

# Dragon Rise Group Holdings Limited 龍昇集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock code 股份代號 : 6829

2018/19

## Interim Report

中期報告

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Yip Yuk Kit (*Chairman*)

Mr. Cheung Chun Fai

#### Independent Non-Executive Directors

Mr. Lo Chi Wang

Mr. Chan Ka Yu

Mr. Lee Kwok Lun

### AUDIT COMMITTEE

Mr. Lee Kwok Lun (*Chairman*)

Mr. Lo Chi Wang

Mr. Chan Ka Yu

### REMUNERATION COMMITTEE

Mr. Chan Ka Yu (*Chairman*)

Mr. Yip Yuk Kit

Mr. Lo Chi Wang

### NOMINATION COMMITTEE

Mr. Yip Yuk Kit (*Chairman*)

Mr. Chan Ka Yu

Mr. Lee Kwok Lun

### COMPANY SECRETARY

Mr. Leung Hoi Ki

### AUTHORISED REPRESENTATIVES

Mr. Cheung Chun Fai

Mr. Leung Hoi Ki

### REGISTERED OFFICE

P.O. Box 1350

Clifton House

75 Fort Street

Grand Cayman KY1-1108

Cayman Islands

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Office K, 12/F

Kings Wing Plaza 2

No. 1 On Kwan Street

Shatin

Hong Kong

### 董事會

#### 執行董事

葉育杰先生 (*主席*)

張振輝先生

#### 獨立非執行董事

羅智弘先生

陳家宇先生

李國麟先生

### 審核委員會

李國麟先生 (*主席*)

羅智弘先生

陳家宇先生

### 薪酬委員會

陳家宇先生 (*主席*)

葉育杰先生

羅智弘先生

### 提名委員會

葉育杰先生 (*主席*)

陳家宇先生

李國麟先生

### 公司秘書

梁海祺先生

### 授權代表

張振輝先生

梁海祺先生

### 註冊辦事處

P.O. Box 1350

Clifton House

75 Fort Street

Grand Cayman KY1-1108

Cayman Islands

### 總部及香港主要營業地點

香港

沙田

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12樓K室

### **COMPLIANCE ADVISER**

Grande Capital Limited  
Room 1204B, 12/F  
Tower 2 Lippo Centre  
89 Queensway  
Admiralty  
Hong Kong

### **LEGAL ADVISER** **As to Hong Kong Law**

Benny Pang & Co  
*Solicitors, Hong Kong*  
27th Floor, 100QRC  
100 Queen's Road Central  
Central  
Hong Kong

### **CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

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

### **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

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

### **AUDITOR**

Grant Thornton Hong Kong Limited  
Level 12  
28 Hennessy Road  
Wanchai  
Hong Kong

### **PRINCIPAL BANK**

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central  
Hong Kong

### **COMPANY'S WEBSITE**

[www.kitkee.com.hk](http://www.kitkee.com.hk)

### **STOCK CODE**

6829

### **合規顧問**

均富融資有限公司  
香港  
金鐘  
金鐘道89號  
力寶中心2座  
12樓1204B室

### **法律顧問** **有關香港法律**

Benny Pang & Co  
*香港律師*  
香港  
中環  
皇后大道中100號  
100QRC 27樓

### **開曼群島股份過戶登記總處**

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

### **香港股份過戶登記分處**

寶德隆證券登記有限公司  
香港  
北角  
電氣道148號  
21樓2103B室

### **核數師**

致同(香港)會計師事務所有限公司  
香港  
灣仔  
軒尼詩道28號  
12樓

### **主要來往銀行**

香港上海滙豐銀行有限公司  
香港  
皇后大道中1號

### **公司網站**

[www.kitkee.com.hk](http://www.kitkee.com.hk)

### **股份代號**

6829

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The board (the “Board”) of directors (the “Directors”) of Dragon Rise Group Holdings Limited (the “Company”) is pleased to present the interim report of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 September 2018 (the “Reporting Period”).

### INDUSTRY OVERVIEW

The construction industry in Hong Kong witnessed steady growth in 2018. Due to the ever-growing need for residential and commercial buildings and public infrastructure projects, the income of foundation industry is expected to increase from approximately HK\$24.5 billion to approximately HK\$31.4 billion from 2016 to 2020, at the compounded annual growth rate of approximately 6.4%.

As stated in the 2018 Policy Address, the government of Hong Kong (the “Government”) would continue its efforts in increasing land supply and the number of residential units in the coming future to meet the public needs. The growth of foundation industry has also been greatly benefited from large-scale infrastructure projects, especially the Ten Major Infrastructure Projects launched in 2017. Moreover, the Government’s plan for new town extensions and new development areas will boost the demand for residential and commercial buildings in the new development areas.

With numerous infrastructure and buildings projects from both public and private sectors, there should be good opportunities for the foundation industry. However, the industry also continually confront the issues of labour shortage, growing operating costs and intensified competition for foundation projects available.

龍昇集團控股有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然呈列本公司及其附屬公司(統稱「本集團」)截至二零一八年九月三十日止六個月(「報告期間」)的中期報告。

### 行業概覽

香港建築行業於二零一八年增長穩定。鑒於住宅及商業樓宇以及公共基建項目的需求與日俱增，預期地基行業的收入由二零一六年約245億港元增加至二零二零年約314億港元，複合年增長率約為6.4%。

據二零一八年施政報告所述，香港政府(「政府」)將於不久的未來繼續全力增加土地供應以及住宅單位數量，以滿足公眾需求。地基行業的增長一直亦極大受惠於大型基建項目，尤其是二零一七年推出的十大基建項目。另外，政府實施新市鎮擴展及新發展區的計劃將會推動新發展區的住宅及商業樓宇需求。

公營及私營部門大量基建及樓宇項目的需求將會為地基行業帶來良機。然而，該行業亦持續面臨勞力短缺、營運成本日益增加以及現有地基項目競投加劇等問題。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

The problem of labour shortage has been escalated by the ageing workforce and the decreasing number of youngsters joining the industry. According to the Construction Industry Council, as of 30 April 2018, 191,293 out of 452,806 registered workers (which accounted for approximately 42.2%) and 105,823 out of 187,587 registered skilled workers (which accounted for approximately 56.4%) were aged over 50. In addition, the higher salaries offered in Macau and the PRC may attract some constructions workers, further exacerbating the labour shortage problem in Hong Kong. The upward trend of growing operating costs poses mounting pressure on the industry too. It is estimated that the average daily wage of foundation workers in Hong Kong will continue to rise in the coming years. The rising labour cost is coped with pressure from the average price of building materials, which according to Census and Statistics Department of the Government, witnessed an increasing trend during the past few years. Besides, the strict environmental rules require contractors to solve environmental problems arising from the construction process, leading to an increase in extra costs. Meanwhile, as some contractors are now raising capital to fund larger-scale projects, competition in Hong Kong's foundation industry will be further intensified. As a result of all the factors discussed above, the Group expects both opportunities and challenges for the future of Hong Kong's foundation works industry.

### BUSINESS REVIEW AND OUTLOOK

During the Reporting Period, the Group had been awarded three projects with a total original contract sum of approximately HK\$114.1 million. The Group's major contracts on hand include, *inter alia*, public housing developments in Tung Chung, private residential developments in Kai Tak and Fanling, and commercial developments in Kai Tak and Tai Koo.

The Group will strive to maximise the return to shareholders and continue to solidify the existing principal business of foundation works services. Nevertheless, the Group encountered keen competition in the market for new projects during the Reporting Period and such competition is expected to remain keen in the near future due to the growing number of market players for available foundation projects in Hong Kong. Profit margins have been negatively affected given market factors such as labour shortages and increasing operation and construction costs. This trend is expected to affect the Group's performance for the financial year ending 31 March 2019. Taking the factors discussed above into consideration, the Group shall remain cautiously optimistic towards the future. The Group will further enhance its influence in the industry by actively pursuing more projects while contributing to the long-term development of the Group.

勞動力日益老齡化，加上從事本行業的青年人數逐步減少，加劇勞力短缺。根據建造業議會的資料，於二零一八年四月三十日共有452,806名註冊工人及187,587名註冊熟練技工，其中50歲以上者分別有191,293名及105,823名，分別佔比約42.2%及約56.4%。另外，澳門及中國的高薪待遇可能吸引部分建築工人，令香港勞力短缺問題進一步惡化。營運成本上漲的趨勢亦逐步加重行業壓力。據估計，香港地基工人的平均日薪於未來數年將持續上漲。根據政府統計處資料顯示，勞力成本不斷上漲，同時建材平均價格壓力於過往數年呈上升趨勢。另外，嚴苛的環保條例要求承建商解決建造過程中產生的環境問題，因此增加了額外成本。同時，由於部分承建商現時募集資金以撥付大型項目，香港地基行業的競爭將進一步加劇。鑒於上述各項因素，本集團預期未來香港地基工程行業的機遇與挑戰並存。

### 業務回顧及展望

於報告期間，本集團獲授三個項目，原合約總額約為114.1百萬港元。本集團手頭的主要合約含(其中包括)東涌的公共房屋發展項目、啟德及粉嶺的私人住宅發展項目以及啟德及太古的商業發展項目。

本集團將致力最大化股東回報並繼續鞏固地基工程服務的現有主要業務。然而，由於香港可獲得地基項目的市場參與者數量不斷增加，本集團於報告期間獲得新項目時面臨市場激烈競爭，且預期近期競爭仍然激烈。勞力短缺及運營與建築成本增加等市場因素，令利潤率受到不利影響。預期該趨勢會影響本集團截至二零一九年三月三十一日止財政年度的表現。經計及上述因素，本集團對未來仍持審慎樂觀態度。本集團將透過積極獲得更多項目進一步增強其於行業的影響力，同時推動本集團的長期發展。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### FINANCIAL REVIEW

##### Revenue

For the Reporting Period, the revenue of the Group has decreased by approximately HK\$247.7 million or approximately 54.2% compared to the corresponding period in 2017, from approximately HK\$457.4 million to approximately HK\$209.7 million. The decrease was primarily attributable to substantial decrease in contracting revenue due to (i) the delay in commencement of new projects being awarded to the Group and (ii) substantial completion of the projects on hand in the six months ended 30 September 2017.

The Board regards the Group's business of foundation works as a single operating segment and reviews the overall results of the Group as a whole to make decisions about resources allocation. Accordingly, no segment analysis information is presented. No separate analysis of segment information by geographical segment is presented as the Group's revenue and non-current assets are principally attributable to a single geographical region, which is Hong Kong.

##### Gross profit and gross profit margin

For the Reporting Period, the direct costs of the Group has decreased by approximately HK\$212.7 million or approximately 53.0% compared to the corresponding period in 2017, from approximately HK\$401.4 million to approximately HK\$188.7 million. The gross profit of the Group has decreased by approximately HK\$35.0 million or approximately 62.5% compared to the corresponding period in 2017, from approximately HK\$56.0 million to approximately HK\$21.0 million. The Group's gross profit margin for the Reporting Period was approximately 10.0%, as compared with approximately 12.2% in the corresponding period in 2017. The decrease in gross profit margin was mainly due to the increase in overall construction cost and the keen competition in the market for new projects. In order to maintain competitiveness in the foundation works industry in Hong Kong, we have adjusted our pricing strategy, which in turn affects the gross profit margin in the Reporting Period.

##### Other gains and losses

Other gains and losses mainly included net gain from change in fair value, on investment properties, interest income and exchange difference. For the Reporting Period, the other gains has decreased by approximately HK\$1.0 million or approximately 200.0% compared to the corresponding period in 2017, from net gains of approximately HK\$0.5 million to net losses of approximately HK\$0.5 million. The decrease was mainly due to exchange loss on financial assets denominated in Renminbi for the Reporting Period.

##### 財務回顧

##### 收益

於報告期間，本集團收益由二零一七年同期約457.4百萬港元減少約247.7百萬港元或約54.2%至約209.7百萬港元，主要歸因於(i)本集團獲授的新項目延遲動工及(ii)截至二零一七年九月三十日止六個月手頭項目基本完工導致合約收益大幅下降。

董事會將本集團的地基工程業務視為單一經營分部，並審閱本集團之整體業績，以就資源分配作出決策。因此，並無呈列分部分析資料。由於本集團的收益及非流動資產主要來自單一地區(香港)，故並無呈列按地域分部劃分的分部資料之獨立分析。

##### 毛利及毛利率

於報告期間，本集團的直接成本由二零一七年同期約401.4百萬港元下降約212.7百萬港元或約53.0%至約188.7百萬港元。本集團毛利由二零一七年同期約56.0百萬港元下降約35.0百萬港元或約62.5%至約21.0百萬港元。本集團於報告期間的毛利率約為10.0%，而二零一七年同期約為12.2%。毛利率下降主要由於整體建築成本增加及新項目市場競爭激烈。為保持於香港地基工程行業的競爭力，我們已調整定價策略，從而影響報告期間的毛利率。

##### 其他收益及虧損

其他收益及虧損主要包括投資物業公平值變動所得收益淨額、利息收入及匯兌差額。於報告期間，其他收益較二零一七年同期減少約1.0百萬港元或約200.0%，由淨收益約0.5百萬港元轉為淨虧損約0.5百萬港元。減少主要由於報告期間以人民幣列值的金融資產匯兌虧損。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### Administrative expenses

For the Reporting Period, the administrative expenses have decreased by approximately HK\$5.9 million or approximately 38.3% compared to the corresponding period in 2017, from approximately HK\$15.4 million to approximately HK\$9.5 million. The decrease was mainly because the Group did not incur any listing expenses during the Reporting Period (2017: approximately HK\$9.2 million).

### Finance costs

For the Reporting Period, the finance costs have decreased by approximately HK\$34,000 or approximately 20.2% compared to the corresponding period in 2017, from approximately HK\$168,000 to approximately HK\$134,000. The decrease in finance costs was mainly due to decrease in obligation under finance leases.

### Income tax expense

For the Reporting Period, the income tax expense has decreased by approximately HK\$6.2 million or approximately 74.7% compared to the corresponding period in 2017, from approximately HK\$8.3 million to approximately HK\$2.1 million. Such decrease was driven by the decrease in revenue and gross profit for the Reporting Period as discussed above.

### Net profit

For the Reporting Period, the profit and total comprehensive income attributable to owners of the Company has decreased by approximately HK\$23.8 million or approximately 73.0% compared to the corresponding period in 2017, from approximately HK\$32.6 million to approximately HK\$8.8 million. The decrease was primarily due to the decrease in revenue and gross profit as discussed above. The net profit margin for the Reporting Period was approximately 4.2%, as compared with approximately 7.1% for the corresponding period in 2017. The decrease in the net profit margin for the Reporting Period mainly due to the decrease in gross profit margin as discussed above.

### 行政開支

於報告期間，行政開支由二零一七年同期約15.4百萬港元減少約5.9百萬港元或約38.3%至約9.5百萬港元。減少主要由於本集團於報告期間並無產生任何上市開支（二零一七年：約9.2百萬港元）。

### 財務費用

於報告期間，財務費用由二零一七年同期約168,000港元減少約34,000港元或約20.2%至約134,000港元。財務費用減少主要由於融資租賃承擔減少所致。

### 所得稅開支

於報告期間，所得稅開支由二零一七年同期約8.3百萬港元減少約6.2百萬港元或約74.7%至約2.1百萬港元，是由於如上文所討論受報告期間收益及毛利下降推動所致。

### 純利

於報告期間，本公司擁有人應佔溢利及全面收入總額由二零一七年同期約32.6百萬港元減少約23.8百萬港元或約73.0%至約8.8百萬港元，主要由於上文所討論收益及毛利減少所致。於報告期間，純利率約為4.2%，而二零一七年同期約為7.1%。報告期間純利率下降主要由於上文所討論毛利率下降所致。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### LIQUIDITY, FINANCIAL POSITION AND CAPITAL STRUCTURE

The shares of the Company (the “Shares”) were successfully listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 8 February 2018 (the “Listing”) and there has been no change in capital structure of the Group since then. As at 30 September 2018, the Company’s issued capital was HK\$12.0 million and the number of its issued ordinary shares was 1,200,000,000 shares of HK\$0.01 each.

As at 30 September 2018, the Group had total cash and cash equivalents and pledged bank deposits of approximately HK\$101.8 million (31 March 2018: approximately HK\$147.3 million). The decrease was mainly due to the purchase of property, plant and equipment during the Reporting Period.

As at 30 September 2018, the gearing ratio of the Group, calculated by total bank borrowings (including finance lease liabilities) as a percentage of total equity was approximately 2.6% (31 March 2018: approximately 1.7%).

#### TREASURY POLICY

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

#### PLEDGE OF ASSETS

As at 30 September 2018, the Group’s plant and equipment with an aggregate net book value of nil (31 March 2018: approximately HK\$0.1 million) were pledged under finance lease, while the Group had pledged an investment property situated in Hong Kong of approximately HK\$5.1 million (31 March 2018: approximately HK\$4.6 million) and approximately HK\$10.2 million bank deposits (31 March 2018: HK\$10.2 million) in order to secure bank facilities granted to Kit Kee Engineering Limited.

#### EXPOSURE TO FOREIGN EXCHANGE RATE RISKS

As the Group only operates in Hong Kong and all of the revenue and transactions arising from its operations were settled in Hong Kong dollar, the Directors are of the view that the Group’s foreign exchange rate risks are insignificant. Thus, the Group has not entered into any derivative contracts to hedge against the foreign exchange rate risk for the Reporting Period.

#### 流動資金、財務資源及資本架構

本公司股份(「股份」)於二零一八年二月八日成功於香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)，此後本集團資本架構並無變動。於二零一八年九月三十日，本公司已發行股本為12.0百萬港元，已發行普通股數目為每股面值0.01港元的1,200,000,000股股份。

於二零一八年九月三十日，本集團有現金及現金等價物以及已抵押銀行存款總額約101.8百萬港元(二零一八年三月三十一日：約147.3百萬港元)。減少主要是由於報告期間購買物業、機械及設備所致。

於二零一八年九月三十日，本集團的資產負債比率(按銀行借款總額(包括融資租賃負債)佔權益總額的百分比計算)約為2.6%(二零一八年三月三十一日：約1.7%)。

#### 庫務政策

本集團已就庫務政策採取審慎的財務管理方法。董事會密切監督本集團流動資金狀況，以確保本集團資產、負債及其他承擔的流動資金架構可一直滿足其資金需求。

#### 資產抵押

於二零一八年九月三十日，本集團的總賬面淨值為零(二零一八年三月三十一日：約0.1百萬港元)的機械及設備已按融資租賃進行抵押，同時本集團已就杰記工程有限公司獲授銀行融資而抵押位於香港的投資物業約5.1百萬港元(二零一八年三月三十一日：約4.6百萬港元)及銀行存款約10.2百萬港元(二零一八年三月三十一日：10.2百萬港元)。

#### 面臨的匯率風險

由於本集團僅於香港經營業務，經營產生的所有收益及交易均以港元結算，故董事認為本集團匯率風險不大。因此，本集團於報告期間並無訂立任何衍生工具合約以對沖匯率風險。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### CAPITAL EXPENDITURE

During the Reporting Period, the Group invested approximately HK\$39.5 million in the purchase of property, plant and equipment. All these capital expenditures were financed by internal resources.

### CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 September 2018, the Group had no material capital commitments.

At 30 September 2018, the Group has been involved in a number of claims, litigations and potential claims against the Group in relation to work-related injuries and non-compliances. The Directors are of the opinion that the claims, litigations and non-compliances are not expected to have a material impact on the consolidated financial statements, and the outcome for potential claims is uncertain. Accordingly, no provision has been made to the interim results.

### SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Reporting Period, the Group did not have any significant investment held or any material acquisitions or disposals of subsidiaries or associated companies.

### FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

Save as disclosed under the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 26 January 2018 (the "Prospectus"), the Group did not have any other plans for material investments or capital assets during the Reporting Period.

### INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (2017: nil).

### 資本開支

於報告期間，本集團投入約39.5百萬港元用於購買物業、機械及設備。所有該等資本開支以內部資源撥付。

### 資本承擔及或然負債

於二零一八年九月三十日，本集團並無重大資本承擔。

於二零一八年九月三十日，本集團涉及多項針對本集團的工傷申索、訴訟及潛在申索以及不合規事件。董事認為該等申索、訴訟及不合規事件預期不會對綜合財務報表造成重大影響，且潛在申索的結果尚不明確。因此，概無對中期業績作出撥備。

### 重大投資、重大收購以及出售附屬公司及聯營公司

於報告期間，本集團並無持有任何重大投資，亦無重大收購或出售附屬公司或聯營公司事項。

### 未來重大投資或資本資產計劃

除本公司日期為二零一八年一月二十六日的招股章程（「招股章程」）「未來計劃及所得款項用途」一節所披露者外，於報告期間，本集團並無任何其他重大投資或資本資產計劃。

### 中期股息

董事會議決不宣派報告期間的任何中期股息（二零一七年：無）。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

#### USE OF PROCEEDS

The net proceeds received by the Group, after deducting related expenses, were approximately HK\$91.9 million. These proceeds are intended to be applied in accordance with the proposed application set out in the section headed “Future Plans and Use of Proceeds” to the Prospectus. Such uses include: (i) enhancing the construction machinery fleet; (ii) strengthening the workforce and manpower; (iii) reinforcing sales and marketing efforts; and (iv) funding of general working capital. Details of the use of the proceeds are listed as below:

#### 所得款項用途

扣除相關開支後，本集團收取的所得款項淨額約為91.9百萬港元。該等所得款項擬按招股章程「未來計劃及所得款項用途」一節所載建議用途動用。該等用途包括：(i) 擴充建築機械車隊；(ii) 加強人手及人力；(iii) 加強銷售及營銷力度；及(iv) 撥付一般營運資金。所得款項用途詳情載列如下：

		Planned use of proceeds	Actual usage up to 30 September 2018 直至 二零一八年 九月三十日的 實際用途
		所得款項 計劃用途 HK\$'000 千港元	HK\$'000 千港元
Enhancing the construction machinery fleet	擴充建築機械車隊	60,311	44,060
Strengthening the workforce and manpower	加強人手及人力	19,272	1,011
Reinforcing sales and marketing efforts	加強銷售及營銷力度	4,761	1,379
Funding of general working capital	撥付一般營運資金	7,596	7,596
Total	總計	91,940	54,046

As at 30 September 2018 and the date of this report, the unutilised proceeds were placed in interest-bearing deposits with authorised financial institutions or licensed banks in Hong Kong. The Directors regularly evaluate the Group's business objective and may change or modify plans against the changing market condition to ascertain the business growth of the Group. During the Reporting Period, the Directors considered that no modification of the use of proceeds described in the Prospectus was required.

於二零一八年九月三十日及本報告日期，未動用所得款項於香港認可金融機構或持牌銀行存作計息存款。董事定期評估本集團業務目標，或會因應市況變動修改或修訂計劃以確保本集團業務增長。於報告期間，董事認為無須修改招股章程所述所得款項用途。

## MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析

### EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2018, we employed a total of 201 full-time employees (including two executive Directors but excluding three independent non-executive Directors), as compared to a total of 249 full-time employees as at 31 March 2018. The remuneration packages that the Group offers to employees includes salary, discretionary bonuses and other cash subsidies. In general, the Group determines employee salaries based on each employee's qualifications, position and seniority. The Group has designed an annual review system to assess the performance of its employees, which forms the basis of its decisions with respect to salary raises, bonuses and promotions. The total staff cost incurred by the Group for the Reporting Period was approximately HK\$38.9 million compared to approximately HK\$45.3 million for the corresponding period in 2017.

The remuneration of the Directors is decided by the Board upon the recommendation from the remuneration committee of the Company having regard to the Group's operating results, individual performance and comparable market statistics.

### EVENTS AFTER THE REPORTING PERIOD

There is no important event affecting the Group after the Reporting Period and up to the date of this report.

### REVIEW OF INTERIM RESULTS

The Group's interim results for the Reporting Period have not been audited, but have been reviewed by the Audit Committee. The interim results for the Reporting Period have also been reviewed by our auditor, Grant Thornton Hong Kong Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. Based on their review and discussions with the management, the Audit Committee was satisfied that the interim results were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the Reporting Period.

### 僱員及薪酬政策

於二零一八年九月三十日，我們共僱用201名全職僱員（包括2名執行董事但不包括3名獨立非執行董事），而二零一八年三月三十一日共僱用249名全職僱員。本集團向僱員提供的薪酬待遇包括工資、酌情花紅及其他現金補貼。一般而言，本集團根據每位僱員的資格、職位及資歷確定僱員薪資。為評估僱員績效，本集團已制定年度審核制度，形成我們釐定加薪、花紅及晉升的依據。於報告期間，本集團產生的僱員成本總額約為38.9百萬港元，而二零一七年同期約為45.3百萬港元。

董事酬金由董事會根據本公司薪酬委員會的推薦建議，經考慮本集團的經營業績、個人表現及可比較市場統計數據後釐定。

### 報告期間後事項

於報告期間後及直至本報告日期，本集團並無任何重大事項。

### 中期業績審閱

本集團於報告期間的中期業績未經審核，惟已由審核委員會審閱。於報告期間的中期業績亦已由我們的核數師致同（香港）會計師事務所有限公司根據香港會計師公會頒佈的香港審閱工作準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。根據其審閱以及與管理層的討論，審核委員會信納中期業績乃按適用的會計準則編製，並公平呈列本集團於報告期間的財務狀況及業績。

# INDEPENDENT REVIEW REPORT

## 獨立審閱報告



To the board of directors of Dragon Rise Group Holdings Limited  
(incorporated in the Cayman Islands with limited liability)

致龍昇集團控股有限公司董事會  
(於開曼群島註冊成立之有限公司)

### INTRODUCTION

We have reviewed the interim financial report set out on pages 14 to 45 which comprise the condensed consolidated statement of financial position of Dragon Rise Group Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 30 September 2018 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flow for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial report in accordance with HKAS 34.

Our responsibility is to express a conclusion on this interim financial report based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review of interim financial report consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### 緒言

我們已審閱列載於第14至45頁的中期財務報告，其中包括致龍昇集團控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）於二零一八年九月三十日的簡明綜合財務狀況表與截至該日止六個月期間的相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表和其他附註解釋。香港聯合交易所有限公司證券上市規則規定，編製中期財務報告必須符合以上規則的有關條文以及香港會計師公會（「香港會計師公會」）頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。貴公司董事須負責根據香港會計準則第34號編製及列報中期財務報告。

我們的責任是根據我們的審閱對中期財務報告作出結論，並按照雙方協定之委聘條款僅向整體董事會報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

### 審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務報告包括主要向負責財務和會計事務的人員作出查詢，及應用分析性和其他審閱程序。審閱的範圍遠較根據香港審計準則進行審核的範圍為小，故不能令我們可保證我們將知悉在審核中可能被發現的所有重大事項。因此，我們不會發表審核意見。

## INDEPENDENT REVIEW REPORT 獨立審閱報告

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report is not prepared, in all material respects, in accordance with HKAS 34.

#### **Grant Thornton Hong Kong Limited**

*Certified Public Accountants*

Level 12  
28 Hennessy Road  
Wanchai  
Hong Kong

28 November 2018

#### **Chan Tze Kit**

Practising Certificate No.: P05707

### 結論

按照我們的審閱，我們並無發現任何事項，令我們相信中期財務報告在各重大方面未有根據香港會計準則第34號編製。

#### 致同(香港)會計師事務所有限公司

執業會計師

香港  
灣仔  
軒尼詩道28號  
12樓

二零一八年十一月二十八日

#### 陳子傑

執業證書編號：P05707

# INTERIM FINANCIAL REPORT

## 中期財務報告

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2018

### 簡明綜合損益及其他全面收益表

截至二零一八年九月三十日止六個月

		Six months ended 30 September	
		截至九月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
			(Note (i))
			(附註(i))
	Notes		
	附註		
<b>Revenue</b>			
Direct costs	5	<b>209,668</b> <b>(188,660)</b>	457,362 (401,391)
<b>Gross profit</b>		<b>21,008</b>	55,971
Other gains and losses, net	6	<b>(459)</b>	543
Administrative expenses		<b>(9,465)</b>	(15,389)
Finance costs	7	<b>(134)</b>	(168)
<b>Profit before income tax</b>	8	<b>10,950</b>	40,957
Income tax expense	9	<b>(2,126)</b>	(8,332)
<b>Profit and total comprehensive income for the period attributable to equity holders of the Company</b>		<b>8,824</b>	32,625
		<b>HK cent</b>	HK cents
		<b>港仙</b>	港仙
<b>Earnings per share for profit attributable to equity holders of the Company</b>			
Basic and diluted	11	<b>0.74</b>	3.63

Note:

(i) The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated (refer to note 3 for details).

附註：

(i) 本集團於二零一八年四月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡法，並無重列比較資料(詳情參閱附註3)。

INTERIM FINANCIAL REPORT  
中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION 簡明綜合財務狀況表

As at 30 September 2018

於二零一八年九月三十日

			As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核) (Note (i)) (附註(i))
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>			
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、機械及設備	12	56,230	22,701
Investment properties	投資物業	13	5,110	4,550
			<b>61,340</b>	27,251
<b>Current assets</b>	<b>流動資產</b>			
Trade and other receivables	貿易及其他應收款項	14	57,054	61,552
Contract assets	合約資產	16	82,335	–
Amounts due from customers on construction contracts	應收客戶建築合約款項	16	–	94,137
Financial assets at amortised cost	按攤銷成本列賬的金融資產	15	14,888	–
Cash, bank balances and pledged deposits	現金、銀行結餘及已抵押存款	17	101,784	147,267
			<b>256,061</b>	302,956
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付款項	18	16,615	42,399
Borrowings, secured	有抵押借款	19	3,883	–
Obligation under finance leases	融資租賃承擔	20	2,463	2,404
Contract liabilities	合約負債	16	517	–
Amounts due to customers on construction contracts	應付客戶建築合約款項	16	–	1,185
Tax payable	應付稅項		1,709	1,537
			<b>25,187</b>	47,525
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>230,874</b>	255,431
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>292,214</b>	282,682



**INTERIM FINANCIAL REPORT**  
**中期財務報告**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)** 簡明綜合財務狀況表(續)

As at 30 September 2018

於二零一八年九月三十日

			As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核) (Note (i)) (附註(i))
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Obligation under finance leases	融資租賃承擔	20	1,061	2,307
Deferred tax liabilities	遞延稅項負債		4,027	2,073
			<b>5,088</b>	4,380
<b>Net assets</b>	<b>淨資產</b>		<b>287,126</b>	278,302
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	21	12,000	12,000
Reserves	儲備		275,126	266,302
<b>Equity attributable to equity holders of the Company</b>	<b>本公司權益持有人應佔權益</b>		<b>287,126</b>	278,302

Note:

附註：

- (i) The Group has initially applied HKFRS 15 and HKFRS 9 at 1 April 2018. Under the transition methods chosen, comparative information is not restated (refer to note 3 for details).
- (ii) 本集團於二零一八年四月一日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡法，並無重列比較資料(詳情參閱附註3)。

INTERIM FINANCIAL REPORT  
中期財務報告

CONDENSED CONSOLIDATED STATEMENT OF  
CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 September 2018

截至二零一八年九月三十日止六個月

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 April 2017 (audited)	於二零一七年四月一日結餘 (經審核)	690	-	-	117,690	118,380
Profit and total comprehensive income for the period	期內溢利及全面 收入總額	-	-	-	32,625	32,625
Reorganisation and issue of shares (note 21)	重組及發行股份 (附註21)	(686)	-	686	-	-
Transaction with owners	與擁有人進行的交易	(686)	-	686	-	-
Balance at 30 September 2017 (audited)	於二零一七年九月三十日 結餘(經審核)	4	-	686	150,315	151,005
Balance at 31 March 2018 and 1 April 2018 (audited)	於二零一八年 三月三十一日及 二零一八年四月一日 結餘(經審核)	12,000	96,898	686	168,718	278,302
Profit and total comprehensive income for the period	期內溢利及全面 收入總額	-	-	-	8,824	8,824
<b>Balance at 30 September 2018 (unaudited)</b>	<b>於二零一八年九月三十日 結餘(未經審核)</b>	<b>12,000</b>	<b>96,898</b>	<b>686</b>	<b>177,542</b>	<b>287,126</b>

\* The reserves accounts comprise the Group's reserves of HK\$275,126,000 as at 30 September 2018 (31 March 2018: HK\$266,302,000) in the condensed consolidated statement of financial position.

\* 儲備賬戶包括簡明綜合財務狀況表中本集團於二零一八年九月三十日的儲備275,126,000港元(二零一八年三月三十一日: 266,302,000港元)。

**INTERIM FINANCIAL REPORT**  
**中期財務報告**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**      **簡明綜合現金流量表**

For the six months ended 30 September 2018

截至二零一八年九月三十日止六個月

		Six months ended 30 September	
		截至九月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
<b>Cash flow from operating activities</b>	<b>經營活動所得現金流量</b>		
Cash generated from operations	經營所得現金	7,797	510
Income tax paid	已付所得稅	-	(381)
<i>Net cash generated from operating activities</i>	<i>經營活動所得現金淨額</i>	<b>7,797</b>	129
<b>Cash flow from investing activities</b>	<b>經營活動所得現金流量</b>		
Purchase of property, plant and equipment	購買物業、機械及設備	(39,524)	(4,660)
Purchase of financial asset at amortised cost	購買按攤銷成本列賬的金融資產	(16,320)	-
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值計入損益之金融資產的所得款項	-	2,806
Dividend received	已收股息	-	13
<i>Net cash used in investing activities</i>	<i>投資活動所用現金淨額</i>	<b>(55,844)</b>	(1,841)
<b>Cash flow from financing activities</b>	<b>融資活動所得現金流量</b>		
Proceeds from new borrowings	新借款的所得款項	4,000	-
Repayment of borrowings	償還借款	(117)	(839)
Payment of finance lease liabilities	支付融資租賃負債	(1,187)	(1,128)
Interest paid	已付利息	(134)	(168)
<i>Net cash generated from/(used in) financing activities</i>	<i>融資活動所得/(所用)現金淨額</i>	<b>2,562</b>	(2,135)
<b>Net decrease in cash and cash equivalents</b>	<b>現金及現金等價物減少淨額</b>	<b>(45,485)</b>	(3,847)
Cash and cash equivalents at the beginning of period	於期初的現金及現金等價物	137,067	36,675
<b>Cash and cash equivalents at end of period (note 17)</b>	<b>於期末的現金及現金等價物 (附註 17)</b>	<b>91,582</b>	32,828

## NOTES TO THE INTERIM FINANCIAL REPORT

### 1. GENERAL INFORMATION

Dragon Rise Group Holdings Limited (the “Company”) was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (as revised) of the Cayman Islands on 22 February 2017. The Company’s shares are listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 8 February 2018. The addresses of the registered office and the principal place of business of the Company are Office K, 12/F, Kings Wing Plaza 2, No. 1 On Kwan Street, Shatin, Hong Kong.

The Company is an investment holding company, and its subsidiaries (collectively referred to as the “Group”) are principally engaged in undertaking foundation works in Hong Kong as a subcontractor.

As at 30 September 2018, the directors considered the Company’s immediate and ultimate holding company to be Fame Circle Limited, a company incorporated in the British Virgin Islands (“BVI”) and wholly owned by Mr. Yip Yuk Kit (“Mr. Yip” or “Controlling Shareholder”).

### 2. BASIS OF PREPARATION

The interim financial report for the six months ended 30 September 2018 has been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The interim financial report does not include all of the information required in annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 March 2018.

The interim financial report is unaudited, but has been reviewed by the Company’s auditor, Grant Thornton Hong Kong Limited.

The interim financial report is presented in thousands of units of Hong Kong dollars (“HK\$’000”), except when otherwise indicated, which was approved for issue by the Board of Directors on 28 November 2018.

## 中期財務報告附註

### 1. 一般資料

龍昇集團控股有限公司(「本公司」)於二零一七年二月二十二日在開曼群島按照開曼群島公司法(經修訂)註冊成立為獲豁免有限公司。本公司股份於二零一八年二月八日在香港聯合交易所有限公司(「聯交所」)上市。本公司註冊辦事處地址及主要營業地點均為香港沙田安群街1號京瑞廣場2期12樓K室。

本公司為投資控股公司，及其附屬公司(統稱「本集團」)主要從事於香港作為分包商承接地基工程。

於二零一八年九月三十日，董事認為，本公司的直接及最終控股公司為Fame Circle Limited，一家於英屬處女群島(「英屬處女群島」)註冊成立的公司，由葉育杰先生(「葉先生」或「控股股東」)全資擁有。

### 2. 編製基準

截至二零一八年九月三十日止六個月的中期財務報告乃根據聯交所證券上市規則的適用披露規定及香港會計師公會(「香港會計師公會」)頒佈的香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。中期財務報告並不包括年度綜合財務報表所規定的所有資料，且應與本集團截至二零一八年三月三十一日止年度的年度綜合財務報表一併閱讀。

中期財務報告未經審核，惟已由本公司核數師致同(香港)會計師事務所有限公司審閱。

除另有指明外，中期財務報告以千港元(「千港元」)呈列，其已於二零一八年十一月二十八日獲董事會批准刊發。

## INTERIM FINANCIAL REPORT 中期財務報告

### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial report has been prepared in accordance with the accounting policies adopted in the Group's most recent annual consolidated financial statements for the year ended 31 March 2018, except for the adoption of new accounting policies as a result of the adoption of the new and amended Hong Kong Financial Reporting Standards ("HKFRSs") as set out below:

#### (i) Adoption of new and amended HKFRSs

In the current period, the Group has applied for the first time the new and amended HKFRSs issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's interim financial report for the period beginning on 1 April 2018.

Other than as noted below, the adoption of new and amended HKFRSs had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented. For those which are not yet effective and have not been early adopted by the Group, the Group is in the process of assessing their impact on the Group's results and financial position.

#### **HKFRS 15 Revenue from Contracts with Customers**

HKFRS 15 and the related clarification to HKFRS 15 (hereinafter referred to as "HKFRS 15") presents new requirements for the recognition of revenue, replacing HKAS 18 "Revenue", HKAS 11 "Construction Contracts", and several revenue-related interpretations. HKFRS 15 establishes a single comprehensive model that applies to contracts with customers and two approaches to recognising revenue; at a point in time or overtime. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. The five steps are as follows:

1. Identify the contract(s) with customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue when (or as) the entity satisfies a performance obligation

### 3. 重大會計政策

中期財務報告已根據本集團截至二零一八年三月三十一日止年度的最近期年度綜合財務報表所採納的會計政策編製，惟下文所載的因採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）而採納的新會計政策除外：

#### (i) 採納新訂及經修訂香港財務報告準則

於本期間，本集團已首次應用由香港會計師公會頒佈與本集團營運相關且自二零一八年四月一日起開始之本集團中期財務報告期間生效的新訂及經修訂香港財務報告準則。

除下列註釋外，採納新訂及經修訂香港財務報告準則對本集團於本期間及過往期間的業績及財務狀況編製及呈報方式並無重大影響。就尚未生效且未獲本集團提早採納的相關準則而言，本集團正在評估其對本集團業績及財務狀況的影響。

#### **香港財務報告準則第15號來自客戶合約之收益**

香港財務報告準則第15號及香港財務報告準則第15號的相關澄清（下稱「香港財務報告準則第15號」）呈列確認收益的新規定，取代香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及若干收益相關詮釋。香港財務報告準則第15號建立適用於客戶合約的單一全面模式及確認收益的兩種方法（於某個時間點或某一段時間）。該模式包含以合約為基準的五步交易分析，以釐定是否確認收益、確認收益的金額及時間。五個步驟如下：

1. 識別與客戶的合約
2. 識別合約中的履約責任
3. 釐定交易價
4. 將交易價分配至履約責任
5. 於（或隨著）實體完成履約責任時確認收益

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (i) Adoption of new and amended HKFRSs (continued)

##### **HKFRS 15 Revenue from Contracts with Customers (continued)**

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when control of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good and service (or a bundle of goods or services) that is distinct or a series of distinct goods and services that are substantially the same. In determining the performance obligations, the Group considers whether the customer benefits from the good and service on its own and whether it is distinct in the context of the contract. Factors considered by the Group indicate the goods and services are not separately identifiable would include:

- Whether a significant service of integrating the goods or services with other goods or services promised in the contract into a bundle of goods or services that represent the combined output or outputs for which the customer has contracted;
- Whether one or more of the goods or services significantly modifies or customises, or are significantly modified or customised by, one or more of the other goods or services promised in the contract;
- the goods or services are highly interdependent or highly interrelated. In other words, each of the goods or services is significantly affected by one or more of the other goods or services in the contract.

### 3. 重大會計政策 (續)

#### (i) 採納新訂及經修訂香港財務報告準則 (續)

##### **香港財務報告準則第15號來自客戶合約之收益 (續)**

根據香港財務報告準則第15號，當（或隨著）本集團完成履約責任，即與特定履約責任相關的貨品或服務的「控制權」轉移至客戶時確認收益。

履約責任指可區分的單一商品及服務（或組合商品或服務）或大致相同的一系列可區分商品或服務。於釐定履約責任時，本集團考慮客戶利益是否來自其本身的商品及服務及就合約而言是否不同。本集團所考慮指明商品及服務不可單獨識別的因素將包括：

- 將商品或服務與合約中所承諾其他商品或服務整合至一組商品或服務的重大服務是否指客戶所訂約的合併產量；
- 一項或多項商品或服務是否大幅修改或定制或經合約中所承諾的一項或多項其他商品或服務大幅修改或定製；
- 商品或服務極度相互依存且息息相關。換言之，各商品或服務受合約中一項或多項其他商品或服務的重大影響。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (i) Adoption of new and amended HKFRSs (continued)

##### **HKFRS 15 Revenue from Contracts with Customers (continued)**

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

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

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

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

### 3. 重大會計政策(續)

#### (i) 採納新訂及經修訂香港財務報告準則(續)

##### **香港財務報告準則第15號來自客戶合約之收益(續)**

倘符合下列其中一項標準，則控制權於一段時間內轉移，而收益則經參考已完成相關履約責任的進度而於一段時間內確認。

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團履約創造及改良一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團履約並未產生對本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

合約資產指本集團就其已向客戶轉讓的商品或服務而收取代價的權利(尚未成為無條件)，根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團因已向客戶收取代價(或已到期代價金額)而須向客戶轉讓商品或服務的責任。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (i) Adoption of new and amended HKFRSs (continued)

##### **HKFRS 15 Revenue from Contracts with Customers (continued)**

The Group provides foundation work services under contracts with customers which are entered into before the services begin. Under the terms of the contracts, the Group's performance creates and enhances an asset that the customer controls which referred as the designated areas where the foundation work services performed. Revenue from provision of foundation work services is therefore recognised over time. The progress towards complete satisfaction of a performance obligation in the foundation work services is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services. The value of the services transferred to customer to date is measured according to the progress certificate (by reference to the construction works certified by the customers or their agents).

HKFRS 15 has been applied retrospectively without restatement, with the cumulative effect of initial application recognised as an adjustment to the opening balance of retained profits at 1 April 2018. In accordance with the transition guidance, HKFRS 15 has only been applied to contracts that are incomplete as at 1 April 2018.

### 3. 重大會計政策 (續)

#### (i) 採納新訂及經修訂香港財務報告準則 (續)

##### **香港財務報告準則第15號來自客戶合約之收益 (續)**

本集團根據與客戶於服務開始前訂立的合約提供地基工程服務。根據合約條款，本集團的履約建立及改良客戶所控制的資產（即指履行地基工程服務指定區域）。因此，提供地基工程服務的收益於一段時間內確認。完成履行提供地基工程履約責任期間的進度乃根據輸出法計量，即透過直接計量迄今已轉讓予客戶的服務的價值，相對合約項下承諾提供的餘下服務的價值確認收益，有關方法最能反映本集團於轉讓服務控制權方面的履約情況。迄今已轉讓予客戶的服務的價值乃根據進度證明（參照客戶或其代理認證的建築工程）計量。

香港財務報告準則第15號已予追溯應用，惟並無予以重列，其首次應用產生的累計影響確認為對於二零一八年四月一日的保留盈利期初結餘作出的調整。根據過渡指引，香港財務報告準則第15號僅應用於二零一八年四月一日尚未完成的合約。



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3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Adoption of new and amended HKFRSs  
(continued)

**HKFRS 15 Revenue from Contracts with Customers (continued)**

There was no material impact of transition to HKFRS 15 on retained earnings at 1 April 2018. In summary, the following reclassification was made to the amounts recognised in the interim financial report at the date of initial application (1 April 2018):

3. 重大會計政策(續)

(i) 採納新訂及經修訂香港財務報告準則(續)

**香港財務報告準則第15號來自客戶合約之收益(續)**

過渡至香港財務報告準則第15號對二零一八年四月一日的保留盈利並無重大影響。綜合而言，於首次應用日期(即二零一八年四月一日)對中期財務報告內確認的金額已作出下列重新分類：

	Carrying amount on 31 March 2018 under HKAS 18	Reclassification	Carrying amount on 1 April 2018 under HKFRS 15
	根據香港會計準則第18號於二零一八年三月三十一日的賬面值 HK\$'000 千港元	重新分類 HK\$'000 千港元	根據香港財務報告準則第15號於二零一八年四月一日的賬面值 HK\$'000 千港元
<b>Current assets</b>			
Amounts due from customers for contract work	94,137	(94,137)	-
Contract assets	-	94,137	94,137
<b>Current liabilities</b>			
Amounts due to customers for contract work	1,185	(1,185)	-
Contract liabilities	-	1,185	1,185

The adoption of HKFRS 15 has no material impact on the Group's condensed consolidated statement of profit or loss and other comprehensive income and the condensed consolidated statement of cash flows.

採納香港財務報告準則第15號並無對本集團的簡明綜合損益及其他全面收益表以及簡明綜合現金流量表產生重大影響。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (i) Adoption of new and amended HKFRSs (continued)

##### **HKFRS 9 Financial instruments**

HKFRS 9 replaces HKAS 39 “Financial Instruments: Recognition and Measurement”. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an “expected credit loss” (“ECL”) model for the impairment of financial assets.

When adopting HKFRS 9, the Group has applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of HKFRS 9 in relation to classification, measurement, and impairment are recognised in retained earnings.

The adoption of HKFRS 9 has impacted the following areas:

##### (a) *Classification and measurement*

On 1 April 2018, the Group’s management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate categories of the HKFRS 9.

HKFRS 9 categories financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income (“FVOCI”) and at fair value through profit or loss (“FVPL”). These supersede HKAS 39’s categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

For financial assets classified to be measured at amortised cost, the Group holds the investment to collect the contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.

### 3. 重大會計政策 (續)

#### (i) 採納新訂及經修訂香港財務報告準則 (續)

##### **香港財務報告準則第9號金融工具**

香港財務報告準則第9號取代香港會計準則第39號「金融工具：確認及計量」，對先前有關金融資產分類及計量的指引作出重大變動，並就金融資產減值引入「預期信貸虧損」(「預期信貸虧損」)模式。

於採納香港財務報告準則第9號時，本集團已應用過渡性條文並選擇不對過往期間予以重列。採納香港財務報告準則第9號在分類、計量及減值方面產生的差異於保留盈利內確認。

採納香港財務報告準則第9號對下列方面產生影響：

##### (a) *分類及計量*

於二零一八年四月一日，本集團管理層已評估適用於本集團所持金融資產的業務模式，並已將其金融工具分類為香港財務報告準則第9號的適當類別。

香港財務報告準則第9號將金融資產分為三個主要分類類別：以攤銷成本計量、按公平值計入其他全面收益(「按公平值計入其他全面收益」)及按公平值計入損益(「按公平值計入損益」)，取代香港會計準則第39號項下的持有至到期投資、貸款及應收款項、可供出售金融資產及按公平值計入損益計量的金融資產類別。根據香港財務報告準則第9號，金融資產的分類乃基於管理金融資產的業務模式及其合約現金流量特徵。

就分類為按攤銷成本計量的金融資產而言，本集團持有投資以收取僅為支付本金及利息的合約現金流量。投資的利息收入採用實際利率法計算。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (i) Adoption of new and amended HKFRSs (continued)

##### **HKFRS 9 Financial instruments (continued)**

###### (a) Classification and measurement (continued)

The classification of the Group's financial assets and liabilities at 1 April 2018 have not been impacted by the initial application of HKFRS 9.

###### (b) Impairment

Under the ECL model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 12-month ECL or a lifetime ECL, depending on the asset and the facts and circumstances.

For trade receivables, retention receivables and contract assets, the Group applies a simplified model of recognising lifetime ECL as these items do not have a significant financing component. The Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

For all other financial assets at amortised cost, the Group adopted a "three-stage" model for impairment based on changes in credit quality since initial recognition as summarised below:

- The receivables with low credit risk on initial recognition is classified in "Stage 1" and has its credit risk continuously monitored by the Group;
- If a significant increase in credit risk since initial recognition is identified, the receivables is moved to "Stage 2" but is not yet deemed to be credit impaired;
- If the receivables are credit-impaired, the financial instrument is then moved to "Stage 3".

### 3. 重大會計政策(續)

#### (i) 採納新訂及經修訂香港財務報告準則(續)

##### **香港財務報告準則第9號金融工具(續)**

###### (a) 分類及計量(續)

於二零一八年四月一日，首次應用香港財務報告準則第9號對本集團的金融資產及負債分類並無影響。

###### (b) 減值

根據預期信貸虧損模式，於確認減值虧損前不再需要發生虧損事件。相反，實體須根據資產以及事實及情況確認及計量12個月預期信貸虧損或全期預期信貸虧損。

就貿易應收款項、應收保留金及合約資產而言，本集團應用簡化模式確認全期預期信貸虧損，乃因該等項目並無重大融資成分。本集團憑藉其過往經驗、外部指標及前瞻性資料使用撥備矩陣計算預期信貸虧損。

就所有按攤銷成本計量的其他金融資產而言，本集團基於自初步確認以來的信貸質素變動採用「三階段」減值模式，概述如下：

- 於初步確認時具有較低信貸風險的應收款項分類於「階段一」，其信貸風險由本集團持續監控；
- 倘識別出信貸風險自初步確認後顯著增加，則應收款項轉移至「階段二」，惟尚未被視為信貸減值；
- 倘應收款項已出現信貸減值，則金融工具轉移至「階段三」。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (i) Adoption of new and amended HKFRSs (continued)

##### **HKFRS 9 Financial instruments (continued)**

##### (b) Impairment (continued)

Receivables in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that result from default events possible within the next 12 months. Instruments in Stage 2 or 3 have their ECL measured based on ECL on a lifetime basis.

##### Measurement of ECLs

When estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

As at 1 April 2018, no credit loss allowance has been recognised against retained earnings.

### 4. ESTIMATES AND JUDGEMENTS

The preparation of interim financial report requires management to make accounting judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements of the Group for the year ended 31 March 2018.

### 3. 重大會計政策 (續)

#### (i) 採納新訂及經修訂香港財務報告準則 (續)

##### **香港財務報告準則第9號金融工具 (續)**

##### (b) 減值 (續)

階段一的應收款項的預期信貸虧損乃按等同於於未來12個月內可能發生的違約事件引致的全期預期信貸虧損部分的金額計量。階段二或階段三的工具的預期信貸虧損乃按全期預期信貸虧損計量。

##### 預期信貸虧損的計量

於估計預期信貸虧損時，本集團會考慮相關及於毋須付出不必要成本或努力的情況下即可獲得的合理可靠資料，包括基於本集團過往經驗及已知信貸評估並包括前瞻性資料而得出的定量及定性資料與分析。

於二零一八年四月一日，並未就保留盈利確認信貸虧損撥備。

### 4. 估計及判斷

編製中期財務報告要求管理層作出會計判斷、估計及假設，而該等會計判斷、估計及假設會影響會計政策的應用以及資產及負債、收入及開支的報告金額。實際結果可能有別於該等估計。

編製本中期財務報告時，管理層在應用本集團會計政策時作出的重大判斷及估計不確定性的主要來源與本集團截至二零一八年三月三十一日止年度的年度綜合財務報表所採用者相同。

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### 5. REVENUE

The Group's principal activities are disclosed in Note 1 of the interim financial report.

Revenue recognised for the six months ended 30 September 2018 and 2017 are as follows:

		Six months ended 30 September	
		截至九月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Contracting revenue	合約收益	<b>209,668</b>	457,362

The chief operating decision maker has been identified as the executive directors of the Company. The Directors regards the Group's business of foundation works as a single operating segment and reviews the overall results of the Group as a whole to make decision about resources allocation. Accordingly, no segment analysis information is presented. All the performance obligation of revenue from contracts with customers of the Group are satisfied over time.

No separate analysis of segment information by geographical segment is presented as the Group's revenue and non-current assets are principally attributable to a single geographical region, which is Hong Kong.

Revenue from customers which individually contributed over 10% of the Group's revenue is as follows:

		Six months ended 30 September	
		截至九月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Customer A	客戶 A	<b>191,066</b>	312,345
Customer B	客戶 B	<b>N/A 不適用*</b>	63,235

\* The corresponding revenue did not individually contribute over 10% of the Group's revenue during the period.

### 5. 收益

本集團的主要業務於中期財務報告附註 1 披露。

截至二零一八年及二零一七年九月三十日止六個月確認的收益如下：

主要經營決策者被認定為本公司執行董事。董事將本集團的地基工程業務視為單一經營分部，並審閱本集團整體之業績，以就資源分配作出決策。因此，並無呈報分部分析資料。來自本集團合約客戶的收益之所有履約責任均已於一段時間內予以支付。

由於本集團的收益及非流動資產主要來自單一地區（香港），故並無呈報按地域分部劃分的分部資料之單獨分析。

個別佔本集團收益超過 10% 的客戶收益如下：

\* 於本期間內，概無個別相應收益佔本集團收益逾 10%。

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6. OTHER GAINS AND LOSSES, NET

6. 其他收益及虧損，淨額

		Six months ended 30 September 截至九月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Dividend income	股息收入	-	13
Net gain in fair value on investment properties	投資物業公平值收益淨額	560	240
Net 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的收益淨額	-	217
Rental income	租金收入	72	68
Interest income	利息收入	3	-
Interest income from financial asset at amortised cost	按攤銷成本列賬的金額資產所得利息收入	309	-
Exchange difference, net	匯兌差額，淨額	(1,432)	5
Others	其他	29	-
		<b>(459)</b>	543

7. FINANCE COSTS

7. 財務費用

		Six months ended 30 September 截至九月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Bank loan interest	銀行貸款利息	33	7
Finance charge on obligations under finance lease	融資租賃承擔的財務費用	101	161
		<b>134</b>	168

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**8. PROFIT BEFORE INCOME TAX**

**8. 除所得稅前溢利**

		Six months ended 30 September	
		截至九月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Profit before tax is stated after charging:	除稅前溢利已扣除以下各項：		
<b>(a) Staff costs (including directors' remuneration)</b>	<b>(a) 員工成本(包括董事薪酬)</b>		
Salaries, wages and other benefits	薪金、工資及其他福利	<b>37,093</b>	43,577
Contributions to defined contribution retirement plans	向界定供款退休計劃供款	<b>1,843</b>	1,764
Staff costs (including directors' remuneration) (note (i))	員工成本(包括董事薪酬)(附註(i))	<b>38,936</b>	45,341
<b>(b) Other items</b>	<b>(b) 其他項目</b>		
Depreciation, included in:	以下各項折舊：		
Direct costs	直接成本		
– Owned assets	– 自有資產	<b>5,791</b>	3,901
– Leased assets	– 租賃資產	<b>150</b>	1,267
Administrative expenses	行政開支		
– Owned assets	– 自有資產	<b>54</b>	59
		<b>5,995</b>	5,227
Subcontracting charges (included in direct costs)	分包開支(計入直接成本)	<b>59,765</b>	107,723
Operating lease charges	經營租賃費用		
– Premises	– 物業	<b>369</b>	369
– Machinery	– 機械	<b>3,204</b>	10,925
Listing expenses	上市開支	–	9,201
Auditor's remuneration	核數師薪酬	<b>75</b>	75

## 8. PROFIT BEFORE INCOME TAX (continued)

Note:

- (i) Staff costs (including directors' remuneration)

		Six months ended 30 September 截至九月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Direct costs	直接成本	34,326	41,854
Administrative expenses	行政開支	4,610	3,487
		<b>38,936</b>	45,341

## 8. 除所得稅前溢利(續)

附註：

- (i) 員工成本(包括董事薪酬)

## 9. INCOME TAX EXPENSE

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profits for the period.

## 9. 所得稅開支

香港利得稅按期內估計應課稅溢利16.5%的稅率撥備。

		Six months ended 30 September 截至九月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
Provision for Hong Kong Profits Tax – Current tax	香港利得稅撥備 – 即期稅項	172	8,483
Deferred tax	遞延稅項	1,954	(151)
Total income tax expense	所得稅開支總額	<b>2,126</b>	8,332

## 10. DIVIDENDS

No interim dividend proposed during the six months ended 30 September 2018 (2017: Nil) and after the reporting date.

## 10. 股息

截至二零一八年九月三十日止六個月(二零一七年：無)及於報告日期後，並無建議派付中期股息。



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### 11. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to equity holders of the Company is based on the following:

### 11. 每股盈利

本公司權益持有人應佔每股基本盈利乃基於以下各項計算：

		Six months ended 30 September 截至九月三十日止六個月	
		2018 二零一八年 HK\$'000 千港元 (unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)
<b>Earnings</b>	<b>盈利</b>		
Profit for the period attributable to equity holders of the Company	本公司權益持有人應佔期內溢利	<b>8,824</b>	32,625
		<b>'000</b> 千股	'000 千股
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares	普通股加權平均數	<b>1,200,000</b>	900,000

The calculation of the basic earnings per share for the six months ended 30 September 2018 is based on the profit for the period attributable to equity holders of the Company of HK\$8,824,000 (2017: HK\$32,625,000) and the weighted average number of ordinary shares of 1,200,000,000 in issue during the period (2017: 900,000,000 in issue during the period, as if the reorganisation and capitalisation issue as detailed in the Company's annual financial statements for the year ended 31 March 2018 had been effective since 1 April 2017).

There were no dilutive potential ordinary shares during the six months ended 30 September 2018 and 2017 and therefore, diluted earnings per share equals to basic earnings per share.

截至二零一八年九月三十日止六個月的每股基本盈利乃根據本公司權益持有人應佔期內溢利8,824,000港元(二零一七年：32,625,000港元)及期內已發行普通股加權平均數1,200,000,000股(二零一七年：期內已發行900,000,000股，猶如本公司截至二零一八年三月三十一日止年度的年度財務報表所詳述重組及資本化發行已自二零一七年四月一日起生效)計算。

截至二零一八年及二零一七年九月三十日止六個月並無潛在攤薄普通股，因此，每股攤薄盈利等於每股基本盈利。

12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、機械及設備

		Furniture, fixtures and equipment 傢俬、固定 裝置及設備 HK\$'000 千港元	Plant and machinery 廠房及機械 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>				
At 1 April 2018	於二零一八年四月一日	1,161	72,922	7,494	81,577
Additions	添置	-	38,630	894	39,524
<b>At 30 September 2018 (unaudited)</b>	<b>於二零一八年九月三十日 (未經審核)</b>	<b>1,161</b>	<b>111,552</b>	<b>8,388</b>	<b>121,101</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>				
At 1 April 2018	於二零一八年四月一日	(808)	(52,317)	(5,751)	(58,876)
Charge for the period	期內支出	(54)	(5,455)	(486)	(5,995)
<b>At 30 September 2018 (unaudited)</b>	<b>於二零一八年九月三十日 (未經審核)</b>	<b>(862)</b>	<b>(57,772)</b>	<b>(6,237)</b>	<b>(64,871)</b>
<b>Net book value At 30 September 2018 (unaudited)</b>	<b>賬面淨值 於二零一八年九月三十日 (未經審核)</b>	<b>299</b>	<b>53,780</b>	<b>2,151</b>	<b>56,230</b>
At 31 March 2018 (audited)	於二零一八年 三月三十一日(經審核)	353	20,605	1,743	22,701

As at 30 September 2018, the Group's plant and machinery and motor vehicles which were fully depreciated (31 March 2018: net book value of HK\$150,000) are held under finance lease (note 20).

於二零一八年九月三十日，本集團的機械及汽車悉數折舊(二零一八年三月三十一日：賬面淨值150,000港元)，乃根據融資租賃持有(附註20)。

13. INVESTMENT PROPERTIES

13. 投資物業

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
At 1 April	於四月一日	<b>4,550</b>	4,020
Change in fair value	公平值變動	<b>560</b>	530
At 30 September/31 March	於九月三十日/三月三十一日	<b>5,110</b>	4,550

(i) The Group's borrowings are secured by investment properties with carrying values of HK\$5,110,000 as at 30 September 2018 (31 March 2018: HK\$4,550,000).

(ii) The Group's investment properties were revalued at 30 September 2018 by independent professionally qualified valuer, Greater China Appraisal Limited using the same valuation techniques as were used by this valuer when carrying out the valuation on 31 March 2018.

(i) 於二零一八年九月三十日，本集團的借款以賬面值5,110,000港元的投資物業作抵押(二零一八年三月三十一日：4,550,000港元)。

(ii) 本集團的投資物業於二零一八年九月三十日經獨立專業合資格估值師漢華評值有限公司使用此估值師進行二零一八年三月三十一日估值時所使用的相同技術進行重估。

14. TRADE AND OTHER RECEIVABLE

14. 貿易及其他應收款項

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
<b>Trade receivables</b> – from third parties	<b>貿易應收款項</b> – 來自第三方	<b>28,108</b>	28,074
<b>Deposit, prepayment and other receivables</b>	<b>按金、預付款項及 其他應收款項</b>		
Retention receivables	應收保留金	<b>27,558</b>	32,092
Other receivables and prepayment	其他應收款項及預付款項	<b>1,238</b>	1,236
Utility and other deposits	公用事業費及其他按金	<b>150</b>	150
		<b>28,946</b>	33,478
		<b>57,054</b>	61,552

The directors consider that the fair values of trade and other receivables are not materially different from their carrying amounts, because their balances have short maturity periods on their inception.

**Trade receivables**

The Group usually provides customers with a credit term of 28 to 60 days. For the settlement of trade receivables from provision of construction services, the Group usually reaches an agreement on the term of each payment with the customer by taking into account of factors such as, among other things, the credit history of the customer, its liquidity position and the Group's working capital needs, which varies on a case-by-case basis that requires the judgment and experience of the management.

董事認為，貿易及其他應收款項的公平值與其賬面值並無重大差異，因為該等結餘自開始起計的到期日較短。

**貿易應收款項**

本集團通常向客戶提供28至60天信貸期。就結算提供建築服務的貿易應收款項而言，本集團通常就每筆付款的年期與客戶達成協議，其中計及(其中包括)客戶的信貸歷史、流動資金狀況及本集團營運資金需求等因素，其按個別情況而有所不同，並須依靠管理層的判斷及經驗。

#### 14. TRADE AND OTHER RECEIVABLE (continued)

##### Trade receivables (continued)

As part of the Group's credit risk management, the Group uses debtors' ageing to assess the impairment for its customers because these customers consist of a large number of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. Based on the judgement of the management of the Group, the exposure to credit risk and ECL for trade receivables which are assessed collectively based on provision matrix is negligible at 30 September 2018.

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. No credit loss allowance is recognised on these debtors for the current interim period.

Based on the invoice dates, the ageing analysis of the trade receivables, net of provision for impairment, was as follows:

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
0-30 days	0至30天	<b>28,108</b>	22,156
31-60 days	31至60天	-	872
61-90 days	61至90天	-	5,046
		<b>28,108</b>	28,074

#### 14. 貿易及其他應收款項(續)

##### 貿易應收款項(續)

作為本集團信貸風險管理的一環，本集團透過債務人的賬齡評估其客戶的減值，此乃由於該等客戶包括大量有共同風險特徵的客戶，而該風險特徵代表客戶根據合約條款悉數支付到期款項的能力。根據本集團管理層的判斷，於二零一八年九月三十日使用撥備矩陣共同評估的信貸風險及貿易應收款項預期信貸虧損甚微。

估計虧損率乃根據債務人預期年期的過往觀察所得的違約率估計，並按毋需不必要成本及努力即可獲得的前瞻性資料作出調整。於本中期期間，並無就該等債務人確認信貸虧損撥備。

根據發票日期，貿易應收款項(扣除減值撥備)的賬齡分析如下：

#### 14. TRADE AND OTHER RECEIVABLE (continued)

##### Retention receivables

Retention receivables represents certified contract payments in respect of works performed, for which payments are withheld by customers for retention purposes, and the amount retained is withheld on each payment up to a maximum amount calculated on a prescribed percentage of the contract sum.

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Due within one year	於一年內到期	19,077	14,919
Due after one year	於一年後到期	8,481	17,173
		<b>27,558</b>	32,092

Retention receivables are interest-free and repayable approximately one year after the expiry of the maintenance period of construction projects.

No amounts in relation to other receivables were past due at 30 September 2018 (31 March 2018: Nil). The directors make periodic collective assessments as well as individual assessment on the recoverability of other receivables bases on historical settlement records and past experience. The Group consider counter parties have a low risk of default and strong capacity of to meet contractual cash flow as performing.

#### 14. 貿易及其他應收款項(續)

##### 應收保留金

應收保留金指客戶就履約工程證實的合約付款預扣作保留之款項。客戶於每次付款時預扣此保留款項，最高金額根據合約金額的指定百分比計算。

應收保留金為免息及應於建築項目維修期到期後約一年償還。

並無有關其他應收款項的金額於二零一八年九月三十日逾期(二零一八年三月三十一日：無)。董事根據過往結算記錄及過往經驗對其他應收款項的可收回性定期進行整體及個別評估。本集團認為，對手方違約風險低，具有雄厚實力可於履約時支付合約現金流。

15. FINANCIAL ASSETS AT AMORTISED COST

15. 按攤銷成本列賬的金融資產

	As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Certificates of Deposit ("CDs"), pledged      已抵押存款證(「存款證」)	<b>14,888</b>	-

As at 30 September 2018, the CDs is denominated in RMB13,084,000, earns coupon interest of 4.60% per annum and mature on 27 March 2019.

As the CDs are not publicly traded, the fair values presented are determined by calculating the present value of the estimated cash flows until maturity of these financial assets. The discount rates used were determined by reference to observable market interest rates of comparable certificate of deposits. These fair values are within level 2 of the fair value hierarchy.

No impairment loss has been recorded in relation to the CDs since the issuer's credit rating is high. No amounts in relation to the CDs are past due.

於二零一八年九月三十日，存款證計值人民幣13,084,000元並每年獲得4.60%的息票利息，並於二零一九年三月二十七日到期。

由於存款證不可公開交易，所呈列公平值通過計算該等金融資產於到期日前的估計現金流量之現值而釐定。所用折現率乃參考可比較存款證的可觀察市場利率釐定。該等公平值在公平值層級的第2級內。

因發行人的信用評級較高，存款證並無錄得減值虧損。並無與存款證相關的金額逾期。

16. CONTRACT ASSETS/CONTACT LIABILITIES/  
AMOUNTS DUE FROM/(TO) CUSTOMERS  
ON CONSTRUCTION CONTRACTS

16. 合約資產／合約負債／應收／  
(應付) 客戶建築合約款項

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Contract costs incurred plus recognised profits less recognised losses	所產生的合約成本加已確認溢利減已確認虧損	<b>1,167,795</b>	1,093,087
Less: progress billings	減：進度票據	<b>(1,085,977)</b>	(1,000,135)
Contract work-in-progress	在建合約工程	<b>81,818</b>	92,952
Analysed for reporting purposes as:	就報告目的分析為：		
Amounts due from customers on construction contracts	應收客戶建築合約款項	-	94,137
Amounts due to customers on construction contracts	應付客戶建築合約款項	-	(1,185)
Contract assets	合約資產	<b>82,335</b>	-
Contract liabilities	合約負債	<b>(517)</b>	-
		<b>81,818</b>	92,952

The gross amounts of contract assets/contract liabilities/due from/(to) customers on construction contracts are expected to be recovered/settled within one year.

合約資產／合約負債／應收／(應付) 客戶建築合約款項總額預期於一年內收回／結清。



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17. CASH, BANK BALANCES AND PLEDGED DEPOSITS 17. 現金、銀行結餘及已抵押存款

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Cash, bank balances and pledged deposits	現金、銀行結餘及已抵押存款	<b>101,784</b>	147,267
Less: short-term time deposits, pledged	減：已抵押短期定期存款	<b>(10,202)</b>	(10,200)
Cash and cash equivalents per the condensed consolidated statement of cash flows	根據簡明綜合現金流量表計的現金及現金等價物	<b>91,582</b>	137,067

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Short-term time deposits earn 0.01% interest per annum (31 March 2018: 0.01%) and have a maturity of 1 month. They have been pledged to secure bank facilities (note 19).

The directors consider that the fair values of cash at bank are not materially different from their carrying amounts, because their balances have short maturity periods on their inception.

銀行現金基於每日銀行存款利率按浮動利率賺取利息。

短期定期存款每年賺取0.01%的利息(二零一八年三月三十一日：0.01%)，期限為一個月。短期定期存款已質押以擔保銀行融資(附註19)。

董事認為，銀行現金的公平值與其賬面值並無重大差異，因為該等結餘自開始起計的到期日較短。

18. TRADE AND OTHER PAYABLES

18. 貿易及其他應付款項

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Trade payables	貿易應付款項	<b>13,893</b>	39,862
Accruals and other payables	應計費用及其他應付款項	<b>2,722</b>	2,537
		<b>16,615</b>	42,399

## 18. TRADE AND OTHER PAYABLES (continued)

Ageing analysis of payables based on the invoices date is as follows:

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
0–30 days	0至30天	13,893	39,682
31–60 days	31至60天	–	180
		<b>13,893</b>	<b>39,862</b>

## 18. 貿易及其他應付款項(續)

應付款項按發票日期的賬齡分析如下：

## 19. BORROWINGS, SECURED

At 30 September 2018, the bank loans were repayable as follows:

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Bank loans repayable on demand (note (a))	應要求償還的銀行貸款 (附註(a))	3,883	–

## 19. 有抵押借款

於二零一八年九月三十日，須償還的銀行貸款如下：

Notes:

- (a) At 30 September 2018, the bank loans are interest-bearing at 2.50% (31 March 2018: Nil) per annum.
- (b) At 30 September 2018, the banking facilities of the Group were secured by:
- (1) Charges on the investment properties owned by the Group (note 13); and
  - (2) Charges on certain bank deposits (note 17) made by the Group and financial asset at amortised cost (note 15).

附註：

- (a) 於二零一八年九月三十日，銀行貸款按年利率2.50%計息(二零一八年三月三十一日：無)。
- (b) 於二零一八年九月三十日，本集團的銀行融資以下列方式擔保：
- (1) 本集團所擁有的投資物業(附註13)之押記；及
  - (2) 本集團的若干銀行存款(附註17)及按攤銷成本列賬的金融資產之抵押(附註15)。

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### 20. OBLIGATION UNDER FINANCE LEASES

The analysis of the Group's obligations under finance lease is as follows:

### 20. 融資租賃承擔

本集團融資租賃承擔分析如下：

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Total minimum lease payments:	最低租賃付款總額：		
Within one year	一年內	<b>2,577</b>	2,577
After one year but within two years	一年後，但於兩年內	<b>1,074</b>	2,362
		<b>3,651</b>	4,939
Future finance charges	未來財務費用	<b>(127)</b>	(228)
Present value of lease obligation	租賃負債現值	<b>3,524</b>	4,711
Present value of minimum lease payment:	最低租賃付款現值：		
Within one year	一年內	<b>2,463</b>	2,404
After one year but within two years	一年後，但於兩年內	<b>1,061</b>	2,307
		<b>3,524</b>	4,711
Less: Portion due within one year included under current liabilities	減：計入流動負債一年內到期的部分	<b>(2,463)</b>	(2,404)
Portion due after one year included under non-current liabilities	計入非流動負債一年後到期的部分	<b>1,061</b>	2,307

The Group has entered into finance leases for plant and machinery and motor vehicles. These lease periods are for 5 years. At the end of the lease term, the Group has the option to purchase the leased assets at a price that is expected to be sufficiently lower than the fair value of the leased asset at the end of the lease. None of the leases including contingent rentals. The effective interest rate on these finance leases was 5.01% for the six months ended 30 September 2018 (for the year ended 31 March 2018: 5.01%) per annum.

Obligation under finance leases are effectively secured by the underlying assets at the rights to the leased assets would be converted to the lessor in the event of default by repayment by the Group.

本集團已訂立機械及汽車的融資租賃。該等租賃為期5年。於租期末，本集團有權按租賃結束時預計遠低於租賃資產公平值的價格購買租賃資產。概無租賃包括或然租金。截至二零一八年九月三十日止六個月，該等融資租賃的實際年利率為5.01%（截至二零一八年三月三十一日止年度：5.01%）。

融資租賃承擔以相關資產有效擔保，倘本集團拖欠還款則租賃資產權利轉換予出租人。

## 21. SHARE CAPITAL

## 21. 股本

		Number of shares 股份數目	HK\$'000 千港元
<b>Authorised:</b>	<b>法定：</b>		
As at 30 September 2018 and 31 March 2018	於二零一八年九月三十日及 二零一八年三月三十一日	10,000,000,000	100,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
As at 30 September 2018 and 31 March 2018	於二零一八年九月三十日及 二零一八年三月三十一日	1,200,000,000	12,000

## 22. OPERATING LEASE COMMITMENTS

## 22. 經營租賃承擔

### As lessee

At the reporting date, the total future minimum lease payments payable by the Group under non-cancellable operating leases are as follows:

### 作為承租人

於報告日期，本集團根據不可撤銷經營租賃應付的未來最低租賃付款總額如下：

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Within one year	一年內	738	510
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)	882	—
		1,620	510

The Group is the lessee in respect of premises under operating leases. The leases typically run for an initial period of one to two years (31 March 2018: one year). The leases do not include contingent rentals.

本集團為經營租賃項下物業的承租人。租賃的初步期限一般為一至兩年(二零一八年三月三十一日：一年)。租賃並不包括或然租金。

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### 22. OPERATING LEASE COMMITMENTS (continued)

#### As lessor

At the reporting date, the total future minimum lease receipts receivables by the Group under non-cancellable operating leases are as follows:

		As at 30 September 2018 於二零一八年 九月三十日 HK\$'000 千港元 (unaudited) (未經審核)	As at 31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元 (audited) (經審核)
Within one year	一年內	113	144
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)	-	39
		<b>113</b>	<b>183</b>

The Group leases its investment properties under operating lease arrangements which run for a lease term of one to two years, with an option to renew the lease terms at the expiry date or at dates as mutually agreed between the Group and the respective tenant.

### 22. 經營租賃承擔(續)

#### 作為出租人

於報告日期，本集團根據不可撤銷經營租賃而應收之未來最低租賃應收款總額如下：

本集團根據經營租賃安排租賃其投資物業，租期為一至兩年，可選擇在屆滿日期或本集團與相關租客共同協定的日期續訂租期。

## 23. RELATED PARTY TRANSACTIONS

### Key management personnel remuneration

The emoluments of the directors and senior management of the Company, who represent the key management personnel during the six months ended 30 September 2018 and 2017 are as follows:

		Six months ended 30 September	
		截至九月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, fee and allowances	薪金、袍金及津貼	1,440	874
Retirement benefit scheme contributions	退休福利計劃供款	36	33
		<b>1,476</b>	<b>907</b>

## 24. CONTINGENT LIABILITIES

At 30 September 2018 and 31 March 2018, the Group has been involved in a number of claims, litigations and potential claims against the Group in relation to work-related injuries and non-compliances. The directors are of the opinion that the claims, litigations and non-compliances are not expected to have a material impact on the interim financial report, and the outcome for potential claims is uncertain. Accordingly, no provision has been made to the interim financial report.

## 23. 關聯方交易

### 主要管理人員薪酬

截至二零一八年及二零一七年九月三十日止六個月，本公司董事及高級管理層（為主要管理人員）薪酬如下：

## 24. 或然負債

於二零一八年九月三十日及二零一八年三月三十一日，本集團涉及多項針對本集團的工傷申索、訴訟及潛在申索以及不合規事件。董事認為該等申索、訴訟及不合規事件預期不會對中期財務報告造成重大影響，且潛在申索的結果為不確定。因此，概無於中期財務報告作出撥備。

# CORPORATE GOVERNANCE/OTHER INFORMATION

## 企業管治／其他資料

### INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND THE ASSOCIATED CORPORATIONS

As at 30 September 2018, the interests and short positions of the Directors or chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (the "SFO")) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or which, pursuant to section 352 of the SFO, have been entered in the register referred to therein, or have been, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), notified to the Company and the Stock Exchange, were as follows:

#### i. Long position in our Shares

Name of Directors	Capacity/Nature	Number of shares held/interested 持有／擁有 權益的股份數目	Percentage of shareholding 持股百分比
Mr. Yip Yuk Kit	Interest in a controlled corporation (Note)	900,000,000	75%
葉育杰先生	受控法團的權益(附註)	900,000,000	75%

Note:

The Company will be owned as to 75% by Fame Circle Limited immediately after the Listing. Fame Circle Limited is legally and beneficially owned as to 100% by Mr. Yip. Under the SFO, Mr. Yip is deemed to be interested in the same number of Shares held by Fame Circle Limited.

### 董事及最高行政人員於本公司及相聯法團的股份、相關股份及債權證中的權益

於二零一八年九月三十日，本公司董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部規定須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文被當作或被視作擁有的任何權益或淡倉)，或根據證券及期貨條例第352條須記錄於該條所指登記冊的權益及淡倉，或根據聯交所證券上市規則(「上市規則」)上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

#### i. 於股份的好倉

附註：

緊隨上市後，本公司將由Fame Circle Limited擁有75%權益。Fame Circle Limited由葉先生合法及實益擁有100%權益。根據證券及期貨條例，葉先生被視為於Fame Circle Limited所持相同數目股份中擁有權益。

#### ii. Long position in the shares of associated corporation

Name of Directors	Name of associated corporation	Capacity/Nature	Number of shares held/interested in 持有／擁有權益的 股份數目	Percentage of interest 持股百分比
Mr. Yip Yuk Kit	Fame Circle Limited	Beneficial interest	50,000	100%
葉育杰先生	Fame Circle Limited	實益權益	50,000	100%

#### ii. 於相聯法團股份中的好倉

## CORPORATE GOVERNANCE/OTHER INFORMATION 企業管治／其他資料

Save as disclosed above, as at 30 September 2018, none of the Directors or chief executives had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange under the Model Code.

### INTERESTS OF SUBSTANTIAL AND OTHER SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES

As at 30 September 2018, so far as is known to the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who are, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

Name 名稱／姓名	Capacity/Nature 身份／性質	Number of shares held/ interested in 持有／擁有 權益的股份數目	Percentage of interest 權益百分比
Fame Circle Limited	Beneficial interest (Note 1)	900,000,000	75%
Fame Circle Limited	實益權益(附註1)	900,000,000	75%
Ms. Yip Lai Ping 葉麗萍女士	Interest of spouse (Note 2)	900,000,000	75%
	配偶權益(附註2)	900,000,000	75%

Notes:

- Fame Circle Limited is owned as to 100% by Mr. Yip Yuk Kit. Mr. Yip Yuk Kit is the sole director of Fame Circle Limited. Under the SFO, Mr. Yip is deemed to be interested in the same number of Shares held by Fame Circle Limited.
- Ms. Yip Lai Ping is the spouse of Mr. Yip Yuk Kit. Under the SFO, Ms. Yip Lai Ping is deemed to be interested in the same number of Shares in which Mr. Yip Yuk Kit is interested.

Save as disclosed above, as at 30 September 2018, no other persons had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

除上文所披露者外，於二零一八年九月三十日，概無董事或最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有任何記錄於須根據證券及期貨條例第352條留置的登記冊或根據標準守則須另行知會本公司及聯交所的權益或淡倉。

### 主要股東及其他股東於股份及相關股份中的權益

於二零一八年九月三十日，就董事所知，下列人士(並非本公司董事或最高行政人員)於股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部規定須知會本公司及聯交所的權益或淡倉，或直接或間接擁有附帶權利可在任何情況下於本公司或本集團任何其他成員公司股東大會上投票的任何類別股本面值10%或以上的權益：

附註：

- Fame Circle Limited由葉育杰先生全資擁有。葉育杰先生為Fame Circle Limited的唯一董事。根據證券及期貨條例，葉先生被視為於Fame Circle Limited所持相同數目股份中擁有權益。
- 葉麗萍女士為葉育杰先生的配偶，根據證券及期貨條例，葉麗萍女士被視為於葉育杰先生於當中擁有權益之相同數目股份中擁有權益。

除上文所披露者外，於二零一八年九月三十日，概無其他人士於本公司的股份或相關股份中擁有任何記錄於須根據證券及期貨條例第336條留置的登記冊或另行知會本公司及聯交所的權益或淡倉。



## **SHARE OPTION SCHEME**

The Company has adopted a share option scheme (the “Share Option Scheme”) on 18 January 2018. The principal terms of the Share Option Scheme are summarised in Appendix V to the Prospectus. The purpose of the Share Option Scheme is to attract and retain the best available personnel of the Group, to provide additional incentive to employees (full-time and part-time), directors, consultants, 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. No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption on 18 January 2018, and there is no outstanding share option as at 30 September 2018.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SECURITIES**

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s securities.

## **DIRECTORS’ INTERESTS IN CONTRACTS OF SIGNIFICANCE**

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Reporting Period.

## **SUFFICIENCY OF PUBLIC FLOAT**

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

## **COMPETING INTERESTS**

The Directors confirm that neither the Directors nor the controlling shareholders of the Company nor their respective close associates is interested in a business apart from the Group’s business which competes or is likely to compete, directly or indirectly, with the Group’s business during the Reporting Period, and is required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

## **購股權計劃**

本公司已於二零一八年一月十八日採納購股權計劃（「購股權計劃」）。購股權計劃的主要條款概述於招股章程附錄五。購股權計劃旨在吸納及挽留本集團的最優秀人才，向本集團的僱員（全職及兼職）、董事、諮詢人、顧問、分銷商、承建商、供應商、代理、客戶、業務夥伴或服務供應商提供額外獎勵，促成本集團的業務成功。自二零一八年一月十八日採納起，概無購股權根據購股權計劃已授出、行使、註銷或失效，且於二零一八年九月三十日，概無尚未行使的購股權。

## **購買、出售或贖回本公司證券**

於報告期間，本公司及其任何附屬公司概無購買、出售或贖回本公司任何證券。

## **董事於重大合約的權益**

於報告期間，概無董事於本公司或其任何附屬公司所訂立且對本集團業務而言屬重大的任何合約中直接或間接擁有重大權益。

## **充足公眾持股量**

根據本公司公開可得資料及就董事所知，董事確認，於報告期間及直至本報告日期本公司已就股份維持上市規則規定的充足公眾持股量。

## **競爭權益**

董事確認，於報告期間，概無董事及本公司控股股東以及彼等各自緊密聯繫人於直接或間接與本集團業務構成競爭或可能構成競爭的業務（本集團業務除外）中擁有任何權益，且須根據上市規則第8.10條予以披露。

## COMPLIANCE ADVISER'S INTERESTS

As notified by the Company's compliance adviser, Grande Capital Limited (the "Compliance Adviser"), as at 31 March 2018, except for the compliance adviser agreement entered into between the Company and the Compliance Adviser dated 27 February 2018, the Compliance Adviser nor its directors, employees or close associates had any interests in relation to the Company, which is required to be notified to the Company pursuant to the Listing Rules.

## CORPORATE GOVERNANCE PRACTICES

### Compliance with the Corporate Governance Code

The Group recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. The Group is committed to maintaining good corporate governance to safeguard the interest of shareholders and to achieve effective accountability because the Group believes that is the best way to maximise our shareholders' value.

The Company has adopted the corporate governance code (the "CG code") contained in Appendix 14 to the Listing Rules. Pursuant to code provision A.2.1 of the CG Code, the roles of the chairman of the Board ("the Chairman") and the chief executive officer of the Company (the "Chief Executive Officer") should be separate and should not be performed by the same individual. Mr. Yip was the Chairman and Chief Executive Officer during the Reporting Period. As Mr. Yip has been assuming day-to-day responsibilities in operating and managing Kit Kee Engineering since August 1993, the Board is of the view that it is in the best interest of the Group to have Mr. Yip taking up both roles for effective management and business development.

Save for the above deviation, the Board considers that during the Reporting Period, the Company has complied with all the code provisions set out in the CG Code.

## 合規顧問權益

經本公司合規顧問均富融資有限公司(「合規顧問」)告知，於二零一八年三月三十一日，除本公司與合規顧問訂立的日期為二零一八年二月二十七日的合規顧問協議外，合規顧問及其董事、僱員或緊密聯繫人概無擁有與本公司有關且須根據上市規則知會本公司的任何權益。

## 企業管治常規

### 遵守企業管治守則

本集團認可良好企業管治元素對本集團管理架構及內部監控程序的重要性，藉以達致有效問責制。本集團致力於維持良好的企業管治，以保障股東利益及達致有效問責制，乃由於本集團認為此乃實現股東價值最大化的最佳方式。

本公司已採納上市規則附錄十四所載企業管治守則(「企業管治守則」)。根據企業管治守則的守則條文第A.2.1條，董事會主席(「主席」)與本公司行政總裁(「行政總裁」)的角色應予區分且不應由同一人士擔任。於報告期間，葉先生出任主席兼行政總裁。鑒於葉育杰先生自一九九三年八月起一直承擔杰記工程的日常經營管理職責，董事會認為，為有效管理及業務發展，由葉先生同時出任兩職符合本集團的最佳利益。

除上述偏離外，董事會認為於報告期間，本公司已遵守企業管治守則所載所有守則條文。

### **Nomination Policy**

On 28 November 2018, the Board adopted a nomination policy (the "Nomination Policy") on the recommendation of the Nomination Committee which describes the procedure by which the Company will select candidate(s) for possible inclusion in the Board. The Board considers the Nomination Policy could strengthen the transparency and accountability of the Board and Nomination Committee and election of directors. In assessing the suitability of a proposed candidate before recommending to the Board for it to consider and make recommendations to shareholders for election as Directors at general meetings or appoint as Directors to fill casual vacancies, the Nomination Committee will consider: (i) character and integrity of the proposed candidate; (ii) qualifications of the proposed candidate including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy; (iii) accomplishment and experience of the proposed candidate in the business from time to time conducted, engaged in or invested in by any member of the Group; (iv) commitment of the proposed candidate in respect of available time and relevant interest; (v) requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules; (vi) board diversity policy and any measurable objectives for achieving diversity on the Board; and (vii) such other perspectives appropriate to the Company's business. The Nomination Committee also ensures the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

### **提名政策**

於二零一八年十一月二十八日，董事會採納了關於提名委員會推薦建議的提名政策（「提名政策」），該政策載述本公司就可能加入董事會一事選擇候選人的程序。董事會認為提名政策可加強董事會及提名委員會以及董事選舉的透明度及問責。在評估擬任候選人被推薦加入董事會前的合適性以供其考慮及向股東推薦於股東大會上選舉為董事或委任為董事以填補空缺時，提名委員會將考慮：(i) 擬任候選人的品格及正直；(ii) 擬任候選人的資格，包括專業資格、技能、知識及與本公司業務及企業策略相關的經驗；(iii) 擬任候選人於本集團任何成員公司不時從事或投資的業務中的成就及經驗；(iv) 擬任候選人在可用時間及相關利益方面的承諾；(v) 根據上市規則董事會須有獨立董事的規定及參考上市規則所載的獨立指引候選人是否會被認為屬獨立；(vi) 董事會多元化政策及在實現董事會多元化方面的任何可衡量目標；及(vii) 適合於本公司業務的有關其他觀點。提名委員會亦確保董事會在適合本公司業務要求的技能、經驗及多元化觀點方面的均衡。

## Dividend policy

The Company considers stable and sustainable returns to shareholders of the Company to be its goal. It is the policy of the Board, in declaring or recommending a payment of dividends, to allow the shareholders to participate in the Company's profits and for the Company to retain adequate reserves for future growth. On 28 November 2018, the Board adopted a dividend policy (the "Dividend Policy") on the recommendation of the Audit Committee in order to promote greater dividend policy transparency. In deciding whether to recommend the payment of dividend to our shareholders, the Board will take into account of (i) general business conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Company; (ii) the financial condition and results of operations of the Group; (iii) the expected capital requirements and future expansion plans of the Group; (iv) future prospects of the Group; (v) statutory and regulatory restrictions; (vi) contractual restrictions on the payment of dividends by the Group to our shareholders or by the subsidiaries of the Company to the Company; (vii) taxation considerations; (viii) shareholders' interests; and (ix) other factors the Board may deem relevant. The Board may also pay half-yearly or at other suitable intervals to be settled by it any dividend which may be payable at a fixed rate if the Board is of the opinion that the profits of the Company justify the payment.

Whilst the Dividend Policy reflects the Board's current views on the financial and cash-flow position of the Group, such dividend policy will continue to be reviewed from time to time and there can be no assurance that dividends will be recommend or declared in any particular amount for any given period. The declaration of or recommendation of declaration of dividends is subject to the absolute discretion of the Board. Even if the Board decides to recommend and declare dividends, the form, frequency and amount will depend upon the operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors of and affecting the Group. The payment of dividend is also subject to applicable laws and regulations and the Company's constitutional documents.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of the Directors, all Directors confirmed that they complied with the Model Code at all applicable times during the Reporting Period.

## 股息政策

本公司認為其宗旨乃是為本公司股東提供穩定及可持續回報。董事會在宣派或擬派股息方面的政策乃是允許股東分享本公司溢利及本公司留存充足儲備作未來發展。二零一八年十一月二十八日，董事會採納了關於審核委員會推薦建議的股息政策（「股息政策」）以促進更好的股息政策透明度。於釐定是否擬派股息予我們的股東時，董事會所考慮的因素是：(i) 整體營商環境及可能影響本公司業務或財務表現及狀況的其他內部或外部因素；(ii) 本集團的財務狀況及經營業績；(iii) 本集團的預期資金需要及未來擴張計劃；(iv) 本集團的未來前景；(v) 法定及監管限制；(vi) 關於本集團向我們的股東派息或本公司附屬公司向本公司派息的合約限制；(vii) 稅項因素；(viii) 股東利益；及(ix) 董事會可能視為相關的其他因素。如董事會認為本公司的溢利表明適於派付，則董事會亦可能於每半年或其他合適的時間間隔派付及結算可能按固定比率派付的任何股息。

雖然股息政策反映了董事會現時有關本集團財務及現金流量狀況的觀點，但股息政策仍將不時予以審閱，且無法保證將於某一期間擬派或宣派特定金額的股息。宣派或擬派股息由董事會全權酌情而定。即使董事會決定擬派及宣派股息，形式、次數及數額將取決於本集團的業務及盈利、資金需要及盈餘、整體營商環境、合約限制及影響本集團的其他因素。派息亦受限於適用法律法規及本公司章程文件。

## 遵守上市發行人董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為董事進行證券交易的行為守則。經董事作出具體查詢後，全體董事確認彼等於報告期間任何適用時間內已遵守標準守則。

## CORPORATE GOVERNANCE/OTHER INFORMATION 企業管治／其他資料

### AUDIT COMMITTEE

The Company established an Audit Committee on 18 January 2018 with written terms of reference in compliance with the CG code. The primary roles of the Audit Committee include, but are not limited to, (a) making recommendations to our Board on the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; (b) monitoring the integrity of our financial statements and annual reports and accounts, half-yearly reports and, if prepared for publication, quarterly reports, and reviewing significant financial reporting judgments contained in them; and (c) reviewing our financial controls, internal control and risk management systems.

The Audit Committee consists of three members who are all independent non-executive Directors, namely, Mr. Lo Chi Wang, Mr. Chan Ka Yu and Mr. Lee Kwok Lun. Mr. Lee Kwok Lun is the Chairman of the Audit Committee.

### APPRECIATION

The Board would like to take this opportunity to express its sincere gratitude to the management team and staff for their hard work and contributions, and to our shareholders, investors and business partners for their trust and support.

By Order of the Board  
**Dragon Rise Group Holdings Limited**  
**Yip Yuk Kit**  
*Chairman and Executive Director*

Hong Kong, 28 November 2018

### 審核委員會

本公司於二零一八年一月十八日成立審核委員會，並根據企業管治守則訂明書面職權範圍。審核委員會的主要職責包括但不限於，(a) 就委任、重新委任及罷免外聘核數師向董事會提供推薦建議，批准外聘核數師薪酬及其委聘條款及其離職或免職的任何問題；(b) 監督財務報表及年度報告以及賬目、半年度報告及（倘為刊發而編製）季度報告的完整性，審閱當中載列的重大財務申報判斷；及(c) 審閱我們的財務控制、內部監控及風險管理制度。

審核委員會由三名成員組成，均為獨立非執行董事，即羅智弘先生、陳家宇先生及李國麟先生。李國麟先生為審核委員會主席。

### 致謝

董事會謹藉此機會對管理團隊及員工的不懈努力及貢獻以及股東、投資者及業務夥伴的信任及支持致以衷心謝意。

承董事會命  
**龍昇集團控股有限公司**  
**主席兼執行董事**  
**葉育杰**

香港，二零一八年十一月二十八日

**Dragon Rise Group Holdings Limited**  
**龍昇集團控股有限公司**

