

昊天國際建設投資集團有限公司

Hao Tian International Construction Investment Group Limited

(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 : 1341)

2018/19

Annual Report

年報



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. Zhiliang Ou, *J.P., (Australia)*
Mr. Fok Chi Tak
Mr. Tang Yiu Chi James

Independent Non-executive Directors

Mr. Lee Chi Hwa Joshua
Mr. Mak Yiu Tong
Mr. Li Chi Keung Eliot

AUDIT COMMITTEE

Mr. Lee Chi Hwa Joshua (*Chairman*)
Mr. Mak Yiu Tong
Mr. Li Chi Keung Eliot

REMUNERATION COMMITTEE

Mr. Mak Yiu Tong (*Chairman*)
Dr. Zhiliang Ou, *J.P. (Australia)*
Mr. Lee Chi Hwa Joshua
Mr. Li Chi Keung Eliot

NOMINATION COMMITTEE

Mr. Fok Chi Tak (*Chairman*)
Mr. Lee Chi Hwa Joshua
Mr. Mak Yiu Tong
Mr. Li Chi Keung Eliot

CHIEF EXECUTIVE OFFICER

Mr. Gao Zhangpeng (appointed on 1 March 2019)

董事會

執行董事

歐志亮博士，*太平紳士，(澳洲)*
霍志德先生
鄧耀智先生

獨立非執行董事

李智華先生
麥耀棠先生
李智強先生

審核委員會

李智華先生 (*主席*)
麥耀棠先生
李智強先生

薪酬委員會

麥耀棠先生 (*主席*)
歐志亮博士，*太平紳士，(澳洲)*
李智華先生
李智強先生

提名委員會

霍志德先生 (*主席*)
李智華先生
麥耀棠先生
李智強先生

行政總裁

高章鵬先生 (於二零一九年三月一日獲委任)

CORPORATE INFORMATION

公司資料

COMPANY SECRETARY

Ms. Chan Lai Ping (appointed on 1 February 2019)
Mr. Siu Kai Yin Edward (resigned on 1 February 2019)

公司秘書

陳麗平女士(於二零一九年二月一日獲委任)
蕭啟彥先生(於二零一九年二月一日辭任)

AUTHORISED REPRESENTATIVES

Mr. Fok Chi Tak
Ms. Chan Lai Ping

授權代表

霍志德先生
陳麗平女士

AUDITOR

BDO Limited
Certified Public Accountants
25/F., Wing On Centre
111 Connaught Road Central
Hong Kong

核數師

香港立信德豪會計師事務所有限公司
執業會計師
香港
干諾道中111號
永安中心25樓

LEGAL ADVISERS

As to Hong Kong laws:
Li & Partners
22/F, World-Wide House
Central
Hong Kong

法律顧問

香港法律：
李偉斌律師行
香港
中環
環球大廈22樓

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

股份過戶登記總處

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

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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

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54樓

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
Nanyang Commercial Bank, Ltd.
Bank of China (Hong Kong) Limited

REGISTERED OFFICE

P.O. Box 1350, Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

PRINCIPAL PLACE OF BUSINESS

Rooms 4917-4932, 49/F
Sun Hung Kai Centre
30 Harbour Road, Wan Chai
Hong Kong

STOCK CODE

1341

WEBSITE

www.haotianint.com.hk

主要往來銀行

星展銀行(香港)有限公司
南洋商業銀行有限公司
中國銀行(香港)有限公司

註冊辦事處

P.O. Box 1350, Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

主要營業地點

香港
灣仔港灣道30號
新鴻基中心
49樓4917-4932室

股份代號

1341

網站

www.haotianint.com.hk

DIRECTOR'S STATEMENT

董事報告書

The board (the "Board") of directors (the "Directors") is pleased to announce the annual results of Hao Tian International Construction Investment Group Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 March 2019 (the "Year").

During the Year, the Group continues to engage primarily in rental of construction machinery; trading of construction machinery, spare parts, and construction materials; and provision of machinery transportation services. Besides, the Group completed the acquisition of Hao Tian International Financial Holdings Limited (昊天國際金融控股有限公司), a company which provides financial services including regulated activities under the Securities and Futures Ordinance ("SFO"), insurance agency and money lending, at a cost of HK\$180 million on 13 December 2018.

For the construction machinery business, the economic environment worldwide and local economy in Hong Kong are full of uncertainties and challenges. Apart from internal issues and external impacts, we are also facing other factors that increasingly affect our industry. Although various infrastructure projects were approved and commenced, new and subsequent public funding have been approved in a much slower pace than those committed in the previous year. Such delays in funding approvals caused projects to lag behind the original schedules so contractors tend to be more cautious when making investment decisions on construction machinery.

For the financial services business, the Group is confident in the prospects of development of the financial business markets in Hong Kong and the Mainland China, and would like to increase the presence of financial business market by either organic growth or working with reputable partners. During the year, the Group has set up the first fund with Riverwood Asset Management (Cayman) Limited with a total assets under management ("AUM") of USD40,000,000. This allows the Group to earn stable management fee income and performance bonus, which was a new source of income to the Group.

董事(「董事」)會(「董事會」)欣然宣佈昊天國際建設投資集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一九年三月三十一日止年度(「本年度」)業績。

於本年度，本集團繼續主要從事建築機械租賃；建築機械、備用零件及建築物料銷售；以及提供機械運輸服務方面之業務。此外，本集團已於二零一八年十二月十三日以1.8億港元完成收購昊天國際金融控股有限公司，該公司提供包括證券及期貨條例(「證券及期貨條例」)受規管活動、保險代理及放貸在內的金融服務業務。

於建築機械業務方面，全球經濟環境及香港本地市場充斥不明朗因素及挑戰。除內部事務及外部影響外，我們亦面臨對行業有更大影響的其他要素。儘管多個基建項目已獲批准及開始，惟後續新公共資金審批遠較去年遲緩。有關資金審批延遲導致項目未能跟上原定計劃，以致承建商於作出建築機械投資決定時更為謹慎。

於金融服務業務方面，本集團對香港及內地金融業務市場的發展前景充滿信心，並有意透過內生增長或與聲譽良好的夥伴合作，壯大金融業務市場之版圖。於本年度，本集團首次與Riverwood Asset Management (Cayman) Limited設立基金，管理資產(「管理資產」)總值為40,000,000美元。此舉使本集團得以賺取穩定管理費收入及表現花紅，乃本集團之新收入來源。

DIRECTOR'S STATEMENT

董事報告書

During the Year, the Group's revenue increased by approximately 6.4%, from approximately HK\$165.9 million for the year ended 31 March 2018 (the "Previous Year") to approximately HK\$176.5 million for the Year. The increase was a result of commencement of the business of provision of commodities, future, securities, brokerage and financial services. Loss attributable to the owners of the Company was approximately HK\$6.5 million for the Year, against the loss attributable to the owners of the Company of approximately HK\$12.5 million for the Previous Year. Gross profit margin increased from approximately 8.1% for the Previous Year to approximately 15.7% for the Year.

Though facing challenges in business operating environment, the Group continues to invest in human resources and its rental fleet of construction machinery, while proactively expanding its financial services business by constantly exploring new investment opportunities. With on-going investments by the Group, the Board believes that the Group is in a more competitive position to seize new opportunities in coming years.

Last but not least, the Board would like to express its sincere gratitude to the management of the Group (the "Management") and all the staff for their hard work and dedication, as well as its shareholders, business partners and other professional parties for their support throughout the Year. The Group will continue to explore a diversified business development model and enhance its comprehensive strength to create satisfactory returns for our investors.

Fok Chi Tak
Executive Director

10 June 2019

於本年度，本集團收入由截至二零一八年三月三十一日止年度（「去年」）約165.9百萬港元上升約6.4%至本年度約176.5百萬港元。有關上升乃由於開始提供商品、期貨、證券、經紀及金融服務之業務所致。於本年度本公司擁有人應佔虧損約為6.5百萬港元，而去年本公司擁有人應佔虧損約12.5百萬港元。毛利率由去年約8.1%上升至本年度約15.7%。

儘管面臨充滿挑戰之營商環境，惟本集團繼續投資於人力資源及其建築機械租賃機隊，同時，積極拓展金融服務業務，不斷探索尋求新的投資機會。憑藉本集團之持續投資，董事會相信本集團於未來數年將提升競爭力以把握新機遇。

最後，董事會謹就本集團管理層（「管理層」）及全體員工的努力及奉獻，以及就其股東、業務夥伴及其他專業人士於本年度內的支持表示至誠感謝。本集團將不斷探索多元化業務發展模式，提升本集團之綜合實力，為投資者創造理想的回報。

執行董事
霍志德

二零一九年六月十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MARKET REVIEW

The economic environment worldwide and the local economy in Hong Kong are full of uncertainties and challenges. Whilst various infrastructure projects have been approved and have commenced, the approval of new and subsequent public funding has been much slower as compared to previous years. Such delays in funding approvals have caused projects to lag behind their original schedules causing contractors to be more cautious when making investment decisions on construction machinery. Nevertheless, the Board believes that the demand for construction machinery will grow in the coming years after the launch of major projects such as the Three-runway system at Chek Lap Kok Airport, Tseung Kwan O — Lam Tin Tunnel, Central Kowloon Route, Kai Tak Development etc. Thus, the Group has focused on upgrading the rental fleet by bringing in brand new and environmentally friendly equipment, which has ensured the continuous provision of high quality, reliable and safe equipment to the construction market. Meanwhile, upon completion of the HTIFH Acquisition (details of which are set out in the paragraph headed “Acquisition of Hao Tian International Financial Holdings” of this report) in December 2018, the Group has completed a corporate restructuring and acquired a new line of business in the financial services. The Board believes diversification of business would broaden the source of income and will potentially increase the Group’s revenue and enhance the Group’s financial performance.

BUSINESS REVIEW

The Group was principally engaged in the construction machinery business, serving primarily the construction sector in Hong Kong and financial services. The Group’s principal activities included (i) rental of construction machinery, such as crawler cranes, aerial platforms and foundation equipment, and provision of repair and maintenance service; (ii) trading of new or used construction machinery, spare parts and construction materials; (iii) provision of machinery transportation services; and (iv) provision of commodities, futures, securities and financial services and related advisory services.

市場回顧

全球經濟環境及香港本地經濟充斥不明朗因素及挑戰。儘管多個基建項目已獲批准及開展，惟後續新公共資金審批遠較過往年度遲緩。資金審批延遲導致項目未能跟上原定計劃，以致承建商於作出建築機械投資決定時更為謹慎。然而，董事會相信建築機械需求將於未來數年大型項目（如赤鱘角機場三跑道系統、將軍澳 — 藍田隧道、中九龍幹線及啟德發展項目等）上馬後有所增長。因此，本集團專注透過引入全新及環保設備升級租賃機隊，從中確保向建築市場持續提供優質、可靠及安全設備。此外，於二零一八年十二月完成昊天國際金融控股收購事項（有關詳情載於本報告「收購昊天國際金融控股」一段）後，本集團已完成公司重組，並收購一項新的金融服務業務。董事會相信，業務多元化可擴大收入來源，並將增加本集團之潛在收入及提升本集團之財務表現。

業務回顧

本集團主要從事建築機械業務（主要服務香港建造業）及金融服務。本集團主要業務包括(i)建築機械租賃（例如履帶吊機、升降工作台及地基設備）及提供維修及保養服務；(ii)全新或二手建築機械、備用零件及建築物料銷售；(iii)提供機械運輸服務；及(iv)提供商品、期貨、證券及金融服務以及相關諮詢服務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Rental of construction machinery and provision of repair and maintenance services

The Group offered crawler cranes of different sizes, other mobile cranes, aerial platforms and foundation equipment in its rental fleet. For crawler cranes, the mix in the rental fleet ranged from 2.9-tonne mini crawler cranes to 750-tonne massive crawler cranes. The Group sourced these construction machinery mainly through the manufacturers of construction machinery located in developed countries in Western Europe and Northern Asia as well as traders of used construction machinery around the world.

The Group has maintained over 200 units of construction machinery in the rental fleet during the Year. Details of the construction machinery carried by the Group which were available for the rental operations are summarised as follows:

業務回顧(續)

建築機械租賃及提供維修及保養服務

本集團旗下租賃機隊提供各種不同體積大小的履帶吊機、其他流動吊機、升降工作平台及地基設備。就履帶吊機而言，租賃機隊內的吊機包括介乎2.9噸的小型履帶吊機至750噸的重型履帶吊機。本集團主要向位於西歐及北亞發達國家的建築機械製造商以及全球二手建築機械銷售商採購建築機械。

於本年度，本集團的租賃機隊有超過200台建築機械。可供本集團旗下租賃業務使用的建築機械詳情概述如下：

		As at 31 March 於三月三十一日	
		2019 二零一九年	2018 二零一八年
		Number in fleet 機隊數目	Number in fleet 機隊數目
Crawler cranes and other mobile cranes	履帶吊機及其他流動吊機	102	92
Aerial platforms	升降工作平台	85	84
Foundation equipment	地基設備	37	43
		224	219

In order to maintain a modern fleet of construction machinery with a greater variety of models, the Group has been replacing portions of its fleet of construction machinery from time to time. The Board will continue to monitor the daily operations and review the expansion plan of the rental fleet and the capital requirements of the Group regularly. The Group may reschedule such expansion plan according to the operation and needs, the preference of the target customers and prevailing market conditions if necessary. The Group may also revise the timing and financing arrangements for the purchase of additional, and replacement of, existing construction machinery if the market condition changes or other factors deemed necessary.

為維持更多型號種類的先進建築機械機隊，本集團一直不時更換機隊部分建築機械。董事會將繼續定期監察日常營運以及檢討租賃機隊的擴展計劃及本集團的資本需求。本集團或會因應營運及需要、目標客戶的偏好以及現行市況(如有必要)更改該等擴展計劃時間表。倘市況有變或出現其他視為必要的因素，本集團亦可能修訂購置額外設備及更換現有建築機械的時間表及融資安排。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (continued)

Trading of construction machinery, spare parts and construction materials

The Group was also engaged in the trading of new construction machinery, spare parts and construction materials as well as used construction machinery. To accommodate the needs of different customers, the Group offered a wide range of construction machinery including crawler cranes with lifting capacity of up to 750 tonnes, aerial platforms and foundation equipment. The Group entered into several dealership arrangements with construction machinery manufacturers in Europe, Japan and Korea. To satisfy customers' needs, the Group also sold spare parts to customers for maintenance purposes or upon request.

Transportation services

The transportation services included local container delivery, construction site delivery and heavy machinery transport. According to customers' requests, the Group arranged and provided these services with various transportation vehicles and equipment including 44-tonne heavy load trucks, 8-tonne to 25-tonne crane lorries, 20-feet to 40-feet trailers, and under 38-tonne trucks.

Provision of commodities, futures, securities and financial services and related advisory services

Upon completion of HTIFH Acquisition, the Group holds (i) SFC licences for conducting type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities) and type 9 (asset management) regulated activities; (ii) membership of the Hong Kong Confederation of Insurance Brokers (HKCIB) authorised to offer general insurance and long-term (including linked long-term) insurance; and (iii) a money lender licence, which allows the Group to provide a wide range of financial services. The Group believes that with the regional advantages of Hong Kong as an international financial center, the provision of financial services will bring many business opportunities and long-term stable income and steady growth to the Group.

業務回顧(續)

建築機械、備用零件及建築物料銷售

本集團亦從事全新建築機械、備用零件及建築物料以及二手建築機械銷售。為迎合不同客戶的需要，本集團提供林林種種的建築機械，包括吊重能力高達750噸的履帶吊機、升降工作台及地基設備。本集團已與歐洲、日本及韓國的建築機械製造商達成多項經銷安排。為滿足客戶的需求，本集團亦向客戶銷售備用零件供維修之用或應其要求而售賣。

運輸服務

運輸服務包括本地貨櫃運輸服務、地盤建築運輸服務及重型機械運輸服務。本集團因應客戶要求安排以各種運輸汽車及設備提供有關服務，包括44噸重型貨櫃車、8噸至25噸吊臂車、20呎至40呎骨架及38噸以下的貨櫃車。

提供商品、期貨、證券及金融服務以及相關諮詢服務

於昊天國際金融控股收購事項完成後，本集團(i)持有證監會牌照進行第1類(證券交易)、第2類(期貨合約交易)、第4類(就證券提供意見)及第9類(提供資產管理)受規管活動；(ii)為香港保險顧問聯會會員，獲授權從事一般保險業務及長期(包括相連長期)保險業務；及(iii)為放債人牌照持有人，使本集團得以提供多種金融服務。本集團相信，憑藉香港國際金融中心的區域優勢，該項收購必將為本集團帶來眾多商業機遇以及長期穩定收入，令本集團平穩增長。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

The total revenue increased by approximately HK\$10.6 million, or 6.4%, from approximately HK\$165.9 million for the Previous Year to approximately HK\$176.5 million for the Year. Such increase was mainly attributable to the provision of commodities, futures, securities and financial services upon completion of the HTIFH Acquisition on 13 December 2018.

Rental of construction machinery and provision of repair and maintenance services

The revenue from rental of construction machinery decreased by approximately HK\$11.8 million, or 10.0%, from approximately HK\$117.9 million for the Previous Year to approximately HK\$106.1 million for the Year. The decrease was mainly due to the delay in the commencement of several public projects and public related projects.

Trading of construction machinery, spare parts and construction materials

The revenue from trading of construction machinery, spare parts and construction materials increased by approximately HK\$8.0 million, or 17.1%, from approximately HK\$46.8 million for the Previous Year to approximately HK\$54.8 million for the Year. The increase was mainly due to the increased demand for replacement with brand new and environmentally friendly construction machinery.

Transportation services

The revenue from provision of transportation services increased by approximately HK\$0.3 million, or 25.0%, from approximately HK\$1.2 million for the Previous Year to approximately HK\$1.5 million for the Year.

Provision of commodities, futures, securities and financial services and related advisory services

After completion of the HTIFH Acquisition completed on 13 December 2018, the provision of commodities, futures, securities and financial services contributed HK\$14.1 million for the Year.

財務回顧

收入

總收入由去年約165.9百萬港元增加約10.6百萬港元或6.4%至本年度約176.5百萬港元，主要由於昊天國際金融控股收購事項於二零一八年十二月十三日完成後提供商品、期貨、證券及金融服務所致。

建築機械租賃及提供維修及保養服務

來自建築機械租賃的收入由去年約117.9百萬港元下跌約11.8百萬港元或10.0%至本年度約106.1百萬港元，主要由於數個公共項目及公共相關的項目延期動工。

建築機械、備用零件及建築物料銷售

來自建築機械、備用零件及建築物料銷售的收入由去年約46.8百萬港元增加約8.0百萬港元或17.1%至本年度約54.8百萬港元，主要由於對更換新型及環保建築機械的需求增加。

運輸服務

來自提供運輸服務的收入由去年約1.2百萬港元增加約0.3百萬港元或25.0%至本年度約1.5百萬港元。

提供商品、期貨、證券及金融服務以及相關諮詢服務

於二零一八年十二月十三日完成昊天國際金融控股收購事項後，提供商品、期貨、證券及金融服務為本年度貢獻14.1百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

GROSS PROFIT AND GROSS PROFIT MARGIN

The gross profit increased by approximately HK\$14.2 million, or 105.2%, from approximately HK\$13.5 million for the Previous Year to approximately HK\$27.7 million for the Year, whereas the gross profit margin increased from approximately 8.1% for the Previous Year to approximately 15.7% for the Year. The increase in gross profit and gross profit margin was mainly due to gross profit generated from provision of money lending services.

Rental of construction machinery and provision of repair and maintenance services

The gross profit of construction machinery rental services increased by approximately HK\$6.2 million, or 105.1%, from approximately HK\$5.9 million for the Previous Year to approximately HK\$12.1 million for the Year. In addition, the gross profit margin of construction machinery rental services increased from approximately 5.0% for the Previous Year to approximately 11.4% for the Year. The increase in gross profit margin of construction machinery rental services was mainly due to the decrease in sub-contracting fee, removal fee and truck costs.

Trading of construction machinery, spare parts and construction materials

The gross profit of the trading of construction machinery, spare parts and construction materials decreased by approximately HK\$6.2 million, or 82.7%, from approximately HK\$7.5 million for the Previous Year to approximately HK\$1.3 million for the Year. In addition, the gross profit margin of the trading of construction machinery and parts decreased from approximately 15.9% for the Previous Year to approximately 2.3% for the Year. The decrease in gross profit margin for trading of construction machinery and parts was mainly due to the decrease in trading of used machinery, which normally has a higher gross profit margin than trading of new machinery.

Provision of commodities, futures, securities and financial services and related advisory services

The gross profit of financial services was approximately HK\$14.1 million during the Year. This is a new business segment acquired by the Group in December 2018.

毛利及毛利率

毛利由去年約13.5百萬港元增加約14.2百萬港元或105.2%至本年度約27.7百萬港元，而毛利率則由去年約8.1%上升至本年度約15.7%。毛利及毛利率增加乃主要由於提供放貸業務產生之毛利。

建築機械租賃及提供維修及保養服務

建築機械租賃服務的毛利由去年約5.9百萬港元增加約6.2百萬港元或105.1%至本年度約12.1百萬港元。此外，建築機械租賃服務的毛利率由去年約5.0%上升至本年度約11.4%。建築機械租賃服務的毛利率上升主要由於承建費用、遷移費用及卡車運費減少。

建築機械、備用零件及建築物料銷售

建築機械、備用零件及建築物料銷售的毛利由去年約7.5百萬港元減少約6.2百萬港元或82.7%至本年度約1.3百萬港元。此外，建築機械及零件銷售的毛利率由去年約15.9%下跌至本年度約2.3%。建築機械及零件銷售的毛利率下跌主要由於二手機械的銷售下跌，而其毛利率一般較銷售新型機械者為高。

提供商品、期貨、證券及金融服務以及相關諮詢服務

金融服務於本年度的毛利約為14.1百萬港元。此乃本集團於二零一八年十二月收購之全新業務分部。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OTHER INCOME OTHER GAINS AND LOSSES

The other income and gains increased by approximately HK\$12.7 million, or 104.1%, from approximately HK\$12.2 million for the Previous Year to approximately HK\$24.9 million for the Year. The increase in other income and gains was mainly attributable to the increase in fair value of financial assets at fair value through profit or loss of approximately HK\$17.9 million for the Year.

ADMINISTRATIVE EXPENSES

The administrative expenses increased by approximately HK\$11.4 million, or 33.6%, from approximately HK\$33.9 million for the Previous Year to approximately HK\$45.3 million for the Year. The increase in administrative expenses was mainly due to the increase in the professional fees incurred for the HTIFH Acquisition and the administrative expenses incurred in the commodities, futures, securities and financial services segment.

FINANCE COSTS

The finance costs increased by approximately HK\$0.2 million, or 2.6%, from approximately HK\$7.6 million for the Previous Year to approximately HK\$7.8 million for the Year.

NET LOSS

The Group's net loss for the Year was approximately HK\$6.5 million (2018: approximately HK\$12.5 million) and the net loss margin was approximately 3.7% (2018: approximately 7.6%).

其他收入、其他收益及虧損

其他收入及收益由去年約12.2百萬港元增加約12.7百萬港元或104.1%至本年度約24.9百萬港元，主要由於本年度以公平值計量且其變化計入損益之金融資產之公平值增加約17.9百萬港元。

行政開支

行政開支由去年約33.9百萬港元增加約11.4百萬港元或33.6%至本年度約45.3百萬港元，主要由於昊天國際金融控股收購事項產生的專業費用以及商品、期貨、證券及金融服務分部產生的行政開支增加。

融資成本

融資成本由去年約7.6百萬港元增加約0.2百萬港元或2.6%至本年度約7.8百萬港元。

淨虧損

本集團於本年度的淨虧損約為6.5百萬港元(二零一八年：約12.5百萬港元)及淨虧損率約為3.7%(二零一八年：約7.6%)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group had a solid financial position and continued to maintain a strong and steady cash flow from operating activities. During the Year, the Group's primary sources of funding included proceeds from the rights issue of the ordinary shares in the Company (the "Shares"), cash generated from operating activities and the credit facilities provided by the Group's principal banks in Hong Kong.

As at 31 March 2019, the Group had bank balances and cash and pledged bank deposits of approximately HK\$129.5 million (2018: approximately HK\$119.7 million) and approximately HK\$4.7 million (2018: approximately HK\$4.6 million) respectively.

As at 31 March 2019, the Group had total assets of approximately HK\$1,080.3 million (2018: approximately HK\$634.3 million), net current assets of approximately HK\$362.1 million (2018: approximately HK\$76.1 million) and net assets of approximately HK\$766.8 million (2018: approximately HK\$353.0 million).

As at 31 March 2019, the Group's current assets and current liabilities were approximately HK\$574.0 million (2018: approximately HK\$229.0 million) and approximately HK\$211.9 million (2018: approximately HK\$152.9 million) respectively. The Group's current ratio increased to approximately 2.7 times as at 31 March 2019 (2018: approximately 1.5 times).

The Management believes that the Group's current bank balances and cash, together with the credit facilities available and the expected cash flow from operations, will be sufficient to satisfy its current operational requirements.

流動資金、資金來源及資本結構

本集團財務狀況穩健並繼續自經營活動獲得穩定的雄厚現金流量。於本年度，本集團的主要資金來源包括供股發行本公司普通股（「股份」）所得款項、經營活動所產生現金及本集團獲香港主要往來銀行提供的信貸融資。

於二零一九年三月三十一日，本集團有銀行結餘及現金以及已抵押銀行存款分別約129.5百萬港元（二零一八年：約119.7百萬港元）及約4.7百萬港元（二零一八年：約4.6百萬港元）。

於二零一九年三月三十一日，本集團的資產總值約為1,080.3百萬港元（二零一八年：約634.3百萬港元）、流動資產淨值約為362.1百萬港元（二零一八年：約76.1百萬港元）及資產淨值約為766.8百萬港元（二零一八年：約353.0百萬港元）。

於二零一九年三月三十一日，本集團有流動資產及流動負債分別約574.0百萬港元（二零一八年：約229.0百萬港元）及約211.9百萬港元（二零一八年：約152.9百萬港元）。於二零一九年三月三十一日，本集團的流動比率上升至約2.7倍（二零一八年：約1.5倍）。

管理層相信本集團現有銀行結餘及現金，連同可用信貸融資及來自業務的預期現金流量，將足以滿足其現時營運所需。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

GEARING RATIO AND INDEBTEDNESS

Gearing ratio is calculated by dividing total debts (including borrowings, obligations under finance leases, loan from a director, amounts due to related companies and a director) with total equity and it was approximately 32.9% as at 31 March 2019 (2018: approximately 61.8%). The decrease was mainly due to the issue of the Shares pursuant to the Rights Issue during the Year.

As at 31 March 2019, the borrowings, obligations under finance leases, loan from a director, amounts due to related companies and a director amounted to approximately HK\$252.4 million (2018: approximately HK\$218.0 million) of which approximately HK\$179.0 million were repayable on demand or within one year, approximately HK\$60.0 million were repayable in the second year; approximately HK\$13.4 million were repayable in the third to fifth year from the end of the reporting period.

CHARGES ON THE GROUP'S ASSETS

As at 31 March 2019, the Group's borrowings and obligations under finance leases are secured by (1) leasehold land and building with net carrying amount of approximately HK\$0.6 million (2018: approximately HK\$0.6 million); (2) bank deposits of approximately HK\$4.7 million (2018: approximately HK\$4.6 million) and (3) machinery and motor vehicles with net carrying amount of approximately HK\$148.4 million (2018: approximately HK\$154.4 million).

CAPITAL EXPENDITURE

The total capital expenditure incurred for the Year was approximately HK\$67.5 million (2018: approximately HK\$66.8 million), which was mainly used in the purchase of machinery for the rental business.

資產負債比率及債務

於二零一九年三月三十一日，資產負債比率按債務總額(包括借貸、融資租賃責任、來自一名董事之貸款及應付關聯公司及一名董事款項)除以權益總額計算，約為32.9%(二零一八年：約61.8%)。有關減少主要由於本年度根據供股發行股份。

於二零一九年三月三十一日，借貸、融資租賃責任、來自一名董事之貸款、應付關聯公司及一名董事款項約為252.4百萬港元(二零一八年：約218.0百萬港元)，其中約179.0百萬港元須按要求或於報告期末起一年內償還；約60.0百萬港元須於第二年償還；約13.4百萬港元須於第三至第五年償還。

本集團資產押記

於二零一九年三月三十一日，本集團借貸及融資租賃責任以(1)賬面淨值約0.6百萬港元(二零一八年：約0.6百萬港元)的租賃土地及樓宇；(2)銀行存款約4.7百萬港元(二零一八年：約4.6百萬港元)；及(3)賬面淨值約148.4百萬港元(二零一八年：約154.4百萬港元)的機械及車輛作擔保。

資本開支

本年度產生的資本開支總額約為67.5百萬港元(二零一八年：約66.8百萬港元)，主要用於購買租賃業務的機械。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

INTEREST RATE RISK

The Group's pledged bank deposits and finance lease receivables bore fixed interest rates. The Group's cash at bank balances bore floating interest rates. The Group also had borrowings, obligations under finance leases and loan from a director which bear interests at fixed and floating interest rates. Exposure to interest rate risk existed on those outstanding balances subject to floating interest rate when there are unexpected adverse interest rate movements. The Group's policy was to manage its interest rate risk, working within an agreed framework, to ensure that there were no undue exposures to significant interest rate movements and rates are approximately fixed when necessary.

CURRENCY RISK

The Group mainly operated in Hong Kong with most of the transactions denominated and settled in Hong Kong Dollars, Japanese Yen ("JPY") and Euro ("EURO"). The Group's exposure to foreign currency risk primarily arose from certain financial instruments including trade receivables, bank balances and cash, trade payables, borrowings and obligation under finance leases which were denominated in JPY, EURO, and United States Dollars. The Group did not adopt any hedging strategy in the long run but the management continuously monitored the foreign exchange risk exposure and might enter into foreign exchange forward contracts on a case-by-case basis. The Group has not used any hedging contracts to engage in speculative activities.

CREDIT RISK AND LIQUIDITY RISK

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

利率風險

本集團的已抵押銀行存款及融資租賃應收款項以固定利率計息。本集團的銀行現金結餘以浮動利率計息。本集團亦有採用固定利率及浮動利率計息的借貸、融資租賃責任及來自一名董事之貸款。一旦出現未能預料的不利率變動，該等以浮動利率計息的未償還結餘將面對利率風險。本集團的政策為在協定框架內管理其利率風險，以確保在出現重大利率變動時不會承受過高風險，並於有需要時大致固定利率。

貨幣風險

本集團主要於香港營業，絕大部分交易以港元、日圓（「日圓」）及歐元（「歐元」）計值及結算。本集團面對的外幣風險主要來自若干以日圓、歐元及美元計值的金融工具，包括貿易應收款項、銀行結餘及現金、貿易應付款項、借貸以及融資租賃責任。本集團並無採納任何長遠對沖策略，但管理層持續監察外匯風險並可能按個別基準訂立遠期外匯合約。本集團並無採用任何對沖合約以從事投機活動。

信貸風險及流動資金風險

本集團就庫務政策採取審慎財務管理方針，故於本年度一直維持穩健的流動資金狀況。本集團致力透過持續信貸評估及評核客戶的財務狀況而降低信貸風險。為管理流動資金風險，董事會密切監察本集團的流動資金狀況，以確保本集團的資產、負債及其他承擔的流動資金架構符合其資金要求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CAPITAL COMMITMENTS

The capital commitments consisted primarily of acquisition of subsidiaries and purchase of construction machinery for rental purpose. As at 31 March 2019, the capital commitments contracted but not provided for amounted to approximately HK\$19.3 million (2018: approximately HK\$50 million cash and 125 million Shares be issued by the Company).

CONTINGENT LIABILITIES

As at 31 March 2019, the Group provided performance guarantees amounting to approximately HK\$10.2 million (2018: corporate guarantees and performance guarantee amounting to approximately HK\$0.3 million and approximately HK\$11.2 million respectively) to the banks in respect of obligations under finance leases and the Group's obligations under contracts with certain third party customers. Under the guarantees, the Group would be liable to make payments to the banks if the banks were unable to recover the amounts under these finance leases from the third party customers or the Group failed to perform the relevant obligations to these customers. As at 31 March 2019 and 2018, no provision for the Group's obligations under the guarantee contracts has been made as the Directors of the Company considered that it was not probable that the repayment of the finance lease obligations would be in default, and it was therefore not probable that a claim will be made against the Group.

EVENTS AFTER THE REPORTING PERIOD

On 29 April 2019, the Company completed the disposal of a property holding company, which hold a parcel of land situated in Tai Tong, Yuen Long, Hong Kong for an aggregate cash consideration of HK\$100,000,000 (the "Disposal"). It is expected that the Group will record a net book gain of approximately HK\$31,121,000 from the Disposal. The actual amount of gain or loss as a result of the Disposal to be recorded by the Company will be subject to the review and final audit by the auditors of the Company.

資本承擔

資本承擔主要包括收購附屬公司及購買建築機械作租賃用途。於二零一九年三月三十一日，已訂約但未撥備的資本承擔約為19.3百萬港元(二零一八年：現金約50百萬港元及本公司將予發行的125百萬股股份)。

或然負債

於二零一九年三月三十一日，本集團就融資租賃責任及本集團於與若干第三方客戶所訂立合約項下的責任向銀行提供履約擔保約10.2百萬港元(二零一八年：公司擔保及履約擔保分別約0.3百萬港元及約11.2百萬港元)。根據擔保，倘銀行未能自第三方客戶收取該等融資租賃項下款項或倘本集團未能履行其對該等客戶的相關責任，本集團須向銀行支付有關款項。於二零一九年及二零一八年三月三十一日，由於本公司董事認為在償還融資租賃責任方面不大可能違約並因而不大可能會有針對本集團作出的索償，故並未就本集團於擔保合約項下的責任作出撥備。

報告期後事項

於二零一九年四月二十九日，本公司完成出售一間於香港元朗大棠持有一幅地塊的物業控股公司，總現金代價為100,000,000港元(「出售事項」)。預期本集團將從出售事項錄得約31,121,000港元之淨賬面收益。本公司因進行出售事項所得之實際損益金額須待本公司核數師審閱及最終審核後方可作實。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2019, the Group had 140 staff (2018: 128). The total staff costs incurred by the Group for the Year were approximately HK\$58.9 million (2018: approximately HK\$60.5 million).

The Group generally recruited its employees from the open market or by referral and entered into service contracts with its employees. The Group offered attractive remuneration packages to the employees. In addition to salaries, the employees would be entitled to bonuses taking into account to the performance of the Company and the relevant employees. The Group provided a defined contribution to the Mandatory Provident Fund as required under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for the eligible employees.

The operation staff consisted of experienced machinery operators and technicians. While such employees were highly demanded in the market, the Group managed to maintain a relatively stable workforce by continuous recruitment from the market or through referrals. New employees were required to attend induction courses to ensure that they were equipped with the necessary skills and knowledge to perform their duties. In order to promote overall efficiency, the Group also offered technical trainings to existing employees on the operation of more advanced construction machinery from time to time. Selected operation staff were required to attend external trainings which were conducted by the manufacturers of the construction machines to acquire up-to-date technical skills and knowledge on the products of the Group.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Year.

FINAL DIVIDEND

The Board does not recommend the payment of final dividend to shareholders of the Company ("Shareholders") for the Year.

僱員及薪酬政策

於二零一九年三月三十一日，本集團有140名員工(二零一八年：128名)。本集團於本年度的員工成本總額約為58.9百萬港元(二零一八年：約60.5百萬港元)。

本集團一般從公開市場或經由轉介聘請僱員，並與僱員訂立服務合約。本集團向僱員提供具有吸引力的薪酬組合。除薪金外，僱員可享有經考慮本公司及相關僱員表現的花紅。本集團根據香港法例第485章強制性公積金計劃條例的規定為合資格僱員向強制性公積金作出定額供款。

營運員工包括經驗豐富的機械操作員及機械技師。由於市場對有關僱員的需求極高，本集團從市場或經由轉介不斷招聘以維持相對穩定的人手。新入職僱員須參與入職簡介課程，以確保具備履行職責所需技術及知識。為提升整體效率，本集團亦不時向現有僱員提供技術培訓，以學習操作更先進的建築機械。獲挑選操作人員須出席建築機械製造商舉辦的外部培訓，以獲取有關本集團產品的最新專門技術及知識。

購買、出售或贖回本公司上市證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

末期股息

於本年度，董事會不建議向本公司股東(「股東」)派發末期股息。

MANAGEMENT DISCUSSION AND ANALYSIS

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EQUITY FUND RAISING ACTIVITY IN THE PAST TWO YEARS

The Group carried out a number of equity fund raising activities in the past two years. The details of equity fund raising activities and the actual use of proceeds are as follows:

於過去兩年進行的股本集資活動

本集團於過去兩年進行多項股本集資活動。股本集資活動詳情及所得款項實際用途如下：

Date of announcement	Events	Approximate net proceeds	Intended use of net proceeds	Actual use of proceeds as at the date of this report
公告日期	事項	概約所得款項淨額	所得款項淨額的擬定用途	於本報告日期的所得款項實際用途
10 May 2017	Placing (the "Placing") of 200,000,000 new Shares with an aggregate nominal value of HK\$2,000,000 by the Company to no less than six places who were professional, institutional or other investors who and whose ultimate beneficial owners were independent of and not connected with the Company, the connected persons of the Company and their respective associates, at the placing price of HK\$0.62 per placing Share (and net issue price being HK\$0.605 per placing Share). The closing price of the Shares on 10 May 2017 was HK\$0.66.	Approximately HK\$121.4 million	The net proceeds of the Placing was previously intended to be used in real estate development and investment properties and expansion opportunities in respect of the rental of construction machinery business in the People's Republic of China (the "PRC"), Singapore, Vietnam and the United Kingdom by the Company; and for the general working capital of the Company. In view of recent changes in business development strategies and investment opportunities, the Company changed the intended use of proceeds to satisfy part of the cash consideration payable under the HTIFH Acquisition (details of which are set out in the paragraph headed "Acquisition of Hao Tian International Financial Holdings" of this report).	The net proceeds of approximately HK\$121.4 million has been utilised. Of this, approximately HK\$12.2 million was utilised as intended for general working capital purposes and approximately HK\$109.2 million was utilised in respect of the HTIFH Acquisition.
二零一七年五月十日	本公司按配售價每股配售股份0.62港元(及淨發行價每股配售股份0.605港元)向不少於六名承配人(屬專業、機構或其他投資者,其最終實益擁有人獨立於本公司、本公司關連人士及彼等各自的聯繫人,且與彼等概無任何關連)配售200,000,000股總面值2,000,000港元的新股份(「配售」)。股份於二零一七年五月十日的收市價為0.66港元。	約121.4百萬港元	配售所得款項淨額原計劃用於房地產開發及投資物業以及本公司於中華人民共和國(「中國」)、新加坡、越南及英國建築機械租賃業務的擴張機會;以及用作本公司一般營運資金。鑑於近期業務發展策略及投資機會有變,本公司已更改所得款項擬定用途以償付部分昊天國際金融控股收購事項之應付現金代價(有關詳情載於本報告「收購昊天國際金融控股」一段)。	所得款項淨額約121.4百萬港元已動用,當中約12.2百萬港元按預期用作一般營運資金,而約109.2百萬港元則用於昊天國際金融控股收購事項。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EQUITY FUND RAISING ACTIVITY IN THE PAST TWO YEARS (continued)

於過去兩年進行的股本集資活動(續)

Date of announcement	Events	Approximate net proceeds	Intended use of net proceeds	Actual use of proceeds as at the date of this report
公告日期	事項	概約所得款項淨額	所得款項淨額的擬定用途	於本報告日期的所得款項實際用途
25 June 2018	On 25 June 2018, the Company proposed a 1-for-2 rights issues (the "Rights Issue") to raise proceeds of approximately HK\$180 million. For details of the Rights Issue, please refer to the paragraph headed "RIGHTS ISSUE" in this report.	Approximately HK\$178 million	The net proceeds from the Rights Issue was intended to be used in the following manner: (i) approximately HK\$142.4 million (representing 80% of the estimated net proceeds from the Rights Issue) will be applied for money lending business or relevant acquisition(s); (ii) approximately HK\$17.8 million (representing 10% of the estimated net proceeds from the Rights Issue) will be applied for financial services and securities business; and (iii) the remaining proceeds (representing 10% of the estimated net proceeds from the Rights Issue) will be applied for general working capital.	Of the net proceeds of approximately HK\$178 million, approximately HK\$160.2 million has been utilised. Of this, approximately HK\$17.8 million was utilised as intended for general working capital purpose and approximately HK\$142.4 million was utilised for money lending business. As of the date of this report, approximately HK\$17.8 million of the proceeds has not yet been utilised.
二零一八年六月二十五日	於二零一八年六月二十五日，本公司建議以一供二基準進行供股(「供股」)，以籌集所得款項約180百萬港元。有關供股的詳情，請參閱本報告「供股」一段。	約178百萬港元	供股所得款項淨額擬按以下方式動用： (i) 約142.4百萬港元(佔供股估計所得款項淨額的80%)將用於放貸業務或相關收購事項； (ii) 約17.8百萬港元(佔供股估計所得款項淨額的10%)將用於金融服務及證券業務；及 (iii) 餘下所得款項(佔供股估計所得款項淨額的10%)將用作一般營運資金。	所得款項淨額約178百萬港元其中約160.2百萬港元已動用，當中約17.8百萬港元按預期用作一般營運資金，而約142.4百萬港元則用於放貸業務。截至本報告日期，所得款項約17.8百萬港元尚未動用。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MATERIAL ACQUISITION, DISPOSAL AND SIGNIFICANT INVESTMENTS

Acquisition of Hao Tian International Financial Holdings

On 28 March 2018, Hao Tian Development Group Limited (“Hao Tian Development”), which is the indirect controlling shareholder of the Company, as seller, and Solution Pro Investments Limited (“Solution Pro”), which is an indirect wholly-owned subsidiary of the Company, as buyer, entered into an agreement for the acquisition (the “HTIFH Acquisition”) of the entire issued shares of Hao Tian International Financial Holdings Limited (“Hao Tian International Financial Holdings” or “HTIFH”). HTIFH holds several subsidiaries engaged in providing financial services including Securities and Futures Commission (“SFC”) regulated activities, insurance agency service and money lending. The HTIFH Acquisition constitutes a major and connected transaction of the Company under the Listing Rules.

On 25 June 2018, the parties entered into a supplemental agreement to amend certain payment terms of the HTIFH Acquisition. Originally, a portion of the HTIFH Acquisition consideration of HK\$50 million shall be settled by issue of Shares to Hao Tian Development. Pursuant to the supplemental agreement, if the Company would not be able to meet the public float requirement under Rule 8.08(1)(a) of the Listing Rules following issue of its Shares to Hao Tian Development under the HTIFH Acquisition, the Company shall issue such a lower number of Shares to the extent required to meet the public float requirement and the shortfall shall be satisfied by way of cash.

On 24 July 2018, the parties entered into a second supplemental agreement, pursuant to which (i) the HTIFH Acquisition consideration shall be reduced from HK\$200 million to HK\$180 million and shall be wholly satisfied by cash; and (ii) the HTIFH Acquisition shall be subject to an additional condition precedent that the indebtedness between Hao Tian Development and HTIFH shall first be offset against each other and the remaining indebtedness owed by HTIFH to Hao Tian Development shall be irrevocably waived and discharged. The HTIFH Acquisition has been completed on 13 December 2018. Upon completion of the HTIFH Acquisition, HTIFH became an indirect wholly-owned subsidiary of the Company, and the financial results, assets and liabilities of HTIFH and its subsidiaries have been consolidated into the consolidated financial statements of the Group.

重大收購、出售及重大投資

收購昊天國際金融控股

於二零一八年三月二十八日，本公司之間接控股股東昊天發展集團有限公司（「昊天發展」，作為賣方）與本公司之間接全資附屬公司Solution Pro Investments Limited（「Solution Pro」，作為買方）就收購昊天國際金融控股有限公司（「昊天國際金融控股」）全部已發行股份（「昊天國際金融控股收購事項」）訂立協議。昊天國際金融控股持有若干從事提供金融服務的附屬公司，當中包括證券及期貨事務監察委員會（「證監會」）的受規管活動、保險代理服務及放貸。根據上市規則，昊天國際金融控股收購事項構成本公司一項主要及關連交易。

於二零一八年六月二十五日，訂約方訂立補充協議，以修訂昊天國際金融控股收購事項若干付款條款。原先，昊天國際金融控股收購事項的代價其中50萬港元須透過向昊天發展發行股份償付。根據補充協議，倘本公司根據昊天國際金融控股收購事項向昊天發展發行股份後未能符合上市規則第8.08(1)(a)條的公眾持股量規定，則本公司須發行符合公眾持股量規定下限數目的股份，而差額則以現金償付。

於二零一八年七月二十四日，訂約方訂立第二份補充協議，據此(i)昊天國際金融控股收購事項的代價由200百萬港元減至180百萬港元，並須以現金悉數償付；及(ii)昊天國際金融控股收購事項須受額外先決條件（即昊天發展與昊天國際金融控股之間的債務應先互相抵銷以及昊天國際金融控股結欠昊天發展的剩餘債務將不可撤銷地予以豁免及解除）所規限。昊天國際金融控股收購事項已於二零一八年十二月十三日完成。昊天國際金融控股收購事項完成後，昊天國際金融控股已成為本公司之間接全資附屬公司，而昊天國際金融控股及其附屬公司之財務業績、資產及負債已於本集團綜合財務報表內綜合入賬。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MATERIAL ACQUISITION, DISPOSAL AND SIGNIFICANT INVESTMENTS (continued)

Acquisition of Hao Tian International Financial Holdings (continued)

For details of the HTIFH Acquisition, please refer to the announcements of the Company dated 28 March 2018, 25 June 2018, 24 July 2018 and 13 December 2018 and the circular of the Company dated 10 August 2018.

Acquisition of machinery and HK\$30 million financial assistance from Mr. Tang

On 14 May 2018, K B Machinery Co. Limited (“KBM”), an indirectly wholly-owned subsidiary of the Company, entered into a sale and purchase agreement (the “KWMT SPA”) with Kai Wing Machinery Trading Co. Ltd (“KWMT”), pursuant to which KWMT agreed to sell, and KBM agreed to purchase, a used 750-ton crawler crane (the “Machinery”) made in 2013 with Germany being the country of origin at a total consideration of approximately HK\$39.4 million (the “KWMT Consideration”). The KWMT Consideration would be funded (i) partly by the internal resources of the Group and (ii) partly by the advance from a loan agreement dated 14 May 2018 entered into between Mr. Tang Yiu Chi, James (“Mr. Tang”) and KBM for a principal amount not exceeding HK\$30,000,000 (the “KBM Loan Agreement”).

The Machinery is intended to be used for the Company’s cooperation with a renowned construction machinery provider in the PRC in which a monthly rental income is expected for a substantial period. With the surging demand for large-sized cranes, the acquisition of the Machinery will (i) build up the brand name and image of the Company and position the Company on a higher level of regard in the construction market; and (ii) open up more opportunities of cooperation in the upcoming projects in Asia. In addition, the Company expects that the acquisition of the Machinery will enable the Group to attract more customers, potentially leading to higher revenue and profit margins.

重大收購、出售及重大投資 (續)

收購昊天國際金融控股 (續)

有關昊天國際金融控股收購事項的詳情，請參閱本公司日期為二零一八年三月二十八日、二零一八年六月二十五日、二零一八年七月二十四日及二零一八年十二月十三日的公告以及本公司日期為二零一八年八月十日的通函。

收購機械及來自鄧先生的財務援助 30 百萬港元

於二零一八年五月十四日，本公司間接全資附屬公司高比機械有限公司（「高比機械」）與啟榮機械貿易有限公司（「啟榮機械」）訂立買賣協議（「啟榮機械買賣協議」），據此，啟榮機械同意出售而高比機械同意購買一台於二零一三年生產的德製 750 噸二手履帶吊機（「該機械」），總代價約為 39.4 百萬港元（「啟榮機械代價」）。啟榮機械代價將 (i) 部分以本集團的內部資源；及 (ii) 部分以鄧耀智先生（「鄧先生」）與高比機械所訂立日期為二零一八年五月十四日的貸款協議（「高比機械貸款協議」）項下本金額不超過 30,000,000 港元的墊款撥付。

該機械擬用於本公司與中國知名建築機械供應商合作，預期此舉可於相當長時間內帶來月租收入。隨著大型吊機需求急增，收購該機械將 (i) 為本公司建立品牌及形象，有助奠定基礎讓本公司在建築市場再創高峰；及 (ii) 於亞洲即將展開的項目中開拓更多合作機遇。此外，本公司預期收購該機械將有助本集團吸引更多客戶，從而提升收入及利潤率。

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MATERIAL ACQUISITION, DISPOSAL AND SIGNIFICANT INVESTMENTS (continued)

Acquisition of machinery and HK\$30 million financial assistance from Mr. Tang (continued)

The KBM Loan Agreement constituted financial assistance provided by Mr. Tang and was not secured by any assets of the Company. The interest rate was 2% per annum and the final repayment date shall be 24 months after the relevant drawdown date or such other date as mutually agreed by Mr. Tang and KBM. Mr. Tang is an executive Director and is thus a connected person of the Company under the Listing Rules. The KBM Loan Agreement constitutes a connected transaction which is fully exempted from announcement, reporting and independent shareholders' approval requirement pursuant to Rule 14A.90 of the Listing Rules.

For details of the acquisition of machinery and the KBM Loan Agreement, please refer to the announcement of the Company dated 14 May 2018.

Subscription of participating redeemable shares in Riverwood China Growth Fund

On 5 March 2019, Glory Century Limited, an indirect wholly-owned subsidiary of the Company, placed an order with Millennium Fund Services (Asia) Limited (as administrator), pursuant to which Glory Century Limited shall subscribe for 319,325.73 participating redeemable shares in Riverwood China Growth Fund in the subscription amount of approximately US\$20,000,000, which was satisfied by way of transferring 588,680,000 shares in China Shandong Hi-Speed Financial Group Limited ("CSFG") to the Fund. The transaction constituted a discloseable transaction of the Company under the Listing Rules. Completion of the subscription took place on 6 March 2019 where upon 588,680,000 shares in CSFG were transferred to the Fund. For details of the transaction, please refer to the announcement of the Company dated 5 March 2019.

重大收購、出售及重大投資(續)

收購機械及來自鄧先生的財務援助30百萬港元(續)

高比機械貸款協議構成由鄧先生提供的財務援助，且並非以本公司任何資產作抵押。年利率為2%，而最終還款日期將為相關提款日期後24個月或鄧先生與高比機械共同協定的其他日期。由於鄧先生為執行董事，故屬上市規則所界定本公司的關連人士。根據上市規則第14A.90條，高比機械貸款協議構成一項獲全面豁免遵守公告、申報及獨立股東批准規定的關連交易。

有關收購該機械及高比機械貸款協議的詳情，請參閱本公司日期為二零一八年五月十四日的公告。

認購 Riverwood China Growth Fund 之可贖回參與股份

於二零一九年三月五日，本公司之間接全資附屬公司 Glory Century Limited 向 Millennium Fund Services (Asia) Limited (作為管理人) 發出指令，據此，Glory Century Limited 將認購 319,325.73 股 Riverwood China Growth Fund 可贖回參與股份，認購款項約 20,000,000 美元須以轉讓 588,680,000 股中國山東高速金融集團有限公司(「中國山東高速金融」)股份予基金之方式償付。該交易構成上市規則項下本公司之須予披露交易。認購事項已於二零一九年三月六日完成，並就此向基金轉讓 588,680,000 股中國山東高速金融股份。有關交易之詳情，請參閱本公司日期為二零一九年三月五日之公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

RIGHTS ISSUE

On 25 June 2018, the Company proposed the Rights Issue to raise funds with gross proceeds of approximately HK\$180 million. Under the Rights Issue, a total of 1,200,000,000 new Shares of the Company (the "Rights Share(s)") will be issued and allotted. Hao Tian Management (China) Limited ("HTM China"), a wholly-owned subsidiary of the Hao Tian Development and the controlling shareholder of the Company, entered into (1) an irrevocable undertaking to take up 750,000,000 Rights Shares, representing its provisional allotment under the Rights Issue; and (2) an underwriting agreement (the "Underwriting Agreement") to take up a maximum of additional 450,000,000 Rights Shares if any of the qualifying shareholders of the Company (other than HTM China) did not subscribe for the Rights Shares under the Rights Issue.

As the Rights Issue will not increase the issued share capital of the Company nor the market capitalisation of the Company by more than 50%, the Rights Issue is not required to be conditional on approval by the shareholders of the Company under Rule 7.09(6) of the Listing Rules.

HTM China is the controlling shareholder of the Company and is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Underwriting Agreement and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. Pursuant to the Listing Rules, the taking up of entitlement to the Rights Issue by HTM China as a qualifying shareholder and subscription for the Rights Shares in excess of its entitlement under the Rights Issue (if applicable) are exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to the Listing Rules, the underwriting of the Rights Issue by HTM China as the underwriter contemplated under the Underwriting Agreement is exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules provided that there is an arrangement for the qualifying shareholders to apply for the excess Rights Shares in compliance with Rule 7.21(1) of the Listing Rules.

供股

於二零一八年六月二十五日，本公司建議供股，以籌集所得款項總額約180百萬港元之資金。根據供股，本公司將發行及配發合共1,200,000,000股新股份（「供股股份」）。昊天發展的全資附屬公司兼本公司控股股東昊天實業管理（中國）有限公司（「昊天實業管理（中國）」）（1）不可撤回地承諾承購750,000,000股供股股份（即其於供股項下的暫定配額）；及（2）訂立包銷協議（「包銷協議」）以於本公司任何合資格股東（昊天實業管理（中國）除外）不根據供股認購供股股份的情況下額外承購最多450,000,000股供股股份。

由於供股不會導致本公司已發行股本或本公司市值增加多於50%，根據上市規則第7.09(6)條，供股毋須經本公司股東批准。

昊天實業管理（中國）為本公司控股股東，故屬上市規則第14A章所界定本公司的關連人士。因此，包銷協議及其項下擬進行交易根據上市規則第14A章構成本公司的關連交易。根據上市規則，昊天實業管理（中國）作為合資格股東承購供股項下配額及認購超出其供股配額的供股股份（如適用）獲豁免遵守上市規則第14A章的申報、公告及獨立股東批准規定。

根據上市規則，昊天實業管理（中國）作為包銷協議項下擬定包銷商包銷供股獲豁免遵守上市規則第14A章的申報、公告及獨立股東批准規定，前提為須遵照上市規則第7.21(1)條安排合資格股東申請額外供股股份。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

RIGHTS ISSUE (continued)

On 2 August 2018, all conditions precedent to the Underwriting Agreement were fulfilled and the Rights Issue was completed. The gross proceeds raised from the Rights Issue are approximately HK\$180,000,000 before expenses. Immediately following the completion of the Rights Issue, the total number of the Company's Shares in issue was enlarged from 2,400,000,000 to 3,600,000,000 and HTM China's interests in the Company increased from 62.5% to 64.79% after taking up the Rights Shares under its provisional allotment in accordance with the irrevocable undertaking and the Underwriting Agreement.

For details, please refer to the announcements of the Company dated 25 June 2018, 5 July 2018, and 8 August 2018 and the prospectus for the Rights Issue dated 17 July 2018, respectively.

SIGNIFICANT LITIGATION

In 2012, a customer commenced legal proceedings against Chim Kee Machinery Co., Ltd. ("CKM"), a subsidiary of the Company, for alleged breach of a rental contract. The customer claimed for overall damages of more than HK\$100 million while the disputed sum claimed by CKM against the customer was approximately HK\$17.5 million together with other unascertained damages. CKM obtained a judgment in favour of CKM handed down by the Court of Final Appeal in July 2017 and the customer was ordered to settle the unpaid hire of HK\$8.9 million plus interest and part of the costs of the legal proceedings. As of the date of this report, CKM has received an aggregate amount of HK\$14.4 million representing the unpaid hire rental plus interest of HK\$12.0 million and part of the costs of the legal proceedings of HK\$2.4 million.

During the Year, CKM also settled another claim for loss and damage of more than HK\$27 million with the same customer. The customer discontinued its claims and paid the costs incurred by CKM in the amount of HK\$150,000.

Save as disclosed above, no member of the Group was engaged in any litigation, arbitration or claim of material importance, and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

供股(續)

於二零一八年八月二日，包銷協議所有先決條件已達成且供股亦已完成。自供股籌集的所得款項總額約為180,000,000港元(扣除開支前)。緊隨供股完成後，本公司已發行股份總數由2,400,000,000股擴大至3,600,000,000股，根據不可撤回承諾項下暫定配額及包銷協議承購供股股份後，昊天實業管理(中國)於本公司的權益由62.5%增至64.79%。

詳情請參閱本公司日期分別為二零一八年六月二十五日、二零一八年七月五日及二零一八年八月八日的公告以及本公司日期為二零一八年七月十七日的供股章程。

重大訴訟

於二零一二年，一名客戶就指稱違反租賃合約向本公司附屬公司占記機械有限公司(「占記機械」)展開法律訴訟。客戶提出索賠整體損失超過100百萬港元，而占記機械向客戶索賠之爭議金額約為17.5百萬港元連同其他不確定損失。於二零一七年七月，終審法院頒下判決並裁定占記機械勝訴，且判令客戶支付欠付租金8.9百萬港元加利息及部分法律訴訟費用。截至本報告日期，占記機械已收到總金額14.4百萬港元，相當於欠付租金加利息12.0百萬港元及部分法律訴訟費用2.4百萬港元。

於本年度，占記機械與同一名客戶亦已就另一宗涉及索賠虧損及損失逾27百萬港元之申索達成和解。該客戶已終止索賠並支付占記機械所產生費用150,000港元。

除上文披露者外，本集團概無任何成員公司涉及任何重大訴訟、仲裁或申索，而董事概不知悉本集團任何成員公司有任何未決或面臨威脅之重大訴訟、仲裁或申索。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PROSPECTS

The Group remains confident about its existing businesses in Hong Kong including rental of construction machinery, trading of construction machinery, spare parts and construction materials, and provision of machinery transportation services. In addition, the Group intends to explore prospective expansion opportunities in respect of the rental of construction machinery business in the PRC, Singapore, Vietnam and the United Kingdom. For the financial services business, the Group is committed to providing professional and quality financial services to its customers, actively exploring the markets in Hong Kong and China, and integrating the economic development trends and strategic deployments of the Guangdong-Hong Kong-Macao Greater Bay Area ("Greater Bay Area") to achieve diversified business development.

It is our intention to increase our presence in the financial market in Hong Kong and Mainland China by either organic growth or working with reputable partners.

We started the first fund with Riverwood Asset Management (Cayman) Limited with a total assets under management ("AUM") of USD40,000,000 during the year. It combined the strength of Atlantis Investment Management Limited and the Company to tap the opportunities arising from the new support policies for The Greater Bay Area announced on 18 Feb. 2019. We have confidence to grow the AUM further to USD100,000,000 in FY2020, in which the fee income will contribute to our asset management business in FY2020. In the future, we will set up different kind of funds in different asset class ranging from equities, fixed income, initial public offering, property and project financing, etc. We strive for the success of our client's investments by creating tailored-made solutions for clients through our expertise of investment capabilities.

The Group will also set up a new business in FY2020, that is, a family office business, to serve wealthy families, mainly from Mainland China. We see a strong demand to have offshore asset allocation to HKD or USD assets. This will create market opportunities for our new business to serve high net worth wealthy families.

前景

本集團對其香港現有業務依然充滿信心，包括建築機械租賃、建築機械、備用零件及建築物料銷售以及提供機械運輸服務。此外，本集團擬於中國、新加坡、越南及英國探索擴展建築機械租賃業務之潛在機遇。於金融服務業務方面，本集團致力於為客戶提供專業、優質的金融服務，積極探索香港及內地市場，結合粵港澳大灣區（「大灣區」）經濟發展趨勢及戰略部署，以實現業務多元化發展。

我們擬透過內生增長或與聲譽良好的夥伴合作，壯大我們於香港及中國大陸金融市場之版圖。

於本年度，我們首次與Riverwood Asset Management (Cayman) Limited設立基金，管理資產（「管理資產」）總值為40,000,000美元。借助Atlantis Investment Management Limited與本公司之實力優勢，把握於二零一九年二月十八日所公佈大灣區的新發展配合政策所帶來的機遇，我們充滿信心，管理資產於二零二零財政年度定必進一步增長至100,000,000美元，而管理費收入將於二零二零財政年度為我們的資產管理業務帶來貢獻。我們日後將陸續設立涵蓋股本、固定收入、首次公開發行、房地產及項目融資等不同資產類別的基金，並運用投資專業知識和能力，為客戶制訂專屬財務方案，竭盡全力為客戶取得成功。

此外，本集團亦將於二零二零財政年度開展新的家族辦公室業務，以為主要來自中國大陸的富裕家庭提供服務。我們認為，市場上將離岸資產分配至港元或美元計值資產的需求龐大，因而造就機會予我們發展新業務，為高財富淨值的家庭提供服務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PROSPECTS (continued)

During the Year, we acquired 35% of an asset management fund capitalizing on economic development and resources in Yan'an, the PRC with objectives to promote innovative industrial integrations and provide high quality investment services to the country (the "Yanan Asset Fund"). Yanan Asset Fund is a state-level development fund approved by the National Development and Reform Commission, which mainly invests in establishing sub-funds for projects in relation to energy and chemical engineering, clean energy, construction of infrastructure, green energy, patriotic tourism and industrial poverty alleviation projects in Yan'an. In FY2020, we will work with local partners in Yan'an, Shaanxi Province of PRC, to develop the private equity businesses.

We will continue to look for merger and acquisition opportunities in Hong Kong, mainland China and South East Asia that may strengthen our position in the area of financial services. We are also preparing an innovative fin-tech platform that will better serve our customers in a more efficient way.

We are excited what will happen in FY2020 and will work diligently with the team to create value for shareholders.

In view of the above, there are positive prospects for the Group and it is expected that the business and revenue will continue to grow steadily in the foreseeable future.

前景(續)

於本年度，我們收購一項資產管理基金（「延安產業基金」，其宗旨為借助中國延安的經濟發展及資源促進創新產業整合及為國家提供優質投資服務）的35%權益。延安產業基金是由國家發改委批復的國家級產業發展基金，基金主要投向延安的能源化工產業、清潔能源產業、基礎設施建設、綠色載能產業、紅色旅遊產業及產業扶貧工程設立專項子基金。於二零二零財政年度，我們將與中國陝西省延安市當地夥伴合作發展私募股權業務。

我們將繼續於香港、中國大陸及東南亞地區物色併購機會，藉以鞏固我們於金融服務領域的地位。同時，我們現正籌建一個創新的金融科技平台，務求更有效地為客戶服務。

我們熱切期盼二零二零財政年度的發展，且定當克盡己責，致力與公司團隊成員締造股東價值。

鑑於上文所述，本集團具光明前景，並預計業務及收入於可見未來將繼續穩步增長。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

The biographical details of the Directors and the Senior Management of the Group as at the date of this report are as follows:

於本報告日期，本集團董事及高級管理層的履歷詳情如下：

EXECUTIVE DIRECTORS

執行董事

Mr. Fok Chi Tak (霍志德), aged 43, was appointed as an executive director on 28 February 2017. Mr. Fok holds a master degree in Business Administration from the University of Hong Kong. Mr. Fok is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. Mr. Fok is also a fellow member of the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries. Mr. Fok currently serves as an executive director of Hao Tian Development Group Limited (Stock code: 474), the controlling shareholder of the Company whose shares is listed on the main board of the Stock Exchange.

霍志德先生，43歲，於二零一七年二月二十八日獲委任為執行董事。霍先生持有香港大學之工商管理碩士學位。彼為香港會計師公會及特許公認會計師公會資深會員。霍先生亦為特許秘書及行政人員公會及香港特許秘書公會資深會員。霍先生現為本公司之控股股東昊天發展集團有限公司（其股份於聯交所主板上市，股份代號：474）之執行董事。

Mr. Tang Yiu Chi James (鄧耀智), aged 51, was appointed as an executive director on 24 September 2014. Mr. Tang is responsible for the overall strategic management and development of the Group's business operations, marketing and business development and finance and administration. Mr. Tang was appointed as the director of Chim Kee Company Limited, a wholly owned subsidiary of the Company, in June 1989 and he took over the leadership of the Group in May 1994. Mr. Tang has over 25 years of experience in the rental and trading of construction machines. Mr. Tang obtained a Bachelor of Science degree in aerospace engineering from the Syracuse University and has been serving the Group since his graduation.

鄧耀智先生，51歲，於二零一四年九月二十四日獲委任為執行董事。鄧先生負責整體策略管理及本集團業務營運發展、營銷、業務發展、財務及行政。鄧先生於一九八九年六月獲委任為本公司全資附屬公司占記有限公司董事，彼於一九九四年五月接掌本集團。鄧先生於租賃及銷售建築機械擁有逾25年經驗。鄧先生在雪城大學獲得航天工程理學士學位，自畢業後一直於本集團任職。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

EXECUTIVE DIRECTORS (continued)

Dr. Zhiliang Ou, J.P., (Australia) (歐志亮), aged 50, was appointed as an executive director on 28 February 2017. Dr. Ou holds a Doctor of Philosophy degree in Civil & Resource Engineering from The University of Western Australia, Australia. Dr. Ou also holds two Bachelor of Engineering degrees in Engineering Management & Structural Engineering respectively. Dr. Ou has over 25 years of professional engineering and management experience in civil and industrial engineering areas both in Australia and China, including residential and commercial high-rise buildings as well as projects in oil & gas, mining and infrastructure industries. Dr. Ou had been a senior staff member in the world's leading energy & resource firms including Kellogg Brown & Root (formerly known as KBR Halliburton), WorleyParsons Pty Ltd., as well as Sedgman Ltd., which is specialised in coal processing and handling plants. Dr. Ou participated in a number of key energy and resource projects around the world such as acting as the Lead Civil and Structural Engineer for BHP Billiton RGP6 Jumblebar project; Rio Tinto iron ore Dove Siding expansion project; Chevron Wheatstone Domgas LNG Pipeline project; Yemen LNG Project (in the Republic of Yemen) and Western Australia Dampier to Bunbury Natural Gas Pipeline (Stage 5B) project, etc. Dr. Ou was also an officer at Western Australia government agency from 2003 to 2006. In addition, Dr. Ou has extensive experience and network in China. He was the general manager and the chief engineer of Fujian Liming Construction Company (福建省黎明建築工程公司) and deputy general manager of Fuzhou Henli Real Estate Development Pty Ltd (福州亨黎房地產開發有限公司) from 1993 to 1997. He was a guest professor for Inner Mongolia University (內蒙古大學) and Inner Mongolia University of Science & Technology (內蒙古科技大學) in China. Currently, Dr. Ou is an independent non-executive director of Rey Resources Limited (a company listed on ASX) and an executive director of Hao Tian Development Group Limited (stock code: 474), which is a company listed on the main board of the Stock Exchange.

執行董事 (續)

歐志亮博士，*太平紳士*，(澳洲)，50歲，於二零一七年二月二十八日獲委任為執行董事。歐博士持有澳洲西澳大學土木與資源工程哲學博士學位。彼亦分別持有建築管理工程學士及結構工程學士學位。歐博士於澳洲及中國之民用及工業工程領域擁有25年以上專業工程管理經驗，包括民用和商業高層建築，以及石油及天然氣、礦業及基礎設施工程方面的項目。彼曾於多間帶領全球之能源及資源公司擔任高級職員，包括Kellogg Brown & Root(前稱為KBR Halliburton)、WorleyParsons Pty Ltd.及從事煤炭加工及處理廠之Sedgman Ltd.。歐博士參與多項全球重要之能源及資源項目，亦曾參與BHP Billiton RGP6 Jumblebar項目、力拓Dove Siding擴建工程、Chevron Wheatstone民用氣管道項目、也門液化天然氣項目(位於也門共和國)、西澳丹皮爾至班伯利之天然氣管道(5B階段)項目等之總土木及結構工程師。歐博士亦於二零零三至二零零六年在西澳州政府任職。另外，歐博士於中國擁有豐富的經驗及網絡。彼曾於一九九三年至一九九七年擔任福建省黎明建築工程公司之總經理及總工程師，以及福州亨黎房地產開發有限公司副總經理。彼曾擔任內蒙古大學及內蒙古科技大學之客席教授。歐博士現任Rey Resources Limited(一間於澳洲證券交易所上市之公司)之獨立非執行董事，亦為昊天發展集團有限公司(一間於聯交所主板上市之公司，股份代號：474)之執行董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lee Chi Hwa Joshua (李智華), aged 47, was appointed as an independent non-executive director on 28 February 2017. Mr. Lee is a fellow member of the Association of Chartered Certified Accountants and a member of Hong Kong Institute of Certified Public Accountants. Mr. Lee has extensive experience in the fields of auditing, accounting and finance. Mr. Lee currently serves as an independent non-executive director of China Fortune Investments (Holding) Limited (Stock code: 8116), Code Agriculture (Holdings) Limited (Stock code: 8153) and Cornerstone Financial Holdings Limited (Stock code: 8112) respectively, whose shares are listed on the GEM of the Stock Exchange. Mr. Lee currently also serves as an independent non-executive director of Hao Tian Development Group Limited (Stock code: 474), Up Energy Development Group Limited (Stock code: 307) and Fujian Nuoqi Co., Ltd. (Stock code: 1353), and an executive director of China Healthcare Enterprise Group Limited (Stock code: 1143), whose shares are listed on the main board of the Stock Exchange. Mr. Lee was also an independent non-executive director of Teamway International Group Holdings Limited (Stock code: 1239) from March 2015 to August 2017, company is listed on the Stock Exchange.

獨立非執行董事

李智華先生，47歲，於二零一七年二月二十八日獲委任為獨立非執行董事。李先生為英國特許公認會計師公會資深會員及香港會計師公會會員。李先生於核數、會計及財務方面擁有豐富經驗。李先生現時分別擔任中國幸福投資(控股)有限公司(股份代號：8116)、科地農業控股有限公司(股份代號：8153)及基石金融控股有限公司(股份代號：8112)之獨立非執行董事，該等公司之股份於聯交所GEM上市。彼現時亦擔任昊天發展集團有限公司(股份代號：474)、優派能源發展集團有限公司(股份代號：307)及福建諾奇股份有限公司(股份代號：1353)之獨立非執行董事，以及華夏健康產業集團有限公司(股份代號：1143)之執行董事，該等公司之股份於聯交所主板上市。李先生於二零一五年三月至二零一七年八月曾任Teamway International Group Holdings Limited(股份代號：1239)之獨立非執行董事，該公司於聯交所上市。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

Mr. Mak Yiu Tong (麥耀棠), aged 60, was appointed as an independent non-executive director on 28 February 2017. Mr. Mak graduated from the China University of Political Science and Law with a Bachelor of Law degree in 1998. Mr. Mak is a legal executive of C. K. Mok & Co., a firm of solicitors in Hong Kong. Mr. Mak has been working in the legal industry for over 30 years. Mr. Mak currently serves as an independent non-executive director of Talent Property Group Limited (Stock code: 760), Up Energy Development Group Limited (Stock code: 307) and Fujian Nuoqi Co., Ltd. (Stock code: 1353), whose shares are listed on the main board of the Stock Exchange.

Mr. Li Chi Keung Eliot (李智強), aged 42, was appointed as an independent non-executive director on 17 March 2017. Mr. Li is the executive director of First Shanghai Securities Limited ("First Shanghai"). Prior to joining First Shanghai, he was the managing director of South China Financial Holdings Limited (stock code: 619), whose shares are listed on the Stock Exchange. Mr. Li is a chartered wealth manager of the Chartered Wealth Manager Institute and the director of the Hong Kong Association of Online Brokers. Mr. Li has held various senior positions including director of corporate development and vice president of corporate planning and development in financial institutes over his 15 years of experience in the financial industry. Mr. Li has obtained a Bachelor of Arts Degree at the Hong Kong Polytechnic University and has obtained the Postgraduate Certificate in Business Administration from University of Leicester in England.

獨立非執行董事(續)

麥耀棠先生，60歲，於二零一七年二月二十八日獲委任為獨立非執行董事。麥先生於一九九八年畢業於中國政法大學，獲頒授法學學士學位。麥先生為莫超權律師行(一間香港律師行)之法律行政人員。麥先生於法律行業工作逾30年。麥先生現時擔任新天地產集團有限公司(股份代號：760)、優派能源發展集團有限公司(股份代號：307)及福建諾奇股份有限公司(股份代號：1353)之獨立非執行董事，該等公司之股份於聯交所主板上市。

李智強先生，42歲，於二零一七年三月十七日獲委任為獨立非執行董事。李先生為第一上海證券有限公司(「第一上海」)之執行董事。於加入第一上海前，彼為南華金融控股有限公司(其股份於聯交所上市，股份代號：619)之董事總經理。李先生為特許財富管理師協會之特許財富管理師及香港網上經紀協會之董事。在李先生逾15年的金融行業經驗當中，他曾於不同金融機構擔任多個高級職位，包括企業發展總監以及企業規劃及發展副總裁。李先生從香港理工大學取得文學學士學位，並於英國萊斯特大學取得工商管理研究生證書。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

SENIOR MANAGEMENT

Mr. Gao Zhangpeng (高章鵬), aged 40, was appointed as the Chief Executive Officer in March 2019. Mr. Gao graduated from Huazhong University of Science and Technology in Wuhan, the People's Republic of China with a Bachelor's Degree in International Finance. He also obtained a Degree of Doctor of Philosophy in Economics from Nanyang Technological University in Singapore under full scholarship. Mr. Gao has extensive experience in general corporate management, international banking, finance and investment management gained from international banks in Singapore and Hong Kong. He worked in Malayan Banking Berhad, Hong Kong branch. As part of the senior management team, he was appointed as the manager of the financial institution under the Banking Ordinance, playing a pivotal role in ensuring the financial soundness, efficient operation, and compliance with applicable laws and regulations. He is committed to society and also serves as the Chairman of Wuhan Chamber of Commerce (Singapore).

COMPANY SECRETARY

Ms. Chan Lai Ping (陳麗平), was appointed as a company secretary on 1 February 2019. Ms. Chan is a solicitor qualified to practise in Hong Kong and a member of The Law Society of Hong Kong. She is also a consultant of a law firm in Hong Kong. Ms. Chan has many years of experience in advising on corporate finance, mergers and acquisitions, corporate governance, regulatory and compliance matters. Prior to joining the Company, she was the company secretary and general counsel of China Shandong Hi-Speed Financial Group Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 412). Ms. Chan has a bachelor of laws degree and a postgraduate certificate in laws from the University of Hong Kong. She also has a master of corporate finance degree from the Hong Kong Polytechnic University.

高級管理層

高章鵬先生，40歲，於二零一九年三月獲委任為行政總裁。高先生畢業於中華人民共和國武漢華中科技大學，獲頒國際金融學士學位，並以全額獎學金取得新加坡南洋理工大學經濟學哲學博士學位。高先生曾效力新加坡及香港各大國際銀行，於一般企業管理、國際銀行、金融及投資管理領域累積豐富經驗。彼任職於馬來亞銀行香港分行。作為高級管理團隊其中一員，彼根據銀行業條例獲任命為金融機構經理，在確保財務穩健、高效營運及遵守適用法律法規方面發揮關鍵作用。彼積極投身社會工作，現任武漢總商會(新加坡)會長。

公司秘書

陳麗平女士，於二零一九年二月一日獲委任為公司秘書。陳女士為一名合資格於香港執業之律師，並為香港律師會之成員。彼亦為一間香港律師行之顧問。陳女士於就企業融資、合併及收購、企業管治、監管及合規事宜提供意見方面擁有多多年經驗。於加入本公司前，陳女士為中國山東高速金融集團有限公司(一間股份於聯交所主板上市之公司，股份代號：412)之公司秘書兼法務總監。陳女士持有香港大學之法學士學位及法學專業證書，以及香港理工大學企業金融碩士學位。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company and the Board are devoted to achieving and maintaining high standard of corporate governance as the Board believes that effective corporate governance practices are fundamental in enhancing the shareholder value and safeguarding the interests of the Shareholders and other stakeholders. Accordingly, the Company has adopted sound corporate governance principles that emphasise a quality Board, effective internal control, stringent disclosure practices and transparency and accountability to all Shareholders.

The Company has fully complied with the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules, except for the deviations from the CG Code as described below.

- (i) Under CG Code provision A.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual in order to ensure that there is clear division of responsibilities between the chairman of the Board and the chief executive of the Company. The Company has not appointed the chairman and the Board provides leadership for the Company. Having considered the business operation of the Group at the material time, it is believed that the Board, which consists of experienced professionals, can function effectively as a whole, while the Executive Directors along with other members of senior management of the Company are effective in overseeing the day-to-day management of the Group under the strong corporate governance structure in place.
- (ii) The Nomination Committee was chaired by an executive Director instead of an independent non-executive Director because the Board considered that an executive Director involved in the daily operations of the Company may be in a better position to review the composition of the Board so as to complement the Group's corporate strategy.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as the code of conduct of the Company regarding Directors' transactions of the listed securities of the Company. The Company has made specific enquiry to all Directors, and all Directors have confirmed that they had complied with the Model Code and its code of conduct during the Year.

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

企業管治常規

本公司及董事會致力達致及維持最高水平之企業管治，董事會相信，行之有效的企業管治常規對提升股東價值以及保障股東及其他權益相關者之利益至關重要。因此，本公司已採納健全之企業管治原則，當中著重優秀之董事會、有效之內部監控、嚴謹之披露常規以及對所有股東之透明度及問責性。

本公司已全面遵守上市規則附錄十四所載之企業管治守則（「企業管治守則」）之守則條文，惟下文所述偏離企業管治守則除外。

- (i) 根據企業管治守則條文第A.2.1條，主席與行政總裁之角色應有區分，並不應由同一名人士兼任，以確保董事會主席與本公司行政總裁之職責有明確區分。本公司並無委任主席，且本公司由董事會領導。考慮到本集團於相關時間之業務營運，本公司認為董事會由經驗豐富之專業人士組成，整體可有效運作，而執行董事連同本公司其他高級管理人員則實際監督本集團在有效企業管治架構下之日常管理工作。
- (ii) 提名委員會由執行董事而非獨立非執行董事擔任主席，原因為董事會認為，參與本公司日常營運之執行董事或更適合擔任董事會組成之檢討工作，藉以配合本集團之企業策略。

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司有關董事進行本公司上市證券交易之行為守則。本公司已向全體董事作出具體查詢，而全體董事均已確認於本年度全面遵守標準守則及其行為守則。

本集團承諾透過定期檢討持續改善其企業管治常規以確保本集團繼續達到企業管治守則之要求。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES

Role and function

The Board is responsible for leading and controlling the business operations of the Group. It formulates strategic directions, oversees the operations and monitors the financial performance of the Group. The Management is delegated with power and authority by the Board for the day-to-day management and operations of the Group. The Management is accountable to the Board for the Company's overall operation.

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

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

- determining and reviewing the policies and practices on corporate governance of the Group;
- reviewing and monitoring the training and continuous professional development of Directors and senior management;
- reviewing and monitoring the Group's policies and practices in compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct applicable to the Directors and employees; and
- reviewing the Company's compliance with the CG Code and disclosure in this corporate governance report.

The Board has delegated the day-to-day management, administration and operation of the Group to the Management. The delegated functions were reviewed by the Board periodically to ensure they remained appropriate to the needs of the Group. The Board gave clear directions to the Management as to the matters that must be approved by the Board before decisions are made on behalf of the Group by the Management.

董事會組成及董事會常規

職責與職能

董事會負責領導及監控本集團之業務運作。董事會制定本集團之策略方針、監督其運作，並監察其財務表現。管理層獲董事會授權負責本集團之日常管理及營運。管理層向董事會負責本公司之整體營運。

董事會就領導及監控本集團對股東負責，指導及監督本集團事務，集體負責促進本集團取得成功。董事會致力於制定本集團之整體策略、審批年度發展計劃及預算；監察財務及營運表現；審查內部監控制度之成效以及監督及管理管理層之表現。

就本集團之企業管治而言，於本年度，董事會已根據職權範圍履行以下職責：

- 釐定及檢討本集團之企業管治政策及常規；
- 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- 檢討及監察本集團在遵守法律及監管規定方面之政策及常規；
- 制定、檢討及監察董事及僱員之適用行為守則；及
- 檢討本公司是否遵守企業管治守則及本企業管治報告中之披露事項。

董事會已授權管理層處理本集團之日常管理、行政及營運。董事會定期檢討授出之職能，以確保切合本集團之需要。對於須經董事會批准之事宜，董事會會先行給予管理層清晰指示，再由管理層代表本集團作出決策。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES (continued)

董事會組成及董事會常規(續)

Composition

組成

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

於本報告日期，董事會包括三名執行董事及三名獨立非執行董事。

Membership of Board Committee(s) 董事委員會之成員

Executive Directors:

執行董事：

Dr. Zhiliang Ou, J.P.

歐志亮博士，太平紳士

Mr. Fok Chi Tak

霍志德先生

Mr. Tang Yiu Chi James

鄧耀智先生

Member of the Remuneration Committee

薪酬委員會成員

Chairman of the Nomination Committee

提名委員會主席

Independent Non-executive Directors:

獨立非執行董事：

Mr. Lee Chi Hwa, Joshua

李智華先生

Chairman of the Audit Committee

審核委員會主席

Member of the Nomination Committee

提名委員會成員

Member of the Remuneration Committee

薪酬委員會成員

Mr. Mak Yiu Tong

麥耀棠先生

Member of the Audit Committee

審核委員會成員

Member of the Nomination Committee

提名委員會成員

Chairman of the Remuneration Committee

薪酬委員會主席

Mr. Li Chi Keung Eliot

李智強先生

Member of the Audit Committee

審核委員會成員

Member of the Nomination Committee

提名委員會成員

Member of the Remuneration Committee

薪酬委員會成員

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES (continued)

Composition (continued)

Save as disclosed in the section headed “Biographical Details of Directors and Senior Management” in this annual report, there was no financial, business, family or other material/relevant relationship among the members of the Board.

Independent Non-executive Directors

The Company has complied with rules 3.10(1) and 3.10A of the Listing Rules. Throughout the Year, there were at least three independent non-executive Directors on the Board and the number of independent non-executive Directors represents more than one-third of the Board. As such, there existed a strong independent element in the Board, which could effectively exercise independent judgement. The Company has also complied with rule 3.10(2) of the Listing Rules which stipulates that one of the independent non-executive Directors must possess appropriate professional qualification or accounting or related financial management expertise. In compliance with the CG Code, the independent non-executive Directors are expressly identified as such in all corporate communications that disclose the names of the Directors.

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

董事會組成及董事會常規 (續)

組成 (續)

除於本年報「董事及高級管理層履歷詳情」一節所披露者外，董事會各成員之間概無任何財務、業務、家族或其他重大／有關聯繫。

獨立非執行董事

本公司一直遵守上市規則第3.10(1)及3.10A條。於整個年度，董事會至少有三名獨立非執行董事，且獨立非執行董事之人數佔董事會成員三分之一以上。因此，董事會具高度獨立性，能有效作出獨立判斷。本公司亦已遵守上市規則第3.10(2)條，規定其中一名獨立非執行董事必須具備適合專業資格或會計或相關財務管理專業知識。為遵守企業管治守則，於披露董事姓名之所有公司通訊中，已明確識別獨立非執行董事身份。

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性發出之年度確認書。本集團認為所有獨立非執行董事根據上市規則均屬獨立人士。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES (continued)

Appointment and re-election of Directors

Each executive Director has entered into a service contract with the Company for a term of three years unless terminated by not less than three months' notice in writing served by either party on the other, and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in the Memorandum and the Articles. Each independent non-executive Director had entered into a letter of appointment with the Company for a term of three years which will continue thereafter. During the tenure, the appointment may be terminated by either party giving the other not less than three months' notice in writing.

Pursuant to paragraph A.4.2 of the Code Provisions, all Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after appointment. By virtue of Article 112 of the articles of association of the Company (the "Articles of Association"), the Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an additional Director. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

At each annual general meeting, at least one-third of the Directors for the time being will retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one-third shall be the number of retiring Directors. The Directors who shall retire in each year will be those who have been longest in the office since their last re-election or appointment but as between persons who become or were last re-elected Directors on the same day those to retire will (unless they otherwise agree among themselves) be determined by lot.

董事會組成及董事會常規(續)

委任及重選董事

各執行董事已與本公司訂立為期三年之服務合約，除非訂約一方向另一方發出不少於三個月之書面通知予以終止，則作別論，並須遵守合約內之終止條文以及大綱及細則內所載有關董事輪值退任之條文。各獨立非執行董事已與本公司訂立為期三年之委聘函，其後將可續期。於任期內，訂約一方可通過向另一方發出不少於三個月之書面通知終止委任。

根據守則條文第A.4.2段，所有獲委任以填補臨時空缺之董事須於彼等獲委任後首屆股東大會上由股東選任。根據本公司組織章程細則(「章程細則」)第112條，董事會有權不時及隨時委任任何人士擔任董事(無論為填補董事會之臨時空缺或作為增補董事)。任何獲董事會委任以填補臨時空缺之董事均僅任職至其獲委任後本公司首屆股東大會為止，並須在相關大會上接受重選。任何獲董事會委任作為現有董事會增補成員之董事均僅任職至本公司下屆股東週年大會為止，屆時將合資格重選連任。

於每屆股東週年大會上，至少當時三分之一的董事將輪值退任。然而，倘董事人數並非三之倍數，則退任董事人數應為最接近但不低於三分之一的整數。每年須告退之董事為自上次獲重選連任或委任後任期最長之董事，惟倘多名董事乃於同一日成為董事或獲重選連任，則以抽籤方式決定退任董事名單(除非彼等之間另有協定)。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES (continued)

Supply of and access to information

All Board members have separate and independent access to the Company's management to fulfill their duties, and upon reasonable request, to seek independent professional advice under appropriate circumstances and at the Company's expenses. All Directors also have access to the company secretary of the Company who is responsible for ensuring that the Board procedures, and all applicable rules and regulations, are followed. Board meetings are structured so as to encourage open discussion, frank debate and active participation by Directors in meetings. The Company provides the Board with such information and explanations as are necessary to enable Directors to make an informed assessment of the financial and other information put before the Board. Queries raised by Directors are answered fully and promptly. Meeting agenda accompanied by relevant Board/committee papers are distributed to the Directors/committee members with reasonable notice in advance of a Board/committee meeting. Minutes of board meetings and meetings of board committees, which recorded in sufficient detail the matters considered by the Board and decisions reached thereat, including any concerns raised or dissenting views expressed by any Director, are kept by the company secretary of the Company and open for inspection by the Directors.

Liability insurance for the Directors

The Company has arranged for appropriate insurance covering the liabilities in respect of any legal action which may be taken against the Directors arising of its corporate activities. The insurance coverage is reviewed on an annual basis.

Directors' continuing professional development program

All Directors confirmed that they had complied with code provision A.6.5 of the CG Code during the Year. All Directors had participated in continuous professional development to develop and refresh their knowledge and skills. The Company has arranged for, and provided fund for, training in the form of in-house training seminars or other appropriate courses during the Year and relevant training materials have been distributed to all the Directors.

董事會組成及董事會常規(續)

提供及獲取資料

全體董事會成員均可個別及獨立地聯繫本公司管理層以履行彼等之職責，亦可於適當情況及合理要求下徵詢獨立專業意見，而費用由本公司承擔。本公司公司秘書負責確保董事會程序及一切適用規則和規例已獲遵循，所有董事亦可與本公司公司秘書接洽。董事會會議以鼓勵董事於會議上公開討論、坦誠辯論及積極參與之方式舉行。本公司向董事會提供所需資料及解釋，使董事可就董事會上呈列之財務及其他資料作出知情評估。董事之查詢可獲全面及迅速回應。會議議程連同相關董事會／委員會文件於董事會／委員會會議召開前已發出合理通知的情況下分發予董事／委員會成員。董事會會議及董事會轄下委員會會議之會議記錄概由本公司公司秘書存檔，並可供董事查閱，有關會議記錄均載有董事會於會上所考慮事項及所達致決策之詳盡記錄，包括任何董事提出之任何事項或發表之反對意見。

董事責任保險

針對可能因本公司之公司活動而對董事提出之任何法律訴訟之相關責任，本公司已安排適當保險。保險保障內容會每年進行檢討。

董事持續專業發展計劃

全體董事確認彼等於本年度已遵守企業管治守則之守則條文第A.6.5條。全體董事已參與持續專業發展，以開拓及增進彼等的知識及技能。本公司已於本年度安排並撥資培訓，培訓之形式為內部培訓、研討會或其他合適課程，而相關培訓材料已派發予全體董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMPOSITION AND BOARD PRACTICES (continued)

董事會組成及董事會常規 (續)

Directors' continuing professional development program (continued)

董事持續專業發展計劃 (續)

The Board meets regularly and, in addition to regular meetings, it meets as and when warranted by particular circumstances. During the Year, the Directors' attendance of the Board/committees meetings is set out as follows:

董事會定期召開會議，除例會外，亦在有特殊情況需要時召開會議。於本年度，董事出席董事會／委員會會議之情況載列如下：

		Attendance/Number of meetings					General meeting
		Board	Executive Committee	Audit Committee	Nomination Committee	Remuneration Committee	
		董事會	執行委員會	審核委員會	提名委員會	薪酬委員會	股東大會
Total number of meetings	舉行會議總次數	27	0	3	2	2	3
Executive Directors:	執行董事：						
Mr. Tang Yiu Chi James	鄧耀智先生	26/27	0/0	N/A 不適用	N/A 不適用	N/A 不適用	3/3
Dr. Zhiliang Ou	歐志亮博士	27/27	0/0	N/A 不適用	N/A 不適用	2/2	3/3
Mr. Fok Chi Tak	霍志德先生	26/27	0/0	N/A 不適用	2/2	N/A 不適用	3/3
Independent Non-executive Directors:	獨立非執行董事：						
Mr. Lee Chi Hwa, Joshua	李智華先生	23/27	N/A 不適用	3/3	2/2	2/2	3/3
Mr. Mak Yiu Tong	麥耀棠先生	27/27	N/A 不適用	3/3	2/2	2/2	3/3
Mr. Li Chi Keung Eliot	李智強先生	27/27	N/A 不適用	3/3	2/2	2/2	3/3

BOARD COMMITTEES

董事委員會

The Board has established (i) Audit Committee, (ii) Remuneration Committee, and (iii) Nomination Committee with defined terms of reference. The terms of reference of each of the Board committees, which explain their respective roles and the authority delegated to them by the Board, are available on the websites of the Company and the Stock Exchange. The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice and other assistance under appropriate circumstances, at the Company's expense.

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

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE

The Company established the Audit Committee on 23 October 2015 with written terms of reference in compliance with paragraphs C.3 of the CG Code. During the Year and up to the date of this report, the Audit Committee comprises three independent non-executive Directors, namely Mr. Lee Chi Hwa Joshua, Mr. Mak Yiu Tong and Mr. Li Chi Keung Eliot. Mr. Lee Chi Hwa Joshua is the chairman of the Audit Committee. The primary duties of the Audit Committee are, among other things, to review and supervise the financial reporting process and internal control system of the Group. It also acts as an important link between the Board and the Company's auditors in matters within the scope of the group audit. Meetings shall be held at least twice a year.

A summary of the work performed by the Audit Committee during the Year and up to the date of this report included:

- (a) reviewing the audited accounts and final results announcement for the year ended 31 March 2019 and the interim report and the interim results announcement for the six months ended 30 September 2018;
- (b) reviewing the accounting principles and practices adopted by the Group and ensured compliance with the relevant accounting standards, the Listing Rules and other statutory requirements;
- (c) reviewing the effectiveness of the risk management and internal control systems; and
- (d) meeting with the auditors to go through any significant audit issues or key findings noted during the audit of the Group's final results for the year ended 31 March 2019.

All issues raised by the Audit Committee have been addressed by the Management. The work and findings of the Audit Committee have been reported to the Board. During the Year, no issues brought to the attention of the Management and the Board were of significant importance to require disclosure in this annual report.

審核委員會

本公司已遵照企業管治守則第C.3段於二零一五年十月二十三日成立審核委員會，並訂明書面職權範圍。於本年度及直至本報告日期，審核委員會由三名獨立非執行董事（即李智華先生、麥耀棠先生及李智強先生）組成。李智華先生為審核委員會主席。審核委員會之主要職責為（其中包括）審閱及監督本集團之財務報告程序及內部監控制度。審核委員會亦就集團審核範圍內之事宜擔當董事會與本公司核數師之間的重要橋樑。審核委員會每年須最少舉行兩次會議。

審核委員會於本年度及直至本報告日期所履行之工作摘要包括：

- (a) 審閱截至二零一九年三月三十一日止年度之經審核賬目及末期業績公告以及截至二零一八年九月三十日止六個月之中期報告及中期業績公告；
- (b) 審閱本集團所採納之會計原則及慣例，並確保符合有關會計準則、上市規則及其他法定要求；
- (c) 審閱風險管理及內部監控制度之有效性；及
- (d) 與核數師會面，討論本集團截至二零一九年三月三十一日止年度之末期業績之審核過程中發現之任何重大審核事項或主要發現。

所有由審核委員會提出之事項均已得到管理層處理。審核委員會之工作及審閱結果已向董事會報告。於本年度，敦請管理層及董事會垂注之事宜均不具備重大重要性，毋須在本年報予以披露。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE

The Company established the Remuneration Committee on 23 October 2015 with written terms of reference in compliance with paragraph B.1 of the CG Code. During the Year and up to the date of this report, the Remuneration Committee comprises four members, namely Dr. Zhiliang Ou, Mr. Lee Chi Hwa Joshua, Mr. Mak Yiu Tong and Mr. Li Chi Keung Eliot. Mr. Lee Chi Hwa Joshua is the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are, amongst other things, to make recommendations to the Board on the terms of remuneration packages, bonuses and other compensation payable to the Directors and senior management and on the Group's policy and structure for all remuneration of the Directors and senior management. No individual Director was allowed to involve in deciding his own remuneration.

A summary of the work performed by the Remuneration Committee during the Year included:

- (a) making recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration;
- (b) assessing performance of executive directors;
- (c) reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (d) making recommendations to the Board on the remuneration packages of individual executive Directors and senior management;
- (e) making recommendations to the Board on the remuneration of non-executive Directors;
- (f) considering salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries; and
- (g) ensuring that no Director or any of his associates is involved in deciding his own remuneration.

薪酬委員會

本公司已遵照企業管治守則第B.1段於二零一五年十月二十三日成立薪酬委員會，並訂明書面職權範圍。於本年度及直至本報告日期，薪酬委員會由四名成員（即歐志亮博士、李智華先生、麥耀棠先生及李智強先生）組成。李智華先生為薪酬委員會主席。薪酬委員會之主要職責為（其中包括）就應付董事及高級管理人員之薪酬待遇、花紅及其他補償之條款以及就本集團關於董事及高級管理人員所有薪酬之政策及架構向董事會提供推薦建議。並無個別董事獲准參與決定其個人薪酬。

薪酬委員會於本年度所進行之工作摘要包括：

- (a) 就本公司全體董事及高級管理人員之薪酬政策及架構向董事會作出推薦建議；
- (b) 評估執行董事之表現；
- (c) 因應董事會所訂企業方針及目標而檢討及批准管理層之薪酬建議；
- (d) 就個別執行董事及高級管理人員之薪酬待遇向董事會作出推薦建議；
- (e) 就非執行董事之薪酬向董事會作出推薦建議；
- (f) 考慮可資比較公司所支付薪酬、須付出之時間及職責以及本公司及其附屬公司內其他職位之僱傭條件；及
- (g) 確保任何董事或其任何聯繫人不得參與釐定其本身薪酬。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' REMUNERATION

The Directors' remunerations are determined by the Board with reference to Directors' duties, responsibilities and performance and the results of the Group. In addition, the Directors' remuneration is reviewed by the Remuneration Committee of the Company annually. Details of the Directors' remuneration are set out in note 9 of the consolidated financial statements.

REMUNERATION OF THE SENIOR MANAGEMENT

During the Year, the remuneration of senior management (whose biographies are set out in the section headed "Biographical Details of Directors and Senior Management" in this annual report), other than the Directors, is listed as below by band:

		No. of person 人數
HK\$1,000,001 to HK\$2,000,000	1,000,001 港元至 2,000,000 港元	–
HK\$1,000,000 and below	1,000,000 港元及以下	7

Further details of the remuneration of the Directors and the five highest paid employees required to be disclosed under Appendix 16 of the Listing Rules have been set out in note 9 to the consolidated financial statements.

董事薪酬

董事薪酬乃由董事會依據董事之職務、責任及表現以及本集團之業績釐定。此外，董事薪酬由本公司薪酬委員會每年檢討。董事薪酬之詳情載於綜合財務報表附註9。

高級管理人員薪酬

於本年度，除董事外，高級管理人員（其履歷載於本年報「董事及高級管理層履歷詳情」一節）之薪酬範圍載列如下：

根據上市規則附錄十六須予披露之董事及五名最高薪酬僱員薪酬之進一步詳情載於綜合財務報表附註9。

NOMINATION COMMITTEE

The Company established the Nomination Committee on 23 October 2015 with written terms of reference in compliance with paragraph A.5 of the CG Code. During the Year and up to the date of this report, the Nomination Committee comprises four members, namely Mr. Fok Chi Tak, Mr. Lee Chi Hwa Joshua, Mr. Mak Yiu Tong and Mr. Li Chi Keung Eliot. Mr. Fok Chi Tak is the chairman of the Nomination Committee. The Nomination Committee is mainly responsible for making recommendations to the Board on appointment of Directors and succession planning for the Directors.

A summary of the work performed by the Nomination Committee during the Year included determining the policy for the nomination of the Directors, covering the nomination procedures and the process and criteria to select and recommend candidates for directorship during the Year.

提名委員會

本公司已遵照企業管治守則第A.5段於二零一五年十月二十三日成立提名委員會，並訂明書面職權範圍。於本年度及直至本報告日期，提名委員會由四名成員（即霍志德先生、李智華先生、麥耀棠先生及李智強先生）組成。霍志德先生為提名委員會主席。提名委員會主要負責就董事委任及董事繼任計劃向董事會提供推薦建議。

提名委員會於本年度所進行之工作概要包括釐定董事提名政策，有關政策涵蓋提名程序，以及甄選及推薦本年度董事候選人之程序及準則。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION POLICY

The Nomination Committee may invite nominations of candidates from Board members for its consideration. The Nomination Committee may also put forward candidates who are not nominated by Board members. The factors in assessing the suitability of a proposed candidate for director include:

- business experience relevant and beneficial to the Company, Diversity in all its aspects, including but not limited to gender, age, cultural and educational background, knowledge, professional experience and skills
- character and integrity
- accomplishments in personal careers
- independence
- willingness to devote adequate time to discharge duties as a Board member,

and such other perspectives appropriate to the Company's business. The Nomination Committee shall make recommendations for the Board's consideration and approval.

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy. A summary of such board diversity policy, the measureable objectives set for implementing such board diversity policy, and the progress of achieving those objectives are set out below.

Summary of the Board Diversity Policy

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, the diversity of the Board has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All Board appointments will be based on merit, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

提名政策

提名委員會可邀請董事會成員提名候選人供其考慮。提名委員會亦可建議並非董事會成員提名的候選人。評估建議董事候選人合適性的因素包括：

- 與本公司相關及對本公司有利的業務經驗、各方面的多元性，包括但不限於性別、年齡、文化及教育背景、知識、專業經驗及技能
- 品格及誠信
- 個人事業成就
- 獨立性
- 貢獻充足時間履行董事會成員職務的意願

及其他適合本公司業務的觀點。提名委員會將作出推薦建議供董事會考慮及批准。

董事會多元化政策

本公司已採納董事會多元化政策。相關董事會多元化政策摘要、為執行相關董事會多元化政策而設定之可計量目標及達成該等目標之進展載列如下。

董事會多元化政策摘要

為達致可持續均衡發展，本公司視董事會層面日益多元化為支持其達到策略目標及可持續發展之關鍵元素。本公司在謀劃董事會成員組合時，已從多方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能以及知識。董事會成員所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化之裨益。

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企業管治報告

BOARD DIVERSITY POLICY (continued)

Measurable Objectives

Selection of candidates will be based on a range of diversified perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be based on merit and potential contribution that the selected candidates will bring to the Board. The Board's composition will be disclosed in the corporate governance report annually in accordance with the Listing Rules.

Monitoring

The Nomination Committee is responsible for monitoring achievement of the measurable objectives as set out in the board diversity policy.

Diversity of the Board

The existing board members are well experienced in the construction industry, investment and finance businesses. Some of them are professionals in project management, finance, accounting and legal with extensive experience.

In view of the present scale and complexities of the Group's operations and the nature of the risks and challenges it faces, the Nomination Committee considers the Company has achieved a right balance of skills, experience, knowledge and diversity among the existing Board members.

董事會多元化政策 (續)

可計量目標

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。最終將按人選之長處及可為董事會作出之潛在貢獻作決定。董事會之組成將依照上市規則每年在企業管治報告披露。

監察

提名委員會負責監察是否達成董事會多元化政策所載之可計量目標。

董事會多元化

現有董事會成員在建造業、投資及財政事務方面經驗豐富。部分成員為具備廣泛經驗之項目管理、財務、會計及法律專業人士。

鑑於本集團業務經營之現有規模及複雜程度以及其所面臨風險及挑戰之性質，提名委員會認為，在現有各董事會成員之間，本公司已達致技能、經驗、知識及多元化之恰當平衡。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIVIDEND POLICY

The Company has adopted a dividend policy. The Board would consider, inter alia, the following factors before declaring or recommending dividend to the shareholders:

- the Company's actual and expected financial performance;
- retained earnings and distributable reserves of the Company;
- the level of the Company's debts to equity ratio, return on equity and the relevant financial covenants;
- any restrictions on payment of dividends that may be imposed by the Company's contracting parties;
- the Company's expected working capital requirements and future expansion plans;
- general economic conditions, business cycle of the Company's business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- any other factors that the Board may deem appropriate.

Any payment of dividend is also subject to compliance with applicable laws and regulations including the laws of the Cayman Islands and the Company's Articles of Association.

The Board will continually review the dividend policy from time to time and there can be no assurance that dividends will be paid in any particular amount for any given period.

股息政策

本公司已採納股息政策。於宣派或建議向股東派付股息前，董事會將考慮(其中包括)下列因素：

- 本公司之實際及估計財務表現；
- 本公司之保留盈利及可供分派儲備；
- 本公司之債務對權益比率水平、權益回報及相關財務契諾；
- 本公司訂約方可能對派付股息施加的任何限制；
- 本公司之估計營運資金需求及未來拓展計劃；
- 整體經濟狀況、本公司之業務週期以及其他可能對本公司業務或財務表現及狀況構成影響之內部或外部因素；及
- 董事會可能視為適當之任何其他因素。

任何股息支派亦須遵守適用法律及法規，包括開曼群島法例及本公司之章程細則。

董事會將繼續不時檢討其股息政策，惟概不保證將就任何指定期間以任何特定金額派付股息。

CORPORATE GOVERNANCE REPORT

企業管治報告

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibilities for the preparation of the financial statements of the Group in accordance with statutory requirements and accounting standards. The Directors also acknowledge their responsibilities to ensure that the financial statements for the Group are published in a timely manner. The Management has provided the Board with monthly updates and sufficient information for the Board to develop and maintain a balanced and understandable assessment of the Company's performance, position and prospects. The Directors consider that the financial statements have been prepared in conformity with the generally accepted accounting standards in Hong Kong, which reflect amounts that are based on the best estimates and reasonable, informed and prudent judgment of the Board and management with an appropriate consideration to materiality. The Directors, having made appropriate enquires, confirm that they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The accounting systems and internal control of the Group are designed to prevent any misappropriation of the Group's assets, any unauthorised transactions as well as to ensure the accuracy of the accounting records and the true and fairness of the financial statements.

The Board also acknowledges its responsibility to present a balanced, clear and understandable assessment in the Company's annual and interim reports, other announcements and other financial disclosures required under the Listing Rules, and reports to the regulators as well as to information required to be disclosed pursuant to statutory requirements.

The statement of the auditors of the Company about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report contained in this annual report.

問責及審核

董事確認彼等根據法定要求及會計準則編製本集團財務報表之責任。董事亦知悉彼等須確保本集團財務報表適時刊發之責任。管理層已向董事會提供每月更新及足夠資料，致使董事會可就本公司之表現、狀況及前景制定及維持中肯及易於理解之評估。董事認為財務報表乃按照香港公認會計準則編製，所反映之金額乃基於董事會及管理層之最佳估計以及合理、知情、謹慎判斷及妥當考慮之情況下釐定。董事經作出合理查詢後確認，彼等並不知悉任何重大不明朗因素涉及可能對本公司持續經營能力產生重大疑問之事件或狀況。

本集團之會計制度及內部監控旨在防止本集團資產遭挪用，防止任何未經授權交易，以及確保會計記錄之準確性及財務報表之真實公平。

董事會亦確認，其有責任在本公司年度及中期報告、其他公告及上市規則規定之其他財務披露，以及向監管者提交之報告連同根據法定要求須予披露之資料中，提供中肯、清晰及易於理解之評估。

本公司核數師就其對本集團財務報表之申報責任之聲明載於本年報之獨立核數師報告。

CORPORATE GOVERNANCE REPORT

企業管治報告

EXTERNAL AUDITOR'S REMUNERATION

The Company engaged BDO Limited as its external auditor for the year ended 31 March 2019. The Audit Committee has been notified of the nature and the service charges of non-audit services for the agreed upon procedures in connection with annual results announcement for the year ended 31 March 2019 and considered that these non-audit services have no adverse effect on the independence of the auditor. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditor. Details of the fees paid/payable to BDO Limited during the Year are as follows:

外聘核數師之酬金

本公司委聘香港立信德豪會計師事務所有限公司為其於截至二零一九年三月三十一日止年度之外聘核數師。就截至二零一九年三月三十一日止年度之年度業績公告而言，審核委員會已獲知會已協定程序中非審核服務之性質及服務收費，並認為該等非審核服務對核數師之獨立性並無不利影響。董事會與審核委員會在甄選、委聘、辭退或罷免外聘核數師方面並無意見分歧。本年度已付／應付香港立信德豪會計師事務所有限公司之費用詳情如下：

		HK\$ 港元
Audit services	審核服務	700,000
Non-audit services	非審核服務	-
		700,000

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the effectiveness of the Group's internal control and risk management system, which is designed to provide reasonable but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud. The Group has in place an effective internal control system which encompasses sound control environment, appropriate segregation of duties, well defined policies and procedures, close monitoring and is reviewed and enhanced by the Management at regular intervals.

風險管理及內部監控

董事會確認其有責任確保本集團內部監控及風險管理制度之成效，該制度旨在合理（但非絕對）保證不會出現管理及財務資料及記錄之重大錯誤陳述或財務損失或欺詐。本集團已設立有效內部監控制度，包括健全監控環境、適當職責分工、明確界定之政策及程序、嚴密監察，並且由管理層定期檢討及改進。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

風險管理及內部監控(續)

The Group is committed to maintaining and upholding good corporate governance practice and internal control system. The Company has in place an integrated framework of internal control which is consistent with the principles outlined in the “Internal Control and Risk Management — A Basic Framework” issued by the Hong Kong Institute of Certified Public Accountants as illustrated below:

本集團致力維持和恪守良好企業管治常規及內部監控制度。本公司已制定一套貫徹香港會計師公會所頒佈「內部監控與風險管理 — 基本架構」所載原則之綜合內部監控框架，詳情闡述如下：

Monitoring 監察

- Ongoing assessment of control systems' performance
- 持續評估監控制度之表現
- Internal audits performed by internal audit department
- 由內部審核部門進行內部審核

Information and Communication 資訊及溝通

- Information in sufficient detail is provided to the appropriate person timely
- 及時向合適人士提供充分詳盡之資料
- Channels of communication across the Group and with customers, suppliers and external parties
- 設立本集團內部以及與客戶、供應商及對外人士之溝通渠道
- Channels of communication for people to report any suspected improprieties
- 設立可供舉報任何可疑不當行為之溝通渠道

Control Activities 監控活動

- Policies and procedures for ensuring management directives are carried out
- 制定可確保執行管理指令之政策及程序
- Control activities include performance review, segregation of duties, authorization, physical count, access control, documentation and records, etc.
- 監控活動包括表現檢討、職責分工、授權、實物盤點、評估控制、存檔及記錄等

Risk Assessment 風險評估

- Identification, evaluation and assessment of the key risk factors affecting the achievement of the Company's objectives are performed regularly
- 定期識別、評價及評估影響達致本公司目標之主要風險因素
- Undertake proper actions to manage the risks so identified
- 採取恰當行動以管理所識別之風險

Control Environment 監控環境

- Channels to communicate the Company's commitment to integrity and high ethical standards to the staff are established
- 設立渠道向員工傳達本公司致力維持誠信及高道德標準
- Organizational chart and limits of authority are set and communicated to staff concerned
- 制定並向相關員工傳達公司架構圖及權限
- Reporting lines in accordance with organizational chart and line of authority are set
- 按照公司架構圖及權責制定匯報機制

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROLS (continued)

The internal audit department is responsible for conducting independent reviews of the adequacy and effectiveness of the Group's internal control and risk management system, reporting regularly the results to the Board through the Audit Committee and making recommendations to the relevant department management for necessary actions.

During the reporting period, the internal audit department had conducted reviews on the effectiveness of the internal control system covering all material factors related to financial, operational, compliance controls, various functions for risk management and physical and information security. Internal control reports containing its findings and results were reported to the Audit Committee during the Audit Committee meetings and had been delivered to all Directors for review.

The Audit Committee had reported during the Audit Committee meetings the key findings identified by the Company's external auditors in respect of the Group's internal controls and discussed findings and actions or measures taken in addressing those findings. The Company considers the internal control systems and risk management is effective during the year under review. No material issues on the Group's internal control system have been identified by the Group's internal audit department and the Company's external auditors during the reporting period which required significant rectification measures.

COMPANY SECRETARY

Ms. Chan Lai Ping, was appointed as a company secretary on 1 February 2019. Ms. Chan is a solicitor qualified to practise the laws of Hong Kong and a member of The Law Society of Hong Kong. She is also a consultant of a law firm in Hong Kong. Ms. Chan has many years of experience in advising on corporate finance, mergers and acquisitions, corporate governance, regulatory and compliance matters. Prior to joining the Company, she was the company secretary and general counsel of China Shandong Hi-Speed Financial Group Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 412). Ms. Chan has a bachelor of laws degree and a postgraduate certificate in laws from the University of Hong Kong. She also has a master of corporate finance degree from the Hong Kong Polytechnic University.

During the year ended 31 March 2019, Ms. Chan has satisfied the requirement of the Listing Rules for receiving 15 hours of professional training.

風險管理及內部監控(續)

內部審核部門負責獨立檢討本集團之內部監控及風險管理制度之準確性及成效，並透過審核委員會向董事會定期報告結果及向相關部門管理層提出建議以作出必要行動。

於報告期間內，內部審核部門曾檢討內部監控制度成效，涵蓋所有有關財務、營運、合規監控、多個風險管理功能以及實物及資訊安全之重大因素。載有其發現和結果之內部監控報告已於審核委員會會議上向審核委員會匯報，並已向全體董事提交以供審閱。

本公司外聘核數師所識別有關本集團內部監控之主要發現及經討論之發現以及為應對該等發現而採取之行動或措施，已由審核委員會於審核委員會會議上匯報。本公司認為內部監控制度及風險管理於回顧年內行之有效。於報告期間內，本集團之內部審核部門及本公司外聘核數師並無發現有關本集團內部監控制度之重大事宜而需要採取重大修正措施。

公司秘書

陳麗平女士於二零一九年二月一日已獲委任為公司秘書。陳女士為一名香港法例下合資格執業之律師，並為香港律師會之成員。彼亦為一間香港律師行之顧問。陳女士於就企業融資、合併及收購、企業管治、監管及合規事宜提供意見方面擁有多多年經驗。於加入本公司前，陳女士為中國山東高速金融集團有限公司（一間股份於聯交所主板上市之公司，股份代號：412）之公司秘書兼法務總監。陳女士持有香港大學之法學士學位及法學專業證書，以及香港理工大學企業金融碩士學位。

截至二零一九年三月三十一日止年度，陳女士已符合上市規則項下接受15小時專業培訓之規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

PROCEDURES BY WHICH ENQUIRIES MAY BE PUT TO THE BOARD

Shareholders may send their enquiries and concerns to the Board by addressing them to the company secretary of the Company, who is responsible for forwarding communications relating to matters within the Board's direct responsibilities to the Board and communications relating to ordinary business matters, such as suggestions and inquiries, to the senior management of the Company:

By post
Rooms 4917–4932, 49/F
Sun Hung Kai Centre
30 Harbour Road, Wan Chai
Hong Kong

By email
jovey.chan@haotianhk.com

Shareholders may also directly raise questions during the shareholders' meetings.

PROCEDURES FOR CONVENING GENERAL MEETINGS BY SHAREHOLDERS

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

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

Such requisition shall be made in writing to the Board or the company secretary of the Company by mail at Rooms 4917–4932, 49/F, Sun Hung Kai Centre, 30 Harbour Road, Wan Chai, Hong Kong for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

向董事會提出諮詢之程序

股東可向本公司之公司秘書提出其對董事會之查詢及關注事項。本公司之公司秘書負責將與董事會直接職責有關之事宜轉達董事會，並將有關日常業務之事宜(如建議及諮詢)轉達本公司高級管理層：

透過郵寄
香港
灣仔港灣道30號
新鴻基中心
49樓4917–4932室

透過電郵
jovey.chan@haotianhk.com

股東亦可直接於股東大會上提問。

股東召開股東大會之程序

根據章程細則第64條，董事會可酌情隨時召開股東特別大會。

股東特別大會亦須應一名或多名於遞交請求當日持有不少於本公司有權於股東大會上投票之實繳股本十分之一的股東之要求而召開。

如欲要求董事會召開股東特別大會以處理有關請求訂明之任何事務，則須以書面郵寄方式(地址為香港灣仔港灣道30號新鴻基中心49樓4917–4932室)向董事會或本公司公司秘書提呈有關請求。有關大會須於遞交該項請求後2個月內舉行。倘董事會於遞交該項請求後21日內未能召開有關大會，則提出請求人士本人(彼等)可按相同方式召開大會，而本公司須向提出請求人士償付所有由提出請求人士因董事會未能召開大會而產生之合理開支。

CORPORATE GOVERNANCE REPORT

企業管治報告

PROCEDURES FOR CONVENING GENERAL MEETINGS BY SHAREHOLDERS (continued)

Shareholders are requested to follow Article 64 of the Articles of Association for including a resolution at any general meeting. The requirements and procedures are set out above in the paragraph headed "Procedures for convening general meetings by shareholders".

COMMUNICATION WITH SHAREHOLDERS

The Directors recognise the importance of long-term support from the Shareholders of the Company. The Company attaches great priority to establish effective communication with its Shareholders and investors. In an effort to enhance such communications, the Company provides information relating to the Company and its business in its annual report and also disseminates such information electronically through its website at <http://www.haotianint.com.hk>

The Company regards the annual general meeting as an important event as it provides an opportunity for direct communication between the Board and its Shareholders. All Directors, senior management and external auditors will make an effort to attend the annual general meeting of the Company to address Shareholders' queries. All the Shareholders of the Company are given at least twenty one (21) days' notice of the date and venue of the annual general meeting of the Company. The Company supports the CG Code's principle to encourage Shareholders' participation.

The Board will review regularly the Group's operation and corporate governance of the Company in order to ensure compliance of the Articles of Association of the Company, the laws of the Cayman Islands and regulations and to protect the interest of its shareholders.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

There was no changes in the constitutional document of the Company during the year ended 31 March 2019.

股東召開股東大會之程序(續)

在任何股東大會上提呈決議案之股東均應遵循章程細則第64條之規定。有關規定及程序載於上文「股東召開股東大會之程序」一段。

股東通訊

董事意識到本公司股東的長期支持甚為重要。本公司非常注重與股東及投資者建立有效溝通之渠道。為加強有關溝通，本公司在年報內提供有關本公司及其業務之資料，亦以電子形式透過其網站 <http://www.haotianint.com.hk> 發佈有關資料。

本公司視股東週年大會為重大事項，原因為其可為董事會與其股東提供直接溝通的機會。所有董事、高級管理人員及外聘核數師，均會盡量抽空出席本公司股東週年大會，以回應股東之垂詢。本公司全體股東將獲發最少二十一(21)日通知，以告知本公司股東週年大會之日期及地點。本公司支持企業管治守則有關鼓勵股東參與之原則。

董事會將定期檢討本集團之業務經營及本公司之企業管治，以確保遵守本公司章程細則、開曼群島法律及規例以及保障股東利益。

章程文件之重大變更

截至二零一九年三月三十一日止年度，本公司章程文件並無變動。

REPORT OF THE DIRECTORS

董事會報告

The Directors of the Company present their annual report and the audited consolidated financial statements of the Group for the year ended 31 March 2019 (the “year under review”).

PRINCIPAL ACTIVITIES

As at the date of this annual report, the Company is principally engaged in the business of (a) provision of financial services and related financial advisory services through subsidiaries licensed to conduct (i) Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO; (ii) money lending activities; and (iii) brokerage of general insurance and long term (including linked long term) insurance; and (b) rental and trading of construction machinery.

The principal activity of the Company is investment holding and details of the principal activities of its subsidiaries are set out in note 44 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year under review are set out in the consolidated statement of profit or loss and other comprehensive income on page year under review. No dividend was paid or proposed by the Company during the year under review, nor has any dividend been proposed by the Directors since the end of the year under review.

BUSINESS REVIEW

The review of the business of the Group during the year under review and the discussion on the Group’s future business development are set out in the sections headed “Director’s Statement” and “Management Discussion and Analysis”, and the key financial performance indicators are set out in the section headed, “Management Discussion and Analysis”. The financial risk management objectives and policies of the Group are set out in note 39 to the consolidated financial statements. In addition, discussions on the Group’s relationships with key stakeholders, environmental policies and performance and compliance with relevant laws and regulations which have a significant impact on the Group are as follows:

本公司董事呈列本集團截至二零一九年三月三十一日止年度(「回顧年度」)之年報及經審核綜合財務報表。

主要業務

於本年報日期，本公司主要從事以下業務：(a)透過持牌附屬公司提供金融服務及相關金融諮詢服務，包括(i)證券及期貨條例項下第1類(證券交易)、第2類(期貨合約交易)、第4類(就證券提供意見)及第9類(提供資產管理)受規管活動；(ii)放貸業務；及(iii)一般保險及長期(包括相連長期)保險經紀；及(b)建築機械租賃及銷售。

本公司之主要業務為投資控股，其附屬公司主要業務之詳情載於綜合財務報表附註44。

業績及分配

本集團於回顧年度之業績載於回顧年度的綜合損益及其他全面收益表。本公司於回顧年度概無派付或建議派付股息，董事亦無建議於回顧年度結算日以後派付任何股息。

業務回顧

本集團於回顧年度之業務回顧及有關本集團未來業務發展之討論載於「董事報告書」及「管理層討論及分析」兩節，而主要財務表現指標之詳情則載於「管理層討論及分析」一節。本集團之財務風險管理目標及政策載於綜合財務報表附註39。此外，有關本集團與主要持份者之關係、環境政策及表現以及遵守對本集團有重大影響之相關法律法規之討論如下：

REPORT OF THE DIRECTORS

董事會報告

BUSINESS REVIEW (continued)

Relationship with key stakeholders

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

Employees

Employees are regarded as important and valuable assets of the Group. The objective of the Group's human resource management is to reward and recognise performing staff by providing a competitive remuneration package and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression by appropriate training and providing opportunities within the Group for career advancement.

Customers

The major customers include construction work companies engaged in either public or private construction projects in Hong Kong which require particular types of construction machinery at different stages of their projects. We have established long-term business relationship with some of the customers for over 10 years. The sales and marketing team maintains contacts with these customers regularly to understand their needs and to provide relevant information to support their projects.

Suppliers

The major suppliers include manufacturers and service providers of construction machinery, oil companies, and other third-party service companies for maintenance, transportation and assembly/disassembly services engaged by us. We proactively communicate with the suppliers to ensure they are committed to delivering high-quality and sustainable products and services. We will select suppliers from the pre-approved lists of subcontractors and suppliers.

業務回顧(續)

與主要持份者之關係

本集團之成功有賴主要持份者的支持，其中包括僱員、客戶、分包商及供應商。

僱員

僱員是本集團重要及具價值之資產。本集團人力資源管理之目標乃透過提供具競爭力之薪酬待遇及推行具適當獎勵之有效考核制度，以獎勵及嘉許有表現之員工，並透過適當培訓及提供機會協助員工在本集團內發展事業及晉升。

客戶

主要客戶包括從事香港公共或私營建築項目之建築工程公司，此等公司在其建築項目之不同階段需要特定種類之建築機械。我們與若干客戶均建立長久業務往來關係，部分業務關係更超過十年。銷售及營銷團隊與此等客戶保持定期聯絡，從中了解彼等之需要並提供相關資訊支援彼等之項目。

供應商

主要供應商包括建築機械製造商及服務供應商、油品公司以及由我們委聘之保養、運輸及組裝/卸裝服務之其他第三方服務供應商。我們積極與供應商溝通以確保彼等承諾交付高質量及源源不絕的產品和服務。我們將於通過預審資格之分包商及供應商名單中揀選供應商。

REPORT OF THE DIRECTORS

董事會報告

ENVIRONMENTAL POLICIES AND PERFORMANCE

We believe that our business also depends on our ability to meet our customers' requirements in respect of safety, quality and environmental aspects. To meet our customers' requirements on safety, quality and environmental aspects, we have established safety, quality and environmental management systems. Through the systematic and effective control of our operations, compliance with safety, quality and environmental requirements can be further assured. Further discussions on the Group's environmental policy and performance are covered by a separate Environmental, Social and Governance Report which will be available at the Group's website and the website of the Stock Exchange on or before end of September 2019.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

Based on the best knowledge of the Directors, the Company has complied in all material respect with laws and regulations that have a significant impact on the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group identified and determined the major risks which may affect the operation results and financial conditions of the Group through risk management process, which including the following:

Risk in delay or default of payment in the Group's money lending business

As at 31 March 2019, the outstanding loan receivables of the money lending business of the Group (net of impairment) was approximately HK\$163.3 million, representing approximately 28.5% of the total current assets of the Company. Any delay or default in payment of the loans will have an adverse impact on the Company's working capital, cash flow and subsequently the profits of the Company.

環境政策及表現

我們相信我們之業務亦取決於我們能否滿足客戶在安全、質量及環境方面之要求。為滿足客戶在安全、質量及環境方面之要求，我們建立安全、質量及環境管理制度。透過對業務營運之有系統及有效監控，得以進一步確保遵守安全、質量及環境要求。有關本集團環境政策及表現之進一步討論載於單獨刊發之環境、社會及管治報告，該報告將於二零一九年九月底或之前可於本集團及聯交所網站查閱。

遵守相關法律及法規

據董事所深知，本公司已在所有重大方面遵守對本公司有重大影響之法律及法規。

主要風險及不明朗因素

本集團通過風險管理流程識別並確定可能影響其經營業績及財務狀況之主要風險如下：

本集團放貸業務之延遲或拖欠還款風險

於二零一九年三月三十一日，本集團放貸業務未償還應收貸款（扣除減值）約為163.3百萬港元，佔本公司流動資產總值約28.5%。任何延遲或拖欠貸款還款均會對本公司營運資金、現金流量及溢利造成不利影響。

REPORT OF THE DIRECTORS

董事會報告

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Risk in delay or default of payment in the Group's money lending business (continued)

To manage such risk, the Company requires borrowers to provide appropriate security and closely monitors the loan receivable collection cycle from time to time to get full collection of the outstanding amounts due from customers. The Company will assess and decide to enforce the security provided by customers or take legal actions as appropriate. All exposures are subject to regular review and assessment for possible impairment.

Compliance risk

The Group operates financial services business through subsidiaries with appropriate licenses to conduct regulated activities, insurance agency and money lending. During the course of providing such financial services, the Group would be exposed to compliance risk, including the risk of legal liability, being subjected to regulatory proceedings, disciplinary action, or loss of property or business reputation arising from violation of laws, regulations and rules due to the operation and management or practices of the Group or its personnel. In order to effectively control compliance risk, the Group has put in place a practicable compliance management system and provided resources and support to develop lawful and compliant operations of the Group.

Financial risk

The Group's diversified business is exposed to a variety of risks, such as market risks, credit risk and liquidity risk. Further details of the financial risk management objectives and policies are set out in note 39 to the consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL

Details of movements in the share capital of the Company during the year under review are set out in note 33 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group during the year under review are set out in the consolidated statement of changes in equity on page 79.

主要風險及不明朗因素(續)

本集團放貸業務之延遲或拖欠還款風險(續)

為管理該等風險，本公司要求借款人提供適當之抵押品，並不時密切監控應收貸款之收款週期，以悉數收回應收客戶之未償還款項。本公司將評估及考慮執行對客戶所提供之抵押品之權利或採取法律行動(如適用)。所有風險敞口均須定期檢討及評估減值之可能性。

合規風險

本集團透過具備適當牌照可進行受規管活動、保險代理及放貸業務之附屬公司經營金融服務業務。於提供該等金融服務之過程中，本集團可能面對多項合規風險，包括因本集團或其僱員經營管理或執業行為違反法律、法規和規定而導致本集團被依法追究法律責任、採取監管措施、給予紀律處分、出現財產損失或商業信譽損失之風險。為有效監控合規風險，本集團已制定一套可行合規管理制度，為本集團依法遵規經營業務提供資源及支援。

財務風險

本集團之多元化業務面臨市場風險、信貸風險及流動資金風險等多種風險。財務風險管理目標及政策之進一步詳情載於綜合財務報表附註39。

物業、廠房及設備

本公司及本集團於回顧年度之物業、廠房及設備變動詳情載於綜合財務報表附註14。

股本

本公司於回顧年度之股本變動詳情載於綜合財務報表附註33。

儲備

本集團於回顧年度之儲備變動詳情載於第79頁之綜合權益變動表。

REPORT OF THE DIRECTORS

董事會報告

DISTRIBUTABLE RESERVES

As at 31 March 2019, the Company had reserves amounted to approximately HK\$550.7 million available for distribution as calculated based on Company's share premium, capital reserve and accumulated losses under applicable provisions of the Companies Law in the Cayman Islands.

GROUP FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 220. This summary does not form part of the audited financial statements.

DIRECTORS

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

Executive Directors

Dr. Zhiliang Ou, J.P., (Australia)
Mr. Fok Chi Tak
Mr. Tang Yiu Chi James

Independent Non-executive Directors

Mr. Lee Chi Hwa Joshua
Mr. Mak Yiu Tong
Mr. Li Chi Keung Eliot

Information regarding directors' emoluments are set out in note 9 to the consolidated financial statements.

The Directors' biographical details are set out in the section headed "Biographical Details of Directors and Senior Management" in this report.

In accordance with Article 112 of the Articles, any director appointed by the Board either to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

可供分派儲備

於二零一九年三月三十一日，本公司可供分派儲備達約550.7百萬港元，乃根據開曼群島公司法之適用條文按本公司之股份溢價、資本儲備及累計虧損計算。

集團財務概要

本集團於過去五個財政年度之業績以及資產及負債概要載於第220頁。本概要並不構成經審核財務報表之一部分。

董事

本公司於回顧年度及直至本報告日期之董事如下：

執行董事

歐志亮博士，太平紳士，(澳洲)
霍志德先生
鄧耀智先生

獨立非執行董事

李智華先生
麥耀棠先生
李智強先生

有關董事薪酬之資料載於綜合財務報表附註9。

董事之履歷詳情載於本報告「董事及高級管理層履歷詳情」一節。

根據細則第112條，任何獲董事會委任以填補臨時空缺之董事僅任職至其獲委任後本公司之首屆股東大會為止，並可於該大會上接受重選，而任何獲董事會委任作為現有董事會增補成員之董事僅任職至本公司下屆股東週年大會為止，屆時將符合資格重選連任。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS (continued)

Pursuant to Article 108 of the Articles, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

Dr. Zhiliang Ou and Mr. Lee Chi Hwa Joshua will retire from office as Directors at the forthcoming annual general meeting of the Company. Both of the aforesaid Directors, being eligible, will offer themselves for re-election.

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

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company for a term of three years unless terminated by not less than three months' notice in writing served by either party on the other, and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in the Memorandum and the Articles. Each independent non-executive Director had a letter of appointment with the Company for a term of three years which shall be renewable by mutual agreement thereafter. During the tenure, the appointment may be terminated by either party giving the other not less than three months' notice in writing.

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

董事(續)

根據細則第108條，於各股東週年大會上，當時在任三分之一董事(或倘人數並非三(3)之倍數，則為最接近但不少於三分之一的人數)須輪值告退，惟各董事須至少每三年於股東週年大會上輪值告退一次。

歐志亮博士及李志華先生將於本公司應屆股東週年大會上退任董事職務。上述兩名董事均符合資格且願意重選連任。

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立性發出之年度確認書。本公司認為全體獨立非執行董事均屬獨立人士。

董事服務合約

各執行董事已與本公司訂立為期三年之服務合約，除非訂約一方向另一方發出不少於三個月之書面通知予以終止，則作別論，並須遵守合約內之終止條文以及大綱及細則內所載有關董事輪值退任之條文。各獨立非執行董事已與本公司訂立為期三年之委聘函，其後將可經雙方協定下重續。於任期內，訂約一方可通過向另一方發出不少於三個月之書面通知終止委任。

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

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year under review was the Company, or any of its subsidiaries, a party to any arrangement 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 and none of the Directors, or their spouses or children under the age of 18, had any rights to subscribe for the securities of the Company, or had exercised any such right during the year under review.

EQUITY-LINKED AGREEMENTS

Save (i) the placing agreement dated 10 May 2017 entered into among the Company and Hao Tian International Securities Limited and Kingston Securities Limited; and (ii) as disclosed under the section headed "Share Option Scheme" below, no equity-linked agreements were entered into by the Group, or existed during the year under review.

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

As at 31 March 2019, none of the Directors or chief executive of the Company had registered an interest or short position in the Shares or underlying Shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under provision of the SFO) or were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事收購股份或債權證之權利

於回顧年度任何時候，本公司或其任何附屬公司並無作出任何安排，致使董事藉購買本公司或任何其他法人團體之股份或債權證而獲益，且於回顧年度概無董事或其配偶或十八歲以下之子女擁有任何可認購本公司證券之權利或已行使任何該等權利。

股票掛鈎協議

除(i)本公司與昊天國際證券有限公司及金利豐證券有限公司所訂立日期為二零一七年五月十日之配售協議；及(ii)下文「購股權計劃」一節所披露者外，本集團概無訂立或於回顧年度仍存在之任何股票掛鈎協議。

董事及主要行政人員於股份、相關股份及債權證中之權益

於二零一九年三月三十一日，概無董事或本公司主要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)之股份或相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉(包括根據證券及期貨條例之條文被當作或視為擁有之權益及淡倉)，或根據證券及期貨條例第352條須記入該條例所指登記冊或根據標準守則須知會本公司及聯交所之權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2019, so far as is known to the Directors or chief executive of the Company, the following persons (other than Directors or chief executive of the Company), who had interests or short positions in the Shares, the underlying Shares and debentures of the Company and its associated corporation within the meaning of Part XV of the SFO which were required to be disclosed pursuant to the provision of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to Section 336 of the SFO, to be recorded in the register referred to therein, were as follows:

主要股東於股份、相關股份及債權證中之權益

於二零一九年三月三十一日，就董事或本公司主要行政人員所知，下列人士（董事或本公司主要行政人員除外）於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第2及3分部條文須予披露，或根據證券及期貨條例第336條須記入該條例所指登記冊之權益或淡倉如下：

Name of Shareholder 股東姓名／名稱	Capacity/Nature of interest 身份／權益性質	Number of shares held 持股數目	Percentage of shareholding (Note 1) 股權百分比 (附註1)
Hao Tian Management (China) Limited ("HTM China") (Note 2) 昊天實業管理(中國)有限公司 (「昊天實業管理(中國)」)(附註2)	Beneficial owner 實益擁有人	2,332,384,688	56.2%
Hao Tian Management (Hong Kong) Limited ("HTM HK") (Note 2) 昊天管理(香港)有限公司 (「昊天管理(香港)」)(附註2)	Beneficial owner 實益擁有人	580,104,000	13.98%
Hao Tian Development Group Limited ("HTD") (Note 2) 昊天發展集團有限公司(「昊天發展」)(附註2)	Interests of controlled corporation 受控制法團權益	2,912,488,688	70.18%
Li Shao Yu (Note 2) 李少宇(附註2)	Interests of controlled corporation 受控制法團權益	2,912,488,688	70.18%
China Construction Bank Corporation ("CCBC") (Note 3) 中國建設銀行股份有限公司(「中國建行」) (附註3)	Security interest 擔保權益	2,332,384,688	56.2%

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

Notes:

1. The percentage of shareholding is calculated on the basis of 4,150,000,000 shares in issue as at 31 March 2019.
2. Win Team Investments Limited ("Win Team") holds (a) 100% of the issued shares in HTM China, and (b) 92.41% of the issued shares in HTM HK. Win Team is a wholly-owned subsidiary of HTD. Asia Link Capital Investment Holdings Limited ("Asia Link") held 57.93% of the issued shares in HTD. Asia Link is directly wholly-owned by Ms. Li Shao Yu.
3. CCBC, through Cheer Hope Holdings Limited, which is its indirectly wholly owned subsidiary, held the security interest in those 2,332,384,688 shares in the Company.

Save as disclosed above, as at 31 March 2019, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to Section 336 of the SFO, to be recorded in the register referred to therein.

SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a resolution passed on 23 October 2015 for the purpose of providing incentives or rewards to eligible persons who the Board considers, in its sole discretion, have contributed or will contribute to the Group. Under the Share Option Scheme, the Board may grant options to eligible persons, including directors of the Company and its subsidiaries, to subscribe for the Shares. Eligible persons of the Share Option Scheme, amongst others, include any executives, any employee (including proposed, full-time or part-time employee), a director or proposed director (including an independent non-executive director), a direct or indirect shareholder of any member of the Company and its subsidiaries and an associate of any of the aforementioned persons.

主要股東於股份、相關股份及債權證中之權益(續)

附註：

1. 持股份百分比乃根據於二零一九年三月三十一日已發行之4,150,000,000股股份之基準計算。
2. 智添投資有限公司(「智添」)持有(a)昊天實業管理(中國)全部已發行股份；及(b)昊天管理(香港)已發行股份之92.41%。智添由昊天發展全資擁有。亞聯創富控股有限公司(「亞聯」)持有昊天發展已發行股份之57.93%。亞聯由李少宇女士直接全資擁有。
3. 中國建行透過其間接全資附屬公司Cheer Hope Holdings Limited持有本公司2,332,384,688股股份之擔保權益。

除上文披露者外，於二零一九年三月三十一日，本公司並無獲任何人士(董事或本公司主要行政人員除外)知會彼等於本公司股份或相關股份或債權證中擁有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露，或須根據證券及期貨條例第336條記入該條例所指登記冊。

購股權計劃

本公司根據於二零一五年十月二十三日通過的一項決議案採納購股權計劃，旨在向董事會全權酌情認為對本集團曾作出或將會作出貢獻之合資格人士提供獎勵或獎賞。根據購股權計劃，董事會可向合資格人士(包括本公司及其附屬公司之董事)授出購股權以認購股份。購股權計劃之合資格人士包括(其中包括)本公司及其附屬公司任何成員公司之任何行政人員、任何僱員(包括候任、全職或兼職僱員)、董事或候任董事(包括獨立非執行董事)、直接或間接股東以及上述任何人士之聯繫人。

REPORT OF THE DIRECTORS 董事會報告

SHARE OPTION SCHEME (continued)

The Board shall set out in the offer the terms on which the option is to be granted. The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company must not exceed 30% of the Shares in issue from time to time. No options shall be granted under the Share Option Scheme at any time if such grant shall result in the scheme limit being exceeded.

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Company shall not in aggregate exceed 10% of the total number of Shares in issue as at the Listing Date. The Company may seek approval of its Shareholders in general meeting for refreshing such 10% limit.

The maximum number of Shares issued and to be issued upon exercise of the options granted to each Eligible Person (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue for the time. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

Any grant of options to any Director, chief executive or substantial shareholder (as such term as defined in the Listing Rules) of the Company, or any of their respective associates under the Share Option Scheme is subject to the prior approval of the independent non-executive Directors (excluding independent non-executive Directors who or whose associates is the grantee of an options). Where any grant of options to a substantial shareholder or an independent non-executive Director, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the Shares in issue on the date of such grant; and (ii) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant, in excess of HK\$5.0 million, such further grant of the options shall be subject to prior approval of the Shareholders with such person and his associates abstaining from voting in favour of general meeting.

購股權計劃(續)

董事會須於提出要約時列出授出購股權之條款。因根據購股權計劃及本公司任何其他計劃已授出但尚未行使之購股權獲全數行使而可能發行之最高股份數目，不得超過不時已發行股份之30%。倘授出購股權將引致超出計劃限額，則任何時候均不得根據購股權計劃授出購股權。

因根據購股權計劃及本公司任何其他計劃將予授出之購股權獲全數行使而可能發行之股份總數合共不得超過於上市日期已發行股份總數之10%。本公司或會於股東大會上尋求股東批准更新該10%限額。

於任何12個月期間，因授予各合資格人士之購股權(包括已行使及尚未行使之購股權)獲行使而已發行及將發行之最高股份數目，不得超過當時已發行股份之1%。授出任何其他超過此限額之購股權須待股東於股東大會上批准，方可作實。

根據購股權計劃向任何董事、本公司主要行政人員或主要股東(定義見上市規則)或彼等各自之任何聯繫人授出任何購股權，均須事先獲獨立非執行董事(不包括身為購股權承授人之獨立非執行董事或其聯繫人)批准。倘向主要股東或獨立非執行董事或彼等各自之任何聯繫人授出任何購股權，將導致因有關人士所獲授及將獲授之購股權(包括已行使、已註銷及尚未行使之購股權)獲全數行使而已發行及將予發行之股份於12個月期間直至授出日期(包括該日)(i)合共佔授出日期已發行股份超過0.1%；及(ii)按聯交所於授出日期所發出每日報價表所報股份收市價計算總值超過5.0百萬港元，則該項進一步授出購股權須事先獲股東批准，而有關人士及其聯繫人須於股東大會上放棄投贊成票。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME (continued)

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. Options granted shall be taken up upon payment of HK\$1 as consideration for the grant of option. Options may be exercised at any time from the date which option is deemed to be granted and accepted and expired on the date as the Board in its absolute discretion determine and which shall not exceeding a period of 10 years from the date on which the share options are accepted but subject to the provisions for early termination thereof contained in the Share Option Scheme.

The subscription price is determined by the Board, and shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of offer and (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the offer date. The Share Option Scheme shall be valid and effective for a period of 10 years commencing on 23 October 2015. No share options were granted, forfeited or expired during the Year. As at the date of this annual report, the total number of Shares available for issue under the Share Option Scheme was 100,000,000 Shares, representing approximately 4.17% of the issued shares of the Company.

CONNECTED TRANSACTION

Acquisition of shares in Hao Tian International Financial Holdings Limited

On 28 March 2018 (after trading hours), Solution Pro Investments Limited, an indirect wholly-owned subsidiary of the Company, Hao Tian Development Group Limited ("Hao Tian Development", the controlling shareholder of the Company), and the Company entered into the sales and purchase agreement in relation to an acquisition of the entire issued share capital of Hao Tian International Financial Holdings Limited at the total consideration was HK\$180,000,000 payable in cash. Completion took place on 13 December 2018 whereupon the target company has become an indirect wholly-owned subsidiary of the Company.

購股權計劃(續)

任何授出購股權之要約須於作出有關要約當日(包括該日)起七日內獲接納。就授出購股權而言,須支付1港元作為接納獲授購股權之代價。購股權可自購股權被視為已授出及接納當日起隨時行使,並於董事會全權酌情釐定之日期屆滿,惟不得超過自接納購股權當日起計10年期限,但可根據購股權計劃所載條文而提早終止。

認購價由董事會釐定,不得少於以下最高者:(i)於要約日期聯交所每日報價表所報股份收市價;及(ii)緊接要約日期前五個營業日聯交所每日報價表所報股份平均收市價。購股權計劃自二零一五年十月二十三日起10年期內有效及生效。於本年度,概無任何購股權獲授出、沒收或屆滿。於本年報日期,根據購股權計劃可供發行之股份總數為100,000,000股,相當於本公司已發行股份約4.17%。

關連交易

收購昊天國際金融控股有限公司之股份

於二零一八年三月二十八日(交易時段後), Solution Pro Investments Limited(本公司之間接全資附屬公司)、昊天發展集團有限公司(「昊天發展」,本公司之控股股東)與本公司訂立買賣協議,內容有關收購昊天國際金融控股有限公司之全部已發行股本,總代價為180,000,000港元並須以現金支付。收購已於二零一八年十二月十三日完成,其後目標公司已成為本公司之間接全資附屬公司。

REPORT OF THE DIRECTORS 董事會報告

CONNECTED TRANSACTION (continued)

Acquisition of shares in Hao Tian Management (Hong Kong) Limited

On 17 December 2018 (after trading hours), Glory Century Limited, an indirect wholly-owned subsidiary of the Company, Hao Tian Management (Hong Kong) Limited (which is a wholly-owned subsidiary of Hao Tian Development), and the Company entered into the sales and purchase agreement in relation to an acquisition of approximately 4.05% of the issued share capital of China Shandong Hi-Speed Financial Group Limited (stock code 412) and the total consideration of HK\$198,000,000 was be satisfied in full by the allotment and issue of the 550,000,000 consideration shares by the Company to the Vendor or its nominee(s) at the price of HK\$0.36 per consideration share upon completion. Completion took place on 15 February 2019.

Issue of Emolument shares to Mr. Gao Zhangpeng ("Mr. Gao")

Mr. Gao has been appointed as the chief executive officer of the Company with effect on 1 March 2019. Pursuant to the terms and conditions of the service contract with Mr. Gao (the "Service Contract"), the Company has conditionally agreed to allot and issue a total of 12,129,380 emolument shares representing approximately 0.29% of the existing total issued Shares of the Company (the "Emolument Shares"). The value of Emolument Shares is equivalent to an aggregate value of approximately HK\$4,500,000 based on the average closing price of HK\$0.371 per share.

The Stock Exchange granted its approval for the listing of, and permission to deal in the Emolument Shares on 6 May 2019. Among which, 4,043,126 Emolument Shares will be issued by the Company within 30 days following each anniversary date of the appointment date of Mr. Gao during the 3-year terms of the Service Contract and Mr. Gao's entitlement to the annual Emolument Shares will be made on a pro-rata basis if there is an early termination of the Service Contract.

關連交易 (續)

收購昊天管理(香港)有限公司之股份

於二零一八年十二月十七日(交易時段後)，豪翔有限公司(本公司之間接全資附屬公司)、昊天管理(香港)有限公司(昊天發展之全資附屬公司)與本公司訂立買賣協議，內容有關收購中國山東高速金融集團有限公司(股份代號：412)已發行股本約4.05%，總代價198,000,000港元已於完成後透過本公司按每股代價股份0.36港元之價格向賣方或其代名人配發及發行550,000,000股代價股份悉數償付。收購已於二零一九年二月十五日完成。

向高章鵬先生(「高先生」)發行獎勵股份

高先生已獲委任為本公司行政總裁，自二零一九年三月一日起生效。根據高先生之服務合約(「服務合約」)之條款及條件，本公司有條件同意配發及發行合共12,129,380股獎勵股份(「獎勵股份」，相當於本公司現有已發行股份總數約0.29%)。獎勵股份之價值相等於按股份平均收市價每股0.371港元計算之總值約4,500,000港元。

聯交所於二零一九年五月六日已批准獎勵股份上市及買賣。其中4,043,126股獎勵股份將於服務合約三年期內高先生獲委任之每個週年日起30日內發行，而倘服務合約遭提早終止，則高先生之年度獎勵股份配額將按比例發行。

REPORT OF THE DIRECTORS

董事會報告

RELATED PARTY TRANSACTIONS

The significant related party transactions entered into by the Group during the year under review set out in note 41 to the consolidated financial statements included transactions that constitute connected/continuing connected transactions for which the disclosure requirements under the Listing Rules have been complied with.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as those disclosed in the paragraphs headed "Connected Transactions" and in note 41 to the consolidated financial statements, no other transactions, arrangements or contracts of significance, to which the Company or any of its subsidiaries was a party 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 under review.

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 under review.

COMPETING BUSINESS

During the year under review, none of the Directors or HTM China and their respective associates had any interests in a business, apart from the business of the Group, which competes or may compete with the business of the Group or has any other conflict of interest with the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, every director shall subject to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), be entitled to be indemnified out of the assets or profits of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto.

關聯方交易

載於綜合財務報表附註41，由本集團於回顧年度訂立之重大關聯方交易包括構成關連／持續關連交易之交易，有關交易已遵守上市規則項下之披露規定。

董事於重大交易、安排或合約之權益

除「關連交易」各段及綜合財務報表附註41所披露者外，董事概無於本公司或其任何附屬公司所訂立且於年末或回顧年度任何時間仍然生效之其他重大交易、安排或合約中，直接或間接擁有重大權益。

管理合約

於回顧年度，就本公司整體或任何重要環節業務方面並無訂立或仍然有效之管理及行政合約。

競爭業務

於回顧年度，董事或昊天實業管理(中國)以及彼等各自之聯繫人概無於與本集團業務構成競爭或可能構成競爭之業務(本集團業務除外)中擁有任何權益，亦無擁有任何其他與本集團存在利益衝突而根據上市規則第8.10條須予披露之權益。

獲准許之彌償條文

根據章程細則，各董事有權在香港法例第622章公司條例之規限下，從本公司之資產或溢利中獲得彌償，以彌償其作為董事在執行職務或有關其他與執行職務相關之事宜時招致或蒙受之一切損失或責任。

REPORT OF THE DIRECTORS 董事會報告

PERMITTED INDEMNITY PROVISION (continued)

The Company has arranged appropriate directors' liability insurance coverage for the Directors of the Company during the year under review.

EMOLUMENT POLICY

The emolument policy of the employees of the Group was set up by the Remuneration Committee on the basis of their merit, qualifications and competence. The emolument of the Directors are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a Share Option Scheme as an incentive to eligible persons, details are set out under heading "Share Option Scheme" in this annual report.

RETIREMENT BENEFIT SCHEME

Details of the Group's retirement benefit schemes are set out in note 37 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles or the laws of Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

MARKET CAPITALISATION

As at 31 March 2019, the market capitalisation of the listed shares of the Company was approximately HK\$1,473.3 million based on the total number of 4,150,000,000 issued shares of the Company and the closing price of HK\$0.355 per share.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is public available to the Company and to the best knowledge of the Directors, during the year under review, at least 25% of the Company's issued shares were held by the public as required under Rule 8.08 of the Listing Rules.

獲准許之彌償條文(續)

於回顧年度，本公司已投購適當的董事責任保險，為本公司董事提供保障。

薪酬政策

本集團僱員之薪酬政策由薪酬委員會按其功績、資歷及能力訂定。董事酬金由薪酬委員會按本公司經營業績、個人表現及可資比較市場統計數據釐定。

本公司已採納購股權計劃作為對合資格人士之鼓勵，有關詳情載於本年報「購股權計劃」。

退休福利計劃

本集團之退休福利計劃詳情載於綜合財務報表附註37。

優先認股權

根據細則或本公司註冊成立所處司法權區開曼群島之法律，概無優先認股權條文導致本公司有責任向現有股東按比例發售新股份。

市值

於二零一九年三月三十一日，本公司上市股份之市值根據本公司已發行股份總數4,150,000,000股及每股0.355港元之收市價計算約為1,473.3百萬港元。

足夠公眾持股量

根據本公司所獲得之公開資料及就董事所深知，於回顧年度，本公司至少25%已發行股份乃由公眾持有，符合上市規則第8.08條之規定。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of the Group's turnover and purchases attributable to major customers and suppliers during the year ended 31 March 2019 and 2018 are as follows:

主要客戶及供應商

截至二零一九年及二零一八年三月三十一日止年度，主要客戶及供應商應佔本集團營業額及採購額之百分比如下：

		For the year ended 截至以下日期止年度	
		31 March 2019 二零一九年 三月三十一日	31 March 2018 二零一八年 三月三十一日
Percentage of turnover:	營業額百分比：		
From the largest customer	來自最大客戶	11.4%	12.5%
From the five largest customers in aggregate	來自五大客戶之總額	42.3%	45.8%
Percentage of purchase:	採購額百分比：		
From the largest supplier	來自最大供應商	42.3%	15.9%
From the five largest suppliers in aggregate	來自五大供應商之總額	66.5%	51.8%

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

於本年度，概無董事、彼等之緊密聯繫人或任何股東（據董事所知彼等擁有本公司股本5%以上）於五大客戶或供應商中擁有任何權益。

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year under review.

購買、出售或贖回本公司上市證券

於回顧年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

On behalf of the Board

代表董事會

Fok Chi Tak
Hao Tian International Construction Investment Group Limited
Executive Director

昊天國際建設投資集團有限公司
執行董事
霍志德

Hong Kong, 10 June 2019

香港，二零一九年六月十日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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TO THE MEMBERS OF HAO TIAN INTERNATIONAL CONSTRUCTION INVESTMENT GROUP LIMITED

(incorporated in Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Hao Tian International Construction Investment Group Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 75 to 219, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致昊天國際建設投資集團有限公司股東

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第75至219頁的昊天國際建設投資集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零一九年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、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,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一九年三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》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》)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於 貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

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

Impairment assessment of trade and loan receivables

Refer to summary of significant accounting policies in note 3, critical accounting estimates and judgements in note 4 and disclosure of trade and loan receivables in note 21 and 19 to the consolidated financial statements respectively.

As at 31 March 2019, the carrying amount of trade and loan receivables is approximately HK\$245,463,000 (2018: HK\$81,595,000), after making loss allowance of approximately HK\$25,524,000 (2018: HK\$5,161,000). It represents approximately 22.7% (2018: 12.9%) of the total assets of the Group and is considered quantitatively significant to the Group.

The Group's loss allowance on trade receivables is measured at an amount equal to lifetime expected credit losses ("ECLs"), while loss allowance on loan receivables is measured at an amount equal to 12 months ECLs, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognizes lifetime ECLs. The estimated loss rates take into account the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

We have identified impairment assessment of trade and loan receivables as a key audit matter due to considerable amount of judgement and estimates being required in conducting impairment assessment as mentioned in the forgoing paragraph.

關鍵審計事項

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

貿易應收款項及應收貸款之減值評估

請參閱綜合財務報表附註3之主要會計政策、附註4之重大會計估計及判斷以及分別於附註21及附註19有關貿易應收款項及應收貸款之披露。

於二零一九年三月三十一日，經作出虧損撥備約25,524,000港元(二零一八年：5,161,000港元)後，貿易應收款項及應收貸款之賬面值約為245,463,000港元(二零一八年：81,595,000港元)，相當於貴集團資產總值約22.7%(二零一八年：12.9%)，並視為於數量上對貴集團而言屬重大。

貴集團貿易應收款項之虧損撥備按相等於全期預期信貸虧損(「預期信貸虧損」)之金額計量，而應收貸款之虧損撥備則按相等於12個月預期信貸虧損之金額計量，除非自初始確認以來信貸風險顯著增加，則貴集團會就此確認全期預期信貸虧損。估計虧損率計及貴集團之過往信貸虧損經驗，就債務人特定因素、整體經濟狀況以及對於報告日期目前經濟狀況及未來經濟狀況預測之評估作出調整。

我們已識別貿易應收款項及應收貸款之減值評估為一項關鍵審計事項，原因為於進行前段所述減值評估時需要相當大量之判斷及估計。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

Our response

Our procedures in relation to assess the impairment assessment of trade and loan receivables included the following:

- Obtaining an understanding of and assessing the design, implementation and operating effectiveness of key internal controls relating to credit control, debt collection and the calculation of the ECLs;
- Assessing the trade and loan receivables ageing report by group based on shared credit risk characteristics and the days past due by comparing the details of individual items with underlying invoices and agreements on a sample basis;
- Obtaining an understanding of the basis of management's approach to measuring ECLs of trade and loan receivable balances and assessing the reasonableness of management's loss allowance estimates by examining the information used by management to form such judgments, including testing the accuracy of the historical default data, evaluating whether the historical loss rate are appropriately adjusted based on current economic conditions and forward-looking information;
- Comparing cash receipts from debtors subsequent to the financial year end relating to trade and loan receivable balances with bank statements and relevant underlying documentation on a sample basis;
- Engaging an independent and qualified valuation specialists to assist us in evaluating the methodology used by management in the preparation of the calculation of the ECLs with reference to the requirements of the prevailing accounting standards.

Impairment assessment of property, plant and equipment

Refer to summary of significant accounting policies in note 3, critical accounting estimates and judgements in note 4 and disclosure of property, plant and equipment in note 14 to the consolidated financial statements.

關鍵審計事項(續)

我們之應對方法

我們有關進行貿易應收款項及應收貸款之減值評估之程序包括以下各項：

- 了解及評估有關信貸監控、收回債務及計算預期信貸虧損之關鍵內部監控之設計、實施及運作成效；
- 通過抽樣比較個別項目之詳情與相關發票及協議，評估基於共同信貸風險特徵及逾期天數分組之貿易應收款項及應收貸款之賬齡報告；
- 了解管理層計量貿易應收款項及應收貸款結餘之預期信貸虧損之方法之基礎，並通過審視管理層達致有關判斷時所用資料(包括測試過往違約數據之準確性、評估過往虧損率是否已按目前經濟狀況及前瞻性資料作出適當調整)，評估管理層對虧損撥備所作估計之合理性；
- 抽樣比較財政年結日後自債務人取得有關貿易應收款項及應收貸款結餘之現金收據與銀行賬單及相關文件；
- 委聘獨立合資格估值專業人士，參考當前會計準則之要求，協助我們評估管理層於擬備計算預期信貸虧損時採用之方法。

物業、廠房及設備之減值評估

請參閱綜合財務報表附註3之主要會計政策、附註4之重大會計估計及判斷以及附註14有關物業、廠房及設備之披露。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

As at 31 March 2019, the carrying amount of property, plant and equipment is approximately HK\$243,860,000 (2018: HK\$285,977,000). Approximately HK\$307,000 impairment loss in respect of the property, plant and equipment was recognised during the year ended 31 March 2019 (2018: HK\$4,000,000).

Management performed an impairment assessment when indicators of impairment were identified. Management determined the recoverable amounts based on the higher of fair value less costs of disposal and value in use. When performing an impairment assessment, management used the fair value less costs of disposal and compared the carrying values of property, plant and equipment, to determine the impairment loss which should be recognised for the year, if any.

We have identified impairment assessment of property, plant and equipment as a key audit matter due to considerable amount of judgement and estimates being required in conducting impairment assessment as mentioned in the forgoing paragraph.

Our response

Our procedures in relation to assess the impairment assessment of property, plant and equipment included the following:

- Understanding management's basis and assessment in relation to the impairment assessment of property, plant and equipment including the valuation model adopted and the involvement of independent valuer appointed by the Group;
- Performing fixed assets count and attending fixed assets inspection to identify the existence of any obsolete and idle property, plant and equipment and the physical conditions of property, plant and equipment;
- Inspecting, on a sample basis, historical disposal value to sale invoices and performing market research and analysis to assess whether the estimated resale values of property, plant and equipment was reasonable;
- Evaluating the competence, capabilities and objectivity of the independent professional valuer;

關鍵審計事項(續)

於二零一九年三月三十一日，物業、廠房及設備之賬面值約為243,860,000港元(二零一八年：285,977,000港元)。截至二零一九年三月三十一日止年度，已就物業、廠房及設備確認減值虧損約307,000港元(二零一八年：4,000,000港元)。

管理層於有跡象顯示識別到減值時進行減值評估。管理層基於公平值減出售成本與使用價值兩者之較高者釐定可收回金額。於進行減值評估時，管理層運用公平值減出售成本並比較物業、廠房及設備之賬面值，釐定年內應予確認之減值虧損(如有)。

我們已識別物業、廠房及設備之減值評估為一項關鍵審計事項，原因為於進行前段所述減值評估時需要相當大量之判斷及估計。

我們之應對方法

我們有關進行物業、廠房及設備之減值評估之程序包括以下各項：

- 了解管理層有關物業、廠房及設備之減值虧損之基準及評估，包括所採納之估值模式及貴集團所委聘獨立估值師之參與程度；
- 點算固定資產及進行固定資產檢查，以識別是否存在任何廢棄及閒置物業、廠房及設備以及物業、廠房及設備之實際狀況；
- 抽樣檢查銷售發票之過往出售價值及進行市場研究和分析，以評估物業、廠房及設備之估計轉售價值是否合理；及
- 評估獨立專業估值師的資歷、能力及客觀性；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (continued)

- Engaging our independent and qualified valuation specialists to assist us in evaluating the impairment assessment methodology, the key assumptions applied and calculations contained with reference to the requirements of the prevailing accounting standards.

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 March 2018, were audited by another auditor who expressed an unmodified opinion on those statements on 22 June 2018.

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

關鍵審計事項(續)

- 委聘獨立合資格估值專業人士，參考當前會計準則之要求，協助我們評估所採用之減值評估方法、主要假設及計算方法。

其他事項

本集團截至二零一八年三月三十一日止年度之綜合財務報表已經另一名核數師審核，該名核數師已於二零一八年六月二十二日就該等報表發表未經修改意見。

年報內其他資訊

董事須對其他資訊負責。其他資訊包括刊載於貴公司年報內的資訊，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訊，我們亦不對該等其他資訊發表任何形式的鑒證結論。

針對我們對綜合財務報表的審計，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

DIRECTORS' RESPONSIBILITIES 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 Hong Kong Financial Reporting Standards issued by the HKICPA and 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 also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

董事就綜合財務報表須承擔的責任

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

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

董事亦須負責監督 貴集團的財務報告過程。審核委員會就此協助董事履行其職責。

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, in accordance with Section 405 of the Hong Kong Companies Ordinance, 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 judgment and maintain professional skepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照香港《公司條例》第405條向閣下（作為整體）出具本報告，除此之外別無其他目的。我們並不就本報告的內容對任何其他人士承擔任何責任或接受任何義務。

合理保證是高水準的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程式，但目的並非對貴集團內部控制的有效性發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

(continued)

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

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

核數師就審計綜合財務報表承擔的責任 (續)

- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

From the matters communicated with the directors, 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.

BDO Limited
Certified Public Accountants
Wan Che Bun
Practising Certificate no. P05804

Hong Kong, 10 June 2019

核數師就審計綜合財務報表承擔的責任 (續)

我們還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專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

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

香港立信德豪會計師事務所有限公司
執業會計師
尹子斌
執業證書編號：P05804

香港，二零一九年六月十日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

		Notes	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Revenue	收入	5	176,518	165,869
Cost of revenue	收入成本		(148,779)	(152,396)
Gross profit	毛利		27,739	13,473
Other income, other gains and losses	其他收入、其他收益及虧損	7	24,892	12,181
Administrative expenses	行政開支		(45,319)	(33,949)
Expected credit loss on financial assets	金融資產之預期信貸虧損		(11,560)	–
Share of profit of joint ventures	分佔合營企業溢利		5,453	–
Finance costs	融資成本	8	(7,815)	(7,630)
Loss before taxation	除稅前虧損		(6,610)	(15,925)
Income tax credit	所得稅抵免	10	153	3,399
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	11	(6,457)	(12,526)
Attributable to:	以下人士應佔：			
Owners of the Company	本公司擁有人		(6,452)	(12,528)
Non-controlling interests	非控股權益		(5)	2
			(6,457)	(12,526)
Loss per share (HK cents)	每股虧損(港仙)			(Restated) (經重列)
Basic	基本		(0.20)	(0.52)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2019 於二零一九年三月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	243,860	285,977
Intangible assets	無形資產	15	16,419	–
Goodwill	商譽	16	46,417	–
Finance lease receivables	融資租賃應收款項	18	6,901	9,529
Loan receivables	應收貸款	19	16,046	–
Deferred tax assets	遞延稅項資產	31	3,913	4,743
Pledged bank deposits	已抵押銀行存款	24	4,654	4,627
Deposit for acquisition of subsidiaries	收購附屬公司之訂金	22	–	100,000
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備之訂金	22	2,719	414
Interests in joint ventures	於合營企業之權益	17	165,387	–
			506,316	405,290
Current assets	流動資產			
Inventories	存貨	20	1,716	14,410
Trade receivables	貿易應收款項	21	82,158	81,595
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	22	4,500	4,061
Finance lease receivables	融資租賃應收款項	18	7,104	6,959
Loan receivables	應收貸款	19	147,259	–
Amounts due from fellow subsidiaries	應收同系附屬公司款項	28	11,283	–
Amount due from a director	應收一名董事款項	28	–	55
Financial assets at fair value through profit or loss	以公平值計量且其變化計入損益之金融資產	23	114,376	–
Tax recoverable	可收回稅項		707	2,207
Bank balances, trust and segregated accounts	銀行結餘、信託及獨立賬戶	24	7,266	–
Bank balances and cash	銀行結餘及現金	24	129,543	119,709
			505,912	228,996
Assets classified as held for sales	分類為持作出售資產	25	68,086	–
Total current assets	流動資產總值		573,998	228,996

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2019 於二零一九年三月三十一日

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		Notes 附註		
Current liabilities	流動負債			
Trade payables	貿易應付款項	26	14,009	21,980
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	27	17,613	13,039
Contract liabilities	合約負債	5	628	-
Amount due to a director	應付一名董事款項	28	7,434	-
Amounts due to fellow subsidiaries	應付同系附屬公司款項	28	5,034	260
Amount due to an intermediate holding company	應付一間中間控股公司款項		4,290	-
Borrowings	借貸	29	118,117	113,266
Obligations under finance leases	融資租賃責任	30	4,153	4,340
Loan from a director	來自一名董事之貸款	28	40,000	-
Tax payable	應付稅項		614	-
			211,892	152,885
Liabilities directly associated with assets classified as held for sales	與分類為持作出售資產直接相關之負債		40	-
Total current liabilities	流動負債總額		211,932	152,885
Net current assets	流動資產淨值		362,066	76,111
Total assets less current liabilities	資產總值減流動負債		868,382	481,401
Non-current liabilities	非流動負債			
Borrowings	借貸	29	37,681	52,005
Obligations under finance leases	融資租賃責任	30	5,704	8,341
Loan from a director	來自一名董事之貸款	28	30,000	40,000
Deferred tax liabilities	遞延稅項負債	31	28,236	28,063
			101,621	128,409
Net assets	資產淨值		766,761	352,992

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2019 於二零一九年三月三十一日

		Notes	2019	2018
		附註	二零一九年	二零一八年
			HK\$'000	HK\$'000
			千港元	千港元
Equity	權益			
Share capital	股本	33	41,500	24,000
Reserves	儲備		725,014	328,740
Equity attributable to owners of the Company	本公司擁有人應佔權益		766,514	352,740
Non-controlling interests	非控股權益		247	252
Total equity	權益總額		766,761	352,992

The consolidated financial statements on pages 75 to 219 were approved by the Board of Directors on 10 June 2019 and are signed on its behalf by:

第75至219頁的綜合財務報表已由董事會於二零一九年六月十日審批並由下列董事代表簽署：

FOK CHI TAK
霍志德
DIRECTOR
董事

TANG YIU CHI JAMES
鄧耀智
DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔					Subtotal 小計	Non-controlling interests 非控股權益	Total 總計
		Share capital 股本	Share premium 股份溢價	Capital reserve 資本儲備	Merger reserve 合併儲備	Accumulated profits 累計溢利			
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (note b) (附註b)	HK\$'000 千港元 (note a) (附註a)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
At 1 April 2017	於二零一七年四月一日	10,000	62,354	6,291	1,000	164,253	243,898	250	244,148
(Loss) profit and total comprehensive (expense) income for the year	年內(虧損)溢利及全面(開支)收入總額	-	-	-	-	(12,528)	(12,528)	2	(12,526)
Issue of shares by placing (net of direct attributable cost) (Note 33(b))	透過配售發行股份(扣除直接應佔成本)(附註33(b))	2,000	119,370	-	-	-	121,370	-	121,370
Issue of bonus shares (Note 33(c))	發行紅股(附註33(c))	12,000	(12,000)	-	-	-	-	-	-
At 31 March 2018	於二零一八年三月三十一日	24,000	169,724	6,291	1,000	151,725	352,740	252	352,992
Initial application of HKFRS 9	初始應用香港財務報告準則第9號	-	-	-	-	(11,205)	(11,205)	-	(11,205)
Restated at 1 April 2018	於二零一八年四月一日重列	24,000	169,724	6,291	1,000	140,520	341,535	252	341,787
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	-	-	-	-	(6,452)	(6,452)	(5)	(6,457)
Issue of right shares (net of direct attributable cost) (Note 33(d))	發行供股股份(扣除直接應佔成本)(附註33(d))	12,000	166,981	-	-	-	178,981	-	178,981
Issue of shares (Note 33(e))	發行股份(附註33(e))	5,500	198,000	48,950	-	-	252,450	-	252,450
At 31 March 2019	於二零一九年三月三十一日	41,500	534,705	55,241	1,000	134,068	766,514	247	766,761

Notes:

- (a) The merger reserve represents the difference between the total equity of subsidiaries and the aggregated share capital of the relevant subsidiaries arisen from a group reorganisation occurred in prior years.
- (b) The capital reserve represents the deemed capital contribution from the Company's holding company in relation to listing expenses reimbursed to the Company in prior years and acquisition of financial assets at fair value through profit or loss during the year ended 31 March 2019.

附註:

- (a) 合併儲備指於過往年度進行集團重組而產生之附屬公司權益總額與相關附屬公司股本總額之間的差額。
- (b) 資本儲備指就於過往年度向本公司補償上市開支而來自本公司控股公司的視作資本注資，以及截至二零一九年三月三十一日止年度收購以公平值計量且其變化計入損益之金融資產。

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

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營業務所得現金流量		
Loss before taxation	除稅前虧損	(6,610)	(15,925)
Adjustments for:	就以下項目作出調整：		
Change in fair value of financial assets at fair value through profit or loss	以公平值計量且其變化計入損益之金融資產之公平值變動	(17,927)	–
Share of results of joint ventures	分佔合營企業業績	(5,453)	–
Interest income from bank deposits	銀行存款之利息收入	(48)	(26)
Finance lease income	融資租賃收入	(1,471)	(673)
Finance costs	融資成本	7,815	7,630
Gain on disposal and write-off of property, plant and equipment, net	出售及撇銷物業、廠房及設備收益淨額	(52)	(466)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	39,397	44,351
Amortisation of intangible assets	無形資產攤銷	601	–
Reversal of allowance for bad and doubtful debt	撥回呆壞賬撥備	–	(9,795)
Compensation received from a customer	已收一名客戶賠償	(5,229)	–
Allowance for bad and doubtful debts	呆壞賬撥備	–	921
Expenses on issue of bonus shares	發行紅股開支	–	447
Impairment loss of property, plant and equipment	物業、廠房及設備減值虧損	307	4,000
Expected credit losses on financial assets	金融資產之預期信貸虧損	11,560	–
Operating profit before working capital changes	營運資金變動前經營溢利	22,890	30,464

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Decrease in bank balances, trust and segregated accounts	銀行結餘、信託及獨立賬戶減少	6,780	-
Increase in loan receivables	應收貸款增加	(160,131)	-
Decrease (increase) in finance lease receivables	融資租賃應收款項減少(增加)	3,054	(8,462)
Decrease in inventories	存貨減少	17,234	4,362
Decrease in trade receivables	貿易應收款項減少	30,775	1,540
Decrease in other receivables, deposits and prepayments	其他應收款項、按金及預付款項減少	2,548	1,102
(Decrease) increase in trade payables	貿易應付款項(減少)增加	(31,272)	13,930
Increase (decrease) in accruals, deposits received and other payables	應計費用、已收按金及其他應付款項增加(減少)	7,820	(4,681)
Cash (used in) generated from operations	營運(所用)所得現金	(100,302)	38,255
Income tax refunded (paid), net	退回(已付)所得稅淨額	1,286	(1,265)
NET CASH (USED IN) GENERATED FROM OPERATING ACTIVITIES	經營業務(所用)所得現金淨額	(99,016)	36,990
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Purchase of property, plant and equipment	購買物業、廠房及設備	(47,575)	(50,367)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	820	663
Deposits paid for acquisition of property, plant and equipment	購置物業、廠房及設備之已付訂金	(2,719)	(414)
Repayment from related companies	關連公司還款	-	21
Advance to related companies	向關連公司墊款	-	(19)
Advance to a director	向一名董事墊款	-	(55)
Deposit paid for acquisition of subsidiaries	收購附屬公司之已付訂金	-	(100,000)
Acquisition of subsidiary, net of cash acquired	收購附屬公司，扣除所購入現金	(16,044)	-
Acquisition of joint ventures	收購合營企業	(3,934)	-
Increase in pledged bank deposits	已抵押銀行存款增加	-	(24)
Bank interest received	已收銀行利息	21	26
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(69,431)	(150,169)

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

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
Interest paid	已付利息	(6,465)	(6,896)
Proceeds from new borrowings	新借貸所得款項	28,459	102,611
Repayments of borrowings	償還借貸	(56,071)	(89,571)
Repayments of obligation under finance leases	償還融資租賃責任	(4,236)	(5,408)
Advance from an intermediate holding company	來自一間中間控股公司之墊款	20,837	-
Advance from fellow subsidiaries	來自同系附屬公司之墊款	-	260
Repayment to fellow subsidiaries	償還同系附屬公司款項	(20,713)	-
Repayment to a director	償還一名董事款項	(16,943)	(2,793)
Loan from a director	來自一名董事之貸款	30,000	40,000
Advance from a director	來自一名董事之墊款	24,432	2,483
Proceeds from issue of ordinary shares	發行普通股所得款項	180,000	124,000
Expenses on right issue	供股開支	(1,019)	-
Expenses on placing of shares	配售股份開支	-	(2,630)
Expenses on issue of bonus shares	發行紅股開支	-	(447)
NET CASH GENERATED FROM FINANCING ACTIVITIES	融資活動所得現金淨額	178,281	161,609
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額	9,834	48,430
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初現金及現金等價物	119,709	71,279
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年末現金及現金等價物	129,543	119,709

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

1. GENERAL INFORMATION

Hao Tian International Construction Investment Group Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (2004 revision) Chapter 22 of the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the its registered office is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman, KY1-1108 Cayman Islands and its principal place of business in Hong Kong changes to Rooms 4917–4932, 49/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.

The Company’s immediate and ultimate holding company is Hao Tian Management (China) Limited and Asia Link Capital Investment Holdings Limited, which are incorporated in Hong Kong and the British Virgin Islands (“BVI”), respectively, and the ultimate controlling shareholder is Ms. Li Shao Yu.

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

The Company is an investment holding company and the Group is principally engaged in rental of construction machinery, trading of construction machinery, spare parts and construction materials, provision of machinery transportation, repair and maintenance services and provision of commodities, future, securities brokerage and financial services mainly in Hong Kong.

1. 一般資料

昊天國際建設投資集團有限公司(「本公司」)根據開曼群島公司法(二零零四年修訂本)第22章在開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。其註冊辦事處的地址為Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman, KY1-1108 Cayman Islands，香港主要營業地點已更改為香港灣仔港灣道30號新鴻基中心49樓4917–4932室。

本公司之直接及最終控股公司為昊天實業管理(中國)有限公司及亞聯創富控股有限公司，分別於香港及英屬維爾京群島(「英屬維爾京群島」)註冊成立，最終控股股東為李少宇女士。

綜合財務報表以本公司之功能貨幣港元(「港元」)呈列。

本公司為一間投資控股公司，而本集團主要於香港從事建築機械租賃、建築機械、備用零件及建築物料銷售、提供機械運輸、維修及保養服務以及提供商品、期貨、證券經紀及金融服務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Group has applied for the first time the following new and revised standards and interpretation (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) which are effective for the Group’s financial year beginning on or after 1 April 2018.

Annual Improvements to HKFRSs 2014–2016 Cycle Amendments to HKFRS 1, First-time adoption of Hong Kong Financial Reporting Standards

Annual Improvements to HKFRSs 2014–2016 Cycle Amendments to HKAS 28, Investments in Associates and Joint Ventures

Amendments to HKFRS 2 Classification and Measurement of Share-based Payment Transactions

Amendments to HKFRS 4 Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts

HKFRS 9
HKFRS 15
Amendments to HKFRS 15
Financial Instruments
Revenue from Contracts with Customers
Revenue from Contracts with Customers (Clarifications to HKFRS 15)

Amendments to HKAS 40
HK(IFRIC)-Int 22
Transfers of Investment Property
Foreign Currency Transactions and Advance Consideration

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

The new and revised HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amounts reported and/or disclosures.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）

本集團已首次採用下列由香港會計師公會（「香港會計師公會」）所頒佈，並於本集團二零一八年四月一日或之後開始之財政年度生效之新訂及經修訂準則及詮釋（「新訂及經修訂香港財務報告準則」）。

香港財務報告準則二零一四年至二零一六年週期之年度改進
香港財務報告準則第1號之修訂，首次採納香港財務報告準則

香港財務報告準則二零一四年至二零一六年週期之年度改進
香港會計準則第28號之修訂，於聯營公司及合營企業之投資
香港財務報告準則第2號之修訂
以股份支付之交易之分類及計量

香港財務報告準則第4號之修訂
香港財務報告準則第9號「金融工具」與香港財務報告準則第4號「保險合約」一併應用

香港財務報告準則第9號
香港財務報告準則第15號
香港財務報告準則第15號之修訂
金融工具
客戶合約之收入
客戶合約之收入（香港財務報告準則第15號之澄清）

香港會計準則第40號之修訂
香港（國際財務報告詮釋委員會）—詮釋第22號
轉撥投資物業
外幣交易及預付代價

除下文所述外，於本年度應用新訂及經修訂香港財務報告準則對本集團本年度及過往年度之財務表現及狀況及／或此等綜合財務報表所載披露事項並無重大影響。

新訂及經修訂香港財務報告準則已按照有關準則及修訂所載相關過渡條文應用，導致會計政策、呈報金額及／或披露事項有所變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Changes in accounting policies of application on HKFRS 15 “Revenue from Contracts with Customers” (“HKFRS 15”)

In the current year, the Group has applied HKFRS 15 for the first time retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 April 2018. HKFRS 15 superseded HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations with no material effect on timing and amount of revenues recognised in the consolidated financial statements.

The Group recognises revenue from the following major sources:

- Leasing of construction machineries
- Lending of money
- Provision of commodities, futures and securities brokerage services
- Provision of various services for construction machineries
- Sales of construction machineries and materials

Revenue from leasing of construction machineries will continue to be accounted for in accordance with HKAS 17 “Leases”. Interest revenue is accounted for under HKFRS 9.

Revenue from provision of various services for construction machineries and provision of commodities, futures and securities brokerage services are recognised at a point in time when the Group completes satisfaction of the relevant performance obligation.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第15號「客戶合約之收入」（「香港財務報告準則第15號」）之會計政策變動

於本年度，本集團已首次追溯應用香港財務報告準則第15號，且初始應用此準則之累計影響於初始應用日期二零一八年四月一日予以確認。香港財務報告準則第15號取代香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋，惟對綜合財務報表內確認收入之時間及金額並無重大影響。

本集團確認來自以下主要來源之收入：

- 租賃建築機械
- 放貸
- 提供商品、期貨及證券經紀服務
- 提供各種建築機械服務
- 銷售建築機械及物料

來自租賃建築機械之收入將繼續根據香港會計準則第17號「租賃」入賬。利息收入根據香港財務報告準則第9號入賬。

來自提供各種建築機械服務以及提供商品、期貨及證券經紀服務之收入乃於本集團完成履行相關履約責任之時間點確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Changes in accounting policies of application on HKFRS 15 “Revenue from Contracts with Customers” (“HKFRS 15”) (continued)

Revenue from sales of construction machineries and materials is recognised when the respective goods have been completed and delivered to the customers which is a point in time when customers have the ability to direct the use of the construction machineries and materials and obtain substantially all of the remaining benefits of the construction machineries and materials.

HKFRS 15 introduces a 5-step approach when recognising revenue:

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

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

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

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第15號「客戶合約之收入」（「香港財務報告準則第15號」）之會計政策變動（續）

來自銷售建築機械及物料之收入於相關貨品製成並交付客戶，且當下客戶有能力指示建築機械及物料之用途以及取得建築機械及物料之絕大部分餘下利益時確認。

香港財務報告準則第15號引入五個步驟以確認收入：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於本集團達成履約責任時（或就此）確認收入

根據香港財務報告準則第15號，本集團於達成履約責任時（或就此）確認收入，即與特定履約責任相關之貨品或服務之「控制權」轉移至客戶時。

履約責任指個別貨品及服務（或一組貨品或服務）或一系列大致相同之個別貨品或服務。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Changes in accounting policies of application on HKFRS 15 “Revenue from Contracts with Customers” (“HKFRS 15”) (continued)

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

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

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

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第15號「客戶合約之收入」（「香港財務報告準則第15號」）之會計政策變動（續）

倘符合以下其中一項標準，則控制權隨時間轉移，而收入則參照完全履行相關履約責任之進展情況而隨時間確認：

- 於本集團履約時，客戶同時取得並耗用本集團履約所提供之利益；
- 本集團之履約產生或提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 本集團之履約並未產生讓本集團有替代用途之資產，且本集團對迄今已完成履約之付款具有可強制執行之權利。

否則，收入於客戶獲得個別貨品或服務控制權之時間點確認。

委託人與代理

當有另一方涉及向客戶提供貨品或服務時，本集團會釐定其承諾性質屬自行提供指定貨品或服務（即本集團為委託人）抑或安排由其他方提供該等貨品或服務（即本集團為代理）之履約責任。

倘本集團於指定貨品或服務轉交客戶前控制該貨品或服務，則本集團為委託人。

倘本集團之履約責任為安排另一方提供指定貨品或服務，則本集團為代理。在此情況下，本集團於另一方所提供指定貨品或服務轉交客戶前並無控制該貨品或服務。倘本集團以代理身分行事，則就其預期於安排其他方提供指定貨品或服務時有權收取之任何費用或佣金金額確認收入。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises such costs as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate. The asset is subject to impairment review.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

存在重大融資成分

於釐定交易價時，倘協定（不論以明示或暗示方式）之付款時間就向客戶轉移貨品或服務為客戶或本集團帶來重大融資利益，則本集團就金錢時間值之影響調整已承諾之代價金額。於該等情況下，合約含有重大融資成分。不論於合約中以明示呈列或合約訂約方協定之支付條款暗示融資承諾，合約均存在重大融資成分。

就相關貨品或服務之支付與轉移期間少於一年之合約而言，本集團就任何重大融資成分應用不調整交易價之可行權宜方法。

獲得合約之增量成本

獲得合約之增量成本指本集團取得客戶合約所產生之成本；倘未獲得該合約，則不會產生有關成本。

倘預期可收回有關成本，則本集團將該等成本確認為資產。所確認資產隨後按與向客戶轉移資產相關貨品或服務一致之系統基準攤銷至損益。有關資產須進行減值審查。

倘獲得合約之增量成本將於一年內悉數攤銷至損益，則本集團應用可行權宜方法支銷所有該等成本。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Incremental costs of obtaining a contract (continued)

The directors of the Company have assessed that the revenue from sales of construction machineries and materials represent only one performance obligation and, accordingly, revenue will be recognised for this performance obligation when control over the corresponding goods is transferred to the customer. The directors of the Company consider that there is no significant impact in respect of revenue recognition on sales of construction machinery and materials under HKFRS 15.

In the opinion of the directors of the Company, the application of HKFRS 15 has no material impact on the amounts recognised in the consolidated financial statements and classification of items in the consolidated statement of financial position.

Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments

In the current year, the Group has applied HKFRS 9 “Financial Instruments” (“HKFRS 9”) and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for (1) the classification and measurement of financial assets and financial liabilities, (2) expected credit losses (“ECL”) for financial assets and (3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 April 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 April 2018. The difference between carrying amounts as at 31 March 2018 and the carrying amounts as at 1 April 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 “Financial Instruments: Recognition and Measurement” (“HKAS 39”).

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

獲得合約之增量成本（續）

本公司董事經評估後認為來自銷售建築機械及物料之收入僅指一項履約責任，故將於相關貨品之控制權轉移至客戶時就是項履約責任確認收入。本公司董事認為，對根據香港財務報告準則第15號確認銷售建築機械及物料之收入並無重大影響。

本公司董事認為，應用香港財務報告準則第15號對綜合財務報表內確認之金額及綜合財務狀況表之項目分類並無重大影響。

應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策之影響及變動

於本年度，本集團已應用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」）及對其他香港財務報告準則作出之相應修訂。香港財務報告準則第9號引進有關(1)金融資產及金融負債之分類及計量；(2)金融資產之預期信貸虧損（「預期信貸虧損」）；及(3)一般對沖會計法之新規定。

本集團已根據香港財務報告準則第9號所載過渡條文應用香港財務報告準則第9號，即對並無於二零一八年四月一日（初始應用日期）終止確認之工具追溯應用分類及計量規定（包括減值），而並無對已於二零一八年四月一日終止確認之工具應用有關規定。於二零一八年三月三十一日之賬面值與於二零一八年四月一日之賬面值兩者間之差額，於期初保留溢利及權益之其他部分確認，而毋須重列比較資料。

因此，由於比較資料乃根據香港會計準則第39號「金融工具：確認及計量」（「香港會計準則第39號」）編製，若干比較資料可能無法用作比較。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments (continued)

Key changes in accounting policies resulting from application of HKFRS 9

Classification and measurement of financial assets

Trade receivables arising from contracts with customers are initially measured in accordance with HKFRS 15.

All recognised financial assets that are within the scope of HKFRS 9 are subsequently measured at amortised cost or fair value, including unquoted equity investments measured at cost less impairment under HKAS 39.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

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

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策之影響及變動（續）

應用香港財務報告準則第9號所導致之主要會計政策變動

金融資產之分類及計量

因客戶合約而產生之貿易應收款項初步根據香港財務報告準則第15號計量。

所有屬於香港財務報告準則第9號範圍之已確認金融資產其後按攤銷成本或公平值計量，包括根據香港會計準則第39號按成本扣除減值計量之無報價股本投資。

符合以下條件之債務工具其後按攤銷成本計量：

- 金融資產以目的為收取合約現金流量之業務模式持有；及
- 金融資產之合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

符合下列條件之債務工具其後以公平值計量且其變化計入其他全面收益（「以公平值計量且其變化計入其他全面收益」）：

- 金融資產以同時收取合約現金流量及出售金融資產達致目標之業務模式持有；及
- 金融資產之合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments (continued)

Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Classification and measurement of financial assets (continued)

All other financial assets are subsequently measured at fair value through profit or loss (“FVTPL”), except that at the date of initial application/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 “Business Combinations” applies.

In addition, the Group may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the “Other income, other gains and losses” line item.

The directors of the Company reviewed and assessed the Group’s financial assets as at 1 April 2018 based on the facts and circumstances that existed at that date. Changes in classification and measurement on the Group’s financial assets and the impacts thereof are detailed below.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策之影響及變動（續）

應用香港財務報告準則第9號所導致之主要會計政策變動（續）

金融資產之分類及計量（續）

所有其他金融資產其後以公平值計量且其變化計入損益（「以公平值計量且其變化計入損益」），惟於初始應用／初始確認金融資產當日，倘股本投資既非持作買賣亦非香港財務報告準則第3號「業務合併」所適用之業務合併收購方確認之或然代價，本集團可不可撤回地選擇於其他全面收益呈列該股本投資之其後公平值變動。

此外，本集團可不可撤回地將符合攤銷成本或以公平值計量且其變化計入其他全面收益準則之債務投資指定為以公平值計量且其變化計入損益，前提為此舉可消除或顯著減少會計錯配。

以公平值計量且其變化計入損益之金融資產

未符合按攤銷成本或以公平值計量且其變化計入其他全面收益或指定為以公平值計量且其變化計入其他全面收益準則計量之金融資產，一概以公平值計量且其變化計入損益。

以公平值計量且其變化計入損益之金融資產按各報告期末之公平值計量，任何公平值收益或虧損則於損益確認。於損益確認之淨收益或虧損不包括該金融資產所賺取之任何股息或利息，並計入「其他收入、其他收益及虧損」一項。

本公司董事於二零一八年四月一日按照當日存在之事實及情況而審閱及評估本集團之金融資產。本集團金融資產之分類及計量變動以及其影響詳述如下。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments (continued)

Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Impairment under ECL model

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, loan receivables, other receivables, finance lease receivables, pledged bank deposits and bank balances and cash). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

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

The Group always recognises lifetime ECL for trade receivables. The ECL on trade receivables are assessed collectively using a provision matrix with appropriate groupings.

After performing the assessment of expected credit loss on the Group’s existing trade receivables, HK\$9,024,000 was recognised by the Group as at 1 April 2018.

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

2. 採納新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策之影響及變動(續)

應用香港財務報告準則第9號所導致之主要會計政策變動(續)

預期信貸虧損模式項下之減值

本集團根據香港財務報告準則第9號就發生減值之金融資產(包括貿易應收款項、應收貸款、其他應收款項、融資租賃應收款項、已抵押銀行存款以及銀行結餘及現金)之預期信貸虧損確認虧損撥備。預期信貸虧損之金額於各報告日期更新，以反映信貸風險自初始確認以來之變化。

全期預期信貸虧損指相關工具預期使用期內所有可能違約事件將導致之預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於報告日期後12個月內可能發生之違約事件將導致之全期預期信貸虧損部分。評估乃根據本集團之歷史信貸虧損經驗進行，並根據債務人特有之因素、整體經濟狀況以及對報告日期當前狀況之評估及對未來狀況之預測作出調整。

本集團通常就貿易應收款項確認全期預期信貸虧損。貿易應收款項之預期信貸虧損使用具有合適分組之撥備組合集體進行評估。

經評估本集團現有貿易應收款項之預期信貸虧損後，本集團於二零一八年四月一日確認9,024,000港元。

就所有其他工具而言，本集團計量之虧損撥備相等於12個月預期信貸虧損，除非信貸風險自初始確認以來顯著增加，在此情況下，本集團確認全期預期信貸虧損。評估應否確認全期預期信貸虧損取決於自初始確認以來發生違約之可能性或風險有否顯著增加。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments (continued)

Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Impairment under ECL model (continued)

Significant increase in credit risk

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

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

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

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策之影響及變動（續）

應用香港財務報告準則第9號所導致之主要會計政策變動（續）

預期信貸虧損模式項下之減值（續）

信貸風險顯著增加

評估信貸風險自初始確認以來有否顯著增加時，本集團比較金融工具於報告日期發生之違約風險與金融工具於初始確認日期發生之違約風險。進行上述評估時，本集團考慮合理可靠之定量及定性資料，包括過往經驗及毋須付出不必要成本或精力即可獲得之前瞻性資料。

具體而言，評估信貸風險有否顯著增加時考慮以下資料：

- 金融工具之外部（如有）或內部信貸評級之實際或預期顯著惡化；
- 外部市場信貸風險指標之顯著惡化，如信貸息差顯著增加、債務人之信貸違約掉期價格；
- 預期導致債務人償債能力大幅下降之業務、財務或經濟狀況之現有或預測不利變化；
- 債務人經營業績之實際或預期顯著惡化；

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments (continued)

Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Impairment under ECL model (continued)

Significant increase in credit risk (continued)

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

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

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

The Group considers that default has occurred when the instrument is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策之影響及變動（續）

應用香港財務報告準則第9號所導致之主要會計政策變動（續）

預期信貸虧損模式項下之減值（續）

信貸風險顯著增加（續）

- 導致債務人償債能力大幅下降之債務人監管、經濟或技術環境之實際或預期重大不利變化。

不論上述評估結果如何，本集團認為合約付款逾期超過30天即表示信貸風險自初始確認以來顯著增加，除非本集團有合理可靠之資料證明並非如此。

儘管上文所述，倘債務工具於報告日期被釐定為具有較低信貸風險，則本集團假設該債務工具之信貸風險自初始確認以來並無顯著增加。債務工具於以下情況下被釐定為具有較低信貸風險：(i) 具有低違約風險；(ii) 借款人有足夠能力於短期內履行其合約現金流量責任；及(iii) 經濟及業務狀況之長期不利變動可能但未必會削弱借款人履行其合約現金流量責任之能力。倘債務工具之內部或外部信貸評級屬國際通用釋義所界定之「投資級別」，則本集團認為該債務工具具有較低信貸風險。

本集團認為工具逾期超過90天即表示已違約，除非本集團有合理可靠之資料證明更滯後之違約標準較為合適。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments (continued)

Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Impairment under ECL model (continued)

Significant increase in credit risk (continued)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

Generally, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

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

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

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策之影響及變動（續）

應用香港財務報告準則第9號所導致之主要會計政策變動（續）

預期信貸虧損模式項下之減值（續）

信貸風險顯著增加（續）

預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約損失率（即違約時之損失程度）及違約風險之函數。評估違約概率及違約損失率乃依據經前瞻性資料調整之歷史數據。

一般而言，預期信貸虧損乃根據合約應付本集團之所有合約現金流量與本集團預計收取之所有現金流量（按初始確認時釐定之實際利率貼現）間之差額估算。

利息收入乃根據金融資產之賬面總值計算，惟金融資產出現信貸減值則作別論，在此情況下，利息收入按金融資產之攤銷成本計算。

本集團透過調整所有金融工具之賬面值而於損益確認該等金融工具之減值收益或虧損，惟貿易應收款項、應收貸款及應收聯營公司款項透過虧損撥備賬確認相應調整除外。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” and the related amendments (continued)

Key changes in accounting policies resulting from application of HKFRS 9 (continued)

Impairment under ECL model (continued)

Significant increase in credit risk (continued)

Measurement and recognition of ECL (continued)

As at 1 April 2018, the directors of the Company reviewed and assessed the Group’s existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. The results of the assessment and the impact thereof are detailed in below.

Summary of effects arising from initial application of HKFRS 9 Impairment under ECL model

The Group applies the HKFRS 9 simplified approach to measure ECL which uses a lifetime ECL for trade receivables. To measure the ECL, contract assets and trade receivables have been grouped based on shared credit risk characteristics.

Loss allowances for other financial assets at amortised cost mainly comprise of loan receivables, other receivables and finance lease receivables, are measured on 12m ECL basis and there had been no significant increase in credit risk since initial recognition.

As at 1 April 2018, the additional credit loss allowance of HK\$11,205,000 has been recognised against retained profits. The additional loss allowance is charged against the respective asset.

Except as described above, the application of other amendments to HKFRSs in the current year has had no material effect on the amounts reported and/or disclosures set out in these consolidated financial statements.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用香港財務報告準則第9號「金融工具」及相關修訂之會計政策之影響及變動（續）

應用香港財務報告準則第9號所導致之主要會計政策變動（續）

預期信貸虧損模式項下之減值（續）

信貸風險顯著增加（續）

預期信貸虧損之計量及確認（續）

於二零一八年四月一日，本公司董事根據香港財務報告準則第9號之規定使用毋須付出不必要成本或精力即可獲得合理可靠之資料審閱及評估本集團現有金融資產是否存在減值。評估結果及其影響於下文詳述。

初始應用香港財務報告準則第9號「預期信貸虧損模式項下之減值」產生之影響概要

本集團應用香港財務報告準則第9號之簡化方法計量預期信貸虧損，其就貿易應收款項使用全期預期信貸虧損。為計量預期信貸虧損，合約資產及貿易應收款項已根據攤估信貸風險特點分類。

按攤銷成本列賬之其他金融資產（主要包括應收貸款、其他應收款項及融資租賃應收款項）之虧損撥備以12個月預期信貸虧損基準計量，信貸風險自初始確認以來並無顯著增加。

於二零一八年四月一日，額外信貸虧損撥備11,205,000港元已於保留溢利確認。額外虧損撥備自相關資產扣除。

除上述者外，於本年度應用香港財務報告準則其他修訂並無對該等綜合財務報表內呈報金額及／或披露事項造成重大影響。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts on opening consolidated statement of financial position arising from the application of all new standards

As a result of the changes in the Group’s accounting policies above, the opening consolidated statement of financial position had to be restated. The following table shows the adjustments recognised for each individual line item.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用全部新訂準則對期初綜合財務狀況表之影響

由於上文所述本集團會計政策有變，期初綜合財務狀況表須予重列。下表列示就各個別項目確認之調整。

		31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)	HKFRS 9 香港財務報告 準則第9號 HK\$'000 千港元	HKFRS 15 香港財務報告 準則第15號 HK\$'000 千港元	1 April 2018 二零一八年 四月一日 HK\$'000 千港元 (Restated) (經重列)
Non-current assets	非流動資產				
Finance lease receivables	融資租賃應收款項	9,529	-	-	9,529
Others with no adjustments	其他未經調整項目	395,761	-	-	395,761
		405,290	-	-	405,290
Current assets	流動資產				
Trade receivables	貿易應收款項	81,595	(9,024)	-	72,571
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	4,061	(581)	-	3,480
Finance lease receivables	融資租賃應收款項	6,959	(1,600)	-	5,359
Others with no adjustments	其他未經調整項目	136,381	-	-	136,381
		228,996	(11,205)	-	217,791
Current liabilities	流動負債				
Contract liabilities	合約負債	-	-	1,951	1,951
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	13,039	-	(1,951)	11,088
Others with no adjustments	其他未經調整項目	139,846	-	-	139,846
		152,885	-	-	152,885
Net current assets	流動資產淨值	76,111	(11,205)	-	64,906
Total assets less current liabilities	資產總值減流動負債	481,401	(11,205)	-	470,196

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts on opening consolidated statement of financial position arising from the application of all new standards (continued)

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用全部新訂準則對期初綜合財務狀況表之影響（續）

		31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)	HKFRS 9 香港財務報告 準則第9號 HK\$'000 千港元	HKFRS 15 香港財務報告 準則第15號 HK\$'000 千港元	1 April 2018 二零一八年 四月一日 HK\$'000 千港元 (Restated) (經重列)
Capital and reserves	資本及儲備				
Equity attributable to owners of the Company	本公司擁有人應佔權益	352,740	(11,205)	–	341,535
Non-controlling interests	非控股權益	252	–	–	252
Total equity	權益總額	352,992	(11,205)	–	341,787
Non-current liabilities	非流動負債				
Deferred tax liability	遞延稅項負債	28,063	–	–	28,063
Other with no adjustments	其他未經調整項目	100,346	–	–	100,346
		128,409	–	–	128,409
Total equity and non-current liabilities	權益總額及非流動負債	481,401	(11,205)	–	470,196

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

Impacts on opening consolidated statement of financial position arising from the application of all new standards (continued)

Transition

The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the consolidated statement of financial position as at 31 March 2018, but are recognised in the consolidated statement of financial position on 1 April 2018. This means that differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of HKFRS 9 are recognised in retained profits and reserves as at 1 April 2018. Accordingly, the information presented for the year ended 31 March 2018 does not reflect the requirements of HKFRS 9 but rather those of HKAS 39.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of HKFRS 9 (the “DIA”):

- The determination of the business model within which a financial asset is held;
- The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at fair value through profit or loss; and
- The designation of certain investments in equity investments not held for trading as at fair value through other comprehensive income.

If an investment in a debt instrument had low credit risk at the DIA, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

應用全部新訂準則對期初綜合財務狀況表之影響（續）

過渡安排

本集團已應用香港財務報告準則第9號之過渡條文，致令香港財務報告準則第9號獲全面採納而毋須重列比較資料。因此，重新分類及新預期信貸虧損規則所致之調整並無於二零一八年三月三十一日之綜合財務狀況表內反映，惟於二零一八年四月一日之綜合財務狀況表內確認。其指因採納香港財務報告準則第9號以致金融資產與金融負債之賬面值差異於二零一八年四月一日之保留溢利及儲備內確認。因此，就二零一八年三月三十一日止年度呈列之資料並不反映香港財務報告準則第9號之規定，惟反映香港會計準則第39號之規定。

以下評估乃按於首次應用香港財務報告準則第9號當日（「初始應用日期」）已存在之事實及情況為基準作出：

- 釐定持有金融資產之業務模式；
- 指定及撤銷原先指定之若干金融資產及金融負債為以公平值計量且其變化計入損益計量；及
- 指定股本投資之若干非持作買賣投資為以公平值計量且其變化計入其他全面收益。

倘債務工具之投資於初始應用日期具有較低信貸風險，則本集團假設該資產之信貸風險自其初始確認起並無顯著增加。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New/revised HKFRSs that have been issued but are not yet effective

The Group has not early applied the following new and revised HKFRSs and interpretations that have been issued but are not yet effective:

HKFRS 16	Lease ¹
HKFRS 17	Insurance Contracts ³
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
HK(IFRIC)-Int 23	Uncertainty over income tax treatments ¹
Annual Improvements 2015-2017 Cycle	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23 ¹
Amendments to HKAS 1 and HKAS 8	Definition of material ²
Amendments to HKFRS 3	Definition of Business ²

¹ Effective for annual periods beginning on or after 1 January 2019

² Effective for annual periods beginning on or after 1 January 2020

³ Effective for annual periods beginning on or after 1 January 2021

⁴ No mandatory effective date yet determined but available for adoption

Except as described below, the directors do not anticipate that the application of the new and revised HKFRSs will have material impact on the Group's financial statements and/or the disclosures to the Group's consolidated financial statements.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂／經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則及註釋：

香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合約 ³
香港財務報告準則第9號之修訂	具負補償特點之預付款項 ¹
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間之資產銷售或投入 ⁴
香港會計準則第19號之修訂	計劃修訂、縮減或結清 ¹
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益 ¹
香港（國際財務報告詮釋委員會）—詮釋第23號	所得稅處理之不確定性 ¹
二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂 ¹
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 ²
香港財務報告準則第3號之修訂	業務之定義 ²

¹ 於二零一九年一月一日或以後開始之年度期間生效

² 於二零二零年一月一日或以後開始之年度期間生效

³ 於二零二一年一月一日或以後開始之年度期間生效

⁴ 尚未釐定強制生效日期，惟可供採納

除下述者外，董事預期應用新訂及經修訂香港財務報告準則不會對本集團財務報表及／或本集團綜合財務報表內披露事項造成重大影響。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New/revised HKFRSs that have been issued but are not yet effective (continued)

HKFRS 16 — Leases

HKFRS 16, which upon the effective date will supersede HKAS 17 “Leases” and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港財務報告準則第16號 — 租賃

香港財務報告準則第16號由生效當日起將取代香港會計準則第17號「租賃」及相關詮釋，其引入單一承租人會計處理模式，並規定承租人就為期超過12個月之所有租賃確認資產及負債，除非相關資產為低價值資產則作別論。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產（表示其有權使用相關租賃資產）及租賃負債（表示其有義務支付租賃款項）。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債之現金還款劃分為本金部分及利息部分，以於現金流量表內呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可撤銷租賃付款，亦包括將在承租人合理地肯定行使選擇權延續租賃或行使選擇權終止租賃之情況下，於選擇權期間內作出之付款。此會計處理方法顯著有別於承租人會計法，後者適用於根據舊有準則香港會計準則第17號分類為經營租賃之租賃。

就出租人會計法而言，香港財務報告準則第16號大致保留香港會計準則第17號之出租人會計法規定。因此，出租人繼續將租賃分類為經營租賃或融資租賃，並就兩類租賃採用不同會計法。

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2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

New/revised HKFRSs that have been issued but are not yet effective (continued)

HKFRS 16 — Leases (continued)

As set out in Note 35, total operating lease commitment as lessee of the Group in respect of leased premises as at 31 March 2018 and 2019 amounted to HK\$3,702,000 and HK\$960,000 respectively. The directors of the Group do not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in significant impact on the Group’s result but it is expected that certain portion of these lease commitments will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

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

Furthermore, the Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained profits without restating comparative information.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂／經修訂香港財務報告準則（續）

香港財務報告準則第16號 — 租賃（續）

誠如附註35所載，於二零一八年及二零一九年三月三十一日，本集團（作為承租人）有關租賃物業之經營租賃承擔總額分別為3,702,000港元及960,000港元。本集團董事預期，與現行會計政策相比，採納香港財務報告準則第16號不會對本集團業績產生重大影響，惟該等租賃承擔若干部分預計須於綜合財務狀況表確認為使用權資產及租賃負債。

本集團擬選擇可行權宜方法，就先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號「釐定安排是否包括租賃」識別為租賃之合約應用香港財務報告準則第16號，而並無對先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋第4號並未識別為包括租賃之合約應用該準則。因此，本集團不會重新評估合約是否為或包括於初始應用日期前已存在之租賃。

此外，本集團（作為承租人）擬選擇經修訂追溯法應用香港財務報告準則第16號，並將確認初始應用對期初保留溢利造成之累計影響，惟並無重列比較資料。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. They have been prepared under the historical cost convention, except for equity investments which have been measured at fair value. Assets classified as held for sale are stated at the lower of their carrying amounts and fair values less costs to sell as further explained in note 3. These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

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

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

3. 主要會計政策

綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」，包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例之披露規定而編製。該等綜合財務報表亦符合香港聯合交易所有限公司證券上市規則之適用披露條文。綜合財務報表按歷史成本法編製，惟按公平值計量之股本投資除外。誠如附註3進一步闡釋，分類為持作出售之資產按其賬面值與公平值減出售成本兩者中之較低者列賬。該等綜合財務報表以港元呈列，除另有指明者外，所有數值均四捨五入至最接近千位。

歷史成本一般根據換取貨品及服務之代價的公平值計算。

公平值為市場參與者間於計量日期進行的有序交易中，出售資產所收取或轉讓負債所支付的價格，而不論該價格是直接可觀察所得或使用另一種估值技術估計。於估計資產或負債的公平值時，本集團會考慮市場參與者在計量日期為該資產或負債進行定價時將會考慮的特徵。在該等綜合財務報表中計量及／或披露的公平值均在此基礎上予以釐定，但香港財務報告準則第2號「以股份支付款項」範圍內的以股份支付的交易、香港會計準則第17號範圍內的租賃交易，以及與公平值類似但並非公平值的計量（例如香港會計準則第2號「存貨」中的可變現淨值或香港會計準則第36號「資產減值」中的使用價值）除外。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

3. 主要會計政策(續)

此外，就財務報告而言，公平值計量乃按公平值計量輸入數據的可觀察程度及輸入數據對整體公平值計量的重要程度劃分為下述第一、第二或第三層：

- 第一層輸入數據為於計量日期實體可取得的相同資產或負債於活躍市場的所報價格(未經調整)；
- 第二層輸入數據為除第一層所包括的報價外，可就資產或負債直接或間接觀察得到的輸入數據；及
- 第三層輸入數據為就資產或負債不可觀察的輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包含本公司及本公司控制之實體及其附屬公司的財務報表。當本公司達致以下各項時，即屬取得控制權：

- 對投資對象擁有權力；
- 透過其參與承擔或享有投資對象可變回報的風險或權利；及
- 能夠使用對投資對象之權力影響其回報。

倘事實及情況顯示上文所列的控制權三項元素其中一項或多項有所變動，則本集團重新評估其是否控制投資對象。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

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

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

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

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

3. 主要會計政策 (續)

綜合基準 (續)

本集團於取得附屬公司控制權時開始對該附屬公司綜合入賬，並於失去附屬公司控制權時停止對該附屬公司綜合入賬。具體而言，年內收購或出售的附屬公司收入及開支於本集團獲得控制權日期起至本集團不再控制附屬公司當日止期間計入綜合損益及其他全面收益表。

損益及其他全面收入的每個項目應歸屬於本公司擁有人及非控股權益。附屬公司全面收入總額應歸屬於本公司擁有人及非控股權益，即使其導致非控股權益擁有虧絀結餘。

如有必要，會對附屬公司的財務報表作出調整，致使其會計政策與本集團之會計政策一致。

所有有關本集團成員公司間交易的集團內公司間資產及負債、股本、收入、開支及現金流量均於綜合時悉數對銷。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

3. 主要會計政策 (續)

業務合併

收購業務採用收購法入賬。於業務合併轉讓之代價按公平值計量，而公平值乃按本集團所轉讓資產於收購日期之公平值、本集團對收購對象原擁有人產生之負債及本集團為換取收購對象控制權而發行股權之總和計算。收購相關成本一般於產生時於損益確認。

於收購日期，所收購可識別資產及所承擔負債按其公平值確認，惟以下各項除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與收購對象以股份支付的安排或本集團為取代收購對象以股份支付的安排所訂立以股份支付的安排有關之負債或權益工具於收購日期根據香港財務報告準則第2號計量（見下文會計政策）；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產（或出售組別）按該準則計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations (continued)

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

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

3. 主要會計政策 (續)

業務合併 (續)

商譽乃按所轉讓代價、於收購對象任何非控股權益所佔金額及收購方過往持有收購對象股權之公平值(如有)之總和超出所收購可識別資產及所承擔負債於收購日期之淨額部分計算。倘重新評估後，所收購可識別資產及所承擔負債於收購日期之淨額高於所轉讓代價、於收購對象任何非控股權益所佔金額及收購方過往持有收購對象權益之公平值(如有)之總和，則超出部分即時於損益確認為議價購買收益。

屬現時擁有權益且於清盤時讓持有人有權按比例分佔相關附屬公司資產淨值之非控股權益，初步按非控股權益分佔收購對象可識別資產淨值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。

倘業務合併之初步會計處理於合併發生之報告期末尚未完成，則本集團將呈報尚未完成會計處理項目之臨時數額。該等臨時數額於計量期間予以調整並確認額外資產或負債，以反映就收購日期已存在而據知可能影響當日已確認數額之事實與情況所取得新資料。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures; depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. For the joint arrangements that specify that the parties to the joint arrangements have rights to the assets and obligations to the liabilities relating to the joint arrangements, they are classified as joint operations. For the remaining joint arrangements, they are classified as joint ventures.

The Group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The Group classifies its interests in joint arrangements as either:

- Joint ventures: where the group has rights to only the net assets of the joint arrangement; or
- Joint operations: where the group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement;
- The legal form of joint arrangements structured through a separate vehicle;
- The contractual terms of the joint arrangement agreement; and
- Any other facts and circumstances (including any other contractual arrangements).

3. 主要會計政策 (續)

合營安排

合營安排之投資分類為合營業務抑或合營企業，乃視乎各投資者享有之合約權利及責任而非合營安排之法律架構。訂明合營安排之訂約方就合營安排享有資產之權利及承擔負債之責任之合營安排，乃分類為合營業務；而其餘合營安排則分類為合營企業。

倘一份合約安排賦予本集團及至少一名其他人士於相關安排活動之共同控制權，則本集團為合營安排之訂約方。合營安排之評估原則與附屬公司之控制權相同。

本集團將其於合營安排之權益分類為：

- 合營企業：本集團僅對合營安排之資產淨值擁有權利；或
- 合營業務：本集團對合營安排之資產享有權利並有責任承擔合營安排之負債。

評估於合營安排之權益之分類時，本集團會考慮：

- 合營安排之架構；
- 透過獨立公司組織之合營安排之法定形式；
- 合營安排協議之合約條款；及
- 任何其他事實及情況(包括任何其他合約安排)。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Joint arrangements (continued)

Joint ventures are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amounts are adjusted for the Group's share of post-acquisition changes in the joint ventures' net assets except that losses in excess of the Group's interest in the joint venture are not recognised unless there is an obligation to make good those losses.

Profits or losses arising on the transactions between the Group and its joint ventures are recognised only to the extent of unrelated investors' interests in the joint venture. The investors' share in the joint venture's profits and losses resulting from these transactions is eliminated against the carrying value of the joint venture. Where unrealised losses provide evidence of impairment of the assets transferred they are recognised immediately to profit or loss.

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Where there is objective evidence that the investment in a joint venture has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

The Group's interests in joint ventures are stated at cost less impairment losses, if any. Results of joint ventures are accounted for by the Group on the basis of dividends received and receivable.

3. 主要會計政策(續)

合營安排(續)

合營企業乃採用權益法入賬，據此，合營企業初步按成本確認，其賬面值隨後會就本集團分佔合營企業資產淨值之收購後變動作出調整，惟超出本集團於合營企業之權益之虧損不予確認，除非有責任彌補該等虧損則作別論。

本集團與其合營企業進行交易產生之損益，僅以不相關投資者於合營企業之權益為限予以確認。投資者分佔合營企業因該等交易而產生之損益與合營企業之賬面值對銷。倘未變現虧損證明所轉讓資產出現減值，則未變現虧損直接於損益中確認。

就合營企業所支付高於本集團分佔所收購可識別資產、負債及或然負債之任何溢價會撥充資本，並計入於合營企業之投資之賬面值。倘有客觀證據顯示於合營企業之投資出現減值，則投資之賬面值會按測試其他非金融資產相同之方式進行減值測試。

本集團於合營企業之權益按成本減去減值虧損(如有)列賬。本集團按已收及應收股息為基準就合營企業之業績入賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

Revenue recognition (accounting policies applied from 1 April 2018)

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

3. 主要會計政策(續)

商譽

收購業務所產生商譽按於收購業務當日確立之成本(見上文會計政策)減累計減值虧損(如有)列賬。

就減值測試而言，商譽獲分配至預期受惠於合併協同效益之本集團各現金產生單位(或現金產生單位組別)，而該單位或單位組別指就內部管理目的監控商譽之最低水平且不超過經營分部。

獲分配商譽之現金產生單位(或現金產生單位組別)每年或倘有跡象顯示有關單位可能出現減值時更頻繁地進行減值測試。就報告期間進行收購所產生之商譽而言，獲分配商譽之現金產生單位(或現金產生單位組別)於該報告期末之前進行減值測試。倘相關可收回金額低於賬面值，則減值虧損首先分配以減少任何商譽之賬面值，繼而以該單位(或現金產生單位組別)內各資產之賬面值為基準按比例分配至其他資產。

收入確認(自二零一八年四月一日起適用之會計政策)

客戶合約之收入於貨品或服務控制權轉移至客戶時確認，其金額反映本集團預期就換取該等貨品或服務有權收取之代價，惟不包括代表第三方收取之金額。收入不包括增值稅或其他銷售稅，並已扣除任何貿易折扣。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (accounting policies applied from 1 April 2018) (continued)

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception./ Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

3. 主要會計政策(續)

收入確認(自二零一八年四月一日起適用之會計政策)(續)

根據合約條款及適用於合約之法例，貨品或服務控制權可隨時間或於某一時間點轉移。倘本集團履約時出現以下情況，則貨品或服務控制權隨時間轉移：

- 客戶同時取得並耗用所有利益；
- 產生或提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 並未產生讓本集團有替代用途之資產，且本集團對迄今已完成履約之付款具有可強制執行之權利。

倘貨品或服務控制權隨時間轉移，則於合約期間參照全面履行該履約責任之進度確認收入。否則，收入於客戶獲得貨品或服務控制權之時間點確認。

當合約包含融資成分而該融資成分為客戶提供超過一年之貨品或服務轉讓融資之重大利益時，收入按應收款項之現值計量，並使用合約開始時本集團與客戶之間單獨融資交易所反映貼現率貼現。／當合約包含融資部分而該融資成分為本集團提供重大融資利益時，就合約確認之收入包括根據實際利率法在合約負債上加算之利息開支。就付款至轉讓承諾貨品或服務期限為一年或以下之合約而言，根據香港財務報告準則第15號項下可行權宜方法，交易價不會就重大融資部分之影響作出調整。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (accounting policies applied from 1 April 2018) (continued)

Sale of rental machinery, machinery and spare parts

Customers obtain control of the machinery and spare parts when the goods are delivered to and have been accepted. Revenue is thus recognised at a point in time basis upon when the customers accepted the machinery and spare parts. There is generally only one performance obligation.

Provision of transportation service

Transportation services are generally provided within one day. Revenue of transportation service is recognised at a point in time basis when the customer obtains control of the services. There is generally only one performance obligation.

Provision of dealing and broking services on securities, futures and options

Commission income on securities dealing and broking, futures and options dealing and broking are recorded as income on a trade date basis at a point in time when the control of relevant contract notes are transferred to customers. Control of the promised goods are transferred to the customer on completion of delivery of the goods. There is generally only one performance obligation.

Other service income

Other service income which generated from rental of construction machinery and sales of construction materials business, the Group provides goods and service such as inspection service and fuel & lubricant to customers.

Revenue of other service income is recognised at a point in time basis when the customer obtains control of the goods or services. There is generally only one performance obligation.

3. 主要會計政策 (續)

收入確認 (自二零一八年四月一日起適用之會計政策) (續)

銷售租賃機械、機械及備用零件

客戶於貨品交付並獲接納時獲得機械及備用零件之控制權。因此，收入乃於客戶接納機械及備用零件之時間點確認。通常只有一項履約責任。

提供運輸服務

運輸服務通常於一天內提供。收入乃於客戶獲得服務控制權之時間點確認。通常只有一項履約責任。

提供證券、期貨及期權買賣及經紀服務

證券買賣及經紀以及期貨及期權買賣及經紀之佣金收入於相關合約票據控制權轉移至客戶之時間點按交易日基準記錄為收入。承諾貨品之控制權於完成交付貨品時轉移至客戶。通常只有一項履約責任。

其他服務收入

其他服務收入來自租賃建築機械及銷售建築物料業務，本集團就此向客戶提供檢驗服務及燃料與潤滑油等貨品及服務。

其他服務收入乃於客戶獲得貨品或服務控制權之時間點確認。通常只有一項履約責任。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (accounting policies applied from 1 April 2018) (continued)

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

Interest income generated from money lending

Interest income was generated from money lending business of providing property mortgage loans, machinery loans and personal loans. Revenue represents interest income earned from loans offered to the Group's customers.

Interest income is accrued on a time basis using the effective interest method by apply applicable interest rate on (i) the amortised cost (i.e. gross carrying amount less loss allowance for credit-impaired financial assets) or (ii) the gross carrying amount for non-credit impaired financial assets.

Other income

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Revenue recognition (accounting policies applied until 31 March 2018)

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

3. 主要會計政策(續)

收入確認(自二零一八年四月一日起適用之會計政策)(續)

其他來源之收入

租金收入於租期內按時間比例確認。

放債產生之利息收入

利息收入來自提供物業按揭貸款、機械貸款及個人貸款之放債業務。收入指向本集團客戶提供貸款所賺取之利息收入。

利息收入以實際利率法按時間基準累計，並就(i)攤銷成本(即出現信貸減值金融資產之賬面總值減虧損撥備)或(ii)並無出現信貸減值金融資產之賬面總值採納適用利率。

其他收入

股息收入於股東確立收款權利、與股息相關之經濟利益有可能流入本集團且股息金額能夠可靠地計量時確認。

收入確認(直至二零一八年三月三十一日止適用之會計政策)

收入乃按已收代價或應收代價的公平值計量。收入已就估計客戶退貨及其他類似津貼作出扣減。

當收入數額能可靠地計量、而未來經濟利益可能流入本集團，且符合以下本集團各業務的特定準則時，本集團便會確認收入。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (accounting policies applied until 31 March 2018) (continued)

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

Service fee income is recognised when the services are provided.

Interest income is accrued on a time apportionment basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

The Group's accounting policy for recognition of revenue from finance leases and operating leases is described in the accounting policy for leasing below.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 主要會計政策 (續)

收入確認 (直至二零一八年三月三十一日止適用之會計政策) (續)

銷售貨品之收入於交付貨品及權利轉移時確認。

服務費收入於提供服務時確認。

利息收入參考未償還本金以實際適用利率按時間比例基準累計，該利率乃將估計未來現金收入於金融資產的預計年期準確貼現至初始確認時資產賬面淨值的利率。

本集團有關確認融資租賃及經營租賃之收入之會計政策載於下文租賃之會計政策。

外幣

於編製各集團個別實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易，乃按其交易日期當日的匯率確認。於報告期末，以外幣為單位的貨幣項目按該日的現行匯率重新換算。以外幣為單位及以公平值計量的非貨幣項目按釐定公平值當日的現行匯率重新換算。以外幣為單位及以歷史成本計量的非貨幣項目，則毋須重新換算。

因結算及重新換算貨幣項目所產生的匯兌差額，於其產生的期間內於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs which are not eligible for capitalisation to qualifying assets are recognised in profit or loss in the period in which they are incurred.

Retirement benefit costs

Payments to defined contribution Mandatory Provident Fund retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

3. 主要會計政策 (續)

借貸成本

收購、建設或生產合資格資產(即必須等待一段長時間始能作擬定用途或出售之資產)直接應佔的借貸成本,將計入該等資產的成本內,直至該等資產大致上可用作擬定用途或出售為止。

借貸成本乃於其產生期間於損益確認不合資格資本化至合資格資產。

退休福利成本

向界定強制性公積金退休福利計劃供款作出的付款於員工提供服務而有權獲得供款時確認為開支。

短期和其他長期員工福利

短期員工福利是按員工提供服務時預期支付的福利的未貼現金額確認。所有短期員工福利均確認為費用,除非另有香港財務報告準則要求或允許在資產成本中納入利益。

在扣除任何已支付的金額後,員工應計福利(如工資和薪金、年假和病假)確認為負債。

就其他長期員工福利確認的負債,按本集團預計在截至報告日期就員工提供的服務預計未來現金流出的現值計量。服務成本、利息和重新計量產生的負債賬面值變動於損益確認,除非另有香港財務報告準則要求或允許將其納入資產成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from '(loss) profit before taxation' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable and deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 主要會計政策(續)

稅項

所得稅開支指目前應繳的稅項及遞延稅項的總額。

目前應繳稅項乃按年內應課稅溢利計算。由於應課稅溢利不包括其他年度的應課稅或可扣稅的收支項目，亦不包括毋須課稅及不可扣稅項目，故應課稅溢利有別於綜合損益及其他全面收益表內所呈報的「除稅前(虧損)溢利」。本集團目前的稅項負債乃採用於報告期末已頒佈或實際上已頒佈的稅率計算。

遞延稅項按綜合財務報表內資產及負債的賬面值與計算應課稅溢利所採用的相應稅基之間的暫時差額而確認。一般會就所有應課稅暫時差額確認遞延稅項負債。遞延稅項資產一般會以該等可動用之可扣減暫時差額將可能抵銷應課稅溢利為限，就所有可扣減暫時差額而確認。倘暫時差額乃因在一項不影響應課稅溢利或會計溢利的交易中初步確認的資產及負債(業務合併除外)而產生，則不會確認有關遞延稅項資產及負債。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項負債乃就於附屬公司投資的相關應課稅暫時差額而確認，惟倘本集團能夠控制暫時差額撥回及暫時差額有可能不會於可見將來撥回則除外。與該等投資及權益相關的可扣稅暫時差額所產生的遞延稅項資產，僅於可能有足夠應課稅溢利可以應用暫時差額的利益且預計於可見將來可以撥回時方會確認。

遞延稅項資產的賬面值會於報告期末檢討及進行扣減，直至不再可能有足夠應課稅溢利可供收回全部或部分資產為止。

遞延稅項資產及負債根據於報告期末已頒佈或實際上已頒佈之稅率(及稅法)，按清償負債或變現資產期間的預期適用稅率計量。

遞延稅項負債及資產的計量反映按照本集團預期於報告期末收回或清償其資產及負債賬面值的方式而得出的稅務後果。

即期及遞延稅項均於損益確認，惟倘其與於其他全面收入確認或直接於權益確認的項目有關則除外，在此情況下，即期及遞延稅項亦分別於其他全面收入確認或直接於權益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and such costs are recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy above). Contingent rentals are recognised as expenses in the periods in which they are incurred.

3. 主要會計政策(續)

租賃

凡在租賃條款中將擁有權的絕大部分風險及回報轉移予承租人的租賃，該等租賃被分類為融資租賃。所有其他租賃一概分類為經營租賃。

本集團為出租人

按融資租賃應收承租人款項按本集團租賃淨投資金額確認為應收款項。融資租賃收入分配至會計期間，以反映本集團有關租賃的淨投資餘額的固定週期回報率。

經營租賃之租金收入乃按有關租期以直線法確認。於協商及安排經營租賃時引致之首次直接成本乃加至租賃資產之賬面值，及有關成本按租期以直線法確認為開支。

本集團為承租人

按融資租賃持有之資產按其租賃開始之公平值或最低租賃付款額之現值(以較低數額為準)確認為本集團之資產。出租人之相應負債則以融資租賃責任計入綜合財務狀況表內。

租賃付款按比例分攤為財務費用及減少租賃承擔，從而使負債餘額之利率固定。財務費用立即於損益確認，除非直接歸屬於合資格資產，在該情況其按照本集團之借貸成本一般政策資本化(見上文會計政策)。或然租金於產生期間內確認為開支。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing (continued)

The Group as lessee (continued)

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at initial recognition.

When the lease payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

3. 主要會計政策 (續)

租賃 (續)

本集團為承租人 (續)

經營租賃付款乃按租期以直線法確認為開支。

倘就訂立經營租賃獲得租賃優惠，則該等優惠確認為負債。優惠利益總額乃按直線法確認為租金開支之扣減。

租賃土地及樓宇

倘本集團就物業權益(包括租賃土地及樓宇部份)付款，本集團會根據評估各部分擁有權之絕大部分風險及回報是否已轉移至本集團而將其劃分為融資或經營租賃，除非肯定兩個部分均屬經營租賃，於此情況下，則整項物業將入賬為經營租賃。具體而言，整筆代價(包括任何一筆過預付款項)於初始確認時按租賃土地部分及樓宇部分中之租賃權益相對公平值比例於租賃土地及樓宇部分之間分配。

當租賃款項不能在租賃土地及樓宇部分之間作可靠分配，則整個物業一般會按猶如租賃土地為融資租賃項下之方式作出分類。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such classification requires the asset or the disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets as held for sale are measured at the lower of their previous carrying amount and fair value less costs of sell.

Property, plant and equipment

Property, plant and equipment including buildings and leasehold lands (classified as finance lease) held for use in the production or supply of goods or services are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

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

3. 主要會計政策(續)

持作出售之非流動資產及出售組別

倘非流動資產及出售組別將主要透過出售交易而非透過持續使用而收回賬面值，則分類為持作出售。僅於資產或出售組別可供以現狀即時出售(只受出售有關資產或出售組別之慣常條款約束)且極有可能成交時方被視為符合此項條件。管理層必須致力完成出售，預期自分類日期起計一年內符合資格確認為一項已完成銷售交易。持作出售之非流動資產按其先前賬面值與公平值減出售成本兩者中之較低值計量。

物業、廠房及設備

物業、廠房及設備(包括用於生產或供應貨品或服務用途而持有的樓宇及租賃土地(分類為融資租賃))按成本減其後的累計折舊及其後累計減值虧損(如有)列賬於綜合財務狀況表內。

折舊乃於其估計可使用年期以直線法撇銷資產成本減其剩餘減值確認。估計可使用年期、剩餘價值及折舊方法會於各報告期末檢討，而任何估計變動之影響按前瞻基準入賬。

根據融資租賃持有的資產按與自有資產相同的基準於其預計可使用年期進行折舊。

物業、廠房及設備項目於出售或於預期不會自持續使用資產產生日後經濟利益時終止確認。出售或報廢物業、廠房及設備項目所產生之任何收益或虧損乃按銷售所得款項與資產賬面值間之差額釐定並於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Property, plant and equipment are depreciated on its cost less their residual values on a straight-line basis at the following rates per annum:

Leasehold land and building	over the lease terms
Leasehold improvements	10 years or over the lease terms, whichever is shorter
Machinery	10 years
Furniture and equipment	4-5 years
Motor vehicles	4 years

Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. The assets' estimated useful lives from the date they are available for use as follows:

Customer relationship	5 years
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Both the period and method of amortisation are reviewed annually.

3. 主要會計政策 (續)

物業、廠房及設備 (續)

物業、廠房及設備按其成本減去剩餘價值以直線法基準折舊，採用的年率如下：

租賃土地及樓宇	按租期
租賃裝修	10年或按租期(以較短者為準)
機械	10年
傢俬及設備	4至5年
汽車	4年

無形資產

透過業務合併收購之無形資產

透過業務合併收購之無形資產與商譽分開確認，並於收購日期按公平值(視為其成本)初始確認。

於初始確認後，透過業務合併收購具有有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損呈報，基準與單獨收購之無形資產相同。有關資產自可供使用日期起估計可使用年期如下：

客戶關係	5年
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攤銷期限及方法每年予以檢討。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (continued)

Intangible assets acquired in a business combination (continued)

Intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below). Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above.

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above.)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 主要會計政策 (續)

無形資產 (續)

透過業務合併收購之無形資產 (續)

透過業務合併收購具無限可使用年期之無形資產按成本減任何後續累計減值虧損列賬(見下文有關有形及無形資產減值虧損之會計政策)。任何有關無形資產具無限可使用年期之結論每年檢討，以釐定事件及情況是否繼續支持將該資產評為具無限可使用年期。倘不繼續支持，則可使用年期評估由無限更改為有限，並自更改日期起根據上述具有限可使用年期無形資產之攤銷政策按前瞻基準入賬。

有形及無形資產(商譽除外)之減值虧損(見上文有關商譽之會計政策。)

於報告期末，本集團審閱其有形及無形資產之賬面值，以釐定有否任何跡象顯示該等資產出現減值虧損。如果存在任何此類跡象，則會對相關資產的可收回金額作出估計，以確定減值虧損(如有)的程度。如果無法估計單項資產的可收回金額，本集團會估計該資產所屬的現金產生單位的可收回金額。如果可以識別一個合理且一致的分配基準，公司資產亦分配至單個現金產生單位，若不能分配至單個現金產生單位，則應將公司資產按能識別的合理且一致的基準分配至最小的現金產生單位組合。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above.) (continued)

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

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

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

3. 主要會計政策 (續)

有形及無形資產(商譽除外)之減值虧損(見上文有關商譽之會計政策。)(續)

可收回金額指公平值減出售成本與使用價值兩者中之較高者。評估使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率反映目前貨幣時間值之市場評估及與未經調整未來現金流量估計之資產(或現金產生單位)有關之特定風險。

倘資產(或現金產生單位)的可收回金額估計低於其賬面值，則會將該項資產(或現金產生單位)的賬面值減至其可收回金額。於分配減值虧損時，首先分配減值虧損以扣減任何商譽的賬面值(倘適用)，其後根據單位各資產的賬面值按比例分配至其他資產。資產賬面值不會扣減至低於其公平值減出售成本(倘可計量)、使用價值(倘可釐定)及零當中之最高者。分配至資產的減值虧損數額則按單位的其他資產比例分配。減值虧損即時於損益確認。

倘於其後撥回減值虧損，資產(或現金產生單位)之賬面值可調高至經修訂之估計可收回金額，惟經調高之賬面值不可高於該資產(或現金產生單位)於過往年度並無確認減值虧損時所釐定之賬面值。撥回之減值虧損即時於損益確認。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weight average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

3. 主要會計政策(續)

存貨

存貨按成本及可變現淨值兩者中較低者列賬。存貨成本採用加權平均法計算。可變現淨值指存貨估計售價減所有估計完成成本以及銷售所需的成本。

撥備

倘本集團因過往事件而承擔現有責任(法律或推定)，而本集團可能須清償該項責任且該項責任之所涉金額可作出可靠估計，則確認撥備。

確認為撥備的金額乃根據於報告期末對清償現有責任所需代價的最佳估計計量，並計及有關該責任的風險及不確定性。倘撥備乃按清償現有責任的估計現金流量計量，其賬面值則為該等現金流量之現值(倘貨幣時間價值影響屬重大)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018)

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

3. 主要會計政策 (續)

金融工具 (自二零一八年四月一日起適用之會計政策)

(i) 金融資產

金融資產 (不含重大融資成分之貿易應收款項除外) 初步按公平值加 (就並非以公平值計量且其變化計入損益 (「以公平值計量且其變化計入損益」之項目而言) 直接歸屬於收購或發行之交易成本計量。不含重大融資成分之貿易應收款項初步按交易價計量。

金融資產的所有日常買賣於交易日期 (即本集團承諾購買或出售資產之日期) 確認。日常買賣指須於一般根據市場規則或慣例確立的時間內交付資產之金融資產買賣。

確定具有嵌入式衍生工具之金融資產之現金流量是否僅為支付本金及利息時應作整體考慮。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(i) Financial assets (continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Fair value through other comprehensive income ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through OCI. Debt investments at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

3. 主要會計政策 (續)

金融工具 (自二零一八年四月一日起適用之會計政策) (續)

(i) 金融資產 (續)

債務工具

債務工具之後續計量視乎本集團管理資產之業務模式及該資產之現金流量特徵而定。本集團將債務工具劃分為三個計量類別：

攤銷成本：倘持作收回合約現金流量之資產的現金流量僅為支付本金及利息，則該等資產按攤銷成本計量。按攤銷成本計量之金融資產其後採用實際利率法計量。利息收入、外匯收益及虧損以及減值於損益確認。終止確認所產生任何收益於損益確認。

以公平值計量且其變化計入其他全面收益 (「以公平值計量且其變化計入其他全面收益」)：倘持作收回合約現金流量及出售金融資產之資產的現金流量僅為支付本金及利息，則該等資產以公平值計量且其變化計入其他全面收益。以公平值計量且其變化計入其他全面收益之債務投資其後按公平值計量。按實際利率法計算之利息收入、外匯收益及虧損以及減值於損益確認。其他收益及虧損淨額於其他全面收益確認。終止確認時，於其他全面收益累計之收益及虧損重新分類至損益。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(i) Financial assets (continued)

Debt instruments (continued)

Fair value through profit or loss (“FVTPL”): Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

3. 主要會計政策 (續)

金融工具 (自二零一八年四月一日起適用之會計政策) (續)

(i) 金融資產 (續)

債務工具 (續)

以公平值計量且其變化計入損益 (「以公平值計量且其變化計入損益」): 以公平值計量且其變化計入損益之金融資產包括持作買賣之金融資產、於初始確認時指定為以公平值計量且其變化計入損益之金融資產或強制要求按公平值計量之金融資產。倘收購金融資產之目的為作短期出售或購回用途, 則該等金融資產分類為持作買賣。除非衍生工具 (包括獨立嵌入式衍生工具) 被指定為實際對沖工具, 否則亦分類為持作買賣。現金流量並非僅為支付本金及利息之金融資產分類為以公平值計量且其變化計入損益, 而不論其業務模式如何。儘管存在上述將債務工具分類為按攤銷成本或以公平值計量且其變化計入其他全面收益之標準, 債務工具仍可於初始確認時指定為以公平值計量且其變化計入損益, 前提為此舉可消除或顯著減少會計錯配。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(i) Financial assets (continued)

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

3. 主要會計政策(續)

金融工具(自二零一八年四月一日起適用 之會計政策)(續)

(i) 金融資產(續)

權益工具

初步確認並非持作買賣之股本投資時，本集團可不可撤回地選擇於其他全面收益呈列有關投資之後續公平值變動。該選擇因應各項投資而作出。以公平值計量且其變化計入其他全面收益之股本投資按公平值計量。股息收入於損益確認，除非股息收入明確表示可收回部分投資成本。其他收益及虧損淨額於其他全面收益確認，且不會重新分類至損益。所有其他權益工具分類為以公平值計量且其變化計入損益，其中公平值變動、股息及利息收入於損益確認。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables, loan receivables, other receivables and finance lease receivables. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

3. 主要會計政策 (續)

金融工具(自二零一八年四月一日起適用之會計政策)(續)

(ii) 金融資產之減值虧損

本集團就貿易應收款項、應收貸款、其他應收款項及融資租賃應收款項確認預期信貸虧損(「預期信貸虧損」)之虧損撥備。預期信貸虧損採用以下基準計量：(1)12個月預期信貸虧損：即於報告日期後12個月內可能發生之違約事件將導致之預期信貸虧損；及(2)全期預期信貸虧損：即金融工具預期使用期內所有可能違約事件將導致之預期信貸虧損。估計預期信貸虧損時所考慮最長期間為本集團面對信貸風險之最長合約期間。

預期信貸虧損為信貸虧損之概率加權估計。信貸虧損乃按本集團根據合約應付所有合約現金流量與本集團預期收取所有現金流量之間的差額計量。該差額其後按與資產原有實際利率相若之水平貼現。

本集團已選擇使用香港財務報告準則第9號之簡化方法計量貿易應收款項之虧損撥備，並根據全期預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人特定前瞻性因素及經濟環境作出調整。

其他債務金融資產之預期信貸虧損以12個月預期信貸虧損為基準。然而，倘產生以來信貸風險顯著增加，則撥備將以全期預期信貸虧損為基準。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(ii) Impairment loss on financial assets (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be credit-impaired when: (1) 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 (2) the financial asset is more than 90 days past due.

3. 主要會計政策 (續)

金融工具 (自二零一八年四月一日起適用 之會計政策) (續)

(ii) 金融資產之減值虧損 (續)

當釐定金融資產之信貸風險自初始確認以來有否顯著增加及估計預期信貸虧損時，本集團考慮與之相關且毋須付出不必要成本或精力即可獲得合理及可支持之資料。此包括根據本集團過往經驗及已知信貸評估得出之定量及定性資料及分析 (包括前瞻性資料)。

本集團將逾期超過90天之金融資產假定為信貸風險顯著增加。

在下列情況下，本集團認為金融資產存在信貸減值：(1) 借款人不大可能在本集團無追索權採取變現抵押 (如持有) 等行動之情況下向本集團悉數支付其信貸債務；或 (2) 金融資產逾期超過90天。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

3. 主要會計政策 (續)

金融工具 (自二零一八年四月一日起適用之會計政策) (續)

(iii) 金融負債

本集團視乎負債產生之目的劃分金融負債。以公平值計量且其變化計入損益之金融負債初步按公平值計量，而按攤銷成本列賬之金融負債初步按公平值減所產生直接應佔成本計量。

以公平值計量且其變化計入損益之金融負債

以公平值計量且其變化計入損益之金融負債包括持作買賣之金融負債及於初始確認時指定為以公平值計量且其變化計入損益之金融負債。

為短期出售而收購之金融負債分類為持作買賣。除非衍生工具 (包括獨立嵌入式衍生工具) 被指定為實際對沖工具，否則亦分類為持作買賣。持作買賣負債之收益或虧損於損益確認。

倘合約包含一項或多項嵌入式衍生工具，則整份混合合約可能被指定為以公平值計量且其變化計入損益之金融負債，除非嵌入式衍生工具並無重大修改現金流量或獨立列賬遭明確禁止。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(iii) Financial liabilities (continued)

Financial liabilities at fair value through profit or loss (continued)

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

3. 主要會計政策 (續)

金融工具 (自二零一八年四月一日起適用之會計政策) (續)

(iii) 金融負債 (續)

以公平值計量且其變化計入損益之金融負債 (續)

倘金融負債符合以下條件，即可於初始確認時指定為以公平值計量且其變化計入損益：(i)有關指定消除或顯著減少按不同基準計量負債或確認其收益或虧損所導致之不一致入賬方法；(ii)該負債為根據既定風險管理策略按公平值基準管理及評估表現之金融負債組別其中一部分；或(iii)金融負債包括須獨立列賬之嵌入式衍生工具。

於初始確認後，以公平值計量且其變化計入損益之金融負債按公平值計量，而公平值變動則於產生期間於損益確認，惟本集團本身信貸風險所產生之收益及虧損於其他全面收益呈列且隨後不會重新分類至損益表除外。於損益表確認之公平值收益或虧損淨額不包括就該等金融負債收取之任何利息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(iii) Financial liabilities (continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, borrowings, certain preference shares and the debt element of convertible loan note issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

3. 主要會計政策 (續)

金融工具 (自二零一八年四月一日起適用 之會計政策) (續)

(iii) 金融負債 (續)

按攤銷成本列賬之金融負債

按攤銷成本列賬之金融負債包括貿易及其他應付款項、借貸、本集團發行之若干優先股及可換股貸款票據之債務部分，其後採用實際利率法按攤銷成本計量。相關利息開支於損益確認。

收益或虧損於終止確認負債時及於攤銷過程中於損益確認。

(iv) 實際利率法

實際利率法為計算金融資產或金融負債之攤銷成本以及於相關期間分配利息收入或利息開支之方法。實際利率乃為在金融資產或負債的預計年期或(如適用)較短期間內能夠精確地將估計未來現金收款或付款貼現的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(v) Equity instruments

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

(vi) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the loss allowance, being the ECL provision measured in accordance with principles of the the accounting policy set out in 4(k) A(ii); and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the principles of HKFRS 15.

3. 主要會計政策(續)

金融工具(自二零一八年四月一日起適用之會計政策)(續)

(v) 權益工具

權益工具為扣除本集團所有負債後能證明其資產中存在剩餘權益之所有合約。本公司所發行權益工具乃按已收所得款項減直接發行成本後確認。

(vi) 財務擔保合約

財務擔保合約為要求發行人向持有人支付指定金額，以補償持有人由於指定債務人未能根據債務工具原有或經修訂條款於到期時付款而蒙受的損失。本集團所發行並非指定為以公平值計量且其變化計入損益之財務擔保合約初步按公平值減發行財務擔保合約直接應佔交易成本確認。於初始確認後，本集團按以下較高者計量財務擔保合約：(i) 虧損撥備金額，即根據4(k) A(ii)所載會計政策項下原則計量之預期信貸虧損撥備；及(ii) 初步確認金額減(如適用)減根據香港財務報告準則第15號項下原則確認之累計攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments (accounting policies applied from 1 April 2018) (continued)

(vii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

3. 主要會計政策 (續)

金融工具 (自二零一八年四月一日起適用之會計政策) (續)

(vii) 終止確認

當金融資產相關未來現金流量之合約權利屆滿或金融資產已轉讓且有關轉讓符合香港財務報告準則第9號項下終止確認標準時，本集團終止確認金融資產。

金融負債於相關合約所訂明責任解除、註銷或屆滿時終止確認。

倘本集團因重新磋商負債條款而自行向債權人發行權益工具以償付全部或部分金融負債，則已發行權益工具為已付代價並於抵銷金融負債或其部分當日按公平值初步確認及計量。倘已發行權益工具之公平值不能可靠計量，則計量權益工具以反映所抵銷金融負債之公平值。所抵銷金融負債或其部分之賬面值與已付代價之間的差額於年內損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (accounting policies applied until 31 March 2018)

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

Financial assets are classified into loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade receivables, deposits and other receivables, amounts due from a related company and a director, pledged bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

3. 主要會計政策(續)

金融工具(直至二零一八年三月三十一日止適用之會計政策)

金融資產及金融負債於集團實體成為工具合約條文之訂約方時確認。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(以公平值計量且其變化計入損益之金融資產及金融負債除外)之直接應佔交易成本於初步確認時計入金融資產或金融負債之公平值或自當中扣除(按適用情況而定)。

金融資產

金融資產分類為貸款及應收款項。分類取決於金融資產的性質及目的，並於初步確認時確定。金融資產的所有日常買賣乃按交易日期基準確認及終止確認。日常買賣指須於市場規則或慣例確立的時間內交付資產的金融資產買賣。

貸款及應收款項

貸款及應收款項乃於活躍市場並無報價的固定或可釐定支付款項的非衍生金融資產。於初步確認後，貸款及應收款項(包括貿易應收款項、按金及其他應收款項、應收一間關連公司及一名董事款項、已抵押銀行存款以及銀行結餘及現金)均按以實際利率法計算的攤銷成本減任何減值入賬(見下文有關金融資產減值虧損之會計政策)。

利息收入按實際利率計算確認，惟短期應收款項除外，乃因其利息確認並不重大。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (accounting policies applied until 31 March 2018) (continued)

Financial assets (continued)

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 主要會計政策 (續)

金融工具 (直至二零一八年三月三十一日止適用之會計政策) (續)

金融資產 (續)

實際利率法

實際利率法為計算債務工具的攤銷成本以及於相關期間分配利息收入的方法。實際利率乃為在債務工具的預計年期或(如適用)較短期間內能夠精確地將估計未來現金收入(包括構成實際利率整體一部分的所有已付或已收費用及點子、交易成本以及其他溢價或折讓)貼現至初步確認賬面淨值的利率。

債務工具的利息收入按實際利率基準確認。

金融資產減值

金融資產會在報告期末評定有否減值跡象。倘有客觀證據顯示，初步確認後發生之一項或多項事件導致對估計金融資產未來現金流量造成影響，即考慮金融資產減值。

就貸款及應收款項而言，減值之客觀證據可能包括：

- 發行人或對手方出現重大財政困難；或
- 違反合約，例如逾期或拖欠支付利息及本金；或
- 借款人有可能面臨破產或進行財務重組。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (accounting policies applied until 31 March 2018) (continued)

Impairment of financial assets (continued)

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策(續)

金融工具(直至二零一八年三月三十一日止適用之會計政策)(續)

金融資產減值(續)

應收款項組合的客觀減值證據可包括本集團的過往收款經驗、組合內延遲還款至超逾平均信貸期30日的次數增加。

就按攤銷成本列賬的金融資產而言，確認的減值虧損金額乃按該資產的賬面值與按該金融資產原先實際利率貼現的估計未來現金流量現值間的差額。

就所有金融資產而言，金融資產之賬面值因應減值虧損直接減少，惟貿易應收款項除外，其賬面值乃透過使用撥備賬而削減。撥備賬的賬面值變動於損益確認。倘貿易應收款項被視為無法收回，則於撥備賬撇銷。至於其後收回的過往撇銷款項，則計入損益內。

就按攤銷成本計量的金融資產而言，倘於往後期間，減值虧損金額減少，而該減少可客觀地與確認減值後發生的事件有關，則先前確認的減值虧損透過損益撥回，惟該投資於撥回減值日期的賬面值不得超過在並無確認減值之情況下應有的攤銷成本。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (accounting policies applied until 31 March 2018) (continued)

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities at amortised cost

Financial liabilities (including trade payables, accruals, deposits received and other payables, amounts due to a director and related companies, loan from a director and borrowings) are subsequently measured at amortised cost using the effective interest method.

3. 主要會計政策(續)

金融工具(直至二零一八年三月三十一日止適用之會計政策)(續)

金融負債及權益工具

集團實體發行的債務及權益工具乃根據所訂立合約安排的內容及金融負債和權益工具的定義分類為金融負債或權益工具。

權益工具

權益工具指證明本集團於扣除其所有負債後資產剩餘權益的任何合約。由本集團發行的權益工具按收取的所得款項減直接發行成本確認。

按攤銷成本計量的金融負債

金融負債(包括貿易應付款項、應計費用、已收按金及其他應付款項、應付一名董事及關連公司款項、來自一名董事之貸款以及借貸)隨後按攤銷成本採用實際利率法計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (accounting policies applied until 31 March 2018) (continued)

Financial liabilities and equity instruments (continued)

Effective interest method

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

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at the higher of:

- (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 "Provisions, contingent liabilities and contingent assets"; and
- (ii) the amount initially recognized less, where appropriate, cumulative amortization recognized over the guarantee period.

3. 主要會計政策 (續)

金融工具 (直至二零一八年三月三十一日止適用之會計政策) (續)

金融負債及權益工具 (續)

實際利率法

實際利率法為計算金融負債的攤銷成本以及於相關期間分配利息開支的方法。實際利率乃為在金融負債的預計年期或(如適用)較短期間內能夠精確地將估計未來現金付款(包括構成實際利率整體一部分的所有已付或已收費用及點子、交易成本以及其他溢價或折讓)貼現至初步確認賬面淨值的利率。利息開支按實際利率基準確認。

財務擔保合約

財務擔保合約為規定發行人須作出指定付款以償付持有人因指定債務人未能根據債務工具條款於到期時支付款項所蒙受損失的合約。

由本集團發行的財務擔保合約初步按公平值計量，及倘並無指定為以公平值計量且其變化計入損益，隨後按以下各項的較高者計量：

- (i) 根據香港會計準則第37號「撥備、或然負債及或然資產」釐定的合約項下責任金額；及
- (ii) 初步確認的金額減(如適用)擔保期間確認的累計攤銷。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (accounting policies applied until 31 March 2018) (continued)

Derecognition

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

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

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

Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statements of financial position when both of the following conditions are satisfied: (i) the Group has a legal right to set off the recognised amounts and the legal right is currently enforceable; and (ii) the Group intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously.

3. 主要會計政策 (續)

金融工具 (直至二零一八年三月三十一日止適用之會計政策) (續)

終止確認

僅當從資產收取現金流量之合約權利已屆滿；或當本集團轉讓金融資產及金融資產擁有權之絕大部分風險及回報至另一實體時，方會終止確認金融資產。倘本集團並無轉讓或保留擁有權之絕大部分風險及回報，並繼續控制該已轉讓資產，則本集團可於資產中確認其保留權益及其可能須支付之相關負債金額。倘本集團保留所轉讓金融資產擁有權之絕大部分風險及回報，則本集團繼續確認該項金融資產，亦確認已收取所得款項之有抵押借貸。

於終止確認金融資產時，資產賬面值與已收及應收代價金額之差額，乃於損益確認。

本集團僅於其責任已被解除、註銷或屆滿時方會終止確認金融負債。終止確認的金融負債的賬面值與已付或應付代價之間的差額於損益確認。

抵銷金融資產及金融負債

倘以下兩個條件均可達成：(i) 本集團目前擁有可合法執行權利以抵銷已確認的款項，且(ii) 本集團有意清償該款項的淨額，或變現該等金融資產及同時清償該等金融負債，則可抵銷金融資產及金融負債，並於綜合財務狀況表內呈列淨額。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Equity-settled share-based payment transactions

Emolument shares

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. 主要會計政策(續)

以權益結算以股份形式付款交易

獎勵股份

於以權益結算以股份形式付款之授出日期釐定之公平值以直線法於歸屬期間基於本集團估計將最終歸屬之權益工具支銷，權益亦會相應增加。

於各報告期末，本集團修訂其預期歸屬之估計權益工具數目。修訂原有估計之影響(如有)於損益中確認，令累計開支反映經修訂估計。

4. 重大會計判斷及估計

在應用附註3所述的本集團會計政策時，本公司董事須就不可輕易自其他來源得悉的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃按過往經驗及被視為相關的其他因素得出。實際結果可能有別於該等估計。

估計及相關假設乃按持續基準檢討。倘會計估計的修訂僅影響修訂期間，則於修訂有關估計期間確認該等修訂，或倘修訂影響當前及未來期間，則會於修訂期間及未來期間確認該等修訂。

以下為有關未來的主要假設以及於報告期末的估計不明朗因素的其他主要來源，此等假設及不明朗因素具有重大風險導致下一財政年度內的資產及負債賬面值出現重大調整。

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Critical judgements in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Judgements in determining the accounting policy for the acquisition of HTIFH

Note 43 describe the acquisition of HTIFH from Hao Tian Development (the "Acquisition") by using acquisition method in accordance with HKFRS 3. The Acquisition requires judgement by the directors of the Company in determining the appropriate accounting policy to apply with.

In making their judgement, the directors of the Company consider the detailed criteria for acquisition method set out in HKFRS 3 and in particular, whether the Acquisition has adequate business substance.

With a view to developing financial services and securities businesses in Hong Kong, the Acquisition allowed the Group to develop a new line of business in the financial service and money lending sectors and diversify the businesses of the Group.

4. 重大會計判斷及估計(續)

於編製本集團之財務報表時，管理層須作出影響收入、開支、資產及負債之報告金額及其隨附披露以及或然負債披露之判斷、估計及假設。有關此等假設及估計之不明朗因素可能導致須對未來受影響資產或負債之賬面值作出重大調整。

應用會計政策時之主要判斷

於應用本集團會計政策過程中，管理層作出以下對財務報表內確認金額影響最大之判斷(涉及估計者除外)：

釐定昊天國際金融控股收購事項適用之會計政策時所用判斷

附註43載述按照香港財務報告準則第3號採用收購法向昊天發展收購昊天國際金融控股(「收購事項」)。本公司董事於釐定收購事項適用之會計政策時須作出判斷。

本公司董事作出有關判斷時會考慮香港財務報告準則第3號所載收購法之詳細準則，具體而言，即收購事項有否足夠實際業務。

為求於香港發展金融服務及證券業務，本集團進行收購事項以在金融服務及放債領域發展新業務，令本集團業務更趨多元化。

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of financial assets

The Group estimates the loss allowances for trade receivables, loan receivables, finance lease receivables and other receivables by assessing the ECLs. This requires the use of estimates and judgements. ECLs are 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 end of reporting period. Where the estimation is different from the original estimate, such difference will affect the carrying amounts of accounts receivable and thus the impairment loss in the period in which such estimate is changed.

4. 重大會計判斷及估計(續)

估計不明朗因素

以下為有關未來的主要假設以及於報告期末的估計不明朗因素的其他主要來源，此等假設及不明朗因素具有重大風險導致下一財政年度內的資產及負債賬面值出現重大調整。

金融資產減值

本集團透過評估預期信貸虧損估計貿易應收款項、應收貸款、融資租賃應收款項及其他應收款項之虧損撥備，而此舉需要運用估計及判斷。預期信貸虧損以本集團過往信貸虧損經驗為基準，並根據債務人特定因素以及報告期末當前及預測經濟概況評估作出調整。倘該估計有別於原有估計，有關差額將影響應收賬款之賬面值，並因而影響該估計變動期間之減值虧損。

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Impairment of property, plant and equipment

Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management judgment is required in the area of asset impairment particularly in assessing: (i) whether an event such as any assets have become obsolete or idle, has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs of disposal or value in use which is estimated based upon the continue use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections. Changing the judgment and estimations adopted by management in assessing impairment, including the estimated resale values with reference to the historical disposal values or second-hand market price of the assets and the estimated future cash flows generating from the property, plant and equipment with reference to the historical and expected rental income from leasing for assets in use, could affect the recoverable amounts used in the impairment test and as a result affect the Group's financial position and results of operations. As at 31 March 2019, the carrying amount of property, plant and equipment is approximately HK\$243,860,000 (2018: HK\$285,977,000). In the opinion of the directors of the Company, as the carrying value of the property, plant and equipment is higher than the recoverable amount, hence HK\$307,000 (2018: HK\$4,000,000) impairment loss has been provided during the year ended 31 March 2019.

4. 重大會計判斷及估計(續)

物業、廠房及設備減值

當有事件出現或情況變動顯示賬面值可能不可收回時，本集團會檢討物業、廠房及設備的減值情況。管理層須就資產減值方面作出判斷，尤其須評估：(i)是否經已發生可能顯示有關資產價值可能無法收回之事件(例如資產已經過時或滯銷)；(ii)資產賬面值是否可獲可收回金額(即公平值減出售成本或按於業務中持續使用資產估計的使用價值之較高者)支持；及(iii)將用於編製現金流量預測之適當主要假設。管理層於評估減值時所採用判斷及估計之變動，包括估計轉售價值(其乃經參考資產的歷史出售價值或二手市場價格計算)以及物業、廠房及設備產生之估計未來現金流量(其乃經參考租賃使用中資產的過往及預期租金收入計算)，可對減值測試所用之可收回金額構成影響，從而影響本集團的財務狀況及經營業績。於二零一九年三月三十一日，物業、廠房及設備賬面值約為243,860,000港元(二零一八年：285,977,000港元)。本公司董事認為，由於物業、廠房及設備之賬面值較可收回金額為高，故此已於截至二零一九年三月三十一日止年度計提減值虧損307,000港元(二零一八年：4,000,000港元)。

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Impairment of goodwill

In impairment testing, the Group determines the recoverable amount of the cash generating unit to which the assets belong. Determining whether impairment needs to be provided requires an estimation of future cash flows expected to arise from the cash generating units. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or a change in facts and circumstances which results in downward revision of future cash flows, a material impairment loss may arise.

Impairment of intangible assets

At the end of the reporting period, the Group reviews the carrying amount of the intangible assets to determine whether there is any indication that they have suffered an impairment loss respectively. If any such indication exists, the recoverable amount of the intangible assets are estimated in order to determine the extent of the impairment loss, if any.

4. 重大會計判斷及估計(續)

商譽減值

進行減值測試時，本集團釐定資產所屬現金產生單位之可收回金額。釐定是否需要計提減值須估計現金產生單位預期產生之未來現金流量。使用價值計算法要求本集團估計現金產生單位預期產生之未來現金流量及合適貼現率以計算現值。倘實際未來現金流量低於預期或事實及情況變化導致未來現金流量下調，則可能產生重大減值虧損。

無形資產減值

於報告期末，本集團審閱無形資產之賬面值，以釐定有否任何跡象顯示出現減值虧損。倘存在任何有關跡象，則估計無形資產之可收回金額以釐定減值虧損(如有)之程度。

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5. REVENUE

An analysis of revenue is as follows:

5. 收入

收入分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<i>Revenue from contract with customers:</i>	<i>客戶合約之收入：</i>		
Sale of machinery and spare parts	銷售機械及備用零件	46,163	14,211
Sale of rental machinery	銷售租賃機械	8,597	32,551
Transportation service income	運輸服務收入	1,549	1,237
Other service income	其他服務收入	7,991	12,106
Commission income generated from commodities, futures and securities brokerage	商品、期貨及證券經紀產生之佣金收入	1,305	-
<i>Revenue from other sources</i>	<i>其他來源之收入</i>		
Rental income from leasing of machinery	來自租賃機械之租金收入	78,033	75,231
Rental income from sub-leasing of machinery	來自轉租機械之租金收入	20,076	30,533
Interest income generated from money lending	放貸產生之利息收入	12,804	-
		176,518	165,869

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5. REVENUE (continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

For the year ended 31 March 2019

Segments		Trading of construction machinery, spare parts and construction materials 建築機械、備用零件及建築物料銷售 HK\$'000 千港元	Provision of repair and maintenance service 提供維修及保養服務 HK\$'000 千港元	Provision of transportation services 提供運輸服務 HK\$'000 千港元	Provision of commodities, futures and securities brokerage service 提供商品、期貨及證券經紀服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Sale of machinery and spare parts	銷售機械及備用零件	46,163	–	–	–	46,163
Sale of rental machinery	銷售租賃機械	8,597	–	–	–	8,597
Transportation service income	運輸服務收入	–	–	1,549	–	1,549
Other service income	其他服務收入	–	7,991	–	–	7,991
Commission income generated from commodities, futures and securities brokerage	商品、期貨、證券經紀產生之佣金收入	–	–	–	1,305	1,305
Total revenue from contract with customers	客戶合約之總收入	54,760	7,991	1,549	1,305	65,605
Geographical markets	地理市場					
Hong Kong	香港	54,680	7,451	1,528	1,305	64,964
Macau	澳門	80	540	21	–	641
Total revenue from contract with customers	客戶合約之總收入	54,760	7,991	1,549	1,305	65,605
Timing of revenue recognition	收入確認時間					
At a point in time	於某一時間點	54,760	7,991	1,549	1,305	65,605
Over time	隨時間	–	–	–	–	–
Total revenue from contract with customers	客戶合約之總收入	54,760	7,991	1,549	1,305	65,605

5. 收入(續)

客戶合約之收入

(i) 分類收入資料

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5. REVENUE (continued)**Revenue from contracts with customers (continued)****(ii) Contract liabilities**

The contract liabilities represented the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period. The Group expects the transaction price allocated to the unsatisfied performance obligations will be recognised as revenue when the Group transfers goods to the customer.

Contract liabilities include short-term advances received to deliver machinery and spare parts. The decrease in contract liabilities as at 31 March 2019 was mainly due to the decrease in short-term advances received from customers in relation to the sales of machinery and spare parts at the end of the year.

5. 收入 (續)**客戶合約之收入 (續)****(ii) 合約負債**

合約負債指分配至於截至報告期末未達成之履約責任之交易價格總額。本集團預期分配至未達成履約責任之交易價格將於本集團轉移貨品予客戶時獲確認為收入。

合約負債包括為交付機械及備用零件而收取之短期墊款。於二零一九年三月三十一日，合約負債減少主要由於年末就銷售機械及備用零件而向客戶收取之短期墊款減少。

		Contract liabilities 合約負債 HK\$'000 千港元
At 1 April 2018 — HKFRS 15	於二零一八年四月一日 — 香港財務報告準則第15號	1,951
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 year	因年內確認已於年初計入合約負債之收入導致合約負債減少	(1,951)
Increase in the contract liabilities as a result of billing in advance of sales of goods	因在銷售商品前提前結算導致合約負債增加	628
At 31 March 2019	於二零一九年三月三十一日	628

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5. REVENUE (continued)

Revenue from contracts with customers (continued)

(iii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of machinery and spare parts

The performance obligation is satisfied upon delivery of the machinery and spare parts.

Sale of rental machinery

Customers obtain control of the machinery and spare parts when the goods are delivered to and have been accepted. Revenue is thus recognised at a point in time basis upon when the customers accepted the machinery and spare parts. There is generally only one performance obligation.

Transportation service income

Transportation services are generally provided within one day. Revenue of transportation service is recognised at a point in time basis when the customer obtains control of the services. There is generally only one performance obligation.

Other service income

Other service income which generated from repair and maintenance services which are generally provided within one day. Revenue of other service income is recognised at a point in time basis when the customer obtains control of the services. There is generally only one performance obligation.

Commission income generated from commodities, futures and securities brokerage

The performance obligation is satisfied at a point in time when the execution of purchases, sales or other transaction or services by the Group on behalf of its clients at an agreed rate.

5. 收入(續)

客戶合約之收入(續)

(iii) 履約責任

有關本集團履約責任之資料概述如下：

銷售機械及備用零件

履約責任於交付機械及備用零件時履行。

銷售租賃機械

客戶於貨品交付並獲接納時獲得機械及備用零件之控制權。因此，收入乃於客戶接納機械及備用零件之時間點確認。通常只有一項履約責任。

運輸服務收入

運輸服務通常於一天內提供。運輸服務收入乃於客戶獲得服務控制權之時間點確認。通常只有一項履約責任。

其他服務收入

其他服務收入來自維修及保養服務，通常於一天內提供。其他服務收入乃於客戶獲得服務控制權之時間點確認。通常只有一項履約責任。

商品、期貨及證券經紀產生之佣金收入

履約責任於本集團代表其客戶按協定之費率執行買賣或其他交易或服務之時間點履行。

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6. SEGMENT INFORMATION

Information reported to the chief executive officer, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on the nature of the operations of the Group.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

Trading of construction machinery, spare parts and construction materials
建築機械、備用零件及建築物料銷售

Rental of construction machinery and provision of repair and maintenance service
建築機械租賃及提供維修及保養服務

Provision of transportation services

提供運輸服務

Provision of commodities, future, securities brokerage and financial services

提供商品、期貨、證券經紀及金融服務

No segment assets and liabilities are presented as the CODM does not regularly review segment assets and liabilities.

6. 分部資料

就分配資源及評估分部表現而向行政總裁(即主要營運決策人(「主要營運決策人」))呈報之資料集中在本集團之業務屬性。

具體而言，根據香港財務報告準則第8號，本集團之可報告及經營分部如下：

— sale of crawler cranes, aerial platforms, foundation equipment and construction materials
履帶吊機、升降工作台、地基設備及建築物料銷售

— rent of cranes, aerial platforms and foundation equipment and provision of repair and maintenance service for the machinery rented
租賃吊機、升降工作台及地基設備及就租賃機械提供維修及保養服務

— provision of transportation service including local container delivery, site construction delivery and heavy machinery delivery
提供運輸服務，包括本地貨櫃運輸服務、地盤建築運輸服務及重型機械運輸服務

— provision of commodities, future, securities brokerage service and property mortgage loans, machinery loans and personal loans service
提供商品、期貨、證券經紀服務及物業按揭貸款、機械貸款及個人貸款服務

由於主要營運決策人並無定期審閱分部資產及負債，故並無呈列分部資產及負債。

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6. SEGMENT INFORMATION (continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

For the year ended 31 March 2019

		Trading of construction machinery, spare parts and construction material 建築機械、 備用零件及 建築物料 銷售 HK\$'000 千港元	Rental of construction machinery and provision of repair and maintenance service 建築機械 租賃及 提供維修及 保養服務 HK\$'000 千港元	Provision of transportation services 提供 運輸服務 HK\$'000 千港元	Provision of commodities, future, securities brokerage and financial services 提供 商品、期貨、 證券經紀 及金融服務 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Revenue	收入					
From external customers	來自外部客戶	54,760	106,100	1,549	14,109	176,518
Segment profit (loss)	分部溢利(虧損)	(268)	6,001	(1,121)	(6,987)	(2,375)
Other income, other gains and losses	其他收入、其他 收益及虧損					16,565
Finance costs	融資成本					(3,380)
Corporate expenses	公司開支					(22,873)
Share of profit of joint ventures	分佔合營企業溢利					5,453
Loss before taxation	除稅前虧損					(6,610)

6. 分部資料(續)

分部收入及業績

以下為本集團按可報告及經營分部劃分之收入及業績分析。

截至二零一九年三月三十一日止年度

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6. SEGMENT INFORMATION (continued)**Segment revenue and results** (continued)

For the year ended 31 March 2018

6. 分部資料 (續)**分部收入及業績** (續)

截至二零一八年三月三十一日止年度

		Trading of construction machinery, spare parts and construction materials 建築機械、 備用零件及 建築物料 銷售 HK\$'000 千港元	Rental of construction machinery and provision of repair and maintenance service 建築機械 租賃及 提供維修及 保養服務 HK\$'000 千港元	Provision of transportation services 提供 運輸服務 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Revenue	收入				
From external customers	來自外部客戶	46,762	117,870	1,237	165,869
Segment profit (loss)	分部溢利(虧損)	6,017	743	(667)	6,093
Other income, other gains and losses	其他收入、其他收益 及虧損				525
Finance costs	融資成本				(3,420)
Corporate expenses	公司開支				(19,123)
Loss before taxation	除稅前虧損				(15,925)

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies. Segment profit (loss) represent the profit earned by or loss from each segment without allocation of certain other income, other gains and losses, certain finance costs and corporate expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

有關可報告及經營分部之會計政策與本集團之會計政策一致。分部溢利(虧損)指各分部在未分配若干其他收入、其他收益及虧損、若干融資成本以及公司開支之情況下賺取之溢利或產生之虧損。此為就分配資源及評估表現向主要營運決策人報告之方式。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

6. SEGMENT INFORMATION (continued)

Other segment information

For the year ended 31 March 2019

	Trading of construction machinery, spare parts and construction materials	Rental of construction machinery and provision of repair and maintenance service	Provision of transportation services	Provision of commodities, futures, securities brokerage and financial services	Unallocated	Total
	建築機械、備用零件及建築物料銷售	建築機械租賃及提供維修及保養服務	提供運輸服務	提供商品、期貨、證券經紀及金融服務	未分配	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Amounts (charged) credited in the measure of segment profit or loss:	計量分部損益時(扣除)計入之金額:					
Depreciation of property, plant and equipment	物業、廠房及設備折舊	-	(34,959)	(644)	(354)	(39,397)
Gain on disposal and write-off of property, plant and equipment, net	出售及撇銷物業、廠房及設備收益淨額	-	-	52	-	52
Impairment loss of property, plant and equipment	物業、廠房及設備減值虧損	-	(307)	-	-	(307)
Expected credit loss on financial assets	金融資產之預期信貸虧損	(511)	700	-	(11,749)	(11,560)
Finance lease income	融資租賃收入	1,471	-	-	-	1,471
Finance costs	融資成本	(149)	(4,235)	(45)	(6)	(7,815)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:	定期提供予主要營運決策人但於計量分部損益時不予計入之金額:					
Income tax credit (expense)	所得稅抵免(開支)	(152)	819	1	(515)	153

6. 分部資料(續)

其他分部資料

截至二零一九年三月三十一日止年度

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6. SEGMENT INFORMATION (continued)

6. 分部資料(續)

Other segment information (continued)

其他分部資料(續)

For the year ended 31 March 2018

截至二零一八年三月三十一日止年度

	Trading of construction machinery, spare parts and construction materials	Rental of construction machinery and provision of repair and maintenance service	Provision of transportation services	Unallocated	Total
	建築機械、 備用零件及 建築物料銷售 HK\$'000 千港元	建築機械 租賃及 提供維修及 保養服務 HK\$'000 千港元	提供 運輸服務 HK\$'000 千港元	未分配 HK\$'000 千港元	總額 HK\$'000 千港元
Amounts (charged) credited in the measure of segment profit or loss:	計量分部損益時(扣除) 計入之金額:				
Depreciation of property, plant and equipment	物業、廠房及設備折舊 (1)	(42,436)	(733)	(1,181)	(44,351)
Gain on disposal and write-off of property, plant and equipment, net	出售及撇銷物業、廠房 及設備收益淨額 -	-	466	-	466
Impairment loss of property, plant and equipment	物業、廠房及設備 減值虧損 -	(4,000)	-	-	(4,000)
Allowance for bad and doubtful debts	呆壞賬撥備 -	(921)	-	-	(921)
Reversal of allowance for bad and doubtful debts	撥回呆壞賬撥備 -	9,795	-	-	9,795
Finance lease income	融資租賃收入 673	-	-	-	673
Finance costs	融資成本 (189)	(3,979)	(42)	(3,420)	(7,630)
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:	定期提供予主要營運 決策人但於計量分部 損益時不予計入 之金額:				
Income tax credit (expense)	所得稅抵免(開支) 1,621	(126)	89	1,815	3,399

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6. SEGMENT INFORMATION (continued)

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of total revenue of the Group are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A	客戶 A		
— rental of construction machinery and provision of repair and maintenance service	— 建築機械租賃以及提供維修及保養服務	N/A 不適用 ¹	20,713
Customer B	客戶 B		
— trading of construction machinery, spare parts and construction materials	— 建築機械、備用零件及建築材料銷售	N/A 不適用	18,710
— rental of construction machinery and provision of repair and maintenance service	— 建築機械租賃以及提供維修及保養服務	N/A 不適用	370
— provision of transportation services	— 提供運輸服務	N/A 不適用	3
		N/A 不適用	19,083
Customer C	客戶 C		
— trading of construction machinery	— 建築機械銷售	18,466	N/A 不適用
— rental of construction machinery and provision of repair and maintenance service	— 建築機械租賃以及提供維修及保養服務	451	N/A 不適用
		18,917	N/A 不適用 ¹
Customer D	客戶 D		
— rental of construction machinery and provision of repair and maintenance service	— 建築機械租賃以及提供維修及保養服務	19,977	N/A 不適用
— provision of transportation services	— 提供運輸服務	59	N/A 不適用
		20,036	N/A 不適用 ¹

¹ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

6. 分部資料(續)

關於主要客戶之資料

相應年度佔本集團總收入超過10%之客戶收入如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A	客戶 A		
— rental of construction machinery and provision of repair and maintenance service	— 建築機械租賃以及提供維修及保養服務	N/A 不適用 ¹	20,713
Customer B	客戶 B		
— trading of construction machinery, spare parts and construction materials	— 建築機械、備用零件及建築材料銷售	N/A 不適用	18,710
— rental of construction machinery and provision of repair and maintenance service	— 建築機械租賃以及提供維修及保養服務	N/A 不適用	370
— provision of transportation services	— 提供運輸服務	N/A 不適用	3
		N/A 不適用	19,083
Customer C	客戶 C		
— trading of construction machinery	— 建築機械銷售	18,466	N/A 不適用
— rental of construction machinery and provision of repair and maintenance service	— 建築機械租賃以及提供維修及保養服務	451	N/A 不適用
		18,917	N/A 不適用 ¹
Customer D	客戶 D		
— rental of construction machinery and provision of repair and maintenance service	— 建築機械租賃以及提供維修及保養服務	19,977	N/A 不適用
— provision of transportation services	— 提供運輸服務	59	N/A 不適用
		20,036	N/A 不適用 ¹

¹ 相應收入並無佔本集團總收入超過10%。

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6. SEGMENT INFORMATION (continued)

Geographical information

The Group's revenue from external customers is mainly derived from customers located in Hong Kong and Macau, which is determined based on the location of customers.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
External revenue:	外部收入：		
Hong Kong	香港	173,307	159,983
Macau	澳門	3,211	5,886
		176,518	165,869

The Group's non-current assets based on the geographical location of the owners of these assets are as follows:

		Non-current assets (Note) 非流動資產(附註)	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong	香港	314,069	291,018

Note: Non-current assets excluded interests in joint ventures, loan receivables, deposit for acquisition of subsidiaries, finance lease receivables and deferred tax assets.

附註：非流動資產不包括於合營企業之權益、應收貸款、收購附屬公司訂金、融資租賃應收款項及遞延稅項資產。

6. 分部資料(續)

地區資料

本集團之來自外部客戶收入主要產生自位於香港及澳門之客戶，其乃基於客戶所在地區釐定。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
External revenue:	外部收入：		
Hong Kong	香港	173,307	159,983
Macau	澳門	3,211	5,886
		176,518	165,869

本集團之非流動資產(基於該等資產擁有人之地理位置)如下：

		Non-current assets (Note) 非流動資產(附註)	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong	香港	314,069	291,018

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7. OTHER INCOME, OTHER GAINS AND LOSSES 7. 其他收入、其他收益及虧損

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other income	其他收入		
Interest income from bank deposits	銀行存款利息收入	48	26
Finance lease income	融資租賃收入	1,471	673
Rental income from leasing a warehouse property and a motor vehicle	來自出租倉庫物業及汽車之租金收入	168	432
Sundry income	雜項收入	1,108	1,363
		2,795	2,494
Other gains and (losses)	其他收益及(虧損)		
Net foreign exchange loss	外匯虧損淨額	(804)	(1,177)
Net gain on disposal and write-off of property, plant and equipment	出售及撇銷物業、廠房及設備收益淨額	52	466
Allowance for bad and doubtful debts	呆壞賬撥備	-	(921)
Reversal of allowance for bad and doubtful debt and receipt of related interest	撥回呆壞賬撥備及收取相關利息	-	12,961
Compensation received from a customer	已收一名客戶賠償	5,229	-
Refund of costs incurred for a litigation	訴訟成本退款	-	2,358
Impairment loss of property, plant and equipment	物業、廠房及設備減值虧損	(307)	(4,000)
Change in fair value of financial assets at fair value through profit and loss	以公平值計量且其變化計入損益之金融資產之公平值變動	17,927	-
		22,097	9,687
		24,892	12,181

8. FINANCE COSTS

8. 融資成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest on borrowings	借貸利息	6,148	6,570
Finance lease interest	融資租賃利息	317	326
Director's loan interest	董事貸款利息	1,350	734
		7,815	7,630

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9. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

9. 董事、行政總裁及僱員酬金

Directors' and chief executive's emoluments

董事及行政總裁酬金

The emoluments paid or payable to each of the directors and chief executive were as follows:

已付或應付各董事及行政總裁之酬金如下：

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

		Fees	Salaries and other benefits	Retirement benefits contributions	Total
		袍金	薪金及其他福利	退休福利計劃供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors	執行董事				
Mr. Tang Yiu Chi James	鄧耀智先生	–	1,989	18	2,007
Dr. Zhiliang Ou	歐志亮博士	–	–	–	–
Mr. Fok Chi Tak	霍志德先生	–	2,496	18	2,514
Sub-total	小計	–	4,485	36	4,521
Independent non-executive directors	獨立非執行董事				
Mr. Lee Chi Hwa Joshua	李智華先生	120	–	–	120
Mr. Mak Yiu Tong	麥耀棠先生	120	–	–	120
Mr. Li Chi Keung Eliot	李智強先生	120	–	–	120
Sub-total	小計	360	–	–	360
Chief executive	行政總裁				
Mr. Zhou Yong (Note 1)	周勇先生(附註1)	–	821	9	830
Mr. Liu Xiaodong (Note 2)	劉曉東先生(附註2)	–	853	8	861
Mr. Gao Zhangpeng (Note 3)	高章鵬先生(附註3)	–	125	–	125
Sub-total	小計	–	1,799	17	1,816
Total	合計	360	6,284	53	6,697

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9. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

Directors' and chief executive's emoluments
(continued)

9. 董事、行政總裁及僱員酬金(續)

董事及行政總裁酬金(續)

For the year ended 31 March 2018
截至二零一八年三月三十一日止年度

		Fees	Salaries and other benefits	Retirement benefits scheme contributions	Total
		袍金	薪金及其他福利	退休福利計劃供款	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors	執行董事				
Mr. Tang Yiu Chi James	鄧耀智先生	51	1,989	21	2,061
Dr. Zhiliang Ou	歐志亮博士	–	–	–	–
Mr. Fok Chi Tak	霍志德先生	–	1,872	14	1,886
Sub-total	小計	51	3,861	35	3,947
Independent non-executive directors	獨立非執行董事				
Mr. Lee Chi Hwa Joshua	李智華先生	120	–	–	120
Mr. Mak Yiu Tong	麥耀棠先生	120	–	–	120
Mr. Li Chi Keung Eliot	李智強先生	120	–	–	120
Sub-total	小計	360	–	–	360
Chief executive	行政總裁				
Mr. Zhou Yong (Note 1)	周勇先生(附註1)	–	1,135	12	1,147
Sub-total	小計	–	1,135	12	1,147
Total	合計	411	4,996	47	5,454

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9. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

Directors' and chief executive's emoluments (continued)

Notes:

- (1) Mr. Zhou Yong was appointed as chief executive of the Company with effect from 15 August 2017 and resigned as chief executive of the Company with effect from 15 September 2018.
- (2) Mr. Liu Xiaodong was appointed as chief executive of the Company with effect from 26 September 2018 and resigned as chief executive of the Company with effect from 9 January 2019.
- (3) Mr. Gao Zhangpeng was appointed as chief executive of the Company with effect from 1 March 2019.
- (4) The executive directors' emoluments were for their services in connection with the management of the affairs of the Company and the Group.
- (5) The independent non-executive directors' emoluments were for their services as directors of the Company.
- (6) There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the years ended 31 March 2019 and 2018.

9. 董事、行政總裁及僱員酬金 (續)

董事及行政總裁酬金 (續)

附註：

- (1) 周勇先生獲委任為本公司之行政總裁，自二零一七年八月十五日起生效，並辭任本公司之行政總裁，自二零一八年九月十五日起生效。
- (2) 劉曉東先生獲委任為本公司之行政總裁，自二零一八年九月二十六日起生效，並辭任本公司之行政總裁，自二零一九年一月九日起生效。
- (3) 高章鵬先生獲委任為本公司之行政總裁，自二零一九年三月一日起生效。
- (4) 執行董事之酬金為彼等就管理本公司及本集團事務所提供的服務而獲得。
- (5) 獨立非執行董事之酬金為彼等擔任本公司之董事所提供的服務而獲得。
- (6) 截至二零一九年及二零一八年三月三十一日止年度，概無訂立任何董事或行政總裁已放棄或同意放棄任何酬金之安排。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

9. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

Employees' emoluments

The five highest paid individuals included two (2018: two) directors and two (2018: one) chief executives for the year ended 31 March 2019, whose emoluments are included in the above. The emoluments of the remaining one (2018: two) individual are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, allowances and benefits	薪金、津貼及福利	715	1,537
Retirement benefits scheme contributions	退休福利計劃供款	18	30
		733	1,567

Their emoluments were within the following bands:

		2019 二零一九年 Number of employee 僱員人數	2018 二零一八年 Number of employee 僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	1	2

9. 董事、行政總裁及僱員酬金(續)

僱員酬金

截至二零一九年三月三十一日止年度，五名最高酬金人士中，包括兩名(二零一八年：兩名)董事及兩名主要行政人員(二零一八年：一名)，其酬金之詳情載於上文。其餘一名人士(二零一八年：兩名人士)之酬金如下：

		2019 二零一九年 Number of employee 僱員人數	2018 二零一八年 Number of employee 僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	1	2

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

10. TAXATION**10. 稅項**

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong:	香港：		
Current tax	即期稅項	614	493
Under (Over) provision in prior years	過往年度撥備不足(超額撥備)	214	(2,795)
		828	(2,302)
Deferred tax credit	遞延稅項抵免	(981)	(1,097)
Income tax credit	所得稅抵免	(153)	(3,399)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

香港利得稅按兩個年度估計應課稅溢利之16.5%計算。

The taxation for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

本年度稅項可與綜合損益及其他全面收益表內之除稅前虧損之對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(6,610)	(15,925)
Taxation at Hong Kong Profits Tax rate of 16.5%	按香港利得稅稅率16.5%計稅	(1,091)	(2,628)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	3,822	1,952
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(2,976)	(152)
Under (Over) provision in prior years	過往年度撥備不足(超額撥備)	147	(2,795)
Effect of different tax rate of subsidiary operating in other jurisdiction	於其他司法權區經營之 不同稅率影響	(6)	(7)
Others	其他	(49)	231
Income tax credit	所得稅抵免	(153)	(3,399)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

11. LOSS FOR THE YEAR

11. 年內虧損

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss for the year is arrived at after charging:	年內虧損乃經扣除下列各項後達致：		
Auditor's remuneration	核數師酬金	921	1,000
Amortisation of intangible assets	無形資產攤銷	601	-
Depreciation of property, plant and equipment	物業、廠房及設備折舊	39,397	44,351
Cost of inventories recognised as expenses	確認為開支的存貨成本	49,528	30,926
Minimum lease payment in respect of	下列各項之最低租賃付款		
— Land and buildings	— 土地及樓宇	3,055	1,514
— Machinery	— 機械	10,791	22,164
Staff costs:	員工成本：		
Directors' and chief executive's emoluments	董事及行政總裁酬金	6,697	5,454
Other staff costs	其他員工成本		
— Salaries and other benefits	— 薪金及其他福利	50,278	53,154
— Retirement benefits scheme contributions	— 退休福利計劃供款	1,878	1,863
		58,853	60,471

12. DIVIDEND

No dividend was paid or proposed by the directors of the Company for both years nor has any dividend been proposed since the end of the reporting period.

12. 股息

本公司董事於兩個年度概無派付或建議派付股息，自報告期末以來亦無建議派付任何股息。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

13. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

13. 每股虧損

本公司擁有人應佔每股基本虧損乃基於以下數據計算：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss	虧損		
Loss for the purpose of basic loss per share (loss for the year attributable to owners of the Company)	就計算每股基本虧損之虧損 (本公司擁有人應佔年內虧損)	(6,452)	(12,528)
		2019 二零一九年 '000 千股	2018 二零一八年 '000 千股 (restated) (經重列)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss earning per share	就計算每股基本虧損之普通股加權平均數	3,263,756	2,405,272

No diluted loss per share were presented as there were no potential ordinary shares in issue for years ended 31 March 2019 and 2018.

由於截至二零一九年及二零一八年三月三十一日止年度並無已發行潛在普通股，故並無呈列每股攤薄虧損。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Leasehold land and building 租賃土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Machinery 機械 HK\$'000 千港元	Furniture and equipment 傢俬及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
COST 成本							
At 1 April 2017	於二零一七年四月一日	67,380	2,119	411,799	1,204	16,613	499,115
Additions	添置	6,704	-	59,264	197	631	66,796
Disposals	出售	-	-	-	-	(2,072)	(2,072)
Reclassification to inventories	重新分類至存貨	-	-	(56,797)	-	-	(56,797)
At 31 March 2018	於二零一八年三月三十一日	74,084	2,119	414,266	1,401	15,172	507,042
Additions	添置	387	-	66,634	56	463	67,540
Additions from acquisition of subsidiaries	因收購附屬公司而添置	-	1,342	-	2,059	-	3,401
Disposals	出售	-	(545)	-	(350)	(408)	(1,303)
Reclassification to inventories	重新分類至存貨	-	-	(17,770)	-	-	(17,770)
Reclassification to asset classified as held for sales	重新分類至分類為持作出售資產	(73,271)	-	-	-	-	(73,271)
At 31 March 2019	於二零一九年三月三十一日	1,200	2,916	463,130	3,166	15,227	485,639
DEPRECIATION AND IMPAIRMENT 折舊及減值							
At 1 April 2017	於二零一七年四月一日	1,136	924	198,949	932	12,691	214,632
Charge for the year	本年度開支	2,257	150	40,104	136	1,704	44,351
Eliminated on disposals	於出售時撇銷	-	-	-	-	(1,875)	(1,875)
Reclassification to inventories	重新分類至存貨	-	-	(40,043)	-	-	(40,043)
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	-	-	4,000	-	-	4,000
At 31 March 2018	於二零一八年三月三十一日	3,393	1,074	203,010	1,068	12,520	221,065
Charge for the year	本年度開支	2,461	199	34,887	493	1,357	39,397
Eliminated on disposals	於出售時撇銷	-	-	-	(124)	(408)	(532)
Reclassification to inventories	重新分類至存貨	-	-	(13,230)	-	-	(13,230)
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	-	-	307	-	-	307
Reclassification to asset classified as held for sales	重新分類至分類為持作出售資產	(5,228)	-	-	-	-	(5,228)
At 31 March 2019	於二零一九年三月三十一日	626	1,273	224,974	1,437	13,469	241,779
CARRYING AMOUNTS 賬面值							
At 31 March 2019	於二零一九年三月三十一日	574	1,643	238,156	1,729	1,758	243,860
At 31 March 2018	於二零一八年三月三十一日	70,691	1,045	211,256	333	2,652	285,977

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

14. PROPERTY, PLANT AND EQUIPMENT (continued)

The carrying value of machinery and motor vehicles includes amount of HK\$146,736,000 and HK\$1,692,000 (2018: HK\$151,864,000 and HK\$2,537,000) in respect of assets held under finance lease arrangement, respectively. The liabilities arising from these finance lease arrangements were either classified as borrowings or obligations under finance leases as at end of the reporting period. During the year ended 31 March 2019, HK\$307,000 (2018: HK\$4,000,000) impairment loss has been recognised for certain of machinery.

The Group has pledged leasehold land and buildings with a carrying amount of HK\$574,000 (2018: HK\$596,000) to secure bank borrowings of the Group.

14. 物業、廠房及設備(續)

機械及汽車之賬面值包括與根據融資租賃安排持有之資產相關之金額分別146,736,000港元及1,692,000港元(二零一八年: 151,864,000港元及2,537,000港元)。於報告期末, 該等融資租賃安排產生之負債分類為借貸或融資租賃承擔。截至二零一九年三月三十一日止年度, 已就若干機械確認減值虧損307,000港元(二零一八年: 4,000,000港元)。

本集團已抵押賬面值574,000港元(二零一八年: 596,000港元)之租賃土地及樓宇以取得本集團之銀行借貸。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

15. INTANGIBLE ASSETS

15. 無形資產

		Customer relationship 客戶關係 HK\$'000 千港元	Securities brokerage licenses 證券經紀牌照 HK\$'000 千港元	Total 總額 HK\$'000 千港元
COST	成本			
At 1 April 2017, 31 March 2018 and 1 April 2018	於二零一七年四月一日、 二零一八年三月三十一日 及二零一八年四月一日	–	–	–
Acquisition of subsidiaries	收購附屬公司	12,020	5,000	17,020
At 31 March 2019	於二零一九年三月三十一日	12,020	5,000	17,020
ACCUMULATED AMORTISATION	累計攤銷			
At 1 April 2017, 31 March 2018 and 1 April 2018	於二零一七年四月一日、 二零一八年三月三十一日 及二零一八年四月一日	–	–	–
Charge for the year	本年度開支	601	–	601
At 31 March 2019	於二零一九年三月三十一日	601	–	601
NET BOOK VALUE	賬面淨值			
At 31 March 2019	於二零一九年三月三十一日	11,419	5,000	16,419
At 31 March 2018	於二零一八年三月三十一日	–	–	–

Notes:

- (i) Approximately HK\$17,020,000 of the total amounts represents amount paid for the customer relationship and securities brokerage licenses acquired by the Group, which amounted to approximately HK\$12,020,000 and approximately HK\$5,000,000 respectively, through the acquisition of Hao Tian International Financial Holdings Limited.

The recoverable amount of intangible asset has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period with a discount rate of 10.7%. Cash flows after five-year period are extrapolated at 3% growth rate. Another key assumption for the value in use calculation is the budgeted revenue and gross margin, which is determined based on the units' past performance and management's expectations for the market development.

附註：

- (i) 總金額約17,020,000港元指本集團透過收購昊天國際金融控股有限公司而購入客戶關係及證券經紀牌照之已付金額分別約12,020,000港元及約5,000,000港元。

無形資產之可收回金額乃根據使用價值計算法釐定。該計算法使用基於管理層所批准五年期財務預算之現金流量預測，貼現率為10.7%。五年後現金流量按3%增長率推斷。使用價值計算法另一關鍵假設為預算收入及毛利率，此乃根據單位過往表現及管理層預期市場發展而釐定。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

16. GOODWILL

16. 商譽

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
The amount arises on acquisition of:	收購以下項目所產生金額：		
Hao Tian International Financial Holdings Limited	昊天國際金融控股有限公司		
— Original amount	— 原先金額	46,417	—
— Impairment loss	— 減值虧損	—	—
Total carrying amount	賬面總值	46,417	—

The recoverable amount of Hao Tian International Financial Holdings Limited (“HTIFH”) has been determined based on a value in use calculation prepared by an independent valuer, Crowe Horwath First Trust Appraisal Pte Ltd. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period with a discount rate of 10.7%.

Cash flows after the five-year period are extrapolated at 3% growth rate. Another key assumption for the value in use calculation is the budgeted revenue and gross margin, which is determined based on the unit’s past performance and management’s expectations for the market development.

As at 31 March 2019, the recoverable amount as determined by the market price of HTIFH exceeds its carrying amount, no further impairment is required.

昊天國際金融控股有限公司(「昊天國際金融控股」)之可收回金額乃基於獨立估值師Crowe Horwath First Trust Appraisal Pte Ltd所編製使用價值之計算釐定。計算方法使用經管理層批准以貼現率10.7%計算之五年財政預算所得之現金流量預測。

五年後之現金流量推定為增長率3%。計算使用價值之另一項主要假設為預算收益及毛利率，乃按該單位過往之表現及管理層對市場發展之預期釐定。

於二零一九年三月三十一日，按昊天國際金融控股市價釐定之可收回金額超過其賬面值，故此毋須進一步減值。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

17. INTERESTS IN JOINT VENTURES

17. 於合營企業之權益

2019
二零一九年
HK\$'000
千港元

Share of net assets	分佔資產淨值	165,387
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As at 31 March 2019, particulars of the joint ventures were as follows:

於二零一九年三月三十一日，合營企業之詳情如下：

	Form of business structure 業務架構形式	Place of incorporation 註冊成立地點	Percentage of ownership interest 佔所有權權益百分比	Principal activities 主要業務
Riverwood China Growth Fund	Incorporated 註冊成立	Cayman Island 開曼群島	51.58%	Investment holdings 投資控股
延安振興發展產業投資 基金管理有限公司	Incorporated 註冊成立	PRC 中國	35%	Investment holdings 投資控股

Summarised financial information of the joint ventures

合營企業之財務資料概要

Set out below are the summarised financial information of Riverwood China Growth Fund, extracted from its management accounts for the year ended 31 March 2019:

以下為Riverwood China Growth Fund之財務資料概要，摘錄自其截至二零一九年三月三十一日止年度之管理賬目：

2019
二零一九年
HK\$'000
千港元

Current assets	流動資產	319,786
Current liabilities	流動負債	6,228
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	(27,838)

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

17. INTERESTS IN JOINT VENTURES (continued)**Summarised financial information of the joint ventures (continued)**

Reconciliation of the above summarised financial information to the carrying amount of the investment in Riverwood China Growth Fund recognised in the consolidated financial statements:

		2019 二零一九年 HK\$'000 千港元
Equity attributable to the owners	擁有人應佔權益	313,558
Proportion of the Group's ownership interests	本集團應佔所有權權益比例	51.58%
Carrying amount of the Group's investment in Riverwood China Growth Fund	本集團於 Riverwood China Growth Fund 之投資賬面值	161,733

Set out below are the summarised financial information of 延安振興發展產業投資基金管理有限公司, extracted from its management accounts for the year ended 31 March 2019:

		2019 二零一九年 HK\$'000 千港元
Non-current assets	非流動資產	1,611
Current assets	流動資產	9,004
Current liabilities	流動負債	176
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	(803)

17. 於合營企業之權益 (續)**合營企業之財務資料概要 (續)**

上述財務資料概要與綜合財務報表內確認 Riverwood China Growth Fund 投資賬面值之對賬：

以下為延安振興發展產業投資基金管理有限公司之財務資料概要，摘錄自其截至二零一九年三月三十一日止年度之管理賬目：

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17. INTERESTS IN JOINT VENTURES (continued)

Reconciliation of the above summarised financial information to the carrying amount of the investment in 延安振興發展產業投資基金管理有限公司 recognised in the consolidated financial statements:

		2019 二零一九年 HK\$'000 千港元
Equity attributable to the owners	擁有人應佔權益	10,439
Proportion of the Group's ownership interests	本集團應佔所有權權益比例	35%
Carrying amount of the Group's investment in 延安振興發展產業投資基金管理有限公司	本集團於延安振興發展產業投資基金管理有限公司之投資賬面值	3,654

17. 於合營企業之權益(續)

上述財務資料概要與綜合財務報表內確認延安振興發展產業投資基金管理有限公司投資賬面值之對賬：

18. FINANCE LEASE RECEIVABLES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current finance lease receivables	即期融資租賃應收款項	8,004	6,959
Less: Provision for impairment loss	減：減值虧損撥備	(900)	-
		7,104	6,959
Non-current finance lease receivables	非即期融資租賃應收款項	6,901	9,529
		14,005	16,488

Leasing arrangements

Certain of the Group's machinery are leased out under finance leases. All leases are denominated in HK\$. The term of finance leases entered into ranges from 2 years to 5 years (2018: 1 month to 5 years).

租賃安排

本集團若干機械乃根據融資租賃出租。所有該等租賃均以港元計值。融資租賃訂立之年期介乎2年至5年(二零一八年：1個月至5年)。

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18. FINANCE LEASE RECEIVABLES (continued)**18. 融資租賃應收款項(續)****Amounts receivable under finance leases****融資租賃項下之應收款項**

		Minimum lease payments 最低租賃付款		Present value of lease payments 租賃付款之現值	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Not later than one year	不遲於一年	8,321	8,042	7,104	6,959
Later than one year and not later than five years	遲於一年及不遲於五年	7,335	10,226	6,901	9,529
		15,656	18,268	14,005	16,488
Less: unearned finance income	減：未賺取融資收入	(1,651)	(1,780)	N/A 不適用	N/A 不適用
Present value of minimum lease payments receivable	應收最低租賃付款之現值	14,005	16,488	14,005	16,488

The effective interest rates of the finance leases as at 31 March 2019 range from 4.55% to 12.0% per annum (2018: 4.55% to 10.20% per annum).

於二零一九年三月三十一日，融資租賃之實際利率介乎每年4.55%至12.0%(二零一八年：每年4.55%至10.20%)。

There was no unguaranteed residual value in connection with finance lease arrangements or contingent lease arrangements of the Group that needed to be recorded as at the end of the reporting period.

於報告期末，並無有關本集團融資租賃安排或或然租賃安排之未擔保剩餘價值須作出記錄。

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19. LOAN RECEIVABLES

19. 應收貸款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current:	非即期：		
Secured, fixed-rate loan receivables (Note)	有抵押應收固定利率貸款(附註)	16,968	-
Less: Allowance for impairment	減：減值撥備	(922)	-
		16,046	-
Current:	即期：		
Secured, fixed-rate loan receivables (Note)	有抵押應收固定利率貸款(附註)	67,276	-
Unsecured and guaranteed, fixed-rate loan receivables	無抵押及有擔保應收固定利率貸款	61,913	-
Unsecured and non-guaranteed, fixed-rate loan receivables	無抵押及無擔保應收固定利率貸款	24,114	-
Less: Allowance for impairment	減：減值撥備	(6,044)	-
		147,259	-
		163,305	-

Note: The loan receivables are secured by properties and equity securities held by the borrowers.

附註：應收貸款以借款人持有之物業及股本證券作抵押。

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19. LOAN RECEIVABLES (continued)

Movements on the Group's impairment of loans receivable are as follows:

19. 應收貸款(續)

本集團應收貸款減值之變動如下：

		As at 31 March 2019			
		於二零一九年三月三十一日			
		Stage 1	Stage 2	Stage 3	Total
		第一階段	第二階段	第三階段	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Balance at 31 March 2018	於二零一八年三月三十一日	-	-	-	-
as originally presented	之結餘(按原先呈列)				
Impact of adopting HKFRS 9	採納香港財務報告準則	-	-	-	-
	第9號之影響				
Balance at 1 April 2018	於二零一八年四月一日之	-	-	-	-
as restated	結餘(經重列)				
New loans originated	新造貸款	6,966	-	-	6,966
As at 31 March 2019	於二零一九年三月三十一日	6,966	-	-	6,966

In general, loans receivable are considered as default when the loans receivable or its related installments are overdue by over 90 days. As at 31 March 2019, loans receivable of HK\$Nil was default under lifetime ECL and a provision of HK\$Nil was provided.

For loans that are not credit-impaired without significant increase in credit risk since initial recognition "Stage 1", ECL is measured at an amount equal to the portion of lifetime ECL that result from default events possible within the next 12 months. If a significant increase in credit risk since initial recognition is identified ("Stage 2") but not yet deemed to be credit impaired, ECL is measured based on lifetime ECL. In general, when loans receivable or its related installments are overdue by 30 days, there are significant increase in credit risk. During the year ended 31 March 2019, total provision of HK\$6,923,000 under Stage 1 and Stage 2 was released to the consolidated statement of comprehensive income based on assessment from ECL model.

一般而言，倘應收貸款或其相關分期付款逾期超過90日，則應收貸款被視為違約。於二零一九年三月三十一日，於全期預期信貸虧損下已違約之應收貸款為零港元，並已計提撥備零港元。

對於非信貸減值且自初始確認以來信貸風險並無顯著增加(「第一階段」)之貸款，預期信貸虧損按相等於未來12個月內可能發生違約事件引致之全期預期信貸虧損之比例計量。倘自初始確認以來已識別信貸風險顯著增加(「第二階段」)但未視為已出現信貸減值，則預期信貸虧損按全期預期信貸虧損計量。一般而言，倘應收貸款或其相關分期付款逾期30日，信貸風險已大幅增加。截至二零一九年三月三十一日止年度，根據預期信貸虧損模型之評估，第一階段及第二階段之撥備總額6,923,000港元已撥回至綜合全面收益表。

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20. INVENTORIES

20. 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Machinery	機械	389	559
Spare parts	備用零件	1,327	1,333
Construction materials	建築物料	–	12,518
		1,716	14,410

21. TRADE RECEIVABLES

21. 貿易應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables from clients arising from	以下項目所產生來自客戶之貿易應收款項		
— Rental income from construction machinery business	— 建築機械業務之租金收入	45,963	57,229
— Trading and provision of other service from construction machinery	— 建築機械業務買賣及提供其他服務	622	29,527
— Securities brokerage	— 證券經紀	51,126	–
Margin and other trade related deposits with brokers and financial institutions arising from	以下項目所產生之經紀及財務機構之保證金及其他貿易相關按金		
— futures brokerage	— 期貨經紀	3,005	–
Less: Allowance for impairment	減：減值撥備	(18,558)	(5,161)
		82,158	81,595

For those cash commodities and securities trading clients, it normally takes two to three days to settle after trade date of those transactions. These outstanding unsettled trades due from clients are reported as trade receivables from clients.

The margin clients of the commodities and securities brokerage business are required to pledge their shares to the Group for credit facilities for securities trading.

The settlement terms of trade receivables from clearing houses are usually one to two days after the trade date.

就該等現金商品及證券買賣客戶而言，一般於該等交易之交易日期後兩至三日內結算。該等尚未結算買賣之應收客戶款項列為來自客戶之貿易應收款項。

商品及證券經紀業務之保證金客戶須向本集團抵押彼等之股份以取得信貸融資作證券買賣。

來自結算所之貿易應收款項之結算期通常為交易日期後一至兩日。

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21. TRADE RECEIVABLES (continued)

The following is an aged analysis of trade receivables from client arising from construction machinery business, presented based on invoice dates net of allowance for impairment at the end of the reporting period:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0-30 days	0至30日	8,712	37,755
31-90 days	31至90日	13,680	20,408
91-180 days	91至180日	2,403	8,059
181-365 days	181至365日	3,135	13,496
Over 365 days	365日以上	5,981	1,877
		33,911	81,595

Included in the Group's trade receivable balances were debtors with aggregate carrying amount of HK\$43,840,000 which were past due for which the Group had not provided for allowance for bad and doubtful debts as at 31 March 2018. Based on past experience, the directors of the Company are of the opinion that no further provision is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

Trade receivables from cash and margin clients arising from the commodities and securities brokerage business are repayable on demand subsequent to settlement date. No aging analysis is disclosed as in the opinion of directors, the aging analysis does not provide additional value in view of the nature of commodities and securities dealing business. The amount of credit facilities granted to margin clients is determined by the discounted market value of the collateral securities accepted by the Group. As at 31 March 2019, the total value of securities pledged as collateral in respect of the margin loans was approximately HK\$147,424,000 (2018: HK\$ Nil) based on the market value of the securities as at the end of the reporting period.

21. 貿易應收款項(續)

以下為於報告期末建築機械業務所產生來自客戶之貿易應收款項(扣除減值撥備)按發票日期呈列之賬齡分析:

於二零一八年三月三十一日,本集團之貿易應收款項結餘包括已逾期且賬面總額為43,840,000港元之應收賬款,本集團並無就該款項計提呆壞賬撥備。根據過往經驗,本公司董事認為毋須就此等結餘作出進一步撥備,原因為信貸質素並無重大變動,故結餘仍被視為可悉數收回。

商品及證券經紀業務所產生來自現金及保證金客戶之貿易應收款項須於結算日後按要求償還。董事認為毋須披露賬齡分析,原因為基於商品及證券交易業務之性質,賬齡分析不能提供額外價值。授予保證金客戶之信貸融資金額乃按本集團所接納抵押品證券之折讓市值釐定。於二零一九年三月三十一日,按證券於報告期末之市值計算,已抵押作為保證金貸款之抵押品之證券總值約為147,424,000港元(二零一八年:零港元)。

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21. TRADE RECEIVABLES (continued)

Credits are extended to brokerage clients on a case-by-case basis in accordance with the financial status of clients such as their financial conditions, trading records, business profile and collateral available to the Group. Clients trading in commodities and obtaining securities margin financing from the Group are required to observe the Group's margin policies. For commodities, initial margins are required before trading and thereafter clients are required to keep the equity position at a prescribed maintenance margin level.

Upon application of HKFRS 9 on 1 April 2018, the Group applies simplified approach to provide for ECL prescribed by HKFRS 9. To measure the ECL of trade receivables, trade receivables have been grouped based on shared credit risk characteristics. The ECL of trade receivables as at 1 April 2018 (upon the application of HKFRS 9) and 31 March 2019 was approximately HK\$14,185,000 and HK\$18,558,000 respectively based on the counterparties' past repayment history. The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and study of other corporates' default and recovery data from international credit-rating agencies and are adjusted for forward-looking information that is available without undue cost or effort.

Movement in the loss allowance for impairment of trade receivables

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of the year	年初	5,161	16,339
Effect of adoption of HKFRS 9	採納香港財務報告準則第9號之影響	9,024	-
		14,185	16,339
Impairment losses recognised	已確認減值虧損	5,294	921
Amount written-off as uncollectible	不可收回所撇銷金額	(921)	(3,214)
Recovery of bad debts	收回壞賬	-	(8,885)
At end of the year	年末	18,558	5,161

21. 貿易應收款項 (續)

經紀客戶之信貸額可根據客戶之財務狀況個別予以延長，包括客戶之財務狀況、交易記錄、業務組合及可抵押予本集團之抵押品。從事商品買賣以及自本集團獲取證券保證金融資之客戶均須遵守本集團之保證金政策。就商品而言，於買賣前須繳付初步保證金，其後客戶之持倉須保持在指定之保證金水平。

於二零一八年四月一日應用香港財務報告準則第9號後，本集團應用簡化方法就香港財務報告準則第9號規定之預期信貸虧損計提撥備。為計量貿易應收款項之預期信貸虧損，貿易應收款項已根據攤估信貸風險特點分類。基於交易對手之過往還款記錄，貿易應收款項於二零一八年四月一日（應用香港財務報告準則第9號後）及二零一九年三月三十一日之預期信貸虧損分別約為14,185,000港元及18,558,000港元。估計虧損率乃根據應收賬款預計年內之過往觀察違約率以及國際信貸評級機構對其他企業違約及回收數據之研究而估計，並就毋須付出不必要之成本或精力而可得之前瞻性資料作出調整。

貿易應收款項之減值撥備虧損變動

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22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

22. 其他應收款項、按金及預付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current:	非流動：		
Deposits for acquisition of subsidiaries (Note)	收購附屬公司之訂金(附註)	-	100,000
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備之訂金	2,719	414
		2,719	100,414
Current:	流動：		
Other receivables	其他應收款項	71	26
Deposits	按金	3,516	2,749
Prepayments	預付款項	1,494	1,286
Less: Allowance for impairment	減：減值撥備	(581)	-
		4,500	4,061

Note: On 28 March 2018, the Group entered into a sales and purchase agreement with Hao Tian Development Group Limited ("HTDGL"), the Company's intermediate holding company, to purchase the entire issued share capital of Hao Tian International Financial Holdings Limited for a cash consideration of HK\$150,000,000 and issue of 125,000,000 shares of the Company's shares (the "Proposed Acquisition").

As at 31 March 2018, the Group placed a deposit of HK\$100,000,000 to HTDGL as a refundable deposit for the Proposed Acquisition.

The Proposed Acquisition was completed on 13 December 2018.

附註：於二零一八年三月二十八日，本集團與本公司中間控股公司昊天發展集團有限公司(「昊天發展」)訂立買賣協議，以現金代價150,000,000港元及發行125,000,000股本公司股份購買昊天國際金融控股有限公司全部已發行股本(「建議收購事項」)。

於二零一八年三月三十一日，本集團向昊天發展支付訂金100,000,000港元作為建議收購事項之可退還訂金。

建議收購事項於二零一八年十二月十三日已經完成。

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23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

23. 以公平值計量且其變化計入損益之金融資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets at FVTPL	以公平值計量且其變化計入損益之金融資產		
Listed equity instrument	上市權益工具	114,376	-

As of 31 March 2019, the Group held 401,320,000 shares in China Shandong Hi-Speed Financial Group Limited (Stock code: 412) as financial assets designated at FVTPL.

截至二零一九年三月三十一日，本集團持有401,320,000股中國山東高速金融集團有限公司(股份代號：412)股份，並列作指定為按公平值計量且其變化計入損益之金融資產。

24. OTHER CURRENT FINANCIAL ASSETS

24. 其他流動金融資產

Pledged bank deposits and bank balances and cash

Pledged bank deposits were pledged to banks to secure bank borrowings granted to the Group as set out in note 29 and interest bearing at a prevailing market rate of 0.59% per annum (2018: 0.52% per annum).

已抵押銀行存款以及銀行結餘及現金

本集團將已抵押銀行存款抵押予銀行，以作為本集團所獲銀行借貸(誠如附註29所載)之抵押，及按現行市場利率每年0.59%(二零一八年：每年0.52%)計息。

Bank balances carry interest at prevailing market rates which range from 0.0001% to 0.0021% (2018: 0.0003% to 0.0046%) per annum.

銀行結餘按每年介乎0.0001%至0.0021%(二零一八年：0.0003%至0.0046%)之現行市場利率計息。

Bank balances, trust and segregated accounts

The Group maintains segregated trust accounts with authorised institutions to hold clients' monies arising from its normal course of business. The Group has classified the clients' monies as bank balances, trust and segregated accounts under the current assets section of the consolidated statement of financial position and recognised the corresponding trade payables (note 26) to respective clients on the grounds that it is liable for any loss or misappropriation of clients' monies. The clients' monies as bank balances, trust and segregated accounts is restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.

銀行結餘、信託及獨立賬戶

本集團於認可機構開設獨立信託賬戶，以存放客戶於正常業務過程中所產生之款項。本集團將客戶款項分類為綜合財務狀況表之流動資產項下之銀行結餘、信託及獨立賬戶，並基於其須就客戶款項之任何損失或挪用負上責任之事實而確認應付相關客戶的相應貿易應付款項(附註26)。銀行結餘、信託及獨立賬戶等客戶款項受證券及期貨條例項下之證券及期貨(客戶款項)規則所限制及規管。

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25. A DISPOSAL COMPANY CLASSIFIED AS HELD FOR SALE

Chim Kee Crane Company Limited, an indirect wholly-owned subsidiary of the Company, engaged in investment of leasehold land in Hong Kong. In March 2019, the Group entered into agreements for the disposal of its entire interests in Chim Kee Crane Company Limited for an aggregate consideration of HK\$100,000,000 (the "Disposal"). Accordingly, the assets and liabilities attributable to Chim Kee Crane Company Limited, as included in the Group's rental of construction machinery and provision of repair and maintenance service for segment reporting purposes, had been classified as assets and liabilities held for sale and were presented separately in the consolidated statement of financial position as at 31 March 2019. By reference to the sales consideration and the carrying value of Chim Kee Crane Company Limited as at 31 March 2019, no impairment loss was recorded for the year ended 31 March 2019. The Disposal was completed in April 2019.

The major classes of assets and liabilities classified as held for sale as at 31 March 2019 were as follows:

25. 分類為持作出售之一間出售公司

本公司間接全資附屬公司占記起重機有限公司於香港從事投資租賃土地業務。於二零一九年三月，本集團就以總代價100,000,000港元出售其於占記起重機有限公司之全部權益（「出售事項」）訂立協議。因此，為分部報告目的而於本集團建築機械租賃以及提供維修及保養服務入賬之占記起重機有限公司應佔資產及負債已分類為持作出售之資產及負債，並於二零一九年三月三十一日之綜合財務狀況表內單獨呈列。經參考出售代價及占記起重機有限公司於二零一九年三月三十一日之賬面值，概無就截至二零一九年三月三十一日止年度錄得任何撥備虧損。出售事項於二零一九年四月已經完成。

於二零一九年三月三十一日，分類為持作出售之資產及負債之主要分類如下：

		2019 二零一九年 HK\$'000 千港元
Property, plant & equipment	物業、廠房及設備	68,043
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	1
Bank balances and cash	銀行結餘及現金	42
Total assets classified as held for sale	分類為持作出售之資產總值	68,086
Creditors and accruals	應付賬款及應計費用	40
Total liabilities classified as held for sale	分類為持作出售之負債總額	40
Net assets	資產淨值	68,046

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26. TRADE PAYABLES

26. 貿易應付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Margin and other deposits payable to clients arising from commodities, futures and securities brokerage	商品、期貨及證券經紀產生之應付客戶之保證金及其他按金	7,971	-
Trade payables to brokers and clearing houses arising from commodities, futures and securities brokerage	商品、期貨及證券經紀所產生向經紀及結算所之貿易應付款項	116	-
Trade payables arising from construction machinery and sales of construction materials	建築機械及建築物料銷售產生之貿易應付款項	5,922	21,980
		14,009	21,980

The settlement terms of payable to brokers, clearing houses and securities trading clients from the ordinary course of business of brokerage in securities range from two to three days after the trade date of those transactions. Margin and other deposits received from clients for their trading of commodities and futures contracts were payable on demand.

Trade payables arising from construction machinery and sales of construction materials business comprise amounts outstanding for trade purchases. The normal credit period taken for trade purchases is 0-45 days.

根據日常證券經紀業務產生之應付經紀、結算所及買賣證券客戶之款項的結算期為該等交易日後兩至三日。向商品及期貨合約買賣之客戶收取之保證金及其他按金須於客戶要求時償還。

建築機械及建築物料銷售業務產生之貿易應付款項包括貿易採購之尚未償還款項。貿易採購之一般信貸期為0至45日。

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26. TRADE PAYABLES (continued)

An ageing analysis of the Group's trade payables arising from construction machinery and sale of construction materials business at the end of the reporting period presented based on the invoice date is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0-30 days	0至30日	1,581	17,183
31-60 days	31至60日	1,724	2,691
61-180 days	61至180日	2,058	1,963
181-365 days	181至365日	151	-
Over 365 days	365日以上	408	143
		5,922	21,980

26. 貿易應付款項(續)

本集團於報告期末自建築機械及建築物料銷售業務產生之貿易應付款項按發票日期呈列之賬齡分析如下：

27. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Accruals	應計費用	6,470	4,908
Deposit received	已收按金	10,238	7,043
Other payable	其他應付款項	905	1,088
		17,613	13,039

27. 應計費用、已收按金及其他應付款項

Note: As at 31 March 2019, HK\$2,084,000 (2018: HK\$734,000) represented interest payable to a director.

附註：於二零一九年三月三十一日，2,084,000港元(二零一八年：734,000港元)指應付一名董事利息。

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28. AMOUNTS DUE FROM/TO RELATED COMPANIES/AMOUNTS DUE FROM/TO FELLOW SUBSIDIARIES/AMOUNT DUE TO AN INTERMEDIATE HOLDING COMPANY/AMOUNT DUE FROM/TO A DIRECTOR/LOAN FROM A DIRECTOR

Amounts due from a related company and a director

The amounts are interest-free, unsecured and are repayable on demand.

Details of amounts due from a related company and a director, which are non-trade nature, are as follows:

Name 姓名／名稱	As at 31 March 於三月三十一日		Maximum amount outstanding during the year ended 31 March 截至三月三十一日止年度 未償還最高金額	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Link Bright Consultants Limited ("Link Bright") (Note) 機明顧問有限公司 ("機明")(附註)	-	-	-	2
Mr. Tang Yiu Chi, James 鄧耀智先生	-	55	78	55

Note: Mr. Tang Yiu Chi James, being the sole director and sole shareholder of Link Bright, is also a director of the Company.

Amount due to a director and amounts due to related companies

These amounts are non-trade nature, interest-free, unsecured and are repayable on demand.

Loan from a director

The amount of HK\$40,000,000 is unsecured, bearing an interest of 2% per annum and will be matured on 11 May 2019 without repayable on demand clause.

The amount of HK\$30,000,000 is unsecured, bearing an interest of 2% per annum and will be matured on 14 May 2020 without repayable on demand clause.

28. 應收／付關連公司款項／應收／付同系附屬公司款項／應付一間中間控股公司款項／應收／付一名董事款項／來自一名董事之貸款

應收一間關連公司及一名董事款項

該等款項為免息、無抵押及須按要求償還。

應收一間關連公司及一名董事款項為非貿易性質，詳情載列如下：

As at 31 March 於三月三十一日	Maximum amount outstanding during the year ended 31 March 截至三月三十一日止年度 未償還最高金額	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
-	-	2
55	78	55

附註：機明的唯一董事兼唯一股東鄧耀智先生亦為本公司董事。

應付一名董事款項及應付關連公司款項

該等款項為非貿易性質、免息、無抵押及須按要求償還。

來自一名董事之貸款

為數40,000,000港元之款項為無抵押及按年利率2%計息，將於二零一九年五月十一日到期，並無按要求償還之條款。

為數30,000,000之款項為無抵押及按年利率2%計息，將於二零二零年五月十四日到期，並無按要求償還之條款。

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29. BORROWINGS**29. 借貸****Bank borrowings****銀行借貸**

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Secured and guaranteed interest-bearing bank loans:	有抵押及有擔保計息銀行貸款：		
Repayable on demand or within one year	按要求或於一年內償還	29,389	14,094
Repayable after one year which contain a repayable on demand clause	於一年後償還，載有按要求償還條款	31,813	42,497
Total bank borrowings	總銀行借貸	61,202	56,591
Analysis based on scheduled repayment terms set out in the loan agreements, into:	根據貸款協議所載預定還款條款之分析：		
On demand or within one year	按要求或於一年內	29,389	14,094
More than one year, but not exceeding two years	超過一年但不超過兩年	9,854	10,718
More than two years, but not exceeding five years	超過兩年但不超過五年	18,170	28,009
More than five years	超過五年	3,789	3,770
Total bank borrowings	總銀行借貸	61,202	56,591

Bank borrowings bear interest at floating interest rates. The effective interest rates of borrowings as at the end of each of the reporting period ranged from 2.79% to 6.13% per annum (2018: 3.50% to 4.88% per annum).

銀行借貸按浮動利率計息。於各報告期末，借貸之實際利率按每年介乎2.79%至6.13%（二零一八年：每年3.50%至4.88%）計息。

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29. BORROWINGS (continued)

Bank borrowings (continued)

The bank borrowings and other banking facilities are secured and guaranteed by:

- (a) Pledge of leasehold land and buildings (Note 14) held by the Group as at 31 March 2019 and 2018;
- (b) Pledge of bank deposits amounting to HK\$4,654,000 and HK\$4,627,000 (Note 24) held by the Group as at 31 March 2019 and 2018, respectively; and
- (c) At 31 March 2019 and 2018, the Company has issued guarantees to banks to secure banking facilities granted to certain subsidiaries.

Other borrowings

It is the Group's policy to lease certain of its motor vehicles and machinery under financing arrangement. The Group entered into financing arrangement with several financial institutions, pursuant to which, the Group transferred the legal title of certain machinery of the Group to these financial institutions at net consideration of HK\$28,460,000 (2018: HK\$87,817,000). The Group is obligated to pay monthly instalments in accordance with respective agreements. Upon the maturity of the lease, the Group is entitled to purchase back the machinery at cash considerations in accordance with respective agreements which are expected lower than the market values of respective machinery. Despite the fact that arrangement involves a legal form of a lease, the Group accounted for the arrangement as a collateralised borrowing at amortised cost using the effective interest method, in accordance with the substance of the arrangement.

29. 借貸 (續)

銀行借貸 (續)

銀行貸款及其他銀行信貸由下列各項作抵押及擔保：

- (a) 本集團於二零一九年及二零一八年三月三十一日持有之租賃土地及樓宇(附註14)之質押；
- (b) 本集團於二零一九年及二零一八年三月三十一日持有之銀行存款分別為4,654,000港元及4,627,000港元(附註24)之質押；及
- (c) 於二零一九年及二零一八年三月三十一日，本公司已就若干附屬公司獲授之銀行信貸向銀行出具擔保。

其他借貸

本集團之政策為根據融資安排租賃其若干汽車及機械。本集團與若干金融機構訂立融資安排，據此，本集團轉讓本集團若干機械之法定所有權予該等金融機構，淨代價為28,460,000港元(二零一八年：87,817,000港元)。本集團有義務根據各協議按月分期付款。於租賃屆滿後，本集團有權根據各協議以現金代價(預期低於各機械之市值)購回機械。儘管安排涉及租賃之合法形式，本集團根據安排之內容將安排按攤銷成本使用實際利率法入賬列作抵押借貸。

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29. BORROWINGS (continued)**Other borrowings** (continued)

The lease terms range from 3 to 5 years (2018: 3 to 5 years) under sale and leaseback arrangement. Interest rates underlying all arrangements are either fixed ranging from 2.88% to 4.97% per annum (2018: 7.14% to 11.97% per annum) or variable ranging from 3.54% to 5.15% per annum (2018: 5.49% to 9.82% per annum) at respective contract dates. None of the leases include contingent rentals.

29. 借貸 (續)**其他借貸** (續)

根據出售及售後回租安排，租期介乎3至5年(二零一八年：3至5年)。所有安排之相關利率乃按各合約日期之固定年利率2.88%至4.97%(二零一八年：年利率7.14%至11.97%)或浮動年利率3.54%至5.15%(二零一八年：年利率5.49%至9.82%)計息。該等租賃概無包括或然租金。

		Present value of minimum lease payments 最低租賃付款之現值	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Principal amount:	本金額：		
Within one year	一年內	56,915	56,675
Within a period of more than one year but not more than two years	為期一年以上但不超過兩年	26,457	29,135
Within a period of more than two years but not more than five years	為期兩年以上但不超過五年	11,224	22,870
		94,596	108,680
Less: Amount due for settlement within twelve months (shown under current liabilities)	減：十二個月內到期償還之款項 (列於流動負債項下)	(56,915)	(56,675)
Amount due for settlement after twelve months	十二個月後到期償還之款項	37,681	52,005

Other borrowings are effectively secured by the underlying assets of HK\$125,981,000 (2018: HK\$139,710,000) as the rights to the leased assets would be reverted to the lessor in the event of default by repayment by the Group.

Included in the Group's borrowings are borrowings, with carrying amount of HK\$62,900,000 (2018: HK\$79,787,000) which contain a repayment on demand clause.

其他借貸實際以125,981,000港元(二零一八年：139,710,000港元)之相關資產作抵押，原因是倘本集團拖欠還款，租賃資產擁有權將歸還予出租人。

本集團之借貸包括賬面值為62,900,000港元(二零一八年：79,787,000港元)附帶須按要求償還條款之借貸。

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30. OBLIGATION UNDER FINANCE LEASES

30. 融資租賃責任

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Analysed for reporting purposes as:	為報告目的分析為：		
Current liabilities	流動負債	4,153	4,340
Non-current liabilities	非流動負債	5,704	8,341
		9,857	12,681

It is the Group's policy to lease certain of its motor vehicles and machineries under finance leases. The lease terms range from 3 to 5 years (2018: 3 to 5 years). Interest rates underlying all obligation under finance leases are fixed ranging from 1.40% to 4.14% per annum (2018: 6.00% to 11.27% per annum) at respective contract dates. None of the leases include contingent rentals.

本集團之政策為根據融資租賃租賃若干汽車及機械。租期介乎3至5年(二零一八年：3至5年)。所有融資租賃責任之相關利率乃按各合約日期之固定年利率1.40%至4.14%(二零一八年：年利率6.00%至11.27%)計息。該等租賃概無包括或然租金。

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30. OBLIGATION UNDER FINANCE LEASES (continued)

30. 融資租賃責任 (續)

		Minimum lease payments		Present value of minimum lease payments	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Obligation under finance leases payable:	融資租賃責任應付款項：				
Within one year	一年內	4,478	4,776	4,153	4,340
Within a period of more than one year but not more than two years	為期一年以上但不超過兩年	3,647	3,846	3,485	3,589
Within a period of more than two years but not more than five years	為期兩年以上但不超過五年	2,260	4,906	2,219	4,752
		10,385	13,528	9,857	12,681
Less: future finance charges	減：未來融資費用	(528)	(847)	N/A 不適用	N/A 不適用
Present value of lease obligations	租賃責任之現值	9,857	12,681	9,857	12,681
Less: Amounts due for settlement within twelve months (shown under current liabilities)	減：十二個月內到期償還之款項(列於流動負債項下)			(4,153)	(4,340)
Amounts due for settlement after twelve months	十二個月後到期償還之款項			5,704	8,341

Finance lease payables are effectively secured by the underlying assets as the rights to the leased assets would be reverted to the lessor in the event of default of repayment by the Group.

融資租賃應付款項實際上以相關資產作抵押，原因是倘本集團拖欠還款，租賃資產擁有權將歸還予出租人。

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31. DEFERRED TAX

The following are the major deferred tax (liabilities) assets recognised by the Group and the movement thereon, during the current and prior years.

31. 遞延稅項

以下為本集團於當前及過往年度確認之主要遞延稅項(負債)資產及其變動。

		Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司產生之公平值變動 HK\$'000 千港元	Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2017 (Charge) credit to profit or loss	於二零一七年四月一日 (扣除)計入損益	-	(30,781)	6,364	(24,417)
		-	2,683	(1,586)	1,097
At 31 March 2018 Credit (charge) to profit or loss Acquisition of subsidiaries	於二零一八年三月三十一日 計入(扣除)損益 收購附屬公司	- 100 (1,984)	(28,098) (4,404) -	4,778 5,285 -	(23,320) 981 (1,984)
At 31 March 2019	於二零一九年三月三十一日	(1,884)	(32,502)	10,063	(24,323)

At the end of the reporting period, the Group has unused tax losses of HK\$60,988,000 (2018: HK\$28,958,000) available for offset against future profits. A deferred tax asset has been recognised in respect of such losses. The management of the Group assessed the future cash flows of the subsidiaries of the Group with reference to the machinery hire agreements and in the opinion of the directors of the Company, taxable profit will be probably available against which the unused tax losses can be utilised in the foreseeable future.

The following is the analysis of the deferred tax balances for financial reporting purposes:

於報告期末，本集團未動用稅項虧損60,988,000港元(二零一八年：28,958,000港元)可用於抵銷未來溢利。已就有關虧損確認遞延稅項資產。本集團管理層經參考機械租用協議估計本集團附屬公司之未來現金流量，而本公司董事認為，應課稅溢利將可用作抵銷於可預見未來可動用之未動用稅項虧損。

以下載列就財務報告目的而編製之遞延稅項結餘分析：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	3,913	4,743
Deferred tax liabilities	遞延稅項負債	(28,236)	(28,063)
		(24,323)	(23,320)

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32. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

32. 融資活動所產生負債之對賬

		Non-cash changes 非現金變動					
		As at 1 April 2018 於二零一八年 四月一日 HK\$'000 千港元	Financing cash flows 融資 現金流量 HK\$'000 千港元 (Note) (附註)	Finance cost recognised 已確認 融資成本 HK\$'000 千港元	Purchase of property, plant and equipment 購買物業、 廠房及設備 HK\$'000 千港元	Share issue costs 股份發行成本 HK\$'000 千港元	As at 31 March 2019 於二零一九年 三月三十一日 HK\$'000 千港元
Borrowings	借貸	165,271	(33,760)	6,148	18,139	-	155,798
Obligation under finance leases	融資租賃責任	12,681	(4,553)	317	1,412	-	9,857
Amount due to an intermediate holding company	應付一間中間控股公司款項	-	4,290	-	-	-	4,290
Amounts due to fellow subsidiaries	應付同系附屬公司款項	260	4,774	-	-	-	5,034
Amount due to a director	應付一名董事款項	-	7,434	-	-	-	7,434
Loan from a director	來自一名董事之貸款	40,000	30,000	-	-	-	70,000
Accrual-interest payable	應付應計利息	734	-	1,350	-	-	2,084
Accrual cost of right issue	供股發行之應計成本	-	(1,019)	-	-	1,019	-

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32. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (continued)

32. 融資活動所產生負債之對賬 (續)

		Non-cash changes 非現金變動					
As at		Finance	Purchase	Share issue	As at		
1 April		cost	of property,	costs	31 March		
2017		recognised	plant and		2018		
於二零一七年		已確認	購買物業、	股份發行成本	於二零一八年		
四月一日		融資成本	廠房及設備	股份發行成本	三月三十一日		
HK\$'000		HK\$'000	HK\$'000	HK\$'000	HK\$'000		
千港元		千港元	千港元	千港元	千港元		
		(Note)					
		(附註)					
Borrowings	借貸	152,231	6,470	6,570	-	-	165,271
Obligation under finance leases	融資租賃責任	6,892	(5,734)	326	11,197	-	12,681
Amounts due to fellow subsidiaries	應付同系附屬公司款項	-	260	-	-	-	260
Amount due to a director	應付一名董事款項	310	(310)	-	-	-	-
Loan from a director	來自一名董事之貸款	-	40,000	-	-	-	40,000
Accrual-interest payable	應付應計利息	-	-	734	-	-	734
Accrual cost of share placing and bonus issue	股份配售及紅股發行 之應計成本	-	(3,077)	-	-	3,077	-

Note: The cash flows represent the proceeds from new borrowings advance from related companies, and loan from a director, repayment of borrowings, obligation under finance leases, amount due to a director and payment of interest.

附註：現金流量指新借貸、關連公司墊款及來自一名董事之貸款之所得款項、償還借貸、融資租賃責任、應付一名董事款項及利息付款。

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33. SHARE CAPITAL**33. 股本**

		Number of shares 股份數目 Thousand shares 千股	Amount 金額 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
At 1 April 2017	於二零一七年四月一日	1,560,000	15,600
Increase in authorised share capital on 30 August 2017 (Note (a))	於二零一七年八月三十日 增加法定股本(附註(a))	18,440,000	184,400
At 31 March 2018, 1 April 2018 and 31 March 2019	於二零一八年三月三十一日、 二零一八年四月一日及 二零一九年三月三十一日	20,000,000	200,000
Issued and fully paid:	已發行及繳足：		
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
At 1 April 2017	於二零一七年四月一日	1,000,000	10,000
Issue of shares by placing (Note (b))	透過配售發行股份(附註(b))	200,000	2,000
Issue of shares by bonus issue (Note (c))	透過紅股發行而發行股份 (附註(c))	1,200,000	12,000
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日 及二零一八年四月一日	2,400,000	24,000
Issue of shares by right issue on 25 June 2018 (Note (d))	於二零一八年六月二十五日透過 供股發行股份(附註(d))	1,200,000	12,000
Issue of shares on 17 December 2018 (Note (e))	於二零一八年十二月十七日 發行股份(附註(e))	550,000	5,500
At 31 March 2019	於二零一九年三月三十一日	4,150,000	41,500

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33. SHARE CAPITAL (continued)

Note:

- (a) On 30 August 2017, the shareholders resolved to increase the authorised share capital of the Company from HK\$15,600,000 to HK\$200,000,000 by the creation of an additional 18,440,000,000 shares of the Company.
- (b) On 26 May 2017, 200,000,000 new ordinary shares of HK\$0.01 each were issued at a price of HK\$0.62 per share for a total cash consideration (before share issuance expenses) of HK\$124,000,000 by way of placing to independent third party investors. HK\$2,630,000 professional fee was incurred as direct attribute cost.
- (c) On 4 July 2017, the directors of the Company proposed a bonus issue on the basis of one bonus share for every one share held. The bonus issue was approved by the shareholders on 30 August 2017 and 1,200,000,000 bonus shares were issued on 11 September 2017.
- (d) On 25 June 2018, the Company proposed a 1-for-2 rights issue. The rights issue was completed on 2 August 2018 and 1,200,000,000 shares were issued for a total cash consideration (before expenses) of HK\$180,000,000. HK\$899,000 professional fee was incurred as direct attribute cost.
- (e) On 17 December 2018, the Company proposed to issue 550,000,000 shares for the settlement of the acquisition of 4.05% interests in China Shandong Hi-Speed Financial Group Limited. The issuance of shares was completed on 15 February 2019 and 550,000,000 shares were issued.

33. 股本 (續)

附註：

- (a) 於二零一七年八月三十日，股東議決透過增設 18,440,000,000 股本公司股份，將本公司法定股本從 15,600,000 港元增加至 200,000,000 港元。
- (b) 於二零一七年五月二十六日，200,000,000 股每股面值 0.01 港元之新普通股按每股 0.62 港元之價格向獨立第三方投資者配售發行，總現金代價（扣除股份發行開支前）為 124,000,000 港元，當中產生之專業費用 2,630,000 港元為直接應佔成本。
- (c) 於二零一七年七月四日，本公司董事建議按每持有一股股份獲發一股紅股之基準進行紅股發行。紅股發行獲股東於二零一七年八月三十日批准，並於二零一七年九月十一日發行 1,200,000,000 股紅股。
- (d) 於二零一八年六月二十五日，本公司建議以二供一基準進行供股。供股於二零一八年八月二日完成，並發行 1,200,000,000 股股份，現金總代價（扣除開支前）為 180,000,000 港元，當中產生之專業費用 899,000 港元為直接應佔成本。
- (e) 於二零一八年十二月十七日，本公司建議發行 550,000,000 股股份，以償付收購中國山東高速金融集團有限公司之 4.05% 權益。股份發行於二零一九年二月十五日完成，並發行 550,000,000 股股份。

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34. SHARE-BASED PAYMENT TRANSACTIONS

Shareholders of the Company have approved and adopted a share option scheme (the "Scheme") on 23 October 2015.

A summary of the Scheme is set out as below:

The Scheme became effective for a period of 10 years commencing on 23 October 2015. Under the Scheme, the directors of the Company shall, in its absolute discretion select, make an offer to any eligible participants to subscribe for shares of the Company at a subscription price being not less than the highest of (i) the closing price of shares of the Company as stated in the Stock Exchange's daily quotation sheet on the offer date; or (ii) the average closing prices of the shares of the Company as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the offer date; or (iii) the nominal value of the share on the offer date. The offer of a grant of options may be accepted within seven days from the date of the offer grant.

The maximum number of shares to be issued upon the exercise of all outstanding options granted at any time under the Scheme together with options which may be granted under any other share option schemes for the time being of the Company must not in aggregate exceed 10% of the issued share capital of the Company at the date of the approval of the Scheme.

No options have been granted since the adoption of the Scheme.

34. 以股份支付的交易

本公司股東於二零一五年十月二十三日批准並採納購股權計劃（「該計劃」）。

該計劃概述如下：

該計劃自二零一五年十月二十三日起生效，為期十年。根據該計劃，本公司董事可全權酌情選出任何合資格參與者並向其作出認購本公司股份的要約，認購價不低於下列最高者：(i) 本公司股份於要約日期在聯交所每日報價表所報的收市價；或(ii) 本公司股份於緊接要約日期前五個營業日在聯交所每日報價表所報的平均收市價；或(iii) 股份於要約日期的面值。授出購股權之要約可於要約授出日期後七日內接納。

因根據該計劃於任何時間授出而未行使的全部購股權連同根據本公司當時任何其他購股權計劃可能授出的購股權獲行使而將予發行的股份數目上限，合共不得超過於批准該計劃當日本公司已發行股本的10%。

自採納該計劃以來，概無授出任何購股權。

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35. OPERATING LEASE ARRANGEMENT

The Group as lessor

The Group sub-leased vacant space of its leased warehouse and leased and sub-leased its owned and leased machinery under operating lease agreements. Income earned from the leasing during the year is HK\$97,541,000 (2018: HK\$106,196,000). Leases are negotiated on a monthly basis.

The minimum rent receivables under non-cancellable operating leases are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Not later than one year	不遲於一年	1,616	1,912

The Group as lessee

At the end of each reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	於一年內	924	2,568
In the second to fifth year inclusive	二至五年(包括首尾兩年)	36	1,134
		960	3,702

Operating lease payments represent rentals payable by the Group for office, warehouse property and certain of its machineries. Leases are negotiated for a period of one to three years (2018: one to two years) and rentals are fixed at the time of entering the respective leases.

35. 經營租賃安排

本集團為出租人

本集團根據經營租賃協議轉租其租賃倉庫的空置空間，並租賃及轉租其自有及租賃機械。於本年度，租賃所得收入為97,541,000港元(二零一八年：106,196,000港元)。租賃於每月予以協商。

根據不可撤銷經營租賃的最低租金應收款項如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Not later than one year	不遲於一年	1,616	1,912

本集團為承租人

於各報告期末，本集團根據不可撤銷經營租賃於以下期間到期之未來最低租金付款承擔如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	於一年內	924	2,568
In the second to fifth year inclusive	二至五年(包括首尾兩年)	36	1,134
		960	3,702

經營租賃付款指本集團就其辦公室、倉庫物業及若干機械應付之租金。議定租期為一至三年(二零一八年：一至兩年)，而租金於訂立有關租約時釐定。

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36. CAPITAL COMMITMENTS

36. 資本承擔

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Capital expenditure in respect of addition of property, plant and equipment	有關添置物業、廠房及設備的資本開支		
— contracted for but not provided in the consolidated financial statements	— 已訂約但於綜合財務報表中尚未撥備	19,253	—

37. RETIREMENT BENEFITS SCHEMES

37. 退休福利計劃

The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions. Except for voluntary contribution, no forfeited contribution under the MPF Scheme is available to reduce the contribution payable in future years. The cap of contribution amount is HK\$1,500 per employee per month.

The retirement benefits schemes contributions arising from the MPF Scheme charged to the consolidated statement of profit or loss and other comprehensive income represent contributions paid or payable to the funds by the Group at rates specified in the rules of the schemes.

The contributions paid and payable to the MPF Schemes by the Group are disclosed in notes 9 and 11.

強積金計劃已根據強制性公積金計劃條例在強制性公積金管理局登記。強積金計劃之資產獨立於本集團之資產，由獨立受託人控制之基金持有。根據強積金計劃，僱主及僱員均須各自按規則訂明之比率向強積金計劃供款。本集團有關強積金計劃之僅有責任為作出指定之供款。根據強積金計劃，除自願供款外，於未來幾年將不會有可遭沒收供款可用作扣減應付供款。就每名僱員每月作出的供款金額上限為1,500港元。

因強積金計劃而作出之退休福利計劃供款自綜合損益及其他全面收益表中扣除，相當於本集團按計劃規則訂明之比率已付或應付基金之供款。

本集團已付及應付強積金計劃之供款於附註9及附註11披露。

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38. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The Group is not subject to any externally imposed capital requirements except for certain subsidiaries engaged in securities and futures dealings and broking, which are regulated by the Hong Kong Securities and Futures Commission (the "SFC").

During the year, the subsidiaries of the Group which are subject to minimum capital requirements imposed by respective regulatory authorities, complied with all the minimum capital requirements.

The capital structure of the Group consists of debts, which include the borrowings, loan from a director, obligation under finance leases and equity attributable to owners of the Company, comprising share capital and reserves.

The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year.

38. 資本風險管理

本集團管理其資本，以確保本集團之實體可持續經營，並透過優化債務與權益之間的均衡狀態為股東帶來最大回報。本集團之整體策略自上年度起維持不變。

本集團並無被施加任何外在資本規定，惟若干從事證券及期貨買賣及經紀服務並為受香港證券及期貨事務監察委員會（「證監會」）規管之附屬公司除外。

於本年度，本集團之附屬公司受各監管機構施加之最低資本要求所規限，並符合所有最低資本要求。

本集團的資本結構包括債務，而債務包括借貸、來自一名董事之貸款、融資租賃責任及本公司擁有人應佔權益（包括股本及儲備）。

管理層通過考慮資金成本及各類資本之相關風險而檢討資本架構。因此，本集團將透過發行新股份及發行新債務或贖回現有債務達致整體資本架構之平衡。本集團之整體策略全年維持不變。

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39. FINANCIAL INSTRUMENTS

39. 金融工具

Categories of financial instruments

金融工具之種類

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets at amortised costs:	按攤銷成本列賬之金融資產：		
Trade and other receivables	貿易及其他應收款項	85,164	—
Finance lease receivables	融資租賃應收款項	14,005	—
Loan receivables	應收貸款	163,305	—
Amounts due from fellow subsidiaries	應收同系附屬公司款項	11,283	—
Pledged bank deposits	已抵押銀行存款	4,654	—
Bank balances, trust and segregated accounts	銀行結餘、信託及獨立賬戶	7,266	—
Bank balances and cash	銀行結餘及現金	129,543	—
Financial assets at fair value through profit or loss:	以公平值計量且其變化計入損益之金融資產：		
Listed equity instrument	上市權益工具	114,376	—
Loans and receivables:	貸款及應收款項：		
Trade and other receivables	貿易及其他應收款項	—	184,370
Finance lease receivables	融資租賃應收款項	—	16,488
Amount due from a director	應收一名董事款項	—	55
Pledged bank deposits	已抵押銀行存款	—	4,627
Bank balances and cash	銀行結餘及現金	—	119,709
		529,596	325,249
Financial liabilities at amortised costs:	按攤銷成本列賬之金融負債：		
Trade and other payables	貿易及其他應付款項	31,622	35,019
Amount due to a director	應付一名董事款項	7,434	—
Amounts due to fellow subsidiaries	應付同系附屬公司款項	5,034	260
Amount due to an intermediate holding company	應付一間中間控股公司款項	4,290	—
Borrowings	借貸	155,798	165,271
Obligations under finance leases	融資租賃責任	9,857	12,681
Loan from a director	來自一名董事之貸款	70,000	40,000
		284,035	253,231

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39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

The Group's major financial instruments include finance lease receivables, trade receivables, other receivables and deposits, loan receivable, amounts due from related companies and a director, pledged bank deposits, bank balances and cash, financial asset at fair value through profit and loss, trade payables, accruals, deposits received and other payables, amounts due to a director and related companies, borrowings, obligation under finance leases and loan from a director. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

Certain transactions of the Group are denominated in currencies which are different from the functional currencies of the group entities and therefore the Group is exposed to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure if necessary.

39. 金融工具(續)

金融風險管理目標及政策

本集團之主要金融工具包括融資租賃應收款項、貿易應收款項、其他應收款項及按金、應收貸款、應收關連公司及一名董事款項、已抵押銀行存款、銀行結餘及現金、以公平值計量且其變化計入損益之金融資產、貿易應付款項、應計費用、已收按金及其他應付款項、應付一名董事及關連公司款項、借貸、融資租賃責任以及來自一名董事之貸款。有關該等金融工具之詳情於相關附註披露。與上述金融工具有關之風險以及為減輕該等風險而採取之政策載於下文。管理層負責管理及監控此等風險，以確保能及時及有效地採取合適之措施。

貨幣風險

本集團若干交易用以計值的貨幣有別於集團實體的功能貨幣，因此，本集團面臨外匯風險。本集團目前並無外匯對沖政策。然而，本集團管理層會監控外匯風險，並將於需要時考慮對沖重大外匯風險。

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39. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies**
(continued)**Currency risk** (continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of reporting period are as follows:

		Assets 資產		Liabilities 負債	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Japanese Yen ("JPY")	日圓(「日圓」)	9,569	5,203	(9,280)	(1,606)
Euro Dollars ("EURO")	歐元(「歐元」)	5,543	11,133	(145)	-
Macau Pataca	澳門元	353	-	-	-
Renminbi	人民幣	118	-	-	-
United States Dollars ("USD")	美元(「美元」)	19,064	1,368	(525)	-

Sensitivity analysis

The following table details the sensitivity of the Group to 8%, 9% and 8% increase and decrease in HK\$ against the JPY, EURO and USD (2018: 8%, 9% and 8%) respectively. 8%, 9% and 8% are the sensitivity rates used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for 8%, 9% and 8% change in foreign currency rates. A positive/negative number below indicates a decrease/increase in post-tax loss (2018: increase/decrease in post-tax loss) where the relevant currencies strengthen 8%, 9% and 8% against HK\$. For 8%, 9% and 8% weakening of the relevant currencies against HK\$, there would be an equal and opposite impact on the post-tax loss (2018: post-tax loss).

39. 金融工具(續)**金融風險管理目標及政策(續)****貨幣風險(續)**

於報告期末，本集團以外幣計值的貨幣資產及貨幣負債的賬面值如下：

敏感度分析

下表分別載列本集團港元兌日圓、歐元及美元升值及貶值8%、9%及8% (二零一八年：8%、9%及8%) 的敏感度。8%、9%及8%是向主要管理人員內部匯報外匯風險時使用的敏感度比率，代表管理層對可能出現的匯率變動的評估。敏感度分析僅包括未償還以外幣計值的貨幣項目，並在報告期末就匯兌按8%、9%及8%的匯率變動作出調整。下表正/負數表示當有關貨幣兌港元升值8%、9%及8%時除稅後虧損減少/增加(二零一八年：除稅後虧損增加/減少)之金額。就有關貨幣兌港元貶值8%、9%及8%而言，其可對除稅後虧損(二零一八年：除稅後虧損)產生同等及負面影響。

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39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Currency risk (continued)

Sensitivity analysis (continued)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
JPY against HK\$	日圓兌港元	19	240
EURO against HK\$	歐元兌港元	406	837
USD against HK\$	美元兌港元	1,238	91

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the currency risk as the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk

As at 31 March 2019 and 2018, the Group is exposed to cash flow interest rate risk in relation to variable-rate borrowings, pledged bank deposits and bank balances due to the fluctuation of the prevailing market interest rate. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of the banks' respective HK\$ Best Lending Rate from the Group's borrowings denominated in HK\$.

As at 31 March 2019, the Group is also exposed to fair value interest rate risk in relation to fixed-rate loan from a director, fixed-rate borrowings and obligation under finance leases (2018: Fixed-rate loan from a director, fixed-rate borrowings and obligation under finance leases).

The Group has not entered into any interest rate hedging contracts or any other interest rate related derivative financial instruments. However, management monitors the Group's related interest rate exposure closely and will consider hedging significant interest rate exposure when the need arises.

39. 金融工具(續)

金融風險管理目標及政策(續)

貨幣風險(續)

敏感度分析(續)

本公司董事認為，由於報告期末風險並不反映年內的風險，故敏感度分析並不代表貨幣風險。

利率風險

於二零一九年及二零一八年三月三十一日，由於當前市場利率波動，本集團就浮息借貸、已抵押銀行存款及銀行結餘面臨現金流量利率風險。本集團之現金流量利率風險主要集中在本集團以港元計值的借貸涉及之銀行相關港元最優惠貸款利率出現之波動。

於二零一九年三月三十一日，本集團亦面對與來自一名董事之固定利率貸款、固定利率借貸及融資租賃責任(二零一八年：來自一名董事之固定利率貸款、固定利率借貸及融資租賃責任)有關之公平值利率風險。

本集團並無訂立任何利率對沖合約或任何其他利率相關之衍生金融工具。然而，管理層密切監控本集團之相關利率風險並將考慮於有必要時對沖重大利率風險。

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39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Interest rate risk (continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to the variable-rate pledged bank deposits, bank balances, borrowings at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. 100 basis points (2018: 100 basis points) increase or decrease is used on variable-rate borrowings after considering the impact of volatile financial market conditions. The directors of the Company used 50 basis points (2018: 50 basis points) for assessing interest rate risk on bank balances because they considered that the fluctuations on interest rate on bank balances would be less significant.

If interest rates had been 100 basis points (2018: 100 basis points) higher/lower for variable-rate borrowings and obligations under finance leases and 50 basis points (2018: 50 basis points) higher/lower for balances and all other variables were held constant, the Group's pre-tax loss for the year ended 31 March 2019 would have increased/decreased by HK\$704,000 (2018: pre-tax profit decreased/increased HK\$767,000).

The basis points change represents management's assessment of the reasonably possible change in interest rates.

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the interest rate risk as the exposure at the end of the reporting period does not reflect the exposure during the year.

39. 金融工具(續)

金融風險管理目標及政策(續)

利率風險(續)

敏感度分析

以下敏感度分析乃根據於報告期末承受之浮息已抵押銀行存款、銀行結餘、借貸風險釐定。分析乃假設於報告期末尚未償還之金融工具於整個年度尚未償還而釐定。增加或減少100個基點(二零一八年: 100個基點)乃於考慮金融市況波動之影響後用於浮息借貸。本公司董事使用50個基點(二零一八年: 50個基點)以評估銀行結餘之利率風險, 原因為彼等認為銀行結餘之利率波動並不重大。

倘浮息借貸及融資租賃責任之利率上升/下跌100個基點(二零一八年: 100個基點)及結餘之利率上升/下跌50個基點(二零一八年: 50個基點), 而所有其他變量保持不變, 則本集團截至二零一九年三月三十一日止年度之除稅前虧損原應增加/減少704,000港元(二零一八年: 除稅前溢利減少/增加767,000港元)。

基點變動指管理層對利率之合理可能變動作出之評估。

本公司董事認為, 由於報告期末風險並不反映年內的風險, 故敏感度分析並不代表利率風險。

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39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk

As at 31 March 2019, other than those finance assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of contingent liabilities in relation to financial guarantees provided by the Group is disclosed in note 42.

At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statements of financial position.

The Group trades only with recognised and credit-worthy customers with no requirement for collateral. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

In order to minimise the credit risk, the directors of the Company have delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action are taken to recover overdue debts. In addition, the directors of the Company review the recoverable amount of each individual trade and bills receivable at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the credit risk of the Group is significantly reduced.

(i) Trade receivables

The Group measures loss allowances for trade receivables 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.

39. 金融工具(續)

金融風險管理目標及政策(續)

信貸風險

於二零一九年三月三十一日，除賬面值可最佳反映其面臨之最大信貸風險之該等金融資產外，本集團所面臨將導致本集團產生財務虧損之最大信貸風險來自與本集團所提供之財務擔保有關之或然負債金額，有關情況於附註42披露。

於報告期末，因對手方未履行責任而令本集團蒙受財務損失之最高信貸風險源自綜合財務狀況表所載列相關已確認金融資產之賬面值。

本集團僅與經認可且信譽良好之客戶進行交易，無需抵押品。本集團政策為所有擬按信用方式進行交易之客戶均須通過信用核實程序。此外，應收款項餘額持續被監控且本集團面臨之壞賬風險並不重大。

為盡可能降低信貸風險，本公司董事已委派團隊專門負責釐定信貸限額、信貸審批及其他監察程序，以確保採取跟進行動收回逾期債項。此外，本公司董事於各報告期末會檢討每項個別貿易應收款項及應收票據之可收回金額，以確保已就不可收回款項計提足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

(i) 貿易應收款項

本集團按相等於全期預期信貸虧損之金額計量貿易應收款項之虧損撥備，全期預期信貸虧損乃使用撥備矩陣進行估計。由於本集團過往信貸虧損情況並無表示不同客戶分部之不同虧損模式，故根據過往逾期狀況計算的虧損撥備不會在本集團不同客戶群之間作進一步區分。

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39. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies**
(continued)**Credit risk (continued)***(i) Trade receivables (continued)*

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 March 2019:

		Expected loss rate 預期虧損率 (%)	Gross carrying amount 賬面總值 (HK\$'000) (千港元)	Loss allowance 虧損撥備 (HK\$'000) (千港元)
Current	即期	5.8	9,249	537
1-30 days past due	逾期1至30日	12.0	11,727	1,405
31-90 days past due	逾期31至90日	26.1	4,877	1,275
91-180 days past due	逾期91至180日	37.9	2,425	918
More than 180 days past due	逾期180日以上	46.6	18,307	8,539
			46,585	12,674

The credit risk on pledged bank deposits and bank balances is limited because the counterparties are banks with good reputation.

At 31 March 2019, the Group provided corporate guarantees amounting to HK\$Nil (2018: HK\$333,000) to a bank in respect of obligations under finance leases of certain third party customers.

Under the financial guarantees, the Group would be liable to pay the bank if the bank is unable to recover the amounts under these finance leases. At 31 March 2019, no provision for the Group's obligation under the guarantee contracts has been made as the directors of the Company considered that it was not probable that the repayment of the finance leases obligation would be in default.

39. 金融工具 (續)**金融風險管理目標及政策 (續)****信貸風險 (續)***(i) 貿易應收款項 (續)*

下表提供有關本集團於二零一九年三月三十一日所面對之信貸風險及貿易應收款項之預期信貸虧損資料：

已抵押銀行存款及銀行結餘之信貸風險有限，原因是對手方為具有良好信譽之銀行。

於二零一九年三月三十一日，本集團已就若干第三方客戶之融資租賃責任向一間銀行提供企業擔保零港元(二零一八年：333,000港元)。

根據融資擔保，倘銀行未能收回該等融資租賃項下之款項，則本集團須向銀行付款。於二零一九年三月三十一日，並無就本集團於擔保合約項下之責任作出任何撥備，原因是本公司董事認為，償還融資租賃款項不大可能出現違約情況。

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39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations of the Group and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

In addition, certain subsidiaries of the Company is regulated by SFC and is subject to certain requirements under the Securities and Futures (Financial Resources) Rules and accordingly, the Group has to monitor the liquidity of this subsidiary to ensure compliance with the relevant rules. 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 longer term.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from forward interest rates at the end of the year.

39. 金融工具(續)

金融風險管理目標及政策(續)

流動資金風險

本集團通過監管並將現金及現金等價物維持於管理層認為足以應付本集團營運之水平管理流動資金風險，以及減低現金流量波動之影響。管理層監管動用借貸的情況並確保遵守貸款契諾。

此外，本公司若干附屬公司受證監會規管，並須遵守證券及期貨(財政資源)規則項下若干規定，因此，本集團須監察此附屬公司之流動資金狀況，以確保符合相關規定。本集團之政策旨在定期監察其流動資金要求，以確保其維持充足的現金儲備並獲主要財務機構提供足夠承諾信貸融資，以應付其短長期之流動資金需求。

下表詳列本集團非衍生金融負債的剩餘合約期限。下表為基於本集團可能需要支付金融負債的未貼現現金流量的最早日期而制定。具體而言，按應要求償還條款償還之銀行借貸計入最早時間範疇(不論銀行選擇行使其權利之可能性)。其他非衍生金融負債之到期日乃根據協定還款日期而定。該表同時包括利息及本金的現金流量。倘利息流為浮息，則未貼現金額乃按年末之遠期利率計算。

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39. FINANCIAL INSTRUMENTS (continued)**39. 金融工具 (續)****Financial risk management objectives and policies**
(continued)**金融風險管理目標及政策 (續)****Liquidity risk (continued)****流動資金風險 (續)**

		Weighted average effective interest rate 加權平均 實際利率 %	Within one year or on demand 一年以內 或按要 求 HK\$'000 千港元	More than one year but less than two years 一年以上 但兩年以內 HK\$'000 千港元	More than two years but less than five years 兩年以上 但五年以內 HK\$'000 千港元	More than five years 五年以上 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未貼現 現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
At 31 March 2019	於二零一九年三月三十一日							
Trade payables	貿易應付款項	N/A 不適用	14,009	-	-	-	14,009	14,009
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	N/A 不適用	17,613	-	-	-	17,613	17,613
Amounts due to related parties	應付關連公司款項	N/A 不適用	16,758	-	-	-	16,758	16,758
Loan from a director	來自一名董事之貸款	2.00	41,600	31,200	-	-	72,800	70,000
Borrowings	借貸	4.09	91,010	38,277	30,911	3,841	164,039	155,798
Obligation under finance leases	融資租賃責任	3.47	4,478	3,647	2,260	-	10,385	9,857
			185,468	73,124	33,171	3,841	295,604	284,035
Financial guarantees issued	作出之財務擔保							
Maximum amount guaranteed	擔保之最大金額	N/A 不適用	10,170	-	-	-	10,170	-

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39. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

		Weighted average effective interest rate 加權平均 實際利率 %	Within one year or on demand 一年以內 或按要求 HK\$'000 千港元	More than one year but less than two years 一年以上 但兩年以內 HK\$'000 千港元	More than two years but less than five years 兩年以上 但五年以內 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未貼現 現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
At 31 March 2018	於二零一八年三月三十一日						
Trade payables	貿易應付款項	N/A 不適用	21,980	-	-	21,980	21,980
Accruals, deposits received and other payables	應計費用、已收按金及 其他應付款項	N/A 不適用	13,039	-	-	13,039	13,039
Amounts due to related parties	應付關連公司款項	N/A 不適用	260	-	-	260	260
Loan from a director	來自一名董事之貸款	2.00	-	41,600	-	41,600	40,000
Borrowings	借貸	6.54	123,236	30,636	23,304	177,176	165,271
Obligation under finance leases	融資租賃責任	8.70	4,776	3,846	4,906	13,528	12,681
			163,291	76,082	28,210	267,583	253,231
Financial guarantees issued	作出之財務擔保						
Maximum amount guaranteed	擔保之最大金額	N/A 不適用	11,533	-	-	11,533	-

39. 金融工具 (續)

金融風險管理目標及政策 (續)

流動資金風險 (續)

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39. FINANCIAL INSTRUMENTS (continued)**Financial risk management objectives and policies**
(continued)**Liquidity risk (continued)**

Borrowings with a repayment on demand clause are included in the "on demand" time band in the above maturity analysis. As at 31 March 2019 and 2018, the aggregate undiscounted principal amounts of these borrowings amounted to approximately HK\$62,900,000 and HK\$79,787,000 respectively. Taking into account the Group's financial position, the directors of the Company do not believe that it is probable that the lenders will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements and the principal and interest cash outflows according to the scheduled repayment dates are set out as follows:

Borrowings		Weighted average effective interest rate 加權平均實際利率 %	Within one year or on demand 一年以內或按 要求 HK\$'000 千港元	More than one year but less than two years 一年以上但兩年以內 HK\$'000 千港元	More than two year but less than five years 兩年以上但五年以內 HK\$'000 千港元	More than five years 五年以上 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未貼現現金流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
At 31 March 2019	借貨 於二零一九年 三月三十一日	5.04	21,916	17,843	24,255	3,841	67,855	62,900
At 31 March 2018	於二零一八年 三月三十一日	5.06	23,022	20,661	33,753	9,566	87,002	79,787

39. 金融工具 (續)**金融風險管理目標及政策 (續)****流動資金風險 (續)**

設有按要求還款條款的借貸計入上述到期日分析之「按要求」時間範疇。於二零一九年及二零一八年三月三十一日，該等借貸的未貼現本金總額分別約為62,900,000港元及79,787,000港元。經計及本集團財務狀況，本公司董事相信貸方不大可能會行使酌情權以要求即時還款。本公司董事認為，有關貸款將按貸款協議所載預期還款日期償還，而根據預期還款日期的本金及利息現金流出載列如下：

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39. FINANCIAL INSTRUMENTS (continued)

Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

(i) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis

Some of the Group's financial instruments are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial instruments are determined (in particular, the valuation technique(s) and inputs used).

Financial assets 金融資產	Fair value as at 31 March 於三月三十一日之公平值 2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	Fair value hierarchy 公平值級別	Valuation techniques and key inputs 估值技術及主要輸入數據
Listed equity instruments 上市權益工具	114,376		– Level 1 第一級	Quoted prices in an active market 於活躍市場之報價

Of the total gains and losses for the year included in profit or loss, net gain of HK\$17,927,000 (2018: HK\$Nil) relates to financial assets designated as at FVTPL and financial liabilities at FVTPL held at the end of the current year. Fair value gains or losses on financial assets designated as at FVTPL and financial liabilities at FVTPL are included in 'other gains and losses'.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The board of directors of the Company has set up an investment committee, which is headed up by the Chief Financial Officer of the Company, to determine the appropriate valuation techniques and inputs for fair value measurements.

39. 金融工具(續)

金融工具之公平值計量

本附註提供本集團如何釐定多項金融資產公平值的資料。

(i) 以經常性基準按公平值計量之本集團金融工具之公平值

本集團若干金融工具於各報告期末按公平值計量。下表提供有關如何釐定該等金融工具之公平值(特別是所使用的估值技術及輸入數據)之資料。

計入損益之本年度收益及虧損總額中，淨收益17,927,000港元(二零一八年：零港元)與本年度末持有之指定以公平值計量且其變化計入損益之金融資產及以公平值計量且其變化計入損益之金融負債相關。指定以公平值計量且其變化計入損益之金融資產及以公平值計量且其變化計入損益之金融負債之公平值收益或虧損計入「其他收益及虧損」中。

公平值計量及估值過程

本集團部分資產及負債就財務申報目的而言乃以公平值計量。本公司董事會已成立投資委員會，由本公司首席財務官領導，以釐定公平值計量之適當估值技術及輸入數據。

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39. FINANCIAL INSTRUMENTS (continued)**Fair value measurements of financial instruments**
(continued)**(i) Fair value of the Group's financial instruments that are measured at fair value on a recurring basis**
(continued)

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent they are available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The investment committee works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the investment committee's findings to the board of directors of the Company every half year to explain the cause of fluctuations in the fair value of the assets and liabilities.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

39. 金融工具(續)**金融工具之公平值計量(續)****(i) 以經常性基準按公平值計量之本集團金融工具之公平值(續)**

於估計資產或負債之公平值時，本集團使用可獲得之市場可觀察數據。倘第一級輸入數據不可用，則本集團委聘第三方合資格估值師進行估值。投資委員會與合資格外聘估值師緊密合作以制定合適之估值技術及輸入數據模式。為說明資產及負債公平值波動之原因，首席財務官每半年向本公司董事會報告投資委員會之調查結果。

公平值級別

下表闡述本集團金融工具之公平值計量級別：

		As at 31 March 2019			
		於二零一九年三月三十一日			
		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Listed equity instruments	上市權益工具	114,376	-	-	114,376
		114,376			114,376

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39. FINANCIAL INSTRUMENTS (continued)

Fair value measurements of financial instruments (continued)

(ii) **Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis**

The management of the Group estimates the fair value of its financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis.

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values.

40. MAJOR NON-CASH TRANSACTION

During the year ended 31 March 2019, the Group entered into finance lease arrangements in respect of purchase of property, plant and equipment with a capital value at the inception of the leases of approximately HK\$19,551,000 (2018: HK\$11,197,000).

During the year ended 31 March 2019, the Group entered into a sale and purchase agreement in respect of purchase of financial assets at fair value through profit or loss of approximately HK\$252,450,000 settled by issuance of 550,000,000 shares.

During the year ended 31 March 2019, the Group entered into a sale and purchase agreement in respect of the acquisition of a joint venture of approximately HK\$156,000,000 settled by 588,680,000 shares of China Shandong Hi-Speed Financial Group Limited.

39. 金融工具(續)

金融工具之公平值計量(續)

(ii) **並非以經常性基準按公平值計量的本集團金融資產及金融負債的公平值**

本集團管理層使用貼現現金流量分析估計按攤銷成本計量的金融資產及金融負債之公平值。

本集團管理層認為，綜合財務狀況表中以按攤銷成本錄得的金融資產及金融負債的賬面值與其公平值相若。

40. 主要非現金交易

截至二零一九年三月三十一日止年度，本集團就購買物業、廠房及設備訂立融資租賃安排，於租賃開始時的資本價值約為19,551,000港元(二零一八年：11,197,000港元)。

截至二零一九年三月三十一日止年度，本集團就購買為數約252,450,000港元以公平值計量且其變化計入損益之金融資產訂立買賣協議，並以發行550,000,000股股份之方式結付。

截至二零一九年三月三十一日止年度，本集團就收購為數約156,000,000港元之合營企業訂立買賣協議，並以588,680,000股中國山東高速金融集團有限公司股份結付。

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41. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, during the year the Group had the following transactions with related parties.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit Principle Limited ("Profit Principle") (Note):	凱聯有限公司(「凱聯」)(附註):		
Property rental expense	物業租賃開支	48	48
Director's loan interest expense	董事貸款利息開支	1,350	734

Note: Mr. Tang Yiu Chi James, being a director and a shareholder of Profit Principle, is also a director of the Company.

41. 關聯方交易

除綜合財務報表其餘部分所披露者外，本集團於年內與關聯方進行以下交易。

附註：凱聯的董事兼股東鄧耀智先生亦為本公司董事。

Compensation of key management personnel

The remuneration of directors and other members of key management during the years ended 31 March 2019 and 2018 were as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, allowances and benefits	薪金、津貼及福利	9,023	8,241
Retirement benefits scheme contributions	退休福利計劃供款	124	130
		9,147	8,371

主要管理人員的薪酬

截至二零一九年及二零一八年三月三十一日止年度，董事及其他主要管理人員的薪酬如下：

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42. CONTINGENT LIABILITIES

As at 31 March 2019, the Group provided corporate guarantees and performance guarantee amounting to approximately HK\$Nil (2018: HK\$333,000) and HK\$10,170,000 (2018 HK\$11,200,000) to banks in respect of obligations under finance leases and the Group's obligations under contracts with certain third party customers. Under the guarantees, the Group would be liable to make payments to the banks if the bank is unable to recover the amounts under these finance leases from these customers or the Group failed to perform the relevant obligations to these customers. As at 31 March 2019 and 2018, no provision for the Group's obligations under the guarantee contracts has been made as the directors of the Company considered that it was not probable that the repayment of the finance lease obligations would be in default and it was not probable that a claim will be made against the Group.

43. BUSINESS COMBINATION

On 13 December 2018, the Group acquired 100% of the voting equity instruments of Hao Tian International Financial Holdings Limited ("HTIFH BVI"), a company whose principal activity is investment holding. The subsidiaries of HTIFH BVI ("HTIFH Group") are primarily engaged in dealing and broking in securities, futures and option. The acquisition was made with the aims to expand the Group's existing scale of operation and enlarge the Group's market presence.

42. 或然負債

於二零一九年三月三十一日，本集團就融資租賃責任及本集團於與若干第三方客戶訂立之合約項下之責任向銀行提供公司擔保及履約擔保分別達約零港元(二零一八年：333,000港元)及10,170,000港元(二零一八年：11,200,000港元)。根據該等擔保，倘該銀行未能自該等客戶收回該等融資租賃下的款項或倘本集團未能履行其對該等客戶之相關責任，本集團須向銀行支付有關款項。於二零一九年及二零一八年三月三十一日，由於本公司董事認為在償還融資租賃責任方面不大可能遭違約及不大可能會有針對本集團作出之索償，故並未就本集團於擔保合約下的責任作出撥備。

43. 業務合併

於二零一八年十二月十三日，本集團收購昊天國際金融控股有限公司(「昊天國際金融控股BVI」，為一間主要從事投資控股業務之公司)全部具投票權之權益工具。昊天國際金融控股BVI旗下附屬公司(「昊天國際金融控股集團」)主要從事證券、期貨及期權買賣及經紀服務。進行收購之目的為拓展本集團現有之業務規模以及擴大本集團的市場佔有率。

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43. BUSINESS COMBINATION (continued)**43. 業務合併(續)**

		Note 附註	HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備		3,401
Intangible assets	無形資產		17,020
Trade and other receivables	貿易及其他應收款項		48,746
Loan receivables	應收貸款		10,140
Amounts due from an intermediate holding company	應收一間中間控股公司款項		16,547
Amounts due from fellow subsidiaries	應收同系附屬公司款項		639
Bank balances, trust and segregated	銀行結餘、信託及獨立賬戶		14,046
Cash and cash equivalents	現金及現金等價物		63,956
Trade and other payables	貿易及其他應付款項		(24,085)
Amounts due to fellow subsidiaries	應付同系附屬公司款項		(14,843)
Deferred tax liabilities	遞延稅項負債		(1,984)
			133,583
The provisional fair value of consideration transfer:	轉讓代價之暫定公平值：		
Cash	現金		180,000
Goodwill (Note 16)	商譽(附註16)	(ii)	46,417
Net cash outflow arising on acquisition:	收購產生之現金流出淨額：		
Cash consideration	現金代價		(180,000)
Cash and bank balances acquired	所收購現金及銀行結餘		63,956
			(116,044)

Notes:

- (i) Goodwill of HK\$46,417,000 arose on this acquisition, which is not deductible for tax purposes, comprises the acquired workforce and the expected synergies arising from the combination of the existing operations of the Group.
- (ii) Since the acquisition date, HTIFH Group has contributed HK\$1,703,000 and HK\$6,996,000 to the Group's revenue and loss. Had the acquisition occurred on 1 April 2018, the Group's revenue and loss for the year would have been approximately HK\$18,008,000 and HK\$12,574,000 respectively for the year ended 31 March 2019.

This pro forma information is for illustrative purpose and is not necessarily an indication of revenue and the results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2018, nor is it intended to be a projection of future results.

附註：

- (i) 是項收購產生不可扣稅之商譽46,417,000港元，包括所收購勞動力及預期因合併本集團現有業務而產生之協同效益。
- (ii) 自收購日期以來，昊天國際金融控股集團已分別為本集團帶來收益及虧損1,703,000港元及6,996,000港元。倘收購於二零一八年四月一日進行，本集團於截至二零一九年三月三十一日止年度之年內收益及虧損則分別約為18,008,000港元及12,574,000港元。

是項備考資料僅供說明用途，未必能反映倘收購於二零一八年四月一日完成，本集團實際所得之收益及經營業績，亦不擬作為對未來業績之預測。

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44. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries of the Company at 31 March 2018 and 2017 are as follows:

44. 主要附屬公司詳情

於二零一八年及二零一七年三月三十一日，本公司之主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Issued and fully paid share capital 已發行及繳足股本	Proportion of nominal value of issued share capital held by the Company 本公司持有 已發行股本面值比例		Principal activities and place of operations 主要業務及經營地點
			2019 二零一九年	2018 二零一八年	
Crawler Crane Business Limited ¹	BVI 英屬維爾京群島	USD100 100美元	100%	100%	Investment holding, Hong Kong 投資控股，香港
Chim Kee Company Limited ¹ 占記有限公司 ¹	Hong Kong 香港	HK\$1,000,000 1,000,000港元	99.9%	99.9%	Construction machinery rental and trading and sales of construction materials, Hong Kong 建築機械租賃及銷售以及銷售建築物料，香港
Chim Kee Machinery Co., Limited ¹ 占記機械有限公司 ¹	Hong Kong 香港	HK\$1 1港元	99.9%	99.9%	Construction machinery rental and trading and sales of construction materials, Hong Kong 建築機械租賃及銷售以及銷售建築物料，香港
Chim Kee Transportation Company Limited ¹ 占記運輸有限公司 ¹	Hong Kong 香港	HK\$1,200,000 1,200,000港元	99.9%	99.9%	Provision of machinery transportation services, Hong Kong 提供機械運輸服務，香港
K B Machinery Co., Limited ¹ 高比機械有限公司 ¹	Hong Kong 香港	HK\$1 1港元	100%	100%	Construction machinery trading and sales of construction materials, Hong Kong 建築機械銷售及銷售建築物料，香港
Hao Tian International Futures Limited 昊天國際期貨有限公司	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100%	–	Futures brokerage, business 期貨經紀業務
Chim Kee Equipment Limited ¹ 占記設備有限公司 ¹	Hong Kong 香港	HK\$1 1港元	100%	100%	Construction machinery rental, Hong Kong 建築機械租賃，香港

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44. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

44. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Issued and fully paid share capital 已發行及繳足股本	Proportion of nominal value of issued share capital held by the Company 本公司持有		Principal activities and place of operations 主要業務及經營地點
			2019 二零一九年	2018 二零一八年	
Hightion, Sociedade Unipessoal Limitada ¹ 凱昇一人有限公司 ¹	Macau 澳門	MOP25,000 澳門幣25,000元	100%	100%	Construction Machinery rental, Macau 建築機械租賃, 澳門
K B Crane Limited ¹ 高比重機有限公司 ¹	Hong Kong 香港	HK\$1,000 1,000港元	100%	100%	Construction machinery trading, Hong Kong 建築機械銷售, 香港
Solution Pro Investments Limited ¹	British Virgin 英屬維爾京群島	USD100 100美元	100%	100%	Investment holding, Islands Hong Kong 投資控股, 香港
Glory Century Limited ¹ 豪翔有限公司 ¹	Hong Kong 香港	HK\$100 100港元	100%	100%	Dormant, Hong Kong 暫無業務, 香港
K B Leasing Limited ¹ 高比財務有限公司 ¹	Hong Kong 香港	HK\$10,000 10,000港元	100%	100%	Leasing, Hong Kong 租賃, 香港
Chim Kee Crane Company Limited ¹ 占記起重機有限公司 ¹	Hong Kong 香港	HK\$100 100港元	100%	100%	Investment of leasehold land, Hong Kong 投資租賃土地, 香港
Hao Tian International Bullion Limited 昊天國際金業有限公司	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100%	-	Commodities brokerage 商品經紀
Hao Tian International Securities Limited 昊天國際證券有限公司	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100%	-	Securities brokerage business 證券經紀業務

¹ Limited liability company¹ 股份有限公司

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

上表列出本公司董事認為主要影響本集團業績或資產的本公司附屬公司。本公司董事認為，提供其他附屬公司之詳情會導致內容過於冗長。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

45. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

45. 本公司之財務狀況表及儲備

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	184,114	12,139
Amounts due from subsidiaries	應收附屬公司款項	–	46,410
Property, plant and equipment	物業、廠房及設備	112	157
Deposit for acquisition of subsidiaries	收購附屬公司之訂金	–	100,000
		184,226	158,706
Current assets	流動資產		
Prepayments	預付款項	337	374
Amounts due from subsidiaries	應收附屬公司款項	406,731	12,619
Bank balances and cash	銀行結餘及現金	20,679	65,156
		427,747	78,149
Current liabilities	流動負債		
Accruals	應計費用	852	1,004
Amounts due to subsidiaries	應付附屬公司款項	8,110	57,786
Amounts due to fellow subsidiaries	應付同系附屬公司款項	228	228
Amount due to an intermediate holding company	應付一間中間控股公司款項	1	–
Amount due to a director (Note)	應付一名董事款項(附註)	10,582	10,592
		19,773	69,610
Net current assets	流動資產淨值	407,974	8,539
Total assets less current liabilities	資產總值減流動負債	592,200	167,245
Equity	權益		
Share capital	股本	41,500	24,000
Reserves	儲備	550,700	143,245
Total equity	權益總額	592,200	167,245

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

45. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

Note:

The amount due from the Company to a director is offset with the amount due to a subsidiary by the same director. The net amount is presented on the consolidated statement of financial position as those amounts are subject to an enforceable offsetting arrangement that the Group currently has a legally enforceable right to set off the amounts and the intention to settle those amounts on a net basis.

Movement in the Company's reserves

		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	62,354	6,291	(25,409)	43,236
Issue of shares by placing (net of direct attributable cost)	透過配售發行股份 (扣除直接應佔成本)	119,370	-	-	119,370
Issue of bonus shares	發行紅股	(12,000)	-	-	(12,000)
Loss for the year	年內虧損	-	-	(7,361)	(7,361)
At 31 March 2018	於二零一八年三月三十一日	169,724	6,291	(32,770)	143,245
Issue of right shares (net of direct attributable cost)	發行供股股份 (扣除直接應佔成本)	166,981	-	-	166,981
Issue of shares	發行股份	198,000	48,950	-	246,950
Loss for the year	年內虧損	-	-	(6,476)	(6,476)
At 31 March 2019	於二零一九年三月三十一日	534,705	55,241	(39,246)	550,700

45. 本公司之財務狀況表及儲備 (續)

附註：

本公司應付一名董事款項乃與同一名董事應付一間附屬公司款項相抵銷。已於綜合財務狀況表內呈列款項淨額，原因為該等款項受強制抵銷安排所規限，本集團現時擁有合法強制權利可抵銷該等金額並擬按淨額基準結算該等款項。

本公司之儲備變動

46. EVENTS AFTER THE REPORTING PERIOD

On 29 April 2019, the disposal of Chim Kee Crane Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company, was completed and it took place pursuant to the terms of the sale and purchase agreement (the "SP Agreement"). Chim Kee Crane Company Limited ceased to be a subsidiary of the Company and the Company ceased to have any interest in Chim Kee Crane Company Limited.

46. 報告期後事項

於二零一九年四月二十九日，出售本公司之間接全資附屬公司占記起重機有限公司（一間於香港註冊成立之有限公司）已經完成，該項出售乃根據買賣協議（「買賣協議」）之條款進行。占記起重機有限公司不再為本公司之附屬公司，而本公司亦不再持有占記起重機有限公司之任何權益。

FINANCIAL SUMMARY

財務概要

For the year ended 31 March

截至三月三十一日止年度

		2015	2016	2017	2018	2019
		二零一五年	二零一六年	二零一七年	二零一八年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
RESULTS	業績					
Revenue	收益	368,942	277,275	194,364	165,869	176,518
Profit (loss) before taxation	除稅前溢利(虧損)	31,336	(11,983)	920	(15,925)	(6,610)
Tax (charge) credit	稅項(支出)抵免	(6,972)	738	(613)	3,399	153
Profit (loss) for the year	年內溢利(虧損)	24,364	(11,245)	307	(12,526)	(6,457)
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	24,324	(11,240)	300	(12,528)	(6,452)
Non-controlling interests	非控股權益	40	(5)	7	2	(5)
		24,364	(11,245)	307	(12,526)	(6,457)

As at 31 March

於三月三十一日

		2015	2016	2017	2018	2019
		二零一五年	二零一六年	二零一七年	二零一八年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	464,130	390,785	462,037	634,286	1,080,314
Total liabilities	負債總額	(225,689)	(146,944)	(217,889)	(281,294)	(313,553)
		238,441	243,841	244,148	352,992	766,761
Equity attributable to owners of the Company	本公司擁有人應佔權益	238,193	243,598	243,898	352,740	766,514
Non-controlling interests	非控股權益	248	243	250	252	247
		238,441	243,841	244,148	352,992	766,761



昊天國際建設投資集團有限公司
Hao Tian International Construction Investment Group Limited