**Group**”) is set out below.

1. 一般資料

宏基集團控股有限公司（「**本公司**」）於二零一四年十月七日根據開曼群島法例第22章公司法（一九六一年第3號法律，經綜合及修訂）在開曼群島註冊成立為一間獲豁免的有限責任公司。

本公司的註冊辦事處地址為Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands。本公司於香港的主要營業地點位於香港灣仔告士打道151號資本中心9樓901室。本公司為一間投資控股公司。其附屬公司的主要業務載於綜合財務報表附註15。

本公司股份於二零一五年八月十一日於香港聯合交易所有限公司（「**聯交所**」）主板上市。

2. 重大會計政策

(a) 合規聲明

本綜合財務報表乃根據所有適用香港財務報告準則（「**香港財務報告準則**」）（統稱為香港財務報告準則，包括香港會計師公會（「**香港會計師公會**」）頒佈之所有適用個別香港財務報告準則、香港會計準則（「**香港會計準則**」）及詮釋）、香港普遍採納之會計原則及香港公司條例之披露規定編製。該等綜合財務報表亦遵守聯交所證券上市規則之適用披露條文。本公司及其附屬公司（統稱「**本集團**」）採用的重大會計政策概要載列於下文。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Statement of compliance (Continued)

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. 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 consolidated financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2021 comprise the Company and its subsidiaries and the Group's interest in an associate.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis, except certain assets and liabilities are stated at their fair value.

The preparation of consolidated 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.

2. 重大會計政策 (續)

(a) 合規聲明 (續)

香港會計師公會已頒佈若干於本集團及本公司當前會計期間首次生效或可供提早採納之香港財務報告準則修訂本。附註2(c)就該等綜合財務報表內所反映於當前及過往會計期間首次應用該等與本集團有關之準則所導致會計政策之任何變動提供資料。

(b) 財務報表的編製基準

截至二零二一年三月三十一日止年度之綜合財務報表涵蓋本公司及其附屬公司以及本集團於一間聯營公司的權益。

編製綜合財務報表使用歷史成本基準作為計量基準，惟若干資產及負債以公平值列賬。

編製符合香港財務報告準則之綜合財務報表需要管理層作出判斷、估計及假設，而有關判斷、估計及假設會影響政策的應用及資產、負債、收入及支出之呈報數額。該等估計及相關假設乃根據以往經驗及在有關情況下認為合理的其他多種因素作出，而有關結果乃作為就該等不可基於其他資料來源而顯易地得出的資產及負債賬面值的判斷基準。實際結果可能會與此等估計不同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of preparation of the financial statements (Continued)

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 the consolidated financial statements and major sources of estimation uncertainty are discussed in note 3.

(c) Changes in accounting policies

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these consolidated financial statements for the current accounting period:

- Amendments to HKAS 1 and HKAS 8, *Definition of Material*
- Amendments to HKFRS 3, *Definition of a Business*
- Amendments to HKFRS 9, HKAS 39 and HKFRS 7, *Interest Rate Benchmark Reform*
- Amendment to HKFRS 16, *Covid-19-Related Rent Concessions*
- Conceptual Framework for Financial Reporting 2018, *Revised Conceptual Framework for Financial Reporting*
- Amendment to HKFRS 16, *Covid-19-Related Rent Concessions beyond 30 June 2021*

2. 重大會計政策 (續)

(b) 財務報表的編製基準 (續)

該等估計及相關假設會持續予以檢討。倘會計估計之修訂僅影響估計修訂之期間，則有關修訂將於該期間確認，或倘該修訂影響現時及未來期間，則有關修訂將於修訂及未來期間確認。

管理層於應用對綜合財務報表有重要影響之香港財務報告準則時作出之判斷以及估計不明朗因素之主要來源已於附註3論述。

(c) 會計政策變動

於本會計期間，本集團已就該等綜合財務報表應用以下由香港會計師公會頒佈之香港財務報告準則修訂本：

- 香港會計準則第1號及香港會計準則第8號 (修訂本)，*重大之定義*
- 香港財務報告準則第3號 (修訂本)，*業務之定義*
- 香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號 (修訂本)，*利率基準改革*
- 香港財務報告準則第16號 (修訂本)，*2019冠狀病毒相關租金寬減*
- 二零一八年財務報告概念框架，*經修訂財務報告概念框架*
- 香港財務報告準則第16號 (修訂本)，*於二零二一年六月三十日之後2019冠狀病毒相關租金寬減*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

Other than the amendments to HKFRS 16, the Group has not early applied any new standard or interpretation that is not yet effective for the current accounting period. None of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

Amendments to HKFRS 3, Definition of a Business

The amendments clarify the definition of a business and provide further guidance on how to determine whether a transaction represents a business combination. In addition, the amendments introduce an optional "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is an asset rather than business acquisition, when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group has applied the amendments prospectively to transactions for which the acquisition date is on or after 1 April 2020.

Amendment to HKFRS 16, Covid-19-Related Rent Concessions

The amendment provides a practical expedient that allows a lessee to by-pass the need to evaluate whether certain qualifying rent concessions occurring as a direct consequence of the COVID-19 pandemic ("COVID-19-related rent concessions") are lease modifications and, instead, account for those rent concessions as if they were not lease modifications.

2. 重大會計政策 (續)

(c) 會計政策變動 (續)

除香港財務報告準則第16號之修訂本外，本集團並無提早應用任何於本會計期間尚未生效的新訂準則或詮釋。概無變動對本集團編製或呈列本期間或過往期間的業績及財務狀況有重大影響。

香港財務報告準則第3號 (修訂本)，業務之定義

該等修訂本明確了業務的定義，並就如何確定交易是否為業務合併提供進一步指引。此外，該等修訂本引入了可選的「集中度測試」，允許採用一項簡化的評估，在所收購的總資產幾乎所有的公平值均集中於單項可識別資產或一組類似的可識別資產時，評估所收購的一組業務及資產是否為資產購買而非業務收購。

本集團已對收購日期為二零二零年四月一日或之後的交易提前應用有關修訂本。

香港財務報告準則第16號 (修訂本)，2019冠狀病毒相關租金寬減

該項修訂本提供了一項可行權宜方法，允許承租人毋需評估由2019冠狀病毒疫情直接引發的若干符合條件的租金寬減（「2019冠狀病毒相關租金寬減」）是否構成租賃修改，而是將該等租金寬減視為非租賃修改進行核算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Changes in accounting policies (Continued)

Amendment to HKFRS 16, Covid-19-Related Rent Concessions (Continued)

The Group has elected to early adopt the amendments and applies the practical expedient to all qualifying COVID-19-related rent concessions granted to the Group during the year. Consequently, rent concessions received have been accounted for as negative variable lease payments recognised in profit or loss in the period in which the event or condition that triggers those payments occurred. There is no impact on the opening balance of equity at 1 April 2020.

Amendment to HKFRS 16, COVID-19-Related Rent Concessions beyond 30 June 2021

The amendment extends the practical expedient available to lessees in accounting for COVID-19 related rent concessions by one year. The reduction in lease payments could only affect payments originally due on or before 30 June 2021 is extended to 30 June 2022. The amendment is effective for annual reporting periods beginning on or after 1 April 2021, with earlier application permitted.

The Group has early adopted the above amendments and elected to utilise the practical expedient for all rent concessions that meet the criteria. In accordance with the transitional provisions, the Group has applied the amendment retrospectively, and has not restated prior period figure. As the rent concessions have arisen during the current financial period, there is no retrospective adjustment to opening balance of accumulated losses at 1 April 2020 on initial application of the amendment.

2. 重大會計政策 (續)

(c) 會計政策變動 (續)

香港財務報告準則第16號 (修訂本)，2019冠狀病毒相關租金寬減 (續)

本集團選擇提前採用該等修訂本，並將可行權宜方法應用於本集團在本年度獲授的所有符合條件的2019冠狀病毒相關租金寬減。因此，所收到的租金寬減已於觸發該等付款的事件或情況發生的期間作為負可變租賃付款額計入損益。於二零二零年四月一日，權益的期初結餘並未受到任何影響。

香港財務報告準則第16號 (修訂本)，於二零二一年六月三十日之後的2019冠狀病毒相關租金寬減

該修訂本將承租人就按可行權宜方法入賬之2019冠狀病毒相關租金寬減延期一年。僅原定於二零二一年六月三十日或之前到期之付款受租賃付款寬減影響獲延期至二零二二年六月三十日。該修訂本於二零二一年四月一日或之後開始之年度報告期間生效，並允許提早採納。

本集團選擇就符合標準之所有租金寬減提早採納上述修訂本並使用可行權宜方法入賬。根據過渡條文，本集團已追溯應用該修訂本，且並無重列先前期間之數據。由於本財務期間產生租金寬減，故於初始應用該修訂本時並無追溯調整於二零二零年四月一日之期初累計虧損結餘。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (i.e. its subsidiaries). If a subsidiary prepares its financial statements using accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns. When the Group has less than a majority of the voting rights of an investee, power over the investee may be obtained through: (i) a contractual arrangement with other vote holders; (ii) rights arising from other contractual arrangements; (iii) the Group's voting rights and potential voting rights; or (iv) a combination of the above, based on all relevant facts and circumstances.

2. 重大會計政策 (續)

(d) 綜合基準

綜合財務報表包括本公司及受本公司控制實體（即其附屬公司）的財務報表。倘附屬公司編製其財務報表時使用的會計政策就類似交易及於類似情況下的事件有別於綜合財務報表所採用者，則在編製綜合財務報表時，會對該附屬公司的財務報表作出適當調整，以確保符合本集團的會計政策。

倘本集團屬以下情況，則獲得控制權：(i)有權力支配被投資方；(ii)因參與被投資方業務而對所得可變回報承擔風險或擁有權利；及(iii)藉對該被投資方行使權力而有能力影響本集團的回報金額。倘本集團於被投資方的投票權少於半數，可因應所有相關事實及情況，透過下列方式取得被投資方的權力：(i)與其他投票權持有人訂立合約安排；(ii)來自其他合約安排的權利；(iii)本集團的投票權及潛在投票權；或(iv)綜合上述各項。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Basis of consolidation (Continued)

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of these elements of control stated above.

Consolidation of a subsidiary begins when the Group obtains control of the subsidiary and ceases when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the equity shareholders of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the equity shareholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

(e) Subsidiaries and non-controlling interests

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.

2. 重大會計政策 (續)

(d) 綜合基準 (續)

倘有事實及情況顯示，上述該等控制權元素有一項或以上出現變動，本公司將重新評估其對被投資方的控制權。

倘本集團取得附屬公司的控制權，則開始將附屬公司綜合入賬，並在本集團失去附屬公司控制權時，終止綜合入賬。

附屬公司收入及開支自本集團取得控制權當日起，計入綜合損益及其他全面收益表，直至本集團不再控制附屬公司當日為止。

附屬公司的損益及其他全面收益各部分乃歸屬於本公司權益股東及非控股權益。附屬公司的全面收益總額歸屬於本公司的權益股東及非控股權益，即使此舉會導致非控股權益產生虧絀餘額。

集團內實體間交易涉及的所有集團內公司間資產及負債、權益、收入、開支及現金流量於綜合入賬時悉數對銷。

(e) 附屬公司及非控股權益

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，僅計及實質權利（由本集團及其他人士持有）。

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For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Subsidiaries and non-controlling interests (Continued)

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.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 2(o) or (q) depending on the nature of the liability.

2. 重大會計政策 (續)

(e) 附屬公司及非控股權益 (續)

於附屬公司的投資自控制權開始當日起至控制權結束當日止併入綜合財務報表。集團內公司間結餘、交易及現金流量以及集團內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。

非控股權益是指並非由本公司直接或間接應佔的附屬公司權益，且本集團並無與該等權益持有人訂立任何其他條款，而導致本集團整體須就該等權益承擔符合金融負債定義的合約責任。就各項業務合併而言，本集團可選擇按公平值或按非控股權益分佔附屬公司可識別資產淨值的比例，計量任何非控股權益。

非控股權益於綜合財務狀況表的權益內呈列，與本公司權益股東應佔的權益分開呈列。非控股權益所佔本集團的業績，會按照該年度損益總額及全面收益總額，在非控股權益及本公司權益股東之間分配，並於綜合損益及其他全面收益表內呈列，而來自非控股權益持有人的貸款及對該等持有人的其他合約責任會視乎負債性質，並按照附註2(o)或(q)於綜合財務狀況表中呈列為金融負債。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Subsidiaries and non-controlling interests (Continued)

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

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.

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

(f) Associates

An associate is an entity in which the group or company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

2. 重大會計政策 (續)

(e) 附屬公司及非控股權益 (續)

倘本集團於附屬公司之權益變動不會導致喪失控制權，則作為股權交易入賬，而於綜合權益內之控股及非控股權益金額會作出調整，以反映相關權益變動，惟不會對商譽作出調整，亦不會確認盈虧。

當本集團失去對附屬公司的控制權，則按出售該附屬公司的全部權益入賬，而所產生的收益或虧損則於損益確認。於失去控制權當日仍保留於前附屬公司的任何權益按公平值確認，而該金額將被視為一項金融資產初步確認的公平值。

於本公司財務狀況表內，於附屬公司之投資乃按成本減去減值虧損後列賬（見附註2(k)），除非該投資被分類為持作出售。

(f) 聯營公司

聯營公司是指集團或公司對其有重大影響，但並無控制或共同控制其管理層的實體；重大影響包括參與其財務及經營決策。

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綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Associates (Continued)

An investment in an associate is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see notes 2(k)(ii)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method, together with any other long-term interests that in substance form part of the Group's net investment in the associate (after applying the ECL model to such other long-term interests where applicable (see note 2(k)(i))).

2. 重大會計政策 (續)

(f) 聯營公司 (續)

於聯營公司的投資按權益法計入綜合財務報表，但分類為持作出售（或已計入分類為持作出售的出售組合）的投資除外。按照權益法，投資初始以成本入賬，並就本集團於收購日期所佔被投資方可辨別資產淨值的公平值超過投資成本的數額（如有）作出調整。投資成本包括購買價格、直接歸屬於購入投資的其他成本，以及任何對聯營公司的直接投資為本集團的權益投資的一部分。其後，就本集團所佔被投資方資產淨值的收購後變動以及與該等投資有關的任何減值虧損作出調整（見附註2(k)(ii)）。於收購日期超過成本的任何數額、本集團年內所佔被投資方的收購後稅後業績及任何減值虧損於綜合損益表中確認，而本集團所佔被投資方的收購後稅後其他全面收益項目則於綜合損益及其他全面收益表中確認。

當本集團應佔聯營公司虧損超過其所佔權益時，本集團應佔權益將減少至零，並不再進一步確認虧損；惟本集團須履行法定或推定義務，或代被投資方作出付款則除外。就此而言，本集團應佔權益是以按照權益法計算投資的賬面值，以及實質上構成本集團於聯營公司的投資淨額一部分的任何其他長期權益（於將預期信用虧損模型應用於此等其他長期權益後（如有）（見附註2(k)(i)））。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Associates (Continued)

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)).

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

(g) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries and associates, are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVPL") for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see note 29(f). These investments are subsequently accounted for as follows, depending on their classification.

2. 重大會計政策 (續)

(f) 聯營公司 (續)

當本集團失去聯營公司的控制權，則按出售被投資方的全部權益入賬，而所產生的收益或虧損則於損益確認。於失去重大影響力當日仍保留於前被投資方的任何權益乃按公平值確認，而該金額將被視為一項金融資產初步確認的公平值（見附註2(g)）。

於本公司財務狀況表內，於聯營公司之投資乃按成本減去減值虧損後列賬（見附註2(k)），除非該投資被分類為持作出售（或計入分類為持作出售的出售組別內）。

(g) 於債務及股本證券的其他投資

本集團有關債務及股本證券投資（於附屬公司及聯營公司的投資除外）的政策載列如下。

債務及股本證券的投資乃於本集團承諾購買／出售投資當日確認／終止確認。該等投資最初按公平值加直接應佔交易成本列賬，惟按公平值計入損益（「按公平值計入損益」）的投資除外，該等投資之交易成本直接在損益中確認。有關本集團釐定金融工具的公平值的方法之解釋見附註29(f)。該等投資其後根據其類別按以下方法入賬。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Other investments in debt and equity investment (Continued)

(i) Investments other than equity investments

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see note 2(u)(v)).
- fair value through other comprehensive income (FVOCI) – recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVPL if the investment does not meet the criteria for being measured at amortised cost or FVOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

2. 重大會計政策 (續)

(g) 於債務及股本投資的其他投資 (續)

(i) 股本投資以外的投資

本集團持有的非股本投資分類為以下其中一種計量類別：

- 按攤銷成本，若持有投資乃為收取合約現金流量，即純粹是本金及利息付款。投資之利息收入採用實際利率法計算（見附註2(u)(v)）。
- 按公平值計入其他全面收益（按公平值計入其他全面收益）—可撥回，若投資的合約現金流量純粹包括本金及利息付款，且投資乃按旨在透過收取合約現金流量及出售實現目的的業務模式持有。公平值變動於其他全面收益確認，惟預期信貸虧損、利息收入（採用實際利息法計算）以及匯兌收益及虧損於損益確認。終止確認投資時，於其他全面收益累計的金額將由權益撥回至損益。
- 按公平值計入損益，若投資不符合按攤銷成本或按公平值計入其他全面收益（可撥回）計量的標準。投資（包括利息）的公平值變動於損益確認。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Other investments in debt and equity investment (Continued)

(ii) Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained profits. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income.

(h) Property, plant and equipment

The following items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(k)):

- right-of-use assets arising from leases over leasehold properties where the Group is not the registered owner of the property interest; and
- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see note 2(j)).

2. 重大會計政策 (續)

(g) 於債務及股本投資的其他投資 (續)

(ii) 股本投資

於股本證券的投資分類為按公平值計入損益，除非股本投資並非持作買賣用途，且本集團於初始確認投資時不可撤回地選擇將投資指定為按公平值計入其他全面收益（不可撥回），令公平值之其後變動於其他全面收益中確認。該選擇乃按逐項工具基準作出，但僅會於發行人認為投資符合股本之定義的情況下作出。作出該選擇時，於其他全面收益累計的金額保留在公平值儲備中（不可撥回），直到投資被出售為止。於出售時，於公平值儲備累計的金額（不可撥回）轉入保留盈利，而不會透過損益撥回。於股本證券的投資之股息，無論是否分類為按公平值計入損益或按公平值計入其他全面收益，均於損益確認為其他收益。

(h) 物業、廠房及設備

以下物業、廠房及設備項目按成本減累計折舊及減值虧損列賬（見附註2(k)）：

- 租賃租賃物業產生使用權資產，而本集團並非物業權益的登記擁有人；及
- 廠房及設備項目，包括租賃相關廠房及設備產生之使用權資產（見附註2(j)）。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Property, plant and equipment (Continued)

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. Any related revaluation surplus is transferred from the revaluation reserve to retained profits and is not reclassified to profit or loss.

Depreciation is calculated to write off the cost or valuation 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 fixtures | 3 – 5 years |
| • Leasehold improvements | 5 years |
| • Motor vehicles | 5 years |
| • Machinery | 4 – 5 years |

The Group's interests in buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and the buildings' estimated useful lives, being no more than 50 years after the date of completion.

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)

(h) 物業、廠房及設備 (續)

報廢或出售物業、廠房及設備項目所產生的收益或虧損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於損益內確認。任何有關重估盈餘從重估儲備轉撥至保留盈利且不會重新分類至損益。

物業、廠房及設備項目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，以直線法撇銷其成本或估值計算：

| | |
|---------|------|
| • 傢私及裝置 | 3至5年 |
| • 租賃裝修 | 5年 |
| • 汽車 | 5年 |
| • 機械 | 4至5年 |

本集團於租賃土地之樓宇的權益按未屆滿租期及樓宇的估計可使用年期 (即不得超過落成日期後50年) 之較短者折舊。

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) 均會每年審閱。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Club membership

Club membership is stated in the consolidated statement of financial position at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see note 2(k)).

Amortisation of club membership with finite useful life is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. Both the period and method of amortisation are reviewed annually.

Club membership is not amortised while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set above.

(j) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

2. 重大會計政策 (續)

(i) 會籍

會籍乃按成本減累計攤銷(在估計可使用年期有限的情況下)及減值虧損於綜合財務狀況表列賬(見附註2(k))。

可使用年期有限的會籍於資產的估計可使用年期內按直線法攤銷計入損益。可使用年期和攤銷方法均會每年審閱。

倘會籍的可使用年期被評估為無限期，則該等會籍不會被攤銷。有關無形資產的可使用年期為無限期的任何結論，會每年檢討以釐定事件及情況是否繼續支持該資產的無限期可使用年期評估。倘不繼續支持，則可使用年期評估由無限期變為確定限期，並自變化的日期起就其預期情況及根據上述有確定使用年期的無形資產攤銷政策入賬。

(j) 租賃資產

本集團會於合約開始時評估該合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬租賃或包含租賃。倘客戶有權主導可識別的資產的使用及從該使用中獲取幾乎所有的經濟利益，則表示控制權已轉讓。

(i) 作為承租人

當合約包含租賃部分及非租賃部分，本集團選擇不區分非租賃部分並將各租賃部分及任何關聯非租賃部分入賬列為所有租賃的單一租賃部分。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Leased assets (Continued)

(i) As a lessee (Continued)

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see notes 2(h) and (k)).

2. 重大會計政策 (續)

(j) 租賃資產 (續)

(i) 作為承租人 (續)

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租賃期為12個月或以下的短期租賃及低價值資產的租賃除外。當本集團就低價值資產訂立租賃時，本集團按每項租賃情況決定是否將租賃資本化。與該等不作資本化租賃相關的租賃付款在租賃期內按系統基準確認為開支。

當租賃已資本化，租賃負債初步按租期內應付租賃付款以現值確認，並按租賃中所隱含的利率貼現，或倘該利率不能輕易釐定，則以相關遞增借貸利率貼現。於初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計算。不依賴指數或利率之可變租賃付款並無計入租賃負債計量，因此於其產生之會計期間於損益扣除。

於資本化租賃時確認的使用權資產初步按成本計量，其中包括租賃負債的初始金額，加上於開始日期或之前作出的任何租賃付款以及所產生的任何初始直接成本。倘適用，使用權資產的成本亦包括拆卸及移除相關資產或還原相關資產或該資產所在工地而產生的估計成本，按其現值貼現並扣減任何所收的租賃優惠。使用權資產隨後按成本減去累計折舊及減值虧損列賬（見附註2(h)及(k)）。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Leased assets (Continued)

(i) As a lessee (Continued)

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("**lease modification**") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are any rent concessions which arose as a direct consequence of the COVID-19 pandemic and which satisfied the conditions set out in paragraph 46B of HKFRS 16 *Leases*. In such cases, the Group took advantage of the practical expedient set out in paragraph 46A of HKFRS 16 and recognised the change in consideration as if it were not a lease modification.

2. 重大會計政策 (續)

(j) 租賃資產 (續)

(i) 作為承租人 (續)

倘指數或利率變動引致未來租賃付款變動，或本集團根據剩餘價值擔保預期應付款項之估計有變，或當重新評估本集團是否將合理確定行使購買、延期或終止選擇權而產生變動，則會重新計量租賃負債。當租賃負債以此方式重新計量，則就使用權資產之賬面值作出相應調整，或倘使用權資產之賬面值減至零，則於損益入賬。

當租賃範疇發生變化或租賃合同原先並無規定的租賃代價發生變化（「**租賃修改**」），且未作為單獨的租賃入賬時，則亦要對租賃負債進行重新計量。在該等情況，租賃負債根據經修訂的租賃付款和租賃期限，使用經修訂的貼現率在修改生效日重新計量。唯一的例外是因COVID-19疫情而直接產生的任何租金減免，且符合香港財務報告準則第16號租賃第46B段所載的條件。在該等情況下，本集團利用香港財務報告準則第16號第46A段所載的實際權宜方法，確認代價變動，猶如其並非租賃修改。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Leased assets (Continued)

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

(k) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables and loan receivables);
- contract assets as defined in HKFRS 15; and
- debt investment measured at FVOCI (recycling).

Financial assets measured at fair value, including units in bond funds, equity and debt investment measured at FVPL, equity securities designated at FVOCI (non-recycling) and derivative financial assets, are not subject to the ECL assessment.

2. 重大會計政策 (續)

(j) 租賃資產 (續)

(ii) 作為出租人

倘本集團為出租人，其於租賃初始階段釐定一項租賃為融資租賃或經營租賃。倘租賃轉移相關資產的所有權附帶的絕大部分之風險及回報至承租人，則該租賃分類為融資租賃。倘不屬於該情況，則該租賃分類為經營租賃。

(k) 信貸虧損及資產減值

(i) 金融工具及合約資產之信貸虧損

本集團將就以下各項確認預期信貸虧損虧損撥備：

- 以攤銷成本計量之金融資產 (包括現金及現金等價物、貿易及其他應收款項以及應收貸款)；
- 香港財務報告準則第15號界定的合約資產；及
- 按公平值計入其他全面收益的債務投資 (可撥回)。

以公平值計量之金融資產，包括債券基金單位、按公平值計入損益計量的權益及債務投資、指定為按公平值計入其他全面收益 (不可撥回) 之股本證券及衍生金融資產，均無須進行預期信貸虧損評估。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

For undrawn loan commitments, expected cash shortfalls are measured as the difference between (i) the contractual cash flows that would be due to the Group if the holder of the loan commitment draws down on the loan and (ii) the cash flows that the Group expects to receive if the loan is drawn down.

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income: effective interest rate determined at initial recognition or an approximation thereof.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

2. 重大會計政策 (續)

(k) 信貸虧損及資產減值 (續)

(i) 金融工具及合約資產之信貸虧損 (續)

預期信貸虧損之計量

預期信貸虧損為信貸虧損之概率加權估計。信貸虧損按所有預期現金差額 (即根據合約應付本集團之現金流量與本集團預期收到之現金流量之間的差額) 之現值計量。

就未提取貸款承擔而言，預期現金差額按(i)本集團於貸款承擔持有人提取貸款時可能應收之合約現金流量及(ii)本集團於貸款被提取時預期可收取之現金流量之間的差額計量。

倘貼現影響重大，則預期現金差額採用以下貼現率貼現：

- 定息金融資產、貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益的債務投資：於初始確認時釐定之實際利率或其近似值。

於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

於計量預期信貸虧損時，本集團考慮到毋需付出過多成本或努力後可獲得之合理及可靠資料，包括過往事件、目前狀況及未來經濟狀況預測的資料。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Measurement of ECLs (Continued)

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

2. 重大會計政策 (續)

(k) 信貸虧損及資產減值 (續)

(i) 金融工具及合約資產之信貸虧損 (續)

預期信貸虧損之計量 (續)

預期信貸虧損按以下其中一個基準計量：

- 12個月預期信貸虧損：預期於報告日期後12個月內可能發生之違約事件所導致的虧損；及
- 全期預期信貸虧損：預期該等應用預期信貸虧損模式之項目於預期年期內所有可能發生之違約事件所導致的虧損。

貿易應收款項及合約資產之虧損撥備一直以相等於全期預期信貸虧損之金額計量。於報告日期，該等金融資產的預期信貸虧損乃根據本集團歷史信貸虧損經驗使用提列矩陣估計，並就對債務人及對當前及預測一般經濟狀況之評估屬特別之因素作出調整。

就所有其他金融工具而言，本集團會確認相等於12個月預期信貸虧損的虧損撥備，除非自初步確認以來金融工具的信貸風險顯著上升，於此情況下，虧損撥備乃按相等於全期預期信貸虧損的金額計量。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

2. 重大會計政策 (續)

(k) 信貸虧損及資產減值 (續)

(i) 金融工具及合約資產之信貸虧損 (續)

信貸風險顯著上升

於評估一項金融工具的信貸風險自初步確認以來是否顯著上升時，本集團會將於報告日期所評估金融工具發生違約的風險與於初步確認日期所評估金融工具發生違約的風險進行比較。於作出該項重估時，本集團認為，於(i)倘本集團不採取變現證券(如持有任何證券)等行動進行追索，則借貸人不大可能向本集團悉數償還其信貸義務；或(ii)該項金融資產已逾期90日時，即表示發生違約事件。本集團會考慮合理可靠的量化及質化資料，包括毋需付出過多成本或努力即可獲得之過往經驗及前瞻性資料。

具體而言，於評估信貸風險自初步確認以來是否顯著上升時，本集團會考慮以下資料：

- 未能於本金或利息的合約到期日期作出有關付款；
- 金融工具外部或內部信貸評級(倘適用)的實際或預期顯著惡化；
- 債務人經營業績的實際或預期顯著惡化；及
- 科技、市場、經濟或法律環境的當前或預期變動對債務人向本集團履行義務的能力有重大不利影響。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Significant increases in credit risk (Continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

Basis of calculation of interest income

Interest income recognised in accordance with note 2(u) (v) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

2. 重大會計政策 (續)

(k) 信貸虧損及資產減值 (續)

(i) 金融工具及合約資產之信貸虧損 (續)

信貸風險顯著上升 (續)

對信貸風險是否顯著上升的評估乃視乎金融工具的性質按個別基準或共同基準進行。於按共同基準進行評估時，本集團會根據共享信貸風險特徵（如逾期狀況及信貸風險評級）對金融工具進行分組。

預期信貸虧損於各報告日期重新計量，以反映金融工具信貸風險自初步確認以來的變動。預期信貸虧損金額的任何變動均於損益確認為減值盈虧。本集團確認所有金融工具的減值盈虧，並透過虧損撥備賬相應調整其賬面值，惟按公平值計入其他全面收益（可撥回）計量的債務證券的投資除外，其虧損撥備於其他全面收益確認並於公平值儲備累計（可撥回）。

利息收入計算基準

根據附註2(u)(v)確認的利息收入按金融資產的賬面總值計算，除非金融資產出現信貸減值，在此情況下，利息收入按金融資產的攤銷成本（即賬面總值減虧損撥備）計算。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Basis of calculation of interest income (Continued)

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

2. 重大會計政策 (續)

(k) 信貸虧損及資產減值 (續)

(i) 金融工具及合約資產之信貸虧損 (續)

利息收入計算基準 (續)

於各報告日期，本集團評估金融資產有否出現信貸減值。當發生一項或多項對金融資產估計未來現金流產生不利影響的事件時，金融資產即被視為出現信貸減值。

金融資產出現信貸減值的證據包括以下可觀察事件：

- 債務人面對重大財務困難；
- 違反合約，如償付利息或本金違約或逾期；
- 借貸人可能將會破產或進行其他財務重組；
- 科技、市場、經濟或法律環境的重大變動對債務人構成不利影響；或
- 發行人陷入財務困難導致證券失去活躍市場。

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For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that property, plant and equipment (including right-of-use assets), club membership and interest in an associate may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased.

2. 重大會計政策 (續)

(k) 信貸虧損及資產減值 (續)

(i) 金融工具及合約資產之信貸虧損 (續)

撇銷政策

若日後回收不可實現時，金融資產或合約資產的賬面總值將撇銷(部分或全部)。該情況通常出現在本集團釐定債務人並無資產或收入來源可產生足夠現金流量以償還撇銷金額。

過往撇銷資產的後續收回於收回發生期間在損益確認為減值撥回。

(ii) 其他非流動資產減值

內部及外界資料來源於各報告期末予以檢討，以識別是否有跡象顯示物業、廠房及設備(包括使用權資產)、會籍及於一間聯營公司的權益可能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。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current 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).

2. 重大會計政策 (續)

(k) 信貸虧損及資產減值 (續)

(ii) 其他非流動資產減值 (續)

倘存在任何該等跡象，則會估計資產之可收回金額。

– 計算可收回金額

資產的可收回金額為其公平值減出售成本與使用價值兩者的較高者。評估使用價值時，採用反映當時市場對金錢時間值及有關資產特有風險評估的稅前貼現率，貼現估計未來現金流量至其現值。倘資產產生的現金流入大致上不能獨立於其他資產，則可收回金額按可獨立產生現金流入的最小資產組別（即現金產生單位）釐定。

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For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current assets (Continued)

– 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 first to reduce the carrying amount of other 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).

– Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

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.

(l) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory, property, plant and equipment (see note 2(h)) or intangible assets.

2. 重大會計政策 (續)

(k) 信貸虧損及資產減值 (續)

(ii) 其他非流動資產減值 (續)

– 確認減值虧損

倘某項資產或其所屬現金產生單位的賬面值超過其可收回金額，則於損益內確認減值虧損。就現金產生單位確認的減值虧損，將首先被分配，以按比例減低該單位(或一組單位)內其他資產的賬面值，惟資產賬面值將不會減至低於其本身的公平值減去出售成本(如可計量)或使用價值(如能釐定)。

– 撥回減值虧損

就除商譽外的資產而言，倘用於釐定可收回金額的估計出現有利變動，則撥回減值虧損。商譽的減值虧損則不予撥回。

減值虧損撥回限於資產在過往年度並無確認該等減值虧損的情況下所釐定的賬面值。減值虧損撥回於確認撥回之年度計入損益。

(l) 其他合約成本

其他合約成本指未資本化為存貨、物業、廠房及設備(見附註2(h))或無形資產的從客戶合約獲得的增量成本或完成與客戶訂立合約的成本。

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For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Other contract costs (Continued)

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in note 2(u).

2. 重大會計政策 (續)

(I) 其他合約成本 (續)

獲得合約的增量成本指本集團獲得客戶合約時產生的成本。倘未獲得該合約 (如增量銷售佣金)，則不會產生有關成本。倘有關收益的成本將在未來報告期內確認，而成本預期可收回，則獲得合約的增量成本於產生時資本化。獲得合約的其他成本於產生時支銷。

倘履行合約的成本直接與現有合約或可特別識別的預計合約有關；產生或增加日後將用於提供貨品或服務的資源；及預期可予收回，則會撥充資本。直接與現有合約或可特別識別的預計合約有關的成本可能包括直接勞務、直接材料、成本分攤、可明確向客戶收取的成本及僅因本集團訂立合約而產生的其他成本 (如支付予分包商款項)。完成合約的其他成本 (未資本化為存貨、物業、廠房及設備或無形資產) 於產生時支銷。

資本化合約成本按成本減累計攤銷及減值虧損列賬。當合約成本資產的賬面值超過(i)本集團預期因交換資產相關貨品或服務而將收取的代價餘額減(ii)尚未確認為開支之直接與提供該等貨品或服務相關的任何成本時，確認減值虧損。

當與資產有關的收入獲確認時，資本化的合約成本攤銷將自損益扣除。收入確認的會計政策載於附註2(u)。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 2(u)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in note 2(k)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see note 2(n)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see note 2(u)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2(n)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see note 2(u)).

2. 重大會計政策 (續)

(m) 合約資產及合約負債

倘本集團在有無條件權利根據合約所載付款條款收取代價前確認收入(見附註2(u))，即確認合約資產。合約資產根據附註2(k)(i)所載政策就預期信貸虧損進行評估，並在代價權利成為無條件時重新分類至應收款項(見附註2(n))。

倘客戶於本集團確認相關收入前支付不可退還代價，即確認合約負債(見附註2(u))。倘本集團有無條件權利在本集團確認相關收入前收取不可退還代價，亦會確認合約負債。在此等情況下，亦會確認相應應收款項(見附註2(n))。

就與客戶訂立的單一合約而言，將呈列合約資產淨額或合約負債淨額。就多份合約而言，不相關合約的合約資產及合約負債不會按淨額基準呈列。

合約包含重大融資成份時，合約結餘包括按實際利率法累計的利息(見附註2(u))。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see note 2(m)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see note 2(k)(i)).

(o) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expenses is recognised in accordance with the Group's accounting policy for borrowing costs (see note 2(w)).

(p) 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 statement of cash flows. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 2(k)(i).

2. 重大會計政策 (續)

(n) 貿易及其他應收款項

應收款項於本集團有無條件權利收取代價時方會確認。在該代價到期應付前，收取代價的權利僅隨時間推移即會成為無條件。倘收入於本集團有無條件權利收取代價前已經確認，則有關金額呈列為合約資產 (見附註2(m))。

應收款項按攤銷成本採用實際利率法減信貸虧損撥備列賬 (見附註2(k)(i))。

(o) 計息借貸

計息借貸初步按公平值減交易成本計量。初步確認後，計息借貸採用實際利率法按攤銷成本列賬。利息開支乃根據本集團有關借貸成本之會計政策予以確認 (見附註2(w))。

(p) 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，以及短期、高流通性投資。此等投資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。就綜合現金流量表而言，現金及現金等價物也包括須按要求償還且作為本集團現金管理一部分的銀行透支。現金及現金等價物根據附註2(k)(i)所載之政策作出預期信貸虧損評估。

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2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(q) Trade and other payables

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

(r) Employee benefits

(i) *Short term employee benefits and contributions to defined contribution retirement plans*

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.

(ii) *Share-based payments*

Share-based compensation benefits are provided to employees via the Group's employee share award scheme. Information relating to these schemes is set out in note 28.

2. 重大會計政策 (續)

(q) 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。貿易及其他應付款項其後按攤銷成本列賬，惟倘貼現影響並不重大，則按成本列賬。

(r) 僱員福利

(i) *短期僱員福利及界定供款退休計劃供款*

薪金、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，則該等金額將按其現值列賬。

(ii) *以股份為基礎之付款*

以股份為基礎的補償福利乃透過本集團的僱員股份獎勵計劃向僱員提供。有關該等計劃的資料載於附註28。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Employee benefits (Continued)

(ii) Share-based payments (Continued)

Employee share award scheme

The Group operates share award scheme to recognise the contributions by employees. The fair value of the employee services received in exchange for the grant of restricted shares is recognised as employee benefit expense.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The shares held under share award scheme is administered by an independent trustee and is funded by the Group's cash contributions and recorded as contributions to shares held under share award scheme, an equity component. The administrator of the shares held under share award scheme buys the Company's shares in the open market for the awards to employees if applicable.

(s) 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.

2. 重大會計政策 (續)

(r) 僱員福利 (續)

(ii) 以股份為基礎之付款 (續)

僱員股份獎勵計劃

本集團實行股份獎勵計劃，以認可僱員的貢獻。為換取受限制股份的授出而獲得的僱員服務之公平值確認為僱員福利開支。

總開支須於達致所有指定歸屬條件之歸屬期間確認。

根據股份獎勵計劃持有的股份由獨立受託人管理，由本集團以現金撥付供款並於權益入賬為根據股份獎勵計劃持有的股份供款。根據股份獎勵計劃持有的股份的管理人於公開市場購入本公司股份以向僱員作出獎勵(如適用)。

(s) 所得稅

年度所得稅包括即期稅項及遞延稅項資產與負債的變動。即期稅項及遞延稅項資產與負債的變動均在損益確認，惟倘其與於其他全面收益或直接於權益中確認的項目有關則除外，則在此情況下，有關稅項金額分別於其他全面收入或直接於權益中確認。

即期稅項為年度應課稅收益的預期應付稅項，採用於報告期末已頒佈或已實質頒佈的稅率計算，以及就過往年度應付稅項作出的任何調整。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Income tax (Continued)

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.

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 carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

2. 重大會計政策 (續)

(s) 所得稅 (續)

遞延稅項資產及負債分別因可扣稅及應課稅暫時性差額所產生，暫時性差額即就財務報告採用的資產及負債賬面值與其稅基兩者之間的差額。遞延稅項資產亦會因未動用稅項虧損及未動用稅項抵免而產生。

除若干少數例外情況外，所有遞延稅項負債及所有遞延稅項資產（僅限於將來很可能取得應課稅溢利而令該項資產得以運用之部分）均予以確認。可支持確認源自可扣稅暫時性差額的遞延稅項資產的日後應課稅溢利，包括該等源自轉回現有應課稅暫時性差額的數額，惟該等差額須與相同稅務機關及相同應課稅實體有關，並預期於預計轉回可扣稅暫時性差額的同一期間或源自遞延稅項資產的稅項虧損可承後或承前結轉的期間轉回。在釐定現有應課稅暫時性差額是否支持確認因未動用稅項虧損及抵免產生的遞延稅項資產時採用相同的標準，即倘該等差額與相同稅務機關及相同應課稅實體有關，且預期在可動用稅項虧損或抵免期間內轉回則會計入該等差額。

遞延稅項資產的賬面值會於各報告期末審閱，並減至不再可能有足夠應課稅溢利以利用有關稅務優惠時為止。任何有關削減會於可能有足夠應課稅溢利時轉回。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Income tax (Continued)

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of 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:

- 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.

2. 重大會計政策 (續)

(s) 所得稅 (續)

已確認的遞延稅項金額乃按資產及負債賬面值的預期實現或清償方式，使用於報告期末已頒佈或已實質頒佈的稅率計量。遞延稅項資產及負債並無貼現。

即期稅項結餘及遞延稅項結餘及其變動分開列示，並不予抵銷。即期稅項資產與即期稅項負債，以及遞延稅項資產與遞延稅項負債，只會在本公司或本集團有合法可強制執行權利以即期稅項資產抵銷即期稅項負債，並在符合下列附帶條件的情況下，才可互相抵銷：

- 若屬即期稅項資產及負債，本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或
- 若該等資產及負債屬遞延稅項資產及負債，則須與相同稅務機關就以下其中一項徵收的所得稅有關：
 - 相同應課稅實體；或
 - 不同應課稅實體，其計劃在預期有重大金額的遞延稅項負債或資產須予清償或收回的每個未來期間，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現即期稅項資產及清償即期稅項負債。

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綜合財務報表附註

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2. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(t) Provisions and contingent liabilities

Provisions are recognised when the Group 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.

(u) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

2. 重大會計政策 (續)

(t) 撥備及或然負債

倘本集團須就過往事件承擔法律或推定責任，及很可能導致經濟利益流出以履行有關責任，且可作出可靠估計，則會對此確認撥備。若金錢的時間價值屬重大，則按預期用於履行有關責任的費用現值計提撥備。

倘流出經濟利益的可能性較低，或無法對有關數額作出可靠估計，則會將該責任披露為或然負債，惟經濟利益流出的可能性甚微則除外。倘有關責任須視乎一項或多項未來事件是否發生方可確定是否存在，亦會披露為或然負債，惟經濟利益流出的可能性甚微則除外。

(u) 收入及其他收益

本集團將於其日常業務過程中銷售貨物、提供服務或根據租賃由其他人士使用本集團資產所產生的收益分類為收入。

收入在產品或服務的控制權轉移至客戶時，或承租人有權使用資產時，按本集團預期有權收取的承諾代價金額確認，不包括代表第三方收取的款項。收入不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Construction contracts

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on real estate assets under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognised progressively over time using the output method, based on direct measurements of the value to the customer of goods or services transferred to date ("**Value to the Customer**") provided that the Value to the Customer is established according to the progress certificate (by reference to the amount of completed works confirmed by customer) issued by the customer.

2. 重大會計政策 (續)

(u) 收入及其他收益 (續)

倘合約中包含為客戶提供超過12個月的重大融資利益的融資部分，則收入按應收金額的現值計量，並使用與客戶的單獨融資交易中反映的貼現率貼現，而利息收入按實際利率法單獨計量。倘合約中包含為本集團提供重大融資利益的融資部分，則根據該合約確認的收入包括按實際利率法計算的合約負債所產生的利息開支。本集團運用香港財務報告準則第15號第63段的實際權宜方法，當融資期限為12個月或以下時，則不會就重大融資部分的任何影響調整代價。

有關本集團收入及其他收益確認政策的進一步詳情如下：

(i) 建造合約

合約與受客戶控制的房地產資產的工程相關時，本集團將與客戶所訂的合約分類為建造合約，故本集團建築活動創建或提升受客戶控制的資產。

當建造合約的結果能夠可靠計量時，合約收入採用輸出法於一段時間內逐步確認（即根據直接計量迄今為止轉讓的貨品或服務予客戶的價值（「**予客戶的價值**」）），惟予客戶的價值根據客戶發出的進度證明（乃參照客戶確認的完工工程金額而定）而確立。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

(j) Construction contracts (Continued)

The likelihood of the Group earning contractual bonuses for early completion or suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised in accordance with the policy set out in note(t).

(ii) Ground investigation services revenue

A contract with a customer is classified by the Group as a service contract when the contract relates to work on ground investigation assets under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a service contract can be reasonably measured, revenue from the contract is recognised progressively over time using the output method, based on direct measurements of the value to the customer of goods or services transferred to date ("**Value to the Customer**") provided that the Value to the Customer is established according to the progress certificate (by reference to the amount of completed works confirmed by customer) issued by the customer.

2. 重大會計政策 (續)

(u) 收入及其他收益 (續)

(j) 建造合約 (續)

本集團就提早完成而賺取的合約獎勵或因延遲完工而遭受合約罰款的可能性於作出該等估計時加以考慮，因此，僅在已確認累計收入金額很可能不會大幅撥回時方會確認收入。

倘合約的結果無法合理計量，則收入僅以預期可收回的已產生合約成本為限予以確認。

倘於任何時間估計完成合約的成本超過合約項下代價的餘額，其後可根據附註(t)所載的政策確認撥備。

(ii) 土地勘測服務收入

倘合約與客戶控制的土地勘測資產工程有關，則本集團將客戶合約分類為服務合約，故本集團建築活動創建或提升受客戶控制的資產。

當服務合約的結果能夠可靠計量時，合約收入採用輸出法於一段時間內逐步確認（即根據直接計算迄今為止轉讓的貨品或服務予客戶的價值（「予客戶的價值」）），惟予客戶的價值根據客戶發出的進度證明（乃參照客戶確認的完工程金額而定）而確立。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

(ii) Ground investigation services revenue (Continued)

The likelihood of the Group earning contractual bonuses for early completion or suffering contractual penalties for late completion are taken into account in making these estimates, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised in accordance with the policy set out in note 2(t).

(iii) Trading of beauty and skin care products

Net income from trading of beauty and skin care products are recognised when the customers takes possession of and accepts the goods.

2. 重大會計政策 (續)

(u) 收入及其他收益 (續)

(ii) 土地勘测服務收入 (續)

本集團就提早完成而賺取的合約獎勵或因延遲完工而遭受合約罰款的可能性於作出該等估計時加以考慮，因此，僅在已確認累計收入金額很可能不會大幅撥回時方會確認收入。

倘合約的結果無法合理計量，則收入僅以預期可收回的已產生合約成本為限予以確認。

倘於任何時間估計完成合約的成本超過合約項下代價的餘額，則根據附註2(t)所載政策確認撥備。

(iii) 美容及護膚產品貿易

美容及護膚產品貿易產生的收入淨額於客戶擁有及接受貨品時確認。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

(iv) Rental income from operating leases

Rental income receivable under operating leases 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.

(v) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. For financial assets measured at amortised cost or that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see note 2(k)(i)).

2. 重大會計政策 (續)

(u) 收入及其他收益 (續)

(iv) 經營租賃的租金收入

經營租賃項下應收的租金收入乃於租賃期涵蓋的期間內以等額分期於損益確認，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組成部分。或然租金於賺取的會計期間確認為收入。

(v) 利息收入

利息收入按實際利率法（使用將金融資產的預計年限內的估計未來現金收入準確折現為金融資產總賬面值的利率）於應計時確認。就按攤銷成本計量或並無出現信貸減值的金融資產而言，實際利率適用於資產的總賬面值。就出現信貸減值的金融資產而言，實際利率適用於資產的攤銷成本（即扣除虧損撥備的總賬面值）（見附註2(k)(i)）。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Revenue and other income (Continued)

(vi) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(v) 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 transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

2. 重大會計政策 (續)

(u) 收入及其他收益 (續)

(vi) 政府補貼

倘可合理保證將收取政府補貼且本集團將符合其附帶條件，則政府補貼會初步於財務狀況表確認。補償本集團已產生開支的補貼於開支產生的相同期間有系統地於損益確認為收入。補償本集團一項資產成本的補貼會於資產的賬面值中扣減，之後於資產的可使用年期內以降低折舊費用的方式於損益內實際確認。

(v) 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。匯兌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，使用交易日的匯率換算。交易日為公司首次確認相關非貨幣資產或負債的日期。按公平值列賬的以外幣計值的非貨幣資產及負債乃使用計量公平值當日的匯率換算。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Translation of foreign currencies (Continued)

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. Consolidated 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.

(w) 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.

(x) Related parties

- (a) 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. 重大會計政策 (續)

(v) 外幣換算 (續)

海外業務之業績乃按與交易日外幣匯率相若的匯率換算為港元。綜合財務狀況表項目按報告期間結束時的收市外幣匯率換算為港元。產生的匯兌差額於其他全面收益確認，並於匯兌儲備的權益中獨立累計。

(w) 借貸成本

直接歸屬於收購、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。

(x) 關連方

- (a) 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連：
- (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。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Related parties (Continued)

(b) 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).
- (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 (a).

2. 重大會計政策 (續)

(x) 關連方 (續)

(b) 倘一個實體符合下列任何條件，則該實體與本集團有關連：

- (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相互關連)。
- (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)。
- (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連的實體就僱員福利設立的離職後福利計劃。
- (vi) 實體受(a)所述人士控制或共同控制。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Related parties (Continued)

(b) (Continued)

- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (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)

(x) 關連方 (續)

(b) (續)

- (vii) (a)(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) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供主要管理人員服務。

某名人士的家庭近親成員指在與該實體進行交易的過程中預計會影響該名人士或受該名人士影響的家庭成員。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated 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.

No geographic information is shown as the revenue and (loss)/profit from operations of the Group are primarily derived from activities in Hong Kong.

2. 重大會計政策 (續)

(y) 分部報告

本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，從中可找出綜合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。

由於本集團營運所得收入及(虧損)/溢利主要來自其於香港的業務，故並無呈列地區資料。

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3. ACCOUNTING JUDGEMENT 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:

(i) *Principal versus agent considerations – Trading of beauty and skin care products*

In determining whether the Group is acting as a principal or as an agent in the trading of beauty and skin care products, judgements and considerations of all relevant facts and circumstances are required. The Group is a principal in a transaction if the Group obtains control of services provided before they are transferred to customers. If control is unclear, when the Group is primarily obligated in a transaction, and has latitude in establishing prices and selecting publishers, or has several but not all of these indicators, the Group records revenues on a gross basis. Otherwise, the Group records the net amount earned as commissions from services provided.

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：

(i) *委託人對代理人考量－美容及護膚產品貿易*

於釐定本集團在美容及護膚產品貿易中擔任委託人或擔任代理人時，需要對所有相關事實及情況作出判斷及考慮。倘本集團在服務轉移至客戶前獲得對所提供服務的控制權，本集團為交易中的委託人。倘控制權不明確，則當本集團在交易中負主要責任，且在確定價格及選擇發佈者方面擁有自主權，或具有若干但非所有該等指標時，本集團會按總額基準記錄收入。否則，本集團將所賺取的淨額記錄為提供服務的佣金。

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3. ACCOUNTING JUDGEMENT AND ESTIMATES *(Continued)*

(b) Sources of estimation uncertainty

(i) *Construction contracts and ground investigation service contracts*

As explained in policy note 2(u), revenue from construction contracts and ground investigation services contracts are recognised over time using the output method. Such revenue and profit recognition on uncompleted projects are dependent on estimating the outcome of the contract, as well as the work done to date. Actual outcomes in terms of total costs or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

(ii) *Impairment of interests in associates*

In considering the impairment that may be required for the Group's associate, recoverable amount of the associate needs to be determined. The recoverable amount is the greater of the fair value less costs to sell and the value-in-use. It is difficult to precisely estimate selling price because quoted market prices for the associate may not be readily available. In determining the value-in-use, expected cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to items such as level of sales volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of items such as sales volume, selling price and amount of operating costs.

3. 會計判斷及估計 (續)

(b) 估計不明朗因素之來源

(i) *建造合約及土地勘測服務合約*

誠如政策附註2(u)所述，建造合約及土地勘測服務合約產生的收入採用產出法隨時間確認。對未完成項目的收入及溢利確認取決於對合約結果的估計及迄今已進行的工程。總成本或收入方面的實際結果值可高於或低於報告期末的估計值，此事會影響日後年度確認為迄今記賬金額的調整之收入及溢利。

(ii) *聯營公司的權益減值*

在考慮可能須就本集團聯營公司計提減值時，須釐定聯營公司的可收回金額。可收回金額為公平值減出售成本與使用價值兩者之較高者。由於聯營公司之市場報價未必可隨時取得，故難以準確估計售價。在釐定使用價值時，資產產生之預期現金流量貼現至其現值，須對銷量、售價及經營成本金額等項目作出重大判斷。本集團使用一切可隨時取得之資料釐定可收回金額的合理概約金額，包括按合理及可支持假設作出估計及對銷量、售價及經營成本等項目作出預測。

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3. ACCOUNTING JUDGEMENT AND ESTIMATES (Continued)

(b) Sources of estimation uncertainty (Continued)

(iii) Impairment of trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income

The Group uses provision matrix to calculate ECLs for the trade receivables and contract assets. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At each reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income with significant balances and credit impaired are assessed for ECLs individually. The provision of ECLs is sensitive to changes in circumstances and forecast general economic conditions. The information about the ECLs and the Group's trade receivables and contract assets are disclosed in Note 29. If the financial condition of the customers or the forecast economic conditions were to deteriorate, the actual loss allowance would be higher than estimated.

(iv) Fair value of financial assets at FVPL and debt investment at FVOCI

The fair value of financial assets at FVPL and debt investment at FVOCI that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and determine the fair values primarily based on the purchase price paid by the Group, net asset value and taking into account of the analysis of the investees' financial trends and results, risk profile, prospects, industry trends and other factors. Independent external valuer has been involved in determining fair value of certain investments. The key assumptions adopted on projected cash flow are based on management's best estimates.

3. 會計判斷及估計 (續)

(b) 估計不明朗因素之來源 (續)

(iii) 貿易及其他應收款項、合約資產及應收貸款減值以及按公平值計入其他全面收益的債務投資

本集團使用撥備矩陣計算貿易應收款項及合約資產的預期信貸虧損。撥備矩陣基於本集團之歷史違約率，當中考慮無需付出過多成本或精力即可獲得之合理且可支持的前瞻性資料。於各報告日期，可觀察的歷史違約率會重新被評估，並考慮前瞻性資料之變動。此外，具有大額結餘且信貸減值的貿易及其他應收款項、合約資產、應收貸款以及按公平值計入其他全面收益的債務投資會個別進行預期信貸虧損評估。預期信貸虧損撥備容易受各種情況及預測一般經濟狀況變動影響。有關預期信貸虧損及本集團貿易應收款項及合約資產的資料於附註29披露。倘客戶的財務狀況或預測經濟狀況將惡化，則實際虧損撥備會高於估計額。

(iv) 按公平值計入損益的金融資產及按公平值計入其他全面收益的債務投資之公平值

未於活躍市場交易的按公平值計入損益的金融資產及按公平值計入其他全面收益的債務投資之公平值乃使用估值技術釐定。本集團按其判斷選擇多項方法，主要按本集團支付的收購價、資產淨值，經考慮對被投資方的財務趨勢及業績、風險狀況、前景、行業趨勢的分析及其他因素後釐定公平值。獨立外部估值師參與釐定若干投資的公平值。預測現金流量所採納的主要假設乃基於管理層的最佳估算。

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4. REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are foundation construction, ground investigation services, financial services and trading of beauty and skin care products. Further details regarding the Group's principal activities are disclosed in note 4(b):

Disaggregation of revenue from contracts with customers of each significant category is as follows:

4. 收入及分部報告

(a) 收入

本集團的主要業務為地基建、土地勘測服務、金融服務及美容及護膚產品貿易。有關本集團主要活動之進一步詳情於附註4(b)披露：

各重大類別之來自客戶合約收入的分類如下：

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|----------------------------------|--------------------|---------------|
| Revenue from contract with customers within the scope of HKFRS 15: | 香港財務報告準則第15號範圍內來自客戶合約之收入： | | |
| Revenue from construction contracts | 來自建造合約的收入 | 221,550,274 | 212,640,509 |
| Revenue from ground investigation services | 來自土地勘測服務的收入 | 64,772,178 | 39,250,804 |
| Revenue from trading of beauty and skin care products | 來自美容及護膚產品貿易的收入 | 3,661,840 | 915,798 |
| | | 289,984,292 | 252,807,111 |
| Revenue from other sources | 來自其他來源的收入 | | |
| Interest income from money lending business | 來自借貸業務的利息收入 | 3,614,338 | 2,727,878 |
| | | 293,598,630 | 255,534,989 |

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 4(b).

As at 31 March 2021, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is approximately HK\$179,485,000 (2020: approximately HK\$133,472,000). This amount represents revenue expected to be recognised in the future from construction contracts and ground investigation services. The Group will recognise the expected revenue in future when or as the work is completed or, in the case of the construction contracts and ground investigation services, when the obligations performed, which is expected to occur over the next 1 to 2 years.

按確認收入時間分類來自客戶合約的收入披露於附註4(b)。

於二零二一年三月三十一日，分配至本集團現有合約項下餘下履約責任的交易價總額約為179,485,000港元（二零二零年：約133,472,000港元）。該金額指預期日後自建合約及土地勘測服務確認之收入。本集團將於或隨著日後工程完成時確認預期收入，或就建造合約及土地勘測服務而言，在履行義務時確認預期收入（預期於未來一至兩年內發生）。

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4. REVENUE AND SEGMENT REPORTING *(Continued)*

(b) Segment reporting

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 senior management for the purposes of resource allocation and performance assessment, the Group has presented the following four reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Foundation construction: this segment provides foundation construction works to customers in Hong Kong.
- Ground investigation services: this segment provides ground investigation services to customers in Hong Kong.
- Financial services: this segment provides investment, financing and money lending business.
- Trading of beauty and skin care products: this segment engages in the trading of beauty and skin care products.

Segment information is presented only in respect of the Group's business segments. No geographical analysis is shown as less than 10% of the Group's revenue and non-current assets were derived from activities outside Hong Kong.

4. 收入及分部報告 (續)

(b) 分部報告

本集團按業務的分部管理其業務。與就分配資源及評估表現向本集團高級管理層內部呈報資料的方式一致，本集團已呈報下列四個可呈報分部。並無合併經營分部以組成以下可呈報分部。

- 地基建業：該分部向香港的客戶提供地基建業工程。
- 土地勘測服務：該分部向香港的客戶提供土地勘測服務。
- 金融服務：該分部提供投資、融資及借貸業務。
- 美容及護膚產品貿易：該分部從事美容及護膚產品貿易。

分部資料僅呈列有關本集團的業務分部。由於少於10%的本集團收入及非流動資產來自香港境外的業務活動，故概無列示地理位置分析。

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4. REVENUE AND SEGMENT REPORTING *(Continued)*

(b) Segment reporting *(Continued)*

(i) Segment results, assets and liabilities

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

Segment assets include all current and non-current assets with the exception of (i) unallocated head office and corporate assets, (ii) interest in an associate, (iii) profit guarantee, put option and call option in relation to acquisition of an associate and (iv) current tax recoverable, if any. Segment liabilities include all current and non-current liabilities with the exception of current tax payable and deferred tax 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 results is results before taxation.

4. 收入及分部報告 *(續)*

(b) 分部報告 *(續)*

(i) 分部業績、資產及負債

就評估分部表現及分部間資源分配而言，本集團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、資產及負債：

分部資產包括所有流動及非流動資產，惟不包括(i)未分配總辦事處及企業資產，(ii)於一間聯營公司的權益，(iii)就收購一間聯營公司之溢利擔保、認沽期權及認購期權以及(iv)可收回即期稅項(如有)。分部負債包括所有流動及非流動負債，惟不包括應付即期稅項及遞延稅項負債。

收入及開支經參考該等分部產生的收入及該等分部產生的開支，或該等分部應佔資產折舊所產生的開支分配至可呈報分部。報告分部業績所用的計量為除稅前業績。

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4. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities (Continued)

Disaggregation of revenue from contracts with customers by the time of revenue recognition, as well as 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 years ended 31 March 2021 and 2020 is set out below:

4. 收入及分部報告 (續)

(b) 分部報告 (續)

(i) 分部業績、資產及負債 (續)

截至二零二一年及二零二零年三月三十一日止年度，終止確認按收入確認時間分類之來自客戶合約收入以及本集團最高級行政管理人員就資源分配及評估分部表現提供的有關本集團可呈報分部的資料載列如下：

| | | Year ended 31 March 2021 截至二零二一年三月三十一日止年度 | | | | |
|---|--------------|--|-------------------------------|--------------------|---|-------------|
| | | Foundation construction | Ground investigation services | Financial services | Trading of beauty and skin care products 美容及護膚 產品貿易 | Total |
| | | 地基建業 | 土地勘測服務 | 金融服務 | | 總計 |
| Disaggregated by timing of revenue recognition | 按收入確認時間分類 | | | | | |
| - Over time | - 隨時間 | 221,550,274 | 64,772,178 | 3,614,338 | - | 289,936,790 |
| - Point in time | - 時間點 | - | - | - | 3,661,840 | 3,661,840 |
| Revenue from external customers | 外部客戶收入 | 221,550,274 | 64,772,178 | 3,614,338 | 3,661,840 | 293,598,630 |
| Reportable segment revenue | 可呈報分部收入 | 221,550,274 | 64,772,178 | 3,614,338 | 3,661,840 | 293,598,630 |
| Reportable segment gross profit | 可呈報分部毛利 | 24,183,801 | 25,513,902 | 3,613,044 | 3,661,840 | 56,972,587 |
| Reportable segment profit/(loss) | 可呈報分部溢利/(虧損) | 6,040,921 | 17,152,289 | (15,356,446) | 2,785,934 | 10,622,698 |
| Interest income from bank deposit | 銀行存款利息收入 | - | - | 229,487 | - | 229,487 |
| Interest expenses | 利息開支 | 5,741,643 | - | 301,344 | - | 6,042,987 |
| Depreciation for the year | 年內折舊 | 7,168,374 | 565,456 | 1,969,149 | - | 9,702,979 |
| Reportable segment assets | 可呈報分部資產 | 248,476,709 | 51,682,001 | 285,521,940 | 55,416,984 | 641,097,634 |
| Additions to non-current segment assets during the year | 年內非流動分部資產的添置 | 1,147,256 | 3,441,496 | 9,670 | - | 4,598,422 |
| Reportable segment liabilities | 可呈報分部負債 | 188,036,932 | 9,494,880 | 340,557,209 | 52,640,808 | 590,729,829 |

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For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

4. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(i) Segment results, assets and liabilities (Continued)

4. 收入及分部報告 (續)

(b) 分部報告 (續)

(i) 分部業績、資產及負債 (續)

Year ended 31 March 2020
截至二零二零年三月三十一日止年度

| | | Foundation construction 地基建 | Ground investigation services 土地勘測服務 | Financial services 金融服務 | Trading of beauty and skin care products 美容及護膚產品貿易 | Total 總計 |
|---|----------------------|--------------------------------|---|----------------------------|---|--------------|
| Disaggregated by timing of revenue recognition | 按收入確認時間分類 | | | | | |
| - Over time | - 隨時間 | 212,640,509 | 39,250,804 | 2,727,878 | - | 254,619,191 |
| - Point in time | - 時間點 | - | - | - | 915,798 | 915,798 |
| Revenue from external customers | 外部客戶收入 | 212,640,509 | 39,250,804 | 2,727,878 | 915,798 | 255,534,989 |
| Reportable segment revenue | 可呈報分部收入 | 212,640,509 | 39,250,804 | 2,727,878 | 915,798 | 255,534,989 |
| Reportable segment gross profit | 可呈報分部毛利 | 3,638,464 | 14,306,495 | 2,393,405 | 915,798 | 21,254,162 |
| Reportable segment (loss)/profit | 可呈報分部 (虧損)/溢利 | (22,502,460) | 4,841,119 | (30,714,337) | 19,941 | (48,355,737) |
| Interest income from bank deposit | 銀行存款利息收入 | - | - | 3,632,523 | - | 3,632,523 |
| Interest expenses | 利息開支 | 3,787,626 | - | 212,028 | - | 3,999,654 |
| Depreciation for the year | 年內折舊 | 7,985,754 | 433,793 | 4,352,955 | - | 12,772,502 |
| Reportable segment assets | 可呈報分部資產 | 232,067,894 | 31,948,096 | 357,894,961 | 46,461,831 | 668,372,782 |
| Additions to non-current segment assets during the year | 年內非流動分部資產的添置 | 961,469 | 700,180 | 5,628,793 | - | 7,290,442 |
| Reportable segment liabilities | 可呈報分部負債 | 177,669,040 | 6,133,233 | 377,271,976 | 46,471,590 | 607,545,839 |

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4. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(ii) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

4. 收入及分部報告 (續)

(b) 分部報告 (續)

(ii) 可呈報分部收入、損益、資產及負債之對賬

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|-----------------------|----------------------|---------------|
| Revenue | 收入 | | |
| Reportable segment revenue and consolidated revenue (note 4(a)) | 可呈報分部收入及綜合收入 (附註4(a)) | 293,598,630 | 255,534,989 |
| Loss | 虧損 | | |
| Reportable segment profit/(loss) | 可呈報分部溢利／(虧損) | 10,622,698 | (48,355,737) |
| Unallocated head office and corporate expenses | 未分配總辦事處及企業開支 | (20,577,334) | (12,422,110) |
| Share of loss of an associate | 應佔一間聯營公司之虧損 | (233,532) | - |
| Consolidated loss before taxation | 除稅前綜合虧損 | (10,188,168) | (60,777,847) |
| Assets | 資產 | | |
| Reportable segment assets | 可呈報分部資產 | 641,097,634 | 668,372,782 |
| Elimination | 抵銷 | (237,533,266) | (207,701,073) |
| | | 403,564,368 | 460,671,709 |
| Interest in an associate | 於一間聯營公司的權益 | 35,017,364 | - |
| Financial assets at FVPL: | 按公平值計入損益的 金融資產： | | |
| Profit guarantee in relation to acquisition of an associate | 就收購一間聯營公司之 溢利擔保 | 3,190,000 | - |
| Put option in relation to acquisition of an associate | 就收購一間聯營公司之 認沽期權 | 128,000 | - |
| Call option in relation to acquisition of an associate | 就收購一間聯營公司之 認購期權 | 619,000 | - |
| Unallocated head office and corporate assets | 未分配總辦事處及企業資產 | 24,035,745 | 20,882,365 |
| Consolidated total assets | 綜合資產總值 | 466,554,477 | 481,554,074 |
| Liabilities | 負債 | | |
| Reportable segment liabilities | 可呈報分部負債 | 590,729,829 | 607,545,839 |
| Elimination | 抵銷 | (419,649,723) | (441,606,530) |
| | | 171,080,106 | 165,939,309 |
| Tax payable | 應付稅項 | 3,801,318 | 2,010,895 |
| Deferred tax liabilities | 遞延稅項負債 | 916,330 | 1,435,103 |
| Unallocated head office and corporate liabilities | 未分配總辦事處及企業負債 | 109,931,075 | 104,259,999 |
| Consolidated total liabilities | 綜合負債總額 | 285,728,829 | 273,645,306 |

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綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

4. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

(iii) Information about major customers

Revenue from customers of construction contracts contributing over 10% of the total revenue of the Group for the corresponding years are as follows:

4. 收入及分部報告 (續)

(b) 分部報告 (續)

(iii) 有關主要客戶的資料

於有關年度對本集團總收入貢獻超過10%的建造合約的客戶收入如下：

| | | 2021 二零二一年 | 2020 二零二零年 |
|--------------------------------|--------------|---------------|---------------|
| Construction contracts: | 建造合約： | | |
| Customer A | 客戶A | N/A不適用* | 76,994,604 |
| Customer B | 客戶B | 75,932,781 | 63,346,185 |
| Customer C | 客戶C | 42,128,018 | N/A不適用* |
| Customer D | 客戶D | 38,765,243 | N/A不適用* |

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

* 來自相關客戶收入於有關年度對本集團總收入貢獻低於10%。

5. OTHER REVENUE

5. 其他收入

| | | 2021 二零二一年 | 2020 二零二零年 |
|---------------------------------------|-----------|-------------------|------------------|
| Rental income from lease of machinery | 租賃機械的租金收入 | 36,191 | 976,591 |
| Bank interest income | 銀行利息收入 | 229,487 | 3,632,523 |
| Insurance claims | 保險索償 | - | 312,906 |
| Government grants (note) | 政府補貼(附註) | 9,350,089 | - |
| Others | 其他 | 495,343 | 349,208 |
| | | 10,111,110 | 5,271,228 |

Note: The government grants mainly related to the employment support scheme. During the year ended 31 March 2021, the Group successfully applied for funding support from the Employment Support Scheme under the Anti-epidemic Fund, set up by the HKSAR Government. The purpose of the funding is to provide financial support to enterprises to retain their employees who would otherwise be made redundant. Under the terms of the grant, the Group is required not to make redundancies during the subsidy period and to spend all the funding on paying wages to the employees.

附註：政府補貼主要與保就業計劃有關。截至二零二一年三月三十一日止年度，本集團成功申請由香港特區政府設立的防疫抗疫基金項下保就業計劃的資金援助。該筆資金乃為企業提供財務援助，以挽留可能被裁員的僱員。根據補貼條款，本集團於補貼期間不得裁員並須將所有資金用於支付僱員薪金。

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綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

6. OTHER NET LOSS

6. 其他虧損淨額

| | | 2021 二零二一年 | 2020 二零二零年 |
|--|-------------------------------|--------------------|---------------------|
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備之收益 | 1,657,246 | 1,658,978 |
| Gain on disposal of financial assets at fair value through profit or loss | 出售按公平值計入損益的金融資產之收益 | - | 319,800 |
| Reclassification adjustment for gain on disposal of debt investment at fair value through other comprehensive income | 出售按公平值計入其他全面收益的債務投資之收益之重新分類調整 | 180,822 | - |
| Net change in fair value of financial assets at fair value through profit or loss | 按公平值計入損益的金融資產的公平值變動淨額 | (6,015,525) | (19,856,970) |
| Amortisation of deferred income | 遞延收入攤銷 | - | 656,999 |
| Net foreign exchange loss | 匯兌虧損淨額 | (33,434) | (132,781) |
| | | (4,210,891) | (17,353,974) |

7. LOSS BEFORE TAXATION

7. 除稅前虧損

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

除稅前虧損乃經扣除／(計入)下列各項後達致：

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|-----------------|-------------------|------------------|
| (a) Finance costs | (a) 融資成本 | | |
| Interest on borrowing from a related company | 來自一間關連公司借貸之利息 | 4,500,000 | 4,500,000 |
| Interest on borrowing from a director of a subsidiary | 來自一名附屬公司董事借貸之利息 | 5,679,045 | 3,593,750 |
| Interest on bank overdraft | 銀行透支利息 | - | 195 |
| Interest on lease liabilities | 租賃負債利息 | 405,595 | 405,709 |
| | | 10,584,640 | 8,499,654 |

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綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

7. LOSS BEFORE TAXATION (Continued)

7. 除稅前虧損 (續)

| | | 2021 二零二一年 | 2020 二零二零年 |
|--|--|--------------------|---------------|
| (b) Staff costs (including directors' remuneration) | (b) 員工成本 (包括董事酬金) | | |
| Contribution to defined contribution retirement plans | 界定供款退休計劃的供款 | 2,130,618 | 1,867,628 |
| Salaries, wages and other benefits | 薪金、工資及其他福利 | 68,761,798 | 64,993,446 |
| | | 70,892,416 | 66,861,074 |
| (c) Other items | (c) 其他項目 | | |
| Depreciation | 折舊 | | |
| – owned property, plant and equipment | – 自有物業、廠房及設備 | 6,904,339 | 8,128,505 |
| – right-of-use assets | – 使用權資產 | 3,090,549 | 4,643,997 |
| | | 9,994,888 | 12,772,502 |
| Impairment losses on trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income | 貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益的債務投資之減值虧損 | 5,129,414 | 772,211 |
| Bad debt written off of trade receivables and contract assets | 撇銷貿易應收款項及合約資產壞賬 | – | 5,884,680 |
| Auditors' remuneration | 核數師酬金 | 970,000 | 970,000 |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備之收益 | (1,657,246) | (1,658,978) |
| Net foreign exchange loss | 匯兌虧損淨額 | 33,434 | 132,781 |

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綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

8. INCOME TAX EXPENSES/(CREDIT)

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

8. 所得稅開支／(抵免)

(a) 綜合損益及其他全面收益表中的所得稅開支／(抵免) 指

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|-------------|------------------|---------------|
| Current tax | 即期稅項 | | |
| Provision for Hong Kong Profits Tax for the year | 年內香港利得稅撥備 | 2,574,625 | 630,175 |
| Over-provision in respect of prior years | 過往年度超額撥備 | (4,171) | (58,186) |
| | | 2,570,454 | 571,989 |
| Deferred tax | 遞延稅項 | | |
| Origination and reversal of temporary differences | 暫時差額的產生及撥回 | (518,773) | (978,104) |
| | | 2,051,681 | (406,115) |

Notes:

(i) Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

(ii) The provision for Hong Kong Profits Tax for 2021 is calculated at 16.5% (2020: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2020.

The provision for Hong Kong Profits Tax for 2021 takes into account a reduction granted by the Hong Kong SAR Government of 100% of the tax payable for the year of assessment 2020/21 subject to a maximum reduction of HK\$10,000 for each business (2020: a maximum reduction of HK\$20,000 was granted for the year of assessment 2019/20 and was taken into account in calculating the provision for 2020).

(iii) The provision for Macau Complementary Tax is calculated at 12% of the estimated assessable profits for years ended 31 March 2021 and 2020.

(iv) The provision for People's Republic of China Income Tax is calculated at 25% of the estimated assessable profits for the year ended 31 March 2021.

附註：

(i) 根據開曼群島的規則及規例，本集團毋須繳納開曼群島任何所得稅。

(ii) 本年度估計應課稅溢利按16.5% (二零二零年：16.5%) 之稅率計提二零二一年香港利得稅撥備，惟本集團之一間附屬公司因屬於利得稅兩級制下之合資格法團除外。

就該附屬公司而言，首2,000,000港元之應課稅溢利按8.25%的稅率徵稅，其餘應課稅溢利按16.5%的稅率徵稅。該附屬公司之香港利得稅撥備乃按二零二零年相同基準計算。

二零二一年香港利得稅撥備已計及香港特別行政區政府於二零二零／二一年課稅年度給予各業務扣減100%應付稅項 (寬免上限為10,000港元) 後計算 (二零二零年：於二零一九／二零年課稅年度給予寬免上限為20,000港元，於計算二零二零年撥備時已考慮在內)。

(iii) 截至二零二一年及二零二零年三月三十一日止年度，澳門補充稅撥備乃就估計應課稅溢利按12%之稅率計算。

(iv) 截至二零二一年三月三十一日止年度，中華人民共和國所得稅撥備乃就估計應課稅溢利按25%之稅率計算。

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For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

8. INCOME TAX EXPENSES/(CREDIT)

(Continued)

(b) Reconciliation between income tax expenses/(credit) and accounting loss before taxation at applicable tax rates:

8. 所得稅開支／(抵免) (續)

(b) 所得稅開支／(抵免) 與按適用稅率計算的除稅前會計虧損之間的對賬：

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|-----------------------------|---------------------|---------------|
| Loss before taxation | 除稅前虧損 | (10,188,168) | (60,777,847) |
| Notional tax on loss before taxation, calculated at the rates applicable to losses in the jurisdictions concerned | 按適用於有關司法權區虧損之稅率計算的除稅前虧損名義稅項 | (2,171,518) | (10,193,939) |
| Tax effect of non-deductible expenses | 不可扣減開支的稅務影響 | 5,479,891 | 6,280,815 |
| Tax effect of non-taxable income | 毋須課稅收入的稅務影響 | (1,902,436) | (1,256,965) |
| Tax effect of temporary differences not recognised | 尚未確認暫時性差額的稅務影響 | 304,159 | 184,310 |
| Tax effect of unused tax losses not recognised | 未確認未動用稅項虧損的稅務影響 | 2,104,146 | 4,625,556 |
| Tax effect of tax losses utilised | 已動用稅項虧損的稅務影響 | (1,741,865) | - |
| Over-provision in respect of prior years | 過往年度超額撥備 | (4,171) | (58,186) |
| Others | 其他 | (16,525) | 12,294 |
| Actual tax expenses/(credit) | 實際稅項開支／(抵免) | 2,051,681 | (406,115) |

(c) Income tax in the consolidated statement of financial position represents:

(c) 綜合財務狀況表的所得稅指：

(i) Current taxation

(i) 即期稅項

| | | 2021 二零二一年 | 2020 二零二零年 |
|--|-------------------|------------------|---------------|
| Provision for Hong Kong Profits Tax for the year | 年內香港利得稅撥備 | 2,574,625 | 630,175 |
| Provisional Profits Tax paid | 已付暫繳利得稅 | (467,784) | (291,466) |
| | | 2,106,841 | 338,709 |
| Balance of Hong Kong Profits Tax provision relating to prior years | 與過往年度有關的香港利得稅撥備結餘 | 1,694,477 | 1,672,186 |
| | | 3,801,318 | 2,010,895 |
| Representing: | 指： | | |
| Tax payable | 應付稅項 | 3,801,318 | 2,010,895 |
| | | 3,801,318 | 2,010,895 |

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綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

8. INCOME TAX EXPENSES/(CREDIT) (Continued)

(c) Income tax in the consolidated statement of financial position represents: (Continued)

(ii) Deferred tax liabilities recognised

The components of deferred tax liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

8. 所得稅開支／(抵免) (續)

(c) 綜合財務狀況表的所得稅指：(續)

(ii) 已確認遞延稅項負債

綜合財務狀況表內已確認遞延稅項負債的組成部分及於年內的變動如下：

| Deferred tax arising from: | 遞延稅項來自： | Depreciation allowances in excess of the related depreciation 折舊撥備 超出相關折舊 |
|--|------------------------------------|---|
| At 1 April 2019 | 於二零一九年四月一日 | (2,413,207) |
| Credited to profit or loss | 於損益中計入 | 978,104 |
| At 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日 及二零二零年四月一日 | (1,435,103) |
| Credited to profit or loss | 於損益中計入 | 518,773 |
| At 31 March 2021 | 於二零二一年三月三十一日 | (916,330) |

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8. INCOME TAX EXPENSES/(CREDIT) (Continued)

(c) Income tax in the consolidated statement of financial position represents: (Continued)

(ii) Deferred tax liabilities recognised (Continued)

Reconciliation to the consolidated statement of financial position is as follows:

8. 所得稅開支／(抵免) (續)

(c) 綜合財務狀況表的所得稅指：(續)

(ii) 已確認遞延稅項負債 (續)

與綜合財務狀況表的對賬如下：

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|---------------------|------------------|---------------|
| Net deferred tax assets recognised in the consolidated statement of financial position | 綜合財務狀況表內已確認遞延稅項資產淨額 | - | - |
| Net deferred tax liabilities recognised in the consolidated statement of financial position | 綜合財務狀況表內已確認遞延稅項負債淨額 | (916,330) | (1,435,103) |
| | | (916,330) | (1,435,103) |

(d) Deferred tax assets not recognised

In accordance with the accounting policy set out in note 2(s), the Group has not recognised deferred tax assets in respect of cumulative tax losses of approximately HK\$116,620,000 (2020: approximately HK\$116,141,000) as it is uncertain that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. Included in unrecognised tax losses are losses arising from subsidiaries operated in the People's Republic of China ("PRC") approximately HK\$3,332,000 (2020: nil) that may be carried forward for a period of five years from their respective year of origination. The remaining unrecognised tax losses may be carried forward indefinitely.

(d) 未確認遞延稅項資產

根據附註2(s)所載之會計政策，本集團並無確認有關累計稅項虧損約116,620,000港元（二零二零年：約116,141,000港元）的遞延稅項資產，此乃由於在有關稅務司法權區及實體是否可獲得可用於抵扣有關虧損的未來應課稅溢利存在不確定性。於中華人民共和國（「中國」）營運的附屬公司產生之虧損約3,332,000港元（二零二零年：無）計入未確認稅項虧損，可自其產生各年度起結轉五年。餘下的未確認稅項虧損則可無限期結轉。

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9. DIRECTORS' REMUNERATION

Directors' remuneration during the years ended 31 March 2021 and 2020 which was included in the staff costs as disclosed in note 7(b) is as follows:

Year ended 31 March 2021

| | | Director's fee | Discretionary bonus | Salaries, allowances and benefits in kind 薪金、津貼及 實物福利 | Retirement scheme contributions 退休計劃供款 | Total |
|--|-------------------|-------------------|------------------------|--|---|-----------|
| | | 董事袍金 | 酌情花紅 | | | 總計 |
| Executive Directors | 執行董事 | | | | | |
| Mr. Yan Shuai (Chairman) (note (v)) | 嚴帥先生 (主席) (附註(v)) | 563,859 | 254,400 | 636,141 | 9,152 | 1,463,552 |
| Mr. Chan Kwan | 陳昆先生 | - | 216,240 | 1,020,000 | 18,000 | 1,254,240 |
| Mr. Zhu Jiayu (note (iii)) | 朱佳瑜先生 (附註(iii)) | - | 213,696 | 1,008,000 | 4,500 | 1,226,196 |
| | | 563,859 | 684,336 | 2,664,141 | 31,652 | 3,943,988 |
| Non-executive Directors | 非執行董事 | | | | | |
| Mr. Zhang Zhenyi (note (iv)) | 張振義先生 (附註(iv)) | 144,000 | 449,600 | - | - | 593,600 |
| Mr. Chui Kwong Kau (note (vi)) | 崔光球先生 (附註(vi)) | 33,677 | - | - | - | 33,677 |
| | | 177,677 | 449,600 | - | - | 627,277 |
| Independent Non-executive Directors | 獨立非執行董事 | | | | | |
| Mr. Lo Wa Kei Roy | 盧華基先生 | 240,000 | - | - | - | 240,000 |
| Mr. Leung Ka Fai, Nelson | 梁嘉輝先生 | 144,000 | - | - | - | 144,000 |
| Mr. Qin Fen (note (viii)) | 秦奮先生 (附註(viii)) | 110,710 | - | - | - | 110,710 |
| Mr. Eric Todd (note (vii)) | 達振標先生 (附註(vii)) | 33,677 | - | - | - | 33,677 |
| | | 528,387 | - | - | - | 528,387 |
| Total | 總計 | 1,269,923 | 1,133,936 | 2,664,141 | 31,652 | 5,099,652 |

9. 董事薪酬

截至二零二一年及二零二零年三月三十一日止年度已計入附註7(b)所披露的員工成本的董事薪酬如下：

截至二零二一年三月三十一日止年度

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9. DIRECTORS' REMUNERATION

(Continued)

Year ended 31 March 2020

9. 董事薪酬 (續)

截至二零二零年三月三十一日止年度

| | | Director's fee | Discretionary bonus | Salaries, allowances and benefits in kind 薪金、津貼及 實物福利 | Retirement scheme contributions 退休計劃供款 | Total |
|--|--------------------|-------------------|------------------------|--|---|------------------|
| | | 董事袍金 | 酌情花紅 | | | 總計 |
| Executive Directors | 執行董事 | | | | | |
| Mr. Yan Shuai (Chairman) (note (v)) | 嚴帥先生 (主席) (附註(v)) | – | 740,151 | 1,050,000 | 18,000 | 1,808,151 |
| Mr. Fong Hon Hung (note (i),(ii)) | 方漢鴻先生 (附註(i)、(ii)) | – | 315,000 | 644,000 | 8,400 | 967,400 |
| Mr. Zhang Zhenyi (note (iv)) | 張振義先生 (附註(iv)) | – | 750,000 | 1,303,304 | 18,000 | 2,071,304 |
| Mr. Chan Kwan | 陳昆先生 | – | 740,151 | 1,005,000 | 18,000 | 1,763,151 |
| Mr. Zhu Jiayu (note (iii)) | 朱佳瑜先生 (附註(iii)) | 302,240 | 88,384 | 235,871 | – | 626,495 |
| | | 302,240 | 2,633,686 | 4,238,175 | 62,400 | 7,236,501 |
| Non-executive Directors | 非執行董事 | | | | | |
| Mr. Fong Hon Hung (note (i),(ii)) | 方漢鴻先生 (附註(i)、(ii)) | 459,987 | – | – | – | 459,987 |
| Mr. Zhang Zhenyi (note (iv)) | 張振義先生 (附註(iv)) | 12,000 | – | – | – | 12,000 |
| | | 471,987 | – | – | – | 471,987 |
| Independent Non-executive Directors | 獨立非執行董事 | | | | | |
| Mr. Lo Wa Kei Roy | 盧華基先生 | 240,000 | – | – | – | 240,000 |
| Mr. Leung Ka Fai, Nelson | 梁嘉輝先生 | 144,000 | – | – | – | 144,000 |
| Mr. Qin Fen (note (viii)) | 秦奮先生 (附註(viii)) | 144,000 | – | – | – | 144,000 |
| | | 528,000 | – | – | – | 528,000 |
| Total | 總計 | 1,302,227 | 2,633,686 | 4,238,175 | 62,400 | 8,236,488 |

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For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

9. DIRECTORS' REMUNERATION

(Continued)

During the years ended 31 March 2021 and 2020, none of the director has granted share or share options, in respect of their services to the Group under the share award scheme or the share option scheme of the Group.

During the years ended 31 March 2021 and 2020, no emoluments were paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. Neither the chief executive officer nor any of the directors waived any emoluments during the years ended 31 March 2021 and 2020.

Notes:

- (i) Re-designated from executive director of the Company to non-executive director of the Company and ceased to be the chairman of the board of directors on 18 September 2019.
- (ii) Resigned as non-executive director of the Company on 17 January 2020.
- (iii) Appointed as executive director of the Company on 18 September 2019.
- (iv) Re-designated from executive director of the Company to non-executive director of the Company on 1 March 2020.
- (v) Appointed as chairman of the board of directors on 18 September 2019.
- (vi) Appointed as non-executive director of the Company on 7 January 2021.
- (vii) Appointed as independent non-executive director of the Company on 7 January 2021.
- (viii) Resigned as independent non-executive director of the Company on 7 January 2021.

9. 董事薪酬 (續)

於截至二零二一年及二零二零年三月三十一日止年度，概無董事就彼等為本集團所提供的服務根據本集團股份獎勵計劃或購股權計劃獲授股份或購股權。

於截至二零二一年及二零二零年三月三十一日止年度，本集團概無向或應向董事支付酬金，作為招攬其加入或於其加入本集團後的獎勵或作為離職補償。於截至二零二一年及二零二零年三月三十一日止年度，概無行政總裁亦無任何董事放棄任何酬金。

附註：

- (i) 於二零一九年九月十八日自本公司執行董事調任為本公司非執行董事，並不再為董事會主席。
- (ii) 於二零二零年一月十七日辭任本公司非執行董事。
- (iii) 於二零一九年九月十八日獲委任為本公司執行董事。
- (iv) 於二零二零年三月一日自本公司執行董事調任為本公司非執行董事。
- (v) 於二零一九年九月十八日獲委任為董事會主席。
- (vi) 於二零二一年一月七日獲委任為本公司非執行董事。
- (vii) 於二零二一年一月七日獲委任為本公司獨立非執行董事。
- (viii) 於二零二一年一月七日辭任本公司獨立非執行董事。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

10. EMOLUMENTS OF FIVE HIGHEST PAID INDIVIDUALS

Of the five highest paid individuals of the Group, one (2020: three) of these is director for the year ended 31 March 2021, whose emoluments are disclosed in note 9. The emoluments in respect of the remaining individuals are as follows:

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|------------|------------------|---------------|
| Salaries, allowances and benefits in kind | 薪金、津貼及實物福利 | 6,312,000 | 3,065,000 |
| Discretionary bonus | 酌情花紅 | 800,000 | 400,000 |
| Retirement scheme contributions | 退休計劃供款 | 36,000 | 18,000 |
| | | 7,148,000 | 3,483,000 |

During the years ended 31 March 2021 and 2020, no emoluments were paid or payable by the Group to the five highest paid individuals (including directors and employees) or other directors as an inducement to join or upon joining the Group, or as compensation for loss of office.

The emoluments of the four (2020: two) individuals with the highest emoluments are within the following bands:

10. 五名最高薪酬人士的酬金

截至二零二一年三月三十一日止年度，於本集團五名最高薪酬人士中，一名（二零二零年：三名）為董事，其酬金披露於附註9。其餘人士的酬金總額如下：

於截至二零二一年及二零二零年三月三十一日止年度，本集團概無向或應向五名最高薪酬人士（包括董事及僱員）或其他董事支付酬金，以作為招攬其加入或於其加入本集團後的酬金或作為離職補償。

四位（二零二零年：兩位）最高薪酬人士的酬金介乎以下範圍：

| | | 2021 二零二一年 Number of individuals 人數 | 2020 二零二零年 Number of individuals 人數 |
|-----------------------|---------------------|---|---|
| Nil – 1,000,000 | 零-1,000,000 | - | - |
| 1,000,001 – 1,500,000 | 1,000,001-1,500,000 | - | - |
| 1,500,001 – 2,000,000 | 1,500,001-2,000,000 | 4 | 2 |

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綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

11. OTHER COMPREHENSIVE INCOME

Tax effects relating to each component of other comprehensive income

11. 其他全面收益

其他全面收益各部分相關的稅務影響

| | | 2021 二零二一年 | | | 2020 二零二零年 | | |
|---|-------------------------|-------------------------------|--|------------------------------------|-------------------------------|--|------------------------------------|
| | | Before-tax amount 除稅前金額 | Tax (expense)/ benefit 稅務(開支) /優惠 | Net-of-tax amount 扣除 稅項金額 | Before-tax amount 除稅前金額 | Tax (expense)/ benefit 稅務(開支) /優惠 | Net-of-tax amount 扣除 稅項金額 |
| Exchange differences on translation of financial statements of foreign operations | 換算海外業務財務報表的匯兌差額 | 1,226,407 | - | 1,226,407 | - | - | - |
| Share of other comprehensive income of investment accounted for using the equity method | 按權益法入賬之應佔投資之其他全面收益 | 964,896 | - | 964,896 | - | - | - |
| Debt investment at fair value through other comprehensive income (recycling): | 按公平值計入其他全面收益的債務投資(可撥回): | | | | | | |
| - net movement in fair value and impairment loss allowance | - 公平值及減值虧損撥備變動淨額 | 2,575,407 | - | 2,575,407 | - | - | - |
| - reclassification adjustments for gain on disposal included in profit or loss | - 計入損益的出售收益之重新分類調整 | (180,822) | - | (180,822) | - | - | - |
| Other comprehensive income | 其他全面收益 | 4,585,888 | - | 4,585,888 | - | - | - |

12. DIVIDENDS

The directors do not recommend the payment of a final dividend for the year ended 31 March 2021. No dividend has been declared or paid by the Company for the years ended 31 March 2021 and 2020.

12. 股息

董事並不建議派付截至二零二一年三月三十一日止年度之末期股息。本公司並無宣派或派付截至二零二一年及二零二零年三月三十一日止年度之股息。

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For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

13. LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share attributable to equity shareholders of the Company is based on the following:

| | | 2021 二零二一年 | 2020 二零二零年 |
|--|-------------------|---------------------|---------------|
| Loss | 虧損 | | |
| Loss attributable to equity shareholders of the Company | 本公司權益股東應佔虧損 | (12,239,849) | (60,371,732) |
| Number of shares | 股份數目 | | |
| Weighted average number of ordinary shares for the purpose of basic loss per share | 計算每股基本虧損之普通股加權平均數 | 938,918,932 | 960,000,000 |

For the year ended 31 March 2021, the calculation of the basis loss per share attributable to equity shareholders of the Company was based on (i) the loss attributable to equity shareholders of the Company and (ii) the weighted average numbers of ordinary shares in issue which was adjusted by the effect of 31,645,000 shares held for the Group's share award scheme (note 28).

For the year ended 31 March 2020, the calculation of the basic loss per share attributable to equity shareholders of the Company was based on (i) the loss attributable to equity shareholders of the Company and (ii) the weighted average number of ordinary shares.

(b) Diluted loss per share

There were no diluted potential shares in existence during the years ended 31 March 2021 and 2020.

13. 每股虧損

(a) 每股基本虧損

本公司權益股東應佔每股基本虧損乃按下列數據計算：

截至二零二一年三月三十一日止年度，本公司權益股東應佔每股基本虧損乃根據下列各項計算得出：(i)本公司權益股東應佔虧損及(ii)受本集團股份獎勵計劃(附註28)持有的31,645,000股股份影響而調整的已發行普通股加權平均數。

截至二零二零年三月三十一日止年度，本公司權益股東應佔每股基本虧損乃根據下列各項計算得出：(i)本公司權益股東應佔虧損及(ii)普通股加權平均數。

(b) 每股攤薄虧損

於截至二零二一年及二零二零年三月三十一日止年度，概無潛在攤薄股份。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

(a) Reconciliation of carrying amount

(a) 賬面值對賬

| | | Properties leased for own use 租賃作自用的物業 | Machinery 機械 | Leasehold improvements 租賃裝修 | Furniture and fixtures 傢俬及裝置 | Motor vehicles 汽車 | Total 總計 |
|----------------------------------|---------------------|---|------------------|-----------------------------------|------------------------------------|-------------------------|-------------------|
| Cost: | 成本： | | | | | | |
| At 1 April 2019 | 於二零一九年四月一日 | 6,007,406 | 109,886,042 | 2,950,888 | 2,682,179 | 11,964,872 | 133,491,387 |
| Additions | 添置 | 5,102,377 | 1,350,500 | 517,496 | 110,069 | 210,000 | 7,290,442 |
| Disposals | 出售 | (3,600,721) | (20,289,500) | (2,555,008) | (398,276) | (369,685) | (27,213,190) |
| At 31 March 2020 | 於二零二零年三月三十一日 | 7,509,062 | 90,947,042 | 913,376 | 2,393,972 | 11,805,187 | 113,568,639 |
| At 1 April 2020 | 於二零二零年四月一日 | 7,509,062 | 90,947,042 | 913,376 | 2,393,972 | 11,805,187 | 113,568,639 |
| Exchange adjustments | 匯兌調整 | 52,136 | - | - | 1,181 | - | 53,317 |
| Additions | 添置 | 1,701,052 | 1,335,648 | - | 197,893 | 2,879,800 | 6,114,393 |
| Disposals | 出售 | (162,895) | (11,566,000) | - | (1,929) | (1,036,782) | (12,767,606) |
| At 31 March 2021 | 於二零二一年三月三十一日 | 9,099,355 | 80,716,690 | 913,376 | 2,591,117 | 13,648,205 | 106,968,743 |
| Accumulated depreciation: | 累計折舊： | | | | | | |
| At 1 April 2019 | 於二零一九年四月一日 | - | 96,958,243 | 1,290,133 | 1,659,705 | 8,962,988 | 108,871,069 |
| Charge for the year | 年內支出 | 4,643,997 | 5,529,972 | 511,002 | 397,294 | 1,690,237 | 12,772,502 |
| Written back on disposals | 出售時撥回 | (3,323,749) | (20,289,500) | (1,405,255) | (223,580) | (240,295) | (25,482,379) |
| At 31 March 2020 | 於二零二零年三月三十一日 | 1,320,248 | 82,198,715 | 395,880 | 1,833,419 | 10,412,930 | 96,161,192 |
| At 1 April 2020 | 於二零二零年四月一日 | 1,320,248 | 82,198,715 | 395,880 | 1,833,419 | 10,412,930 | 96,161,192 |
| Exchange adjustments | 匯兌調整 | 10,094 | - | - | 172 | - | 10,266 |
| Charge for the year | 年內支出 | 3,090,549 | 5,291,765 | 103,499 | 271,764 | 1,237,311 | 9,994,888 |
| Written back on disposals | 出售時撥回 | (162,895) | (11,566,000) | - | (1,125) | (1,036,782) | (12,766,802) |
| At 31 March 2021 | 於二零二一年三月三十一日 | 4,257,996 | 75,924,480 | 499,379 | 2,104,230 | 10,613,459 | 93,399,544 |
| Net book value: | 賬面淨值： | | | | | | |
| At 31 March 2020 | 於二零二零年三月三十一日 | 6,188,814 | 8,748,327 | 517,496 | 560,553 | 1,392,257 | 17,407,447 |
| At 31 March 2021 | 於二零二一年三月三十一日 | 4,841,359 | 4,792,210 | 413,997 | 486,887 | 3,034,746 | 13,569,199 |

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14. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

(b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

| | | 2021 二零二一年 | 2020 二零二零年 |
|--|-----------------------|---------------|---------------|
| Properties leased for own use, carried at depreciated cost | 租賃作自用的物業 (按折舊成本列賬) | 4,841,359 | 6,188,814 |

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

| | | 2021 二零二一年 | 2020 二零二零年 |
|--|--------------------------|---------------|---------------|
| Depreciation charge of right-of-use assets by class of underlying asset: | 按相關資產類別劃分的 使用權資產折舊費用： | | |
| – machinery | – 機械 | – | 1,866,667 |
| – properties leased for own use | – 租賃作自用的物業 | 3,090,549 | 4,643,997 |
| Interest on lease liabilities (note 7(a)) | 租賃負債利息 (附註7(a)) | 405,595 | 405,709 |
| Expense relating to short-term leases | 與短期租賃有關的開支 | | |
| – machinery | – 機械 | 20,621,667 | 19,711,734 |
| – properties leased for own use | – 租賃作自用的物業 | 2,164,400 | 2,156,400 |

During the year, additions to right-of-use assets were approximately \$1,701,000 (2020: approximately \$5,102,000). This amount related to the capitalised lease payments payable under new tenancy agreements.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in notes 22(d) and 25, respectively.

14. 物業、廠房及設備 (續)

(b) 使用權資產

按相關資產類別劃分的使用權資產賬面淨值的分析載列如下：

於損益內確認的租賃開支項目的分析載列如下：

年內，添置使用權資產約1,701,000港元(二零二零年：約5,102,000港元)。該金額與新訂租賃協議項下應付的資本化租賃款項相關。

有關租賃的現金流出總額以及租賃負債的到期情況分析之詳情分別載於附註22(d)及25。

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14. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Right-of-use assets (Continued)

(i) Properties leased for own use

The Group has obtained the right to use other properties as its office and warehouses through tenancy agreements. The leases typically run for an initial period of 2 to 5 years.

Some leases include an option to renew the lease for an additional period after the end of the contract term. Where practicable, the Group seeks to include such extension options or early termination options exercisable by the Group to provide operational flexibility. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options or early termination options. If the Group is not reasonably certain to exercise the extension options, the future lease payments during the extension periods are not included in the measurement of lease liabilities. The potential exposure to these future lease payments is summarised below:

14. 物業、廠房及設備 (續)

(b) 使用權資產 (續)

(i) 租賃作自用的物業

本集團已透過租賃協議取得權利使用其他物業作為其辦公室及倉庫。該等租賃一般初步為期兩至五年。

若干租賃包括於合約期屆滿後將租賃再續期一段時間的選擇權。於可行情況下，本集團力求納入本集團可行使的續租選擇權或提前終止權，以提供營運靈活性。本集團按租賃開始日期評估其是否合理明確行使續租選擇權或提前終止權。倘本集團未合理明確行使續租選擇權，於續租期間的未來租賃付款不計入租賃負債的計量。該等未來租賃付款的潛在風險概述如下：

| | Lease liabilities recognised (discounted) | | Potential future lease payments under extension/termination options not included in lease liabilities (undiscounted) | |
|------------------------|---|---------------|--|---------------|
| | 2021 二零二一年 | 2020 二零二零年 | 2021 二零二一年 | 2020 二零二零年 |
| Warehouses – Hong Kong | 266,907 | 1,347,592 | - | - |

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15. INVESTMENTS IN SUBSIDIARIES

The following list contains the particulars of subsidiaries of the Group. The class of shares held is ordinary unless otherwise stated.

15. 於附屬公司的投資

下表載列本集團附屬公司的詳情。除非另有所示，所持有的股份類別為普通股。

| Name of company 公司名稱 | Place of incorporation/ establishment and business 註冊成立/成立 及業務地點 | Particulars of issued and paid up capital/registered capital 已發行及 繳足股本/註冊資本詳情 | Proportion of ownership interest 擁有權比例 | | | Principal activity 主要業務 |
|--|---|--|---|------------------------------------|-------------------------------------|---|
| | | | Group's effective interest 本集團 實際權益 | Held by the Company 本公司持有 | Held by subsidiary 附屬公司 持有 | |
| Hong Kong Wan Wai Company Limited* 香港宏偉有限公司* | British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」) | Ordinary shares US\$10,000 普通股10,000美元 | 100% | 100% | - | Investment holding 投資控股 |
| Chung Shun Boring Engineering Company Limited 中信鑽探工程有限公司 | Hong Kong 香港 | Ordinary shares HK\$4,700,000 普通股4,700,000港元 | 100% | - | 100% | Ground investigation works 土地勘測工程 |
| Wan Kei Geotechnical Engineering Company Limited 宏基土力工程有限公司 | Hong Kong 香港 | Ordinary shares HK\$10,000,000 普通股10,000,000港元 | 100% | - | 100% | Construction site foundation engineering and bore pile pre-drilling works 建築地盤地基工程及鑽孔灌 注樁預先鑽探工程 |
| Wan Kei Machinery Company Limited 宏基機械有限公司 | Hong Kong 香港 | Ordinary shares HK\$100 普通股100港元 | 100% | - | 100% | Machinery leasing 機械租賃 |
| Wan Kei (Macau) Civil And Foundation Construction Company Limited* 宏基(澳門)地基建築工程有限公司* | Macau 澳門 | 2 shares of MOP 14,000 2股澳門幣14,000元 | 100% | - | 100% | Construction site foundation engineering and bore pile pre-drilling works 建築地盤地基工程及鑽孔灌 注樁預先鑽探工程 |
| Ultimate Proud Limited* 至傲有限公司* | BVI 英屬處女群島 | Ordinary shares US\$1 普通股1美元 | 100% | 100% | - | Investment holding 投資控股 |
| Fortune Shiny (Hong Kong) Limited 富暉(香港)有限公司 | Hong Kong 香港 | Ordinary shares HK\$1,000,000 普通股1,000,000港元 | 100% | - | 100% | Money lending 借貸 |
| Infinite Time Holdings Limited* 永時控股有限公司* | BVI 英屬處女群島 | Ordinary shares US\$1 普通股1美元 | 100% | 100% | - | Investment holding 投資控股 |
| Sino Topper Holdings Limited 中昇集團有限公司 | Hong Kong 香港 | Ordinary shares HK\$20,000,000 普通股20,000,000港元 | 100% | - | 100% | Not yet commence business 尚未開始營業 |
| Prestige Victory Limited* 禦凱有限公司* | BVI 英屬處女群島 | Ordinary shares US\$1 普通股1美元 | 100% | 100% | - | Investment holding 投資控股 |
| Topper Summit Limited 首峰有限公司 | Hong Kong 香港 | Ordinary shares HK\$5,000,000 普通股5,000,000港元 | 100% | - | 100% | Not yet commence business 尚未開始營業 |

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15. INVESTMENTS IN SUBSIDIARIES

(Continued)

15. 於附屬公司的投資 (續)

| Name of company 公司名稱 | Place of incorporation/ establishment and business 註冊成立/成立 及業務地點 | Particulars of issued and paid up capital/registered capital 已發行及 繳足股本/註冊資本詳情 | Proportion of ownership interest 擁有權比例 | | | Principal activity 主要業務 |
|---|--|--|---|------------------------------|----------------------------------|--|
| | | | Group's effective interest 本集團 實際權益 | Held by the Company 本公司持有 | Held by subsidiary 附屬公司 持有 | |
| Delight Vision Global Limited* 悅景環球有限公司* | BVI 英屬處女群島 | Ordinary shares US\$1 普通股1美元 | 100% | 100% | – | Investment holding 投資控股 |
| Shiny Wiser Limited 勤暉有限公司 | Hong Kong 香港 | Ordinary shares HK\$5,000,000 普通股5,000,000港元 | 100% | – | 100% | Not yet commence business 尚未開始營業 |
| Elegant Top Holdings Limited* 雅達控股有限公司* | BVI 英屬處女群島 | Ordinary shares US\$1 普通股1美元 | 100% | 100% | – | Investment holding 投資控股 |
| Success Mount Investments Limited* 成峰投資有限公司* | BVI 英屬處女群島 | Ordinary shares US\$1 普通股1美元 | 100% | – | 100% | Not yet commence Business 尚未開始營業 |
| Advance Trade Holdings Limited* 晉業控股有限公司* | BVI 英屬處女群島 | Ordinary shares US\$1 普通股1美元 | 100% | 100% | – | Investment holding 投資控股 |
| Regal Victor International Limited 嘉興國際有限公司 | Hong Kong 香港 | Ordinary shares HK\$100 普通股100港元 | 100% | – | 100% | Trading of beauty and skin care products 美容及護膚產品貿易 |
| Yuyong (Shanghai) Construction Engineering Company Limited #,* 御永(上海)建築工程有限公司 #** | PRC 中國 | RMB100,000,000, paid up RMB20,576,300 人民幣 100,000,000元, 繳足人民幣20,576,300元 | 100% | – | 100% | Not yet commence business 尚未開始營業 |
| Bayview (Hainan) Construction Engineering Company Limited #,* 灣景(海南)建築工程有限公司 #** | PRC 中國 | RMB100,000,000, paid up RMBNil 人民幣 100,000,000元, 繳足 人民幣零元 | 100% | – | 100% | Not yet commence business 尚未開始營業 |

* Company not audited by HLB Hodgson Impey Cheng Limited ("HLB").

The English names of these companies referred to in these financial statements represent management's best effort to translate the Chinese names of those companies, as no English names have been registered.

* 未經國衛會計師事務所有限公司(「國衛」)審核的公司。

由於並無註冊英文名稱,該等財務報表所引述該等公司之英文名稱乃管理層盡最大努力對該等公司中文名稱作出之翻譯。

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16. INTEREST IN AN ASSOCIATE

16. 於一間聯營公司的權益

| Name of company 公司名稱 | Place of incorporation and business 註冊成立及業務地點 | Particulars of issued and paid up capital 已發行及繳足股本詳情 | Proportion of ownership interest 擁有權比例 | | | Principal activity 主要業務 |
|---|--|---|---|------------------------------|------------------------------|----------------------------|
| | | | Group's effective interest 本集團實際權益 | Held by the Company 本公司持有 | Held by subsidiary 附屬公司持有 | |
| Matsu Gami IP Development Limited 松神IP發展有限公司 | BVI 英屬處女群島 | Ordinary shares US\$10,000 普通股10,000美元 | 35% | 35% | - | Investment holding 投資控股 |

The associate is accounted for using the equity method in the consolidated financial statements.

聯營公司於綜合財務報表按權益法入賬。

Summarised financial information of the associate, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the consolidated financial statements, are disclosed below.

已就會計政策之任何差異作出調整，並與綜合財報表內之賬面值對賬，該聯營公司財務資料摘要披露如下。

2021
二零二一年

| | | |
|--|-----------------------|------------|
| Gross amounts of the associate | 聯營公司總額 | |
| Current assets | 流動資產 | 30,230,411 |
| Non-current assets | 非流動資產 | 68,409,989 |
| Current liabilities | 流動負債 | 22,522,423 |
| Non-current liabilities | 非流動負債 | 16,620,776 |
| Non-controlling interests | 非控股權益 | 261,675 |
| Equity attributable to equity shareholders of the associate | 聯營公司權益股東應佔權益 | 59,235,526 |
| Revenue | 收入 | 28,861,064 |
| Attributable to equity shareholders of the associate: | 聯營公司權益股東應佔： | |
| Loss for the period | 期內虧損 | (667,234) |
| Other comprehensive income | 其他全面收益 | 2,756,847 |
| Loss for the period and other comprehensive income | 期內虧損及其他全面收益 | 2,089,613 |
| Reconciled to the Group's interest in the associate | 本集團於聯營公司的權益的對賬 | |
| Gross amounts of net assets shared by equity shareholders of the associate | 聯營公司權益股東應佔資產淨值總額 | 59,235,526 |
| Group's effective interest | 本集團實際權益 | 35% |
| Group's share of net assets shared by equity shareholders of the associate | 本集團應佔聯營公司權益股東應佔的資產淨值 | 20,732,434 |
| Goodwill | 商譽 | 14,284,930 |
| Carrying amount in the consolidated financial statements | 於綜合財務報表的賬面值 | 35,017,364 |

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16. INTEREST IN AN ASSOCIATE

(Continued)

On 4 September 2020, the Group completed the acquisition of 35% equity interests in Matsu Gami IP Development Limited (the “**Matsu Gami**”) and related profit guarantee, call and put option arising from the acquisition by HK\$41,475,000 with HK\$21,475,000 cash consideration deposited into an escrow account and HK\$20,000,000 earnest money which had been paid by the Group during the year ended 31 March 2020. Matsu Gami holds subsidiaries incorporated in BVI, Hong Kong and PRC, which mainly engages in the business of provision of food and beverage catering services utilizing well-known intellectual property right (“**IP Right(s)**”).

The Guaranteed Profits and the Guaranteed IP Rights

Under the terms of the sale and purchase agreement and related supplemental agreements, the vendors and the vendor guarantors unconditionally and irrevocably guaranteed and warranted to the Company for each of the two years ending 31 March 2021 and 2022 (the “**Guaranteed Period(s)**”) that: (a) the audited consolidated net profits after tax but before deduction of non-recurring income and expenses of the Matsu Gami and its subsidiaries (together referred to as the “**Matsu Gami Group**”) according to the HKFRSs (the “**Actual Profit**”) shall be meet the minimum profit (the “**Guaranteed Profit(s)**”); and (b) the Matsu Gami Group acquires at least one IP Right as designated by the Company to be used in relation the Matsu Gami’s business(es) (the “**Guaranteed IP Right(s)**”).

16. 於一間聯營公司的權益 (續)

於二零二零年九月四日，本集團以41,475,000港元完成收購松神IP發展有限公司（「**松神**」）之35%股權以及收購事項產生的相關溢利擔保、認購及認沽期權，其中21,475,000港元以存入託管賬戶的現金支付及20,000,000港元誠意金已由本集團於截至二零二零年三月三十一日止年度支付。松神控股附屬公司於英屬處女群島、香港及中國註冊成立，其主要從事利用知名知識產權（「**知識產權**」）提供餐飲服務業務。

保證溢利及保證知識產權

根據買賣協議及相關補充協議之條款，賣方及賣方擔保人無條件及不可撤回地向本公司擔保及保證截至二零二一年及二零二二年三月三十一日止兩個年度各年（「**擔保期間**」）：(a)松神及其附屬公司（統稱「**松神集團**」）根據香港財務報告準則之經審核綜合除稅後但扣除非經常性收入及開支前溢利淨額（「**實際溢利**」）須達最低溢利（「**保證溢利**」）；及(b)松神集團取得至少一項由本公司指定及將用於松神集團業務之知識產權（「**保證知識產權**」）。

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16. INTEREST IN AN ASSOCIATE

(Continued)

The relevant provisions of the Guaranteed Profits and the Guaranteed IP Rights are set in the following table:

16. 於一間聯營公司的權益 (續)

保證溢利及保證知識產權之相關條文載於下表：

| Guaranteed Periods 擔保期間 | Guaranteed Profits 保證溢利 | Guaranteed IP Rights 保證知識產權 | Determination dates 釐定日期 |
|--|--------------------------------|---|-----------------------------|
| 1 April 2020 to 31 March 2021 二零二零年四月一日至 二零二一年三月三十一日 | HK\$10,000,000 10,000,000港元 | At least 1 IP Right as designated by the Company 至少一項本公司指定之 知識產權 | 31 July 2021 二零二一年七月三十一日 |
| 1 April 2021 to 31 March 2022 二零二一年四月一日至 二零二二年三月三十一日 | HK\$20,000,000 20,000,000港元 | At least 1 IP Right as designated by the Company 至少一項本公司指定之 知識產權 | 31 July 2022 二零二二年七月三十一日 |

Save as to the occurrence of any force majeure events as agreed between the parties, if the Actual Profit is less than the Guaranteed Profit during a Guaranteed Period, the vendor and the vendor guarantors shall compensate the Company in the amount calculated (the “**Compensation Amount**”) based on the following:

If the Matsu Gami Group record Actual Profit which is less than the Guaranteed Profit during a Guaranteed Period:

Compensation Amount = Guaranteed Profit – Actual Profit

If the Matsu Gami Group record audited consolidated net loss after tax but before deduction of non-recurring income and expenses (“**Actual Loss**”) during a Guaranteed Period:

Compensation Amount = Guaranteed Profit + Actual Loss

除非發生訂約各方已協定之任何不可抗力事件，倘於擔保期間，實際溢利少於保證溢利，則賣方及賣方擔保人將以根據以下各項計算之金額（「**補償金額**」）向本公司作出補償：

倘松神集團於擔保期間錄得之實際溢利少於保證溢利：

補償金額=保證溢利–實際溢利

倘松神集團於擔保期間錄得經審核綜合除稅後但扣除非經常性收入及開支前虧損淨額（「**實際虧損**」）：

補償金額=保證溢利+實際虧損

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16. INTEREST IN AN ASSOCIATE

(Continued)

Pursuant to an escrow agreement dated 4 September 2020 entered into among the Company, the vendors and an escrow agent, the parties agreed to appoint the escrow agent and the escrow agent agreed to hold and disburse the escrow amount pursuant to the terms of the escrow agreement. The escrow amount was already paid into escrow account maintained by the escrow agent and, after deducting the Compensation Amount (if any) according to the sale and purchase agreement, will be released by the escrow agent to the vendors in accordance with the joint instructions from the Company and the vendors upon determination of the Guaranteed Profits and the Guaranteed IP Rights for the 2020-2021 Guaranteed Period and 2021-2022 Guaranteed Period.

The Call option and the put option

Pursuant to the terms of the supplemental agreements, the vendors granted the Company a option conferring the right to the Company to require the vendors to sell 16% of the issued share capital of the Matsu Gami to the Company, which the Company may exercise with periods either beginning on 31 July 2021 and ending on the 30th business day thereafter or beginning on 31 July 2022 and ending on the 30th business day thereafter, if Matsu Gami had the fulfillment of the Guaranteed Profit and other conditions.

Pursuant to the terms of the sale and purchase agreement, the vendors granted the Company an option conferring the right to the Company to require the vendors to purchase all of the sale interests to the Company, which the Company may exercise within the period beginning on 4 September 2020 and ending on the 30th business day after 31 July 2022, if Matsu Gami Group had less than half of the amount of the Guaranteed Profit or the Actual Loss is recorded in respect of the relevant Guaranteed Period and other conditions; or the Guaranteed IP Right in respect of relevant Guaranteed Period is not fulfilled; or there occur material outstanding liabilities, breaches and/or non-compliances in relation to the Matsu Gami Group.

16. 於一間聯營公司的權益 (續)

根據託管協議，訂約各方同意委任由本公司、賣方及託管代理於二零二零年九月四日訂立之託管代理，而託管代理同意根據託管協議之條款持有及支付託管金額。託管金額已存入由託管代理存置之託管賬戶，並於釐定二零二零年至二零二一年擔保期間及二零二一年至二零二二年擔保期間之保證溢利及保證知識產權後，根據本公司與賣方之共同指示，託管金額（根據買賣協議扣除補償金額（如有）後）將由託管代理發放予賣方。

認購期權及認沽期權

根據補充協議之條款，賣方向本公司授出購股權，賦予本公司權利可藉此要求賣方出售松神16%之已發行股本。倘松神已達成保證溢利及滿足其他條件，本公司可於二零二一年七月三十一日開始及於其後第30個營業日結束期間或於二零二二年七月三十一日開始及於其後第30個營業日結束期間內行使購股權。

根據買賣協議之條款，賣方向本公司授出購股權，賦予本公司權利要求賣方向本公司購買所有出售權益。倘松神集團未獲達成有關擔保期間一半以上之保證溢利及其他條件或錄得實際虧損；或相關擔保期間內的保證知識產權未獲達成；或發生與松神集團有關的重大未償還負債、違約及／或不合規事宜，本公司可於二零二零年九月四日開始及於二零二二年七月三十一日後第30個營業日結束期間行使上述權利。

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16. INTEREST IN AN ASSOCIATE

(Continued)

Goodwill of approximately \$14,285,000 was arising on the acquisition, and included within the carrying amount of interest in an associate, which details as follows:

16. 於一間聯營公司的權益 (續)

收購事項產生商譽約14,285,000港元，並計入於一間聯營公司的權益之賬面值，有關詳情如下：

| Consideration paid | 已付代價 | |
|--|------------------------|--------------|
| – Cash consideration deposited into an escrow account in name of vendors | –以賣方名義存入託管賬戶之現金代價 | 21,475,000 |
| – Earnest money paid during the year ended 31 March 2020 | –截至二零二零年三月三十一日止年度已付誠意金 | 20,000,000 |
| – Fair value of the call option | –認購期權的公平值 | (6,190,000) |
| – Fair value of the put option | –認沽期權的公平值 | (11,000) |
| – Fair value of the profit guarantee | –溢利擔保的公平值 | (988,000) |
| | | 34,286,000 |
| Purchase consideration: | 購買代價： | |
| – Consideration paid | –已付代價 | 34,286,000 |
| Share of the fair value of net assets acquired | 應佔所收購資產淨值的公平值 | (20,001,070) |
| Goodwill | 商譽 | 14,284,930 |

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

17. 按公平值計入損益的金融資產

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|-----------------------------|---------------|---------------|
| Unlisted fund investment at FVPL (note 29(f)) | 按公平值計入損益的非上市基金投資 (附註29(f)) | | |
| – outside Hong Kong | –香港境外 | 17,144,601 | 19,908,126 |
| Profit guarantee in relation to acquisition of an associate (note 16 and 29(f)) | 就收購一間聯營公司之溢利擔保 (附註16及29(f)) | 3,190,000 | – |
| Put option in relation to acquisition of an associate (note 16 and 29(f)) | 就收購一間聯營公司之認沽期權 (附註16及29(f)) | 128,000 | – |
| Call option in relation to acquisition of an associate (note 16 and 29(f)) | 就收購一間聯營公司之認購期權 (附註16及29(f)) | 619,000 | – |
| | | 21,081,601 | 19,908,126 |

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18. DEBT INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

18. 按公平值計入其他全面收益的債務投資

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|---|-------------------|---------------|
| Unlisted debt investment at FVOCI (recycling) (note 29(f)) | 按公平值計入其他全面 收益的非上市債務投資 (可撥回) (附註29(f)) | | |
| – outside Hong Kong | – 香港境外 | 42,069,655 | – |

The debt investment is entitled to a fixed return of 8% per annum and maybe redeemed at the option of the Company.

債務投資有權獲得每年8%的固定回報，並可由本公司酌情贖回。

19. CONTRACT ASSETS

19. 合約資產

| | | 2021 二零二一年 | 2020 二零二零年 |
|--|-------------------------------|--------------------|---------------|
| Arising from performance under construction contracts, net of loss allowance (note) | 根據建造合約履約所產生， 扣除虧損撥備 (附註) | 82,404,219 | 70,341,839 |
| Arising from performance under ground investigation services, net of loss allowance (note) | 根據土地勘測服務履約所 產生，扣除虧損撥備 (附註) | 25,782,177 | 17,239,367 |
| | | 108,186,396 | 87,581,206 |

Note: Expect for the amount approximately \$58,565,000 (2020: approximately \$48,072,000) and approximately \$12,611,000 (2020: approximately \$2,749,000) for construction contracts and ground investigation services as at 31 March 2021 respectively, which are expected to be recovered after one year, all of the remaining balances are expected to be recovered within one year.

附註：除於二零二一年三月三十一日金額分別為約58,565,000港元(二零二零年：約48,072,000港元)及約12,611,000港元(二零二零年：約2,749,000港元)的建造合約及土地勘測服務預期於一年後回收外，餘下所有結餘預期將於一年內回收。

Typical payment terms which impact on the amount of contract assets recognised are as follows:

對經確認合約資產金額構成影響的一般支付條款如下：

The Group's construction contracts and ground investigation service contracts which require stage payments over the construction/service period once milestones are reached as application submitted to the customers/certificate issued by the customer.

本集團的建造合約及土地勘測服務合約要求一旦進程達標(向客戶提交申請/客戶發出認證)，即於建設/服務期間分階段付款。

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19. CONTRACT ASSETS (Continued)

At 31 March 2021 and 2020, the Group's construction contracts and ground investigation service contracts typically have an agreed retention period of one year for 5%-10% of the contract value, which amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on the Group's construction work satisfactorily passing inspection.

20. TRADE AND OTHER RECEIVABLES

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|----------------------------|-------------------|---------------|
| Trade receivables, net of loss allowance | 貿易應收款項，扣除虧損撥備 | 54,158,563 | 39,335,306 |
| Deposits, prepayments and other receivables, net of loss allowance (note) | 按金、預付款項及其他應收款項，扣除虧損撥備 (附註) | 26,571,822 | 33,726,838 |
| | | 80,730,385 | 73,062,144 |

Note: Except for the amounts of approximately HK\$970,000 and approximately HK\$949,000 as at 31 March 2021 and 31 March 2020 respectively, which are expected to be recovered after one year, all of the remaining balances are expected to be recovered within one year.

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the date of progress certificates issued by customers or the date of invoice issued to customers and net of allowance, is as follows:

| | | 2021 二零二一年 | 2020 二零二零年 |
|----------------|-------|-------------------|---------------|
| Within 1 month | 一個月內 | 23,442,806 | 16,423,637 |
| 1 to 2 months | 一至兩個月 | 23,843,790 | 1,276,787 |
| 2 to 3 months | 兩至三個月 | 1,623,652 | 21,138,842 |
| Over 3 months | 三個月以上 | 5,248,315 | 496,040 |
| | | 54,158,563 | 39,335,306 |

19. 合約資產 (續)

於二零二一年及二零二零年三月三十一日，本集團就合約價值5%至10%之建造合約及土地勘測服務合約協定的保留期一般為一年，該金額於保留期結束前計入合約資產，原因為本集團獲得此最終款項的權利於本集團工程順利通過檢測後方可作實。

20. 貿易及其他應收款項

附註：除於二零二一年三月三十一日及二零二零年三月三十一日金額分別為約970,000港元及約949,000港元預期於一年後回收外，餘下所有結餘預期將於一年內回收。

賬齡分析

截至報告期末，基於客戶發出的進度證書日期或向客戶出具發票日期及扣除撥備後，貿易應收款項 (計入貿易及其他應收款項) 的賬齡分析如下：

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20. TRADE AND OTHER RECEIVABLES

(Continued)

Ageing analysis (Continued)

Trade receivables are normally due within 30 to 45 days from the payment application date or 30 to 60 days from the certificate date or 60 to 90 days from the invoice date. Further details on the Group's credit policy are set out in note 29(a).

21. LOAN RECEIVABLES

At 31 March 2021, the effective interest rate attributed to the Group's loan receivables was 7.5% to 12% (2020: 7.5% to 12%) per annum and with maturity dates between April 2021 to February 2022 (2020: April 2020 to September 2020).

The Group provided impairment allowance of approximately \$4,893,000 on loan receivables for the year ended 31 March 2021 (2020: approximately \$483,000). Details of impairment assessment are set out in note 29(a).

22. CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents comprise:

20. 貿易及其他應收款項 (續)

賬齡分析 (續)

貿易應收款項一般於付款申請日期起計30至45日或證書日期起計30至60日或發票日期起計60至90日內到期。有關本集團信貸政策的進一步詳情載於附註29(a)。

21. 應收貸款

於二零二一年三月三十一日，本集團應收貸款之實際年利率為7.5%至12%（二零二零年：7.5%至12%），到期日自二零二一年四月至二零二二年二月（二零二零年：二零二零年四月至二零二零年九月）。

本集團就截至二零二一年三月三十一日止年度應收貸款計提減值撥備約4,893,000港元（二零二零年：約483,000港元）。減值評估的詳情載於附註29(a)。

22. 現金及現金等價物

(a) 現金及現金等價物包括：

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|---------------|---------------|---------------|
| Fixed-rate loan receivables, net of allowance | 固定利率應收貸款，扣除撥備 | 28,485,643 | 54,584,808 |
| Analysed as: | 分析為： | | |
| Current portion | 即期部分 | 28,485,643 | 54,584,808 |
| Analysed as: | 分析為： | | |
| Unsecured | 無抵押 | 28,485,643 | 54,584,808 |

| | | 2021 二零二一年 | 2020 二零二零年 |
|---------------------------|-----------|---------------|---------------|
| Cash at banks and in hand | 銀行存款及手頭現金 | 136,946,605 | 228,720,343 |

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22. CASH AND CASH EQUIVALENTS

(Continued)

(b) Reconciliation of loss before taxation to cash used in operations:

22. 現金及現金等價物 (續)

(b) 除稅前虧損與經營所用現金的對賬：

| | | Notes 附註 | 2021 二零二一年 | 2020 二零二零年 |
|--|--|-------------|---------------------|---------------|
| Operating activities | 經營活動 | | | |
| Loss before taxation | 除稅前虧損 | | (10,188,168) | (60,777,847) |
| Adjustments for: | 就下列各項調整： | | | |
| Interest on borrowing from a related company | 來自一間關連公司之借貸之利息 | 7(a) | 4,500,000 | 4,500,000 |
| Interest on borrowing from a director of a subsidiary | 來自一名附屬公司董事之借貸之利息 | 7(a) | 5,679,045 | 3,593,750 |
| Interest on bank overdraft | 銀行透支利息 | 7(a) | – | 195 |
| Interest on lease liabilities | 租賃負債利息 | 7(a) | 405,595 | 405,709 |
| Depreciation | 折舊 | 7(c) | 9,994,888 | 12,772,502 |
| Bank interest income | 銀行利息收入 | 5 | (229,487) | (3,632,523) |
| Fair value change on financial assets at fair value through profit or loss | 按公平值計入損益的金融資產的公平值變動 | 6 | 6,015,525 | 19,856,970 |
| Impairment losses on trade and other receivables, contract assets, loan receivables and debt investment at fair value through other comprehensive income | 貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益的債務投資之減值虧損 | 7(c) | 5,129,414 | 772,211 |
| Bad debt written off of trade receivables and contract assets | 撇銷貿易應收款項及合約資產壞賬 | 7(c) | – | 5,884,680 |
| Amortisation of deferred income | 遞延收入攤銷 | 6 | – | (656,999) |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備之收益 | 6 | (1,657,246) | (1,658,978) |
| Reclassification adjustment for gain on disposal of debt investment at fair value through other comprehensive income | 出售按公平值計入其他全面收益的債務投資之收益之重新分類調整 | 6 | (180,822) | – |
| Recognition of long service payment liabilities | 確認長期服務金負債 | | 393,120 | 169,973 |
| Share of loss of an associate | 應佔一間聯營公司之虧損 | | 233,532 | – |
| Changes in working capital: | 營運資金變動： | | | |
| Increase in trade and other receivables | 貿易及其他應收款項增加 | | (27,362,562) | (30,296,638) |
| Decrease/(increase) in loan receivables | 應收貸款減少／(增加) | | 21,205,995 | (47,081,787) |
| Increase in contract assets | 合約資產增加 | | (20,631,772) | (19,119,168) |
| Decrease in financial assets at fair value through profit or loss | 按公平值計入損益的金融資產減少 | | – | 1,968,000 |
| (Decrease)/increase in trade and other payables | 貿易及其他應付款項(減少)／增加 | | (4,427,163) | 15,298,884 |
| Cash used in operations | 經營所用現金 | | (11,120,106) | (98,001,066) |

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22. CASH AND CASH EQUIVALENTS

(Continued)

(c) Reconciliation of liabilities arising from financing activities

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

22. 現金及現金等價物 (續)

(c) 融資活動產生之負債對賬

下表詳述本集團融資活動產生之負債變動，包括現金及非現金變動。融資活動產生之負債為已於或將於本集團綜合現金流量表內分類為融資活動產生之現金流量或未來現金流量的負債。

| | | Lease liabilities 租賃負債 | Amount due to a director of a subsidiary 應付一名附屬公司董事款項 | Amount due to a related company 應付一間關連公司款項 | Total 總計 |
|---|---------------------|---------------------------|--|---|--------------------|
| At 1 April 2020 | 於二零二零年四月一日 | 6,493,838 | 110,699,082 | 104,100,000 | 221,292,920 |
| Changes from financing cash flows: | 融資現金流量變動： | | | | |
| Capital element of leases rentals paid | 已付租賃租金的資本部分 | (3,078,045) | - | - | (3,078,045) |
| Interest element of leases rentals paid | 已付租賃租金的利息部分 | (405,595) | - | - | (405,595) |
| Proceeds from borrowing from a director of a subsidiary | 來自一名附屬公司董事借貸之所得款項 | - | 19,000,000 | - | 19,000,000 |
| Repayment of borrowing from a director of a subsidiary | 償還一名附屬公司董事借貸之款項 | - | (13,000,000) | - | (13,000,000) |
| Total changes from financing cash flows | 融資現金流量變動總額 | (3,483,640) | 6,000,000 | - | 2,516,360 |
| Other changes: | 其他變動： | | | | |
| Increase in lease liabilities from entering into new leases during the year | 年內訂立新租賃令租賃負債增加 | 1,701,052 | - | - | 1,701,052 |
| Interest on lease liabilities | 租賃負債利息 | 405,595 | - | - | 405,595 |
| Interest on borrowing from a director of a subsidiary | 來自一名附屬公司董事之借貸之利息 | - | 5,679,045 | - | 5,679,045 |
| Interest on borrowing from a related company | 來自一間關連公司之借貸之利息 | - | - | 4,500,000 | 4,500,000 |
| Exchange adjustment | 匯兌調整 | 42,626 | - | - | 42,626 |
| Total other changes | 其他變動總額 | 2,149,273 | 5,679,045 | 4,500,000 | 12,328,318 |
| At 31 March 2021 | 於二零二一年三月三十一日 | 5,159,471 | 122,378,127 | 108,600,000 | 236,137,598 |

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22. CASH AND CASH EQUIVALENTS

(Continued)

(c) Reconciliation of liabilities arising from financing activities (Continued)

22. 現金及現金等價物 (續)

(c) 融資活動產生之負債對賬 (續)

| | | Lease liabilities 租賃負債 | Amount due to a director of a subsidiary 應付一名附屬公司董事款項 | Amount due to a related company 應付一間關連公司款項 | Total 總計 |
|---|---------------------|---------------------------|--|---|-------------|
| At 1 April 2019 | 於二零一九年四月一日 | 9,288,784 | 95,405,332 | 99,600,000 | 204,294,116 |
| Changes from financing cash flows: | 融資現金流量變動： | | | | |
| Capital element of lease rentals paid | 已付租賃租金的資本部分 | (7,652,312) | - | - | (7,652,312) |
| Interest element of lease rentals paid | 已付租賃租金的利息部分 | (361,841) | - | - | (361,841) |
| Proceeds from borrowing from a director of a subsidiary | 來自一名附屬公司董事借貸之所得款項 | - | 14,500,000 | - | 14,500,000 |
| Repayment of borrowing from a director of a subsidiary | 償還一名附屬公司董事借貸之款項 | - | (2,800,000) | - | (2,800,000) |
| Total changes from financing cash flows | 融資現金流量變動總額 | (8,014,153) | 11,700,000 | - | 3,685,847 |
| Other changes: | 其他變動： | | | | |
| Increase in lease liabilities from entering into new leases during the year | 年內訂立新租賃令租賃負債增加 | 5,102,377 | - | - | 5,102,377 |
| Decrease in lease liabilities from terminating leases during the year | 年內終止租賃令租賃負債減少 | (288,879) | - | - | (288,879) |
| Interest on lease liabilities | 租賃負債之利息 | 405,709 | - | - | 405,709 |
| Interest on borrowing from a director of a subsidiary | 來自一名附屬公司董事之借貸之利息 | - | 3,593,750 | - | 3,593,750 |
| Interest on borrowing from a related company | 來自一間關連公司之借貸之利息 | - | - | 4,500,000 | 4,500,000 |
| Total other changes | 其他變動總額 | 5,219,207 | 3,593,750 | 4,500,000 | 13,312,957 |
| At 31 March 2020 | 於二零二零年三月三十一日 | 6,493,838 | 110,699,082 | 104,100,000 | 221,292,920 |

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22. CASH AND CASH EQUIVALENTS

(Continued)

(d) Total cash outflow for leases

Amounts included in the consolidated statement of cash flows for leases comprise the following:

22. 現金及現金等價物 (續)

(d) 租賃現金流出總額

就租賃計入綜合現金流量表中的金額包括以下各項：

| | | 2021 二零二一年 | 2020 二零二零年 |
|-----------------------------|----------|-------------------|---------------|
| Within operating cash flows | 屬於經營現金流量 | 22,786,067 | 21,868,134 |
| Within financing cash flows | 屬於融資現金流量 | 3,483,640 | 8,014,153 |
| | | 26,269,707 | 29,882,287 |

23. TRADE AND OTHER PAYABLES

23. 貿易及其他應付款項

| | | 2021 二零二一年 | 2020 二零二零年 |
|--------------------------------|----------------|-------------------|---------------|
| Trade payables | 貿易應付賬款 | 31,189,596 | 35,176,154 |
| Retention payables (note (ii)) | 應付保留金 (附註(ii)) | 5,498,143 | 5,019,668 |
| Other payables and accruals | 其他應付款項及應計費用 | 7,212,920 | 8,130,762 |
| | | 43,900,659 | 48,326,584 |

Notes:

- (i) Save as disclosed in note 23(ii) below, all trade and other payables are expected to be settled within one year.
- (ii) Except for the amounts of approximately \$2,214,000 and approximately \$2,572,000 as at 31 March 2021 and 2020 respectively, all of the remaining balances are expected to be settled within one year.
- (iii) As of the end of the reporting period, ageing analysis of trade payables based on the invoice date is as follows:

附註：

- (i) 除下文附註23(ii)所披露外，所有貿易及其他應付款項預計將於一年內償付。
- (ii) 除分別於二零二一年及二零二零年三月三十一日的約2,214,000港元及約2,572,000港元外，餘下所有結餘預期將於一年內償付。
- (iii) 於報告期末，基於發票日期的貿易應付賬款的賬齡分析如下：

| | | 2021 二零二一年 | 2020 二零二零年 |
|----------------|-------|-------------------|---------------|
| Within 1 month | 一個月內 | 15,224,116 | 16,934,632 |
| 1 to 2 months | 一至兩個月 | 14,719,467 | 11,874,981 |
| 2 to 3 months | 兩至三個月 | 106,897 | 4,532,697 |
| Over 3 months | 三個月以上 | 1,139,116 | 1,833,844 |
| | | 31,189,596 | 35,176,154 |

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24. AMOUNT DUE TO A RELATED COMPANY/A DIRECTOR OF A SUBSIDIARY

The amount due to a related company, Bright Dynasty Trading Limited (“**Bright Dynasty**”), was unsecured, bearing interest rate at 5% (2020: 5%) per annum and repayable on demand. Bright Dynasty is beneficially owned by Mr. Fong Hon Hung (“**Mr. Fong**”), who is a member of key management personnel of the Group and is a director of a principal subsidiary.

The amount due to a director of a subsidiary, Mr. Lau Woon Si (“**Mr. Lau**”), was unsecured, bearing interest rate at 5% (2020: 5%) per annum and repayable on demand, except for an amount of \$22,500,000 as at 31 March 2020 which was unsecured, interest-free and repayable on demand. Mr. Lau is a member of key management personnel of the Group and is a director of a subsidiary.

25. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group’s lease liabilities:

| | | 31 March 2021 二零二一年三月三十一日 | | 31 March 2020 二零二零年三月三十一日 | |
|--------------------------------------|------------|--|---|--|---|
| | | Present value of the minimum lease payments 最低租賃 付款的現值 | Total minimum lease payments 最低租賃 付款總額 | Present value of the minimum lease payments 最低租賃 付款的現值 | Total minimum lease payments 最低租賃 付款總額 |
| Within 1 year | 一年內 | 2,671,267 | 2,915,338 | 2,756,941 | 3,117,052 |
| After 1 year but within 2 years | 一年後惟於兩年內 | 2,260,463 | 2,343,590 | 2,061,988 | 2,247,600 |
| After 2 years but within 5 years | 兩年後惟於五年內 | 227,741 | 230,723 | 1,674,909 | 1,730,400 |
| | | 2,488,204 | 2,574,313 | 3,736,897 | 3,978,000 |
| | | 5,159,471 | 5,489,651 | 6,493,838 | 7,095,052 |
| Less: total future interest expenses | 減：未來利息開支總額 | | (330,180) | | (601,214) |
| Present value of lease obligations | 租賃承擔的現值 | | 5,159,471 | | 6,493,838 |

24. 應付一間關連公司／一名附屬公司董事之款項

應付一間關連公司光御貿易有限公司（「**光御貿易**」）之款項屬無抵押，按年息5%（二零二零年：5%）計息及須按要求償還。光御貿易由方漢鴻先生（「**方先生**」）實益擁有，彼為本集團的一名主要管理層成員及為一間主要附屬公司的董事。

除於二零二零年三月三十一日為數22,500,000港元之款項屬無抵押、免息及須按要求償還外，應付一名附屬公司董事劉煥詩先生（「**劉先生**」）之款項屬無抵押，按年息5%（二零二零年：5%）計息及須按要求償還。劉先生為本集團的一名主要管理層成員及為一名附屬公司董事。

25. 租賃負債

下表列示本集團租賃負債之剩餘合約到期日：

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26. EMPLOYEE RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of \$30,000. Contributions to the plan vest immediately.

27. CAPITAL, RESERVES AND DIVIDENDS

(a) 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 changes in the Company’s individual components of equity between the beginning and the end of the year are set out below.

Company

| | | Share premium | Capital reserve | Special reserve | Exchange reserve | Shares held under share award scheme | Accumulated losses | Total |
|---|----------------------------------|---------------|-----------------|-----------------|------------------|--------------------------------------|--------------------|---------------|
| | | 股份溢價 | 資本儲備 | 特別儲備 | 匯兌儲備 | 股份獎勵計劃持有股份 | 累計虧損 | 總計 |
| Balance at 1 April 2019 | 於二零一九年四月一日的結餘 | 211,357,601 | 9,669,301 | 143,726,131 | - | - | (58,701,313) | 306,051,720 |
| Loss and total comprehensive expenses for the year | 年內虧損及全面開支總額 | - | - | - | - | - | (130,019,884) | (130,019,884) |
| Balance at 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及二零二零年四月一日之結餘 | 211,357,601 | 9,669,301 | 143,726,131 | - | - | (188,721,197) | 176,031,836 |
| Loss for the year | 年內虧損 | - | - | - | - | - | (12,732,503) | (12,732,503) |
| Share of other comprehensive income of investment accounted for using the equity method | 以權益法入賬之應佔投資之其他全面收益 | - | - | - | 964,896 | - | - | 964,896 |
| Loss and total comprehensive expenses for the year | 年內虧損及全面開支總額 | - | - | - | 964,896 | - | (12,732,503) | (11,767,607) |
| Shares purchased for share award scheme | 股份獎勵計劃購買股份 | - | - | - | - | (19,429,159) | - | (19,429,159) |
| Balance at 31 March 2021 | 於二零二一年三月三十一日之結餘 | 211,357,601 | 9,669,301 | 143,726,131 | 964,896 | (19,429,159) | (201,453,700) | 144,835,070 |

26. 僱員退休福利

本集團根據《香港強制性公積金計劃條例》為受《香港僱傭條例》管轄的受聘僱員設立一項強制性公積金計劃（「強積金計劃」）。強積金計劃為一項由獨立受託人管理的定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃供款，每月最高相關收入為30,000港元。計劃供款即時歸屬。

27. 資本、儲備及股息

(a) 權益組成變動

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。本公司年初及年末之間權益組成部分的變動詳情載於下文。

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27. CAPITAL, RESERVES AND DIVIDENDS (Continued)

(b) Special reserve

Special reserve represents the difference between the equity of Hong Kong Wan Wai Company Limited acquired pursuant to the Reorganisation on 9 May 2015 over the nominal value of the Company's shares issued in exchange therefore.

(c) Share capital

27. 資本、儲備及股息 (續)

(b) 特別儲備

特別儲備指根據於二零一五年五月九日之重組所收購香港宏偉有限公司之權益與本公司作為交換所發行股份之面值之差額。

(c) 股本

| | | Number of ordinary shares 普通股數目 | Nominal amount 面值 HK\$ 港元 |
|---|--|--|---------------------------------------|
| Ordinary shares of HK\$0.01 each authorised: | 每股面值0.01港元之法定普通股： | | |
| At 1 April 2019, 31 March 2020, 1 April 2020 and 31 March 2021 | 於二零一九年四月一日、 二零二零年三月三十一日、 二零二零年四月一日及 二零二一年三月三十一日 | 2,000,000,000 | 20,000,000 |
| Ordinary shares, issued and fully paid: | 已發行及繳足普通股： | | |
| At 1 April 2019, 31 March 2020, 1 April 2020 and 31 March 2021 | 於二零一九年四月一日、 二零二零年三月三十一日、 二零二零年四月一日及 二零二一年三月三十一日 | 960,000,000 | 9,600,000 |

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27. CAPITAL, RESERVES AND DIVIDENDS (Continued)

(d) Nature and purpose of reserves

(i) 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 the 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 the 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.

(ii) Merger reserve

Merger reserve represents the difference between the nominal value of the shares issued by the Company in exchange for the nominal value of the share capital of its subsidiaries arising from the Reorganisation.

(iii) Capital reserve

The capital reserve represents the deemed capital contribution from its shareholders, in relation to listing expenses reimbursed to the Company during the year ended 31 March 2016.

(iv) Share held under share award scheme

Share held under share award scheme represents amounts arose as a result of purchasing of Company's shares for share award scheme or granting the shares to relevant grantees of the Group.

(e) Distributability of reserves

At 31 March 2021, the aggregate amount of reserves available for distribution to equity shareholders of the Company was approximately \$19,573,000 (2020: approximately \$32,306,000).

27. 資本、儲備及股息 (續)

(d) 儲備之性質及目的

(i) 股份溢價

股份溢價賬受開曼群島公司法規管，本公司於向權益股東支付分派或股息時可根據其組織章程大綱及細則的條文(如有)動用股份溢價賬。除非緊隨建議支付分派或股息當日後本公司將可支付於日常業務過程中到期的債務，否則不可動用股份溢價賬以向權益股東支付分派或股息。

(ii) 合併儲備

合併儲備指於重組時為換取本公司附屬公司股本而由本公司發行股份之面值與該等換取股本面值之差額。

(iii) 資本儲備

資本儲備指其股東的視作注資，有關於截至二零一六年三月三十一日止年度向本公司償付上市開支。

(iv) 股份獎勵計劃持有股份

股份獎勵計劃持有股份指由於就股份獎勵計劃購買本公司股份或向本集團相關承授人授出有關股份而產生的金額。

(e) 可分派儲備

於二零二一年三月三十一日，可供分派予本公司權益股東的儲備金額合共為約19,573,000港元(二零二零年：約32,306,000港元)。

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27. 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 construction 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-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes, trade and other payables, amount due to a related company, amount due to a director of a subsidiary, lease liabilities and long services payment liabilities) less cash and cash equivalents. Adjusted capital comprises all components of equity.

The Group's adjusted net debt-to-capital ratio at 31 March 2021 and 2020 was as follows:

27. 資本、儲備及股息 (續)

(f) 資本管理

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，以為其建築業務提供資金、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與資本比率為基準監督其資本結構。就此而言，本集團界定經調整債務淨額為債務總額（包括貿易及其他應付款項、應付一間關連公司款項、應付一名附屬公司董事款項、租賃負債及長期服務金負債）減現金及現金等價物。經調整資本包括所有權益組成部分。

於二零二一年及二零二零年三月三十一日，本集團經調整債務淨額與資本比率如下：

| | | 2021 二零二一年 | 2020 二零二零年 |
|---------------------------------|------------|----------------------|---------------|
| Total debts | 債務總額 | 281,011,181 | 270,199,308 |
| Less: Cash and cash equivalents | 減：現金及現金等價物 | (136,946,605) | (228,720,343) |
| Adjusted net debt | 經調整債務淨額 | 144,064,576 | 41,478,965 |
| Total equity | 權益總額 | 180,825,648 | 207,908,768 |
| Net debt-to-capital ratio | 債務淨額與資本比率 | 79.67% | 19.95% |

Neither the Company nor any of its subsidiaries are subject to any externally imposed capital requirements.

本公司及其任何附屬公司毋須遵守任何外部施加的資本規定。

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28. SHARE AWARD SCHEME

On 30 June 2020, the Group adopted a share award scheme (the “**Share Award Scheme**”) to recognise the contributions by participants and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

Subject to any early termination as may be determined by the board of directors, the Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the adoption date. The board of directors shall not make any further award of awarded shares which will result in the nominal value of the shares awarded by the board of directors under the Share Award Scheme exceeding ten per cent (10%) of the issued share capital of the Company from time to time. The maximum number of shares which may be awarded to a selected participant under the Share Award Scheme shall not exceed one per cent (1%) of the issued share capital of the Company from time to time.

The Share Award Scheme shall be subject to the administration of the board of directors and the trustee in accordance with the rules of the Share Award Scheme and the terms of the trust deed. The decision of the board of directors with respect to any matter arising under the Share Award Scheme shall be final and binding. The trustee shall hold the trust fund in accordance with the rules of the Share Award Scheme and the terms of the trust deed.

During the year ended 31 March 2021, the Group purchased 31,645,000 of its own shares through the trustee from open market. The total amount paid to acquire the shares was approximately \$19,429,000 and has been deducted from equity and such shares were classified as share held under share award scheme. No shares had been awarded by the board of directors under the Share Award Scheme during the year ended 31 March 2021.

28. 股份獎勵計劃

於二零二零年六月三十日，本集團採納一項股份獎勵計劃（「**股份獎勵計劃**」），以肯定參與者作出的貢獻並向彼等提供獎勵，以挽留彼等繼續協助本集團的營運及發展，並吸引合適人員推動本集團的進一步發展。

股份獎勵計劃將自採納日期起計十(10)年期間有效及生效，惟董事會可決定提前終止。倘董事會授出獎勵股份後會導致根據股份獎勵計劃授予獎勵股份面值超過本公司不時已發行股本的百分之十(10%)，則不可再進一步授出獎勵股份。根據股份獎勵計劃向一名獲選參與者獎勵的最高股份數量不可超過本公司不時已發行股本的百分之一(1%)。

股份獎勵計劃須由董事會及受託人根據股份獎勵計劃規則及信託契據條款進行管理。董事會就因股份獎勵計劃所產生之任何事宜所作出的決定（包括對該計劃任何條文的解釋）將屬最終決定及具約束力。受託人須根據股份獎勵計劃規則及信託契據條款持有信託基金。

於截至二零二一年三月三十一日止年度，本集團通過受託人自公開市場購買31,645,000股自有股份。購買股份所支付的總額約為19,429,000港元，並已從權益中扣除，且該等股份分類為股份獎勵計劃持有股份。截至二零二一年三月三十一日止年度，董事會概無根據股份獎勵計劃授出任何股份。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities. 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

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

The Group's credit risk is primarily attributable to trade and other receivables, contrast assets, loan receivables and debt investment at FVOCI. The group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks 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.

The Group has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 12% (2020: 7%) and 41% (2020: 26%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively within the foundation construction segment.

29. 金融風險管理及金融工具的公平值

本集團於日常業務過程中承受信貸、流動資金及利率風險。本集團亦面臨來自其他實體的股權投資之股本價格風險。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

信貸風險指對手方未能履行其合約責任而使本集團產生財務虧損之風險。

本集團的信貸風險主要歸因於貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益的債務投資。本集團所面臨來自現金及現金等價物的信貸風險有限，因為對手方均為具有良好信貸評級的銀行而本集團就任何個別金融機構所承擔的風險有限。鑒於該等銀行及金融機構擁有高信貸評級，管理層預期任何該等銀行及金融機構及對手方均能履行彼等之責任。

本集團備有信貸政策並持續監控該等信貸風險。

貿易應收款項及合約資產

本集團承受之信貸風險主要受各客戶的個別特點而非客戶營運所屬行業或所在國家影響。因此，重大信貸集中風險主要源於本集團承受重大個別客戶風險。於報告期末，貿易應收款項總額之12%（二零二零年：7%）及41%（二零二零年：26%）分別來自本集團在地基建建築分部內最大客戶及五大客戶。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Individual credit evaluations are performed on all customers requiring credit over a certain amount. 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 30 to 45 days from the payment application date or 30 to 60 days from the certificate date. Normally, the Group does not obtain collateral from construction contract and ground investigation services customers.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

Other receivables, loan receivables and debt investment at fair value through other comprehensive income

For the loan receivables, the Group's management manages and analyses the credit risk for each of their new and existing customers before standard payment terms and conditions are offered. The management assesses the collateral and credit quality of each customer based on customer's background information, financial position, past experience and relevant factors. The Group also reviews from time to time the financial position of the customers.

For instruments including other receivables, loan receivables and debt investment at fair value through other comprehensive income, the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised based on significant increases in the likelihood or risk of a default occurring since initial recognition. The Group has assessed and concluded that the risk of default rate for the other instruments are steadily based on the Group's assessment of the financial health of the counterparties.

29. 金融風險管理及金融工具的公平值 (續)

(a) 信貸風險 (續)

所有要求超過若干金額之信貸之客戶均會進行個別信貸評估。該等評估專注於客戶過往到期還款之記錄及現時之還款能力，並考慮該客戶之特定資料以及客戶經營所處之經濟環境。貿易應收款項於付款申請日期起計30至45日或自證書日期起計30至60日到期。本集團一般並無取得建造合約及土地勘測服務客戶的抵押品。

本集團按相等於使用撥備矩陣計算之全期預期信貸虧損的金額計量貿易應收款項及合約資產的虧損撥備。由於本集團的過往信貸虧損經驗並無就不同客戶分部顯示重大虧損模式差異，根據逾期狀態計算的虧損撥備並無於本集團不同客戶基礎之間進一步區分。

其他應收款項、應收貸款以及按公平值計入其他全面收益的債務投資

就應收貸款而言，於提供標準支付條款及條件之前，本集團管理層會管理及分析新增及現有客戶各自的信貸風險。管理層基於客戶的背景資料、財務狀況、過往經驗及相關因素評估各個客戶的抵押及信貸質素。本集團亦會不時檢討客戶的財務狀況。

就工具（包括其他應收款項、應收貸款以及按公平值計入其他全面收益的債務投資）而言，本集團計量虧損撥備等於12個月預期信貸虧損，除非當信貸風險自首次確認以來顯著上升，則本集團確認全期預期信貸虧損。是否應確認全期預期信貸虧損乃根據自首次確認以來發生違約的可能性或風險顯著上升而評估。根據本集團對交易對手財務穩健性之評估，本集團已評定並認為其他工具之違約風險率乃屬穩定。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade and other receivables, contract assets, loan receivables and debt investment at FVOCI as at 31 March 2021 and 2020:

29. 金融風險管理及金融工具的公平值 (續)

(a) 信貸風險 (續)

下表提供有關本集團於二零二一年及二零二零年三月三十一日就貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益的債務投資所面臨之信貸風險及預期信貸虧損之資料：

| | | 2021 二零二一年 | | |
|---------------------------------------|-------------------|---|-------------------------------|------------------------|
| | | Expected credit loss rate (%) 預期信貸虧損率(%) | Gross carrying amount 總賬面值 | Loss allowance 虧損撥備 |
| Trade receivables and contract assets | 貿易應收款項及合約資產 | | | |
| Current (not past due) | 流動 (未逾期) | 0.31% | 142,553,082 | 438,184 |
| 1-30 days past due | 逾期1至30日 | 0.13% | 5,931,426 | 7,436 |
| 31-60 days past due | 逾期31至60日 | 0.11% | 1,541,173 | 1,623 |
| 61-90 days past due | 逾期61至90日 | 1.55% | 6,896,276 | 106,675 |
| More than 90 days past due | 逾期超過90日 | 2.57% | 6,134,374 | 157,454 |
| | | | 163,056,331 | 711,372 |
| Other receivables | 其他應收款項 | 0.68% | 26,752,707 | 180,885 |
| Loan receivables | 應收貸款 | 16.08% | 33,942,459 | 5,456,816 |
| Debt investment at FVOCI | 按公平值計入其他全面收益的債務投資 | 0.77% | 42,069,655 | 324,930 |
| | | | 102,764,821 | 5,962,631 |
| | | | 265,821,152 | 6,674,003 |

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

29. 金融風險管理及金融工具的公平值 (續)

(a) 信貸風險 (續)

| | | 2020 二零二零年 | | |
|---------------------------------------|-------------|--|-------------------------------------|---------------------------|
| | | Expected credit loss rate (%) 預期信貸虧 損率(%) | Gross carrying amount 總賬面值 | Loss allowance 虧損撥備 |
| Trade receivables and contract assets | 貿易應收款項及合約資產 | | | |
| Current (not past due) | 流動 (未逾期) | 0.38% | 114,554,602 | 436,864 |
| 1-30 days past due | 逾期1至30日 | 0.32% | 9,062,399 | 29,063 |
| 31-60 days past due | 逾期31至60日 | 0.32% | 3,280,010 | 10,612 |
| 61-90 days past due | 逾期61至90日 | - | - | - |
| More than 90 days past due | 逾期超過90日 | 28.33% | 692,151 | 196,111 |
| | | | 127,589,162 | 672,650 |
| Other receivables | 其他應收款項 | 0.91% | 34,035,131 | 308,293 |
| Loan receivables | 應收貸款 | 1.02% | 55,148,454 | 563,646 |
| | | | 89,183,585 | 871,939 |
| | | | 216,772,747 | 1,544,589 |

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

預期虧損率根據過往3年的實際虧損經驗作出。該等比率已進行調整以反映已收集過往數據期間內的經濟狀況、當前狀況及本集團對應收款項預期年期內的經濟狀況的意見之間的差異。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

Movement in the loss allowance account in respect of trade and other receivables, contract assets, loan receivables and debt investment at FVOCI during the year is as follows:

| | | Trade receivables | Other receivables | Contract assets | Loan receivables | Debt investment at FVOCI 按公平值計入 其他全面收益 的債務投資 | Total |
|--|---------------------------|-------------------|-------------------|-----------------|------------------|---|------------------|
| | | 貿易應收款項 | 其他應收款項 | 合約資產 | 應收貸款 | | 總計 |
| Balance at 1 April 2019 | 於二零一九年四月一日的結餘 | 455,737 | 81,514 | 256,548 | 80,995 | - | 874,794 |
| Amounts written off during the year | 年內撇銷的金額 | (50,619) | - | (51,797) | - | - | (102,416) |
| Impairment losses recognised during the year | 年內已確認減值虧損 | 84,583 | 226,779 | (21,802) | 482,651 | - | 772,211 |
| Balance at 31 March 2020 and 1 April 2020 | 於二零二零年三月三十一日及二零二零年四月一日的結餘 | 489,701 | 308,293 | 182,949 | 563,646 | - | 1,544,589 |
| Impairment losses recognised during the year | 年內已確認減值虧損 | 12,140 | (127,408) | 26,582 | 4,893,170 | 324,930 | 5,129,414 |
| Balance at 31 March 2021 | 於二零二一年三月三十一日的結餘 | 501,841 | 180,885 | 209,531 | 5,456,816 | 324,930 | 6,674,003 |

(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.

29. 金融風險管理及金融工具的公平值 (續)

(a) 信貸風險 (續)

年內有關貿易及其他應收款項、合約資產、應收貸款及按公平值計入其他全面收益之債務投資的虧損撥備賬變動如下：

(b) 流動資金風險

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貸契諾的情況，以確保其維持足夠現金儲備及獲主要金融機構授予充足的已承諾資金額度，以應付其短期及長期的流動資金需要。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk (Continued)

The following table details the remaining contractual maturities as at 31 March 2021 and 2020 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 31 March 2021 and 2020) and the earliest date the Group can be required to pay:

| | | At 31 March 2021 於二零二一年三月三十一日 | | | | | |
|--|--------------|----------------------------------|---|---------------------------------------|--|---|---------------------------|
| | | Carrying amount | Total contractual undiscounted cash flow 合約未貼現現金流量總額 | Within 1 year or on demand 一年內或應要求 | More than 1 year but less than 2 years 一年以上但兩年內 | More than 2 years but less than 5 years 兩年以上但五年內 | More than 5 years 五年以上 |
| | | 賬面值 | | | | | |
| Trade and other payables | 貿易及其他應付款項 | 43,900,659 | 43,900,659 | 41,687,078 | 2,213,581 | - | - |
| Amount due to a related company | 應付一間關連公司款項 | 108,600,000 | 108,975,000 | 108,975,000 | - | - | - |
| Amount due to a director of a subsidiary | 應付一名附屬公司董事款項 | 122,378,127 | 122,886,460 | 122,886,460 | - | - | - |
| Lease liabilities | 租賃負債 | 5,159,471 | 5,489,651 | 2,915,338 | 2,343,590 | 230,723 | - |
| | | 280,038,257 | 281,251,770 | 276,463,876 | 4,557,171 | 230,723 | - |

29. 金融風險管理及金融工具的公平值 (續)

(b) 流動資金風險 (續)

下表詳列本集團的金融負債於二零二一年及二零二零年三月三十一日的餘下合約到期情況，此乃根據合約未貼現現金流量（包括使用按合約利率（或如屬浮息，則根據於二零二一年及二零二零年三月三十一日的即期利率）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：

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk (Continued)

| | | Carrying amount | Total contractual undiscounted cash flow | At 31 March 2020 | | | |
|--|--------------|-----------------|--|--|---|-------------------|------|
| | | | | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years | |
| | | 賬面值 | 合約未貼現現金流量總額 | 一年內或應要求 | 一年以上但兩年內 | 兩年以上但五年內 | 五年以上 |
| Trade and other payables | 貿易及其他應付款項 | 48,326,584 | 48,326,584 | 45,754,553 | 2,572,031 | - | - |
| Amount due to a related company | 應付一間關連公司款項 | 104,100,000 | 104,475,000 | 104,475,000 | - | - | - |
| Amount due to a director of a subsidiary | 應付一名附屬公司董事款項 | 110,699,082 | 111,034,499 | 111,034,499 | - | - | - |
| Lease liabilities | 租賃負債 | 6,493,838 | 7,095,052 | 3,117,052 | 2,247,600 | 1,730,400 | - |
| | | 269,619,504 | 270,931,135 | 264,381,104 | 4,819,631 | 1,730,400 | - |

(c) Interest rate risk

The Group had no significant exposure to interest rate risk for the year ended 31 March 2021 and 31 March 2020. Borrowings issued at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively.

The Group regularly reviews and monitors the mix of fixed and variable rate borrowings in order to manage its interest rate risks. During the year ended 31 March 2021 and 31 March 2020, however, the management of the Group did not consider it necessary to use interest rate swaps to hedge their exposure to interest risk. At 31 March 2021 and 31 March 2020, the Group did not hold any assets and liabilities which are exposed to significant interest risk.

29. 金融風險管理及金融工具的公平值 (續)

(b) 流動資金風險 (續)

| | | Carrying amount | Total contractual undiscounted cash flow | At 31 March 2020 | | | |
|--|--------------|-----------------|--|--|---|-------------------|------|
| | | | | More than 1 year but less than 2 years | More than 2 years but less than 5 years | More than 5 years | |
| | | 賬面值 | 合約未貼現現金流量總額 | 一年內或應要求 | 一年以上但兩年內 | 兩年以上但五年內 | 五年以上 |
| Trade and other payables | 貿易及其他應付款項 | 48,326,584 | 48,326,584 | 45,754,553 | 2,572,031 | - | - |
| Amount due to a related company | 應付一間關連公司款項 | 104,100,000 | 104,475,000 | 104,475,000 | - | - | - |
| Amount due to a director of a subsidiary | 應付一名附屬公司董事款項 | 110,699,082 | 111,034,499 | 111,034,499 | - | - | - |
| Lease liabilities | 租賃負債 | 6,493,838 | 7,095,052 | 3,117,052 | 2,247,600 | 1,730,400 | - |
| | | 269,619,504 | 270,931,135 | 264,381,104 | 4,819,631 | 1,730,400 | - |

(c) 利率風險

截至二零二一年三月三十一日及二零二零年三月三十一日止年度，本集團並無重大利率風險。借貸以浮息及定息授出分別令本集團承受現金流量利率風險及公平值利率風險。

本集團定期審閱及監控定息及浮息借貸組合，以管理其利率風險。然而，於截至二零二一年三月三十一日及二零二零年三月三十一日止年度，本集團管理層認為毋須使用利率掉期對沖利率風險。於二零二一年三月三十一日及二零二零年三月三十一日，本集團概無持有任何承受重大利率風險之資產及負債。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

The following table details the profile of the Group's net borrowings (interest-bearing financial liabilities less interest-bearing financial assets) at the end of the reporting period. The interest rate and maturity information of the Group's borrowings are disclosed in notes 24 and 25.

| | | 2021 二零二一年 | 2020 二零二零年 |
|--|--------------|--------------------|---------------|
| Fixed rate borrowings: | 定息借貸： | | |
| Amount due to a related company | 應付一間關連公司款項 | 108,600,000 | 104,100,000 |
| Amount due to a director of a subsidiary | 應付一名附屬公司董事款項 | 122,378,127 | 110,699,082 |
| Lease liabilities | 租賃負債 | 5,159,471 | 6,493,838 |
| | | 236,137,598 | 221,292,920 |

At 31 March 2021, 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 loss after tax and the total equity by \$nil (2020: \$nil).

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 the end of the reporting period.

The estimated 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual end of the reporting period. The sensitivity analysis is performed on the same basis for the year 2021 and 2020.

29. 金融風險管理及金融工具的公平值 (續)

(c) 利率風險 (續)

下表詳列本集團於報告期末的借貸淨額 (即計息金融負債減去計息金融資產) 概況。本集團借貸的利率及到期資料披露於附註24及25。

於二零二一年三月三十一日，倘利率整體增加／減少100個基點而所有其他變量維持不變，估計將會導致本集團的除稅後虧損及權益總額減少／增加零港元 (二零二零年：零港元)。

上述敏感度分析的釐定乃假設利率已於報告期末發生變動，並且已被應用到報告期末已存在的非衍生金融工具的利率風險敞口。

估計增減100個基點乃管理層對於直至下一個年度報告期末止的期間內，相關利率可能出現的合理變動所作出的評估。於二零二一年及二零二零年度之敏感度分析按同等基準進行。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Foreign currency risk

The Group is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate.

The Group has no significant exposure to foreign currency risk as substantially all of the Group's transactions are denominated in functional currency.

(e) Equity price risk

The Group is exposed to equity price changes arising from equity investments.

All of the Group's unquoted investments are held for strategic purposes. Their performance is assessed at least annually, based on the limited information available to the Group, together with an assessment of their relevance to the Group's strategic plans.

At 31 March 2021, it is estimated that an increase/(decrease) of 5% (2020:5%) in the relevant stock market index as applicable, with all other variables held constant, would have increased/decreased approximately \$632,000 (2020: \$831,000) of the Group's loss after tax and accumulated losses.

The sensitivity analysis indicates the instantaneous change in the Group's loss after tax and accumulated losses that would arise assuming that the changes in the stock market index or other relevant risk variables had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to equity price risk at the end of the reporting period. It is also assumed that the fair values of the Group's equity investments would change in accordance with the historical correlation with the relevant stock market index or the relevant risk variables, and that all other variables remain constant. The analysis is performed on the same basis for 2021 and 2020.

29. 金融風險管理及金融工具的公平值 (續)

(d) 外幣風險

本集團承受的外匯風險，主要來自以外幣（即有關交易之貨幣為營運功能貨幣以外之貨幣）計值的銷售及採購所產生的應收款項、應付款項及現金結餘。

由於本集團絕大部分交易以功能貨幣計值，故本集團並無承受重大外幣風險。

(e) 股本價格風險

本集團面臨來自股本投資之股本價格變動風險。

本集團的所有無報價投資僅因戰略目的而持有。本集團會根據可得的有限資料對該等投資的表現至少每年評估一次，連同評估彼等與本集團策略計劃的相關性。

於二零二一年三月三十一日，估計相關股市指數（如適用）上升／（下跌）5%（二零二零年：5%）而所有其他變量不變，本集團之除稅後虧損及累計虧損將增加／減少約632,000港元（二零二零年：831,000港元）。

敏感度分析顯示本集團之除稅後虧損及累計虧損將會出現之即時變動，當中假設股市指數變動或其他相關風險變量已於報告期末發生及已應用於重新計量本集團於報告期末所持令本集團面臨股本價格風險之該等金融工具。同時假設本集團股本投資之公平值將會根據相關股市指數或相關風險變量之過往相關性而變動，而所有其他變量維持不變。二零二一年及二零二零年按相同基準進行分析。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS *(Continued)*

(f) Fair values measurement

(i) *Financial assets measured at fair value*

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

29. 金融風險管理及金融工具的公平值 (續)

(f) 公平值計量

(i) 按公平值計量之金融資產

下表呈列本集團於報告期末按經常性基準計量之金融工具的公平值，公平值按香港財務報告準則第13號公平值計量所界定之三個公平值層級進行分類。分類公平值計量之層級參考以下估值方法所採用輸入數據之可觀察程度及重要性而釐定：

- 第一級估值：僅使用第一級輸入數據（即於計量日期在活躍市場上相同資產或負債之未經調整報價）計量之公平值。
- 第二級估值：使用第二級輸入數據（即未達第一級之可觀察輸入數據）且並無採用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據指不可取得市場數據之輸入數據。
- 第三級估值：使用重大不可觀察輸入數據計量之公平值。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(f) Fair values measurement (Continued)

(i) Financial assets measured at fair value (Continued)

The following table analyses within the fair value hierarchy the Group's financial assets measured at fair value at 31 March 2021 and 2020:

At 31 March 2021

29. 金融風險管理及金融工具的公平值 (續)

(f) 公平值計量 (續)

(i) 按公平值計量之金融資產 (續)

下表載述於二零二一年及二零二零年三月三十一日，本集團按公平值計量的金融資產在公平值層級下的分析：

於二零二一年三月三十一日

| | | Level 1 第一級 | Level 2 第二級 | Level 3 第三級 | Total balance 總結餘 |
|--|---------------------------|----------------|----------------|----------------|-------------------------|
| Assets | 資產 | | | | |
| <i>Financial assets at fair value through profit or loss:</i> | <i>按公平值計入損益之金融資產：</i> | | | | |
| Unlisted fund investment | 非上市基金投資 | - | 17,144,601 | - | 17,144,601 |
| Profit guarantee in relation to acquisition of an associate (note 16) | 有關收購一間聯營公司之溢利擔保 (附註16) | - | - | 3,190,000 | 3,190,000 |
| Put option in relation to acquisition of an associate (note 16) | 有關收購一間聯營公司之認沽期權 (附註16) | - | - | 128,000 | 128,000 |
| Call option in relation to acquisition of an associate (note 16) | 有關收購一間聯營公司之認購期權 (附註16) | - | - | 619,000 | 619,000 |
| Total assets at fair value through profit or loss | 按公平值計入損益之總資產 | - | 17,144,601 | 3,937,000 | 21,081,601 |
| <i>Financial asset at fair value through other comprehensive income:</i> | <i>按公平值計入其他全面收益之金融資產：</i> | | | | |
| Unlisted debt investment | 非上市債務投資 | - | - | 42,069,655 | 42,069,655 |
| Total asset at fair value through other comprehensive income | 按公平值計入其他全面收益之總資產 | - | - | 42,069,655 | 42,069,655 |
| | | - | 17,144,601 | 46,006,655 | 63,151,256 |

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(f) Fair values measurement (Continued)

(i) Financial assets measured at fair value (Continued)

At 31 March 2020

29. 金融風險管理及金融工具的公平值 (續)

(f) 公平值計量 (續)

(i) 按公平值計量之金融資產 (續)

於二零二零年三月三十一日

| | | Level 1 第一級 | Level 2 第二級 | Level 3 第三級 | Total balance 總結餘 |
|--|---------------------|----------------|----------------|----------------|-------------------------|
| Assets | 資產 | | | | |
| Financial assets at fair value through profit or loss: | 按公平值計入損益之金融資產： | | | | |
| Unlisted fund investment | 非上市基金投資 | - | 19,908,126 | - | 19,908,126 |
| Total assets at fair value through profit or loss | 按公平值計入損益之總資產 | - | 19,908,126 | - | 19,908,126 |

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value through profit or loss of unlisted fund investment in Level 2 is estimated by using a valuation technique based on the net assets approach, which takes into consideration the fair value of the underlying assets and liabilities of the unlisted fund investment as at 31 March 2021 and 2020.

第二級公平值計量使用的估值技術及輸入數據

第二級內非上市基金投資計入損益的公平值乃根據資產淨值法使用估值技術估計，其中考慮到於二零二一年及二零二零年三月三十一日非上市基金投資的相關資產及負債的公平值。

Information about Level 3 fair value measurements

有關第三級公平值計量的資料

| | Valuation techniques 估值技術 | Significant unobservable inputs 重大不可觀察輸入數據 | Range 範圍 | Weighted average 加權平均數 |
|--|---|---|----------------|---|
| Unlisted debt investment 非上市債務投資 | Discounted cash flow methodology 現金流量折現法 | Discounted rate 貼現率 | 5.79% 5.79% | 5.79% (2020: n/a) 5.79% (二零二零年： 不適用) |
| Profit guarantee in relation to acquisition of an associate 有關收購一間聯營公司之溢利擔保 | Monte Carlo simulation model 蒙特卡羅模擬模型 | Revenue growth rate 收入增長率 | 35% 35% | 35% (2020: n/a) 35% (二零二零年： 不適用) |
| Call option in relation to acquisition of an associate 有關收購一間聯營公司之認購期權 | Binomial options-pricing model 二項式期權定價模型 | Expected volatility 預期波幅 | 78% 78% | 78% (2020: n/a) 78% (二零二零年： 不適用) |
| Put option in relation to acquisition of an associate 有關收購一間聯營公司之認沽期權 | Binomial options-pricing model 二項式期權定價模型 | Expected volatility 預期波幅 | 82% 82% | 82% (2020: n/a) 82% (二零二零年： 不適用) |

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(f) Fair values measurement (Continued)

(i) Financial assets measured at fair value (Continued)

The fair value of unlisted debt instruments is determined using the discounted cash flow methodology and the significant unobservable input used in the fair value measurement is discounted rate. The fair value measurement is negatively correlated to the discounted rate. As at 31 March 2021, it is estimated that with all other variables held constant, an increase/decrease in discounted rate by 5% would have decreased/increased the Group's other comprehensive income by approximately \$225,000/227,000.

The fair value of profit guarantee in relation to acquisition of an associate is determined using the Monte Carlo simulation model and the significant unobservable input used in the fair value measurement is revenue growth rate. The fair value measurement is negatively correlated to the revenue growth rate. As at 31 March 2021, it is estimated that with all other variables held constant, an increase/decrease in the revenue growth rate by 5% would have increased/decreased the Group's loss by approximately \$200,000/200,000.

The fair value of call option in relation to acquisition of an associate is determined using the binomial option-pricing model and the significant unobservable input used in the fair value measurement is expected volatility. The fair value measurement is positively correlated to the expected volatility. As at 31 March 2021, it is estimated that with all other variables held constant, an increase/decrease in the expected volatility by 5% would have decreased/increased the Group's loss by approximately \$119,000/113,000.

The fair value of put option in relation to acquisition of an associate is determined using the binomial option-pricing model and the significant unobservable input used in the fair value measurement is expected volatility. The fair value measurement is positively correlated to the expected volatility. As at 31 March 2021, it is estimated that with all other variables held constant, an increase/decrease in the expected volatility by 5% would have decreased/increased the Group's loss by approximately \$2,000/3,000.

29. 金融風險管理及金融工具的公平值 (續)

(f) 公平值計量 (續)

(i) 按公平值計量之金融資產 (續)

非上市債務工具的公平值乃使用現金流量折現法釐定，公平值計量所採用的重大不可觀察數據為貼現率。公平值計量與貼現率呈負相關關係。於二零二一年三月三十一日，估計在所有其他可變數維持不變的情況下，貼現率增加／降低5%，則本集團的其他全面收益將減少／增加約225,000／227,000港元。

有關收購一間聯營公司之溢利擔保的公平值乃使用蒙特卡羅模擬模型釐定，公平值計量所採用的重大不可觀察數據為收入增長率。公平值計量與收入增長率呈負相關關係。於二零二一年三月三十一日，估計在所有其他可變數維持不變的情況下，收入增長率增加／降低5%，則本集團的虧損將增加／減少約200,000／200,000港元。

有關收購一間聯營公司之認購期權的公平值乃使用二項式期權定價模型釐定，公平值計量所採用的重大不可觀察數據為預期波幅。公平值計量與預期波幅呈正相關關係。於二零二一年三月三十一日，估計在所有其他可變數維持不變的情況下，預期波幅增加／降低5%，則本集團的虧損將減少／增加約119,000／113,000港元。

有關收購一間聯營公司之認沽期權的公平值乃使用二項式期權定價模型釐定，公平值計量所採用的重大不可觀察數據為預期波幅。公平值計量與預期波幅呈正相關關係。於二零二一年三月三十一日，估計在所有其他可變數維持不變的情況下，預期波幅增加／降低5%，則本集團的虧損將減少／增加約2,000／3,000港元。

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(f) Fair values measurement (Continued)

(i) Financial assets measured at fair value (Continued)

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

29. 金融風險管理及金融工具的公平值 (續)

(f) 公平值計量 (續)

(i) 按公平值計量之金融資產 (續)

年內，該等第三級公平值計量結餘之變動如下：

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|-------------------------|-------------------|---------------|
| Unlisted debt investment: | 非上市債務投資： | | |
| At 1 April | 於四月一日 | - | - |
| Payment for purchases | 購買付款 | 60,000,000 | - |
| Proceeds from disposal | 出售所得款項 | (20,180,822) | - |
| Net realised gains recognised in profit or loss during the year | 年內於損益中確認之已變現收益淨額 | 180,822 | - |
| Net unrealised gains recognised in other comprehensive income during the year | 年內於其他全面收益中確認之未變現收益淨額 | 2,069,655 | - |
| At 31 March | 於三月三十一日 | 42,069,655 | - |
| Profit guarantee in relation to acquisition of an associate: | 有關收購一間聯營公司的溢利擔保： | | |
| At 1 April | 於四月一日 | - | - |
| Acquisition of an associate | 收購一間聯營公司 | 988,000 | - |
| Changes in fair value recognised in profit or loss during the year | 年內於損益中確認之公平值變動 | 2,202,000 | - |
| At 31 March | 於三月三十一日 | 3,190,000 | - |
| Call Option in relation to acquisition of an associate: | 有關收購一間聯營公司的認購期權： | | |
| At 1 April | 於四月一日 | - | - |
| Acquisition of an associate | 收購一間聯營公司 | 6,190,000 | - |
| Changes in fair value recognised in profit or loss during the year | 年內於損益中確認之公平值變動 | (5,571,000) | - |
| At 31 March | 於三月三十一日 | 619,000 | - |
| Put Option in relation to acquisition of an associate: | 有關收購一間聯營公司的認沽期權： | | |
| At 1 April | 於四月一日 | - | - |
| Acquisition of an associate | 收購一間聯營公司 | 11,000 | - |
| Changes in fair value recognised in profit or loss during the year | 年內於損益中確認之公平值變動 | 117,000 | - |
| At 31 March | 於三月三十一日 | 128,000 | - |
| Net losses for the year included in profit or loss for assets held at the end of the reporting period | 就報告期末所持資產計入損益之年內虧損淨額 | (3,071,178) | - |

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29. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(f) Fair values measurement (Continued)

(i) Financial assets measured at fair value (Continued)

Any gain or loss arising from the remeasurement of the Group's unlisted debt investment held for strategic purposes are recognised in the fair value reserve in other comprehensive income. Upon disposal of the unlisted debt investment, the amount accumulated in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

The gains or losses arising from the remeasurement of the profit guarantee, call option and put option in relation to acquisition of an associate are presented in the "Other net loss" line item in the consolidated statement of profit or loss.

During the year ended 31 March 2020, there are no financial assets classified under Level 3 and there has not been any transfers between levels during the year.

30. COMMITMENTS

Capital commitments outstanding at 31 March 2021 and 31 March 2020 not provided for in the consolidated financial statements were as follows:

29. 金融風險管理及金融工具的公平值 (續)

(f) 公平值計量 (續)

(i) 按公平值計量之金融資產 (續)

因重新計量本集團策略性持有的非上市債務投資而產生的任何收益或虧損，於其他全面收益的公平值儲備中確認。在出售非上市債務投資時，於其他全面收益中的累積金額作為一項重新分類調整由權益重新分類至損益。

因重新計量有關收購一間聯營公司之溢利擔保、認購期權及認沽期權而產生的收益或虧損於綜合損益表中列為「其他虧損淨額」賬項。

於截至二零二零年三月三十一日止年度，概無金融資產分類為第三級且於年內層級之間概無任何轉移。

30. 承擔

未於二零二一年三月三十一日及二零二零年三月三十一日的綜合財務報表撥備的未償還資本承擔如下：

| | | 2021 二零二一年 | 2020 二零二零年 |
|----------------|-----|---------------|---------------|
| Contracted for | 已訂約 | 417,200 | - |

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31. MATERIAL RELATED PARTY TRANSACTIONS

(a) During the year ended 31 March 2021, the related parties that had transactions with the Group were as follows:

31. 重大關連方交易

(a) 於截至二零二一年三月三十一日止年度，關連方與本集團的交易如下：

Name of related parties 關連方名稱

Relationships with the Group 與本集團的關係

Chung Hang Enterprises Holdings Limited
中恆企業控股有限公司

A related company owned by Mr. Lau
由劉先生擁有的關連公司

Chung Wah Investment Company Limited
中華投資發展有限公司

A related company owned by Mr. Lau
由劉先生擁有的關連公司

In addition to the transactions and balances disclosed in notes 7(a) and 24 to these consolidated financial statements, the Group entered into the following material related party transactions during the year:

除該等綜合財務報表附註7(a)及24披露的交易及結餘外，本集團於年內已訂立下列重大關連方交易：

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|------------|------------------|------------------|
| Leases of properties from | 向以下各方租賃物業 | | |
| Chung Hang Enterprises Holdings Limited | 中恆企業控股有限公司 | 720,000 | 720,000 |
| Chung Wah Investment Company Limited | 中華投資發展有限公司 | 1,380,000 | 1,380,000 |
| | | 2,100,000 | 2,100,000 |

Note: The directors of the Company are of opinion that the above transactions were entered into the normal course of business.

附註：本公司董事認為，上述交易乃於一般業務過程中訂立。

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31. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Transaction with key management personnel

Key management personnel remuneration

Remuneration of key management personnel, including amounts paid to the directors as disclosed in note 9 and certain of the highest paid employees and senior management as disclosed in note 10, is as follows:

31. 重大關連方交易 (續)

(b) 與主要管理人員的交易

主要管理人員酬金

主要管理人員酬金 (包括支付予附註9所披露董事的款項及附註10所披露若干最高薪酬僱員及高級管理層的款項) 如下:

| | | 2021 二零二一年 | 2020 二零二零年 |
|------------------------------|--------|-------------------|---------------|
| Short-term employee benefits | 短期僱員福利 | 12,180,000 | 11,639,088 |
| Post-employment benefits | 離職後福利 | 67,652 | 80,400 |
| | | 12,247,652 | 11,719,488 |

Total remuneration is included in “staff costs” (see note 7(b)).

酬金總額列入「員工成本」(見附註7(b))。

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32. COMPANY LEVEL OF FINANCIAL STATEMENT

32. 公司層面的財務報表

| | | 2021 二零二一年 | 2020 二零二零年 |
|---|---------------|---------------|---------------|
| Non-current assets | 非流動資產 | | |
| Investment in subsidiaries | 於附屬公司的投資 | - | - |
| Interest in an associate | 於一間聯營公司的權益 | 35,017,364 | - |
| | | 35,017,364 | - |
| Current assets | 流動資產 | | |
| Prepayments and other receivables | 預付款項及其他應收款項 | 1,284,314 | 20,820,529 |
| Amounts due from subsidiaries | 應收附屬公司款項 | 261,195,119 | 292,875,875 |
| Financial assets at fair value through profit or loss | 按公平值計入損益之金融資產 | 3,937,000 | - |
| Cash and cash equivalents | 現金及現金等價物 | 622,461 | 51,620 |
| | | 267,038,894 | 313,748,024 |
| Current liabilities | 流動負債 | | |
| Other payables | 其他應付款項 | 40,000 | 160,000 |
| Amount due to a subsidiary | 應付一間附屬公司款項 | 147,581,188 | 127,956,188 |
| | | 147,621,188 | 128,116,188 |
| Net current assets | 流動資產淨值 | 119,417,706 | 185,631,836 |
| NET ASSETS | 資產淨值 | 154,435,070 | 185,631,836 |
| Capital and reserves | 資本及儲備 | | |
| Share capital | 股本 | 9,600,000 | 9,600,000 |
| Reserves (Note 27(a)) | 儲備 (附註27(a)) | 144,835,070 | 176,031,836 |
| TOTAL EQUITY | 權益總額 | 154,435,070 | 185,631,836 |

Approved and authorised for issue by the Board of Directors on 30 July 2021

於二零二一年七月三十日經董事會批准及授權刊發

Yan Shuai
嚴帥
Director
董事

Zhu Jiayu
朱佳瑜
Director
董事

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For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

33. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2021

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, and a new standard, HKFRS 17, Insurance contracts, which are not yet effective for the year ended 31 March 2021 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the group.

33. 截至二零二一年三月三十一日止年度已發佈但未生效修訂、新準則及詮釋的可能影響

直至本財務報表發佈日期，香港會計師公會已頒佈數項修訂及一項新準則，香港財務報告準則第17號保險合約（截至二零二一年三月三十一日止年度尚未生效，亦未在本財務報表中採納）。該等發展包括下列可能與本集團相關者。

Effective for accounting periods
beginning on or after
自以下日期或之後
開始之會計期生效

| | |
|--|-----------------------------|
| HKFRS 17, <i>Insurance Contracts</i> 香港財務報告準則第17號，保險合約 | 1 January 2023 二零二三年一月一日 |
| Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, <i>Interest Rate Benchmark Reform – Phase 2</i> 香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、 香港財務報告準則第4號及香港財務報告準則第16號（修訂本）， <i>利率基準改革—第二階段</i> | 1 June 2021 二零二一年六月一日 |
| Amendments to HKFRS 10 and HKAS 28, <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> 香港財務報告準則第10號及香港會計準則第28號（修訂本）， <i>投資者與其聯營或合營企業之間的資產出售或注資</i> | To be determined 待定 |
| Amendments to HKAS 1 and HKFRS Practice Statement 2, <i>Disclosure of Accounting Policies</i> 香港會計準則第1號及香港財務報告準則實務報告第2號（修訂本）， <i>會計政策披露</i> | 1 January 2023 二零二三年一月一日 |
| Amendments to HKAS 8, <i>Definition of Accounting Estimates</i> 香港會計準則第8號（修訂本）， <i>會計估計之定義</i> | 1 January 2023 二零二三年一月一日 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2021 (in HK Dollars) 截至二零二一年三月三十一日止年度 (以港元計值)

33. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2021

(Continued)

33. 截至二零二一年三月三十一日止年度已發佈但未生效修訂、新準則及詮釋的可能影響 (續)

Effective for accounting periods
beginning on or after
自以下日期或之後
開始之會計期生效

| | |
|--|-----------------------------|
| Amendments to HKFRS 3, <i>Reference to the Conceptual Framework</i> 香港財務報告準則第3號 (修訂本), 概念框架之提述 | 1 January 2022 二零二二年一月一日 |
| Amendments to HKAS 16, <i>Property, Plant and Equipment: Proceeds before Intended Use</i> 香港會計準則第16號 (修訂本), 物業、廠房及設備: 擬定用途前所得款項 | 1 January 2022 二零二二年一月一日 |
| Amendments to HKAS 37, <i>Onerous Contracts — Cost of Fulfilling a Contract</i> 香港會計準則第37號 (修訂本), 虧損合約—履行合約的成本 | 1 January 2022 二零二二年一月一日 |
| Annual Improvements to HKFRSs 2018-2020 Cycle 香港財務報告準則二零一八年至二零二零年週期之年度改進 | 1 January 2022 二零二二年一月一日 |

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正評估該等發展於首次應用期間之預期影響。直到目前為止，採納該等修訂本不大可能對綜合財務報表造成重大影響。

FINANCIAL SUMMARY

財務概要

RESULTS 業績

| | | 2021 二零二一年 HK\$ 港元 | 2020 二零二零年 HK\$ 港元 | 2019 二零一九年 HK\$ 港元 (Note 1) (附註1) | 2018 二零一八年 HK\$ 港元 (Note 1 and 2) (附註1及2) | 2017 二零一七年 HK\$ 港元 (Note 1 and 2) (附註1及2) |
|---|-------------|-----------------------------|-----------------------------|--|--|--|
| Total Revenue | 總收入 | 293,598,630 | 255,534,989 | 202,893,907 | 226,225,862 | 235,519,620 |
| Loss before taxation | 除稅前虧損 | (10,188,168) | (60,777,847) | (56,988,999) | (70,336,139) | (149,564) |
| Income tax (expense)/credit | 所得稅(開支)/抵免 | (2,051,681) | 406,115 | 1,760,374 | 88,657 | (861,377) |
| Loss attributable to equity shareholders of the Company | 本公司權益股東應佔虧損 | (12,239,849) | (60,371,732) | (55,228,625) | (70,247,482) | (1,010,941) |
| Loss and total comprehensive expenses for the year | 年內虧損及全面開支總額 | (7,653,961) | (60,371,732) | (55,228,625) | (70,247,482) | (1,010,941) |
| ASSETS AND LIABILITIES | | 資產及負債 | | | | |
| Total assets | 資產總值 | 466,554,477 | 481,554,074 | 504,611,137 | 544,489,317 | 601,528,891 |
| Total liabilities | 負債總額 | (285,728,829) | (273,645,306) | (236,330,637) | (219,461,914) | (206,254,006) |
| Net assets | 資產淨值 | 180,825,648 | 207,908,768 | 268,280,500 | 325,027,403 | 395,274,885 |

This report is published in both English and Chinese languages. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.

本報告以中英文刊發。中英文版本如有歧異，概以英文版本為準。

Notes:

- The Group has initially applied HKFRS 16 using the modified retrospective approach at 1 April 2019. Under this approach, the comparative information is not restated.
- The Group has initially applied HKFRS 9 and HKFRS 15 at 1 April 2018. Under the transition methods chosen, comparative information is not restated.

附註：

- 本集團已於二零一九年四月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。
- 本集團已於二零一八年四月一日首次應用香港財務報告準則第9號及香港財務報告準則第15號。根據採納的過渡方法，比較資料不予重列。

