

# 高萌·科技

## KML Technology Group Limited

### 高萌科技集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 8065

Interim Report  
中期報告 **2018**

## CHARACTERISTIC OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.*

*This report, for which the directors (the “Director(s)”) of KML Technology Group Limited (the “Company”, together with its subsidiaries, the “Group” or “We”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

*This report, in both English and Chinese versions, is available on the Company’s website at [www.kml.com.hk](http://www.kml.com.hk).*

## 香港聯合交易所有限公司(「聯交所」) GEM 的特色

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

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

香港交易及結算所有限公司以及聯交所對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告的資料乃遵照聯交所的 GEM 證券上市規則(「GEM 上市規則」)而刊載，旨在提供有關高萌科技集團有限公司(「本公司」)連同其附屬公司「本集團」或「我們」的資料；本公司董事(「董事」)願就本報告共同及個別地承擔全部責任。董事在作出一切合理查詢後，確認就其所知及所信，本報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成份，且並無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

本報告的英文本及中文本已登載於本公司網站 [www.kml.com.hk](http://www.kml.com.hk)。

## CONTENTS

### 目錄

	Page 頁次
Corporate Information 公司資料	3
Financial Highlights 財務摘要	6
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited) 簡明綜合損益及其他全面收益表(未經審核)	7
Condensed Consolidated Statement of Financial Position (Unaudited) 簡明綜合財務狀況表(未經審核)	8
Condensed Consolidated Statement of Changes in Equity (Unaudited) 簡明綜合權益變動表(未經審核)	10
Condensed Consolidated Statement of Cash Flows (Unaudited) 簡明綜合現金流量表(未經審核)	11
Notes to Unaudited Condensed Consolidated Financial Statements 未經審核簡明綜合財務報表附註	12
Management Discussion and Analysis 管理層討論及分析	39
Corporate Governance/Other information 企業管治/其他資料	50

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Luk Kam Ming (*Chairman*)  
Mr. Chan Chak Lun Philip (*Chief executive officer*)  
Mr. Luk Kwai Lung  
Mr. Luk Yin Cheung

#### Independent Non-executive Directors

Mr. Lau On Kwok  
Mr. Law Wing Chi Stephen  
Dr. Tse Chi Kong

#### Audit Committee

Mr. Lau On Kwok (*Chairman*)  
Mr. Law Wing Chi Stephen  
Dr. Tse Chi Kong

#### Remuneration Committee

Dr. Tse Chi Kong (*Chairman*)  
Mr. Lau On Kwok  
Mr. Luk Kam Ming

#### Nomination Committee

Mr. Luk Kam Ming (*Chairman*)  
Mr. Law Wing Chi Stephen  
Dr. Tse Chi Kong

#### Risk Management Committee

Mr. Law Wing Chi Stephen (*Chairman*)  
Mr. Chan Chak Lun Philip  
Mr. Lau On Kwok  
Mr. Luk Kwai Lung  
Mr. Luk Yin Cheung

## 公司資料

### 董事會

#### 執行董事

陸鑑明先生(*主席*)  
陳澤麟先生(*行政總裁*)  
陸季農先生  
陸彥彰先生

#### 獨立非執行董事

劉安國先生  
羅永志先生  
謝智剛博士

#### 審核委員會

劉安國先生(*主席*)  
羅永志先生  
謝智剛博士

#### 薪酬委員會

謝智剛博士(*主席*)  
劉安國先生  
陸鑑明先生

#### 提名委員會

陸鑑明先生(*主席*)  
羅永志先生  
謝智剛博士

#### 風險管理委員會

羅永志先生(*主席*)  
陳澤麟先生  
劉安國先生  
陸季農先生  
陸彥彰先生

## **AUTHORISED REPRESENTATIVES**

Mr. Luk Kwai Lung  
Ms. Woo Siu Wai

## **COMPANY SECRETARY**

Ms. Woo Siu Wai

## **COMPLIANCE OFFICER**

Mr. Luk Yin Cheung

## **AUDITOR**

Deloitte Touche Tohmatsu  
*Certified Public Accountants*  
35/F, One Pacific Place  
88 Queensway  
Hong Kong

## **COMPLIANCE ADVISER**

Kingsway Capital Limited  
7th Floor  
Tower One, Lippo Centre  
89 Queensway  
Hong Kong

## **REGISTERED OFFICE**

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

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

B12, G/F  
Shatin Industrial Centre  
Siu Lek Yuen Road  
Shatin, New Territories  
Hong Kong

## **法定代表**

陸季農先生  
胡劭卉女士

## **公司秘書**

胡劭卉女士

## **合規主任**

陸彥彰先生

## **核數師**

德勤•關黃陳方會計師行  
*執業會計師*  
香港  
金鐘道88號  
太古廣場1期35樓

## **合規顧問**

滙富融資有限公司  
香港  
金鐘道89號  
力寶中心第一座  
7樓

## **註冊辦事處**

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

## **香港總部及主要營業地點**

香港  
新界沙田  
小瀝源路  
沙田工業中心  
地下B12室

**PRINCIPAL SHARE REGISTRAR AND TRANSFER  
OFFICE IN THE CAYMAN ISLANDS**

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

**HONG KONG SHARE REGISTRAR**

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

**PRINCIPAL BANKER**

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

**COMPANY'S WEBSITE**

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

**STOCK CODE**

8065

**DATE OF LISTING**

16 October 2017

**開曼群島主要股份過戶登記處**

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O.Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

**香港股份登記處**

卓佳證券登記有限公司  
香港  
皇后大道東 183 號  
合和中心 22 樓

**主要往來銀行**

香港上海滙豐銀行有限公司  
香港  
皇后大道中 1 號  
滙豐總行大廈

**公司網站**

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

**股份代號**

8065

**上市日期**

二零一七年十月十六日

## FINANCIAL HIGHLIGHTS

Revenue of the Group for the six months ended 30 September 2018 amounted to approximately Hong Kong dollars (“**HK\$**”) 105.0 million, representing an increase of approximately HK\$3.5 million or 3.4% as compared with approximately HK\$101.5 million for the six months ended 30 September 2017.

Gross profit of the Group for the six months ended 30 September 2018 amounted to approximately HK\$32.0 million, representing an increase of approximately HK\$1.1 million or 3.6% as compared with approximately HK\$30.9 million for the six months ended 30 September 2017.

Net profit of the Group for the six months ended 30 September 2018 amounted to approximately HK\$8.8 million (2017: net loss approximately HK\$4.8 million).

The board of Directors (the “**Board**”) does not recommend a payment of an interim dividend for the six months ended 30 September 2018 (2017: Nil).

## 財務摘要

本集團截至二零一八年九月三十日止六個月的收益約為105.0百萬港元(「港元」)，較截至二零一七年九月三十日止六個月的約101.5百萬港元增加約3.5百萬港元或3.4%。

本集團截至二零一八年九月三十日止六個月的毛利約為32.0百萬港元，較截至二零一七年九月三十日止六個月約30.9百萬港元增加約1.1百萬港元或3.6%。

本集團截至二零一八年九月三十日止六個月的純利約為8.8百萬港元(二零一七年：淨虧損約4.8百萬港元)。

董事會(「**董事會**」)不建議就截至二零一八年九月三十日止六個月派付中期股息(二零一七年：無)。

**CONDENSED CONSOLIDATED STATEMENT OF  
PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME (UNAUDITED)**

For the six months ended 30 September 2018

**簡明綜合損益及其他全面收益表  
(未經審核)**

截至二零一八年九月三十日止六個月

		<b>Six months ended</b>		
		<b>30 September</b>		
		截至九月三十日止六個月		
		2018	2017	
		二零一八年	二零一七年	
Notes		HK\$'000	HK\$'000	
附註		千港元	千港元	
		<b>(Unaudited)</b>	<b>(Unaudited)</b>	
		<b>(未經審核)</b>	<b>(未經審核)</b>	
Revenue	收益	4	<b>105,025</b>	101,478
Cost of sales	銷售成本		<b>(72,990)</b>	(70,541)
			<hr/>	
Gross profit	毛利		<b>32,035</b>	30,935
Other income	其他收入	5	<b>223</b>	163
Other gains	其他收益		-	70
Administrative expenses	行政開支		<b>(21,501)</b>	(19,371)
Listing expenses	上市開支		-	(14,665)
			<hr/>	
Profit (loss) before taxation	除稅前溢利(虧損)	6	<b>10,757</b>	(2,868)
Income tax expense	所得稅開支	7	<b>(1,986)</b>	(1,942)
			<hr/>	
Profit (loss) and total comprehensive income (expense) for the period attributable to owners of the Company	本公司擁有人應佔期內溢利(虧損)及全面收益(開支)總額		<b>8,771</b>	(4,810)
			<hr/>	
Earnings (loss) per share – Basic (HK cents)	每股盈利(虧損) – 基本(港仙)	9	<b>2.54</b>	(1.60)
			<hr/>	



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

As at 30 September 2018

**簡明綜合財務狀況表 (未經審核)**

於二零一八年九月三十日

		As at 於	
		<b>30 September 2018</b>	31 March 2018
		二零一八年 九月三十日	二零一八年 三月三十一日
Notes 附註		<b>HK\$'000</b> 千港元 <b>(Unaudited)</b> (未經審核)	HK\$'000 千港元 (Audited) (經審核)
Non-current assets		<b>非流動資產</b>	
	Property, plant and equipment	10	3,108
	Deposits	1,365	3,312
	Retention held by customers for contract works	12	9,361
		<b>13,670</b>	14,008
Current assets		<b>流動資產</b>	
	Inventories	11	495
	Trade receivables	42,835	508
	Retention held by customers for contract works	12	44,853
	Other receivables, deposits and prepayments	4,746	7,428
	Contract assets	21,701	-
	Amounts due from customers for contract works	-	27,225
	Tax recoverable	-	73
	Pledged bank deposits	5,000	5,000
	Time deposits with original maturity over three months	16,597	20,007
	Bank balances and cash	70,244	40,225
		<b>173,183</b>	152,684

		As at 於	
		30 September 2018 二零一八年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
		Notes 附註	
Current liabilities	流動負債		
Trade payables	貿易應付款項	13	10,027
Other payables and accrued charges	其他應付款項及應計費用	14	11,592
Contract liabilities	合約負債		-
Amounts due to customers for contract works	應付合約工程客戶款項		21,022
Amount due to a related company	應付一間關聯公司款項		-
Tax payable	應付稅項		-
			<b>53,963</b>
Net current assets	流動資產淨值		110,043
Total assets less current liabilities	總資產減流動負債		124,051
Non-current liabilities	非流動負債		
Deferred tax liabilities	遞延稅項負債		248
Net assets	資產淨值		123,803
Capital and reserves	資本及儲備		
Share capital	股本		4,000
Share premium and reserves	股份溢價及儲備		119,803
Total equity	總權益		123,803

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 September 2018

## 簡明綜合權益變動表(未經審核)

截至二零一八年九月三十日止六個月

### Attributable to owners of the Company

本公司擁有人應佔

	Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元 Note 附註	Accumulated profits 累計溢利 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
<b>Six months ended 30 September 2018</b>	截至二零一八年九月三十日止六個月				
At 1 April 2018 (audited)	4,000	47,552	14,339	57,912	123,803
Profit and total comprehensive income for the year	-	-	-	8,771	8,771
At 30 September 2018 (unaudited)	4,000	47,552	14,339	66,683	132,574
<b>Six months ended 30 September 2017</b>	截至二零一七年九月三十日止六個月				
At 1 April 2017 (audited)	14,339	-	-	85,058	99,397
Loss and total comprehensive expenses for the year	-	-	-	(4,810)	(4,810)
Dividend recognised as distribution	-	-	-	(25,000)	(25,000)
Arising from Reorganisation (Note)	(14,339)	-	14,339	-	-
At 30 September 2017 (unaudited)	-	-	14,339	55,248	69,587

Note: Other reserve represents the difference between the nominal values of the ordinary shares issued by the Company and the share capital of subsidiaries acquired through an exchange of shares pursuant to the reorganisation stated in the Company's prospectus dated 29 September 2017 (the "Prospectus") in preparation for the Listing, the Company became the holding company of the subsidiaries now comprising the Group on 6 September 2017, the details of which are set out under the section headed "History, Reorganisation and Corporate Structure" in the Prospectus.

附註：其他儲備指本公司已發行普通股之面值與透過根據本公司日期為二零一七年九月二十九日的招股章程（「招股章程」）所列為籌備上市而進行的重組交換股份所收購附屬公司股本之差額，於二零一七年九月六日本公司成為現時組成本集團附屬公司的控股公司，其詳情載於招股章程「歷史、重組及公司架構」一節。

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six months ended 30 September 2018

## 簡明綜合現金流量表(未經審核)

截至二零一八年九月三十日止六個月

		Six months ended 30 September	
		截至九月三十日止六個月	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Notes			
附註			
	NET CASH (USED IN) FROM OPERATING ACTIVITIES	經營活動(所用)所產生的現金淨額	24,974 (9,175)
	INVESTING ACTIVITIES	投資活動	
	Bank interest received	已收銀行利息	174 77
	Purchase of property, plant and equipment	購置物業、廠房及設備	(381) (838)
	Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項	- 7
	Withdrawn of time deposits with original maturity date over three months	提取原到期日超過三個月的定期存款	5,000 -
	Advance to (repayment from) subsidiary	墊付予附屬公司(來自附屬公司還款)	252 -
	Net cash outflow arising from disposal of a subsidiary	出售一間附屬公司產生的現金流出淨額	- (3)
	NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資活動(所用)所產生的現金淨額	5,045 (757)
	CASH USED IN FINANCING ACTIVITIES	融資活動所用現金	
	Dividends paid	已派付股息	- (25,000)
	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加(減少)淨額	30,019 (34,932)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	期初現金及現金等價物	40,225 58,619
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, represented by bank balances and cash	期末現金及現金等價物，按銀行結餘及現金列示	70,244 23,687

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2018

## 未經審核簡明綜合財務報表附註

截至二零一八年九月三十日止六個月

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 5 May 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, a consolidated and revised) of the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is located at B12, G/F, Shatin Industrial Centre, Siu Lek Yuen Road, Shatin, New Territories, Hong Kong.

The Company's shares were listed on the GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 16 October 2017 (the "**Listing**"). The principal activity of the Company is investment holding and its subsidiaries are principally engaged in the provision of electrical and mechanical ("**E&M**") engineering solutions and services. The condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is the same as the functional currency of the Company and its principal subsidiaries.

### 1. 一般資料

本公司於二零一七年五月五日在開曼群島根據開曼群島第22章公司法(一九六一年第3號法律, 經綜合及修訂)註冊成立為一間獲豁免有限公司。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司於香港的主要營業地址為香港新界沙田小瀝源路沙田工業中心地下B12室。

本公司股份於二零一七年十月十六日在香港聯合交易所有限公司(「**聯交所**」)GEM上市(「**上市**」)。本公司的主要業務為投資控股及其附屬公司主要從事提供機電(「**機電**」)工程解決方案及服務。簡明綜合財務報表以港元(「**港元**」)呈列, 港元亦為本公司及其主要附屬公司的功能貨幣。

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements for the Relevant Period (the “**Interim Financial Statements**”) have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34, Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange.

## 3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis. Historical costs is generally based on the fair value of the consideration given in exchange for goods and services.

The condensed consolidated financial statements for the six months ended 30 September 2018 have been reviewed by the Company’s audit committee.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”), the accounting policies and methods of computation used in the Interim Financial Statements are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2018.

## 2. 編製基準

相關期間的簡明綜合財務報表(「**中期財務報表**」)已按照香港會計師公會(「**香港會計師公會**」)頒佈的香港會計準則(「**香港會計準則**」)第34號中期財務報告及聯交所GEM證券上市規則第18章之適用披露規定編製而成。

## 3. 主要會計政策

簡明綜合財務報表已按歷史成本基準編製。歷史成本一般根據為交換貨品及服務而作出的代價的公允值。

截至二零一八年九月三十日止六個月簡明綜合財務報表已由本公司的審核委員會審閱。

除應用新訂及經修訂香港財務報告準則(「**香港財務報告準則**」)導致會計政策變動外，中期財務報表所使用的會計政策及計算方法與編製本集團截至二零一八年三月三十一日止年度的年度財務報表所採用者一致。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 April 2018 for the preparation of the Group's condensed financial statements:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle
Amendments to HKAS 40	Transfer of Investment Property
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

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

### 3. 主要會計政策(續)

#### 應用新訂及經修訂香港財務報告準則

於本中期期間，本集團已首次應用以下由香港會計師公會頒佈並於二零一八年四月一日或之後開始的年度期間強制生效之新訂及經修訂香港財務報告準則，以編製本集團的簡明財務報表：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約的收益及相關修訂本
香港財務報告準則第2號(修訂本)	以股份為基礎之付款交易之分類及計量
香港財務報告準則第4號(修訂本)	採用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具
香港會計準則第28號(修訂本)	香港財務報告準則二零一四年至二零一六年週期年度改進之一部分
香港會計準則第40號(修訂本)	轉移投資物業
香港(國際財務報告詮釋委員會)一詮釋第22號	外幣交易及墊付代價

新訂及經修訂香港財務報告準則已按照相應準則及修訂本中的相關過渡條文應用，以致中期財務報表所載會計政策、呈報金額及／或披露資料變動。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

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

In the current period, the Group has applied HKFRS 15 for the first time retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 April 2018. HKFRS 15 superseded HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations. The adoption of HKFRS 15 has no material effect on timing and amount of revenues recognised in the Group’s condensed consolidated financial statements and the comparatives are not restated. The Group recognises revenue from the following major sources:

- E&M engineering solutions and services
- E&M engineering maintenance services
- E&M engineering design and fabrication services
- Sales of parts and component

Revenue from E&M engineering solutions and services are satisfied when the related services are performed and that the method currently used to measure the progress towards complete satisfaction of these performance obligations will continue to be appropriate under HKFRS 15.

Revenue from E&M engineering maintenance services recognised over time will be accounted for under HKFRS 15.

Revenue from E&M engineering design and fabrication services and sales of parts and components represents only one performance obligation and, accordingly, revenue will be recognised for this performance obligation when control over the corresponding goods is transferred to the customer. The directors of the Company consider that there is no significant impact in respect of revenue recognition on E&M engineering design and fabrication services and sales of parts and components under HKFRS 15.

### 3. 主要會計政策(續)

#### 應用香港財務報告準則第 15 號「來自客戶合約的收益」(「香港財務報告準則第 15 號」)之會計政策的變動

在本期間，本集團首次應用香港財務報告準則第 15 號並追溯確認首次應用該準則的累積影響至二零一八年四月一日。香港財務報告準則第 15 號取代香港會計準則第 18 號「收益」、香港會計準則第 11 號「建築合約」及相關詮釋。採用香港財務報告準則第 15 號對於在本集團簡明綜合財務報表及未經重列的對比項目中確認的收益時間及金額並無重大影響。本集團主要確認收益來源如下：

- 機電工程解決方案及服務
- 機電工程保養服務
- 機電工程設計及裝配服務
- 銷售零件及部件

由機電工程解決方案及服務產生的收益，於有關服務已提供當時達成相關履約責任；及現時用於計量相關履約責任之完成進度的方法將繼續適合用於香港財務報告準則第 15 號。

由機電工程保養服務確認的收益將會根據香港財務報告準則第 15 號按時間列賬。

由機電工程設計及裝配服務及銷售零件及部件的收益屬於單一的履約責任及，據此，關於此履約責任的收益將會於相應商品之控制權轉讓至客戶時確認。就按香港財務報告準則第 15 號確認機電工程設計及裝配服務及銷售零件及部件的收益而言，本公司董事認為並無重大影響。



### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

### 3. 主要會計政策(續)

#### 應用香港財務報告準則第 15 號「來自客戶合約的收益」(「香港財務報告準則第 15 號」)之會計政策的變動(續)

香港財務報告準則第 15 號引入五步驟方法確認收益：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價格
- 第四步：將交易價格分配至合約中的履約責任
- 第五步：實體達成履約責任時(或就此)確認收益

根據香港財務報告準則第 15 號，於本集團完成履約責任，即某項履約責任下之相關商品或服務之「控制權」轉移予客戶時(或就此)確認收益。

履約責任指一項明確商品及服務(或一批商品或服務)或一系列大致相同的明確商品或服務。

倘符合以下標準之一，控制權按時間轉移，而收益經參考完全達成相關履約責任的進度按時間確認：

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Changes in accounting policies on application of HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (Continued)

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

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

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

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

### 3. 主要會計政策(續)

#### 應用香港財務報告準則第15號「來自客戶合約的收益」(「香港財務報告準則第15號」)之會計政策的變動(續)

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創建及增強客戶於本集團履約時控制的資產；或
- 本集團的履約未創建對本集團具有替代用途的資產，而本集團對迄今為止已完成履約的款項具有可執行之權利。

否則，於客戶獲得明確商品或服務控制權時的時間點確認收益。

合約資產指本集團就本集團已向客戶轉讓的貨品或服務而於交換中收取代價的權利(尚未成為無條件)，根據香港財務報告準則第9號評估減值。相反，應收賬款指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

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

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### **Changes in accounting policies on application of HKFRS 15 "Revenue from Contracts with Customers" ("HKFRS 15") (Continued)**

##### ***Incremental costs of obtaining a contract***

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

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

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

### 3. 主要會計政策(續)

應用香港財務報告準則第15號「來自客戶合約的收益」(「香港財務報告準則第15號」)之會計政策的變動(續)

##### ***獲得合約而遞增的成本***

獲得合約而遞增的成本指本集團與客戶達成合約產生的成本，如無達成合約其成本並不會產生。

倘若預期可收回該成本，本集團將有關成本確認為一項資產。因此，確認的資產其後以符合該資產相關的商品或服務轉讓予客戶的系統性基準攤銷至損益。

倘該等成本於一年內已以其他方式於損益內悉數攤銷，本集團應用實際可行方法將獲得合約的所有遞增成本列於損益。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments”

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

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

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

#### Key changes in accounting policies resulting from application of HKFRS 9

##### Classification and measurement of financial assets

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

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

### 3. 主要會計政策(續)

#### 應用香港財務報告準則第9號「金融工具」的影響及會計政策變動

於本期間，本集團已應用香港財務報告準則第9號及其他香港財務報告準則相關的相應修訂。香港財務報告準則第9號引入1)金融資產及金融負債的分類及計量，2)金融資產的預期信貸虧損(「預期信貸虧損」)及3)一般對沖會計的新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對二零一八年四月一日(初始應用日期)尚未取消確認的工具追溯應用分類及計量規定(包括減值)，而並無對於二零一八年四月一日已取消確認的工具應用有關規定。二零一八年三月三十一日之賬面值與二零一八年四月一日之賬面值之間的差額於期初保留溢利及其他權益部分中確認，而並無重列比較資料。

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

#### 應用香港財務報告準則第9號導致會計政策的主要變動

##### 金融資產的分類及計量

產生自客戶合約的貿易應收款項乃根據香港財務報告準則第15號初步計量。

香港財務報告準則第9號範圍內的所有已確認金融資產，包括根據香港會計準則第39號按成本減減值計量的無報價股本投資於其後按攤銷成本或公允值計量。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” (Continued)

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

##### Classification and measurement of financial assets (Continued)

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.

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

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

### 3. 主要會計政策(續)

#### 應用香港財務報告準則第9號「金融工具」的影響及會計政策變動(續)

#### 應用香港財務報告準則第9號導致會計政策的主要變動(續)

##### 金融資產的分類及計量(續)

符合下列條件的債務工具其後均按攤銷成本計量：

- 於商業模式內以持有金融資產為目的而收取合約現金流量的金融資產；及
- 金融資產的合約條款於指定日期產生僅為支付本金及未償還本金的利息的現金流量。

所有其他金融資產其後透過損益按公允值(「**透過損益按公允值**」)計量，但在初始應用／初始確認金融資產之日，倘股本投資並非持作買賣，亦非收購方在香港財務報告準則第3號「業務合併」所適用的業務合併中確認的或然代價，本集團可能不可撤銷地選擇於其他全面收益(「**其他全面收益**」)呈列股本投資的其後公允值變動。

本公司董事已根據於二零一八年四月一日存在之事實及狀況審閱及評估本集團於該日的金融資產。本集團金融資產的分類及計量之變動及因此產生之影響於下文詳述。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” (Continued)

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

##### *Impairment under ECL model*

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

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

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on trade receivables are assessed collectively using a provision matrix with appropriate groupings.

### 3. 主要會計政策(續)

#### 應用香港財務報告準則第9號「金融工具」的影響及會計政策變動(續)

#### 應用香港財務報告準則第9號導致會計政策的主要變動(續)

##### *預期信貸虧損模式項下之減值*

本集團根據香港財務報告準則第9號就發生減值之金融資產(包括貿易應收款項、應收貸款、其他應收款項、已抵押銀行存款以及銀行結餘及現金)確認預期信貸虧損的虧損準備。信貸虧損的金額於各報告日期更新，以反映自初始確認以來信貸風險的變化。

存續期預期信貸虧損指將相關工具的預期年內所有可能的違約事件產生之預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)將預期於報告日期後12個月內可能發生的違約事件導致之存續期預期信貸虧損部分。評估乃根據本集團的歷史信貸虧損經驗進行，並根據債務人特有的因素、一般經濟狀況以及對報告日期當前狀況的評估以及對未來狀況的預測作出調整。

本集團始終就並無大量融資成份的貿易應收款項確認存續期預期信貸虧損。貿易應收款項的預期信貸虧損使用具有合適組別的撥備組合集體評估。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” (Continued)

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

##### *Impairment under ECL model (Continued)*

After performing the assessment of expected credit loss on the Group’s existing trade receivables financial assets, no expected credit loss allowance was recognised by the Group as at 1 April 2018 as the amount is not material.

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

##### Significant increase in credit risk

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

### 3. 主要會計政策(續)

#### 應用香港財務報告準則第9號「金融工具」的影響及會計政策變動(續)

#### 應用香港財務報告準則第9號導致會計政策的主要變動(續)

##### 預期信貸虧損模式項下之減值(續)

於對本集團現有貿易應收金融資產之預期信貸虧損進行評估後，於二零一八年四月一日，本集團並無確認預期信貸虧損撥備，原因為金額並不重大。

對於所有其他工具，本集團計量的虧損撥備等於12個月預期信貸虧損，除非自初始確認後信貸風險顯著增加，在此情況下，本集團確認存續期預期信貸虧損。是否應確認存續期預期信貸虧損的評估乃基於自初始確認以來發生違約之可能性或風險的顯著增加。

##### 信貸風險顯著增加

於評估自初始確認以來信貸風險是否大幅增加時，本集團將金融工具於報告日期發生違約的風險與該金融工具於首次確認日期發生違約的風險進行比較。進行此評估時，本集團會考慮合理且有理據的定量及定性資料，包括過往經驗及無需付出不必要的成本或努力而可獲得的前瞻性資料。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” (Continued)

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

##### Impairment under ECL model (Continued)

Significant increase in credit risk (Continued)

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

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

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

### 3. 主要會計政策(續)

應用香港財務報告準則第9號「金融工具」的影響及會計政策變動(續)

應用香港財務報告準則第9號導致會計政策的主要變動(續)

預期信貸虧損模式項下之減值(續)

信貸風險顯著增加(續)

尤其是，評估信貸風險是否大幅增加時會考慮下列資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期重大惡化；
- 信貸風險的外界市場指標的重大惡化，例如信貸息差大幅增加、債務人的信貸違約掉期價格；
- 預期將導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人經營業績的實際或預期重大惡化；
- 導致債務人履行其債務責任的能力大幅下降的債務人監管、經濟或技術環境的實際或預期重大不利變動。

無論上述評估結果如何，本集團假定合約付款逾期超過30日時，信貸風險自初始確認以來已大幅增加，除非本集團有合理及可靠資料證明可予收回則當別論。



### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” (Continued)

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

##### Impairment under ECL model (Continued)

##### Significant increase in credit risk (Continued)

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

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

##### Measurement and recognition of ECL

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

### 3. 主要會計政策(續)

應用香港財務報告準則第9號「金融工具」的影響及會計政策變動(續)

應用香港財務報告準則第9號導致會計政策的主要變動(續)

預期信貸虧損模式項下之減值(續)

信貸風險顯著增加(續)

儘管存在上述情況，倘債務工具於報告日期確定為具有低信貸風險，本集團假設債務工具的信貸風險自初步確認起並無大幅增加。倘i)其違約風險偏低，ii)借方有強大能力於短期滿足其合約現金流量責任，及iii)較長期的經濟及業務狀況存在不利變動，惟將未必削弱借方達成其合約現金流量責任的能力，則債務工具的信貸風險會被釐定為偏低。當債務工具的內部或外部信貸評級為「投資級別」(按照全球理解的釋義)，則本集團會視該債務工具的信貸風險偏低。

倘該工具已逾期超過90日，則本集團認為已產生違約，除非本集團有合理及可靠資料證明較寬鬆的違約標準更為適用則當別論。

預期信貸虧損之計量及確認

預期信貸虧損之計量為違約概率、違約虧損(即違約時虧損大小)及違約風險之函數。違約概率及違約虧損之評估乃基於歷史數據按前瞻性資料作調整。

### 3. PRINCIPAL ACCOUNTING POLICIES (Continued)

#### **Impacts and changes in accounting policies of application on HKFRS 9 “Financial Instruments” (Continued)**

#### **Key changes in accounting policies resulting from application of HKFRS 9 (Continued)**

##### *Impairment under ECL model (Continued)*

##### Measurement and recognition of ECL (Continued)

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

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

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

As at 1 April 2018, the directors of the Company reviewed and assessed the Group's existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. No expected credit loss allowance was recognised by the Group as at 1 April 2018 as the amount is not material.

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

### 3. 主要會計政策(續)

應用香港財務報告準則第9號「金融工具」的影響及會計政策變動(續)

應用香港財務報告準則第9號導致會計政策的主要變動(續)

預期信貸虧損模式項下之減值(續)

預期信貸虧損之計量及確認(續)

一般而言，預期信貸虧損為根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額(按初始確認時釐定之有效利率貼現)。

利息收入乃根據金融資產之賬面總額計算，除非金融資產發生信貸減值，在此情況下，利息收入則根據金融資產之攤銷成本計算。

本集團通過調整所有金融工具的賬面值於損益確認彼等之減值收益或虧損，惟貿易應收款項除外，此種情況下透過虧損撥備賬確認相應調整。

於二零一八年四月一日，本公司董事根據香港財務報告準則第9號規定，使用毋須花費不必要成本或精力即可獲得的合理及有理據資料審閱並評估本集團現有金融資產是否出現減值。本集團於二零一八年四月一日並無確認預期信貸虧損撥備，乃因金額並不重大。

除上文所述者外，於本中期間應用香港財務報告準則之其他修訂並無對該等簡明綜合財務報表中所呈報金額及/或所載披露產生重大影響。

#### 4. REVENUE AND SIGMENTAL INFORMATION

An analysis of the Group's revenue for both periods is as follows:

E&M engineering solutions and service (Note a)	機電工程解決方案及服務 (附註a)
E&M engineering maintenance services	機電工程保養服務
E&M engineering design and fabrication services (Note b)	機電工程設計及裝配服務 (附註b)
Sales of parts and components	銷售零件及部件

Notes:

- (a) Amount represents revenue generated from design, supply, installation of systems and implementation of electrical and mechanical ("E&M") engineering solutions and services, including revenue generated from design and fabrication services for the fabrication of made-to-order products for the customers, where applicable ("E&M engineering solutions and services").
- (b) Amount represents revenue generated from design and fabrication services for the fabrication of made-to-order products for the customers, such as control room consoles, public access kiosks and terminals, relay racks, test rigs, control room technical furniture and industrial enclosures and instrument cabinets, and also the conducting of ergonomic and work place studies without supply, installation of systems and implementation of E&M engineering solutions and services ("E&M engineering design and fabrication services").

#### 4. 收益及分部資料

本集團於該兩個期間的收益分析如下：

Six months ended 30 September 截至九月三十日止六個月	
2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
87,515	85,492
14,209	10,880
2,867	3,715
434	1,389
<b>105,025</b>	<b>101,476</b>

附註：

- (a) 該款項指系統設計、供應、安裝及執行機電(「機電」)工程解決方案及服務所產生的收益，包括為客戶製造按訂單做成的產品設計及裝配服務所產生的收益(如適用)(「機電工程解決方案及服務」)。
- (b) 該款項指從有關為客戶製造定制產品(例如控制室控制台、公用關卡及終端、繼電器機架、試驗台、控制室技術傢俬及工業外殼及儀器櫃，且亦進行人類工程學及工作場所研究)的設計及裝配服務(並無供應、安裝系統及執行機電工程解決方案及服務)(「機電工程設計及裝配服務」)所產生的收益。

#### 4. REVENUE AND SIGMENTAL INFORMATION (Continued)

##### Segment information

The Group's operations are solely derived from E&M engineering solutions and services, E&M engineering maintenance services with focus on (i) automatic fare collection system at railway stations; (ii) electronic payment and ticketing system; (iii) road and tunnel toll collection system; (iv) traffic control and surveillance system; and (v) railway signaling communication and control system, E&M engineering design and fabrication services and sales of parts and components during both periods. For the purposes of resources allocation and performance assessment, the chief operation decision maker (i.e. the executive directors of the Company) reviews the condensed consolidated financial position of the Group. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

#### 5. OTHER INCOME AND OTHER GAINS

Bank Interest Income	銀行利息收入
Government subsidies (Note)	政府補助(附註)
Sundry income	雜項收入

Note: Amount represent subsidies received from the Government of the Hong Kong Special Administration Region (the "HKSAR") for the Group's participation in Youth Employment and Training Programme, which is initiated by the Labour Department of the HKSAR.

#### 4. 收益及分部資料(續)

##### 分部資料

本集團於該兩個期間的經營僅來自機電工程解決方案及服務、機電工程保養服務，專注於(i)鐵路車站的自動收費系統；(ii)電子支付及票務系統；(iii)公路及隧道車輛繳費系統；(iv)交通管制及監察系統；及(v)軌道信號通訊及控制系統，機電工程設計及裝配服務及銷售零件及部件。就資源分配及表現評估而言，主要經營決策者(即本公司執行董事)審閱本集團的簡明綜合財務狀況。因此，本集團僅有一個單一經營分部及並無進一步呈列該單一分部的分析。

#### 5. 其他收入及其他收益

##### Six months ended 30 September

截至九月三十日止六個月

2018	2017
二零一八年	二零一七年
HK\$'000	HK\$'000
千港元	千港元
(Unaudited)	(Unaudited)
(未經審核)	(未經審核)

	174	77
	-	34
	49	52
	<b>223</b>	163

附註：該款項指本集團參加香港特別行政區(「香港特別行政區」)政府勞工處發起的青年就業及培訓計劃收取香港特別行政區政府的補助。

## 6. PROFIT BEFORE TAXATION

## 6. 除稅前溢利

		<b>Six months ended</b>	
		<b>30 September</b>	
		截至九月三十日止六個月	
		<b>2018</b>	2017
		二零一八年	二零一七年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
Profit (loss) before taxation has been arrived at after charging (crediting)	除稅前溢利(虧損)經扣除(計入)以下各項後達致：		
Auditor's remuneration	核數師薪酬	<b>590</b>	650
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>579</b>	403
Directors' remuneration	董事酬金	<b>2,054</b>	1,920
Other staff costs	其他員工成本		
– Salaries and other benefits	– 薪金及其他福利	<b>35,307</b>	35,439
– Retirement benefits scheme contributions	– 退休福利計劃供款	<b>1,378</b>	1,315
Total staff costs	員工成本總額	<b>38,739</b>	38,674
Minimum lease payments under operating leases in respect of:	經營租賃項下有關下列的最低租賃付款：		
– Office premises	– 辦公室物業	<b>2,946</b>	2,628
– Motor vehicle	– 汽車	–	26
Net foreign exchange loss (gain)	匯兌虧損(收益)淨額	<b>363</b>	(63)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	–	(7)

## 7. INCOME TAX EXPENSE

Hong Kong:	香港：
Current tax	即期稅項
Deferred tax	遞延稅項

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

The Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands (“BVI”) pursuant to the rules and regulations in those jurisdictions.

## 8. DIVIDEND

The Board does not recommend a payment of an interim dividend for the six months ended 30 September 2018.

## 7. 所得稅開支

Six months ended 30 September 截至九月三十日止六個月	
2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
1,918	1,874
68	68
<b>1,986</b>	<b>1,942</b>

於該兩個年度，香港利得稅按估計應課稅溢利的16.5%計算。

根據開曼群島及英屬處女群島(「英屬處女群島」)的法律及法規，本集團毋須在該等司法權區繳納任何所得稅。

## 8. 股息

董事會不建議就截至二零一八年九月三十日止六個月派付中期股息。

## 9. EARNINGS PER SHARE

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

Earnings (loss):	盈利(虧損):
Earnings (loss) for the purposes of basic earnings (loss) per share (profit (loss) for the period attributable to the owners of the Company)	用作計算每股基本盈利(虧損)之盈利(虧損)(本公司擁有人應佔期內溢利(虧損))

Weighted average number of shares:	股份加權平均數:
Number of ordinary shares for the purpose of calculating basic earnings (loss) per share	用作計算每股基本盈利(虧損)之普通股數目

## 9. 每股盈利

計算本公司擁有人應佔每股基本盈利乃基於以下數據:

<b>Six months ended</b>	
<b>30 September</b>	
截至九月三十日止六個月	
<b>2018</b>	2017
二零一八年	二零一七年
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>(Unaudited)</b>	(Unaudited)
(未經審核)	(未經審核)
<b>8,771</b>	(4,810)

<b>Six months ended</b>	
<b>30 September</b>	
截至九月三十日止六個月	
<b>2018</b>	2017
二零一八年	二零一七年
<b>'000</b>	'000
千股	千股
<b>(Unaudited)</b>	(Unaudited)
(未經審核)	(未經審核)
<b>345,753</b>	300,000

## 9. EARNINGS PER SHARE (Continued)

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share has retrospectively adjusted and determined on the assumption that the group reorganization and the capitalization issue as described in "History, Reorganisation and Corporate Structure" to the Prospectus has been effective on 1 April 2016.

No diluted earnings per share for both periods were presented as there were no potential ordinary shares in issue during both periods.

## 10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

For the six months ended 30 September 2018, the Group acquired property, plant and equipment with aggregate cost of HK\$380,800 (30 September 2017: HK\$838,000).

## 9. 每股盈利(續)

就計算每股基本盈利而言的普通股加權平均數已追溯調整並假設招股章程「歷史、重組及公司架構」所述集團重組及資本化發行於二零一六年四月一日已生效而作出釐定。

由於該兩個期間內並無發行潛在普通股，故於相關期間內並無呈列每股攤薄盈利。

## 10. 物業、廠房及設備變動

截至二零一八年九月三十日止六個月，本集團收購總成本為380,800港元(二零一七年九月三十日：838,000港元)的物業、廠房及設備。



## 11. TRADE RECEIVABLES

The Group grants credit terms of 30 to 60 days to its customers from the date of invoices on progress billings of contract and maintenance works and sales of goods. An aged analysis of the trade receivables presented based on the invoice date at the end of the reporting period.

0-30 days	0至30日
31-60 days	31至60日
61-90 days	61至90日
Over 90 days	超過90日

Included in the Group's trade receivable are debtors with aggregate carrying amount of approximately HK\$11,012,000 (31 March 2018: approximately HK\$23,547,000) which are past due as at 30 September 2018 for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

## 11. 貿易應收款項

本集團自合約及維修工程進度款項及銷售貨品發票日期起向其客戶授出30日至60日的信貸期。於報告期末基於發票日期呈列貿易應收款項賬齡分析。

As at 於	
30 September 2018 二零一八年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
<b>27,695</b>	17,118
<b>7,532</b>	19,370
<b>3,745</b>	2,700
<b>3,863</b>	5,665
<b>42,835</b>	44,853

計入本集團貿易應收款項賬面總值約為11,012,000港元(二零一八年三月三十一日:約為23,547,000港元)的應收賬項於二零一八年九月三十日已逾期,由於信用質素並無重大變動,且有關款項仍被視作可予收回,本集團並無就此作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。

## 11. TRADE RECEIVABLES (Continued)

Ageing analysis of trade receivables which are past due but not impaired based on invoice date at the end of the reporting period:

31-60 days	31至60日
61-90 days	61至90日
Over 90 days	超過90日

As at 30 September 2018, included in the trade receivable aged over 90 days was an amount of HK\$2,687,000, has initiated legal proceedings on 19 July 2018 against a customer. This claimed amount is in dispute with the customer and has not been recognized as revenue by the Group.

## 11. 貿易應收款項(續)

於報告期末基於發票日期作出的已逾期但未減值的貿易應收款項賬齡分析如下：

As at 於	
30 September 2018 二零一八年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
<b>3,404</b>	15,182
<b>3,745</b>	2,700
<b>3,863</b>	5,665
<b>11,012</b>	23,547

於二零一八年九月三十日，計入貿易應收款項的賬齡超過90日的款項為2,687,000港元，已於二零一八年七月十九日對一名客戶提起法律訴訟。該索償款項與客戶存在糾紛及尚未由本集團確認為收益。

## 12. RETENTION RECEIVABLES/OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

## 12. 應收保留金／其他應收款項、按金及預付款項

		As at 於	
		30 September 2018 二零一八年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Non-current:	非即期：		
Retention receivables (Note)	應收保留金(附註)	<b>9,197</b>	9,361
Deposits	按金	<b>1,365</b>	1,335
		<b>10,562</b>	10,696
Current:	即期：		
Retention receivables (Note)	應收保留金(附註)	<b>11,565</b>	7,428
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	<b>4,746</b>	7,365
		<b>16,311</b>	14,793
Total	總計	<b>26,873</b>	25,489

Note: Retention monies withheld by customers of contract works are unsecured, interest-free and recoverable after the completion of maintenance period of the relevant contracts or in accordance with the terms specified in the relevant contracts, which is mostly within one year from the date of completion of respective construction projects. In the opinion of the directors of the Company, the retention receivables to be received after one year are classified as non-current assets in condensed consolidated statements of financial position since it is not expected to realise the retention receivables in the Group's normal operating cycle.

附註：客戶扣留的合約工程保留金為無抵押、免息及於相關合約維修期完成後或根據相關合約規定條款可予收回，大多數為自相關建造項目完成日期起計的一年內。本公司董事認為，於一年之後收取的應收保留金於簡明綜合財務狀況表被分類為非流動資產，因為預期於本集團正常經營週期內不會變現應收保留金。

**12. RETENTION RECEIVABLES/OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)**

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

On demand or within one year      按要求或於一年內  
After one year                              於一年後

**12. 應收保留金／其他應收款項、按金及預付款項(續)**

應收保留金於各報告期末基於保修期屆滿後結算：

As at	
於	
<b>30 September</b>	31 March
<b>2018</b>	2018
二零一八年	二零一八年
九月三十日	三月三十一日
<b>HK\$'000</b>	HK\$'000
千港元	千港元
<b>(Unaudited)</b>	(Audited)
(未經審核)	(經審核)
<b>11,565</b>	7,428
<b>9,197</b>	9,361
<b>20,762</b>	16,789

### 13. TRADE PAYABLES

The credit period on purchases and subcontracting of contract work services ranges from 30 to 60 days. The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

0-30 days	0至30日
31-60 days	31至60日
61-90 days	61至90日
91-365 days	91至365日
Over 365 days	超過365日

As at 30 September 2018, included in the trade payable aged over 365 days was an amount of HK\$ 4,901,000, representing the full provision of the Group's contractual obligation, which was pending settlement as the Group was in dispute with the counterparty for final settlement. No reversal of this payable was recognised during the six months ended 30 September 2018 and 2017 as the derecognition criteria in accordance with the Group's accounting policies has not been met.

### 13. 貿易應付款項

購買及分包合約工程服務的信貸期介乎30至60日。以下為於報告期末基於發票日期呈列的貿易應付款項賬齡分析：

As at 於	
30 September 2018 二零一八年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
<b>6,479</b>	3,464
<b>748</b>	89
<b>3</b>	694
<b>503</b>	879
<b>4,901</b>	4,901
<b>12,634</b>	10,027

於二零一八年九月三十日，計入貿易應付款項的賬齡超過365日的款項為4,901,000港元，指就本集團合約責任悉數撥備。該款項待結算，乃由於本集團與對手方就最終結算存在爭議所致。因確認標準與本集團會計政策不符，故於截至二零一八年及二零一七年九月三十日止六個月並無確認撥回該應付款項。

## 14. OTHER PAYABLES AND ACCRUED CHARGES

## 14. 其他應付款項及應計費用

		As at 於	
		30 September 2018 二零一八年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2018 二零一八年 三月三十一日 HK\$'000 千港元 (Audited) (經審核)
Accrued staff costs	應計員工成本	<b>6,198</b>	4,207
Provision for annual leave	年假撥備	<b>2,308</b>	2,309
Provision for long service payments	長期服務金撥備	<b>760</b>	760
Retention payables (Note)	應付保留金(附註)	<b>3,083</b>	2,455
Other accrued charges	其他應計費用	<b>2,046</b>	1,861
		<b>14,395</b>	11,592

Note: Retention payables to sub-contractors of contract work are interest-free and payable by the Company after the completion of maintenance period of the relevant contracts or in accordance with the terms specified in the relevant contracts, ranges from one to two years from the completion date of the respective construction contracts.

附註：應付分包商的合約工程保留金為免息，須由本公司於相關合約維修期完成後或根據相關合約規定的條款支付，自相關建造合約完成日期起計介乎一至兩年。

## 15. RELATED PARTY TRANSACTIONS

The Group entered into the following transactions with its related parties:

Purchase of materials from Logistic Industrial (Note a)	向洛士工業採購物料 (附註 a)
Rental fee paid to: K.M. Luk & Engineers Limited (Note b)	支付租金費用予: 陸鑑明工程有限公司(附註 b)
KML Ltd (Note c)	圖遠有限公司(附註 c)

Notes:

- Logistic Industrial Supply Company Limited (“**Logistic Industrial**”) is a company which Mr. Luk Kam Ming (“**Mr. KM Luk**”) and Ms. Leung Kwok Yee (“**Madam Leung**”) have significant influence over it.
- K.M. Luk & Engineers Limited, a company jointly controlled by Mr. KM Luk, Madam Leung, Mr. Luk Kwai Lung and Mr. Luk Yin Cheung.
- KML Ltd. is controlled by Mr. KM Luk. The rental fee paid is regarded as continuing connected transaction.

## 16. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

As at the date of this report, there were no subsequent events after this reporting period.

## 15. 關聯方交易

本集團與其關聯方訂立下列交易：

Six months ended 30 September 截至九月三十日止六個月	
2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)	2017 二零一七年 HK\$'000 千港元 (Unaudited) (未經審核)
33	11
-	26
2,298	1,980

附註：

- 洛士工業器材有限公司(「洛士工業」)為陸鑑明先生(「陸鑑明先生」)及梁幟儀女士(「梁女士」)對其有重大影響力的公司。
- 陸鑑明工程有限公司為由陸鑑明先生、梁女士、陸季農先生及陸彥彰先生共同控制的公司。
- 圖遠有限公司由陸鑑明先生控制。已支付的租金視為持續關連交易。

## 16. 報告期後事項

於本報告日期，於本報告期後概無期後事項。

## MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

### 業務回顧

The Group has been providing electrical and mechanical (“E&M”) engineering solutions and services, with a primary focus on Transportation Mission Critical System Solutions in Hong Kong for over 40 years. We mainly undertake projects that are related to the design, supply, installation, fabrication and/or maintenance of, among others, the following, depending on our customers’ needs:

本集團於香港提供機電(「機電」)工程解決方案和服務逾四十年，主要專注交通關鍵系統解決方案。視乎客戶的需求，我們主要承接下列與設計、供應、安裝、裝配及／或保養有關的項目：

- (i) Automatic fare collection system at railway stations;
- (ii) Electronic payment and ticketing system;
- (iii) Road and tunnel toll collection system;
- (iv) Traffic control and surveillance system; and
- (v) Railway signalling communication and control system.

- (i) 鐵路車站的自動收費系統；
- (ii) 電子支付及票務系統；
- (iii) 公路及隧道車輛繳費系統；
- (iv) 交通管制及監察系統；及
- (v) 軌道信號通訊及控制系統。

We also undertake other E&M engineering solutions and services, comprising:

我們亦承接其他機電工程解決方案及服務，包括：

- (i) Security and access control system;
- (ii) Railway station E&M engineering services and architectural works;
- (iii) Rolling stock refurbishment and renovation works; and
- (iv) Trackside and depot E&M engineering works.

- (i) 保安及門禁系統；
- (ii) 鐵路車站機電工程服務及建築工程；
- (iii) 軌道車輛翻新及修復工程；及
- (iv) 軌道旁及車廠機電工程。

Our customers comprise mainly transportation companies and other engineering companies in Hong Kong and Taiwan, and also various departments of the Hong Kong Government.

我們的客戶主要包括香港及台灣公共交通營運公司及其他工程公司，以及香港不同政府部門。



With technical knowledge in the areas of electrical, mechanical and electronic engineering, and a strong focus on product design and research and development, and through our vertically-integrated business model that combines design and fabrication, equipment assembly and system implementation, we are an E&M engineering solutions and services provider in Hong Kong who is capable of independently providing a full suite of custom-built products and services. We provide services and technical support to our customers on system solutions, equipment assembly and installation, network optimization, inspection and testing. We possess technologies and know-how in the Hong Kong Transportation Mission Critical System Solution market and have strong system integration capabilities. Our comprehensive offerings enable us to provide our customers with a complete and convenient one-stop solution, which reduces their operation and management costs and mitigates the incompatibility risks of different E&M engineering systems. In turn, our vertically-integrated business model enhances our ability to customize our products and services to address customers' needs and become more competitive in bidding for new projects. In addition, our business model also promotes the synergies among our individual products and services, reduces our marketing costs and lays a solid foundation for us to develop our maintenance services after our systems and equipment are put into operation.

憑藉電氣、機械及電子工程方面的技術知識、集中於產品設計及研發及透過我們的垂直整合業務模式結合設計及裝配、設備裝置及系統實施，我們為香港機電工程解決方案及服務供應商，可獨立提供全套定制產品及服務。我們向客戶提供有關系統解決方案、設備裝置及安裝、網絡優化、檢驗及測試的服務及支援。我們具備香港交通關鍵系統解決方案市場上的技術及專業知識及擁有強大的系統集成能力，使我們能夠向客戶提供完整便利的一站式解決方案，縮減營運及管理成本及減低不同機電工程系統的不兼容風險。相應地，我們的垂直整合業務模式能夠提高我們定制產品及服務的能力以應對客戶的需求，從而於競投新項目時更具競爭力。此外，我們的業務模式亦促進個別產品及服務之間的協同效應，削減營銷成本，並為我們在系統及設備投入營運後發展保養服務奠定堅實基礎。

## OUTLOOK

### Modernisation and Upgrading of Transportation System

To keep pace with the growing transport needs, modernization, upgrading and expansion projects are being launched. It is expected that there will be increasing opportunities for the Transportation Mission Critical System Solutions market in the coming years mainly from projects in relation to (i) railway signaling communication and control system relating to the Three Runway; (ii) upgrade of various systems and train refurbishment of the mass transit in Hong Kong; (iii) road and tunnel toll collection system replacement or upgrade at various government tunnels; (iv) upgrade of parking meter system in Hong Kong; and (v) automatic fare collection system upgrade in Taiwan railway and metro.

### Vision of Smart City

To foster the knowledge economy, enhance quality of life and create a vibrant eco-system by using information technology and promoting more effective resource management, the development of a smart city is the vision of the Hong Kong society. Application of Internet of Things (IoT), human face recognition, augmented reality/virtual reality, at the Group's future products and services aims to tie in this trend.

Giving our Group's extensive experience in automatic fare collection system and toll collection, the Group will devote more resources in the application and integration of different technologies and different emerging payment methods to our products and services in response to the evolving market conditions as well as changing customers' requirements. Our Group believes our city embracing mobile payment technology will bring benefits to the government, economy and individuals in the long run.

## 前景

### 交通系統現代化及升級

為了緊貼不斷增長的交通需求，正推出現代化、升級及擴張項目。預期未來幾年在交通關鍵系統解決方案市場將會出現越來越多的機會，機會主要來自有關(i)與香港國際機場擴充至三跑道相關的軌道信號通訊及控制系統；(ii)升級香港公共交通不同系統及列車翻新；(iii)多條政府隧道的公路及隧道車輛繳費系統替換或升級；(iv)升級香港泊車咪錶系統；及(v)台灣鐵路及捷運的自動收費系統升級的項目。

### 智慧城市的願景

香港社會的願景是發展智慧城市，透過使用信息技術及推進高效資源管理發展知識經濟，提高生活質量及創造一個朝氣蓬勃的生態系統。本集團未來產品及服務的物聯網、人臉識別、擴增實境／虛擬實境應用旨在配合此趨勢。

鑒於本集團於自動收費系統及繳費系統的豐富經驗，本集團將投入更多資源，將不同的技術及不同的新興付款方式應用及集成於我們的產品及服務，以應對不斷變化的市場環境及客戶需求。本集團相信我們的城市應用流動支付技術將為政府、經濟及個人帶來長遠利益。

## FINANCIAL REVIEW

### Revenue

Revenue of the Group for the six months ended 30 September 2018 amounted to approximately HK\$105.0 million, representing an increase of approximately HK\$3.5 million or 3.4% as compared with approximately HK\$101.5 million for the six months ended 30 September 2017. Such increase was mainly contributed by (i) an increase of number of projects undertaken by the Group during the six months ended 30 September 2018; and (ii) a variation order with substantial amount was received during the period.

### Cost of Sales and Gross Profit

The majority of the Group's cost of sales comprised (i) material and equipment; (ii) direct labour; and (iii) subcontracting cost. The cost of sales increased by approximately 3.5% from approximately HK\$70.5 million for the six months ended 30 September 2017 to approximately HK\$73.0 million for the six months ended 30 September 2018. The increase in cost of sales is mainly due to the increase in number of projects undertaken by the Group during the period. The gross profit of the Group increased by approximately 3.6% from approximately HK\$30.9 million for the six months ended 30 September 2017 to approximately HK\$32.0 million for the six months ended 30 September 2018. The increase in gross profit is mainly due to the increase in revenue as discussed above.

### Administrative Expenses

The Group's administrative expenses increased by 10.8% from approximately HK\$19.4 million for the six months ended 30 September 2017 to approximately HK\$21.5 million for the six months ended 30 September 2018. The increase is mainly due to the increase of professional fee after listing.

## 財務回顧

### 收益

本集團截至二零一八年九月三十日止六個月的收益約為105.0百萬港元，較截至二零一七年九月三十日止六個月的約101.5百萬港元增加約3.5百萬港元或3.4%。有關增加主要由於(i)本集團於截至二零一八年九月三十日止六個月承接的項目數量增加；及(ii)於期內接獲數額較大的變更訂單。

### 銷售成本及毛利

本集團的主要銷售成本包括(i)物料及設備；(ii)直接勞工；及(iii)分包成本。銷售成本由截至二零一七年九月三十日止六個月約70.5百萬港元增加約3.5%至截至二零一八年九月三十日止六個月約73.0百萬港元。銷售成本增加乃主要由於本集團於期內承接的工程項目數量增加。本集團毛利由截至二零一七年九月三十日止六個月約30.9百萬港元增加約3.6%至截至二零一八年九月三十日止六個月約32.0百萬港元。毛利增加主要由於上文所討論收益增加。

### 行政開支

本集團行政開支由截至二零一七年九月三十日止六個月約19.4百萬港元增加約10.8%至截至二零一八年九月三十日止六個月約21.5百萬港元。該增加主要由於上市後專業服務費用的增加。

### Profit attributable to owners of the Company

The Group recorded a profit attributable to the owners of the company of approximately HK\$8.8 million for the six months ended 30 September 2018 (2017: loss approximately HK\$4.8 million). The difference is mainly due to the Company's incurrence of listing expenses of approximately HK\$14.7 million for the six months ended 30 September 2017.

### Liquidity, Financial Resources and Capital Structure

Historically, the Company has met the liquidity and capital requirement primarily through operating cash flows and capital contribution from its shareholders.

The Company requires cash primarily for working capital needs. As at 30 September 2018, the Company had approximately HK\$86.8 million in (i) bank balances and cash; and (ii) time deposits with original maturity over three months (as at 30 September 2017: approximately HK\$23.7 million), representing an increase of approximately HK\$63.1 million as compared to that as at 30 September 2017.

On 16 October 2017 (the "**Listing Date**"), the ordinary shares of the Company (the "**Shares**") were listed on GEM by way of share offer (the "**Share Offer**") and completed the Share Offer of its 100,000,000 Shares, comprising 50,000,000 Shares offered by the Company for subscription and 50,000,000 Shares offered by the Company for placing, with a par value of HK\$0.01 each at offer price of HK\$0.60 per Share for the net proceeds of approximately HK\$35.6 million. The Company believed that the funding from the Share Offer on the GEM would allow the Group to access the capital market for raising funds in the future. There has been no change on the capital structure of the Group since the Listing Date and up to the date of this report (i.e. 5 November 2018) (the "**Date of this Report**"). The capital of the Company only comprises of ordinary shares.

### 本公司擁有人應佔溢利

截至二零一八年九月三十日止六個月，本集團錄得本公司擁有人應佔溢利約8.8百萬港元(二零一七年：虧損約4.8百萬港元)。該差別主要由於本公司於截至二零一七年九月三十日止六個月產生上市開支約14.7百萬港元。

### 流動資金、財務資源及資本架構

過往，本公司主要透過經營現金流量及股東注資滿足其流動資金及資本需求。

本公司主要需要現金應付營運資金需要。於二零一八年九月三十日，本公司有(i)銀行結餘及現金；及(ii)原到期日超過三個月定期存款合共約86.8百萬港元(於二零一七年九月三十日：約23.7百萬港元)，較二零一七年九月三十日增加約63.1百萬港元。

於二零一七年十月十六日(「**上市日期**」)，本公司普通股(「**股份**」)透過股份發售(「**股份發售**」)方式於GEM上市，並完成100,000,000股股份發售，當中50,000,000股股份由本公司發售以供認購，另50,000,000股股份由本公司發售以供配售；每股面值為0.01港元，每股發售價為0.60港元，以換取所得款項淨額約35.6百萬港元。本公司相信來自GEM股份發售的資金可讓本集團於未來在資本市場集資。自上市日期起及直至本報告日期(即二零一八年十一月五日)(「**本報告日期**」)，本集團資本架構並無任何變動。本公司資本僅包括普通股。

### Capital Expenditure

The Company purchased property, plant and equipment amounting to approximately HK\$0.4 million for the six months ended 30 September 2018 which comprised acquisition of furniture, fixtures and office equipment (2017: approximately HK\$0.8 million).

### Dividend

The Board does not recommend a payment of an interim dividend for the six months ended 30 September 2018 (2017: Nil).

### Employees and Remuneration Policies

As at 30 September 2018, the Company had a total of 224 employees (30 September 2017: 225). The Company's remuneration policies are in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employee. The Company recognizes the importance of a good relationship with its employees. The remuneration payable to its employees includes salaries and allowances. Other benefits include provident fund scheme, medical and life insurance, discretionary bonus and share options.

### Use of Proceeds from the Listing

On 16 October 2017, the Shares were listed on GEM by way of Share Offer (the "Listing"). The Group intends to apply the proceeds from the Listing in accordance with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

As set out in the Prospectus, the business objectives and strategies of the Group are: (i) expand and enhance our E&M engineering technical capability; (ii) deepen our penetration of the Hong Kong E&M engineering industry with special focus on the Transportation Mission Critical System Solutions market by strengthening our research and development capabilities and increasing our brand awareness through marketing efforts; and (iii) strengthen the Group's financial capabilities to undertake larger-scale E&M engineering projects in the future.

### 資本開支

於截至二零一八年九月三十日止六個月，本公司購買金額約0.4百萬港元的物業、廠房及設備，當中包括購買傢俱、裝置及辦公室設備(二零一七年：約0.8百萬港元)。

### 股息

董事會不建議就截至二零一八年九月三十日止六個月派付中期股息(二零一七年：無)。

### 僱員及薪酬政策

於二零一八年九月三十日，本公司合共有224名僱員(二零一七年九月三十日：225名)。本公司的薪酬政策與當前市場慣例一致，並根據個別僱員的表現、資格及經驗而釐定。本公司明白與僱員維持良好關係的重要性。應付僱員的薪酬包括薪金及津貼。其他福利包括強積金計劃、醫療及人壽保險、酌情花紅及購股權。

### 上市所得款項用途

於二零一七年十月十六日，股份以股份發售方式在GEM上市(「上市」)。本集團擬將上市所得款項按招股章程內「未來計劃及所得款項用途」一節所載的擬定用途使用。

誠如招股章程所載，本集團的業務目標及策略為(i)擴大及提高我們的機電工程技術能力；(ii)通過增強我們的研發能力及透過營銷手段提高我們的品牌認知度加深對香港機電工程行業(特別專注於交通關鍵系統解決方案市場)的滲透率；及(iii)增強本集團日後承接較大型機電工程項目的財政能力。

After deduction of all related listing expenses and commissions, the net proceeds from the Listing amounted to approximately HK\$35.6 million. Up to 30 September 2018, the Group has utilized HK\$6.1 million of the net proceeds from the Listing as follows:

經扣除所有相關上市開支及佣金後，上市所得款項淨額約為35.6百萬港元。直至二零一八年九月三十日，本集團已動用上市所得款項淨額6.1百萬港元如下：

	<b>Planned use of net proceeds as stated in the Prospectus up to 30 September 2018</b>	<b>Actual use of net proceeds up to 30 September 2018</b>
	直至二零一八年 九月三十日 招股章程所載 所得款項淨額 的計劃用途 HK\$'000 千港元	直至 二零一八年 九月三十日 所得款項淨額 的實際用途 HK\$'000 千港元
Expand and enhance our E&M engineering technical capabilities	9,975	934
Deepen our penetration of the Hong Kong E&M engineering industry with special focus on the Transportation Mission Critical System Solutions market by strengthening our research and development capabilities and increasing our brand awareness through marketing efforts	6,276	174
Strengthen our financial capabilities to undertake larger-scale E&M engineering projects in the future	5,000	5,000

### Comparison of Business Objectives with Actual Business Progress

An analysis comparing the business objectives as set out in the Prospectus with the Group's actual business progress for the period from the Listing Date to 30 September 2018 is set out below:

### 業務目標與實際業務進展之比較

載於招股章程之業務目標與本集團由上市日期至二零一八年九月三十日止期間之實際業務進展之比較分析如下：

## Business strategy 業務策略

Expand and enhance our E&M engineering technical capabilities by:

- (i) Increasing our productivity through the purchase of new machineries and equipment;
- (ii) Improving our material handling and field service capacity;
- (iii) Purchasing and implementing information technology solutions; and
- (iv) Retaining our talents and enhancing the risk mitigation measures.

透過以下方式擴大及提高我們的機電工程技術能力：

- (i) 通過採購新機器及設備增加我們的生產力；
- (ii) 提高我們的物料處理及現場施工能力；
- (iii) 採購及執行資訊科技解決方案；及
- (iv) 挽留人才及加強風險緩減措施。

## Actual business progress up to 30 September 2018

截至二零一八年九月三十日止的實際業務進展

The Group has purchased several fibre cable testing related equipment.

The Group has enhanced our insurance coverage and employee remuneration packages, including (i) upgrading of employees' medical insurance plan; (ii) purchasing of the Group's professional indemnity insurance plan; (iii) purchasing of the Group's product liability insurance plan; and (iv) providing funds for the employees' performance bonus scheme.

The Group has rent a warehouse and will continue to identify additional material handling and storage facilities.

本集團已採購若干光纖電纜測試相關設備。

本集團已擴大保險覆蓋範圍及提高僱員薪酬待遇，包括 (i) 升級僱員醫療保險計劃；(ii) 投購本集團的專業責任保險計劃；(iii) 投購本集團的產品責任保險計劃；及 (iv) 為僱員績效獎金計劃提供資金。

本集團已租賃一個倉庫及將繼續識別其他物料處理及儲存設施。

Deepen our penetration of the E&M engineering industry with special focus on the Transportation Mission Critical System Solutions market by strengthening our research and development capabilities and increasing our brand awareness through marketing efforts through:

- (i) Expanding our office space and work area;
- (ii) Increasing our marketing efforts and business exposure; and
- (iii) Enhancement of our research and development capabilities.

Strengthen our financial capabilities to undertake larger-scale E&M engineering projects in the future.

通過增強我們的研發能力及透過營銷手段提高我們的品牌認知度加深對機電工程行業(特別專注於交通關鍵系統解決方案市場)的滲透率, 方式為:

- (i) 擴大辦公室及工作空間;
- (ii) 加大我們的營銷效能及推廣我們的業務; 及
- (iii) 提高我們的研發能力。

增強我們日後承接較大型機電工程項目的財政實力。

The Group has rented an additional office space and work area.

The Group has (i) arranged our employees to participate in exhibitions, conference and symposiums; and (ii) been making an effort to increase business exposure in Taiwan.

The Group is in the process of recruiting additional research and development staff.

The Group has devoted resources including hardware and software in relation to the development of mobile payment technology.

The Group has strengthened our financial capabilities to undertake large-scale E&M engineering projects through the provision of performance guarantees.

本集團已租賃一個額外的辦公室空間及工作區域。

本集團已 (i) 安排僱員參與展覽會、會議及研討會; 及 (ii) 盡力擴展台灣的業務。

本集團正在招聘額外研發人員。

本集團已就開發移動支付技術投入資源, 包括硬件及軟件。

本集團透過提供履約保證已增強我們承接大型機電工程項目的財政實力。



### **Gearing Ratio**

The ratio was not applicable for the six months ended 30 September 2018 as no borrowing was incurred. (2017: not applicable).

### **Foreign Exchange Exposure**

We conduct business with customers, suppliers and subcontractors located in Hong Kong, the People's Republic of China and overseas. The Group's exposure to currency risk mainly arise from the fluctuation of Renminbi, Euro, New Taiwan Dollar or United States dollars. The Group currently does not have any hedging policy in place for its foreign exchange exposure. However, the Board will remain alert to any relevant risk and, if necessary, consider hedging any potential material foreign exchange risk.

### **Treasury Policies**

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the six months ended 30 September 2018. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely 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 from time to time.

### **Significant Investments and Future Plans for Material Investments and Capital Assets**

The Group did not hold any significant investments in equity interest in any other companies as at 30 September 2018. Except for those included in the section headed "Future Plans and Use of Proceeds" for inclusion in the Prospectus, the Group had no definite future plans for material investments and capital assets.

### **資產負債比率**

截至二零一八年九月三十日止六個月並不適用該比率，因並無產生借貸（二零一七年：不適用）。

### **外匯風險**

我們與香港、中華人民共和國及海外客戶、供應商及分包商均有業務往來。本集團所面臨的貨幣風險主要來自人民幣、歐元、新台幣或美元的波動。目前本集團並無進行外幣對沖政策。然而，董事會將對任何相關風險保持警覺，如有需要將考慮對可能產生的重大外幣風險予以對沖。

### **庫務政策**

本集團的庫務政策採納穩健的財務管理方針，因此，於截至二零一八年九月三十日止六個月，流動資金狀況均處於健康水平。本集團致力透過持續進行信貸評估及評估客戶的財務狀況，減低所承受的信貸風險。為管理流動資金風險，董事會密切監察本集團的流動資金狀況，確保本集團資產、負債及其他承諾組成的流動資金架構能應付不時的資金需要。

### **重大投資與重大投資及資本資產的未來計劃**

於二零一八年九月三十日，本集團並無於任何其他公司的股本權益持有任何重大投資。除招股章程內「未來計劃及所得款項用途」一節所載者外，本集團並無有關重大投資及資本資產的實質未來計劃。

### **Material Acquisitions and Disposals of Subsidiaries, Associates or Joint Ventures**

Apart from the reorganisation in relation to the listing as disclosed in the Prospectus, there were no other significant investments held, material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 September 2018.

### **Pledge of Assets**

As at 30 September 2018, the Group has a pledged bank deposit at HK\$5.0 million (2017: Nil).

### **Commitments**

The operating lease commitments of the Group were primarily related to the leases of its office premises and the workshops. The Group's operating lease commitments for the year ended 31 March 2019 amounted to approximately HK\$2.9 million as at 30 September 2018 (2017: approximately HK\$2.9 million).

### **Contingent Liabilities**

As at 30 September 2018, the Group did not have any significant contingent liabilities (2017: Nil).

### **Financial Risk Management**

Risk management is carried out by the Company's finance department under policies approved by the Board. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides guidance for overall risk management and specific areas, such as market risk, interest rate risk, credit risk and liquidity risk.

### **Subsequent Events**

As at the date of this report, there were no subsequent events after this reporting period.

### **附屬公司、聯營公司或合營公司的重大收購及出售**

除招股章程所披露就上市所進行的重組外，於截至二零一八年九月三十日止六個月並無持有其他重大投資，亦並無有關附屬公司、聯營公司或合營公司的重大收購或出售。

### **資產抵押**

於二零一八年九月三十日，本集團擁有已抵押銀行存款5.0百萬港元(二零一七年：無)。

### **承擔**

本集團的經營租賃承擔主要與出租辦公室物業及工場有關。於二零一八年九月三十日，本集團截至二零一九年三月三十一日止年度的經營租賃承擔約為2.9百萬港元(二零一七年：約2.9百萬港元)。

### **或然負債**

於二零一八年九月三十日，本集團並無任何重大或然負債(二零一七年：無)。

### **財務風險管理**

風險管理由本公司財務部根據經董事會批准的政策執行。財務部與本集團營運單位緊密合作，共同識別、評估及對沖財務風險。董事會就整體風險管理及多個特定範圍(如市場風險、利率風險、信貸風險及流動資金風險)提供指引。

### **期後事項**

於本報告日期，於本報告期後概無期後事項。

## CORPORATE GOVERNANCE/OTHER INFORMATION

### CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company (the “Shareholders”) and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 to the GEM Listing Rules as its own code of corporate governance. For the six months ended 30 September 2018, the Company has applied the principles as set out in the CG Code contained in Appendix 15 to the GEM Listing Rules which are applicable to the Company and has complied with the CG Code.

### COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors’ securities transactions in the securities of the Company.

The Company has made specific enquiries to all Directors about their compliance with the required standard of dealings for the six months ended 30 September 2018, without noticing any violation of the required standard.

### AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company has established an audit committee (the “Audit Committee”) with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and the CG Code. The Audit Committee comprises three members, namely Mr. Lau On Kwok (chairman), Mr. Law Wing Chi Stephen and Dr. Tse Chi Kong, all of them are independent non-executive Directors. The Audit Committee has reviewed with the management the accounting policies and practices adopted by the Group and discussed with the management internal control and financial reporting matters of the Company, including the review of the unaudited condensed consolidated results of the Group for the six months ended 30 September 2018 and the interim report. The Audit Committee is of the opinion that the unaudited condensed consolidated results of the Group for the six months ended 30 September 2018 comply with the applicable accounting standards, the GEM Listing Rules and legal requirements and that adequate disclosure has been made.

## 企業管治／其他資料

### 企業管治常規

本集團致力維持高水平的企業管治，以保障本公司股東（「股東」）權益以及提升企業價值及問責性。本公司已採納GEM上市規則附錄十五所載的企業管治守則（「企業管治守則」），作為其本身的企業管治守則。於截至二零一八年九月三十日止六個月，本公司已採用GEM上市規則附錄十五所載企業管治守則項下適用於本公司的原則，並已遵守企業管治守則。

### 遵守董事進行證券交易的必守標準

本公司已採納GEM上市規則第5.48至5.67條所規定的交易必守標準作為其自身於本公司證券交易中董事證券交易行為守則。

本公司已就全體董事於截至二零一八年九月三十日止六個月遵守交易必守標準的情況向彼等作出特定查詢，並無發現任何違反必守標準的情況。

### 審核委員會及中期業績審閱

本公司已遵照GEM上市規則第5.28條至第5.33條及企業管治守則成立審核委員會（「審核委員會」）並以書面界定其職權範圍。審核委員會由三名成員（劉安國先生（主席）、羅永志先生及謝智剛博士）組成，彼等均為獨立非執行董事。審核委員會已連同管理層審閱本集團採納的會計政策及慣例，並討論本公司的管理內部控制及財務申報事宜，包括審閱本集團截至二零一八年九月三十日止六個月的未經審核簡明綜合業績及中期報告。審核委員會認為，本集團截至二零一八年九月三十日止六個月的未經審核簡明綜合業績符合適用會計準則、GEM上市規則及法律規定，並已作出足夠披露。

## CHANGES TO INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Lau On Kwok, an independent non-executive Director, is appointed on 18 October 2018 as a director of both China Assets (Holdings) Limited, which was listed on the Stock Exchange (stock code: 0170) during the period from April 1992 to November 2017 and a director of China Assets Investment Management Limited, which is a licensed corporation under Securities and Futures Commission of Hong Kong. Mr. Lau resigned as the financial controller and company secretary of Winshine Science Company Limited, a company listed on the Stock Exchange (stock code: 0209) effective on 13 November 2018.

Mr. Hui Wah Pui, a senior management member of the Company, resigned as a director of KML Engineering Limited (“**KML Engineering**”), a subsidiary of the Company due to his early retirement, with effect from 29 September 2018.

Saved as disclosed above, the Directors confirm that no information is required to be disclosed pursuant to Rules 17.50(2) and 17.50A(1) of the GEM Listing Rules during the six months ended 30 September 2018.

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

For the six months ended 30 September 2018, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

## INTERESTS OF COMPLIANCE ADVISER

As notified by the Company’s compliance adviser, Kingsway Capital Limited (“**Kingsway Capital**”), neither Kingsway Capital nor any of its directors or employees or close associates had any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities) or otherwise in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules and all Directors and controlling Shareholders and their respective close associates as referred to in Rule 11.04 of the GEM Listing Rules (except for the compliance adviser service provided by Kingsway Capital as at the Date of this Report).

## 董事及高級管理層資料變動

獨立非執行董事劉安國先生於二零一八年十月十八日獲委任為中國資本(控股)有限公司(於一九九二年四月至二零一七年十一月期間於聯交所上市，股份代號：0170)董事及中國資本投資管理有限公司(為香港證券及期貨事務監察委員會項下持牌法團)董事。劉先生已辭任瀛晟科學有限公司(於聯交所上市之公司，股份代號：0209)財務總監及公司秘書，自二零一八年十一月十三日起生效。

許華培先生(本公司的高級管理層成員)因其提前退休，辭任本公司附屬公司高明科技工程有限公司(「**高明科技工程**」)董事一職，自二零一八年九月二十九日起生效。

除上文所披露者外，董事確認，於截至二零一八年九月三十日止六個月內，概無資料須根據GEM上市規則第17.50(2)及17.50A(1)條予以披露。

## 購買、出售或贖回本公司的上市證券

於截至二零一八年九月三十日止六個月，本公司或任何其附屬公司概無購買、出售或贖回任何本公司的上市證券。

## 合規顧問的權益

誠如本公司合規顧問滙富融資有限公司(「**滙富融資**」)告知，滙富融資或其任何董事或僱員或緊密聯繫人概無於本公司或本集團任何成員公司的股本中擁有任何權益(包括認購該等證券的購股權或權利)或擁有根據GEM上市規則第6A.32條須知會本公司及全體董事及控股股東及彼等按GEM上市規則第11.04條所指的其各自緊密聯繫人與本公司有關的其他權益(滙富融資於本報告日期提供的合規顧問服務除外)。

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

## 董事及主要行政人員於股份、相關股份及債權證的權益及淡倉

As at 30 September 2018, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), which were recorded in the register required to be kept pursuant to Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

於二零一八年九月三十日，董事及本公司主要行政人員於本公司或其相關法團（定義見《證券及期貨條例》（「《證券及期貨條例》」）第XV部）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和8分部知會本公司及聯交所的權益及淡倉（包括根據《證券及期貨條例》有關條文視為或當作擁有的權益及淡倉），或登記於根據《證券及期貨條例》第352條存置的登記冊；或根據GEM上市規則第5.46至5.67條須知會本公司及聯交所的權益及淡倉如下：

Name	Capacity/ Nature of Interest	Number of Shares	Long/short position <sup>(5)</sup>	Approximate Percentage of Shareholding in the Company 於本公司的 持股概約百分比 (%)
姓名	身份／權益性質	股份數目	好倉／淡倉 <sup>(5)</sup>	
Mr. Luk Kam Ming ("Mr. KM Luk") <sup>(1)</sup> 陸鑑明先生 (「陸鑑明先生」) <sup>(1)</sup>	Beneficial owner; Interest of spouse 實益擁有人； 配偶權益	162,000,000	L	40.50
Mr. Luk Kwai Lung ("Mr. KL Luk") <sup>(2)</sup> 陸季農先生 (「陸季農先生」) <sup>(2)</sup>	Interest in a controlled corporation 受控法團權益	138,000,000	L	34.50
Mr. Luk Yin Cheung ("Mr. YC Luk") <sup>(2) (3)</sup> 陸彥彰先生 (「陸彥彰先生」) <sup>(2) (3)</sup>	Interest in controlled corporation; interest of spouse 受控法團權益； 配偶權益	138,600,000	L	34.65
Mr. Chan Chak Lun Philip ("Mr. CL Chan") <sup>(4)</sup> 陳澤麟先生(「陳澤麟先生」) <sup>(4)</sup>	Beneficial owner 實益擁有人	4,000,000	L	1.00

Notes:

- (1) Mr. KM Luk directly holds 105,000,000 Shares. Since Mr. KM Luk is the spouse of Ms. Leung Kwok Yee ("**Madam Leung**"), Mr. KM Luk is deemed to be interested in all the Shares in which Madam Leung is interested or deemed to be interested under the SFO, which is 57,000,000 Shares.
- (2) Each of Mr. KL Luk and Mr. YC Luk owns one common share in KML Holdings Limited ("**KML Holdings**"), representing 50% of the issued share capital of KML Holdings carrying voting rights. Mr. KL Luk and Mr. YC Luk are deemed to be interested in all Shares in which KML Holdings is interested or deemed to be interested under the SFO, which is 138,000,000 Shares.
- (3) Since Mr. YC Luk is the spouse of Ms. Woo Siu Wai ("**Ms. Woo**"), Mr. YC Luk is deemed to be interested in all the Shares in which Ms. Woo is interested or deemed to be interested under the SFO, which is 600,000 Shares. Ms. Woo was interested as a grantee of options to subscribe for up to 600,000 Shares under the Share Option Scheme (announced on 3 September 2018).
- (4) Mr. CL Chan was interested as a grantee of options to subscribe for up to 4,000,000 Shares under the Share Option Scheme (announced on 3 September 2018).
- (5) The Letter "L" denotes the entity/person's long position in the Shares.

Save as disclosed above, as at 30 September 2018, none of the Directors or the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was 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 were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

附註：

- (1) 陸鑑明先生直接擁有 105,000,000 股股份。由於陸鑑明先生為梁幗儀女士(「**梁女士**」)的配偶，故陸鑑明先生被視為為梁女士擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份(即 57,000,000 股股份)中擁有權益。
- (2) 陸季農先生及陸彥彰先生各自擁有一股 KML Holdings Limited(「**KML Holdings**」)普通股(佔 KML Holdings 附帶投票權之已發行股本的 50%)。陸季農先生及陸彥彰先生被視為為 KML Holdings 擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份(即 138,000,000 股股份)中擁有權益。
- (3) 由於陸彥彰先生為胡勁卉女士(「**胡女士**」)的配偶，根據《證券及期貨條例》，陸彥彰先生被視為為胡女士擁有權益或被視為為擁有權益的所有股份(即 600,000 股股份)中擁有權益。胡女士以購股權承授人身份擁有股份權益，可根據購股權計劃(於二零一八年九月三日公佈)認購最多 600,000 股股份。
- (4) 陳澤麟先生以購股權承授人身份擁有股份權益，可根據購股權計劃(於二零一八年九月三日公佈)認購最多 4,000,000 股股份。
- (5) 字母「L」表示該實體／個人於股份之好倉。

除上文所披露者外，於二零一八年九月三十日，概無董事或本公司主要行政人員於本公司或其相關法團(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或被視作擁有任何根據《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或淡倉(包括根據《證券及期貨條例》有關條文彼等被當作或視作擁有的權益及淡倉)、或須登記於根據《證券及期貨條例》第 352 條存置的登記冊內的權益或淡倉、或根據 GEM 上市規則第 5.46 至 5.67 條須知會本公司和聯交所的權益或淡倉。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

## 主要股東於股份及相關股份的權益及淡倉

As at 30 September 2018, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

於二零一八年九月三十日，就董事所深知，以下人士（並非董事或本公司主要行政人員）於股份或相關股份擁有本公司根據《證券及期貨條例》第336條須存置的登記冊所記載及根據《證券及期貨條例》第XV部第2及3分部條文須向本公司及聯交所披露的權益或淡倉：

Name	Capacity/ Nature of Interest	Number of Shares	Long/short position <sup>(5)</sup>	Approximate Percentage of Shareholding in the Company 於本公司的 股權概約百分比 (%)
姓名／名稱	身份／權益性質	股份數目	好倉／淡倉 <sup>(5)</sup>	
KML Holdings <sup>(1)</sup>	Beneficial owner 實益擁有人	138,000,000	L	34.50
Madam Leung <sup>(2)</sup> 梁女士 <sup>(2)</sup>	Beneficial owner; interest of spouse 實益擁有人； 配偶權益	162,000,000	L	40.50
Ms. Chan Patricia <sup>(3)</sup> ("Ms. Chan") 陳珮筠女士 <sup>(3)</sup> （「陳女士」）	Interest of spouse 配偶權益	138,000,000	L	34.50
Ms. Woo <sup>(4)</sup> 胡女士 <sup>(4)</sup>	Beneficial owner; interest of spouse 實益擁有人； 配偶權益	138,600,000	L	34.65

Notes:

- (1) Each of Mr. KL Luk and Mr. YC Luk owns one common share in KML Holdings, representing 50% of the issued share capital of KML Holdings carrying voting rights. Mr. KL Luk and Mr. YC Luk also own approximately 50% and approximately 50%, respectively, of the issued preferred shares in KML Holdings which do not carry voting rights but only rights to dividends.
- (2) Madam Leung is the spouse of Mr. KM Luk. By virtue of the SFO, Madam Leung is deemed to be interested in all the Shares in which Mr. KM Luk is interested or deemed to be interested under the SFO, and vice versa.
- (3) Ms. Chan is the spouse of Mr. KL Luk. By virtue of the SFO, Ms. Chan is deemed to be interested in all the Shares in which Mr. KL Luk is interested or deemed to be interested under the SFO.
- (4) Ms. Woo is the spouse of Mr. YC Luk. By virtue of the SFO, Ms. Woo is deemed to be interested in all the Shares in which Mr. YC Luk is interested or deemed to be interested under the SFO, which is 138,000,000 Shares. Ms. Woo was interested as a grantee of options to subscribe for up to 600,000 Shares under the Share Option Scheme (announced on 3 September 2018).
- (5) The Letter "L" denotes the entity/person's long position in the Shares.

Save as disclosed above, as at 30 September 2018, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

附註：

- (1) 陸季農先生及陸彥彰先生各自擁有 KML Holdings 一股普通股，佔 KML Holdings 附帶投票權的已發行股本 50%。陸季農先生及陸彥彰先生亦分別擁有 KML Holdings 已發行優先股（並無附帶投票權但僅有收取股息的權利）約 50% 及約 50%。
- (2) 梁女士為陸鑑明先生的配偶。根據《證券及期貨條例》，梁女士被視為於陸鑑明先生擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份中擁有權益，反之亦然。
- (3) 陳女士為陸季農先生的配偶。根據《證券及期貨條例》，陳女士被視為於陸季農先生擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份中擁有權益。
- (4) 胡女士為陸彥彰先生的配偶。根據《證券及期貨條例》，胡女士被視為於陸彥彰先生擁有權益或根據《證券及期貨條例》被視作擁有權益的所有股份（即 138,000,000 股股份）中擁有權益。胡女士以購股權承授人身份擁有股份權益，可根據購股權計劃（於二零一八年九月三日公佈）認購最多 600,000 股股份。
- (5) 字母「L」表示該實體／個人於股份之好倉。

除上文所披露者外，於二零一八年九月三十日，董事並不知悉任何人士（並非董事或本公司主要行政人員）於本公司股份或相關股份中擁有根據《證券及期貨條例》第 XV 部第 2 及 3 分部須向本公司及聯交所披露，或根據《證券及期貨條例》第 336 條須記入該條所述登記冊內的權益或淡倉。



## SHARE OPTION SCHEME

In order to recognise and acknowledge the contributions that the directors and employees of the Group have made or may make to the Group, the Company approved and adopted the share option scheme pursuant to the written resolutions of the Shareholders passed on 20 September 2017 (the “**Share Option Scheme**”).

The Board may, at its absolute discretion and on such terms as it may think fit, grant an option to subscribe any director or employee of the Group, from time to time on the basis of his/her contribution or potential contribution to the development and growth of the Group.

On 3 September 2018, 9,200,000 share options (“**Options**”) has been granted by the Company under the Share Option Scheme. Among the Options granted, 4,000,000 Options were granted to 1 Director, 1,400,000 Options were granted to 1 director of a subsidiary of the Company and 600,000 Options were granted to an associate to a Director. Among the 9,200,000 Options granted, approximately 48.9% and approximately 51.1% will be vested on 3 March 2019 and 3 March 2020 respectively, provided that the grantee has to remain an Eligible Participant (as defined in the Share Option Scheme) on such vesting date.

As the granting of Options was close to the end of the six months ended 30 September 2018, valuation will be prepared at the next quarter.

## 購股權計劃

為嘉許及表揚已經或可能對本集團作出的貢獻的本集團董事及僱員，本公司已根據股東於二零一七年九月二十日通過的書面決議案批准及採納購股權計劃（「**購股權計劃**」）。

董事會可全權酌情及按照其可能認為合適的相關條款，基於對本集團的發展及成長所作出之貢獻或潛在貢獻不時向本集團的任何董事或僱員授出購股權。

於二零一八年九月三日，本公司已根據購股權計劃授出9,200,000份購股權（「**購股權**」）。在已授出的購股權當中，4,000,000份購股權乃授予一名董事、1,400,000份購股權乃授予本公司附屬公司的一名董事及600,000份購股權乃授予一名董事的聯繫人。於已授出的9,200,000份購股權中，約48.9%及約51.1%將分別於二零一九年三月三日及二零二零年三月三日歸屬，惟承授人於有關歸屬日期須仍為合資格參與者（定義見購股權計劃）。

由於授出購股權接近截至二零一八年九月三十日止六個月結束時，估值將於下個季度編製。

Details regarding the number of Options, date of grant, exercise period and exercise price of the Options granted under the Share Option Scheme are set out below:

有關根據購股權計劃授出購股權之購股權數目、授出日期、行使期及行使價之詳情載列如下：

Name of participants	Date of Options granted	Number of Options granted 已授出 購股權數目	Exercise period	Exercise price of Options 購股權行使價 HK\$ per share 港元/每股	Closing price immediately before date of grant 緊接授出日期 前之收市價 HK\$ per share 港元/每股
參與者姓名	授出購股權日期		行使期		
Mr. CL Chan (Director and Chief executive officer) 陳澤麟先生 (董事兼行政總裁)	3 September 2018 二零一八年九月三日	4,000,000	3 March 2019 to 3 September 2023 二零一九年三月三日至 二零二三年九月三日	0.385	0.35
Ms. Wai Hang Ying Helen (Director of KML Engineering) 衛杏英女士 (高明科技工程的董事)	3 September 2018 二零一八年九月三日	1,400,000	3 March 2019 to 3 September 2023 二零一九年三月三日至 二零二三年九月三日	0.385	0.35
Ms. Woo (Company Secretary) 胡女士(公司秘書)	3 September 2018 二零一八年九月三日	600,000	3 March 2019 to 3 September 2023 二零一九年三月三日至 二零二三年九月三日	0.385	0.35
Employees 僱員	3 September 2018 二零一八年九月三日	3,200,000	3 March 2019 to 3 September 2023 二零一九年三月三日至 二零二三年九月三日	0.385	0.35
Total 總計		<u>9,200,000</u>			

Details of the movements of Options granted, exercised or cancelled/lapsed during the six months ended 30 September 2018 and still outstanding as at 30 September 2018 are as follows:

於截至二零一八年九月三十日止六個月內已授出、已行使或已注銷／已失效及於二零一八年九月三十日尚未行使之購股權變動詳情如下：

Name of participants 參與者姓名	Outstanding as at 31 March 2018 於二零一八年 三月三十一日 尚未行使	Number of Options granted 已授出 購股權數目	Number of Options exercised 已行使 購股權數目	Number of Options cancelled 已註銷 購股權數目	Number of Options lapsed 已失效 購股權數目	Outstanding as at 30 September 2018 於二零一八年 九月三十日 尚未行使
	Mr. CL Chan (Director and Chief executive officer) 陳澤麟先生 (董事兼行政總裁)	-	4,000,000	-	-	-
Ms. Wai Hang Ying Helen (Director of KML Engineering) 衛杏英女士 (高明科技工程的董事)	-	1,400,000	-	-	-	1,400,000
Ms. Woo (Company Secretary) 胡女士 (公司秘書)	-	600,000	-	-	-	600,000
Employees 僱員	-	3,200,000	-	-	-	3,200,000
Total 總計	-	9,200,000	-	-	-	9,200,000

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this interim report, at no time during the six months ended 30 September 2018 and up to the Date of this Report was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

## DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

Up to the Date of this Report, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

## CONNECTED TRANSACTIONS

During the six months ended 30 September 2018, the Group entered into certain connected transactions with the connected person of the Company, namely KML Limited.

KML Limited is a company incorporated in Hong Kong and owned as to 78.2% by Golden Sail International Limited, which is wholly-owned by a trustee for a family trust where the beneficiaries include Mr. KM Luk and Madam Leung. Therefore, KML Limited is an associate of each of Mr. KM Luk and Madam Leung, and hence is a connected person of the Company.

KML Engineering, (an indirectly wholly-owned subsidiary of the Company), (as tenant) entered into the tenancy agreement on 12 September 2017 (the "**First Tenancy Agreement**") with KML Limited as landlord, pursuant to which KML Limited agreed to lease to KML Engineering the Premises and certain parking spaces (as detailed in the Prospectus). On 3 September 2018, KML Engineering as tenant entered into another tenancy agreement (the "**Second Tenancy Agreement**") with KML Limited as landlord, pursuant to which KML Engineering agreed to rent additional premises.

## 董事收購股份或債權證的權利

除本中期報告所披露者外，於截至二零一八年九月三十日止六個月內任何時間及直至本報告日期，本公司或其任何附屬公司概無訂立任何安排，使董事可藉收購本公司或任何其他法團的股份或債權證而獲得利益，且董事或其任何配偶或未滿18歲子女概無獲授予任何認購本公司或任何其他法團的權益或債務證券的權利或已經行使任何該權利。

## 董事及控股股東於競爭業務的權益

截至本報告日期，概無董事或彼等各自的聯繫人從事與本集團業務直接或間接競爭或可能競爭的任何業務或於該等業務中擁有權益。

## 關連交易

於截至二零一八年九月三十日止六個月，本集團與本公司關連人士（即圖遠有限公司）訂立若干關連交易。

圖遠有限公司為於香港註冊成立的公司及由 Golden Sail International Limited 擁有 78.2%，而 Golden Sail 由一名受託人代家族信託（受益人包括陸鑑明先生及梁女士）全資擁有。因此，圖遠有限公司為陸鑑明先生及梁女士的聯繫人，故為本公司的關連人士。

於二零一七年九月十二日，本公司的間接全資附屬公司高明科技工程（作為租戶）與圖遠有限公司（作為業主）訂立租賃協議（「**第一份租賃協議**」），據此，圖遠有限公司同意向高明科技工程租賃該等物業及若干泊車位（詳述於招股章程）。於二零一八年九月三日，高明科技工程（作為租戶）與圖遠有限公司訂立另一份租賃協議（「**第二份租賃協議**」），據此，高明科技工程同意租賃額外物業。

The Board has considered the business needs of the Group and is of the view that additional office spaces are required for the operation and growth of the Group and that the Second Tenancy Agreement would bring benefits to the Group as a whole in terms of saving the cost of office relocation and staff traveling, as the additional premises is within close proximity of the premises currently leased by the Group under the First Tenancy Agreement.

The terms (including the monthly rents) of the Second Tenancy Agreement were negotiated on arm's length negotiations with reference to those under the First Tenancy Agreement, the prevailing market rent for comparable premises in the vicinity and the expected increases in the market rent for similar properties in the financial year ending 31 March 2020. The Directors (including the independent non-executive Directors) are of the view that: (i) the terms of the Second Tenancy Agreement are fair and reasonable; and (ii) the continuing connected transaction contemplated under the Second Tenancy Agreement is on normal commercial terms or better and in the ordinary and usual course of business of the Group and in the interests of the Company and the Shareholders as a whole.

On behalf of the Board  
**KML Technology Group Limited**  
**Luk Kam Ming**

*Chairman and Executive Director*

Hong Kong, 5 November 2018

*As at the Date of this Report, the executive Directors are Mr. LUK Kam Ming, Mr. CHAN Chak Lun Philip, Mr. LUK Kwai Lung and Mr. LUK Yin Cheung; and the independent non-executive Directors are Mr. LAU On Kwok, Mr. LAW Wing Chi Stephen and Dr. TSE Chi Kong.*

董事會已考慮本集團的業務需要並認為本集團的營運及增長需要額外辦公室空間且第二份租賃協議整體上將會為本集團帶來益處(就節省辦公室搬遷及員工差旅成本而言), 原因為額外物業毗鄰根據第一份租賃協議現時由本集團租賃的物業。


第二份租賃協議之條款(包括每月租金)乃經參考第一份租賃協議項下之條款、毗鄰地區可資比較物業之現行市場租金及截至二零二零年三月三十一日止財政年度類似物業之市場租金預期增長後按公平原則磋商釐定。董事(包括獨立非執行董事)認為: (i) 第二份租賃協議之條款屬公平合理; 及(ii) 第二份租賃協議項下擬進行的持續關連交易按正常或更佳商業條款進行且於本集團日常及一般業務過程中進行並符合本公司及股東之整體利益。

承董事會命  
**高萌科技集團有限公司**

**陸鑑明**  
*主席兼執行董事*

香港, 二零一八年十一月五日

於本報告日期, 執行董事為陸鑑明先生、陳澤麟先生、陸季農先生及陸彥彰先生; 及獨立非執行董事為劉安國先生、羅永志先生及謝智剛博士。



高萌·科技

**KML Technology Group Limited**

高萌科技集團有限公司