



Wing Fung Group Asia Limited 榮豐集團亞洲有限公司

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

Stock Code 股份代號: 8526

ANNUAL REPORT 2017 年報

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香港聯合交易所有限公司(「聯交所」)GEM的特色

GEM的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

由於GEM上市公司一般為中小型公司，在GEM買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

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本報告乃遵照聯交所GEM證券上市規則(「GEM上市規則」)之規定而提供有關榮豐集團亞洲有限公司(「本公司」)及其附屬公司(統稱「本集團」)的資料，本公司董事(「董事」)願就本報告共同地及個別地承擔全部責任。董事經作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均為準確及完整，且無誤導或欺詐成分，及並無遺漏任何其他事項致使當中所載任何陳述或本報告產生誤導。

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chung Chi Keung (*Chairman*)
Ms. Lai Suk Fan

Independent Non-executive Directors

Mr. Choy Hiu Fai Eric
Mr. Lei For
Mr. Lai Wai Ming

COMPANY SECRETARY

Mr. Law Pak Hin Edward

COMPLIANCE OFFICER

Mr. Chung Chi Keung

COMPLIANCE ADVISER

TC Capital International Limited

AUTHORISED REPRESENTATIVES

Mr. Chung Chi Keung
Mr. Law Pak Hin Edward

AUDIT COMMITTEE

Mr. Choy Hiu Fai Eric (*Chairman*)
Mr. Lei For
Mr. Lai Wai Ming

REMUNERATION COMMITTEE

Mr. Lai Wai Ming (*Chairman*)
Mr. Chung Chi Keung
Mr. Choy Hiu Fai Eric

NOMINATION COMMITTEE

Mr. Lei For (*Chairman*)
Mr. Chung Chi Keung
Mr. Lai Wai Ming

AUDITOR

Deloitte Touche Tohmatsu

董事會

執行董事

鍾志強先生 (*主席*)
黎淑芬女士

獨立非執行董事

蔡曉輝先生
利科先生
黎偉明先生

公司秘書

羅柏妍先生

合規主任

鍾志強先生

合規顧問

天財資本國際有限公司

授權代表

鍾志強先生
羅柏妍先生

審核委員會

蔡曉輝先生 (*主席*)
利科先生
黎偉明先生

薪酬委員會

黎偉明先生 (*主席*)
鍾志強先生
蔡曉輝先生

提名委員會成員

利科先生 (*主席*)
鍾志強先生
黎偉明先生

核數師

德勤 • 關黃陳方會計師行

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

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Grand Cayman
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Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Maples Fund Services (Cayman) Limited
PO Box 1093
Boundary Hall, Cricket Square
Grand Cayman
KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

China Construction Bank (Asia) Corporation Limited
China Construction Bank Corporation Macau Branch
Industrial and Commercial Bank of China (Macau) Limited
Nanyang Commercial Bank, Limited

WEBSITE ADDRESS

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STOCK CODE

8526

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山尾街43-47號
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香港證券登記及過戶分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

主要往來銀行

中國建設銀行(亞洲)股份有限公司
中國建設銀行澳門分行
中國工商銀行(澳門)股份有限公司
南洋商業銀行有限公司

網站

www.wingfunggroup.com

股份代號

8526

CHAIRMAN'S STATEMENT 主席報告

Dear Shareholders,

On behalf of the board of Directors (the "Board") of the Company, it is my pleasure to present the first annual report of the Group for the year ended 31 December 2017.

Review

The shares of the Company (the "Share(s)") were successfully listed (the "Listing") on GEM of the Stock Exchange on 27 February 2018. It was a milestone of the Group which boosted the confidence of our stakeholders, enhanced the Group's corporate profile and strengthened the Group's competitiveness.

Results

The total revenue of the Group increased by approximately HK\$31.7 million or 23.6% from approximately HK\$134.4 million for the year ended 31 December 2016 to approximately HK\$166.1 million for the year ended 31 December 2017. The Group's profit for the year decreased by approximately HK\$10.2 million or 66.2% from approximately HK\$15.4 million for the year ended 31 December 2016 to approximately HK\$5.2 million for the year ended 31 December 2017. The decrease was primarily due to the non-recurring listing expenses of approximately HK\$11.3 million recorded for the year ended 31 December 2017 (2016: Nil).

Forward

Looking ahead, the Group is positive about the prospects of the construction market in Hong Kong and Macau and will continue to focus on our core business of the provision of supply, installation and fitting-out services of mechanical ventilation and air-conditioning ("MVAC") system for buildings. In order to maximise the long term returns to our shareholders (the "Shareholders"), the Group will devote more resources towards the development of our contracting business.

致各位股東：

本人欣然代表本公司董事會(「董事會」)呈報截至二零一七年十二月三十一日止年度本集團的首份年報。

回顧

本公司股份(「股份」)於二零一八年二月二十七日在聯交所GEM成功上市(「上市」)。此乃本集團的里程碑，使持份者更有信心，並提高了本集團的企業地位和鞏固了本集團的競爭力。

業績

本集團的總收益由截至二零一六年十二月三十一日止年度的約134.4百萬港元增加約31.7百萬港元或23.6%至截至二零一七年十二月三十一日止年度的約166.1百萬港元。本集團的年內溢利由截至二零一六年十二月三十一日止年度的約15.4百萬港元減少約10.2百萬港元或66.2%至截至二零一七年十二月三十一日止年度的約5.2百萬港元。減幅乃主要由於截至二零一七年十二月三十一日止年度錄得非經常性上市開支約11.3百萬港元(二零一六年：零)。

展望

展望未來，本集團看好香港及澳門建築市場的前景及會繼續專注為樓宇提供機械通風及空調(「機械通風及空調」)系統的供應、安裝及裝修服務的核心業務。為了為股東(「股東」)爭取最大長遠回報，本集團會投放更多資源至發展承包業務。

CHAIRMAN'S STATEMENT
主席報告

A note of appreciation

On behalf of the Board, I wish to take this opportunity to express my deep gratitude to our Shareholders, clients, business partners, suppliers and subcontractors for their continuous support. I would also like to express our sincere appreciation to the Group's management and staff for their commitment, contribution and dedication throughout the years.

Wing Fung Group Asia Limited
Chung Chi Keung
Chairman and Executive Director

Hong Kong, 21 March 2018

致謝

本人謹代表董事會借此機會對股東、客戶、業務夥伴、承包商及供應商的持續支持表示深切謝意。本人亦謹此對本集團管理層及員工多年來的努力、貢獻及投入表示誠摯感激。

榮豐集團亞洲有限公司
主席兼執行董事
鍾志強

香港，二零一八年三月二十一日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Outlook

The Group is principally engaged as a subcontractor for the provision of supply, installation and fitting-out services of MVAC system for various types of private and public building projects including infrastructural, commercial and residential building projects in Hong Kong and Macau.

The Shares were listed on GEM of the Stock Exchange on 27 February 2018 (the "Listing Date") where 143,500,000 ordinary shares (comprising a public offer of 43,050,000 Shares and a placing of 100,450,000 Shares) had been offered for subscription, at an offer price of HK\$0.38 per Share. The net proceeds received by the Company was approximately HK\$27.2 million.

With the Group's experienced management team and reputation in the market, the Directors consider that the Group is well-positioned to compete against its competitors under such future challenges that are commonly faced by all competitors, and the Group will continue to pursue the following key business strategies: (i) further developing its business of supply, installation and fitting-out services of MVAC system by making use of additional financial resources available from the Listing, which allows the Group to undertake more projects of larger scale that require the provision of surety bond; (ii) further strengthening the Group's engineering department through recruiting additional qualified and experienced staff; and (iii) leasing a new office and recruiting additional administrative staff in Macau to handle the expected increasing workload in Macau in the long run.

Financial Review

Revenue

Our revenue increased from approximately HK\$134.4 million for the year ended 31 December 2016 to approximately HK\$166.1 million for the year ended 31 December 2017, representing an increase of approximately 23.6%. The increase was principally due to (i) the revenue of approximately HK\$2.3 million from new projects in particular two new projects located at Happy Valley and one new project located at Kowloon Bay and (ii) the increase in the revenue of approximately HK\$102.4 million due

管理層討論及分析

業務回顧及展望

本集團主要以分包商的身份在香港及澳門提供各類私人及公共樓宇項目(包括基建、商業及住宅樓宇項目)的機械通風及空調系統供應、安裝及裝修服務。

股份於二零一八年二月二十七日(「上市日期」)在聯交所GEM上市,其時按發售價每股0.38港元提呈發售143,500,000股普通股(包括公開發售43,050,000股股份及配售100,450,000股股份)以供認購。本公司收取之所得款項淨額約27.2百萬港元。

憑藉本集團經驗豐富的管理層團隊及市場聲譽,董事認為在所有競爭對手同樣面臨日後挑戰的情況下,本集團具備優勢與競爭對手比拼,且本集團將繼續執行以下主要業務策略:(i)透過動用上市所得而可供使用的額外財務資源,讓本集團承接更多需要提供履約保證金的大型項目,以進一步發展機械通風及空調系統供應、安裝及裝修服務業務;(ii)增聘合資格及有經驗的員工以進一步加強本集團的工程部門;及(iii)在澳門租賃新辦事處及增聘行政人員以應付澳門預期長遠日益增加的工作量。

財務回顧

收益

收益由截至二零一六年十二月三十一日止年度約134.4百萬港元增加至截至二零一七年十二月三十一日止年度約166.1百萬港元,增長約23.6%。增幅乃主要由於(i)新項目(尤其是位於跑馬地的兩個新項目及九龍灣的一個新項目)帶來收益約2.3百萬港元;及(ii)收益增加約102.4百萬港元,原因是授予我們的現有項目的工程數額較先前期間有所增

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

to the increase in the amount of our works under existing projects awarded to us compared to prior period in particular the projects located at Pokfulam, Kai Tak and Taipa in Macau which contributed approximately HK\$97.6 million of the increase. The above increase was partially offset by (i) the decrease in the revenue of approximately HK\$57.1 million as a result of the completion of our projects in prior period and therefore generate no further revenue for the year ended 31 December 2017 in particular for the completion of the project located at Sunny Bay on Lantau Island which contributed approximately HK\$40.3 million of the decrease and (ii) the decrease in the revenue of approximately HK\$15.9 million due to the decrease in the amount of our works for existing projects awarded to us compared to prior period in particular for the projects located at Tseung Kwan O and Taipa, lihas in Macau.

Cost of Service

Our cost of sales increased from approximately HK\$109.7 million for the year ended 31 December 2016 to approximately HK\$133.5 million for the year ended 31 December 2017, representing an increase of approximately 21.7% which was lower than the extent of increase in our revenue in the same period due to our improved gross profit margin as discussed below.

Gross Profit and Gross Profit Margin

Our gross profit increased by approximately 32.5% from approximately HK\$24.6 million for the year ended 31 December 2016 to approximately HK\$32.6 million for the year ended 31 December 2017. The extent of increase in our gross profit was larger than the extent of increase in our revenue due to our improved gross profit margin from approximately 18.3% to approximately 19.6% in the same period. The improvement in our gross profit margin was principally resulted from the increase in the amount of our works in project located at Taipa in Macau (which contributed 38.3% of our total revenue for the year ended 31 December 2017 and recorded a relatively higher gross profit margin for the year ended 31 December 2017), which was partially offset by the completion of our works in project located at Sunny Bay on Lantau Island (which recorded a relatively higher gross profit margin for the year ended 31 December 2016).

加，尤其是位於薄扶林、啟德及澳門氹仔的項目貢獻該增幅約97.6百萬港元。上述增幅部分被以下各項所抵銷(i)先前期間的項目竣工而收益減少約57.1百萬港元，因此截至二零一七年十二月三十一日止年度並無產生進一步收益，尤其是大嶼山欣澳項目竣工而減少錄得約40.3百萬港元；及(ii)收益減少約15.9百萬港元，原因是授予我們的現有項目工程數額較先前期間有所減少，尤其是位於將軍澳及澳門氹仔的項目。

服務成本

服務成本由截至二零一六年十二月三十一日止年度約109.7百萬港元增加至截至二零一七年十二月三十一日止年度約133.5百萬港元，增幅約21.7%，該增幅少於同期收益因下述毛利率改善所達致的增幅。

毛利及毛利率

毛利由截至二零一六年十二月三十一日止年度約24.6百萬港元增加約32.5%至截至二零一七年十二月三十一日止年度約32.6百萬港元。毛利增幅較收益增幅大，乃由於同期毛利率由約18.3%改善至約19.6%。毛利率改善主要由於澳門氹仔項目的工程數額增加（佔截至二零一七年十二月三十一日止年度總收益的38.3%及截至二零一七年十二月三十一日止年度錄得較高毛利率），惟部分因大嶼山欣澳項目（截至二零一六年十二月三十一日止年度錄得較高毛利率）的工程竣工所抵銷。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析**Listing Expenses**

During the year ended 31 December 2017, our Group recognised non-recurring listing expenses of approximately HK\$11.3 million (2016: Nil) as expenses in connection with the Listing.

Administrative Expenses

Our administrative expenses increased by approximately HK\$6.3 million, or approximately 86.3%, from approximately HK\$7.3 million for the year ended 31 December 2016 to approximately HK\$13.6 million for the year ended 31 December 2017, mainly attributable to the increase in the staff costs and the professional fees.

Income Tax Expense

Our income tax expenses increased by approximately HK\$0.3 million, from approximately HK\$2.5 million for the year ended 31 December 2016 to approximately HK\$2.8 million for the year ended 31 December 2017. The effective tax rate for the year ended 31 December 2017 was approximately 35.1%, which was higher compared to that of approximately 14.1% for the year ended 31 December 2016. The increase in effective tax rate for the year ended 31 December 2017 was mainly due to the inclusion of approximately HK\$11.3 million non-deductible listing expenses (2016: Nil). Excluding these one-off expenses from the profit before tax, our effective tax rate for the year ended 31 December 2017 would have been approximately 14.6% (2016: approximately 14.1%).

Profit for the Year

Our profit for the year decreased by approximately 66.2% from approximately HK\$15.4 million for the year ended 31 December 2016 to approximately HK\$5.2 million for the year ended 31 December 2017. Such decrease was primarily attributable to the listing expenses incurred by the Group for the Listing during the year ended 31 December 2017. Excluding the one-off exceptional expenses for the Listing of the Company of approximately HK\$11.3 million (2016: Nil), profit for the year ended 31 December 2017 would reach approximately HK\$16.5 million (2016: approximately HK\$15.4 million), representing an increase of approximately 7.1% compared to the corresponding period ended 31 December 2016.

上市開支

截至二零一七年十二月三十一日止年度，本集團就上市錄得非經常性上市開支約11.3百萬港元（二零一六年：零）。

行政開支

行政開支由截至二零一六年十二月三十一日止年度約7.3百萬港元增加約6.3百萬港元或約86.3%至截至二零一七年十二月三十一日止年度約13.6百萬港元，乃主要由於員工成本及專業費用增加所致。

所得稅開支

所得稅開支由截至二零一六年十二月三十一日止年度約2.5百萬港元增加約0.3百萬港元至截至二零一七年十二月三十一日止年度約2.8百萬港元。截至二零一七年十二月三十一日止年度之實際稅率約為35.1%，較截至二零一六年十二月三十一日止年度的約14.1%高。截至二零一七年十二月三十一日止年度之實際稅率增加主要由於計入不可扣稅上市開支約11.3百萬港元（二零一六年：零）。倘於除所得稅前溢利剔除該等一次性開支，截至二零一七年十二月三十一日止年度之實際稅率應約為14.6%（二零一六年：約14.1%）。

年內溢利

年內溢利由截至二零一六年十二月三十一日止年度約15.4百萬港元減少約66.2%至截至二零一七年十二月三十一日止年度約5.2百萬港元。該減幅乃主要由於本集團於截至二零一七年十二月三十一日止年度就上市產生的上市開支所致。撇除本集團上市的一次性額外開支約11.3百萬港元（二零一六年：零），截至二零一七年十二月三十一日止年度之年內溢利將約為16.5百萬港元（二零一六年：約15.4百萬港元），較截至二零一六年十二月三十一日止同期增加約7.1%。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析

Liquidity and Financial Resources

As at 31 December 2017, the Group had total assets of approximately HK\$74.0 million (2016: approximately HK\$91.0 million), which is financed by total liabilities and shareholders' equity (comprising share capital and reserves) of approximately HK\$52.3 million (2016: approximately HK\$40.2 million) and approximately HK\$21.7 million (2016: approximately HK\$50.8 million), respectively.

The total interest-bearing borrowing and bank overdraft (31 December 2016: bank overdrafts) of the Group as at 31 December 2017 were approximately HK\$19.6 million (31 December 2016: approximately 2.4 million), and current ratio as at 31 December 2017 was approximately 1.4 times (31 December 2016: approximately 2.3 times).

The Group's borrowings and bank balances are mainly denominated in Hong Kong dollars ("HK\$") and there was no significant exposure to foreign exchange rate fluctuations during the year.

The Group's gearing ratio, which is calculated by dividing the amount due to a shareholder of the holding company, a bank borrowing and the bank overdrafts by total equity at the year-end date, increased from approximately 4.9% as at 31 December 2016 to approximately 90.1% as at 31 December 2017, primarily due to the increase in the level of bank borrowing and the decrease in total equity. The increase in the level of bank borrowing was primarily due to a new term loan raised during the year, whereas the decrease in total equity was primarily due to the declaration of interim dividends during the year.

Principal Risks and Uncertainties

The management considers that the followings are the principal risks and uncertainties faced by the Group:

- (i) the business of the Group relies on successful tenders and any failure of the Group to secure tender contracts would affect the operations and financial results of the Group;

流動資金及財務資源

於二零一七年十二月三十一日，本集團的總資產約為74.0百萬港元(二零一六年：約91.0百萬港元)，分別以負債總額及股東權益(包括股本及儲備)約52.3百萬港元(二零一六年：約40.2百萬港元)及約21.7百萬港元(二零一六年：約50.8百萬港元)撥資。

於二零一七年十二月三十一日，本集團的計息借貸及銀行透支(二零一六年十二月三十一日：銀行透支)總額約為19.6百萬港元(二零一六年十二月三十一日：約2.4百萬港元)，及二零一七年十二月三十一日的流動比率約為1.4倍(二零一六年十二月三十一日：約2.3倍)。

本集團的借貸及銀行結餘主要以港元(「港元」)計值，年內並無外匯匯率波動之重大風險。

本集團的資本負債比率(按年結日的應付控股公司一名股東款項、銀行借貸及銀行透支額除以權益總額計算)由二零一六年十二月三十一日約4.9%增加至二零一七年十二月三十一日約90.1%，乃主要由於銀行借貸水平上升及權益總額減少所致。銀行借貸水平上升主要由於年內新籌措有期貨款，而權益總額減少主要由於年內宣派中期股息。

主要風險及不確定因素

管理層認為下列各項為本集團面對的主要風險及不確定因素：

- (i) 本集團的業務倚賴競標成功，而本集團未能取得競標合約會影響本集團的營運及財務業績；

MANAGEMENT DISCUSSION AND ANALYSIS
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| <p>(ii) erroneous or inaccurate estimation of project duration and the costs involved when determining the tender price may adversely affect the profitability and financial performance of the Group;</p> <p>(iii) the historical revenue and profit margin may not be indicative of the future revenue and profit margin of the Group; and</p> <p>(iv) any delay or defects of the works of the supplies and subcontractors' of the Group would adversely affect its operations and financial results.</p> | <p>(ii) 釐定競標價格時對項目時長及成本的錯誤或不準確的估計或會對本集團的盈利能力及財務表現產生不利影響；</p> <p>(iii) 本集團的過往收益及利潤率未必可作為日後收益及利潤率的指標；及</p> <p>(iv) 本集團供應品及分包商的工程有任何延誤或缺陷將對其經營及財務業績造成不利影響。</p> |
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For other risks and uncertainties facing the Group, please refer to the section headed "Risks Factors" in the prospectus issued by the Company on 12 February 2018 (the "Prospectus").

有關本集團面對的其他風險及不確定因素，請參閱本公司於二零一八年二月十二日刊發的招股章程（「招股章程」）「風險因素」一節。

Relationship with customers, suppliers and subcontractors

與客戶、供應商及分包商的關係

Customers

客戶

The Group's customers mainly include main contractors and subcontractors of various types of building projects including infrastructural, commercial and residential building projects in Hong Kong and Macau. The Group has had business relationship with the top customers for a period ranging from approximately 1 year to over 10 years which the Directors believe implying that the Group has established good relationship with its customers and is therefore invited by the customers to submit tenders from time to time.

本集團的客戶主要包括香港及澳門各種樓宇項目（包括基建、商業及住宅樓宇項目）的總承建商及分包商。本集團與主要客戶保持介乎約1年至10年以上的業務關係。董事認為，由於本集團已與客戶建立良好關係，因此不時獲客戶邀請提交標書。

Suppliers and Subcontractors

供應商及分包商

During the year ended 31 December 2017, the suppliers and subcontractors of the Group included (i) suppliers of air-conditioning equipment and materials; (ii) suppliers of processing services on the Group's equipment and materials; (iii) machinery rental service providers; and (iv) subcontractors engaged by the Group to perform the site works. The Group engaged the suppliers and subcontractors on a regular basis.

截至二零一七年十二月三十一日止年度，本集團的供應商及分包商包括：(i)空調設備及材料供應商；(ii)本集團設備及材料的加工服務供應商；(iii)機械租賃服務供應商；及(iv)獲本集團委聘進行地盤工程的分包商。本集團定期委聘供應商及分包商。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group maintains an internal list of approved suppliers and subcontractors. The Group selects suppliers based on a number of factors such as their prices, quality of the goods and services supplied, past performances and timeliness of delivery. While engaging subcontractors, the Group selects the subcontractors for a project by taking into account their availability of resources and manpower, experience, track record, service quality, safety performance, timeliness of delivery, reputation and fee quotations.

The Group did not encounter any material difficulty in sourcing equipment and materials and services from our suppliers or assigning subcontractors during the year ended 31 December 2017.

Capital Structure

The capital structure of the Group consists of net debts, which include the bank borrowing, net of cash and cash equivalents, and equity of the Group, which comprises share capital and reserves.

Immediately upon Listing, the total issued share capital of the Company was HK\$5,740,000 divided into 574,000,000 Shares of par value of HK\$0.01 each. There has been no change in the capital structure of the Group since then. The share capital of the Group only comprises of ordinary shares.

As at 31 December 2017, the Company's issued share capital was HK\$7,800 (2016: US\$850) divided into 780,000 ordinary Shares of par value of HK\$0.01 each (2016: 850 of US\$1 each).

Commitments

The contractual commitments of the Group were primarily related to the leases of its office premises. The Group's operating lease commitments amounted to approximately HK\$0.3 million as at 31 December 2017 (31 December 2016: approximately HK\$1.3 million).

Future Plans for Material Investments and Capital Assets

Save as disclosed in the Prospectus and this annual report, the Group did not have any plans for material investments or capital assets as of 31 December 2017.

本集團備存一份認可供應商及分包商的內部名單。本集團根據多項因素甄選供應商，例如價格、所提供貨物及服務質素、過往表現及準時交付能力。委聘分包商時，本集團會考慮彼等可供使用的資源及人力、經驗、往績、服務質素、安全表現、準時交付能力、聲譽及報價，為項目甄選分包商。

截至二零一七年十二月三十一日止年度，本集團向供應商採購設備及材料及服務或指派分包商時並無遇到任何重大困難。

資本結構

本集團的資本結構包括淨債務（其包括銀行借貸），已扣除現金及現金等價物，以及本集團的股權，其由股本及儲備組成。

緊隨上市後，本公司之已發行股本總額為5,740,000港元，分為574,000,000股每股面值0.01港元之股份。自此本集團的資本結構並無變動。本集團的股本僅由普通股組成。

於二零一七年十二月三十一日，本公司之已發行股本為7,800港元（二零一六年：850美元），分為780,000股每股面值0.01港元之普通股（二零一六年：850股每股1美元之股份）。

承擔

本集團的合約承擔主要與租賃辦公室物業有關。於二零一七年十二月三十一日，本集團的經營租賃承擔約為0.3百萬港元（二零一六年十二月三十一日：約1.3百萬港元）。

重大投資及資本資產的未來計劃

除招股章程及本年報所披露者外，於二零一七年十二月三十一日，本集團並無任何重大投資或資本資產的計劃。

MANAGEMENT DISCUSSION AND ANALYSIS
管理層討論及分析**Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures**

During the year ended 31 December 2017, the Group did not have any material acquisitions or disposals of subsidiaries and affiliated companies.

Contingent Liabilities

Save as disclosed in note 28(b) to the consolidated financial statements, as at 31 December 2016 and 2017, the Group did not have other material contingent liabilities.

Foreign Exchange Exposure

The Group's revenue generating operations are mainly transacted in HK\$ and Macau Pataca ("MOP"). The Directors consider the impact of foreign exchange exposure to the Group is minimal and the Group did not engage in any derivatives agreements and did not commit to any financial instrument to hedge its foreign exchange exposure during the year ended 31 December 2017.

Pledge of Assets

Save as disclosed in note 30 to the consolidated financial statements, as at 31 December 2016 and 2017, the Group did not have other pledge of assets.

Employees and Remuneration Policies

As at 31 December 2017, the Group employed a total of 79 (31 December 2016: 167) employees, 51 (31 December 2016: 145) of them were the labour workers nominated by subcontractors. The relevant cost of employing the labour workers nominated by subcontractors has been classified as subcontracting charges and then the staff costs, including Directors' emoluments, of the Group were approximately HK\$18.2 million for the year ended 31 December 2017 (2016: approximately HK\$9.5 million).

The Group promotes individuals based on their performance and development potential in the positions held. In order to attract and retain high quality staff, competitive remuneration package is offered to employees (with reference to market norms and individual employees' performance, qualification and experience). On top of basic salaries, bonuses may be paid with reference to the Group's performance as well as individual's performance. Other staff benefits include provision of retirement benefits, medical benefits and sponsorship of training courses.

附屬公司、聯營公司及合營企業之重大收購及出售

截至二零一七年十二月三十一日止年度，本集團並無任何附屬公司及聯屬公司之重大收購或出售。

或然負債

除綜合財務報表附註的附註28(b)所披露者外，於二零一六年及二零一七年十二月三十一日，本集團並無其他重大或然負債。

外匯風險

本集團產生收益的營運主要以港元及澳門幣（「澳門幣」）交易。董事認為外匯風險對本集團的影響極微，截至二零一七年十二月三十一日止年度，本集團並無訂立任何衍生工具協議，亦無承擔任何財務工具，以對沖其外匯風險。

資產抵押

除綜合財務報表附註的附註30所披露者外，於二零一六年及二零一七年十二月三十一日，本集團並無其他資產抵押。

僱員及薪酬政策

於二零一七年十二月三十一日，本集團合共僱用79名（二零一六年十二月三十一日：167名）僱員，其中51名（二零一六年十二月三十一日：145名）為由分包商提名的工人。僱用由分包商提名的工人的相關成本已被分類為分包費用，而截至二零一七年十二月三十一日止年度，本集團的員工成本（包括董事酬金）約為18.2百萬港元（二零一六年：約9.5百萬港元）。

本集團根據個人表現及於所任職位的發展潛力晉升僱員。為吸引及挽留高質素員工，本集團向僱員提供具競爭力的薪酬組合（參考市場常規及個別僱員的表現、資格及經驗）。除了基本薪金，本集團或會按本集團的表現以及個人表現發放花紅。其他員工福利包括提供退休福利、醫療福利及贊助培訓課程。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICE

The Directors and the management of the Group recognise the importance of sound corporate governance to the long-term success and continuing development of the Group. Therefore, the Board is committed to upholding good corporate standards and procedures, so as to improve the accountability system and transparency of the Group, protect the interests and create value for shareholders of the Company.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 15 of the GEM Listing Rules. The Shares were listed on GEM of the Stock Exchange on 27 February 2018 (i.e. after the financial year ended 31 December 2017 of the Company), the Company has since then adopted and complied with, where applicable, the CG Code except for Code Provision A.2.1 of the CG Code, from the Listing Date up to the date of this report (the "Relevant Period") to ensure that the Group's business activities and decision making processes are regulated in a proper and prudent manner.

Pursuant to Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Chung Chi Keung ("Mr. Chung") is currently the chairman of the Board and the chief executive officer of the Company, responsible for formulating the overall business strategies and overseeing the business and operation of the Group. Considering that, Mr. Chung has been responsible for the overall management and operation of the Group since its inception, the Board believes that it is in the best interest of the Group to have Mr. Chung taking up both roles for effective management and business development.

企業管治常規

董事及本集團管理層肯定健全企業管治對本集團的長遠成功及持續發展極為重要。因此，董事會一直致力維持優良企業標準及程序，以改善本集團的問責制度及提高透明度，保障本公司股東利益及為股東創造價值。

本公司的企業管治常規乃基於GEM上市規則附錄十五所載企業管治守則及企業管治報告（「企業管治守則」）所訂明的原則及守則條文。股份於二零一八年二月二十七日（即於本公司截至二零一七年十二月三十一日止財政年度後）在聯交所GEM上市，且本公司此後自上市日期起直至本報告日期（「有關期間」）已採用及遵守（倘適用）企業管治守則，惟企業管治守則的守則條文A.2.1除外，以確保本集團的業務活動及決策程序得到妥善及審慎規管。

根據企業管治守則的守則條文A.2.1，主席及行政總裁的角色應有區分，並不應由一人同時兼任。鍾志強先生（「鍾先生」）現為董事會主席兼本公司行政總裁，負責制定本集團的整體業務策略及監控業務及營運。鑒於鍾先生自本集團成立以來一直負責其整體管理及營運，董事會相信，鍾先生同時承擔兩個角色就有效管理及業務發展而言符合本集團的最佳利益。

CORPORATE GOVERNANCE REPORT
企業管治報告**BOARD OF DIRECTORS**

The Board is responsible for the overall management of the business of the Group, formulating the Group's overall strategic direction and maintaining appropriate levels of review, challenge and guidance in its relationship with the management. The management is delegated with the authority and responsibility by the Board for the day-to-day management and administration of the Group. The Board is provided with the updates from management to give a balanced and understandable assessment of the performance, recent development and prospects of the Group on a regular basis.

The Board is the ultimate decision-making body for all matters material to the Group and discharges its responsibilities on corporate governance either by itself or the Board Committees set out in Code Provision D.3.1 of the CG Code which include the following:

1. to develop and review the policies and practice on corporate governance of the Group and make recommendations;
2. to review and monitor the training and continuous professional development of the Directors and senior management;
3. to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual applicable to the Directors and employees; and
5. to review the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company.

董事會

董事會負責全面管理本集團業務、制定本集團整體策略方向及對其與管理層的關係維持適當水平的審核、質疑及指引。管理層獲董事會轉授權限及責任執行本集團日常管理及行政事宜。董事會定期獲管理層提供更新資料，以對本集團的表現、最新發展及前景作出公正及易於理解的評估。

董事會是對本集團重大的所有事項的最終決策機構，並自行或透過董事委員會履行企業管治守則的守則條文D.3.1所載其有關企業管治的責任，其中包括以下各項：

1. 制定及審閱有關本集團企業管治的政策及常規，並作出推薦建議；
2. 審閱及監督董事及高級管理層的培訓及持續職業發展；
3. 審閱及監督本集團有關法律及監管規定合規的政策及常規；
4. 制定、審閱及監督董事及僱員的適用行為準則及合規手冊；及
5. 審閱本公司是否遵守企業管治守則及本公司企業管治報告所載披露。

CORPORATE GOVERNANCE REPORT
企業管治報告

COMPOSITION OF THE BOARD

As at the date of this report, the Board comprises five Directors, including two executive Directors and three independent non-executive Directors (the “INED”) as set out below:

Executive Directors

Mr. Chung Chi Keung (*Chairman and Chief Executive Officer*)
Ms. Lai Suk Fan

Independent Non-executive Directors

Mr. Choy Hiu Fai Eric
Mr. Lei For
Mr. Lai Wai Ming

Biographical details of the Directors are set out in “Biographical Details of Directors and Senior Management” on pages 35 to 40 of this annual report.

In compliance with Rules 5.05A, 5.05(1) and (2) of the GEM Listing Rules, the Company has appointed three INEDs representing not less than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise. The Company has received from each INED an annual confirmation of his independence, and the Company considers such the INEDs to be independent in accordance with Rule 5.09 of the GEM Listing Rules.

The Board considers that the balance of power and authority, accountability and independent decision-making under our present arrangement will not be impaired because of the diverse background and experience of our independent non-executive Directors. Furthermore, the Audit Committee of the Company (the “Audit Committee”) has free and direct access to the Company’s external auditor and independent professional advisers when it considers necessary.

董事會組成

於本報告日期，董事會包括五名董事，其中有兩名執行董事以及三名獨立非執行董事（「獨立非執行董事」）：

執行董事

鍾志強先生 (*主席及行政總裁*)
黎淑芬女士

獨立非執行董事

蔡曉輝先生
利科先生
黎偉明先生

董事履歷詳情載於本年度報告第35至40頁「董事及高級管理層履歷」。

根據GEM上市規則第5.05A、5.05(1)及(2)條，本公司已委任三名獨立非執行董事，佔不少於董事會三分之一，且其中至少一名具備適當專業資質、或會計或相關財務管理專長。本公司已接獲各獨立非執行董事對各自獨立性的年度確認書，而根據GEM上市規則第5.09條，本公司認為該等獨立非執行董事當屬獨立。

董事會認為，由於獨立非執行董事的背景及經驗多元化，故現有安排下的權力與職權制衡、問責性及獨立決策將不受影響。此外，本公司審核委員會（「審核委員會」）可自由而直接地與本公司的外部核數師及獨立專業顧問聯繫。

CORPORATE GOVERNANCE REPORT
企業管治報告

The composition of the Board is well balanced with each Director having skills, experience and expertise relevant to the business operations and development of the Group and from a variety of backgrounds. There is diversity of educational background, functional expertise, gender, age and experience. A Board Diversity Policy of the Company has been adopted by the Board before the Listing Date which set out the approach to achieve diversity on the Board and the factors (including but not limited to race, gender, disability, nationality, religious or philosophical belief, age, sexual orientation, family status) to be considered in determining the composition of the Board so as to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategy and to maximize the Board's effectiveness.

To the best knowledge of the Board, there are no other relationship (including financial business, family, and other material/relevant relationships) among the members of the Board as of the date of this report.

BOARD MEETINGS

The Board meets regularly to determine overall strategies, receive management updates, approve business plans as well as financial results and to consider other significant matters. Management also provides updates to the Board with respect to the business activities and development of the Group on a regular basis.

各董事具備與本集團業務營運及發展相關的技能、經驗及專長且來自不同背景，故董事會組成已達致良好平衡。各董事的教育背景、專業知識、性別、年齡及經驗呈現多元化。本公司的董事會多元化政策已經董事會於上市日期前採納，當中載列董事會為達致成員多元化而採取的方針及釐定董事會組合的考慮因素（包括但不限於種族、性別、殘疾、國籍、宗教信仰或哲學信念、年齡、性傾向、家庭狀況），從而確保董事會成員在技能、經驗及觀點與角度多樣化方面保持適當的平衡，以支持其業務策略的執行及令董事會有效運作。

就董事會所深知，截至本報告日期，董事會成員之間並無其他關係（包括財務事項、家屬及其他重大／相關關係）。

董事會會議

董事會定期舉行會議，以釐定整體策略，接收管理層更新，批准業務規劃以及財務業績，並考慮其他重大事項。管理層亦定期向董事會提供有關本集團業務活動及發展的最新進展。

CORPORATE GOVERNANCE REPORT
企業管治報告

During the year ended 31 December 2017 and prior to the Listing, the Board had held meetings to approve, among other things, matters relating to the Listing. One Board meeting was held during the Relevant Period and no general meeting has been held by the Company. The attendance records of the Directors of the Board meeting during the Relevant Period is set out as below.

截至二零一七年十二月三十一日止年度及於上市前，董事會舉行會議以批准(其中包括)上市所涉及事宜。於有關期間本公司已舉行一次董事會會議及並無舉行股東大會。董事於有關期間出席董事會會議的記錄列載於下文。

Name of Directors		Number of Board meetings attended/ eligible to attend
董事姓名		已出席/合資格出席董事會會議次數
Executive Directors		
Mr. Chung Chi Keung	鍾志強先生	1/1
Ms. Lai Suk Fan	黎淑芬女士	1/1
Independent Non-executive Directors <i>(Note)</i>		
Mr. Choy Hiu Fai Eric	蔡曉輝先生	1/1
Mr. Lei For	利科先生	1/1
Mr. Lai Wai Ming	黎偉明先生	1/1

Note: The INEDs were appointed on 31 January 2018.

附註：獨立非執行董事乃於二零一八年一月三十一日獲委任。

TERMS OF APPOINTMENT AND RE-ELECTION OF DIRECTORS**董事委任及重選連任條款**

Each of the executive Directors entered into a service agreement and each of the INEDs signed a letter of appointment with the Company. Both of the said service agreement and letters of appointment are for an initial term of three years commencing from the Listing Date, subject to re-election in accordance with amended and restated Articles of Association of the Company, as amended from time to time, (the "Articles") and termination in accordance with their respective terms.

執行董事各自已與本公司訂立服務協議，而獨立非執行董事各自已與本公司簽訂委任書。上述服務協議及委任書的初步年期均為自上市日期起計三年，惟根據本公司不時修訂的經修訂及經重列組織章程細則(「細則」)可膺選連任及根據各自的條款終止。

CORPORATE GOVERNANCE REPORT
企業管治報告

Pursuant to Article 16.18 of the Articles, one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company and every Director shall be subject to retirement by rotation at least every three years. However, a retiring Director shall be eligible for re-election. Any Director who is appointed by the Board to fill the casual vacancy and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following general meeting of the Company and shall be eligible for re-election pursuant to Article 16.2.

As such, Mr. Chung and Ms. Lai Suk Fan will retire from office as Directors and being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company to be held on 30 May 2018 in accordance with the Articles and relevant code provision under the CG Code.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted a code of conduct regarding securities transactions by the Directors on the terms no less exacting than the required standard of dealing set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of all the Directors and all Directors confirmed that they had complied with the required standard of dealings regarding transactions during the Relevant Period. The Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the Relevant Period.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

The Group acknowledges the importance of continuing professional development for the Directors to extend and refresh their knowledge and skills. Every Director keeps abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company.

The Directors are fully aware of the requirement under the Code Provision A.6.5 of the CG Code regarding the professional development. During the year ended 31 December 2017, all Directors attended the training session regarding the duties and liabilities of directors and listed companies.

根據細則第16.18條，三分之一董事須於本公司每屆股東週年大會上輪值退任，且每名董事須至少每三年輪值退任一次。然而，退任董事合資格膺選連任。任何獲董事會委任填補臨時空缺的董事及任何獲董事會委任加入現有董事會的董事僅可任職至本公司下屆股東大會止，並合資格根據第16.2條膺選連任。

因此，根據細則及企業管治守則之相關守則條文，鍾先生及黎淑芬女士將於本公司訂於二零一八年五月三十日舉行的應屆股東週年大會上退任董事職務，並合資格且願意膺選連任。

董事進行證券交易的行為守則

本集團已採納有關董事進行證券交易的行為守則，其條款的嚴格程度不遜於GEM上市規則第5.48至5.67條所載的規定買賣準則。本公司亦已向全體董事作出具體查詢及所有董事確認彼等於有關期間已遵守有關交易的規定交易準則。本公司獲悉，於有關期間內，概無任何違反有關董事進行證券交易的規定買賣準則。

董事培訓及專業發展

本集團深諳持續專業發展對董事拓展及補充知識及技能的重要性。各董事均恪守作為本公司董事的責任，並時刻緊貼本公司的操守、業務活動及發展。

董事全面知悉企業管治守則的守則條文第A.6.5條有關專業發展的規定。截至二零一七年十二月三十一日止年度，全體董事已出席有關董事及上市公司職責及責任的培訓。

CORPORATE GOVERNANCE REPORT
企業管治報告**BOARD COMMITTEES**

The Board established three Board committees, namely the Audit Committee, Remuneration Committee and Nomination Committee by resolutions of Directors passed on 31 January 2018, for overseeing particular aspects of the Group's affairs. All Board committees were established with written terms of reference in compliance with the relevant code provisions of the CG Code, which are available at the GEM's website (www.hkgem.com) and the Company's website (www.wingfunggroup.com).

Audit Committee

The Audit Committee was established on 31 January 2018. The Audit Committee currently consists of three members, which includes Mr. Choy Hiu Fai Eric, Mr. Lei For and Mr. Lai Wai Ming, all of which are our INEDs. Mr. Choy Hiu Fai Eric is the chairman of the Audit Committee, who holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules.

The primary duties of the Audit Committee are to make recommendation to the Board on appointment or re-appointment and removal of external auditor; review financial statements of our Company and judgments in respect of financial reporting; and oversee the effectiveness of the procedures of the internal control procedures and risk management of the Group.

The audited consolidated financial statements of the Group for the year ended 31 December 2017 had been reviewed by the Audit Committee, which was of the opinion that the audited consolidated financial statements have been prepared in compliance with the applicable accounting standards and the GEM Listing Rules.

No Audit Committee meeting was held during the year ended 31 December 2017. During the Relevant Period, one Audit Committee meeting was held to review and discuss with the management and the external auditor the accounting principles and practices adopted by the Group, as well as reviewing the results for the year ended 31 December 2017. All members of the Audit Committee have attended the said meeting.

董事委員會

董事會透過於二零一八年一月三十一日通過的董事決議案設立三個董事委員會，即審核委員會、薪酬委員會及提名委員會，以監管本集團特定事宜。所有董事委員會均根據企業管治守則之有關守則條文設立，並有書面職權範圍（可於GEM網站(www.hkgem.com)及本公司網站(www.wingfunggroup.com)查閱）。

審核委員會

審核委員會於二零一八年一月三十一日設立。審核委員會現由三名成員組成，即獨立非執行董事蔡曉輝先生、利科先生及黎偉明先生。蔡曉輝先生為審核委員會主席，持有GEM上市規則第5.05(2)條及第5.28條規定的適當專業資格。

審核委員會的主要職責為（其中包括）就外部核數師的委任、重新委任及罷免向董事會提供建議；審閱本公司的財務報表及有關財務匯報的判斷；以及監察本集團內部監控程序及風險管理的程序成效。

審核委員會已審閱本集團截至二零一七年十二月三十一日止年度的經審核綜合財務報表，且認為經審核綜合財務報表已根據適用會計準則及GEM上市規則編製。

截至二零一七年十二月三十一日止年度，審核委員會概無舉行任何會議。於有關期間，審核委員會舉行一次會議，以審閱及與管理層及外部核數師討論本集團採納的會計原則及慣例以及審閱截至二零一七年十二月三十一日止年度的業績。全體審核委員會成員出席該會議。

CORPORATE GOVERNANCE REPORT
企業管治報告**Remuneration Committee**

The remuneration committee of the Company (the "Remuneration Committee") was established on 31 January 2018. The Remuneration Committee consists of three members and is chaired by an INED and comprises a majority of INEDs in accordance with the requirements under Rule 5.34 of the GEM Listing Rules. This includes Mr. Lai Wai Ming, who is the chairman of the Remuneration Committee, Mr. Choy Hiu Fai Eric, both of whom are our INEDs and our executive Director, Mr. Chung.

The primary duties of the Remuneration Committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors, senior management and general staff of our Group and ensure that none of the Directors or any their associates determine their own remuneration.

No Remuneration Committee meeting was held during the year ended 31 December 2017. During the Relevant Period, one Remuneration Committee meeting was held to review the remuneration structure of the Directors. All members of the Remuneration Committee have attended the said meeting.

Directors and Senior Management's Remuneration

Particulars of the Directors' remuneration for the year ended 31 December 2017 are set out in note 11 to the consolidated financial statements.

Pursuant to code provision B.1.5. of the CG Code, the remuneration of the members of the senior management (other than the Directors) whose particulars are contained in the section headed "Biographical Details of Directors and Senior Management" of this annual report for the year ended 31 December 2017 by band is set out below.

薪酬委員會

本公司於二零一八年一月三十一日設立薪酬委員會(「薪酬委員會」)。薪酬委員會由三名成員組成，根據GEM上市規則第5.34條，由一名獨立非執行董事擔任主席及絕大部分成員為獨立非執行董事，包括獨立非執行董事黎偉明先生(薪酬委員會主席)、蔡曉輝先生以及執行董事鍾先生。

薪酬委員會的主要職責為就本集團全體董事、高級管理層及普通員工的整體薪酬政策及架構向董事會提供建議，確保董事或其任何聯繫人不得參與釐定自己的薪酬。

截至二零一七年十二月三十一日止年度，薪酬委員會概無舉行任何會議。於有關期間，薪酬委員會舉行一次會議，以審閱董事薪酬架構。全體薪酬委員會成員出席該會議。

董事及高級管理層之薪酬

有關截至二零一七年十二月三十一日止年度之董事薪酬詳情載於綜合財務報表附註11。

根據企業管治守則守則條文第B.1.5.條，截至二零一七年十二月三十一日止年度高級管理層成員(不包括董事)之薪酬(詳情載於本年報「董事及高級管理層履歷詳情」一節)範圍列載如下：

Remuneration Band (in HK\$) 薪酬範圍(港元)	Number of individuals 人數
Nil to 1,000,000	零至1,000,000 2

CORPORATE GOVERNANCE REPORT
企業管治報告**Nomination Committee**

The nomination committee of the Company (the “Nomination Committee”) was established on 31 January 2018. The Nomination Committee consists of three members and is chaired by an INED and comprises a majority of INEDs in accordance with the requirements under Code Provision A.5.1 of the CG Code. This includes Mr. Lei For, the chairman of the Nomination Committee and Mr. Lai Wai Ming, both of whom are our INEDs and our executive Director, Mr. Chung.

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board annually, identify individuals suitably qualified to become Board members; assess independence of independent non-executive Directors and make recommendation to the Board on matters relating to appointment, reappointment of Directors.

No Nomination Committee meeting was held during the year ended 31 December 2017. During the Relevant Period, one Nomination Committee meeting was held to review the structure of the Board, assess the independence of the INEDs and make recommendation to the re-election of the Directors at the forthcoming annual general meeting of the Company. All members of the Nomination Committee have attended the said meeting.

COMPANY SECRETARY

Mr. Law Pak Hin Edward was appointed as Company Secretary of the Company on 14 February 2017. Please refer to the section “Biographical details of Directors and Senior Management” for his biographical information.

During the year ended 31 December 2017, Mr. Law was not yet subject to the relevant professional training requirements in accordance with Rule 5.15 of the GEM Listing Rules as the Listing Date is after the year ended 31 December 2017.

提名委員會

本公司於二零一八年一月三十一日設立提名委員會（「提名委員會」）。提名委員會由三名成員組成，根據企業管治守則的守則條文第A.5.1條，由一名獨立非執行董事擔任主席。提名委員會絕大部分成員為獨立非執行董事，包括獨立非執行董事利科先生（提名委員會主席）及黎偉明先生以及執行董事鍾先生。

提名委員會的主要職責為每年檢討董事會的架構、規模及組成，物色具備合適資格可擔任董事會成員的人士；評核獨立非執行董事的獨立性以及就董事委任或重新委任的相關事宜向董事會提供建議。

截至二零一七年十二月三十一日止年度，提名委員會概無舉行任何會議。於有關期間，提名委員會舉行一次會議，以審閱董事會架構、評估獨立非執行董事之獨立性及於本公司下屆股東週年大會上就董事重選提供建議。全體提名委員會成員出席該會議。

公司秘書

羅柏妍先生於二零一七年二月十四日獲委任為本公司之公司秘書。有關羅先生之履歷資料，請參閱「董事及高級管理層之履歷詳情」一節。

截至二零一七年十二月三十一日止年度，由於上市日期遲於截至二零一七年十二月三十一日止年度，故羅先生尚未需要接受GEM上市規則第5.15條規定的相關專業培訓的要求。

CORPORATE GOVERNANCE REPORT
企業管治報告

DIRECTORS' AND EXTERNAL AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparation of the financial statements which give a true and fair of the state of affairs of the Group. In preparing the financial statements which give a true and fair view, it is fundamental that appropriate accounting policies should be selected and applied consistently.

The statement of external auditor about its reporting responsibilities on the consolidated financial statements is set out in the independent auditor's report on pages 56 to 63 of this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

Our Company recognises the importance of good internal control procedures and, as disclosed in the Prospectus, intends to adopt or have adopted a number of measures.

During the year ended 31 December 2017 and prior to the Listing, we engaged an external independent internal control advisory firm (i) to review and assess our internal control systems (including accounting and management systems); and (ii) to prepare a report to the Company on factual findings and recommendations for improvements on our internal control systems over the abovementioned processes and procedures. During the year ended 31 December 2017, the Group has implemented the relevant internal control measures based on the recommendation of the external internal control consultant. The external internal control consultant confirmed such modified and new internal control procedures are satisfactorily implemented upon the conduct of follow-up review.

The Group also established a set of risk management policies and measures. The Group's risk management process starts with identifying the major risks associated with its business, industry and market in the ordinary course of business. The Board and senior management are responsible for identifying the analysing the risk associated with their respective function, preparing and measuring risk mitigation plans and reporting the status of risk management.

董事及外部核數師就財務報表須承擔之責任

董事確認其須就編製公平及真實反映本集團狀況之財務報表承擔責任。於編製真實公平之財務資料時，選擇及採用一致之會計政策尤為重要。

有關外部核數師就其對綜合財務報表承擔之申報責任之聲明載於本年報第56至63頁之獨立核數師報告。

內部監控及風險管理

如招股章程所披露，本公司確認良好內部程序的重要性，且擬採納或已採納多項措施。

於截至二零一七年十二月三十一日止年度及上市前，我們委任了外部獨立內控顧問公司，(i)對我們的內部監控制度(包括會計與管理制度)進行評審；及(ii)向本公司提交報告，說明評審所發現的實況，以及就上述內部監控制度的流程與程序提出改進建議。截至二零一七年十二月三十一日止年度，本集團已根據外部內控顧問的建議，實施相關內部監控措施。外部內控顧問確認，於進行跟進檢討後，該等經修訂及新訂內部監控程序已予充分落實。

本集團亦已制訂一套風險管理政策及措施。本集團的風險管理程序開始於業務的一般過程中識別與其業務、行業及市場有關的重大風險。董事會及高級管理層負責識別及分析與其各自職能有關的風險、編製及衡量緩解風險計劃並匯報風險管理狀況。

CORPORATE GOVERNANCE REPORT
企業管治報告

The Audit Committee is also accountable for and will review of the Company's financial controls, risk management, internal control and internal audit system on a regular basis and at least annually.

The Board has conducted a review of the effectiveness of the risk management and internal control system of the Company and its subsidiaries and considers that our internal control systems and current procedures including the adequacy of resources, staff qualifications and experience, and budget of the Company's accounting and financial reporting function are sufficient in terms of the comprehensiveness, practicability and effectiveness.

EXTERNAL AUDITOR

Deloitte Touche Tohmatsu ("Deloitte") is the external auditor of the Company. The Audit Committee is responsible for making recommendation to the Board on the appointment, re-appointment and removal of the external auditor, which is subject to the approval by the Board and at the general meetings of the Company by its shareholders. The fee paid or payable in respect of audit services amount to HK\$700,000 for the year ended 31 December 2017.

Non-audit services provided to the Group during the year ended 31 December 2017 mainly represented the reporting accountant's work in connection with the Listing and tax services provided by Deloitte of approximately HK\$2,893,000.

SHAREHOLDERS' RIGHTS AND INVESTOR RELATIONS

As one of the measures to safeguard the Shareholders' interests and rights, separate resolutions will be proposed at Shareholders' meeting on each substantial issue including the re-election of individual directors. All resolutions put forward at the Shareholders' meeting will be conducted by poll pursuant to the GEM Listing Rules and the poll voting results will be published on the GEM's website (www.hkgem.com) and the Company's website (www.wingfunggroup.com).

審核委員會亦負責及將定期及至少每年審閱本公司財務控制、風險管理、內部監控及內部審核制度。

董事會已對本公司及其附屬公司的風險管理及內部監控系統有效性進行審閱，並認為我們的內部監控系統及現有程序(包括資源充足性、員工質素及經驗及本公司會計及財務申報部門預算)屬相當充分，是周全完善、切實可行和卓有成效的。

外部核數師

德勤•關黃陳方會計師行(「德勤」)為本公司外部核數師。審核委員會負責就外部核數師的委任、重新委任及罷免向董事會提供建議，惟須經董事會及股東於本公司股東大會上批准。截至二零一七年十二月三十一日止年度，就審核服務已付或應付費用達700,000港元。

截至二零一七年十二月三十一日止年度，向本集團提供的非審核服務主要指德勤就上市及稅務服務提供的申報會計師工作約2,893,000港元。

股東權利及投資者關係

作為其中一項保障股東權益及權利之措施，本公司於股東大會上就每項重大事宜(包括重選個別董事)提呈獨立決議案。根據GEM上市規則，於股東大會上提呈之所有決議案均以投票方式表決，投票表決結果將刊載於GEM網站(www.hkgem.com)及本公司網站(www.wingfunggroup.com)。

CORPORATE GOVERNANCE REPORT
企業管治報告**Procedures and Right for Shareholders to Convene Extraordinary General Meeting**

The following procedures for shareholders to convene an extraordinary general meeting (the "EGM") are subject to the Articles, and the applicable legislation and regulation, in particular the GEM Listing Rules:

1. If any 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 carrying the right of voting at the general meetings of the Company submit a written requisition to the Board or the secretary of the Company to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.
2. The Board should within 21 days from the date of the deposit for the requisition proceed duly to convene the EGM to be held within a further 21 days. If the Board failed to do so, the requisition(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.

Shareholders may also make reference to Article 12 of the Articles.

Shareholders who have enquiries regarding the above procedures may write to the company secretary of the Company at Units 13 & 14, 9th Floor, Worldwide Industrial Centre, 43-47 Shan Mei Street, Fotan, the New Territories, Hong Kong.

Procedures for Shareholders to Propose a Person for Election as a Director of the Company

If a Shareholder, who is duly qualified to attend and vote at the general meeting convened to deal with the appointment or election of Director(s), wishes to propose a person for election as a Director at that meeting, he/she may lodge a written notice at the Company's principal place of business in Hong Kong at Units 13 & 14, 9th Floor, Worldwide Industrial Centre, 43-47 Shan Mei Street, Fotan, the New Territories, Hong Kong for the attention of the company secretary of the Company. Detailed procedures for Shareholders to propose a person for election as a Director of the Company can be found on the Company's website (www.wingfunggroup.com).

股東召開股東特別大會之程序及權利

以下股東召開股東特別大會(「股東特別大會」)之程序遵守細則及適用法律及法規，尤其是GEM上市規則：

1. 任何一位或以上於遞呈要求當日持有不少於本公司繳足股本(具本公司股東大會之投票權)十分之一的股東透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理該要求中指明的任何事務；且該大會應於遞呈該要求後兩(2)個月內舉行。
2. 董事會應於提交要求當日起計21日內正式召開將於其後21日內舉行之股東特別大會。若於遞呈當日起21日內，董事會沒有開展召開有關大會之程序，則遞呈要求人士可自發以同樣方式作出此舉，而遞呈要求人士因董事會之缺失而產生的所有合理開支應由本公司向遞呈要求人償付。

股東亦可參照公司章程第12條。

有意查詢上述程序之股東可致函本公司之公司秘書，地址為香港新界火炭山尾街43-47號環球工業中心9樓13及14室。

股東提名人選參選本公司董事之程序

倘合資格出席並於為委任或選舉董事而召開之股東大會上投票之股東擬於會上提議推選個人人士為董事，彼或須遞交書面通知至本公司香港主要營業地點(地址為香港新界火炭山尾街43-47號環球工業中心9樓13及14室)，以提請本公司之公司秘書注意。有關股東提名人選參選本公司董事之詳細程序可於本公司網站(www.wingfunggroup.com)查閱。

CORPORATE GOVERNANCE REPORT
企業管治報告**Procedure for Putting Forward Proposals at Shareholders' Meetings**

There are no provisions allowing Shareholders to make proposals or move resolutions at Shareholders' meeting under the Articles or the laws of the Cayman Islands. Shareholders who wish to make proposals or move a resolution may, however, convene an EGM in accordance with the "Procedures and Rights for Shareholders to Convene Extraordinary General Meeting" set out above.

Investors Relations

The Board recognises the importance of maintaining an ongoing dialogue with the Shareholders through various channels including general meetings, announcements and corporate communications such as the annual report, interim report and circulars. Latest information of the Group are also available on the Company's website.

The Company has adopted its Shareholders' communications policy. Enquiries and proposals from Shareholders, investors and all stakeholders are welcomed. Enquires to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong at Units 13 & 14, 9th Floor, Worldwide Industrial Centre, 43-47 Shan Mei Street, Fotan, the New Territories, Hong Kong. Such written enquires or proposal with full name, contact details and identification must deposit and send to said address.

Any enquires in relation to the shareholdings, share transfer or registration to the Company's may contact the Company's share registrar. Their contact details are set out in the section headed "Corporate Information" of this annual report.

CONSTITUTIONAL DOCUMENTS

The Company first adopted its memorandum and articles of association on 29 September 2016. Save for the adoption of the amended and restated memorandum and articles of association of the Company for the purpose of the Listing on 31 January 2018, during the year ended 31 December 2017 and the Relevant Period, there had been no significant changes in the constitutional documents of the Company. The latest version of the memorandum and articles of association of the Company is available at the Company's website and the website of the Stock Exchange.

於股東大會提呈草案之程序

細則或開曼群島法律項下並無條文允許股東於股東大會上提呈草案或移除決議案。然而，有意提呈草案或移除決議案的股東可根據上文所載「股東召開股東特別大會之程序及權利」召開股東特別大會。

投資者關係

董事會確認透過多個渠道(包括股東大會、公告及公司通訊(如年報、中報及通函))維持與股東持續溝通的重要性。本集團最新資訊亦可於本公司網站查閱。

本公司已採納其股東溝通政策。歡迎股東、投資者及所有持份者查詢及提議。向董事會或本公司作出之查詢可郵寄至本公司香港主要營業地點(地址為香港新界火炭山尾街43-47號環球工業中心9樓13及14室)。有關附有全名、聯繫方式及身份證明之書面查詢或提議須郵寄至所述地址。

任何向本公司作出之有關股權、股份轉讓或註冊之查詢可聯繫本公司股份過戶登記處。其聯繫方式載於本年報「公司資料」一節。

章程文件

本公司於二零一六年九月二十九日首次採納組織章程大綱及細則。除於二零一八年一月三十一日就上市而採納本公司經修訂及重列組織章程大綱及細則外，截至二零一七年十二月三十一日止年度及直至報告期末及有關期間，本公司章程文件概無發生重大變動。本公司組織章程大綱及細則之最新版本可於本公司網站及聯交所網站查閱。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Introduction

This is the first Environmental, Social and Governance (“ESG”) Report presented by the Group since its Listing in February 2018. This report aims at providing a detailed account of the Group’s effort, policy standing and contribution towards the Group’s sustainability performance for the financial year ended 31 December 2017. To foster a stronger and longer relationship with the stakeholders, we had, to different extent and as deemed appropriate by the management of the Group, assessed and addressed the concerns and needs of the stakeholders. The Group has the highest regard to the sustainability aspects of the operation, and considers that as an intricate part of the business. This report was prepared with reference to and in accordance with the “Environmental, Social and Governance Reporting Guide” set out in Appendix 20 of the GEM Listing Rules.

A. Environmental

The Group is principally engaged as a subcontractor for the provision of supply, installation and fitting-out services of MVAC system for buildings in Hong Kong and Macau. Being so the Group does not have any factory operations nor engage in any operations that involve substantial effect on the environment, aside from consumption of resources by the office administrative operations. Nevertheless, the Group pay due considerations and efforts towards the compliance with applicable laws and regulations in Hong Kong and Macau, and actively cooperate with the main contractor in the environmental protection requirements. Majority of the work of the Group is conducted through its sub-contractors, whereby as part of the project delivery, apart from confirming construction quality, the project team also monitor the environmental performance of its subcontractors. One of the measures includes regularly check to ensure that environmental protection requirements imposed by various parties, including the main contractor, the construction site, and the Group, are met.

緒言

此為本集團自二零一八年二月掛牌上市起呈報的首份環境、社會及管治（「環境、社會及管治」）報告。本報告旨在詳盡說明本集團於截至二零一七年十二月三十一日止財政年度就可持續業務表現作出的努力、政策取向及貢獻。為與持份者建立更深厚及長遠的關係，我們以不同程度及本集團管理層認為合適的方式評估及應對持份者的憂慮及需要。本集團高度關注營運方面的可持續發展，視之為業務不可或缺的一部分。本報告乃參照GEM上市規則附錄20所載之「環境、社會及管治報告指引」編製。

A. 環境

我們主要以分包商的身份在香港及澳門從事提供樓宇機械通風及空調系統的供應、安裝及裝修服務。由此可見，除了辦公室行政作業的資源消耗外，本集團並無任何廠房營運，亦無從事任何涉及對環境造成重大影響的業務。儘管如此，本集團作出周詳考慮並致力遵守香港及澳門的適用法律及法規，同時積極與總承建商合作遵守環境保護規定。本集團大部分工程經由其分包商進行，而作為項目交付一部分，除了確認建築工程品質外，項目團隊亦會監督其分包商的環保表現。其中一項措施包括定期檢查以確保各方（包括總承建商、地盤及本集團）實施的環保規定得以遵守。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告**A. Environmental (Continued)****A.1 Emissions**

The major source of waste comes from the construction work, whereby the Group abides by the regulations imposed by the main contractor and the respective site. The staff and work team follow on-site regulations on waste disposal, and would always inquire the project management team upon any difficulties encountered. The project team would also ensure the compliance with the applicable provisions of the Waste Disposal Ordinance (Chapter 359, Laws of Hong Kong) and its subsidiary regulations, particularly the Waste Disposal (Charges for Disposal of Construction Waste) and the Waste Disposal (Chemical Waste) (General) Regulations.

The main source of the Group's greenhouse gas emissions is derived from direct emission from the mobile combustion sources ("Scope 1"), indirect emission from acquired electricity emissions ("Scope 2") and other indirect emissions ("Scope 3"). The total greenhouse gases emissions from Scope 1, Scope 2 and Scope 3 for the year ended 31 December 2017 were 6,855 kg, 20,715kg and 1,776 kg respectively.

During the year ended 31 December 2017, air emission for nitrogen oxides ("NOx"), sulphur oxides ("SOx") and respiratory suspended particles ("RSP", also known as Particulate Matter ("PM")) were about 1,569g, 37g and 116g respectively, which were mainly produced as a result of company vehicles usage.

A. 環境(續)**A.1 排放**

廢物的主要來源來自建築工程，而本集團已遵守總承建商及相關地盤實施的規定。員工及施工團隊遵循現場廢物處置規定，並時常在遇到困難時向項目管理團隊查詢。項目團隊亦會確保遵守《廢物處置條例》(香港法例第359章)適用條文及其附屬規例，尤其是《廢物處置(建築廢物處置收費)規例》及《廢物處置(化學廢物)(一般)規例》。

本集團溫室氣體排放主要源於移動燃燒源(「第1類」)的直接排放、購買電力排放(「第2類」)的間接排放及其他間接排放(「第3類」)。截至二零一七年十二月三十一日止年度，第1類、第2類及第3類的溫室氣體排放總量分別為6,855千克、20,715千克及1,776千克。

截至二零一七年十二月三十一日止年度，二氧化氮(「NOx」)、二氧化硫(「SOx」)及可吸入懸浮粒子(「RSP」，亦稱為顆粒物質(「PM」))的氣體排放量分別為約1,569克、37克及116克，主要源於使用公司汽車。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告**A. Environmental (Continued)****A.2 Use of resources**

Driven by the belief in maintaining sustainability, the Group strives to ensure efficient use of resources, including energy, materials and other auxiliary materials. Every effort was taken to ensure that material ordered is 'just right' for the intended project, and endeavor to employ excess material to reduce wastage. Total electricity consumption for 2017 was 32,881 kWh and total water consumption for 2017 was of the Group were and 35 cubic meters in the year ended 31 December 2017.

The Group are one of the advocates of BIM technology which could significantly boost the efficiency of the use of resources. BIM technology is a process involving the generation and management of digital representations of physical and functional characteristics of buildings. This envisages virtual construction of a facility prior to its actual physical construction, in order to reduce uncertainty, with opportunities to pre-fabricate or pre-assemble some systems off-site waste can be minimized on-site and products delivered on a just-in-time basis rather than being stockpiled on-site.

A.3 Environmental and natural resources

There are several environmental concerns that are of particular relevance to the Group, such as, air conditioning, refrigeration and heat pump technologies which are increasingly switching to more environmentally friendly refrigerant gases with lower ozone depletion potential and lower global warming potential. The Group is determined to stay abreast with the higher requirements on MVAC equipment and installation process. In delivering the works, the project team would ensure that all services are conducted in an environmentally responsible manner and ensure strict adherence to the applicable laws in Hong Kong and Macau, such as the Noise Control Ordinance (Chapter 40 of the Laws of Hong Kong).

A. 環境 (續)**A.2 資源使用**

本集團堅決維持可持續發展，致力確保有效使用資源，包括能源、材料及其他附屬物料。本集團竭盡所能確保訂購的材料剛好用作擬定項目，致力運用多餘材料以減少浪費。截至二零一七年十二月三十一日止年度，本集團二零一七年的總耗電量為32,881千瓦時及二零一七年的總耗水量為35立方米。

本集團為倡導建築信息模型(BIM)技術的企業之一，其可大大提升資源使用效益。BIM技術是一個關於產生及管理建築物形體及功能特性的數碼表述之程序。這能夠預示一項設施在實體建築前的虛構建築，以減少不確定因素，同時由於有機會在場外預製或預組部分系統，可盡量減少現場廢物及產品可按時交付而毋須在地盤囤積。

A.3 環境及天然資源

多項環境問題與本集團尤其相關，例如空調、冷藏及熱泵技術正日益轉向更加環保的製冷氣體，以降低臭氧破壞潛勢及全球暖化潛勢。本集團堅決緊貼機械通風及空調設備及安裝程序的更高要求。於交付工程時，項目團隊會確保所有服務按環保負責的方式進行，並確保嚴格遵守香港及澳門的適用法律，例如《噪音管制條例》(香港法例第40章)。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告**A. Environmental (Continued)****A.3 Environmental and natural resources (Continued)**

Several other specific regulations directly related to the operations, including the requirement of using lead-free solders for copper pipes at freshwater Inside Services is specified in the standard as stipulated in the Waterworks Regulations. Another regulation example that the Group complies with is the VOC regulation imposed by the Environmental Protection Department. VOCs (volatile organic compounds) are found in wide variety of everyday products such as solvent-based paints/coatings, adhesives, sealants, printing inks, many consumer products, organic solvents and petroleum products.

The Group does not ignore the opportunity to contribute to sustainability at the office space, and the Group drives to reduce emission by reducing consumption and adopting low resources alternatives. Measures included:

- promote emission reduction measures advocating posters at prominent places of the office
- enhance environmental awareness of the employees through various means of internal communications
- advocate the use of double-sided printing and photocopying to reduce paper consumption, and encourage reuse single-sided paper
- reduce the use of disposable and non-recyclable products
- conduct regular maintenance and inspection of vehicles

A. 環境 (續)**A.3 環境及天然資源 (續)**

另有多項特殊規定與營運直接相關，包括規定淡水銅管使用無鉛焊料。內部水管須符合《水務設施規例》所規定的標準。其他本集團遵守的規定例如是環境保護署實施的揮發性有機化合物規例。很多日常用品都含有VOC（揮發性有機化合物），例如溶劑漆料／塗料、黏合劑、密封劑、印墨、多種消費品、有機溶劑及石油產品等。

本集團藉此機會在辦公室方面為可持續發展出一分力，且本集團透過減少使用及採用資源消耗較低的替代品來推動減排。有關措施包括：

- 在辦公室當眼處張貼海報推廣減排措施
- 透過不同內部通訊方式提高僱員的環保意識
- 提倡使用雙面印刷及影印，以減少紙張消耗，並鼓勵重用單面印刷紙張
- 減少使用不可分降及不可循環再用產品
- 定期維修及檢驗汽車

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告**B. Social****B.1 Employment**

The human resource team is well versed in the employment, occupational safety and labour standards in Hong Kong and Macau, and is committed to ensuring the employment of the Group is executed accordingly. We offer equal opportunities to applicants regardless of personal traits such as age and gender. Management of the Group has strong belief in the value of close communication and maintain a constant connection with the employees of the Group on any employment issues. There had been no non-compliance incidents in relation to employment being reported to the management this year.

B.2 Health and safety

The Group is committed to strictly comply with all relevant health and safety legislation. Although the works carried out by the Group and its sub-contractors do not involve heavy machinery or manual handling of hazardous material, the staff teams are exposed to relatively higher health and safety risks. The project management team is committed to conducting on-going risk assessments to identify and manage these risks, with the objectives of achieving the goal of zero accidents.

B. 社會**B.1 僱傭**

人力資源團隊非常熟悉香港及澳門的僱傭、職業安全及勞工準則，致力確保本集團按例執行僱傭事宜。我們對於不同年齡及性別的申請人給予同等機會。本集團管理層深信，就任何僱傭事宜與本集團僱員密切溝通及維持穩定聯繫乃十分重要。於本年度，管理層概無接獲任何有關僱傭不合規事件的報告。

B.2 健康及安全

本集團致力嚴格遵守所有相關健康及安全法例。雖然本集團及其分包商執行的工程不涉及重型機械或人手處理有害物料，惟員工團隊承受相對較大的健康及安全風險。項目管理團隊致力進行持續風險評估以識別及管理該等風險，目標是達到零意外。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告**B. Social (Continued)****B.2 Health and safety (Continued)**

In most cases, the main contractor or the management of the construction site would already have developed and deployed to the staff teams sets of site safety plan and instructions and requires compliance by all subcontractors. Management of the Group, and ensure the subcontractors, to strictly observe these safety plan and directives. Safety instructions for different operations are well-communicated to the employees. In accordance with the safety requirements of the Labour Department and the main contractor, we provide the site staff with qualified safety equipment, including safety helmets, goggles and other necessary safety precautions to ensure the occupational safety of the staff. Personal protective equipment specific to the type of work being performed is made available and distributed. personal protective equipment. The site foremen are responsible for ensuring proper use and maintenance of the equipment. The Group extends the considerations and assessments to the subcontractors and the project team maintain close communication to provide the staff and subcontractors with the latest safety information.

For the financial year ended 31 December 2017, the Group recorded 2 cases of work-related injury, with no fatalities. The accident rate per 1,000 workers is 3.62 in Hong Kong and 27.78 in Macau. Management of the Group has not noted any significant non-compliances on occupational health and safety.

B. 社會(續)**B.2 健康及安全(續)**

於多數情況，總承建商或建築地盤的管理層應已制定及向員工團隊派發地盤安全規劃及指引，並規定所有分包商遵守。本集團管理層確保分包商嚴格遵守該等安全規劃及指引。不同運作的安全指引會向僱員清楚傳達。根據勞工處及總承建商的安全規定，我們向地盤員工提供合資格安全設備，包括安全帽、護目鏡及其他所需安全預防措施，確保員工的職業安全。我們亦提供及派發針對指定類別工作的個人保護裝備。地盤工頭負責確保裝備獲妥善利用及保養。本集團的顧慮及評估延展至分包商，而項目團隊維持緊密聯繫以提供最新安全資訊予員工及分包商。

截至二零一七年十二月三十一日止財政年度，本集團錄得兩宗工傷個案，並無工人死亡。香港及澳門每1,000名工人的意外率分別為3.62及27.78。本集團管理層並無發現任何有關職業健康及安全的重大違規事項。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告**B. Social (Continued)****B.3 Development and training**

The Group is devoted to creating a learning culture among the teams, so as to enable the staff in developing their career and enabling them to reach their goals. The Group therefore from time to time organize the teams to attend external training, such as the BIM induction course, ISO 26000 Guidance on Social Responsibility course, and the Corporate Social Capital in Practice workshop. These among other internal training were welcomed by the teams.

B.4 Labour standards

The Group has a straight policy on employment, whereby we would only hire employees in accordance with the minimum working age with valid citizen identity in strict compliance with the requirements of applicable employment law of the jurisdictions the Group has an operation in.

B.5 Supply chain management

The materials used by the Group are mainly pipes and other fittings. Suppliers were selected based on factors such as material quality, delivery status and past performance from the list of pre-qualified suppliers. The Group put an equal amount of emphasis on their stance in sustainability and whether its product complies with the various relevant regulations and laws. Further the Group ensures that it could meet with the main contractors' requirements. For the selection of subcontractors, the Group had already established long term relationship with several reputable local teams, and the Group imposes the above-mentioned stance in the evaluation and selection process. The communication channels with these parties are seamless and the Group ensures that they who share the commitment to sustainable practices.

B. 社會 (續)**B.3 發展及培訓**

本集團致力在團隊中營造學習文化，讓員工發展事業及讓彼等達到目標。因此，本集團不時安排團隊參與外部培訓，例如建築資訊模型介紹課程、ISO 26000社會責任指導課程及企業社會資本常規工作坊。團隊樂於參與該等活動及其他內部培訓。

B.4 勞工標準

本集團訂有嚴格的僱傭政策，據此，我們只會聘請符合最低工作年齡及擁有有效身份證明文件的僱員，此乃嚴格遵守本集團業務所在司法權區的適用僱傭法例規定。

B.5 供應鏈管理

本集團使用的物料主要為管道及其他配件。從合資格供應商名單挑選供應商時乃根據物料品質、交付情況及過往表現等因素。本集團同樣重視彼等對持續發展的取態及其產品是否符合各項相關法規及法例。另外，本集團確保其符合總承建商規定。挑選分包商方面，本集團已與多個知名本地團隊建立長期關係，而本集團於評估及挑選程序中施加上述取態。與該等人士的溝通渠道暢通無阻，而本集團確保彼等對可持續常規擁有同等承諾。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
環境、社會及管治報告**B. Social (Continued)****B.6 Product responsibility**

The Group is responsible to the main contractor for the works the Group had completed, and had not encountered any issues of product recall or quality issue. Wing Fung HK was accredited with ISO 9001: 2008 (quality management) quality management system standard for its quality management system. Management of the Group believes that the effective quality management systems as well as good compliance track record would improve the overall service quality and profitability.

B.7 Anti-corruption

Any forms of bribery, forgery and misappropriation of materials including intellectual property are strictly prohibited. The Group would issue verbal and written warnings to persons who confirmed of such violation, and in extreme case, summary dismissal. Management of the Group ensures that the teams of the Group follow the Prevention of Bribery Ordinance, and the Group had issued directives and instructions in handling this and similar situations. Various form of training sessions is conducted by the Management to reinforce the knowledge of recognizing and dealing with bribery and corruption. A whistleblowing channel was made available which allows employees as well as third parties who deal with the Group to report any case of unethical behaviour to the director on an anonymous basis.

B.8 Community investment

Since the recent listing on GEM of the Stock Exchange, the Group has been exploring opportunities to contribute to the community, and for the time being the Group focus its resources in contributing to the business community by sharing industry best practices and knowledge.

B. 社會(續)**B.6 產品責任**

本集團就其完成的工程向總承建商負責，且並無遇到任何產品召回事宜或品質問題。榮豐香港的品質管理系統獲得ISO 9001: 2008(品質管理)品質管理系統標準認證。本集團管理層認為有效的品質管理系統及良好的合規往績記錄會提高整體服務質素及盈利能力。

B.7 反貪污

本集團嚴禁任何形式的賄賂、偽造及挪用材料(包括知識產權)。如確認任何人士違規，本集團將向其發出口頭及書面警告，嚴重者會遭即時解僱。本集團管理層確保本集團各團隊遵循《防止賄賂條例》，且本集團已頒佈處理此類及類似情況的指令及指示。管理層會接受不同形式的培訓班以加強識別及處理賄賂及貪污的知識。本集團已設立舉報渠道，讓僱員及與本集團業務往來的第三方以匿名方式向董事舉報任何不道德行為。

B.8 社區投資

自近期於聯交所GEM上市以來，本集團一直尋求機會回饋社區，現時，本集團藉分享行業最佳常規及知識以將資源集中於貢獻業務社群。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷詳情

DIRECTORS

Executive Directors

Mr. CHUNG Chi Keung (鍾志強), aged 61, is our executive Director, the chairman of our Board and the chief executive officer of our Company. He is also the co-founder of our Group in 1996. Mr. Chung is primarily responsible for formulating the overall business strategies and overseeing the business and operation of our Group. Mr. Chung is also a director of all members of our Group.

Mr. Chung has over 42 years of experience in the supply, installation and fitting-out of MVAC system. In March 1974, Mr. Chung joined Young's Engineering Co., Ltd as an apprentice and received training at the Major Air-conditioning Service Department. Upon the completion of his apprenticeship, he continued to work in the same department until July 1980. In 1987, Mr. Chung co-founded Wing Fung Engineering Limited. In July 1996 and March 2007, Mr. Chung established Wing Fung HK and Botop Macau, respectively and has been managing the business and operation of the two companies in Hong Kong and Macau. From 2003 to 2006, Mr Chung was a member of the senior management of Dickson Group Holdings Limited (currently known as Richly Field China Development Limited), a company listed on the main board of the Stock Exchange (stock code: 313), and was responsible for managing the operation of certain construction projects in Hong Kong.

Mr. Chung owns 78.87% of the issued share capital of Wing Fung Capital Limited, one of the substantial Shareholders, which owns 430,500,000 Shares. Accordingly, Mr. Chung is deemed to be interested in all the Shares owned by Wing Fung Capital Limited under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) ("SFO").

董事

執行董事

鍾志強先生，61歲，為本公司執行董事、董事會主席兼行政總裁。於一九九六年，彼亦為本集團聯合創辦人。鍾先生主要負責制定整體業務策略及監督本集團的業務及營運。鍾先生亦為本集團所有成員公司的董事。

鍾先生於機械通風及空調系統的供應、安裝及裝修方面擁有逾42年經驗。於一九七四年三月，鍾先生加入景福工程有限公司擔任學徒並於主要空調部門接受培訓。完成學徒訓練後，彼繼續於同一部門工作至一九八零年七月。於一九八七年，鍾先生聯合創辦Wing Fung Engineering Limited。於一九九六年七月及二零零七年三月，鍾先生分別成立榮豐香港及寶創澳門並於香港及澳門管理兩家公司的業務及營運。自二零零三年至二零零六年，鍾先生為德信集團控股有限公司（現稱為裕田中國發展有限公司，一間於聯交所主板上市的公司（股份代號：313））的高級管理層成員，負責香港若干建設項目的營運管理。

鍾先生擁有Wing Fung Capital Limited的78.87%已發行股本，後者為擁有430,500,000股股份的控股股東之一。因此，根據香港法例第571章證券及期貨條例（「證券及期貨條例」），鍾先生被視為於Wing Fung Capital Limited所擁有的全部股份中持有權益。

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

Ms. LAI Suk Fan (黎淑芬), aged 55, was appointed as our executive Director on 24 March 2017. She is primarily responsible for overseeing the administration and human resources functions of our Group.

Ms. Lai studied at Lee Wai Lee Technical Institute of the Vocational Training Council on a part-time basis and was awarded a certificate for accounting technicians in August 1998. In 1998, Ms. Lai obtained a certificate in Accounting-Third Level issued by the London Chamber of Commerce and Industry Examinations Board. Ms. Lai also joined a distance-learning programme and received a Higher Certificate in Business Management from the Hong Kong Management Association in June 2009.

Ms. Lai has over 36 years of experience in administration, accounting and human resources. Ms. Lai has worked as a junior clerk at Teamlight Enterprises (HK) Ltd. from June 1980 to March 1982, then she joined Shirtmaster Limited as a purchasing clerk from May 1982 to February 1987. During June 1987 to July 1999, Ms. Lai has been working in Wing Fung Engineering Limited and Wing Fung HK and her last position was an administration officer when she left the companies in July 1999. From February 2001 to June 2011, Ms. Lai worked at Artsuc M&E Limited as the administration manager. In July 2011, Ms. Lai rejoined our Group as the administration manager of Wing Fung HK.

黎淑芬女士，55歲，於二零一七年三月二十四日獲委任為我們的執行董事。彼主要負責監督本集團行政及人力資源職能。

黎女士在職業訓練局李惠利工業學院修讀兼讀制課程，並於一九九八年八月獲頒財務會計員證書。於一九九八年，黎女士獲倫敦工商會考試局頒發第三級會計證書。黎女士亦報讀遙距課程，並於二零零九年六月取得香港管理專業協會頒發的商業管理高級函授證書。

黎女士於行政、會計及人力資源方面擁有逾36年經驗。於一九八零年六月至一九八二年三月，黎女士於Teamlight Enterprises (HK) Ltd.任職初級文員，其後彼於一九八二年五月至一九八七年二月加入領威製衣有限公司擔任採購文員。於一九八七年六月至一九九九年七月，黎女士於Wing Fung Engineering Limited及榮豐香港任職，彼於一九九九年七月離任時為行政主任。於二零零一年二月至二零一一年六月，黎女士於藝成機電有限公司任職行政經理。於二零一一年七月，黎女士重返本集團擔任榮豐香港的行政經理。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
董事及高級管理層履歷詳情**Independent Non-executive Directors**

Mr. CHOY Hiu Fai Eric (蔡曉輝), aged 40, was appointed as our independent non-executive Directors on 31 January 2018 and is mainly responsible for supervising and providing independent judgement to the Board.

Mr. Choy has more than 14 years of experience in accounting. Mr. Choy obtained a Bachelor of Business Administration in Accounting and Finance from the University of Hong Kong in November 2000. Upon graduation, he joined Arthur Andersen & Co, an accounting firm, in September 2000. Mr. Choy then continued his career with PricewaterhouseCoopers as a senior associate in the assurance and business advisory services department in July 2002. In 2004, Mr. Choy joined Procon CPA Limited as a managing director and he is now the head of the company's operation in Hong Kong and Shenzhen.

Mr. Choy has been a member of the Hong Kong Institute of Certified Public Accountants since February 2005. He was also admitted as a member of the American Institute of Certified Public Accountants in the United States in June 2002. Mr. Choy has been a Certified Tax Adviser of the Taxation Institute of Hong Kong since 30 September 2010.

Mr. Choy has been an independent non-executive Director of the Hong Kong Building and Loan Agency Limited, a company currently listed on the Main Board of the Stock Exchange (Stock Code: 145) since July 2016.

獨立非執行董事

蔡曉輝先生，40歲，於二零一八年一月三十一日獲委任為我們的獨立非執行董事，主要負責監督及向董事會提供獨立判斷。

蔡先生於會計領域擁有逾14年經驗。蔡先生於二零零零年十一月獲得香港大學工商管理學士(會計及金融學)學位。畢業後，彼於二零零零年九月加入一間會計師事務所安達信會計師事務所。蔡先生其後於二零零二年七月繼續執業，於羅兵咸永道會計師事務所核證及業務諮詢服務部門擔任高級經理。於二零零四年，蔡先生加入博爾會計師有限公司擔任董事總經理，現為香港及深圳的公司營運主管。

蔡先生自二零零五年二月起為香港會計師公會會員。彼亦於二零零二年六月被接納為美國註冊會計師協會會員。自二零一零年九月三十日起，蔡先生為香港稅務學會的註冊稅務師。

自二零一六年七月起，蔡先生為香港建屋貸款有限公司的獨立非執行董事，該公司現為聯交所主板上市公司(股份代號：145)。

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

Mr. LEI For (利科), aged 39, was appointed as our independent non-executive Directors on 31 January 2018 and is mainly responsible for supervising and providing independent judgement to the Board.

Mr. Lei has more than 15 years of experience in investment banking, corporate finance and investment matters. Mr. Lei obtained his Bachelor of Social Science from the Chinese University of Hong Kong in November 2001. He started his career with L.P. Lammas Asia Limited from September 2001 to October 2002. After that, he worked in MasterLink Securities (Hong Kong) Corporation Limited as an executive from December 2002 to February 2005. In February 2005, Mr. Lei joined Haitong International Capital Limited (previously known as Taifook Capital Limited and Tai Fook Capital Limited) as an executive, and he left as a manager in May 2007. From June 2007 to October 2010, he was appointed as the senior manager and then the vice president of the corporate finance department in ABCI Securities Company Limited. Mr. Lei then carried on his career with Cinda (BVI) Limited as the corporate finance director of Cinda International Capital Limited from October 2010 to April 2011. In April 2011 to December 2016, he joined CIMB Securities Limited as a director in investment banking. Mr. Lei is currently the managing director of Apastron Capital Limited.

利科先生，39歲，於二零一八年一月三十一日獲委任為我們的獨立非執行董事，主要負責監督及向董事會提供獨立判斷。

利先生於投資銀行、企業融資及投資事宜方面擁有超過15年經驗。利先生於二零零一年十一月獲香港中文大學頒授社會科學學士。於二零零一年九月至二零零二年十月，彼於豐裕興業有限公司開展事業。其後，於二零零二年十二月至二零零五年二月，彼於元富證券(香港)有限公司擔任行政人員。於二零零五年二月，利先生加盟海通國際資本有限公司(前稱大福融資有限公司)出任行政人員，於二零零七年五月離任時職至經理。於二零零七年六月至二零一零年十月，彼先後獲委任為農銀國際證券有限公司企業融資部高級經理及副總裁。其後，利先生在Cinda (BVI) Limited繼續其事業，於二零一零年十月至二零一一年四月任信達國際融資有限公司企業融資董事。於二零一一年四月至二零一六年十二月，彼加入聯昌證券有限公司擔任投資銀行的董事。利先生目前為Apastron Capital Limited的董事總經理。

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

Mr. LAI Wai Ming (黎偉明), aged 42, was appointed as our independent non-executive Directors on 31 January 2018 and is mainly responsible for supervising and providing independent judgement to the Board.

Mr. Lai graduated from the Hong Kong Polytechnic University in November 1997 and was awarded a Bachelor of Science degree in Building Technology and Management. Then he obtained a Master of Science in Real Estate from the University of Hong Kong in December 1999. In February 2002, Mr. Lai further obtained a diploma in building surveying from the College of Estate Management in the United Kingdom, which is a long-distance programme. Mr. Lai was also certified as a registered professional engineer by the Engineer Registration Board in April 2006, and he was admitted as a member of the Hong Kong Institution of Engineers and the Chartered Institute of Building in December 2004 and May 2005, respectively.

Mr. Lai has over 19 years of experience in building service and engineering. Mr. Lai joined Gammon Construction Limited in July 1998 and he was the assistant project manager when he left the company in November 2007. He then worked at Hongkong Land Limited, a property investment, management and development group listed in London, Bermuda and Singapore, from November 2007 to July 2011 as an assistant project manager. In July 2011, Mr. Lai joined a property developer as a project manager in Hong Kong and he was a senior project manager when he left the company in August 2017. In February 2018, Mr. Lai has joined a construction company in Hong Kong as a project director.

黎偉明先生，42歲，於二零一八年一月三十一日獲委任為獨立非執行董事，主要負責監督及向董事會提供獨立判斷。

黎先生於一九九七年十一月在香港理工大學畢業，獲頒建築科技及管理學理學士學位。彼其後於一九九九年十二月獲香港大學頒授房地產理學碩士。於二零零二年二月，黎先生再於英國College of Estate Management取得建築測量學文憑，該文憑為遙距課程。黎先生亦於二零零六年四月獲工程師註冊管理局認可成為註冊專業工程師，彼分別於二零零四年十二月及二零零五年五月獲認為香港工程師學會及英國特許建造學會會員。

黎先生於屋宇裝備及工程擁有逾19年經驗。黎先生於一九九八年七月加入金門建築有限公司，彼於二零零七年十一月離職時擔任助理項目經理。彼其後於二零零七年十一月至二零一一年七月在Hongkong Land Limited（一間於倫敦、百慕達及新加坡上市的物業投資、管理及發展集團）任職助理項目經理。於二零一一年七月，黎先生加入香港一家地產發展商出任項目經理，彼於二零一七年八月離開該公司時正任職高級項目經理。於二零一八年二月，黎先生加入香港一間建築公司擔任項目總監。

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

SENIOR MANAGEMENT

The following are the senior management team of the Group:

Mr. LAW Pak Hin Edward (羅柏妍), aged 31, joined our Group and was appointed as the chief financial officer of our Group on 12 September 2016. Mr. Law is primarily responsible for overseeing the finance and accounting functions of our Group.

In July 2010, Mr. Law obtained a Bachelor of Commerce from the Australian National University in Australia. He was admitted as an associate of the CPA Australia in August 2010 and was further admitted as a full member in July 2013. Mr. Law has more than 7 years of experience in finance and accounting. Before joining our Group, Mr. Law has joined BDO Limited as an associate in December 2010 and he was an assistant manager when he left BDO Limited in December 2014. Then he carried on his career with Ernst & Young in December 2014 and he was a senior accountant in the assurance department when he left the firm in August 2016.

Mr. YEUNG Man Tsun (楊文雋), aged 33, was appointed as our senior project engineer on 1 March 2017 and is primarily responsible for overseeing and managing project execution and operation.

Mr. Yeung obtained a Bachelor of degree in Building Services and Sustainable Engineering at the University of Central Lancashire in December 2012, which is a long-distance learning programme. Mr. Yeung has more than 9 years of experience in engineering. He joined our Group as an assistant engineer at Botop Macau in July 2007. From August 2010 to February 2017, Mr. Yeung has worked at Wing Fung HK as an engineer.

高級管理層

以下為本集團的高級管理層：

羅柏妍先生，31歲，於二零一六年九月十二日加入本集團及獲委任為本集團財務總監。羅先生主要負責監督本集團的財務及會計職能。

於二零一零年七月，羅先生在澳洲的澳洲國立大學取得商業學士學位。彼於二零一零年八月獲澳洲會計師公會認可為會員，並於二零一三年七月獲認可為正式會員。羅先生於財務及會計擁有超過七年經驗。加入本集團前，羅先生於二零一零年十二月加入香港立信德豪會計師事務所有限公司擔任審計員，彼於二零一四年十二月離職時為助理經理。其後，彼於二零一四年十二月於安永會計師事務所繼續其事業，彼於二零一六年八月離職時為核證部門高級會計師。

楊文雋先生，33歲，於二零一七年三月一日獲委任為高級項目工程師，主要負責監督及管理項目執行及營運。

楊先生於二零一二年十二月獲中央蘭開夏大學頒授屋宇裝備及可持續工程學士學位(為遙距學習課程)。楊先生於工程行業擁有逾9年經驗。彼於二零零七年七月加入本集團擔任寶創澳門的助理工程師。自二零一零年八月至二零一七年二月，楊先生於榮豐香港擔任工程師。

REPORT OF DIRECTORS 董事會報告

The Directors hereby presented their report and audited consolidated financial statements for the year ended 31 December 2017.

CORPORATE REORGANISATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 29 September 2016 under the Companies Law of the Cayman Islands.

The companies now comprising the Group underwent a reorganisation (the “Reorganisation”) to rationalise the structure of the Group in preparation for the Listing. Pursuant to the Reorganisation, the Company became the holding company of the subsidiaries now comprising the Group. Further details of the Reorganisation are set out in the section headed “History, Development and Reorganisation” in the Prospectus. The Shares were listed on the GEM of the Stock Exchange on 27 February 2018.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The Group is principally engaged as subcontractor for the provision of supply, installation and fitting-out services of MVAC systems for buildings in Hong Kong and Macau. The projects of the Group can generally be categorized into public sector projects and private sector projects. A list of the subsidiaries of the Company and details of their principal activities of are set out in note 29 to the consolidated financial statements. There were no significant changes to the Group’s principal activities during the year.

董事謹此提呈彼等於截至二零一七年十二月三十一日止年度的報告及經審核綜合財務報表。

企業重組

本公司根據開曼群島公司法於二零一七年九月二十九日在開曼群島註冊成立為一家獲豁免有限公司。

為籌備上市，現組成本集團之公司已進行重組（「重組」），以精簡本集團之架構。根據重組，本公司成為本集團現時各附屬公司之控股公司。重組之進一步詳情載於本招股章程「歷史、歷史及重組」一節。本公司股份已於二零一七年二月二十七日在聯交所GEM上市。

主要活動及業務回顧

本公司的主要活動為投資控股。本集團主要從事以分包商的身份在香港及澳門提供樓宇機械通風及空調系統的供應、安裝及裝修服務。本集團的項目大致可分為公營界別項目及私營界別項目。本公司附屬公司列表及其主要業務詳情載於綜合財務報表附註29。於本年度，本集團的主要活動並無重大變動。

REPORT OF DIRECTORS
董事會報告

For discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance"), including a fair review of business, discussion of the principal risks and uncertainties facing by the Group, its key relationship with employees, customers, suppliers and subcontractors, an indication of likely future developments in the Group's business and an analysis of the Group's performance during the year using financial key performance indicators, can be found in sections headed "Management Discussion and Analysis" set out on pages 7 to 13 of this annual report and the discussion of its environmental policies and performance, can be found in section headed "Environmental, Social and Governance Report" of this annual report.

COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

For the year ended 31 December 2017, the Group's operations are mainly carried out in Hong Kong and Macau. The Group accordingly shall comply with relevant laws and regulations in Hong Kong and Macau and the respective places of incorporation of the Company and its subsidiaries. During the year and up to the date of this annual report, the Board was not aware of any noncompliance with relevant laws and regulations that have a significant impact on the business and operations of the Group.

SEGMENT INFORMATION

An analysis of the Group's performance for the year ended 31 December 2017 by operating segment is set out in note 6 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated statement of profit or loss and other comprehensive income on page 64 of this annual report.

The Board did not recommend the payment of final dividend of the Company for the year ended 31 December 2017 to the Shareholders.

根據香港法例第622章《香港公司條例》(「公司條例」)附表5規定對該等活動之討論及分析，包括公平審閱業務、討論本集團面臨的主要風險及不明朗因素，其與僱員、客戶、供應商及分包商的關係、本集團業務未來可能發展的指標以及利用關鍵績效指標對本集團年內表現進行的分析，均可於本年報第7至13頁所載「管理層討論及分析」一節，而其環境政策及表現之討論，均載於本年報「環境、社會及管治報告」一節。

遵守適用法律及法規

截至二零一七年十二月三十一日止年度，本集團主要於香港及澳門經營業務。故此，本集團須遵守香港及澳門以及本公司及其附屬公司各自的註冊成立地點的相關法律及法規。年內及直至本年報日期，董事會並不知悉任何違反相關法律及法規，對本集團業務及經營產生重大影響的情況。

分部資料

本集團於截至二零一七年十二月三十一日止年度按經營分部劃分的表現分析載於綜合財務報表附註6。

業績及分派

本集團於截至二零一七年十二月三十一日止年度的業績載於本年報第64頁的綜合損益及其他全面收益表。

董事會建議不向股東派發本公司截至二零一七年十二月三十一日止年度的末期股息。

REPORT OF DIRECTORS
董事會報告

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last two years, as extracted from the consolidated financial statements and the Prospectus, is set out on page 148 of this annual report.

PLANT AND EQUIPMENT

Details of the movements during the year ended 31 December 2017 in the plant and equipment of the Group are set out in note 14 to the consolidated financial statements of this annual report.

SHARE CAPITAL

Details of movements during the year ended 31 December 2017 in the share capital of the Company are set out in note 22 to the consolidated financial statements.

RESERVES

As at 31 December 2017, the Company's reserve available for distribution to the shareholders, calculated in accordance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands amounted to approximately HK\$17,995,000.

EQUITY LINKED AGREEMENT

No equity-linked agreement was entered into by the Group; or existed during the year ended 31 December 2017.

財務概要

本集團於最近兩個年度的業績以及資產及負債的概要(摘錄自綜合財務報表及招股章程), 載於本年報第148頁。

廠房及設備

本集團廠房及設備於截至二零一七年十二月三十一日止年度的變動詳情, 載於本年報綜合財務報表附註14。

股本

本公司股本截至二零一七年十二月三十一日止年度的變動詳情, 載於綜合財務報表附註22。

儲備

於二零一七年十二月三十一日, 本公司可供分派予股東的儲備(根據開曼群島公司法第22章(1961年法例, 經綜合及修訂)予以計算)約為17,995,000港元。

股權相關協議

於截至二零一七年十二月三十一日止年度, 本集團並未訂立股權相關協議, 或存在股權相關協議。

REPORT OF DIRECTORS
董事會報告

DISCLOSURE OF INTERESTS

As at 31 December 2017, the Shares were not yet listed on the Stock Exchange.

(I) Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares or Debentures

Immediately after the Listing, the interests and short positions of the Directors and chief executive of the Company in the Shares, the underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interest or short positions which any such director or chief executive was taken or deemed to have under such provision of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to standard of dealings by Directors referred in Rule 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Name of Shareholder	Capacity/Nature of Interest	Number of the Shares held/ interested in	Long/short position	Percentage of Shareholding
股東姓名	身份／權益性質	所持有／擁有權益的股份數目	好／淡倉	持股百分比
Mr. Chung	Interest in controlled corporation (Note)	430,500,000	Long position	75%
鍾先生	受控制法團權益 (附註)		好倉	

Note:

The 430,500,000 Shares are held by Wing Fung Capital Limited, which is owned as to 78.87% by Mr. Chung. Therefore, Mr. Chung is deemed to be interested in all the Shares held by Wing Fung Capital Limited for the purposes of the SFO. Mr. Chung is the Chairman and Chief Executive Officer and one of the controlling shareholders of the Company.

權益披露

於二零一七年十二月三十一日，股份尚未於聯交所上市。

(I) 董事及最高行政人員於股份、相關股份或債權證的權益及淡倉

緊隨上市後，董事及本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例有關規定彼等被當作或被視為擁有的權益或淡倉），或根據證券及期貨條例第352條記錄於該條所指的登記冊內的權益及淡倉，或根據GEM上市規則第5.46至5.67條所指依據董事的交易標準須知會本公司及聯交所的權益及淡倉如下：

附註：

該430,500,000股股份由Wing Fung Capital Limited持有，Wing Fung Capital Limited由鍾先生擁有78.87%。因此，就證券及期貨條例而言，鍾先生被視為於Wing Fung Capital Limited所持有的所有股份中擁有權益。鍾先生為主席兼行政總裁及為本公司控股股東之一。

REPORT OF DIRECTORS
董事會報告

Save as disclosed above, immediately after the Listing, none of the Directors nor chief executive of the Company has registered any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) 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 or short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required to be notified to the Company and the Stock Exchange pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules.

(II) Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures

So far as the Directors are aware, immediately after the Listing, the following persons/entities (other than the Directors and chief executive of the Company) had or deemed to taken to have an interest or short position in the Shares or underlying Shares which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO and the GEM Listing Rules.

除上文所披露者外，緊隨上市後，概無董事或本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有須(i)根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關規定彼等被當作或被視為擁有的權益或淡倉）；或(ii)根據GEM上市規則第5.46至5.67條須知會本公司及聯交所的權益及淡倉。

(II) 主要股東及其他人士於股份、相關股份或債權證中的權益及淡倉

據董事所知，緊隨上市後，以下人士／實體（董事及本公司最高行政人員除外）於股份或相關股份中，擁有或被視為當作擁有記錄於本公司根據證券及期貨條例第336條須予存置的權益登記冊內，或根據證券及期貨條例第XV部第2及第3分部的條文及GEM上市規則須予披露的權益或淡倉。

Name of Shareholder	Capacity/Nature of Interest	Number of the Shares held/ interested in	Long/short position	Percentage of Shareholding
股東姓名	身份／權益性質	所持有／擁有權益的股份數目	好／淡倉	持股百分比
Ms. Chung Mei Lin Joanne ("Ms. Chung")	Interest of persons acting in concert (note)	430,500,000	Long position	75%
鍾美蓮女士 (「鍾女士」)	一致行動人士權益 (附註)		好倉	
Wing Fung Capital Limited	Beneficial owner	430,500,000	Long position	75%
Wing Fung Capital Limited	實益擁有人		好倉	

REPORT OF DIRECTORS
董事會報告*Note:*

On 29 May 2017, Mr. Chung and Ms. Chung entered into a deed of acting in concert (the “Deed of Acting in Concert”) to acknowledge and confirm, amongst other things, that they are parties acting in concert (within the meaning under the Takeovers Code) in respect of Wing Fung Capital Limited, Wing Fung Engineering (H.K.) Limited and Botop Engineering (Macau) Limited since their respective incorporation. Pursuant to the arrangement under the Deed of Acting in Concert, Mr. Chung and Ms. Chung are deemed to be interested in the Shares held by each other by virtue of the SFO.

Save as disclosed above, immediately after the Listing, no person, other than the Directors and chief executive of the Company whose interests are set out in the section “Directors’ and Chief Executive’s Interests and Short Positions in the Shares, Underlying Shares or Debentures” above, had notified the Company of an interest or short position in the Shares, underlying Shares or debenture of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries was a part to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

附註：

於二零一七年五月二十九日，鍾先生及鍾女士訂立一致行動契據（「一致行動契據」），以承認及確定（其中包括）於Wing Fung Capital Limited、榮豐工程（香港）有限公司及寶創工程（澳門）一人有限公司各自註冊成立以來，彼等就Wing Fung Capital Limited、榮豐工程（香港）有限公司及寶創工程（澳門）一人有限公司為一致行動人士（定義見收購守則）。根據證券及期貨條例，按照一致行動契據項下安排，鍾先生及鍾女士被視為於彼此所持股份中擁有權益。

除上文所披露者外，緊隨上市後，除上述「董事及最高行政人員於股份、相關股份或債權證中的權益及淡倉」所載董事及本公司最高行政人員的權益外，概無人士已向本公司知會須記錄於本公司根據證券及期貨條例第336條須予存置的權益登記冊的任何權益或淡倉，或未根據證券及期貨條例第XV部第2及第3分部的條文須予披露的任何權益或淡倉。

購買股份或債券之安排

於本年度任何時間，本公司或其任何附屬公司並無作為任何一方訂立任何安排致使董事可藉認購本公司或任何其他法人團體之股份或債務證券（包括債券）而從中獲益。

REPORT OF DIRECTORS
董事會報告**MAJOR CUSTOMERS, SUPPLIERS AND SUB-CONTRACTORS**

During the year ended 31 December 2017, so far as the Company is aware, the aggregate revenue attributable to our five largest customers and the largest customer accounted for approximately 99.8% (2016: 99.6%) and 61.5% (2016: 31.5%), respectively, of the Group's total revenue for the year ended 31 December 2017. Purchases from the Group's five largest suppliers accounted for approximately 38.5% (2016: 26.3%) of the Group's total costs of services for the year ended 31 December 2017 and the purchase from the largest supplier included therein amounted to approximately 10.2% (2016: 7.7%). Sub-contracting fees from the Group's five largest sub-contractors accounted for approximately 45.0% (2016: 58.4%) of the Group's total costs of services for the year ended 31 December 2017 and the sub-contracting fee from the largest sub-contractor included therein amounted to approximately 12.5% (2016: 15.2%).

None of the Directors, or any of his close associates (as defined under the GEM Listing Rules) or shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital), had any interest in the Group's five largest customers, suppliers and subcontractors during the year ended 31 December 2017.

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any tax relief or exemption available to the shareholders of the Company by reason of their holding of the Company's securities.

DIRECTORS

The Directors during the year ended 31 December 2017 and up to the date of this report were:

Executive Directors

Mr. Chung Chi Keung (*Chairman and Chief Executive Officer*)
Ms. Lai Suk Fan

Independent Non-executive Directors

Mr. Choy Hiu Fai Eric
Mr. Lei For
Mr. Lai Wai Ming

主要客戶、供應商及分包商

截至二零一七年十二月三十一日止年度，據本公司所知，來自五大客戶及最大客戶的收益總額分別佔本集團截至二零一七年十二月三十一日止年度的總收益約99.8%（二零一六年：99.6%）及61.5%（二零一六年：31.5%）。來自本集團五大供應商的採購額佔於截至二零一七年十二月三十一日止年度本集團總服務成本約38.5%（二零一六年：26.3%），而計入採購額的來自最大供應商的採購額約為10.2%（二零一六年：7.7%）。來自本集團五大分包商的分包費佔於截至二零一七年十二月三十一日止年度本集團總服務成本約45.0%（二零一六年：58.4%），而計入分包費的支付予最大分包商的分包費約為12.5%（二零一六年：15.2%）。

於截至二零一七年十二月三十一日止年度，概無本公司董事或其任何緊密聯繫人（定義見GEM上市規則）或股東（據董事所深知，持有本公司已發行股份5%以上）於本集團五大客戶、供應商及分包商擁有任何權益。

上市證券持有人的稅務減免

本公司並不知悉任何因持有本公司證券而提供予本公司股東的稅務寬減或減免。

董事

於截至二零一七年十二月三十一日止年度及直至本報告日期的董事如下：

執行董事

鍾志強先生（*主席及行政總裁*）
黎淑芬女士

獨立非執行董事

蔡曉輝先生
利科先生
黎偉明先生

REPORT OF DIRECTORS
董事會報告

Notes:

- (1) Ms. Lai Suk Fan was appointed as an executive director of the Company on 24 March 2017.
- (2) Mr. Choy Hiu Fai Eric, Mr. Lei For and Mr. Lai Wai Ming were appointed as director of the Company with effect from 31 January 2018.
- (3) Mr. Tan Kean Ee and Mr. Kung Yuk Tung were appointed as non-executive directors of the Company on 24 March 2017 and they resigned subsequently as the non-executive directors of the Company on 24 October 2017.

Information regarding Directors' emoluments is set out in note 11 to the consolidated financial statements.

An annual confirmation of independence pursuant to the requirements under Rule 5.09 the GEM Listing Rules has been received from each of the INEDs.

BIOGRAPHICAL DETAILS OF DIRECTORS AND CHANGES IN INFORMATION OF DIRECTORS

Brief biographical details of the Directors including the changes in the Directors' information subsequent to the date of the Prospectus issued on 12 February 2018 are included in the biographical details are set out on pages 35 to 40 of this annual report.

DIRECTORS' SERVICES CONTRACTS

Each of the executive Directors has entered into a service agreement with Company for an initial term of three years commencing from the Listing Date and will continue thereafter unless and until terminated by the Company or Director or the Director has not been re-elected as a director of the Company or has been removed by shareholders of the Company at any of its general meeting or is disqualified from acting as a director of the Company in accordance with the articles of association of the Company. Each INEDs was appointed under a letter of appointment for a fixed term of three years commencing from the Listing Date unless terminated by the Company or the Director in accordance with the terms as set out in the letter of appointment.

附註：

- (1) 黎淑芬女士於二零一七年三月二十四日獲委任為本公司之執行董事。
- (2) 蔡曉輝先生、利科先生及黎偉明先生於二零一八年一月三十一日獲委任為本公司之董事。
- (3) 陳鏗亦先生及宮旭東先生於二零一七年三月二十四日獲委任為本公司之非執行董事及彼等其後於二零一七年十月二十四日辭任本公司之非執行董事。

與董事酬金有關之資料載於綜合財務報表附註11。

根據GEM上市規則第5.09條規定之年度獨立確認函已從各獨立非執行董事取得。

董事的履歷詳情及董事資料的變動

董事的履歷詳情簡介(包括計入履歷詳情的於二零一八年二月十二日刊發的招股章程日期後的董事資料的變動)均載於本年報第35至40頁。

董事的服務合約

各執行董事已與本公司訂立服務協議，自上市日期開始初步為期三年，及將延續任期，除非及直至本公司或董事終止協議為止，或董事未獲重選為本公司董事或已被本公司股東於其任何股東大會罷免或根據本公司組織章程細則不符合資格擔任本公司董事。各獨立非執行董事根據委任函獲委任，固定年期由上市日期起計三年，除非本公司或董事根據委任函所載條款予以終止。

REPORT OF DIRECTORS
董事會報告

Save as disclosed above, none of the Directors proposed for re-election at the forthcoming AGM has or is proposed to have a service contracts with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment compensation, other than the statutory compensation.

DIRECTORS' RETIREMENT AND RE-ELECTION

Pursuant to Article 16.18 of the Articles, at every annual general meeting, one third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Any Director appointed pursuant to Article 16.2 or Article 16.3 shall not be taken into account in determining which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

Pursuant to Article 16.2 of the Articles, 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 or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting. Further, according to Article 16.3 of the Articles, the Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but so that the number of Directors shall not be less than two. Subject to the provisions of these Articles and the Companies Law, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election

In accordance with Article 16.18 of the Articles, Mr. Chung and Ms. Lai Suk Fan shall retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election at the forthcoming AGM.

除上文所披露者外，概無擬於應屆股東週年大會上膺選連任的董事與本公司或其任何附屬公司訂立或擬訂立不可由本集團於一年內終止而免付賠償(法定賠償除外)的服務合約。

董事退任及膺選連任

根據細則第16.18條，於每屆股東週年大會上當時三分之一在任董事(或如人數並非三或三之倍數，則最接近但不少於三分之一的人數)須輪值退任，惟每名董事須最少每三年輪席退任一次。於計算須輪席告退的董事時，任何根據細則第16.2條或細則第16.3條委任之董事不應計算在內。退任的董事將任職至其退任的會議結束為止，並且有資格重新參選。本公司在任何董事退任的股東週年大會上，可選舉相同人數的人士出任董事以填補空缺。

根據細則第16.2條，董事會有權不時及隨時委任任何人士為董事，以填補董事會空缺或新加入成員。任何獲委任之董事任期僅直至本公司下屆股東大會舉行時屆滿，屆時可於該會上膺選連任。此外，根據細則第16.3條，本公司可不時在股東大會上通過增加或者減少董事人數的普通決議，但是無論如何增減，董事人數不應少於兩人。受制於本公司章程細則以及該法規的規定，本公司可以，為填補董事會的臨時職位空缺或為任命新任董事，通過普通決議選舉任何人為董事。任何以該等方式任命的董事僅能任職至本公司下一屆股東大會召開之前，並合資格可以在該會議上被重新選舉為董事。

根據細則第16.18條，鍾先生及黎淑芬女士將於應屆股東週年大會上輪值退任，並合資格且願意於應屆股東週年大會上膺選連任。

REPORT OF DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS, CONTRACTS OF SIGNIFICANCE

Save as disclosed in the Prospectus and elsewhere in this annual report, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which the Director or an entity connected the Director had a material interest, whether directly or indirectly, subsisted at any time during the year ended 31 December 2017.

CONTROLLING SHAREHOLDERS' INTERESTS

Save as disclosed in this annual report, there were no contract of significance between the Company or any of its subsidiaries and any controlling Shareholder or any of its subsidiaries or any contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

EMOLUMENTS OF THE DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of Directors and the five highest paid individuals of the Group are set out in note 11 to the consolidated financial statements in this annual report.

EMOLUMENT POLICY

The Remuneration Committee is set up for reviewing the Group's emolument policy and structure for making recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group. The remunerations of the Directors are determined by reference to the Group's operating results, comparable market statistics, the responsibilities and duties assumed by each Director as well as their individual performance.

董事於交易、安排、合約的重大權益

除招股章程及本年報其他部分所披露者外，於截至二零一七年十二月三十一日止年度任何時間，概無本公司或其任何附屬公司為訂約方而董事或與董事關連的實體直接或間接擁有重大權益的與本集團業務有關的重大交易、安排及合約。

控股股東權益

除本年報所披露者外，本公司或其任何附屬公司與控股股東或其任何附屬公司概無訂立重大合約，或控股股東或其任何附屬公司概無訂立向本公司或其任何附屬公司提供服務的任何重大合約。

董事及五名最高薪酬人士的酬金

董事及本集團五名最高薪酬人士酬金的詳情載於本年報的綜合財務報表附註11。

薪酬政策

本公司已設立薪酬委員會對本集團的薪酬政策及架構進行審閱，以對與本集團全體董事及高級管理層相關的整體薪酬政策及架構向董事會作出推薦建議。董事的薪酬乃參照本集團的營運業績、可資比較市場統計數據、各董事承擔的職責以及彼等的個人表現所釐定。

REPORT OF DIRECTORS
董事會報告

COMPETING INTERESTS

The Directors are not aware of any business or interest of Directors nor the controlling shareholder of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any conflicts of interests which any such person has or may have with the Group during the year ended 31 December 2017.

NON-COMPETITION UNDERTAKING

The Company confirms that the non-competition undertaking of Mr. Chung, Ms. Chung and Wing Fung Capital Limited, details of which were set out in the Prospectus, has been fully complied and enforced since the Listing and up to the date of this report. The Board also confirms that there are no other matters in relation to the aforesaid undertaking which should be brought to the attention of the Shareholders and the potential investors.

INTEREST OF COMPLIANCE ADVISER

As at the date of this report, except for (i) the participation of TC Capital International Limited ("TC Capital") as the sponsor in relation to the listing of the Company on GEM; (ii) the compliance adviser agreement entered into between the Company and TC Capital dated 21 April 2017, neither TC Capital nor any of its directors, employees or close associates had any interests in relation to the Group which requires to be notified to the Company pursuant to Rule 6A.32 of GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF 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 ended 31 December 2017.

競爭性權益

於截至二零一七年十二月三十一日止年度，董事概不知悉董事及本公司控股股東及任何彼等各自的緊密聯繫人(定義見GEM上市規則)之任何業務或權益與本集團的業務出現或可能出現競爭，亦不知悉任何該等人士已經或可能與本集團出現任何利益衝突。

不競爭承諾

本公司確認，鍾先生、鍾女士及Wing Fung Capital Limited之間的不競爭承諾(其詳情載於招股章程)於上市日期起及直至本報告日期已完全遵守及執行。董事會亦確認，概無其他與上述承諾相關的事項須提請股東及潛在投資者垂注。

合規顧問的權益

於本報告日期，除(i)天財資本國際有限公司(「天財資本」)就本公司於GEM上市擔任保薦人；(ii)本公司與天財資本所訂立日期為二零一七年四月二十一日之合規顧問協議外，天財資本或其任何董事、僱員或緊密聯繫人概無擁有任何根據GEM上市規則第6A.32條須知會本公司有關本集團之權益。

購買、出售或贖回上市證券

於截至二零一七年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

REPORT OF DIRECTORS
董事會報告**USE OF PROCEEDS FROM LISTING**

The Shares were listed on GEM on 27 February 2018. The net proceeds from the Listing (after deducting the underwriting fees and expenses related to the Share Offer) amounted to approximately HK\$27.2 million will be used for the intended purposes as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus. As at the date of this report, the unused net proceeds were placed with banks in Hong Kong.

PERMITTED INDEMNITY PROVISIONS

Every Director shall be entitled under the Company's Articles to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him or her as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his or her favour, or in which he or she is acquitted. Such provision was in force since the adoption of the Articles upon the Listing Date and remains in force as at the date of this report.

The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against the Directors.

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 December 2017 are set out in note 26 to the consolidated financial statements in this annual report.

上市所得款項用途

股份已於二零一八年二月二十七日在GEM上市，上市所得款項淨額（經扣除有關股份發售的包銷費用及開支後）約為27.2百萬港元，將用作招股章程「未來計劃及所得款項用途」一節所述的擬定用途。於本報告日期，未動用所得款項淨額已存放在位於香港之銀行。

獲准許彌償條文

根據本公司的細則，各董事有權從本公司的資產中獲得彌償，以彌償其作為董事在勝訴或無罪的任何民事或刑事法律訴訟中進行抗辯而招致或蒙受的一切損失或法律責任。有關條文自細則採納起至上市日期生效，並於本報告日期維持有效。

本公司已就董事在任何訴訟中進行辯護而可能招致的相關責任及費用投購保險。

關聯方交易

本集團於截至二零一七年十二月三十一日止年度的關聯方交易詳情載於本年報綜合財務報表附註26。

REPORT OF DIRECTORS
董事會報告

With regards to the transactions referred to in paragraph (iii) therein, as at 31 December 2017, Mr. Chung provided performance guarantee in the amount of HK\$4,870,000 in favor of the Group in respect of a construction contract (the "Guarantee"). Since Mr. Chung is a Director and a controlling Shareholder, he is a connected person of the Company for the purposes of Chapter 20 the GEM Listing Rules and the provision of the Guarantee by Mr. Chung constitutes a continuing connected transaction of the Company. The Directors are of the view that the Guarantee, being a form of financial assistance provided by Mr. Chung for the benefit of our Group, has been conducted on normal commercial terms or better and such financial assistance is not secured by our assets. Accordingly, pursuant to Rule 20.88 of the GEM Listing Rules, such transaction will be fully exempted from all the reporting, announcement and independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Other than the aforesaid, the related party transactions set out in note 26 to the consolidated financial statements had been terminated prior to the Listing and therefore do not constitute connected transactions of the Company as defined under the GEM Listing Rules for the year ended 31 December 2017.

SUFFICIENCY OF PUBLIC FLOAT

To the best knowledge of the Directors and based on the information that it publicly available to the Company, 25% of the Company's issued capital were held by public as at the date of this report.

就第(iii)段所述交易，於二零一七年十二月三十一日，鍾先生就建築合約向本集團提供履約擔保4,870,000港元（「擔保」）。由於鍾先生為董事及控股股東，根據GEM上市規則第20章，彼為本公司的關連人士，而鍾先生提供擔保構成本公司的持續關連交易。董事認為，擔保屬鍾先生以本集團利益提供財務援助的形式，乃按一般商業條款或較佳條款進行，而該財務援助並非由我們的資產作抵押。因此，根據GEM上市規則第20.88條，該交易將獲完全豁免GEM上市規則第20章項下的申報、公告及獨立股東批准規定。

除上文所述外，於截至二零一七年十二月三十一日止年度，綜合財務報表附註26所載關聯方交易已於上市前終止，故並不構成GEM上市規則所定義的本公司關連方交易。

足夠公眾持股量

據董事所深知及根據本公司公開所得資料，於本報告日期，25%的本公司已發行股本由公眾人士持有。

REPORT OF DIRECTORS
董事會報告**AUDITOR**

The consolidated financial statements for the year ended 31 December 2017 have been audited by Deloitte Touche Tohmatsu (“Deloitte”). Deloitte shall retire in the forthcoming AGM and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of Deloitte as auditor of the Company will be proposed at the AGM.

CORPORATE GOVERNANCE

Details of the corporate governance of the Company are set out in the section headed “Corporate Governance Report” on pages 14 to 26 of this annual report.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles or the laws of the Cayman Islands which oblige the Company to offer new shares on a pro rata basis to existing shareholders.

MANAGEMENT CONTRACTS

No contracts concerning management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the year ended 31 December 2017.

CHARITABLE DONATIONS

During the year ended 31 December 2017, our Group did not make any charitable or other donations.

EVENTS AFTER THE REPORTING PERIOD

Details of the events after the reporting period are set out in are set out in note 32 to the consolidated financial statements.

核數師

截至二零一七年十二月三十一日止年度的綜合財務報表已由德勤•關黃陳方會計師行(「德勤」)進行審核。德勤將於應屆股東週年大會上退任，並合資格且願意應選連任。一項決議案將於股東週年大會上提呈以重新委任德勤為本公司核數師。

企業管治

本公司企業管治的詳情載於本年報第14至26頁「企業管治報告」一節。

優先購買權

根據細則或開曼群島法例，概無載列任何有關本公司須按比例向現有股東提呈發售新股份之優先購買權規定。

管理合約

於截至二零一七年十二月三十一日止年度，概無訂立或存在任何與本集團業務中全部或任何重大部分有關之管理及行政合約。

慈善捐贈

於截至二零一七年十二月三十一日止年度，本集團並未作出任何慈善或其他捐贈。

報告期後事項

於報告期後事項的詳情載於綜合財務報表附註32。

REPORT OF DIRECTORS
董事會報告

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlements to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 24 May 2018 to Wednesday, 30 May 2018, both days inclusive, during which period no transfer of shares of the Company will be registered. Shareholders of the Company are reminded to ensure all properly executed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30pm on Wednesday, 23 May 2018.

On behalf of the Board
Wing Fung Group Asia Limited
CHUNG Chi Keung
Chairman

Hong Kong, 21 March 2018

暫停辦理股份過戶登記手續

為釐定出席股東週年大會及於大會上投票的資格，本公司將於二零一八年五月二十四日（星期四）至二零一八年五月三十日（星期三）（包括首尾兩日）暫停辦理股份過戶登記手續，期間將不會辦理股份過戶登記。本公司股東務須確保，所有填妥的股份過戶表格連同相關股票，最遲須於二零一八年五月二十三日（星期三）下午4時30分前交回本公司的香港過戶登記分處卓佳證券登記有限公司（地址為香港皇后大道東183號合和中心22樓）。

代表
榮豐集團亞洲有限公司
主席
鍾志強

香港，二零一八年三月二十一日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Deloitte.

德勤

TO THE SHAREHOLDERS OF WING FUNG GROUP ASIA LIMITED

榮豐集團亞洲有限公司

(Incorporated in Cayman Islands as an exempted company with limited liability)

致榮豐集團亞洲有限公司列位股東

(於開曼群島註冊成立的獲豁免有限公司)

Opinion

We have audited the consolidated financial statements of Wing Fung Group Asia Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 64 to 147, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") 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.

意見

本核數師(「吾等」)已審核榮豐集團亞洲有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載於第64至第147頁之綜合財務報表，其包含於二零一七年十二月三十一日之綜合財務狀況表，及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，包括主要會計政策概要。

吾等認為，綜合財務報表已根據由香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公允地反映 貴集團於二零一七年十二月三十一日之財務狀況及 貴集團截至該日止年度之綜合業績及其綜合現金流量。

意見的基礎

吾等已根據香港會計師公會頒佈之香港核數準則(「香港核數準則」)進行審核工作。吾等於該等準則項下的責任在吾等的報告中之核數師就審核綜合財務報表須承擔的責任一節中詳述。根據香港會計師公會之專業會計師道德守則(「守則」)，吾等獨立於 貴集團，並已遵循守則履行吾等其他道德責任。吾等相信，吾等已取得充分恰當之審核憑證，為吾等之審核意見建立基礎。

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 year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

關鍵審核事項

根據吾等的專業判斷，關鍵審核事項為吾等審核本年度綜合財務報表中最重要的事項。吾等於審核綜合財務報表並就此形成意見時已從整體上處理此等事項，而不會就此等事項單獨發表意見。

Key audit matters
關鍵審核事項**How our audit addressed the key audit matters**
吾等之審核如何處理關鍵審核事項

Revenue and profit recognition of construction contracts and amounts due from (to) customers for contract works
確認建築合約的收益及溢利和應收(付)客戶合約工程款項

We identified the revenue and profit recognition of construction contracts and amounts due from (to) customers for contract work as a key audit matter due to significant management judgements and estimation are required in the determination of the total outcome of construction contracts and the stage of completion of construction works.

吾等識別確認源於建築合約的收益及溢利和應收(付)客戶合約工程款項為關鍵審核事項，原因是決定建築合約的總體結果及建築工程完成階段時，需要作出重大管理判斷及估計。

The Group's contract revenue and profit from construction contracts amounted to HK\$166,082,000 and HK\$32,569,000 respectively for the year ended 31 December 2017 as disclosed in the consolidated statement of profit or loss and other comprehensive income. As disclosed in note 15 to the consolidated financial statements, the carrying amounts of amounts due from and amounts due to customers for contract works of the Group amounted to HK\$10,234,000 and HK\$4,422,000 respectively as at 31 December 2017. 截至二零一七年十二月三十一日止年度，貴集團源於建築合約的合約收益及溢利分別為166,082,000港元及32,569,000港元(見綜合損益及其他全面收益表所披露)。誠如綜合財務報表附註15所披露，於二零一七年十二月三十一日，貴集團應收及應付客戶合約工程款項的賬面值分別為10,234,000港元及4,422,000港元。

Our procedures in relation to the revenue and profit recognition of construction contracts and amounts due from (to) customers for contract works included:

吾等對建築合約的收益及溢利確認和應收(付)客戶合約工程款項的程序包括：

- Evaluating the estimation of revenue and profit recognised on construction contracts, on a sample basis, by:
 - Discussing with project managers of the Group who are responsible for the preparation of the budgets of construction contracts to evaluate the reasonableness of their bases of estimation of the budget revenue and costs and the stage of completion of the projects;
 - 與負責根據估計預算收益及成本及項目完成進度編製建築合約預算的貴集團項目經理討論，以評估合理程度；
 - Checking the accuracy of budgeted revenue to underlying construction contracts entered into with customers, and other supporting documents and correspondences in respect of variations in construction works;
 - 檢查與客戶簽訂的建築合約相關預算收益準確程度，以及其他有關建築工程變更的證明文件及函件；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matters**關鍵審核事項****How our audit addressed the key audit matters****吾等之審核如何處理關鍵審核事項***Revenue and profit recognition of construction contracts and amounts due from (to) customers for contract works (Continued)**確認建築合約的收益及溢利和應收(付)客戶合約工程款項(續)*

As set out in note 5 to the consolidated financial statements, the Group recognised contract revenue and profit of construction contracts by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the surveys of work performed to date relative to the estimated total contract revenue.

Notwithstanding that management reviews and revises the estimates of both construction contract revenue and costs of the construction contract as the contract progresses, the actual outcome of the contract in terms of its total revenue and total contract costs may be higher or lower than the estimates and this will affect the revenue and profit recognised.

誠如綜合財務報表附註5所載，貴集團根據報告期末的合約工程完成階段確認建築合約的合約收益及溢利，而確認的金額乃根據至今已完工程測量相較估計總合約收益計算。雖然管理層隨著合約進度審閱及修訂建築合約收益及建築合約成本的估計，惟就總收益及總合約成本而言，合約的實際結果可能高於或低於估計，並將影響所確認收益及溢利。

— Evaluating the reasonableness of budgeted costs, including (i) agreeing the budget costs to underlying contracts, latest quotations and other correspondences with subcontractors/suppliers/vendors, and (ii) comparing the budgeted costs with actual costs recorded, taking into account the stage of completion reached;

— 評估預算成本的合理程度，包括(i)同意與分包商／供應商／賣方的相關合約、最新報價及函件的預算成本；(ii)比較預算成本及實際產生成本，其中已計及完工進度；

— Evaluating the reasonableness of the estimated profit margins of selected contracts by taking into account the profit margins of similar projects and investigating any significant difference identified; and

— 經計及同類項目利潤率及調查已識別的任何重大差異，評估選定合約的估計利潤率是否合理；及

• Checking the accuracy of the amounts due from (to) customers for contract works by agreeing the amount of contract costs recorded to supplier invoices and progress billings to invoices issued to customers, on a sample basis.

• 透過抽樣核對合約成本與供應商發票及付款證與發給客戶的發票的金額，檢查應收(付)客戶合約工程款項的準確度。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告**Key audit matters**
關鍵審核事項**How our audit addressed the key audit matters**
吾等之審核如何處理關鍵審核事項*Recoverability of trade receivables and retention receivables*
貿易應收款項及應收保固金的收回機會

We identified the recoverability of trade receivables and retention receivables as a key audit matter due to the significance of the balances to the consolidated financial statements as a whole, and the use of judgment and estimates by management in assessing the recoverability of trade receivables and retention receivables.

吾等識別貿易應收款項及應收保固金的收回機會為關鍵審核事項，原因是整體上結餘對綜合財務報表屬重大，及於評估貿易應收款項及應收保固金可收回程度時使用的判斷及估計。

As disclosed in note 16 to the consolidated financial statements, trade receivables and retention receivables of the Group carried at HK\$15,863,000 and HK\$20,123,000 respectively as at 31 December 2017, which represented 21% and 27% of the Group's total assets.

誠如綜合財務報表附註16所披露，於二零一七年十二月三十一日，貴集團的貿易應收款項及應收保固金賬面值分別為15,863,000港元及20,123,000港元，佔貴集團總資產21%及27%。

As set out in note 5 to the consolidated financial statements, in determining the impairment loss, the management considers the credit history including default or delay in payments and settlement records, subsequent settlements and aging analysis of trade receivables and retention receivables.

誠如綜合財務報表附註5所載，於釐定減值虧損時，管理層會考慮信貸記錄，包括拖欠或延期付款、結算記錄、其後結算及貿易應收款項及應收保固金之賬齡分析。

Our procedures in relation to recoverability of trade receivables and retention receivables included:
吾等對貿易應收款項及應收保固金的收回機會的程序包括：

- Understanding the management's process of assessing the recoverability of trade receivables and retention receivables;
- 了解管理層對貿易應收款項及應收保固金的收回機會的評估程序；
- Assessing the accuracy of the aging analysis of trade receivables and retention receivables by checking to the payment certificates or completion certificates issued by the customers, respectively, on a sample basis;
- 評估貿易應收款項及應收保固金的賬齡分析準確度，方法為分別抽樣檢查客戶發出的付款證或完成證；
- Testing the subsequent settlements, on a sample basis, to bank remittance advice; and
- 抽查銀行匯款通知測試其後結算；及
- Evaluating the reasonableness of the management's assessment on the recoverability of trade receivables and retention receivables with reference to the credit history including default or delay in payments and settlement records, subsequent settlements, aging analysis and the business relationship with the customer on a sample basis.
- 抽樣評估管理層對每名個別客戶的貿易應收款項及應收保固金收回機會的評估是否合理，當中參考信貸記錄(包括拖欠或延遲付款)、償付記錄、其後結算、賬齡分析及與貴集團的業務關係。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the 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.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

其他資料

貴公司董事須對其他資料承擔責任。其他資料包括年報中所包含的資料，但不包括綜合財務報表及吾等就此發出的核數師報告。

吾等對綜合財務報表作出的意見並未涵蓋其他資料且吾等不對其他資料發表任何形式的核證結論。

就吾等審核綜合財務報表而言，吾等的責任是閱讀其他資料，並從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已完成的工作認為該其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

董事及管治層就綜合財務報表須承擔的責任

貴公司董事須遵照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，負責編製可作出真實而公允呈列之合併財務報表；並就董事認為必需之內部監控，以確保綜合財務報表之編製不存在因欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估貴集團的持續經營能力，並披露與持續經營有關的事項（如適用）。除非董事有意將貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則董事須採用以持續經營為基礎的會計法。管治層負責監督貴集團財務報告流程的責任。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審核綜合財務報表須承擔的責任

吾等的目標是合理確定整體上綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述並發出包含吾等作為整體致閣下之意見的核數師報告，除此之外，根據委聘的協定條款，本報告概不可用作其他用途。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。合理確定屬高層次的核證，但不能保證根據香港核數準則進行的審核在某一重大錯誤陳述存在時總能發現。錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，被視為重大錯誤陳述。

作為根據香港核數準則進行審核一部分，吾等運用專業判斷並於整個審核過程中抱持專業懷疑態度。吾等亦：

- 識別及評估合併財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程式，獲得充足及適當審核證據為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 取得瞭解與審核有關的內部控制，以設計恰當的審核程式，但並非旨在對貴集團內部控制的有效程度發表意見。
- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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.
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核證據，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論以截至核數師報告日期所獲得的審核證據為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表(包括披露)的整體列報、架構及內容，以及綜合財務報表是否已公允反映及列報相關交易及事項。
- 就貴集團內各實體及業務活動的財務資料獲得充足的審核證據，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

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

We also provide those charged with governance 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.

吾等與管治層溝通了(其中包括)計畫的審核範圍、時間安排、重大審核發現等事項，包括吾等在審核期間識別出內部控制的任何重大缺陷。

吾等亦向管治層提交聲明，說明吾等已符合有關獨立性的相關職業道德要求，並與彼等溝通所有可能合理地被認為會影響吾等獨立性的關係及其他事項，以及相關防範措施(倘適用)。

INDEPENDENT AUDITOR'S REPORT
獨立核數師報告

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

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

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
21 March 2018

從與管治層溝通的事項中，吾等決定哪些事項對本期間綜合財務報表的審核最為重要，因而構成關鍵審核事項。吾等在核數師報告中描述這些事項，惟法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期溝通某事項而造成的負面後果將會超過其產生的公眾利益，吾等將不會在此等情況下在吾等的報告中溝通該事項。

出具本獨立核數師報告的審計專案合夥人為陳子偉。

德勤•關黃陳方會計師行
執業會計師
香港
二零一八年三月二十一日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	6	166,082	134,366
Cost of services	服務成本		(133,513)	(109,733)
Gross profit	毛利		32,569	24,633
Other income	其他收入	7	535	731
Administrative expenses	行政開支		(13,567)	(7,315)
Listing expenses	上市開支		(11,310)	—
Finance costs	財務成本	8	(197)	(114)
Profit before tax	除稅前溢利	9	8,030	17,935
Income tax expense	所得稅開支	10	(2,819)	(2,530)
Profit for the year	年內溢利		5,211	15,405
Other comprehensive (expense) income for the year	年內其他全面(開支) 收益			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至 損益的項目:</i>			
Exchange differences arising on translation of a foreign operation	換算海外業務產生 的匯兌差額		(36)	126
Total comprehensive income for the year	年內全面收益 總額		5,175	15,531
Basic earnings per share (HK cents)	每股基本盈利(港仙)	13	1.23	4.76

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2017 於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current asset	非流動資產			
Plant and equipment	機器及設備	14	186	109
Current assets	流動資產			
Amounts due from customers for contract works	應收客戶合約工程款項	15	10,234	9,079
Trade and other receivables, deposits and prepayments	貿易及其他應收款項、按金及預付款項	16	40,617	46,215
Amount due from a director	應收一名董事款項	17	—	20,708
Pledged and restricted bank deposits	已抵押及受限制銀行存款	18	5,725	—
Bank balances and cash	銀行結餘及現金	18	17,284	14,977
			73,860	90,979
Current liabilities	流動負債			
Amounts due to customers for contract works	應付客戶合約工程款項	15	4,422	10,315
Trade and retention payables	貿易應付款項及保固金	19	14,554	11,985
Other payables and accrued expenses	其他應付款項及應計費用	20	5,437	1,550
Amount due to a shareholder of the holding company	應付控股公司一名股東款項	17	—	81
Amounts due to related companies	應付關聯公司款項	17	5,041	8,720
Tax payable	應付稅項		3,338	5,187
Bank overdrafts-secured	銀行透支 — 有抵押	18	72	2,404
Bank borrowing	銀行借款	21	19,485	—
			52,349	40,242
Net current assets	流動資產淨值		21,511	50,737

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
綜合財務狀況表

As at 31 December 2017 於二零一七年十二月三十一日

		<i>Notes</i>	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		<i>附註</i>		
Total assets less current liabilities 資產總額減流動負債			21,697	50,846
Capital and reserves 股本及儲備				
Share capital 股本	22		8	7
Reserves 儲備			21,689	50,839
			21,697	50,846

The consolidated financial statements on pages 64 to 147 were approved and authorised for issue by the Board of Directors on 21 March 2018 and are signed on its behalf by:

第64至第147頁的綜合財務報表已獲董事會於二零一八年三月二十一日批准及授權刊發並由以下人士代表簽署：

Chung Chi Keung
DIRECTOR

Lai Suk Fan
DIRECTOR

董事
鍾志強

董事
黎淑芬

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Exchange translation reserve 外匯儲備 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元 (Note) (附註)	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	25	—	(247)	—	—	27,575	27,353
Profit for the year	年內溢利	—	—	—	—	—	15,405	15,405
Exchange differences arising on translation of a foreign operation	換算海外業務產生的匯兌差額	—	—	126	—	—	—	126
Total comprehensive income for the year	年內全面收益總額	—	—	126	—	—	15,405	15,531
Dividend declared and settled (Note 12)	已宣派及支付股息(附註12)	—	—	—	—	—	(2,038)	(2,038)
Issue of shares by the Company (Note 22)	本公司發行股份(附註22)	1	9,999	—	—	—	—	10,000
Arising from the Reorganisation (as defined and detailed in Note 2)	源自重組(定義及詳情見附註2)	(19)	12,960	—	—	(12,941)	—	—
At 31 December 2016	於二零一六年十二月三十一日	7	22,959	(121)	—	(12,941)	40,942	50,846
Profit for the year	年內溢利	—	—	—	—	—	5,211	5,211
Exchange differences arising on translation of a foreign operation	換算海外業務產生的匯兌差額	—	—	(36)	—	—	—	(36)
Total comprehensive (expense) income for the year	年內全面(開支)收益總額	—	—	(36)	—	—	5,211	5,175
Dividend declared and settled (Note 12)	已宣派及支付股息(附註12)	—	(37,946)	—	11,676	—	(23,054)	(49,324)
Issue of shares by the Company (Note 22)	本公司發行股份(附註22)	1	14,999	—	—	—	—	15,000
At 31 December 2017	於二零一七年十二月三十一日	8	12	(157)	11,676	(12,941)	23,099	21,697

Note: The other reserve represents the difference between the share capital of Wing Fung Engineering (H.K.) Limited ("Wing Fung HK") and Botop Engineering (Macau) Limited ("Botop Macau") at the dates on which they were acquired by the Company and the Company's direct wholly owned subsidiary, respectively, and the nominal value and share premium of the newly issued share capital of the Company for the acquisition of Wing Fung HK, pursuant to the reorganisation completed on 28 December 2016, as detailed in Note 2 to the consolidated financial statements.

附註：其他儲備指根據二零一六年十二月二十八日完成及於綜合財務報表附註2詳述的重組，榮豐工程(香港)有限公司(「榮豐香港」)及寶創工程(澳門)一人有限公司(「寶創澳門」)分別於被本公司及本公司直接全資附屬公司收購當日的股本與本公司新發行股本以收購榮豐香港的面值及股份溢價賬之間的差額。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Operating activities	經營活動		
Profit before tax	除稅前溢利	8,030	17,935
Adjustments for:	調整：		
Depreciation of plant and equipment	機器及設備折舊	51	31
Loss on write-off of plant and equipment	撇銷機器及設備虧損	4	4
Interest expense	利息開支	197	114
Interest income	利息收入	(18)	—
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	8,264	18,084
Changes in amounts due (to) from customers for contract works	應(付)收客戶合約工程款項變動	(7,021)	2,232
Decrease (increase) in trade and other receivables, deposits and prepayments	貿易及其他應收款項、按金及預付款項減少(增加)	5,487	(2,296)
Decrease in amounts due from related companies	應收關聯公司款項減少	—	1,245
Increase (decrease) in trade and retention payables	貿易應付款項及應付保固金增加(減少)	2,589	(2,664)
Increase in other payables and accrued expenses	其他應付款項及應計費用增加	3,803	405
Decrease in amounts due to related companies	應付關聯公司款項減少	(3,653)	(3,592)
Cash generated from operations	經營所得現金	9,469	13,414
Income tax paid	已付所得稅	(4,644)	(426)
Net cash from operating activities	經營活動所得現金淨額	4,825	12,988
Investing activities	投資活動		
Placement of pledged and restricted bank deposits	存放已抵押及受限制銀行存款	(5,725)	—
Additions to plant and equipment	添置機器及設備	(134)	(78)
Interest received	已收利息	16	—
Advance to a director	墊款予一名董事	—	(12,961)
Net cash used in investing activities	投資活動所用現金淨額	(5,843)	(13,039)

CONSOLIDATED STATEMENT OF CASH FLOWS
綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financing activities	融資活動		
New bank borrowing raised	新造銀行借貸	20,000	—
Issue of shares	發行股份	15,000	10,000
Dividends paid	已付股息	(28,616)	—
Repayment of a bank borrowing	償還銀行借貸	(515)	—
Interest paid	已付利息	(110)	(114)
Repayment to a shareholder of the holding company	向控股公司 一名股東還款	(81)	—
Net cash from financing activities	融資活動所得現金 淨額	5,678	9,886
Net increase in cash and cash equivalents	現金及現金等價物 增加淨額	4,660	9,835
Cash and cash equivalents at beginning of the year	年初之現金及現金等 價物	12,573	2,820
Effect of foreign exchange rate changes	外匯匯率變動影響	(21)	(82)
Cash and cash equivalents at end of the year	年末之現金及現金等 價物	17,212	12,573
Cash and cash equivalents at end of the year, represented by:	年末之現金及現金等 價物，指：		
Bank balances and cash	銀行結餘及現金	17,284	14,977
Bank overdrafts	銀行透支	(72)	(2,404)
		17,212	12,573

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

1. General

The Company was incorporated under the name Wing Fung Capital Holdings Limited as an exempted company with limited liability in the Cayman Islands under the Companies Law Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 29 September 2016 and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 27 February 2018. On 30 December 2016, the name of the Company was changed to Wing Fung Group Asia Limited. The address of the Company's registered office is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business is Units 13 & 14, 9th Floor, Worldwide Industrial Centre, 43-47 Shan Mei Street, Fotan, the New Territories, Hong Kong. The Company's immediate and ultimate holding company is Wing Fung Capital Limited, a private company incorporated in the British Virgin Islands (the "BVI").

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of supply, installation and fitting-out services of mechanical ventilation and air-conditioning ("MVAC") system for buildings.

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

2. Basis of preparation and presentation of Consolidated Financial Statements

The consolidated financial statements have been prepared based on the accounting policies set out in Note 4 which conform with Hong Kong Financial Reporting Standards ("HKFRSs") and the principles of merger accounting under Accounting Guideline 5 Merger Accounting for Common Control Combinations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

1. 一般資料

本公司於二零一六年九月二十九日根據開曼群島一九六一年第3號法例第22章公司法(經綜合及修訂)於開曼群島以Wing Fung Capital Holdings Limited之名義註冊成立為獲豁免有限公司及其股份於二零一八年二月二十七日於香港聯合交易所有限公司(「聯交所」)上市。於二零一六年十二月三十日，本公司的名稱變更為榮豐集團亞洲有限公司。本公司註冊辦事處的地址為PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands及主要營業地點為香港新界火炭山尾街43-47號環球工業中心9樓13及14室。本公司的直接及最終控股公司為於英屬維爾京群島(「英屬維爾京群島」)註冊成立的私人公司Wing Fung Capital Limited。

本公司為投資控股公司及其附屬公司主要從事提供樓宇機械通風及空調(「機械通風及空調」)系統的供應、安裝及裝修工程服務。

綜合財務報表以本公司功能貨幣港元(「港元」)呈列。

2. 綜合財務報表的編製及呈列基準

綜合財務報表乃根據符合香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)的會計政策(載於附註4)及會計指引第5號共同控制合併之合併會計法下的合併會計處理原則而編製。

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

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. Basis of preparation and presentation of Consolidated Financial Statements (Continued)

On 29 May 2017, Mr. Chung Chi Keung (“Mr. Chung”) and Ms. Chung Mei Lin (“Ms. Chung”) (together referred to as the “Controlling Shareholders”) entered into the Deed of Acting in Concert to reiterate, amongst other things, that they have been parties acting in concert (within the meaning under the Takeovers Code) in respect of Wing Fung Capital Limited, Wing Fung HK and Botop Macau since the respective incorporation dates of Wing Fung HK, Botop Macau and Wing Fung Capital Limited and until any of Mr. Chung and Ms. Chung ceases to be an ultimate shareholder of the relevant companies or the date of termination of the Deed of Acting in Concert. For further details, please refer to the section headed “History, Development and Reorganisation” in the prospectus of the Company dated 12 February 2018 (the “Prospectus”) in connection with the initial listing of the shares of the Company on GEM of the Stock Exchange.

Through a group reorganisation, as more fully explained in the section headed “History, Development and Reorganisation” in the Prospectus and as summarised below (the “Reorganisation”), the Company became the holding company of the Group on 28 December 2016. Prior to the Reorganisation, the entire equity interests of Botop Macau and Wing Fung HK, being the operating subsidiaries of the Group, were directly held by the Controlling Shareholders.

Pursuant to the Reorganisation, the Company incorporated Wing Fung Investment Management Limited (“Wing Fung Investment”), a company incorporated in the BVI, on 22 September 2016. Wing Fung Investment then acquired the entire share capital of Botop Macau of Macau Pataca (“MOP”) 25,000 (approximately HK\$25,000) from the Controlling Shareholders on 16 December 2016, at a consideration of MOP25,000 (approximately HK\$25,000) in cash.

2. 綜合財務報表的編製及呈列基準(續)

於二零一七年五月二十九日，鍾志強先生(「鍾先生」)及鍾美蓮女士(「鍾女士」)(統稱為「控股股東」)訂立一致行動契據，以重申(其中包括)於榮豐香港、寶創澳門及Wing Fung Capital Limited各自註冊成立的日期以來直至鍾先生及鍾女士任何一人不再為相關公司的最終股東或一致行動契據終止日期，彼等就Wing Fung Capital Limited、榮豐香港及寶創澳門為一致行動人士(定義見收購守則)。更多詳情請參閱本公司日期為二零一八年二月十二日有關本公司股份於聯交所GEM首次上市的招股章程(「招股章程」)「歷史、發展及重組」一節。

透過招股章程「歷史、發展及重組」一節所詳述及下文概述的集團重組(「重組」)，本公司於二零一六年十二月二十八日成為本集團的控股公司。重組前，本集團的經營附屬公司寶創澳門及榮豐香港的全部股權由控股股東直接持有。

根據重組，本公司於二零一六年九月二十二日註冊成立Wing Fung Investment Management Limited(「Wing Fung Investment」)，一間於英屬維爾京群島註冊成立的公司。Wing Fung Investment其後於二零一六年十二月十六日向控股股東收購寶創澳門25,000澳門幣(「澳門幣」)(約25,000港元)的全部股本，代價為現金25,000澳門幣(約25,000港元)。

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

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. Basis of preparation and presentation of Consolidated Financial Statements (Continued)

On 15 December 2016, a sale and purchase agreement was entered into between the Controlling Shareholders and the Company, pursuant to which the Company acquired the entire share capital of Wing Fung HK of HK\$700 at the consideration of HK\$6,846,855 (determined based on the net assets value of Wing Fung HK as at 30 June 2016), to be satisfied by the Company issuing and allotting 749 new shares to Wing Fung Capital Limited. The transfer was completed on 28 December 2016 and Wing Fung HK became a direct wholly owned subsidiary of the Company. At the time of completion, the net assets value of Wing Fung HK was approximately HK\$12,966,000, which was recognised as the investment cost in Wing Fung HK by the Company. On the same date, the Reorganisation was completed and the Company became the holding company of the companies now comprising the Group.

The Group comprising the Company and its subsidiaries resulting from the Reorganisation has been under the common control of the Controlling Shareholders and is regarded as a continuing entity. Accordingly, the consolidated financial statements have been prepared as if the Company had always been the holding company of the Group.

The consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows which include the results, changes in equity and cash flows of the companies now comprising the Group for the year ended 31 December 2016 have been prepared as if the Company had always been the holding company of the Group and the current group structure had been in existence throughout that year, or since the respective dates of incorporation of the relevant entities, where there is a shorter period.

2. 綜合財務報表的編製及呈列基準(續)

於二零一六年十二月十五日，控股股東及本公司訂立買賣協議，據此，本公司收購榮豐香港700港元的全部股本，代價為6,846,855港元(根據榮豐香港於二零一六年六月三十日的資產淨值釐定)，由本公司透過發行及配發749股新股份予Wing Fung Capital Limited結付。轉讓於二零一六年十二月二十八日完成，而榮豐香港成為本公司的直接全資附屬公司。於完成時，榮豐香港的資產淨值約12,966,000港元，由本公司確認為於榮豐香港的投資成本。同日，重組完成及本公司成為本集團現時旗下公司的控股公司。

由於重組，由本公司及其附屬公司組成的本集團受控股股東共同控制並被視為持續實體。因此，綜合財務報表經已編製，猶如本公司一直為本集團的控股公司。

綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表(包括本集團現時旗下公司於截至二零一六年十二月三十一日止年度的業績、權益變動及現金流量)經已編製，猶如本公司一直為本集團的控股公司且現時的集團架構於整個年度或自相關實體各自的註冊成立日期起(以較短期間為準)一直存在。

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

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

3. Application of new and revised HKFRSs **3. 應用新訂及經修訂香港財務報告準則**

For the purpose of preparing and presenting the consolidated financial statements for the year, the Group has consistently applied all HKFRSs, Hong Kong Accounting Standards (“HKASs”), amendments and interpretations (“HK(IFRIC)—Int”) issued by the HKICPA which are effective for the accounting periods beginning on 1 January 2017 consistently throughout the year.

At the date of issuance of these consolidated financial statements, the HKICPA has issued the following new and revised HKFRSs that are not yet effective. The Group has not early adopted these new and revised HKFRSs.

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and related Amendments ¹
HKFRS 16	Leases ³
HKFRS 17	Insurance Contracts ⁴
HK(IFRIC) — Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK(IFRIC) — Int 23	Uncertainty over Income Tax Treatments ³
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transaction ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ³
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle ¹
Amendments to HKAS 40	Transfers of Investment Property ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle ³

編製及呈列本年度的綜合財務報表時，本集團於整個年度貫徹應用香港會計師公會頒佈於自二零一七年一月一日開始的會計期間生效的所有香港財務報告準則、香港會計準則（「香港會計準則」）、修訂本及詮釋（「香港國際財務報告詮釋委員會」— 詮釋）。

於該等綜合財務報表的刊發日期，香港會計師公會已頒佈以下尚未生效的新訂及經修訂香港財務報告準則。本集團尚未提早採納該等新訂及經修訂香港財務報告準則。

香港財務報告準則第9號	財務工具 ¹
香港財務報告準則第15號	客戶合約收益及相關修訂 ¹
香港財務報告準則第16號	租賃 ³
香港財務報告準則第17號	保險合同 ⁴
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價 ¹
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅會計處理的不確定性 ³
香港財務報告準則第2號（修訂本）	以股份為基礎的支付交易的分類和計量 ¹
香港財務報告準則第4號（修訂本）	採用香港財務報告準則第4號保險合同時一併應用香港財務報告準則第9號財務工具 ¹
香港財務報告準則第9號（修訂本）	負補償的預付款項功能 ³
香港財務報告準則第10號及香港會計準則第28號（修訂本）	投資者與其聯營公司或合營企業之間之資產出售或投入 ²
香港會計準則第28號（修訂本）	於聯營公司及合營企業之長期權益 ³
香港會計準則第28號（修訂本）	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部分 ¹
香港會計準則第40號（修訂本）	轉讓投資物業 ¹
香港財務報告準則（修訂本）	香港財務報告準則二零一五年至二零一七年週期之年度改進 ³

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3. Application of new and revised HKFRSs (Continued)

- ¹ Effective for annual periods beginning on or after 1 January 2018.
- ² Effective for annual periods beginning on or after a date to be determined.
- ³ Effective for annual periods beginning on or after 1 January 2019.
- ⁴ Effective for annual periods beginning on or after 1 January 2021.

HKFRS 9 *Financial Instruments*

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirement of HKFRS 9 which is relevant to the Group is in relation to the impairment of financial assets, of which HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39 *Financial Instruments: Recognition and Measurement*. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group's financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipate the following potential impact on initial application of HKFRS 9:

3. 應用新訂及經修訂香港財務報告準則(續)

- ¹ 於二零一八年一月一日或之後開始的年度期間生效。
- ² 於待確定日期或之後開始的年度期間生效。
- ³ 於二零一九年一月一日或之後開始的年度期間生效。
- ⁴ 於二零二一年一月一日或之後開始的年度期間生效。

香港財務報告準則第9號財務工具

香港財務報告準則第9號為財務資產、財務負債的分類及計量、財務資產的一般對沖會計及減值規定引入新規定。

與本集團有關的香港財務報告準則第9號主要規定涉及財務資產減值，其中香港財務報告準則第9號規定按預期信貸虧損模式計算，與香港會計準則第39號財務工具：確認與計量項下按已產生信貸虧損模式計算相反。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換而言之，毋須再待發生信貸事件方確認信貸虧損。

根據本集團於二零一七年十二月三十一日的財務工具及風險管理政策，本公司董事預期首次應用香港財務報告準則第9號造成的潛在影響如下：

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3. Application of new and revised HKFRSs (Continued)**HKFRS 9 *Financial Instruments* (Continued)*****Impairment***

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised costs and other items that are subject to the impairment provisions upon the application of HKFRS 9 by the Group.

Based on the assessment by the directors of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by Group as at 1 January 2018 would not have material difference as compared to the accumulated amount recognised under HKAS 39 attributable to expected credit losses provision on trade, retention and other receivables and pledged and restricted bank deposits and bank balances.

Except for the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised cost, the application of HKFRS 9 in the future may not have a material impact on the financial statements of the Group.

3. 應用新訂及經修訂香港財務報告準則(續)**香港財務報告準則第9號財務工具(續)*****減值***

一般而言，本公司董事預計應用香港財務報告準則第9號的預期信貸虧損模式，將導致就有關本集團按攤銷成本計量的財務資產，以及於本集團應用香港財務報告準則第9號時須作出減值撥備的其他項目於尚未產生信貸虧損時需提早作出撥備。

根據本公司董事的評估，倘本集團應用預期信貸虧損模式，本集團於二零一八年一月一日將予確認的累計減值虧損金額可能與根據香港會計準則第39號確認的累計金額並無重大出入，此乃由於就貿易應收款項、應收保固金及其他應收款項及已抵押及受限制銀行存款和銀行結餘作出預期信貸虧損撥備所致。

除預期信貸虧損模式或會導致提早計提信貸虧損(尚未就本集團按攤銷成本計量之財務資產產生)撥備外，日後應用香港財務報告準則第9號將不會對本集團的財務報表造成重大影響。

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3. Application of new and revised HKFRSs (Continued)**HKFRS 15 Revenue from Contracts with Customers**

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1 : Identify the contract(s) with 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 entity satisfies a performance obligation

Under HKFRS 15, an entity 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. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

3. 應用新訂及經修訂香港財務報告準則(續)**香港財務報告準則第15號客戶合約收益**

香港財務報告準則第15號制定一項單一廣泛模式供實體將客戶合約收益入賬。香港財務報告準則第15號生效時將取代現行的收益確認指引，包括香港會計準則第18號*收益*、香港會計準則第11號*建築合約*及相關詮釋。

香港財務報告準則第15號之核心原則為實體應確認收益以說明向客戶轉讓承諾貨品或服務，而所確認金額為該實體預期就交換該等貨品或服務的應得代價。具體而言，該準則引入確認收益的五個步驟：

- 第一步： 識別客戶合約
- 第二步： 識別合約中之履約責任
- 第三步： 釐定交易價
- 第四步： 按履約責任分配交易價
- 第五步： 當(或於)實體完成履約責任時確認收益

根據香港財務報告準則第15號，當(或於)實體完成履約責任時，即與特定履約責任相關的貨品或服務「控制權」轉移予客戶時，方會確認收益。香港財務報告準則第15號已新增特定指引以處理特別情況。此外，香港財務報告準則第15號要求詳盡披露。

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3. Application of new and revised HKFRSs (Continued)**HKFRS 15 Revenue from Contracts with Customers (Continued)**

In 2016, the HKICPA issued clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

With regard to the construction contracts, the directors specifically consider HKFRS 15's guidance on contract combinations, contract modifications arising from variation orders, variable consideration, and significant financing component in the contracts. The directors have assessed that the supply, installation and fitting-out services together provide a distinct and significant integration service for MVAC system for buildings which are considered a single performance obligation with regard to the construction contracts. In addition, the directors have assessed that the performance obligation on the construction contracts is satisfied over time as the Group provides construction services on customers' sites which creates an asset that the customers control. As a result, revenue from these construction contracts should be recognised over time during the course of performance of construction service. The directors consider that the output method currently used to measure the progress towards complete satisfaction of performance obligation will continue to be appropriate under HKFRS 15.

The directors intend to use the limited retrospective method of transition to HKFRS 15. Apart from providing more extensive disclosure on the Group's revenue transactions, the directors do not anticipate that the application of HKFRS 15 will have a significant impact on the financial position and/or financial performance of the Group.

3. 應用新訂及經修訂香港財務報告準則(續)**香港財務報告準則第15號客戶合約收益(續)**

於二零一六年，香港會計師公會頒佈有關識別履約責任、主體代理安排及許可應用指引之香港財務報告準則第15號的釐清。

就建築合約而言，董事具體考慮香港財務報告準則第15號於合約合併、工程變更指令產生之合約修訂、可變代價，以及合約中的重大融資成份之指引。董事已評估，樓宇機械通風及空調系統的供應、安裝連同裝修服務可提供獨立且重要的綜合服務，就建築合約而言被視為單一履約責任。此外，董事已評估在建築期間就建築合約完成履約責任，乃由於本集團於客戶地盤提供修建由客戶控制資產的建築服務。因此，該等建築合約收入須於建築服務進行期間按時間確認。董事認為現時使用之產量法計算履約責任完成之進度將繼續適用於香港財務報告準則第15號。

董事有意就香港財務報告準則第15號採用有限追溯法。除就本集團收入交易作出較廣泛的披露外，董事並不預期採納香港財務報告準則第15號將對本集團財務狀況及／或財務表現造成重大影響。

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3. Application of new and revised HKFRSs (Continued)**HKFRS 16 Leases**

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, other operating lease payments are presented as operating cash flows. Under the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

3. 應用新訂及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號為識別出租人及承租人之租賃安排及會計處理引入一個綜合模式。於香港財務報告準則第16號生效後，其將取代香港會計準則第17號*租賃*及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低價值資產租賃外，經營租賃及融資租賃之差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債之模式替代。

使用權資產初步以成本計量，其後按成本(若干特殊情況例外)減累計折舊及減值虧損計量，並就任何重新計量的租賃負債作出調整。租賃負債初步按當日未付租賃付款的現值計量。其後，租賃負債就利息及租賃付款以及(其中包括)租約修訂的影響作出調整。就現金流量的分類而言，其他經營租賃付款則呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債的租賃付款將分配至將呈列為融資現金流量的本金及利息部分。

與承租人會計處理相比，香港財務報告準則第16號大致轉承了香港會計準則第17號之出租人會計處理規定，並繼續要求出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求更詳盡的披露。

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3. Application of new and revised HKFRSs (Continued)**HKFRS 16 Leases (Continued)**

As at 31 December 2017, the Group had non-cancellable operating lease commitments of HK\$273,000 as disclosed in Note 25. The directors of the Company do not expect the adoption of HKFRS 16 as compared with HKAS 17 would result in significant impact on the Group's result but expected that the above operating lease arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above.

4. Significant accounting policies

The consolidated financial statements have been prepared in accordance with HKFRSs. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis. 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 the 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 *Leases*, 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. 應用新訂及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)**

於二零一七年十二月三十一日，本集團有不可撤銷經營租賃承擔273,000港元(於附註25披露)。本公司董事預期，相對於香港會計準則第17號，採納香港財務報告準則第16號將不會對本集團業績造成重大影響，惟預期上述經營租賃安排將符合香港財務報告準則第16號項下租賃的定義，因此，本集團將就所有該等租賃確認使用權資產及相應負債，除非其於應用香港財務報告準則第16號時符合低價值或短期租賃。此外，應用新規定可能導致上文所示計量、呈列及披露變動。

4. 重大會計政策

綜合財務報表根據會計政策編製。此外，綜合財務報表包括聯交所GEM證券上市規則及香港公司條例規定的適用披露。

綜合財務報表乃按歷史成本基準編製。歷史成本一般以就換取商品及服務所給予的代價的公平值為基準。

公平值為於計量日期在市場參與者之間按有序交易出售資產將收取的價格或轉讓負債時將支付的價格，而不論該價格是否可直接觀察或採用其他估值技術估計得出。於估計資產或負債的公平值時，本集團計及市場參與者於計量日期為資產或負債定價時將會考慮的資產或負債特徵。綜合財務報表中用作計量及／或披露用途的公平值按此基準釐定，惟香港財務報告準則第2號以股份為基礎的支付範疇內的以股份為基礎的支付交易、香港會計準則第17號租賃範疇內的租賃交易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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**4. Significant accounting policies
(Continued)**

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;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power 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 four elements of control listed above.

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.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into 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.

4. 重大會計政策(續)

主要會計政策載列如下：

綜合基準

綜合財務報表包括本公司及本公司及其附屬公司所控制實體的財務報表。本公司在下列情況下取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔可變回報的風險或享有可變回報的權利；及
- 能夠使用其權力影響其回報。

倘事實及情況顯示上文所列控制權的四項元素的一項或多項有變，則本集團會重新評估其是否控制投資對象。

附屬公司於本集團取得該附屬公司的控制權時綜合入賬，並於本集團喪失該附屬公司的控制權時終止綜合入賬。具體而言，於年內收購或出售的附屬公司收支自本集團取得控制權當日起直至本集團不再控制該附屬公司當日止計入綜合損益及其他全面收益表。

附屬公司的財務報表於必要時會作出調整，以使其會計政策與本集團的會計政策一致。

所有集團內公司間的資產與負債、股本、收入、開支以及本集團成員公司間交易現金流量於綜合入賬時悉數對銷。

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**4. Significant accounting policies
(Continued)****Merger accounting for business combination involving entities under common control**

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are combined using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period.

Investments in subsidiaries

Investments in subsidiaries are included in the Company's statement of financial position at cost less any identified impairment losses.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

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.

4. 重大會計政策(續)**涉及共同控制實體的業務合併的合併會計法**

綜合財務報表包括共同控制合併的合併實體或業務的財務報表項目，猶如自該等合併實體或業務首次受控制方控制當日起已經合併。

合併實體或業務的資產淨值採用控制方認為的現有賬面值進行合併。概不就商譽或共同控制合併時的議價購買收益確認任何款項。

綜合損益及其他全面收益表包括自最早呈報日期起或自合併實體或業務首次受共同控制當日(以較短期間為準)起各合併實體或業務的業績。

於附屬公司之投資

於附屬公司之投資以成本扣除任何已確認之減值虧損計入本公司財務狀況表。

收益確認

收益按已收或應收代價的公平值計量。

收益於收益金額能準確計量時、未來經濟利益可能流向本集團及本集團各項活動符合特定標準(見上文所述)時確認。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**4. Significant accounting policies
(Continued)****Revenue recognition (Continued)**

Interest income is accrued on a time 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 policy for the recognition of revenue from construction services is described in the accounting policy for "construction contracts" below.

Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the surveys of work performed to date relative to the estimated total contract revenue, that the management of the Group would consider that can be more representative of stage of completion. Variations in contract work and claims are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

4. 重大會計政策(續)**收益確認(續)**

利息收入參考未償還本金額按時間基準以適用實際利率累計，實際利率指將財務資產於整個預期年期的估計未來現金收入準確貼現至該資產初步確認時的賬面淨值的利率。

本集團確認建築服務收益的政策載述於下文「建築合約」的會計政策。

建築合約

當建築合約的結果能可靠估計時，即會根據報告期末的合約工程完成階段確認合約收益及成本，而確認的金額乃根據至今已完工程測量相較估計總合約收益計算，有關金額為本集團管理層認為更能代表完成階段。合約工程變更及申索亦計入合約收入內，前提為有關金額能可靠計量及被視為可收回。

倘建築合約的結果無法可靠地估計，則僅會在所產生合約成本有可能收回的情況下，確認合約收益。合約成本在產生期間確認為開支。

倘總合約成本可能超出總合約收益，則預期虧損即時確認為開支。

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**4. Significant accounting policies
(Continued)****Construction contracts (Continued)**

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract works. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as amounts due to customers for contract works. Amounts received before the related work is performed are included in the consolidated statement of financial position as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade and other receivables, deposits and prepayments.

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 lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

4. 重大會計政策 (續)**建築合約 (續)**

倘迄今產生的合約成本加已確認溢利減已確認虧損超出進度款項，則盈餘列示為應收客戶合約工程款項。就進度款項超出迄今產生的合約成本加已確認溢利減已確認虧損的合約而言，盈餘則列示為應付客戶合約工程款項。有關工程進行前已收的款項作為負債計入綜合財務狀況表，併入賬列作已收墊款。就已進行工程開出而客戶尚未支付賬單的款項計入綜合財務狀況表的貿易及其他應收款項、按金及預付款項。

租賃

當租賃條款將所有權的絕大部分風險及回報轉移至承租人，則分類為融資租賃。所有其他租賃被分類為經營租賃。

本集團作為承租人

經營租賃款項以直線法按租期確認為開支，而另有系統基準更能代表使用租賃資產所得經濟利益之時間模式則除外。

倘訂立經營租賃可以獲得租賃優惠，該等優惠確認為負債。優惠整體利益以直線法確認為扣減租金開支，而另有系統基準更能代表使用租賃資產所得經濟利益之時間模式則除外。

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**4. 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.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefit costs and termination benefits***Pension schemes***

Payments to defined contribution retirement benefit plans and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-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 service. All short-term employee benefits are recognised as an expenses unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised in respect for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination.

4. 重大會計政策(續)**借貸成本**

購入、建造或生產合資格的資產，即需要一段長期間以達致其擬定用途或銷售之資產，其直接借貸成本加入該等資產之部分成本，直至該等資產大致上可用作擬定用途或出售為止。

所有其他借貸成本於產生期間在損益確認。

退休福利成本及離職福利***退休金計劃***

向定額供款退休福利計劃及強積金計劃作出的付款於僱員提供服務而享有供款時確認為開支。

短期僱員福利

短期僱員福利按僱員提供福利時預期將支付的福利未貼現金額確認。所有短期僱員福利確認為開支，除非其他香港財務報告準則要求或准許將福利納入資產的成本。

於扣除任何已付金額後就應付僱員福利(例如工資及薪金、年假及病假)確認負債。

離職福利

離職福利於本集團不能撤回提供該等福利時及本集團確認重組成本並涉及支付離職福利時(以較早日期為準)確認。

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**4. Significant accounting policies
(Continued)****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 at 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 at 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 on monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of the transactions are used.

Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange translation reserve.

4. 重大會計政策(續)**外幣**

編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易按交易日的現行匯率確認。於報告期末，以外幣計值的貨幣項目按該日的現行匯率重新換算。按公平值列賬以外幣計值的非貨幣項目，按釐定公平值當日的現行匯率重新換算。按歷史成本計量以外幣計值的非貨幣項目不予重新換算。

貨幣項目的匯兌差額於產生期間在損益確認。

就呈列綜合財務報表而言，本集團海外業務的資產及負債使用各報告期末的現行匯率換算為本集團的呈列貨幣(即港元)。收益及開支項目按期內平均匯率換算，除非年內匯率大幅波動，在此情況下，則使用交易當日的現行匯率。

產生的匯兌差額(如有)於其他全面收益確認及於匯兌儲備項下的權益累計。

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**4. 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 "profit before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. The Group's 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 bases 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 differences 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. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

4. 重大會計政策(續)**稅項**

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項按年度應課稅溢利計算。應課稅溢利因其他年度的應課稅或可扣稅收支項目，以及毋須課稅或不可扣稅項目，而有別於綜合損益及其他全面收益表所呈報的「除稅前溢利」。本集團的即期稅項按報告期末前已頒佈或已實質上的稅率計算。

遞延稅項按綜合財務報表中資產及負債的賬面值與計算應課稅溢利所用相應稅基之間的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產則一般就所有可扣稅暫時差額確認，前提為有應課稅溢利可用作抵銷該等可扣稅暫時差額。倘初步確認(業務合併除外)交易的資產及負債所產生的暫時差額並不影響應課稅溢利或會計溢利，則不確認有關遞延稅項資產及負債。此外，倘暫時差額源於初步確認商譽，則不確認遞延稅項負債。

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**4. 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 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 rates (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.

4. 重大會計政策 (續)**稅項 (續)**

除非本集團可控制有關暫時差額的撥回及暫時差額在可預見未來可能不會撥回，否則遞延稅項負債會就於附屬公司投資的相關應課稅暫時差額確認。與該等投資相關的可抵扣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用於動用暫時差額利益及預期會於可預見未來撥回時確認。

遞延稅項資產的賬面值於報告期末審閱，並扣減至不再可能有足夠應課稅溢利可供收回所有或部分資產時為止。

遞延稅項資產及負債以預期於負債償還或資產變現期間所適用的稅率計量，根據於報告期末前已頒佈或實質上已頒佈的稅率(及稅法)計算。

遞延稅項負債及資產的計量反映本集團預期在報告期末收回或清償資產及負債賬面值的方式所導致的稅務後果。

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**4. Significant accounting policies
(Continued)****Taxation (Continued)**

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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Plant and equipment

Plant and equipment including motor vehicles and furniture and office equipment held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and 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 the reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of 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 plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4. 重大會計政策(續)**稅項(續)**

即期及遞延稅項在損益確認，除非其與於其他全面收益確認或直接於權益確認之項目相關，於此情況下，即期及遞延稅項亦分別於其他全面收益確認或直接於權益確認。倘即期或遞延稅項源於業務合併的初步會計處理，則稅務影響計入業務合併的會計處理。

機器及設備

機器及設備包括持作生產或供應貨品或服務或作行政用途之汽車和傢俬及辦公室設備，按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表列賬。

資產乃按估計可使用年期經扣減其剩餘價值後，使用直線法撇銷其成本以確認折舊。估計可使用年期、剩餘價值及折舊方法於報告期末予以檢討，有關估計變動的影響將按前瞻基準列賬。

機器及設備項目於出售時或預期不會因持續使用資產而產生未來經濟利益時取消確認。因出售或報廢機器及設備項目產生之任何盈虧，乃按該項資產之出售所得款項與賬面值差額計算，並於損益確認。

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**4. Significant accounting policies
(Continued)****Financial instruments**

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 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 as 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.

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 financial asset 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.

4. 重大會計政策(續)**財務工具**

財務資產及財務負債於集團實體訂立工具契約條文時確認。

財務資產及財務負債初步按公平值計量。收購或發行財務資產及財務負債直接應佔的交易成本於初步確認時在財務資產或財務負債的公平值計入或扣除(如適用)。

財務資產

財務資產分類為貸款及應收款項。該分類取決於財務資產的性質及用途，並於初步確認時確定。所有以常規方式購入或出售的財務資產於交易日確認及終止確認。以常規方式購入或出售指購入或出售須於市場規則或慣例所設定的時間架構內交收的財務資產。

實際利息法

實際利息法為計算債務工具的攤銷成本及相關期間攤分利息收入的方法。實際利率是將財務資產於整個預計年期或(倘適用)更短期間的估計未來現金收入(包括屬於實際利率組成部分的所有已付或已收費用及息差、交易成本及其他溢價或折讓)準確貼現至初步確認時的賬面淨值的利率。

債務工具的利息收入按實際利息基準確認。

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**4. Significant accounting policies
(Continued)****Financial instruments (Continued)***Financial assets (Continued)**Effective interest method (Continued)*

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 and other receivables and deposits, amount due from a director, pledged and restricted 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 of 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.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the financial assets have been affected.

4. 重大會計政策(續)

財務工具(續)

財務資產(續)

實際利息法(續)

貸款及應收款項

貸款及應收款項為具有固定或可釐定付款而並無活躍市場報價的非衍生財務資產。初步確認後，貸款及應收款項(包括貿易及其他應收款項及按金、應收一名董事款項、已抵押及受限制銀行存款和銀行結餘及現金)使用實際利息法按攤銷成本減任何減值計量(見下文財務資產減值的會計政策)。

利息收入乃按實際利息基準確認，惟利息確認並不重大的短期應收款項除外。

財務資產減值

報告期末會評估財務資產是否出現減值跡象。倘有客觀證據表明，初步確認財務資產後發生的一宗或多宗事項導致財務資產的估計未來現金流量受到影響，則該財務資產視為已減值。

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**4. Significant accounting policies
(Continued)****Financial instruments (Continued)****Financial assets (Continued)***Impairment of financial assets (Continued)*

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 or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. 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 periods, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of 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.

4. 重大會計政策 (續)**財務工具 (續)****財務資產 (續)***財務資產減值 (續)*

減值的客觀證據可能包括：

- 發行人或交易對方出現嚴重財務困難；或
- 違反合約，例如欠付或拖延償還利息或本金；或
- 借款人有可能破產或進行財務重組。

就若干類別財務資產(例如貿易應收款項)而言，即使並無評為個別減值，資產按整體基準評估是否減值。應收款項組合的客觀減值證據包括本集團過往收款經驗、組合內延遲付款超過平均信貸期的數目增加以及全國或地方經濟狀況出現與拖欠應收款項有關的明顯變動。

就按攤銷成本列賬的財務資產而言，已確認減值虧損金額乃資產賬面值與該財務資產的估計未來現金流量按原實際利率貼現之現值的差額。

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**4. Significant accounting policies
(Continued)****Financial instruments (Continued)****Financial assets (Continued)***Impairment of financial assets (Continued)*

The carrying amount of the financial assets 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. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

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 financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

4. 重大會計政策(續)**財務工具(續)****財務資產(續)***財務資產減值(續)*

所有財務資產減值虧損會直接於財務資產賬面值作出扣減，惟貿易應收款項會透過採用撥備賬扣減賬面值除外。當貿易應收款項視為不可收回時，於撥備賬撇銷。過往撇銷款項其後收回將計入撥備賬。撥備賬的賬面值變動會於損益確認。

倘於往後期間減值虧損金額減少，而該減少客觀上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，惟該財務資產於撥回減值當日的賬面值不得超過該資產若無確認減值的攤銷成本。

財務負債及股本工具

集團實體發行的債務及股本工具按合約安排內容及財務負債及股本工具的定義分類為財務負債或股本。

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**4. Significant accounting policies
(Continued)****Financial instruments (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.

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

Financial liabilities, including trade and retention payables, other payables, amounts due to a shareholder of the holding company and related companies, bank overdrafts and bank borrowing, are subsequently measured at amortised cost, using the effective interest method.

4. 重大會計政策 (續)**財務工具 (續)****財務負債及股本工具 (續)***實際利息法*

實際利息法為計算財務負債的攤銷成本及相關期間攤分利息開支的方法。實際利率為將財務負債於整個預計年期或(倘適用)較短期間的估計未來現金付款(包括屬於實際利率組成部分的所有已付或已收費用及息差、交易成本及其他溢價或折讓)準確貼現至初步確認時賬面淨值的利率。

利息開支按實際利息基準確認。

股本工具

股本工具為證明實體資產之剩餘權益(經扣除所有負債後)的任何合約。本集團發行的股本工具按已收所得款項減直接發行成本確認。

財務負債

財務負債(包括貿易應付款項及應付保固金、其他應付款項、應付控股公司一名股東及關聯公司的款項、銀行透支和銀行借貸)其後以實際利息法按攤銷成本計量。

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**4. Significant accounting policies
(Continued)****Financial instruments (Continued)****Financial liabilities and equity instruments (Continued)****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 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 recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

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 continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability.

4. 重大會計政策(續)**財務工具(續)****財務負債及股本工具(續)****財務擔保合約**

財務擔保合約乃指要求發行人支付指定金額，以賠償持有人因指定負債人未能按債務工具條款依期還款所造成的損失之合約。

本集團所發行之財務擔保合約初步按其公平值計量，且隨後按以下之較高者計量：

- (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之合約責任金額；及
- (ii) 初步確認之金額減(倘適用)於擔保期間確認之累計攤銷。

終止確認

本集團僅於從資產收取現金流量的合約權利到期時，或將財務資產及該資產所有權的絕大部分風險及回報轉移至另一實體時，方會終止確認財務資產。倘本集團並無轉移或保留所有權的絕大部分風險及回報並繼續控制已轉移資產，本集團按持續參與的程度繼續確認資產及確認相關負債。

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**4. Significant accounting policies
(Continued)****Financial instruments (Continued)*****Derecognition (Continued)***

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity 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 and payable is recognised in profit or loss.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible 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 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.

4. 重大會計政策 (續)**財務工具 (續)*****終止確認 (續)***

終止確認財務資產時，資產賬面值與已收及應收代價以及已於其他全面收益確認並已於權益累計的累計損益之和的差額，於損益確認。

當且僅當本集團的責任被解除、註銷或屆滿時，本集團方會終止確認財務負債。終止確認的財務負債賬面值與已付及應付代價的差額於損益確認。

有形資產的減值虧損

於報告期末，本集團會檢討有形資產的賬面值，以釐定該等資產是否出現任何減值虧損跡象。倘存在任何有關跡象，則會估計資產可收回金額，以釐定減值虧損(如有)程度。倘無法估計個別資產的可收回金額，則本集團會估計該資產所屬現金產生單位的可收回金額。倘可識別合理貫徹的分配基準，公司資產亦分配至個別現金產生單位，否則分配至可識別合理貫徹分配基準的最小現金產生單位組別。

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**4. Significant accounting policies
(Continued)****Impairment losses on tangible assets (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 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 cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When 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 cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

5. Key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 4, the directors of the Company are required to make estimates and assumptions about the carrying amount 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.

4. 重大會計政策(續)**有形資產的減值虧損(續)**

可收回金額為公平值減出售成本及使用價值的較高者。評估使用價值時，估計未來現金流量使用除稅前貼現率貼現至現值，而有關貼現率反映當前市場對貨幣時間值的評估及該資產特有的風險(未就該風險調整估計未來現金流量)。

倘估計資產(或現金產生單位)的可收回金額低於賬面值，則資產(或現金產生單位)的賬面值將減至可收回金額。減值虧損即時於損益確認。

倘減值虧損其後撥回，則資產(或現金產生單位)的賬面值增至經修訂的估計可收回金額，惟所增加的賬面值不得超過該資產(或現金產生單位)於過往年度並無確認減值虧損而釐定的賬面值。減值虧損撥回即時於損益確認。

5. 估計不明朗因素的主要來源

應用本集團的會計政策(附註4所述)時，本公司董事須對未能從其他來源確定的資產及負債的賬面值作出估計及假設。有關估計及相關假設以過往經驗及其他視為相關的因素為依據。實際結果可能有別於此等估計。

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**5. Key sources of estimation uncertainty
(Continued)**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and the 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 may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(a) Construction contracts

The Group recognises contract revenue and profit of a construction contract by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the surveys of work performed to date relative to the estimated total contract revenue. Notwithstanding that management reviews and revises the estimates of both construction contract revenue and costs of the construction contract as the contract progresses, the actual outcome of the contract in terms of its total revenue and total contract costs may be higher or lower than the estimates and this will affect the revenue and profit recognised. As at 31 December 2017, the carrying amount of amounts due from customers for contract works was HK\$10,234,000 (2016 : HK\$9,079,000), and the carrying amount of amounts due to customers for contract works was HK\$4,422,000 (2016 : HK\$10,315,000).

**5. 估計不明朗因素的主要來源
(續)**

該等估計及相關假設會持續檢討。倘會計估計的修訂僅影響作出修訂的期間，則有關修訂會在該期間確認，而倘修訂對現時及未來期間均有影響，則須在作出修訂的期間及未來期間確認。

以下為於報告期末有關未來的主要假設及估計不明朗因素的其他主要來源，其造成下一財政年度資產及負債的賬面值出現重大調整的重大風險：

(a) 建築合約

本集團參考根據至今已完成工程測量相較估計總合約收益計量的報告期末合約活動的完成階段確認建築合約的合約收益及溢利。雖然管理層基於合約進度審閱及修訂建築合約的建築合約收益及成本估計，但合約實際結果在總收益及總合約成本方面可能高或低於估計，而此將影響已確認的收益及溢利。於二零一七年十二月三十一日，應收客戶合約工程款項的賬面值為10,234,000港元(二零一六年：9,079,000港元)，而應付客戶合約工程款項的賬面值為4,422,000港元(二零一六年：10,315,000港元)。

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**5. Key sources of estimation uncertainty
(Continued)****(b) Trade receivables and retention receivables**

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. In determining the impairment loss, the management considers the credit history including default or delay in payments, settlement records, subsequent settlements and aging analysis of trade receivables and retention receivables. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2017, the carrying amount of trade receivables was HK\$15,863,000 (2016 : HK\$28,304,000), and the carrying amount of retention receivables was HK\$20,123,000 (2016 : HK\$16,859,000).

6. Revenue and segment information

Revenue represents the fair value of amounts received and receivable by the Group in respect of the provision of supply, installation, and fitting-out services of MVAC system for buildings from external customers. The Group's revenue is derived from the provision of supply, installation, and fitting-out services of MVAC system for buildings in Hong Kong and Macau during the year. For the purposes of resources allocation and performance assessment, the chief operating decision maker, Mr. Chung, reviews the overall results and financial position of the Group as a whole prepared based on the same set of accounting policies as set out in Note 4. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

**5. 估計不明朗因素的主要來源
(續)****(b) 貿易應收款項及應收保固金**

當出現減值虧損的客觀證據時，本集團會考慮估計日後現金流量。於釐定減值虧損時，管理層會考慮信貸記錄，包括拖欠或延期付款、結算記錄、其後結算及貿易應收款項及應收保固金之賬齡分析。減值虧損金額按資產賬面值與按財務資產原實際利率（即於初步確認時計算的實際利率）貼現的估計未來現金流量（不包括尚未產生的未來信貸虧損）之現值之間的差額計量。倘若實際未來現金流量低於預期，則可能產生重大減值虧損。於二零一七年十二月三十一日，貿易應收款項的賬面值為15,863,000港元（二零一六年：28,304,000港元），應收保固金的賬面值為20,123,000港元（二零一六年：16,859,000港元）。

6. 收益及分部資料

收益指本集團就提供樓宇機械通風及空調系統的供應、安裝及裝修服務已收及應收外部客戶款項之公平值。本集團的收益來自年內為香港及澳門樓宇提供機械通風及空調系統的供應、安裝及裝修服務。就資源分配及表現評估而言，主要營運決策人鍾志強先生（「鍾先生」）審閱本集團的整體業績及整體財務狀況（根據附註4所載的同一套會計政策編製）。據此，本集團只有單一經營分部及並無呈列該單一分部的其他分析。

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6. Revenue and segment information
(Continued)

6. 收益及分部資料(續)

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue from construction contracts 建築合約收益	166,082	134,366

The following table provides an analysis of the Group's revenue from external customers based on geographical location of the customers:

下表載列根據客戶地理位置列示的本集團外部客戶收益分析：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong 香港	98,285	89,404
Macau 澳門	67,797	44,962
	166,082	134,366

The following is an analysis of the carrying amounts of non-current assets, analysed by the geographical area in which the assets are located:

下表為按資產所在的地理位置劃分的非流動資產的賬面值分析：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong 香港	118	80
Macau 澳門	68	29
	186	109

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**6. Revenue and segment information
(Continued)****Information about major customers**

Revenue from customers in respect of construction contracts for the provision of supply, installation and fitting-out services of MVAC system for buildings individually contributed more than 10% of total revenue of the Group during the year is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Customer A	客戶A	102,103	42,376
Customer B	客戶B	41,532	N/A ¹ 不適用 ¹
Customer C	客戶C	19,211	35,501
Customer D	客戶D	N/A ¹ 不適用 ¹	40,252

¹ Revenue from the customer is less than 10% of the total revenue of the Group for the relevant year.

6. 收益及分部資料(續)**主要客戶資料**

於年內提供樓宇機械通風及空調系統供應、安裝及裝修服務的建築合約單獨貢獻本集團總收益10%以上之客戶的收益載列如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Customer A	客戶A	102,103	42,376
Customer B	客戶B	41,532	N/A ¹ 不適用 ¹
Customer C	客戶C	19,211	35,501
Customer D	客戶D	N/A ¹ 不適用 ¹	40,252

¹ 相關年度的客戶收益少於本集團總收益的10%。

7. Other income

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Repair and maintenance service income	維修及保養服務收入	477	229
Bank interest income	銀行利息收入	18	—
Sales of materials	銷售材料	9	122
Income from insurance compensation	保險賠償收入	—	210
Income from provision of labour to subcontractors	向分包商提供勞工的收入	—	91
Others	其他	31	79
		535	731

7. 其他收入

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8. Finance costs

8. 財務成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on bills payable	應付票據利息	19	83
Interest on bank borrowing	銀行借貸利息	173	—
Interest on bank overdrafts	銀行透支利息	5	31
		197	114

9. Profit before tax

9. 除稅前溢利

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before tax has been arrived at after charging:	除稅前溢利已扣除以下項目：		
Staff costs	員工成本		
Directors' remuneration (Note 11)	董事酬金(附註11)	5,012	1,374
Other staff costs	其他員工成本	12,926	7,887
Contributions to retirement benefits schemes, other than those of directors	退休福利計劃供款(董事除外)	308	223
Total staff costs	員工成本總額	18,246	9,484
Auditor's remuneration	核數師酬金	700	42
Depreciation of plant and equipment	機器及設備折舊	51	31
Loss on write-off of plant and equipment	撇銷機器及設備虧損	4	4
Contract costs recognised as expenses	確認為開支之合約成本	133,513	109,733
Operating lease rentals in respect of minimum lease payments of rented premises	租賃物業最低租金付款的經營租賃租金	715	1,038
Net exchange losses	匯兌虧損淨額	165	122

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10. Income tax expense

10. 所得稅開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong Profits Tax	香港利得稅	938	1,562
Macau Complementary Tax	澳門所得補充稅	1,797	968
		2,735	2,530
Under(over)provision in prior years:	過往年度撥備不足／ (超額撥備)：		
Hong Kong Profits Tax	香港利得稅	111	—
Macau Complementary Tax	澳門所得補充稅	(27)	—
		84	—
		2,819	2,530

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

香港利得稅按兩個年度估計應課稅溢利的16.5%計算。

Pursuant to a tax incentive approved under Section 20 of Decree Law No. 9/2014, Macau Complementary Tax is levied at a fixed rate of 12% on the taxable income above MOP 600,000.

根據澳門法令第9/2014號第20節所批准之稅務優惠，澳門所得補充稅對超過600,000澳門幣的應課稅收入按12%固定稅率徵收。

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10. Income tax expense (Continued)

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅開支(續)

年內所得稅開支可與綜合損益及其他全面收益表所載除稅前溢利對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit before tax	除稅前溢利	8,030	17,935
Tax at the domestic income tax rate of 16.5%	按本地所得稅率16.5%計算之稅項	1,325	2,959
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	2,217	130
Tax effect of income not taxable for tax purpose	毋須課稅收入的稅務影響	(103)	(98)
Underprovision in respect of prior years	過往年度撥備不足	84	—
Tax effect of utilisation of tax losses previously not recognised	動用過往未確認稅項虧損的稅務影響	—	(65)
Tax effect of different tax rate of subsidiary operating in other jurisdiction	於其他司法權區經營之附屬公司採用不同稅率的稅務影響	(682)	(362)
Others	其他	(22)	(34)
Income tax expense for the year	年內所得稅開支	2,819	2,530

The Group had no unused tax losses as at 31 December 2017 and 2016. There was no significant deferred taxation during the year or at the end of the reporting period.

於二零一七年及二零一六年十二月三十一日，本集團概無未動用稅項虧損。於年內或截至報告期末，概無重大遞延稅項。

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11. Emoluments of directors and chief executive and employees (Continued)**Directors and Chief Executive (Continued)**

For the year ended 31 December 2016

11. 董事及行政總裁及僱員酬金 (續)**董事及行政總裁 (續)**

截至二零一六年十二月三十一日止年度

	Executive directors 執行董事		Non-executive directors 非執行董事		Independent non-executive directors 獨立非執行董事			Total 總計
	Mr. Chung 鍾先生	Ms. Lai Suk Fan 黎淑芬女士	Mr. Tan Kean Ee 陳鏗亦先生	Mr. Kung Yuk Tung 宮旭東先生	Mr. Choy Hiu Fai 蔡曉輝先生	Mr. Lei For 利科先生	Mr. Lai Wai Ming 黎偉明先生	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Fees 袍金	—	—	—	—	—	—	—	—
Other emoluments 其他酬金								
— Salaries and other benefits — 薪金及其他福利	960	380	—	—	—	—	—	1,340
— Contribution to retirement benefits scheme — 退休福利計劃供款	18	16	—	—	—	—	—	34
Total	978	396	—	—	—	—	—	1,374

Discretionary bonus was determined with reference to the Group's operating results and individual performance.

酌情花紅乃參考本集團營運業績及個人表現而釐定。

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

11. Emoluments of directors and chief executive and employees (Continued)**Employees' emoluments**

The five highest paid individuals of the Group included two directors (2016 : one director) for the year ended 31 December 2017, details of whose remunerations are set out above. Details of the remuneration for the year of the remaining highest paid employees who are neither director nor chief executive of the Company are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,974	1,588
Discretionary bonus	酌情花紅	277	—
Contribution to retirement benefits scheme	退休福利計劃供款	54	64
		2,305	1,652

The number of the highest paid employees who are not the director or chief executive of the Company whose remuneration fell within the following band is as follows:

		Number of employees 僱員數目	
		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至1,000,000港元	3	4

11. 董事及行政總裁及僱員酬金 (續)**僱員酬金**

本集團五名最高薪酬人士於截至二零一七年十二月三十一日止年度包括兩名董事(二零一六年：一名董事)，其薪酬詳情載於上文。於年內，餘下最高薪酬僱員並非本公司董事或行政總裁，其薪酬詳情如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	1,974	1,588
Discretionary bonus	酌情花紅	277	—
Contribution to retirement benefits scheme	退休福利計劃供款	54	64
		2,305	1,652

並非本公司董事或行政總裁且薪酬屬於以下組別的最高薪僱員數目如下：

		Number of employees 僱員數目	
		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至1,000,000港元	3	4

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11. Emoluments of directors and chief executive and employees (Continued)**Employees' emoluments (Continued)**

During the year, no emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. Directors did not waive or agree to waive any emoluments during the year.

12. Dividends

On 10 April 2017, an interim dividend of HK\$27,000,000 was declared and approved by the Company in favor of its shareholders whose names appeared on the register of members of the Company on 31 December 2016, namely Wing Fung Capital Limited and the First Pre-IPO Investor (as defined in Note 22(b)). Among the dividend declared, HK\$10,946,000 was paid out of share premium and HK\$16,054,000 was paid out of retained profits of the Company. On the same date, for the dividend payable to Wing Fung Capital Limited of HK\$23,824,000, HK\$20,708,000 of which had been settled by offsetting with amount due from a director and the remaining amount of HK\$3,116,000 had been settled in cash. The remaining HK\$3,176,000 payable to the First Pre-IPO Investor, was irrevocably waived by the First Pre-IPO Investor pursuant to a deed of waiver dated 10 April 2017. The amount waived was deemed as capital contribution from a shareholder and credited to capital reserve.

11. 董事及行政總裁及僱員酬金 (續)**僱員酬金 (續)**

於年內，本集團概無向本公司董事或五名最高薪酬人士(包括董事及僱員)支付酬金，作為加入或加入本集團後的獎勵或作為離職補償。於年內，董事並無放棄或同意放棄任何酬金。

12. 股息

於二零一七年四月十日，本公司向二零一六年十二月三十一日名列本公司股東名冊的股東(即Wing Fung Capital Limited及第一名首次公開發售前投資者(定義見附註11(b)))宣派及批准中期股息27,000,000港元。在已宣派股息中，10,946,000港元由股份溢價支付及16,054,000港元由本公司保留溢利支付。同日，就應付Wing Fung Capital Limited股息23,824,000港元，其中20,708,000港元已透過抵銷應收一名董事款項結付，而餘額3,116,000港元則以現金結付。應付第一名首次公開發售前投資者的餘下3,176,000港元已根據日期為二零一七年四月十日的豁免契據獲第一名首次公開發售前投資者不可撤回地豁免。所豁免金額被視為股東注資及計入資本儲備。

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12. Dividends (Continued)

On 24 October 2017, an interim dividend of HK\$34,000,000 was declared and approved by the Company in favor of its shareholders whose names appeared on the register of members of the Company on 24 October 2017, namely Wing Fung Capital Limited, the First Pre-IPO Investor and the Second Pre-IPO Investor (as defined in Note 22(c)). Among the dividend declared, HK\$27,000,000 was paid out of share premium and HK\$7,000,000 was paid out of retained profits of the Company. On the same date, the dividend payable to Wing Fung Capital Limited of HK\$25,500,000 was settled in cash. The dividend payables of HK\$3,400,000 to the First Pre-IPO Investor and HK\$5,100,000 to the Second Pre-IPO Investor were both irrevocably waived by the First Pre-IPO Investor and the Second Pre-IPO Investor respectively pursuant to deeds of waiver dated 24 October 2017. The amounts waived would be deemed as capital contribution from shareholders and credited to capital reserve.

A final dividend of HK\$2,038,000 was recognised as distribution by Botop Macau to its then shareholders, Mr. Chung and Ms. Chung, the Controlling Shareholders, during the year ended 31 December 2016.

No other dividend was declared or paid by the Company or any of its subsidiaries during the year ended 31 December 2017.

12. 股息(續)

於二零一七年十月二十四日，本公司向於二零一七年十月二十四日名列本公司股東名冊的股東(即Wing Fung Capital Limited、第一名首次公開發售前投資者及第二名首次公開發售前投資者(定義見附註11(c)))宣派及批准中期股息34,000,000港元。在已宣派股息中，27,000,000港元由股份溢價支付，7,000,000港元由本公司保留溢利支付。同日，應付Wing Fung Capital Limited股息25,500,000港元已透過現金支付。應付第一名首次公開發售前投資者的股息3,400,000港元及應付第二名首次公開發售前投資者的股息5,100,000港元均已根據日期為二零一七年十月二十四日的豁免契據分別獲第一名首次公開發售前投資者及第二名首次公開發售前投資者不可撤回地豁免。所豁免金額被視為股東注資及計入資本儲備。

截至二零一六年十二月三十一日止年度，末期股息2,038,000港元確認為寶創澳門向其當時股東鍾先生及鍾美蓮女士作出之分派。

於截至二零一七年十二月三十一日止年度，本公司或其任何附屬公司並無宣派或派付其他股息。

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13. Earnings per share

13. 每股盈利

	2017 二零一七年	2016 二零一六年
Earnings:		
Earnings for the purpose of calculating basic earnings per share (profit for the year) (in HK\$'000)	5,211	15,405
盈利：		
為計算每股基本盈利的盈利(年內溢利)(千港元)		
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	422,892,534	323,345,492
股份數目：		
為計算每股基本盈利的普通股加權平均數		

The weighted average number of ordinary shares for the purpose of calculating the basic earnings per share during the year is based on the assumption that the Reorganisation, the increase in authorised share capital and redenomination of share capital, the share subdivision and the capitalisation issue of 429,720,000 shares as explained in the section headed "History, Development and Reorganisation" in the Prospectus, had been effective on 1 January 2016 and as adjusted for capital contributions by shareholders during the year.

No diluted earnings per share for the year is presented as there were no potential dilutive ordinary shares in issue during the year.

就計算年內每股基本盈利的普通股加權平均數乃根據招股章程「歷史、發展及重組」一節所述重組、增加法定股本及重訂股本幣值、股份拆細及資本化發行429,720,000股股份已於二零一六年一月一日生效的假設計算，並已就年內股東注資調整。

概無呈列年內每股攤薄盈利，因為年內概無已發行潛在攤薄普通股。

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14. Plant and equipment

14. 機器及設備

		Motor vehicles 汽車 HK\$'000 千港元	Furniture and office equipment 傢俬及辦公室 設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST				
At 1 January 2016	於二零一六年一月一日	71	396	467
Currency realignment	貨幣調整	1	—	1
Additions	添置	8	70	78
Write-off	撇銷	(18)	—	(18)
At 31 December 2016	於二零一六年 十二月三十一日	62	466	528
Currency realignment	貨幣調整	(1)	(1)	(2)
Additions	添置	26	108	134
Write-off	撇銷	(8)	(332)	(340)
At 31 December 2017	於二零一七年 十二月三十一日	79	241	320
DEPRECIATION				
At 1 January 2016	於二零一六年一月一日	38	363	401
Currency realignment	貨幣調整	—	1	1
Provided for the year	年內撥備	11	20	31
Eliminated on write-off	撇銷時對銷	(14)	—	(14)
At 31 December 2016	於二零一六年 十二月三十一日	35	384	419
Provided for the year	年內撥備	11	40	51
Eliminated on write-off	撇銷時對銷	(4)	(332)	(336)
At 31 December 2017	於二零一七年 十二月三十一日	42	92	134
CARRYING VALUES				
At 31 December 2017	於二零一七年 十二月三十一日	37	149	186
At 31 December 2016	於二零一六年 十二月三十一日	27	82	109

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14. Plant and equipment (Continued)

The above items of plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Motor vehicles	20%-25%
Furniture and office equipment	20%

14. 機器及設備(續)

上述機器及設備項目按以下年率以直線基準折舊：

汽車	20%-25%
傢俬及辦公室設備	20%

15. Amounts due from (to) customers for contract works**15. 應收(付)客戶合約工程款項**

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contracts in progress at the end of the reporting period: 於報告期末的進行中合約：			
Contract costs incurred	已產生合約成本	187,489	97,251
Recognised profits less recognised losses	已確認溢利減已確認虧損	41,417	26,487
		228,906	123,738
Less: Progress billings	減：進度款項	(223,094)	(124,974)
		5,812	(1,236)
Analysed for reporting purposes as: 就呈報用途作出之分析如下：			
Amounts due from customers for contract works	應收客戶合約工程款項	10,234	9,079
Amounts due to customers for contract works	應付客戶合約工程款項	(4,422)	(10,315)
		5,812	(1,236)

As at 31 December 2017, retention held by customers for contract works amounted to HK\$20,123,000 (2016: HK\$16,859,000), which are set out in Note 16.

於二零一七年十二月三十一日，客戶為合約工程持有的保固金為20,123,000港元(二零一六年：16,859,000港元)(載於附註16)。

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16. Trade and other receivables, deposits and prepayments**16. 貿易及其他應收款項、按金及預付款項**

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	貿易應收款項	15,863	28,304
Retention receivables (Note)	應收保固金(附註)	20,123	16,859
Deferred listing expenses	遞延上市開支	3,349	—
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	1,282	1,052
		40,617	46,215

Note: Retention receivables are unsecured, interest-free and recoverable at the end of the defect liability period of individual contracts, all being one year from the date of the completion of the respective projects.

附註：應收保固金為無抵押、免息及於個別合約保修期完結時(均為相關項目完成日期起計一年)收回。

The retention receivables are to be settled, based on the expiry of the defect liability period, at the end of the reporting period:

應收保固金將在保修期屆滿的基礎上於報告期末結付：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	7,275	7,659
After one year	一年後	12,848	9,200
		20,123	16,859

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16. Trade and other receivables, deposits and prepayments (Continued)

Trade receivables arise from the provision of supply, installation and fitting-out services of MVAC system for buildings. The Group grants a credit period ranged from 30 days to 45 days to its customers. The following is an aging analysis of trade receivables based on valuation dates of payment certificates, which approximate the revenue recognition dates, net of allowance for doubtful debts at the end of the reporting period:

16. 貿易及其他應收款項、按金及預付款項(續)

貿易應收款項源於提供樓宇機械通風及空調系統的供應、安裝及裝修服務。本集團向其客戶授出的信貸期介乎30日至45日。下文為於報告期末根據付款證明估值日期(與收益確認日期相若)的貿易應收款項賬齡分析(扣除呆賬撥備)：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 30 days	0至30日	7,057	17,044
31 to 60 days	31至60日	5,992	9,048
61 to 90 days	61至90日	948	—
91 to 180 days	91至180日	65	—
181 days to 1 year	181日至一年	—	—
Over 1 year	超過一年	1,801	2,212
		15,863	28,304

Before accepting any new customers, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits granted to customers are reviewed periodically. The majority of the Group's trade receivables that are past due but not impaired have good credit quality with reference to respective settlement history.

接納任何新客戶前，本集團會評估潛在客戶的信貸質素及按客戶界定信貸限額，並定期檢討授予客戶的信貸限額。根據相關償付記錄，本集團大部分已逾期但未減值的貿易應收款項屬信貸質素良好。

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16. Trade and other receivables, deposits and prepayments (Continued)

The management of the Group closely monitors the credit quality of trade receivables and considers the debts that are neither past due nor impaired to be of good credit quality. Trade receivables that are neither past due nor impaired have good credit quality with reference to respective settlement history.

Included in the Group's trade receivables balance are debtors with an aggregate carrying amount of HK\$6,359,000 (2016 : HK\$2,212,000) which are past due at the end of the year for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

The aging analysis presented based on the valuation dates of payment certificates of the trade receivables which are past due but not impaired is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
31 to 60 days	31至60日	3,634	—
61 to 90 days	61至90日	859	—
91 to 180 days	91至180日	65	—
Over 1 year	超過一年	1,801	2,212
		6,359	2,212

All of the trade receivables that are neither past due nor impaired have no default payment history.

16. 貿易及其他應收款項、按金及預付款項(續)

本集團管理層密切監察貿易應收款項的信貨質素，並認為未逾期亦未減值的債務屬信貨質素良好。根據相關償付記錄，未逾期亦未減值的貿易應收款項屬信貨質素良好。

本集團的貿易應收款項結餘包括應收賬項，總賬面值為6,359,000港元(二零一六年：2,212,000港元)，該等款項於年末已逾期，而本集團並無確認呆賬撥備，因為信貨質素並無重大變動，而金額仍然屬可收回。本集團並無就該等結餘持有任何抵押品。

根據已逾期但未減值的貿易應收款項的付款證明估值日期呈列的賬齡分析列載如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
31 to 60 days	3,634	—
61 to 90 days	859	—
91 to 180 days	65	—
Over 1 year	1,801	2,212
	6,359	2,212

所有未逾期亦未減值的貿易應收款項均無拖欠付款記錄。

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**17. Amounts due from (to) a director/
a shareholder of the holding company/
related companies****17. 應收(付)董事／控股公司股
東／關聯公司款項**

		Maximum outstanding balance during the year 年內最大 未付結餘		Maximum outstanding balance during the year 年內最大 未付結餘	
		2017 二零一七年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Amount due from a director (Note a)	應收一名董事款項 (附註a)	—	20,708	20,708	20,708
Amount due to a shareholder of the holding company (Note b)	應付控股公司一名 股東款項(附註b)	—		(81)	
Amounts due to related companies	應付關聯公司款項				
Cheuk Yat Engineering (Note c)	卓一工程(附註c)	(744)		(1,123)	
Tai Tak E & M Co. (Note d)	太德工程公司 (附註d)	(1,953)		(3,879)	
Tai Tak Engineering (Macau) Limited (Note e)	Tai Tak Engineering (Macau) Limited (附註e)	(2,344)		(3,368)	
Wing Fung Engineering Limited (Note f)	Wing Fung Engineering Limited(附註f)	—		(350)	
		(5,041)		(8,720)	

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**17. Amounts due from (to) a director/
a shareholder of the holding company/
related companies (Continued)**

Notes:

- (a) The amount represents amount due from Mr. Chung, one of the Controlling Shareholders, and is non-trade in nature, unsecured, interest-free and repayable on demand. The amount as at 31 December 2016 was offset by dividend declared by the Company in April 2017, details of which are set out in Note 12.
- (b) The amount represents amount due to Ms. Chung and is non-trade in nature, unsecured, interest free and repayable on demand. The amount as at 31 December 2016 was settled in full during the year ended 31 December 2017.
- (c) The amount represents amount due to Cheuk Yat Engineering, in which Mr. Chung Cheuk Him, being a senior project manager of the Group till 2016 and Mr. Chung's nephew-in-law, has controlling interest. The amount is of trade nature and has a credit term of 30 days.
- (d) The amount represents amount due to Tai Tak E & M Co., a company in which Mr. Chung Chu Sum, Mr. Chung's brother, has joint control. The amount is of trade nature and has a credit term of 30 days.
- (e) The amount represents amount due to Tai Tak Engineering (Macau) Limited, a company in which Mr. Chung Chu Sum, Mr. Chung's brother, has controlling interest. The amount is of trade nature and has a credit term of 30 days.
- (f) The amount represents amount due to Wing Fung Engineering Limited, in which daughters of Mr. Chung have controlling interests. The amount is of trade nature and has a credit term of 30 days.

17. 應收(付)董事／控股公司股東／關聯公司款項(續)

附註：

- (a) 該款項指應收其中一名控股股東鍾先生款項，屬非貿易性質、無抵押、免息及須按要求償還。該款項於二零一六年十二月三十一日由本公司於二零一七年四月宣派股息(詳情載於附註12)抵銷。
- (b) 該款項指應付鍾女士款項，屬非貿易性質、無抵押、免息及須按要求償還。於二零一六年十二月三十一日的該款項已於截至二零一七年十二月三十一日止年度悉數結付。
- (c) 該款項指應付卓一工程款項，鍾先生的姨甥鍾卓謙先生(直至二零一六年為本集團的高級項目經理)在該公司擁有控股權益。該款項屬貿易性質，信貸期為30日。
- (d) 該款項指應付太德工程公司款項，鍾先生的胞弟鍾柱森先生在該公司擁有共同控制權。該款項屬貿易性質，信貸期為30日。
- (e) 該款項指應付Tai Tak Engineering (Macau) Limited款項，鍾先生的胞弟鍾柱森先生在該公司擁有控股權益。該款項屬貿易性質，信貸期為30日。
- (f) 該款項指應付Wing Fung Engineering Limited款項，鍾先生的女兒在該公司擁有控股權益。該款項屬貿易性質，信貸期為30日。

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**17. Amounts due from (to) a director/
a shareholder of the holding company/
related companies (Continued)**

The aging analysis of amounts due to related companies, which is prepared based on valuation dates of payment certificates of each transaction, at the end of the reporting period is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 30 days	0至30日	—	568
181 days to 1 year	181日至一年	165	1,016
Over 1 year	超過一年	4,876	7,136
		5,041	8,720

17. 應收(付)董事／控股公司股東／關聯公司款項(續)

於報告期末，應付關聯公司款項的賬齡分析(根據各項交易的付款證明之估值日期編製)列載如下：

**18. Pledged and restricted bank deposits,
bank balances and cash and bank
overdrafts**

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Pledged bank deposits	已抵押銀行存款	3,009	—
Restricted bank deposits	受限制銀行存款	2,716	—
Bank balances and cash	銀行結餘及現金	17,284	14,977
Bank overdrafts	銀行透支	(72)	(2,404)
		22,937	12,573
Less: Pledged and restricted bank deposits	減：已抵押及受限制銀行存款	(5,725)	—
Cash and cash equivalents	現金及現金等價物	17,212	12,573

**18. 已抵押及受限制銀行存款、
銀行結餘及現金及銀行透支**

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18. Pledged and restricted bank deposits, bank balances and cash and bank overdrafts (Continued)

The pledged bank deposits represent deposits pledged to a bank to secure a banking facility granted to the Group with maturity within one year from the end of the reporting period and is therefore classified as a current asset. The pledged bank deposits carried interest at a fixed rate of 1.45% per annum at 31 December 2017.

The restricted bank deposits represent cash held at banks as security for due performance under several services contracts of MVAC system for buildings with prevailing market rate of 0.02% per annum at 31 December 2017.

The bank overdrafts carry interest at a rate of 1.5% over the prime rate of the relevant bank per annum at 31 December 2017 and 2016.

As at 31 December 2016, bank overdraft of Wing Fung HK amounting to HK\$2,016,000 was secured by two legal charges over two properties of which one is held by Ms. Wong Sau Ping, the spouse of Mr. Chung, and one is held by Boto Engineering Limited, a company in which Mr. Chung has controlling interest, and guaranteed by Wing Fung Engineering Limited, a company in which daughters of Mr. Chung have controlling interests, for an unlimited amount. The bank overdraft was also guaranteed by Mr. Chung for HK\$20,000,000, and was secured by a personal insurance policy of Mr. Chung as at 31 December 2016. The legal charges over these two properties, two guarantees provided by Mr. Chung and Wing Fung Engineering Limited, and the security by the personal insurance policy of Mr. Chung have been released during the year ended 31 December 2017.

18. 已抵押及受限制銀行存款、銀行結餘及現金及銀行透支(續)

已抵押銀行存款指就本集團獲授銀行融資而抵押予銀行的存款，到期日由報告期末起計為期一年，故分類為流動資產。於二零一七年十二月三十一日，已抵押銀行存款按固定年利率1.45%計息。

受限制銀行存款指存放於銀行的現金，作為樓宇機械通風及空調系統的若干服務合約的履約保證金擔保，於二零一七年十二月三十一日的現行市場年利率為0.02%。

銀行透支按於二零一七年及二零一六年十二月三十一日相關銀行最優惠年利率加1.5%的利率計息。

於二零一六年十二月三十一日，榮豐香港2,016,000港元的銀行透支以兩項物業的兩個法定押記作抵押，其中一項物業由鍾先生的配偶王秀萍女士持有，一項物業由寶創工程有限公司(鍾先生擁有控股權益的公司)持有，並由Wing Fung Engineering Limited(鍾先生的女兒擁有控股權益的公司)作出無限額擔保。銀行透支亦獲鍾先生擔保，金額為20,000,000港元，並且於二零一六年十二月三十一日獲鍾先生的個人保單作抵押。該兩項物業的法定押記、鍾先生及Wing Fung Engineering Limited提供的兩項擔保，以及鍾先生個人保單作出的抵押已於截至二零一七年十二月三十一日止年度獲解除。

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18. Pledged and restricted bank deposits, bank balances and cash and bank overdrafts (Continued)

As at 31 December 2017 and 2016, another bank overdraft of Botop Macau amounting to HK\$72,000 and HK\$388,000 respectively was secured by a personal bank deposit of RMB1,250,000 of Mr. Chung, a Livranca (i.e. promissory note) for MOP5,000,000 signed by Botop Macau, and guaranteed by Mr. Tam Chan Sing Joseph, the spouse of Mr. Chung's sister for MOP1,500,000 and Mr. Chung for MOP5,000,000. The personal bank deposit of Mr. Chung and the guarantees by Mr. Tam Chan Sing Joseph and Mr. Chung has been subsequently released on 27 February 2018 and replaced by Corporate guarantee by the Company.

The Group's bank balances and cash and pledged and restricted bank deposits that are denominated in HK\$ other than the functional currency of the relevant group entities are set out below:

18. 已抵押及受限制銀行存款、銀行結餘及現金及銀行透支(續)

於二零一七年及二零一六年十二月三十一日，寶創澳門另有分別72,000港元及388,000港元的銀行透支以鍾先生的個人銀行存款人民幣1,250,000元、寶創澳門簽立的5,000,000澳門幣承兌票據作抵押，並由鍾先生胞妹的配偶譚贊成先生及鍾先生分別作1,500,000澳門幣及5,000,000澳門幣擔保。鍾先生的個人銀行存款及譚贊成先生與鍾先生的擔保其後於二零一八年二月二十七日獲解除並由本公司的公司擔保取代。

本集團以港元(並非相關集團實體的功能貨幣)計值的銀行結餘及現金和已抵押及受限制銀行存款列載如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Denominated in HK\$	2,265	3,060
以港元計值		

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19. Trade and retention payables

19. 貿易應付款項及應付保固金

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	貿易應付款項	8,229	8,341
Retention payables (Note)	應付保固金(附註)	6,325	3,644
		14,554	11,985

Note: Retention payables to subcontractors are interest-free and payable at the end of the defect liability period of individual contracts, normally one year from the completion date of the respective projects.

附註：應付分包商的保固金為免息及須於個別合約保修期完結時(一般為相關項目完成日期起計一年)支付。

The retention payables are expected to be settled, based on the expiry date of the defect liability period, at the end of the reporting period as follows:

根據保修期屆滿日期，應付保固金預期於報告期末的結付情況如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Due within one year	一年內到期	2,223	2,671
Due after one year	一年後到期	4,102	973
		6,325	3,644

The average credit period of trade payables granted by subcontractors and suppliers is from 30 to 60 days upon the issue of invoices or application of interim payment generally.

分包商及供應商就貿易應付款項授出的平均信貸期一般介乎出具發票或申請中期付款後30至60日。

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**19. Trade and retention payables
(Continued)**

The following is an aging analysis of trade payables based on the invoice dates or the dates of application of interim payment, as appropriate.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 to 30 days	0至30日	6,187	5,703
31 to 60 days	31至60日	657	1,979
61 to 90 days	61至90日	278	290
91 to 180 days	91至180日	783	28
181 days to 1 year	181日至一年	—	42
Over 1 year	超過一年	324	299
		8,229	8,341

**19. 貿易應付款項及應付保固金
(續)**

以下列載根據發票日期或申請中期付款日期的貿易應付款項賬齡分析：

20. Other payables and accrued expenses

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accrued staff costs	應計員工成本	3,332	1,201
Other accrued charges	其他應計費用	1,034	—
Accrued listing expenses	應計上市開支	624	—
Other payables	其他應付款項	447	349
		5,437	1,550

20. 其他應付款項及應計費用

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21. Bank borrowing**21. 銀行借貸**

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank borrowing	銀行借貸		
Guaranteed	有擔保	19,485	—

The carrying amounts of bank borrowing that contains a repayment on demand clause (shown under current liabilities) but repayable:

載有按要求償還條款(列入流動負債項下)但須於以下期間償還的銀行借貸賬面值：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	6,349	—
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年之期間	6,689	—
Within a period of more than two years but not exceeding five years	兩年以上但不超過五年之期間	6,447	—
		19,485	—

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21. Bank borrowing (Continued)

The bank borrowing as at 31 December 2017 carried interest at Hong Kong Prime Rate of the bank plus 0.25%. The effective interest rate on the bank borrowing (which is also equal to contracted interest rate) is 5.25% per annum. The Group's bank borrowing is denominated in HK\$. As at 31 December 2017, the bank borrowing was secured by the personal guarantee by Mr. Chung for HK\$20,000,000 and corporate guarantee for HK\$20,000,000 by Wing Fung Engineering Limited. The personal guarantee by Mr. Chung and the corporate guarantee by Wing Fung Engineering Limited were subsequently released on 27 February 2018 and replaced by Corporate guarantee by the Company.

22. Share capital

For the purpose of these consolidated financial statements, the issued capital of the Group of HK\$25,000 as at 1 January 2016 represented the combined share capital of Boto Macau of MOP25,000 (equivalent to HK\$24,000) and Wing Fung HK of HK\$700. The issued capital of the Group of HK\$7,000 as at 31 December 2016 represented the share capital of the Company of 850 shares of US\$1 each. The issued capital of the Group of HK\$7,800 as at 31 December 2017 represented the share capital of the Company of 780,000 shares of HK\$0.01 each.

21. 銀行借貸(續)

於二零一七年十二月三十一日，銀行借貸按香港銀行最優惠利率加0.25%計息。銀行借貸的實際利率(亦相等於訂約利率)為每年5.25%。本集團的銀行借貸以港元計值。於二零一七年十二月三十一日，銀行借貸由鍾先生就20,000,000港元的個人擔保及Wing Fung Engineering Limited就20,000,000港元的公司擔保作抵押。鍾先生的個人擔保及Wing Fung Engineering Limited的公司擔保其後於二零一八年二月二十七日獲解除並由本公司的公司擔保取代。

22. 股本

就該等綜合財務報表而言，本集團於二零一六年一月一日的已發行股本25,000港元指寶創澳門的25,000澳門幣(相當於24,000港元)及榮豐香港的700港元的合併股本。本集團於二零一六年十二月三十一日的已發行股本7,000港元指本公司850股每股1美元的股份的股本。本集團於二零一七年十二月三十一日的已發行股本7,800港元指本公司780,000股每股0.01港元的股份的股本。

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22. Share capital (Continued)

The movement in the Company's authorised and issued ordinary share capital are as follows:

22. 股本(續)

本公司的法定及已發行普通股股本的變動如下：

		Nominal value shares 每股面值	Number of per share 股份數目	Amount 金額	
				US\$'000 千美元	HK\$'000 千港元
Authorised:	法定：				
At 29 September 2016 (date of incorporation) and 31 December 2016	於二零一六年九月二十九日(註冊成立日期)及二零一六年十二月三十一日	US\$1美元	50,000	50	390
Creation of shares (Note d)	設立股份(附註d)	HK\$0.1港元	10,000,000,000	N/A 不適用	1,000,000
Cancellation of shares (Note d)	註銷股份(附註d)	US\$1美元	(50,000)	(50)	(390)
Subdivision of shares (Note e)	股份拆細(附註e)	HK\$0.01港元	90,000,000,000	N/A 不適用	—
At 31 December 2017	於二零一七年十二月三十一日	HK\$0.01港元	100,000,000,000	N/A 不適用	1,000,000
Issued and fully paid:	已發行及繳足：				
At 29 September 2016 (date of incorporation) (Note a)	於二零一六年九月二十九日(註冊成立日期)(附註a)	US\$1美元	1	—	—
Issue of shares (Note b)	發行股份(附註b)	US\$1美元	849	1	7
At 31 December 2016	於二零一六年十二月三十一日	US\$1美元	850	1	7
Issue of shares (Note c)	發行股份(附註c)	US\$1美元	150	—	1
Issue of shares (Note d)	發行股份(附註d)	HK\$0.1港元	78,000	N/A 不適用	8
Cancellation of shares (Note d)	註銷股份(附註d)	US\$1美元	(1,000)	(1)	(8)
Subdivision of shares (Note e)	股份拆細(附註e)	HK\$0.01港元	702,000	N/A 不適用	—
At 31 December 2017	於二零一七年十二月三十一日	HK\$0.01港元	780,000	N/A 不適用	8

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22. Share capital (Continued)

Notes:

- a. On 29 September 2016, the Company was incorporated in the Cayman Islands with an authorised share capital of US\$50,000 divided into 50,000 shares with a par value of US\$1 each. 1 share of US\$1 was issued and allotted to the initial subscriber, which was on the same day transferred to Wing Fung Capital Limited, a company wholly owned by the Controlling Shareholders.
- b. On 15 December 2016, 749 shares of US\$1 each were issued and allotted to Wing Fung Capital Limited for acquisition of Wing Fung HK pursuant to the Reorganisation as detailed in Note 2.

On 15 December 2016, a subscription agreement was entered into between (i) the Company; (ii) Global Equity Value Fund SPC-Frotivoti Sunshine Liyao Capital Fund I SP (the "First Pre-IPO Investor"); and (iii) Mr. Chung, pursuant to which the First Pre-IPO Investor subscribed for 100 new shares at a cash consideration of HK\$10,000,000 (the "First Pre-IPO Investment"). The First Pre-IPO Investment was completed on 28 December 2016.

The new shares rank pari passu with the then existing shares in all respects.

- c. On 15 December 2016, a subscription agreement was entered into between (i) the Company; (ii) Global Equity Value Fund SPC-FC Treasure Fund I SP (the "Second Pre-IPO Investor"); and (iii) Mr. Chung as guarantor, pursuant to which the Second Pre-IPO Investor subscribed for 150 shares of the Company at a cash consideration of HK\$15,000,000 (the "Second Pre-IPO Investment"). The Second Pre-IPO Investment was completed on 13 February 2017.

The new shares rank pari passu with the then existing shares in all respects.

22. 股本(續)

附註：

- a. 於二零一六年九月二十九日，本公司於開曼群島註冊成立，法定股本為50,000美元分為50,000股每股面值1美元的股份。1股1美元股份已發行及配發予初始認購人，並於同日轉讓予控股股東全資擁有的公司Wing Fung Capital Limited。
- b. 於二零一六年十二月十五日，根據重組（詳情載於附註2），749股每股1美元的股份已發行及配發予Wing Fung Capital Limited以收購榮豐香港。

於二零一六年十二月十五日，(i)本公司；(ii) Global Equity Value Fund SPC-Frotivoti Sunshine Liyao Capital Fund I SP（「第一名首次公開發售前投資者」）；及(iii)鍾先生訂立認購協議，據此，第一名首次公開發售前投資者認購100股新股份，現金代價為10,000,000港元（「第一次首次公開發售前投資」）。第一次首次公開發售前投資已於二零一六年十二月二十八日完成。

新股份在各方面與當時既有股份享有同等地位。

- c. 於二零一六年十二月十五日，(i)本公司；(ii) Global Equity Value Fund SPC-FC Treasure Fund I SP（「第二名首次公開發售前投資者」）；及(iii)鍾先生（作為擔保人）訂立認購協議，據此，第二名首次公開發售前投資者認購150股本公司股份，現金代價為15,000,000港元（「第二次首次公開發售前投資」）。第二次首次公開發售前投資已於二零一七年二月十三日完成。

新股份在各方面與當時既有股份享有同等地位。

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22. Share capital (Continued)

Notes: (Continued)

- d. Pursuant to the written resolutions of the shareholders passed on 22 March 2017, the authorised share capital of the Company was increased from US\$50,000 divided into 50,000 shares of a par value of US\$1.00 each to the aggregate of (i) US\$50,000 divided into 50,000 shares of a par value of US\$1.00 each; and (ii) HK\$1,000,000,000 divided into 10,000,000,000 shares with a par value of HK\$0.10 each, by the creation of an additional 10,000,000,000 ordinary shares of HK\$0.10 each. The increase in authorised share capital of the Company was completed on 31 March 2017.

On the same day, the Company allotted and issued 58,500, 7,800 and 11,700 shares with a par value of HK\$0.10 each to Wing Fung Capital Limited, the First Pre-IPO Investor and the Second Pre-IPO Investor, respectively and repurchased the 1,000 then existing issued shares of US\$1.00 each. Also on the same day, the Company cancelled 50,000 authorised but unissued shares of US\$1.00 each in the share capital of the Company, such that the authorised share capital of the Company became HK\$1,000,000,000 divided into 10,000,000,000 shares of a par value of HK\$0.10 each.

- e. Pursuant to the written resolutions of the shareholders passed on 10 April 2017, each of the issued and unissued shares of the Company of HK\$0.10 each was subdivided into 10 shares with a par value of HK\$0.01 each. Upon completion of the share subdivision, the authorised share capital of the Company became HK\$1,000,000,000 divided into 100,000,000,000 shares of HK\$0.01 each, and the issued share capital of the Company became HK\$7,800 divided into 780,000 shares of HK\$0.01 each.

23. 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 the shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

22. 股本(續)

附註：(續)

- d. 根據股東於二零一七年三月二十二日通過的書面決議案，本公司的法定股本由50,000美元，分為50,000股每股面值1.00美元的股份，增至合共為(i)50,000美元，分為50,000股每股面值1.00美元的股份；及(ii)1,000,000,000港元，分為10,000,000,000股每股面值0.10港元的股份，方法為增設10,000,000,000股每股0.10港元的普通股。本公司的法定股本增加於二零一七年三月三十一日完成。

同日，本公司分別配發及發行58,500股、7,800股及11,700股每股面值0.10港元的股份予Wing Fung Capital Limited、第一名首次公開發售前投資者及第二名首次公開發售前投資者，並購回1,000股每股1.00美元的當時既有已發行股份。同日，本公司亦註銷本公司股本中50,000股每股面值1.00美元的法定但未發行股份，使本公司的法定股本變為1,000,000,000港元，分為10,000,000,000股每股面值0.10港元的股份。

- e. 根據股東於二零一七年四月十日通過的書面決議案，本公司每股0.10港元的已發行及未發行股份拆分為10股每股面值0.01港元的股份。股份分拆完成後，本公司的法定股本變為1,000,000,000港元，分為100,000,000,000股每股0.01港元的股份，及本公司已發行股本變為7,800港元，分為780,000股每股0.01港元的股份。

23. 資本風險管理

本集團管理其資本以確保本集團旗下實體將能按持續經營基準營運，同時透過優化債務及股權平衡盡量擴大股東回報。本集團的整體策略自先前年度以來維持不變。

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23. Capital risk management (Continued)

The capital structure of the Group consists of net debts, which include the bank borrowing as disclosed in Note 21, net of cash and cash equivalents, and equity of the Group, which comprises share capital and reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost and the risks associate with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debts or repayment of existing debts.

23. 資本風險管理(續)

本集團的資本架構包括本集團的淨債務(包括附註21所披露的銀行借貸)，已扣除現金及現金等價物，以及股權，其由股本及儲備組成。

本公司董事定期檢討資本架構。該檢討的一部分為本公司董事省覽各個資本類別的相關成本及風險。根據本公司董事的推薦建議，本集團將透過支付股息、發行新股份以及發行新債務或償還現有債務平衡其整體資本架構。

24. Financial instruments**(a) Categories of financial instruments**

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets	財務資產		
Loans and receivables (including pledged and restricted bank deposits and bank balances and cash)	貸款及應收款項(包括已抵 押及受限制銀行存款及 銀行結餘及現金)	59,813	81,120
Financial liabilities	財務負債		
Amortised cost	攤銷成本	40,223	23,539

24. 財務工具**(a) 財務工具類別**

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24. Financial instruments (Continued)**(b) Financial risk management objectives and policies**

The Group's major financial instruments include trade and other receivables and deposits, amounts due from (to) a director, a shareholder of the holding company and related companies, pledged and restricted bank deposits, bank balances and cash, trade and retention payables, other payables, accrued listing expenses, bank overdrafts and bank borrowing. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (currency risk and interest rate risk), credit risk and liquidity risk. 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.

Market risks*Currency risk*

The Group's exposure to currency risk mainly arises from the fluctuation of HK\$ against the functional currencies of the relevant companies now comprising the Group. The carrying amounts of the foreign currency denominated monetary assets other than the functional currencies of the relevant companies now comprising the Group are as follows. The management closely monitors foreign exchange exposure to mitigate the foreign currency risk.

24. 財務工具(續)**(b) 財務風險管理目標及政策**

本集團的主要財務工具包括貿易及其他應收款項及按金、應收(付)董事、控股公司股東及關聯公司款項、已抵押及受限制銀行存款、銀行結餘及現金、貿易應付款項及應付保固金、其他應付款項、應計上市開支、銀行透支及銀行借款。該等財務工具的詳情於相關附註披露。該等財務工具的相關風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。有關如何減低該等風險的政策列載如下。管理層管理及監察該等風險，確保及時和有效實施合適措施。

市場風險*貨幣風險*

本集團的貨幣風險主要源於港元兌本集團目前旗下相關公司功能貨幣的波動。並非本集團目前旗下相關公司功能貨幣的外幣計值貨幣資產的賬面值列載如下。管理層密切監察外匯風險以減低外幣風險。

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24. Financial instruments (Continued)**(b) Financial risk management objectives and policies (Continued)***Market risks (Continued)**Currency risk (Continued)***24. 財務工具(續)****(b) 財務風險管理目標及政策(續)***市場風險(續)**貨幣風險(續)*

		Assets	
		資產	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
HK\$	港元	4,930	8,574

A subsidiary of the Company has adopted MOP as functional currency and has foreign currency denominated monetary assets denominated in HK\$. As MOP is pegged to HK\$ the Group's foreign currency risk exposure is not considered to be significant.

Interest rate risk

The Group's cash flow interest rate risk relates primarily to variable-rate bank balances, pledged and restricted bank deposits and bank overdrafts as disclosed in Note 18 and bank borrowing as disclosed in Note 21 due to the fluctuation of interest rates on bank balances and pledged and restricted bank deposits, and prime rate of the relevant banks on bank overdrafts and bank borrowing. The Group currently does not have a policy on hedging interest rate risk. However, the management monitors interest rate exposure and will consider hedging significant interest rate risk should the need arise.

本公司一間附屬公司採納澳門幣為其功能貨幣及擁有以港元計值的外幣計值貨幣資產。由於澳門幣與港元掛鈎，因此本集團的外幣風險被視為並不重大。

利率風險

本集團的現金流量利率風險主要指附註18所披露的浮息銀行結餘、已抵押及受限制銀行存款及銀行透支和附註21披露的因銀行結餘及有抵押及受限制銀行存款的利率及相關銀行對銀行透支及銀行借貸的優惠利率的波動而引致的風險。本集團現時並無利率風險對沖政策。然而，管理層監察利率風險並於必要時考慮對沖重大利率風險。

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24. Financial instruments (Continued)**(b) Financial risk management objectives and policies (Continued)*****Market risks (Continued)****Interest rate risk (Continued)*

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for variable-rate bank overdrafts and bank borrowing. The analysis is prepared assuming the amount of liability outstanding at the reporting period end was outstanding for the whole year. A 100 basis point increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points (2016 : 100 basis points) higher/lower and all other variables were held constant, the Group's profit after tax for the year ended 31 December 2017 would decrease/increase by HK\$164,000 (2016 : HK\$20,000).

No sensitivity analysis has been prepared for the exposure to interest rate risk on the Group's bank balances and pledged and restricted bank deposits as the directors of the Company consider that the exposure is minimal.

24. 財務工具(續)**(b) 財務風險管理目標及政策(續)*****市場風險(續)****貨幣風險(續)*

敏感度分析

以下敏感度分析乃基於浮息銀行透支及銀行借款所面對的利率風險釐定。編製該分析時假設報告期末未償還的負債為全年未償還。該分析方法使用上升或下降100個基點表示管理層對利率合理可能變動的評估。

倘利率上升／下降100個基點(二零一六年：100個基點)而所有其他變量維持不變，則本集團截至二零一七年十二月三十一日止年度的除稅後溢利將減少／增加164,000港元(二零一六年：20,000港元)。

概無就本集團銀行結餘及已抵押及受限制銀行存款的利率風險編製敏感度分析，因為本公司董事認為風險屬微不足道。

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24. Financial instruments (Continued)**(b) Financial risk management objectives and policies (Continued)*****Credit risk***

At the end of the reporting period, other than those financial 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 to related companies and a related party as disclosed in Note 28(a).

In order to minimise the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has significant concentration of credit risk in a few customers. At the end of the reporting period, the outstanding balances from the five largest customers, which have been included in trade receivables and retention receivables, amounted to HK\$34,067,000 (2016 : HK\$41,876,000) in aggregate, which represents approximately 95% (2016 : 93%) of the total trade receivables and retention receivables. In view of their credit standings, good payment record in the past and long term relationships with the Group, the directors of the Company consider that the Group's credit risk is not material.

24. 財務工具(續)**(b) 財務風險管理目標及政策(續)*****信貸風險***

於報告期末，除賬面值最能反映最大信貸風險的該等財務資產外，本集團出現財務虧損的最高信貸風險源於本集團向關聯公司及關聯方提供財務擔保所涉及的或然負債金額，其於附註28(a)披露。

為盡量減低信貸風險，管理層已委任一組人員負責釐定信貸限額、信貸審批及其他監控程序，確保就收回逾期債務採取跟進行動。此外，本集團於報告期末審閱各個別債務的可收回金額，以確保就無法收回金額作出足夠減值虧損。就此，本公司董事認為本集團的信貸風險已大大減少。

本集團承受數名客戶的重大信貸集中風險。於報告期末，來自五大客戶的未付結餘(包括貿易應收款項及應收保固金)合共為34,067,000港元(二零一六年：41,876,000港元)，佔貿易應收款項及應收保固金總額約95%(二零一六年：93%)。考慮到其信貸評級、過往付款記錄良好及與本集團的長期關係，本公司董事認為本集團的信貸風險並不重大。

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24. Financial instruments (Continued)**(b) Financial risk management objectives and policies (Continued)*****Credit risk (Continued)***

The credit risk on liquid funds is limited because the counterparties are banks with good reputation.

Other than the above, the Group has no other significant concentration of credit risk, with exposure spread over a number of counterparties.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the directors of the Company, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

24. 財務工具(續)**(b) 財務風險管理目標及政策(續)*****信貸風險(續)***

由於對手方為信譽良好的銀行，故流動資金信貸風險有限。

除上文所述外，本集團概無其他重大信貸集中風險，因為風險分散於多名對手方。

流動資金風險

本公司董事為流動資金風險管理承擔最終責任，彼等已建立合適的流動資金風險管理架構以管理本集團短、中及長期資金以及列載流動資金管理規定。本集團通過維持充足儲備及借貸融資、持續監控預測及實際現金流量和配對財務資產及負債的到期信息而管理流動資金風險。

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24. Financial instruments (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have 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. The maturity dates for the non-derivative financial liabilities are based on the agreed repayment dates.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of each reporting period.

Liquidity and interest risk tables

	Weighted average interest rate	On demand or within 90 days	91 days to 1 year	Over 1 year	Total undiscounted cash flows	Total carrying amounts
	加權平均利率	90日內	91日至1年	超過1年	未折現現金流	賬面值
	%	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
At 31 December 2017						
Trade and retention payables		10,452	—	4,102	14,554	14,554
Other payables		1,071	—	—	1,071	1,071
Amounts due to related companies		5,041	—	—	5,041	5,041
Bank overdrafts	6.75	72	—	—	72	72
Bank borrowing	5.25	19,485	—	—	19,485	19,485
		36,121	—	4,102	40,223	40,223

24. 財務工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

下表根據協定還款期詳列本集團非衍生財務負債餘下合約到期日。該表根據本集團於須償還財務負債最早日期的財務負債未貼現現金流量編製。非衍生財務負債到期日乃根據協定還款日期釐定。

該等表格包括利息及本金現金流量。倘利息流量為浮動利率，則未貼現金額根據各報告期末的利率得出。

流動資金及利率風險表

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24. Financial instruments (Continued)**(b) Financial risk management objectives and policies (Continued)***Liquidity risk (Continued)**Liquidity and interest risk tables (Continued)***24. 財務工具(續)****(b) 財務風險管理目標及政策(續)***流動資金風險(續)**流動資金及利率風險表(續)*

	Weighted average interest rate	On demand or within 90 days 按要求或 90日內	91 days to 1 year 91日至1年	Over 1 year 超過1年	Total undiscounted cash flows 未折現現金流 總額	Total carrying amounts 賬面值		
	加權平均利率 %	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		
At 31 December 2016								
		於二零一六年 十二月三十一日						
Trade and retention payables		貿易應付款項及應付保固金	—	11,012	—	973	11,985	11,985
Other payables		其他應付款項	—	349	—	—	349	349
Amount due to a shareholder of the holding company		應付控股公司股東款項	—	81	—	—	81	81
Amounts due to related companies		應付關聯公司款項	—	8,720	—	—	8,720	8,720
Bank overdrafts	6.33	銀行透支	6.33	2,404	—	—	2,404	2,404
Financial guarantee contracts		財務擔保合約	—	8,937	—	—	8,937	—
				31,503	—	973	32,476	23,539

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24. Financial instruments (Continued)**(b) Financial risk management objectives and policies (Continued)****Liquidity risk (Continued)**

Bank borrowing with a repayment on demand clause are included in the "on demand or within 90 days" time band in the above maturity analysis. As at 31 December 2017, the aggregate undiscounted principal amounts of this bank loan amounted to HK\$21,057,000. Taking into account the Group's financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors believe that such bank loans will be repaid three years after the end of the reporting period in accordance with the scheduled repayment dates set out in the bank borrowing agreement, details of which are set out in the table below:

24. 財務工具(續)**(b) 財務風險管理目標及政策(續)****流動資金風險(續)**

於上述到期日分析，設有按要求償還條款的銀行借款計入「按要求或90日內」時間組別。於二零一七年十二月三十一日，該筆銀行貸款的未折現本金總額為21,057,000港元。經計及本集團的財務狀況，董事認為銀行不大可能會行使其酌情權要求即時還款。董事認為，根據銀行借款協議所載預定還款日期，有關銀行貸款將於報告期末後三年償還，詳情載於下表：

Maturity Analysis — Bank borrowing with a repayment on demand clause based on scheduled repayment						
到期日分析 — 設有按要求償還條款的銀行借款，根據預定還款期						
Less than 1 year	1-2 years	2-3 years	Total undiscounted cash outflows	Carrying amount		
少於1年	1-2年	2-3年	未折現現金流 總額	賬面值		
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		
31 December 2017	二零一七年十二月 三十一日	7,220	7,220	6,617	21,057	19,485

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24. Financial instruments (Continued)**(b) Financial risk management objectives and policies (Continued)*****Liquidity risk (Continued)***

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangements for the guaranteed amounts if those amounts are claimed by the counterparties to the guarantees after consideration of the amounts utilised by the related companies and the related party in the facility limit. Based on the expectations at the end of the reporting period, management considers that it is more likely than not that no amounts will be payable under the arrangements. However, this estimate is subject to change depending on the probability of the counterparties claiming under the guarantees which is a function of the likelihood that the financial receivables held by the counterparties which are guaranteed suffer credit losses. Details of the financial guarantees are set out in Note 28(a).

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

(c) Fair value measurements of financial instruments

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

24. 財務工具(續)**(b) 財務風險管理目標及政策(續)*****流動資金風險(續)***

上述財務擔保合約所包含的金額，乃於擔保的對手方作出申索時，本集團根據安排須就擔保金額償付的最高金額，當中已考慮關聯公司及關聯方在融資限額內動用的金額。根據報告期末的預期，管理層認為很大可能毋須根據該等安排支付款項。然而，該估計可能變動，其視乎對手方根據擔保作出申索的機會，此乃關係到對手方所持有擔保財務應收款項蒙受信貸虧損的可能。財務擔保詳情載於附註28(a)。

倘浮動利率變動與於報告期末釐定的利率估計不一，則上文就非衍生財務負債浮動利率工具載入的金額會改變。

(c) 財務工具公平值計量

財務資產及財務負債公平值乃根據折現現金流分析按照公認定價模型釐定，其最主要輸入數據為反映對手方信貸風險的折現率。

本公司董事認為於綜合財務報表按攤銷成本記錄的財務資產及財務負債賬面值與其公平值相若。

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25. Operating lease commitments**The Group as lessee**

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	273	880
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	—	401
		273	1,281

Operating lease payments represent rentals payable by the Group for offices premises. These leases are negotiated for terms ranging from one to two years. None of the leases include any contingent rentals.

Included above are the commitments for future minimum lease payments to Botop Engineering Limited, a company in which Mr. Chung has controlling interest.

25. 經營租賃承諾**本集團為承租人**

於報告期末，本集團根據不可撤銷經營租賃擁有未來最低租賃付款承諾，到期日如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	273	880
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	—	401
		273	1,281

經營租賃付款指本集團就辦事處物業應付的租金。該等租賃的經磋商租期介乎一至兩年。概無租賃包括任何或然租金。

上文包括對寶創工程有限公司(鍾先生擁有控股權益的公司)的未來最低租賃付款承諾。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	—	240

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26. Related party disclosures

(i) Related party transactions

The Group had entered into the following transactions with related parties during the year:

Name of related company 關聯公司名稱	Relationship 關係	Nature of transaction 交易性質	2017 二零一七年 HK\$'000 千港元	216 二零一六年 HK\$'000 千港元
Botop Engineering Limited 寶創工程有限公司	Mr. Chung has controlling interest 鍾先生擁有控股權益	Rental expenses 租賃開支	20	240
Cheuk Yat Engineering 卓一工程	Mr. Chung Cheuk Him, a senior project manager of the Group during the year and Mr. Chung's nephew-in-law, has controlling interest 於本年度本集團高級項目經理及鍾先生的姨甥鍾卓謙先生擁有控股權益	Sub-contracting expense from supply, installation and fitting-out services of MVAC system 機械通風及空調系統的供應、安裝及裝修服務的分包開支	—	1,165
Star Champion Engineering Limited 冠星工程有限公司	Mr. Chung Chu Sun, Mr. Chung's brother, and Ms. Wong Sau Ping, spouse of Mr. Chung, had 40% and 30% equity interests respectively 鍾先生的胞弟鍾柱森先生及鍾先生的配偶王秀萍女士分別擁有40%及30%之股權	Accounting services income 會計服務收入	—	15
Tai Tak E & M Co. 太德工程公司	Mr. Chung Chu Sum, Mr. Chung's brother, has joint control 鍾先生的胞弟鍾柱森先生擁有共同控制權	Sub-contracting expense from installation services of MVAC system 機械通風及空調系統的安裝服務的分包開支	6,916	9,678
Tai Tak Engineering (Macau) Limited	Mr. Chung Chu Sum, Mr. Chung's brother, has controlling interest	Sub-contracting expense from installation services of MVAC system	228	—
Tai Tak Engineering (Macau) Limited	鍾先生的胞弟鍾柱森先生擁有控股權益	機械通風及空調系統的安裝服務的分包開支		
Wing Fung Engineering Limited Wing Fung Engineering Limited	Daughters of Mr. Chung have controlling interests 鍾先生的女兒擁有控股權益	Rental expenses 租賃開支	42	168

26. 關聯方披露

(i) 關聯方交易

於本年度，本集團已與關聯方訂立以下交易：

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26. Related party disclosures (Continued)**(ii) Pledge of assets held by Mr. Chung and related parties and financial guarantees provided by Mr. Chung and related parties to the Group**

Details of pledge of assets held by a shareholder of the Company and related parties and financial guarantees provided by a shareholder of the Company and related parties to the Group for bank overdrafts are disclosed in Note 18.

(iii) Indemnities provided by Mr. Chung

As at 31 December 2017, an indemnity amounting to HK\$4,870,000 was provided by Mr. Chung in favor of the Group in respect of a construction contract. The customer for this construction contract declined the Group's request to release the indemnity given by Mr. Chung. During the year, the Group has voluntarily taken out a performance bond from a bank in favor of the customer for the due performance of the Group's obligations under this construction contract. Both the performance bond and the indemnity provided by Mr. Chung will be released upon completion of the whole development project.

As at 31 December 2016, indemnities amounting to HK\$21,283,000 were provided by Mr. Chung in favor of the Group in respect of construction contracts.

(iv) Financial guarantees provided by the Group to related companies and a related party

Details of corporate guarantees provided by the Group for general banking facilities granted to related companies and a related party are disclosed in Note 28(a).

26. 關聯方披露(續)**(ii) 鍾先生及關聯方所持資產的抵押及鍾先生及關聯方向本集團提供的財務擔保**

本公司股東及關聯方所持資產的抵押及本公司股東及關聯方就銀行透支向本集團提供的財務擔保於附註18披露。

(iii) 鍾先生提供的彌償保證

於二零一七年十二月三十一日，鍾先生就建築合約向本集團提供4,870,000港元的彌償保證。該建築合約的客戶拒絕本集團解除鍾先生提供的彌償保證的要求。於本年度，本集團主動就本集團妥善履行建築合約項下責任為客戶向銀行取得履約保證。履約保證及鍾先生提供的彌償保證均將於整個發展項目完成後解除。

於二零一六年十二月三十一日，鍾先生就建築合約向本集團提供彌償保證21,283,000港元。

(iv) 本集團向關聯公司及關聯方提供的財務擔保

本集團就關聯公司及關聯方獲授一般銀行融資提供的公司擔保詳情於附註28(a)披露。

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26. Related party disclosures (Continued)**(v) Compensation of key management personnel**

The remuneration of directors and other members of key management during the year is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	5,569	2,284
Discretionary bonus	酌情花紅	712	—
Contributions to retirement benefits schemes	退休福利計劃供款	73	71
		6,354	2,355

27. Retirement benefit plan

The Group participates in a defined contribution scheme which is registered under the Mandatory Provident Fund Scheme (the "MPF Scheme") established under the Mandatory Provident Fund Ordinance. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. For members of the MPF Scheme, the Group contributes at the lower of HK\$1,500 per month or 5% of relevant payroll costs each month to the MPF Scheme, which contribution is matched by the employee.

The Group operates a defined contribution retirement scheme for eligible employee in Macau. The assets of the scheme are held separately from those of the Group in funds under the control of an independent trustee. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions.

26. 關聯方披露(續)**(v) 主要管理人員補償**

於本年度，董事及其他主要管理層成員的薪酬列載如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	5,569	2,284
Discretionary bonus	酌情花紅	712	—
Contributions to retirement benefits schemes	退休福利計劃供款	73	71
		6,354	2,355

27. 退休福利計劃

本集團參與根據強制性公積金計劃條例設立的強制性公積金計劃(「強積金計劃」)註冊的定額供款計劃。該計劃之資產與本集團資產分開持有，由信託人以基金託管。就強積金計劃成員而言，本集團每月按1,500港元或相關薪酬成本之5%(以較低者為準)向強積金計劃供款，而僱員亦作出同等金額之供款。

本集團為澳門合資格僱員設有界定供款退休計劃。該計劃之資產由獨立信託人管理之基金與本集團分開持有。供款一經支付，本集團再無其他付款責任。供款於到期時確認為僱員福利開支，並按該等僱員於悉數歸屬供款前離開計劃所沒收之供款而減少。

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27. Retirement benefit plan (Continued)

The total expenses recognised in profit or loss of HK\$344,000 for the year ended 31 December 2017 (2016 : HK\$257,000) represents contributions paid and payable to these plans by the Group at rates specified in the rules of the plan.

28. Financial guarantees and performance bonds**(a) Financial guarantees**

On 6 July 2016, Wing Fung HK provided a corporate guarantee to Ms. Wong Sau Ping, the spouse of Mr. Chung, for a banking facility of HK\$6,355,000 for an unlimited amount. The banking facility is available to Ms. Wong Sau Ping only. The banking facility was drawn down in full at 6 July 2016 and is repayable by 291 equal monthly instalments. As represented by the directors of the Company, the fair value of the financial guarantee provided by Wing Fung HK is insignificant. As at 31 December 2016, Ms. Wong Sau Ping utilised the banking facility of approximately HK\$6,257,000. The corporate guarantee provided by Wing Fung HK was released on 4 July 2017.

On 31 August 2015, Wing Fung HK provided a corporate guarantee to Botop Engineering Limited, a company in which Mr. Chung has controlling interest, for a banking facility of HK\$2,913,000 for an unlimited amount. The banking facility is available to Botop Engineering Limited only. The banking facility was drawn down in full at 31 August 2015 and is repayable by 188 equal monthly instalments. As represented by the directors of the Company, the fair value of the financial guarantee provided by Wing Fung HK is insignificant. As at 31 December 2016, Botop Engineering Limited utilised the facility of HK\$2,855,000. The corporate guarantee by Wing Fung HK was released on 25 July 2017.

27. 退休福利計劃(續)

截至二零一七年十二月三十一日止年度，於損益確認為344,000港元(二零一六年：257,000港元)的開支總額指本集團對該等計劃按計劃規例所列明付款率已付及應付的供款。

28. 財務擔保及履約保證金**(a) 財務擔保**

於二零一六年七月六日，榮豐香港就銀行融資6,355,000港元向鍾先生的配偶王秀萍女士提供無限額公司擔保。銀行融資僅供王秀萍女士使用。銀行融資於二零一六年七月六日悉數提取並分291筆等額款項每月分期償還。誠如本公司董事所述，榮豐香港提供的財務擔保公平值並不重大。於二零一六年十二月三十一日，王秀萍女士已動用銀行融資約6,257,000港元。榮豐香港提供的公司擔保已於二零一七年七月四日解除。

於二零一五年八月三十一日，榮豐香港就銀行融資2,913,000港元向寶創工程有限公司(鍾先生擁有控股權益的公司)提供無限額的公司擔保。銀行融資僅供寶創工程有限公司使用。銀行融資於二零一五年八月三十一日悉數提取並及分188筆等額款項每月分期償還。誠如本公司董事所述，榮豐香港所提供財務擔保的公平值並不重大。於二零一六年十二月三十一日，寶創工程有限公司已動用融資2,855,000港元。榮豐香港的公司擔保已於二零一七年七月二十五日獲解除。

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28. Financial guarantees and performance bonds (Continued)**(a) Financial guarantees (Continued)**

On 21 August 2015, Wing Fung HK, a subsidiary of the Group, provided a corporate guarantee to Wing Fung Engineering Limited, a company in which daughters of Mr. Chung have controlling interests for a banking facility of HK\$1,000,000 for an unlimited amount. The banking facility amount was increased to HK\$1,200,000 pursuant to the renewed banking facility agreement dated 6 July 2016. The banking facility is available to Wing Fung Engineering Limited only and Wing Fung Engineering Limited can draw down the facility in full at any time. As represented by the directors of the Company, the fair value of the financial guarantee provided by Wing Fung HK is insignificant. As at 31 December 2016, Wing Fung Engineering Limited did not utilise the banking facility. The corporate guarantee provided by Wing Fung HK was released on 9 March 2017.

(b) Performance bonds

Indemnities issued to
a bank for performance
bonds in respect of
construction contracts

就建築合約的履約保證金
向銀行發出彌償保證

2,716**28. 財務擔保及履約保證金(續)****(a) 財務擔保(續)**

於二零一五年八月二十一日，本集團附屬公司榮豐香港就銀行融資1,000,000港元向Wing Fung Engineering Limited(鍾先生之女兒擁有控股權益的公司)提供無限額公司擔保。銀行融資額根據日期為二零一六年七月六日的重續銀行融資協議增至1,200,000港元。銀行融資僅供Wing Fung Engineering Limited使用，而Wing Fung Engineering Limited可隨時悉數提取融資。誠如本公司董事所述，榮豐香港提供的財務擔保公平值並不重大。於二零一六年十二月三十一日，Wing Fung Engineering Limited並無動用銀行融資。榮豐香港提供的公司擔保於二零一七年三月九日解除。

(b) 履約保證金

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

29. Particulars of subsidiaries of the company

29. 附屬公司的詳情

The Company has direct and indirect equity interests in the following subsidiaries:

本公司於以下附屬公司擁有直接及間接股權：

Name of subsidiaries	Place and date of incorporation	Issued and fully paid share capital/ quota capital 已發行及繳足股本/ 限額股本	Equity interest attributable to the Group		Principal activities
			2017 二零一七年	2016 二零一六年	
Botop Macau*	Macau, 5 March 2007	MOP25,000	100%	100%	Provision of supply, installation and fitting-out services of MVAC system for buildings
寶創澳門*	澳門，二零零七年三月五日	25,000澳門幣			為樓宇提供機械通風及空調系統的供應、安裝及裝修服務
Wing Fung HK#	Hong Kong, 25 July 1996	HK\$700	100%	100%	Provision of supply, installation and fitting-out services of MVAC system for buildings
榮豐香港#	香港，一九九六年七月二十五日	700港元			為樓宇提供機械通風及空調系統的供應、安裝及裝修服務
Wing Fung Investment#	The BVI, 22 September 2016	US\$1	100%	100%	Investment holding
Wing Fung Investment#	英屬維爾京群島， 二零一六年九月二十二日	1美元			投資控股

* Subsidiary indirectly held by the Company

* 本公司間接持有的附屬公司

Subsidiaries directly held by the Company

本公司直接持有的附屬公司

None of the subsidiaries had issued any debt securities during the year or at the end of the year.

於本年度或於年結日，該等附屬公司概無發行任何債券證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

30. Pledge of assets

The following assets were pledged to secure certain banking facilities granted to the Group at the end of the reporting period:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Pledged and restricted bank deposits 已抵押及受限制銀行存款	5,725	—

31. Major non-cash transactions

During the year ended 31 December 2017, an interim dividend declared by the Company amounting to HK\$20,708,000 was settled through the current account with a director. Dividend payables of HK\$6,576,000 and HK\$5,100,000 were irrevocably waived by the First Pre-IPO Investor and the Second Pre-IPO Investor respectively and the amounts waived were deemed as capital contribution from a shareholder and credited to capital reserve.

During the year ended 31 December 2016, a final dividend amounting to HK\$2,038,000 declared by Boto Macau was settled through the current account with a director and a shareholder of the holding company.

32. Events after the reporting period

Subsequent to 31 December 2017, the following significant events took place:

- (a) On 27 February 2018, a total of 429,720,000 shares were allotted and issued, credited as fully paid at par, to the shareholders of the Company by way of capitalisation of a sum of HK\$4,297,200 standing to the credit of the share premium account of the Company. Such shares rank pari passu in all respects with the then existing issued shares of the Company.

30. 資產抵押

於報告期末，以下資產已抵押，以取得本集團獲授之若干銀行融資：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Pledged and restricted bank deposits 已抵押及受限制銀行存款	5,725	—

31. 主要非現金交易

截至二零一七年十二月三十一日止年度，本公司宣派的20,708,000港元之中期股息乃透過與一名董事之往來賬目支付。第一名首次公開發售前投資者及第二名首次公開發售前投資者分別不可撤回地豁免應付股息6,576,000港元及5,100,000港元，被豁免金額被視為來自一名股東的注資及入賬列為資本儲備。

截至二零一六年十二月三十一日止年度，寶創澳門宣派的2,038,000港元之末期股息乃透過與控股公司的一名董事及一名股東之往來賬目支付。

32. 報告期後事項

以下重大事項於二零一七年十二月三十一日後發生：

- (a) 於二零一八年二月二十七日，透過將本公司股份溢價賬的進賬額4,297,200港元資本化而向本公司股東配發及發行按面值入賬列作繳足的合共429,720,000股股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**32. Events after the reporting period
(Continued)**

- (b) On 27 February 2018, 143,500,000 ordinary shares with a par value of HK\$0.01 each of the Company were issued at a price of HK\$0.38 each by way of share offer. Such shares rank pari passu in all respects with the then existing issued shares of the Company. On the same date, the Company's shares were listed on GEM of the Stock Exchange.

32. 報告期後事項 (續)

- (b) 於二零一八年二月二十七日，本公司143,500,000股每股面值0.01港元之普通股已透過股份發售方式按每股0.38港元之價格發行。該等股份在所有方面與本公司其時現有之已發行股份擁有同等地位。同日，本公司之股份於聯交所GEM上市。

33. Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows financing activities.

33. 融資活動產生的負債對賬

下表列出本集團因融資活動產生的負債變動詳情，包括現金及非現金變動。融資活動產生的負債為現金流量或未來現金流量，已或將於本集團綜合現金流量表內分類為融資活動現金流量。

		Interest payable	Bills payable	Bank overdrafts	Bank borrowing	Amount due to a shareholder of the holding company	Total
		應付利息	應付票據	銀行透支	銀行借款	應付控股公司一名股東款項	總計
		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
At 1 January 2017	於二零一七年一月一日	—	—	2,404	—	81	2,485
Interest expenses	利息開支	173	19	5	—	—	197
Financing cash flows	融資現金流量	(86)	(19)	(2,337)	19,485	(81)	16,962
At 31 December 2017	於二零一七年十二月三十一日	87	—	72	19,485	—	19,644

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

34. Statement of financial position and reserves of the company**34. 本公司財務狀況表及儲備**

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current asset	非流動資產		
Investments in subsidiaries	於附屬公司之投資	37,966	22,966
Current assets	流動資產		
Prepayments	預付款項	270	—
Deferred listing expenses	遞延上市開支	3,349	—
Amount due from a subsidiary	應收一間附屬公司款項	7	—
Bank balances	銀行結餘	14	—
		3,640	—
Current liabilities	流動負債		
Other payables and accrued expenses	其他應付款項及應計費用	1,594	—
Amount due to a subsidiary	應付一間附屬公司款項	22,009	—
		23,603	—
Net current liabilities	流動負債淨值	(19,963)	—
Total assets less current liabilities	資產總額減流動負債	18,003	22,966
Capital and reserves	股本及儲備		
Share capital	股本	8	7
Reserves	儲備	17,995	22,959
		18,003	22,966

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

34. Statement of financial position and reserves of the company (Continued)**Movement in the Company's reserves****34. 本公司財務狀況表及儲備(續)****本公司儲備的變動**

		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 29 September 2016 (date of incorporation)	於二零一六年九月二十九日 (註冊成立日期)	—	—	—	—
Issue of shares	發行股份	22,959	—	—	22,959
At 31 December 2016	於二零一六年十二月三十一日	22,959	—	—	22,959
Profit and total comprehensive income for the year	年內溢利及全面收益總額	—	—	29,361	29,361
Issue of shares	發行股份	14,999	—	—	14,999
Dividends declared and settled (Note 12)	已宣派及支付股息(附註12)	(37,946)	11,676	(23,054)	(49,324)
At 31 December 2017	於二零一七年十二月三十一日	12	11,676	6,307	17,995

FINANCIAL SUMMARY

財務概要

For the three years ended 31 December 2015, 2016 and 2017 截至二零一五年、二零一六年及二零一七年十二月三十一日止三個年度

Results

業績

		For the year ended 31 December 截至十二月三十一日止年度		
		2017 二零一七年 HK\$000 千港元	2016 二零一六年 HK\$000 千港元	2015 二零一五年 HK\$000 千港元
Consolidated results	綜合業績			
Revenue	收益	166,082	134,366	128,592
Gross profit	毛利	32,569	24,633	22,737
Profit before tax	除稅前溢利	8,030	17,935	17,855
Profit for the year	年內溢利	5,211	15,405	15,684

Assets and liabilities

資產及負債

		For the year ended 31 December 截至十二月三十一日止年度		
		2017 二零一七年 HK\$000 千港元	2016 二零一六年 HK\$000 千港元	2015 二零一五年 HK\$000 千港元
Consolidated assets and liabilities	綜合資產及負債			
Total assets	總資產	74,046	91,088	64,997
Total liabilities	總負債	(52,349)	(40,242)	(37,644)
Net assets	資產淨值	21,697	50,846	27,353

