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HKE Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1726)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2020

The board (the “**Board**”) of directors (the “**Director**”) of HKE Holdings Limited (the “**Company**”) hereby announces the audited results of the Company and its subsidiaries for the year ended 30 June 2020. This announcement, containing the full text of the 2020 Annual Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in relation to information to accompany preliminary announcement of annual results. The printed version of the Company’s 2020 Annual Report will be delivered to the shareholders of the Company in October 2020.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT

This annual results announcement is available for viewing on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.hwakoon.com>).

By Order of the Board
HKE Holdings Limited
Chan Wing Hang
Company Secretary

Hong Kong, 29 September 2020

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Wu An Ming (formerly known as Mr. Chen Xiaoer) and Mr. Koh Lee Huat; and three independent non-executive Directors, namely Mr. Siu Man Ho Simon, Prof. Pong Kam Keung and Mr. Cheung Kwok Yan Wilfred.

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wu An Ming (formerly known as Mr. Chen Xiaoe)
(Chairman & Chief Executive Officer)
Mr. Koh Lee Huat

Independent Non-Executive Directors

Mr. Siu Man Ho Simon
Mr. Cheung Kwok Yan Wilfred
Prof. Pong Kam Keung

AUDIT COMMITTEE

Mr. Cheung Kwok Yan Wilfred (Chairman)
Mr. Siu Man Ho Simon
Prof. Pong Kam Keung

REMUNERATION COMMITTEE

Mr. Siu Man Ho Simon (Chairman)
Prof. Pong Kam Keung
Mr. Wu An Ming (formerly known as Mr. Chen Xiaoe)

NOMINATION COMMITTEE

Prof. Pong Kam Keung (Chairman)
Mr. Cheung Kwok Yan Wilfred
Mr. Wu An Ming (formerly known as Mr. Chen Xiaoe)

COMPANY SECRETARY

Mr. Chan Wing Hang

AUTHORISED REPRESENTATIVES

Mr. Chan Wing Hang
Mr. Koh Lee Huat

董事會

執行董事

胡晏銘先生(前稱陳小二先生)
(主席兼行政總裁)
許利發先生

獨立非執行董事

蕭文豪先生
張國仁先生
龐錦強教授

審核委員會

張國仁先生(主席)
蕭文豪先生
龐錦強教授

薪酬委員會

蕭文豪先生(主席)
龐錦強教授
胡晏銘先生(前稱陳小二先生)

提名委員會

龐錦強教授(主席)
張國仁先生
胡晏銘先生(前稱陳小二先生)

公司秘書

陳永恒先生

授權代表

陳永恒先生
許利發先生

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

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

註冊辦事處

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 2004, 20/F
K11 Atelier
18 Salisbury Road
Tsim Sha Tsui
Kowloon, Hong Kong

總部及香港主要營業地點

香港九龍
尖沙咀
梳士巴利道18號
K11 Atelier
20樓2004室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

主要股份過戶登記處

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份過戶登記分處

寶德隆證券登記有限公司
香港北角
電氣道148號
21樓2103B室

CORPORATE INFORMATION

公司資料

LEGAL ADVISER

AS TO HONG KONG LAW
Guantao & Chow Solicitors and Notaries
Suites 1801–3, 18th Floor
One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Asia) Limited
Oversea-Chinese Banking Corporation Limited
CIMB Bank Berhad

AUDITOR

Deloitte & Touche LLP
Public Accountants and Chartered Accountant Singapore
6 Shenton Way
OUE Downtown 2
#33-00
Singapore 068809

COMPANY'S WEBSITE

www.hwakoon.com

STOCK CODE

1726

法律顧問

香港法律
觀韜律師事務所(香港)
香港
鰂魚涌
英皇道979號
太古坊一座
18樓1801–3室

主要往來銀行

中國工商銀行(亞洲)有限公司
華僑銀行有限公司
聯昌銀行有限公司

核數師

Deloitte & Touche LLP
執業會計師及新加坡註冊會計師
6 Shenton Way
OUE Downtown 2
#33-00
Singapore 068809

公司網站

www.hwakoon.com

股份代號

1726

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of HKE Holdings Limited (the "Company", together with its subsidiaries, the "Group", "we" or "us"), I am delighted to present our annual report of the Group for the year ended 30 June 2020 ("Review Year").

For the Review Year, the revenue of the Group was approximately S\$7.6 million, gross profit was approximately S\$1.4 million and profit before taxation was approximately S\$0.2 million.

Despite having a challenging year, we remain optimistic and positive for the upcoming year. Minister of Health, Mr. Gan Kim Young, highlighted during the Ministry of Health Committee of Supply Debate 2020, while tackling the novel coronavirus outbreak, four more new polyclinics will be opening over the next two years. Woodlands Health Campus is scheduled to open progressively from 2022. Other upcoming facilities include a new community hospital in Novena, and the redevelopment of two national specialist centres, the new National Cancer Centre and the National Skin Centre. These are some examples of the plans and initiative put in place by the Singapore government that could lead to an increase in medical shielding construction work for the Group.

The Group continues to dedicate our effort to strive for excellence in quality service providing to our customers. We will continue to explore emerging building technologies in order to strengthen our market position for the building construction works in the medical and healthcare sectors in Singapore.

I would like to take this opportunity to express my gratitude to all our shareholders, fellow members of the Board, the senior management and staff of all levels for their dedication and effort over the years. In addition, on behalf of the Board, I would also like to express our most sincere thanks to all our customers, suppliers and business partners for their continuous support.

Wu An Ming
Chairman and Chief Executive Officer

Hong Kong, 29 September 2020

各位股東：

本人謹代表HKE Holdings Limited(「本公司」，連同其附屬公司為「本集團」或「我們」)董事(「董事」)會(「董事會」)欣然呈列本集團截至2020年6月30日止年度(「回顧年度」)的年報。

於回顧年度，本集團收益約為7.6百萬新加坡元，毛利約為1.4百萬新加坡元，及除稅前溢利約為0.2百萬新加坡元。

儘管今年是充滿挑戰的一年，但我們仍對來年保持樂觀及積極的態度。新加坡衛生部長顏金勇先生在2020年衛生部供應委員會論壇上強調，在應對新型冠狀病毒疫情的同時，有四家新的綜合診所即將在未來兩年啓用。兀蘭醫療園區計劃於2022年起逐步開放使用。其他即將建成的設施包括座落於諾維娜的新社區醫院，以及兩家國家專科中心(新國家癌症中心及國家皮膚中心)的重建。上述乃新加坡政府制定的計劃及舉措的若干示例，該等計劃及舉措將為本集團帶來更多的醫療防護工程。

本集團繼續致力於為客戶提供優質服務。我們將繼續探索新興建造技術，以加強我們於新加坡醫療健康工程行業的市場地位。

本人謹藉此機會感謝全體股東、董事會同仁、高級管理層及各級員工多年來的奉獻及努力。此外，本人亦謹代表董事會向所有客戶、供應商及業務夥伴對我們的一貫支持，致以誠摯的謝意。

主席兼行政總裁
胡晏銘

香港，2020年9月29日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

The Group is a Singapore-based contractor specialised in the medical and healthcare sectors with expertise in performing radiation shielding works. The Group mainly provides integrated design and building services for hospitals and clinics in Singapore. To a lesser extent, the Group is also engaged in providing maintenance and other services, as well as sales of tools and materials.

For the Review Year, the revenue of the Group was approximately S\$7.6 million, representing a decrease of approximately S\$2.8 million, or 26.5%, as compared to approximately S\$10.4 million for the year ended 30 June 2019.

In Singapore, the transformation journey for healthcare is to ensure that a good and sustainable system is in place. The trend of increasing demand for health and aged care services will continue as Singapore's population ages. Higher development expenditure in FY2020 is budgeted as higher cashflows required for major projects such as Woodlands Health Campus, Singapore General Hospital (SGH) Emergency Medicine Building and SGH Elective Care Centre. New clean rooms and radiology-related facilities are generally required in the new healthcare facilities. The Directors are therefore of the opinion that the Singapore Government's initiative to increase the medical-related facilities will, therefore, drive the demand for medical-related radiation shielding works.

業務回顧

本集團是一家以新加坡為基地的醫療健康行業專業承建商，具備進行輻射防護工程的專業知識。本集團主要為新加坡的醫院及診所提供綜合設計及建築服務。次要業務方面，本集團亦從事提供維護及其他服務，以及工具及材料銷售。

於回顧年度，本集團收益約為7.6百萬新加坡元，較截至2019年6月30日止年度約10.4百萬新加坡元下跌約2.8百萬新加坡元或26.5%。

在新加坡，醫療健康的轉型過程乃為了確立一個良好且可持續的系統。隨著新加坡的人口老化，對醫療及養老服務需求的增長趨勢將繼續上升。由於兀蘭醫療園區、新加坡綜合醫院(SGH)急診醫學大樓及SGH Elective Care Centre等重點項目需要更高的現金流，因此2020財政年度有更多的相關發展支出納入財政預算。新醫療設施通常需要新無塵室及放射相關設備。因此，董事認為新加坡政府增加醫療相關設施供應的計劃將推動對醫療相關輻射防護工程的需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

Revenue

The Group's principal operating activities are as follows: (i) integrated design and building services; (ii) maintenance and other services; and (iii) sales of tools and materials.

The table below sets forth the Group's revenue by business segment:

| | | For the year ended 30 June | |
|---|------------|----------------------------|-------------------|
| | | 截至6月30日止年度 | |
| | | 2020 | 2019 |
| | | 2020年 | 2019年 |
| | | S\$ | S\$ |
| | | 新加坡元 | 新加坡元 |
| | | (Audited) | (Audited) |
| | | (經審核) | (經審核) |
| Revenue from: | 來自以下各項之收益： | | |
| Integrated design and building services | 綜合設計及建築服務 | 7,150,720 | 9,972,641 |
| Maintenance and other services | 維護及其他服務 | 381,068 | 377,751 |
| Sales of tools and materials | 工具及材料銷售 | 110,000 | 52,900 |
| | | 7,641,788 | 10,403,292 |

The Group's revenue for the Review Year was approximately S\$7.6 million, representing a decrease of approximately S\$2.8 million, or 26.5%, as compared to approximately S\$10.4 million for the year ended 30 June 2019.

Revenue deriving from integrated design and building services was approximately S\$7.2 million for the Review Year, representing a decrease of approximately S\$2.8 million, or 28.3%, as compared to approximately S\$10.0 million for the year ended 30 June 2019. The decrease was mainly due to the Circuit Breaker measures being imposed by the Singapore Government during the Circuit Breaker Period and majority of the Group's engineering projects were halted and resulted in a significant slowdown in the progress of the Group's engineering works.

Revenue deriving from maintenance and other services was approximately S\$0.4 million for the Review Year (2019: approximately S\$0.4 million).

財務回顧

收益

本集團的主要經營業務如下：(i)綜合設計及建築服務；(ii)維護及其他服務；及(iii)工具及材料銷售。

下表載列按業務分部劃分之本集團收益：

本集團於回顧年度之收益約為7.6百萬新加坡元，較截至2019年6月30日止年度約10.4百萬新加坡元下跌約2.8百萬新加坡元或26.5%。

於回顧年度，綜合設計及建築服務之收益約為7.2百萬新加坡元，較截至2019年6月30日止年度約10.0百萬新加坡元下跌約2.8百萬新加坡元或28.3%。該下跌的主要原因是新加坡政府在疫情阻斷期間採取了阻斷措施，而本集團的大部分工程項目因此被暫停，導致本集團工程進度顯著放緩。

於回顧年度，維護及其他服務之收益約為0.4百萬新加坡元(2019年：約0.4百萬新加坡元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Gross Profit and Gross Margin

The Group's gross profit was approximately S\$1.4 million for the Review Year (2019: approximately S\$3.7 million), with gross profit margin of approximately 18.9% (2019: 35.5%). The decrease in the gross profit margin over the year ended 30 June 2019 was mainly attributable to the more competitive pricing provided to customer to secure new projects during the Review Year, as well as projects' running costs that were incurred during the Circuit Breaker Period which reduced margins of the projects.

Other Income

For the Review Year, the Group's other income was approximately S\$0.6 million, or 7.6% of revenue for the Review Year (2019: approximately S\$0.5 million, or 4.7% of revenue for the year ended 30 June 2019). The slight increase in other income was mainly due to government support grants related to novel coronavirus recognised for the Review Year.

Administrative Expenses

For the Review Year, the Group's administrative expenses increased by approximately S\$0.7 million or 46.3% to approximately S\$2.1 million, or 27.2% of revenue for the Review Year, from approximately S\$1.4 million, or 13.7% of revenue for the year ended 30 June 2019. The increase in administrative expenses was mainly attributable to an increase in compliance charges incurred after the listing of the Group.

財務回顧(續)

毛利及毛利率

於回顧年度，本集團之毛利約為1.4百萬新加坡元(2019年：約3.7百萬新加坡元)，而毛利率則約為18.9%(2019年：35.5%)。毛利率較截至2019年6月30日止年度減少乃主要由於於回顧年度為獲得新項目而向客戶提供更具競爭力的價格，以及於阻斷措施期間所產生的項目運營成本導致項目的利潤率下跌。

其他收入

於回顧年度，本集團其他收入約為0.6百萬新加坡元或佔於回顧年度收益之7.6%(2019年：約0.5百萬新加坡元或佔截至2019年6月30日止年度收益之4.7%)。其他收入輕微增加乃主要源於於回顧年度確認收到有關新型冠狀病毒的政府補助津貼。

行政開支

於回顧年度，本集團行政開支由截至2019年6月30日止年度約1.4百萬新加坡元或佔收益之13.7%增加約0.7百萬新加坡元或46.3%至於回顧年度約2.1百萬新加坡元或佔收益之27.2%。行政開支上升乃主要由於本集團上市後所產生的合規費用上升。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Profit for the period

As a combined effect of the above, during the Review Year, the Group recorded a profit of approximately S\$0.1 million, as compared to a profit of approximately S\$2.3 million for the year ended 30 June 2019.

Final Dividend

The Board does not recommend a payment of a final dividend for the Review Year (2019: Nil).

Liquidity and Financial Resources

Shareholders' funds

Total shareholders' funds amounted to approximately S\$28.5 million as at 30 June 2020, as compared to approximately S\$27.9 million as at 30 June 2019.

Financial position

As at 30 June 2020, the Group had current assets of approximately S\$29.7 million (2019: S\$28.5 million) comprising cash and cash equivalents of approximately S\$25.2 million (2019: S\$22.5 million), and current liabilities of S\$1.9 million (2019: S\$1.3 million). The Group's current ratio (defined as current assets divided by current liabilities) as at 30 June 2020 was 15.7 (2019: 22.4).

The Group's gearing ratio, expressed as a percentage of interest-bearing liabilities to total assets, was at 0.2% as at 30 June 2020 (30 June 2019: 0.0%).

Cash and cash equivalents

As at 30 June 2020, the Group had cash and cash equivalents of approximately S\$25.2 million (2019: S\$22.5 million), most of which were denominated in Hong Kong dollar.

財務回顧(續)

期內溢利

由於上文所述之合併影響，於回顧年度，本集團錄得溢利約0.1百萬新加坡元，而截至2019年6月30日止年度之溢利則為約2.3百萬新加坡元。

末期股息

董事會不建議派付回顧年度之末期股息(2019年：無)。

流動資金及財務資源

股東資金

於2020年6月30日，股東資金總額約為28.5百萬新加坡元，而於2019年6月30日則為約27.9百萬新加坡元。

財務狀況

於2020年6月30日，本集團之流動資產約為29.7百萬新加坡元(2019年：28.5百萬新加坡元)，包括現金及現金等價物約25.2百萬新加坡元(2019年：22.5百萬新加坡元)，而流動負債為1.9百萬新加坡元(2019年：1.3百萬新加坡元)。於2020年6月30日，本集團之流動比率(定義為流動資產除以流動負債)為15.7(2019年：22.4)。

於2020年6月30日，本集團之資產負債比率(以計息負債佔資產總值之百分比列示)為0.2%(2019年6月30日：0.0%)。

現金及現金等價物

於2020年6月30日，本集團之現金及現金等價物約為25.2百萬新加坡元(2019年：22.5百萬新加坡元)，大部分以港元計值。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Capital Structure

The shares (the “Shares”) of the Company were successfully listed (the “Listing”) on the Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 18 April 2018 (the “Listing Date”) and there has been no change in capital structure of the Group since then.

Treasury Policy

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

Pledge of Assets

As at 30 June 2020, the Group had no pledged bank deposit (2019: Nil).

Foreign Exchange Risk

The Group transacts mainly in Singapore dollars, which is the functional currency of the Group’s principal operating subsidiaries. However, the Group has certain bank balances and trade and other payable denominated in US\$, HK\$ and S\$ other than the functional currency of the respective group companies, which exposed the Group to foreign currency risk. The Group manages the risk by closely monitoring the movement of the foreign currency rate.

Significant Investment, Material Acquisitions and Disposal of Subsidiaries and Associated Companies

There were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies by the Group during the Review Year.

財務回顧(續)

資本架構

本公司股份(「股份」)於2018年4月18日(「上市日期」)在香港聯合交易所有限公司(「聯交所」)主板成功上市(「上市」)，自此本集團之資本架構概無變動。

庫務政策

本集團已就其庫務政策採取審慎的財務管理方針，故於回顧年度均維持穩健的財務狀況。董事會密切監察本集團的流動資金狀況，以確保本集團的資產、負債及其他承擔的流動資金結構能一直滿足其資金需求。

資產質押

於2020年6月30日，本集團概無任何已抵押銀行存款(2019年：無)。

外匯風險

本集團的交易主要以新加坡元計值，而新加坡元為本集團主要營運附屬公司的功能貨幣。然而，本集團有若干以美元、港元及新加坡元計值的銀行結餘及貿易及其他應付款項，不同於個別集團公司的功能貨幣，使本集團面臨外幣風險。本集團通過密切監控外幣匯率變動來管理有關風險。

重大投資以及有關附屬公司及聯營公司的重大收購及出售事項

於回顧年度，本集團並無持有重大投資，亦無有關附屬公司及聯屬公司的重大收購或出售事項。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Future Plans for Material Investments or Capital Assets

Save as disclosed under the section headed “Use of Net Proceeds from the Listing” in this report, the Group did not have other future plans for material investments or capital assets as at 30 June 2020.

Employees and Remuneration Policy

As at 30 June 2020, the Group employed a total of 46 full-time employees (including two executive Directors), as compared to the 41 full-time employees as at 30 June 2019. Total staff costs in the Review Year amounted to approximately S\$2.8 million (2019: approximately S\$2.7 million), which included Directors' emoluments, salaries, wages and other staff benefits, contributions and retirement schemes. In order to attract and retain valuable employees, the performance of the Group's employees are annually reviewed. The Group provides adequate job training to the employees to equip them with practical knowledge and skills. Apart from central provident fund and job training programs, salaries increment and discretionary bonuses may be awarded to employees according to the assessment of individual performance and market situation. The emoluments of the Directors have been reviewed by the remuneration committee of the Company, having regard to the Company's operating results, market competitiveness, individual performance and achievement, and approved by the Board.

財務回顧(續)

有關重大投資或資本資產的未來計劃

除本報告「上市所得款項淨額用途」一節所披露者外，於2020年6月30日，本集團並無有關重大投資或資本資產的其他未來計劃。

僱員及薪酬政策

於2020年6月30日，本集團共僱有46名全職僱員（包括兩名執行董事），而於2019年6月30日則有41名全職僱員。回顧年度的員工成本總額為約2.8百萬新加坡元（2019年：約2.7百萬新加坡元），當中包括董事薪酬、薪金、工資及其他員工福利、供款及退休計劃。為吸引及挽留有價值的僱員，本集團僱員的表現會每年進行檢討。本集團向僱員提供充分的工作培訓，使彼等具備實踐性知識及技能。除中央公積金及在職培訓計劃外，本集團可能會根據個人表現評估及市況向僱員進行加薪及授予酌情花紅。本公司薪酬委員會檢討董事酬金時已計及本公司的經營業績、市場競爭力、個人表現及績效，並經董事會批准。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

Capital Commitments and Contingent Liabilities

As at 30 June 2020, the Group has not provided guarantee to any customer (2019: Nil).

As at 30 June 2020, the Group had no material capital commitments (2019: Nil).

Use of Net Proceeds from the Listing

The net proceeds from the Listing, after deducting listing expenses (including underwriting fee) and other expenses arising from the Listing (“Net Proceeds”), were approximately HK\$74.0 million. The Group intends to apply the Net Proceeds in accordance with the proposed applications set out in the section headed “Future Plans and Use of Proceeds” in the prospectus of the Company dated 28 March 2018 (the “Prospectus”). As stated in the Prospectus, the Company intended to apply the Net Proceeds for: (i) acquisition of additional property for workshop and office use; (ii) strengthening our manpower by recruiting additional staff; (iii) increasing our reserve for financing the issue of performance guarantees in favour of our customers; (iv) financing the acquisition of additional motor vehicles and additional machinery; (v) increasing our marketing efforts; and (vi) use as general working capital.

財務回顧(續)

資本承擔及或然負債

於2020年6月30日，本集團概無向任何客戶提供擔保(2019年：無)。

於2020年6月30日，本集團並無重大資本承擔(2019年：無)。

上市所得款項淨額用途

上市所得款項淨額(「所得款項淨額」，經扣除上市開支(包括包銷費)及因上市而產生的其他開支)為約74.0百萬港元。本集團擬根據本公司日期為2018年3月28日之招股章程(「招股章程」)「未來計劃及所得款項用途」一節所載的擬定用途動用所得款項淨額。誠如招股章程所載，本公司擬將所得款項淨額：(i)用於購置作工場及辦公室用途的額外物業；(ii)用於通過招募更多員工擴充人力；(iii)用於增加我們就出具以我們的客戶為受益人的履約保函提供資金的儲備金；(iv)為購置額外汽車及額外機械撥資；(v)用於加大市場推廣力度；及(vi)用作一般營運資金。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW (Continued)

財務回顧(續)

Use of Net Proceeds from the Listing (Continued)

上市所得款項淨額用途(續)

The Net Proceeds applied by the Group during the period from the Listing Date up to 30 June 2020 are as follows:

於上市日期直至2020年6月30日期間，本集團已按以下方式動用所得款項淨額：

| Use of Net Proceeds: | Planned use of Net Proceeds | Actual use of Net Proceeds from the Listing Date to 30 June 2020 | Unutilised balance up to 30 June 2020 | Expected date of full utilisation of Net Proceeds | |
|---|-----------------------------|--|---------------------------------------|---|---|
| 所得款項淨額用途： | 所得款項淨額計劃用途 | 所得款項淨額實際用途 | 截至2020年6月30日之未動用結餘 | 悉數動用所得款項淨額之預計日期 | |
| | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | | |
| Acquisition of additional property for workshop and office use (Note 1) | 購置工場及辦公室用途的額外物業(附註1) | 34,000 | - | 34,000 | on or before 30 June 2021 於2021年6月30日或之前 |
| Recruiting additional staff | 招募更多員工 | 21,500 | 5,367 | 16,133 | on or before 30 June 2021 於2021年6月30日或之前 |
| Issue of performance guarantees | 出具履約保函 | 4,800 | 144 | 4,656 | on or before 30 June 2021 於2021年6月30日或之前 |
| Acquisition of additional motor vehicles and machinery | 購置額外汽車及機器 | 5,100 | 850 | 4,250 | on or before 30 June 2021 於2021年6月30日或之前 |
| Increasing our marketing efforts | 加大市場推廣力度 | 2,300 | 1,302 | 998 | on or before 30 June 2021 於2021年6月30日或之前 |
| Use as general working capital | 用作一般營運資金 | 6,300 | 6,300 | - | on or before 30 June 2021 於2021年6月30日或之前 |

Note 1: As at 30 June 2020, the Directors were considering quotations from a few property agents in deciding the best location and price for the acquisition of the new property.

附註1：於2020年6月30日，董事已考慮若干物業代理的報價，以決定購置新物業的最佳地點及價格。

As at 30 June 2020, approximately HK\$60 million remained unutilised (the "Unutilised Net Proceeds"). The Unutilised Net Proceeds was placed in licensed banks in Hong Kong and Singapore and the Board expects that it will be utilised in the same manner as disclosed in the Prospectus. Due to the adverse impact of the outbreak of novel coronavirus on worldwide economies and the three-phased approach embarked by the Singapore Government to resume usual daily activities after the implementation of Circuit Breaker measures, the Board will continue to closely monitor the situation and evaluate the impact on the timeline to utilise the Unutilised Net Proceeds and will keep shareholders and potential investors of the Company informed if there is any material change.

於2020年6月30日，約60百萬港元仍未動用(「未動用所得款項淨額」)。未動用所得款項淨額已存入香港及新加坡的持牌銀行，董事會預計將以與招股章程中披露的相同方式動用。由於新型冠狀病毒的爆發對全球經濟產生不利影響，以及新加坡政府於實施阻斷措施實施後採用分三階段的方式恢復日常活動，董事會將繼續密切關注有關情況並評估對動用未動用所得款項淨額的時間表的影響，並將在發生任何重大變化時通知本公司股東及潛在投資者。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Wu An Ming (formerly known as Chen Xiaor), aged 38, is the chairman of the Board, chief executive officer of the Company and an executive Director. He was appointed on 18 October 2019. He has extensive investment and management experience in the fields of construction and real estate, financial services and medical health. Mr. Wu invests and operates real estate development, financial leasing and medical equipment businesses in China and the United States. Mr. Wu holds a bachelor's degree in Electronic Information Science and Technology.

Mr. Koh Lee Huat, aged 50, is an executive Director. He was appointed as a Director on 18 August 2017, and was redesignated as an executive Director on 17 September 2017. Mr. Koh has been a director and a shareholder of Hwa Koon Engineering Pte Ltd. since 25 January 2007. Mr. Koh is responsible for the day to day operations and overall project management, formulating corporate and business strategies and making major operation decisions of the Group.

Mr. Koh has over 23 years of experience in the construction industry specialising in radiation shielding works. Mr. Koh gained technical work experience by starting as a technical officer at the Singapore Institute of Standards and Industrial Research (SISIR) in January 1995, eventually leading a team of technicians on laboratory tools calibration and field testing. Mr. Koh joined the Group in January 1996 as a site supervisor and was promoted to project manager in January 2002.

Mr. Koh obtained a Diploma in Mechanical Engineering from Ngee Ann Polytechnic of Singapore in August 1992. In addition, Mr. Koh obtained certificates of completion of the following courses: Introduction to Radiation Safety, conducted by The National University of Singapore in March 1996; Risk Management Course, conducted by Absolute Kinetics Consultancy Pte Ltd in November 2006; Building Construction Supervisors Safety Course, conducted by The Singapore Contractors Association Ltd (SCAL) SCAL Academy in April 2008; and Work-at-Height Course for Supervisors, conducted by Greensafe International Pte Ltd in November 2013.

執行董事

胡晏銘先生(前稱陳小二)，38歲，為董事會主席、本公司行政總裁兼執行董事。彼於2019年10月18日獲委任。彼在建築地產、金融服務及醫療健康等領域擁有豐富的投資及管理經驗。胡先生在中國及美國投資及經營物業開發、融資租賃及醫療設備研發等業務。胡先生擁有電子信息科學與技術學士學位。

許利發先生，50歲，為執行董事。彼於2017年8月18日獲委任為董事，於2017年9月17日調任執行董事。許先生自2007年1月25日起一直為Hwa Koon Engineering Pte Ltd. 的董事及股東。許先生負責日常營運及整體項目管理、制定公司及業務戰略及作出本集團的主要營運決策。

許先生擁有逾23年的建築行業經驗，專門從事輻射防護工程。許先生的技術工作經歷始於1995年1月擔任Singapore Institute of Standards and Industrial Research (SISIR)的技術主管，最終領導一支進行化學工具校準及實地測試的技師團隊。許先生於1996年1月加入本集團擔任工地總管，並於2002年1月獲晉升為項目經理。

許先生於1992年8月獲得新加坡義安理工學院機械工程文憑。此外，許先生分別於1996年3月、2006年11月、2008年4月及2013年11月獲得以下課程的結業證書：新加坡國立大學開設的輻射安全緒言(Introduction to Radiation Safety)；Absolute Kinetics Consultancy Pte Ltd開設的風險管理課程(Risk Management Course)；新加坡建築商公會(SCAL) SCAL Academy開設的房屋施工總管安全課程(Building Construction Supervisors Safety Course)；及Greensafe International Pte Ltd開設的總管高空作業課程(Work-at-Height Course for Supervisors)。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Siu Man Ho Simon, aged 46, was appointed as an independent non-executive Director on 15 March 2018. He is also a member of the Audit Committee and the chairman of the Remuneration Committee with effect from 18 April 2018. He is primarily responsible for providing independent judgment on issues of strategy, policy, performance, accountability, resource, key appointments and standard of conduct of the Group.

Mr. Siu is a practicing solicitor of the High Court of Hong Kong and a China Appointed Attesting Officer appointed by the Ministry of Justice of the PRC. Mr. Siu is currently a partner of the law firm, Sit, Fung, Kwong & Shum, Solicitors, which he first joined as a solicitor in 2000 and has been continuously serving there since then. His areas of practice include corporate finance, capital markets, securities, mergers and acquisitions, joint ventures and general commercial matters. Mr. Siu also actively participates in charitable and social services in Hong Kong. He is currently acting as a legal advisor for United Hearts Youth Foundation as well as the school manager of The Association of Directors & Former Directors of Pok Oi Hospital Leung Sing Tak College. Mr. Siu obtained his Bachelor of Laws degree from the University of Hong Kong in 1996.

Mr. Siu is currently an independent non-executive director of each of Wai Yuen Tong Medicine Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 897), Brilliant Circle Holdings International Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1008) and Shuang Yun Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1706). He was appointed as an independent non-executive director of Weiye Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 1570) from March 2016 until December 2018.

獨立非執行董事

蕭文豪先生，46歲，於2018年3月15日獲委任為獨立非執行董事。彼亦為審核委員會成員及薪酬委員會主席，自2018年4月18日起生效。彼主要負責就本集團的戰略、政策、表現、問責、資源、主要委任及操守準則事宜提供獨立判斷。

蕭先生為香港高等法院的執業律師及中國司法部任命的中國委託公證人。蕭先生現為薛馮鄭岑律師行的合夥人，其於2000年首次加入該律師行擔任律師並一直工作至今。其執業領域包括企業融資、資本市場、證券、併購、合資企業及一般商業事宜。蕭先生亦積極參與香港的慈善及社會服務活動。彼現任雁心會樂幼基金的法律顧問及博愛醫院歷屆總理聯誼會梁省德中學的校董。蕭先生於1996年獲得香港大學法律學士學位。

蕭先生現為位元堂藥業控股有限公司（一家於聯交所主板上市的公司，股份代號：897）、貴聯控股國際有限公司（一家於聯交所主板上市的公司，股份代號：1008）及雙運控股有限公司（一家於聯交所主板上市的公司，股份代號：1706）的獨立非執行董事。於2016年3月至2018年12月，他曾獲委任為偉業控股有限公司（一家於聯交所主板上市的公司，股份代號：1570）的獨立非執行董事。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

獨立非執行董事(續)

Prof. Pong Kam Keung, aged 58, was appointed as an independent non-executive Director on 15 March 2018. He is also a member of the Remuneration Committee and the chairman of the Nomination Committee with effect from 18 April 2018 and a member of the Audit Committee with effect from 22 November 2019. He is primarily responsible for providing independent judgment to bear on issuers of strategy, policy, performance, accountability, resource, key appointments and standard of conduct of the Group.

龐錦強教授，58歲，於2018年3月15日獲委任為獨立非執行董事。彼亦為薪酬委員會成員及提名委員會主席，自2018年4月18日起生效以及為審核委員會成員，自2019年11月22日起生效。彼主要負責就本集團的戰略、政策、表現、問責、資源、主要委任及操守準則事宜提供獨立判斷。

Prof. Pong was a member of the Disciplinary Tribunal of the Hong Kong Institute of Chartered Secretaries for 2015. Prof. Pong was the chief prosecution officer of the Environment Protection Department of the Government from July 2004 to July 2013. He served as advisor to the Hong Kong Architecture Centre from 2011 to 2013. He was also a member of the Appeal Tribunal Panel of the Planning and Lands Branch of the Development Bureau of the Government from February 2007 to November 2012 and a member of the Advisory Committee on Barrier Free Access of the Buildings Department which expired in July 2003.

龐教授於2015年為香港特許秘書公會紀律審裁小組組員。龐教授於2004年7月至2013年7月擔任香港政府環境保護署總檢控主任。於2011年至2013年，彼為香港建築中心顧問。於2007年2月至2012年11月，彼亦為香港政府發展局規劃地政科上訴審裁團成員。彼曾為屋宇署無阻通道諮詢委員會成員，於2003年7月退任。

Prof. Pong obtained a degree of Bachelor of Science in Building Surveying from the Thames Polytechnic, United Kingdom in June 1989, a degree of Master of Science in Property Investment from the City University of London, United Kingdom in December 1993, a degree of Bachelor of Laws through a distance learning program from the University of Wolverhampton, United Kingdom in September 1995, a degree of Master of Science in Urban Planning from the University of Hong Kong in December 2005 and a degree of Master of Corporate Governance from the Hong Kong Polytechnic University in October 2008.

龐教授於1989年6月取得英國泰晤士理工學院(Thames Polytechnic)建築測量理學士學位；於1993年12月取得英國倫敦城市大學(City University of London)物業投資理學碩士學位；於1995年9月透過遠程學習課程取得英國伍爾弗漢普頓大學(University of Wolverhampton)法學學士學位；於2005年12月取得香港大學城市規劃理學碩士學位及於2008年10月取得香港理工大學企業管治碩士學位。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Prof. Pong has been a fellow of the Hong Kong Institute of Construction Managers since August 2016, the Hong Kong Institute of Facility Management since July 2000, the Hong Kong Institute of Surveyors since November 2000, the Chartered Institute of Arbitrators since January 2001, the Royal Institution of Chartered Surveyor since January 2006 and the Hong Kong Institute of Chartered Secretaries since October 2012.

Prof. Pong was appointed as a non-executive director of Star Properties Group (Cayman Islands) Limited (stock code: 1560) from March 2016 and subsequently re-designated as an executive director from September 2018, a company listed on the Main Board of the Stock Exchange; and an independent non-executive director of Shuang Yun Holdings Limited (stock code: 1706) from October 2017, a company companies listed on the Main Board of the Stock Exchange. He was an executive director of Sundart Holdings Limited (stock code: 1568) from July 2015 to February 2018, was an independent non-executive director of Central Holding Group Co. Ltd, previously known as Wang Yang Holdings Limited (stock code: 1735) from March 2018 to October 2019 and FSM Holdings Limited (stock code: 1721) from June 2018 to April 2020, companies listed on the Main Board of the Stock Exchange. Prof. Pong has been an adjunct professor in the Division of Environment and Sustainability of The Hong Kong University of Science and Technology since December 2013.

獨立非執行董事(續)

自2016年8月、2000年7月、2000年11月、2001年1月、2006年1月及2012年10月起，龐教授分別為香港營造師學會、香港設施管理學會、香港測量師學會、英國特許仲裁員學會(Chartered Institute of Arbitrators)、英國皇家特許測量師學會及香港特許秘書公會的資深會員。

龐教授於2016年3月獲委任為星星地產集團(開曼群島)有限公司(一家於聯交所主板上市的公司，股份代號：1560)的非執行董事，其後自2018年9月起調任為執行董事；及於2017年10月至今為雙運控股有限公司(一家於聯交所主板上市的公司，股份代號：1706)的獨立非執行董事。於2015年7月至2018年2月，彼曾任承達集團有限公司(股份代號：1568)的執行董事、於2018年3月至2019年10月為中環控股集團有限公司(前稱泓盈控股有限公司，股份代號：1735)的獨立非執行董事以及於2018年6月至2020年4月為FSM Holdings Limited(股份代號：1721)的執行董事，該等公司均於聯交所主板上市。龐教授自2013年12月起亦為香港科技大學環境及可持續發展學部客座教授。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Cheung Kwok Yan Wilfred, aged 40, was appointed as an independent non-executive Director on 15 March 2018. He is also the chairman of the Audit Committee and a member of the Nomination Committee with effect from 18 April 2018. He is primarily responsible for providing independent judgement on issues of strategy, policy, performance, accountability, resource, key appointments and standard of conduct of the Group.

Mr. Cheung graduated from the University of Buckingham in the United Kingdom with a Bachelor of Science (Economics) in February 2005. Mr. Cheung is a fellow of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Directors and the Institute of Chartered Accountants in England and Wales. Mr. Cheung joined Moores Rowland Mazars in September 2005 as associate and was later transferred to Mazars CPA Limited after its reorganisation in June 2007. Mr. Cheung left Mazars CPA Limited in October 2007 as an associate and joined Grant Thornton as senior accountant in its China practice division until December 2008. Mr. Cheung then worked for the Royal Bank of Canada Europe Limited as accounts preparer in its CEES UK Department from March 2009 to January 2010. Mr. Cheung was employed by Asia Investment Finance Group Limited (formerly known as "Harmonic Strait Financial Holdings Limited" and "Rainbow Brothers Limited") (stock code: 33), the issued shares of which are listed on the Main Board of the Stock Exchange, from February 2010 to August 2010 as senior associate in corporate finance. Mr. Cheung later joined Mega International Food Limited as its financial controller in September 2010 and was appointed as general manager of its fellow subsidiary, Poly Shining Limited, and Mr. Cheung left the group in March 2013. From August 2013 to May 2018, Mr. Cheung worked at The Gate Worldwide Limited, an international advertising and marketing agency, with his initial position as a senior finance manager and was promoted to a finance director in July 2015. Mr. Cheung joined Publicis Media, a French multinational advertising and public relations company, as finance director since July 2018. Mr. Cheung was employed by Denuo Limited – Starcom Worldwide, a wholly-owned subsidiary of Publicis Groupe, the world's third largest communications group, as finance director from July 2018 to July 2019. He is currently a director of Sonic Corporate Services Company.

獨立非執行董事(續)

張國仁先生，40歲，於2018年3月15日獲委任為獨立非執行董事。彼亦為審核委員會主席及提名委員會成員，自2018年4月18日起生效。彼主要負責就本集團的戰略、政策、表現、問責、資源、主要委任及操守準則事宜提供獨立判斷。

張先生於2005年2月畢業於英國白金漢大學 (University of Buckingham)，取得經濟理學士學位。張先生為英國特許公認會計師公會、香港會計師公會、香港董事學會以及英格蘭及威爾士特許會計師公會資深會員。張先生於2005年9月加盟摩斯倫•馬賽會計師事務所擔任助理，並於摩斯倫•馬賽會計師事務所於2007年6月重組後轉調中審眾環(香港)會計師事務所有限公司。張先生於2007年10月辭任中審眾環(香港)會計師事務所有限公司助理職務，並加入致同會計師事務所(前稱均富國際會計師事務所)擔任中國執業部高級會計師直至2008年12月為止。張先生其後於2009年3月至2010年1月於Royal Bank of Canada Europe Limited的CEES UK部門擔任賬目編製員。張先生於2010年2月至2010年8月受僱於亞投金融集團有限公司(前稱「和協海峽金融集團有限公司」及「十友洋行有限公司」，股份代號：33)，擔任企業融資高級助理，該公司已發行股份於聯交所主板上市。張先生其後於2010年9月加入美加國際食品有限公司擔任財務總監，並獲委任為其同系附屬公司寶誠行有限公司的總經理，張先生於2013年3月離開該集團。於2013年8月至2018年5月，張先生於國際廣告及市場推廣代理公司The Gate Worldwide Limited工作，初始職位為高級財務經理，並於2015年7月獲晉升為財務總監。自2018年7月起，張先生加入法國跨國廣告公關公司Publicis Media，出任財務總監。張先生於2018年7月至2019年7月受僱於星傳媒(陽獅集團(世界第三大傳播集團)之全資附屬公司)，擔任財務總監。彼現為Sonic Corporate Services Company的董事。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS *(Continued)*

Mr. Cheung has been an independent non-executive director of Affluent Foundation Holdings Limited (stock code: 1757), the issued shares of which are listed on the Main Board of the Stock Exchange, since May 2018. He had been an independent non-executive director of Chun Sing Engineering Holdings Limited (stock code: 2277) (currently known as Huarong Investment Stock Corporation Limited), the issued shares of which are listed on the Main Board of the Stock Exchange, from December 2014 to June 2016 and he was an independent non-executive director of LEAP Holdings Group Limited (stock code: 1499) (currently known as OKG Technology Holdings Limited), the issued shares of which are listed on the Main Board of the Stock Exchange, from August 2015 to November 2017.

SENIOR MANAGEMENT

Mr. Chan Wing Hang, aged 43, graduated from The University of Hull in January 2012 with a degree of Master of Business Administration (MBA) and from City University of Hong Kong in November 1999 with a degree of Bachelor of Business Administration (Honours) in Accountancy. Mr. Chan is a fellow of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Chan has been chief financial officer and company secretary of several listed companies. He has over 20 years of experience in accounting, corporate finance, compliance, company secretarial, investor relations and initial public offerings.

獨立非執行董事(續)

自2018年5月起，張先生出任俊裕地基集團有限公司(股份代號：1757)的獨立非執行董事，該公司已發行股份於聯交所主板上市。自2014年12月至2016年6月，張先生出任震昇工程控股有限公司(現稱為華融投資股份有限公司；股份代號：2277)的獨立非執行董事，該公司已發行股份於聯交所主板上市。於2015年8月至2017年11月，彼曾任前進控股集團有限公司(現稱歐科雲鏈控股有限公司；股份代號：1499)的獨立非執行董事，該公司已發行股份於聯交所主板上市。

高級管理層

陳永恒先生，43歲，於2012年1月在赫爾大學畢業，獲工商管理碩士學位，並於1999年11月在香港城市大學畢業，擁有會計工商管理(榮譽)學士學位。陳先生為英國特許公認會計師公會資深會員及香港會計師公會會員。陳先生曾獲委任為多家上市公司的首席財務官及公司秘書。彼於會計、企業融資、合規、公司秘書、投資者關係及首次公開發售方面擁有逾20年經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to achieving high standards of corporate governance to safeguard the interests of its shareholders and enhance its corporate value. The Company adopted all the code provisions in the Corporate Governance Code (the “CG Code”) in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange as its own code on corporate governance practices.

During the Review Year, the Company complied with the code provisions as set out in the CG Code with the exception of code provision A.2.1 of the CG Code.

According to code provision A.2.1 of the CG Code, the role of the chairman and the chief executive officer of the Company should be separate and should not be performed by the same individual. Since 18 October 2019 and up to the date of this annual report, the role of the chairman and the chief executive officer of the Company are both performed by Mr. Wu An Ming. In view of the experience of Mr. Wu in the fields of construction and real estate, financial services and medical health, the Board believes that it is more effective and efficient overall business planning and implementation of business decisions and strategies of the Group and in the best interests of the Group if Mr. Wu takes up the dual roles of chairman and chief executive officer of the Company. Therefore, the Board considers that the deviation from code provision A.2.1 of the CG Code is appropriate in such circumstance and that there are sufficient checks and balances in place by the operations of the Board, which comprises experienced and high calibre individuals and adequate independent element in the composition of the Board.

The Board will continue to review and consider splitting the roles of chairman and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole. The Directors are aware that the Company is expected to comply with the CG Code. Any deviation from the CG Code should be carefully considered and disclosed in the interim and annual report. Save as disclosed above, the Company will continue to comply with the CG Code to protect the best interests of the shareholders of the Company.

本公司一向致力於維持高水準之企業管治，以保障其股東權益並提高企業價值。本公司採納聯交所證券上市規則（「上市規則」）附錄14所載企業管治守則（「企業管治守則」）之所有守則條文作為其自身的企業管治常規守則。

於回顧年度，本公司已遵守企業管治守則所載守則條文，惟企業管治守則的守則條文第A.2.1條除外。

根據企業管治守則的守則條文第A.2.1條，本公司主席與行政總裁的職責應有區分，且不應由同一人兼任。自2019年10月18日起及直至本年報日期，本公司主席及行政總裁由胡晏銘先生兼任。鑒於胡先生在建業地產、金融服務及醫療健康等領域擁有豐富的經驗，董事會相信由胡先生兼任本公司主席及行政總裁職務使本集團更有效及高效地進行整體業務規劃及執行業務決策及策略，其符合本集團的最佳利益。因此，董事會認為，於該情況下偏離企業管治守則的守則條文第A.2.1條屬適當，且透過董事會的運作，已給予足夠的制衡，而董事會成員由經驗豐富及富有才幹之人士組成，且董事會組成中具備充分之獨立元素。

董事會將持續檢討，並於考慮本集團的整體狀況後，在合宜及適當時候區分本公司主席及行政總裁的職責。董事得悉，本公司預期會遵守企業管治守則。企業管治守則的任何偏離情況均應予仔細考慮，並於中期及年度報告披露。除上文所披露者外，本公司將繼續遵守企業管治守則，以保障本公司股東的最佳利益。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

The Company is governed by the Board which is responsible for the day to day operations, overseeing the overall business development and project management, formulating corporate and business strategies and making major operation decisions of the Group as well as monitoring the internal control policies and the risk management of the Group's projects and evaluating the financial performance of the Group. The Board sets the overall policies, strategy and directions for the Group with a view to developing its business and enhancing the shareholders value. The Board meets regularly throughout the year to formulate overall strategy, monitor business development as well as the financial performance of the Group. The Board has delegated certain duties and authorities to the management for ensuring the Group's projects delivered on-time and within scope and budget, planning of space workflow within medical facilities designated by the Group and managing of financial reporting, investor relations, tax and treasury matters of the Group. The Board may discharge its corporate governance duties by establishment of board committees and delegation of certain management and administration functions to the management. During the Review Year, the Board reviewed the effectiveness of the risk management and internal controls systems of the Group.

The Board currently comprises two executive Directors, namely Mr. Wu An Ming (chairman and chief executive officer) and Mr. Koh Lee Huat and three independent non-executive Directors (the "INED"), namely Mr. Siu Man Ho Simon, Mr. Cheung Kwok Yan Wilfred and Prof. Pong Kam Keung.

董事會

本公司由董事會規管，董事會負責日常營運、監察整體業務發展及項目管理、制定公司及業務戰略及作出本集團的主要營運決策，以及監管內部控制政策及本集團項目的風險管理，並評估本集團財務表現。董事會制定本集團整體政策、戰略及指引，以發展其業務及提升股東價值。年內，董事會定期會面以制定本集團整體戰略、監察業務發展以及財務表現。董事會向管理層授出若干職責及授權，以保證本集團項目按時交付及在預算範圍內、在本集團指定醫療設施內進行空間工作流程規劃及管理本集團的財務申報、投資者關係、稅收及財務事宜。董事會可透過成立董事委員會及向管理層授權若干管理及行政職能履行其企業管治職責。於回顧年度，董事會已審閱本集團風險管理及內部控制系統的有效性。

董事會目前由兩名執行董事（即胡晏銘先生（主席兼行政總裁）及許利發先生）及三名獨立非執行董事（「獨立非執行董事」）（即蕭文豪先生、張國仁先生及龐錦強教授）組成。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

董事會(續)

The attendance records of the Directors for the regular Board, committees and general meetings of the Company for the Review Year are as follows:

於回顧年度，董事出席本公司定期董事會會議、委員會會議及股東大會的記錄如下：

| Directors 董事 | No. of meetings attended/No. of meetings held 出席會議次數/舉行會議次數 | | | | | Annual General Meeting 股東週年大會 |
|---|--|-----------------------------|------------------------------------|----------------------------------|--|--|
| | Board 董事會 | Audit Committee 審核委員會 | Remuneration Committee 薪酬委員會 | Nomination Committee 提名委員會 | | |
| Executive Directors | | | | | | |
| 執行董事 | | | | | | |
| Mr. Wu An Ming (Chairman and Chief Executive Officer) (Note 1) | 3/4 | N/A | N/A | 1/1 | | 1/1 |
| 胡晏銘先生(主席兼行政總裁)(附註1) | 3/4 | 不適用 | 不適用 | 1/1 | | 1/1 |
| Mr. Koh Lee Huat | 7/7 | N/A | 1/1 | N/A | | 1/1 |
| 許利發先生 | 7/7 | 不適用 | 1/1 | 不適用 | | 1/1 |
| Mr. Ryan Ong Wei Liang (Note 2) | 3/3 | N/A | N/A | 1/1 | | N/A |
| 王威量先生(附註2) | 3/3 | 不適用 | 不適用 | 1/1 | | 不適用 |
| Non-Executive Director | | | | | | |
| 非執行董事 | | | | | | |
| Mr. Ang Kong Meng (Note 3) | 3/3 | 1/1 | N/A | N/A | | N/A |
| 洪坤明先生(附註3) | 3/3 | 1/1 | 不適用 | 不適用 | | 不適用 |
| Independent Non-Executive Directors | | | | | | |
| 獨立非執行董事 | | | | | | |
| Mr. Siu Man Ho Simon | 7/7 | 2/2 | 1/1 | N/A | | 1/1 |
| 蕭文豪先生 | 7/7 | 2/2 | 1/1 | 不適用 | | 1/1 |
| Mr. Cheung Kwok Yan Wilfred | 7/7 | 2/2 | N/A | 2/2 | | 1/1 |
| 張國仁先生 | 7/7 | 2/2 | 不適用 | 2/2 | | 1/1 |
| Prof. Pong Kam Keung (Note 4) | 6/7 | 1/1 | 1/1 | 2/2 | | 1/1 |
| 龐錦強教授(附註4) | 6/7 | 1/1 | 1/1 | 2/2 | | 1/1 |

Notes:

1. Appointed on 18 October 2019.
2. Resigned on 18 October 2019.
3. Retired on 22 November 2019.
4. Appointed as a member of Audit Committee on 22 November 2019.

附註：

1. 於2019年10月18日獲委任。
2. 於2019年10月18日辭任。
3. 於2019年11月22日退任。
4. 於2019年11月22日獲委任為審核委員會成員。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

In compliance with the Listing Rules, the Company appointed INEDs with at least one of them having appropriate professional qualifications or accounting or related financial management expertise. The INEDs, together with the executive directors, ensure that the Board prepares its financial and other mandatory reports in strict compliance with the relevant standards. The Company has received an annual confirmation of independence from each of the INEDs and believes that their independence is in compliance with the Listing Rules.

Under the code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. The term of appointment pursuant to the letters of appointment of Mr. Siu Man Ho Simon, Mr. Cheung Kwok Yan Wilfred and Prof. Pong Kam Keung is for a period of one year till April 2020 and thereafter shall continue year to year. The non-executive directors are subject to the requirement that one-third of all the Directors shall retire from office by rotation at each annual general meeting pursuant to the amended and restated articles of association (“Articles of Association”) of the Company.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

During the Review Year, according to the records provided by the Directors, the participation by each Director in the continuous professional development (“CPD”) was recorded as follows:

The executive directors, Mr. Wu An Ming and Mr. Koh Lee Huat; and the INED, Mr. Cheung Kwok Yan Wilfred participated in CPD activities by ways of reading materials covering topics including review of corporate governance code and related Listing Rules.

董事會(續)

根據上市規則，本公司已委任獨立非執行董事，且彼等當中至少有一人具備適當的專業資格，或具備適當的會計或相關的財務管理專長。獨立非執行董事與執行董事共同確保董事會嚴格遵守相關準則編製其財務及其他強制性報告。本公司已接獲各獨立非執行董事的年度獨立性確認，並認為彼等的獨立性符合上市規則的規定。

根據企業管治守則守則條文A.4.1，非執行董事的委任應有指定任期，並須接受重新選舉。根據委任函，蕭文豪先生、張國仁先生及龐錦強教授的委任至2020年4月止為期一年，其後須按年續約。非執行董事須遵守全體董事中至少有三分之一須根據本公司的經修訂及重列組織章程細則（「組織章程細則」）於每屆股東週年大會上輪值退任之規定。

董事的持續專業發展

於回顧年度，根據董事所提供的記錄，各董事參與持續專業發展（「持續專業發展」）的記錄如下：

執行董事胡晏銘先生及許利發先生；及獨立非執行董事張國仁先生通過閱讀涵蓋以下主題的材料參與持續專業發展活動，該等主題包括審查公司管治守則及相關上市規則。

CORPORATE GOVERNANCE REPORT

企業管治報告

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS *(Continued)*

The INED, Mr. Siu Man Ho Simon, participated in CPD activities by ways of reading materials covering topics including review of corporate governance code and related Listing Rules.

The INED, Prof. Pong Kam Keung, participated in CPD activities by ways of attending training/seminars and/or reading articles/journals covering topics including review of corporate governance code and related Listing Rules.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as the codes of conduct regarding securities transactions by Directors and by relevant employees of the Company. All Directors have confirmed, following specific enquiries by the Company, that they fully complied with the Model Code during the Review Year.

REMUNERATION COMMITTEE

The Company established the Remuneration Committee with written terms of reference in compliance with the CG Code. The Remuneration Committee comprises one executive director, namely Mr. Wu An Ming, and two INEDs, namely Mr. Siu Man Ho Simon and Prof. Pong Kam Keung. The Remuneration Committee is chaired by Mr. Siu Man Ho Simon.

董事的持續專業發展(續)

獨立非執行董事蕭文豪先生通過閱讀涵蓋以下主題的材料參與持續專業發展活動，該等主題包括審查公司管治守則及相關上市規則。

獨立非執行董事龐錦強教授通過參加培訓／研討會及／或閱讀有關主題的文章／期刊的方式參與持續專業發展活動，該等主題包括審查公司管治守則及相關上市規則。

董事進行證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事及本公司相關僱員進行證券交易的操守守則。經本公司作出具體查詢後，全體董事已確認，彼等於回顧年度內一直遵守標準守則。

薪酬委員會

本公司已遵照企業管治守則成立薪酬委員會並制定書面職權範圍。薪酬委員會由一名執行董事(即胡晏銘先生)及兩名獨立非執行董事(即蕭文豪先生及龐錦強教授)組成。蕭文豪先生為薪酬委員會主席。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE (Continued)

The primary duties of the Remuneration Committee are to make recommendations to the Board on the establishment of a formal and transparent procedure for developing remuneration policy; and on the Company's policy and structure for all Directors' and senior management's remuneration and on the remuneration of non-executive directors. The Directors are remunerated with reference to their respective duties and responsibility with the Company, the Company's performance, other companies in the industry in which the Group operates and current market practice. The Remuneration Committee adopted the model under the CG Code to make recommendations to the Board on the remuneration packages of individual executive directors and senior management.

During the Review Year, the Remuneration Committee reviewed the Company's remuneration policy and structure; the remuneration packages of the Directors of the Company and the senior management of the Group; all disclosure statements in relation to the Remuneration Committee in the annual report and interim report of the Company; and the terms of reference of the Remuneration Committee.

Details of emoluments of the Directors for the year are disclosed in Note 11 to the Financial Statements and the retirement benefit schemes are disclosed in Note 26 to the Financial Statements.

NOMINATION COMMITTEE

The Company established the Nomination Committee with written terms of reference in compliance with the CG Code. The Nomination Committee comprises one executive director, namely Mr. Wu An Ming, and two INEDs, namely Prof. Pong Kam Keung and Mr. Cheung Kwok Yan Wilfred. The Nomination Committee is chaired by Prof. Pong Kam Keung.

The primary duties of the Nomination Committee are reviewing the structure, size and composition of the Board, considering inter alia the skills, knowledge and experience of the Board as a whole, identifying qualified individuals to become members of the Board, assessing the independence of independent non-executive directors and making recommendations to the Board on the appointment or re-appointment of Directors.

薪酬委員會(續)

薪酬委員會的主要職責為就制定薪酬政策建立正式及透明的程序；及就本公司全體董事及高級管理層的薪酬政策及架構以及非執行董事的薪酬向董事會作出推薦建議。董事之薪酬乃經參考彼等各自於本公司之職務及職責、本公司表現、本集團營運所在行業的其他公司及當前市場慣例釐定。薪酬委員會採納企業管治守則項下的標準，就各執行董事及高級管理層的薪酬待遇向董事會作出推薦建議。

於回顧年度，薪酬委員會審查本公司的薪酬政策及結構；本公司董事及本集團高級管理層的薪酬待遇；本公司年報及中期報告中與薪酬委員會有關的所有披露聲明；以及薪酬委員會的職權範圍。

有關年內董事酬金及退休福利計劃的詳情分別於財務報表附註11及26披露。

提名委員會

本公司已遵照企業管治守則成立提名委員會並制定書面職權範圍。提名委員會由一名執行董事(即胡晏銘先生)及兩名獨立非執行董事(即龐錦強教授及張國仁先生)組成。龐錦強教授為提名委員會主席。

提名委員會的主要職責為審閱董事會架構、規模及組成、考慮(其中包括)董事會整體技術、知識及經驗、物色合資格成為董事會成員的人選、評估獨立非執行董事之獨立性並就董事委任或重新任命向董事會作出推薦建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE (Continued)

The Nomination Committee assists the Board in making recommendations to the Board on the appointment and re-appointment of Directors, and succession planning for Directors. When making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Nomination Committee shall consider a variety of factors including reputation for integrity; accomplishment, experience and reputation in the relevant industry and other relevant sectors; commitment in respect of sufficient time, interest and attention to the Company's business; diversity in all aspects, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge; the ability to assist and support management and make significant contributions to the Company's success; compliance with the criteria of independence as prescribed under rule 3.13 of the Listing Rules for the appointment of an INED.

The secretary of the Nomination Committee shall invite nominations of candidates from Board members (if any), for consideration by the Nomination Committee. The Nomination Committee may also nominate candidates for its consideration. In the context of appointment of any proposed candidate to the Board, the Nomination Committee shall undertake adequate due diligence in respect of such individual and make recommendations for the Board's consideration and approval. In the context of re-appointment of any existing member(s) of the Board, the Nomination Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting.

Each of executive director entered into service agreement for their appointment with the Company for a term of three years. Each of INEDs entered into letter of appointment for his appointment with the Company for an initial term of one year and thereafter shall continue year to year. All Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

提名委員會(續)

提名委員會協助董事會就董事的任命及重新任命以及董事的繼任計劃向董事會提出建議。在就任命任何擬議的董事會候選人或重新任命現有的董事會成員提出建議時，提名委員會應考慮多種因素，包括誠信的聲譽；在相關行業及其他相關領域的成就、經驗及聲譽；對本公司業務投放足夠的時間、興趣及關注的承諾；各方面的多樣性，包括但不限於性別、年齡、文化及教育背景、經驗(專業或其他方面)、技能及知識；協助及支持管理並為本公司的成功做出重大貢獻的能力；遵守上市規則第3.13條就委任獨立非執行董事所規定的獨立性標準。

提名委員會秘書應邀請董事會成員的候選人提名(如有)，由提名委員會審議。提名委員會亦可提名候選人進行審議。在任命任何擬議的董事會候選人時，提名委員會應對該等人士進行充分的盡職調查，並提出建議，供董事會審議及批准。在重新任命董事會現有成員的情況下，提名委員會應向董事會提出建議，以供其審議及推薦，以使擬議的候選人在股東大會上重新遴選。

各執行董事與本公司訂立為期三年的服務協議。各獨立非執行董事與本公司訂立初步任期為期一年的委任書，其後每年續約。根據組織章程細則，所有董事均須於本公司股東週年大會上輪值退任及重選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE (Continued)

According to Article 108(a)-(b) of the Articles of Association, at each 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 (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. The Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any Director who has not been subject to retirement by rotation in the three years preceding the annual general meeting shall retire by rotation at such annual general meeting. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

According to Article 112 of the Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

During the Review Year, the Nomination Committee reviewed the structure, size and composition of the Board, all disclosure statements in relation to the Nomination Committee in the annual report and interim report of the Company and the terms of reference of the Nomination Committee; assessed the independence of INEDs; and adoption of nomination policy.

提名委員會(續)

根據組織章程細則第108(a)至(b)條，於每屆股東週年大會上，三分之一的在任董事（或倘若董事人數並非三或三的倍數，則最接近而不少於三分之一）須輪換卸任，每位董事（包括按指定任期獲委任者）須最少每三年輪流退任一次。輪值告退之董事須包括（就必須達到所規定數目而言）願退任且不會重選連任之董事。股東週年大會前三年並無輪值告退之董事須在該股東週年大會上輪值告退。任何其他如此告退之董事須為自彼上次獲選任或獲委任後任期最長之董事，但若多位董事上次乃於同一日獲選任，則以抽籤決定須告退之董事（除非該等董事另有協定者則作別論）。

根據組織章程細則第112條，獲董事會委任以填補臨時空缺的任何董事，其任期僅直至其委任後本公司首屆股東大會止，並可於有關大會上重選連任。獲董事會委任以出任現任董事會新增成員的任何董事僅任職至本公司下屆股東週年大會舉行為止，並可重選連任。於股東週年大會上決定輪換卸任的董事人選或人數時，不得考慮根據本細則獲委任的任何董事。

於回顧年度內，提名委員會審閱董事會的結構、規模及組成、本公司年報及中期報告中與提名委員會有關的所有披露聲明以及提名委員會的職權範圍；評估獨立非執行董事的獨立性；並採用提名政策。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with the CG Code. The Audit Committee comprises three INEDs, namely Mr. Cheung Kwok Yan Wilfred, Prof. Pong Kam Keung and Mr. Siu Man Ho Simon. The Audit Committee is chaired by Mr. Cheung Kwok Yan Wilfred.

The primary duties of the Audit Committee are to review the risk management and internal control systems, the Group's financial and accounting policies and practices and the financial statements and reports of the Company; approve the terms of engagement of the auditor; and discuss the scope of audit work with the auditor. The Audit Committee is also responsible for developing and reviewing the Company's policies and practices on corporate governance; reviewing the Company's compliance with the CG code and disclosure in the corporate governance report; and reviewing and monitoring the training and continuous professional development of directors and senior management and the Company's policies and practices on compliance with legal and regulatory requirements; and etc.

During the Review Year, the Audit Committee of the Company reviewed the accounting principles and practices adopted by the Group with the management and the Company's auditor; discussed auditing, internal control and financial reporting matters including the audited financial statements and unaudited interim financial statements; reviewed the compliance with the CG Code, the disclosure in the corporate governance report, the Company's policies and practices on corporate governance, internal control systems and procedures and the terms of reference of the Audit Committee; and reviewed and discussed the audit plan of the Company.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for overseeing the preparation of the financial statements which give a true and fair view of the financial position of the Group on a going concern basis and which are in compliance with the relevant accounting standard and principles, applicable laws and disclosure provisions of the Listing Rules. The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

審核委員會

本公司已遵照企業管治守則成立審核委員會並制定書面職權範圍。審核委員會由三名獨立非執行董事(即張國仁先生、龐錦強教授及蕭文豪先生)組成。張國仁先生為審核委員會主席。

審核委員會的主要職責為審閱風險管理及內部控制系統、本集團之財務及會計政策及常規以及本公司財務報表及報告；批准核數師的委聘條款；及與核數師討論審核工作的範圍。審核委員會亦負責制定及審閱本公司之企業管治政策及常規；審閱本公司企業管治守則合規情況及企業管治報告披露情況；以及審閱及監督董事及高級管理層的培訓及持續專業發展以及本公司遵守法律及監管規定的政策及常規等。

於回顧年度內，本公司的審核委員會與管理層及本公司的核數師一起審閱本集團採用的會計原則及慣例；討論審計、內部控制及財務報告事項，包括經審核的財務報表及未經審核的中期財務報表；審查企業管治守則的遵守情況、企業管治報告的披露、本公司有關企業管治的政策及實踐、內部控制系統及程序以及審核委員會的職權範圍；審議並討論本公司的審核計劃。

董事對財務報表的責任

董事確認彼等有責任監督編製財務報表以按持續經營基準真實及公平地反映本集團的財務狀況並遵守相關會計準則及原則、適用法律及上市規則的披露條文。董事並不知悉任何與可能對本集團持續經營能力構成重大疑問的事件或情況有關的重大不確定因素。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITOR AND THEIR REMUNERATION

The statement of the auditor of the Company about their reporting responsibilities on the Group's financial statements for the Review Year is set out in the section "Independent Auditor's Report" of this report. During the Review Year, remuneration paid and payable to the auditor of the Group are approximately S\$240,000 for annual audit fee and nil for non-audit services.

BOARD DIVERSITY POLICY

The Company adopted a board diversity policy (the "Policy") which sets out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

Pursuant to the Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service. The Board will review such objectives from time to time to ensure their appropriateness and the progress made towards achieving those objectives. The Company will also take into consideration its own specific needs from time to time in determining the optimum composition of the Board.

RISK MANAGEMENT AND INTERNAL CONTROL

The Company is aiming to develop a good risk management and internal control system for managing operational and financial risks. The Board acknowledges its responsibility for maintaining sound and effective risk management and internal control systems in order to safeguard the interests of the shareholders and the assets of the Company against unauthorized use or disposition, ensuring maintenance of proper books and records for the provision of reliable financial information, and ensuring compliance with the relevant rules and regulations.

核數師及其薪酬

本公司核數師就其對本集團於回顧年度財務報表的申報責任的聲明載於本報告「獨立核數師報告」一節。於回顧年度內，已付及應付本集團核數師的薪酬約240,000新加坡元為年度核數費用，而非核數服務則為零元。

董事會成員多元化政策

本公司採納董事會成員多元化政策（「政策」），當中載有實現及維持董事會成員多元化的方法以確保提升董事會效能。

根據政策，本公司透過考慮多項因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年限，尋求達致董事會成員多元化。董事會將不時檢討該等目標，以確保其適當性及確定達致該等目標的進度。本公司於釐定董事會成員最優組成時亦將不時考慮其本身的特定需要。

風險管理及內部控制

本集團打算制定一個良好的風險管理及內部控制系統以管理經營及財務風險。董事會確認其有責任維持風險管理及內部控制系統健全有效以保障股東權益並確保本公司資產不會在未經授權情況下使用或處置、確保妥為保管提供可靠財務資料的賬簿及記錄及確保遵守相關規則及法規。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Internal control is reviewed on an annual basis by an engaged external internal control reviewer that works closely with management team of the Company in improving any material deficiency in control. The management of the Company reviews and assesses the risk management and internal control of the Company on a regular basis by meeting regularly to discuss possible improvements to any internal control process, whenever it is necessary, and to identify, evaluate and manage significant risks and resolve internal control defects. Any material non-compliance or failures in internal controls and recommendation for its improvements will be reported to the Audit Committee. The management of the Company also considers the findings and recommendations from the external auditors and the internal control reviewer to ensure continuous improvements in the internal control processes. The Directors, senior management and staff of the Company work very closely together. Directors and senior management will be able to monitor closely on the effectiveness of the internal controls. The Group's risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The procedures and internal controls of the Company for handling and dissemination of inside information include conducting the affairs of the Company with close regard to the Guidelines on Disclosure of Inside Information published by Securities and Futures Commission and the Listing Rules and reminding the Directors and employees of the Group regularly about due compliance with all polices regarding inside information.

During the Review Year, risk management and internal control systems have been reviewed by an engaged external professional adviser with the management of the Company and the Board had reviewed the effectiveness of the Group's risk management and internal control systems and considered the Group's risk management and internal control systems are effective and adequate.

風險管理及內部控制(續)

本公司每年委聘外聘內部控制審閱人審閱內部控制，該外聘內部控制審閱人與本公司管理團隊在改善任何重大控制缺陷方面展開密切合作。本公司管理層透過定期舉行會議討論任何內部控制流程的可能改善措施(如有必要)及識別、評估及管理重大風險及解決內部控制缺陷，定期審閱及評估本公司的風險管理及內部控制。任何內部控制的重大不合規或故障及其改善建議將向審核委員會報告。本公司管理層亦會考慮外聘核數師及內部控制審閱人的發現及建議，以確保持續改善內部控制流程。在董事、本公司高級管理層及員工共同緊密合作下，董事及高級管理層將能夠緊密監察內部控制的效力。本集團的風險管理及內部控制系統旨在管理而非消除未能實現業務目標的風險且僅可就避免重大失實陳述或損失提供合理而非絕對的保證。

本公司處理及發佈內幕消息的程序及內部控制包括嚴格遵守證券及期貨事務監察委員會頒佈之內幕消息披露指引及上市規則開展本公司事務並定期提醒董事及本集團僱員妥為遵守有關內幕消息的所有政策。

於回顧年度內，一名外部聘請的專業顧問連同本公司管理層審查風險管理及內部控制系統，且董事會已檢討本集團風險管理及內部控制系統的成效，並認為本集團的風險管理及內部控制系統為有效及充足。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

The Company does not have an internal audit function. The Company is currently of the view that there is no immediate need to set up an internal audit function in light of the Group's simple corporate and operation structure and being active in only one geographical location. Review on the need for an internal audit function will be performed from time to time.

COMPANY SECRETARY

Mr. Chan Wing Hang, the company secretary of the Company (the "Company Secretary"), is employed on a full time basis and has taken no less than 15 hours of the relevant professional training during the Review Year. The Company Secretary coordinates and supplies of information to the Directors. The Company Secretary ensures that board procedures and all applicable rules and regulations are complied with for all board meetings. Please refer to the section headed "Biography of Directors and Senior Management" in this annual report for his biographical information.

SHAREHOLDERS' RIGHTS

Pursuant to the Articles of Association, the Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of one or more shareholders of the Company (the "Shareholder(s)") holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary of the Company for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner.

風險管理及內部控制(續)

本公司並無內部審核職能。本公司目前認為鑒於本集團的企業及營運架構簡單且僅於一個地理區域內經營業務，故並無設立內部審核職能的即時需要。本公司將不時檢討設立內部審核職能的需要。

公司秘書

陳永恒先生為本公司之公司秘書(「公司秘書」)，彼為全職僱員及於回顧年度已接受不少於15小時之相關專業培訓。公司秘書向董事協調及提供資料。公司秘書確保董事會程序及所有董事會會議均符合所有適用規則及法規。有關陳先生的履歷資料請參閱本年報「董事及高級管理層履歷」一節。

股東權利

根據組織章程細則，當董事會認為合適時，可召開股東特別大會。股東特別大會亦須在一名或以上於遞交要求當日持有有權於股東大會投票的本公司繳足股本不少於十分之一的本公司股東(「股東」)要求下召開。有關要求須以書面向董事會或本公司的公司秘書提出，述明要求董事會召開股東特別大會以處理該要求內訂明的任何事項。該大會應於遞呈該要求後兩個月內舉行。若遞呈後21日內，董事會未有推進召開該大會，則遞呈要求人士可自行以相同方式召開大會。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

The Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph. The written requisition should be signed by the requisitionists and deposited at the Company's principal place of business in Hong Kong, specifying the Shareholders' contact details and the resolution intended to be put forward at general meeting.

For including a resolution to propose a person for election as a Director at general meeting, the Shareholders are requested to follow the Articles of Association. A notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Company's principal place of business in Hong Kong or at the Hong Kong branch share registrar and transfer office of the Company. The period for lodgment of the notices required under the Article of Association will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days. The written notice must state that person's biographical details as required by Rule 13.51(2) of the Listing Rules. The procedures for the Shareholders to propose a person for election as a Director are posted on the Company's website.

The Shareholders should direct their questions about their shareholdings to the Company's branch share registrar and transfer office in Hong Kong. The Shareholders and the investment community may at any time make a request for the Company's information to the extent such information is publicly available. The Shareholders and the investment community may also make enquiries to the Board by writing to the Company Secretary at the Company's principal place of business in Hong Kong at Unit 2004, 20/F, K11 Atelier, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong.

股東權利(續)

欲動議一項決議案的股東可按前段所載程序要求本公司召開股東大會。該書面要求須由遞呈要求人士簽署，並遞呈至本公司於香港的主要營業地點，列明股東的詳細聯絡方式及擬於股東大會上提出的決議案。

就納入一項決議案以於股東大會上提名董事候選人士而言，股東須遵守組織章程細則。擬提名該人士競選董事之書面通知及該人士願意競選之書面通知應已遞呈至本公司香港主要營業地點或本公司之香港股份過戶登記分處。根據組織章程細則提交該等通知之期間須不早於就該選舉寄發召開股東大會通知翌日，及於該股東大會召開日期前至少七日結束，而向本公司發出該等通知之最短期間須不少於七日。書面通知須按上市規則第13.51(2)條列明該人士的履歷詳情。股東提名董事人選的程序乃於本公司網站刊登。

股東應向本公司的香港股份過戶登記分處提出彼等對其股權的疑問。股東及投資人士可隨時索求本公司的公開可得資料。股東及投資人士亦可透過致信公司秘書(地址為本公司於香港的主要營業地點：香港九龍尖沙咀梳士巴利道18號K11 Atelier 20樓2004室)向董事會提出疑問。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTOR RELATIONS

This objective of the Shareholders' communication is to ensure that the Shareholders, both individual and institutional, and the investment community at large, are provided with ready, equal and timely access to transparent, accurate, balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments, governance and risk profile), in order to enable the Shareholders to exercise their rights in an informed manner, and to allow the Shareholders and the investment community to engage actively with the Company.

Information shall be communicated to the Shareholders and the investment community mainly through the Company's financial reports (interim and annual reports), annual general meetings and other general meetings that may be convened as well as by making available all the disclosures submitted to the Stock Exchange and all its corporate communications and other corporate publications on the Company website and the Stock Exchange website. All press releases, newsletters and etc. issued by the Group will be made available on the Company website (www.hwakoon.com) which provides an effective communication platform to the public and the shareholders of the Company.

During the Review Year, there had been no significant change in the Company's constitutional documents.

投資者關係

股東通訊旨在確保股東，包括個人及機構及一般投資人士，均可適時取得相同、透明、準確、全面及容易理解的本公司資料（包括其財務表現、戰略目標及計劃、重大發展、管治及風險概況），一方面使股東可在知情情況下行使權力，另一方面也讓股東及投資人士與本公司加強溝通。

本公司向股東及投資人士傳達資訊的主要渠道為：本公司的財務報告（中期及年度報告）、股東週年大會及其他可能召開的股東大會；並將所有呈交予聯交所的披露資料，以及所有公司通訊及其他公司刊物登載於本公司網站及聯交所網站。本集團刊發的新聞稿、集團刊物等均會登載在本公司網站(www.hwakoon.com)，該網站向公眾及本公司股東提供有效的溝通平台。

於回顧年度內，本公司的章程文件並無重大變動。

REPORT OF THE DIRECTORS

董事會報告

The Directors are pleased to present this annual report together with the consolidated financial statements of the Group for Review Year (“Financial Statements”).

The Company was incorporated in the Cayman Islands with limited liability on 18 August 2017. The Company completed the corporate reorganisation (the “Reorganisation”) on 2 March 2018 in preparation for the Listing, pursuant to which the Company became the holding company of the companies now comprising the Group. Details of the Reorganisation are set out in the section headed “History, Development and Reorganisation” in the Prospectus. The Shares were listed on the Stock Exchange on 18 April 2018 by way of share offer.

PRINCIPAL PLACE OF BUSINESS

The head office and principal place of business in Hong Kong of the Company is located at Unit 2004, 20/F, K11 Atelier, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and the principal activities of its operating subsidiary, Hwa Koon Engineering Pte Ltd, are provision of integrated design and building services in the medical and healthcare sectors with expertise in performing radiation shielding works. The principal activities of the subsidiaries of the Group are set out in Note 31 to the Financial Statements. There were no significant changes in the nature of the Group’s principal activities during the Review Year.

董事欣然提呈本年報連同本集團於回顧年度之綜合財務報表(「財務報表」)。

本公司於2017年8月18日在開曼群島註冊成立為有限公司。本公司於2018年3月2日完成企業重組(「重組」)以籌備上市，據此，本公司成為本集團現時旗下公司的控股公司。重組詳情載於招股章程「歷史、發展及重組」一節。股份藉股份發售方式於2018年4月18日在聯交所上市。

主要營業地點

本公司總部及香港主要營業地點位於香港九龍尖沙咀梳士巴利道18號K11 Atelier 20樓2004室。

主要業務

本公司為一家投資控股公司，其營運附屬公司Hwa Koon Engineering Pte Ltd的主要業務為在醫療保健行業提供綜合設計及建築服務，並在進行輻射防護工程方面具有專業知識。本集團附屬公司的主要業務載於財務報表附註31。於回顧年度，本集團主要業務性質並無重大變動。

REPORT OF THE DIRECTORS

董事會報告

RESULTS/BUSINESS REVIEW

The results of the Group for the Review Year are set out in the section headed “Consolidated Statement of Profit or Loss and Other Comprehensive Income” on page 99 in this annual report.

A review of the business of the Group for the Review Year, which includes a description of the principal risks and uncertainties facing the Group, an analysis using financial key performance indicators of the Group’s business, particulars of important events affecting the Group, an indication of likely future developments in the Group’s business, and discussion on the Company’s environmental policies and performance and the relationships with its stakeholders, can be found in the sections headed “Chairman’s Statement”, “Management Discussion and Analysis”, “Corporate Governance Report” and “Environmental, Social and Governance Report” in this annual report. The review forms part of this directors’ report.

COMPLIANCE WITH LAWS AND REGULATIONS

During the Review Year, as far as the Directors are aware, the Company did not have any non-compliance with relevant laws and regulations that is material or systemic in nature.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Review Year are set out in Note 13 to the Financial Statements.

業績／業務回顧

本集團於回顧年度之業績載於本年報第99頁「綜合損益及其他全面收益表」一節。

有關本集團於回顧年度的業務回顧，當中包括對本集團所面臨主要風險及不確定因素的描述、採用財務主要表現指標對本集團業務的分析、影響本集團的重要事項詳情、本集團日後可能業務發展的指示，以及對本公司環境政策及表現及與其利益相關方的關係的討論，載於本年報「主席報告」、「管理層討論與分析」、「企業管治報告」及「環境、社會及管治報告」等章節。有關回顧構成本董事會報告的一部分。

遵守法律及法規

於回顧年度，據董事所悉，本公司概無任何違反相關法律法規的重大或系統性不合規行為。

物業、廠房及設備

有關本集團於回顧年度的物業、廠房及設備變動詳情載於財務報表附註13。

REPORT OF THE DIRECTORS

董事會報告

SUBSIDIARIES

Particulars of the Company's subsidiaries during the Review Year are set out in Note 31 to the Financial Statements.

KEY RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Group are set out in the section headed "Management Discussion and Analysis" in this annual report.

SHARE CAPITAL

The Company's total issued share capital as at 30 June 2020 was 800,000,000 ordinary shares with par value of HK\$0.01 per share.

Details of movements during the Review Year in the share capital of the Company are set out in Note 23 to the Financial Statements.

RESERVES

Details of movements in the reserves of the Group during the Review Year are set out in the "Consolidated Statement of Changes in Equity" on page 102 in this annual report.

As at 30 June 2020, the Group's aggregate amount of reserves available for distribution was approximately S\$10.3 million (2019: approximately S\$10.3 million).

附屬公司

有關本公司附屬公司於回顧年度的詳情載於財務報表附註31。

主要風險及不確定因素

本集團面臨的主要風險及不確定因素載於本年報「管理層討論及分析」一節。

股本

本公司於2020年6月30日的已發行股本總數為800,000,000股每股面值0.01港元的普通股。

有關本公司於回顧年度的股本變動詳情載於財務報表附註23。

儲備

有關本集團於回顧年度的儲備變動詳情載於本年報第102頁「綜合權益變動表」。

於2020年6月30日，本集團的可供分派儲備總額約為10.3百萬新加坡元(2019年：約10.3百萬新加坡元)。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The directors of the Company during the financial year and up to the date of this report were:

Executive directors:

Mr. Wu An Ming (formerly known as Chen Xiaoer)
(Appointed on 18 October 2019)
Mr. Koh Lee Huat
Mr. Ryan Ong Wei Liang (resigned on 18 October 2019)

Non-executive director:

Mr. Ang Kong Meng (retired on 22 November 2019)

Independent Non-executive directors:

Mr. Cheung Kwok Yan Wilfred
Mr. Siu Man Ho Simon
Prof. Pong Kam Keung

In accordance with article 108 (a)-(b) of the Articles of Association, Mr. Cheung Kwok Yan Wilfred and Prof. Pong Kam Keung will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from each of the independent non-executive directors as required under Rule 3.13 of the Listing Rules. The Company considered all independent non-executive Directors to be independent.

Biographical information of the directors of the Company and the senior management of the Group are set out on pages 14 to 19 of this annual report.

董事

本公司於本財政年度及截至本報告日期的董事如下：

執行董事：

胡晏銘先生(前稱陳小二)
(於2019年10月18日獲委任)
許利發先生
王威量先生(於2019年10月18日辭任)

非執行董事：

洪坤明先生(於2019年11月22日退任)

獨立非執行董事：

張國仁先生
蕭文豪先生
龐錦強教授

根據組織章程細則第108(a)至(b)條，張國仁先生及龐錦強教授將於應屆股東週年大會上輪值退任及合資格並願意重選連任。

本公司已接獲各獨立非執行董事按上市規則第3.13條規定就其獨立性發出的年度確認書。本公司認為全體獨立非執行董事均屬獨立。

有關本公司董事及本集團高級管理層的履歷資料載於本年報第14至19頁。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACT

Each of the executive directors has entered into a service agreement with the Company for a term of three years unless terminated by not less than three months' notice in writing served by either party on the other.

Each of the independent non-executive directors has entered into an letter of appointment with the Company for a term of one year commencing from the Listing Date and thereafter shall continue year to year, unless terminated by not less than one month's notice in writing served by either party on the other.

None of the Directors, including those to be re-elected at the Annual General Meeting of the Company (the "AGM"), has a service agreement or letter of appointment with the Company or any of its subsidiaries which is not determinable by the employing company within one year without the payment of compensation (other than statutory compensation).

DIVIDEND POLICY

The Company has adopted a dividend policy which sets forth the Company's approach when considering the payment of dividends and to allow shareholders of the Company to participate in the Company's profits whilst retaining adequate reserves for the future growth of the Company and its subsidiaries and provided that the Group records profits and that the declaration and payment of dividends does not affect the normal operations of the Group.

In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, inter alia, the general financial condition of the Group; the capital and debt level of the Group; future cash requirements and availability for business operations, business strategies and future development needs; any restrictions on payment of dividends that may be imposed by the Group's lenders; the general market conditions; and any other factors that the Board deems appropriate.

The payment of dividend by the Company is also subject to any restrictions under the Companies Law of the Cayman Islands and any other applicable laws, rule and regulations and the Articles of Association. The dividend policy will be reviewed by the Board from time to time and there can be no assurance that a dividend will be proposed or declared in any specific periods.

董事服務合約

各執行董事已與本公司訂立服務協議，為期三年，除非任一方向另一方發出不少於三個月的書面通知予以終止。

各獨立非執行董事已與本公司訂立委任函，自上市日期起為期一年，其後須按年續約，除非任一方向另一方發出不少於一個月的書面通知予以終止。

概無董事（包括將於本公司股東週年大會（「股東週年大會」）上重選者）與本公司或其任何附屬公司訂有不可由僱主在一年內毋須支付賠償（法定賠償除外）而終止的服務協議或委任函。

股息政策

本公司已採納股息政策，其載列本公司在考慮派付股息以及讓本公司股東分享本公司利潤之同時亦為本公司及其附屬公司未來增長保留足夠儲備的方針，前題為本集團錄得溢利，並且股息宣派及支付並不影響本集團的正常運營。

在決定是否建議宣派股息及釐定股息金額時，董事會須考慮（其中包括）本集團之整體財務狀況；本集團之資本及負債水平；未來現金需求以及業務經營、業務策略及未來發展需求之可用資金；本集團之貸方可能對支付股息施加的任何限制；總體市況；及董事會認為合適的任何其他因素。

本公司支付的股息還受到開曼群島公司法以及任何其他適用的法律、法規及規章以及組織章程細則的任何限制。董事會將不時審查股息政策，且無法保證將在任何特定期間提議或宣派股息。

REPORT OF THE DIRECTORS

董事會報告

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Review Year.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2020, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions 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 to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

(a) Long positions in the Shares

| Name of director 董事姓名 | Nature of interest 權益性質 | Number of Shares held 所持股份數目 | Percentage of issued share capital 佔已發行 股本百分比 |
|--|---|------------------------------------|---|
| Mr. Wu An Ming ("Mr. Wu") (Note 1) 胡晏銘先生(「胡先生」)(附註1) | Interest in a controlled corporation 於受控法團權益 | 600,000,000 | 75% |

Note:

- 600,000,000 Shares are held by Eagle Fortitude Limited ("Eagle Fortitude") which is owned as to 100% by Mr. Wu. By virtue of the SFO, Mr. Wu is deemed to be interested in the Shares held by Eagle Fortitude.

管理合約

於回顧年度，概無訂立或存在任何與本公司業務中全部或任何重大部分有關之管理及行政合約。

董事及最高行政人員於本公司及其相聯法團的股份、相關股份及債權證的權益及淡倉

於2020年6月30日，董事及本公司最高行政人員於本公司或任何其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例的有關條文被當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須登記於該條所指登記冊內的權益及淡倉，或根據標準守則須知會本公司及聯交所的權益及淡倉如下：

(a) 股份的好倉

附註：

- 600,000,000 股股份由 Eagle Fortitude Limited (「Eagle Fortitude」) 持有，而 Eagle Fortitude 由胡先生全資擁有。根據證券及期貨條例，胡先生被視為於 Eagle Fortitude 持有的股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (Continued)

董事及最高行政人員於本公司及其相聯法團的股份、相關股份及債權證的權益及淡倉(續)

(b) Long position in the shares of associated corporations

(b) 於相聯法團股份的好倉

| Name of director | Name of associated corporation | Nature of interest | Number of shares held | Percentage of interest in associated corporation |
|-----------------------------|------------------------------------|---------------------------|-----------------------|--|
| 董事姓名 | 相聯法團名稱 | 權益性質 | 所持股份數目 | 於相聯法團權益百分比 |
| Mr. Wu (Note 1) 胡先生(附註1) | Eagle Fortitude Eagle Fortitude | Beneficial owner 實益擁有人 | 1 | 100% |

Note:

1. The Company is owned as to 75% by Eagle Fortitude. Eagle Fortitude is owned as to 100% by Mr. Wu.

附註：

1. 本公司由Eagle Fortitude 擁有75%權益。Eagle Fortitude由胡先生全資擁有。

Save as disclosed above, as at 30 June 2020, none of the Directors or chief executive of the Company had any interests or short positions in any shares, 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 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 they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文披露者外，於2020年6月30日，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，擁有根據證券及期貨條例第XV部第7及第8分部將須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的有關條文被當作或視為擁有的權益或淡倉)，或根據證券及期貨條例第352條將須登記於該條所指登記冊內的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2020, the following persons or entities who had or were deemed or taken to have interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Long positions in the Shares

| Name of shareholder 股東姓名／名稱 | Nature of interest 權益性質 | Number of Shares held 所持股份數目 | Percentage of issued share capital 佔已發行股本百分比 |
|------------------------------------|---|---------------------------------|---|
| Eagle Fortitude Eagle Fortitude | Beneficial owner 實益擁有人 | 600,000,000 | 75% |
| Mr. Wu (Note 1) 胡先生(附註1) | Held by a controlled corporation 由受控法團持有 | 600,000,000 | 75% |

Note:

- Eagle Fortitude is owned as to 100% by Mr. Wu.

Save as disclosed above, as at 30 June 2020, the Company had not been notified by any persons or entities who had or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO.

主要股東於本公司股份及相關股份的權益及淡倉

於2020年6月30日，以下人士或實體於本公司股份及相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及第3分部須向本公司及聯交所披露的權益或淡倉，或根據證券及期貨條例第336條須記錄在本公司備存的登記冊的權益或淡倉如下：

於股份的好倉

附註：

- Eagle Fortitude由胡先生全資擁有。

除上文所披露者外，於2020年6月30日，本公司並不知悉任何人士或實體於本公司股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及第3分部條文須向本公司披露或須記錄於本公司根據證券及期貨條例第336條規定備存的登記冊內的權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Review Year was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any body corporate.

DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS OF SIGNIFICANCE

Apart from the contracts relating to the Reorganisation of the Group in relation to the Listing and save for the related party transactions disclosed in Note 27 to the Financial Statements, no transaction, arrangement or contract of significance to which the Company or any of its subsidiaries, or its holding company was a party and in which a director or an entity connected with a director had a material interests directly or indirectly subsisted at the end of the year or at any time during the Review Year.

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as otherwise disclosed, no contract of significance to which the Company, its holding companies, or any of its subsidiaries was a party, and in which the controlling shareholders' of the Company had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the Review Year.

CONNECTED/RELATED PARTY TRANSACTIONS

During the Review Year, there were no connected transactions or continuing connected transactions of the Company as defined under Chapter 14A of the Listing Rules which are required to comply with any of the reporting, announcement or independent Shareholders' approval requirements under the Listing Rules.

Details of the significant related party transactions undertaken in the normal course of business are set out in the Note 27 to the Financial Statements.

收購股份或債權證的安排

於回顧年度內任何時間，本公司或其任何附屬公司概無訂立任何安排，以令董事可藉收購本公司或任何法人團體的股份或債權證而獲得利益。

董事於重大交易、安排或合約的權益

除有關本集團有關上市重組的合約以及財務報表附註27所披露的關聯方交易外，於年末或回顧年度內任何時間概無存續本公司或其任何附屬公司或其控股公司為訂約方而董事或與董事關連的實體於當中直接或間接擁有重大權益的任何重大交易、安排或合約。

控股股東於重大合約的權益

除另有披露外，於年末或回顧年度內任何時間概無存續本公司、其控股公司或其任何附屬公司為訂約方而本公司控股股東於當中直接或間接擁有重大權益的任何重大合約。

關連方／關聯方交易

於回顧年度，本公司並無進行上市規則第14A章所指須遵守上市規則項下的申報、公告或獨立股東批准規定的關連交易或持續關連交易。

於日常業務過程中進行的重大關聯方交易的詳情載於財務報表附註27。

REPORT OF THE DIRECTORS

董事會報告

COMPETING INTEREST

The controlling shareholders, the Directors and their respective close associates confirm that each of them does not have any interest in a business apart from the Group's business which competed or was likely to compete, directly or indirectly, with the Group's business during the Review Year.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Articles of Association, every director shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty, except such (if any) as they shall incur or sustain through their own fraud or dishonesty.

SHARE OPTION SCHEME

The then sole shareholder of the Company conditionally approved and adopted a share option scheme on 15 March 2018 (the "Scheme") and shall be valid until 15 March 2028. Pursuant to the Scheme, certain eligible participants including, among others, the Directors and employees of the Group may be granted options to subscribe for Shares. The purpose of the Scheme is to provide incentives or rewards to employees for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources. A summary of the principal terms of the share option scheme is set out in the paragraph headed "Other Information — 1. Share Option Scheme" in Appendix IV to the Prospectus. The terms of the Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules. No share option has been granted, exercised, cancelled or lapsed since the adoption of the Scheme and there was no share option outstanding as at 30 June 2020.

The maximum number of Shares which may be issued upon the exercise of the options granted under the Scheme is 10% (i.e. 80,000,000 Shares) of the Shares in issue as at the Listing Date. Upon acceptance of an offer for grant of option(s) under the Scheme, the participant shall pay HK\$1.00 to our Company by way of consideration for the grant, which option(s) will be offered for acceptance for a period of 21 days from the date of grant.

競爭權益

控股股東、董事及其緊密聯繫人確認，於回顧年度，彼等各自概無於除本集團的業務以外與本集團業務曾直接或間接構成競爭或可能構成競爭的業務中擁有任何權益。

獲准彌償條文

根據組織章程細則規定，董事如於執行其各自的職務或關於執行職務而作出、同意或遺漏之任何行為將會或可能招致或蒙受訴訟、費用、收費、損失、損害及開支，其可就此從本公司的資產獲得全數彌償，確保免就此受損，惟因該等人士本身刻意欺詐或不忠誠而招致或蒙受損失者（如有）除外。

購股權計劃

本公司當時唯一股東於2018年3月15日有條件批准及採納一項購股權計劃（「該計劃」），其有效期直至2028年3月15日。根據該計劃，包括（其中包括）董事及本集團僱員的若干合資格參與者可獲授購股權以認購股份。該計劃旨在獎勵或回饋僱員對本集團所作出之貢獻，及／或使本集團得以招聘及挽留能幹之員工以及吸納人才。購股權計劃的主要條款概要載於招股章程附錄四「其他資料—1.購股權計劃」一段。該計劃條款乃根據上市規則第17章條文制定。自採納該計劃以來，概無購股權獲授出、行使、註銷或失效，於2020年6月30日亦無未行使購股權。

根據該計劃因行使已授出之購股權而可能發行的股份最多數目為於上市日期已發行的股份之10%（即80,000,000股股份）。於根據該計劃接納購股權要約時，參與者須向本公司支付1.00港元作為獲授購股權的代價。購股權將於授出當日起計21日期間供參與者接納。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME (Continued)

Unless approved by Shareholders in a general meeting, the amount of Shares which can be awarded to a substantial Shareholder or an independent non-executive Director or their respective associates in the Scheme in the 12-month period up to and including the date of such grant for any particular aforementioned person in aggregate, is at maximum 0.1% of the Shares in issue and having an aggregate value, based on the closing price of the Shares at the date of each grant, of a maximum of HK\$5.0 million.

The subscription price for the Shares in respect of any particular option under the Scheme shall be such price as determined by the Board in its absolute discretion at the time of the grant of the relevant option but in any case the relevant subscription price shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of the grant of the relevant option, which must be a trading day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the grant of the relevant option; and (iii) the nominal value of a Share.

EQUITY-LINKED AGREEMENTS

Except for the Scheme disclosed above, no equity-linked agreement was entered into during the Review Year.

MAJOR CUSTOMERS AND SUPPLIERS

For the Review Year, the aggregate purchases attributable to the Group's largest supplier and the five largest suppliers in aggregate accounted for approximately 8.6% and 26.6% (2019: approximately 7.9% and 26.5%) respectively of the Group's total purchases. Revenue attributable to the Group's largest customer and the five largest customers in aggregate accounted for approximately 51.3% and 77.3% (2019: approximately 28.3% and 79.4%) respectively of the Group's total revenue for the Review Year.

購股權計劃(續)

除非經股東於股東大會上批准，截至根據該計劃向主要股東或獨立非執行董事或彼等各自聯繫人授出購股權當日(包括該日)止12個月內，向上述人士授出的股份總額最高為已發行股份的0.1%，且最高總值(根據於授出日期的股份收市價計算)為5.0百萬港元。

該計劃任何特定購股權的股份認購價須由董事會於授出有關購股權時全權酌情釐定，惟於任何情況下相關認購價不得少於以下三項的最高者：(i)股份於相關購股權授出日期(必須為交易日)在聯交所每日報價表所示的收市價；(ii)股份於緊接相關購股權授出日期前五個交易日在聯交所每日報價表所示的平均收市價；及(iii)股份面值。

股票掛鈎協議

除上文所披露之該計劃外，於回顧年度內概無訂立任何股票掛鈎協議。

主要客戶及供應商

於回顧年度，本集團最大供應商及五大供應商應佔的總採購額分別佔本集團總採購額約8.6%及26.6%(2019年：約7.9%及26.5%)。本集團最大客戶及五大客戶應佔的收益總額分別佔本集團於回顧年度總收益約51.3%及77.3%(2019年：約28.3%及79.4%)。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS (Continued)

To the best of the Directors' knowledge, none of the Directors, their close associates or any Shareholders (which, to the best knowledge of the Directors, owned more than 5% of the Company's issued share capital) had any material beneficial interest in the Group's five largest customers or suppliers during the Review Year.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS, SUPPLIERS AND OTHERS

Employees

The Group has maintained good relationship with our employees. The Group offers to our employees salary, bonuses and other allowances. In general, the Group determines employee salaries based on each employee's qualifications, position and seniority. The Group has designed an annual review system to assess the performance of our employees, which forms the basis of our decisions with respect to salary raises, bonuses and promotions.

Customers

The Group has established stable business relationships with our major customers. The Directors consider that our long-term business relationships with our major customers and suppliers would further enhance our market recognition and enable us to attract more potential business opportunities.

A majority of the Group's five largest customers have long-standing business relationship with the Group for a period ranging from approximately 1 to 12 years and the Group will therefore endeavor to accommodate their demands for the Group's services to the extent its resources allow in order to capture more opportunities for larger scale projects in the future.

主要客戶及供應商(續)

據董事所深知，於回顧年度，董事、彼等的緊密聯繫人或任何股東(就董事所深知，擁有本公司已發行股本5%以上)概無於本集團五大客戶或供應商中擁有任何重大實益權益。

與僱員、客戶、供應商及其他人士的主要關係

僱員

本集團與我們的僱員維持良好的關係。本集團向僱員提供薪金、花紅及其他現金補貼。一般而言，本集團根據各僱員的資歷、職位及年資釐定僱員薪金。本集團已制定年度檢討機制以評估僱員的表現，此機制亦是我們作出有關提升薪金及花紅及升職決定的基準。

客戶

本集團與主要客戶建立了穩定的業務關係。董事認為，我們與主要客戶及供應商的長期業務關係將可進一步提升我們的市場認受性並使得我們吸引更多潛在業務機會。

本集團五大客戶大部分與本集團擁有介乎約1至12年的長期合作關係，因此，只要本集團資源允許，本集團將致力滿足其對本集團服務的需求，從而於日後為更大型項目把握更多機遇。

REPORT OF THE DIRECTORS

董事會報告

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS, SUPPLIERS AND OTHERS (Continued)

Suppliers and subcontractors

The Group maintains an internal list of approved suppliers. We carefully evaluate the performance of our suppliers and select them based on a number of factors such as pricing, quality of material or equipment provided, timeliness of delivery and ability to comply with our requirements and specifications. The Group will review and update our internal list of approved suppliers according to our assessment of their performance on an ongoing basis.

The Group maintains an internal list of approved subcontractors. We carefully evaluate the performance of our subcontractors and select subcontractors based on their experience relevant to the particular project as well as their availability and fee quotations. The Group will review and update our internal approved list of subcontractors according to our assessment of their performance on an ongoing basis.

Subject to the Group's capacity, resource level, cost effectiveness, complexity of the projects and customers' requirements, the Group may subcontract certain building works such as (i) mechanical and electrical works relating to air conditioning and mechanical ventilation systems, chiller systems, and plumbing and sanitary systems; and (ii) fitting-out works involving carpentry works and other finishing works relating to ceilings, floors and walls to other subcontractors in a project. The Group is accountable to customers for the works performed in a project, including those carried out by our subcontractors.

與僱員、客戶、供應商及其他人士的主要關係(續)

供應商及分包商

本集團備存一份認可供應商的內部名單。我們根據多種因素審慎評估供應商的表現及甄選供應商，例如其價格、提供材料或設備質素、交付時間以及遵守要求和規範的能力。本集團將根據供應商的表現評估，持續檢討及更新認可供應商內部名單。

本集團備存一份認可分包商的內部名單。我們根據分包商特定項目的相關經驗以及彼等的時間安排及費用報價審慎評估分包商的表現及甄選分包商。本集團將根據分包商的表現評估，持續檢討及更新分包商內部名單。

根據本集團的負荷量、資源水平、成本效益、項目複雜性及客戶的要求，本集團可將(i)與空調及機械通風系統、製冷系統以及管道及衛生系統有關的機電工程；及(ii)涉及木工工程及與天花板、地板及牆壁有關的其他終飾工程的裝修工程等單個項目中若干建造工程分包予其他分包商。本集團就項目中的工程向客戶負責，包括由分包商進行的工程。

REPORT OF THE DIRECTORS

董事會報告

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

During the Review Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association and there is no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

EMOLUMENTS OF THE DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals of the Group during the Review Year are set out in Note 11 to the Financial Statements.

CORPORATE GOVERNANCE

Information on the corporate governance practices adopted by the Company are set out in the section headed "Corporate Governance Report" on pages 20 to 33 in this annual report.

FINAL DIVIDEND

The Board does not recommend the payment of any dividend for the Review Year (2019: nil).

AUDIT COMMITTEE

The Audit Committee has reviewed, together with the management and external auditor, the accounting principles and policies adopted by the Group and the Financial Statements.

購買、出售或贖回本公司上市證券

於回顧年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

優先購買權

組織章程細則項下並無優先購買權的條文且開曼群島法律項下並無對該等權利的限制，令本公司可按現有股東股權比例發售新股份。

董事及五名最高薪酬人士的酬金

本集團董事及五名最高薪酬人士於回顧年度的酬金詳情載於財務報表附註11。

企業管治

有關本公司所採納企業管治常規之資料載於本年報第20至33頁之「企業管治報告」一節。

末期股息

董事會不建議就回顧年度派付任何股息(2019年：無)。

審核委員會

審核委員會已會同管理層及外聘核數師審閱本集團採納之會計原則及政策以及財務報表。

REPORT OF THE DIRECTORS

董事會報告

AUDITOR

The Financial Statements have been audited by Deloitte & Touche LLP, who will retire and, being eligible, offer itself for re-appointment at the AGM. There has been no change in auditor since the Listing Date.

PUBLIC FLOAT

As at the date of this report, based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient minimum public float as required under the Listing Rules.

核數師

Deloitte & Touche LLP已審閱財務報表。Deloitte & Touche LLP將於股東週年大會上退任並合資格重選連任。自上市日期以來，並無更換核數師。

公眾持股量

於本報告日期，根據本公司的公開可得資料及據董事所知，本公司已根據上市規則所規定維持充足的最低公眾持股量。

On behalf of the Board

Mr. Wu An Ming

Chairman and Chief Executive Officer

29 September 2020

代表董事會

主席兼行政總裁

胡晏銘先生

2020年9月29日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION

HKE Holdings Limited (hereinafter referred to as “HKE”, the “Company”, together with our subsidiaries referred to as the “Group” or “We”) are glad to release this year’s Environmental, Social and Governance (“ESG”) report. The fundamental purpose of our survival is to facilitate the construction of medical protection projects that protect the health of the people. It is important for our stakeholders (including but not limited to our customers, employees and shareholders) to know our sustainability vision, our work towards it and our work results, and that is why we expanded the scope of disclosure this year.

The core businesses of the Group are engaged in the provision of integrated design and building services in contract-based for hospitals and clinics. The Group is specialised in the medical and healthcare sectors with expertise in performing radiation equipment installation and radiation shielding works. The Group also provides subcontracting services to other contractors in medical-related construction projects.

Our earth is facing a huge threat that cannot be ignored. We hope to have a positive impact on the sustainability of the world. We are honoured to be able to create a better future for our next generations.

REPORTING SCOPE

Unless stated otherwise, this report mainly covers the Group’s major operating activities under direct management control which represents the Group’s major source of revenue, including its provision of integrated design and building services for hospitals and clinics.

The Group will continue to assess the major ESG aspects of different businesses to determine whether it needs to be included in the ESG reporting.

緒言

HKE Holdings Limited(以下簡稱「HKE」、
「本公司」，連同附屬公司統稱為「本集團」
或「我們」)欣然發佈本年度的環境、社會及
管治(「環境、社會及管治」)報告。促進保
護人民健康的醫療建設項目是我們存在的
意義。對於我們的持份者(包括但不限於我
們的客戶、員工及股東)而言，了解我們的
可持續發展願景、朝著此願景的工作以及
我們的工作成果非常重要，因此我們今年
擴大了披露的範圍。

本集團的核心業務為以合約形式為醫院及
診所提供綜合設計及建築服務。本集團專
注於醫療保健行業，專門從事為輻射設備
安裝及輻射防護工程。本集團亦向醫療相
關建築項目的其他承建商提供分包服務。

我們的地球正面臨著不容忽視的巨大威
脅。我們希望對世界的可持續發展產生正
面影響。我們很榮幸能夠為我們的後代創
造更美好的未來。

報告範圍

除非另有所述，本報告主要涵蓋本集團直
接管理控制的主要營運業務(為本集團的主
要收益來源)，包括為醫院及診所提供綜合
設計及建築服務。

本集團將持續評估不同業務的重大環境、
社會及管治範疇，以決定是否需納入環
境、社會及管治報告內。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

REPORTING FRAMEWORK

This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in the Appendix 27 of the Rules Governing the Listing of Securities on Main Board of the Stock Exchange of Hong Kong Limited (the “ESG Reporting Guide”).

Information relating to the corporate governance practices of the Group has been set out in the Corporate Governance Report of this annual report.

REPORTING PERIOD

The ESG Report specifies the ESG activities, challenges and measures being taken during the year ended 30 June 2020 (the “Reporting Period”).

STAKEHOLDER ENGAGEMENT

The Group values its stakeholders and their views relating to its businesses and ESG issues. In order to understand and address stakeholders’ concerns, the Group communicates with its key stakeholders, including but not limited to employees, investors, customers, suppliers, government bodies and communities via through different channels such as conferences, electronic platforms and public events. In formulating operational strategies and ESG measures, the Group takes into account the stakeholders’ expectations and strives to improve its performance through mutual cooperation with the stakeholders, resulting in creating greater value for the community.

報告框架

本環境、社會及管治報告乃根據香港聯合交易所有限公司主板證券上市規則附錄27所載的環境、社會及管治報告指引(「環境、社會及管治報告指引」)編製。

有關本集團企業管治常規的資料已載於本年報的企業管治報告。

報告期間

環境、社會及管治報告詳述於截至2020年6月30日止年度(「報告期間」)在環境、社會及管治方面相關的活動、面臨的挑戰及採取的措施。

持份者參與

本集團重視持份者及其對本集團業務及環境、社會及管治事宜的意見。為了解及回應持份者關注事項，本集團與主要持份者(包括但不限於僱員、投資者、客戶、供應商、政府機構及社會團體)以不同渠道溝通，例如會議、電子平台、公眾活動等。在制訂營運策略及環境、社會及管治措施時，本集團會考慮持份者的期望，力爭透過與持份者的相互合作不斷改善本集團的表現，為社區締造更大價值。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

STAKEHOLDER ENGAGEMENT (Continued)

Materiality Assessment

The management and employees who are responsible for the key functions of the Group have participated in preparing this report, assisted the Group in reviewing its operation, identifying key ESG issues and assessing the importance of these issues to our businesses and stakeholders. We have compiled a questionnaire in reference to the identified material environmental, social and governance issues to collect the information from relevant departments and business units of the Group.

During the Reporting Period, the Group confirmed that appropriate and effective management policies and internal control systems for environmental, social and governance issues were in place and confirmed the information disclosed in the Report meets the ESG Reporting Guide.

Contact us

Comments and suggestions are welcome from our stakeholders. You may provide comments on ESG report or towards our performance in respect of sustainable development via e-mail to ir@hwakoon.com.

ENVIRONMENTAL

Emissions

Sustainability constitutes a significant part of our risk management process. Considering environmental factors, like the downside of emissions from our production, is more than just a compliance issue, but a matter of maintaining the success, or even the survival of our business.

Compliance to relevant laws and regulations

During the Reporting Period, our management did not identify any material non-compliance of relevant environmental laws and regulations. The relevant environmental laws and regulations include, but are not limited to the Environmental Public Health Act (Chapter 95 of Singapore) and the Environmental Protection and Management Act (Chapter 94A of Singapore).

持份者參與(續)

重要範疇評估

負責本集團各主要職能的管理層與僱員均已參與編製本報告，協助本集團檢討其營運狀況，鑒別主要環境、社會及管治事宜，並評估該等事宜對我們的業務及持份者的重要性。我們已參照所識別的重大環境、社會及管治事宜編製問卷，向本集團相關部門及業務單位收集資料。

於報告期間，本集團確認已就環境、社會及管治事宜設立合適及有效的管理政策及內部控制系統，並確認報告所披露資料符合環境、社會及管治報告指引。

聯繫我們

歡迎持份者提供意見及建議。閣下可透過電郵至 ir@hwakoon.com 就環境、社會及管治報告或我們於可持續發展方面的表現發表意見。

環境

排放物

可持續發展是我們風險管理流程的重要組成部分。我們考慮業務過程產生污染物所帶來的負面影響等環境問題，不僅是為了合規性，而是為了維持我們業務的成功，其甚至是我們業務能否生存的關鍵。

遵守相關法律法規

於報告期間，我們的管理層並無發現嚴重違反環境相關法律及法規的情況。相關環境法律及法規包括但不限於環境公眾健康法(新加坡法例第95章)及環境保護管理法(新加坡法例第94A章)。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

環境(續)

Emissions (Continued)

排放物(續)

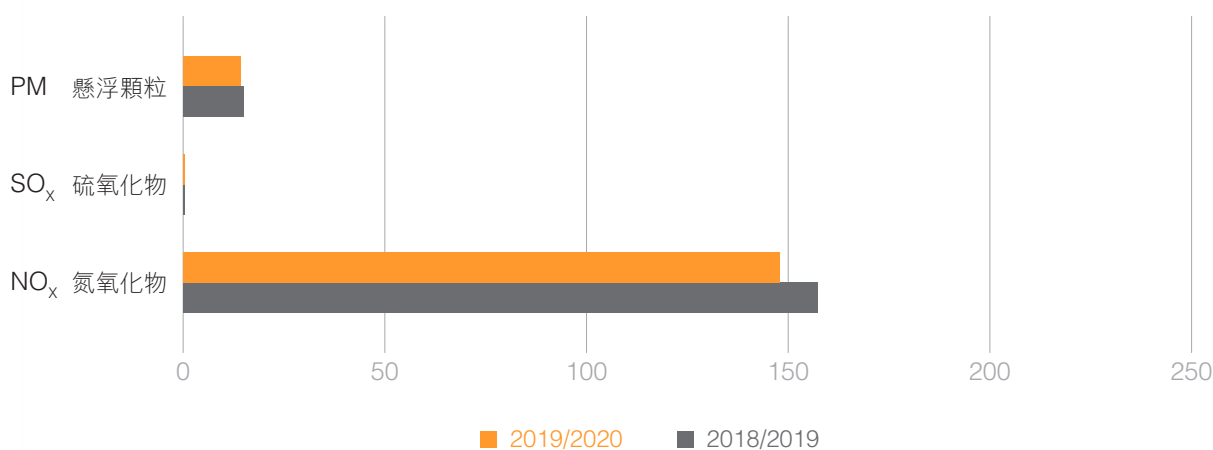
Air Emissions

廢氣排放

During the process of provision of building service, we emit air pollutants including nitrogen oxides (“NO_x”), Sulphur oxides (“SO_x”) and Particulate Matter (“PM”) due to use of diesel fuelled mobile vehicles.

於提供建築服務過程中，由於使用了消耗柴油的車輛，我們排放出的空氣污染物包括氮氧化物(「NO_x」)，硫氧化物(「SO_x」)及懸浮顆粒(「PM」)。

Air Emission
廢氣排放



| Type of Emissions 空氣污染物類型 | 2019/20 年度 | 2018/19 年度 | Unit 單位 |
|--|---------------|---------------|------------|
| Nitrogen oxides (NO _x) 氮氧化物(NO _x) | 147.86 | 157.08 | kg 千克 |
| Sulphur oxides (SO _x) 硫氧化物(SO _x) | 0.25 | 0.27 | kg 千克 |
| Particulate matter (PM) 懸浮顆粒(PM) | 14.17 | 15.05 | kg 千克 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Emissions (Continued)

Air Emissions (Continued)

We also produce small amount of dust, volatile organic compounds (“VOCs”), smokes, obnoxious gases and other air-borne particulates during participating in our client’s projects. However, those emissions are insignificant, irregular and it is unable to collect relevant figures at reasonable cost. Despite the insignificance, we established measures, such as proper ventilation on site, exhaust fan with HEPA filter, to keep the emission within the statutory standard and within tolerable limits to the affected persons. We have formulated a series of policies related to environmental management, include establishing an environmental management system that complies with ISO14001 to regulate our daily operations; establishing special departments to coordinate and implement environmental protection measures and targets; establishing measures on noise, air pollutants, waste, energy and carbon emissions, to ensure that all business activities strictly comply with Singapore’s environmental protection laws and regulations. Measures to mitigate the air pollution are summarized as following:

Substitute Materials with Less Emission

Adhesive, coating, cleaners and solvents produces VOCs and different kinds of air pollutants, and therefore we use alternative adhesive or formulations such as hot melts, hot seal, aqueous-based, or polyvinyl acetate; switch to less toxic coating types such as high-solids nitrocellulose, aqueous-based, ultraviolet (“UV”) cured, or polyester/polyurethane; Use aqueous-based cleaners which have lower toxic air pollutant and VOCs content; and Use alternative stripping materials that contain N-methyl pyrrolidone or gamma-butyrolactone which are water-soluble, biodegradable solvents.

環境(續)

排放物(續)

廢氣排放(續)

在參與客戶的項目期間，我們還會產生少量的粉塵、揮發性有機化合物(「VOC」)、煙、有害氣體及其他大氣顆粒物。但是，該等排放量為有限、不規則且無法以合理的成本收集相關數據。儘管無關緊要，我們仍是採取了旨在將排放物控制在法定標準及受影響人士可容忍的範圍內的措施，例如在現場適當保持空氣流通及安裝帶有高效濾網的排風扇。我們已制定一系列與環境管理有關的政策，包括建立符合ISO14001的環境管理系統以規管我們的日常運營；成立專門部門協調及執行環境保護的措施及目標；建立有關噪音、空氣污染、廢物、能源及碳排放的措施，以確保所有業務活動均嚴格遵守新加坡的環境保護法律法規。減少產生空氣污染的措施概要如下：

使用排放量較少的代用材料

黏合劑、塗料、清潔劑及溶劑會產生揮發性有機化合物及各種空氣污染物，因此我們使用替代性的黏合劑或配方，例如熱熔膠、熱封膠、水性材料或聚醋酸乙烯；選擇使用毒性較小的塗料，如高固體分硝基漆、水基塗料、紫外光固化塗料或聚酯型／聚氨酯塗料；使用有毒空氣污染物及揮發性有機物較少的水性清潔劑；及使用含有咯酮及丁內酯的代用剝物料。該等物質為可溶於水及可生物降解的溶劑。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Emissions (Continued)

Air Emissions (Continued)

Increase Paint Application Efficiency

Paint application often over the necessary amount, producing waste of paint and emit air pollutant. We replace spray painting by hand painting to reduce air pollutant emissions from overspraying. We also use a coating method that does not require spraying such as vacuum coating, dip coating, roll coating, flow coating, dry coating, and curtain coating.

Lower Emissions at the Source

Emission sometimes comes unnecessarily, such as from spilling, leaking, vaporization, evaporation, etc. We cover all containers securely to reduce the chance of spills when transferring materials; Use funnels or pumps to avoid spills when dispensing materials; Keep glue containers covered to reduce toxic vapors; Minimise evaporative emissions by using enclosed or mechanical parts washing and gun washing; and Store rags and towels in closed containers.

Change Cleaning Procedures

Different procedures could bring more environmentally friendly results. We control the use of solvents by using mechanical cleaning such as scraping or wiping in advance, cleaning spray guns in a gun washer, using water-based detergents or acetone if possible, reducing unnecessary equipment cleaning, arranging light-color to dark-color sequence and minimising the number of color changes by better scheduling.

Upgrade Our Operation's Equipment

We control overspray by adopt more efficient paint application equipment to reduce overspray such as switching to a high volume, low-pressure spray ("HVLP"), airless spray, air-assisted airless spray, or electrostatic spray guns.

環境(續)

排放物(續)

廢氣排放(續)

提高塗料使用效率

塗料經常出現噴塗過量的情況，產生塗料浪費並排放空氣污染物。我們以手工塗漆取代噴塗以避免過量噴塗帶來的空氣污染物。我們也使用無需噴塗的塗敷法，如真空噴塗、浸塗、輥塗、澆塗、幹塗及淋塗。

控制排放源

排放有時會在不必要的情況產生，例如溢出、洩漏、汽化、蒸發等。我們傳送物料時穩固蓋上所有容器蓋，以減少漏損；使用漏斗或泵避免裝配物料時的漏損；讓膠水容器保持有蓋狀態以減少毒氣揮發；採用封閉式或拆卸為機械零件的方式及使用噴漆清洗，盡可能減少蒸發排放物；及在密閉容器內儲存抹布及毛巾。

變更清潔步驟

不同的程序可以帶來更環保的結果。我們通過預先進行刮削或擦拭等機械清潔程序、在清潔噴射洗滌器內的噴槍、盡可能使用水性清潔劑或丙酮、減少不必要的設備清潔、按顏色深淺分批次進行及通過更好的生產運行安排以盡量減少顏色更換次數，以控制溶劑的使用。

升級我們的操作設備

我們通過使用更高效的塗料塗裝設備以控制過量噴塗，例如轉用大容量的低壓噴塗裝置、無氣噴塗裝置(「HVLP」)、風送無氣噴塗裝置或靜電噴槍，減少噴塗過量的情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

環境(續)

Emissions (Continued)

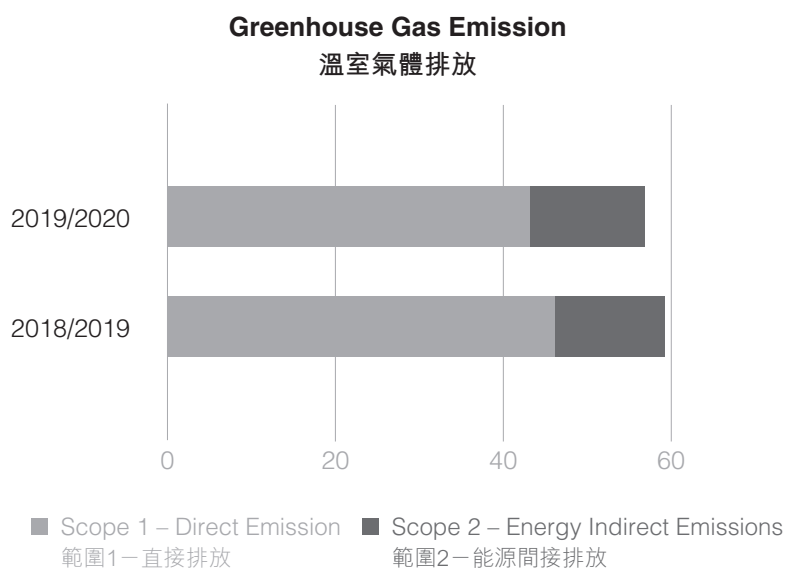
排放物(續)

Greenhouse Gas Emissions

溫室氣體排放

The consumption of electricity at the office, diesel consumption for the vehicles and the construction waste to landfill are the largest sources of greenhouse gas emissions of the Group. Our GHG emission during the Reporting Period is shown as below:

辦公室的電力消耗、車輛的柴油消耗及送往堆填區的建築廢物為本集團最主要的溫室氣體排放源。於報告期間我們的溫室氣體排放情況列示如下：



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

環境(續)

Emissions (Continued)

排放物(續)

Greenhouse Gas Emissions (Continued)

溫室氣體排放(續)

| Greenhouse Gas Emissions (Note 1) 溫室氣體排放(附註1) | 2019/20 年度 | 2018/19 年度 | Unit 單位 |
|---|---------------|---------------|--|
| Scope 1 – Direct Emissions 範圍1 – 直接排放 | 43.24 | 46.22 | Tonnes of carbon dioxide equivalent 噸二氧化碳當量 |
| Scope 2 – Energy Indirect Emissions 範圍2 – 能源間接排放 | 13.68 | 13.03 | Tonnes of carbon dioxide equivalent 噸二氧化碳當量 |
| Total 總計 | 56.92 | 59.25 | Tonnes of carbon dioxide equivalent 噸二氧化碳當量 |
| Intensity (per employee) (Note 2) 密度(每名僱員)(附註2) | 1.24 | 1.45 | Tonnes of carbon dioxide equivalent 噸二氧化碳當量 |

Notes:

- GHG emissions data is presented in carbon dioxide equivalent and was in reference to, including but not limited to, the reporting requirements of the "GHG Protocol Corporate Accounting and Reporting Standard" issued by the World Resources Institute and the World Business Council for Sustainable Development, HKEX – KPIs: Reporting Guidance on Environmental KPIs and the Singapore Energy Statistic 2019 of Energy Market Authority of Singapore.
- As at 30 June 2020, the number of full-time employees of the Group was 46 (2019: 41). This number would also be used for calculating other intensity data.

附註：

- 溫室氣體排放數據乃按二氧化碳當量呈列，並參照(包括但不限於)世界資源研究所及世界可持續發展工商理事會刊發的《溫室氣體盤查議定書：企業會計與報告標準》、香港聯交所－關鍵績效指標：環境關鍵績效指標報告指引及新加坡能源市場管理局的《新加坡能源統計2019》的報告規定。
- 於2020年6月30日，本集團的全職僱員人數為46人(2019年：41人)。該數字亦將用於計算其他密度數據。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Emissions (Continued)

Greenhouse Gas Emissions (Continued)

At the same time when our business is growing and strategically expanding, it also increase our carbon footprint. We must optimize effectively manage our operations and purchase low-carbon products to prevent increasing our GHG emissions. We have adopted the following measures to mitigate the direct GHG emission from diesel consumption in our operations:

- Optimise operational procedure to increase the loading rate and reduce the idling rate of vehicles;
- Perform vehicle and equipment maintenance on a regular basis to prevent inefficient fuel consumption or abnormal operations; and
- Phase out substandard vehicles, purchase regular diesel for vehicles, and conduct inspection every year to ensure that relevant emission standards are met.

Greenhouse gases generated indirectly from electricity consumption are also our main source of carbon emissions. We have taken the measures described in the "Energy Efficiency" section to reduce energy consumption and thereby minimize our carbon footprint. We believe that through these measures to reduce greenhouse gas emissions, coupled with enhancing employees' awareness of greenhouse gas emissions, will alleviate our carbon emissions.

Discharges into water

We do not consume significant amounts of water through our business activities, and therefore our business activities did not generate material portion of discharges into water. The majority of the water supply and discharge facilities are provided and managed by property management company.

環境(續)

排放物(續)

溫室氣體排放(續)

當我們的業務正在增長及戰略性擴張的時候，同時也增加了我們的碳足跡。我們必須優化有效地管理我們的業務過程及購買低碳產品，以防止我們的溫室氣體排放量增加。本集團已實施下列措施，以降低業務過程中柴油消耗的溫室氣體直接排放：

- 優化操作程序以增加車輛裝載率及減少空載率；
- 定期進行車輛及設備保養，防止低效率的燃料消耗或異常運行；及
- 淘汰不達標車輛、為車輛採購常規柴油及進行年檢，以確保達到相關排放標準。

電力消耗所間接產生的溫室氣體排放亦是碳排放的主要來源。我們已實施「能源效率」所載的措施以減少能源消耗，從而盡可能減少碳足跡。我們相信，通過該等減少溫室氣體排放的措施，以及提高員工對溫室氣體排放的認識，將減輕我們的碳排放。

污水排放

我們業務活動並未消耗大量水資源，因此，我們的業務活動並未造成大量污水排放。水源供應及排放設施主要由物業管理公司提供及管理。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Emissions (Continued)

Waste Management

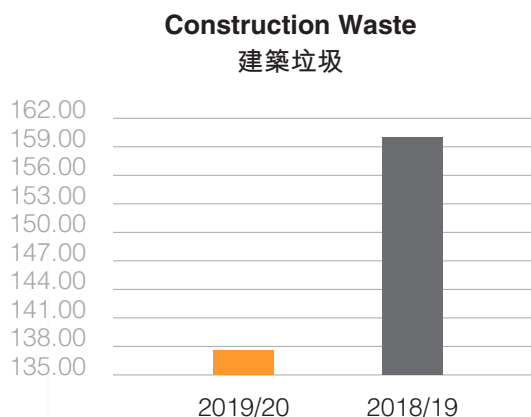
The Group adheres to the waste management principle and strives to properly manage and dispose wastes produced by our business activities. We segregated all waste by type and classify them into non-hazardous waste, hazardous waste and recyclable/reusable.

Compliance to relevant laws and regulations

The Group maintains high standard in waste reduction. Management Representative ("MR") is responsible to monitor and ensure all handling of waste is carried out in accordance with the statutory requirements, including educates our employees the significance of sustainable development and provides relevant support in order to enhance their skills and knowledge in sustainable development.

Non-hazardous waste

Construction wastes, mainly building debris, and paper waste are our major source of non-hazardous waste. We usually engage third party waste handling companies, which possess general waste collector's license, to ensure proper disposal of construction wastes. Our non-hazardous waste discharge volume during the Reporting Period is shown as below:



環境(續)

排放物(續)

廢棄物管理

本集團遵守廢棄物管理原則，致力於妥善管理及處理我們業務活動產生的廢棄物。我們將所有廢棄物按種類劃分，並將其分類為無害廢棄物、有害廢棄物及可回收/可再用物料。

遵守相關法律法規

本集團維持高標準的減廢，管理層代表(「管理層代表」)負責監督並確保所有廢物處理均按法定規定進行，包括向僱員普及可持續發展的重要性並提供相應支持，從而提升僱員在可持續發展方面的技術和知識。

無害廢棄物

建築垃圾(主要為建築廢物)以及廢紙為我們的主要無害廢棄物源頭。我們通常聘請具備一般廢物回收牌照的第三方廢物處理公司，以確保正確處理建築垃圾。於本報告期間，我們的無害廢棄物排放量列示如下：

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

環境(續)

Emissions (Continued)

排放物(續)

Compliance to relevant laws and regulations (Continued)

遵守相關法律法規(續)

Non-hazardous waste (Continued)

無害廢棄物(續)

| Types of Wastes 廢棄物種類 | 2019/20 年度 | 2018/19 年度 | Unit 單位 |
|--|---------------|---------------|-------------|
| Paper 廢紙 | 0.28 | 0.31 | Tonnes 噸 |
| Construction waste 建築垃圾 | 137.57 | 160.05 | Tonnes 噸 |
| Other domestic waste (Note 1) 其他生活垃圾(附註1) | 0.30 | 0.30 | Tonnes 噸 |
| Total 總計 | 138.15 | 160.66 | Tonnes 噸 |
| Intensity (per employee) (Note 2) 密度(每名僱員)(附註2) | 3.00 | 3.92 | Tonnes 噸 |

Notes:

- The weight of other domestic waste were estimated figures by considering the estimated weight per day multiplied by the number of business day.
- As at 30 June 2020, the number of full-time employees of the Group was 46 (2019: 41). This number would also be used for calculating other intensity data.

附註：

- 其他生活垃圾的重量為通過將每天的估計重量乘以工作日數所得出的估計數字。
- 於2020年6月30日，本集團的全職僱員人數為46(2019年：41)人。該數字亦將用於計算其他密度數據。

Hazardous waste

有害廢棄物

We follow the code of practice for hazardous waste management published by the Singapore Standard Council and will engage third party licensed toxic industrial waste collector to dispose of building debris containing lead materials. In relation to dismantled medical equipment and accessories, if it is requested by our customers, we would arrange to dispose of the used medical equipment and provide disposal certificate to our customer as evidence of disposal.

我們遵循由新加坡標準理事會發布的有害廢棄物管理工作守則，並會聘請具備有毒工業廢物回收牌照的第三方，負責處理包含鉛材料的建築廢物。就廢棄醫療設備及配件而言，如果我們的客戶有相關需要，我們將安排處理廢棄醫療設備並向客戶出具相應處理證明。

During the Reporting Period, we did not assist any client to dispose building debris containing lead materials or used medical equipment. Therefore, we did not generate significant hazardous waste discharge and the discharge of used medical equipment during the Reporting Period.

於本報告期間，我們沒有幫助任何客戶處理包含鉛材料的建築廢物及廢棄醫療設備。因此，於本報告期間，我們並沒有產生重大的有害廢棄物排放及廢棄醫療設備的排放。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Emissions (Continued)

Compliance to relevant laws and regulations (Continued)

Recyclable/reusable material

We reduce use of paper and paper waste by bring up employee's awareness on reusing and recycling. We established paper saving policies which include requesting our staff to prints only when necessary, uses double-sided printing of paper as a habit, make sure all documents are right before printing and make good use of the blank side of wasted paper. We also promote paperless working environment that e-mail and e-document and e-presentation handout are always higher preferable than paper form.

Use of Resources

We are committed to protecting the environment by introducing resource efficiency and eco-friendly measures. In support of this commitment, we identify and control environmental impacts and continuously improve our performance and has established relevant policies and procedures in governing the efficient use of resources. Our management team work closely with employees to execute our policies and practices, which are made tangible through solid goals and metrics in achieving higher energy efficiency and reducing the unnecessary use of materials.

環境(續)

排放物(續)

遵守相關法律法規(續)

可循環再用／可重用物料

我們通過提高員工對重用及循環使用的意識減少用紙及廢紙。我們制定了節省紙張的政策，其中包括要求我們的員工僅在必要時打印、習慣使用雙面打印、在打印前確保所有文件的準確性及充分利用廢紙的空白面。我們亦提倡無紙化的工作環境，使電子郵件及電子文檔以及電子展示文稿總是比紙質表格更可取。

資源使用

我們致力於將資源效率及環保措施結合以保護環境。為了兌現此承諾，我們確定及控制環境影響，不斷改善我們的績效，並已製定相關政策及程序以管理資源的有效利用。我們的管理團隊與員工緊密合作，以執行我們的政策及措施，該等政策及措施通過明確的目標及指標而變得切實可見，以實現更高的能源效率並減少不必要的材料使用。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Use of Resources (Continued)

Energy Consumption

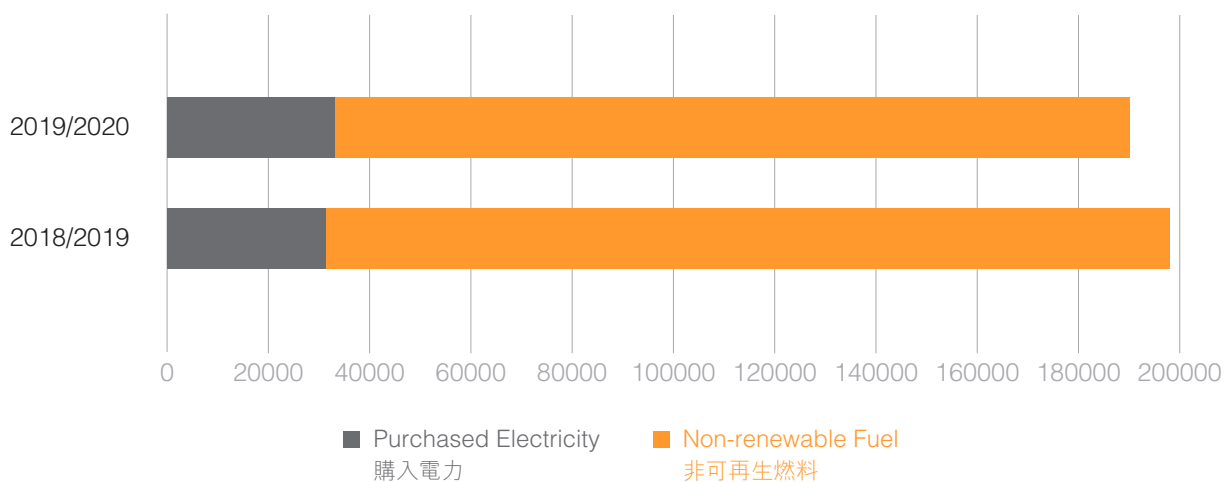
Our energy use, mainly comprising electricity and non-renewable fuel (mainly diesel) in mobile vehicles, is also the primary driver of our Scope 1 and 2 GHG emissions. Our total energy use decreased slightly from 198,365 kWh in 2018/2019 to 190,412 kWh in 2019/20. We continue to adopting energy conservation measures, set a role model for corporate social responsibility. More importantly, we strives in enhance employees' energy conservation awareness in terms of less electricity consumption in workplace and cost reduction in long run. The Group's consumption in diesel and electricity were:

環境(續)

資源使用(續)

能源消耗

我們的能源使用主要包括電力及車輛中的非可再生燃料(主要是柴油)，也是我們範圍1及2中溫室氣體排放的主要因素。我們的總能源使用量從2018/2019年度的198,365千瓦時略降至2019/20年度的190,412千瓦時。我們將繼續採取節能措施，樹立企業社會責任的榜樣。更重要的是，我們致力於提高員工的節能意識，以減少工作場所的耗電量及長期降低成本。本集團的柴油及電力消耗為：



| Type of Energy 能源類別 | 2019/20 年度 | 2018/19 年度 | Unit 單位 |
|---|---------------|---------------|------------|
| Purchased electricity 購入電力 | 32,666 | 31,094 | kWh 千瓦時 |
| Non-renewable fuel 非可再生燃料 | 157,746 | 167,271 | kWh 千瓦時 |
| Total energy consumption 能源消耗總量 | 190,412 | 198,365 | kWh 千瓦時 |
| Intensity (per employee) (Note) 密度(每名僱員)(附註) | 4,139 | 4,838 | kWh 千瓦時 |

Note: As at 30 June 2020, the number of full-time employees of the Group was 46 (2019: 41). This number would also be used for calculating other intensity data.

附註：於2020年6月30日，本集團的全職僱員人數為46人(2019年：41人)。該數字亦將用於計算其他密度數據。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Use of Resources (Continued)

Energy Consumption (Continued)

We have introduced a number of measures to improve the energy efficiency performance, such as maintaining all equipment periodically to ensure optimal performance to reduce the consumption of electricity; setting the equipment into “Power Save” mode when they are idle; choosing the most energy efficient light sources and consider replacing incandescent lamp with higher efficiency lamp such as the fluorescent lamps; cleaning all luminaries lamps regularly and replace burnt-out lamps promptly as they consume energy and they do not provide the required light; continuously reminding employees to switch off all unnecessary office equipment and lights at the end of the day; keep electrical utilities off when they are not in use and carrying out periodic maintenance schedule of all electrical utilities.

Water Consumption

Our water consumption mainly contains of office water consumption for basic cleaning and sanitation. We take steps to use water efficiently, we're implementing measures to conserve water resources and reduce our water demand. We incorporates a range of water conservation measures including the use of dual flushing system for toilet cubicle and use half flush for liquid waste; Check for leaks in flushing cisterns, pipes, taps, etc. and repair them immediately to prevent water wastage; Install thimbles or water saving devices at taps with high flow rate; Use water efficient label fittings; Turn off taps tightly to ensure they do not drip and avoid the tap running when not in use.

Due to our business nature and operation mainly based in Singapore, we encountered no difficulty in sourcing water that is fit for purpose.

環境(續)

資源使用(續)

能源消耗(續)

我們已採取一系列措施以提高能源效率表現，例如定期保養所有設備，確保最佳性能以減少電力消耗；將設備閒置時設置為「省電」模式；選擇能源效率最高的光源並考慮使用日光燈等效率更高的電燈替換白熾燈；定期清潔電燈並及時更換消耗能源但不能提供所需照明的報廢電燈；持續提醒員工在下班離開辦公室時關閉所有不必要的辦公設備及照明設備；在不使用時關閉所有電子設備及對所有電子設備定期進行維護。

水源消耗

我們的用水主要包括辦公室基本清潔及衛生用水。我們採取了善用水資源的措施，我們正在採取措施以節約水資源並減少用水量。我們採用了一系列節水措施，包括於廁位採用雙掣式沖廁系統，液體廢物採用半沖；檢查沖廁水箱、管道、水龍頭等漏水情況並即時修復以避免浪費；於高流速水龍頭處安裝套管或節水裝置；使用節水標籤裝置；關緊水龍頭以確保不滴漏及在不使用時關閉水龍頭。

由於本集團的業務性質且營運主要位於新加坡，我們採集適當用途的水源並無困難。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

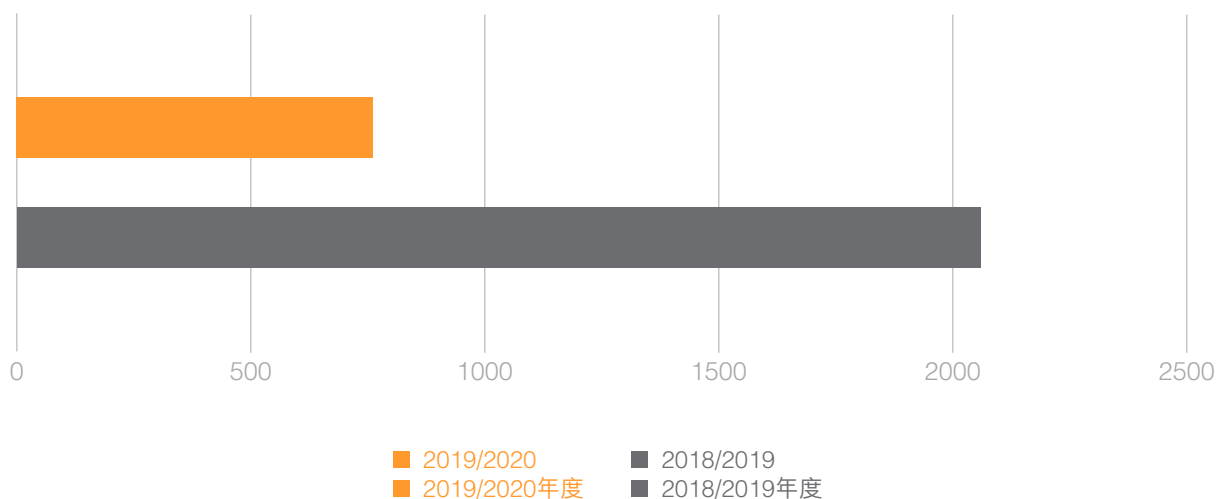
環境(續)

Use of Resources (Continued)

資源使用(續)

Water Consumption (Continued)

水源消耗(續)



| Type of Resource 資源種類 | 2019/20 2019/20年度 | 2018/19 2018/19年度 | Unit 單位 |
|---|----------------------|----------------------|-----------------------|
| Total water consumption 總耗水量 | 763.90 | 2,028.20 | m ³ 立方米 |
| Intensity (per employee) (Note) 密度(每名僱員)(附註) | 16.60 | 49.47 | m ³ 立方米 |

Note: As at 30 June 2020, the number of full-time employees of the Group was 46 (2019: 41). This number would also be used for calculating other intensity data.

附註：於2020年6月30日，本集團的全職僱員人數為46人(2019年：41人)。該數字亦將用於計算其他密度數據。

Packaging Materials

包裝材料

We have no industrial production or any factory facilities and therefore we do not consume significant amounts of package materials for product packaging.

我們並無工業生產及任何工廠設施，因此，我們就產品包裝耗用的包裝材料數量並不重大。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

The Environment and Natural Resources

The Group pursues the best practices in the environment protection and focuses on the impact of the Group's businesses to the environment and natural resources. In addition to complying with relevant environmental laws and regulations as well as properly preserve the natural environment, the Group has integrated the concept of environmental protection into its internal management and daily operations, with the aim of achieving environmental sustainability.

Noise Management

As noise will be generated during our operation process, we have formulated relevant procedures to avoid significant impact to environment nearby and ensure compliance with relevant laws and regulations. The MR is responsible to plan and engage an accredited laboratory to conduct an in-house noise level measurement and boundary noise level measurement if necessary. For construction sites, the MR is responsible to consider plans to ensure that noise levels are within the acceptable limit as per stated in the regulations. Where applicable, the Group takes all practicable measure to reduce or control noise from any machinery, equipment or process such that no employee is exposed to excessive noise or affect the public.

Environmental Impact of Projects

In order to control and mitigate the environmental impacts of the projects in our operations, we have formulated a series of procedures to assess the environmental risks of the projects in accordance with the standard of ISO14001 environmental management system. Moreover, regular internal audit on the effectiveness and level of compliance of management system are carried out on a regular basis. Relevant measures to mitigate the corresponding environment risks of the projects have been carried out in accordance to the relevant assessment procedures.

環境(續)

環境及天然資源

本集團貫徹執行最佳環保慣例並關注本集團業務對環境及天然資源的影響。除遵守相關環境法律法規及妥為保護天然環境外，本集團將環保理念融入其內部管理及日常營運，旨在實現環境的可持續性。

噪音管理

由於我們營運過程中會產生噪音，因此我們已制定相關程序以避免造成重大影響並確保遵守相關法律法規。如有必要，管理代表負責規劃及委聘認可實驗室測量內部噪音水平及邊界噪音水平。在建設工地，管理代表負責考慮計劃以確保噪音水平處於規例所述可接受的限制範圍內。於適用情況下，本集團採取一切實際可行措施降低或控制任何機器、設備或流程產生的噪音，以防僱員遭受過度噪音影響或影響公眾。

項目的環境影響

為控制及降低我們營運過程中項目對環境產生的影響，我們已根據ISO14001環境管理體系標準制定一系列程序以評估項目的環境風險。此外，我們定期就管理系統有效性及合規程度進行內部審核。我們已根據相關評估程序就緩解項目的相應環境風險實施有關措施。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL

Employment

Talented employees are our greatest asset, they create long-term value for us and our stakeholders. Our success and competitiveness depend to a large extent on how we select, hire, train and retain high-quality employees. In the highly competitive talent market, we differentiate us through a positive workplace culture that shares values and achievements with employees.

During the Reporting Period, we did not notice of any material non-compliance with employment related laws and regulations in that would have a significant impact on the Group. The employment related laws and regulations include, but are not limited to the Employment Act (Chapter 91 of Singapore) and Employment of Foreign Manpower Act (Chapter 91A of Singapore).

Recruitment, Promotion and Remuneration

We apply robust and transparent recruitment processes based on merit selection against the job criteria, and recruit individuals based on their suitability for the position and potential to fulfill the Group's current and future needs.

Our basis for compensation and promotion are job-related skills, qualifications and performances, ensuring that we treat and evaluate employees and applicants in a fair way and compensate employees relative to the industry and local labour markets in which we operate, which consists of a competitive level of fixed and variable compensation. Remuneration packages include holidays, annual leave, medical schemes, group insurance, and discretionary bonus.

The promotion of the Group's employees is subject to review regularly. The Group has established objective performance indicators for annual performance evaluation. Based on the evaluation result, we offer rewards to employees in encouraging continuous improvement.

社會

僱傭

優秀的員工是我們最寶貴的資產，他們為我們及我們的持份者創造長期價值。我們的成功及競爭力在很大程度上取決於我們如何選擇、僱用、培訓及挽留優秀的僱員。在競爭激烈的人才市場上，我們通過積極的工作場所文化與員工共享價值及成就，從而使我們與眾不同。

於報告期間，我們並不知悉違反僱傭相關法律法規而將對本集團產生重大影響的任何重大違規情況。僱傭相關法律法規包括但不限於僱傭法(新加坡法例第91章)及外國工人僱傭法案(新加坡法例第91A章)。

招聘、晉升及薪酬

我們採用健全及透明的招聘程序，按照工作標準擇優錄取，並根據申請人對該崗位的適合程度及是否能滿足本集團現時及未來需求進行招聘。

我們根據工作相關技能、資歷及表現釐定薪酬及晉升，確保公平對待及評估僱員及申請人，我們參照營運所在行業及當地勞工市場釐定僱員酬金，其中包括具競爭力的固定及浮動酬金。薪酬待遇包括假期、年假、醫療計劃、集團保險及酌情花紅。

本集團定期檢討僱員晉升情況。本集團已就年度表現評估制定客觀的表現指標。根據評估結果，我們向僱員提供獎勵，鼓勵彼等持續提升表現。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

Employment (Continued)

Retaining Talent and communication

No matter how hard we are recruiting talents, our team cannot grow strong if we fail to retain them. In addition to rewarding, we respect employees and appreciate their contributions. We also show trust to employees and provide a support scheme encourage them in training or further study to gain new knowledge and skill.

We humbly listen to employees' voices. We foster two-way communication, feedback, ideas suggestion, and we believe it helps to bring efficiency and improve our internal processes.

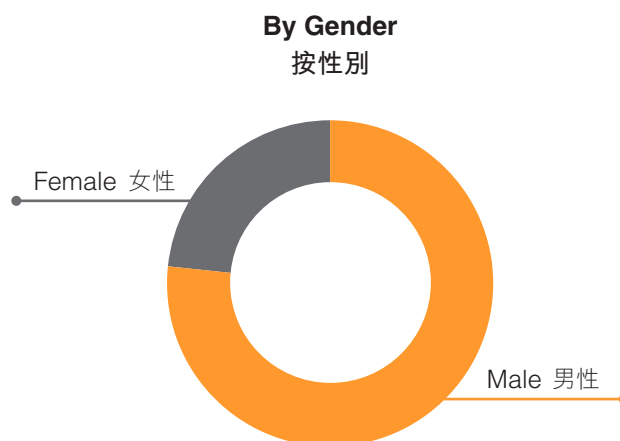
社會(續)

僱傭(續)

人才挽留及溝通

無論我們如何努力地招聘人才，假如我們無法挽留人才，我們的團隊就無法成長。除了獎勵外，我們尊重員工並感謝彼等的貢獻。我們還向員工表示信任，並提供支持計劃鼓勵他們培訓或進修以獲取新知識及技能。

我們虛心聆聽員工的聲音。我們促進雙向溝通、反饋、想法建議，而且我們相信這有助於提高效率及改善內部流程。



| By Gender | 按性別 | Number of Employee 2019/20 僱員人數 2019/20年度 | Turnover rate 2019/20 流失率 2019/20年度 |
|-----------|-----|---|---|
| Male | 男性 | 36 | 8.33% |
| Female | 女性 | 10 | 10.00% |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

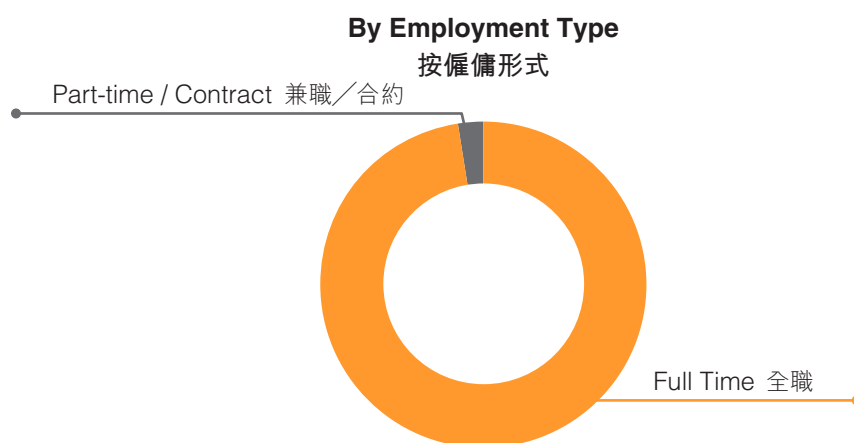
社會(續)

Employment (Continued)

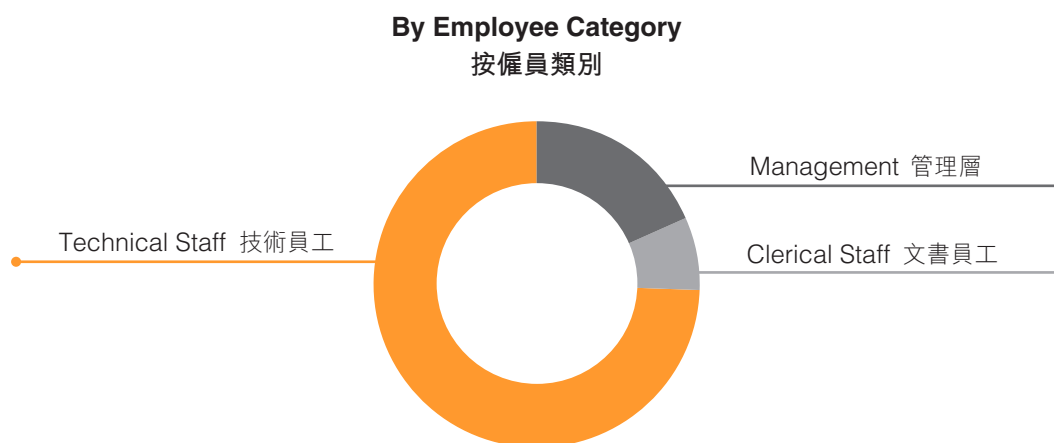
僱傭(續)

Retaining Talent and communication (Continued)

人才挽留及溝通(續)



| By Employment Type | 按僱傭形式 | 2019/20 2019/20年度 |
|--------------------|-------|----------------------|
| Full time | 全職 | 45 |
| Part time/contract | 兼職/合約 | 1 |



| By Employee Category | 按僱員類別 | 2019/20 2019/20年度 |
|----------------------|-------|----------------------|
| Management | 管理層 | 11 |
| Clerical staff | 文書員工 | 3 |
| Technical staff | 技術員工 | 32 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

社會(續)

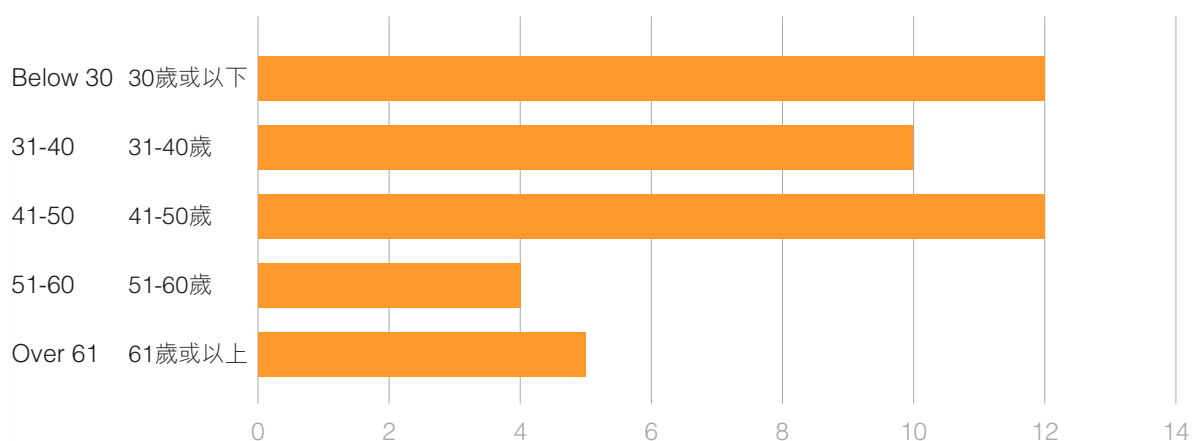
Employment (Continued)

僱傭(續)

Retaining Talent and communication (Continued)

人才挽留及溝通(續)

By Age Group
按年齡組別



| By Age Group | 按年齡組別 | Number of Employee 2019/20 僱員人數 2019/20年度 | Turnover rate 2019/20 (Note) 流失率 2019/20年度(附註) |
|--------------|--------|---|--|
| Below 30 | 30歲或以下 | 12 | — |
| 31-40 | 31-40歲 | 12 | 25% |
| 41-50 | 41-50歲 | 13 | 7.69% |
| 51-60 | 51-60歲 | 4 | — |
| Over 61 | 61歲或以上 | 5 | — |

Note: The turnover rate of each group is calculated by dividing the turnover number of the group during the Reporting Period by the number of employees in the group as at 30 June 2020.

附註：各組別的流失率是以該組別於報告期間之流失人數除以該組別於2020年6月30日之員工人數而得出。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

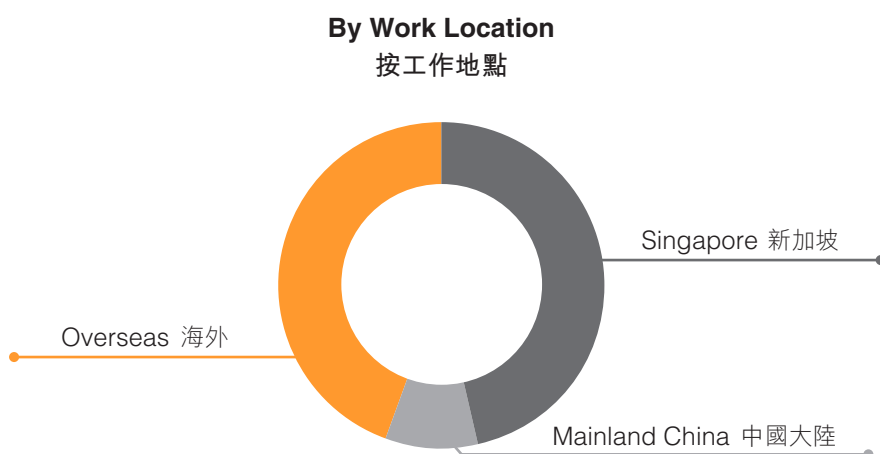
社會(續)

Employment (Continued)

僱傭(續)

Retaining Talent and communication (Continued)

人才挽留及溝通(續)



| By Work Location | 按工作地點 | Number of Employee 2019/20 僱員人數 2019/20年度 | Turnover rate 2019/20 (Note) 流失率 2019/20年度(附註) |
|------------------|-------|--|---|
| Singapore | 新加坡 | 20 | 5.00% |
| Mainland China | 中國大陸 | 4 | 50.00% |
| Overseas | 海外 | 22 | 9.09% |

Note: The turnover rate of each group is calculated by dividing the turnover number of the group during the Reporting Period by the number of employees in the group as at 30 June 2020.

附註：各組別的流失率是以該組別於報告期間之流失人數除以該組別於2020年6月30日之員工人數而得出。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

Employment (Continued)

Diversity, Equal-Opportunity and Anti-Discrimination

Diverse teams fuel innovation and thrive, and we are committed to creating an inclusive environment that supports all employees, regardless of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status, sexual orientation.

We integrate diversity and inclusion into the entire employment lifecycle and maintaining a workplace that is free from discrimination. We are committed to fairness, transparency and making all employment decisions on the principles of equal employment opportunity and we have zero tolerance on sexual harassment in the workplace.

Health and Safety

How well employee perform their jobs depends on their physical and mental health, sustainable work-life balance, and their working environment safety. Our integrated programs actively support these fundamental needs. We are prides ourselves on providing a safe, effective and congenial work environment. Our safety policies and relevant procedures actively support these fundamental needs, preventing accidents in the projects. Our occupational health and safety management system has been assessed to be in conformance with ISO:45001:2018 and OHSAS 18001 international standards. Moreover, the Group has obtained a bizSAFE Level Star certification in 2018, which is the highest accreditation (above bizSAFE Level 3) in the bizSAFE programme (a five-step programme to assist companies to build up their workplace safety and health capabilities in order to achieve quantum improvements in safety and health standards at the workplace) offered by the Workplace Safety and Health Council in Singapore.

社會(續)

僱傭(續)

多元化、平等機會及反歧視

多元化的團隊推動創新及蓬勃發展，我們致力於創造一個包容各方的環境，不論種族、宗教、膚色、性別、身體或心理殘疾、年齡、出生地、婚姻狀況、性取向為所有員工提供支持。

我們將多樣性及包容性納入整個就業生命週期，並保持一個不存在歧視的工作場所。我們致力於公平、透明並根據平等就業機會的原則做出所有就業決定，並且對工作場所的性騷擾零容忍。

健康及安全

員工的工作表現取決於他們的身心健康、可持續的工作與生活平衡以及工作環境安全。我們的綜合計劃積極支持這些基本需求。我們為提供安全、高效及愉快的工作環境而感到自豪。我們的安全政策及相關程序會積極支持該等基本需求，從而預防項目中發生事故。我們的職業健康及安全管理系統經過評估符合ISO:45001:2018及OHSAS 18001國際標準。此外，本集團已於2018年獲得由新加坡工作場所安全與健康理事會頒發的bizSAFE星級認證，乃bizSAFE計劃（一項涉及五個步驟以協助公司建立其工作場所安全及健康能力的計劃，從而於工作場所的安全及健康標準方面得到最大改善）的最高級別認證（較bizSAFE第三級為高）。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

Health and Safety (Continued)

Safety Risks of Projects

We have dedicated a safety officer to be in charge of occupational health and safety, and we assess the safety risks of each project in accordance with the standard of OHSAS 18001 occupational health and safety management system. We established procedures to identify potential hazards and the assess risks associated with these identified areas. We will then apply and implement controls to minimise risks to employees, subcontractors, clients and/or visitors in the project sites. We provide sufficient training and briefing to all supervisors and workers to make sure they fully understand the risks and how to mitigate them. We monitor those risks continuously through safety checking procedures, tool box meetings. Regular internal audit on the effectiveness and level of compliance of occupational health and safety management system are carried out on a regular basis.

Safety Measures and Training

We established internal safety manual to assist with ensuring employees' safety. Work at height and different kinds of electricity work related risks, together with other health hazards, are common concern in our industry and we require our employees and our subcontractors' employees to follow our workplace safety rules as set out in the safety manual. We provide suitable personal protective equipment such as safety helmet and safety boots to our employees based on the type of works undertaken by them.

Emergency Preparedness and Response

We also arrange relevant external trainings (such as scissor lift operator courses and supervisors safety courses) for our employees with reference to their expertise, work experience and work requirements. Emergency and evacuation procedures were established to response timely and orderly in any major safety accidents such as fire, building structure instability and chemical spillage to prevent and deal with any likely consequent illness and injury that may be associated with them.

社會(續)

健康及安全(續)

項目安全風險

我們已聘請一名安全主任負責職業健康與安全，並且我們按照OHSAS 18001職業健康及安全管理系統的標準評估每個項目的安全風險。我們制定程序以識別危害並評估風險。然後，我們採用並實施控制措施，務求將僱員、分包商、客戶及／或項目工地訪客發生意外的風險降至最低。我們向所有主管及工人提供足夠的培訓及簡介，以確保他們完全了解風險以及如何減低風險。我們通過安全檢查程序、安全會議持續監控該等風險。我們定期就職業健康及安全管理系統有效性及合規程度進行內部審核。

安全措施及培訓

我們已制定內部安全手冊，以協助確保員工的安全。高空作業和與電力工作相關的各種風險以及其他健康危害是我們的行業中普遍的關注點，我們要求員工及分包商的僱員遵守安全手冊載列之工作場所安全規則。我們根據僱員進行的工程類別向彼等提供適合的個人防護裝備，如安全帽及安全靴。

應急準備及應變

我們亦在考慮僱員的專長、工作經驗及工作要求後，為彼等安排相關的外部培訓，如剪刀式升降機操作員課程及總管安全課程。本集團已制定緊急及疏散程序，以及時有序地應對任何重大安全事故，如火災、建築結構不穩定及化學品洩漏，以預防及處理可能與之相關的任何可能的後續疾病及傷害。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

Health and Safety (Continued)

Emergency Preparedness and Response (Continued)

During the Reporting Period, we did not notice any material non-compliance with health and safety-related laws and regulations that would have a significant impact on the Group. The relevant laws and regulations include, but are not limited to Workplace Safety and Health Act (Chapter 354A of Singapore) and the Work Injury Compensation Act (Chapter 354 of Singapore). We also did not have any work-related fatalities or any workday lost due to injury during the Reporting Period.

Development and Training

Staff Development and Training

Learning continuously help to sustain our core values and culture. We keen to provides our staff, not just to new recruits but to all, with learning opportunity for upgrading skills and development as needed. We encourage and support our employees to participate in personal and professional training to fulfill the needs of emerging technologies and new equipment.

Our learning and development program provide internal, external and on-the-job trainings for all employees to equip them with the skills and knowledge pertinent to each type of work. We also attended trainings in relation to work safety, quality assurance and risk management conducted by organisations such as the Building and Construction Authority of Singapore.

社會(續)

健康及安全(續)

應急準備及應變(續)

於報告期間，我們並無發現有任何嚴重違反健康與安全相關法律及法規而會對本集團造成重大影響的事宜。相關法律及法規包括(但不限於)工作場所安全與健康法(新加坡法例第354A章)及工傷賠償法案(新加坡法例第354章)。於報告期間，我們亦沒有任何與工作有關的死亡或因工傷造成的任何工作日損失。

發展及培訓

員工發展及培訓

持續學習有助維持我們的核心價值及文化。我們渴望為不僅是新入職僱員而是我們全體的僱員提供學習機會，因應需要提升彼等的技能及協助彼等發展。我們鼓勵及支持僱員參與個人及專業培訓，以應付新技術及新設備所需。

我們的學習及發展計劃向全體僱員提供內部、外部及在職培訓，使其掌握與各類工種有關的技能及知識。我們亦參加由新加坡建設局等組織安排的與工作安全、質量保證及風險管理相關的培訓。

| By Gender | 按性別 | 2019/20 2019/20年度 | |
|-----------|-----|--------------------------------|----------------------------------|
| | | Training percentage 受訓僱員百分比 | Average training hours 平均培訓時數 |
| Male | 男性 | 45.45% | 10.60 hours 小時 |
| Female | 女性 | 10.00% | 12.00 hours 小時 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

社會(續)

Development and Training (Continued)

發展及培訓(續)

Staff Development and Training (Continued)

員工發展及培訓(續)

| By Employee Category | 按僱員類別 | 2019/20 2019/20年度 | |
|----------------------|-------|-----------------------------------|-------------------------------------|
| | | Training percentage 受訓僱員百分比 | Average training hours 平均培訓時數 |
| Management | 管理層 | 25.00% | 8.00 hours 小時 |
| Clerical staff | 文書員工 | — | — |
| Technical staff | 技術員工 | 37.50% | 12.92 hours 小時 |

Labour Standards

勞工準則

Prevention of Child Labor or Forced Labor

防止童工或強制勞工

We are doing our part to help avoid child and forced labor. Child and forced labor is strictly prohibited during the recruitment process as defined by laws and regulations. Personal data are collected during the process to assist in the selection of suitable candidates and to verify candidates' of personal data. The Human Resources Department also ensures identity documents are carefully checked. If violation is involved, it will be dealt with as required by laws and regulations.

我們正盡本分地幫助避免出現童工及強制勞工。我們遵照法律及法規的規定，於招聘過程嚴禁聘用童工及要求強制勞工。我們在招聘過程收集個人資料，協助遴選合適人員，以及核實應聘人士個人資料。人力資源部亦會確保身份證明文件經過仔細核對。倘有任何違規情況，將會按照法律法規的規定處理。

During the Reporting Period, we did not notice any material non-compliance with child and forced labour-related laws and regulations in Singapore that would have a significant impact on the Group. The child and forced labour-related laws and regulations include, but are not limited to the Employment Act (Chapter 91 of Singapore).

於報告期間，我們並不知悉有任何嚴重違反新加坡有關童工及強制勞工的法律及法規而會對本集團造成重大影響的事宜。有關童工及強制勞工的法律及法規包括(但不限於)僱傭法(新加坡法例第91章)。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

Supply Chain Management

We understand the importance of supply chain management in mitigating the indirect environmental and social risks. We support local suppliers with over 90% of our suppliers are from Singapore. We also concern of the environmental and social practices of the suppliers, and try to engage suppliers with responsible acts to the society in view of green supply chain management.

We implemented measures to monitor the quality of our suppliers and subcontractors, including their capability of undertaking works with quality and risk management, their abilities to resolve any issues encountered, and how well they follow our guidelines and instructions on workplace safety. Our project management team will inspect the site conditions and closely monitor their performance. In addition to quality and safety management. We also expect our suppliers and subcontractors share core value to sustainability with us, including wills to protecting environment, fairness to employee, attitude towards avoiding child and forced labours, integrity and honesty etc.

Product Responsibility

Achieving and maintaining high quality standard for projects are utmost important for sustainable growth of the Group. We believe completing works that meet or exceed our customer's requirements is crucial not only for safety, but also for job reference and future business opportunities. In order to ensure that we deliver high quality services and sustainable projects to our customers, the process of the projects is controlled and monitored regularly. The Group obtained certification in 2018 certifying its quality management to be in conformance with the requirements of ISO 9001:2015 standard.

During the Reporting Period, we did not notice any incidents of non-compliance with laws and regulations that have a significant impact on the Group, concerning health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. The relevant laws and regulations include, but are not limited to the Building Control Act (Chapter 29 of Singapore) and the Personal Data Protection Act 2012.

社會(續)

供應鏈管理

我們深悉供應鏈管理對於減低間接環境與社會風險的重要性。我們支持本地供應商，我們有超過90%的供應商來自新加坡。我們同樣了解供應商處理環境和社會事務慣例，致力爭取供應商以對社會負責的態度行事，促進綠色供應鏈管理。

我們已落實措施監控供應商及分包商的質量，包括彼等對質量及風險管理工作的承接能力，解決遇到的任何問題的能力以及彼等對我們的工作場所安全指南及指示的遵守程度。我們的項目管理團隊將檢查場地狀況並密切監視其表現。除質量及安全管理外，我們亦期望我們的供應商及分包商與我們有共同的可持續發展核心價值，包括保護環境的意願、公平地對待員工、避免出現童工及強制勞工的態度、正直及誠實等。

產品責任

於各項目達致並維持高品質水平，對本集團能否可持續增長至關重要。我們認為，我們務必完成工作以符合或超出客戶要求，不但對於安全而言至關重要，對過往業績及未來商機亦然。為確保我們能為客戶帶來優質的服務及可持續的項目，我們會定期控制及監管項目的進度。本集團於2018年取得證書，證明其質量管理已符合ISO 9001:2015標準之規定。

於報告期間，我們並無發現任何關於所提供產品及服務的健康與安全、廣告、標籤、私隱以及補救方法有違法律法規而對本集團造成重大影響的事宜。有關法律及法規包括(但不限於)建築管制法案(新加坡法例第29章)及2012年個人資料保障法。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL *(Continued)*

Product Responsibility *(Continued)*

Quality Management

We established a quality management system in accordance with the requirements of ISO 9001, OHSAS 18001 and ISO 14001 to develop a sustainable performance-oriented culture to pursue continuous improvement on quality rather than adopting a short-term and project based approach.

Customer Service

We put great attention to customer opinion. Our senior management team regularly communicates with our customers and conducts site visits to collect feedbacks from our customers. We would follow up and respond to their feedbacks in a timely manner with a view to maintain our service standard. Throughout the project implementation, we may from time to time be invited to attend inspection sessions and progress meetings held by our customers and/or the project employers.

Privacy Protection

All information of customers and suppliers (including intellectual property rights) are considered as highly confidential and are kept safely and confidentially. We restrict any unauthorised access to avoid data leakage, no employee could access to confidential data unless they are authorised with genuine working need. All employees also have to comply with the internal guidelines and employment contracts containing confidentiality clauses to ensure they take it as personally responsible.

社會 *(續)*

產品責任 *(續)*

質量管理

我們已依據ISO 9001、OHSAS 18001及ISO 14001的規定制定質量管理系統，以營造出以可持續發展為主導的文化，力求不斷改進品質，而非採取短期及以項目為基準的方針。

客戶服務

我們高度重視客戶的意見。高級管理層團隊通過與客戶定期交流和現場拜訪客戶收集客戶反饋。我們會及時跟進客戶反饋並積極回覆，以維持服務標準。我們於項目實施全過程中不時獲邀參加由客戶及／或項目僱主舉行的檢查環節及進度會議。

私隱保護

客戶及供應商的所有資料(包括知識產權)都被視為高度機密且以安全且機密的方式保存。我們限制任何未經授權的存取，以避免數據洩漏。除非有真正的工作需要，否則任何員工都不能存取機密數據。所有員工亦必須遵守內部指引及包含保密條款的僱傭合同，以確保彼等為此承擔個人責任。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

Anti-corruption

We do not tolerate all forms of corruption, fraud and all other misbehaviors. We specifically emphasize integrity, honesty and fairness and integrate those essential concepts in our business. We have established several policies related to these issues, and we expect employees to comply with them. Those policies require our employees, to name a few, to make decisions ethically, to refuse bribery and insider trading, to avoid conflicts of interest, to comply with laws and regulations, to carry on business honestly and with transparency and to maintain accurate business records. We promote relevant policies to employees through training to help them understand how to identify potential threats and ways to avoid conflict of interests, accepting advantages, leakage of confidential information, embezzlement of the Group's assets in one's position, fraudulent financial statements, etc.

To further mitigate the fraud risks, Audit Committee continuously evaluates and monitor the Group's internal control effectiveness, identify control deficiency and potential improvement areas. Once a deficiency is identified, the responsible departments will take timely remediate actions.

We also adopt a whistleblowing policy and procedures for all levels and operations. Staff can raise concerns, in confidence, about possible improprieties such as misconduct and malpractice in any matter related to the Group. These policies and procedures can be found in the staff handbook. Reports and complaints received will be handled in a prompt and fair manner. Such policy also aims at protecting whistleblowers from unfair dismissal, victimisation and unwarranted disciplinary actions.

社會(續)

反貪污

我們絕不容忍任何形式的貪污、欺詐及所有其他不當行為。我們特別強調正直、誠信及公平，並將該等基本概念整合到我們的業務中。我們已經建立了與該等問題相關的幾項政策，並希望員工遵守該等政策。該等政策規定我們的員工符合道德地做出決策、拒絕賄賂及內幕交易、避免利益衝突、遵守法律法規、誠實及透明地開展業務並保留準確的業務記錄等。我們通過培訓向員工推廣相關政策，以幫助彼等了解如何識別潛在威脅及避免發生利益衝突、收受利益、洩露機密資料、盜用本集團資產、欺詐財務報表等不當行為。

為進一步減低商業欺詐風險，審計委員會持續評估及監控集團的內部控制有效性，識別監控缺陷和潛在的改進領域。一旦發現缺陷，主管部門將及時採取補救措施。

我們亦為各職級及營運部門採納舉報政策及程序，員工藉此可保密地舉報任何有關本集團可能存在之不當情況，例如行為失當及失職行為。此等政策及程序載列於員工手冊。我們會即時且公平地處理所接獲的報告及投訴。此項政策亦旨在保障舉報人免受無理解僱、不公平對待及不必要的紀律處分。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL *(Continued)*

Anti-corruption *(Continued)*

During the Reporting Period, We did not notice any material non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering. The related laws and regulations include, but are not limited to the Prevention of Corruption Act (Chapter 241 of Singapore). We also had no record of concluded legal cases regarding corrupt practices brought against us or our employees during the Reporting Period.

Community Investment

Charity and volunteer services help to turn our passion for giving into action. We focus our contribution to the community by providing the best healthcare environment, our management team constantly helps projects with an emergency requirement or sponsor basis. We also encourage to our employees in volunteer activities, encourage them to provide financial and other kinds of support to the community.

社會 *(續)*

反貪污 *(續)*

於報告期間，我們並未發現任何重大嚴重違反有關賄賂、勒索、欺詐及洗黑錢法律及法規的情況。相關的法律及法規包括但不限於防止貪污法(新加坡法例第241章)。在報告期內，我們亦無針對我們或我們的員工提出的貪污行為的已完結法律案件的記錄。

社區投資

慈善及義工服務有助於將我們的熱情轉化為行動。我們通過提供最佳的醫療環境作為社區做出貢獻，我們的管理團隊不斷為有緊急需求的項目提供幫助或贊助。我們亦鼓勵員工參加義工活動，鼓勵彼等向社區提供財務及其他支持。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INDEX TABLE OF ESG REPORTING GUIDE OF THE STOCK EXCHANGE OF HONG KONG LIMITED

香港聯合交易所有限公司《環境、社會及管治報告指引》索引表

| Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標 | Description 描述 | Section/Statement 章節／聲明 |
|---|--|--|
| Aspect A1: Emissions 層面A1：排放物 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Emissions 排放物 |
| KPI A1.1 關鍵績效指標A1.1 | The types of emissions and respective emissions data. 排放物種類及相關排放數據。 | Emissions – Air Emissions, Greenhouse Gas Emissions 排放物－廢氣排放、溫室氣體排放 |
| KPI A1.2 關鍵績效指標A1.2 | Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity. 溫室氣體總排放量(以噸計算)及(如適用)密度。 | Emissions – Greenhouse Gas Emissions 排放物－溫室氣體排放 |
| KPI A1.3 關鍵績效指標A1.3 | Total hazardous waste produced (in tonnes) and, where appropriate, intensity. 所產生有害廢棄物總量(以噸計算)及(如適用)密度。 | Emissions – Waste Management 排放物－廢物管理 |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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(Continued)

| Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標 | Description 描述 | Section/Statement 章節／聲明 |
|---|--|--|
| Aspect A1: Emissions 層面A1：排放物 | | |
| KPI A1.4 關鍵績效指標A1.4 | Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity. 所產生無害廢棄物總量(以噸計算)及(如適用)密度。 | Emissions – Waste Management 排放物－廢物管理 |
| KPI A1.5 關鍵績效指標A1.5 | Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。 | Emissions – Air Emissions, Greenhouse Gas Emissions 排放物－廢氣排放、溫室氣體排放 |
| KPI A1.6 關鍵績效指標A1.6 | Description of how hazardous and nonhazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。 | Emissions – Waste Management 排放物－廢物管理 |
| Aspect A2: Use of Resources 層面A2：資源使用 | | |
| General Disclosure 一般披露 | Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。 | Use of Resources 資源使用 |
| KPI A2.1 關鍵績效指標A2.1 | Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度。 | Use of Resources – Energy Consumption 資源使用－能源消耗 |

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|--|---|--|
| Aspect A2: Use of Resources 層面A2：資源使用 | | |
| KPI A2.2 關鍵績效指標A2.2 | Water consumption in total and intensity 總耗水量及密度。 | Use of Resources – Water Consumption 資源使用－水源消耗 |
| KPI A2.3 關鍵績效指標A2.3 | Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。 | Use of Resources – Energy Consumption 資源使用－能源消耗 |
| KPI A2.4 關鍵績效指標A2.4 | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。 | Use of Resources – Water Consumption 資源使用－水源消耗 |
| KPI A2.5 關鍵績效指標A2.5 | Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。 | Not applicable, as we do not use packaging material in our operation 不適用，由於我們的業務不使用包裝材料 |
| Aspect A3: The Environment and Natural Resources 層面A3：環境及天然資源 | | |
| General Disclosure 一般披露 | Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。 | The Environment and Natural Resources 環境及天然資源 |

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|---|--|--|
| Aspect A3: The Environment and Natural Resources 層面A3：環境及天然資源 | | |
| KPI A3.1 關鍵績效指標A3.1 | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。 | The Environment and Natural Resources – Noise Management, Environmental Impact of Projects 環境及天然資源－噪音管理、項目的環境影響 |
| Aspect B1: Employment 層面B1：僱傭 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Employment 僱傭 |

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|---|---|----------------------------|
| Aspect B1: Employment 層面B1：僱傭 | | |
| KPI B1.1 關鍵績效指標B1.1 | Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類別、年齡組別及地區劃分的僱員總數。 | Employment 僱傭 |
| KPI B1.2 關鍵績效指標B1.2 | Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失率。 | Employment 僱傭 |
| Aspect B2: Health and Safety 層面B2：健康與安全 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Health and Safety 健康與安全 |
| KPI B2.1 關鍵績效指標B2.1 | Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。 | Health and Safety 健康與安全 |

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|---|---|-----------------------------------|
| Aspect B2: Health and Safety 層面B2：健康與安全 | | |
| KPI B2.2 關鍵績效指標B2.2 | Lost days due to work injury. 因工傷損失工作日數。 | Health and Safety 健康與安全 |
| KPI B2.3 關鍵績效指標B2.3 | Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監督方法。 | Health and Safety 健康與安全 |
| Aspect B3: Development and Training 層面B3：發展及培訓 | | |
| General Disclosure 一般披露 | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 | Development and Training 發展及培訓 |
| KPI B3.1 關鍵績效指標B3.1 | The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。 | Development and Training 發展及培訓 |
| KPI B3.2 關鍵績效指標B3.2 | The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。 | Development and Training 發展及培訓 |

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|---|---|----------------------------------|
| Aspect B4: Labour Standards 層面B4：勞工準則 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工及強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Labour Standards 勞工準則 |
| KPI B4.1 關鍵績效指標B4.1 | Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。 | Labour Standards 勞工準則 |
| KPI B4.2 關鍵績效指標B4.2 | Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。 | Labour Standards 勞工準則 |
| Aspect B5: Supply Chain Management 層面B5：供應鏈管理 | | |
| General Disclosure 一般披露 | Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。 | Supply Chain Management 供應鏈管理 |
| KPI B5.1 關鍵績效指標B5.1 | Number of suppliers by geographical region. 按地區劃分的供應商數目。 | Supply Chain Management 供應鏈管理 |

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|---|--|---|
| Aspect B5: Supply Chain Management 層面B5：供應鏈管理 | | |
| KPI B5.2 關鍵績效指標B5.2 | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。 | No yet disclose this year 本年度並未作出披露 |
| Aspect B6: Product Responsibility 層面B6：產品責任 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Product Responsibility 產品責任 |
| KPI B6.1 關鍵績效指標B6.1 | Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。 | Not applicable, as we have no product 不適用，由於我們並無產品 |

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|---|--|---|
| Aspect B6: Product Responsibility 層面B6：產品責任 | | |
| KPI B6.2 關鍵績效指標B6.2 | Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。 | Not yet disclose this year 本年度並未作出披露 |
| KPI B6.3 關鍵績效指標B6.3 | Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。 | Product Responsibility 產品責任 |
| KPI B6.4 關鍵績效指標B6.4 | Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。 | Not yet disclose this year 本年度並未作出披露 |
| KPI B6.5 關鍵績效指標B6.5 | Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。 | Product Responsibility 產品責任 |
| Aspect B7: Anti-corruption 層面B7：反貪污 | | |
| General Disclosure 一般披露 | Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 | Anti-corruption 反貪污 |

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|---|--|---|
| Aspect B7: Anti-corruption 層面B7：反貪污 | | |
| KPI B7.1 關鍵績效指標B7.1 | Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於報告期間對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。 | Anti-corruption 反貪污 |
| KPI B7.2 關鍵績效指標B7.2 | Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。 | Anti-corruption 反貪污 |
| Aspect B8: Community Investment 層面B8：社區投資 | | |
| General Disclosure 一般披露 | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解發行人營運所在社區需要及確保其業務活動會考慮社區利益的政策。 | Community Investment 社區投資 |
| KPI B8.1 關鍵績效指標B8.1 | Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。 | Community Investment 社區投資 |
| KPI B8.2 關鍵績效指標B8.2 | Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。 | Not yet disclose this year 本年度並未作出披露 |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

To the Shareholders of HKE Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of HKE Holdings Limited (the "Company") and its subsidiaries (herein referred to as the "Group") set out on pages 99 to 191, which comprise the consolidated statement of financial position as at 30 June 2020, 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 accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2020, and of its consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致HKE Holdings Limited全體股東
(於開曼群島註冊成立的有限公司)

綜合財務報表審核報告

意見

本核數師(以下統稱「吾等」)已審核載列於第99至191頁HKE Holdings Limited(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，該等綜合財務報表包括於2020年6月30日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表的附註，包括重大會計政策概要。

吾等認為，隨附綜合財務報表已根據國際會計準則委員會(「國際會計準則委員會」)頒佈的國際財務報告準則(「國際財務報告準則」)真實而公平地反映 貴集團於2020年6月30日的綜合財務狀況以及 貴集團截至該日止年度的綜合財務表現、綜合權益變動及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”) issued by International Auditing and Assurance Standards Board (the “IAASB”). 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 International Ethics Standards Board for Accountants’ *Code of Ethics for Professional Accountants* (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current 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.

綜合財務報表審核報告(續)

意見的基礎

吾等根據國際審計與鑒證準則理事會(「國際審計與鑒證準則理事會」)所頒佈國際審計準則(「國際審計準則」)進行審核。在該等準則下，吾等的責任在吾等的報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據國際會計師職業道德準則理事會之「職業會計師道德守則」(「IESBA守則」)，吾等獨立於貴集團，並已遵循IESBA守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的意見提供基礎。

關鍵審核事項

根據吾等的專業判斷，關鍵審核事項為吾等於審核本年度的綜合財務報表中最重要的事項。吾等在審核綜合財務報表整體及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表審核報告(續)

Key Audit Matters (Continued)

關鍵審核事項(續)

| Key audit matter 關鍵審核事項 | How the matter was addressed in the audit 吾等在審核中的處理方法 |
|---|---|
| <p>Contract Revenue Recognition and Accounting for Construction Contracts 合約收益確認及建築合約會計處理方法</p> <p>The Group is involved in construction projects for which it applies the input method to measure the Group's progress towards complete satisfaction of a performance obligation satisfied over time in accordance with IFRS 15 <i>Revenue from Contracts with Customers</i>. 貴集團通過應用投入法計量 貴集團妥善完成履約責任的進度，並根據國際財務報告準則第15號客戶合約收益的方式於一段時間內獲達成參與建造項目。</p> <p>The revenue and profit recognised in a year on these projects is dependent, amongst others, on the assessment of the Group's efforts or inputs to the construction projects (i.e. contract cost incurred for work performed) relative to the total expected inputs to the construction projects (i.e. estimated total budgeted contract cost committed for the projects). 年內就該等項目確認的收益及溢利取決於(其中包括) 貴集團於建造項目所作努力或投入的評估(即已進行工程所產生的合約成本)與建造項目的預期投入總額(即項目的估計預算合約成本總額)的比例。</p> | <p>We have reviewed the design and implementation of key controls over the significant risk relating to revenue recognition and contracts assets and liabilities. 吾等已審閱有關收益確認及合約資產及負債的重大風險的關鍵控制設計及執行情況。</p> <p>We have reviewed the Group's revenue recognition policies to determine whether it is compliant with IFRS 15 <i>Revenue from Contracts with Customers</i>, including the assessment of the Group's efforts or inputs to the construction projects relative to the total expected inputs to the construction projects. 吾等已審閱 貴集團的收益確認政策，以釐定是否符合國際財務報告準則第15號客戶合約收益，包括評估 貴集團於建造項目所作努力或投入與建造項目的預期投入總額的比例。</p> |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表審核報告(續)

Key Audit Matters (Continued)

關鍵審核事項(續)

| Key audit matter 關鍵審核事項 | How the matter was addressed in the audit 吾等在審核中的處理方法 |
|--|---|
| <p>Management's judgement and estimation in determining the budgeted costs to complete may have a significant impact on the Group's revenue and profit. 管理層釐定完工預算成本涉及的判斷及估計可能對 貴集團的收益及溢利產生重大影響。</p> <p>Contract revenue recognition and accounting for construction contract is disclosed in Notes 6 and 17 respectively. 合約收益確認及建築合約會計處理分別在附註6及附註17中披露。</p> | <p>For selected projects, our audit procedures included the following: 對於選定的項目，吾等的審核程序包括以下各項：</p> <ul style="list-style-type: none">i. agreed projects contract sum to signed contracts and variation orders; 項目合約金額符合所簽訂合約及改工指示；ii. vouched the actual cost incurred during the year to details of supplier invoices and subcontractors invoices to ensure the validity and accuracy of the costs; 以年內所產生實際成本核對供應商發票及分包商發票的詳情，以確保該等成本的有效性及準確性；iii. performed cut-off testing to verify contract costs were taken up in the appropriate financial year; 進行截止測試，以核實合約成本乃於合適財政年度入賬； |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表審核報告(續)

Key Audit Matters (Continued)

關鍵審核事項(續)

| Key audit matter 關鍵審核事項 | How the matter was addressed in the audit 吾等在審核中的處理方法 |
|----------------------------|--|
| | <ul style="list-style-type: none"> <li data-bbox="802 631 1431 761">iv. assessed and vouched the estimated cost to complete by substantiating costs that have been committed to quotations and contracts entered; <li data-bbox="802 767 1431 832">iv. 透過證明已承諾的報價及所簽訂合約的成本，評估並證明預計完工成本； <li data-bbox="802 875 1431 1037">v. performed retrospective review by comparing the total actual contract costs incurred at completion against the total budgeted contract costs to assess the reasonableness of the estimates used by the management; <li data-bbox="802 1043 1431 1144">v. 透過比較竣工時實際發生的合約總成本與預算合約總成本進行回顧性審查，以評估管理層所用估計的合理性； <li data-bbox="802 1187 1431 1349">vi. for projects in progress, we further recomputed the percentage of the progress of the contract based on the input method to test the accuracy of the percentage of the progress to determine the revenue; and <li data-bbox="802 1356 1431 1457">vi. 就進行中項目而言，吾等根據投入法進一步重新計算合約進度百分比，以檢驗進度百分比的準確性，以確定收益；及 <li data-bbox="802 1500 1431 1629">vii. for projects completed during the year, we obtained the certificate of substantial completion and verified that the remaining revenue has been captured. <li data-bbox="802 1636 1431 1696">vii. 就年內完工項目而言，吾等取得實質竣工證明，並核實已獲得其餘收益。 |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表審核報告(續)

Key Audit Matters (Continued)

關鍵審核事項(續)

| Key audit matter 關鍵審核事項 | How the matter was addressed in the audit 吾等在審核中的處理方法 |
|----------------------------|--|
| | <p>We then compared total contract revenue to actual cost incurred plus estimated cost to complete, and assessed for foreseeable losses. 吾等繼而將合約總收益與實際產生的成本加上預計完工成本進行比較，並對可預見的虧損進行評估。</p> <p>We also examined the project documentation (including contracts effective during the financial period, terms and conditions) and discussed with management on the progress of significant projects to determine if there are any changes such as delays, penalties, overruns which may result in liquidated damages. 吾等亦檢視有關項目的存檔(包括於財政期間生效之合約、條款及條件)，並與管理層討論重大項目的進度，以釐定是否存在可能引致損害賠償的任何變動，例如延誤、罰款、超支等。</p> <p>Based on our procedures above, we have assessed the Group's revenue and actual costs recognised in profit or loss to be appropriate. 根據上述程序，吾等評估 貴集團的收益及在損益中確認的實際成本屬適當。</p> |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

Information other than the consolidated financial statements and auditor's report thereon

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

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

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

綜合財務報表審核報告(續)

綜合財務報表及核數師報告以外之資料

貴公司董事須對其他資料承擔責任。其他資料包括載於 貴公司年報的資料，惟不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表作出的意見並無涵蓋其他資料，而吾等不會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，吾等的責任為閱讀其他資料，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。倘若吾等基於已進行的工作認為其他資料出現重大錯誤陳述，吾等須報告有關事實。就此，吾等毋須作出報告。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Responsibilities of Directors and those charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRSs issued by IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determines 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 intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

綜合財務報表審核報告(續)

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據國際會計準則委員會頒佈的國際財務報告準則及香港公司條例的披露要求，編製真實而公平地反映情況的綜合財務報表，及董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並披露與持續經營有關的事項(如適用)。除非董事擬將 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，否則須採用以持續經營為基礎的會計法。

治理層負責監督 貴集團的財務報告流程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

綜合財務報表審核報告(續)

核數師就審核綜合財務報表須承擔的責任

吾等的目標為根據約定的委聘條款合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有吾等意見的核數師報告。本報告僅向閣下(作為整體)報告，除此之外本報告別無其他目的。吾等概不就本報告的內容對任何其他人士負責或承擔任何責任。合理確定屬高層次的確定，惟根據國際審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，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，則被視為重大錯誤陳述。

在根據國際審計準則進行審計的過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

We communicate with 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.

綜合財務報表審核報告(續)

核數師就審核綜合財務報表須承擔的責任(續)

- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與可能令 貴集團的持續經營能力產生重大疑問的事項或情況有關的重大不確定性。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則發表非無保留意見。吾等結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表的整體呈列方式、結構及內容(包括披露資料)以及綜合財務報表是否公平反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計的方向、監督和執行。吾等為審核意見承擔全部責任。

吾等與治理層就(其中包括)審計的計劃範圍、時間安排及重大審計發現進行溝通，該等發現包括吾等在審計過程中識別的內部監控的任何重大缺失。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements *(Continued)*

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.

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 Ms Tay Hwee Ling.

Deloitte & Touche LLP
Public Accountants and Chartered Accountants

Singapore
29 September 2020

綜合財務報表審核報告(續)

核數師就審核綜合財務報表須承擔的責任(續)

吾等亦向治理層作出聲明，指出吾等已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性的所有關係及其他事宜，以及相關防範措施(如適用)。

從與治理層溝通的事項中，吾等釐定對本期間綜合財務報表的審計最為重要，因而構成關鍵審核事項的事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在吾等報告中溝通某事項造成的負面後果超出產生的公眾利益，則吾等決定不應在報告中傳達該事項。

出具本獨立核數師報告的審計項目合夥人為Tay Hwee Ling女士。

Deloitte & Touche LLP
執業會計師及特許會計師

新加坡
2020年9月29日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

| | | Notes | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|--|-------------------------------------|-------|------------------------------|------------------------------|
| | | 附註 | | |
| Revenue | 收益 | 6 | 7,641,788 | 10,403,292 |
| Cost of services/sales | 服務／銷售成本 | | (6,196,995) | (6,705,927) |
| Gross profit | 毛利 | | 1,444,793 | 3,697,365 |
| Other income | 其他收入 | 7 | 581,756 | 485,663 |
| Other gains (losses) | 其他收益(虧損) | 8 | 316,870 | (28,185) |
| Administrative expenses | 行政開支 | | (2,083,203) | (1,423,815) |
| Finance costs | 融資成本 | | (1,214) | – |
| Profit before taxation | 除稅前溢利 | 9 | 259,002 | 2,731,028 |
| Income tax expense | 所得稅開支 | 10 | (200,699) | (468,417) |
| Profit for the year | 年度溢利 | | 58,303 | 2,262,611 |
| Other comprehensive income: <i>Items that may be reclassified subsequently to profit or loss</i> | 其他全面收益： 其後可重新分類至 損益的項目 | | | |
| Exchange differences on translation of foreign operations, representing other comprehensive income for the year, net of tax | 換算海外業務的匯兌 差額，指年度其他全面 收益，扣除稅項 | | 487,255 | – |
| Total comprehensive income for the year | 年度全面收益總額 | | 545,558 | 2,262,611 |
| Earnings per share | 每股盈利 | | | |
| Basic and diluted (S\$ cents) | 基本及攤薄(新加坡分) | 12 | 0.01 | 0.28 |

See accompanying notes to consolidated financial statements.

參見綜合財務報表隨附附註。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 30 June 2020

於2020年6月30日

| | | | 2020 | 2019 |
|---|----------------|-------|------------|------------|
| | | | 2020年 | 2019年 |
| | | Notes | S\$ | S\$ |
| | | 附註 | 新加坡元 | 新加坡元 |
| ASSETS AND LIABILITIES | 資產及負債 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 13 | 649,114 | 728,723 |
| Right-of-use assets | 使用權資產 | 14 | 67,572 | – |
| Total non-current assets | 非流動資產總值 | | 716,686 | 728,723 |
| Current assets | 流動資產 | | | |
| Trade receivables | 貿易應收款項 | 15 | 1,693,123 | 3,399,887 |
| Other receivables, deposits and prepayments | 其他應收款項、按金及預付款項 | 16 | 343,007 | 151,653 |
| Contract assets | 合約資產 | 17 | 2,425,645 | 2,498,815 |
| Bank balances and cash | 銀行結餘及現金 | 18 | 25,236,850 | 22,464,228 |
| Total current assets | 流動資產總值 | | 29,698,625 | 28,514,583 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 貿易及其他應付款項 | 19 | 1,019,775 | 766,057 |
| Contract liabilities | 合約負債 | 17 | 691,663 | 43,850 |
| Lease liabilities | 租賃負債 | 20 | 65,487 | – |
| Income tax payable | 應付所得稅 | | 119,297 | 462,108 |
| Total current liabilities | 流動負債總額 | | 1,896,222 | 1,272,015 |
| Net current assets | 流動資產淨值 | | 27,802,403 | 27,242,568 |
| Non-current liability | 非流動負債 | | | |
| Lease liabilities | 租賃負債 | 20 | 2,240 | – |
| Deferred tax liabilities | 遞延稅項負債 | 22 | 27,310 | 27,310 |
| Total non-current liability | 非流動負債總額 | | 29,550 | 27,310 |
| Net assets | 資產淨值 | | 28,489,539 | 27,943,981 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 30 June 2020

於2020年6月30日

| | | | 2020 | 2019 |
|---|-------------------|-------|-------------------|-------------------|
| | | | 2020年 | 2019年 |
| | | Notes | S\$ | S\$ |
| | | 附註 | 新加坡元 | 新加坡元 |
| EQUITY | 權益 | | | |
| Capital and reserves | 資本及儲備 | | | |
| Share capital | 股本 | 23 | 1,335,760 | 1,335,760 |
| Share premium | 股份溢價 | 24 | 15,352,340 | 15,352,340 |
| Merger reserve | 合併儲備 | | 1,000,119 | 1,000,119 |
| Translation reserve | 換算儲備 | | 487,255 | – |
| Accumulated profits | 累計溢利 | | 10,314,065 | 10,255,762 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | 28,489,539 | 27,943,981 |

The consolidated financial statements on pages 99 to 191 were approved and authorised for issue by the Board of Directors on 29 September 2020 and are signed on its behalf by:

第99至191頁的綜合財務報表已於2020年9月29日獲董事會批准及授權刊發，並由下列董事代表簽署：

Wu An Ming

Chief Executive Officer and
Executive Director

Koh Lee Huat

Executive Director

胡晏銘

行政總裁兼執行董事

許利發

執行董事

See accompanying notes to consolidated financial statements.

參見綜合財務報表隨附附註。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

| | | Share capital (Note 23) 股本 (附註23) S\$ 新加坡元 | Share premium (Note 24) 股份溢價 (附註24) S\$ 新加坡元 | Merger reserve (Note A) 合併儲備 (附註A) S\$ 新加坡元 | Translation reserve (Note B) 換算儲備 (附註B) S\$ 新加坡元 | Accumulated profits 累計溢利 S\$ 新加坡元 | Total 總計 S\$ 新加坡元 |
|---|-----------------------|---|---|--|---|--|----------------------------|
| Balance at 1 July 2018 | 於2018年7月1日之結餘 | 1,335,760 | 15,352,340 | 1,000,119 | - | 7,993,151 | 25,681,370 |
| <i>Total comprehensive income for the year</i> | <i>年度全面收益總額</i> | | | | | | |
| Profit for the year, representing total comprehensive income for the year | 年度溢利，即年度全面收益總額 | - | - | - | - | 2,262,611 | 2,262,611 |
| Total | 總計 | - | - | - | - | 2,262,611 | 2,262,611 |
| Balance at 30 June 2019 | 於2019年6月30日之結餘 | 1,335,760 | 15,352,340 | 1,000,119 | - | 10,255,762 | 27,943,981 |
| <i>Total comprehensive income for the year</i> | <i>年度全面收益總額</i> | | | | | | |
| Profit for the year | 年度溢利 | - | - | - | - | 58,303 | 58,303 |
| Other comprehensive income for the year | 年度其他全面收益 | - | - | - | 487,255 | - | 487,255 |
| Total | 總計 | - | - | - | 487,255 | 58,303 | 545,558 |
| Balance at 30 June 2020 | 於2020年6月30日之結餘 | 1,335,760 | 15,352,340 | 1,000,119 | 487,255 | 10,314,065 | 28,489,539 |

Notes

- A: Merger reserve represents the difference between the cost of acquisition pursuant to the group reorganisation in prior financial year and the total value of share capital of the entities acquired.
- B: Exchange differences relating to the translation from the functional currencies of the Group's foreign subsidiaries into Singapore dollars are brought to account by recognising those exchange differences in other comprehensive income and accumulating them in a separate component of equity under the header of translation reserve.

附註

- A: 合併儲備指上一財政年度根據集團重組進行的收購成本與被收購實體股本總額之間的差額。
- B: 就換算本集團海外附屬公司功能貨幣至新加坡元的匯兌差額，經於其他全面收益確認及於換算儲備項下獨立權益部分累計後入賬。

See accompanying notes to consolidated financial statements.

參見綜合財務報表隨附附註。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---|-------------------|------------------------------|------------------------------|
| Operating activities | 經營活動 | | |
| Profit before taxation | 除稅前溢利 | 259,002 | 2,731,028 |
| <i>Adjustments for:</i> | <i>就下列各項作出調整：</i> | | |
| Depreciation for property, plant and equipment | 物業、廠房及設備折舊 | 100,893 | 101,589 |
| Depreciation for right-of-use assets | 使用權資產折舊 | 93,741 | – |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備收益 | – | (29,952) |
| Interest income | 利息收入 | (335,284) | (455,621) |
| Interest on lease liabilities | 租賃負債利息 | 1,214 | – |
| Unrealised foreign exchange gain | 未變現外匯收益 | 53,982 | (28,947) |
| Operating cash flows before working capital changes | 營運資金變動前的經營現金流量 | 173,548 | 2,318,097 |
| <i>Movements in working capital:</i> | <i>營運資金變動：</i> | | |
| Trade receivables | 貿易應收款項 | 1,706,764 | 1,243,297 |
| Other receivables, deposits and prepayments | 其他應收款項、按金及預付款項 | (190,416) | 1,640 |
| Contract assets | 合約資產 | 73,170 | (1,468,533) |
| Trade and other payables | 貿易及其他應付款項 | 431,287 | (129,192) |
| Contract liabilities | 合約負債 | 647,813 | 19,597 |
| Cash generated from operations | 經營所得現金 | 2,842,166 | 1,984,906 |
| Income tax paid | 已付所得稅 | (543,510) | (1,087,335) |
| Net cash from operating activities | 經營活動所得現金淨額 | 2,298,656 | 897,571 |
| Investing activities | 投資活動 | | |
| Purchase of property, plant and equipment | 購買物業、廠房及設備 | (21,183) | (165,375) |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備所得款項 | – | 29,952 |
| Decrease in fixed deposit pledged | 已質押定期存款減少 | – | 175,000 |
| Interests received | 已收利息 | 335,284 | 455,621 |
| Net cash from investing activities | 投資活動所得現金淨額 | 314,101 | 495,198 |

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|--|----------------------------------|------------------------------|------------------------------|
| Financing activities | 融資活動 | | |
| Interest on lease liabilities | 租賃負債利息 | (1,214) | – |
| Repayment of lease liabilities | 償還租賃負債 | (93,586) | – |
| Net cash used in financing activities | 融資活動所用現金淨額 | (94,800) | – |
| Net increase in cash and cash equivalents | 現金及現金等價物增加淨額 | 2,517,957 | 1,392,769 |
| Effect of foreign exchange rate changes on the balance of cash held in foreign currencies | 匯率變動對持有外匯現金結餘之影響 | 254,665 | 28,947 |
| Cash and cash equivalents at beginning of the year | 年初現金及現金等價物 | 22,464,228 | 21,042,512 |
| Cash and cash equivalents at end of the year, represented by bank balances and cash (Note 18) | 年末現金及現金等價物，指銀行結餘及現金(附註18) | 25,236,850 | 22,464,228 |

See accompanying notes to consolidated financial statements. 參見綜合財務報表隨附附註。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

1. GENERAL

HKE Holdings Limited (the “Company”) was incorporated and registered as an exempted company in the Cayman Islands with limited liability on 18 August 2017 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its registered office is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the “Companies Ordinance”) on 13 October 2017.

The principal place of business is at Unit 2004, 20/F, K11 Atelier, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong. The Company is an investment holding company. The Company and its subsidiaries (collectively, the “Group”) are principally engaged in provision of integrated design and building services in the medical and healthcare sectors with expertise in performing radiation shielding works.

1. 一般資料

HKE Holdings Limited (「本公司」) 於2017年8月18日在開曼群島註冊成立及登記為獲豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。其註冊辦事處地址為 Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands。

本公司已於2017年10月13日根據公司條例(香港法例第622章)(「公司條例」)第16部向香港公司註冊處處長註冊為非香港公司。

本公司主要營業地點為香港九龍尖沙咀梳士巴利道18號K11 Atelier 20樓2004室。本公司為一家投資控股公司。本公司及其附屬公司(統稱「本集團」)的主要業務為在醫療保健行業提供綜合設計及建築服務，並具備進行輻射防護工程的專業知識。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

1. GENERAL (Continued)

The Company was a subsidiary of Skylight Illumination Limited, incorporated in the British Virgin Islands (“BVI”), which was also the Company’s ultimate holding company. On 15 July 2019, the Company’s holding company, Skylight Illumination Limited, had entered into a sale and purchase agreement (the “SPA”) with Eagle Fortitude Limited (the “Offeror”), a third party, to dispose its entire shareholdings of 600,000,000 ordinary shares (“Sale Shares”) in HKE Holdings Limited, representing 75% of the total issued share capital of the Company, at the price of HK\$0.48 per Sale Share. The SPA for this disposal was made effective on 22 July 2019. As a result of the disposal, the Offeror is the Company’s holding company with effect from 22 July 2019. On 28 August 2019, the Offeror had acquired an additional 315,000 shares in the Company at the price of HK\$0.48 per share from its public shareholders, effectively owning 600,315,000 shares in the Company in total, representing 75.039% of the total issued share capital of the Company. On 15 October 2019, an aggregate of 315,000 shares in the Company were placed to a placee who is a third party independent of and not a core connected person of the Company and not a party acting in concert with the Offeror, at a placing price of HK\$0.48 per share (“Placing Down”). Accordingly, after the completion of Placing Down, the Offeror effectively owns 600,000,000 shares in the Company, representing 75% of the total issued share capital of the Company.

The functional currency of the Company is Hong Kong dollars (“HK\$”), and the presentation currency of the Company and its principal subsidiaries (Note 31) is Singapore dollars (“S\$”).

The consolidated financial statements for year ended 30 June 2020 are approved by the Board of Directors of the Company on 29 September 2020.

1. 一般資料(續)

本公司為Skylight Illumination Limited的附屬公司，Skylight Illumination Limited於英屬處女群島(「英屬處女群島」)註冊成立，亦為本公司之最終控股公司。於2019年7月15日，本公司控股公司Skylight Illumination Limited與第三方鷹毅有限公司(「要約人」)訂立一份買賣協議(「買賣協議」)，按每股出售股份0.48港元的價格出售其於HKE Holdings Limited 600,000,000股普通股(「出售股份」)之全部股權(相當於本公司已發行股本總額75%)。該出售事項的買賣協議於2019年7月22日生效。由於出售事項，要約人為本公司之控股公司，自2019年7月22日起生效。於2019年8月28日，要約人按每股股份0.48港元的價格從本公司公眾股東收購本公司額外315,000股股份，實際擁有本公司合共600,315,000股股份，相當於本公司全部已發行股本75.039%。於2019年10月15日，合共315,000股本公司股份已按每股股份0.48港元的配售價配售予一名承配人(為獨立於本公司的第三方及並非本公司的核心關連人士，亦非與要約人一致行動的人士)(「配售減持」)。因此，於配售減持完成後，要約人實際擁有本公司600,000,000股股份，佔本公司已發行股本總數的75%。

本公司的功能貨幣為港元(「港元」)，而本公司及其主要附屬公司(附註31)的呈列貨幣為新加坡元(「新加坡元」)。

截至2020年6月30日止年度的綜合財務報表於2020年9月29日由本公司董事會批准。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

2. BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with the applicable International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (the “IASB”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

Change of functional currency of the Company – Prior to 1 July 2019, the functional currency of the Company was S\$.

The Effects of Changes in Foreign Exchange Rates

The determination of functional currency takes into consideration the primary economic environment in which the entity operates. IAS 21 *The Effects of Changes in Foreign Exchange Rates* requires an entity to reassess its functional currency when there is a change in the facts and circumstances which affect the economic environment. Following the change of the major shareholder effective from July 2019, the Company incurs operating expenses mainly denominated in HK\$ and financing required for the Group’s future business expansion, by way of bank borrowings and/or shareholder’s funds, are also expected to be funded in HK\$. Accordingly, management has reassessed and determined that the functional currency of the Company to be HK\$ with effect from 1 July 2019, which appropriately reflects the underlying transactions, events and conditions that are relevant to the Company.

Consequently, all balances of the Company as of 1 July 2019 were translated from S\$ to HK\$ using the exchange rate of S\$1:HK\$0.1732 as at 1 July 2019. This change in functional currency to HK\$ has been applied prospectively from 1 July 2019 in accordance with IAS 21. Nevertheless, the presentation currency for the Company and the Group will keep at S\$ until such time that there are changes to the composition and underlying operating entities.

2. 綜合財務報表的呈列基準

綜合財務報表乃根據國際會計準則委員會（「國際會計準則委員會」）頒佈之適用國際財務報告準則（「國際財務報告準則」）編製。此外，綜合財務報表亦載有聯交所證券上市規則（「上市規則」）及香港公司條例所規定之適用披露事項。

本公司功能貨幣變更 – 於2019年7月1日前，本公司之功能貨幣為新加坡元。

匯率變動的影響

決定功能貨幣須考慮實體營運之主要經濟環境。國際會計準則第21號*匯率變動的影響*規定，實體須在事實及情況有所變動而影響經濟環境時重新評估其功能貨幣。於主要股東變動自2019年7月起生效後，本公司產生主要以港元計值的經營開支，而本集團未來業務擴張所需的融資（以銀行借貸及／或股東資金方式）預期亦以港元撥支。故此，管理層重新評估並釐定本公司之功能貨幣為港元，自2019年7月1日起生效。港元將更適合反映與本公司有關的相關交易、事件及狀況。

因此，本公司截至2019年7月1日之所有結餘已於2019年7月1日按1新加坡元兌0.1732港元的匯率由新加坡元換算為港元。根據國際會計準則第21號，有關將功能貨幣轉換為港元之變更已自2019年7月1日起應用。然而，除非組成及相關經營實體出現變動，否則本公司及本集團之呈列貨幣將繼續為新加坡元。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

3. APPLICATION OF NEW AND REVISED IFRSs

New and amended IFRSs that are effective for the current year

For the purpose of preparing and presenting the consolidated financial statements for the year ended 30 June 2020, the Group has consistently applied the accounting policies which conform with IFRSs, which are effective for the accounting period beginning 1 July 2019.

The adoption of these new and revised IFRSs does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years, except as disclosed below.

IFRS 16 Leases

In the current year, the Group has applied IFRS 16 *Leases* (as issued by the IASB in January 2016) that is effective for annual periods that begin on or after 1 January 2019.

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance lease and requiring the recognition of a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets when such recognition exemptions are adopted. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The impact of the adoption of IFRS 16 on the Group's consolidated financial statements is described below.

3. 應用新訂及經修訂國際財務報告準則

於本年度生效的新訂及經修訂國際財務報告準則

就編製及呈列截至2020年6月30日止年度之綜合財務報表而言，本集團已貫徹應用遵從國際財務報告準則之會計政策，而該等政策於2019年7月1日開始之會計期間生效。

採納該等新訂及經修訂國際財務報告準則並不導致本集團會計政策的變動，且對本年度或過往年度呈報的金額有重大影響，除下文所披露者外。

國際財務報告準則第16號租賃

於本年度，本集團已應用於2019年1月1日或之後開始的年度期間生效的國際財務報告準則第16號租賃（由國際會計準則理事會於2016年1月頒佈）。

國際財務報告準則第16號為租賃會計處理引入新訂或經修訂規定。其透過移除經營與融資租賃間之區分以及規定於所有租賃開始時確認使用權資產及租賃負債（於採納有關確認豁免時的短期租賃及低價值資產租賃除外），為承租人會計處理引入重大變動。有別於承租人會計處理，出租人會計處理的規定大致維持不變。採納國際財務報告準則第16號對本集團綜合財務報表的影響描述如下。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

3. APPLICATION OF NEW AND REVISED IFRSs

(Continued)

New and amended IFRSs that are effective for the current year (Continued)

IFRS 16 Leases (Continued)

The date of initial application of IFRS 16 for the Group is 1 July 2019.

The Group has applied IFRS 16 using the cumulative catch-up approach which:

- requires the Group to recognise the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of retained earnings at the date of initial application; and
- does not permit restatement of comparatives, which continue to be presented under IAS 17 and IFRIC 4.

3. 應用新訂及經修訂國際財務報告準則(續)

於本年度生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號租賃(續)

本集團初步應用國際財務報告準則第16號的日期為2019年7月1日。

本集團已採用累計追補法應用國際財務報告準則第16號，有關方法：

- 規定本集團將初步應用國際財務報告準則第16號的累計影響確認為對初步應用日期保留盈利年初結餘的調整；及
- 不允許重列比較數字，其繼續根據國際會計準則第17號及國際財務報告詮釋委員會詮釋第4號呈列。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Financial year ended 30 June 2020

截至2020年6月30日止財政年度

3. APPLICATION OF NEW AND REVISED IFRSs

(Continued)

New and amended IFRSs that are effective for the current year (Continued)

IFRS 16 Leases (Continued)

(a) *Impact of the new definition of a lease*

The Group has made use of the practical expedient available on transition to IFRS 16 not to reassess whether a contract is or contains a lease. Accordingly, the definition of a lease in accordance with IAS 17 and IFRIC 4 will continue to be applied to those leases entered or changed before 1 July 2019.

The change in definition of a lease mainly relates to the concept of control. IFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on 'risks and rewards' in IAS 17 and IFRIC 4.

The Group applies the definition of a lease and related guidance set out in IFRS 16 to all lease contracts entered into or modified on or after 1 July 2019 (whether it is a lessor or a lessee in the lease contract). The new definition in IFRS 16 does not significantly change the scope of contracts that meet the definition of a lease for the Group.

3. 應用新訂及經修訂國際財務報告準則(續)

於本年度生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號租賃(續)

(a) *租賃新定義的影響*

本集團已採用過渡至國際財務報告準則第16號時可供採用的實際權宜方法，未有重新評估合約是否屬於或包含租賃。因此，根據國際會計準則第17號及國際財務報告詮釋委員會詮釋第4號所界定租賃的定義將繼續適用於2019年7月1日前訂立或變更的租賃。

租賃定義的變動主要與控制權的概念有關。國際財務報告準則第16號根據客戶是否有權於一段時間內控制使用已識別資產以換取代價而釐定合約是否包含租賃。此有別於國際會計準則第17號及國際財務報告詮釋委員會詮釋第4號以「風險及回報」為重點。

本集團就於2019年7月1日或之後訂立或修改的所有租賃合約（無論其於有關租賃合約中為出租人或承租人）應用國際財務報告準則第16號所載的租賃定義及相關指引。國際財務報告準則第16號的新定義對符合本集團租賃定義的合約範圍並無重大變動。

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3. APPLICATION OF NEW AND REVISED IFRSs

(Continued)

New and amended IFRSs that are effective for the current year (Continued)

IFRS 16 Leases (Continued)

(b) *Impact on lessee accounting*

Former operating leases

IFRS 16 changes how the Group accounts for leases previously classified as operating leases under IAS 17, which were off-balance-sheet.

Applying IFRS 16, for all leases, the Group:

- (a) Recognises right-of-use assets and lease liabilities in the statements of financial position, initially measured at the present value of the remaining lease payments, with the right-of-use asset adjusted by the amount of any prepaid or accrued lease payments in accordance with IFRS 16.C8(b)(ii);
- (b) Recognises depreciation of right-of-use assets and interest on lease liabilities in the statement of profit or loss; and
- (c) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the consolidated statement of cash flows.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36 *Impairment of Assets*.

3. 應用新訂及經修訂國際財務報告準則(續)

於本年度生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號租賃(續)

(b) *對承租人會計處理的影響*

先前經營租賃

國際財務報告準則第16號改變本集團過往根據國際會計準則第17號將租賃分類為經營租賃的入賬方式(其於資產負債表外)。

於應用國際財務報告準則第16號時，就所有租賃而言，本集團：

- (a) 於財務狀況表內確認初步按剩餘租賃付款現值計量的使用權資產及租賃負債，並根據國際財務報告準則第16.C8(b)(ii)號按任何預付或應計租賃付款金額調整使用權資產；
- (b) 於綜合損益表內確認使用權資產折舊及租賃負債利息；及
- (c) 於綜合現金流量表內獨立呈列已付現金總額為本金部分(呈列於融資活動中)及利息(呈列於融資活動中)。

根據國際財務報告準則第16號，使用權資產根據國際會計準則第36號資產減值進行減值測試。

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3. APPLICATION OF NEW AND REVISED IFRSs

(Continued)

New and amended IFRSs that are effective for the current year (Continued)

IFRS 16 Leases (Continued)

(b) Impact on lessee accounting (Continued)

For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Group has opted to recognise a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within administrative expenses in the consolidated statement of profit or loss.

The Group has used the following practical expedients when applying the cumulative catch-up approach to leases previously classified as operating leases applying IAS 17.

- The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- The Group has elected not to recognise right-of-use assets and lease liabilities to leases for which the lease term ends within 12 months of the date of initial application.
- The Group has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- The Group has used hindsight when determining the lease term when the contract contains options to extend or terminate the lease.

3. 應用新訂及經修訂國際財務報告準則(續)

於本年度生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號租賃(續)

(b) 對承租人會計處理的影響(續)

對於短期租賃(租賃期為12個月或以下)及低價值資產租賃，本集團已選擇按國際財務報告準則第16號所允許的直線法確認租賃開支。此開支於綜合損益表內呈列於行政開支中。

就先前應用國際會計準則第17號分類為經營租賃的租賃而言，本集團應用累計追補法時已採用下列實際權宜方法。

- 本集團已就具有合理類似特徵的租賃組合應用單一貼現率。
- 本集團已選擇不就租期於初步應用日期起計12個月內結束的租賃確認使用權資產及租賃負債。
- 本集團已於初步應用日期就使用權資產的計量排除初始直接成本。
- 本集團已就包含延長或終止租賃選擇權的合約於事後釐定租期。

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3. APPLICATION OF NEW AND REVISED IFRSs

(Continued)

New and amended IFRSs that are effective for the current year (Continued)

IFRS 16 Leases (Continued)

(c) *Financial impact of initial application of IFRS 16*

The weighted average lessee's incremental borrowing rate applied to the lease liabilities recognised in the consolidated statement of financial position on 1 July 2019 is 2.09% per annum.

The following table shows the operating lease commitments disclosed applying IAS 17 at 30 June 2019, discounted using the incremental borrowing rate at the date of initial application and the lease liabilities recognised in the statement of financial position at the date of initial application.

| | | 2019 2019年 S\$ 新加坡元 |
|--|-------------------------------|------------------------------|
| Operating lease commitments at 30 June 2019 (Note 25) | 於2019年6月30日的 經營租賃承擔(附註25) | 147,915 |
| Less: Short-term leases | 減：短期租賃 | (38,192) |
| Less: Effect of discounting the above amounts | 減：對上述金額貼現的影響 | (1,020) |
| Lease liabilities recognised as at 1 July 2019 | 於2019年7月1日確認的 租賃負債 | 108,703 |
| Analysed as: | 分析為： | |
| Current | 流動 | 93,586 |
| Non-current | 非流動 | 15,117 |
| | | 108,703 |

The Group has assessed that there is no tax impact arising from the application of IFRS 16.

Right-of-use assets were measured at the amount equal to the lease liability at the date of initial application, with no impact to the Group's beginning retained earnings.

3. 應用新訂及經修訂國際財務報告準則(續)

於本年度生效的新訂及經修訂國際財務報告準則(續)

國際財務報告準則第16號租賃(續)

(c) *初步應用國際財務報告準則第16號的財務影響*

適用於2019年7月1日綜合財務狀況表中確認的租賃負債的加權平均承租人增量借款年利率為2.09%。

下表所示為於2019年6月30日應用國際會計準則第17號所披露的經營租賃承擔(已使用初步應用日期的增量借款利率貼現)及於初步應用日期在財務狀況表中確認的租賃負債。

本集團已評估認為應用國際財務報告準則第16號不會產生稅務影響。

使用權資產於初步應用日期按相等於租賃負債的金額計量，對本集團的期初保留盈利並無影響。

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3. APPLICATION OF NEW AND REVISED IFRSs

(Continued)

New and revised IFRSs in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and revised IFRSs that are relevant to the Group that have been issued but are not yet effective:

| | |
|---|--|
| Amendments to IAS 1 and IAS 8 | <i>Definition of Material</i> ¹ |
| Amendments to IFRS 3 | <i>Definition of a Business</i> ² |
| Framework | <i>Amendments to References to the Conceptual Framework in IFRS Standards</i> ¹ |
| Amendments to IFRS 9, IAS 39 and IFRS 7 | <i>Interest Rate Benchmark Reform</i> ¹ |
| Amendments to IFRS 16 | <i>Covid-19-Related Rent Concessions</i> ³ |
| Amendments to IFRS 3 | <i>Reference to the Conceptual Framework</i> ⁴ |
| Amendments to IAS 37 | <i>Onerous Contracts – Cost of Fulfilling a Contract</i> ⁴ |
| Amendments to IAS 16 | <i>Property, Plant and Equipment: Proceeds before Intended Use</i> ⁴ |
| Amendments to IFRSs | <i>Annual Improvements to IFRS Standards 2018-2020</i> ⁴ |
| Amendments to IAS 1 | <i>Classification of Liabilities as Current or Non-current</i> ⁵ |
| IFRS 17 and Amendment to IFRS 17 | <i>Insurance Contracts</i> ⁶ |

3. 應用新訂及經修訂國際財務報告準則(續)

已頒佈但尚未生效的新訂及經修訂國際財務報告準則

於該等綜合財務報表授權日期，本集團並無應用以下已頒佈但尚未生效且與本集團有關的新訂及經修訂國際財務報告準則：

| | |
|---------------------------------------|---------------------------------------|
| 國際會計準則第1號及國際會計準則第8號修訂本 | 重大的定義 ¹ |
| 國際財務報告準則第3號修訂本 | 業務的定義 ² |
| 框架 | 提述國際財務報告準則概念框架之修訂 ¹ |
| 國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號修訂本 | 利率基準改革 ¹ |
| 國際財務報告準則第16號修訂本 | 與COVID-19相關的租金減免 ³ |
| 國際財務報告準則第3號修訂本 | 提述概念框架 ⁴ |
| 國際會計準則第37號修訂本 | 虧損性合約—履行合約之成本 ⁴ |
| 國際會計準則第16號修訂本 | 物業、廠房及設備：作擬定用途前之所得款項 ⁴ |
| 國際財務報告準則修訂本 | 2018年至2020年國際財務報告準則的年度改進 ⁴ |
| 國際會計準則第1號修訂本 | 將負債分類為流動或非流動 ⁵ |
| 國際財務報告準則第17號及國際財務報告準則第17號修訂本 | 保險合約 ⁶ |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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3. APPLICATION OF NEW AND REVISED IFRSs

(Continued)

New and revised IFRSs in issue but not yet effective

(Continued)

- 1 Effective for annual periods beginning on or after 1 January 2020.
- 2 Effective for business combinations for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period.
- 3 Effective for annual periods beginning on or after 1 June 2020, with early application permitted, including in financial statements not yet authorised for issue at 28 May 2020. The amendment is also available for interim reports.
- 4 Effective for annual periods beginning on or after 1 January 2022.
- 5 Effective for annual periods beginning on or after 1 January 2022. On 4 May 2020, an ED Classification of Liabilities as Current or Non-current (Proposed amendment to IAS 1) was issued for comments to defer the effective date of the amendment by one year to annual reporting periods beginning on or after 1 January 2023.
- 6 Effective for annual periods beginning on or after 1 January 2023.

The directors of the Company considers that the application of the other new and revised standards and amendments will have no material impact on the Group's financial position and performance as well as disclosure in a foreseeable future.

3. 應用新訂及經修訂國際財務報告準則(續)

已頒佈但尚未生效的新訂及經修訂國際財務報告準則(續)

- 1 自2020年1月1日或之後開始的年度期間生效。
- 2 對收購日期為2020年1月1日或之後開始的首個年度期間開始或之後的業務合併，以及該期間開始當日或之後的資產購置生效。
- 3 於2020年6月1日或之後開始的年度期間生效，並可提早應用，包括尚未授權於2020年5月28日發佈的財務報表。該等修訂亦載於中期報告內。
- 4 於2022年1月1日或之後開始的年度期間生效。
- 5 於2022年1月1日或之後開始的年度期間生效。於2020年5月4日，就將修訂生效日期延長一年至2023年1月1日或之後開始的年度報告期間的意見頒佈負債分類為流動或非流動(對國際會計準則第1號的建議修訂)徵求意見稿。
- 6 於2023年1月1日或之後開始的年度期間生效。

本公司董事認為，應用其他新訂及經修訂準則及其修訂本不會對本集團於日後的財務狀況及表現以及披露產生重大影響。

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4. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period as explained in the accounting policies set out below and in accordance with the applicable IFRSs issued by the IASB.

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 financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance within IFRS 16 *Leases (since 1 January 2019)* or IAS 17 (*before application of IFRS 16*), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets*.

4. 重大會計政策

會計基礎

誠如下文所載的會計政策所述及根據國際會計準則理事會頒佈的適用國際財務報告準則，綜合財務報表於各報告期末乃按歷史成本基準編製。

歷史成本通常乃基於換取貨品及服務之代價之公平值計算。

公平值是指市場參與者之間在計量日進行的有序交易中出售一項資產所收取的價格或轉讓一項負債所支付的價格，無論該價格是直接觀察到的結果還是採用其他估值技術作出的估計。在對資產或負債的公平值作出估計時，本集團考慮了市場參與者在計量日為該資產或負債進行定價時將會考慮的該等特徵。於財務報表中計量及／或披露的公平值均按此基準予以釐定，惟國際財務報告準則第2號以股份為基礎支付的交易範圍內的以股份為基礎支付的交易、根據國際財務報告準則第16號租賃(自2019年1月1日起)或國際會計準則第17號(應用國際財務報告準則第16號前)入賬的租賃交易及與公平值類似但並非公平值的計量(例如國際會計準則第2號存貨中的可變現淨值或國際會計準則第36號資產減值中的使用價值)除外。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

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

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

The principal accounting policies adopted are set out below.

Basis of consolidation

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

4. 重大會計政策(續)

會計基礎(續)

此外，就財務報告目的而言，公平值計量乃按公平值計量輸入數據的可觀察程度及該等輸入數據對公平值計量整體的重要性劃分為第一、二或三級，說明如下：

- 第一級輸入數據為實體於計量日可獲得的相同資產或負債於活躍市場的報價(未調整)；
- 第二級輸入數據為資產或負債可直接或間接觀察的輸入數據(不包括計入第一級的報價)；及
- 第三級輸入數據為資產或負債無法觀察的輸入數據。

所採納的主要會計政策載列如下。

綜合基準

綜合財務報表包含本公司及本公司及其附屬公司控制之公司之財務報表。取得控制權是指公司：

- 對被投資方行使權力；
- 因參與被投資方之業務而獲得或有權獲得可變回報；及
- 有能力行使其權力以影響其回報。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Basis of consolidation (Continued)

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

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 Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiary to bring its accounting policies into line with the Group's accounting policies.

All intra-group assets, 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)

會計基礎(續)

綜合基準(續)

倘事實及情況反映上文所列三項控制因素其中一項或多項改變，則本集團會重估是否仍然控制被投資方。

當本集團取得附屬公司之控制權，便將該附屬公司合併入賬；當本集團失去附屬公司之控制權，便停止將該附屬公司合併入賬。具體而言，年內收購或出售之附屬公司之收入及支出會於本公司取得控制權當日起計入合併損益及其他全面收益表，直至本公司對該附屬公司之控制權終止當日為止。

如有需要，附屬公司之財務報表將作出調整，以使其會計政策與本集團之會計政策一致。

所有集團內公司間資產、負債、權益、收入、支出及有關本集團各成員公司間交易之現金流量均於綜合入賬時全數對銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (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 control of the controlling entity.

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, to the extent of the continuation of the controlling party's interest.

The consolidated statements of profit or loss and other comprehensive income include 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 it is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is earlier.

4. 重大會計政策(續)

會計基礎(續)

涉及受共同控制實體的業務合併的合併會計法

綜合財務報表包括出現共同控制合併的合併實體或企業的財務報表項目，猶如其自該等合併實體或企業首次受控制實體控制之日起已合併。

合併實體或企業的資產淨值採用以控制方角度的現有賬面值合併列賬。並無在控制方權益存續的情況下，於共同控制合併時確認商譽或議價購買收益。

綜合損益及其他全面收益表包括各合併實體或企業由最早呈列日期起或自實體或企業首次受共同控制之日起(以較短期間為準，而不論共同控制合併日期)的業績。

呈列綜合財務報表之比較金額時乃假設該等企業於上一個報告期結算日或其首次受共同控制以來(以較早者為準)已合併計算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the group to the former owners of the acquiree, and equity interests issued by the group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

4. 重大會計政策(續)

會計基礎(續)

業務合併

收購附屬公司及業務乃採用收購法列賬。每項收購的代價按獲給予資產、本集團對被收購方前擁有人所承擔的負債及本集團就換取被收購方的控制權而發行的股本工具於收購日期之公平值總和計算。收購相關成本於產生時在損益確認。

收購代價包括或然代價安排所產生的任何資產或負債，按其收購日期的公平值計量(倘適用)。倘符合計量期間調整條件，該等公平值的其後變動會按收購成本作出調整(見下文)。不符合計量期間調整條件之或然代價，其往後公平值變動之入賬方式應取決於或然代價之分類。分類為權益之或然代價於其後之報告日期不會重新計量，其日後結算於權益內入賬。分類為資產或負債之或然代價會於其後之報告日期按公平值重新計量，而公平值之變動於損益賬中確認。

倘業務合併分階段完成，本集團先前於被收購實體持有之權益於收購日期(即本集團獲得控制權當日)重新計量至公平值，而所產生的損益(如有)於損益確認。於收購日期前因於被收購方之權益產生且以往已於其他全面收入確認之金額乃重新分類至損益(如出售該權益時有關處理屬適當)。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Business combinations (Continued)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the IFRS are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in IFRS 2 *Share-based Payment* at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

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

The measurement period is the period from the date of acquisition to the date the group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

4. 重大會計政策(續)

會計基礎(續)

業務合併(續)

根據國際財務報告準則符合確認條件之被收購方可識別資產、負債及或然負債於收購日期按其公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關之負債或資產分別根據國際會計準則第12號*所得稅*及國際會計準則第19號*員工福利*確認及計量；
- 有關被收購公司的以股份支付交易的負債或股本工具，或收購人以股份支付酬謝交易取代被收購公司的以股份支付酬謝交易，須於收購日期根據國際財務報告準則第2號*以股份為基礎的付款方法*計量；及
- 根據國際財務報告準則第5號*持作出售的非流動資產及已終止經營業務*劃分為持作出售的資產(或出售組合)根據該準則計量。

倘於報告期末出現業務合併惟業務合併的初步入賬尚未完成，則本集團須報告尚未入賬的項目的暫定款額。該等暫定款額須於計量期(見下文)內調整，或須確認額外資產或負債，以反映所取得有關於收購日期存在的事實及狀況的新資料(如有)對該日已確認金額的影響。

計量期乃指收購日期至本集團取得於收購日期存在的事實及狀況的完整資料日期的期間，以最多自收購日期起一年為限。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Financial instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

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 and financial liabilities, as appropriate, on initial recognition.

Financial assets

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.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

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

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

4. 重大會計政策(續)

會計基礎(續)

金融工具

當本集團訂立金融工具合約時，會於本集團財務狀況報表確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔之交易成本於初步確認時加入金融資產及金融負債之公平值，或從金融資產及金融負債之公平值扣除(倘適用)。

金融資產

所有常規之金融資產買賣，均按交易日基準確認及終止確認。常規買賣為須於根據市場法規或慣例所訂之時間內交付資產之金融資產買賣。

所有已確認金融資產其後均按攤銷成本或公平值(視金融資產類別而定)整體計量。

金融資產的分類

符合以下條件的債務工具其後按攤銷成本計量。

- 於目標為持有金融資產以收取合約現金流量的業務模式持有的金融資產；及
- 金融資產的合約條款於指定日期產生現金流量，而純粹作為本金及尚未清償本金的利息的付款。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Amortised cost and 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) excluding expected credit losses ("ECL"), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

For financial instruments other than purchased or originated credit-impaired financial assets, 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) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

4. 重大會計政策(續)

會計基礎(續)

攤銷成本及實際利率法

實際利率法為計算債務工具的攤銷成本及於有關期間分配利息收入的方法。

實際利率為按債務工具的預計年期或(如適用)較短期間準確折現估計未來現金收入(包括所有構成實際利率組成部分之已付或已收費用及費率、交易成本及其他溢價或折讓, 不包括預期信貸虧損(「預期信貸虧損」))至初始確認時債務工具賬面總值的利率。

對於除購買或發起的信貸減值金融資產以外的金融工具, 實際利率為按債務工具的預計年期或(如適用)較短期間準確貼現估計未來現金收款(包括所有構成實際利率組成部分之已付或已收費用及費率、交易成本及其他溢價或折讓, 不包括預期信貸虧損)至初始確認時債務工具賬面總值的利率。對於購買或發起的信貸減值金融資產, 信貸調整實際利率乃按將估計未來現金流量(包括預期信貸虧損)折現至初始確認時債務工具攤銷成本的方式計算。

金融資產的攤銷成本指金融資產於初始確認時計量的金額減去本金還款, 加上初始金額與到期金額之間任何差額使用實際利率法計算的累計攤銷(就任何虧損撥備作出調整)。另一方面, 金融資產的賬面總值指金融資產就任何虧損撥備作出調整前的攤銷成本。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Amortised cost and effective interest method (Continued)

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment under ECL Model

The Group recognises a loss allowance for expected credit losses (“ECL”) on financial assets which are subjected to impairment under IFRS 9 (including trade and other receivables and contract assets). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset.

The Group applies the simplified approach permitted by IFRS 9 for trade receivables and contract assets. The ECL on these financial assets are estimated based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors as well as current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

4. 重大會計政策(續)

會計基礎(續)

攤銷成本及實際利率法(續)

就隨後按攤銷成本計量的債務工具而言，利息使用實際利率法確認，惟貼現影響並不重大的短期結餘除外。

預期信貸虧損模式項下的減值

本集團就國際財務報告準則第9號項下減值的金融資產(包括貿易及其他應收款項以及合約資產)的預期信貸虧損(「預期信貸虧損」)確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映信貸風險自有關金融資產初始確認以來的變動。

本集團就貿易應收款項及合約資產應用國際財務報告準則第9號允許的簡化方法。該等金融資產的預期信貸虧損根據本集團的過往信貸虧損經驗估計，並就債務人特定的因素以及目前及於報告日期的整體經濟狀況預測作出調整。

對於所有其他金融工具，本集團在信貸風險自初始確認以來顯著上升時確認全期預期信貸虧損。另一方面，若金融工具的信貸風險自初始確認以來並未顯著上升，本集團按12個月預期信貸虧損的相同金額計量該金融工具的虧損撥備。評估是否應確認全期預期信貸虧損的依據，是自初始確認以來發生違約的可能性或風險顯著上升，而非以金融資產於報告日期為信貸減值或發生實際違約為證據。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Impairment under ECL Model (Continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from financial analysts and governmental bodies, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

4. 重大會計政策(續)

會計基礎(續)

預期信貸虧損模式項下的減值(續)

全期預期信貸虧損指於金融工具預計年內所有可能的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損指金融工具於報告日期後12個月內可能發生的違約事件預計產生的該部分全期預期信貸虧損。

信貸風險顯著上升

評估金融工具的信貸風險自初始確認以來是否顯著上升時，本集團會比較金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險。作出評估時，本集團會考慮合理及具支持性的定量及定性資料，包括過往經驗及可以合理成本及精力獲取的前瞻性資料。所考慮的前瞻性資料包括獲取自金融分析師及政府機構以及本集團債務人經營所在行業的未來前景，以及與本集團核心業務相關的實際及預測經濟資料的各種外部來源。

具體而言，評估信貸風險自初始確認以來是否顯著上升時會考慮以下資料：

- 金融工具外部(如有)或內部信貸測評的實際或預期顯著惡化；

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

4. 重大會計政策(續)

會計基礎(續)

預期信貸虧損模式項下的減值(續)

信貸風險顯著上升(續)

- 特定金融工具信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差、信用違約掉期價格顯著上升，或金融資產公平值低於攤銷成本的時長或幅度；
- 商業、金融或經濟情況目前或預期有不利變動，預計將導致債務人償還債項的能力顯著下降；
- 債務人經營業績實際或預期顯著惡化；及
- 債務人的監管、經濟或技術環境有實際或預計的重大不利變動，導致債務人償還債項的能力顯著下降。

無論上述評估結果如何，倘合約付款逾期超過90日，本集團將假定金融資產之信貸風險自初步確認起顯著增加，除非本集團擁有合理及有理據支持之資料證明事實並非如此。

儘管如此，倘金融工具被釐定為於報告日期具有低信貸風險，本集團將假設金融工具之信貸風險自初步確認起並無顯著增加。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default (i.e. no default history); (ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Default on financial asset

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

4. 重大會計政策(續)

會計基礎(續)

預期信貸虧損模式項下的減值(續)

信貸風險顯著上升(續)

在以下情況下，金融工具會被判定為具有較低信貸風險：(i)金融工具具有較低違約風險(即並無違約歷史)；(ii)債權人有很強的能力履行近期的合約現金流量義務；及(iii)經濟及商業環境的長期不利變動有可能但未必會降低借款人履行合約現金流量義務的能力。本集團認為，若根據眾所周知的定義，金融資產的外部信貸測評為「投資級」(或如無外部評級，則資產的內部評級為「履約」)，則該金融資產具有較低信貸風險。履約表示交易對手有強勁的財務狀況及過往並無逾期款項。

本集團定期監察就確定信貸風險曾否顯著增加所用標準之成效，並視適當情況修訂有關標準，以確保其能夠於款項逾期前發現信貸風險顯著增加。

金融資產之違約

基於過往經驗顯示，金融資產一般在符合以下任何一項條件時將無法收回，本集團認為，就內部信貸風險管理而言，以下條件構成違約事件：

- 債務人違反財務契諾；或
- 內部生成或從外部來源所得之資料顯示，債務人不大可能向債權人(包括本集團)支付全數款項(在不計及本集團所持有之任何抵押品下)。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Impairment of financial assets (Continued)

Default on financial asset (Continued)

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 180 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower; or
- a breach of contract, such as a default or past due event; or
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. Where receivables have been written off, the Group continues to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

4. 重大會計政策(續)

會計基礎(續)

預期信貸虧損模式項下的減值(續)

金融資產之違約(續)

無論上述分析結果如何，倘金融資產逾期超過180日，本集團將視作已發生違約，除非本集團擁有合理及有理據支持之資料證明較寬鬆之違約標準更為適用則作別論。

信貸減值金融資產

當一項或多項對金融資產之估計未來現金流量造成負面影響之事件發生時，即代表金融資產已信貸減值。金融資產已信貸減值之證據包括涉及以下事件之可觀察數據：

- 發行人或借方出現重大財政困難；或
- 違反合約，例如發生拖欠或逾期之情況；或
- 向借方作出貸款之貸款人出於與借方財政困難有關之經濟或合約考慮，給予借方在其他情況下不會作出之讓步；或
- 借方將可能進入破產或其他財務重組。

撤銷政策

當有資料顯示債務人陷入嚴重財政困難，且並無實際收回款項之可能時(例如債務人被清盤或進入破產程序)，本集團會撤銷金融資產。倘已撤銷應收款項，本集團會繼續收回到期應收款項。所收回之款項於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Impairment of financial assets (Continued)

Measurement and recognition of expected credit losses

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

4. 重大會計政策(續)

會計基礎(續)

預期信貸虧損模式項下的減值(續)

預期信貸虧損的計量及確認

預期信貸虧損之計量可計算出違約概率、違約損失率(即違約時之虧損大小)及違約風險敞口。違約概率及違約損失率之評估乃基於上述經前瞻性資料調整之過往數據。至於違約風險敞口，就金融資產而言，其於資產於報告日期之賬面總值中反映。

就金融資產而言，預期信貸虧損按根據合約應付本集團之所有合約現金流量與本集團預期可收取之所有現金流量(按原定實際利率貼現)之間的差額估算。

若按綜合基準計量全期預期信貸虧損，以處理個別工具層面的信貸風險顯著上升證據尚未可得的情況，金融工具乃按以下基準分組：

- 金融工具的性質；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 可用的外部信貸測評

管理層定期檢討分組方法，確保各組別的組成項目仍然具有相似的信貸風險特徵。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Impairment of financial assets (Continued)

Measurement and recognition of expected credit losses (Continued)

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12m ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

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 party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

4. 重大會計政策(續)

會計基礎(續)

預期信貸虧損模式項下的減值(續)

預期信貸虧損的計量及確認(續)

倘本集團已於前一個報告期間計量一項金融工具之虧損撥備為相等於全期預期信貸虧損金額，但於當前報告日期確定其不再符合全期預期信貸虧損之條件，則本集團於當前報告日期將計量虧損撥備為相等於12個月預期信貸虧損金額。

本集團通過虧損撥備賬相應調整所有金融工具的賬面值，於損益確認彼等之減值盈虧。

取消確認金融資產

僅當收取現金流量的合約權利失效，或轉移金融資產及其所有權的絕大部分風險及回報予其他交易方時，本集團方可取消確認該金融資產。倘本集團既無轉讓亦無保留絕大部分所有權風險及回報以及繼續控制已轉讓資產，則本集團確認其於資產及其可能須支付金額的相關負債的保留權益。倘本集團保留一項已轉讓金融資產的絕大部分所有權風險及回報，則本集團繼續確認金融資產且亦就已收取所得款項確認抵押借款。

在取消確認一項按攤銷成本計量的金融資產時，該資產的賬面值與已收取及應收代價總和之間的差額在損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Financial liabilities

Financial liabilities (including trade and other payables) are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the financial statements when the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

4. 重大會計政策(續)

會計基礎(續)

金融負債

金融負債(包括貿易及其他應付款項)其後使用實際利率法以攤銷成本計量。

權益工具

權益工具為任何證明扣減其所有負債後的本集團資產剩餘權益的合約。權益工具按已收所得款項(扣除直接發行成本)確認。

終止確認金融負債

本集團僅於本集團的責任獲免除、取消或終止時方會終止確認金融負債。獲終止確認之金融負債之賬面值與已付及應付代價(包括任何已轉讓非現金資產或已承擔負債)之間的差額於損益內確認。

抵銷安排

當本集團擁有抵銷已確認金額的法定可強制執行權利，並擬按淨額基準結算，或同時變現資產及結算負債時，金融資產及金融負債予以抵銷並於財務報表內呈列淨額。抵銷權須於當日可供使用而非依未來事件而定，且須於日常業務過程中及於違約、資不抵債或破產的情況下均可供任何交易方行使。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Construction contracts

Revenue from projects works are recognised over time during the course of construction by reference to the progress towards complete satisfaction at the end of the reporting period. Progress towards complete satisfaction is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation (i.e. contract costs incurred for work performed to date) relative to the total expected inputs to the satisfaction of that performance obligation (i.e. total estimated contract cost), that best depict the Group's performance in transferring control of goods or services.

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

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

A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

4. 重大會計政策(續)

會計基礎(續)

建築合約

項目工程的收益在建造過程中會隨著時間的推移而確認，並參考報告期末達致完全履行之進展。完全履行的進展乃基於投入法計量，而該方法乃基於本集團所作努力或履行履約責任(即迄今已履行工作所錄得的合約成本)與履行履約責任的總預期投入(即總估計合約成本)的比例確認收益，最能描述本集團於轉移貨品或服務的控制權時的表現。

合約資產指本集團就向客戶換取本集團已轉讓的服務收取代價的權利(尚未成為無條件)。其根據國際財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價付款到期前僅需時間推移。

合約負債指本集團因已自客戶收取代價(或已可自客戶收取代價)，而須轉讓服務予客戶之責任。

與合約有關的合約資產及合約負債按淨額入賬及呈列。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and time deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged so as to write off the cost of items of property, plant and equipment less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, 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)

會計基礎(續)

現金及現金等價物

現金及現金等價物包括現金結餘及可轉換為已知數額現金且價值變動風險較小的定期存款。

物業、廠房及設備

持作用於生產或供應貨品或服務或行政用途的物業、廠房及設備，乃按成本減其後的累計折舊及累計減值虧損(如有)列賬。

折舊的確認乃以直線法按估計可使用年期撇減物業、廠房及設備項目的成本減剩餘價值。估計可使用年期、剩餘價值及折舊法於各報告期末檢討，而任何估計變動的影響按預期基準入賬。

物業、廠房及設備項目於出售時或當預期持續使用該資產不會於日後產生經濟利益時終止確認。出售或報廢物業、廠房及設備項目產生的任何收益或虧損按出售所得款項與資產賬面值間的差額計算，並於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Impairment of tangible assets

At the end of each 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.

Recoverable amount is the higher of fair values less costs to sell 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 a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but only to the extent 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 or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

4. 重大會計政策(續)

會計基礎(續)

有形資產減值

於各報告期末，本集團檢討其有形資產的賬面值，以確定是否有跡象顯示該等資產遭受減值虧損。倘存在任何該等跡象，會估算可收回的資產金額，以確定減值虧損(如有)的程度。當不可能估計個別資產的可收回金額時，本集團估計資產所屬現金產生單位的可收回金額。當可識別合理及一致之分配基準時，公司資產亦可分配至個別現金產生單位，或另行分配至可識別合理及一致之分配基準之最小現金產生單位組別。

可收回金額為公平值減去出售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以除稅前貼現率貼現至現值。該貼現率反映市場現時所評估之金錢時值及資產特定風險(並無就此調整估計未來現金流量)。

倘若資產(或現金產生單位)的估計可收回金額低於其賬面值，則資產(或現金產生單位)的賬面值將調低至其可收回金額。減值虧損乃即時於損益中確認。

倘若減值虧損其後轉回，則資產的賬面值(或現金產生單位或一組現金產生單位)會上調至其經修訂估計可收回金額，但所上調的賬面值不得超出倘若資產(或現金產生單位或一組現金產生單位)於過往年度並無確認減值虧損時原已釐定的賬面值。減值虧損轉回乃即時於損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

4. 重大會計政策(續)

會計基礎(續)

撥備

當本集團因過往事件而導致現時的責任(法律或推定)，而本集團可能將須清償該責任，並可對該責任的金額作出可靠估計，則確認撥備。

確認為撥備的金額乃於各報告期末清償現時責任所需代價的最佳估計，並已考慮有關責任的風險及不確定性。倘使用現金流量法估計清償現時責任而計量撥備，其賬面值為該等現金流量的現值。

當須用於結清撥備的部分或全部經濟利益預期可自第三方收回時，則應收款項會在實際確定將獲償付且能可靠計量應收款項金額時確認為資產。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Leases (Before application of IFRS 16 on 1 July 2019)

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)

會計基礎(續)

租賃(於2019年7月1日應用國際財務報告準則第16號前)

凡租賃條款將擁有權的絕大部分風險及回報轉移至承租人的租賃，均分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為承租人

經營租賃付款乃於有關租期內按直線法確認為開支，惟倘有其他系統性基準能更好表示消耗租賃資產經濟利益的時間模式的情況則除外。

如因訂立經營租賃而收取租賃優惠，則該優惠會確認為負債。優惠利益總額以直線法確認為租賃開支減少，惟倘有其他系統性基準能更好表示消耗租賃資產經濟利益的時間模式的情況則除外。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Leases (Upon application of IFRS 16 on 1 July 2019)

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

4. 重大會計政策(續)

會計基礎(續)

租賃(於2019年7月1日應用國際財務報告準則第16號後)

租賃之定義

倘合約賦予於一段時間內控制已識別資產之使用權以換取代價，則該合約屬於或包含租賃。

就於初步應用日期或之後訂立或修改或因業務合併而產生之合約而言，本集團按國際財務報告準則第16號所載之定義於初始、修改日期或收購日期(倘適用)評估該合約是否屬於或包含租賃。除非合約之條款及條件其後出現變動，否則有關合約將不予重新評估。

本集團作為承租人

本集團於合約起始時評估合約是否屬於或包含租賃。除短期租賃(定義為租賃期為12個月或以下之租賃)及低價值資產租賃外，本集團就其作為承租人之所有租賃安排確認使用權資產及相應租賃負債。就該等租賃而言，本集團於有關租期內按直線法確認租賃款項為經營開支，惟倘有其他系統性基準能更好表示消耗租賃資產經濟利益的時間模式的情況則除外。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Leases (Upon application of IFRS 16 on 1 July 2019) (Continued)

The Group as lessee (Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

The Group determines the incremental borrowing rate on the lease as the rate of interest that the Group would have to pay to borrow over a similar term with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

4. 重大會計政策(續)

會計基礎(續)

租賃(於2019年7月1日應用國際財務報告準則第16號後)(續)

本集團作為承租人(續)

租賃負債初步按租約所隱含的利率，將於開始日期尚未支付的租賃付款貼現至現值計量。倘不能可靠釐定該利率，本集團則會使用特定於承租人的增量借款利率。

本集團確定該租賃的增量借款利率為本集團為獲得與使用權資產價值接近的資產在類似期間以類似抵押條件借入資金須支付的利率。

計入租賃負債計量的租賃付款包括固定租賃付款(包括實質固定付款)減任何租賃優惠。

租賃負債於財務狀況表作為獨立項目呈列。

租賃負債其後計算為透過增加賬面值以反映租賃負債的利息(採用實際利率法)及透過減少賬面值以反映作出的租賃付款。

本集團於出現下列情況時重新計量租賃負債(及對相關使用權資產作出相應調整)：

- 租賃條款出現變動或行使購買選擇權的評估出現變化，於該情況下，租賃負債會透過利用經修訂貼現率將經修訂租賃付款貼現的方式重新計量；

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Leases (Upon application of IFRS 16 on 1 July 2019) (Continued)

The Group as lessee (Continued)

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

4. 重大會計政策(續)

會計基礎(續)

租賃(於2019年7月1日應用國際財務報告準則第16號後)(續)

本集團作為承租人(續)

- 指數或利率變動或根據保證剩餘價值預期作出的付款有變，致令租賃付款出現變動，於該情況下，租賃負債會透過利用初始貼現率(除非租賃付款由浮動利率變動而出現變化，在該情況下則採用經修訂的貼現率)將經修訂租賃付款貼現的方式重新計量；或
- 在租賃合約出現修訂，但有關租賃修訂並無作為獨立租賃入賬的情況下，則會透過利用經修訂貼現率貼現經修訂租賃付款重新計量租賃負債。

使用權資產包括相應租賃負債之初始計量金額、於開始日期或之前作出之租賃付款及任何初始直接成本。其後則按成本減累計折舊及減值虧損入賬。

在本集團有責任支付就拆除及移除租賃資產、還原相關資產所在地點或將相關資產回復至租賃條款及條件所規定的狀況產生的成本時，則會根據國際會計準則第37號確認及計量撥備。在成本與一項使用權資產相關的情況下，成本會計入相關使用權資產中，除非該等成本乃為生產存貨而產生。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Leases (Upon application of IFRS 16 on 1 July 2019) (Continued)

The Group as lessee (Continued)

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 4 'Impairment of tangible assets'.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Administrative expenses' in the statement of profit or loss.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

4. 重大會計政策(續)

會計基礎(續)

租賃(於2019年7月1日應用國際財務報告準則第16號後)(續)

本集團作為承租人(續)

使用權資產於相關資產的租期及可使用年期(以較短者為準)計算折舊。倘租賃轉移相關資產的擁有權或使用權資產的成本反映本集團預期會行使購買選擇權，則相關使用權資產於相關資產的可使用年期折舊。折舊在租賃開始日開始計算。

使用權資產於財務狀況表作為獨立項目呈列。

本集團應用國際會計準則第36號釐定一項使用權資產是否出現減值，並根據附註4「有形資產減值」政策所述將任何已識別減值虧損入賬。

於計量租賃負債及使用權資產時不會計入並非取決於指數或利率的可變租金。相關付款在觸發該等付款的事件或條件發生的期間內確認為開支，並計入損益表的「行政開支」內。

作為實際權宜方法，國際財務報告準則第16號容許承租人不將非租賃部分分開，而是將所有租賃部分及相關非租賃部分作為單一安排入賬。本集團並無應用是項實務中的簡易處理方法。就包含一項租賃部分及一項或以上額外租賃或非租賃部分的合約而言，本集團以租賃部分的相關獨立價格及非租賃部分的匯總獨立價格為基準將合約代價分配至各租賃部分。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

(i) *Revenue from Integrated design and building services (as defined in Note 6)*

Revenue from construction works is recognised over time upon completion of work.

(ii) *Revenue from Maintenance and other services (as defined in Note 6)*

Revenue from services on installations of mechanical and electrical systems is recognised at a point in time upon the certification and acceptance of the customers when the outcome of such work can be reliably estimated.

Revenue from maintenance services is recognised at a point in time when the services are provided according to the terms of the agreements.

(iii) *Revenue from Sales of tools and materials (as defined in Note 6)*

Revenue from sales of tools and materials is recognised upon the delivery of goods at a point in time.

4. 重大會計政策(續)

會計基礎(續)

收益確認

收益按客戶合約訂明的代價計量，且不包括代表第三方收取之金額。本公司於其向客戶轉讓產品或服務之控制權時確認收益。

(i) *綜合設計及建築服務(定義見附註6)所得收益*

來自建築工程的收益由於工程竣工後在一段時間內確認。

(ii) *維護及其他服務(定義見附註6)所得收益*

安裝機電系統服務所得收益須於客戶驗收的時間點並於有關工程的結果能夠可靠估計時確認。

維護服務的收入在根據協議條款提供服務的時間點確認。

(iii) *工具及材料銷售(定義見附註6)所得收益*

來自工具及材料銷售的收益在某個時間點交貨時確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. 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 estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

4. 重大會計政策(續)

會計基礎(續)

利息收入

金融資產利息收入於可能有經濟利益流入本集團及收入金額能夠可靠地計量時予以確認。利息收入隨著時間累計，並參照未償還本金額以適用實際利率計算。實際利率指將估計日後所得現金按金融資產的估計年期精確貼現至資產初步確認時的賬面淨值的利率。

股息收入

來自投資之股息收入在確立股東收取付款之權利時確認(前提是經濟利益有可能流入本集團及收入金額能可靠地計量)。

政府補助

政府補助不予確認，除非能合理確定本集團將遵守其附帶條件及將收取補貼。

政府補助乃於擬補償的費用配合的期間內按系統基礎確認為收入。

作為已產生的開支或虧損的補償或以給予本集團即時財政支持(而不會產生未來相關成本)而應收的政府補助，於其應收期間在損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

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 services. All short-term employee benefits are recognised as an expense unless another IFRS requires or permits the inclusion of the benefits in the cost of an asset.

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

4. 重大會計政策(續)

會計基礎(續)

僱員福利

退休福利成本

界定供款退休福利計劃的付款乃於僱員提供服務並因而享有供款權利時列作開支扣除。向國家退休福利計劃(例如新加坡中央公積金)作出的付款按界定供款計劃付款處理，而本集團於有關計劃項下的責任等同於界定供款退休福利計劃產生的責任。

短期僱員福利

短期僱員福利於僱員提供服務時按預期支付福利的未折現金額確認。所有短期僱員福利均確認為開支，除非有另一項國際財務報告準則規定或允許將福利計入資產成本則作別論。

僱員累計福利(如工資及薪金、年假及病假)於扣除已付金額後確認為負債。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (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 period. Taxable profit differs from “profit before taxation” as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Group and subsidiaries operate by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

4. 重大會計政策(續)

會計基礎(續)

稅項

所得稅開支指即期應付稅項與遞延稅項的總和。

即期應付稅項根據期內應課稅溢利計算。應課稅溢利有別於綜合損益及其他全面收益表內呈報的「除稅前溢利」，乃由於其並無計入其他期內的應課稅或可扣稅收支項目，亦無計入毋須課稅及不可扣稅的項目。本集團的即期稅項負債使用於報告期末於本集團及附屬公司營運所在國家已頒佈或實質上已頒佈的稅率(及稅法)計算。

遞延稅項按財務報表內資產與負債賬面值與計算應課稅溢利時所採用相應稅基之間的暫時差額確認。一般而言，遞延稅項負債就所有應課稅的暫時差額進行確認。

倘可能出現能動用可扣減暫時差額的應課稅溢利，遞延稅項資產一般就所有可扣減暫時差額進行確認。若因初步確認交易其他資產與負債(業務合併除外)而產生暫時差額，而該差額並無影響應課稅溢利或會計溢利，則不會確認該等資產與負債。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Taxation (Continued)

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary differences will not be reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of each 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 each reporting period, to recover or settle the carrying amount of its assets and liabilities.

4. 重大會計政策(續)

會計基礎(續)

稅項(續)

於附屬公司所產生應課稅暫時性差額確認為遞延稅項負債，除非本集團能夠控制這些暫時性差額的轉回，而暫時性差額在可預見的將來很可能不會轉回。僅當很可能取得足夠的應課稅溢利以抵扣此類投資及利息相關的可抵扣暫時性差異，並且暫時性差異在可預見的未來將撥回時，才確認該可抵扣暫時性差異所產生的遞延稅項資產。

遞延稅項資產的賬面值於各報告期末審閱，並於不再可能有足夠應課稅溢利收回全部或部分資產時予以削減。

遞延稅項資產及負債按清償負債或變現資產期間的預期適用稅率(基於各報告期末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，應反映本集團預期於各報告期末收回資產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)

Basis of Accounting (Continued)

Taxation (Continued)

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 *Income Taxes* requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when it relates 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.

4. 重大會計政策(續)

會計基礎(續)

稅項(續)

就計量本集團確認使用權資產及相關租賃負債之租賃交易之遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就稅務扣減歸屬於租賃負債的租賃交易而言，本集團就整體租賃交易應用國際會計準則第12號*所得稅*規定。與使用權資產及租賃負債相關的暫時差異按淨額基準評估。使用權資產折舊超出租賃負債主要部分的租賃付款部分導致產生可扣減暫時差異淨額。

倘有可合法強制執行權利將即期稅項資產與即期稅項負債抵銷，並涉及與同一稅務機關徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

即期及遞延稅項於損益內確認為開支或收益，除非其涉及於其他全面收益或直接於權益中確認的項目，在此情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Foreign currency transactions and translation

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in S\$, which is the presentation currency for the consolidated financial statements. The functional currency of the Company is HK\$.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in S\$ using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

4. 重大會計政策(續)

會計基礎(續)

外幣交易及換算

各集團實體之個別財務報表均以該實體營運所在之主要經濟環境之貨幣(其功能貨幣)計量及呈報。本集團之綜合財務報表及本公司之財務狀況報表皆以新加坡元呈列，而新加坡元為綜合財務報表之呈列貨幣。本公司之功能貨幣為港元。

編製個別實體之財務報表時，並非以該實體之功能貨幣(即外幣)進行之交易按交易當日適用之匯率記賬。於各報告期末，以外幣計值之貨幣項目按報告期末適用之匯率重新換算。以歷史成本按外幣計量之非貨幣項目概不會重新換算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額，計入期內之損益。

就呈列綜合財務報表而言，本集團海外業務的資產及負債(包括比較數字)按於各報告期末適用的匯率以新加坡元列值。收入及開支項目(包括比較數字)則按該期間的平均匯率換算，惟匯率於該期間大幅波動則除外，於此情況下，則採用各交易日期適用的匯率換算。所產生的匯兌差額(如有)於其他全面收入中確認並於外匯儲備項目下之單獨權益部分中累計。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group's management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies

The directors are of the opinion that there was no critical judgement involved that have a significant effect on the amounts recognised in the Consolidated Financial Statement.

Key sources of estimation uncertainty

The following is the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

5. 重大會計判斷及估計不明朗因素的主要來源

本集團之管理層須就未能於其他來源取得之資產及負債之賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及其他被認為屬相關之因素作出。實際結果可能與該等估計有異。

本集團會持續檢討該等估計及相關假設。倘會計估計之修訂僅影響作出修訂之期間，則有關修訂將於作出修訂之期間確認，或倘修訂對本期及未來期間均會構成影響，則會於作出修訂之期間及未來期間確認。

應用會計政策的重大判斷

董事認為，概無涉及重大判斷對於綜合財務報表中確認的金額構成重大影響。

估計不明朗因素的主要來源

以下為各報告期末有關未來之主要假設及估計不確定性之其他主要來源。此等假設及來源均對下個財政年度的資產賬面值造成須作出大幅調整之重大風險。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Construction contracts (Note 17) and provision for foreseeable losses

Construction revenue is determined with reference to the terms of the relevant contracts based on the progress towards complete satisfaction measured by the input method. Total contract costs which mainly comprise sub-contracting charges and costs of materials are estimated by the management on the basis of quotations from time to time provided by the major subcontractors or suppliers involved and the experience of the management. Notwithstanding that management reviews and revises the estimates of both contract revenue and costs for the construction contract as the contract progresses, the actual outcome of the contract in terms of its total revenue and costs may be higher or lower than the estimates and this will affect the revenue and profit recognised.

Variations in contract work and claims are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Management reviews the construction contracts for foreseeable losses whenever there is an indication that the estimated contract revenue is lower than the estimated total contract cost. The actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of each of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

The carrying amounts of contract assets and current liabilities arising from construction contracts are disclosed in Note 17 to the financial statements.

5. 重大會計判斷及估計不明朗因素的主要來源(續)

建築合約(附註17)及可預見虧損撥備

建築收入參考相關合約條款按完全履行合約責任的進展(基於投入法計量)釐定。合約成本總額(主要包括分包費用及物料成本)由管理層根據主要分包商或有關供應商不時提供的報價及管理層的經驗估計。儘管管理層在合約進行時審查並修訂合約收入及建造合約成本的估算,但合約在總收入及成本方面的實際結果可能高於或低於估算值,此將影響已確認收益及溢利。

合約工程修改及申索包括在內,惟以能可靠估計金額且有可能收取收入者為限。

管理層在有跡象表明估計合約收益低於估計總合約成本時,審閱建築合約之可預見虧損。以總成本或收益計算,實際結果可能較各報告期末所估計者為高或低,可能影響未來年度確認的收益及溢利,作為對迄今記錄的金額之調整。

建築合約產生的合約資產及流動負債的賬面值乃於財務報表附註17中披露。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Estimated impairment of trade receivables, other receivables and contract assets

The Group recognises lifetime ECL for trade receivables and contract assets, using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 30 June 2020, the carrying amounts of trade receivables, other receivables (excluding prepayments) and contract assets of the Group are disclosed in Note 15, Note 16 and Note 17 to the financial statements respectively.

5. 重大會計判斷及估計不明朗因素的主要來源(續)

貿易應收款項、其他應收款項及合約資產的估計減值

本集團根據本集團的歷史信貸虧損經驗，使用撥備矩陣確認貿易應收款項及合約資產的全期預期信貸虧損，且於報告日期根據債務人特有的因素、一般經濟狀況以及對當前及未來的形勢的評估進行調整。根據預期信貸虧損模式計算的減值虧損金額按照本集團根據合同應付的所有合同現金流量與本集團預期收到的所有現金流量之間的差額計算，並按初步確認時確定的實際利率貼現。如果未來現金流量低於預期，或因事實及情況變化而下調，則可能發生重大減值虧損。

於2020年6月30日，本集團貿易應收款項、其他應收款項(不包括預付款項)及合約資產分別於財務報表附註15、16及17披露。

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6. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from (i) provision of services including preparation and consultation on building design and specifications, performance of building works (mainly including radiation shielding works, M&E works and fitting-out works) and assisting to obtain statutory approvals and certifications for the building works (“Integrated design and building services”) to external customers, (ii) provision of maintenance services generally comprise conducting examinations, replacement of parts and repair works (if necessary) in relation to the radiation shielding works and mechanical & electrical works, and provision of other ancillary services generally include minor renovation and installation works, dismantling and disposal of used medical equipment, removal of construction waste materials, and cleaning of the work sites upon completion of building works, etc. (“Maintenance and other services”) and (iii) sales of tools and materials (such as fabricated radiation shielding products, signage boards, lead sheet and lead glass) (“Sales of tools and materials”).

Information is reported to the executive directors of the Company, being the chief operating decision maker (“CODM”) of the Group, for the purposes of resource allocation and performance assessment. The accounting policies are the same as Group’s accounting policies described in Note 4. The CODM reviews revenue by nature of services, i.e. “Integrated design and building services”, “Maintenance and other services” and “Sales of tools and materials”. No other analysis of the Group’s results nor assets and liabilities is regularly provided to the CODM for review and the CODM reviews the overall results and financial performance of the Group as a whole. Accordingly, the CODM has identified one operating segment. Only entity-wide disclosures on services, major customers and geographical information are presented in accordance with IFRS 8 *Operating Segments*.

6. 收益及分部資料

收益指就(i)向外部客戶提供服務，包括就建築設計及規格進行制定及諮詢、進行建築工程(主要包括輻射防護工程、機電工程及裝修工程)及就建築工程協助獲取法定批准及認證(「綜合設計及建築服務」)；(ii)提供維護服務，一般包括對輻射防護工程及機電工程進行檢查、零部件替換及維修工程(如需要)，及提供其他配套服務，一般包括小型改造及安裝工程、舊醫療設備拆卸及處理、建築廢料清除及建築工程完工後的工地清理等(「維護及其他服務」)；及(iii)工具及材料(如輻射防護製品、標誌牌、鉛板及鉛玻璃)銷售(「工具及材料銷售」)已收及應收款項的公平值。

本集團向本公司執行董事(即主要營運決策者(「主要營運決策者」))報告資料，以分配資源及評估表現。會計政策與附註4所述的本集團會計政策相同。主要營運決策者按服務性質(即「綜合設計及建築服務」、「維護及其他服務」及「工具及材料銷售」)審閱收益。概無定期向主要營運決策者提供本集團的業績或資產及負債的其他分析以供審閱，而主要營運決策者審閱本集團整體的全面業績及財務表現。因此，主要營運決策者已確認一個經營分部。僅按照國際財務報告準則第8號經營分部呈列實體層面的服務、主要客戶及地區資料的披露。

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6. REVENUE AND SEGMENT INFORMATION

(Continued)

An analysis of the Group's revenue for the year ended 30 June 2020 is as follows:

6. 收益及分部資料(續)

本集團於截至2020年6月30日止年度的收益分析如下：

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---|--------------------|------------------------------|------------------------------|
| <i>Revenue from:</i> | 來自以下各項的收益： | | |
| Integrated design and building services, recognised over time | 綜合設計及建築服務，於一段時間內確認 | 7,150,720 | 9,972,641 |
| Maintenance and other services, recognised at a point in time | 維護及其他服務，於時間點確認 | 381,068 | 377,751 |
| Sales of tools and materials, recognised at a point in time | 工具及材料銷售，於時間點確認 | 110,000 | 52,900 |
| | | 7,641,788 | 10,403,292 |

All the contracts with customers are agreed at fixed price and the expected duration of the contracts is one year or less.

與客戶之間的合約全部按固定價格協定，而合約的預期年期為一年或以內。

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the reporting period.

上文所呈列之分部收益指來自外部客戶之收益。報告期內並無分部間銷售。

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6. REVENUE AND SEGMENT INFORMATION

(Continued)

Major customers

The revenue from customers individually contributed over 10% of total revenue of the Group during the year ended 30 June 2020 are as follows:

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|------------|-----|------------------------------|------------------------------|
| Customer A | 客戶A | — | 1,660,841 |
| Customer B | 客戶B | 3,902,476 | 2,944,076 |
| Customer C | 客戶C | 358,671* | 1,608,029 |
| Customer D | 客戶D | 50,098* | 1,091,703 |

* The corresponding revenue did not contribute over 10% of the total revenue of the Group for the reporting period.

Geographical information

The Group principally operates in Singapore, which is also the place of domicile. Revenue derived from Singapore represents 98.6% (2019: 84.2%) of total revenue for the year ended 30 June 2020 based on the location of products, services delivered and the Group's property, plant and equipment which are all located in Singapore.

6. 收益及分部資料(續)

主要客戶

於截至2020年6月30日止年度，來自個別佔本集團收益總額超過10%的客戶的收益如下：

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|------------|-----|------------------------------|------------------------------|
| Customer A | 客戶A | — | 1,660,841 |
| Customer B | 客戶B | 3,902,476 | 2,944,076 |
| Customer C | 客戶C | 358,671* | 1,608,029 |
| Customer D | 客戶D | 50,098* | 1,091,703 |

* 相關收益於報告期間佔本集團收益總額並未超過10%。

地區資料

本集團主要於新加坡(亦為註冊地)經營業務。截至2020年6月30日止年度，根據所提供產品及服務以及本集團的物業、廠房及設備的所在地(均位於新加坡)，源自新加坡的收益佔收益總額的98.6%(2019年：84.2%)。

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7. OTHER INCOME

| | | 2020 | 2019 |
|--------------------------|----------|----------------|----------------|
| | | 2020年 | 2019年 |
| | | S\$ | S\$ |
| | | 新加坡元 | 新加坡元 |
| Government grants (Note) | 政府補助(附註) | 205,496 | 19,627 |
| Interest income | 利息收入 | 335,284 | 455,621 |
| Others | 其他 | 40,976 | 10,415 |
| | | 576,963 | 485,663 |

Note:

Government grants mainly include the Wage Credit Scheme, the Productivity and Innovation Credit Scheme and the Workforce Training Scheme, all of them are compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs. Government grants in 2020 mainly also include COVID-19-related support by the Singapore government to help companies tide through this period of economic uncertainty, such as the Foreign Worker Levy ("FWL") rebates and the Job Support Scheme ("JSS") totalling to S\$187,650 (Note 16). Under the JSS, the government will co-fund between 25% to 75% of the first S\$4,600 of gross monthly wages paid to each local employee in a ten-month period through cash subsidies.

While JSS and FWL rebates were recognised as grant income, FWL waivers obtained of approximately S\$42,000 were offset against related FWL expenses in cost of services/sales.

All government grants are compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs.

7. 其他收入

附註：

政府補助主要包括加薪補貼計劃、生產力與創新優惠計劃及短期就業補貼，所有該等補助均為已產生開支或虧損的補償或以給予本集團即時財政支持為目的，而不會產生未來相關成本。2020年的政府補助主要亦包括新加坡政府為協助公司渡過此經濟不穩的期間而推出有關COVID-19的支援，例如外籍工人徵費（「外籍工人徵費」）及僱傭補貼計劃（「僱傭補貼計劃」）合共187,650新加坡元的退稅（附註16）。根據僱傭補貼計劃，政府將於十個月期間透過現金補貼共同出資支付每名當地僱員每月總工資首4,600新加坡元的25%至75%。

僱傭補貼計劃及外籍工人徵費退稅均確認為補助收入，而已取得的外籍工人徵費豁免約42,000新加坡元已抵銷服務／銷售成本中的相關外籍工人徵費開支。

所有政府補助均為對已產生開支或損失的補償或為本集團提供即時資助而並無未來相關成本。

8. OTHER GAINS (LOSSES)

| | | 2020 | 2019 |
|---|-----------------|----------------|-----------------|
| | | 2020年 | 2019年 |
| | | S\$ | S\$ |
| | | 新加坡元 | 新加坡元 |
| Foreign exchange gain (loss), net | 外匯收益(虧損)淨額 | 316,870 | (58,137) |
| Gain arising on disposal of property, plant and equipment | 出售物業、廠房及設備產生的收益 | — | 29,952 |
| | | 316,870 | (28,185) |

8. 其他收益(虧損)

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9. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging:

9. 除稅前溢利

除稅前溢利經扣除以下各項後達致：

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|--|------------------|------------------------------|------------------------------|
| Finance costs | 財務費用 | | |
| – Interest on lease liabilities | – 租賃負債之利息 | 1,214 | – |
| Depreciation of right-of-use assets: | 使用權資產折舊： | | |
| – Recognised as cost of services/sales | – 確認為服務／銷售成本 | 93,741 | – |
| Depreciation of property, plant and equipment: | 物業、廠房及設備折舊： | | |
| – Recognised as cost of services/sales | – 確認為服務／銷售成本 | 69,184 | 70,002 |
| – Recognised as administrative expenses | – 確認為行政開支 | 31,709 | 31,587 |
| | | 100,893 | 101,589 |
| Annual audit fees paid to auditor of the Company | 支付予本公司核數師的年度核數費用 | 240,000 | 130,000 |
| Directors' remuneration (Note 11) | 董事薪酬(附註11) | 365,883 | 398,550 |
| Other staff costs: | 其他員工成本： | | |
| – Salaries and other benefits | – 薪金及其他福利 | 2,240,674 | 2,135,965 |
| – Contributions to retirement benefit scheme | – 退休福利計劃供款 | 173,147 | 148,870 |
| Total staff costs | 員工成本總額 | 2,779,704 | 2,683,385 |
| Cost of materials recognised as cost of services/sales | 確認為服務／銷售成本之材料成本 | 911,972 | 1,425,501 |
| Subcontractor costs recognised as cost of services/sales | 確認為服務／銷售成本之分包商成本 | 2,898,520 | 2,583,739 |

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10. INCOME TAX EXPENSE

10. 所得稅開支

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---|-------------------------|------------------------------|------------------------------|
| Tax expense comprises: | 稅項開支包括： | | |
| Current tax: | 即期稅項： | | |
| – Singapore corporate income tax (“CIT”) | – 新加坡企業所得稅 (「企業所得稅」) | 101,014 | 466,377 |
| – Underprovision for Singapore CIT in prior years | – 過往年度新加坡企業所得稅撥備不足 | 99,685 | – |
| – Deferred tax expense (Note 22) | – 遞延稅項開支 (附註22) | – | 2,040 |
| | | 200,699 | 468,417 |

Singapore CIT is calculated at 17% (2019: 17%) of the estimated assessable profit. Singapore incorporated companies can also enjoy 75% tax exemption on the first S\$10,000 of chargeable income for Years of Assessment 2021 and 2020 and a further 50% tax exemption on the next S\$190,000 of chargeable income for Years of Assessment 2021 and 2020 respectively.

新加坡企業所得稅按估計應課稅溢利的17%計算(2019年: 17%)。於新加坡註冊成立的公司應課稅收入首10,000新加坡元的75%於2021年及2020年評稅年度亦可豁免繳稅，其後190,000新加坡元的50%分別可於2021年及2020年評稅年度進一步豁免繳稅。

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10. INCOME TAX EXPENSE (Continued)

The taxation for the year can be reconciled to the profit before taxation per the statements of profit or loss and other comprehensive income as follows:

10. 所得稅開支(續)

年內稅項可與損益及其他全面收益表所示的除稅前溢利對賬如下：

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---|---------------------|------------------------------|------------------------------|
| Profit before taxation | 除稅前溢利 | 259,002 | 2,731,028 |
| Tax at applicable tax rate of 17% | 按適用稅率17%計算的稅項 | 44,030 | 464,275 |
| Tax effect of expenses not deductible for tax purpose | 不可扣稅開支的稅務影響 | 1,987 | 1,987 |
| Tax effect of income not taxable for tax purpose | 毋須課稅收入的稅務影響 | (97,452) | (77,186) |
| Effect of tax concessions and partial tax exemptions | 稅項寬減及部分稅項豁免的影響 | (17,425) | (27,425) |
| Effect of tax rates of subsidiaries operating in other jurisdiction | 於其他司法權區營運之附屬公司之稅率影響 | 172,308 | 106,318 |
| Underprovision of income tax in prior years | 過往年度所得稅撥備不足 | 99,685 | – |
| Others | 其他 | (2,434) | 448 |
| Taxation for the year | 年內稅項 | 200,699 | 468,417 |

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11. DIRECTORS' EMOLUMENTS AND EMPLOYEES' REMUNERATION

Directors' emoluments

The emoluments paid or payable to the directors and chief-executive of the Company (including emoluments for services as employee/directors of the Group prior to becoming the directors of the Company) by entities comprising the Group during the year ended 30 June 2020 are as follows:

Year ended 30 June 2020

| | Fees | Discretionary bonus | Salaries and allowances | Contributions to retirement benefit scheme | Total |
|---|---------|---------------------|-------------------------|--|---------|
| | 袍金 | 酌情花紅 | 薪金及津貼 | 退休福利計劃供款 | 總計 |
| | S\$ | S\$ | S\$ | S\$ | S\$ |
| | 新加坡元 | 新加坡元 | 新加坡元 | 新加坡元 | 新加坡元 |
| Executive Directors (i) 執行董事(i) | | | | | |
| Wu An Ming (ii) 胡晏銘(ii) | 78,114 | – | – | 2,130 | 80,244 |
| Koh Lee Huat (iii) 許利發(iii) | – | – | 97,800 | 12,375 | 110,175 |
| Ryan Ong Wei Liang (iv) 王威量(iv) | – | – | 72,000 | 12,375 | 84,375 |
| Independent Non-Executive Directors (v) 獨立非執行董事(v) | | | | | |
| Cheung Kwok Yan Wilfred 張國仁 | 30,363 | – | – | – | 30,363 |
| Siu Man Ho Simon 蕭文豪 | 30,363 | – | – | – | 30,363 |
| Pong Kam Keung 龐錦強 | 30,363 | – | – | – | 30,363 |
| | 169,203 | – | 169,800 | 26,880 | 365,883 |

11. 董事酬金及僱員薪酬

董事酬金

於截至2020年6月30日止年度，組成本集團的實體已付或應付本公司董事及主要行政人員的酬金(包括於成為本公司董事前擔任本集團僱員／董事而提供的服務的酬金)如下：

截至2020年6月30日止年度

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11. DIRECTORS' EMOLUMENTS AND EMPLOYEES' REMUNERATION (Continued)

Directors' emoluments (Continued)

Year ended 30 June 2019

| | Fees | Discretionary bonus | Salaries and allowances | Contributions to retirement benefit scheme | Total |
|--|---------|---------------------|-------------------------|--|---------|
| | 袍金 | 酌情花紅 | 薪金及津貼 | 退休福利計劃供款 | 總計 |
| | S\$ | S\$ | S\$ | S\$ | S\$ |
| | 新加坡元 | 新加坡元 | 新加坡元 | 新加坡元 | 新加坡元 |
| Executive Directors (i) | | | | | |
| Koh Lee Huat | - | - | 97,800 | 12,375 | 110,175 |
| Ryan Ong Wei Liang (iv) | - | - | 72,000 | 12,375 | 84,375 |
| Non-Executive Director (v) | | | | | |
| Ang Kong Meng (vi) | 114,000 | - | - | - | 114,000 |
| Independent Non-Executive Directors (v) | | | | | |
| Cheung Kwok Yan Wilfred | 30,000 | - | - | - | 30,000 |
| Siu Man Ho Simon | 30,000 | - | - | - | 30,000 |
| Pong Kam Keung | 30,000 | - | - | - | 30,000 |
| | 204,000 | - | 169,800 | 24,750 | 398,550 |

(i) The executive directors' emoluments shown above were for their services in connection with the management affairs of the Group.

(ii) Mr. Wu An Ming was appointed as an executive director, the chairman and the chief executive officer with effect from 18 October 2019.

(iii) Mr. Koh Lee Huat has resigned as the chief executive officer with effect from 18 October 2019.

11. 董事酬金及僱員薪酬(續)

董事酬金(續)

截至2019年6月30日止年度

(i) 上文所示的執行董事酬金為彼等就管理本集團的事務而提供的服務的酬金。

(ii) 胡晏銘先生獲委任為執行董事、主席兼行政總裁，自2019年10月18日起生效。

(iii) 許利發先生已辭任行政總裁，自2019年10月18日起生效。

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11. DIRECTORS' EMOLUMENTS AND EMPLOYEES' REMUNERATION (Continued)

Directors' emoluments (Continued)

- (iv) Mr. Ryan Ong Wei Liang has resigned as an executive director with effect from 18 October 2019.
- (v) The independent non-executive director's and non-executive directors' emoluments shown above were for their services as directors of the Company.
- (vi) Mr. Ang Kong Meng has resigned as the chairman with effect from 18 October 2019 and has retired as the non-executive director with effect from 22 November 2019.

None of the directors has waived any remuneration in 2019 and 2020.

No other retirement benefits were paid to the above directors in respect of their respective other services in connection with the management of the affairs of the Group.

For the year ended 30 June 2020, no remuneration was paid by the Group to the director of the Group as an inducement to join or upon joining the Group or as compensation for loss of office.

11. 董事酬金及僱員薪酬(續)

董事酬金(續)

- (iv) 王威量先生已辭任執行董事，自2019年10月18日起生效。
- (v) 上文所示的獨立非執行董事及非執行董事酬金為彼等就擔任本公司董事而提供的服務的酬金。
- (vi) 洪坤明先生已辭任主席，自2019年10月18日起生效，並已退任非執行董事，自2019年11月22日起生效。

概無董事已於2019年及2020年放棄任何薪酬。

概無因上述各董事就管理本集團的事務而提供的其他服務向彼等支付其他退休福利。

截至2020年6月30日止年度，本集團概無向本集團董事支付薪酬，作為加入本集團或於加入本集團後的獎勵或離職補償。

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11. DIRECTORS' EMOLUMENTS AND EMPLOYEES' REMUNERATION (Continued)

Employees' remuneration

During the year, no remuneration was paid to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

The remuneration of the five individuals with the highest emoluments in the Group, one (2019: two) was director of the Company during the year ended 30 June 2020 whose emolument is included in the disclosures above. The emoluments of the remaining four (2019: three) individuals were as follows:

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|--|----------|------------------------------|------------------------------|
| Salaries and allowances | 薪金及津貼 | 471,043 | 272,050 |
| Discretionary bonus* | 酌情花紅* | 49,500 | 60,250 |
| Contributions to retirement benefit scheme | 退休福利計劃供款 | 32,018 | 29,074 |
| | | 552,561 | 361,374 |

* The discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance.

The emoluments of the five highest paid individuals (including directors) were within the following bands:

| | | Number of employees 僱員人數 | |
|--------------------------|-------------------------|-----------------------------|---------------|
| | | 2020 2020年 | 2019 2019年 |
| Emolument band | 酬金範圍 | | |
| Nil to S\$150,000 | 零至150,000新加坡元 | 4 | 5 |
| S\$150,001 to S\$200,000 | 150,001新加坡元至200,000新加坡元 | 1 | – |

11. 董事酬金及僱員薪酬(續)

僱員薪酬

於年內，本集團概無向任何五名最高薪人士支付薪酬，作為加入本集團或於加入本集團後的獎勵或離職補償。

在本集團的五名最高薪人士中，一名(2019年：兩名)為本公司截至2020年6月30日止年度的董事，其薪酬已包括在上述披露中。其餘四名人士(2019年：三名)的薪酬如下：

* 酌情花紅乃經參考相關人士於本集團的職責及責任以及本集團的表現後釐定。

五名最高薪人士(包括董事)(包括董事)的薪酬在以下範圍內：

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12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

| | | 2020 2020年 | 2019 2019年 |
|--|----------------------|---------------------|---------------------|
| Profit attributable to the owners of the Company (S\$) | 本公司擁有人應佔溢利 (新加坡元) | 58,303 | 2,262,611 |
| Weighted average number of ordinary shares in issue | 已發行普通股加權平均數 | 800,000,000 | 800,000,000 |
| Basic and diluted earnings per share | 每股基本及攤薄盈利 | 0.01 cents 0.01分 | 0.28 cents 0.28分 |

The calculation of basic earnings per share is based on the profit for the year attributable to owners of the Company and the weighted average number of shares in issue.

Diluted earnings per share is the same as the basic earnings per share because the Group has no dilutive securities that are convertible into shares during the years ended 30 June 2020 and 2019.

12. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

每股基本盈利乃根據本公司擁有人應佔年度溢利及已發行股份之加權平均數計算。

於截至2020年及2019年6月30日止年度，每股攤薄盈利與每股基本盈利相同，乃由於本集團並無可轉換為股份之攤薄證券。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

| | | Plant and Machinery 廠房及機械 S\$ 新加坡元 | Leasehold properties 租賃物業 S\$ 新加坡元 | Computers and office equipment 電腦及辦公設備 S\$ 新加坡元 | Motor vehicles 汽車 S\$ 新加坡元 | Furniture and fittings 傢俬及裝置 S\$ 新加坡元 | Total 總計 S\$ 新加坡元 |
|----------------------------------|--------------|---|---|--|-------------------------------------|--|----------------------------|
| Cost: | 成本： | | | | | | |
| At 1 July 2018 | 於2018年7月1日 | 51,013 | 631,290 | 117,241 | 395,207 | 42,287 | 1,237,038 |
| Additions | 添置 | 9,322 | - | 8,293 | 147,760 | - | 165,375 |
| Disposals | 出售 | - | - | - | (152,112) | - | (152,112) |
| At 30 June 2019 | 於2019年6月30日 | 60,335 | 631,290 | 125,534 | 390,855 | 42,287 | 1,250,301 |
| Additions | 添置 | 2,195 | - | 14,988 | - | 4,000 | 21,183 |
| Exchange realignment | 匯兌調整 | - | - | 62 | - | 51 | 113 |
| At 30 June 2020 | 於2020年6月30日 | 62,530 | 631,290 | 140,584 | 390,855 | 46,338 | 1,271,597 |
| Accumulated depreciation: | 累計折舊： | | | | | | |
| At 1 July 2018 | 於2018年7月1日 | 45,071 | 150,029 | 66,814 | 279,641 | 30,546 | 572,101 |
| Charge for the year | 年內開支 | 4,458 | 11,691 | 16,743 | 65,544 | 3,153 | 101,589 |
| Elimination on disposals | 於出售時對銷 | - | - | - | (152,112) | - | (152,112) |
| At 30 June 2019 | 於2019年6月30日 | 49,529 | 161,720 | 83,557 | 193,073 | 33,699 | 521,578 |
| Charge for the year | 年內開支 | 3,641 | 11,691 | 16,536 | 65,543 | 3,482 | 100,893 |
| Exchange realignment | 匯兌調整 | - | - | 7 | - | 5 | 12 |
| At 30 June 2020 | 於2020年6月30日 | 53,170 | 173,411 | 100,100 | 258,616 | 37,186 | 622,483 |
| Carrying value: | 賬面值： | | | | | | |
| At 30 June 2019 | 於2019年6月30日 | 10,806 | 469,570 | 41,976 | 197,782 | 8,589 | 728,723 |
| At 30 June 2020 | 於2020年6月30日 | 9,360 | 457,879 | 40,484 | 132,239 | 9,152 | 649,114 |

The above items of property, plant and equipment are depreciated on a straight-line basis at the following useful lives after taking into account the residual values:

上述物業、廠房及設備項目乃於考慮剩餘價值後以直線基準按以下可使用年期折舊：

| | | | |
|--------------------------------|---------|----------|-----|
| Plant and machinery | 廠房及機械 | 5 years | 5年 |
| Leasehold properties | 租賃物業 | 54 years | 54年 |
| Computers and office equipment | 電腦及辦公設備 | 5 years | 5年 |
| Motor vehicles | 汽車 | 5 years | 5年 |
| Furniture and fittings | 傢俬及裝置 | 5 years | 5年 |

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14. RIGHT-OF-USE ASSETS

The Group leases several other assets including workshop space and staff dormitories. The average lease term of these other assets is 2 year (2019: 2 years).

14. 使用權資產

本集團租賃若干其他資產，包括工作室空間及員工宿舍。該等其他資產的平均租賃期限為2年（2019年：2年）。

| | | Workshop space 工作室空間 S\$ 新加坡元 | Staff dormitories 員工宿舍 S\$ 新加坡元 | Total 總計 S\$ 新加坡元 |
|----------------------------------|----------------|--|--|----------------------------|
| <i>Cost:</i> | <i>成本：</i> | | | |
| At 30 June 2019 | 於2019年6月30日 | - | - | - |
| Adoption of IFRS 16 | 採納國際財務報告準則第16號 | 58,165 | 50,538 | 108,703 |
| At 1 July 2019 | 於2019年7月1日 | 58,165 | 50,538 | 108,703 |
| Additions | 添置 | 52,610 | - | 52,610 |
| At 30 June 2020 | 於2020年6月30日 | 110,775 | 50,538 | 161,313 |
| <i>Accumulated depreciation:</i> | <i>累計折舊：</i> | | | |
| At 30 June 2019 | 於2019年6月30日 | - | - | - |
| Adoption of IFRS 16 | 採納國際財務報告準則第16號 | - | - | - |
| At 1 July 2019 | 於2019年7月1日 | - | - | - |
| Additions | 添置 | 55,839 | 37,902 | 93,741 |
| At 30 June 2020 | 於2020年6月30日 | 55,839 | 37,902 | 93,741 |
| <i>Carrying value:</i> | <i>賬面值：</i> | | | |
| At 30 June 2019 | 於2019年6月30日 | - | - | - |
| At 1 July 2019 | 於2019年7月1日 | 58,165 | 50,538 | 108,703 |
| At 30 June 2020 | 於2020年6月30日 | 54,936 | 12,636 | 67,572 |

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14. RIGHT-OF-USE ASSETS (Continued)

The Group has no options to purchase any of its leased assets at the end of the lease term. The Group's obligations are secured by the lessors' title to the leased assets for such leases.

As at 30 June 2020, certain leases of the Group contain extension periods, for which the potential future cash outflows of S\$92,400 have not been included in the lease liability as the Group is not reasonably certain that the leases will be extended (or not terminated). If a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee, the above assessment will be reviewed further.

During the financial year ended 30 June 2020, certain leases for workshop space expired. The expired contracts were replaced by new leases for identical underlying assets. This resulted in additions to right-of-use assets of S\$52,610 in this financial year.

The maturity analysis of lease liabilities is presented in Note 20.

Amounts recognised in profit or loss

| | | 2020 2020年 S\$ 新加坡元 |
|---|--------------|------------------------------|
| Depreciation of right-of-use assets (Note 9) | 使用權資產折舊(附註9) | 93,741 |
| Interest on lease liabilities (Note 9) | 租賃負債利息(附註9) | 1,214 |
| Expense relating to short-term leases | 與短期租賃有關的開支 | 63,939 |

At 30 June 2020, the Group is not committed to any short-term leases.

The total cash outflow for leases in 2020 amounting to S\$94,800, comprising repayment of principal of S\$93,586 and interest payment of S\$1,214.

14. 使用權資產(續)

本集團於租期結束時並無選擇權購買其任何租賃資產。本集團的責任乃以出租人對該等租賃的租賃資產的所有權作擔保。

於2020年6月30日，本集團若干租賃載有延長期，當中，由於本集團並非合理確定租賃將會延長(或不會終止)，故92,400新加坡元的潛在未來現金流出並未計入租賃負債。倘發生重大事件或情況發生重大變化而影響評估，並在承租人的控制範圍內，上述評估將會進一步審閱。

截至2020年6月30日止財政年度，若干工作室空間的租賃已屆滿。已屆滿的合約由同一相關資產的新租賃取代。此導致使用權資產於本財政年度增加52,610新加坡元。

租賃負債的到期分析於附註20呈列。

於損益確認之金額

於2020年6月30日，本集團並無訂立短期租賃。

租賃於2020年的現金流出總額為94,800新加坡元，其中包括償還本金93,586新加坡元及支付利息1,214新加坡元。

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15. TRADE RECEIVABLES

15. 貿易應收款項

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|-------------------|--------|------------------------------|------------------------------|
| Trade receivables | 貿易應收款項 | 1,693,123 | 3,399,887 |

The Group grants credit terms to customers typically for 30, 60 or 90 days from the invoice date for trade receivables.

As at 1 July 2018, trade receivables from contracts with customers amounted to S\$4,482,202.

The Group applied simplified approach to provide the expected credit losses prescribed by IFRS 9. The impairment methodology is set out in Note 4.

As part of the Group's credit risk management, the Group assesses the impairment for its customers based on different group of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. Details of the credit risk assessment are included in Note 29(b).

Loss allowance for trade receivables has been measured at an amount equal to lifetime expected credit losses (ECL). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

During the years ended 30 June 2020 and 2019, no impairment loss was recognised for the trade receivables.

本集團就貿易應收款項授予客戶的信貸期通常為發票日期起計30天、60天或90天。

於2018年7月1日，與客戶合約中的貿易應收款項為4,482,202新加坡元。

本集團應用簡化方法提供國際財務報告準則第9號所規定的預期信貸虧損。減值方法載於附註4。

作為本集團信貸風險管理之一部分，本集團根據不同客戶群評估其客戶的減值，客戶群具有共同風險特徵，指客戶按照合約條款支付所有到期款項的能力。信貸風險評估詳情計入附註29(b)。

貿易應收款項之虧損撥備已按相等於全期預期信貸虧損(預期信貸虧損)的金額計量。貿易應收款項的預期信貸虧損乃參考債務人的過往拖欠經歷以及對債務人目前財務狀況的分析，使用撥備矩陣估計，惟就具體至債務人的因素、債務人經營所在行業的整體經濟狀況進行調整。

於本報告期間，估計技術或作出的重大假設並無變動。

截至2020年及2019年6月30日止年度，概無確認貿易應收款項的減值虧損。

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15. TRADE RECEIVABLES (Continued)

The table is an analysis of trade receivables by age, presented based on the invoice date at the end of each reporting period:

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---------------------------------------|-------------------|------------------------------|------------------------------|
| <i>Analysis of trade receivables:</i> | <i>貿易應收款項之分析：</i> | | |
| Within 30 days | 30天內 | 260,308 | 2,293,628 |
| 31 days to 60 days | 31天至60天 | 6,495 | 106,789 |
| 61 days to 90 days | 61天至90天 | 1,057,126 | 393,679 |
| 91 days to 180 days | 91天至180天 | 2,365 | 322,117 |
| Over 180 days | 181天以上 | 366,829 | 283,674 |
| | | 1,693,123 | 3,399,887 |

The following is an analysis of trade receivables by age, presented based on the due date at the end of each reporting period:

| | | 2020 2020年 S\$ 新加坡元 | 2019 2020年 S\$ 新加坡元 |
|---|---------------------|------------------------------|------------------------------|
| <i>Receivables that are past due but not impaired</i> | <i>已逾期但未減值的應收款項</i> | | |
| Less than 30 days | 少於30天 | 6,356 | 305,350 |
| 31 days to 60 days | 31天至60天 | 145,575 | 7,225 |
| 61 days to 90 days | 61天至90天 | 1,777 | 61,846 |
| 91 days to 180 days | 91天至180天 | 3,752 | 131,967 |
| 181 days to 365 days | 181天至365天 | 363,077 | 155,934 |
| | | 520,537 | 662,322 |

The Group did not charge interest or hold any collateral over these balances.

The carrying values of trade receivables approximated their fair values.

15. 貿易應收款項(續)

以下為於各報告期末根據發票日期呈列的貿易應收款項之賬齡分析：

以下為於各報告期末根據到期日呈列的貿易應收款項之賬齡分析：

本集團概無就該等結餘收取任何利息或持有任何抵押品。

貿易應收款項的賬面值與其公平值相若。

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16. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

16. 其他應收款項、按金及預付款項

| | | 2020 | 2019 |
|--------------------|--------|----------------|----------------|
| | | 2020年 | 2019年 |
| | | S\$ | S\$ |
| | | 新加坡元 | 新加坡元 |
| Deposits | 按金 | 115,231 | 103,505 |
| Prepayments | 預付款項 | 40,950 | 42,493 |
| Advances to staff | 員工墊款 | 8,500 | 2,878 |
| Grant receivables | 應收補貼 | 114,920 | - |
| Sundry receivables | 其他應收款項 | 63,406 | 2,777 |
| | | 343,007 | 151,653 |

For the year ended 30 June 2020, the Group is entitled the grant under JSS and FWL amounting to S\$278,550, of which S\$114,920 remain unpaid and recorded as grant receivables as at 30 June 2020. In addition, the Group recognised S\$187,650 (Note 7) as grant income in profit or loss during the year from the date the Group is significantly impacted by COVID-19 pandemic which is following the circuit-breaker measures in Singapore that took effect from 7 April 2020 and recorded deferred grant income of S\$90,900 (Note 19) as at 30 June 2020, which will be recognised as grant income in the next financial year.

Other receivables excluding prepayment are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL), and management has assessed no loss allowance is required at the end of the reporting period.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

截至2020年6月30日止年度，本集團有權獲得僱傭補貼計劃及外籍工人徵費的補助278,550新加坡元，當中，114,920新加坡元仍未支付及於2020年6月30日入賬為應收補助。此外，本集團於年內自本集團受COVID-19疫情重大影響當日（於新加坡的阻斷措施於2020年4月7日生效後）起在損益確認187,650新加坡元（附註7）為補助收入，並於2020年6月30日錄得遞延補助收入90,900新加坡元（附註19），其將於下一財政年度確認為補助收入。

除預付款項外的其他應收款項視作具低信貸風險，因為於報告期末該等款項並非到期應付，且自初步確認起其他應收款項的違約風險並無顯著增加。因此，就該等應收款項的減值評估而言，虧損撥備乃按等於12個月預期信貸虧損的金額計量，且管理層已評估於報告期末無須作虧損撥備。

於本報告期內，估計方法或重大假設並無變動。

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17. CONTRACT ASSETS (LIABILITIES)

17. 合約資產(負債)

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---|-----------------------|------------------------------|------------------------------|
| Contract assets – construction contracts | 合約資產 – 建築合約 | 2,273,220 | 2,316,118 |
| Retention receivables (Note) | 應收質保金(附註) | 152,425 | 182,697 |
| | | 2,425,645 | 2,498,815 |
| Contract liabilities – construction contracts | 合約負債 – 建築合約 | (691,663) | (43,850) |
| Analysed for reporting purposes as: | 就呈報用途而作出之分析如下: | | |
| Contract assets | 合約資產 | 2,425,645 | 2,498,815 |
| Contract liabilities | 合約負債 | (691,663) | (43,850) |
| | | 1,733,982 | 2,454,965 |

Note: The Group's contract assets are the retention receivables to be settled, based on the expiry of the defect liability period of the relevant contracts or in accordance with the terms specified in the relevant contracts, at the end of the reporting period. Retention receivables withheld by customers of construction works are released after the completion of warranty period of the relevant contracts, which is usually 12 months from the completion date, and are classified as current as they are expected to be received within the Group's normal operating cycle of approximately twelve months.

Contract assets and contract liabilities arising from the same contract are presented on a net basis.

As at 1 July 2018, contract assets and contract liabilities amounted to S\$1,030,282 and S\$24,253 respectively.

Management concluded that the ECL for contract assets is insignificant as at 30 June 2020.

附註：本集團的合約資產指於報告期末將根據相關合約的瑕疵責任到期或根據相關合約指定的條款結清的應收質保金。建築工程客戶扣留的應收質保金在相關合約的保修期(通常為自完成日期起計12個月)結束後解除，並分類為即期，原因是應收質保金將於本集團一般營運週期(約12個月)內收回。

同一合約產生的合約資產及合約負債按淨值基準呈列。

於2018年7月1日，合約資產及合約負債分別為1,030,282新加坡元及24,253新加坡元。

管理層認為，於2020年6月30日的合約資產的預期信貸虧損微不足道。

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17. CONTRACT ASSETS (LIABILITIES) (Continued)

Contract assets represents the Group's rights to considerations from customers for the provision of construction services, which arise when: (i) the Group completed the relevant services under such contracts; and (ii) the customers withhold certain amounts payable to the Group as retention money to secure the due performance of the contracts for a period of generally 12 months (defect liability period) after completion of the relevant works. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it becomes unconditional and is invoiced to the customer.

Changes of contract assets were mainly due to: (1) the amount of retention receivables in accordance with the number of ongoing and completed contracts under the defect liability period; and (2) in the size and number of contract works that the relevant services were completed but yet certified by representatives appointed by the customers at the end of each reporting period.

Contract liabilities represents the Group's obligation to transfer services to customers for which the Group has received consideration (or an amount of consideration is due) from the customers.

Revenue recognised that was included in the contract liabilities in the beginning of the year was S\$43,850 (2019: S\$24,253).

All services are for periods of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

17. 合約資產(負債)(續)

合約資產指本集團就所提供建築服務可向客戶收取代價的權利，乃於以下情況產生：(i)本集團根據該等合約完成相關服務；及(ii)客戶扣留若干應向本集團支付的款項作為質保金，以確保本集團於相關工程完成後一般12個月期間內(瑕疵責任期)妥為履行合約。先前確認為合約資產的任何金額於其成為無條件並向客戶開具發票時分類為貿易應收款項。

合約資產的變動主要是由於：(1)應收質保金金額根據瑕疵責任期內正在進行的及已完成合約的數目計算；及(2)於各報告期末相關服務已完成但未獲客戶委任的代表核證的合約工程規模及數量。

合約負債指本集團向已向本集團支付代價(或應收代價金額)的客戶轉讓服務的義務。

於年初計入合約負債之已確認收益為43,850新加坡元(2019年：24,253新加坡元)。

所有服務均為期一年或以內。據國際財務報告準則第15號批准，分配至該等未達成合約之交易價未予披露。

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17. CONTRACT ASSETS (LIABILITIES) (Continued)

Management always estimates the loss allowance on amounts due from customers at an amount equal to lifetime ECL, taking into account the historical default experience and the future prospects of the construction of medical equipment industry. None of the amounts due from customers at the end of the reporting period is past due. Management has assessed that the ECL for contract assets is insignificant as at 30 June 2020 and 2019.

During the years ended 30 June 2020 and 2019, no impairment loss was recognised for the contract assets.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for the contract assets.

18. BANK BALANCES AND CASH

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|--|-----------------|------------------------------|------------------------------|
| Bank balances and cash | 銀行結餘及現金 | 4,327,289 | 22,464,228 |
| Fixed deposit | 定期存款 | 20,909,561 | – |
| Cash and cash equivalents in the statement of cash flows | 現金流量表內的現金及現金等價物 | 25,236,850 | 22,464,228 |

As at 30 June 2020, the Group has a HK\$ time deposit amounting to S\$20,909,561 (2019: S\$Nil), with a maturity of one month and carried interest rate of 0.73% per annum.

17. 合約資產(負債)(續)

管理層一直按相當於全期預期信貸虧損的金額估算應收客戶款項的虧損撥備，並會考慮過往拖欠記錄及建築業的未來前景。概無任何應收客戶款項於報告期末逾期。管理層已評估於2020年及2019年6月30日的合約資產的預期信貸虧損為並不重大。

截至2020年及2019年6月30日止年度，概無就任何合約資產確認減值虧損。

於評估合約資產的虧損撥備時使用的估算方法或重大假設於本報告期內概無變動。

18. 銀行結餘及現金

於2020年6月30日，本集團的港元定期存款為20,909,561新加坡元(2019年：零新加坡元)，期限為1個月，年利率為0.73%。

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19. TRADE AND OTHER PAYABLES

19. 貿易及其他應付款項

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---|---------------|------------------------------|------------------------------|
| Trade payables | 貿易應付款項 | 495,912 | 107,208 |
| Trade accruals | 貿易應計費用 | 492 | 93,057 |
| | | 496,404 | 200,265 |
| Accrued operating expenses | 應計營運開支 | 264,300 | 200,896 |
| Other payables: | 其他應付款項： | | |
| GST payable | 應付貨品及服務稅 | 91,842 | 118,819 |
| Payroll and retirement benefit scheme payable | 應付工資及退休福利計劃供款 | 76,295 | 229,772 |
| Deferred grant income (Note 16) | 遞延補助收入(附註16) | 90,900 | – |
| Others | 其他 | 34 | 16,305 |
| | | 523,371 | 565,792 |
| | | 1,019,775 | 766,057 |

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19. TRADE AND OTHER PAYABLES (Continued)

In 2020 and 2019, the credit period on purchases from suppliers and subcontractors is between 14 and 90 days or payable upon delivery and rendering of services.

The following is an aged analysis of trade payables presented based on the invoice date at the end of each reporting period:

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---------------------|----------|------------------------------|------------------------------|
| Within 90 days | 90天內 | 416,065 | 105,994 |
| 91 days to 180 days | 91天至180天 | 79,847 | 1,214 |
| | | 495,912 | 107,208 |

19. 貿易及其他應付款項(續)

於2020年及2019年，向供應商及分包商進行採購之信貸期為14至90天或於交付及提供服務時應付。

以下為於各報告期末根據發票日期呈列的貿易應付款項賬齡分析：

20. LEASE LIABILITIES (THE COMPANY AS LESSEE)

| | | 2020 2020年 S\$ 新加坡元 |
|---|------------------------------|------------------------------|
| Lease liabilities payable: | 應付租賃負債： | |
| Within one year | 一年內 | 65,487 |
| After one year but within two years | 一年後但兩年內 | 2,240 |
| | | 67,727 |
| Less: Amount due for settlement with 12 months (shown under current liabilities) | 減：12個月內到期償付之款項 (列於流動負債項下) | (65,487) |
| Amount due for settlement after 12 months (shown under non-current liabilities) | 12個月後到期償付之款項 (列於非流動負債項下) | 2,240 |

20. 租賃負債(本公司作為承租人)

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

本集團並無就其租賃負債面臨重大流動資金風險。租賃負債受本集團財務職能部門監控。

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20. LEASE LIABILITIES (THE COMPANY AS LESSEE)

(Continued)

The above represents leases for certain warehouse and staff dormitories of the Group. As at 30 June 2020, the weighted average incremental borrowing rate was 4.65% per annum.

The Group's lease does not contain variable lease payments and accordingly no expense relating to variable lease payments is included in the measurement of lease liabilities.

Lease obligations are denominated in Singapore dollar.

As at 30 June 2020, management considers that the carrying amount of non-current lease liabilities approximates its fair value.

21. 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 consolidated statement of cash flows from financing activities.

20. 租賃負債(本公司作為承租人)(續)

以上為本集團若干倉庫及員工宿舍的租賃。於2020年6月30日，其加權平均增量借款利率為每年4.65%。

本集團的租賃並不包含可變租賃付款，因此，於租賃負債的計量中不包含與可變租賃付款有關的費用。

租賃承擔以新加坡元計值。

於2020年6月30日，管理層認為非流動租賃負債的賬面值與其公平值相若。

21. 融資活動產生之負債對賬

下表為本集團融資活動產生之負債變動詳情，包括現金及非現金變動。融資活動產生之負債乃為現金流量或未來現金流量於綜合現金流量表分類為融資活動現金流量之負債。

| | 30 June 2019 | Adoption of IFRS 16 採納國際 財務報告 準則第16號 | 1 July 2019 | Financing cash flows (i) | New lease liability | 30 June 2020 |
|-----------------------------|-----------------|--|----------------|--------------------------------|------------------------|-----------------|
| | 2019年 6月30日 | 2019年 7月1日 | 2019年 7月1日 | 融資 現金流量 ⁽ⁱ⁾ | 新租賃負債 | 2020年 6月30日 |
| | S\$ | S\$ | S\$ | S\$ | S\$ | S\$ |
| | 新加坡元 | 新加坡元 | 新加坡元 | 新加坡元 | 新加坡元 | 新加坡元 |
| Lease liabilities (Note 20) | - | 108,703 | 108,703 | (56,093) | 52,610 | 67,727 |
| 租賃負債(附註20) | - | 108,703 | 108,703 | (56,093) | 52,610 | 67,727 |

(i) The cash flows pertains to principal repayments of lease liabilities in the consolidated statement of cash flows.

(i) 綜合現金流量表中租賃負債的本金償還現金流有關。

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22. DEFERRED TAX LIABILITIES

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---|---------------|------------------------------|------------------------------|
| As at 1 July | 於7月1日 | 27,310 | 25,270 |
| Charged to profit or loss for the period (Note 10) | 期內於損益扣除(附註10) | — | 2,040 |
| As at 30 June | 於6月30日 | 27,310 | 27,310 |

The deferred tax liabilities resulted from temporary taxable differences arising from accelerated depreciation in relation to capital allowance claims on qualified assets in accordance with prevailing tax law in Singapore.

根據新加坡現行稅法，遞延稅項負債乃來自與合資格資產之資本津貼申索有關的累計折舊產生的暫時應課稅差額。

23. SHARE CAPITAL

Movement of the authorised and issued share capital of the Company are as follows:

22. 遞延稅項負債

23. 股本

本公司法定及已發行股本之變動如下：

| | | 2020 2020年 | | | 2019 2019年 | | |
|--|------------|-----------------------|------------|--------------------------------|-----------------------|------------|--------------------------------|
| | | No. of shares 股份數目 | HK\$ 港元 | Equivalent to S\$ 新加坡元等值 | No. of shares 股份數目 | HK\$ 港元 | Equivalent to S\$ 新加坡元等值 |
| Authorised: | 法定： | | | | | | |
| At beginning of year and end of year | 於年初及年末 | 1,500,000,000 | 15,000,000 | — | 1,500,000,000 | 15,000,000 | — |
| Issued and fully paid ordinary shares: | 已發行及繳足普通股： | | | | | | |
| At beginning of year and end of year | 於年初及年末 | 800,000,000 | 8,000,000 | 1,335,760 | 800,000,000 | 8,000,000 | 1,335,760 |

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24. SHARE PREMIUM

The amounts of the Group's share premium and the movements therein during the years ended 30 June 2020 and 2019 are presented in the consolidated statement of changes in equity.

Share premium represents the excess of consideration for the shares issued over the aggregate par value.

24. 股份溢價

本集團截至2020年及2019年6月30日止財政年度之股份溢價金額及其變動於綜合權益變動表呈列。

股份溢價指已發行股份代價超出總面值的部分。

25. OPERATING LEASE COMMITMENTS

Before the adoption of IFRS 16 on 1 July 2019

The Group as lessee

25. 經營租賃承擔

於2019年7月1日採納國際財務報告準則第16號前

本集團作為承租人

| | | 2019 2019年 S\$ 新加坡元 |
|---|-------------------------|------------------------------|
| Minimum lease payments paid during the year under operating leases in respect of: | 就以下事項於經營租賃項下年內已付最低租賃付款： | |
| – Staff dormitories | – 員工宿舍 | 74,400 |
| – Workshop space | – 廠房空間 | 56,400 |
| | | 130,800 |

At 30 June 2019, the Group had outstanding commitments under non-cancellable operating leases, which fall due as follows:

於2019年6月30日，本集團之不可撤銷經營租約於下列日期到期之前之未償付承擔如下：

| | | 2019 2019年 S\$ 新加坡元 |
|-------------------------------------|---------|------------------------------|
| Within 1 year | 一年內 | 132,992 |
| After one year but within two years | 一年後但兩年內 | 14,923 |
| | | 147,915 |

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26. RETIREMENT BENEFIT OBLIGATIONS

Retirement benefit scheme

The Group participates in defined contribution plans organised by the relevant local government authorities in Hong Kong and Singapore for its Hong Kong and Singapore employees respectively, whereby the Group is required to make monthly contributions to these plans at certain percentage of the relevant portion of the payroll of these employees to the pension scheme to fund the benefits. The Group has no obligation for the payment of retirement and other post-retirement benefits for the Hong Kong and Singapore employees other than the monthly contributions described above.

The total costs charged to profit or loss, amounting to S\$201,625 (2019: S\$169,515) for the year ended 30 June 2020, represent contributions paid to the retirement benefits schemes by the Group.

As at 30 June 2020, contributions of S\$29,355 (2019: S\$24,952) were due respectively but had not been paid to retirement benefit scheme. The amounts were paid subsequent to the end of the reporting period.

26. 退休福利責任

退休福利計劃

本集團參與香港及新加坡相關地方政府分別為其香港及新加坡僱員組織的定額供款計劃，據此，本集團須按薪金相關部分的一定百分比向這些計劃每月供款該等僱員向養老金計劃支付福利。除上述每月供款外，本集團並無責任為香港及新加坡僱員支付退休金及其他退休後福利。

截至2020年6月30日止年度，於損益扣除之總成本為201,625新加坡元（2019年：169,515新加坡元），即本集團向退休福利計劃已付的供款。

於2020年6月30日，29,355新加坡元（2019年：24,952新加坡元）的供款已到期但尚未向退休福利計劃支付。該等款項已於年末後支付。

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27. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration of directors and other members of key management during the year were as follows:

| | | 2020 | 2019 |
|--------------------------|-------|-----------|---------|
| | | 2020年 | 2019年 |
| | | S\$ | S\$ |
| | | 新加坡元 | 新加坡元 |
| Short term benefits | 短期福利 | 941,948 | 654,760 |
| Post-employment benefits | 離職後福利 | 56,903 | 43,648 |
| Total compensation | 薪酬總額 | 1,002,579 | 698,408 |

28. CAPITAL MANAGEMENT

The Group manages its capital to maintain a balance between continuity of funding of cash flows from operating activities.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising issued capital and reserves. The Group is not subject to any externally imposed capital requirements.

The management of the Group review the capital structure on a regular basis. As part of this review, the management consider the cost of capital and the associated risk with each class of items in the context of capital structure, and takes appropriate actions to adjust the Group's capital structure. The Group's overall strategy remains unchanged from prior year.

27. 關聯方交易

主要管理人員薪酬

年內董事及主要管理層其他成員之薪酬如下：

28. 資本管理

本集團管理其資本，以平衡其資金的持續性與經營活動的現金流量。

本集團資本架構由本公司擁有人應佔權益（包括已發行股本及儲備）組成。本集團毋須遵守任何外在施加的資本規定。

本集團管理層定期檢討資本架構。作為此檢討的一部分，管理層會在資本結構方面考慮資本成本及與各類項目相關的風險且採取適當措施調整本集團資本架構。本集團的整體策略自上一年度起保持不變。

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

29. 金融工具及金融風險管理

Categories of financial instruments

金融工具分類

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|--|--------------------------|------------------------------|------------------------------|
| Financial assets at amortised cost | 按攤銷成本計量的 金融資產 | | |
| Trade receivables | 貿易應收款項 | 1,693,123 | 3,399,887 |
| Other receivables and deposits* | 其他應收款項及按金* | 302,057 | 109,160 |
| Bank balances and cash | 銀行結餘及現金 | 25,236,850 | 22,464,228 |
| Total | 總計 | 27,232,030 | 25,973,275 |
| * Prepayments are excluded. | * 不包括預付款項。 | | |
| Financial liabilities at amortised cost | 按攤銷成本計量的 金融負債 | | |
| Trade and other payables** | 貿易及其他應付款項** | 837,033 | 647,239 |
| Lease liabilities | 租賃負債 | 67,727 | — |
| Total | 總計 | 904,760 | 647,239 |

** GST payable and deferred grant income are excluded.

** 不包括應付貨品及遞延補助收入。

Financial risk management objectives and policies

金融風險管理目標及政策

The Group's major financial instruments include trade receivables, other receivables, deposits, bank balances and cash, trade and other payables and lease liabilities. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk and currency 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.

本集團主要金融工具包括貿易應收款項、其他應收款項、按金、銀行結餘及現金、貿易及其他應付款項以及租賃負債。該等金融工具的詳情於相關附註披露。與該等金融工具相關的風險包括市場風險(利率風險及貨幣風險)、信貸風險及流動資金風險。下文載列如何減低該等風險的政策。管理層會管理及監察該等風險，確保及時有效採取適當措施。

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(a) Market risk management

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. It is the Group's policy to raise borrowings at fixed-rate or variable-rate according to business needs and as to minimise the fair value and cash flow interest rate risk.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate risk exposure and will consider interest rate hedging should the need arise. No sensitivity of interest rate risk is prepared as the Group has no material variable interest bearing financial instruments.

Currency risk management

The Group has certain bank and cash balance, fixed deposit, other receivables, prepayments, and trade and other payables denominated in HK\$, S\$ and US Dollar ("US\$") other than the functional currency of the respective group companies, which exposes the Group to foreign currency risk.

The Group manages the risk by closely monitoring the movement of the foreign currency rate.

29. 金融工具及金融風險管理(續)

金融風險管理目標及政策(續)

(a) 市場風險管理

利率風險管理

利率風險為市場利率變動將引致金融工具之公平值或未來現金流量波動的風險。本集團之政策為根據業務需要按定息或浮息籌措借款，並盡量降低公平值及現金流量利率風險。

本集團現時並無利率對沖政策。然而，管理層監察利率風險，並將於必要時考慮進行利率對沖。由於本集團並無重大按浮動利率計息的金融工具，故並無編製利率風險的敏感度。

貨幣風險管理

本集團擁有若干以港元、新加坡元及美元(「美元」)(而非各集團公司的功能貨幣)計值的銀行及現金結餘、定期存款、其他應收款項、預付款項以及貿易及其他應付款項，令本集團面臨外幣風險。

本集團密切監察外幣匯率的變動以管理風險。

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(a) Market risk management (Continued)

Currency risk management (Continued)

The carrying amounts of the Group's monetary assets and liabilities denominated in foreign currencies at the end of each reporting period is as below:

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|------------------------------|--------------|------------------------------|------------------------------|
| Monetary assets: | 貨幣資產： | | |
| – denominated in HK\$ | – 以港元計值 | 4,435 | 12,938,035 |
| – denominated in US\$ | – 以美元計值 | 11,424 | 1,370,959 |
| Monetary liabilities: | 貨幣負債： | | |
| – denominated in HK\$ | – 以港元計值 | – | 87,201 |
| – denominated in S\$ | – 以新加坡元計值 | 185,000 | – |

Sensitivity analysis

If the HK\$ strengthens/weakens by 10% against the functional currency of the respective group companies, the Group's profit for the year ended 30 June 2020 would increase/decrease by S\$444 (2019: S\$1,285,083).

If the US\$ strengthens/weakens by 10% against the functional currency of the respective group companies, the Group's profit for the year ended 30 June 2020 would increase/decrease by S\$1,142 (2019: S\$137,096).

If the S\$ strengthens/weakens by 10% against the functional currency of the respective group companies, the Group's profit for the year ended 30 June 2020 would decrease/increase by S\$18,500 (2019: S\$Nil).

29. 金融工具及金融風險管理(續)

金融風險管理目標及政策(續)

(a) 市場風險管理(續)

貨幣風險管理(續)

於各報告期末，本集團以外幣計值的貨幣資產及負債的賬面值如下：

敏感度分析

倘港元兌各集團公司的功能貨幣升值／貶值10%，則本集團截至2020年6月30日止年度的溢利會增加／減少444新加坡元(2019年：1,285,083新加坡元)。

倘美元兌各集團公司的功能貨幣升值／貶值10%，則本集團截至2019年6月30日止年度的溢利會增加／減少1,142新加坡元(2019年：137,096新加坡元)。

倘新加坡元兌各集團公司的功能貨幣升值／貶值10%，則本集團截至2019年6月30日止年度的溢利會增加／減少18,500新加坡元(2019年：零新加坡元)。

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise credit risk, the Group has delegated its finance team to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The finance team uses publicly available financial information and the Group's own historical repayment records to rate its major customers and debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

29. 金融工具及金融風險管理(續)

金融風險管理目標及政策(續)

(b) 信貸風險管理

信貸風險指交易對手違反其合約責任而對本集團造成財務虧損的風險。在報告期末，本集團因交易對手未能履行責任而對本集團造成財務虧損。最大信貸風險敞口來自綜合財務狀況表中所述的各自己確認金融資產的賬面值。

為最大限度地降低信貸風險，本集團已授權其財務團隊制定及維護本集團的信貸風險評級，以根據違約風險程度對風險進行分類。財務團隊使用公開的財務資料及本集團的歷史還款記錄對其主要客戶及債務人進行評級。本集團的風險敞口及其交易對手的信貸評級持續受到監控，所達成交易的總價值在經批准的交易對手之間進行分攤。

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(b) Credit risk management (Continued)

The Group's current credit risk grading framework comprises the following categories:

| Category | Description | Basis for recognising expected credit losses (ECL) |
|------------|---|--|
| 類別 | 描述 | 識別預期信貸虧損(預期信貸虧損)模型的依據 |
| Performing | The counterparty has a low risk of default and does not have any past-due amounts. | 12-month ECL |
| 履約 | 交易對手違約風險較低，並無任何逾期金額。 | 12個月預期信貸虧損 |
| Doubtful | Amount is > 90 days past due or there has been a significant increase in credit risk since initial recognition. | Lifetime ECL – not credit-impaired |
| 可疑的 | 金額逾期超過90日或自初始確認以來，信貸風險顯著增加。 | 全期預期信貸虧損—並無信貸減值 |
| In default | Amount is > 180 days past due or there is evidence indicating the asset is credit-impaired. | Lifetime ECL – credit-impaired |
| 違約 | 金額逾期超過180日或有證據顯示資產已信貸減值。 | 全期預期信貸虧損—信貸減值 |
| Write-off | There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery. | Amount is written off |
| 撇銷 | 有證據表明債務人財務狀況嚴重困難，本集團沒有收回的現實前景。 | 金額已撇銷 |

29. 金融工具及金融風險管理(續)

金融風險管理目標及政策(續)

(b) 信貸風險管理(續)

本集團現時的信貸風險評級框架包括以下類別：

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(b) Credit risk management (Continued)

The tables below detail the credit quality of the Group's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

29. 金融工具及金融風險管理(續)

金融風險管理目標及政策(續)

(b) 信貸風險管理(續)

下表詳述本集團金融資產及其他項目的信貸質素以及按信貸風險評級劃分的最高信貸風險：

| | Note | Internal credit rating | 12-month or lifetime ECL 12個月或全期 預期信貸虧損 | Gross carrying amount 賬面總值 S\$ 新加坡元 | Loss allowance 虧損撥備 S\$ 新加坡元 | Net carrying amount 賬面淨值 S\$ 新加坡元 |
|--------------------|------|------------------------|---|--|---------------------------------------|--|
| 2020 | | | | | | |
| 2020年 | | | | | | |
| Trade receivables | 15 | (a) | Lifetime ECL (Simplified approach) | 1,693,123 | - | 1,693,123 |
| 貿易應收款項 | 15 | (a) | 全期預期信貸虧損 (簡化方法) | | | |
| Other receivables* | 16 | Performing | 12-month ECL | 302,057 | - | 302,057 |
| 其他應收款項* | 16 | 履約 | 12個月預期信貸虧損 | | | |
| Contract assets | 17 | Performing | Lifetime ECL (Simplified approach) | 2,425,645 | - | 2,425,645 |
| 合約資產 | 17 | 履約 | 全期預期信貸虧損 (簡化方法) | | | |
| | | | | | - | |
| 2019 | | | | | | |
| 2019年 | | | | | | |
| Trade receivables | 15 | (a) | Lifetime ECL (Simplified approach) | 3,399,887 | - | 3,399,887 |
| 貿易應收款項 | 15 | (a) | 全期預期信貸虧損 (簡化方法) | | | |
| Other receivables* | 16 | Performing | 12-month ECL | 109,160 | - | 109,160 |
| 其他應收款項* | 16 | 履約 | 12個月預期信貸虧損 | | | |
| Contract assets | 17 | Performing | Lifetime ECL (Simplified approach) | 2,498,815 | - | 2,498,815 |
| 合約資產 | 17 | 履約 | 全期預期信貸虧損 (簡化方法) | | | |
| | | | | | - | |

* Prepayments are excluded.

* 不包括預付款項。

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(b) Credit risk management (Continued)

- (a) For trade receivables and contract assets, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Notes 15 and 17 include further details on the loss allowance for these assets respectively.

The Group's concentration of credit risk by geographical location is mainly in Singapore, which accounted for 100% (2019: 68%) of the total financial assets as at 30 June 2020.

Approximately 91% (2019: 90%) of total outstanding trade receivables at 30 June 2020 were due from top five customers which exposed the Group to concentration of credit risk.

Other than concentration of credit risk, bank deposits and balances placed in five (2019: four) banks in which the counterparties are financially sound and on trade receivables from top five customers, the Group has no other significant concentration of credit risk on its loans and receivables, with exposure spread over a number of counterparties.

Further details of credit risk on trade receivables, other receivables and deposits, and contract assets are disclosed in Notes 15, 16 and 17 respectively.

29. 金融工具及金融風險管理(續)

金融風險管理目標及政策(續)

(b) 信貸風險管理(續)

- (a) 就貿易應收款項及合約資產而言，本集團已採用國際財務報告準則第9號內之簡化方法計量全期預期信貸虧損的虧損撥備。本集團透過使用撥備矩陣釐定該等項目的預期信貸虧損，根據應收款項逾期狀況的過往信貸虧損經驗進行估計，並作出適當調整以反映當前狀況及未來經濟狀況的估計。因此，該等資產的信貸風險組合根據撥備矩陣按期逾期狀況呈列。附註15及17載有該等資產各自的虧損撥備進一步詳情。

本集團按地理位置劃分的信貸風險主要集中在新加坡，於2020年6月30日佔新加坡金融資產總額的100%(2019年：68%)。

於2020年6月30日，約91%(2019年：90%)的未償還貿易應收款項總額來自五大客戶，令本集團面臨信貸集中風險。

除存置於五家(2019年：四家)財務穩健之銀行的銀行存款及結餘以及應收五大客戶的貿易應收款項有信貸集中風險外，本集團的貸款及應收款項並無其他重大信貸集中風險，有關風險分散至多名對手方。

有關貿易應收款項、其他應收款項及按金以及合約資產的信貸風險的進一步詳情分別在附註15、16及17中披露。

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(c) Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulties in meeting its financial obligations as and when they fall due. In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

Non-derivative financial liabilities

All financial liabilities of the Group as at 30 June 2020 and 30 June 2019 are non-interest bearing and repayable on demand or due within one year, except for the lease liabilities as disclosed in Note 20.

Non-derivative financial assets

All financial assets of the Group as at 30 June 2020 and 30 June 2019 are non-interest bearing and repayable on demand or due within one year.

29. 金融工具及金融風險管理(續)

金融風險管理目標及政策(續)

(c) 流動資金風險管理

流動資金風險乃指本集團將於履行其到期財務責任時遇到困難之風險。為管理流動資金風險，本集團監察現金及現金等價物的水平，並將其維持於管理層視為足夠的水平，以撥支本集團營運所需，亦減低現金流量波動的影響。

非衍生金融負債

於2020年6月30日及2019年6月30日，本集團的全部金融負債均為不計息及須按要求償還或一年內到期，惟租賃負債(於附註20披露)除外。

非衍生金融資產

於2020年6月30日及2019年6月30日，本集團的全部金融資產均為不計息及須按要求償還或於一年內到期。

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29. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Financial risk management objectives and policies (Continued)

(d) Fair value

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on recurring basis.

The fair value of financial assets and financial liabilities is determined in accordance with generally accepted pricing model based on discounted cash flow analysis.

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate to their fair values due to relatively short-term maturity of these financial instruments, except for lease liabilities as disclosed in Note 20.

30. CONTINGENT LIABILITIES

There are no contingent liabilities for the years ended 30 June 2020 and 2019.

29. 金融工具及金融風險管理(續)

金融風險管理目標及政策(續)

(d) 公平值

並非按經常性基準以公平值計量之本集團金融資產及金融負債之公平值。

金融資產及金融負債之公平值乃按已貼現現金流量分析根據公認定價模式釐定。

本集團管理層認為，於財務報表內按攤銷成本列賬之金融資產及金融負債之賬面值與其公平值相若，乃因為該等金融工具的短期到期，惟租賃負債(於附註20披露)除外。

30. 或然負債

於2020年及2019年6月30日止年度概無或然負債。

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31. PARTICULARS OF SUBSIDIARIES

As at the date of this consolidated financial statements, the Company has direct equity interest in the following subsidiaries:

31. 附屬公司詳情

於本綜合財務報表日期，本公司於下列附屬公司擁有直接股權：

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ operation and date of incorporation 註冊成立／營運地點及 註冊成立日期 | Issued and fully paid capital 已發行及繳足資本 | Equity interest attributable to the Company as at 本公司於以下日期應佔股權 | | Principal activities 主要業務 |
|-----------------------------------|---|--|--|-----------------------------------|---|
| | | | 30 June 2019 2019年 6月30日 | 30 June 2020 2020年 6月30日 | |
| <i>Directly held:</i> 直接持有： | | | | | |
| Philosophy Global Limited | BVI, 29 May 2018 | S\$4,600,136 | 100% | 100% | Investment holding. |
| Philosophy Global Limited | 英屬處女群島， 2018年5月29日 | 4,600,136 新加坡元 | 100% | 100% | 投資控股。 |
| Falcon Max Limited | BVI, 8 July 2019 | US\$1 | – | 100% | Investment holding. |
| Falcon Max Limited | 英屬處女群島， 2019年7月8日 | 1美元 | – | 100% | 投資控股。 |
| <i>Indirectly held:</i> 間接持有： | | | | | |
| Hwa Koon Engineering Pte. Ltd | Singapore, 5 April 1994 | S\$1,000,000 | 100% | 100% | Provision of integrated design and building services. |
| Hwa Koon Engineering Pte. Ltd. | 新加坡， 1994年4月5日 | 1,000,000 新加坡元 | 100% | 100% | 提供綜合設計及建築服務。 |
| Falcon Max (HK) Limited | Hong Kong, 27 August 2019 | HK\$1 | – | 100% | Not yet started business. |
| Falcon Max (HK) Limited | 香港，2019年8月27日 | 1港元 | – | 100% | 尚未開展業務。 |

The subsidiaries now comprising the Group is limited liability company and has adopted 30 June as their financial year end date.

None of the subsidiaries had issued any debt securities at the end of the reporting period.

現時組成本集團的所有附屬公司皆為有限公司，並已採納6月30日為其財政年度結算日。

於報告期末，概無附屬公司發行任何債務證券。

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32. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

32. 本公司財務狀況表及儲備

本公司於報告期末之財務狀況表資料如下：

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 |
|---|-----------------------|------------------------------|------------------------------|
| ASSETS AND LIABILITIES | 資產及負債 | | |
| Non-current asset | 非流動資產 | | |
| Investment in subsidiaries | 於附屬公司的投資 | 19 | 17 |
| Current assets | 流動資產 | | |
| Other receivables, deposits and prepayments | 其他應收款項、按金及預付款項 | 9,557 | 34,164 |
| Amount due from subsidiaries | 應收附屬公司款項 | 108,415 | 12,221,058 |
| Bank balances and cash | 銀行結餘及現金 | 21,774,076 | 735,965 |
| | | 21,892,048 | 12,991,187 |
| Current liabilities | 流動負債 | | |
| Other payables | 其他應付款項 | 211,595 | 187,201 |
| Amount due to subsidiaries | 應收附屬公司款項 | 9,316,604 | – |
| | | 9,528,199 | 187,201 |
| Net current assets | 流動資產淨值 | 12,363,868 | 12,803,986 |
| Total assets less current liabilities, representing net assets | 總資產減流動負債，指資產淨值 | 12,363,868 | 12,804,003 |
| EQUITY | 權益 | | |
| Capital and reserves | 資本及儲備 | | |
| Share capital | 股本 | 1,335,760 | 1,335,760 |
| Share premium | 股份溢價 | 15,352,340 | 15,352,340 |
| Translation reserve | 換算儲備 | 488,400 | – |
| Accumulated losses | 累計虧損 | (4,812,632) | (3,884,097) |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 12,363,868 | 12,804,003 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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32. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

A summary of the Company's reserves is as follows:

| | | Share premium 股份溢價 S\$ 新加坡元 | Translation reserve 換算儲備 S\$ 新加坡元 | Accumulated losses 累計虧損 S\$ 新加坡元 | Total 總計 S\$ 新加坡元 |
|---|--------------------|--------------------------------------|--|---|----------------------------|
| At 30 June 2019 | 於2019年6月30日 | 15,352,340 | – | (3,884,097) | 11,468,243 |
| <i>Total comprehensive loss for the year:</i> | <i>年內全面虧損總額：</i> | | | | |
| Loss for the year | 年內虧損 | – | – | (928,535) | (928,535) |
| Other comprehensive income for the year | 年內其他全面收益 | – | 488,400 | – | 488,421 |
| At 30 June 2020 | 於2020年6月30日 | 15,352,340 | 488,480 | (4,812,632) | 11,028,108 |

32. 本公司財務狀況表及儲備(續)

本公司儲備概要如下：

33. EVENTS AFTER THE END OF THE REPORTING PERIOD

The outbreak of COVID-19 in early 2020 has caused disruptions to many industries globally. Despite the challenges, governments and internal organisations have implemented a series of measures to contain the pandemic. The Singapore government has implemented several phases of circuit breaker and post-circuit breaker recovery measures in order to contain the pandemic, and the Group's existing core business was significantly impacted by these measures, especially due to the delays in progress of its construction projects since early April 2020.

33. 報告期後事項

2020年年初COVID-19的爆發為全球多個行業造成了干擾。儘管面臨挑戰，政府及內部組織仍採取了一系列措施來對抗疫情。為了控制疫情，新加坡政府已實施了阻斷措施及阻斷措施後的恢復措施，該集團的現有核心業務受到該等措施的重大影響，特別是由於自2020年4月早期以來其建設項目的進度被延遲。

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33. EVENTS AFTER THE END OF THE REPORTING PERIOD (Continued)

The Group however does not expect to incur hefty penalties for contract delays in the form of liquidated damages as the Group is mostly involved in medical and healthcare sector projects, where its customers are understanding in the circumstances of an increase project completion period due to the pandemic, and most of the Group's contracts with customers include clauses for delay due to unforeseen events would result in no liability for such events. The Group has also received certain grants and assistance from the Singapore government to help offset some of its fixed costs during this time, primarily relating to its employee wages and foreign worker levies. The Group has insofar adhered to all the requirements set out by the Singapore government, particularly relating to its business operations and in dealing with its foreign workers affected by stay-home notices. The consolidated financial statements for the year ended 30 June 2020 has included the financial effects as a result of the COVID-19 outbreak up to 30 June 2020.

As of the date of authorisation of these consolidated financial statements, most of the Group's engineering projects have resumed, albeit at a reduced capacity as compared to pre-pandemic times as some of its foreign workers are still in isolation and due to additional safe distancing measures that will be applied at project sites to prevent a resurgence of the pandemic.

The Group will closely monitor the development of the pandemic and assess its impact on its operations continuously. Given the unpredictability associated with the COVID-19 outbreak and any further contingency measures that may be put in place by the relevant governments and corporate entities, the actual financial impact of the COVID-19 outbreak on the Group's 2021 consolidated financial statements could be significantly different from estimates depending on how the situation evolves. Notwithstanding this and as disclosed in Note 29(c), the Group will have sufficient liquidity to enable the Company to continue as a going concern for at least the next 12 months from the end of the reporting period.

33. 報告期後事項(續)

然而，本集團預計不會被以違約賠償金的形式對合同延誤收取高額罰款，因為本集團主要從事醫療保健行業項目，客戶理解由於疫情而導致項目完成期延長的情況，而且本集團與客戶的大部分合約都包含由於無法預見事件而導致該等事件的免責的延誤條款。該集團亦獲得了新加坡政府的若干補貼及援助，以幫助抵消此期間的一些固定成本，其主要涉及員工工資及外籍勞工稅。本集團已遵守新加坡政府規定的所有要求，特別是有關其業務運營以及與協助受到居留權通知影響的外國工人的要求。截至2020年6月30日止年度的綜合財務報表已包括截至2020年6月30日COVID-19爆發的財務影響。

截至本綜合財務報表批准之日，本集團的大多數工程項目已經恢復，儘管與疫情前相比能力有所下降，乃因為若干外籍工人仍處於隔離狀態，並且由於採取了其他安全疏導措施，並將在項目現場應用，以防止疫情再次爆發。

本集團將密切監察疫情的發展，並持續評估其對營運的影響。鑑於與COVID-19爆發相關的不可預測性以及相關政府和企業實體可能採取的任何其他應急措施，COVID-19爆發對集團2021年綜合財務報表的實際財務影響可能會大不相同根據情況的變化估算。儘管如此，誠如附註29(c)所披露，本集團將有足夠的流動性，使本公司自報告期末起至少連續十二個月持續經營。

FINANCIAL SUMMARY

財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published financial statements, is set out as below:

本集團過往五個財政年度之業績以及資產及負債概要乃摘錄自己刊發財務報表，載列如下：

| | | 2020 2020年 S\$ 新加坡元 | 2019 2019年 S\$ 新加坡元 | 2018 2018年 S\$ 新加坡元 | 2017 2017年 S\$ 新加坡元 | 2016 2016年 S\$ 新加坡元 |
|---|---------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| RESULTS | 業績 | | | | | |
| Revenue | 收益 | 7,641,788 | 10,403,292 | 13,928,620 | 14,937,418 | 9,793,083 |
| Cost of services/sales | 服務/銷售成本 | (6,196,995) | (6,705,927) | (8,162,246) | (8,432,129) | (6,187,490) |
| Gross profit | 毛利 | 1,444,793 | 3,697,365 | 5,766,374 | 6,505,289 | 3,605,593 |
| Other income | 其他收入 | 581,756 | 485,663 | 70,585 | 48,468 | 50,639 |
| Other gains (losses) | 其他收益(虧損) | 316,870 | (28,185) | 518,999 | 132,825 | - |
| Administrative expenses | 行政開支 | (2,083,203) | (1,423,815) | (1,294,339) | (618,196) | (634,716) |
| Finance costs | 融資成本 | (1,214) | - | - | - | (225) |
| Listing expenses | 上市開支 | - | - | (3,391,288) | - | - |
| Profit before taxation | 除稅前溢利 | 259,002 | 2,731,028 | 1,670,331 | 6,068,386 | 3,021,291 |
| Income tax expense | 所得稅開支 | (200,699) | (468,417) | (792,275) | (917,764) | (340,367) |
| Profit for the year | 年度溢利 | 58,303 | 2,262,611 | 878,056 | 5,150,622 | 2,680,924 |
| Other comprehensive (expense) income: | 其他全面(開支)收益： | | | | | |
| Items that may be reclassified subsequently to profit or loss: | 其後可重新分類至損益的項目： | | | | | |
| Exchange differences on translation of foreign operations | 換算海外業務的匯兌差異 | 487,255 | - | - | - | - |
| Fair value changes on available-for-sale financial assets, net of tax | 可供出售金融資產的公平值變動，扣除稅項 | - | - | - | 223,323 | (95,812) |
| Reclassified upon disposal of available-for-sale financial assets | 出售可供出售金融資產時重新分類 | - | - | - | (127,511) | - |
| Total comprehensive income for the year | 年度全面收益總額 | 545,558 | 2,262,611 | 878,056 | 5,246,434 | 2,585,112 |
| ASSETS AND LIABILITIES | 資產及負債 | | | | | |
| Non-current assets | 非流動資產 | 716,686 | 728,723 | 664,937 | 746,796 | 685,523 |
| Current assets | 流動資產 | 29,698,625 | 28,514,583 | 27,044,271 | 9,759,183 | 6,853,825 |
| Total assets | 資產總值 | 30,415,311 | 29,243,306 | 27,709,208 | 10,505,979 | 7,539,348 |
| Non-current liabilities | 非流動負債 | 29,550 | 27,310 | 25,270 | 25,652 | 16,628 |
| Current liabilities | 流動負債 | 1,896,222 | 1,272,015 | 2,002,568 | 2,365,232 | 2,654,059 |
| Total liabilities | 負債總額 | 1,925,772 | 1,299,325 | 2,027,838 | 2,390,884 | 2,670,687 |
| Total equity | 權益總額 | 28,489,539 | 27,943,981 | 25,681,370 | 8,115,095 | 4,868,661 |