

# Man Shun Group (Holdings) Limited 萬順集團(控股)有限公司

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

Stock Code 股份代號: 1746

**2018**  
**Annual Report**  
年報



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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. CHEUNG Yuen Tung (*Chairman*)  
 Mr. CHEUNG Yuen Chau  
 Mr. TANG Chi Chiu (resigned on 9 April 2019)

#### Independent non-executive Directors

Mr. PANG Kam Fai, Dickson  
 Mr. LAW Chung Lam, Nelson  
 Mr. LAU Yu Ching

### AUDIT COMMITTEE

Mr. LAU Yu Ching (*Chairman*)  
 Mr. PANG Kam Fai, Dickson  
 Mr. LAW Chung Lam, Nelson

### REMUNERATION COMMITTEE

Mr. PANG Kam Fai, Dickson (*Chairman*)  
 Mr. LAU Yu Ching  
 Mr. LAW Chung Lam, Nelson

### NOMINATION COMMITTEE

Mr. LAW Chung Lam, Nelson (*Chairman*)  
 Mr. PANG Kam Fai, Dickson  
 Mr. LAU Yu Ching

### AUTHORISED REPRESENTATIVE

Mr. CHEUNG Yuen Tung  
 Mr. TANG Chi Chiu (resigned on 9 April 2019)  
 Ms. LO Wan Man (appointed on 9 April 2019)

### COMPANY SECRETARY

Mr. TANG Chi Chiu (resigned on 9 April 2019)  
 Ms. LO Wan Man (appointed on 9 April 2019)

### PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
 Nanyang Commercial Bank, Limited

### AUDITOR

KPMG  
*Certified Public Accountants*  
 8th Floor, Prince's Building  
 10 Chater Road  
 Central  
 Hong Kong

### 董事會

#### 執行董事

張元通先生 (*主席*)  
 張元秋先生  
 鄧志釗先生 (於二零一九年四月九日辭任)

#### 獨立非執行董事

彭錦輝先生  
 羅頌霖先生  
 劉裕正先生

### 審核委員會

劉裕正先生 (*主席*)  
 彭錦輝先生  
 羅頌霖先生

### 薪酬委員會

彭錦輝先生 (*主席*)  
 劉裕正先生  
 羅頌霖先生

### 提名委員會

羅頌霖先生 (*主席*)  
 彭錦輝先生  
 劉裕正先生

### 授權代表

張元通先生  
 鄧志釗先生 (於二零一九年四月九日辭任)  
 盧韻雯女士 (於二零一九年四月九日獲委任)

### 公司秘書

鄧志釗先生 (於二零一九年四月九日辭任)  
 盧韻雯女士 (於二零一九年四月九日獲委任)

### 主要往來銀行

中國銀行(香港)有限公司  
 南洋商業銀行有限公司

### 核數師

畢馬威會計師事務所  
*執業會計師*  
 香港  
 中環  
 遮打道10號  
 太子大廈8樓

**CORPORATE INFORMATION 公司資料****COMPLIANCE ADVISER**

Messis Capital Limited  
Room 1606, 16th Floor  
Tower 2, Admiralty Centre  
18 Harcourt Road  
Hong Kong

**REGISTERED OFFICE**

Cricket Square  
Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

**HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

Room 1908, 19th Floor  
Cheung Fung Industrial Building  
Nos. 23–39 Pak Tin Par Street  
Tsuen Wan, New Territories  
Hong Kong

**HONG KONG SHARE REGISTRAR**

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

**STOCK CODE**

01746

**COMPANY'S WEBSITE**

<http://www.manshugroup.com.hk>

**合規顧問**

大有融資有限公司  
香港  
夏慤道18號  
海富中心第2座  
16樓1606室

**註冊辦事處**

Cricket Square  
Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

**總辦事處及香港主要營業地點**

香港  
新界荃灣  
白田壩街23–39號  
長豐工業大廈  
19樓1908室

**香港股份過戶登記處**

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心22樓

**股份代號**

01746

**公司網站**

<http://www.manshugroup.com.hk>



# FINANCIAL SUMMARY

## 財務概要

### PROFIT FOR THE YEAR

### 年內溢利

For the year ended 31 December

截至十二月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收入	163,629	125,846	110,467	128,030
Profit before taxation	除稅前溢利	18,302	28,734	21,281	24,885
Income tax expenses	所得稅開支	(5,721)	(5,330)	(3,578)	(4,169)
Profit for the year	年內溢利	12,581	23,404	17,703	20,716
Profit attributable to equity shareholders of the Company	本公司權益股東應佔溢利	12,581	23,404	17,703	20,716

### ASSETS AND LIABILITIES

### 資產及負債

As at 31 December

於十二月三十一日

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current assets	流動資產	176,066	86,530	57,461	67,652
Non-current assets	非流動資產	1,012	1,592	3,865	2,435
Current liabilities	流動負債	16,213	39,409	35,382	35,769
Non-current liabilities	非流動負債	259	536	1,171	1,621
Net assets	資產淨值	160,606	48,177	24,773	32,697
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔權益總額	160,606	48,177	24,773	32,697
Total equity	權益總額	160,606	48,177	24,773	32,697

# CHAIRMAN'S STATEMENT

## 主席報告

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Man Shun Group (Holdings) Limited (the “**Company**”), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2018 (the “**Year**” or “**2018 Financial Year**”).

2018 marked a major milestone for the development of the Group as the Group was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in July 2018, giving it more confidence in its business prospects and competitive advantages. The listing not only enhanced the Group's corporate image and governance transparency, but also enabled the Group to make a successful move into the international capital market, which offered the Group a broader space for growth in the future.

The Group is an established HVAC E&M engineering services provider in Hong Kong with a long business history dating back to 1996. The Group generally focuses on servicing new residential property development projects in Hong Kong.

To further consolidate its market position and corporate reputation and to increase shareholder value, the Group will, after the listing, step up its financial and licensing management, internal control and corporate governance. Moreover, to maintain stable business growth, the Group will strive to keep up relationships with its suppliers and existing customers and actively explore potential development opportunities, which in turn will enhance the Group's future profitability and scale for maximizing returns for shareholders.

Looking ahead, the Group will continue to reinforce its human resources and focus on personnel training so as to build a team with outstanding talents. Moreover, the Group will continue to improve the management of business plans and budgets, and enhance the capabilities for executing plans and controlling budgets so as to further raise its management standards, which will deliver stable and sustainable development to the Group. With confidence in the industry, the Group believes it will reap satisfactory results and become the preferred choice of heat, ventilation and air-conditioning systems E&M engineering services provider for property developers in Hong Kong.

Finally, I would like to extend my heartfelt gratitude to all the Directors, management team and all staff for their diligence over the past year, and to the Company's shareholders and partners from various sectors for their ongoing great support.

**Cheung Yuen Tung**  
*Chairman of the Board*

Hong Kong, 27 March 2019

本人謹代表萬順集團(控股)有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止年度(「本年度」或「二零一八年財年」)的年度報告。

二零一八年為本集團發展的一個重要里程碑。本集團於二零一八年七月成功在香港聯合交易所有限公司(「聯交所」)主板上市，使本集團對業務前景及競爭優勢充滿信心。上市不僅提升了本集團的企業形象及管治透明度，同時使本集團成功踏上國際資本舞臺，讓本集團未來有更廣闊的發展空間。

本集團為香港歷史悠久的暖氣、通風及空調系統機電工程服務供應商，業務歷史可追溯至一九九六年。本集團主力為香港新型住宅物業發展項目提供服務。

為了進一步鞏固本集團市場地位、企業聲譽及提升股東價值，上市後本集團會加強財務及牌照管理、內部監控、企業管治。同時為了維持穩定的業務增長，本集團會努力維持與供應商及現有客戶的關係並積極發掘潛在的發展機會，藉此提升本集團未來的盈利能力及規模，為股東創造最大回報。

展望未來，本集團將持續加強其人力資源並專注培訓人才以建立一隊擁有傑出成員的團隊。此外，本集團將繼續完善其經營計畫管理和預算管理、提升其執行計劃及控制預算的能力，以進一步提升其管理水準，使本集團能穩定、持續發展。本集團對行業充滿信心，並相信其將取得滿意的業績，成為香港物業發展商的首選暖氣、通風及空調系統機電工程服務供應商。

最後，本人衷心感謝各位董事、管理團隊以及全體員工過去一年的辛勤努力，衷心感謝本公司股東以及各方合作夥伴過去一直以來給予的大力支持。

**董事會主席**  
**張元通**

香港，二零一九年三月二十七日



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

The Group is an established HVAC E&M engineering services provider in Hong Kong with a long business history dating back to 1996. The Group generally focus on serving new residential property developments projects as a first-tier or second-tier subcontractor in Hong Kong. The HVAC E&M engineering services typically involve installation of HVAC systems, which refers to heat, ventilation and air-conditioning systems.

The Group is registered as a Registered Electrical Contractor under EMSD, a minor works contractor (company) of Type A (Classes II and III), Type D (Classes II and III) and Type E (Classes II and III) under the Building Authority and a registered subcontractor under the Subcontractor Registration Scheme operated by the Construction Industry Council.

In order to strengthen the market position as a prime HVAC E&M engineering services provider and become the preferred choice of first-tier HVAC E&M engineering subcontractor for property developers in Hong Kong, the Group continues to strengthen the financial management and licensing qualifications, securing the positioning in the property development value chain and acquiring new business opportunities directly with property developers and/or their designated main contractors.

On 11 July 2018, the shares of the Company (the “**Shares**”) were successfully listed on the Main Board of the Stock Exchange (the “**Listing**”). With a widening financing platform, the Group can have more financing channels to raise funds to fulfil capital needs. The Listing also enhances the Group’s market position and further strengthens the Group’s reputation in the industry, which in turn helps maintaining the existing business relationship with the network of suppliers and customers and exploring potential business opportunities with new suppliers and customers.

### 業務回顧

本集團為香港歷史悠久的暖通空調機電工程服務供應商，業務歷史可追溯至一九九六年。本集團一般以首層或次層分包商身份主力為香港新型住宅物業發展項目提供服務。暖通空調機電工程服務通常涉及安裝暖通空調系統（即暖氣、通風及空調系統）。

本集團已註冊為機電工程署轄下註冊電業承辦商、建築事務監督轄下A類型（第II及III級別）、D類型（第II及III級別）及E類型（第II及III級別）小型工程承建商（公司）以及建造業議會轄下分包商註冊制度的註冊分包商。

為鞏固作為優質暖通空調機電工程服務供應商的市場定位，並成為香港物業發展商的首選首層暖通空調機電工程分包商，本集團繼續加強財務管理及牌照資格，鞏固物業發展價值鏈的定位，並向物業發展商及／或其指定總承建商直接爭取新商機。

於二零一八年七月十一日，本公司股份（「**股份**」）已成功於聯交所主板上市（「**上市**」）。憑藉更廣大的融資平台，本集團可擁有更多融資渠道籌集資金以滿足資金需求。上市亦提升本集團的市場地位，進一步鞏固本集團於業內的聲譽，從而有助維持與供應商及客戶網絡的現有業務關係，並探索與新供應商及客戶的潛在商機。

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

## FINANCIAL REVIEW

## Revenue

By type of services:

## 財務回顧

## 收入

按服務類型劃分：

		Year ended 31 December 截至十二月三十一日止年度							
		2018 二零一八年		Gross profit margin 毛利率		2017 二零一七年		Gross profit margin 毛利率	
		Revenue 收入	%	Gross profit 毛利	%	Revenue 收入	%	Gross profit 毛利	%
		HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%	HK\$'000 千港元	%
Installation services only	淨安裝服務	122,917	75	39,990	33%	87,216	69	42,749	49%
Installation services with HVAC systems procurements	安裝服務連暖通空調系統採購	40,712	25	13,110	32%	38,630	31	8,977	23%
		163,629	100	53,100	32%	125,846	100	51,726	41%

By timing of revenue recognition:

按收入確認時間劃分：

		Year ended 31 December 截至十二月三十一日止年度			
		2018 二零一八年		2017 二零一七年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Services transferred over time	隨時間轉移的服務	150,726	92	111,037	88
Products transferred at a point in time	於某時間點轉移的產品	12,903	8	14,809	12
		163,629	100	125,846	100

During the year ended 31 December 2018, the Group's revenue increased by approximately HK\$37,783,000 or 30.0% to approximately HK\$163,629,000.

截至二零一八年十二月三十一日止年度，本集團的收入增加約37,783,000港元或30.0%至約163,629,000港元。

The increase was primarily attributable to a number of large-scale projects with a substantial portion of contract revenue recorded during the year following the respective project execution progress.

該增加主要歸因於多個大型項目於執行各自的項目進度後，於年內錄得大部分合約收入。



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

## Cost of services

## 服務成本

		Year ended 31 December 截至十二月三十一日止年度			
		2018 二零一八年		2017 二零一七年	
		HK\$'000 千港元	% %	HK\$'000 千港元	% %
Subcontracting fees	分包費用	55,707	50	29,276	39
Materials and consumables	物料及耗材	37,384	34	27,837	38
Direct labour	直接勞工	12,859	12	13,945	19
Others	其他	4,579	4	3,062	4
<b>Total</b>	<b>總計</b>	<b>110,529</b>	<b>100</b>	<b>74,120</b>	<b>100</b>

The Group's cost of services mainly represented the cost of HVAC systems and other ancillary consumables such as pipes and fittings and subcontracting charges for completing on-site works. The cost of services increased by approximately HK\$36,409,000 or 49.1% to approximately HK\$110,529,000 for the year ended 31 December 2018, as compared to approximately HK\$74,120,000 for the year ended 31 December 2017. The increase was primarily attributable to a number of large-scale projects with a substantial portion of contract revenue undertaking during the year ended 31 December 2018 which demanded additional subcontracting service and usage of material and consumables.

本集團的服務成本主要指暖通空調系統及其他輔助耗材(例如喉管及配件)成本,以及完成施工的分包費用。截至二零一八年十二月三十一日止年度,服務成本由截至二零一七年十二月三十一日止年度約74,120,000港元增加約36,409,000港元或49.1%至約110,529,000港元。該增加主要歸因於截至二零一八年十二月三十一日止年度錄得大部分合約收入承諾的多個大型項目需要額外分包服務以及物料及耗材使用。

## Gross profit and gross profit margin

The Group's gross profit increased by approximately HK\$1,374,000 or 2.7% from approximately HK\$51,726,000 for the year ended 31 December 2017 to approximately HK\$53,100,000 for the year ended 31 December 2018. The Group's gross profit margin decreased from approximately 41.1% to 32.5% over the two years ended 31 December 2018 and 2017. The decrease in the gross profit margin was mainly due to the Group recognised a higher percentage contract revenue for a number of lower margin projects. The lower gross profit margin of those projects was due to the relative reliance on subcontractor which lower the profitability of the projects. The total subcontracting fee was increased from approximately HK\$29,276,000 for the year ended 31 December 2017 to HK\$55,707,000 for the year ended 31 December 2018, representing an increase of approximately HK\$26,431,000 or 90.3%.

## 毛利及毛利率

截至二零一八年十二月三十一日止年度,本集團的毛利由截至二零一七年十二月三十一日止年度約51,726,000港元增加約1,374,000港元或2.7%至約53,100,000港元。本集團的毛利率於截至二零一八年及二零一七年十二月三十一日止兩個年度由約41.1%下跌至32.5%。毛利率下跌主要由於本集團就若干利潤率較低的項目確認較高百分比的合約收入。該等項目的毛利率較低乃由於其相對依賴於分包商,令項目盈利能力下降。截至二零一八年十二月三十一日止年度,分包費用總額由截至二零一七年十二月三十一日止年度約29,276,000港元增加至55,707,000港元,增幅約26,431,000港元或90.3%。

## Other income

The other income mainly consisted of bank interest income and other services income, which principally included repairing services and gains on indent sales of HVAC systems recognised for the year ended 31 December 2018.

## 其他收入

其他收入主要由銀行利息收入及其他服務收入組成,其主要包括截至二零一八年十二月三十一日止年度確認的維修服務及訂購銷售暖通空調系統的收益。

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

### Administrative expenses

Administrative expenses mainly comprised of staff costs, rent and rates, meals and entertainment expenses, depreciation expenses, transportation expenses and others. Administrative expenses increased from approximately HK\$19,624,000 for the year ended 31 December 2017 to approximately HK\$20,982,000 for the year ended 31 December 2018. The increase in administrative expenses of the Group was mainly due to an increase in administrative expenses and professional fee after the Listing, including auditor's remuneration, share registration fee, printing fee and other professional fees.

### Listing expenses

Listing expenses comprised professional and other expenses in relation to the Listing. The listing expenses increased by approximately HK\$11,900,000 or 307.3% from approximately HK\$3,872,000 for the year ended 31 December 2017 to approximately HK\$15,772,000 for the year ended 31 December 2018.

### Finance costs

Finance costs of approximately HK\$455,000 for the year ended 31 December 2018 represented interest expenses on bank loans and overdrafts and finance charges on obligations under finance leases.

### Income tax expenses

For the year ended 31 December 2018, income tax expenses were approximately HK\$5,721,000 (2017: approximately HK\$5,330,000), and the effective tax rate (excluding the non-recurring Listing expenses) was approximately 16.8% (2017: 16.3%).

### Profit and total comprehensive income attributable to equity shareholders of the Company

For the year ended 31 December 2018, the Group's profit and total comprehensive income attributable to equity shareholders of the Company was approximately HK\$12,581,000 (2017: approximately HK\$23,404,000). The decrease in profit and total comprehensive income attributable to equity shareholders of the Company was mainly due to the increase in nonrecurring Listing expenses by approximately HK\$11,900,000 incurred in relation to the Listing.

### Dividend

The Board does not recommend the payment of final dividend for the year ended 31 December 2018.

### 行政開支

行政開支主要包括員工成本、租金及差餉、餐飲及酬酢開支、折舊開支、交通開支及其他。截至二零一八年十二月三十一日止年度，行政開支由截至二零一七年十二月三十一日止年度約19,624,000港元增加至約20,982,000港元。本集團的行政開支增加主要由於行政開支及專業費用(包括核數師酬金、股份登記費、印刷費及其他專業費用)於上市後增加所致。

### 上市開支

上市開支包括與上市有關的專業及其他開支。截至二零一八年十二月三十一日止年度，上市開支由截至二零一七年十二月三十一日止年度約3,872,000港元增加約11,900,000港元或307.3%至約15,772,000港元。

### 財務成本

截至二零一八年十二月三十一日止年度，財務成本約為455,000港元，指銀行貸款及透支的利息開支以及融資租賃承擔的融資費用。

### 所得稅開支

截至二零一八年十二月三十一日止年度，所得稅開支約為5,721,000港元(二零一七年：約5,330,000港元)，而實際稅率(不包括非經常性上市開支)則約為16.8%(二零一七年：16.3%)。

### 本公司權益股東應佔溢利及全面收益總額

截至二零一八年十二月三十一日止年度，本集團的本公司權益股東應佔溢利及全面收益總額約為12,581,000港元(二零一七年：約23,404,000港元)。本公司權益股東應佔溢利及全面收益總額減少主要由於上市所產生的非經常性上市開支增加約11,900,000港元所致。

### 股息

董事會不建議派付截至二零一八年十二月三十一日止年度的末期股息。



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

### Trade and other receivables

Trade receivables decreased by approximately HK\$6,602,000 from approximately HK\$27,359,000 as at 31 December 2017 to approximately HK\$20,757,000 as at 31 December 2018. As at 31 December 2017, the trade receivable included a payment certificate of approximately HK\$12,000,000 issued near the end of the financial year which induced a high trade receivable.

Retention receivables increased by approximately HK\$2,628,000 from approximately HK\$12,064,000 as at 31 December 2017 to approximately HK\$14,692,000 as at 31 December 2018. During the year ended 31 December 2018, number of projects were at their final stage and the increase in retention receivables was in line with the progress of the projects.

Other receivables decreased by approximately HK\$891,000 from approximately HK\$1,402,000 as at 31 December 2017 to approximately HK\$511,000 as at 31 December 2018. The decrease was mainly due to the prepayment of Listing expenses was transferred to equity upon Listing.

### Trade and other payables

Trade payables decreased by approximately HK\$1,839,000 from approximately HK\$6,017,000 as at 31 December 2017 to approximately HK\$4,178,000 as at 31 December 2018. The decrease was mainly due to the less submission of payment applications from the subcontractors near the end of the financial year for the Group's certification.

Other payables and accruals increased by approximately HK\$403,000 from approximately HK\$4,512,000 as at 31 December 2017 to approximately HK\$4,915,000 as at 31 December 2018. The increase was mainly due to more accrued double pay for the Group's staff as at 31 December 2018.

### 貿易及其他應收款項

於二零一八年十二月三十一日，貿易應收款項由二零一七年十二月三十一日約27,359,000港元減少約6,602,000港元至約20,757,000港元。於二零一七年十二月三十一日，貿易應收款項包括於臨近財政年度年結日時發行糧款證書約12,000,000港元（其產生高額貿易應收款項）。

於二零一八年十二月三十一日，應收保留金由二零一七年十二月三十一日約12,064,000港元增加約2,628,000港元至約14,692,000港元。截至二零一八年十二月三十一日止年度，項目數量處於最後階段，應收保留金增加與項目進度一致。

於二零一八年十二月三十一日，其他應收款項由二零一七年十二月三十一日約1,402,000港元減少約891,000港元至約511,000港元。該減少主要由於上市開支預付款項已於上市後轉撥至權益所致。

### 貿易及其他應付款項

於二零一八年十二月三十一日，貿易應付款項由二零一七年十二月三十一日約6,017,000港元減少約1,839,000港元至約4,178,000港元。該減少主要由於分包商於臨近財政年度年結日時減少提交付款申請供本集團認證所致。

於二零一八年十二月三十一日，其他應付款項及應計費用由二零一七年十二月三十一日約4,512,000港元增加約403,000港元至約4,915,000港元。該增加主要由於二零一八年十二月三十一日更多應計本集團員工雙糧所致。

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

### FUTURE PROSPECTS

Looking forward, the Group will further expand the service capabilities to capture business opportunities and provide customers with comprehensive HVAC E&M engineering services with a prudent financial management strategy, pursuing a long-term healthy business growth and stable return to the shareholders.

To facilitate the business expansion goal through internal advancements, the Group has been providing training to existing staff. The Group has arranged 10 employees to attend the programme "Certificate in Building Information Modelling" in early 2018, which designed to equip employees with the practical and specialised knowledge and skills in building information modelling. In addition, the Group has been providing financial support to an employee for attending BSc (Hons) Building Services Engineering with the study of building services design set in the context of energy efficiency and the carbon reduction agenda.

Intend to expand our professional talent pool, the Group will employ chartered engineers with relevant experience in the speciality of ventilation works, assistant engineers, foreman, draftsman and quantity surveyor in the forthcoming two to three years' time (depending on the pace of our business growth) to fulfil the application requirements for and to acquire the qualification as a registered specialist contractor in the ventilation works category under the Buildings Department.

### LIQUIDITY AND FINANCIAL RESOURCES

The Group had net current assets of approximately HK\$159,853,000 as at 31 December 2018 (2017: HK\$47,121,000). The quick ratio of the Group was approximately 10.9 times as at 31 December 2018 (2017: approximately 2.2 times). The Group generally financed its daily operations by its internal resources and bank borrowings. The Group financed its business expansion and new business opportunities from the net proceeds from Listing. The remaining unused net proceeds as at 31 December 2018 were placed as interest-bearing deposits with licensed bank in Hong Kong.

### CAPITAL STRUCTURE

Details of the Company's share capital are set out in Note 22(c) to the consolidated financial statements in this annual report.

### 未來前景

展望未來，本集團將進一步擴大服務能力以把握商機及向客戶提供全面的暖通空調機電工程服務，並採取審慎財務管理策略，以追求長遠穩健的業務增長及為股東帶來穩定回報。

為透過內部改進實現業務擴充目標，本集團一直向現有僱員提供培訓。本集團已於二零一八年年初安排10名僱員參加「建築信息模型證書」課程，有關課程為僱員提供建築信息模型的實務及專門知識及技巧。此外，本集團已為一名修讀屋宇裝備工程(榮譽)理學士課程的僱員提供財務支援，供其研究與能源效益及減碳議題相關的屋宇裝備設計。

本集團擬於未來兩至三年(取決於我們的業務增長步伐)透過僱用具備通風工程相關經驗的特許工程師、助理工程師、管工、繪圖員及工料測量師以擴大專業人才儲備，從而符合申請屋宇署轄下註冊專門承建商(通風系統工程類別)資格的規定及獲取有關資格。

### 流動資金及財務資源

於二零一八年十二月三十一日，本集團流動資產淨值約為159,853,000港元(二零一七年：47,121,000港元)。於二零一八年十二月三十一日，本集團的速動比率約為10.9倍(二零一七年：約2.2倍)。本集團一般以內部資源及銀行借貸為其日常營運提供資金。本集團以來自上市的所得款項淨額為其業務擴充及新商機提供資金。於二零一八年十二月三十一日，餘下未動用所得款項淨額已作為計息存款存放於香港持牌銀行。

### 資本架構

本公司股本的詳情載於本年報綜合財務報表附註22(c)。



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

### FINANCIAL POLICIES

The Group is exposed to liquidity risk in respect of the settlement of its trade payables and financing obligations, and its cash flow management. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in both the short and long term.

### GEARING RATIO AND DEBT TO EQUITY RATIO

The Group's gearing ratio, which is calculated based on the total debt divided by total equity (defined as the sum of bank borrowings and obligation under finance leases as at the respective year divided by the total equity as at the respective corresponding year) was approximately 0.9% as at 31 December 2018 (2017: 54.4%).

The Group's debt to equity ratio, which is calculated based on the total debt (defined as the sum of bank borrowings and obligation under finance leases minus cash and cash equivalents as at the respective year end divided by total equity as at the respective corresponding year) was not applicable due to the Group recorded net cash position as at 31 December 2018 (2017: 50.6%).

The Group's bank borrowings as at 31 December 2018 were all denominated in Hong Kong dollars. The interest rates were ranged from 3.13% to 5.23% per annum.

### CAPITAL EXPENDITURE

During the year ended 31 December 2018, the Group invested approximately HK\$146,000 (2017: approximately HK\$117,000) in plant and equipment, mainly represented motor vehicle and furniture and fixtures for the office.

### CAPITAL COMMITMENTS

As at 31 December 2018, the Group had no significant capital commitments (2017: HK\$Nil).

### CONTINGENT LIABILITIES

Save as disclosed in note 26 to the Company's consolidated financial statements, the Group had no contingent liabilities as at 31 December 2018.

### CHARGES ON THE GROUP'S ASSETS

As at 31 December 2018, the Group's bank borrowings and obligations under finance leases were secured by corporate guarantees and motor vehicle respectively.

### SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

During the year ended 31 December 2018, the Group did not have any significant investment, material acquisition nor disposal of subsidiaries and affiliated companies.

### 財務政策

本集團承受有關結算其貿易應付款項及融資責任以及其現金流量管理的流動資金風險。本集團的政策為定期監控現時及預期的流動資金需要，以確保維持足夠現金儲備，從而滿足短期及長期的流動資金需要。

### 資產負債比率及債務對權益比率

於二零一八年十二月三十一日，本集團的資產負債比率（按債務總額除權益總額（定義為各年度的銀行借貸及融資租賃承擔的總額除各相應年度的權益總額）計算）約為0.9%（二零一七年：54.4%）。

於二零一八年十二月三十一日，由於本集團錄得現金淨額狀況，本集團的債務對權益比率（按債務總額（定義為各年末的銀行借貸及融資租賃承擔的總額減現金及現金等價物除各相應年度的權益總額）計算）並不適用（二零一七年：50.6%）。

本集團於二零一八年十二月三十一日的銀行借貸均以港元計值。有關年利率介乎3.13%至5.23%。

### 資本開支

截至二零一八年十二月三十一日止年度，本集團投資約146,000港元（二零一七年：約117,000港元）於機器及設備，主要為汽車以及辦公室的傢俬及固定裝置。

### 資本承擔

於二零一八年十二月三十一日，本集團並無重大資本承擔（二零一七年：零港元）。

### 或然負債

除本公司綜合財務報表附註26所披露者外，本集團於二零一八年十二月三十一日並無任何或然負債。

### 本集團資產抵押

於二零一八年十二月三十一日，本集團的銀行借貸及融資租賃承擔分別以公司擔保及汽車作抵押。

### 附屬公司的重大投資、重大收購及出售

截至二零一八年十二月三十一日止年度，本集團並無任何附屬公司及聯屬公司的重大投資、重大收購或出售。

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

### FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the prospectus of Company dated 28 June 2018 (the “Prospectus”), the Group did not have other future plans for material investments or capital assets.

### FOREIGN EXCHANGE RISK MANAGEMENT

The Group’s monetary assets, liabilities and transactions are principally denominated in Hong Kong dollars. The Group is not significantly exposed to foreign currency risk arising from monetary assets and liabilities that are denominated in currencies other than the functional currencies of the respective group entities.

The Group currently does not have a foreign currency hedging policy as the foreign currency risk is considered to be insignificant. However, the management will continue to closely monitor the Group’s foreign exchange risk exposure and will consider hedging significant foreign exchange exposure when necessary.

### INFORMATION ON EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2018, the Group had 79 employees (2017: 81 employees) with total staff costs (including Directors’ emoluments) of approximately HK\$26,372,000 incurred for the year ended 31 December 2018 (2017: HK\$28,236,000). The Group’s remuneration packages are generally structured with reference to market terms and individual merits. The remuneration committee of the Company makes recommendations to the Board on the overall remuneration policy and structure for the Directors and senior management.

### DEED OF NON-COMPETITION

The controlling shareholders of the Company, namely Mr. Cheung Yuen Tung, Mr. Cheung Yuen Chau and Prime Pinnacle Limited (collectively, the “Controlling Shareholders”) entered into a deed of non-competition dated 8 June 2018 (“Deed of Non-competition”) in favour of the Company (for itself and as trustee for each of its subsidiaries). For details of the Deed of Non-competition, please refer to the section headed “Relationship with the Controlling Shareholders – Deed of Non-competition” in the Prospectus. Each of the Controlling Shareholders has confirmed that none of them is engaged in or interested in any business (other than the Group) which, directly or indirectly, competes or may compete with the business of the Group. The independent non-executive Directors have also reviewed the status of compliance and written confirmation from each of the Controlling Shareholders, and confirmed that all the undertakings under the Deed of Non-competition have been complied with by each of the Controlling Shareholders since the Listing and up to the date of this annual report.

### 重大投資或資本資產的未來計劃

除本公司日期為二零一八年六月二十八日的招股章程(「招股章程」)所披露者外，本集團並無其他重大投資或資本資產的未來計劃。

### 外匯風險管理

本集團的貨幣資產、負債及交易主要以港元計值。本集團並無承受以各集團實體功能貨幣以外的貨幣計值的貨幣資產及負債所產生的重大外幣風險。

本集團目前並無外幣對沖政策，乃由於外幣風險被視為不重大。然而，管理層將繼續密切監察本集團的外匯風險，並將於有需要時考慮對沖重大外匯風險。

### 僱員資料及薪酬政策

於二零一八年十二月三十一日，本集團有79名僱員(二零一七年：81名僱員)，而截至二零一八年十二月三十一日止年度的員工成本總額(包括董事酬金)則約為26,372,000港元(二零一七年：28,236,000港元)。本集團的薪酬待遇一般經參考市場條款及個別情況而釐定。本公司薪酬委員會就董事及高級管理人員的整體薪酬政策及架構向董事會提出建議。

### 不競爭契據

本公司控股股東張元通先生、張元秋先生及Prime Pinnacle Limited(統稱為「控股股東」)以本公司為受益人(為其本身及作為其各附屬公司的受託人)訂立日期為二零一八年六月八日的不競爭契據(「不競爭契據」)。有關不競爭契據的詳情，請參閱招股章程「與控股股東的關係 – 不競爭契據」一節。各控股股東已確認，彼等概無參與任何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(本集團除外)或於當中擁有權益。獨立非執行董事亦已檢討合規情況及審閱各控股股東的確認書，並確認各控股股東自上市起及截至本年報日期止已遵守不競爭契據項下的所有承諾。



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

### COMPETING INTEREST

Since the Listing and up to the date of this annual report, none of the Directors or the Controlling Shareholders of the Company or their close associates are interested in any business which competes or may compete, either directly or indirectly, with the business of the Group nor any conflicts of interest which has or may have with the Group.

### INTEREST OF THE COMPLIANCE ADVISER

As notified by Messis Capital Limited (“Messis”), the Company’s compliance adviser, save for the compliance agreement entered into between the Company and Messis in connection with the Listing, neither of Messis or its directors, employees or close associates had any interest in the Group as at 31 December 2018 and up to the date of this annual report, which is required to be notified to the Company.

### USE OF PROCEEDS

The Company successfully listed on the Stock Exchange on 11 July 2018 and 250,000,000 ordinary shares were issued at HK\$0.52 per share by way of share offer (the “Share Offer”). Net proceeds from the Share Offer was approximately HK\$102.4 million (after deducting the underwriting fees and other related expenses).

The net proceeds will be used for the intended purposes as set out in the section headed “Future Plans and Use of Proceeds” of the Prospectus. Set out below is the actual utilisation of net proceeds up to the date of this annual report:

		Net proceeds 所得款項淨額 HK\$'000 千港元	Utilised 已動用 HK\$'000 千港元	Unutilised 未動用 HK\$'000 千港元
Procurement of HVAC systems	採購暖通空調系統	87,654	–	87,654
Taking out surety bonds	投購擔保債券	4,608	1,880	2,728
General working capital	一般營運資金	10,138	10,138	–
		102,400	12,018	90,382

### 競爭權益

自上市起及截至本年報日期止，概無本公司董事或控股股東或彼等的緊密聯繫人於任何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中擁有權益，或與本集團有或可能有任何利益衝突。

### 合規顧問的權益

誠如本公司合規顧問大有融資有限公司（「大有融資」）所通知，除本公司與大有融資就上市訂立的合規協議外，於二零一八年十二月三十一日及截至本年報日期止，大有融資或其董事、僱員或緊密聯繫人概無於本集團擁有任何權益而須通知本公司。

### 所得款項用途

於二零一八年七月十一日，本公司已成功於聯交所上市，並已透過股份發售（「股份發售」）按每股0.52港元發行250,000,000股普通股。股份發售所得款項淨額約為102,400,000港元（經扣除包銷費用及其他相關開支）。

所得款項淨額將用作招股章程「未來計劃及所得款項用途」一節所載的擬定用途。以下載列截至本年報日期止的所得款項淨額實際動用情況：

# BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

## 董事及高級管理人員履歷

### EXECUTIVE DIRECTORS

#### Mr. CHEUNG Yuen Tung (“Mr. Tony Cheung”)

Mr. Tony Cheung, aged 59, is the chairman of the Board, an executive Director and one of the Controlling Shareholders. He was appointed as a Director on 4 November 2017 and redesignated as an executive Director on 12 March 2018. He is also a director of Man Tung Air-Conditioning Works Limited (“**Man Tung AC Works**”) and Man Tung Air-Conditioning E&M Limited (“**Man Tung AC E&M**”), both indirect wholly-owned subsidiaries of the Company. Mr. Tony Cheung is primarily responsible for the overall strategic planning, business development, and corporate management and sales and marketing of the Group.

Mr. Tony Cheung has over 20 years of experience in air-conditioning E&M engineering services industry. Mr. Tony Cheung established a sole proprietorship in 1986 in the trade name of “Man Tung Air-conditioning Works” to carry on the business of providing air-conditioning installation services. He is the co-founder of Man Tung AC Works and Shun Tung Engineering Company Limited (“**Shun Tung**”), an indirect wholly-owned subsidiary of the Company and has been a director of Man Tung AC Works since its incorporation on 19 November 1996. Mr. Tony Cheung established Man Tung AC E&M in April 2008 and has been a director of the company since then. Mr. Tony Cheung, together with Mr. Gary Cheung, has been responsible for formulating and determining corporate and business strategies and making major operation decisions, monitoring the business operations, reviewing and approving significant contracts and investment, appointment and appraisal of senior management of the Group.

Mr. Tony Cheung is the brother of Mr. Gary Cheung, the executive Director of the Company.

### 執行董事

#### 張元通先生(「張元通先生」)

張元通先生，59歲，為董事會主席、執行董事及控股股東之一。彼於二零一七年十一月四日獲委任為董事，後於二零一八年三月十二日調任執行董事。彼亦為本公司間接全資附屬公司萬通冷氣工程有限公司(「萬通冷氣工程」)及萬通冷氣機電有限公司(「萬通冷氣機電」)的董事。張元通先生主要負責本集團整體策略規劃、業務發展、企業管理以及銷售及市場推廣。

張元通先生投身空調機電工程服務業逾20年。張元通先生於一九八六年以「萬通冷氣工程」的商號成立獨資企業，從事提供空調安裝服務的業務。彼為萬通冷氣工程及本公司間接全資附屬公司順通冷氣機電工程有限公司(「順通」)的共同創辦人，自一九九六年十一月十九日萬通冷氣工程註冊成立以來一直擔任其董事。張元通先生於二零零八年四月成立萬通冷氣機電，自此擔任該公司董事。張元通先生聯同張元秋先生負責制定及確立企業及營運策略、作出重大經營決策、監察業務營運、審批重大合約與投資以及委任與評核本集團高級管理人員。

張元通先生為本公司執行董事張元秋先生的胞兄。



**BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷****Mr. CHEUNG Yuen Chau (“Mr. Gary Cheung”)**

Mr. Gary Cheung, aged 54, is the chief executive officer of the Company, an executive Director and one of the Controlling Shareholders. He was appointed as a Director on 4 November 2017 and redesignated as an executive Director of the Company on 12 March 2018. Mr. Gary Cheung is responsible for the general management and supervising day-to-day operation of the Group.

Mr. Gary Cheung has approximately 20 years of experience in air-conditioning E&M engineering services industry. Prior to joining the Group, Mr. Gary Cheung was involved in the operation of the sole proprietorship “Man Tung Air-conditioning Works” established by Mr. Tony Cheung in the provision of air-conditioning installation services. He is the co-founder of Man Tung AC Works and Shun Tung and has been a director of Shun Tung since its incorporation on 6 November 1998. Mr. Gary Cheung, together with Mr. Tony Cheung, has been responsible for formulating and determining corporate and business strategies and making major operation decisions, monitoring the business operations, reviewing and approving significant contracts and investment, appointment and appraisal of senior management of the Group.

Mr. Gary Cheung is the brother of Mr. Tony Cheung, the executive Director of the Company.

**張元秋先生 (「張元秋先生」)**

張元秋先生，54歲，為本公司行政總裁、執行董事及控股股東之一。彼於二零一七年十一月四日獲委任為董事，後於二零一八年三月十二日調任本公司執行董事。張元秋先生負責本集團整體管理及監督日常營運。

張元秋先生投身空調機電工程服務業接近20年。於加入本集團之前，張元秋先生曾參與經營張元通先生所成立提供空調安裝服務的獨資企業「萬通冷氣工程」。彼為萬通冷氣工程及順通的共同創辦人，自一九九八年十一月六日順通註冊成立以來一直擔任其董事。張元秋先生聯同張元通先生負責制定及確立企業及營運策略、作出重大經營決策、監察業務營運、審批重大合約與投資以及委任與評核本集團高級管理人員。

張元秋先生為本公司執行董事張元通先生的胞弟。

## BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷

### Mr. TANG Chi Chiu (resigned on 9 April 2019)

Mr. Tang, aged 35, is the executive Director. Mr. Tang joined the Group as chief financial officer in January 2017. He was appointed as a Director on 27 February 2018 and redesignated as an executive Director on 12 March 2018. He was primarily responsible for overseeing the Group's overall financial accounting and reporting.

Mr. Tang is currently a practising certified public accountant in Hong Kong. Prior to joining the Group, Mr. Tang worked at HLB Hodgson Impey Cheng Limited from February 2007 to April 2009 with his last position being senior accountant. He worked in SHINEWING (HK) CPA Limited from January 2010 to November 2011 with his last position as an assistant manager. Mr. Tang was a finance manager of Fortune Case Limited, a subsidiary of China Fortune Financial Group Limited from May 2012 to July 2013. He has been appointed as a director of TANDEM Groups Limited, TANDEM (HK) CPA Limited, TANDEM (HK) Professional Services Limited, TANDEM (HK) Corporate Services Limited and TANDEM (HK) Consulting Limited since December 2011 and v-Change (HK) Merchants Services Company Limited since August 2017, for which he is responsible for overall strategic planning.

Mr. Tang graduated from City University of Hong Kong with a bachelor's degree in business administration, majoring in accountancy in November 2006. He further obtained a master of science degree majoring in finance from City University of Hong Kong in July 2016. Mr. Tang was admitted as a member of the Hong Kong Institute of Certified Public Accountants ("HKICPA") in February 2011.

### 鄧志釗先生(於二零一九年四月九日辭任)

鄧先生，35歲，為執行董事。鄧先生於二零一七年一月加入本集團擔任財務總監。彼於二零一八年二月二十七日獲委任為董事，後於二零一八年三月十二日調任執行董事。彼主要負責監督本集團整體財務會計及報告。

鄧先生現為香港執業會計師。於加入本集團之前，鄧先生於二零零七年二月至二零零九年四月效力國衛會計師事務所有限公司，離職前職位為高級會計師。彼於二零一零年一月至二零一一年十一月效力信永中和(香港)會計師事務所有限公司，離職前職位為助理經理。鄧先生於二零一二年五月至二零一三年七月擔任中國富強金融集團有限公司旗下附屬公司福驥有限公司的財務經理。彼自二零一一年十二月起獲委任為灝天集團有限公司、灝天(香港)會計師事務所有限公司、灝天(香港)專業服務有限公司、灝天(香港)企業服務有限公司及灝天(香港)顧問有限公司的董事，並自二零一七年八月起獲委任為通付(香港)商務有限公司的董事，負責整體策略規劃。

鄧先生於二零零六年十一月畢業於香港城市大學，獲頒工商管理學士學位，主修會計學。彼再於二零一六年七月取得香港城市大學理碩士學位，主修財務。鄧先生於二零一一年二月取得香港會計師公會(「香港會計師公會」)會員資格。



## BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷

### INDEPENDENT NON-EXECUTIVE DIRECTORS

#### Mr. PANG Kam Fai, Dickson

Mr. Pang, aged 62, was appointed as an independent non-executive Director on 8 June 2018. Mr. Pang is responsible for overseeing the Group's compliance, internal control and corporate governance, but not participating in the day-to-day management of the business operation.

Mr. Pang has over 35 years of experience in the legal profession in Hong Kong. Mr. Pang has been a partner of Y.C. Lee, Pang, & Kwok Solicitors (formerly known as Y.C. Lee, Pang, Kwok & Ip Solicitors) since July 1987. Prior to joining Y.C. Lee, Pang & Kwok Solicitors, Mr. Pang was an assistant solicitor at Gallant Y.T. Ho & Co., Solicitors & Notaries from March 1983 to March 1986. From March 1986 to June 1987, Mr. Pang served as an assistant solicitor at Deacons, Solicitors & Notaries. Mr. Pang has been a legal adviser of Kwun Tong Resident Association, Kwun Tong Association for Elderly Limited and Shun Lee Yin Ngai Society Limited since July 2005, February 2010 and July 2013, respectively.

Mr. Pang was appointed as a Kwun Tong District board member from April 1985 to September 1994. From April 1989 to May 1991, Mr. Pang was an urban councillor. He acted as the district affairs adviser of the News China Agency from March 1994 to June 1997, responsible for advising on district affairs. Since 2012, Mr. Pang has been the vice-president of Eastern Kowloon of Hong Kong of the Scout Association, who is responsible for managing the financial affairs of Eastern Kowloon Region of Hong Kong Scout Association. He was the school manager of Kit Sum Lam Bing Yin Secondary School since 2003 up to August 2017.

Mr. Pang obtained a bachelors of laws degree from The University of Hong Kong in November 1980. He was admitted as a solicitor of the Supreme Court of Hong Kong in March 1983, a solicitor of England & Wales in June 1989 and a barrister of High Court of Australia in December 1989. He was appointed as a civil celebrant of marriages in June 2006.

### 獨立非執行董事

#### 彭錦輝先生

彭先生，62歲，於二零一八年六月八日獲委任為獨立非執行董事。彭先生負責監督本集團的合規、內部監控及企業管治，但不參與其業務營運的日常管理。

彭先生在香港法律界累積逾35年經驗。彭先生自一九八七年七月起成為李宇祥、彭錦輝、郭威律師事務所（前稱李宇祥、彭錦輝、郭威、葉澤深律師事務所）合夥人。於加入李宇祥、彭錦輝、郭威律師事務所之前，彭先生於一九八三年三月至一九八六年三月於何耀棣律師事務所擔任助理律師。於一九八六年三月至一九八七年六月，彭先生於的近律師行擔任助理律師。彭先生分別自二零零五年七月、二零一零年二月及二零一三年七月擔任觀塘民聯會、觀塘敬愛會有限公司及順利賢毅社有限公司的法律顧問。

彭先生於一九八五年四月至一九九四年九月期間獲委任為觀塘區會議員。彭先生於一九八九年四月至一九九一年五月為市政局議員。彼於一九九四年三月至一九九七年六月擔任新華社的區事顧問，負責就地區事務提供意見。彭先生自二零一二年起擔任香港童軍總會東九龍地域副會長，負責管理香港童軍總會東九龍地域的財政事務。彼於二零零三年至二零一七年八月擔任潔心林炳炎中學校董。

彭先生於一九八零年十一月取得香港大學法律學士學位，先後於一九八三年三月獲認可為香港最高法院律師、於一九八九年六月獲認可為英格蘭及威爾斯律師及於一九八九年十二月獲認可為澳洲高等法院大律師。彼於二零零六年六月獲委任為婚姻監禮人。

**BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷****Mr. LAU Yu Ching**

Mr. Lau, aged 55, was appointed as an independent non-executive Director on 8 June 2018. Mr. Lau is responsible for overseeing the Group's compliance, internal control and corporate governance, but not participating in the day-to-day management of our business operation.

Mr. Lau has over 26 years of experience in accounting and finance. Mr. Lau joined Asia Aluminum Holdings Limited, a company which engages in aluminium profile extrusion and aluminium panel manufacturing in April 1996 with his last position as a chief financial officer. Mr. Lau then joined Asiaalum Holdings Limited in August 2009 as its chief financial controller until July 2014, responsible for corporate management, major business decisions plans and direction of strategic decisions. From July 2014 to June 2015, Mr. Lau was an independent non-executive director of Kirin Group Holdings Limited (formerly known as Creative Energy Solutions Holdings Limited) (stock code: 8109), a company listed on GEM of the Stock Exchange and principally carries on the business of providing energy efficiency solutions and engineering solutions and engineering services in the PRC, insurance brokerage and money lending services in Hong Kong and information technology services in the Philippines. Mr. Lau has been a director of Aceleap Consulting Limited, a company which carries on the business of the provision of private equity consultancy services since January 2015.

Mr. Lau graduated from the University of Western Ontario in Canada with a bachelor's degree of science in 1989. He is currently an associate member of HKICPA and a fellow member of Association of Chartered Certified Accountants ("ACCA"). He has been admitted as a member of the HKICPA and ACCA in June 1997 and May 1997, respectively. Mr. Lau further became a fellow of the ACCA since May 2002.

**劉裕正先生**

劉先生，55歲，於二零一八年六月八日獲委任為獨立非執行董事。劉先生負責監督本集團的合規、內部監控及企業管治，但不參與其業務營運的日常管理。

劉先生於會計及財務方面累積逾26年經驗。劉先生於一九九六年四月加入從事鋁型材及鋁板製造的亞洲鋁業控股有限公司，離職前職位為首席財務主管。劉先生隨後於二零零九年八月加入亞鋁集團有限公司擔任首席財務總監，直至二零一四年七月為止，負責企業管理、重大業務決定規劃及決策方向。劉先生於二零一四年七月至二零一五年六月期間為麒麟集團控股有限公司(前稱科瑞控股有限公司，股份代號：8109)獨立非執行董事；該公司於聯交所GEM上市，主要業務為在中國提供能源效益解決方案及工程解決方案及工程服務、在香港提供保險經紀及放債服務以及在菲律賓提供資訊科技服務。劉先生自二零一五年一月起擔任提供私募股權顧問服務的Aceleap Consulting Limited的董事。

劉先生於一九八九年畢業於加拿大西安大略大學(University of Western Ontario)，獲理學士學位。彼現為香港會計師公會會員及英國特許公認會計師公會(「英國特許公認會計師公會」)資深會員。彼分別於一九九七年六月及一九九七年五月獲認可為香港會計師公會及英國特許公認會計師公會會員。劉先生自二零零二年五月起成為英國特許公認會計師公會資深會員。



## BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷

### Mr. LAW Chung Lam, Nelson (formerly known as Law Chi Cheong)

Mr. Law, aged 56, was appointed as an independent non-executive Director on 8 June 2018. Mr. Law is responsible for overseeing the Group's compliance, internal control and corporate governance, but not participating in the day-to-day management of our business operation.

Mr. Law has over 35 years of experience in banking and corporate finance industry. Mr. Law joined Manufacturers Hanover Trust Company in March 1982 with his last position as an officer-in-charge of the regional processing centre, responsible for training, quality control and daily operation. From June 1989 to December 1989, Mr. Law worked as an account officer at the First Interstate Bank of California. From November 1991 to August 1998, he worked at Fillpark Limited with his last position as a general manager. Mr. Law joined Rank Charm Development Limited as a general manager from 1994 to 1996. He also worked as a general manager in Wholewin Group, a company specialised in digital marketing from 2005 to 2008. Since 2008, Mr. Law has been an associate director of JP Advisory Limited, a company specialise in corporate finance. Since September 2013, he has also been the chairman of Angel Fund Co. Ltd., and a non-executive director of Wealth Glory Holdings Limited (stock code: 8269), a company listed on GEM of the Stock Exchange which principally carries on natural resources trading and financial businesses. Since February 2014, he was employed as a chief operating officer of Cheung Sheng Global Holdings Limited and was responsible for overseeing general operation of the company. Since July 2015, Mr. Law has been a director, chairman and chief financial officer of Sealand Capital Galaxy Limited (United Kingdom stock code: SGCL), a company listed on the London Stock Exchange, responsible for the management of the company and strategic business development. Mr. Law has been an independent non-executive director of K Group Holdings Limited (stock code: 8475), a company listed on GEM of the Stock Exchange since July 2018. Mr. Law completed secondary school education in Hong Kong in 1979.

Save as disclosed above, each of the Directors (i) has not held any directorships in any public companies (the securities of which are listed on any securities market in Hong Kong or overseas) in the last three years; (ii) does not have any relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company; and (iii) does not hold any positions in the Company or other members of the Group.

### 羅頌霖 (前稱羅熾昌) 先生

羅先生，56歲，於二零一八年六月八日獲委任為獨立非執行董事。羅先生負責監督本集團的合規、內部監控及企業管治，但不參與其業務營運的日常管理。

羅先生於銀行及企業融資業累積逾35年經驗。羅先生於一九八二年三月加入Manufacturers Hanover Trust Company，離職前職位為分區處理中心主管，負責培訓、質量控制及日常運作。於一九八九年六月至一九八九年十二月，羅先生於First Interstate Bank of California擔任客戶主任。於一九九一年十一月至一九九八年八月，彼任職於僑栢有限公司，離職前職位為總經理。羅先生於一九九四年至一九九六年加入穎昌發展有限公司擔任總經理。於二零零五年至二零零八年期間，彼亦於專門從事數碼營銷的Wholewin Group擔任總經理。自二零零八年起，羅先生於專門從事企業融資的浚栢顧問有限公司擔任副董事。自二零一三年九月起，彼一直擔任天使基金有限公司主席，並於富譽控股有限公司(股份代號：8269)擔任非執行董事；該公司在聯交所GEM上市，主要從事天然資源貿易及金融業務。彼自二零一四年二月起獲Cheung Sheng Global Holdings Limited聘任為首席營運主管，負責監督公司一般運作。自二零一五年七月起，羅先生擔任倫敦證券交易所上市公司Sealand Capital Galaxy Limited(英國股份代碼：SGCL)的董事、主席兼首席財務主管，負責該公司的管理及策略業務發展。羅先生自二零一八年七月起擔任聯交所GEM上市公司千盛集團控股有限公司(股份代號：8475)的獨立非執行董事。羅先生於一九七九年在香港完成中學課程。

除上述所披露者外，各董事(i)於過往三年內並無擔任任何上市公司(其證券於香港或海外任何證券市場上市)的任何董事職務；(ii)與任何其他董事、本公司高級管理人員或主要股東或控股股東概無關連；及(iii)並無於本公司或本集團其他成員公司擔任任何職位。

## BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員履歷

### SENIOR MANAGEMENT

#### Mr. YIP Kam Ming

Mr. Yip, aged 36, is the project director of the Group. Mr. Yip has over 11 years of experience in E&M engineering services industry. He joined the Group in May 2006 as an assistant engineer and was subsequently promoted as a project manager. Mr. Yip is responsible for management and technical direction of the Group's projects and overseeing project design, development and overall project performance of the Group. Mr. Yip graduated from The Hong Kong Polytechnic University with a bachelor's degree of engineering in building services engineering in October 2012.

#### Mr. CHEUNG Ting Fun, Andy

Mr. Cheung, aged 34, is the project director of the Group. Mr. Cheung joined the Group in July 2008 as an assistant engineer and was subsequently promoted as a project manager. Mr. Cheung is responsible for management and technical direction of the Group's projects and overseeing project design, development and overall project performance of the Group.

Mr. Cheung graduated from McMaster University in Canada with a bachelor degree of engineering, majoring in mechanical engineering in November 2008. In November 2014, he further obtained a master degree of science in building services engineering from The University of Hong Kong. He has been a member of American Society of Heating Refrigerating and Air-Conditioning Engineers since November 2008. Mr. Cheung has over 11 years of experience in E&M engineering services industry. Mr. Cheung was an engineering trainee in Honda of Canada from September 2007 to November 2008 prior to joining the Group. Mr. Cheung is the son of Mr. Tony Cheung, the executive Director.

### COMPANY SECRETARY

#### Ms. LO Wan Man (appointed on 9 April 2019)

Ms. Lo, aged 44, has over 20 years of experience in the area of accounting, auditing and financial management for both listed and private companies in Hong Kong and the People's Republic of China by working in an international accounting firm and other listed companies. She obtained a master of science in finance from City University of Hong Kong in July 2005. She worked at Ernst & Young from March 2001 to December 2003. She was then employed by Emperor Motion Picture (Hong Kong) Limited as finance manager from May 2004 to July 2008. Subsequently, she worked at New World Telecommunications Limited as finance manager in July 2008 until her resignation in March 2010. She was a finance manager of Midland IC&I Limited from May 2011 to January 2014. Since May 2015 she has been employed by MCGI Consultancy Limited as a senior consultant. Ms. Lo is a certified public accountant of the Hong Kong Institute of Certified Public Accountants since January 2003.

### 高級管理人員

#### 葉金明先生

葉先生，36歲，為本集團的項目總監。葉先生在機電工程服務業累積逾11年經驗。彼於二零零六年五月加入本集團擔任助理工程師，其後晉升為項目經理。葉先生負責本集團項目的管理及技術指導，以及監督本集團的項目設計、發展及整體項目表現。葉先生於二零一二年十月畢業於香港理工大學，獲頒屋宇設備工程學工學士學位。

#### 張庭勳先生

張先生，34歲，為本集團的項目總監。張先生於二零零八年七月加入本集團擔任助理工程師，其後晉升為項目經理。張先生負責本集團項目的管理及技術指導，以及監督本集團的項目設計、發展及整體項目表現。

張先生於二零零八年十一月畢業於加拿大麥克馬斯特大學(McMaster University)，獲頒工學士學位，主修機械工程。彼再於二零一四年十一月取得香港大學屋宇設備工程理碩士學位。彼自二零零八年十一月起成為美國採暖、製冷與空調工程師學會(American Society of Heating Refrigerating and Air-Conditioning Engineers)會員。張先生在機電工程服務業累積逾11年經驗。於加入本集團之前，張先生於二零零七年九月至二零零八年十一月期間在加拿大本田擔任工程見習生。張先生為執行董事張元通先生之子。

### 公司秘書

#### 盧韻雯女士(於二零一九年四月九日獲委任)

盧女士，44歲，透過任職於國際會計師行及其他上市公司，在處理香港及中華人民共和國之上市公司及私人公司之會計、核數及財務管理範疇擁有逾20年經驗。彼於二零零五年七月取得香港城市大學之理學碩士(金融學)。彼於二零零一年三月至二零零三年十二月任職於安永會計師事務所。彼繼而於二零零四年五月至二零零八年七月受僱於英皇電影(香港)有限公司，擔任財務經理。其後，彼於二零零八年七月任職於新世界電訊有限公司，擔任財務經理，直至彼於二零一零年三月辭任為止。彼於二零一一年五月至二零一四年一月為美聯工商舖有限公司之財務經理。自二零一五年五月起，彼受僱於天晞顧問有限公司，擔任高級顧問。盧女士自二零零三年一月起為香港會計師公會之執業會計師。



# DIRECTORS' REPORT

## 董事會報告

The board (the “**Board**”) of directors (the “**Directors**”) of Man Shun Group (Holdings) Limited (the “**Company**”) have the pleasure in submitting their first report together with the audited financial statements of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2018.

### REORGANISATION AND SHARE OFFER

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 11 April 2017 and was registered as a non-Hong Kong company under Part 16 of the Companies Ordinance, Cap. 622 (Laws of Hong Kong) on 24 August 2017. Pursuant to the completion of the reorganisation as detailed in the section headed “History, Development And Reorganisation” in the Prospectus to rationalise the structure of the Group in preparation for the Listing, the Company became the holding company of the subsidiaries now comprising the Group.

The Shares of the Company were listed on the Main Board of the Stock Exchange on 11 July 2018 through the Share Offer as described in the section headed “Structure of the Share Offer” in the Prospectus.

### USE OF PROCEEDS FROM THE COMPANY'S GLOBAL OFFERING

The aggregate net proceeds from the Share Offer (after deducting listing expenses borne by the Company) amounted to approximately HK\$102.4 million. The net proceeds will be used for the intended purposes as set out in the section headed “Future Plans and Use of Proceeds” of the Prospectus. The use of proceeds from the Listing up to the date of this report is included in the section “Management Discussion and Analysis” on page 14.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company and its subsidiaries are principally engaged in provision of installation of heat, ventilation and air-conditioning system (the “**HVAC Business**”) in Hong Kong.

Details of the activities and other particulars of its principal subsidiaries are set out in Note 12 to the consolidated financial statements.

萬順集團(控股)有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然提呈首份董事會報告以及本公司及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止年度的經審核財務報表。

### 重組及股份發售

本公司於二零一七年四月十一日在開曼群島註冊成立為獲豁免有限公司，並於二零一七年八月二十四日根據香港法例第622章公司條例第16部註冊為非香港公司。為籌備上市，本公司完成重組以理順本集團的架構，詳情載於招股章程「歷史、發展及重組」一節，據此，本公司成為現時組成本集團的附屬公司之控股公司。

透過招股章程「股份發售結構」一節所述的股份發售，本公司股份已於二零一八年七月十一日在聯交所主板上市。

### 本公司全球發售所得款項用途

股份發售所得款項淨額(經扣除本公司承擔的上市開支後)合共為約102,400,000港元。所得款項淨額將用於招股章程「未來計劃及所得款項用途」一節所載的擬定用途。自上市起直至本報告日期止的所得款項用途載於第14頁的「管理層討論及分析」一節。

### 主要業務

本公司為投資控股公司，而其附屬公司主要於香港從事提供暖氣、通風及空調系統安裝服務(「**暖通空調業務**」)。

主要附屬公司的業務詳情及其他資料載於綜合財務報表附註12。

## DIRECTORS' REPORT 董事會報告

### BUSINESS REVIEW

A review of the business of the Group during the year ended 31 December 2018 and a discussion on the Group's future business development, and also the Group's performance during the year ended 31 December 2018 using financial key performance indicators are set out in the "Management Discussion and Analysis" on pages 6 to 14 of this annual report.

### ENVIRONMENTAL POLICIES AND PERFORMANCE

The Environmental, Social and Governance Report of the Company for the year ended 31 December 2018 contained the information required under Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") is set out on pages 35 to 58 of this report.

### COMPLIANCE WITH LAWS AND REGULATIONS

As an entity incorporated in the Cayman Islands and listed in Hong Kong, the Company is mainly governed by the Companies Law of the Cayman Islands, the Companies Ordinance (Cap. 622), the Securities and Futures Ordinance (Cap. 571) and the Listing Rules. The Board 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, and each of its committee has its own term of reference defining their respective rights, duties and obligation.

During the year ended 31 December 2018, to the best of the Directors' knowledge, there is no material breach of or non-compliance with applicable laws and regulations by the Group which has a significant impact on its business and operations.

### RELATIONSHIPS WITH STAKEHOLDERS

The Group understands that it is important to maintain good relationship with its employees, customers, suppliers, governments and business associates to fulfil its long-term goals and development. To enhance its competitiveness, the Group aims at delivering high quality services to its customers constantly and to continue establishing a caring environment to employees and emphasis the personal development of its employees. During the year ended 31 December 2018, there was no material or significant dispute between the Group and its stakeholders.

### 業務回顧

本集團截至二零一八年十二月三十一日止年度的業務回顧、本集團未來業務發展的討論以及本集團採用財務關鍵績效指標計量截至二零一八年十二月三十一日止年度的表現載於本年報第6至14頁的「管理層討論及分析」。

### 環境政策及表現

本公司截至二零一八年十二月三十一日止年度的環境、社會及管治報告載有香港聯合交易所有限公司證券上市規則(「上市規則」)附錄27所規定的資料，全文載於本報告第35至58頁。

### 遵守法律及法規

作為於開曼群島註冊成立及於香港上市的實體，本公司主要受開曼群島公司法、公司條例(第622章)、證券及期貨條例(第571章)及上市規則所規管。董事會已採納上市規則附錄10所載的上市發行人董事進行證券交易的標準守則(「標準守則」)，各委員會亦設有職權範圍以界定其各自的權利、職責及義務。

截至二零一八年十二月三十一日止年度，就董事所深知，本集團概無嚴重違反或不遵守適用法律及法規，以致對其業務及營運產生重大影響。

### 與持份者的關係

本集團重視與僱員、客戶、供應商、政府及業務夥伴維持良好關係，從而實現長遠目標及發展。為提升競爭力，本集團致力向客戶持續提供優質服務，同時為僱員建立關愛環境，強調彼等個人發展。截至二零一八年十二月三十一日止年度，本集團與持份者之間概無出現嚴重或重大糾紛。



## DIRECTORS' REPORT 董事會報告

### PRINCIPAL RISKS AND UNCERTAINTIES

Risks and uncertainties involved in the business operations of the Group may affect the Group's financial conditions or growth prospects. The Group has been focusing on the control of risks and uncertainties with the aim of understanding and addressing the concerns of stakeholders. Key risks and uncertainties faced by the Group are listed below:

- the revenue is mainly derived from HVAC E&M engineering projects which are non-recurrent in nature and any failure of our Group to secure tender contracts would affect our operations and financial results;
- error or inaccurate estimation of project execution timeframe and/or project duration and/or costs may result in substantial loss incurred by us or adversely affect our revenue and profitability;
- reliance on the major customers;
- the revenue and profit margin are subject to fluctuations driven by various factors including but not limited to variation orders, and the past revenue and profit margin may not be indicative of our future financial performance;
- the strategy to undertake more projects as first-tier HVAC E&M subcontractor and diversify the customer base could lead to lower gross and net profit margin going forward; and
- may not be able to bill and receive the full amount of gross amount due from customers for contract work, if progress payment or retention money is not paid in full as a result of disputes over the work done, the liquidity position may be adversely affected.

### EVENTS AFTER THE REPORTING PERIOD

No event has occurred after 31 December 2018 and up to the date of this report which would have a material effect on the Group.

### 主要風險及不確定因素

本集團的業務營運涉及風險及不確定因素，可能會影響本集團的財務狀況或增長前景。本集團一直專注於控制風險及不確定因素，藉此了解及消除持份者的憂慮。本集團面對的主要風險及不確定因素載列如下：

- 收入主要來自非經常性暖通空調機電工程項目，而本集團未能取得投標合約將影響我們的營運及財務業績；
- 錯誤或不正確估計項目執行時間表及／或項目所需時間及／或成本可能導致我們產生重大虧損或對我們的收入及盈利能力造成不利影響；
- 對主要客戶的依賴；
- 收入及利潤率受各種因素（包括但不限於工程變更指令）所引起的波動影響，過往收入及利潤率不一定為未來財務表現的指標；
- 以首層暖通空調機電分包商身份承接更多項目及多元拓展客戶基礎的策略可能導致未來毛利率及純利率下降；及
- 未必能夠結算及收回全部應收客戶合約工程款項總額。倘我們所進行工程涉及糾紛導致我們未能獲悉數支付進度款或保留金，流動資金狀況或會受到不利影響。

### 報告期間後事項

於二零一八年十二月三十一日後及直至本報告日期，概無發生任何對本集團有重大影響的事項。

## DIRECTORS' REPORT 董事會報告

### RESULTS AND DIVIDENDS

The Group's results for the year ended 31 December 2018 and the Group's financial position as at that date are set out in the consolidated financial statements on pages 77 to 79 of this annual report.

The Board does not recommend to declare a final dividend for the year ended 31 December 2018 (2017: Nil).

The Board do not have a fixed dividend policy and the Company does not have any predetermined dividend payout ratio. The payment and the amount of any future dividends will be at the discretion of the Board and will depend on a number of factors, including but not limited to the operations and earnings, capital requirements and surplus, cash flow position, general financial condition and other factors that the Directors deem relevant. Investors should note that historical dividend distributions are not indicative of the Company's future dividend distribution policy.

### ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on Thursday, 6 June 2019 (the "AGM"). A notice convening the AGM has been issued to the Shareholders together with this annual report, which is also available on the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website [www.manshungroup.com.hk](http://www.manshungroup.com.hk).

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 3 June 2019 to Thursday, 6 June 2019 (both days inclusive), for the purpose of determining Shareholders' entitlement to attend and vote at the annual general meeting. In order to be eligible to attend and to vote at the annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Friday, 31 May 2019.

### FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last four financial years is set out on page 4 of this annual report.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

### 業績及股息

本集團截至二零一八年十二月三十一日止年度的業績及本集團於當日的財務狀況載於本年報第77至79頁的綜合財務報表。

董事會不建議宣派截至二零一八年十二月三十一日止年度的末期股息(二零一七年:無)。

董事會並無固定股息政策,本公司亦無任何預定派息比率。未來任何股息的派付及金額將由董事會酌情決定,並將取決於多項因素,包括但不限於營運及盈利、資本需求及盈餘、現金流狀況、一般財務狀況及董事視為相關的其他因素。投資者務請注意,過往股息分派並非本公司日後股息分派政策的指標。

### 股東週年大會

本公司將於二零一九年六月六日(星期四)舉行股東週年大會(「股東週年大會」)。召開股東週年大會的通知已連同本年報寄發予股東,亦可於香港聯合交易所有限公司(「聯交所」)網站[www.hkexnews.hk](http://www.hkexnews.hk)及本公司網站[www.manshungroup.com.hk](http://www.manshungroup.com.hk)查閱。

### 暫停辦理股東登記

本公司將於二零一九年六月三日(星期一)至二零一九年六月六日(星期四)(包括首尾兩日)暫停辦理股東登記,以釐定股東出席股東週年大會及於會上投票之權利。為符合資格出席股東週年大會並於會上投票,所有股份過戶文件連同有關股票,須不遲於二零一九年五月三十一日(星期五)下午四時三十分送交本公司之股份登記處卓佳證券登記有限公司,地址為香港皇后大道東183號合和中心22樓,方為有效。

### 財務概要

本集團過往四個財政年度的業績以及資產及負債概要載於本年報第4頁。

### 優先購買權

本公司的組織章程細則或開曼群島(即本公司註冊成立所在的司法權區)法律並無有關優先購買權的條文。



## DIRECTORS' REPORT 董事會報告

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2018, neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange.

### FIXED ASSETS

Details of movements in the plant and equipment of the Group during the year ended 31 December 2018 are set out in Note 11 to the consolidated financial statements.

### SHARE CAPITAL

Details of the movements in the share capital during the year ended 31 December 2018 are set out in Note 22(c) to the consolidated financial statements.

### RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 December 2018 are set out in Note 22(a) to the consolidated financial statements and in the consolidated statement of changes in equity on page 80 of this annual report respectively.

### DISTRIBUTABLE RESERVES

As at 31 December 2018, the aggregate amount of the reserves attributable to equity shareholders of the Company, as calculated in accordance with the Companies Law of the Cayman Islands and the Company's memorandum and articles of association was HK\$92,833,000 (2017: HK\$Nil).

### BORROWINGS

Particulars of borrowings of the Group as at 31 December 2018 are set out in Note 18 to the consolidated financial statements.

### DONATIONS

There was no donation made by the Group for the year ended 31 December 2018 (2017: HK\$57,000).

### TAX RELIEF

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

### EQUITY-LINKED AGREEMENT

Save as those disclosed in the section headed "Share Option Scheme" in this Directors' Report, no other equity-linked agreement was entered into by the Group, or existed during the year ended 31 December 2018.

### 購買、出售或贖回上市證券

截至二零一八年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回於聯交所上市的任何本公司證券。

### 固定資產

本集團於截至二零一八年十二月三十一日止年度的機器及設備變動詳情載於綜合財務報表附註11。

### 股本

截至二零一八年十二月三十一日止年度的股本變動詳情載於綜合財務報表附註22(c)。

### 儲備

本公司及本集團於截至二零一八年十二月三十一日止年度的儲備變動詳情分別載於綜合財務報表附註22(a)及本年報第80頁的綜合權益變動表。

### 可供分派儲備

於二零一八年十二月三十一日，本公司權益股東應佔儲備總額(按照開曼群島公司法以及本公司組織章程大綱及細則計算)為92,833,000港元(二零一七年：零港元)。

### 借貸

本集團於二零一八年十二月三十一日的借貸詳情載於綜合財務報表附註18。

### 捐款

截至二零一八年十二月三十一日止年度，本集團並無作出任何捐款(二零一七年：57,000港元)。

### 稅項寬免

本公司並不知悉股東可因持有本公司股份而享有任何稅項寬免。

### 股本掛鈎協議

除本董事會報告「購股權計劃」一節所披露者外，本集團於截至二零一八年十二月三十一日止年度並無訂立或存有其他股本掛鈎協議。

## DIRECTORS' REPORT 董事會報告

### SHARE OPTION SCHEME

Pursuant to a resolution passed by all the shareholders on 8 June 2018, the Company has conditionally adopted the share option scheme (the “**Share Option Scheme**”) for the purpose of providing incentives or rewards to the eligible participants for their contribution to the Group and enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. The Board is entitled at any time and from time to time grant options pursuant to the Share Option Scheme to the Directors (including executive Directors, non-executive Directors and independent non-executive Directors), the directors of the Company's subsidiaries and employees of the Group and any other persons (including consultants or advisers) whom the Board considers have contributed or will contribute to the Group. The Directors were authorised to grant options to subscribe for shares of the Company and to allot, issue and deal with the shares pursuant to the exercise of options granted under the Share Option Scheme and to take all such steps as may be necessary and/or desirable to implement and give effect to the Share Option Scheme. The maximum number of shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of the Company must not, in aggregate, exceed 10% of the total number of shares in issue immediately following completion of the Global Offering (as defined in the Prospectus dated 28 June 2018), being 1,000,000,000 shares, excluding any shares that may be issued under the options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of the Company), unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules from time to time.

Unless otherwise approved by the shareholders of the Company in general meeting, the number of shares that may be granted to an eligible participant under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 1% of the shares in issue of the Company within any 12-month period. Any grant of options to a Director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors. Unless otherwise approved by the shareholders of the Company in general meeting and/or such other requirements prescribed under the Listing Rules, the number of shares that may be granted to a substantial shareholder or any independent non-executive Director or their respective associates under the Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) shall not exceed 0.1% of the shares in issue, having an aggregate value in excess of HK\$5 million, within any 12-month period.

### 購股權計劃

根據一項於二零一八年六月八日獲全體股東通過的決議案，本公司已有條件採納購股權計劃（「購股權計劃」），旨在向合資格參與者提供激勵或獎勵，以表揚彼等對本集團的貢獻及讓本集團可招攬及留聘優秀僱員並吸納對本集團重要的人力資源。董事會有權根據購股權計劃於任何時間及不時向董事（包括執行董事、非執行董事及獨立非執行董事）、本公司附屬公司董事及本集團僱員以及董事會認為已對或將會對本集團作出貢獻的任何其他人士（包括諮詢人或顧問）授出購股權。董事獲授權根據購股權計劃授出購股權以認購本公司股份，並根據購股權計劃項下所授出購股權行使而配發、發行及處置股份，以及採取對執行及落實購股權計劃而言可能屬必需及／或適宜的所有有關行動。除另獲本公司股東於股東大會及／或上市規則不時規定的有關其他要求所批准外，根據購股權計劃及本公司任何其他購股權計劃可能授出的購股權所涉及的股份最高數目，合共不得超過緊隨全球發售（定義見日期為二零一八年六月二十八日的招股章程）完成後的已發行股份總數的10%（即1,000,000,000股股份，惟不計及根據購股權計劃（或本公司任何其他購股權計劃）條款已失效購股權項下可能發行的任何股份）。

除另獲本公司股東於股東大會所批准外，於任何12個月期間內根據購股權計劃及本公司任何其他購股權計劃（包括已行使及尚未行使購股權）可能向合資格參與者授出的股份數目，不得超過本公司已發行股份的1%。向董事、本公司主要行政人員或主要股東（定義見上市規則）或彼等各自的任何聯繫人（定義見上市規則）授出任何購股權須獲獨立非執行董事批准。除另獲本公司股東於股東大會及／或上市規則規定的有關其他要求所批准外，於任何12個月期間內根據購股權計劃及本公司任何其他購股權計劃（包括已行使及尚未行使購股權）可能向主要股東或任何獨立非執行董事或彼等各自的聯繫人授出的股份數目，不得超過已發行股份的0.1%（總值超過5,000,000港元）。



## DIRECTORS' REPORT 董事會報告

The Board may, at its discretion, determine the minimum period for which the option has to be held before it can be exercised, and the period during which an option may be exercised. However, no options shall be exercised ten years after they have been granted. The subscription price of a share in respect of a particular option shall be not less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's on the daily quotation sheet on the date of the grant of the option, which must be a trading day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the grant of the option; and (iii) the nominal value of a share. The Share Option Scheme shall take effect from the date it is adopted and shall remain effective within a period of 10 years from that date.

From the date that the Share Option Scheme became effective and unconditional and up to the date of this annual report, no share options were granted under the Share Option Scheme.

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2018, 55.9% and 97.0% of the Group's revenue were attributable to the largest customer and the five largest customers of the Group, respectively.

During the year, the largest supplier and the five largest suppliers of the Group accounted for approximately 16.6% and 36.6% of the total direct costs of the Group respectively.

None of the Directors, their associates or any other shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

### DIRECTORS

The Directors during the year ended 31 December 2018 and up to the date of this report are:

#### Executive Directors

Mr. CHEUNG Yuen Tung (*Chairman*)  
Mr. CHEUNG Yuen Chau  
Mr. TANG Chi Chiu (resigned on 9 April 2019)

#### Independent non-executive Directors

Mr. PANG Kam Fai, Dickson  
Mr. LAU Yu Ching  
Mr. LAW Chung Lam, Nelson

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

董事會可酌情釐定可行使購股權前須持有購股權的最短期限及可行使購股權的期限。然而，購股權不得於授出購股權後十年行使。特定購股權所涉及的股份認購價不得少於以下三項的最高者：(i) 股份於購股權授出日期（必須為交易日）在聯交所每日報價表所示的收市價；(ii) 股份於緊接購股權授出日期前五個交易日在聯交所每日報價表所示的平均收市價；及(iii) 股份面值。購股權計劃自其獲採納當日起生效，並自該日起10年期間內維持有效。

自購股權計劃生效及成為無條件當日起及直至本年報日期止，概無根據購股權計劃授出購股權。

### 主要客戶及供應商

截至二零一八年十二月三十一日止年度，本集團的最大客戶及五大客戶分別佔本集團收入的55.9%及97.0%。

年內，本集團的最大供應商及五大供應商分別佔本集團直接成本總額的約16.6%及36.6%。

概無董事、彼等的聯繫人或任何其他股東（就董事所知擁有本公司股本5%以上者）於上述主要供應商或客戶中擁有權益。

### 董事

於截至二零一八年十二月三十一日止年度及直至本報告日期的董事如下：

#### 執行董事

張元通先生 (*主席*)  
張元秋先生  
鄧志釗先生 (於二零一九年四月九日辭任)

#### 獨立非執行董事

彭錦輝先生  
劉裕正先生  
羅頌霖先生

本公司已自各名獨立非執行董事收取根據上市規則第3.13條作出的年度獨立性確認，並認為彼等屬獨立人士。

## DIRECTORS' REPORT 董事會報告

### BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and the senior management of the Group are set out on pages 15 to 21 of this annual report.

### RETIREMENT AND RE-ELECTION OF DIRECTORS

Pursuant to Article 83(3) of the Articles of Association, any Director appointed by the Board will retire from office at the first general meeting. Accordingly, (i) Mr. Cheung Yuen Tung and Mr. Cheung Yuen Chau, each an executive Director; and (ii) Mr. Pang Kam Fai, Dickson, Mr. Lau Yu Ching and Mr. Law Chung Lam, Nelson, each an independent non-executive Director, will retire from office and, being eligible, have offered themselves for re-election at the AGM.

### RESIGNATION OF DIRECTORS

Mr. TANG Chi Chiu (“**Mr. Tang**”) would like to devote more time for his personal affairs and resigned as the executive Director, company secretary and authorised representative of the Company effective on 9 April 2019. Mr. Tang has confirmed that he had no disagreement with the Board and there was no matter relating to his retirement that needs to be brought to the attention of the Shareholders.

### ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 December 2018 was the Company or any of its subsidiaries, its holding companies or a subsidiary of its holding companies a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

During the year ended 31 December 2018, the Group has carried transactions with its related party as detailed in Note 25(b) to the consolidated financial statements. Save for as disclosed above, no other transaction, arrangement or contract of significance to which the Company or any of its subsidiaries, its holding companies or a subsidiary of its holding companies was a party or were parties and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### CONTRACTS OF SIGNIFICANCE

Save as disclosed in the consolidated financial statements, no controlling Shareholder or any of its subsidiaries has any contract of significance (including contract of significance for the provision of services) with the Company or its subsidiaries during the year.

### 董事及高級管理人員履歷

董事及本集團高級管理人員的履歷載於本年報第15至21頁。

### 董事退任及重選

根據組織章程細則第83(3)條，任何獲董事會委任的董事將於首次股東大會上退任。因此，(i) 執行董事張元通先生及張元秋先生；及(ii) 獨立非執行董事彭錦輝先生、劉裕正先生及羅頌霖先生將於股東週年大會上退任，並符合資格及願意於會上膺選連任。

### 董事辭任

鄧志釗先生(「鄧先生」)有意投入更多時間處理私人事務，因此辭任本公司執行董事、公司秘書及授權代表，自二零一九年四月九日起生效。鄧先生確認彼與董事會並無意見分歧，且並無有關彼辭任的其他事宜需提請股東垂注。

### 收購股份或債權證的安排

本公司或其任何附屬公司、其控股公司或其控股公司的附屬公司於截至二零一八年十二月三十一日止年度任何時間並無訂立任何安排，以致董事可藉收購本公司或任何其他法團的股份或債權證而獲利。

### 董事於重大交易、安排或合約的權益

截至二零一八年十二月三十一日止年度，本集團與關聯方進行的交易詳情載於綜合財務報表附註25(b)。除上文所披露者外，本公司或其任何附屬公司、其控股公司或其控股公司的附屬公司並無訂立於年末或年內任何時間生效，且董事於當中直接或間接擁有重大權益的其他重大交易、安排或合約。

### 重大合約

除綜合財務報表所披露者外，年內概無控股股東或其任何附屬公司與本公司或其附屬公司訂有任何重大合約(包括就提供服務訂立的重大合約)。



## DIRECTORS' REPORT 董事會報告

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

To the best knowledge of the Directors, none of the Directors was interested in any business, which competes or is likely to compete, either directly or indirectly, with the business of the Group during the year ended 31 December 2018.

### DIRECTORS' SERVICE CONTRACT

No Director proposed for re-election at the AGM has a service contract with the Company or any of its subsidiaries that is not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

### DIRECTORS' REMUNERATION

The Directors' remuneration is reviewed by the remuneration committee of the Board at least once per year with reference to the Directors' duties, responsibilities and performance and results of the Group. Details of the Directors' remuneration are set out in Note 8 to the consolidated financial statements.

### FIVE HIGHEST PAID INDIVIDUALS

During the year ended 31 December 2018, the five individuals with the highest emoluments in the Group comprises 3 Directors and 2 individuals, which included the senior management of the Company. Details of the highest paid individuals are set out in Note 8 and Note 9 to the consolidated financial statements.

### PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in section 467 of the Hong Kong Companies Ordinance) for the benefit of the Directors is currently in force and was in force throughout the financial year ended 31 December 2018. In addition, the Company has taken out and kept in force appropriate directors' and officers' liabilities insurance coverage for the Directors and officers of the Company.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2018.

### 董事於競爭業務的權益

就董事所深知，截至二零一八年十二月三十一日止年度並無董事於直接或間接與本集團業務構成競爭或可能構成競爭的任何業務中擁有權益。

### 董事的服務合約

概無建議於股東週年大會上重選的董事與本公司或其任何附屬公司訂有不支付賠償(法定賠償除外)則不可由僱用公司於一年內終止的服務合約。

### 董事薪酬

董事會薪酬委員會每年最少檢討一次董事薪酬，當中參照董事的職責、責任及表現以及本集團的業績。董事薪酬的詳情載於綜合財務報表附註8。

### 五名最高薪酬人士

截至二零一八年十二月三十一日止年度，本集團五名最高薪酬人士包括3名董事及兩名人士，當中包括本公司高級管理人員。最高薪酬人士的詳情載於綜合財務報表附註8及附註9。

### 獲准許的彌償條文

旨在保障董事利益的獲准許彌償條文(定義見香港公司條例第467條)現正生效，並於截至二零一八年十二月三十一日止財政年度全年有效。此外，本公司已安排為董事及本公司高級職員投保合適且有效的董事及高級職員責任保險。

### 管理合約

截至二零一八年十二月三十一日止年度並無訂立或存有與本公司整體或任何重大業務部分相關的管理及行政合約。

## DIRECTORS' REPORT 董事會報告

## DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 December 2018, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") (Cap. 571 of the Laws of Hong Kong)) which were required to be: (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules, are set out below:

## (i) Long positions in the Share

Name of Director 董事姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares 股份數目	Approximate percentage of shareholding 概約百分比
Mr. Cheung Yuen Tung ("Tony Cheung") (note) 張元通先生(「張元通先生」)(附註)	Interest in controlled corporation 受控法團權益	750,000,000	75%
Mr. Cheung Yuen Chau ("Gary Cheung") (note) 張元秋先生(「張元秋先生」)(附註)	Interest in controlled corporation 受控法團權益	750,000,000	75%

Note: Prime Pinnacle Limited ("Prime Pinnacle") is beneficially owned as to 51% by Mr. Tony Cheung and 49% by Mr. Gary Cheung. On 12 March 2018, Mr. Tony Cheung and Mr. Gary Cheung entered into the concert party deed to acknowledge and confirm, among other things, that they are parties acting in concert and are deemed to be interested in the shares held by Prime Pinnacle.

## 董事於證券的權益及淡倉

於二零一八年十二月三十一日，董事及本公司最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份或債權證中擁有：(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的有關條文，董事及本公司最高行政人員被當作或被視為擁有的權益及淡倉)；(ii)須登記於本公司根據證券及期貨條例第352條存置的登記冊之權益及淡倉；或(iii)根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

## (i) 於股份的好倉

附註：Prime Pinnacle Limited(「Prime Pinnacle」)由張元通先生及張元秋先生分別實益擁有51%及49%權益。於二零一八年三月十二日，張元通先生與張元秋先生訂立一致行動人士契據，以承認及確認(其中包括)彼等為一致行動人士，並被視為於Prime Pinnacle所持股份中擁有權益。



## DIRECTORS' REPORT 董事會報告

### (ii) Long position in the ordinary shares of associated corporation

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity/ Nature of interest 身份／權益性質	Number of share(s) held 所持股份數目	Approximate percentage of shareholding 股權概約百分比
Mr. Tony Cheung (note) 張元通先生(附註)	Prime Pinnacle	Beneficial owner 實益擁有人	51	51%
Mr. Gary Cheung (note) 張元秋先生(附註)	Prime Pinnacle	Beneficial owner 實益擁有人	49	49%

Note: Prime Pinnacle is the direct shareholder of the Company and is an associated corporation within the meaning of Part XV of the SFO.

### (ii) 於相聯法團普通股的好倉

附註：Prime Pinnacle為本公司的直接股東以及證券及期貨條例第XV部所界定的相聯法團。

### INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

So far as is known to any Director or chief executive of the Company, as at 31 December 2018, the following persons (other than a Director or a chief executive of the Company) had, or were taken or deemed to have interests or short positions in the shares or underlying shares of the Company which are required to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register kept by the Company pursuant to section 336 of the SFO:

### 主要股東的權益及淡倉

據任何董事或本公司最高行政人員所知，於二零一八年十二月三十一日，以下人士(不包括董事或本公司最高行政人員)於本公司股份或相關股份中擁有、被當作或被視為擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條存置的登記冊之權益或淡倉：

Name of shareholder 股東名稱／姓名	Capacity/ Nature of interest 身份／權益性質	Number of Shares 股份數目	Approximate percentage of shareholding 股權概約百分比
Prime Pinnacle (note 1) Prime Pinnacle (附註1)	Beneficial owner 實益擁有人	750,000,000	75%
Ms. Chan Ho Fung (note 2) 陳好鳳女士(附註2)	Interest of spouse 配偶權益	750,000,000	75%
Ms. Cheng Phyllis Woon Kink (note 3) 鄭煥瓊女士(附註3)	Interest of spouse 配偶權益	750,000,000	75%

**DIRECTORS' REPORT 董事會報告****Notes:**

- (1) Prime Pinnacle is beneficially owned as to 51% by Mr. Tony Cheung and 49% by Mr. Gary Cheung. On 12 March 2018, Mr. Tony Cheung and Mr. Gary Cheung entered into the concert party deed to acknowledge and confirm, among other things, that they are parties acting in concert and are deemed to be interested in the Shares held by Prime Pinnacle.
- (2) Ms. Chan Ho Fung is the spouse of Mr. Tony Cheung. Accordingly, Ms. Chan Ho Fung is deemed or taken to be interested in the shares in which Mr. Tony Cheung is interested under the SFO.
- (3) Ms. Cheng Phyllis Woon Kink is the spouse of Mr. Gary Cheung. Accordingly, Ms. Cheng Phyllis Woon Kink is deemed or taken to be interested in the shares in which Mr. Gary Cheung is interested under the SFO.

Save as disclosed above, the Company had not been notified by any other persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register kept by the Company pursuant to section 336 of the SFO as at 31 December 2018.

### **TRANSACTIONS DISCLOSED IN ACCORDANCE WITH THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED**

Details of the related party transactions undertaken in the normal course of business are provided under Note 25 to the consolidated financial statements, and none of which constitutes a discloseable connected transaction or continuing connected transaction as defined under Chapter 14A of the Listing Rules.

### **SUBSIDIARIES**

Details of the Company's principal subsidiaries are set out in Note 12 to the consolidated financial statements.

**附註：**

- (1) Prime Pinnacle 由張元通先生及張元秋先生分別實益擁有 51% 及 49% 權益。於二零一八年三月十二日，張元通先生與張元秋先生訂立一致行動人士契據，以承認及確認(其中包括)彼等為一致行動人士，並被視為於 Prime Pinnacle 所持股份中擁有權益。
- (2) 陳好鳳女士為張元通先生的配偶。因此，根據證券及期貨條例，陳好鳳女士被視為或當作於張元通先生擁有權益的股份中擁有權益。
- (3) 鄭煥瓊女士為張元秋先生的配偶。因此，根據證券及期貨條例，鄭煥瓊女士被視為或當作於張元秋先生擁有權益的股份中擁有權益。

除上述所披露者外，於二零一八年十二月三十一日，並無任何其他人士(不包括董事或本公司最高行政人員)通知本公司彼等於本公司的股份或相關股份中擁有根據證券及期貨條例第 XV 部第 2 及 3 分部的條文須向本公司披露，或記錄於本公司根據證券及期貨條例第 336 條存置的登記冊之權益或淡倉。

### **根據香港聯合交易所有限公司證券上市規則披露的交易**

於日常業務過程中進行的關聯方交易詳情載於綜合財務報表附註 25，有關交易並無構成上市規則第 14A 章所界定的須予披露關連交易或持續關連交易。

### **附屬公司**

本公司主要附屬公司的詳情載於綜合財務報表附註 12。



## DIRECTORS' REPORT 董事會報告

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float as required under the Listing Rules throughout the year ended 31 December 2018 and up to the date of this annual report.

### REVIEW OF ANNUAL RESULTS

The audit committee of the Company has reviewed the annual results of the Group for the year ended 31 December 2018.

### AUDITORS

KPMG retired and, being eligible, offered themselves for reappointment. A resolution for the reappointment of KPMG as auditors of the Company is to be proposed at the AGM. The shares of the Company were listed on the Stock Exchange on 11 July 2018 and there has been no change in auditor since then.

By order of the Board

**CHEUNG Yuen Tung**  
Chairman

27 March 2019

### 充足公眾持股量

根據本公司可取得的公開資料及就董事所知，於截至二零一八年十二月三十一日止年度全年及直至本年報日期止，本公司一直維持上市規則所規定的指定公眾持股量。

### 審閱年度業績

本公司審核委員會已審閱本集團截至二零一八年十二月三十一日止年度的年度業績。

### 核數師

畢馬威會計師事務所已退任及符合資格獲續任。於股東週年大會上將提呈一項決議案，以續任畢馬威會計師事務所為本公司核數師。本公司股份已於二零一八年七月十一日在聯交所上市，自該日以來並無更換核數師。

承董事會命

主席  
張元通

二零一九年三月二十七日

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### ABOUT THIS REPORT

Man Shun Group (Holdings) Limited (the “**Company**” together with its subsidiaries, hereinafter referred to as the “**Group**”) is pleased to present our annual Environmental, Social and Governance Report (the “**Report**”) for the year ended 31 December 2018 to provide an overview of the Group’s management of significant issues affecting the operation, including environmental, social and governance (“**ESG**”) issues.

The Board has overall responsibility for the Group’s ESG strategy and reporting. The Board is responsible for evaluating and determining the Group’s ESG-related risks and ensuring that appropriate and effective ESG risk management and internal control systems are in place.

### REPORTING PERIOD

The Report illustrates the Group’s initiative and performance regarding the environmental and social aspects during the reporting period from 1 January 2018 to 31 December 2018 (the “**Reporting Period**”).

### REPORTING SCOPE

This Report covers all subsidiaries of the Group in Hong Kong with core business that principally engaged in provision of installation of heat, ventilation and air-conditioning system (the “**HVAC Business**”) in Hong Kong. The Group will continue in assessing the impacts of its business on the major ESG aspects and to include in the Report.

### REPORTING BASIS

The Report is prepared with the ESG Reporting Guide set out by Appendix 27 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Group has complied with the disclosure requirements of the “comply or explain” provisions set out in the ESG Reporting Guide. In view of our first time disclosure of certain key performance indicator (“**KPIs**”), which is considered as material by the Group, during the Reporting Period, the Group will continue to optimize and improve the disclosure of KPIs.

### CONTACT INFORMATION

The Group welcomes your feedback on the Report for our sustainability initiatives. Please contact us by email to [info@manshun.com](mailto:info@manshun.com).

### 關於本報告

萬順集團(控股)有限公司(「本公司」, 連同其附屬公司統稱「本集團」)欣然提呈截至二零一八年十二月三十一日止年度的年度環境、社會及管治報告(「本報告」), 以概述影響本集團營運的重大事宜管理情況, 包括環境、社會及管治(「環境、社會及管治」)事宜。

董事會全面負責本集團的環境、社會及管治策略及匯報工作。董事會負責評估及確定本集團的環境、社會及管治相關風險, 並確保設有合適有效的環境、社會及管治風險管理及內部監控制度。

### 報告期間

本報告說明本集團於二零一八年一月一日至二零一八年十二月三十一日止報告期間(「報告期間」)在環境及社會方面的措施及表現。

### 報告範圍

本報告涵蓋本集團於香港的所有附屬公司, 其核心業務主要為於香港提供暖氣、通風及空調系統安裝服務(「暖通空調業務」)。本集團將持續評估其業務對主要環境、社會及管治層面的影響, 並載入本報告。

### 報告基準

本報告乃根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄27所載環境、社會及管治報告指引編製。本集團已遵守環境、社會及管治報告指引所載「不遵守就解釋」條文的披露規定。鑑於我們首次披露本集團認為屬重大的報告期間若干關鍵績效指標(「關鍵績效指標」), 本集團將繼續改良及完善關鍵績效指標的披露。

### 聯絡資料

本集團歡迎閣下對本報告提出有關可持續發展措施的反饋意見。請電郵至[info@manshun.com](mailto:info@manshun.com)與我們聯絡。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

## STAKEHOLDERS ENGAGEMENT

We identified the key stakeholders of our business operations. We interact with our stakeholders regularly through various communication channels. The following table illustrates the issues of concern of our major stakeholders and the ways we communicate with stakeholders:

## 持份者參與

我們識別出業務營運中的主要持份者，並透過各類溝通渠道與持份者定期互動。下表說明主要持份者所關注的事宜以及我們與持份者溝通的方式：

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Government 政府	<ul style="list-style-type: none"> <li>- To comply with the laws</li> <li>- Proper tax payment</li> <li>- Promote regional economic development and employment</li> </ul>	<ul style="list-style-type: none"> <li>- On-site inspections and checks</li> <li>- Research and discussion through work conferences, work reports preparation and submission for approval</li> <li>- Interim reports, annual reports, announcements</li> <li>- Company website</li> <li>- 實地考察及檢查</li> <li>- 研究及透過工作會議進行討論、編製工作報告及提交報告以供批准</li> <li>- 中期報告、年報及公佈</li> <li>- 公司網站</li> </ul>	<ul style="list-style-type: none"> <li>- Operated, managed and paid taxes according to laws and regulations, strengthened safety management; accepted the government's supervision, inspection and evaluation, and actively undertook social responsibilities.</li> <li>- 根據法律及法規營運、管理及納稅；加強安全管理；接受政府監督、檢查及評估，並積極承擔社會責任。</li> </ul>
Shareholders and Investors 股東及投資者	<ul style="list-style-type: none"> <li>- Return on the investment</li> <li>- Information disclosure and transparency</li> <li>- Protection of interests and fair treatment of shareholders</li> <li>- Business risk management</li> </ul>	<ul style="list-style-type: none"> <li>- Annual general meeting and other shareholder meetings</li> <li>- Interim reports, annual reports, announcements</li> <li>- Company website</li> <li>- Meeting with investors and analysts</li> </ul>	<ul style="list-style-type: none"> <li>- Issued notices of general meeting and proposed resolutions according to regulations, disclosed company's information by publishing 8 announcements/circulars and interim report in total in the year.</li> <li>- Carried out different forms of investor activities with an aim to improve investors' recognition. Held results briefing once. Disclosed company contact details on website and in reports and ensured all communication channels are available and effective.</li> <li>- 根據法規刊發股東大會通告及建議決議案、於年內合共刊發8份公佈／通函及中期報告以披露公司資料。為提高投資者認知度而舉行各種形式的投資者活動。舉行一次業績簡介會。於網站及報告中披露公司聯絡資料，並確保所有溝通渠道有效可用。</li> </ul>

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Employees 僱員	<ul style="list-style-type: none"> <li>- Safeguard the rights and interests of employees</li> <li>- Working environment</li> <li>- Career development opportunities</li> <li>- Self-actualization</li> <li>- Health and safety</li> <li>- 保障僱員權益</li> <li>- 工作環境</li> <li>- 事業發展機會</li> <li>- 自我實現</li> <li>- 健康與安全</li> </ul>	<ul style="list-style-type: none"> <li>- Conference</li> <li>- Training, seminars and briefing sessions</li> <li>- Annual performance appraisal</li> <li>- Intranet and emails</li> <li>- 會議</li> <li>- 培訓、講座及簡介會</li> <li>- 年度表現評估</li> <li>- 內聯網及電郵</li> </ul>	<ul style="list-style-type: none"> <li>- Provided a healthy and safe working environment; developed a fair mechanism for promotion; cared for employees by helping those in need and organizing employee activities.</li> <li>- 提供健康安全的工作環境；建立公平晉升機制；照顧需要幫助的僱員及舉辦僱員活動。</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>- Safe and high-quality products</li> <li>- Stable relationship</li> <li>- Information transparency</li> <li>- Integrity</li> <li>- Business ethics</li> <li>- 安全及優質產品</li> <li>- 穩定關係</li> <li>- 資訊透明度</li> <li>- 誠信</li> <li>- 商業道德</li> </ul>	<ul style="list-style-type: none"> <li>- Website, brochures, interim reports, annual reports, announcements</li> <li>- Email and customer service hotline</li> <li>- Feedback forms</li> <li>- Regular meeting</li> <li>- 網站、宣傳小冊子、中期報告、年報、公佈</li> <li>- 電郵及客戶服務熱線</li> <li>- 意見表</li> <li>- 定期會議</li> </ul>	<ul style="list-style-type: none"> <li>- Established laboratory, strengthened quality management to ensure stable service standards, and entered into long-term strategic cooperation agreements.</li> <li>- 成立實驗室、加強質量管理，以確保服務標準穩定，並簽訂長期戰略合作協議。</li> </ul>
Suppliers/Partners 供應商／合作夥伴	<ul style="list-style-type: none"> <li>- Long-term partnership</li> <li>- Honest cooperation</li> <li>- Fair, open</li> <li>- Information resources sharing</li> <li>- Risk reduction</li> <li>- 長期夥伴關係</li> <li>- 誠實合作</li> <li>- 公平公開</li> <li>- 分享資料資源</li> <li>- 降低風險</li> </ul>	<ul style="list-style-type: none"> <li>- Business meetings, supplier conferences, phone calls and interviews</li> <li>- Regular meeting</li> <li>- Review and assessment</li> <li>- Tendering process</li> <li>- Company website</li> <li>- Email, circulars and manual</li> <li>- 業務會議、供應商會議、電話及面談</li> <li>- 定期會議</li> <li>- 檢討及評估</li> <li>- 招標程序</li> <li>- 公司網站</li> <li>- 電郵、通函及手冊</li> </ul>	<ul style="list-style-type: none"> <li>- Invited tenders publicly to select best suppliers and contractors, performed contracts according to agreements, enhanced daily communication, and established long-term cooperation with quality suppliers and contractors.</li> <li>- 透過公開招標選取最佳供應商及承建商、根據協議履行合約、加強日常溝通，並與優質供應商及承建商建立長期合作關係。</li> </ul>



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Peer/Industry associations	<ul style="list-style-type: none"> <li>- Experience sharing</li> <li>- Corporations</li> <li>- Fair competition</li> </ul>	<ul style="list-style-type: none"> <li>- Industry conference</li> <li>- Site visit</li> </ul>	<ul style="list-style-type: none"> <li>- Stuck to fair play, cooperated with peers to realize win-win, shared experiences and attended about a dozen of seminars of the industry so as to promote sustainable development of the industry.</li> </ul>
同業／行業協會	<ul style="list-style-type: none"> <li>- 經驗分享</li> <li>- 合作</li> <li>- 公平競爭</li> </ul>	<ul style="list-style-type: none"> <li>- 行業會議</li> <li>- 實地探訪</li> </ul>	<ul style="list-style-type: none"> <li>- 堅持公平競爭、與同業合作實現雙贏、分享經驗，以及參加多個行業研討會，以推動行業可持續發展。</li> </ul>
Financial Institution	<ul style="list-style-type: none"> <li>- Compliance with the law and regulations</li> <li>- Disclose information</li> </ul>	<ul style="list-style-type: none"> <li>- Consulting</li> <li>- Information disclosure</li> <li>- Reports</li> </ul>	<ul style="list-style-type: none"> <li>- Complied with regulatory requirements in a strict manner, disclosed and reported information in a timely and accurate manner according to law.</li> </ul>
金融機構	<ul style="list-style-type: none"> <li>- 遵守法律及法規</li> <li>- 披露資料</li> </ul>	<ul style="list-style-type: none"> <li>- 諮詢</li> <li>- 資料披露</li> <li>- 報告</li> </ul>	<ul style="list-style-type: none"> <li>- 嚴格遵守監管規定、依法及時準確地披露及報告資料。</li> </ul>
Media	<ul style="list-style-type: none"> <li>- Transparent information</li> <li>- Communication with media</li> </ul>	<ul style="list-style-type: none"> <li>- Company website</li> <li>- Interviews</li> <li>- Media conference</li> <li>- Media gathering</li> </ul>	<ul style="list-style-type: none"> <li>- Organized conference, media gathering and site visit to enhance the communication with media.</li> </ul>
傳媒	<ul style="list-style-type: none"> <li>- 資料透明</li> <li>- 與傳媒溝通</li> </ul>	<ul style="list-style-type: none"> <li>- 公司網站</li> <li>- 訪問</li> <li>- 記者招待會</li> <li>- 傳媒聚會</li> </ul>	<ul style="list-style-type: none"> <li>- 組織會議、傳媒聚會及實地考察，以加強與傳媒的溝通。</li> </ul>

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Stakeholder 持份者	Expectation 期望	Engagement channel 參與渠道	Measures 措施
Public and communities	<ul style="list-style-type: none"> <li>- Community involvement</li> <li>- Social responsibilities</li> <li>- Promote employment</li> </ul>	<ul style="list-style-type: none"> <li>- Volunteering</li> <li>- Charity and social investment</li> <li>- Annual reports</li> </ul>	<ul style="list-style-type: none"> <li>- Gave priority to local people seeking jobs from the Company so as to promote community building and development; built roads, protected the communities' ecological environment, and provided timely compensation and assistance; provided volunteer service, kept communication channels open between the Company and the communities and villagers, co-sponsored community activities to promote the building up of harmonious communities.</li> </ul>
公眾人士及社區	<ul style="list-style-type: none"> <li>- 社區參與</li> <li>- 社會責任</li> <li>- 促進就業</li> </ul>	<ul style="list-style-type: none"> <li>- 義工活動</li> <li>- 慈善及社會投資</li> <li>- 年報</li> </ul>	<ul style="list-style-type: none"> <li>- 優先聘用向本公司求職的當地人，促進社區建設及發展；建設道路、保護社區生態環境，及時提供補償及援助；提供義工服務，保持開放本公司與社區及村民的溝通渠道，共同舉辦社區活動，促進建設和諧社區。</li> </ul>



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

## A. ENVIRONMENTAL ASPECTS

## Aspect A1: Emissions

To demonstrate the Group's commitment to sustainable development and compliance with laws and regulations relating to environmental protection, the Group endeavors to minimise the environmental impact of the business activities and maintain green operations and green office practices.

Our business is mainly providing HVAC electrical and mechanical engineering ("E&M engineering") services which focus on servicing new residential property development projects as a first-tier or second-tier subcontractor in Hong Kong. Our work performed as a first-tier subcontractor is mainly for overall project management and supervision of HVAC E&M engineering works conducted by us and/or our subcontractors to ensure their conformity to contractual specifications and requirements of the property developers while work performed as second-tier subcontractor is mainly responsible to execute installation work of HVAC system such as fixing of devices and connection of various pipe through our workers and subcontractor. Meanwhile, we delegate part of the installation process or overall installation works for part of the site areas to our subcontractors to assist us in completing on-site works. Thus, given the nature of our HVAC E&M engineering services that focus on project management and installation work, together with subcontracting practice, the Group poses less negative impact to the environment than most typical construction/engineering industries.

Our Group's operations in work sites are subject to certain environmental requirements pursuant to the laws in Hong Kong, such as Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong), Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong) and Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong). The Group has been in strict compliance with the above relevant laws and regulation in Hong Kong. We endeavour to minimise any adverse impact on the environment resulting from our business activities. In order to comply with the applicable environmental protection laws, we had implemented an environmental management system. Apart from following the environmental protection policies formulated and required by our customers, we have also established our environmental management policy to ensure proper management of environmental protection and compliance of environmental laws and regulations by both our employees and workers of the subcontractors on, among others, noise control and waste disposal.

## A. 環境層面

## 層面 A1：排放物

為體現本集團對可持續發展的承諾及遵守有關環保的法律及法規，本集團盡力減少業務活動對環境的影響，並維持綠色營運及綠色辦公室措施。

我們的業務主要為提供暖通空調機電工程（「機電工程」）服務，以首層或次層分包商身份主力為香港新型住宅物業發展項目提供服務。我們作為首層分包商的職責主要為整體項目管理及監督由我們及／或分包商進行的暖通空調機電工程，以確保符合物業發展商的合約規範及要求，而作為次層分包商的工作則主要負責透過工人及分包商執行暖通空調系統安裝工程，例如固定裝置及連接多個喉管。同時，我們將一部分安裝工序或部分地盤的整項安裝工程外派予分包商，以協助我們完成施工。因此，鑑於我們暖通空調機電工程服務的性質集中於項目管理及安裝工作以及分包業務，本集團對環境造成的負面影響低於大部分典型建設／工程行業。

本集團於地盤的營運須根據香港法例遵守若干環境規定，例如香港法例第311章空氣污染管制條例、香港法例第400章噪音管制條例及香港法例第354章廢物處置條例。本集團嚴格遵守上述相關香港法律及法規。我們致力將業務活動對環境帶來的任何不利影響降至最低。為遵守適用環保法例，我們已推行環境管理制度。除遵循客戶訂定及要求的環保政策外，我們亦已制定環保管理政策，以確保僱員及分包商工人均妥善管理有關（其中包括）噪音管制及廢物處置方面的環保事宜，並遵守環境法律及法規。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Such key measures and procedures concerning mainly noise pollution and waste control include, amongst other things:

### **Noise control**

- Installation of acoustic barriers as required;
- Inspection and maintenance of all equipment before use for compliance of permitted noise level;
- Works to be undertaken in accordance with the permitted work hours as specified by each project.

### **Waste disposal**

- Waste to be segregated into general wastes and construction wastes before transporting to landfills;
- The Company has established and maintain procedures designed to control risks arising from handling storage, use and disposal of substances hazardous to health and specific safety training has been conducted to relevant persons for handling the hazardous substance;
- The Company will also follow main-contractor's safety regulation on site basis and reviewed by the main-contractor on a regular period.

During the Reporting Period, there was no material breach of or non-compliance with the applicable laws and regulations related to environmental protection.

Regarding hazardous and non-hazardous wastes, solid wastes are separately stored and handled with the ledger for record. During the Reporting Period, the Group generated/consumed no significant hazardous and non-hazardous waste and water due to its business nature.

主要與噪音污染及廢物管制有關的重點措施及程序包括：

### **噪音管制**

- 按規定安裝隔聲屏障；
- 於使用前對所有設備進行檢查及保養以符合獲准的噪音水平；
- 根據各項目指定的獲准工作時間進行工程。

### **廢物處置**

- 於運送至堆填區前將廢物分類為一般廢物及建築廢料；
- 本公司已訂立及實施程序以控制因儲存、使用和處置對健康有害的物質而引致的風險，並為相關人士舉辦處置有害物質的特定安全培訓；
- 本公司亦會遵從總承建商對個別工地發出的安全規例，並由總承建商定期檢討。

於報告期間，並無嚴重違反或不遵守適用環保法律及法規的情況。

就有害及無害廢物而言，我們分開儲存及處理固體廢物，並以分類賬簿進行記錄。於報告期間，本集團並無因業務性質而產生／消耗大量有害及無害廢物及用水。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Major air pollutants emission from vehicles during the Reporting Period as follows:

於報告期間車輛產生的主要空氣污染物排放情況如下：

**Air Pollutant Emission**  
空氣污染物排放情況

Type of Air Pollutants	空氣污染物類型	Air Pollutant Emission (kg) 空氣污染物排放量(千克)
Sulphur dioxide	二氧化硫	0.34
Nitrogen oxides	氮氧化物	191.45
Particulate matter	微粒物質	18.25

During the Reporting Period, the greenhouse gas (“GHG”) emission from the operation is set out below:

於報告期間，營運產生的溫室氣體(「溫室氣體」)排放情況如下：

**GHG Emission**  
溫室氣體排放情況

Type of GHG emissions	溫室氣體排放類型	Equivalent CO <sub>2</sub> emission (kg) 二氧化碳排放量(千克)
Scope 1 Direct emissions	範圍1直接排放	61,198.65
Scope 2 Indirect emission	範圍2間接排放	14,230.53
<b>Total</b>	<b>總計</b>	<b>75,429.18</b>
<b>Intensity (kg/revenue HK\$'000)</b>	<b>密度(千克/千港元收入)</b>	<b>0.46</b>

Note:

附註：

The calculation of the GHG gas is based on the “A Corporate Accounting and Reporting Standard” from The GHG Protocol.

溫室氣體根據溫室氣體盤查議定書「企業會計與報告標準」計算。

Scope 1: Direct emission from vehicles that are owned by the Group.

範圍1：本集團所擁有車輛的直接排放。

Scope 2: Indirect emissions from the generation of purchased electricity consumed by the Group.

範圍2：本集團所消耗外購電力產生的間接排放。

Scope 3 is not disclosed as it is an optional disclosure and the corresponding emission is not controlled by the Group.

範圍3並無披露，原因為其屬選擇性披露且相關排放並非由本集團控制。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

**Aspect A2: Use of Resources**

The Group places high priority on the efficient use of resources. The major resources used by the Group are electricity, water, and paper. The Group strives to improve the efficient use of natural resources, such as minimising waste/emissions and implementing effective recycling program. Practical measures are implemented as follows:

**Electricity**

Electricity saving measures are encouraged that electrical appliances are required to be set as energy saving mode where possible. For computers, the idle automatically mode is 20 minutes or less. The room temperature should be set in a range from 20°C to 26°C. Also, power supply should be switched off when they are not in use. Preference will be given to office equipment with relatively high energy efficiency.

Energy consumption by the Group during the Reporting Period is set out below:

Energy Consumption 能源消耗		Energy consumed (kWh) 所耗能源 (千瓦時)
Type of energy	能源類型	
Unleaded petrol	無鉛汽油	153,156.37
Diesel	柴油	55,963.70
Purchased electricity	外購電力	27,903.00
<b>Total</b>	<b>總計</b>	<b>237,023.07</b>
<b>Energy intensity (kWh/revenue HK\$'000)</b>	<b>能源密度(千瓦時/千港元收入)</b>	<b>1.45</b>

**Water**

The impact of freshwater use is relatively insignificant for the Group. The Group did not encounter any problems in sourcing water that is fit for purpose.

**層面 A2：資源使用**

本集團十分重視有效使用資源。本集團使用的主要資源為電力、水及紙張。本集團致力改善天然資源使用效率，例如盡量減少廢物／排放物，並實施有效的回收計劃。以下為已實施的實際措施：

**電力**

本集團鼓勵採取節電措施，電器需盡可能設置為節能模式。電腦的自動閒置模式設定為20分鐘或更短。室溫應設定在20°C至26°C的範圍內。此外，電源在不用時應關閉。本集團將優先選用能源效益較高的辦公設備。

本集團於報告期間的能源消耗如下：

**水**

使用淡水對本集團的影響相對較小。本集團在採購適用水方面並未遇到任何問題。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

### Paper

Reduction in paper use indirectly reduces the overall GHG emission. The Group has been taking the following steps to reduce paper consumption:

- Reduce the use of paper by printing or photocopying on both sides of paper, where applicable;
- Encourage the employee to use suitable font size/shrinkage mode to minimise pages, if possible. Besides, electronic media is recommended for circulation/communication, to minimise using paper.

During the Reporting Period, the consumption of paper and packaging material was 104 kg and 32,640 pieces, respectively.

### Aspect A3: the Environment and Natural Resources

The Group raises staff's awareness on environmental issues through education and training and enlist employees' support in improving the Group's performance, promote environmental awareness amongst the customers, business partners and shareholders and support community activities in relation to environmental protection and sustainability and evaluate regularly and monitor past and present business activities impacting upon health, safety and environmental matters. With the integration of policies mentioned in sections "Emission" and "Use of Resource", the Group strives to minimise the impacts to the environment and natural resources.

## B. SOCIAL ASPECTS

### Aspect B1: Employment

We endeavour to use our best effort to attract and retain appropriate and suitable personnel to serve our Group. Our Group assesses the available human resources on a continuous basis and will determine whether additional personnel are required to cope with the business development of our Group. The Group's staff handbook sets out the our standards for compensation and dismissal, promotion and salary review, working hours, rest periods, equal opportunity and other benefits and welfare. The Group entered into separate labour contracts with each of our employees in accordance with the applicable labour laws of Hong Kong.

### 紙張

減少使用紙張可間接降低整體溫室氣體排放量。本集團一直採取以下措施減少用紙量：

- 於適當時透過雙面打印或複印減少紙張用量；
- 鼓勵員工盡可能使用合適的字體大小／縮印模式以減少頁數。此外亦推薦使用電子方式傳閱文件／溝通，以盡量減少紙張用量。

於報告期間，紙張及包裝材料的消耗量分別為104千克及32,640件。

### 層面 A3：環境及天然資源

本集團透過教育及培訓提高員工對環境問題的意識、爭取員工支持本集團改善表現、提升客戶、業務夥伴及股東的環保意識、響應有關環保及可持續發展的社區活動，並定期評估及監督過去及現時影響健康、安全及環境事宜的業務活動。通過結合「排放物」及「資源使用」章節提及的政策，本集團致力減少對環境及自然資源的影響。

## B. 社會層面

### 層面 B1：僱傭

我們盡最大努力吸引及留聘適當及合適人才為本集團服務。本集團持續評估可用人力資源，並釐定是否需要增聘人手以配合本集團業務發展。本集團的員工手冊載列我們有關薪酬及解僱、晉升及薪酬檢討、工時、休假、平等機會以及其他待遇及福利的標準。本集團根據香港適用勞工法例與各名僱員訂立個別勞工合約。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

We generally recruit our employees through placing advertisements in the open market with reference to factors such as their experience, qualifications and expertise required for our business operations. They are normally subject to three months probation period starting on board. The remuneration package our Group offered to our employees includes salary, bonuses, other cash subsidies and Mandatory Provident Fund (MPF). In general, our Group determines employee salaries based on each employee's qualifications, position and seniority. Our Group has designed an annual review system to assess the performance of our employees, which forms the basis of our decisions with respect to salary adjustments, bonuses and promotions. We believe that the above arrangement can maintain good relationship with our employee.

During the Reporting Period, there were no material non-compliance regarding employment brought against the Group or its employees.

### Aspect B2: Health and Safety

We place emphasis on occupational health and work safety during the delivery of our services as it is our concern not to put our employees, our subcontractors and the general public in hazards. Insurance policies purchased can cover and protect our employees in the office and construction site. We have also adopted an occupational health and safety manual as required by relevant occupational health and safety laws, rules and regulations under the supervision of our project directors.

Our key occupational health and work safety measures are set out below:

- Effective promotion and communication of safety procedures are maintained through, among others, establishing safety bulletin and detailed record of accident statistics, holding regular internal and external safety meetings, documenting safety measures and issues identified for each project by preparing safety reports and training records;
- We regularly attend safety training organised by the main contractors of the projects, typically covering safety procedures for performing different types of work, first-aid training, safety procedures for emergency and duties and procedures for reporting hazards, incidents, accidents and diseases, and good housekeeping of workplaces;

我們一般透過於公開市場投放廣告招聘僱員，當中參照我們業務營運所需的經驗、資歷及專業知識等因素。僱員一般須自入職起接受三個月試用期。本集團向僱員提供的薪酬待遇包括薪金、花紅、其他現金補貼及強制性公積金(強積金)。本集團通常基於個別僱員的資歷、職位及年資釐定僱員薪金。本集團已制定年度審核體系，用作評估僱員表現並構成我們有關薪金調整、花紅及晉升決策的基準。我們相信，上述安排有助與僱員維持良好關係。

於報告期間，並無針對本集團或其僱員的重大違規僱傭情況。

### 層面 B2：健康與安全

我們重視提供服務時的職業健康及工作安全，以免令僱員、分包商及普羅大眾面對危險。我們投購的保險可保障及保護辦公室及地盤的僱員。我們亦已遵照相關職業健康及安全法律、規則及法規的規定採納職業健康及安全指引，並由項目總監負責監督。

以下載列我們主要的職業健康及工作安全措施：

- 透過(其中包括)設立安全公告及詳盡的意外統計記錄、定期舉行內部及外部安全會議，並通過編製安全報告及培訓記錄記下各個項目的安全措施及所發現的問題，從而有效推廣及宣揚安全程序；
- 我們定期參加項目總承建商舉辦的安全培訓，一般涵蓋進行不同類型工作的安全程序、急救培訓、緊急情況的安全程序以及匯報災患、事故、意外及疾病與妥善管理工地的職責及程序；



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- All workers on site, including subcontractors' employees, are required to follow the general safety rules adopted by the main contractor of the relevant project which are communicated to the workers before they commence work and posted on prominent notice boards on site. Workers who breach any such rules will be subject to internal disciplinary actions;
  - We designate a member of the project team who have the relevant qualifications as our safety supervisor for each of our projects. Risk assessments are generally conducted by the relevant safety supervisor to identify the potential hazards and accidents and provide suggestion on proper preventive measures prior to commencement of works;
  - Site inspections are carried out at least once every two weeks by our project director to ensure strict compliance with the statutory occupational health and safety laws, rules and regulations;
  - Specific safety measures in relation to, among others, emergency, working at height, safe operation of machinery and reporting of hazards and accidents are communicated with workers and documented in details.
- 所有地盤工人(包括分包商僱員)均須遵從相關項目總承建商所採納的一般安全規則,有關規則會於施工前知會工人,並張貼在地盤顯眼位置的告示板上。違反任何有關規則的工人將受到內部紀律處分;
  - 我們指派項目團隊內擁有相關資格的成員作為各個項目的安全督導員。有關安全督導員一般負責進行風險評估,以識別潛在災患及意外,並於施工前就適當預防措施提供建議;
  - 項目總監最少每兩週實地巡視一次,以確保嚴格遵守法定職業健康及安全法律、規則及法規;
  - 知會工人並詳盡記錄有關(其中包括)緊急情況、高空工作、安全操作機械以及匯報災患及意外的特定安全措施。

During the Reporting Period, there were no cases of work-related injuries.. There were no non-compliance cases noted in relation to laws and regulations for health and safety.

於報告期間並無工傷個案,亦無發現違反健康及安全法律及法規的情況。

### Aspect B3: Development and Training

The Group recognises the importance of training for the development of our employees as well as our Group. We provide various types of trainings to our employees, including those on occupational health and safety in relation to our work as mentioned in aspect "B2: HEALTH AND SAFETY" in this Report. Such trainings include our internal training as well as courses organised by external parties such as the Construction Industry Council in Hong Kong and the Occupational Safety and Health Council in Hong Kong. We believe it is a win-win approach for achieving both employee and corporate goals as a whole.

### 層面 B3：發展及培訓

本集團深明培訓對我們僱員及本集團發展的重要性。我們為僱員提供各類培訓,包括本報告層面「B2：健康與安全」所述有關我們工程的職業健康及安全培訓。有關培訓包括內部培訓以及香港建造業議會及香港職業安全健康局等外界機構組織的課程。我們相信,此舉乃實現員工及企業整體目標的雙贏方式。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

### Aspect B4: Labour Standards

The Group is fully aware that child labour and forced labour violate fundamental human rights and also pose threat to sustainable social and economic development. The Group strictly complies with the Employment Ordinance and other relevant labour laws and regulations in Hong Kong. The Group prohibits the use of child labour and forced labour. Employment contracts and other records, documenting all relevant details of the employees (including age) are maintained properly for verification by relevant statutory body upon request.

During the Reporting Period, the Group has complied with policies and relevant laws and regulations regarding prevention of child labour or forced labour.

### Aspect B5: Supply Chain Management

The Group works closely with its subcontractors and suppliers who are committed to high quality, environmental, health and safety standards. Policies and procedures for selection and evaluation of subcontractors and suppliers are established for staff to follow. New subcontractors and suppliers are accessed with established criteria for comparison purpose. We carefully evaluate the performance of our subcontractors and suppliers and select them based on a range of factors that are stated in the relevant policies and procedures. We maintain a list of approved subcontractors and suppliers which is updated according to our assessment of their performance on a continuous basis.

Thus, we believe there are no significant environmental and social risks for our management decision on supply chain management.

### 層面 B4：勞工準則

本集團深知童工及強迫勞工侵犯基本人權，亦對可持續社會及經濟發展構成威脅。本集團嚴格遵守香港僱傭條例及其他有關勞工法律及法規。本集團禁止僱用童工及強迫勞工，並妥善保存記錄僱員所有相關詳情(包括年齡)的僱傭合約及其他記錄，按要求供有關法定機構核實。

於報告期間，本集團已遵守有關防止童工或強迫勞工的政策及相關法律及法規。

### 層面 B5：供應鏈管理

本集團與分包商及供應商緊密合作，彼等致力於維持高水平的質量、環境、健康及安全標準。我們制定選取及評估分包商及供應商的政策及程序以供員工遵守，按既定準則評估新分包商及供應商以進行比較。我們謹慎評估分包商及供應商的表現，並按照相關政策及程序列明的一系列因素作出選擇。我們編製的核准分包商及供應商清單會根據對彼等表現的評估而持續更新。

因此，我們相信供應鏈管理的管理決策並無重大環境及社會風險。



**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告****Aspect B6: Product Responsibility*****Quality control on projects***

The Group is liable for the works carried out by us and our subcontractors. We ensure that each project is completed in accordance with the specifications set out for the project. Our project directors closely monitor the progress of each project to ensure that our services (i) meet our customer's requirements; (ii) are completed within the time stipulated in the contract and the budget allocated for the project; and (iii) comply with all relevant rules and regulations. Our project directors will monitor overall work quality and project progress and perform on-site inspections and supervise site workers regularly. Our project directors will timely inform our executive Directors of the project status and any quality issues arising from project execution.

***Materials and consumables***

We closely monitor the quality of materials and consumables we purchase. Our procurement staff will ensure that they are sourced from our approved list of suppliers. We conduct quality control checking on HVAC systems and other types of materials and consumables we procured prior to applying them for installation to ensure the quality of the materials and consumables used in our project. Such quality control checking typically involves: (i) whether the quantity is correct; (ii) whether there is any observable defect; and (iii) whether it functions normally. Any defective products or products that fall short of the product specifications would be returned to the suppliers for replacement. Our customers would also inspect the materials used by us at work sites and verify the specifications from time to time.

**層面 B6：產品責任*****項目質量監控***

本集團須為我們及分包商進行的工程負責。我們保證根據項目所訂明的規格完成各項目。項目總監密切監察各個項目的進度，以確保我們的服務(i)符合客戶的要求；(ii)在合約訂明的時限及項目獲分配的預算內完成；及(iii)遵守所有相關規則及法規。項目總監將監察整體工程質量及項目進度，定期視察工地並監督地盤工人。項目總監將及時知會執行董事有關項目狀況及項目執行過程中產生的任何質量問題。

***物料及耗材***

我們密切監察所採購物料及耗材的質量。我們的採購員將確保從核准供應商名單作出採購。為確保項目所用物料及耗材的質量，我們會於安裝前對採購的暖通空調系統以及其他類型的物料及耗材進行質量監控查驗。質量監控查驗工作一般針對：(i)數量是否正確；(ii)有否存在任何可見缺陷；及(iii)能否正常運作。任何有缺陷的產品或不符合產品規格的產品將退還供應商更換。客戶亦將不時於施工現場檢查我們所使用的物料及核實其規格。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

### *Subcontractors and workers*

We may be liable to our customers for the performance of our subcontractors and we may also be liable to any potential employee compensation claims and personal injuries claims made by our or our subcontractors' employees arising from work injuries that may happen from time to time. In order to ensure that our subcontractors comply with the contractual requirements and the relevant laws and regulations, we require our subcontractors to follow our internal control measures in relation to quality control, safety and environmental compliance. Our project directors conduct regular site inspections to ensure general compliance by our own workers as well as our subcontractors in quality, safety and environmental requirements. During project implementation, our project team regularly meets with our subcontractors and closely monitors their work progress and performance as well as their compliance with our safety measures and quality standards.

In order to achieve high quality in each aspects of our operation, we rely on our management team which has extensive industry knowledge and project experience in the HVAC engineering and services market in Hong Kong. Our members of senior management have over 20 years of experience in the HVAC engineering and services market. Their experience and extensive knowledge in this market enable our Group to enjoy in-depth understanding of the local market dynamism and industry practice. Our technical team, in particular, our project directors who are assisted by a team of experienced project management staff, have over 10 years of experience in the E&M engineering works industry. Our Directors and senior management possess substantial experience, industry insight, technical skills and knowledge and project management experiences to lead and execute high quality works for sizeable projects with stringent project requirements, which serve as our major competitive edge over other market players, bringing custom knowledge and commitment to quality have been and will continue to be our Group's valuable assets and strive our Group towards greater success.

### *分包商及工人*

我們可能須就分包商的表現對客戶負責，亦可能須就本身僱員或分包商僱員不時因工傷而提出的任何潛在僱員賠償申索及人身傷害申索負責。為確保分包商遵守合約規定以及相關法律及規例，我們要求分包商遵循我們有關質量監控、安全及環境合規的內部監控措施。我們的項目總監定期視察現場以確保我們的工人及分包商全面遵守質量、安全及環境規定。項目施工期間，我們的項目團隊與分包商定期會面，並密切監察其工程進度及表現以及彼等遵守安全措施及質量標準的情況。

我們依賴於香港暖通空調工程及服務市場累積豐富行業知識及項目經驗的管理團隊達致各方面的優質營運。我們的高級管理人員於暖通空調工程及服務市場擁有逾20年經驗。彼等的市場經驗及豐富知識有助本集團深入了解本地市場趨勢及行業慣例。我們的技術團隊(特別是得到多名資深項目管理人員協助的項目總監)於機電工程業積逾10年經驗。我們的董事及高級管理人員擁有豐富經驗、行業洞察力、技術技能與知識及項目管理經驗，足以領導及執行大型項目具備嚴格要求的高質素工程，並構成我們優於其他市場同業的主要競爭優勢，而我們對行業知識及質量的承諾一直並將繼續構成本集團的寶貴資產，有助帶領本集團取得更大成就。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

For our quality control measure over our subcontractors and suppliers, please refer to aspect "B5: SUPPLY CHAIN MANAGEMENT" in this Report for further details.

During the Reporting Period, there were no disputes between our Group and our customers in respect of the quality of work performed by us or our subcontractors.

### **Data protection**

Employees are generally required to follow the confidentiality clause as stated in the staff handbook and employment contract, which requesting employees not to disclose any trade secret or other confidential information concerning the business or affairs of our Group except for benefit of the Group with further authorization.

### **Aspect B7: Anti-Corruption**

To ensure operation efficiency and employees' development in a fair and honest working environment, the Group has formulated whistleblowing policy to avoid suspected corruption and provided channel such as by letter, meeting, email or phone call for employees to report suspected corruption. If there are any suspected case related to corruption, employees are encouraged to report the related cases through the mentioned channels. All these practical actions not only win the trust of customers, but also enhance the sense of belonging and fair play among our employees.

The Group has been in strict compliance with law and regulation related to anti-corruption. During the Reporting Period, there was no any legal case regarding corrupt practices brought against the Group or its employees.

### **Aspect B8: Community Investment**

As a socially responsible company, the Group is committed to understanding the needs of the communities in which we operate. The Group strives to develop long-term relationship with our stakeholders and seek to make contributions to programmes that have a positive impact on community development.

During the Reporting Period, the Group had organized annual dinner to share the fruitful result of the Group with our customers, subcontractors, suppliers and employees in the amount of approximately HK\$160,000.

有關我們對分包商及供應商採取的質量監控措施詳情，請參閱本報告層面「B5：供應鏈管理」。

於報告期間，本集團與客戶之間並無發生有關我們或分包商所進行工程質量的糾紛。

### **資料保護**

僱員通常須遵守員工手冊及僱傭合約所載的保密條款，當中禁止僱員披露有關本集團業務或事務的任何商業機密或其他機密資料，惟為本集團利益並獲得進一步授權者除外。

### **層面 B7：反貪污**

為確保營運效率及僱員可於公平廉潔之工作環境中發展，本集團制定舉報政策，避免涉嫌貪污的情況，並為員工提供舉報涉嫌貪污的渠道，包括通過信函、會議、電郵或電話等方式。倘有任何涉及疑似貪污的情況，僱員應通過上述渠道報告。所有該等實際行動不僅贏得客戶的信任，亦增強僱員的歸屬感及促進公平作業。

本集團一直嚴格遵守有關反貪污的法律及法規。於報告期間，並無針對本集團或其僱員提出的任何貪污法律訴訟。

### **層面 B8：社區投資**

作為一間對社會負責的公司，本集團致力了解我們營運所在社區的需要。本集團努力與持份者發展長期關係，並竭力為推動社區發展的項目作出貢獻。

於報告期間，本集團支付約 160,000 港元舉辦年度聚餐，與客戶、分包商、供應商及僱員分享本集團的豐碩成果。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

THE STOCK EXCHANGE OF HONG KONG  
LIMITED'S ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE REPORTING GUIDE香港聯合交易所有限公司《環境、  
社會及管治報告指引》

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
<b>Environmental</b> 環境		
<b>Aspect A1: Emissions</b> 層面 A1：排放物		
<b>General Disclosure</b> 一般披露	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer,</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：</p> <p>(a) 政策；及</p> <p>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</p>	<p>“Emissions” 「排放物」</p> <p>40</p>
<b>KPI A1.1</b> 關鍵績效指標 A1.1	<p>The types of emissions and respective emissions data.</p> <p>排放物種類及相關排放數據。</p>	<p>“Emissions” 「排放物」</p> <p>42</p>
<b>KPI A1.2</b> 關鍵績效指標 A1.2	<p>Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p> <p>溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。</p>	<p>“Emissions” 「排放物」</p> <p>42</p>
<b>KPI A1.3</b> 關鍵績效指標 A1.3	<p>Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).</p> <p>所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。</p>	<p>“Emissions” 「排放物」</p> <p>41</p>



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
<b>KPI A1.4</b> 關鍵績效指標 A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	"Emissions" 「排放物」	41
<b>KPI A1.5</b> 關鍵績效指標 A1.5 Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	"Emissions" and "Use of Resources" 「排放物」及「資源使用」	41
<b>KPI A1.6</b> 關鍵績效指標 A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	"Emissions" 「排放物」	41
<b>Aspect A2: Use of Resources</b> 層面 A2：資源使用		
<b>General Disclosure</b> 一般披露 Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	"Use of Resources" 「資源使用」	43–44
<b>KPI A2.1</b> 關鍵績效指標 A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	"Use of Resources" 「資源使用」	43
<b>KPI A2.2</b> 關鍵績效指標 A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	"Use of Resources" 「資源使用」	41

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次	
<b>KPI A2.3</b> 關鍵績效指標 A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	"Use of Resources" 「資源使用」	43-44
<b>KPI A2.4</b> 關鍵績效指標 A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	"Use of Resources" 「資源使用」	43
<b>KPI A2.5</b> 關鍵績效指標 A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	"Use of Resources" 「資源使用」	44
<b>Aspect A3: The Environment and Natural Resources</b> 層面 A3：環境及天然資源			
<b>General Disclosure</b> 一般披露	Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	"The Environment and Natural Resources" 「環境及天然資源」	44
<b>KPI A3.1</b> 關鍵績效指標 A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	"Emissions" and "Use of Resources" 「排放物」及「資源使用」	40-44



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
<b>Social (Note)</b> 社會(附註)		
<b>Employment and Labour Practices</b> 僱傭及勞工常規		
<b>Aspect B1: Employment</b> 層面 B1：僱傭		
<b>General Disclosure</b> 一般披露	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer,</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.</p> <p>有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：</p> <p>(a) 政策；及</p> <p>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</p>	<p>“Employment” 「僱傭」</p> <p>44</p>

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Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
<b>Aspect B2: Health and Safety</b> 層面 B2：健康與安全		
<b>General Disclosure</b> 一般披露	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer,</li> </ul> relating to providing a safe working environment and protecting employees from occupational hazards. <p>有關提供安全工作環境及保障僱員避免職業性危害的：</p> <ul style="list-style-type: none"> <li>(a) 政策；及</li> <li>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</li> </ul>	“Health and Safety” 「健康與安全」 45
<b>Aspect B3: Development and Training</b> 層面 B3：發展及培訓		
<b>General Disclosure</b> 一般披露	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities. <p>有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。</p>	“Development and Training” 「發展及培訓」 46



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
<b>Aspect B4: Labour Standards</b>		
層面 B4：勞工準則		
<b>General Disclosure</b> 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer, relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	“Labour Standards” 「勞工準則」 47
<b>Operating Practices</b> 營運慣例		
<b>Aspect B5: Supply Chain Management</b>		
層面 B5：供應鏈管理		
<b>General Disclosure</b> 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	“Supply Chain Management” 「供應鏈管理」 47

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
<b>Aspect B6: Product Responsibility</b> 層面 B6：產品責任		
<b>General Disclosure</b> 一般披露	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer,</li> </ul> relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress. <p>有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：</p> <ul style="list-style-type: none"> <li>(a) 政策；及</li> <li>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</li> </ul>	“Product Responsibility” 「產品責任」 48
<b>Aspect B7: Anti-corruption</b> 層面 B7：反貪污		
<b>General Disclosure</b> 一般披露	Information on: <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer,</li> </ul> relating to bribery, extortion, fraud and money laundering. <p>有關防止賄賂、勒索、欺詐及洗黑錢的：</p> <ul style="list-style-type: none"> <li>(a) 政策；及</li> <li>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</li> </ul>	“Anti-Corruption” 「反貪污」 50



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Subject areas, aspects, general disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Section 章節	Page 頁次
<b>Community</b> 社區		
<b>Aspect B8: Community Investment</b> 層面 B8：社區投資		
<b>General Disclosure</b> 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	"Community Investment" 「社區投資」 50

Note: Pursuant to Appendix 27 of the Listing Rules, KPIs in this section are recommended disclosures only.

附註：根據上市規則附錄27，本節關鍵績效指標僅屬建議披露項目。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Board has been adamant in upholding high standards of corporate governance to maximize operational efficiency, corporate values and shareholder returns. The Company has adopted and applied the principals of the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Listing Rules. The Company will continue to upgrade internal control system, strengthen risk control management and reinforce the corporate governance structure.

The Company has complied with the code provisions and, where appropriate, the applicable recommended best practices set out in the CG Code throughout the year ended 31 December 2018.

### DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct regarding Directors’ securities transactions.

The Company has made specific enquiry to all Directors regarding the compliance with the Model Code. All Directors confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 December 2018.

### BOARD OF DIRECTORS

#### Board Composition

During the year ended 31 December 2018 and up to the date of this report, the Board comprises:

#### Executive Directors

Mr. CHEUNG Yuen Tung (*Chairman*)  
Mr. CHEUNG Yuen Chau  
Mr. TANG Chi Chiu (resigned on 9 April 2019)

#### Independent non-executive Directors

Mr. PANG Kam Fai, Dickson  
Mr. LAU Yu Ching  
Mr. LAW Chung Lam, Nelson

The Board’s composition demonstrates a balance of core competence with regard to the business of the Group so as to provide effective leadership and the requisite expertise to the Group. The executive Directors and senior management of the Company have extensive management experience in the Company’s business.

The biographical details of the Directors and senior management of the Company are set out in the section headed “Biographies of Directors and Senior Management” on pages 15 to 21 of this annual report, which demonstrate a diversity of skills, expertise, experience and qualifications.

### 企業管治常規

董事會一直致力維持優良的企業管治標準，藉此提高營運效率、企業價值及股東回報。本公司已採納及應用上市規則附錄14所載企業管治守則(「企業管治守則」)守則條文的原則。本公司將持續提升內部監控系統、加強風險控制管理及鞏固企業管治架構。

截至二零一八年十二月三十一日止整個年度，本公司一直遵守企業管治守則所載守則條文及(倘適合)適用的建議最佳常規。

### 董事的證券交易

本公司已採納上市規則附錄10所載標準守則作為其有關董事證券交易的行為守則。

本公司已就遵守標準守則的情況向全體董事作出特定查詢。全體董事均確認彼等於截至二零一八年十二月三十一日止整個年度內一直遵守標準守則所載的規定標準。

### 董事會

#### 董事會成員

截至二零一八年十二月三十一日止年度及直至本報告日期，董事會包括：

#### 執行董事

張元通先生(主席)  
張元秋先生  
鄧志釗先生(於二零一九年四月九日辭任)

#### 獨立非執行董事

彭錦輝先生  
劉裕正先生  
羅頌霖先生

董事會成員顯示本集團業務的核心競爭力均衡，為本集團提供有效領導及所需專才。執行董事及本公司高級管理人員於本公司業務方面擁有豐富的管理經驗。

董事及本公司高級管理人員的履歷詳情載於本年報第15至21頁「董事及高級管理人員履歷」一節，當中載列彼等的多元化技能、專業知識、經驗及資格。



## CORPORATE GOVERNANCE REPORT 企業管治報告

### Board Responsibilities

The Board is responsible for leadership and control of the Group, is entrusted with the responsibility to supervise the overall management of the business, including establishing and overseeing the Group's strategic development, business plans' financial objectives, capital investment proposals, and assumes the responsibilities of corporate governance of the Group. The Board has delegated the authority and responsibility for implementing its business strategies and managing the daily operations of the Group's business to the executive Directors and members of senior management.

### Chairman and Chief Executive

Code provision A.2.1 of the CG Code requires that the responsibilities between the chairman and the chief executive officer should be segregated.

The two positions are held separately by two individuals to ensure their respective independence, accountability and responsibility. Mr. CHEUNG Yuen Tung ("**Mr. Tony Cheung**") is the chairman of the Board and Mr. CHEUNG Yuen Chau ("**Mr. Gary Cheung**") is the chief executive officer of the Company. Mr. Tony Cheung is in charge of the management of the Board and strategic planning of the Group. Mr. Gary Cheung is responsible for the day-to-day management of the Group's business. The Company considered that the division of responsibilities between the chairman and chief executive officer is clearly established.

### Board Meetings

The Board meets approximately quarterly and on other occasions when warranted by circumstances. During the year ended 31 December 2018, the Board held two meetings. Notice for regular Board meetings are given to each Director at least fourteen days prior to the meeting whereby the Directors can put forward their proposed items into the agenda. The agenda and the relevant Board papers are then circulated to the Directors three days before the Board meeting in order to enable the Directors to make informed decisions. For other Board meetings, reasonable notices are given.

In addition to regular Board meetings, under code provision A.2.7 of the Listing Rules, the chairman should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the executive Directors present (the "**Chairman and Non-executive Directors Meeting**"). During the year, one Chairman and Non-executive Directors Meeting was held.

### 董事會職責

董事會負責領導及控制本集團，並監督業務的整體管理，包括制定及監察本集團策略發展、業務規劃、財務目標、資本投資提案，亦負責本集團的企業管治。董事會向執行董事及高級管理人員授予權力及職責，以實施業務策略及管理本集團業務的日常營運。

### 主席及行政總裁

企業管治守則守則條文A.2.1規定，主席及行政總裁的職責須予區分。

該兩個職位分別由兩名人士擔任以確保彼等各自的獨立性、問責性及職責。主席張元通先生（「張元通先生」）為董事會主席，而張元秋先生（「張元秋先生」）為本公司行政總裁。張元通先生負責管理董事會及本集團的策略部署。張元秋先生負責本集團業務的日常管理工作。本公司認為主席及行政總裁的職責已有清晰劃分。

### 董事會會議

董事會大約每季及於有需要的其他情況下舉行會議。截至二零一八年十二月三十一日止年度，董事會共舉行兩次會議。本公司會在會議舉行前最少十四日向各董事發出定期董事會會議通告，而董事可將其建議項目加入會議議程。會議議程及有關董事會會議文件將在董事會會議舉行前三日供董事傳閱，以便董事在會上作出知情決定。本公司將就其他董事會會議發出合理通告。

除定期董事會會議外，根據上市規則守則條文A.2.7，主席應至少每年於執行董事避席的情況下與非執行董事（包括獨立非執行董事）舉行會議（「**主席與非執行董事會議**」）。年內，本公司共舉行一次主席與非執行董事會議。

## CORPORATE GOVERNANCE REPORT 企業管治報告

**Number of meetings and Director's attendance**

Details of the Directors' attendance at the meetings of the Board, the audit committee, the remuneration committee, the nomination committee and the Chairman and Non-executive Directors Meeting held during the year are set out below:

**會議次數及董事出席情況**

董事於年內所舉行的董事會、審核委員會、薪酬委員會、提名委員會及主席與非執行董事會議的出席情況載列如下：

		Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	Chairman and Non-executive Directors Meeting 主席與非執行董事會議
<b>Executive Directors</b>	<b>執行董事</b>					
Mr. CHEUNG Yuen Tung	張元通先生	2/2	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. CHEUNG Yuen Chau	張元秋先生	2/2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. TANG Chi Chiu	鄧志釗先生	2/2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>					
Mr. PANG Kam Fai, Dickson	彭錦輝先生	2/2	3/3	1/1	1/1	1/1
Mr. LAU Yu Ching	劉裕正先生	2/2	3/3	1/1	1/1	1/1
Mr. LAW Chung Lam, Nelson	羅頌霖先生	2/2	3/3	1/1	1/1	1/1

**Relationship amongst Directors**

Save for (i) Mr. Tony Cheung is the brother of Mr. Gary Cheung and (ii) on 12 March 2018, Mr. Tony Cheung and Mr. Gary Cheung entered into the concert party deed to acknowledge and confirm, among other things, that they are parties acting in concert; the Board members have no financial, business, family or other material/relevant relationships with each other.

**董事之間的關係**

除(i)張元通先生為張元秋先生的胞兄及(ii)於二零一八年三月十二日，張元通先生及張元秋先生訂立一致行動人士契據，以承認及確認(其中包括)彼等為一致行動人士外，董事會成員之間並無財務、業務、家庭或其他重大/相關關係。

**Independent non-executive Directors**

The independent non-executive Directors are appointed for a specific term. Pursuant to the Company's Articles of Association, one-third of the Directors (including independent non-executive Directors) are subject to retirement by rotation and re-election at the annual general meeting at least once every three years.

**獨立非執行董事**

獨立非執行董事設有固定任期。根據本公司的組織章程細則，三分之一董事(包括獨立非執行董事)須至少每三年於股東週年大會上輪席退任及重選連任一次。

**Independence of Independent non-executive Directors**

In determining the independence of the independent non-executive Directors, the Board follows the guidelines as set out in the Rule 3.13 of the Listing Rules. The Company has received annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors and concluded that all independent non-executive Directors are independent.

**獨立非執行董事的獨立性**

於釐定獨立非執行董事的獨立性時，董事會遵從上市規則第3.13條所載列的指引。本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度獨立性確認，並認為所有獨立非執行董事均為獨立人士。



## CORPORATE GOVERNANCE REPORT 企業管治報告

### Continuous Professional Development of Directors

Each Director receives a comprehensive, formal and tailored induction package to ensure that he understands the business and operations of the Group and is sufficiently aware of his responsibility and obligation under the Listing Rules and relevant regulatory requirements.

The Directors are kept informed on the developments of the statutory and regulatory regime, and the changes in the business markets so as to facilitate them to fulfil their responsibilities and obligations under the Listing Rules and relevant statutory requirements. Continuing briefings and professional development for Directors will be arranged by the Company when considered necessary.

During the year ended 31 December 2018, according to the records provided by the Directors, the individual training record of each Director received for the year is summarised below:

Mr. CHEUNG Yuen Tung	張元通先生	✓
Mr. CHEUNG Yuen Chau	張元秋先生	✓
Mr. TANG Chi Chiu	鄧志釗先生	✓
Mr. PANG Kam Fai, Dickson	彭錦輝先生	✓
Mr. LAU Yu Ching	劉裕正先生	✓
Mr. LAW Chung Lam, Nelson	羅頌霖先生	✓

### BOARD COMMITTEES

The Board established an audit committee (the “**Audit Committee**”), a remuneration committee (the “**Remuneration Committee**”) and a nomination committee (the “**Nomination Committee**”) in June 2018 (collectively, the “**Board Committees**”). The term of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are posted on the websites of the Company and the Stock Exchange. Members of the Board Committees are provided with sufficient resources to fulfil their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company’s expense.

### 董事持續專業發展

各董事將獲全面、正式及度身訂造的就職安排，藉此確保彼等充分了解本集團的業務及運作，以及於上市規則及相關監管規定下的職責及責任。

董事獲告知法定及監管制度的最新發展以及商業市場的變動，從而協助彼等履行上市規則及相關法定規定下的職責及責任。本公司會於認為必要時持續為董事安排簡報會及專業發展活動。

截至二零一八年十二月三十一日止年度，根據董事提供的記錄，各董事於年內接受的個別培訓記錄概要如下：

#### Attending training courses/seminars/reading materials relevant to the director’s duties 出席與董事職責有關的培訓課程／研討會／閱讀材料

### 董事委員會

董事會於二零一八年六月成立審核委員會（「**審核委員會**」）、薪酬委員會（「**薪酬委員會**」）及提名委員會（「**提名委員會**」）（統稱「**董事委員會**」）。審核委員會、薪酬委員會及提名委員會的職權範圍已登載本公司及聯交所網站。董事委員會成員將就履行職責獲得充足資源，並可於適當情況下提出合理要求，以取得獨立專業意見，費用由本公司承擔。

## CORPORATE GOVERNANCE REPORT 企業管治報告

**Audit Committee**

The current members of the Audit Committee are:

Mr. LAU Yu Ching (*Chairman*)  
Mr. PANG Kam Fai, Dickson  
Mr. LAW Chung Lam, Nelson

All members of the Audit Committee are independent non-executive Directors who possess sufficient accounting and financial management expertise and relevant experience to fulfil their duties.

The Audit Committee serves as a focal point of communication between the Directors, the external auditors and the internal auditors with regards to their duties relating to financial and other reporting, internal controls, external and internal audits and assisting the Board in fulfilling its responsibilities by providing independent review and supervision of financial reporting, by satisfying itself as to the effectiveness of the internal controls of the Group, and as to the adequacy of the external and internal audits.

During the year, three Audit Committee meetings were held, inter alia, to review the 2018 annual results and the 2018 interim results of the Group. The attendance records are set out under the section headed "Number of meetings and Directors' attendance" in this report.

**Remuneration Committee**

The current members of the Remuneration Committee are:

Mr. PANG Kam Fai, Dickson (*Chairman*)  
Mr. LAU Yu Ching  
Mr. LAW Chung Lam, Nelson

All members of the Remuneration Committee are independent non-executive Directors.

The Remuneration Committee is mainly responsible for reviewing and making recommendations to the Board in relation to the remuneration packages and benefits of the Directors and the senior management of the Company to ensure the relevant individuals are fairly rewarded in light of their contribution to the Company with reference to their performance, and that they receive suitable incentives to maintain high standards of performance and to improve the Group's and their own performance. In connection with the review of the remuneration package, no Director shall be involved in deciding his own remuneration.

During the year ended 31 December 2018, one Remuneration Committee meeting was held, inter alia, to review the Company's remuneration policies, remuneration structure and remuneration packages of the Directors and senior management of the Company. The attendance records are set out under the section headed "Number of meetings and Directors' attendance" in this report.

**審核委員會**

審核委員會目前成員包括：

劉裕正先生 (*主席*)  
彭錦輝先生  
羅頌霖先生

審核委員會的全部成員均為獨立非執行董事，擁有履行職責所需的充足會計及財務管理專業知識及相關經驗。

審核委員會擔當董事、外部核數師及內部核數師有關彼等財務及其他匯報、內部監控、內外部審核職責的溝通橋樑，並透過獨立檢討監察財務匯報、本集團內部監控的成效以及內外部審核的充足性，藉此協助董事會履行職責。

年內，審核委員會共舉行三次會議，以（其中包括）審閱本集團二零一八年年度業績及二零一八年中期業績。出席記錄載於本報告「會議次數及董事出席情況」一節。

**薪酬委員會**

薪酬委員會目前成員包括：

彭錦輝先生 (*主席*)  
劉裕正先生  
羅頌霖先生

薪酬委員會的全部成員均為獨立非執行董事。

薪酬委員會主要負責檢討董事及本公司高級管理人員的薪酬待遇及福利，並就此向董事會提出建議，確保相關人士就各自的表現及對本公司的貢獻獲得公平報酬及適當激勵，以維持高標準的表現以及改善本集團及彼等自身的表現。就檢討薪酬待遇而言，董事並不參與釐定自身的薪酬。

截至二零一八年十二月三十一日止年度，薪酬委員會共舉行一次會議，以（其中包括）審閱本公司薪酬政策、董事及本公司高級管理人員的薪酬架構及薪酬待遇。出席記錄載於本報告「會議次數及董事出席情況」一節。



## CORPORATE GOVERNANCE REPORT 企業管治報告

**Remuneration paid to senior management**

Remuneration paid to senior management of the Company for the year ended 31 December 2018 by band are as follows:

HK\$nil – HK\$1,000,000

零港元至1,000,000港元

2

**Nomination Committee**

The current members of the Nomination Committee are:

Mr. LAW Chung Lam, Nelson (*Chairman*)  
Mr. PANG Kam Fai, Dickson  
Mr. LAU Yu Ching

All members of the Remuneration Committee are independent non-executive Directors.

The Nomination Committee is mainly responsible for, amongst other things, (i) reviewing the Board's diversity policy and the measurable objectives set by the Board for implementing the Board's diversity policy annually, and making recommendations to the Board on any proposed changes to the Board according to the Company's corporate strategy; (ii) making recommendations to the Board on the appointment and re-appointment of Directors and succession planning for Directors; (iii) identifying individuals suitable to be qualified as Board members; (iv) assessing the independence of independent non-executive Directors annually; and (v) deciding whether or not a Director is able to and has adequately carried out his duties as a Director.

The Board has adopted a Board diversity policy setting out the approach to the diversification of Board members since 2018. The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirement of the Company's business. All Board appointment will continue to be made on a merit basis with due regards for the benefits of diversity of the Board members. Selection of candidates will be based on a range of perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

During the year ended 31 December 2018, one Nomination Committee meeting was held, inter alia, to review the structure, size, composition and diversity of the Board and to consider, nominate and recommend the appointment and re-appointment of Directors.

**支付予高級管理人員的薪酬**

截至二零一八年十二月三十一日止年度，支付予本公司高級管理人員的薪酬範圍如下：

**Number of staff**  
**員工數目**

**提名委員會**

提名委員會目前成員包括：

羅頌霖先生 (*主席*)  
彭錦輝先生  
劉裕正先生

薪酬委員會的全部成員均為獨立非執行董事。

提名委員會主要負責(其中包括)(i)每年檢討董事會的多元化政策及董事會為實施董事會成員多元化政策制定的可計量目標，以及根據本公司的公司策略就董事會的任何建議變動向董事會提出建議；(ii)就董事委任及續任以及董事的繼任計劃向董事會提出推薦建議；(iii)物色具備合適資格可擔任董事會成員的人士；(iv)每年評估獨立非執行董事的獨立性；及(v)決定董事是能否夠並充分履行其董事職責。

董事會自二零一八年起採納董事會成員多元化政策，當中載列為達致董事會成員多元化而採取之方針。本公司了解及深信董事會成員多元化的好處，並致力確保董事會就適合本公司業務所需的技能、經驗和多元化見解方面取得平衡。董事會所有委任將繼續以用人唯才為原則，並充分顧及董事會成員多元化的裨益。甄選人選將按一系列範疇為基準，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他方面)、技能及知識。最終將按特定人選的長處及可為董事會提供的貢獻作出決定。

截至二零一八年十二月三十一日止年度，提名委員會共舉行一次會議，以(其中包括)檢討董事會的架構、規模、組成及多元化，並考慮、提名及建議董事的委任及續任。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### Corporate Governance Functions

The Board has carried out its duties and responsibilities as set out in D.3 of the CG Code including (i) the development of policies and practices on corporate governance; (ii) monitoring the training and continuous professional development of Directors and senior management of the Company; (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements, the code of conduct applicable to the employees of the Company and the Directors; and (iv) reviewing compliance of the Company with the CG Code and the disclosure in this report.

### ACCOUNTABILITY AND AUDIT

#### Directors' Responsibility for the Financial Statements

The Directors acknowledge their responsibility in preparing the consolidated financial statements that give a true and fair view of the state of affairs of the Group and that of the results and cash flows in the relevant financial year. In preparing the financial statements for the year ended 31 December 2018, the Directors have selected appropriate accounting policies, applied them consistently in accordance with appropriate International Financial Reporting Standards, International Accounting Standards and the related interpretations, and made adjustments and estimates are prudent and reasonable.

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. The Directors, having made appropriate enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

The responsibilities of the external auditors to the Shareholders are set out in the section headed "Independent Auditor's Report" on pages 69 to 76 of this annual report.

### 企業管治職能

董事會已履行企業管治守則D.3所載職責及責任，包括(i)制訂企業管治政策及常規；(ii)監察董事及本公司高級管理人員的培訓及持續專業發展；(iii)檢討及監察本公司有關遵守法律及監管規定的政策及常規、適用於本公司僱員及董事的行為守則；及(iv)檢討本公司遵守企業管治守則的情況及本報告所作披露。

### 問責及審核

#### 董事就財務報表須承擔的責任

董事了解彼等編製真實公允反映本集團於有關財政年度的業務狀況以及業績及現金流量狀況的綜合財務報表之責任。於編製截至二零一八年十二月三十一日止年度的財務報表時，董事已選擇適當會計政策，並根據適當國際財務報告準則、國際會計準則及相關詮釋貫徹應用政策，且作出審慎合理的調整及估計。

董事負責採取一切合理必要措施保障本集團資產，同時避免及識別詐騙及其他違規行為。董事經作出適當查詢後，認為本集團擁有充足資源在可見將來繼續經營，就此，採納持續經營基準編製綜合財務報表乃適當之舉。

外部核數師對股東的責任載於本年報第69至76頁「獨立核數師報告」一節。



## CORPORATE GOVERNANCE REPORT 企業管治報告

### Auditors' Remuneration

During the year, the Company's external auditor, KPMG, services provided to the Company and the respective fee paid were:

		2018 二零一八年 HK\$'000 千港元
Audit of annual consolidated financial statements	審核年度綜合財務報表	1,200
Other services include the reporting accountant's work in connection with the initial public offering of the Company	其他服務(包括本公司首次公開招股的相關申報會計師工作)	2,510
		3,710

### 核數師酬金

年內，本公司外部核數師畢馬威會計師事務所為本公司提供的服務及已付相關費用為：

### COMPANY SECRETARY

Ms. Lo Wan Man has been appointed as the company secretary of the Company (the "Company Secretary") since 9 April 2019, subsequent to Mr. Tang Chi Chiu's resignation as the Company Secretary on the same date.

The Company Secretary whose appointment was approved by the Board, is responsible in supporting the Board for ensuring good information flow within the Board and that the Board policy and procedures are followed. The Company Secretary reports to the Chairman on governance matters and has day-to-day knowledge of the Group's affairs.

During the year ended 31 December 2018, the Company Secretary had duly complied with the relevant training requirement under Rule 3.29 of the Listing Rules.

### SHAREHOLDERS' RIGHTS

The Group recognises Shareholder's rights in exercising control proportionate to their equity ownership. As one of the measures to safeguard Shareholders' interest and rights, separate resolutions are proposed at the Shareholder's meetings on each substantial issue, including the election of Director(s), for Shareholder's consideration and voting. All resolutions put forward at Shareholders' meeting will be voted by way of poll, which is conducted and scrutinised by the Company's share registrar. Poll results are announced and posted on the website of both the Company and the Stock Exchange.

### Shareholders to convene an extraordinary general meeting

Pursuant to Article 58 of the Articles of Association of the Company, Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written request to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specify in such request; and such meeting shall be held within two months after the submission of such request. If within twenty-one days of such submission the Board fails to proceed to convene such meeting, Shareholder(s) may do so in the same manner.

### 公司秘書

鄧志釗先生於二零一九年四月九日辭任本公司的公司秘書(「公司秘書」)後，盧韻雯女士於同日獲委任為公司秘書。

公司秘書(其委任乃經董事會批准)負責支援董事會以確保董事會內的資訊交流良好以及遵循董事會政策及程序。公司秘書就管治事宜向主席報告，並了解本集團的日常事務。

截至二零一八年十二月三十一日止年度，公司秘書已嚴格遵守上市規則第3.29條項下的相關培訓規定。

### 股東權利

本集團認為股東有權行使與其股權擁有權相稱的控制權。作為保障股東權益及權利的一項措施，本公司就各重大事項(包括選舉董事)於股東大會提呈獨立決議案，以供股東考慮及投票。所有於股東大會提呈的決議案將以投票方式表決，並由本公司的股份過戶登記處進行及核對。投票表決的結果將於本公司及聯交所網站公佈及登載。

### 股東召開股東特別大會

根據本公司組織章程細則第58條，於提請要求當日持有附帶權利在本公司股東大會投票的本公司繳足股本不少於十分之一的股東，可隨時向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明的任何事項，且須於提請該要求後兩個月內舉行大會。倘提請後二十一日內董事會未有召開大會，則股東可自行以相同方式召開大會。

## CORPORATE GOVERNANCE REPORT 企業管治報告

### Procedures for directing Shareholders' enquiries to the Board

Shareholders may at any time send their enquiries to the Board in writing to the principal place of business of the Company in Hong Kong or by email for the attention of the secretary of the Company.

### Procedures for Shareholders to propose a person for election as a Director

Pursuant to Article 85 of the Articles of Association of the Company, no person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a written notice signed by a Shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a written notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office of the Company or at the share registrar of the Company provided that the minimum length of the period, during which such written notice(s) are given, shall be at least seven days and that (if the written notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such written notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting. Accordingly, if a Shareholder duly qualified to attend and vote at the general meeting of the Company wishes to propose a person for election as a Director at the general meeting, he/she can deposit a signed written notice of the intention to propose a person for election as a Director and a signed written notice by that person of his/her willingness to be elected together with his/her particulars (such as qualification and experience) and information as required to be disclosed under Rule 13.51(2) of the Listing Rules at the head office of the Company at Room 1908, 19th Floor, Cheung Fung Industrial Building, Nos. 23-39 Pak Tin Par Street, Tsuen Wan, New Territories, Hong Kong or at the share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. The period for lodgment of the notices required will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting, and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

### 將股東的查詢送達董事會的程序

股東可隨時將彼等的書面查詢寄送至本公司的香港主要營業地點以送交董事會，或通過電子郵件方式送交本公司秘書。

### 股東提名人選參選董事的程序

根據本公司組織章程細則第85條，除會上退任董事外，概無任何人士有資格於任何股東大會上參選董事，除非獲董事推薦參選，或已發出由正式合資格出席大會並可於會上投票的股東（並非擬參選者）簽署的書面通知，表明建議提名相關人士參選董事的意向，亦附上獲提名人士簽署的書面通知表明願意參選，並交予本公司總辦事處或本公司股份過戶登記處，惟通知期限（即發出書面通知的期限）不得少於七日，倘該等書面通知於寄發有關推選董事的股東大會通告後方呈交，則遞交該等書面通知的限期由寄發有關選舉的股東大會通告翌日起至不遲於該股東大會舉行日期前七日結束。因此，倘正式合資格出席本公司股東大會並可於會上投票的股東欲提名人選於股東大會上參選董事，其可向本公司總辦事處（地址為香港新界荃灣白田壩街23-39號長豐工業大廈19樓1908室）或本公司股份過戶登記處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心22樓）提交表明建議提名相關人士參選董事的經簽署書面通知以及獲提名人士簽署表明願意參選的書面通知，連同其詳細資料（例如資格及經驗）及根據上市規則第13.51(2)條須予披露的資料。寄發所需通知的期限由不早於自寄發有關選舉的股東大會通告翌日起至不遲於該股東大會舉行日期前七日結束，而向本公司發出有關通知的最短期限不得少於七日。



## CORPORATE GOVERNANCE REPORT 企業管治報告

### CONSTITUTIONAL DOCUMENTS

The up-to-date consolidated version of the Memorandum and Articles of Association of the Company (in both English and Chinese) is available on both the websites of the Company and the Stock Exchange. There is no change in the Company's constitutional documents during the year ended 31 December 2018.

### RISK MANAGEMENT AND INTERNAL CONTROL

The Board has an overall responsibility for maintaining a sound and effective system of risk management and internal control and for reviewing its effectiveness, particularly in respect of the controls of financial, operational, compliance and risk management, to safeguard Shareholders' investment and the Group's assets. The Board should ensure that review of the effectiveness of the Group's risk management and internal control systems has been conducted at least annually.

The Group maintains its internal audit function with the assistance of the Audit Committee and the management of the Company. During the year ended 31 December 2018, the Board has conducted a review on the effectiveness of the risk management and internal control system of the Group with the assistance of the Audit Committee and the management of the Company. The Board is satisfied that, based on the information provided and on its own observation, the present risk management and internal control systems are effective and adequate for the nature and size of the Group's operations and business.

### 憲章文件

本公司組織章程大綱及細則(英文版及中文版)的最新綜合版本可於本公司及聯交所網站查閱。截至二零一八年十二月三十一日止年度,本公司的憲章文件並無變動。

### 風險管理及內部監控

董事會全面負責維持健全及有效的風險管理及內部監控系統,並檢討其成效(尤其有關財務、營運、合規及風險管理的監控),以保障股東的投資及本集團資產。董事會應確保至少每年檢討本集團風險管理及內部監控系統成效。

本集團在審核委員會及本公司管理層的協助下維持其內部審核功能。截至二零一八年十二月三十一日止年度,董事會已在審核委員會及本公司管理層的協助下檢討本集團風險管理及內部監控系統成效。董事會信納,基於獲提供的資料及自身的觀察,就本集團運營及業務的性質及規模而言,目前的風險管理及內部監控系統屬有效及適當。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Independent auditor's report to the shareholders of Man Shun Group (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)

#### OPINION

We have audited the consolidated financial statements of Man Shun Group (Holdings) Limited ("**the Company**") and its subsidiaries ("**the Group**") set out on pages 77 to 148, which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### BASIS FOR OPINION

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

### 致萬順集團(控股)有限公司股東的 獨立核數師報告

(於開曼群島註冊成立的有限公司)

#### 意見

本所(「我們」)已審核載列第77至148頁的萬順集團(控股)有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映 貴集團於二零一八年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露要求妥為擬備。

#### 意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。我們根據該等準則承擔的責任已在本報告「核數師就審核綜合財務報表承擔的責任」一節作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)以及與我們審核開曼群島綜合財務報表相關的任何道德要求，我們獨立於 貴集團，並已根據該等要求及守則履行其他道德責任。我們相信，我們所獲得的審核憑證可充分適當地為我們的審核意見提供基礎。



## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

## KEY AUDIT MATTERS

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

## 關鍵審核事項

關鍵審核事項乃我們根據專業判斷，認為對審核本期綜合財務報表最為重要的事項。該等事項乃在我們審核綜合財務報表整體及達致意見時處理，我們不會就該等事項提供獨立意見。

Contract accounting estimates 合約會計估計	
Refer to accounting policies 2(h) and 2(p) and Note 4 to the consolidated financial statements 請參閱綜合財務報表會計政策2(h)及2(p)以及附註4	
The Key Audit Matter 關鍵審核事項	How the matter was addressed in our audit 我們的審核如何處理有關事項
<p>The Group recorded revenue from the provision of air-conditioning installation services in Hong Kong totaling HK\$164 million for the year ended 31 December 2018. 截至二零一八年十二月三十一日止年度，貴集團於香港錄得來自提供空調安裝服務的收入合共為164,000,000港元。</p> <p>Contract revenue is recognised progressively over time using the cost-to-cost method based on the contract costs to date as a percentage of total forecast costs. Contract costs are recognised when work is performed, together with any provisions for expected contract losses.</p> <p>合約收入乃使用成本比例法，按迄今為止合約成本佔總預期成本的百分比隨時間逐漸確認。合約成本於進行工程時連同預期合約虧損的任何撥備確認。</p> <p>The recognition of revenue and profit therefore relies on management's estimate of the final outcome of each contract, which involves the exercise of significant management judgement, particularly in forecasting the costs to complete a contract, in valuing contract variations, claims and liquidated and ascertained damages, in estimating the amount of expected losses and in assessing the ability of the Group to deliver services according to the agreed timetable.</p> <p>因此，確認收入及溢利依賴管理層估計各項合約的最終結果，當中涉及作出重大管理判斷，特別是預測合約完成成本、對合約變動、索償及算定賠償作出估值、估計預期虧損金額，以及評估貴集團根據協定時間表提供服務的能力。</p>	<p>Our audit procedures to assess contract accounting estimates included the following: 我們就評估合約會計估計進行的審核程序包括：</p> <ul style="list-style-type: none"> <li>• assessing the design, implementation and operating effectiveness of key internal controls over the contract revenue recognition processes;</li> <li>• 評估對合約收入確認流程的關鍵內部監控設計、實施及運作成效；</li> <li>• discussing with management the performance of contracts in progress during the year, on a sample basis, and challenging the key estimates and assumptions adopted in the forecasts for contract revenue and contract costs, including estimated costs to completion, the recognition of variation orders and the adequacy of contingency provisions, and the assessment of potential liquidated and ascertained damages for contracts, by obtaining and evaluating relevant information in connection the assumptions adopted, including contract agreements and subcontracts, correspondence with customers regarding contract variations and claims and by considering historical outcomes for similar contracts and industry norms;</li> <li>• 透過取得及評估與所採用假設有相關的資料(包括合約協議及分包合約、客戶有關合約變動及索償的通訊)以及透過考慮類似合約的歷史結果及行內慣例，以抽樣方式與管理層討論年內進行中合約的履行情況，並對預測合約收入及合約成本時採用的關鍵估計及假設提出質疑，包括估計完成成本、確認合約變動、或然撥備的充足性及對合約潛在算定賠償的評估；</li> </ul>

## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

## KEY AUDIT MATTERS (continued)

## 關鍵審核事項(續)

Contract accounting estimates (continued) 合約會計估計(續)	
<i>Refer to accounting policies 2(h) and 2(p) and Note 4 to the consolidated financial statements</i> 請參閱綜合財務報表會計政策2(h)及2(p)以及附註4	
The Key Audit Matter 關鍵審核事項	How the matter was addressed in our audit 我們的審核如何處理有關事項
<p>We identified contract accounting estimates as a key audit matter because the estimation of the total contract revenue and total costs to complete contracts is inherently subjective and requires significant management judgement and estimation and because errors in forecast of contract revenue and contract costs could result in a material variance in the amount of profit or loss recognised from contracts to date and, therefore, in current period.</p> <p>我們將合約會計估計釐定為關鍵審核事項，原因為估計總合約收入及合約完成總成本本身具有主觀性，且須要作出重大的管理層判斷及估計，以及由於錯誤預測合約收入及合約成本可能會導致迄今為止以至於當前期間內就合約確認的損益金額出現重大差異。</p>	<p>Our audit procedures to assess contract accounting estimates included the following: (continued) 我們就評估合約會計估計進行的審核程序包括：(續)</p> <ul style="list-style-type: none"> <li>• obtaining a detailed breakdown of the total estimated costs to completion for all contracts in progress during the year and comparing, on a sample basis, actual costs incurred to the reporting date and future cost estimates with agreements, certifications or correspondence with subcontractors and suppliers and other documentation referred to by management in its assessment of the estimated costs to completion;</li> <li>• 取得年內所有進行中合約的估計完成總成本詳盡明細，並以抽樣方式將直至報告日產生的實際成本及未來費用估計，與分包商及供應商的協議、認證或通訊、管理層在評估估計完成成本時提述的其他文件作比較；</li> <li>• for all projects in progress at the reporting date, challenging the assumptions and critical judgements made by management by comparing the key terms and conditions in the assessments with contract agreements with customers and by comparing the estimated contract completion time with the Group's updated progress report or correspondence from customers;</li> <li>• 就報告日的所有進行中項目而言，通過比較於評估客戶合約協議時的主要條款及條件，並將估計合約完成時間與 貴集團最新進度報告或客戶通訊作比較，而對管理層作出的假設及重大判斷提出質疑；</li> <li>• comparing the contract revenue recognised for contracts in progress during the year, on a sample basis, with reference to the certifications from the surveyors appointed by the customer, discussing with management for any significant difference;</li> <li>• 以抽樣方式將就年內進行中合約確認的合約收入與來自客戶委聘的測量師的認證作比較，並與管理層討論任何重大差異；</li> </ul>



## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

## KEY AUDIT MATTERS (continued)

## 關鍵審核事項(續)

Contract accounting estimates (continued) 合約會計估計(續)	
<i>Refer to accounting policies 2(h) and 2(p) and Note 4 to the consolidated financial statements</i> 請參閱綜合財務報表會計政策2(h)及2(p)以及附註4	
The Key Audit Matter 關鍵審核事項	How the matter was addressed in our audit 我們的審核如何處理有關事項
	<p>Our audit procedures to assess contract accounting estimates included the following: (continued) 我們就評估合約會計估計進行的審核程序包括：(續)</p> <ul style="list-style-type: none"> <li>• conducting site visits, on a sample basis, to observe the progress of individual contracts, discussing with site personnel the status of each projects and evaluating whether the project progress was consistent with the Group's financial accounting records;</li> <li>• 以抽樣方式實地視察，從而觀察個別合約的進度，並與現場人員討論各個項目的狀態及評估項目進度與貴集團的財務會計記錄是否一致；</li> <li>• performing a retrospective review of contracts completed during the current year by comparing the final outcome of the contracts with previous budgets made for those contracts to assess the reliability of the management's forecasting process; and</li> <li>• 通過將合約的最終結果與以往就該等合約作出的預算作比較，對本年度完成的合約進行回顧檢討，以評估管理層預測流程的可靠性；及</li> <li>• inspecting a sample of contract agreements with customers and subcontractors to identify key terms and conditions, including the contract period, the contract sum, the scope of work, and evaluating whether these key terms and conditions had been appropriately reflected in the total estimated revenue and costs to complete in the forecast of the outcome of the contracts.</li> <li>• 檢查與客戶及分包商訂立的合約協議範本，以識別關鍵條款及條件(包括合約期、合約金額、工作範圍)，並評估該等關鍵條款及條件是否適當反映於合約結果預測的估計總收入及完成成本。</li> </ul>

## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

### 綜合財務報表及其核數師報告以外的資料

董事須對其他資料負責。其他資料包括年報所載的全部資料，但不包括綜合財務報表及我們的核數師報告。

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

就我們對綜合財務報表的審核而言，我們的責任為閱讀其他資料，並在此過程中，考慮其他資料是否與綜合財務報表或我們於審核過程中所了解的情況存在重大矛盾或者似乎存在重大錯誤陳述的情況。

倘基於已執行的工作，我們認為其他資料存在重大錯誤陳述，則我們須要報告該項事實。就此而言，我們並無須要報告的事項。

### 董事就綜合財務報表須承擔的責任

董事負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，並對其認為就使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部監控負責。

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

審核委員會協助董事履行監督 貴集團財務報告過程的責任。



## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

### 核數師就審核綜合財務報表承擔的責任

我們旨在對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理鑑證，並出具包括我們意見的核數師報告。我們僅向股東整體報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理鑑證乃高水平的鑑證，但不能保證按照香港審計準則進行的審核，必定能發現存在的某一重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，倘合理預期錯誤陳述單獨或共同可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關錯誤陳述可被視作重大。

於根據香港審計準則進行審核的過程中，我們於整項審核中作出專業判斷及保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，並取得充足適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致重大錯誤陳述的風險高於未能發現因錯誤而導致重大錯誤陳述的風險。
- 瞭解與審核相關的內部監控，以設計於有關情況下適當的審核程序，但目的並非對貴集團的內部監控成效發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計及相關披露的合理性。

## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

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

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

### 核數師就審核綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基準的恰當性作出結論，並根據所取得的審核憑證，確定於可能導致對貴集團持續經營能力構成重大疑慮的事件或情況上是否存在重大不確定性。倘我們認為存在重大不確定性，則須於核數師報告提請使用者注意綜合財務報表中的相關披露，或倘有關披露不足，則我們應當發表非無保留意見。我們的結論乃基於截至核數師報告日止所取得的審核憑證。然而，未來事件或情況可能導致貴集團不能持續經營。
- 評估綜合財務報表的整體呈列方式、結構和內容，包括披露，以及綜合財務報表是否以公平方式呈列相關交易及事件。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審核憑證，以便對綜合財務報表發表意見。我們負責貴集團審核的方向、監督及執行。我們為審核意見承擔全部責任。

除其他事項外，我們與審核委員會就計劃的審核範圍、時間安排及重大審核發現等進行溝通，包括我們於審核中識別的內部監控任何重大缺陷。

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並向彼等告知有合理可能被認為會影響我們獨立性的所有關係和其他事項，以及(倘適用)相關的防範措施。



**INDEPENDENT AUDITOR'S REPORT 獨立核數師報告****AUDITOR'S RESPONSIBILITIES FOR THE  
AUDIT OF THE CONSOLIDATED FINANCIAL  
STATEMENTS (continued)**

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

The engagement partner on the audit resulting in this independent auditor's report is Lee Ling Tak.

**KPMG**

*Certified Public Accountants*

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

27 March 2019

**核數師就審核綜合財務報表承擔的  
責任(續)**

與審核委員會溝通的事項中，我們確定對審核本期綜合財務報表最為重要的事項，因而構成關鍵審核事項。我們於核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期於我們的報告中溝通某事項造成的負面後果超過產生的公眾利益，則我們決定不應於報告中溝通該事項。

出具本獨立核數師報告的審核項目合夥人為李令德。

**畢馬威會計師事務所**

*執業會計師*

香港中環  
遮打道10號  
太子大廈8樓

二零一九年三月二十七日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

截至二零一八年十二月三十一日止年度(以港元列示)

			2018 二零一八年	2017 二零一七年
		Note 附註	\$'000 千元	\$'000 千元
<b>Revenue</b>	收入	4	<b>163,629</b>	125,846
Cost of services	服務成本		<b>(110,529)</b>	(74,120)
<b>Gross profit</b>	毛利		<b>53,100</b>	51,726
Other income	其他收入	5	<b>2,411</b>	826
Administrative expenses	行政開支		<b>(20,982)</b>	(19,624)
Listing expenses	上市開支		<b>(15,772)</b>	(3,872)
Finance costs	財務成本	6(a)	<b>(455)</b>	(322)
<b>Profit before taxation</b>	除稅前溢利	6	<b>18,302</b>	28,734
Income tax	所得稅	7(a)	<b>(5,721)</b>	(5,330)
<b>Profit and total comprehensive income for the year</b>	年內溢利及全面收益總額		<b>12,581</b>	23,404
<b>Earnings per share (HK cents)</b>	每股盈利(港仙)	10		
– Basis	– 基本		<b>1.45</b>	3.12
– Diluted	– 攤薄		<b>1.45</b>	3.12

The notes on pages 83 to 148 form part of these financial statements. Details of dividend payable to the equity shareholders of the Company attributable to the profit for the year are set out in Note 22(b).

第83至148頁的附註構成本財務報表一部分。屬於年內溢利的應付本公司權益股東股息詳情載於附註22(b)。



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 December 2018 (Expressed in Hong Kong dollars)

於二零一八年十二月三十一日 (以港元列示)

			2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
	Note 附註			
<b>Non-current assets</b>		<b>非流動資產</b>		
Plant and equipment	11	機器及設備	1,012	1,592
<b>Current assets</b>		<b>流動資產</b>		
Trade and other receivables	13	貿易及其他應收款項	35,960	40,825
Contract assets	14(a)	合約資產	30,835	29,194
Amounts due from directors	15	應收董事款項	-	14,673
Pledged bank deposits	16(d)	已抵押銀行存款	1,880	-
Cash at bank and in hand	16(a)	銀行及手頭現金	107,391	1,838
			<b>176,066</b>	86,530
<b>Current liabilities</b>		<b>流動負債</b>		
Trade and other payables	17	貿易及其他應付款項	13,007	11,070
Contract liabilities	14(b)	合約負債	918	1,707
Bank loans and overdrafts	18	銀行貸款及透支	1,143	25,581
Obligations under finance leases	19	融資租賃承擔	223	327
Tax payable	20(a)	應付稅項	922	724
			<b>16,213</b>	39,409
<b>Net current assets</b>		<b>流動資產淨值</b>	<b>159,853</b>	47,121
<b>Total assets less current liabilities</b>		<b>資產總值減流動負債</b>	<b>160,865</b>	48,713



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

截至二零一八年十二月三十一日止年度(以港元列示)

	Note	Share capital	Merger reserve	Share premium	Retained earnings	Total equity
	附註	股本	合併儲備	股份溢價	保留盈利	權益總額
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
			(Note 22(d)(ii)) (附註22(d)(ii))	(Note 22(d)(i)) (附註22(d)(i))		
<b>At 1 January 2017</b>	於二零一七年一月一日	2	2,010	-	22,761	24,773
<b>Changes in equity for 2017:</b>	二零一七年權益變動：					
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	23,404	23,404
Arising from reorganisation	由重組產生	22(c)(ii)	(2)	2	-	-
<b>At 31 December 2017 and 1 January 2018</b>	於二零一七年十二月三十一日及二零一八年一月一日	-*	2,010	2	46,165	48,177
<b>Changes in equity for 2018:</b>	二零一八年權益變動：					
Profit and total comprehensive income for the year	年內溢利及全面收益總額	-	-	-	12,581	12,581
Dividend paid	已付股息	22(b)	-	-	(18,000)	(18,000)
Issue of ordinary shares upon initial public offering	於首次公開招股時發行普通股	22(c)(iv)	2,500	-	115,348	117,848
Issue of ordinary shares upon capitalisation	於資本化時發行普通股	22(c)(v)	7,500	-	(7,500)	-
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	10,000	2,010	107,850	40,746	160,606

\* The balance represents amount less than \$1,000.

\* 結餘為數少於1,000港元。

The notes on pages 83 to 148 form part of these financial statements.

第83至148頁的附註構成本財務報表一部分。



# CONSOLIDATED CASH FLOW STATEMENT

## 綜合現金流量表

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

截至二零一八年十二月三十一日止年度(以港元列示)

			2018 二零一八年	2017 二零一七年
	Note 附註		\$'000 千元	\$'000 千元
<b>Operating activities</b> 經營活動				
Cash generated from/(used in) operations		經營所得/(所用)		
		現金	16(b) 21,588	(16,109)
Hong Kong Profits Tax paid		已付香港利得稅	(5,577)	(11,947)
<b>Net cash generated from/(used in) operating activities</b>		<b>經營活動所得/(所用)現金淨額</b>	<b>16,011</b>	<b>(28,056)</b>
<b>Investing activities</b> 投資活動				
Payment for purchase of plant and equipment		購買機器及設備的付款	(146)	(117)
Proceeds from disposal of plant and equipment		出售機器及設備所得款項	50	919
(Increase)/decrease in pledged bank deposits		已抵押銀行存款(增加)/減少	(1,880)	1,252
Interest received		已收利息	1,025	5
<b>Net cash (used in)/generated from investing activities</b>		<b>投資活動(所用)/所得現金淨額</b>	<b>(951)</b>	<b>2,059</b>
<b>Financing activities</b> 融資活動				
Payments for listing expenses		支付上市開支	(10,960)	(1,192)
Proceeds from new bank loans		新增銀行貸款所得款項	–	11,696
Repayments of bank loans		償還銀行貸款	(12,662)	(2,646)
Capital element of finance lease paid		已付融資租賃租金的資本部分	(327)	(1,168)
Interest element of finance lease paid		已付融資租賃租金的利息部分	(22)	(57)
Interest on bank loans and overdrafts paid		已付銀行貸款及透支利息	(433)	(265)
Proceeds from issue of ordinary shares upon initial public offering		於首次公開招股時發行普通股所得款項	130,000	–
Advances to directors		向董事墊款	–	(1,107)
Dividend paid		已付股息	(3,327)	–
<b>Net cash generated from financing activities</b>		<b>融資活動所得現金淨額</b>	<b>102,269</b>	<b>5,261</b>

**CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表***For the year ended 31 December 2018 (Expressed in Hong Kong dollars)*

截至二零一八年十二月三十一日止年度(以港元列示)

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
	Note 附註		
<b>Net increase/(decrease) in cash and cash equivalent</b>	現金及現金等價物增加／ (減少)淨額	<b>117,329</b>	(20,736)
<b>Cash and cash equivalents at the beginning of the year</b>	年初現金及現金等價物	<b>(10,814)</b>	9,922
<b>Cash and cash equivalents at the end of the year</b>	年末現金及現金等價物	<b>106,515</b>	(10,814)
	16(a)		

The notes on pages 83 to 148 form part of these financial statements.

第83至148頁的附註構成本財務報表一部分。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 1 GENERAL INFORMATION

Man Shun Group (Holdings) Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the provision of installation of heat, ventilation and air-conditioning system (the “**HVAC Business**”) in Hong Kong. The Company was incorporated in the Cayman Islands on 11 April 2017 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law of 1961, as consolidated and revised) of the Cayman Islands. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 11 July 2018 (the “**Listing**”).

Pursuant to a group reorganisation completed on 16 June 2017 (the “**Reorganisation**”), the Company became the holding company of the companies now comprising the Group. Details of the Reorganisation are set out in the prospectus of the Company dated 28 June 2018 (the “**Prospectus**”). The Group’s business was carried out by the operating subsidiaries (the “**Operating Subsidiaries**”), namely Man Tung Air-Conditioning E&M Limited (“**Man Tung AC E&M**”), Man Tung Air-Conditioning Works Limited (“**Man Tung AC Works**”) and Shun Tung Engineering Company Limited (“**Shun Tung**”), all of which were under the joint control of Mr. Cheung Yuen Tung and Mr. Cheung Yuen Chau (the “**Cheung’s Family**” or the “**Controlling Shareholders**”).

As the Reorganisation primarily involved only inserting a newly formed entity with no substantive operations as the new holding company between the Cheung’s Family and the Operating Subsidiaries, there has been no change in the ultimate control and there were no substantive changes in business and operations of the companies now comprising the Group.

As the control is not transitory and, consequently, there was a continuation of risks and benefits to the Cheung’s Family, the Reorganisation is considered to be a restructuring of entities and common control. The consolidated financial statements before the completion of the Reorganisation have been prepared using the merger basis of accounting as if the Group has always been in existence.

The consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement of the Group for the year ended 31 December 2017 include the results of operations of the Company and its subsidiaries as if the Reorganisation was completed at 1 January 2017. The consolidated statement of financial position of the Group as at 31 December 2017 has been prepared to present the financial position of the Company and its subsidiaries as if the entities now comprising the Group had been consolidated as at that date.

### 1 一般資料

萬順集團(控股)有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要於香港從事提供暖氣、通風及空調系統安裝服務(「暖通空調業務」)。本公司於二零一七年四月十一日根據開曼群島法例第22章公司法(一九六一年法例，經綜合及修訂)在開曼群島註冊成立為獲豁免有限公司。於二零一八年七月十一日，本公司股份已於香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。

根據於二零一七年六月十六日完成的集團重組(「重組」)，本公司成為現時組成本集團的公司之控股公司。重組的詳情載於本公司日期為二零一八年六月二十八日的招股章程(「招股章程」)。本集團的業務由營運附屬公司(「營運附屬公司」)進行，即萬通冷氣機電有限公司(「萬通冷氣機電」)、萬通冷氣工程有限公司(「萬通冷氣工程」)及順通冷氣機電工程有限公司(「順通」)，上述公司均由張元通先生及張元秋先生(「張氏家族」或「控股股東」)共同控制。

由於重組主要純粹涉及增加一間新成立並無實質業務的實體作為張氏家族與營運附屬公司之間的新控股公司，最終控制權並無變動，且現時組成本集團各公司的業務及營運亦無實質變動。

由於控制權並非過渡性，故張氏家族仍然保留風險及利益，重組被視為實體及共同控制重組。於重組完成前，綜合財務報表乃使用合併會計基準擬備，猶如本集團一直存在。

本集團截至二零一七年十二月三十一日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表載有本公司及其附屬公司的經營業績，猶如重組已於二零一七年一月一日完成。本集團已編製於二零一七年十二月三十一日的綜合財務狀況表，以呈列本公司及其附屬公司的財務狀況，猶如現時組成本集團的實體於該日期已綜合入賬。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### (a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accounts (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange. Significant accounting policies adopted by the Group are set out in Note 2.

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

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

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

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

### 2 重大會計政策

#### (a) 合規聲明

本財務報表乃按照所有適用的香港財務報告準則(「香港財務報告準則」)編製，包括香港會計師公會(「香港會計師公會」)頒佈的所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋、香港公認會計原則以及香港公司條例的披露規定。本財務報表亦符合聯交所證券上市規則的適用披露條文。本集團採納的重大會計政策載於附註2。

香港會計師公會已頒佈多項新訂及經修訂香港財務報告準則，其於本集團目前會計期間首次生效或可供提早採納。附註2(c)載列因初次應用與本集團有關，並已反映於本期及過往會計期間財務報表的新訂與經修訂準則而產生的會計政策變動資料。

#### (b) 財務報表編製基準

本財務報表以港元呈列，並約整至最接近千位。用於編製財務報表的計量基準為歷史成本基準。

編製符合香港財務報告準則的財務報表要求管理層作出影響政策實施以及資產、負債、收入及開支呈報金額的判斷、估計及假設。估計及有關假設乃根據過往經驗及在有關情況下被認為屬合理的各種其他因素作出，其結果構成對未能從其他來源確定的資產及負債的賬面值作出判斷的基準。實際結果可能與該等估計不盡相同。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (b) Basis of preparation of the financial statements (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

#### (c) Changes in accounting policies

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- HKFRS 9, *Financial instruments*

Except for the early adoption of HKFRS 15, *Revenue from Contracts with Customers*, since the year ended 31 December 2017, the Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

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

HKFRS 9 replaces HKAS 39, *Financial instruments: recognition and measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. As a result of the changes in the Group's accounting policies, as explained below, HKFRS 9 was adopted without restating any comparative information.

### 2 重大會計政策(續)

#### (b) 財務報表編製基準(續)

估計及相關假設須不斷檢討。若修訂只影響該修訂期，會計估計的修訂於估計修訂期內確認；或如該修訂影響本期及未來期間，則於修訂期及未來期間確認。

管理層於應用香港財務報告準則所作出對財務報表及估計不確定因素的主要來源造成重大影響的判斷於附註3論述。

#### (c) 會計政策變動

香港會計師公會已頒佈多項新訂及經修訂香港財務報告準則，該等準則於本集團本會計期間首次生效。其中，與本集團財務報表相關的變動如下：

- 香港財務報告準則第9號 **金融工具**

除提早採納香港財務報告準則第15號 **客戶合約收入**外，自截至二零一七年十二月三十一日止年度，本集團並無應用任何於本會計期間尚未生效的新訂準則或詮釋。

#### **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**，其載列金融資產、金融負債及部分非金融項目買賣合約的確認及計量要求。由於本集團的會計政策出現變動(如下文所述)，採納香港財務報告準則第9號毋須重列任何比較資料。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (c) Changes in accounting policies (continued)

##### (a) Classification of financial assets and financial liabilities

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. Under HKFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are not separated from the host. Instead, the hybrid instrument as a whole is assessed for classification.

The measurement categories for all financial assets remain the same and the carrying amount of all financial assets at 1 January 2018 have not been impacted by the initial application of HKFRS9.

The measurement categories for all financial liabilities remain the same. The carrying amounts for all financial liabilities at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

##### (b) Credit losses

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the “expected credit loss” (“**ECL**”) model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises expected credit losses (“**ECLs**”) earlier than under the “incurred loss” accounting model in HKAS 39.

### 2 重大會計政策 (續)

#### (c) 會計政策變動 (續)

##### (a) 金融資產及金融負債分類

香港財務報告準則第9號將金融資產分為三個主要分類：按攤銷成本、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」）計量。該等分類取代香港會計準則第39號的持有至到期投資、貸款及應收款項、可供出售金融資產及按公平值計入損益的金融資產分類。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。根據香港財務報告準則第9號，在主體屬準則範圍內的金融資產之合約中嵌入的衍生工具並不與主體分開。相反，混合工具會作為整體評估分類。

所有金融資產的計量分類維持不變，而其於二零一八年一月一日的賬面值並未受首次應用香港財務報告準則第9號所影響。

所有金融負債的計量分類維持不變，而其於二零一八年一月一日的賬面值並未受首次應用香港財務報告準則第9號所影響。

##### (b) 信貸虧損

香港財務報告準則第9號以預期信貸虧損（「預期信貸虧損」）模型取代香港會計準則第39號「已產生虧損」模型。預期信貸虧損模型要求持續計量與金融資產相關的信貸風險，因此較香港會計準則第39號的「已發生虧損」會計模型更早確認預期信貸虧損（「預期信貸虧損」）。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (c) Changes in accounting policies (continued)

##### (b) Credit losses (continued)

The Group applies the new ECL model to the following items:

- financial assets measured at amortised cost (including cash and cash equivalents, trade and other receivables); and
- contract assets as defined in HKFRS 15 (see Note 2(h)).

For further details on the Group's accounting policy for accounting for credit losses, see respective accounting policy Notes 2(g)(i) and (ii).

The adoption of the ECL requirement of HKFRS 9 resulted in an insignificant impact to the loss allowances of the Group's financial assets.

##### (c) Transition

The Group has applied HKFRS 9 retrospectively to items that existed at 1 January 2018 in accordance with the transition requirements. There is no significant impact on the Group's financial position and financial result upon initial application at 1 January 2018.

### 2 重大會計政策(續)

#### (c) 會計政策變動(續)

##### (b) 信貸虧損(續)

本集團於以下項目應用新的預期信貸虧損模型：

- 按攤銷成本計量的金融資產(包括現金及現金等價物以及貿易及其他應收款項)；及
- 香港財務報告準則第15號所界定的合約資產(見附註2(h))。

有關本集團信貸虧損會計處理的會計政策詳情，請參閱相關會計政策附註2(g)(i)及(ii)。

採納香港財務報告準則第9號的預期信貸虧損規定對本集團金融資產的虧損撥備影響輕微。

##### (c) 過渡

本集團已根據過渡規定，對二零一八年一月一日存在的項目追溯應用香港財務報告準則第9號。於二零一八年一月一日首次應用後，並無對本集團的財務狀況及財務業績產生重大影響。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (d) Subsidiaries

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

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

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

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

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment losses (see Note 2(g)(ii)).

### 2 重大會計政策 (續)

#### (d) 附屬公司

附屬公司為本集團控制的實體。當本集團得到或享有參與實體所得可變回報，且有能力透過其對實體的權力影響該等回報時，則本集團控制該實體。於評估本集團對實體是否擁有權力時，僅會考慮由本集團及其他人持有的實質權利。

自控制開始之日直至控制終止之日，於附屬公司的投資計入本財務報表。集團內公司間的結餘、交易及現金流量以及集團內公司間交易產生的任何未變現溢利於編製本財務報表時悉數抵銷。集團內公司間交易產生的未變現虧損以與未變現收益相同的方式抵銷，但僅限於並無減值憑據的情況下。

本集團於附屬公司權益的變動(並無導致失去控制權)作為權益交易列賬，據此對綜合權益內的控股及非控股權益的金額作出調整，以反映相對權益的變動，但並無對商譽作出調整且並無確認盈虧。

當本集團失去對附屬公司的控制權時，其作為出售該附屬公司全部權益列賬，所產生盈虧於損益中確認。於失去控制權之日保留於前附屬公司的任何權益按公平值確認，且此金額被視為最初確認金融資產的公平值。

於本公司的財務狀況表內，於附屬公司的投資按成本減減值虧損列賬(見附註2(g)(ii))。

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (e) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses (see Note 2(g)(ii)):

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

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

– Leasehold improvements	Shorter of 5 years or unexpired terms of lease
– Furniture and fixtures	5 years
– Computer and office equipment	5 years
– Motor vehicles	4 years

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

### 2 重大會計政策(續)

#### (e) 機器及設備

機器及設備乃以成本減累計折舊及減值虧損列賬(見附註2(g)(ii)):

報廢或出售機器及設備項目產生的盈虧乃釐定為出售所得款項淨額與該項目賬面值兩者間的差額，並於報廢或出售日期於損益內確認。

折舊乃採用直線法按機器及設備項目的估計剩餘可使用年期計算，以撇銷其成本並扣除其估計剩餘價值(如有)，詳情如下:

– 租賃物業裝修	5年或租約 未屆滿年期 (以較短者 為準)
– 傢俬及固定裝置	5年
– 電腦及辦公室設備	5年
– 汽車	4年

倘機器及設備項目不同部分可使用年期不同，則將該項目的成本或估值合理分配至各部分，並獨立計算折舊。資產的可使用年期及其剩餘價值(如有)會每年檢討。



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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (f) Leased assets

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

#### (i) Classification of assets leased to the Group

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

#### (ii) Assets acquired under finance leases

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

#### (iii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset.

### 2 重大會計政策 (續)

#### (f) 租賃資產

如本集團確定一項安排具有於協定期限內通過支付一筆或一系列款項而獲得使用某一特定資產或多項資產的權利，則視由一宗或一系列交易組成之該安排為租賃或具租賃性質。該決定乃根據該安排的實質內容評估而作出，而無論該安排是否具備租賃的法律形式。

#### (i) 出租予本集團資產的分類

就本集團以租賃持有的資產而言，倘租賃使所有權的絕大部分風險和回報轉移至本集團，則有關資產分類為以融資租賃持有；倘租賃並不會使所有權的絕大部分風險和回報轉移至本集團，則分類為經營租賃。

#### (ii) 以融資租賃獲得的資產

倘本集團以融資租賃獲得資產的使用權，則租賃資產公平值或有關資產最低租賃付款的現值（以較低者為準）金額確認為機器及設備，而相應的負債則於扣除融資費用後入賬列為融資租賃承擔。誠如附註2(e)所載，折舊乃於相關租賃期或（倘本集團很可能將取得該資產的擁有權）資產的可使用年期內按撇銷資產成本或估值的比率計提。減值虧損乃根據附註2(g)(ii)所載會計政策入賬。租賃付款內含的融資費用乃於租賃期內計入損益，以致付款於各會計期間佔責任餘額的比率大致相同。

#### (iii) 經營租賃費用

倘本集團以經營租賃獲得資產的使用權，則根據租賃作出的付款將於租期涵蓋的會計期間分期等額在損益扣除，惟另有基準更能反映來自租賃資產的獲利模式則除外。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

## (g) Credit losses and impairment of assets

## (i) Credit losses from financial instruments and contract assets

## (A) Policy applicable from 1 January 2018

The Group recognises a loss allowance for ECLs on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables); and
- contract assets as defined in HKFRS 15 (see Note 2(h)).

Financial assets measured at fair value are not subject to the ECL assessment.

*Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls of fixed-rate financial assets such as trade and other receivables and contract assets are discounted using the effective interest rate determined at initial recognition or an approximation thereof where the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

## 2 重大會計政策(續)

## (g) 信貸虧損及資產減值

## (i) 金融工具信貸虧損及合約資產

## (A) 自二零一八年一月一日起適用的政策

本集團就下列項目的預期信貸虧損確認虧損撥備：

- 按攤銷成本計量的金融資產(包括現金及現金等價物以及貿易及其他應收款項)；及
- 香港財務報告準則第15號所界定的合約資產(見附註2(h))。

按公平值計量的金融資產毋須進行預期信貸虧損評估。

*預期信貸虧損計量*

預期信貸虧損為信貸虧損概率加權估計。信貸虧損按所有預期現金差額(即根據合約應付本集團的現金流量與本集團預期收取的現金流量之間的差額)的現值計量。

倘貼現影響重大，則固定利率金融資產(例如貿易及其他應收款項以及合約資產)的預期現金差額採用按初始確認時釐定的實際利率或其概約利率貼現。

估計預期信貸虧損時所考慮的最長期間為本集團所面臨信貸風險的最長合約期間。

在計量預期信貸虧損時，本集團會考慮在毋需付出過多成本及努力下即可獲得的合理可靠的資料，當中包括有關過去事件、當前狀況及未來經濟狀況預測的資料。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (g) Credit losses and impairment of assets

(continued)

##### (i) Credit losses from financial instruments and contract assets (continued)

###### (A) Policy applicable from 1 January 2018 (continued)

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

### 2 重大會計政策 (續)

#### (g) 信貸虧損及資產減值 (續)

##### (i) 金融工具信貸虧損及合約資產 (續)

###### (A) 自二零一八年一月一日起適用的政策 (續)

預期信貸虧損按下列其中一種基準計量：

- 12個月預期信貸虧損：預期因報告日後12個月內發生可能違約事件導致的虧損；及
- 永久預期信貸虧損：預期信貸虧損模式適用的項目於預期可使用年期內所有可能發生的違約事件導致之損失。

貿易應收款項及合約資產的虧損撥備一直按相等於永久預期信貸虧損的金額計量。該等金融資產的預期信貸虧損基於本集團過往信貸虧損經驗(並就債務人的特定因素作出調整)及於報告日對目前及預期一般經濟狀況的評估採用撥備矩陣估計。

就其他金融工具而言，本集團按相等於12個月預期信貸虧損確認虧損撥備，除非金融工具自初始確認起的信貸風險大幅增加，在此情況下，虧損撥備按相等於永久預期信貸虧損的金額計量。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

## (g) Credit losses and impairment of assets

(continued)

## (i) Credit losses from financial instruments and contract assets (continued)

(A) Policy applicable from 1 January 2018 (continued)

*Significant increases in credit risk*

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

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

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

## 2 重大會計政策(續)

## (g) 信貸虧損及資產減值(續)

## (i) 金融工具信貸虧損及合約資產(續)

(A) 自二零一八年一月一日起適用的政策(續)

*信貸風險大幅增加*

在評估金融工具信貸風險自初始確認以來有否大幅增加時，本集團將於報告日評估的金融工具的違約風險與初始確認日期評估的風險進行比較。於進行重新評估時，本集團認為當(i)借款人大可能在本集團無追索權(例如：變現抵押品(如持有))的情況下向本集團悉數支付其信貸義務；或(ii)金融資產已逾期90日時，即屬發生違約事件。本集團考慮合理可靠的定量及定性資料，包括過往經驗及在毋需付出過多成本或努力下即可獲得的前瞻性資料。

尤其是，在評估自初始確認以來信貸風險有否大幅增加時，將考慮以下資料：

- 未能於合約到期日支付本金或利息；
- 金融工具的外部或內部信貸評級(倘可獲得)實際或預期顯著惡化；
- 債務人經營業績實際或預期顯著惡化；及
- 技術、市場、經濟或法律環境現有或預期變化對債務人履行其對本集團義務的能力造成重大不利影響。

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(Expressed in Hong Kong dollars unless otherwise indicated)

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (g) Credit losses and impairment of assets (continued)

##### (i) Credit losses from financial instruments and contract assets (continued)

(A) Policy applicable from 1 January 2018  
(continued)

*Significant increases in credit risk (continued)*

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI (recycling), for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

*Basis of calculation of interest income*

Interest income recognised in accordance with Note 2(p)(ii) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

### 2 重大會計政策 (續)

#### (g) 信貸虧損及資產減值 (續)

##### (i) 金融工具信貸虧損及合約 資產 (續)

(A) 自二零一八年一月一日起適用的政策 (續)

*信貸風險大幅增加 (續)*

根據金融工具的性質，評估信貸風險有否大幅增加乃按個別或整體基準進行。當評估按整體基準進行時，金融工具根據分擔的信貸風險特徵進行分組，如逾期狀況及信貸風險評級。

預期信貸虧損於各報告日重新計量，以反映自初始確認以來金融工具信貸風險的變化。預期信貸虧損金額的任何變化於損益中確認為減值盈虧。本集團確認所有金融工具的減值盈虧，並透過虧損撥備賬對其賬面值進行相應調整，惟按公平值計入其他全面收益(可轉回損益)計量的債務證券投資除外，其虧損撥備於其他全面收益確認，並於公平值儲備(可轉回損益)累計。

*計算利息收入的基準*

根據附註2(p)(ii)確認的利息收入按金融資產的總賬面值計算，除非該金融資產出現信貸減值，在此情況下，利息收入按金融資產的攤銷成本(即總賬面值減虧損撥備)計算。

於各報告日，本集團評估金融資產是否出現信貸減值。當發生一項或多項對金融資產預計未來現金流量有不利影響的事件時，金融資產出現信貸減值。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

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## 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

## (g) Credit losses and impairment of assets

(continued)

## (i) Credit losses from financial instruments and contract assets (continued)

## (A) Policy applicable from 1 January 2018 (continued)

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it is becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

*Write-off policy*

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

## 2 重大會計政策(續)

## (g) 信貸虧損及資產減值(續)

## (i) 金融工具信貸虧損及合約資產(續)

## (A) 自二零一八年一月一日起適用的政策(續)

金融資產出現信貸減值的證據包括以下可觀察事件：

- 債務人有重大財務困難；
- 違反合約，例如拖欠或未能償還利息或本金款項；
- 借款人可能面臨破產或其他財務重組；
- 科技、市場、經濟或法律環境有重大變動而對債務人造成不利影響；或
- 發行人的財務困難導致證券的活躍市場消失。

*撤銷政策*

倘實際上並無收回的可能，則金融資產或合約資產的總賬面值會被撤銷(部分或全部)。該情況通常出現於本集團確定債務人並無資產或收入來源可產生足夠現金流量以償還應撤銷的金額。

隨後收回先前撤銷的資產於收回期間的損益內確認為減值撥回。



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(除另有註明外，均以港元列示)

### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (g) Credit losses and impairment of assets

(continued)

##### (i) Credit losses from financial instruments and contract assets (continued)

(B) Policy applicable prior to 1 January 2018

Prior to 1 January 2018, an “incurred loss” model was used to measure impairment losses on financial assets not classified as at FVPL (e.g. trade and other receivables). Under the “incurred loss” model, an impairment loss was recognised only when there was objective evidence of impairment. Objective evidence of impairment included:

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

### 2 重大會計政策 (續)

#### (g) 信貸虧損及資產減值 (續)

##### (i) 金融工具信貸虧損及合約資產 (續)

(B) 於二零一八年一月一日前適用的政策

於二零一八年一月一日前，並非分類為按公平值計入損益的金融資產（如貿易及其他應收款項）按「已產生虧損」模式計量減值虧損。根據「已產生虧損」模式，僅於出現客觀減值證據時方會確認減值虧損。客觀減值證據包括：

- 債務人有重大財務困難；
- 違反合約，例如拖欠或未能償還利息或本金款項；
- 債務人可能面臨破產或其他財務重組；及
- 科技、市場、經濟或法律環境有重大變動而對債務人造成不利影響。

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## 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

## (g) Credit losses and impairment of assets

(continued)

## (i) Credit losses from financial instruments and contract assets (continued)

## (B) Policy applicable prior to 1 January 2018 (continued)

If any such evidence existed, an impairment loss was determined and recognised as follows:

- For trade and other receivables and other financial assets carried at amortised cost, impairment loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where the effect of discounting was material. This assessment was made collectively where these financial assets shared similar risk characteristics, such as similar past due status, and had not been individually assessed as impaired. Future cash flows for financial assets which were assessed for impairment collectively were based on historical loss experience for assets with credit risk characteristics similar to the collective group.

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

## 2 重大會計政策(續)

## (g) 信貸虧損及資產減值(續)

## (i) 金融工具信貸虧損及合約資產(續)

## (B) 於二零一八年一月一日前適用的政策(續)

倘出現上述任何證據，則按下列方式釐定及確認減值虧損：

- 貿易及其他應收款項以及按攤銷成本計量的其他金融資產按資產賬面值與採用金融資產原有實際利率貼現(倘貼現影響重大)的估計未來現金流量現值之差額計量減值虧損。倘該等金融資產具備類似的風險特徵，例如類似的逾期情況及並未單獨被評估為減值，則有關的評估會合併進行。金融資產的未來現金流量會根據與該組被評估資產具有類似信貸風險特徵資產的過往虧損情況一同評估減值。

倘減值虧損在往後期間減少，而該減少可客觀地與減值虧損確認後發生的事件有關，則透過損益撥回減值虧損。撥回減值虧損不應導致資產的賬面值超過其在以往年度並未確認任何減值虧損而應已釐定的數額。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (g) Credit losses and impairment of assets

(continued)

##### (i) Credit losses from financial instruments and contract assets (continued)

(B) Policy applicable prior to 1 January 2018 (continued)

When the recovery of a trade debtor or other financial assets carried at amortised cost was considered doubtful but not remote, associated impairment losses were recorded using an allowance account. When the Group was satisfied that recovery was remote, the amount considered irrecoverable was written off against the gross carrying amount of those assets directly. Subsequent recoveries of amounts previously charged to the allowance account were reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly were recognised in profit or loss.

##### (ii) Impairment of other assets

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

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

##### – Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

### 2 重大會計政策 (續)

#### (g) 信貸虧損及資產減值 (續)

##### (i) 金融工具信貸虧損及合約資產 (續)

(B) 於二零一八年一月一日前適用的政策 (續)

倘收回應收賬款或按攤銷成本計量的其他金融資產之可能性令人懷疑但並非不可能，則相關減值虧損透過撥備賬入賬。當本集團認為不可能收回款項，被視為不能收回的金額將直接自資產總賬面值撇銷。隨後收回先前自撥備賬扣除的金額會於撥備賬撥回。撥備賬的其他變動以及隨後收回先前直接撇銷的金額於損益確認。

##### (ii) 其他資產減值

於各報告期末審閱內部及外間資料來源，以識別是否有跡象顯示機器及設備可能出現減值，或先前確認的減值虧損不再存在或可能已減少。

倘存在任何該等跡象，則估計資產可收回金額。

##### – 計算可收回金額

資產的可收回金額為公平價值減出售成本與使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量會按可以反映當時市場對貨幣時間價值及資產特定風險的評估之稅前貼現率貼現至其現值。倘資產並不產生基本上獨立於其他資產的現金流入，則就能獨立產生現金流入的最小資產組別(即現金產生單位)釐定可收回金額。



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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (g) Credit losses and impairment of assets

(continued)

##### (ii) Impairment of other assets (continued)

- Recognition of impairment losses

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

- Reversals of impairment losses

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

### 2 重大會計政策(續)

#### (g) 信貸虧損及資產減值(續)

##### (ii) 其他資產減值(續)

- 確認減值虧損

當資產或其所屬現金產生單位的賬面值超過其可收回金額，則於損益中確認減值虧損。就現金產生單位確認的減值虧損會獲分配，以按比例減少該單位(或該組單位)內資產的賬面值，惟資產的賬面值不可減至低於其個別公平值扣減出售成本(如能計量)或使用價值(如能釐定)。

- 撥回減值虧損

倘用作釐定可收回金額的估計出現利好變動，有關減值虧損便會撥回。減值虧損撥回以過往年度並未確認減值虧損下原應釐定的資產賬面值為限。所撥回的減值虧損在確認撥回的年度計入損益內。

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (h) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 2(p)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECLs in accordance with the policy set out in Note 2(g)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 2(ii)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(p)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 2(ii)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 2(p)).

#### (i) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see Note 2(h)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see Note 2(g)(i)).

### 2 重大會計政策 (續)

#### (h) 合約資產及合約負債

本集團於有權無條件根據合約所載付款條款收取代價前確認收入(見附註2(p))，則會確認合約資產。合約資產根據附註2(g)(i)所載政策評估預期信貸虧損，並於收取代價的權利成為無條件時重新分類為應收款項(見附註2(ii))。

於客戶支付不可退款代價後，本集團確認相關收入，則會確認合約負債(見附註2(p))。倘本集團於有權無條件收取不可退款代價前確認相關收入，亦會確認合約負債。於該等情況下，亦會確認相應應收款項(見附註2(ii))。

與客戶的單一合約按合約資產淨值或合約負債淨額呈列。就多項合約而言，不相關合約的合約資產及合約負債不會以淨額基準呈列。

當合約含有重大融資部分，則合約結餘包括根據實際利率法應計的利息(見附註2(p))。

#### (i) 貿易及其他應收款項

於本集團有權無條件收取代價時確認應收款項。只需時間流逝即到期支付代價的情況下，收取代價的權利會成為無條件。倘於本集團有權無條件收取代價前確認收入，則金額會呈列為合約資產(見附註2(h))。

應收款項採用實際利率法按攤銷成本減信貸虧損撥備列賬(見附註2(g)(i))。

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in Note 2(g)(i).

#### (k) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with the Group's accounting policy for borrowing costs (see Note 2(q)).

#### (l) Trade and other payables

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

#### (m) Employee benefits

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

### 2 重大會計政策(續)

#### (j) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、存放於銀行及其他金融機構的活期存款、以及可以隨時換算為已知款額現金且價值變動風險不大並在購入後三個月內到期的短期高流動性投資。須按要求償還並構成本集團現金管理一部分的銀行透支亦就綜合現金流量表計入現金及現金等價物的組成部分。現金及現金等價物按附註2(g)(i)所載政策評估預期信貸虧損。

#### (k) 計息借貸

計息借貸初步按公平值減交易成本確認。初步確認後，計息借貸以實際利率法按攤銷成本列賬。利息開支根據本集團會計政策確認為借貸成本(附註2(q))。

#### (l) 貿易及其他應付款項

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

#### (m) 僱員福利

薪金、年度花紅、有薪年假、定額供款退休計劃供款及非貨幣利益的成本乃於僱員提供相關服務的年度內累計。倘延期支付或清償且影響重大，則該等款項將以其現值列賬。



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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (n) Income tax

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

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

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

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

### 2 重大會計政策 (續)

#### (n) 所得稅

年內所得稅包括即期稅項以及遞延稅項資產及負債的變動。即期稅項以及遞延稅項資產及負債的變動於損益確認，惟倘涉及於其他全面收益或直接於權益確認的項目則作別論，於此情況下，相關稅項金額分別於其他全面收益或直接於權益確認。

即期稅項為按年內應課稅收入以報告期末已頒佈或實際已頒佈的稅率計算的預期應付稅項，並就過往年度的應付稅項作出任何調整。

遞延稅項資產及負債分別來自可扣稅及應課稅暫時差額，即資產及負債為財務報告目的呈列的賬面值與其稅基的差額。遞延稅項資產亦來自未動用稅項虧損及未動用稅項抵免。

除若干有限的例外情況外，所有遞延稅項負債及所有遞延稅項資產均予確認，以可能獲得未來應課稅溢利用以抵銷資產的金額為限。能夠用以確認可扣減暫時性差額所引致遞延稅項資產的未來應課稅溢利，包括因撥回現有應課稅暫時性差額而引起的應課稅溢利，惟該等差額必須與同一稅務當局及同一應課稅實體有關，並且預期在預計撥回可扣減暫時性差額的同一期間撥回，或在遞延稅項資產引起的稅項虧損可以承前或結轉的期間撥回。在決定現有應課稅暫時性差額是否足以確認因尚未使用稅項虧損及稅款抵免造成的遞延稅項資產時，亦採用相同的準則，即若有關差額與同一稅務當局及同一應課稅實體有關，並預計在可以使用稅項虧損或稅款抵免的期間內撥回，則計入該等差額。

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (n) Income tax (continued)

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

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

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

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

### 2 重大會計政策(續)

#### (n) 所得稅(續)

確認遞延稅項的金額是根據該等資產及負債的賬面值的預期變現或結算的方式，按於報告期末已生效或實質上已生效的稅率計算。遞延稅項資產及負債均不貼現計算。

於各報告期末，本集團檢討遞延稅項資產的賬面值，並於不再可能有足夠應課稅溢利以動用相關稅務利益時予以扣減。任何有關扣減於可能出現足夠應課稅溢利時，則予以撥回。

當期稅項結餘與遞延稅項結餘及其變動會分別列示而不會相抵銷。本公司或本集團只在有合法權利抵銷當期稅項資產與當期稅項負債及符合以下附帶條件的情況下，方以當期稅項資產抵銷當期稅項負債及以遞延稅項資產抵銷遞延稅項負債：

- 就當期稅項資產及負債而言，本公司或本集團計劃按淨額基準結算，或同時將資產變現及償還負債；或
- 就遞延稅項資產及負債而言，其為同一稅務當局對以下機構徵收所得稅所產生：
  - 同一應課稅實體；或
  - 不同應課稅實體，而該等實體計劃在未來每個預計有重大遞延稅項負債須償還或有重大遞延稅項資產可以收回的期間，以淨額基準變現當期稅項資產及償還當期稅項負債或同時變現及償還兩者。

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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (o) Provisions, contingent liabilities and onerous contracts

##### (i) Provisions and contingent liabilities

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

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

##### (ii) Onerous contracts

An onerous contract exists when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Provisions for onerous contracts are measured at the present value of the lower of the expected cost of terminating the contract and the net cost of continuing with the contract.

### 2 重大會計政策 (續)

#### (o) 撥備、或然負債及虧損性合約

##### (i) 撥備及或然負債

倘本集團或本公司因過往事件須承擔法律或推定責任，而可能會導致需要經濟利益流出以清償責任，且有關金額能可靠估計，則須就該等時間或數額不定的負債確認撥備。倘貨幣時間價值重大，則有關撥備按清償責任的預期開支現值列賬。

倘不大可能需要經濟利益流出，或相關金額未能可靠估計，則須披露有關責任為或然負債，惟經濟利益流出的可能性不大除外。當潛在責任須視乎一項或多項未來事件是否發生方可確定存在與否，則該等責任亦披露為或然負債，惟經濟利益流出的可能性不大除外。

##### (ii) 虧損性合約

當本集團為達成合約責任所產生的不可避免成本超逾預期自該合約收取的經濟利益，即視為存在虧損性合約。虧損性合約撥備按終止合約的預期成本及繼續履行合約的成本淨額（以較低者為準）的現值計量。



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### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (p) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a product or service to a customer. "Control" refers to the customer's ability to direct the use of and obtain substantially all of the remaining benefits from an asset.

##### (i) Contract revenue

Revenue of products and services transferred over time is recognised progressively based on the contract costs incurred to date as a percentage of total forecast costs to depict the transfer of control of the goods or services to the customer. The Group recognises revenue over time only if it can reasonably measure its progress toward complete satisfaction of the performance obligation. However, if the Group cannot reasonably measure the outcome but expects to recover the costs incurred in satisfying the performance obligation, then it recognises revenue to the extent of the costs incurred.

Revenue of products transferred at a point in time is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the Group transfers control over the products to the customer.

Incremental cost of obtaining a contract is capitalised if the Group expects to recover those costs, unless the amortisation period for such costs would be one year or less. Costs that will be incurred regardless of whether the contract is obtained are expensed as they are incurred.

The Group presents a contract liability or a contract asset in its consolidated statement of financial position when either party to the contract has performed. The Group performs by transferring goods or services to the customer, and the customer performs by paying consideration to the Group.

Any unconditional rights to consideration are presented separately as "Trade receivables".

##### (ii) Interest income

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

### 2 重大會計政策(續)

#### (p) 收入確認

收入按與客戶訂立的合約中訂明的代價計量。本集團於其向客戶轉讓產品或服務的控制權時確認收入。「控制權」指客戶指示資產的用途及取得資產絕大部分餘下利益的能力。

##### (i) 合約收入

隨時間轉移的產品及服務收入根據迄今所產生合約成本佔總預測成本的百分比逐步確認，以反映向客戶轉讓貨品或服務的控制權。本集團僅於可合理計量其完成履約責任的進度時方會隨時間確認收入。然而，倘本集團無法合理計量結果，惟預期可收回履行合約責任所產生成本，則以所產生成本為限確認收入。

於指定時間轉移產品的收入於貨品付運至客戶處所(即本集團將產品控制權轉移至客戶)時確認。

倘本集團預期收回該等成本，除非有關成本的攤銷期為一年或以下，否則獲得合約的遞增成本將會資本化。無論是否獲得合約，將予產生的成本於產生時支銷。

當合約的訂約方已履約，本集團於其綜合財務狀況表呈列合約負債或合約資產。本集團透過向客戶轉讓貨品或服務履約，而客戶透過向本集團支付代價履約。

代價的任何無條件權利乃獨立呈列為「貿易應收款項」。

##### (ii) 利息收入

利息收入於使用實際利率法累計時確認。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (q) Borrowing costs

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

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

#### (r) Related parties

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

### 2 重大會計政策 (續)

#### (q) 借貸成本

直接歸屬於收購、建設或生產資產(為必須經一段長時間方可達致其預定用途或出售的資產)的借貸成本，乃資本化為該資產成本的一部分。其他借貸成本均於其產生期間支銷。

當產生資產開支、產生借貸成本及進行使資產達致預定用途或出售所必需的活動時，開始將借貸成本資本化為合資格資產成本的一部分。當使合資格資產達致預定用途或出售所必需的絕大部分活動中止或完成時，借貸成本將暫停或停止撥充資本。

#### (r) 關聯方

- (1) 倘屬以下人士，即該人士或該人士的近親與本集團有關聯：
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本集團母公司主要管理人員其中一名成員。
- (2) 倘符合以下任何條件，即該實體與本集團有關聯：
  - (i) 該實體與本集團屬同一集團的成員公司，即各母公司、附屬公司及同系附屬公司彼此間有關聯。
  - (ii) 一間實體為另一實體的聯營公司或合營公司(或另一實體為成員公司的集團旗下成員公司的聯營公司或合營公司)。
  - (iii) 兩間實體均為同一第三方的合營公司。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 2 SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### (r) Related parties (continued)

(2) (continued)

- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (r)(1).
- (vii) A person identified in (r)(1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

#### (s) Segment reporting

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

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

### 2 重大會計政策(續)

#### (r) 關聯方(續)

(2) (續)

- (iv) 一間實體為第三方實體的合營公司，而另一實體為該第三方實體的聯營公司。
- (v) 實體為本集團或與本集團有關聯的實體就僱員利益設立的離職福利計劃。
- (vi) 實體受上文(r)(1)所識別人士控制或受共同控制。
- (vii) 上文(r)(1)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
- (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團母公司提供主要管理人員服務。

一名人士的近親為預期可能會影響該名人士或受到該名人士影響其與實體進行業務往來的家庭成員。

#### (s) 分部呈報

經營分部及各分部項目於本財務報表內呈報的金額，乃根據就資源分配及評估本集團各項業務及地理位置表現定期提供予本集團最高行政管理層的財務資料而作出識別。

就財務報告而言，除非分部具備相似的經濟特徵與在產品及服務性質、生產過程性質、客戶類型或類別、用於分銷產品或提供服務的方法以及監管環境的性質方面相似，否則各個重大經營分部不會進行合算。倘個別非重大的經營分部符合上述大部分標準，則可進行合算。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

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### 3 ACCOUNTING JUDGEMENTS AND ESTIMATES

#### Estimation uncertainty

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

#### (a) Loss allowances on trade receivables, retention receivables and contract assets

For trade receivables, retention receivables and contract assets, the Group applies the simplified approach to provide for ECL as prescribed by HKFRS 9, which requires the use of the lifetime ECL allowance for all trade receivables. The loss allowance for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the loss allowance calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of reporting period. Management reassesses the loss allowance at each balance sheet date.

#### (b) Revenue recognition

As explained in Note 2(p), revenue and profit recognition on a project is dependent on management's estimation of the progress of the satisfaction of performance obligations of a construction contract over time, measured by actual contract costs incurred to date to estimate total contract costs for the contract. Based on the Group's recent experience and the nature of the construction activity undertaken by the Group, the Group reviews and revises the estimates of contract revenue, contract costs and variation order, prepared for each construction contract as the contract progresses. Budgeted construction costs are prepared by management on the basis of quotations from time to time provided by the major subcontractors, suppliers and vendors involved and the experience of management. In order to keep the budget accurate and up-to-date, management conducts periodic reviews of the budgeted construction costs and revises the budgeted construction costs as appropriate.

Significant judgement is required in estimating the contract revenue, contract costs and variation work which may have an impact on percentage of completion of the construction contracts and the corresponding profit taken. In addition, actual outcome in terms of total revenue or costs may be higher or lower than estimation at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustments to the amounts recorded to date.

### 3 會計判斷及估計

#### 估計不確定因素

下文載述有關未來的主要假設及於各報告期末的估計不確定因素的其他主要來源，其存在重大風險導致對下個財政年度的資產及負債的賬面值作出重大調整。

#### (a) 貿易應收款項、應收保留金及合約資產虧損撥備

就貿易應收款項、應收保留金及合約資產而言，本集團按香港財務報告準則第9號的規定採用簡化方法計提預期信貸虧損撥備，而此需要使用所有貿易應收款項的永久預期信貸虧損撥備。金融資產虧損撥備乃基於對違約風險及預期虧損率的假設作出。本集團根據本集團過往歷史、現有市場狀況及報告期末的前瞻性估計，於作出該等假設及選取計算虧損撥備的輸入數據時運用判斷。管理層於各結算日重估虧損撥備。

#### (b) 收入確認

誠如附註2(p)所闡釋，項目的收入及溢利確認取決於管理層對一段時間內建造合約的履約責任完成進度所作估計，有關進度乃按照就合約目前產生的實際合約成本對估計總合約成本的比率計量。根據本集團的近期經驗及本集團所承接建造活動的性質，本集團於合約進行時檢討及修訂就各建造合約編製的合約收入、合約成本及工程變更指令估計。管理層根據參與項目的主要分包商、供應商及賣方不時提供的報價及管理層的經驗，編製建造成本預算。為維持準確及最新的預算，管理層定期審閱及修訂(如適用)建造成本預算。

估計合約收入、合約成本及變更工程需運用重大判斷，這或會影響建造合約的完成比例及相應溢利。此外，就總收入或成本而言，由於目前已錄得金額調整，實際結果可能高於或低於報告期末的估計，從而影響於未來確認的收入及溢利。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 4 REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received or receivable from the service contracts by the Group to external customers. The Group's operation is solely derived from HVAC Business in Hong Kong during the years ended 31 December 2018 and 2017. For the purpose of resources allocation and performance assessment, the chief operating decision maker reviews the overall results and financial position of the Group as a whole prepared based on same accounting policy set out in Note 2(p). Accordingly, the Group has only one single operating segment and no further discrete financial information nor analysis of this single segment is presented.

## (a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by timing of revenue recognition and type of service are as follows:

**Revenue from contracts with customers within the scope of HKFRS 15**

## 4 收入及分部資料

收入指本集團就服務合約已收或應收外部客戶款項的公平值。本集團營運僅源自截至二零一八年及二零一七年十二月三十一日止年度於香港經營暖通空調業務。就資源分配及表現評估而言，主要經營決策者審閱本集團根據附註2(p)所載相同會計政策編製的整體業績及財務狀況。因此，本集團僅有一個單一經營分部，故並無呈列此單一分部的進一步獨立財務資料或分析。

## (a) 收入細分

按收入確認時間及服務類別劃分客戶合約收入的收入細分如下：

**香港財務報告準則第15號範圍內的客戶合約收入**

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
<b>Disaggregated by timing of revenue recognition</b>	<b>按收入確認時間細分</b>		
Products transferred at a point in time	於某時間點轉移的產品	<b>12,903</b>	14,809
Services transferred over time	隨時間轉移的服務	<b>150,726</b>	111,037
		<b>163,629</b>	125,846
<b>Disaggregated by type of service</b>	<b>按服務類別細分</b>		
Installation services only	淨安裝服務	<b>122,917</b>	87,216
Installation services with HVAC systems procurement	安裝服務連暖通空調系統採購	<b>40,712</b>	38,630
		<b>163,629</b>	125,846

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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## 4 REVENUE AND SEGMENT INFORMATION

(continued)

## (b) Transaction price allocated to the remaining performance obligations

The following tables include revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) as at 31 December 2018 and 2017.

		\$'000 千元
<b>2018</b>	<b>二零一八年</b>	
<b>Remaining performance obligations expected to be satisfied during the year ending:</b>	<b>預期將於截至以下日期止年度內達成的剩餘履約責任：</b>	
31 December 2019	二零一九年十二月三十一日	<b>122,793</b>
31 December 2020	二零二零年十二月三十一日	<b>69,092</b>
After 31 December 2020	二零二零年十二月三十一日後	<b>38,687</b>
		<b>230,572</b>
<b>2017</b>	<b>二零一七年</b>	
<b>Remaining performance obligations expected to be satisfied during the year ending:</b>	<b>預期將於截至以下日期止年度內達成的剩餘履約責任：</b>	
31 December 2018	二零一八年十二月三十一日	151,342
31 December 2019	二零一九年十二月三十一日	33,354
After 31 December 2019	二零一九年十二月三十一日後	4,394
		<b>189,090</b>

## (c) Geographical information

The Company is an investment holding company and the principal place of the Group's operation is in Hong Kong. For the purpose of segment information disclosures under HKFRS 8, the Group regarded Hong Kong as its place of domicile.

No geographical information is presented as the Group is principally engaged in HVAC business in Hong Kong.

## (d) Information about major customers

The Group's customer base includes four (2017: five) customers with whom transactions have exceeded 10% of the Group's revenue. In 2018, revenue from HVAC Business with these customers amounted to \$154,382,000 (2017: \$125,846,000). Details of concentration of credit risk arising from these customers are set out in Note 23(a).

## 4 收入及分部資料(續)

## (b) 分配至剩餘履約責任的交易價

下表載有就於二零一八年及二零一七年十二月三十一日未達成(或部分未達成)的履約責任而預期將於未來確認的收入。

## (c) 地區資料

本公司為投資控股公司，而本集團主要營運地點為香港。就根據香港財務報告準則第8號披露分部資料而言，本集團視香港為居籍所屬地點。

由於本集團主要於香港從事暖通空調業務，故並無呈列地區資料。

## (d) 有關主要客戶的資料

本集團的客戶群包括四名(二零一七年：五名)交易額佔本集團收入超過10%的客戶。於二零一八年，來自與該等客戶的暖通空調業務的收入為154,382,000元(二零一七年：125,846,000元)。有關該等客戶的集中信貸風險詳情載於附註23(a)。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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## 5 OTHER INCOME

## 5 其他收入

		2018	2017
		二零一八年	二零一七年
		\$'000	\$'000
		千元	千元
Bank interest income	銀行利息收入	1,025	5
Repair and other service income	維修及其他服務收入	925	806
Gain on disposal of plant and equipment	出售機器及設備的收益	25	–
Sundry income	雜項收入	436	15
		2,411	826

## 6 PROFIT BEFORE TAXATION

## 6 除稅前溢利

Profit before taxation is arrived at after charging:

除稅前溢利乃經扣除以下各項後達致：

		2018	2017
		二零一八年	二零一七年
		\$'000	\$'000
		千元	千元
<b>(a) Finance costs</b>	<b>(a) 財務成本</b>		
Interest on bank loans	銀行貸款利息	274	86
Interest on bank overdrafts	銀行透支利息	159	179
Finance charges on obligations under finance lease	融資租賃承擔的融資費用	22	57
		455	322
<b>(b) Staff costs (including directors' emoluments)</b>	<b>(b) 員工成本(包括董事酬金)</b>		
Salaries, wages and other benefits	薪金、工資及其他福利	25,517	27,061
Contributions to defined contribution retirement plan	定額供款退休計劃供款	855	1,175
		26,372	28,236
<b>(c) Other items</b>	<b>(c) 其他項目</b>		
Depreciation	折舊	701	795
Operating lease charges: minimum leases payments	經營租賃開支：最低租賃付款	420	420
Auditors' remuneration	核數師酬金	1,423	180
Loss on disposal of plant and equipment	出售機器及設備的虧損	–	125

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
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### 7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
<b>Current tax – Hong Kong Profits Tax</b>	<b>即期稅項 – 香港利得稅</b>		
Provision for the year	年內撥備	5,663	4,755
Under/(over)-provision in respect of prior years	過往年度撥備不足/ (超額撥備)	112	(79)
		<b>5,775</b>	4,676
<b>Deferred tax</b>	<b>遞延稅項</b>		
Origination and reversal of temporary differences	暫時差額的產生及撥回	(54)	654
		<b>5,721</b>	5,330

In March 2018, the Hong Kong SAR Government introduced a two-tiered profits tax rate regime by enacting the Inland Revenue (Amendment) (No. 3) Ordinance 2018 (the “**Ordinance**”). Under the two-tiered profits tax rate regime, the first \$2 million of assessable profits of qualifying corporations is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Accordingly, the provision for Hong Kong Profits Tax for the year ended 31 December 2018 is calculated in accordance with the two-tiered profits tax rate regime (2017: a single tax rate of 16.5% was applied).

The provision for Hong Kong Profits Tax for 2018 has also taken into account a reduction granted by the Hong Kong SAR Government of 75% of the tax payable for the year of assessment 2017-18. The Group is eligible for the maximum reduction of \$30,000 for each business (2017: a maximum reduction of \$20,000 was granted for the year of assessment 2016-17 and was taken into account in calculating the provision for 2017).

### 7 綜合損益及其他全面收益表中的所得稅

(a) 綜合損益及其他全面收益表中的稅項指：

於二零一八年三月，香港特別行政區政府透過頒佈2018年稅務(修訂)(第3號)條例(「該條例」)引入利得稅兩級制。根據利得稅兩級制，合資格法團首2,000,000元應課稅溢利按8.25%的稅率徵稅，其餘應課稅溢利則按16.5%的稅率徵稅。

因此，截至二零一八年十二月三十一日止年度的香港利得稅撥備乃根據利得稅兩級制計算(二零一七年：採用單一稅率16.5%)。

二零一八年度香港利得稅撥備亦計及香港特別行政區政府於二零一七年至二零一八年課稅年度的應付稅項減免75%。本集團各企業合資格獲最多減免30,000元(二零一七年：就二零一六年至二零一七年課稅年度最多減免20,000元，於計算二零一七年度撥備時已考慮在內)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)

(b) Reconciliation between income tax expense and accounting profit at applicable tax rates:

## 7 綜合損益及其他全面收益表中的所得稅(續)

(b) 所得稅開支與按適用稅率計算的會計溢利對賬如下：

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Profit before taxation	除稅前溢利	<b>18,302</b>	28,734
National tax on profit before taxation	除稅前溢利的名義稅項	<b>2,886</b>	4,741
Tax effect of non-deductible expenses	不可扣稅開支的稅務影響	<b>2,783</b>	648
Under/(over)-provision in prior years	過往年度撥備不足/ (超額撥備)	<b>112</b>	(79)
Statutory tax concession	法定稅務優惠	<b>(60)</b>	(40)
Others	其他	-	60
Actual tax expense	實際稅項支出	<b>5,721</b>	5,330



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 8 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

### 8 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露的董事酬金如下：

			Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Total
		Note	\$'000	\$'000	\$'000	\$'000
		附註	千元	千元	千元	千元
<b>2018</b>	<b>二零一八年</b>					
<i>Chairman</i>	<i>主席</i>					
Mr. Cheung Yuen Tung	張元通先生	(i)	-	1,976	18	1,994
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Cheung Yuen Chau	張元秋先生	(i)	-	1,790	18	1,808
Mr. Tang Chi Chiu	鄧志釗先生	(i), (ii)	-	600	18	618
<i>Independent non-executive directors</i>	<i>獨立非執行董事</i>					
Mr. Law Chung Lam	羅頌霖先生	(iii)	90	-	-	90
Mr. Pang Kam Fai	彭錦輝先生	(iii)	90	-	-	90
Mr. Lau Yu Ching	劉裕正先生	(iii)	90	-	-	90
			270	4,366	54	4,690

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 8 DIRECTORS' EMOLUMENTS (continued)

## 8 董事酬金(續)

			Salaries, allowances and benefits in kind 薪金、 津貼及 實物福利	Retirement scheme contributions 退休 計劃供款	Total 總計	
	Directors' fees 董事袍金	Note 附註	\$'000 千元	\$'000 千元	\$'000 千元	
<b>2017</b>						
<i>Chairman</i>	<i>主席</i>					
Mr. Cheung Yuen Tung	張元通先生	(i)	–	2,524	18	2,542
<i>Executive directors</i>	<i>執行董事</i>					
Mr. Cheung Yuen Chau	張元秋先生	(i)	–	1,910	18	1,928
Mr. Tang Chi Chiu	鄧志釗先生	(i), (ii)	–	600	18	618
			–	5,034	54	5,088

## Notes:

- (i) During the years ended 31 December 2018 and 2017, the emoluments of Mr. Cheung Yuen Tung, Mr. Cheung Yuen Chau and Mr. Tang Chi Chiu were paid by the subsidiaries of the Company.
- (ii) Mr. Tang Chi Chiu was employed by the Company on 3 January 2017 as chief financial officer and was appointed as executive director on 27 February 2018, his emoluments disclosed above included those for services rendered by him as the chief financial officer.
- (iii) Appointed as independent non-executive directors on 8 June 2018.
- (iv) No director received any emoluments from the Group as an inducement to join or upon joining the Group, or as compensation for loss of office during the year. No arrangement under a director waived or agreed to waive any emoluments during the year.

## 附註：

- (i) 截至二零一八年及二零一七年十二月三十一日止年度，張元通先生、張元秋先生及鄧志釗先生的酬金由本公司附屬公司支付。
- (ii) 鄧志釗先生於二零一七年一月三日獲本公司聘請為財務總監，後於二零一八年二月二十七日獲委任為執行董事，而其上述披露的酬金包括擔任財務總監所提供服務的薪酬。
- (iii) 於二零一八年六月八日獲委任為獨立非執行董事。
- (iv) 年內，概無董事向本集團收取任何酬金，作為加盟本集團或於加盟本集團時的獎金或作為離職補償。年內，概無董事放棄或同意放棄任何酬金的安排。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註**

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

**9 INDIVIDUALS WITH HIGHEST EMOLUMENTS**

Of the five individuals with the highest emoluments, three (2017: three) are directors whose emoluments are disclosed in Note 8. The aggregate of the emoluments in respect of the other two (2017: two) individuals are as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Salaries and other benefits	薪金及其他福利	1,281	1,056
Retirement benefit scheme contributions	退休福利計劃供款	36	36
		<b>1,317</b>	1,092

The emoluments of the two (2017: two) individuals with the highest emoluments are within the following band:

		2018 二零一八年 Number of individuals 人數	2017 二零一七年 Number of individuals 人數
Nil to \$1,000,000	零至 1,000,000 元	2	2

**9 最高薪酬人士**

在五名最高薪酬人士當中，三名(二零一七年：三名)董事的薪酬於附註8披露。其餘兩名(二零一七年：兩名)人士的薪酬總額如下：

兩名(二零一七年：兩名)最高薪酬人士的薪酬在以下範圍內：



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 10 EARNINGS PER SHARE

The calculation of basic earnings per share is based on profit attributable to equity shareholders of the Company of \$12,581,000 (2017: \$23,404,000) and the weighted average of 868,493,151 (2017: 750,000,000) ordinary shares in issue during the year. The weighted average number of ordinary shares in issue during the years ended 31 December 2018 and 2017 is calculated based on the assumption that 750,000,000 shares were in issue at the beginning of the years, taking into consideration the effect of the capitalisation issue as detailed in Notes 1 and 22(c).

## 10 每股盈利

每股基本盈利乃根據本公司權益股東應佔溢利12,581,000元(二零一七年：23,404,000元)及年內已發行普通股加權平均數868,493,151股(二零一七年：750,000,000股)計算。截至二零一八年及二零一七年十二月三十一日止年度的已發行普通股加權平均數乃基於年初已發行750,000,000股股份的假設並經考慮附註1及22(c)所詳述的資本化發行影響後計算得出。

		Number of shares 股份數目	
		2018 二零一八年	2017 二零一七年
<b>Weighted average number of ordinary shares</b>	<b>普通股加權平均數</b>		
Ordinary shares in issue immediately before listing of the Company's shares	緊接本公司股份上市前已發行普通股	<b>750,000,000</b>	750,000,000
Effects of share issued under initial public offering	根據首次公開招股發行股份的影響	<b>118,493,151</b>	—
<b>Weighted average number of ordinary shares in issue</b>	<b>已發行普通股加權平均數</b>	<b>868,493,151</b>	750,000,000

The amount of dilutive earnings per share is the same as basic earnings per share for the years ended 31 December 2018 and 2017 as there were no dilutive potential ordinary shares in issue.

截至二零一八年及二零一七年十二月三十一日止年度，由於本集團並無具潛在攤薄效應的已發行普通股，故每股攤薄盈利的金額與每股基本盈利相同。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 11 PLANT AND EQUIPMENT

## 11 機器及設備

		Leasehold improvements	Furniture and equipment	Computer and office equipment	Motor vehicles	Total
		租賃物業裝修	傢俬及設備	電腦及 辦公室設備	汽車	總計
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
<b>Cost:</b>	<b>成本：</b>					
At 1 January 2017	於二零一七年一月一日	1,203	205	246	6,338	7,992
Additions	添置	-	-	84	33	117
Disposals	出售	(455)	(84)	(87)	(3,271)	(3,897)
At 31 December 2017	於二零一七年 十二月三十一日	748	121	243	3,100	4,212
At 1 January 2018	於二零一八年一月一日	748	121	243	3,100	4,212
Additions	添置	-	-	16	130	146
Disposals	出售	-	-	-	(103)	(103)
At 31 December 2018	於二零一八年 十二月三十一日	748	121	259	3,127	4,255
<b>Accumulated depreciation:</b>	<b>累計折舊：</b>					
At 1 January 2017	於二零一七年一月一日	469	106	111	3,992	4,678
Charge for the year	年內開支	150	24	34	587	795
Written back on disposal	於出售時撥回	(360)	(80)	(54)	(2,359)	(2,853)
At 31 December 2017	於二零一七年 十二月三十一日	259	50	91	2,220	2,620
At 1 January 2018	於二零一八年一月一日	259	50	91	2,220	2,620
Charge for the year	年內開支	150	24	46	481	701
Written back on disposal	於出售時撥回	-	-	-	(78)	(78)
At 31 December 2018	於二零一八年 十二月三十一日	409	74	137	2,623	3,243
<b>Net book value:</b>	<b>賬面淨值：</b>					
At 31 December 2017	於二零一七年 十二月三十一日	489	71	152	880	1,592
At 31 December 2018	於二零一八年 十二月三十一日	339	47	122	504	1,012

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

**11 PLANT AND EQUIPMENT (continued)****Assets held under finance leases**

Included in the motor vehicles, there are vehicles with net book value amounted to \$353,000 as at 31 December 2018 (2017: \$710,000) classified as being held under finance leases. The Group leases motor vehicles under finance leases expiring from 2 to 5 years. At the end of the lease term the Group has the option to purchase the leased vehicles at a price deemed to be a bargain purchase option. None of the leases includes contingent rentals.

No additions to motor vehicles financed by new finance leases during the years ended 31 December 2018 and 2017.

**11 機器及設備(續)****根據融資租賃持有的資產**

於二零一八年十二月三十一日，賬面淨值353,000元(二零一七年：710,000元)的汽車分類為根據融資租賃持有。本集團根據融資租賃租用的汽車於兩年至5年間到期。於租期結束時，本集團可選擇以議價購買價購入所租用汽車。概無租賃包括或然租金。

截至二零一八年及二零一七年十二月三十一日止年度，概無以新融資租賃添置的汽車。

**12 INVESTMENTS IN SUBSIDIARIES**

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

**12 於附屬公司的投資**

下表僅包含主要影響本集團業績、資產或負債的附屬公司詳情。除另有列明者外，所持股份類別為普通股。

Name of Company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Particulars of issued and paid-up capital 已發行及繳足股本詳情	Proportion of ownership interest 所有權權益比例			Principal activity 主要業務
			Group's effective interest 本集團實際權益	Held by the Company 本公司持有	Held by the subsidiary 附屬公司持有	
Man Tung AC E&M 萬通冷氣機電	Hong Kong/ 9 April 2008 香港/ 二零零八年 四月九日	1,000,000 ordinary shares 1,000,000股 普通股	100%	–	100%	HVAC Business 暖通空調業務
Man Tung AC Works 萬通冷氣工程	Hong Kong/ 19 November 1996 香港/ 一九九六年 十一月十九日	1,000,000 ordinary shares 1,000,000股 普通股	100%	–	100%	HVAC Business 暖通空調業務
Shun Tung 順通	Hong Kong/ 6 November 1998 香港/ 一九九八年 十一月六日	10,000 ordinary shares 10,000股 普通股	100%	–	100%	HVAC Business 暖通空調業務



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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(除另有註明外，均以港元列示)

### 13 TRADE AND OTHER RECEIVABLES

### 13 貿易及其他應收款項

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Trade receivables	貿易應收款項	<b>20,757</b>	27,359
Deposits, prepayments and other receivables	按金、預付款項及 其他應收款項	<b>511</b>	1,402
Retention receivables (Note 14)	應收保留金(附註14)	<b>14,692</b>	12,064
		<b>35,960</b>	40,825

At 31 December 2018, the amounts expected to be recovered after more than one year is \$6,241,000 (2017: \$4,343,000). All of the other trade and other receivables are expected to be recovered or recognised as expense within one year.

於二零一八年十二月三十一日，預期可於一年後收回的款項為6,241,000元（二零一七年：4,343,000元）。所有其他貿易及其他應收款項預期可於一年內收回或確認為開支。

#### Ageing analysis

At the end of reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the date of payment certificate and net of loss allowance, is as follows:

#### 賬齡分析

於報告期末，按糧款證書日期劃分及經扣除虧損撥備的貿易應收款項（計入貿易及其他應收款項）的賬齡分析如下：

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Within 1 month	1個月內	<b>20,519</b>	26,314
1 to 3 months	1至3個月	<b>238</b>	1,029
Over 3 months	3個月以上	-	16
		<b>20,757</b>	27,359

Trade receivables are due within 30 to 45 days from the date of payment certificate. Further details on the Group's credit policy are set out in Note 23(a).

貿易應收款項自糧款證書日期起計30至45日內到期。有關本集團信貸政策的進一步詳情載於附註23(a)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 14 CONTRACT ASSETS AND CONTRACT LIABILITIES

## (a) Contract assets

## 14 合約資產及合約負債

## (a) 合約資產

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
<b>Contract assets</b>	<b>合約資產</b>		
Arising from performance under installation contracts	產生自履行安裝合約	<b>30,835</b>	29,194
Receivables from contracts with customers within the scope of HKFRS 15, which are included in "Trade and other receivables" (Note 13)	香港財務報告準則第15號範圍內來自客戶合約的應收款項(計入「貿易及其他應收款項」)(附註13)	<b>35,449</b>	39,423

Typical payment terms which impact on the amount of contract assets recognised are as follows:

**Installation contracts**

The Group's installation contracts include payment schedules which require stage payments over the installation period once milestones are reached. These payment schedules prevent the build-up of significant contract assets. The Group typically agrees to a retention period ranging from 12-month period to 24-month period for 5% of the contract value. This amount is included in the retention receivables until the end of the retention period as the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection. When the retention period is due and the right to the retention is unconditional, this amount is included in the trade receivables.

The amount of revenue recognised during the year from performance obligations satisfied (or partially satisfied) in previous periods is \$6,138,000 (2017:\$3,704,000), mainly due to the changes in estimate of the stage of completion of certain installation contracts.

As at 31 December 2018, retentions held by customer for contract work was approximately \$6,241,000 (2017: \$4,343,000) and have been included in trade and other receivables (see Note 13).

對已確認合約資產金額構成影響的一般付款條款如下：

**安裝合約**

本集團安裝合約包括於安裝期間要求分期付款的付款日程(一旦進程達標)。此等付款日程防止積聚重大合約資產。本集團一般同意就5%的合約價值設有為期12個月至24個月的保留期。由於本集團收取此最終付款的權利於本集團工程完滿通過檢測後方可作實，故此金額計入應收保留金，直至保留期結束為止。倘保留期屆滿而收取保留金的權利成為無條件，則此金額計入貿易應收款項。

年內就過往期間已履行(或部分履行)的履約責任確認的收入金額為6,138,000元(二零一七年：3,704,000元)，主要由於若干安裝合約完成階段的估計變動所致。

於二零一八年十二月三十一日，客戶所持合約工程保留金約6,241,000元(二零一七年：4,343,000元)已計入貿易及其他應收款項(見附註13)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，均以港元列示)

## 14 CONTRACT ASSETS AND CONTRACT LIABILITIES (continued)

### (b) Contract liabilities

## 14 合約資產及合約負債(續)

### (b) 合約負債

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
<b>Contract liabilities</b>		
Installation contracts		
– Billings in advance of performance	(918)	(1,707)

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

對已確認合約負債金額構成影響的一般付款條款如下：

#### Installation contracts

#### 安裝合約

When the Group receives a stage payments over the installation period before the services are performed, this give rise to contract liabilities, until the revenue recognised on the contract work exceeds the amount of stage payment.

倘本集團於提供服務前在安裝期間收取分期付款，則產生合約負債，直至就合約工程確認的收入超過分期付款的金額為止。

#### Movements in contract liabilities

#### 合約負債的變動

	2018 二零一八年 \$'000 千元
Balance at 1 January	(1,707)
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	1,672
Increase in contract liabilities as a result of billing in advance of installation activities	(883)
<b>Balance at 31 December</b>	<b>(918)</b>

No billings in advance of performance and instalments received expected to be recognised as income after more than one year.

概無預先提供服務及收取分期付款的賬單預期將於一年後確認為收入。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 15 AMOUNTS DUE FROM DIRECTORS

The amounts due from directors are as follows:

Name of the director	董事姓名	Mr. Cheung Yuen Tung 張元通先生	Mr. Cheung Yuen Chau 張元秋先生
Terms of the balance	結餘條款		
– duration and repayment terms	– 年期及償還條款	Repayable on demand 按要求償還	Repayable on demand 按要求償還
– interest rate	– 息率	Interest-free 免息	Interest-free 免息
– security	– 抵押	None 無	None 無
Balance of the outstanding	未償還結餘		
– at 1 January 2017	– 於二零一七年一月一日	\$ 8,506,000元	\$ 5,060,000元
– at 31 December 2017 and 1 January 2018	– 於二零一七年十二月三十一日及二零一八年一月一日	\$ 8,804,000元	\$ 5,869,000元
– at 31 December 2018	– 於二零一八年十二月三十一日	\$ Nil 零元	\$ Nil 零元
Maximum balance outstanding	最高未償還結餘		
– during 2017	– 於二零一七年	\$ 15,600,000元	\$ 5,869,000元
– during 2018	– 於二零一八年	\$ 8,804,000元	\$ 5,869,000元

There was no amount due but unpaid, nor any impairment made against the amounts as at 31 December 2017. During the year ended 31 December 2018, the amounts due from directors were fully settled.

## 15 應收董事款項

應收董事款項如下：

於二零一七年十二月三十一日，概無款項已到期但未支付，亦無就有關款項作出任何減值。截至二零一八年十二月三十一日止年度，應收董事款項已悉數償付。

## 16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

## 16 現金及現金等價物以及其他現金流量資料

(a) 現金及現金等價物包括：

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Cash in hand	手頭現金	12	12
Deposits with banks with maturity less than three months	於三個月內到期的銀行存款	107,379	1,826
Cash at bank and in hand	銀行及手頭現金	107,391	1,838
Secured bank overdrafts (Note 18)	有抵押銀行透支(附註18)	(876)	(12,652)
Cash and cash equivalents in the consolidated cash flow statement	綜合現金流量表中的現金及現金等價物	106,515	(10,814)

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

**16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)****(b) Reconciliation of profit before taxation to cash generated from/(used in) operations:****16 現金及現金等價物以及其他現金流量資料(續)****(b) 除稅前溢利與經營所得/(所用)現金的對賬：**

			2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
		Note 附註		
Profit before taxation	除稅前溢利		<b>18,302</b>	28,734
Adjustments for:	就以下各項作出調整：			
Depreciation	折舊	6(c)	<b>701</b>	795
Finance costs	融資成本	6(a)	<b>455</b>	322
Bank interest income	銀行利息收入	5	<b>(1,025)</b>	(5)
(Gain)/loss on disposal of plant and equipment	出售機器及設備的(收益)/虧損	5/6(c)	<b>(25)</b>	125
Operating cash flows before changes in working capital	營運資金變動前的經營現金流量		<b>18,408</b>	29,971
Decrease/(increase) in trade and other receivables	貿易及其他應收款項減少/(增加)		<b>3,673</b>	(28,319)
Net movement in contract assets and contract liabilities	合約資產及合約負債淨變動		<b>(2,430)</b>	(18,873)
Increase in trade and other payables	貿易及其他應付款項增加		<b>1,937</b>	1,112
Cash generated from/(used in) operations	經營所得/(所用)現金		<b>21,588</b>	(16,109)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

## (c) Reconciliation of liabilities arising from financing activities

## 16 現金及現金等價物以及其他現金流量資料(續)

## (c) 就融資活動所產生負債的對賬

		Bank loans	Obligations under finance leases	Total
		銀行貸款	融資租賃承擔	總計
		\$'000	\$'000	\$'000
		千元	千元	千元
		(Note 18)	(Note 19)	
		(附註 18)	(附註 19)	
<b>At 1 January 2018</b>	於二零一八年一月一日	<b>12,929</b>	<b>625</b>	<b>13,554</b>
Changes from financing cash flows:	融資現金流量變動：			
Repayments of bank loans	償還銀行貸款	<b>(12,662)</b>	–	<b>(12,662)</b>
Interest on bank loans paid	已付銀行貸款利息	<b>(274)</b>	–	<b>(274)</b>
Capital element of finance lease rentals paid	已付融資租賃租金的資本部分	–	<b>(327)</b>	<b>(327)</b>
Interest element of finance lease rentals paid	已付融資租賃租金的利息部分	–	<b>(22)</b>	<b>(22)</b>
Total changes from financing cash flows	融資現金流量變動總計	<b>(12,936)</b>	<b>(349)</b>	<b>(13,285)</b>
<b>Other changes:</b>	<b>其他變動：</b>			
Finance charges on obligations under finance leases (Note 6(a))	融資租賃承擔的融資費用(附註6(a))	–	<b>22</b>	<b>22</b>
Interest on bank loans (Note 6(a))	銀行貸款利息(附註6(a))	<b>274</b>	–	<b>274</b>
Total other changes	其他變動總計	<b>274</b>	<b>22</b>	<b>296</b>
<b>At 31 December 2018</b>	於二零一八年十二月三十一日	<b>267</b>	<b>298</b>	<b>565</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 16 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

## (c) Reconciliation of liabilities arising from financing activities (continued)

## 16 現金及現金等價物以及其他現金流量資料(續)

## (c) 就融資活動所產生負債的對賬(續)

		Bank loans	Obligations under finance leases	Total
		銀行貸款	融資租賃承擔	總計
		\$'000	\$'000	\$'000
		千元	千元	千元
		(Note 18)	(Note 19)	
		(附註 18)	(附註 19)	
<b>At 1 January 2017</b>	於二零一七年一月一日	3,879	1,793	5,672
Changes from financing cash flows:	融資現金流量變動：			
Proceeds from new bank loans	新造銀行貸款所得款項	11,696	–	11,696
Repayment of bank loans	償還銀行貸款	(2,646)	–	(2,646)
Interest on bank loans paid	已付銀行貸款利息	(86)	–	(86)
Capital element of finance lease rentals paid	已付融資租賃租金的資本部分	–	(1,168)	(1,168)
Interest element of finance lease rentals paid	已付融資租賃租金的利息部分	–	(57)	(57)
Total changes from financing cash flows	融資現金流量變動總計	8,964	(1,225)	7,739
<b>Other changes:</b>	<b>其他變動：</b>			
Finance charges on obligations under finance leases (Note 6(a))	融資租賃承擔的融資費用(附註6(a))	–	57	57
Interest on bank loans (Note 6(a))	銀行貸款利息(附註6(a))	86	–	86
Total other changes	其他變動總計	86	57	143
<b>At 31 December 2017</b>	於二零一七年十二月三十一日	12,929	625	13,554

## (d) Pledged bank deposits

The balance represents deposits pledged to secure the issuance of performance bonds by bank.

## (e) Major non-cash transaction

On 30 April 2018, interim dividend of \$18,000,000 was declared, in which \$14,673,000 was off-set with the amounts due from directors and the remaining balance of \$3,327,000 was settled by cash.

## (d) 已抵押銀行存款

結餘指為獲取銀行發出的履約保證金而抵押的存款。

## (e) 主要非現金交易

於二零一八年四月三十日，已宣派中期股息18,000,000元，其中14,673,000元與應收董事款項互相抵銷，而餘下結餘3,327,000元則以現金償付。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 17 TRADE AND OTHER PAYABLES

## 17 貿易及其他應付款項

		2018 二零一八年	2017 二零一七年
		\$'000	\$'000
		千元	千元
Trade payables	貿易應付款項	4,178	6,017
Accrued subcontracting costs	應計分包成本	3,914	541
Other payables and accruals	其他應付款項及應計費用	4,915	4,512
		<b>13,007</b>	<b>11,070</b>

All of the trade and other payables are expected to be settled within one year.

所有貿易及其他應付款項預期於一年內結算。

As of the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

於報告期末，按發票日期劃分的貿易應付款項的賬齡分析如下：

		2018 二零一八年	2017 二零一七年
		\$'000	\$'000
		千元	千元
Within 1 month	1個月內	1,842	3,280
1 to 2 months	1至2個月	771	2,398
2 to 3 months	2至3個月	219	339
Over 3 months	3個月以上	1,346	–
		<b>4,178</b>	<b>6,017</b>

## 18 BANK LOANS AND OVERDRAFTS

## 18 銀行貸款及透支

At 31 December 2018, the bank loans and overdrafts were secured as follows:

於二零一八年十二月三十一日，有抵押銀行貸款及透支如下：

		2018 二零一八年	2017 二零一七年
		\$'000	\$'000
		千元	千元
Secured bank overdrafts (Note 16(a))	有抵押銀行透支(附註16(a))	876	12,652
Secured bank loans	有抵押銀行貸款	267	12,929
		<b>1,143</b>	<b>25,581</b>

All of the bank loans and overdrafts are expected to be settled within one year or on demand.

所有銀行貸款及透支預期於一年內或按要求結算。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 18 BANK LOANS AND OVERDRAFTS (continued)

At 31 December 2017, the banking facilities (including bank loans and overdrafts and performance bonds) granted to the Group were secured by:

- (i) Personal guarantee provided by a director of the Company;
- (ii) Personal properties owned by a director of the Company; and
- (iii) Investment properties held by Most Harvest Development Limited, Rich Home Properties Limited and World Million Development Limited. All of them are related companies of the Company.

At 31 December 2018, the securities set out in items (i) to (iii) above were released. The banking facilities (including bank loans and overdrafts and performance bonds) granted to the Group were secured by the corporate guarantee provided by the Company and the pledged bank deposits of \$1,880,000 (2017: \$Nil).

Notwithstanding the specified repayment schedules as stated in the facilities letters ("**specific repayment terms**") which allow the loans to be repaid over a period of more than one year, these banking facilities granted to the Group include a clause that gives the banks the unconditional rights to call the bank loans at any time ("**repayment on demand clause**"). The bank loans subject to the repayment on demand clause amounted to \$267,000 as at 31 December 2018 were classified as current liabilities in the consolidated statement of financial position (2017: \$12,929,000).

### 18 銀行貸款及透支(續)

於二零一七年十二月三十一日，本集團獲授的銀行融資(包括銀行貸款及透支以及履約保證金)以下列各項作抵押：

- (i) 本公司一名董事所提供的個人擔保；
- (ii) 本公司一名董事所擁有的個人物業；及
- (iii) 滿溢發展有限公司、富居置業有限公司及偉萬發展有限公司所持有的投資物業。全部公司均為本公司的關聯公司。

於二零一八年十二月三十一日，上文第(i)至(iii)項所載抵押已予解除。本集團獲授的銀行融資(包括銀行貸款及透支以及履約保證金)以本公司所提供的公司擔保及已抵押銀行存款1,880,000元(二零一七年：零元)作抵押。

儘管融資函件所述特定還款時間表(「**特定還款期**」)容許貸款於一年以上期間內償還，惟本集團獲授的該等銀行融資包含授予銀行無條件權利可隨時要求償還銀行貸款的條款(「**按要求償還條款**」)。於二零一八年十二月三十一日，受限於按要求償還條款的銀行貸款為267,000元(二零一七年：12,929,000元)，於綜合財務狀況表內分類為流動負債。



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(除另有註明外，均以港元列示)

## 19 OBLIGATIONS UNDER FINANCE LEASES

At the end of reporting period, the Group had obligations under finance leases repayable as follows:

## 19 融資租賃承擔

於報告期末，本集團須予償還的融資租賃承擔如下：

		2018 二零一八年		2017 二零一七年	
		Present value of the minimum lease payments 最低租賃 付款現值 \$'000 千元	Total minimum lease payments 最低租賃 付款總額 \$'000 千元	Present value of the minimum lease payments 最低租賃 付款現值 \$'000 千元	Total minimum lease payments 最低租賃 付款總額 \$'000 千元
Within 1 year	1年內	223	231	327	349
After 1 year but within 2 years	1年後但2年內	75	75	223	230
After 2 years but within 5 years	2年後但5年內	-	-	75	76
		75	75	298	306
		298	306	625	655
Less: Total future interest expenses	減：未來利息開支總額		(8)		(30)
Present value of lease obligations	租賃承擔現值		298		625

## 20 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(a) Current taxation in the consolidated statement of financial position represents:

## 20 綜合財務狀況表的所得稅

(a) 綜合財務狀況表的即期稅項指：

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Provision for Hong Kong Profits Tax for the year	年內香港利得稅撥備	5,663	4,755
Provisional Profits Tax paid	已付暫繳利得稅	(4,741)	(4,031)
		922	724

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，均以港元列示)

## 20 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(continued)

## (b) Deferred tax assets/liabilities recognised

**Movement of deferred tax assets/liabilities**

The component of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

		Temporary difference arising from revenue recognition	Depreciation allowances in excess of related depreciation	Unrealised profit arising from intra-group transactions	Total
		因確認收入而產生的暫時差額	超出有關折舊的折舊撥備	因集團內公司間交易而產生的未變現溢利	總計
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
At 1 January 2017	於二零一七年一月一日	(197)	185	(404)	(416)
Charged to profit or loss	自損益扣除	197	53	404	654
At 31 December 2017	於二零一七年十二月三十一日	-	238	-	238
At 1 January 2018	於二零一八年一月一日	-	238	-	238
Credited to profit or loss	計入損益	-	(54)	-	(54)
At 31 December 2018	於二零一八年十二月三十一日	-	184	-	184

There were no material unrecognised deferred tax assets and liabilities as at 31 December 2018 and 31 December 2017.

## (b) 已確認遞延稅項資產／負債

**遞延稅項資產／負債變動**

於綜合財務狀況表確認的遞延稅項(資產)／負債組成部分及其於年內的變動如下：

於二零一八年十二月三十一日及二零一七年十二月三十一日，概無重大未確認遞延稅項資產及負債。

## 21 EMPLOYEE RETIREMENT BENEFITS

The Group operates a Mandatory Provident Fund Scheme ("the MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of \$30,000. Contributions to the plan vest immediately.

## 21 僱員退休福利

本集團根據香港強制性公積金計劃條例為在香港僱傭條例保障下受聘的僱員設立一項強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃供款，以每月相關收入30,000元為上限。計劃供款即時歸屬。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 22 CAPITAL AND RESERVES

## (a) Movement in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes of the Company's individual components of (deficits)/equity between the beginning and the end of year are set out below:

## Company

		Note	Share capital	Share premium	Accumulated loss	Total
		附註	\$'000	\$'000	\$'000	\$'000
			千元	千元	千元	千元
			(Note 22 (c))	(Note 22 (d)(i))		
			(附註 22(c))	(附註 22(d)(i))		
At 11 April 2017 (date of incorporation)	於二零一七年 四月十一日 (註冊成立日期)		-*	-	-	-*
Loss for the period	期內虧損		-	-	(88)	(88)
Issuance of ordinary shares	發行普通股	22 (c)(i)	-*	-	-	-*
Arising from reorganisation	由重組產生	22 (c)(ii)	-	2	-	2
At 31 December 2017	於二零一七年 十二月三十一日		-*	2	(88)	(86)
At 1 January 2018	於二零一八年 一月一日		-	2	(88)	(86)
Profit for the year	年內溢利		-	-	2,983	2,983
Dividend paid	已付股息	22 (b)	-	-	(18,000)	(18,000)
Issue of ordinary shares upon initial public offering	於首次公開招股時 發行普通股	22 (c)(iv)	2,500	115,348	-	117,848
Issue of ordinary shares upon capitalisation	於資本化時發行 普通股	22 (c)(v)	7,500	(7,500)	-	-
At 31 December 2018	於二零一八年 十二月三十一日		10,000	107,850	(15,105)	102,745

\* The balances represent amount less than \$1,000.

\* 結餘為數少於1,000元。

## 22 資本及儲備

## (a) 權益組成部分變動

本集團綜合權益各組成部分的年初及年末結餘之間的對賬載於綜合權益變動表。本公司於年初至年末期間的(虧絀)/權益的個別組成部分變動詳情載列如下：



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 22 CAPITAL AND RESERVES (continued)

## (b) Dividends

Dividends payable to equity shareholders of the Company attributable to the year

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Interim dividend declared and paid of \$90,000 per share (2017:\$Nil)	18,000	-
宣派及派付中期股息 每股90,000元 (二零一七年：零元)		

The interim dividend was declared and paid before the issuance of ordinary shares upon capitalisation and initial public offering. The directors did not propose the payment of a final dividend for the year ended 31 December 2018 (2017:\$Nil).

## 22 資本及儲備(續)

## (b) 股息

應付本公司權益股東應佔年內股息

中期股息乃於資本化及首次公開招股時發行普通股前宣派及派付。董事不建議派付截至二零一八年十二月三十一日止年度的末期股息(二零一七年：零元)。

## (c) Share capital

## (c) 股本

		The Company 本公司 No. of shares 股份數目	\$'000 千元
<b>Authorised ordinary shares of \$0.01 each:</b>	每股面值為0.01元的法定普通股：		
At 11 April 2017 (date of incorporation), 31 December 2017 and 1 January 2018	於二零一七年四月十一日 (註冊成立日期)、 二零一七年十二月三十一日 及二零一八年一月一日	(i) 38,000,000	380
Increase in authorised share capital upon Reorganisation	重組後法定股本增加	(iii) 4,962,000,000	49,620
At 31 December 2018	於二零一八年十二月三十一日	5,000,000,000	50,000
<b>Ordinary shares, issued and fully paid:</b>	普通股，已發行及繳足：		
At 11 April 2017 (date of incorporation)	於二零一七年四月十一日 (註冊成立日期)	(i) 1	-*
Issue of ordinary shares	發行普通股	(ii) 199	-*
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	200	-*
Issue of ordinary shares upon initial public offering	於首次公開招股時發行普通股	(iv) 250,000,000	2,500
Issue of ordinary shares upon capitalisation	於資本化時發行普通股	(v) 749,999,800	7,500
At 31 December 2018	於二零一八年十二月三十一日	1,000,000,000	10,000

\* The balances represent amount less than \$1,000.

\* 結餘為數少於1,000元。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 22 CAPITAL AND RESERVES (continued)

## (c) Share capital (continued)

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Notes:

- (i) As at the date of incorporation, the Company had an initial authorised share capital of \$380,000 divided into 38,000,000 ordinary shares with par value of \$0.01 each. On 11 April 2017, one nil-paid share was allotted and issued.
- (ii) On 16 June 2017, the Company issued and allotted an aggregate of 199 ordinary shares, credited as fully paid at par and credited the one nil-paid share issued on 11 April 2017 as fully paid.
- (iii) On 8 June 2018, pursuant to the written resolution of the sole shareholder of the Company, the authorised share capital of the Company increased from \$380,000 divided into 38,000,000 ordinary shares of par value of \$0.01 each to \$50,000,000 divided into 5,000,000,000 ordinary shares of par value \$0.01 each, by the creation of an additional 4,962,000,000 shares.
- (iv) On 11 July 2018, 250,000,000 ordinary shares of \$0.01 each of the Company were issued at a price of \$0.52 upon initial public offering. On the same date, the Company's ordinary shares were listed on the Stock Exchange. The proceeds of \$2,500,000 representing the par value of the ordinary shares of the Company were credited to the Company's share capital. The remaining proceeds of \$127,500,000, before issuing expenses approximately \$12,152,000, were credited to share premium account.
- (v) On 11 July 2018, a total of 749,999,800 ordinary shares of \$0.01 each was allotted and issued, credited as fully paid at par, to the sole shareholder of the Company, Prime Pinnacle Limited, by way of capitalisation of a sum of \$7,499,998 standing to the credit of the share premium account of the Company.

## 22 資本及儲備(續)

## (c) 股本(續)

普通股持有人有權獲取不時宣派的股息，並於本公司大會上按每股股份享有一票的投票權。所有普通股於本公司剩餘資產中享有均等的權益。

附註：

- (i) 於註冊成立日期，本公司的初始法定股本為380,000元，分為38,000,000股每股面值0.01元的普通股。於二零一七年四月十一日，一股未繳股款股份已獲配發及發行。
- (ii) 於二零一七年六月十六日，本公司發行及配發合共199股按面值入賬列作繳足的普通股，並將於二零一七年四月十一日發行的一股未繳股款股份入賬列作繳足。
- (iii) 於二零一八年六月八日，根據本公司唯一股東的書面決議案，本公司的法定股本透過額外增設4,962,000,000股股份由380,000元(分為38,000,000股每股面值0.01元的普通股)增至50,000,000元(分為5,000,000,000股每股面值0.01元的普通股)。
- (iv) 於二零一八年七月十一日，本公司250,000,000股每股面值0.01元的普通股於首次公開招股按每股0.52元的價格發行。同日，本公司普通股於聯交所上市。所得款項2,500,000元(相等於本公司普通股面值)已計入本公司股本。餘下所得款項127,500,000元(扣除發行開支約12,152,000元前)已計入股份溢價賬。
- (v) 於二零一八年七月十一日，本公司透過自本公司股份溢價賬資本化7,499,998元的進賬額向本公司唯一股東Prime Pinnacle Limited配發及發行合共749,999,800股每股面值0.01元按面值入賬列作繳足的普通股。

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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 22 CAPITAL AND RESERVES (continued)

#### (d) Nature and purpose of reserves

##### (i) Share premium

The share premium account is governed by the Companies Law of the Cayman Islands and may be applied by the Company subject to the provisions, if any, of its memorandum and articles of association in paying distributions or dividends to equity shareholders.

No distribution or dividend may be paid to the equity shareholders out of the share premium account unless immediately following the date on which the distribution or dividends is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

##### (ii) Merger reserve

The merger reserve represents the aggregate amount of the excess of the nominal value of shares of the subsidiaries acquired over the nominal value of shares of the Company exchanged as a part of the Reorganisation.

#### (e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to fund its construction business and provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to any externally imposed capital requirements.

#### (f) Distributable reserves

As 31 December 2018, the aggregate amount of the reserves attributable to equity shareholders of the Company, as calculated in accordance with the Companies Law of the Cayman Islands and the Company's memorandum and articles of association was \$92,833,000 (2017:\$Nil).

### 22 資本及儲備(續)

#### (d) 儲備性質及目的

##### (i) 股份溢價

股份溢價賬受開曼群島公司法監管，並可由本公司根據組織章程大綱及細則的條文(如有)用於向權益股東支付分派或股息。

除非緊隨分派或股息建議支付日期後本公司將能夠償付日常業務過程中的到期債務，否則不得以股份溢價賬向權益股東支付分派或派付股息。

##### (ii) 合併儲備

合併儲備指已收購附屬公司的股份面值超出作為重組一部分而交換的本公司股份面值的總額。

#### (e) 資本管理

本集團管理資本的主要目標為保障本集團持續經營的能力，以為其建築業務提供資金、為股東提供回報及為其他權益相關人士提供利益，並維持最佳資本架構以減低資金成本。

本集團積極並定期檢閱及管理其資本架構，以在較高借貸水平可能帶來的較高股東回報與穩健資本狀況所帶來的優勢及保障之間取得平衡，並因應經濟狀況的變動對資本架構作出調整。

本公司或其任何附屬公司並無受限於任何外部施加的資本要求。

#### (f) 可供分派儲備

於二零一八年十二月三十一日，根據開曼群島公司法以及本公司組織章程大綱及細則計算的本公司權益股東應佔儲備總額為92,833,000元(二零一七年：零元)。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

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### 23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

Exposure to credit, liquidity and interest rate and foreign currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

#### (a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to bank deposits and trade and other receivables and contract assets. The Group has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Except for the financial guarantee given by the Group as set out in Note 26(b), the Group does not provide any other guarantee which would expose the Group to credit risk. The maximum exposure to credit risk in respect of the financial guarantee at the end of each reporting period is disclosed in Note 26(b).

#### **Bank deposits**

Cash is deposited with financial institutions with sound credit ratings and the Group has exposure limit to any single financial institution. Given their high credit ratings, management does not expect any of these financial institutions and counterparties will fail to meet their obligations.

#### **Trade and other receivables and contract assets**

The Group has significant concentration of credit risk in a few customers. In view of their good payment record and long established relationships with the Group, management does not consider the Group's credit risk to be significant. At the end of the reporting period, 61% (2017: 26%) and 93% (2017: 100%) of the total trade receivables and contract assets was due from the Group's largest customer and the five largest customers respectively.

Individual credit evaluations are performed as part of the acceptance procedures for new construction contracts. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 to 45 days from the date of payment certificate. Normally, the Group does not obtain collateral from customers.

### 23 財務風險管理及公平值

本集團於日常業務過程中承受信貸、流動資金以及利率及外幣風險。本集團承受該等風險及本集團用以管理該等風險的財務風險管理政策及常規載於下文。

#### (a) 信貸風險

信貸風險指交易對手違反其合約責任令本集團招致財務損失的風險。本集團的信貸風險主要來自銀行存款、貿易及其他應收款項以及合約資產。本集團已實施信貸政策，並持續監控該等信貸風險。

除附註26(b)所載本集團所提供的財務擔保外，本集團並無提供任何其他擔保致使本集團面臨信貸風險。有關於各報告期末的財務擔保的最高信貸風險於附註26(b)內披露。

#### **銀行存款**

現金存款乃存放於信貸良好的金融機構，而本集團亦對任何單一金融機構設置額度。鑒於該等金融機構擁有高信貸評級，管理層預期該等金融機構及交易對手概不會無法履行責任。

#### **貿易及其他應收款項以及合約資產**

本集團因少數客戶擁有重大信貸集中風險。鑒於彼等的還款記錄良好並與本集團建立長期關係，管理層認為，本集團所承受的信貸風險並不重大。於報告期末，貿易應收款項及合約資產總額中分別61% (二零一七年：26%) 及93% (二零一七年：100%) 為應收本集團最大客戶款項及五大客戶的款項。

本集團會進行個別信貸評核作為新建築合約接納程序一部分。此等評核集中於客戶過往支付到期款項的記錄及現時的付款能力，並考慮客戶的特定資料及客戶經營所在經濟環境的情況。貿易應收款項於糧款證書日期起計30至45日內到期。本集團一般不會向客戶收取抵押品。



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(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

#### (a) Credit risk (continued)

##### **Trade and other receivables and contract assets (continued)**

The Group measures loss allowances for trade receivables, retention receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases. Loss allowance for the Group's trade and retention receivables and contract assets as at 31 December 2018 is insignificant.

Expected loss rates are based on actual loss experience over the past 2 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

##### *Comparative information under HKAS 39*

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (see Note 2(g)(i) – policy applicable prior to 1 January 2018). At 31 December 2017, no impairment was recognised for trade receivables.

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

		2017 二零一七年 \$'000 千元
Neither past due nor impaired	既無逾期亦無減值	27,343
Less than 1 month past due	逾期少於1個月	–
1 to 3 months past due	逾期1至3個月	–
Over 3 months past due	逾期3個月以上	16
		16
		27,359

### 23 財務風險管理及公平值(續)

#### (a) 信貸風險(續)

##### **貿易及其他應收款項以及合約資產(續)**

本集團的貿易應收款項、應收保留金及合約資產的虧損撥備按相當於永久預期信貸虧損的金額計量，其乃按撥備矩陣計算。由於本集團的過往信貸虧損經驗並無顯示不同客戶分部會有重大不同虧損模式，故基於逾期狀態的虧損撥備不再於本集團不同客戶基礎之間進一步區分。於二零一八年十二月三十一日，本集團的貿易應收款項、應收保留金以及合約資產的虧損撥備並不重大。

預期虧損率乃基於過去2年的實際虧損經驗計算。有關比率乃經調整以反映收集歷史數據期間的經濟狀況、當前狀況以及本集團對應收款項預計年期的經濟狀況的看法之間的差異。

##### *根據香港會計準則第39號的比較資料*

於二零一八年一月一日前，減值虧損僅當出現減值客觀證據時方會確認(見附註2(g)(i)–於二零一八年一月一日前適用的政策)。於二零一七年十二月三十一日，本集團概無就貿易應收款項確認減值。

概無個別或共同被視作出現減值的貿易應收款項的賬齡分析如下：

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(除另有註明外，均以港元列示)

**23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)****(a) Credit risk (continued)****Trade and other receivables and contract assets (continued)***Comparative information under HKAS 39(continued)*

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

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

**(b) Liquidity risk**

Individual operating subsidiaries within the Group are responsible for their own cash management, including the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long term.

The following tables show the remaining contractual maturities as at 31 December 2018 of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at 31 December 2018) and the earliest date the Group can be required to pay.

For bank loans subject to repayment on demand clause which can be exercised at the bank's sole discretion, the maturity analysis shows the cash outflow based on expected repayment dates with reference to the schedule of repayments set out in the banking facilities letters and, separately, the impact to the timing of the cash outflow if the lenders were to invoke unconditional rights to call the loans with immediate effect.

**23 財務風險管理及公平值(續)****(a) 信貸風險(續)****貿易及其他應收款項以及合約資產(續)***根據香港會計準則第39號的比較資料(續)*

既無逾期亦無減值的應收款項與近期並無違約記錄的不同客戶有關。

已逾期但尚未減值的應收款項與多名與本集團維持良好往績記錄的獨立客戶有關。根據過往經驗，管理層認為，由於信貸質素並無重大變動且該等結餘仍被視為可悉數收回，故毋須就該等結餘作出減值撥備。

**(b) 流動資金風險**

本集團旗下的個別營運附屬公司負責其自身的現金管理，包括籌集貸款應對預期現金需求。本集團的政策為定期監控流動資金需要，以確保維持足夠現金儲備及來自主要金融機構的充足承諾融資額度，從而滿足短期及長期的流動資金需要。

下表載列本集團金融負債於二零一八年十二月三十一日的餘下合約到期日，此乃根據合約未貼現現金流量(包括按合約利率(如屬浮息，則根據於二零一八年十二月三十一日的即期利率)計算的利息付款)及本集團可被要求償還的最早日期而得出。

就銀行可全權酌情行使受按要求償還條款所規限的銀行貸款而言，到期分析分別表明參考銀行融資函所載還款計劃後基於預期償還日期的現金流出及當貸款人行使無條件收回貸款的權利並即時生效時對現金流出時間性的影響。

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(除另有註明外，均以港元列示)

### 23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

#### (b) Liquidity risk (continued)

### 23 財務風險管理及公平值(續)

#### (b) 流動資金風險(續)

		2018 二零一八年				
		Contractual undiscounted cash outflow 合約未貼現現金流出				
		Total	Within	More than	More than	
		contractual	1 year or	1 year but	2 years but	
		undiscounted	on demand	less than	less than	
		cash flow		2 years	5 years	
Carrying amount at 31 December						
於十二月三十一日的賬面值		合約未貼現現金流量總額	1年內或按要求的	1年以上但少於2年	2年以上但少於5年	
\$'000		\$'000	\$'000	\$'000	\$'000	\$'000
千元		千元	千元	千元	千元	千元
Trade and other payables	貿易及其他應付款項	13,007	13,007	13,007	-	-
Bank loans and overdrafts	銀行貸款及透支	1,143	1,146	1,146	-	-
Finance lease liabilities	融資租賃負債	298	306	231	75	-
		14,448	14,459	14,384	75	-
Adjustments to present cash flows on bank loans based on lender's right to demand repayment	調整以呈列根據貸款人權利須按要求的銀行貸款現金流量		(9)	(9)	-	-
			14,450	14,375	75	-

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(除另有註明外，均以港元列示)

## 23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

## (b) Liquidity risk (continued)

## 23 財務風險管理及公平值(續)

## (b) 流動資金風險(續)

		2017 二零一七年				
		Contractual undiscounted cash outflow 合約未貼現現金流出				
		Total	Within	More than	More than	
		contractual	1 year or	1 year but	2 years but	
		undiscounted	on demand	less than	less than	
		cash flow		2 years	5 years	
Carrying amount at 31 December						
於十二月三十一日的賬面值		合約未貼現金流量總額	1年內或按要求的	1年以上但少於2年	2年以上但少於5年	
\$'000		\$'000	\$'000	\$'000	\$'000	
千元		千元	千元	千元	千元	
Trade and other payables	貿易及其他應付款項	11,070	11,070	11,070	-	-
Bank loans and overdrafts	銀行貸款及透支	25,581	25,843	25,573	270	-
Finance lease liabilities	融資租賃負債	625	655	349	230	76
		37,276	37,568	36,992	500	76
Adjustments to present cash flows on bank loans based on lender's right to demand repayment	調整以呈列根據貸款人權利須按要求的銀行貸款現金流量		(262)	8	(270)	-
			37,306	37,000	230	76
Financial guarantee issued: Maximum amount guaranteed (Note 26(b))	已發出財務擔保：最高擔保金額(附註26(b))	-	3,467	3,467	-	-



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)

#### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from bank borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group's interest rate profile as monitored by management is set out in (i) below.

#### (i) Interest rate profile

The following table details the interest rate profile of the Group's borrowings at the end of the reporting period.

		2018 二零一八年		2017 二零一七年	
		Effective interest rate 實際利率 %	\$'000 千元	Effective interest rate 實際利率 %	\$'000 千元
<b>Fixed rate borrowings:</b>	<b>固定利率借貸：</b>				
Finance lease liabilities	融資租賃負債	4.78%–6.61%	298	4.37%–6.61%	625
<b>Variable rate borrowings:</b>	<b>浮動利率借貸：</b>				
Bank overdrafts	銀行透支	4.25%–5.23%	876	4.25%–5.26%	12,652
Bank loans	銀行貸款	3.13%	267	3.00%–3.75%	12,929
			<b>1,143</b>		<b>25,581</b>
<b>Total borrowings</b>	<b>借貸總額</b>		<b>1,441</b>		<b>26,206</b>
Fixed rate borrowings as a percentage of total borrowing	固定利率借貸佔借貸總額的百分比		<b>21%</b>		2%

### 23 財務風險管理及公平值(續)

#### (c) 利率風險

利率風險指金融工具的公平值或未來現金流量因市場利率變動而產生波動的風險。本集團的利率風險主要來自銀行借貸。按浮動利率授出的借貸令本集團承受現金流量利率風險。管理層所監控的本集團利率概況載於下文(i)。

#### (i) 利率概況

下表詳列本集團借貸於報告期末的利率概況。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

**23 FINANCIAL RISK MANAGEMENT AND FAIR VALUES (continued)****(c) Interest rate risk (continued)****(ii) Sensitivity analysis**

At 31 December 2018, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after tax by approximately \$9,500 (2017: \$213,600).

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax that would arise assuming that the change in interest rates had occurred at the end of the reporting period in respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period. The impact on the Group's profit after tax is estimated as an annualised impact on interest expense or income of such changes in interest rates. The analysis is performed on the same basis during the year ended 31 December 2017.

**(d) Foreign currency risk**

The Group has no significant exposure to foreign currency risk as all of the Group's transactions are denominated in Hong Kong dollar.

**(e) Fair value measurement**

The carrying amounts of the Group's financial assets and liabilities carried at cost or amortised cost are not materially different from their fair values at the end of the reporting period.

**23 財務風險管理及公平值(續)****(c) 利率風險(續)****(ii) 敏感度分析**

於二零一八年十二月三十一日，估計利率整體上升／下降100個基點，而所有其他變數維持不變，本集團除稅後溢利將分別減少／增加約9,500元（二零一七年：213,600元）。

以上敏感度分析顯示本集團除稅後溢利在假設利率變動於報告期末已發生的情況下所產生的即時變動。就本集團因持有浮息非衍生工具於報告期末承受的現金流利率風險而言，對本集團除稅後溢利的影響乃以該等利率變動對利息收支的整年影響作估計。分析乃按截至二零一七年十二月三十一日止年度的相同基準進行。

**(d) 外幣風險**

本集團並無面臨重大外幣風險，原因為本集團所有交易均以港元計值。

**(e) 公平值計量**

本集團按成本或攤銷成本列賬的金融資產及負債的賬面值與該等資產及負債於報告期末的公平值之間並無重大差額。

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註**

(Expressed in Hong Kong dollars unless otherwise indicated)  
(除另有註明外，均以港元列示)

**24 COMMITMENTS**

At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Within 1 year	1年內	420	210
After 1 year but within 5 years	1年後但5年內	210	-
		<b>630</b>	<b>210</b>

The Group is the lessee in respect of a number of properties. The leases typically run for an initial period of 2 years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

**25 MATERIAL RELATED PARTY TRANSACTIONS**

In addition to transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related transactions.

**(a) Key management personnel remuneration**

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 8 and certain of the highest paid employees as disclosed in Note 9, is as follows:

		2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Salaries and other benefits	薪金及其他福利	5,917	6,072
Retirement benefit scheme contributions	退休福利計劃供款	90	90
		<b>6,007</b>	<b>6,162</b>

Total remuneration is included in "staff costs" (see Note 6(b)).

**24 承擔**

於二零一八年十二月三十一日，不可撤銷經營租賃項下的未來最低租賃付款總額如下：

**25 重大關聯方交易**

除於此等財務報表其他章節披露的交易及結餘外，本集團訂立以下重大關聯交易。

**(a) 主要管理人員薪酬**

本集團主要管理人員的薪酬(包括附註8所披露向本公司董事支付的款項及附註9所披露向若干最高薪酬僱員支付的款項)如下：

薪酬總額乃計入「員工成本」(見附註6(b))。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 25 MATERIAL RELATED PARTY TRANSACTIONS 25 重大關聯方交易(續)

(continued)

## (b) Transactions with related parties

## (b) 與關聯方的交易

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Rental expenses paid to a related company 向一間關聯公司支付的 租金開支	420	420

## (c) Financing arrangements

## (c) 融資安排

At 31 December 2018, the Group had the following balances with related parties:

於二零一八年十二月三十一日，本集團有以下關聯方結餘：

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Amounts due from directors (Note 15) 應收董事款項(附註15)	-	14,673

## (d) Applicability of the Listing Rules relating to connected transactions

## (d) 與關連交易相關的上市規則的適用性

The related party transaction in respect of Note 25(b) above constitutes connected transactions as defined in Chapter 14A of the Listing Rules. However, the transaction is exempt from the disclosure requirement in Chapter 14A of the Listing Rules as it is below the de minimis threshold under Rule 14 A.76(1).

上述附註25(b)的關聯方交易構成關連交易(定義見上市規則第14A章)。然而，由於有關交易低於第14A.76(1)條的最低豁免水平，故可豁免遵守上市規則第14A章的披露規定。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 26 CONTINGENT LIABILITIES

At 31 December 2018, contingent liabilities not provided for in the consolidated financial statements were as follows:

#### (a) Performance bonds

	2018 二零一八年 \$'000 千元	2017 二零一七年 \$'000 千元
Performance bonds given to a customer for due and proper performance of projects undertaken by the Group's subsidiaries	1,880	-

為妥善執行本集團附屬公司所承接項目而給予一名客戶的履約保證金

#### (b) Financial guarantee issued

At 31 December 2017, the Group has issued a single guarantee in respect of a banking facilities granted by a bank to Well Crown Investment Limited, a related company. The Group has not recognised any deferred income in respect of the guarantee as its fair value cannot be reliably measured using observable market data and its transaction price was nil. The Group monitors the conditions that are subject to the guarantee to identify whether it is probable that a loss has occurred, and recognises any such losses under guarantees when those losses can be estimated. The directors of the Company do not consider it is probable that a claim will be made against the Group under the guarantee. The maximum liability of the Group at 31 December 2017 under the guarantee issued is the outstanding amount of the banking facilities utilised by Well Crown Investment Limited of \$3,467,000.

The outstanding guarantee as set out above was released by the bank upon listing of shares of the Company on the Main Board of the Stock Exchange. No outstanding guarantee was issued at 31 December 2018.

### 26 或然負債

於二零一八年十二月三十一日，並無於綜合財務報表內計提撥備的或然負債如下：

#### (a) 履約保證金

#### (b) 已發出財務擔保

於二零一七年十二月三十一日，本集團已就銀行向關聯公司優冠投資有限公司授出的銀行融資發出單一擔保。本集團並無就擔保確認任何遞延收入，原因為其公平值無法採用可觀察市場數據可靠計量及其成交價為零。本集團監察可受擔保影響的情況以識別是否可能出現虧損，並於可估計該等虧損時確認擔保項下任何虧損。本公司董事認為不大可能根據擔保向本集團提出申索。於二零一七年十二月三十一日，本集團於已發出擔保項下的最高負債為優冠投資有限公司已動用銀行融資的未償還款項3,467,000元。

上文所載未償還擔保於本公司股份在聯交所主板上市時獲銀行解除。於二零一八年十二月三十一日，本集團並無已發行的未償還擔保。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

## 27 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

## 27 公司層面的財務狀況表

			At 31 December 2018 於二零一八年 十二月三十一日	At 31 December 2017 於二零一七年 十二月三十一日
	Note 附註	\$'000 千元	\$'000 千元	
<b>Non-current assets</b>				
Investments in subsidiaries		2	2	
<b>Current assets</b>				
Other receivables		301	-	
Amounts due from subsidiaries		13,036	-	
Cash at bank and in hand		93,411	-	
		<b>106,748</b>	<b>-</b>	
<b>Current liabilities</b>				
Other payables		45	-	
Amounts due to shareholders		-	88	
Amounts due to subsidiaries		3,960	-	
		<b>4,005</b>	<b>88</b>	
<b>Net current assets/(liabilities)</b>		<b>102,743</b>	<b>(88)</b>	
<b>NET ASSETS/(LIABILITIES)</b>		<b>102,745</b>	<b>(86)</b>	
<b>CAPITAL AND RESERVES</b>				
Share capital	22(c)	10,000	-*	
Reserves		92,745	(86)	
<b>TOTAL EQUITY/(DEFICIT)</b>		<b>102,745</b>	<b>(86)</b>	

\* The balances represent amount less than \$1,000.

\* 結餘為數少於1,000元。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

(除另有註明外，均以港元列示)

### 28 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 31 December 2018, the directors consider the immediate parent and ultimate controlling party of the Group to be Prime Pinnacle Limited, which is incorporated in Republic of Seychelles. This entity does not produce financial statements available for public use.

### 29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

### 28 直接及最終控股方

於二零一八年十二月三十一日，董事認為本集團的直接母公司及最終控制方為於塞舌爾共和國註冊成立的Prime Pinnacle Limited。此實體並無編製可供公眾人士使用的財務報表。

### 29 截至二零一八年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響

截至此等財務報表刊發日期，香港會計師公會已頒佈多項修訂、新訂準則及詮釋，而有關修訂、新訂準則及詮釋於截至二零一八年十二月三十一日止年度尚未生效且並無於此等財務報表內採納。該等修訂、新訂準則及詮釋包括下列可能與本集團有關的項目。

		Effective for accounting periods beginning on or after 於下列日期或之後 開始的會計期間生效
HKFRS 16, <i>Leases</i>	香港財務報告準則第16號，租賃	1 January 2019 二零一九年一月一日
HK(IFRIC) 23, <i>Uncertainty over income tax treatments</i>	香港(國際財務報告詮釋委員會)詮釋第23號，所得稅不確定性的處理	1 January 2019 二零一九年一月一日
Annual Improvements to HKFRSs 2015–2017 Cycle	香港財務報告準則二零一五年至二零一七年週期的年度改進	1 January 2019 二零一九年一月一日

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)

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### 29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of HKFRS 16 which may have an insignificant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 16, the actual impact upon the initial adoption of this standard may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standard is initially applied in the Group's interim financial report for the six months ending 30 June 2019. The Group may also change its accounting policy elections, including the transition options, until the standard is initially applied in that financial report.

#### HKFRS 16, Leases

As disclosed in Note 2(f), currently the Group enters into leases arrangement as the lessee and classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease.

Once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

### 29 截至二零一八年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響(續)

本集團正在評估該等修訂、新訂準則及詮釋於首次應用期間的預期影響。迄今為止，本集團已識別香港財務報告準則第16號的若干方面可能對綜合財務報表造成的影響並不重大。預期影響的進一步詳情於下文討論。儘管本集團已大致完成評估香港財務報告準則第16號，但首次採納此準則所造成實際影響或有別於迄今為止按照本集團目前可得資料完成的評估，並可能於本集團截至二零一九年六月三十日止六個月的中期財務報告首次應用此準則之前識別其他影響。本集團亦可能改變其會計政策選擇(包括過渡選項)，直至於該財務報告首次應用有關準則為止。

#### 香港財務報告準則第16號，租賃

誠如附註2(f)所披露，本集團作為承租人訂立租賃安排，將租賃分類為融資租賃及經營租賃，並根據租賃分類將租賃安排分別入賬。

一經採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，受實際權宜方法的規限，承租人將按與現有融資租賃會計處理方法類似的方式將所有租賃入賬，即於租賃開始日期，承租人將按未來最低租賃付款的現值確認及計量租賃負債，並將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債未償還結餘所產生的利息開支及使用權資產折舊，而非根據現行政策於租期內按系統基準確認根據經營租賃所產生的租賃開支。作為實際權宜方法，承租人可選擇不將此會計模式應用於短期租賃(即租期為12個月或以下)及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。



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**29 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2018 (continued)****HKFRS 16, Leases (continued)**

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The Group plans to elect the practical expedient for not applying the new accounting model to short-term leases and leases of low-value assets.

As disclosed in Note 24, at 31 December 2018 the Group's future minimum lease payments under non-cancellable operating leases amounted to \$630,000 for properties, part of which is payable between 1 and 5 years after the reporting date. Therefore the Group does not expect this new requirement will have a significant impact on the Group upon adoption of HKFRS 16. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from opening lease commitments on adoption of HKFRS 16, after taking into account the applicability of practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

The Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material.

**29 截至二零一八年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響 (續)****香港財務報告準則第16號，租賃 (續)**

香港財務報告準則第16號將主要影響本集團作為租賃承租人就現時分類為經營租賃的物業所進行的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，並影響租賃期間於損益表內確認開支的時間。香港財務報告準則第16號於二零一九年一月一日或之後開始的年度期間生效。本集團計劃選用實際權宜方法，不就短期租賃及低價值資產的租賃應用新會計模式。

誠如附註24所披露，於二零一八年十二月三十一日，本集團物業根據不可撤銷經營租賃的未來最低租賃付款金額為630,000元，部分須於報告日期後1至5年內支付。因此，本集團預期於採納香港財務報告準則第16號時，是項新規定不會對本集團產生重大影響。本集團將需進行更詳細分析，以確定採納香港財務報告準則第16號時年初租賃承擔所產生的新資產及負債金額，當中已計及實際權宜方法的適用性，並就現時至採納香港財務報告準則第16號期間訂立或終止的任何租賃及折現影響作出調整。

本集團預期首次採納香港財務報告準則第16號的過渡調整並不重大。

**Man Shun Group (Holdings) Limited**  
**萬順集團(控股)有限公司**