The following is the text of a report, prepared for the purpose of incorporation in this prospectus, received from the reporting accountants of our Company, Ernst & Young, Certified Public Accountants, Hong Kong.

EY 安永
Building a better working world

22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

28 November 2013

The Directors
Excel Development (Holdings) Limited

Mizuho Securities Asia Limited

Dear Sirs,

We set out below our report on the financial information of Excel Development (Holdings) Limited (formerly known as "Excel Engineering (Holdings) Limited") (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") comprising the combined statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for each of the years ended 31 March 2011, 2012 and 2013, and the four-month period ended 31 July 2013 (the "Track Record Period"), and the combined statements of financial position of the Group as at 31 March 2011, 2012 and 2013 and 31 July 2013, and the statements of financial position of the Company as at 31 March 2013 and 31 July 2013, together with the notes thereto (the "Financial Information"), and the combined statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the four-month period ended 31 July 2012 (the "Interim Comparative Information"), prepared on the basis of presentation set out in note 2.1 of Section II below, for inclusion in the prospectus of the Company dated 28 November 2013 (the "Prospectus") in connection with the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 30 April 2012. Pursuant to a group reorganisation (the "Reorganisation") as set out in note 2.1 of Section II below, which was completed on 21 November 2013, the Company became the holding company of the subsidiaries now comprising the Group. Apart from the Reorganisation, the Company has not commenced any business or operation since its incorporation.

As at the date of this report, no statutory financial statements have been prepared for the Company, as it is not subject to statutory audit requirements under the relevant rules and regulations in its jurisdiction of incorporation.

As at the date of this report, the Company had direct and indirect interests in the subsidiaries as set out in note 1 of Section II below. All companies now comprising the Group have adopted 31 March as their financial year end date. The statutory financial statements of the companies now comprising the Group were prepared in accordance with the relevant accounting principles applicable to these companies in the countries in which they were incorporated and/or established. Details of their statutory auditors during the Track Record Period are set out in note 1 of Section II below.

For the purpose of this report, the directors of the Company (the "Directors") have prepared the combined financial statements of the Group (the "Underlying Financial Statements") in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The Underlying Financial Statements for each of the years ended 31 March 2011, 2012 and 2013, and the four-month period ended 31 July 2013 were audited by us in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

The Financial Information set out in this report has been prepared from the Underlying Financial Statements with no adjustments made thereon.

DIRECTORS' RESPONSIBILITY

The Directors are responsible for the preparation of the Underlying Financial Statements, the Financial Information and the Interim Comparative Information that give a true and fair view in accordance with HKFRSs, and for such internal control as the Directors determine is necessary to enable the preparation of the Underlying Financial Statements, the Financial Information and the Interim Comparative Information that are free from material misstatement, whether due to fraud or error.

REPORTING ACCOUNTANTS' RESPONSIBILITY

It is our responsibility to form an independent opinion and a review conclusion on the Financial Information and the Interim Comparative Information, respectively, and to report our opinion and review conclusion thereon to you.

For the purpose of this report, we have carried out procedures on the Financial Information in accordance with Auditing Guideline 3.340 *Prospectuses and the Reporting Accountant* issued by the HKICPA.

We have also performed a review of the Interim Comparative Information in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists principally of making enquires of management and applying analytical procedures to the financial information and, bases thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets and liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly, we do not express an opinion on the Interim Comparative Information.

OPINION IN RESPECT OF THE FINANCIAL INFORMATION

In our opinion, for the purpose of this report and on the basis of presentation set out in note 2.1 of Section II below, the Financial Information gives a true and fair view of the state of affairs of the Group as at 31 March 2011, 2012 and 2013 and 31 July 2013, and of the Company as at 31 March 2013 and 31 July 2013, and of the combined results and cash flows of the Group for each of the Track Record Period.

REVIEW CONCLUSION IN RESPECT OF THE INTERIM COMPARATIVE INFORMATION

Based on our review which does not constitute an audit, for the purpose of this report, nothing has come to our attention that causes us to believe that the Interim Comparative Information is not prepared, in all material respects, in accordance with the same basis adopted in respect of the Financial Information.

I. FINANCIAL INFORMATION

(A) COMBINED STATEMENTS OF COMPREHENSIVE INCOME

		Year ended 31 March			Four-month period ended 31 July	
		2011	**2012**	**2013**	**2012**	**2013**
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
REVENUE	7	673,168	690,043	984,296	326,719	653,993
Contract costs		(627,650)	(641,086)	(928,785)	(313,999)	(629,611)
Gross profit		45,518	48,957	55,511	12,720	24,382
Other income and gains	7	2,606	3,607	16,973	5,484	3,283
Administrative expenses		(18,264)	(18,839)	(22,678)	(6,202)	(11,248)
Finance costs	8	—	(33)	(1,865)	(337)	(196)
PROFIT BEFORE TAX	9	29,860	33,692	47,941	11,665	16,221
Income tax expense	12	(4,898)	(5,522)	(7,875)	(1,904)	(3,518)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		24,962	28,170	40,066	9,761	12,703
Profit and total comprehensive income attributable to owners of the parent	13	24,962	28,170	40,066	9,761	12,703

(B) COMBINED STATEMENTS OF FINANCIAL POSITION

		As at 31 March			As at 31 July
		2011	2012	2013	2013
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
NON-CURRENT ASSETS					
Property, plant and equipment	16	1,737	943	364	209
Investment properties	17	500	560	600	600
Interest in a joint venture	18	—	—	—	—
Total non-current assets		2,237	1,503	964	809
CURRENT ASSETS					
Gross amount due from customers for contract works	19	4,461	37,318	85,557	85,714
Accounts receivable	20	89,970	126,783	227,177	287,213
Prepayments, deposits and other receivables	21	48,767	122,941	186,008	65,563
Due from a joint venture	18	950	—	—	—
Tax recoverable		22	43	—	—
Pledged deposit	23	1,075	1,075	—	—
Cash and cash equivalents	23	74,300	149,872	129,825	91,537
Total current assets		219,545	438,032	628,567	530,027
CURRENT LIABILITIES					
Accounts payable	24	70,178	238,106	342,687	307,592
Accruals of costs for contract works		21,075	22,039	5,390	2,980
Tax payable		274	1,923	2,357	5,870
Other payables and accruals	25	53,863	54,262	55,999	57,224
Interest-bearing bank loans	26	—	18,736	78,636	—
Total current liabilities		145,390	335,066	485,069	373,666
NET CURRENT ASSETS		74,155	102,966	143,498	156,361
TOTAL ASSETS LESS CURRENT LIABILITIES		76,392	104,469	144,462	157,170

		As at 31 March			As at 31 July
		2011	**2012**	**2013**	**2013**
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
NON-CURRENT LIABILITIES					
Deferred tax liabilities	27	179	86	13	18
Net assets		76,213	104,383	144,449	157,152
EQUITY					
Equity attributable to owners of the parent					
Issued capital	28	—	—	—	—
Reserves	29(a)	76,213	104,383	144,449	157,152
Total equity		76,213	104,383	144,449	157,152

(C) COMBINED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent			
	Issued capital	**Merger reserve**	**Retained profits**	**Total equity**
	HK$'000	*HK$'000* *(note 29(b))*	*HK$'000*	*HK$'000*
At 1 April 2010	—	78	51,173	51,251
Profit and total comprehensive income for the year	—	—	24,962	24,962
At 31 March 2011 and 1 April 2011	—	78*	76,135*	76,213
Profit and total comprehensive income for the year	—	—	28,170	28,170
At 31 March 2012 and 1 April 2012	—	78*	104,305*	104,383
Profit and total comprehensive income for the year	—	—	40,066	40,066
At 31 March 2013 and 1 April 2013	—	78*	144,371*	144,449
Profit and total comprehensive income for the period	—	—	12,703	12,703
At 31 July 2013	—	78*	157,074*	157,152
At 1 April 2012	—	78	104,305	104,383
Profit and total comprehensive income for the period (unaudited)	—	—	9,761	9,761
At 31 July 2012 (unaudited)	—	78	114,066	114,144

* These reserve accounts comprise the combined reserves of HK$76,213,000, HK$104,383,000, HK$144,449,000 and HK$157,152,000 in the combined statements of financial position as at 31 March 2011, 2012 and 2013 and 31 July 2013, respectively.

(D) COMBINED STATEMENTS OF CASH FLOWS

		Year ended 31 March			Four-month period ended 31 July	
		2011	2012	2013	2012	2013
	Notes	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before tax		29,860	33,692	47,941	11,665	16,221
Adjustments for:						
Finance costs	8	—	33	1,865	337	196
Interest income	7	(96)	(285)	(2,056)	(384)	(215)
Depreciation	9	1,095	871	596	220	161
Gain on disposal of items of property, plant and equipment	7	—	(9)	—	—	(151)
Gain on changes in fair value of investment properties	7	(140)	(60)	(40)	—	—
		30,719	34,242	48,306	11,838	16,212
(Increase)/decrease in the gross amount due from customers for contract works		(3,872)	(32,857)	(48,239)	2,289	(157)
(Increase)/decrease in accounts receivable		36,864	(36,813)	(100,394)	(75,589)	(60,036)
(Increase)/decrease in prepayments, deposits and other receivables		(987)	(898)	(15,375)	11,246	9,805
(Increase)/decrease in an amount due from a joint venture		(930)	950	—	—	—
Increase/(decrease) in accounts payable		(40,728)	167,928	104,581	(55,893)	(35,095)
Increase/(decrease) in accruals of costs for contract works		(13,786)	964	(16,649)	(1,622)	(2,410)
Increase in other payables and accruals		248	284	190	28	1,010
Increase in an amount due to Vantage		2,090	115	1,513	2,606	10
Increase in an amount due to the Retained Vantage Group		—	—	—	—	239
Cash generated from/(used in) operations		9,618	133,915	(26,067)	(105,097)	(70,422)
Interest received		96	176	137	49	47
Interest paid		—	(33)	(1,831)	(371)	(230)
Hong Kong profits tax paid		(5,106)	(3,987)	(7,471)	(1,243)	—
Net cash flows from/(used in) operating activities		4,608	130,071	(35,232)	(106,662)	(70,605)

	Notes	Year ended 31 March 2011 HK$'000	2012 HK$'000	2013 HK$'000	Four-month period ended 31 July 2012 HK$'000 (Unaudited)	2013 HK$'000
CASH FLOWS FROM INVESTING ACTIVITIES						
Addition of items of property, plant and equipment	16	(377)	(116)	(17)	—	(20)
Proceeds from disposal of items of property, plant and equipment		—	48	—	—	165
Increase in an amount due from the Retained Vantage Group		—	(239,957)	(399,974)	(230,472)	(110,338)
Repayment of an amount due from the Retained Vantage Group		—	166,790	327,201	195,508	221,146
Repayment of a loan from the Retained Vantage Group		—	—	27,000	27,000	—
Net cash flows from/(used in) investing activities		(377)	(73,235)	(45,790)	(7,964)	110,953
CASH FLOWS FROM FINANCING ACTIVITIES						
New interest-bearing bank loans		—	18,736	329,553	84,433	2,369
Repayment of interest-bearing bank loans		—	—	(269,653)	(34,812)	(81,005)
Net cash flows from/(used in) financing activities		—	18,736	59,900	49,621	(78,636)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		4,231	75,572	(21,122)	(65,005)	(38,288)
Cash and cash equivalents at beginning of year/period		71,144	75,375	150,947	150,947	129,825
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		75,375	150,947	129,825	85,942	91,537
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	23	20,856	129,799	104,755	64,755	61,429
Non-pledged time deposits with original maturity of less than three months when acquired	23	53,444	20,073	25,070	20,111	30,108
Time deposit with original maturity of less than three months when acquired, pledged as security for bank overdraft facilities	23	1,075	1,075	—	1,076	—
		75,375	150,947	129,825	85,942	91,537

(E) STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	As at 31 March 2013 HK$'000	As at 31 July 2013 HK$'000
NON-CURRENT ASSET			
Investment in a subsidiary		—	—
CURRENT LIABILITY			
Due to a subsidiary	22	(88)	(101)
Net liabilities		(88)	(101)
DEFICIENCY IN ASSETS			
Issued capital	28	—	—
Accumulated losses	29(c)	(88)	(101)
Total deficiency in assets		(88)	(101)

II. NOTES TO FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1 -1111, Cayman Islands. The principal place of business of the Company is located at No. 155 Waterloo Road, Kowloon Tong, Kowloon, Hong Kong.

The Company is an investment holding company. During the Track Record Period, the Company's principal subsidiaries were engaged in building construction, maintenance and civil engineering works.

Pursuant to a special resolution dated 9 May 2013, the Company changed its name from Excel Engineering (Holdings) Limited to Excel Development (Holdings) Limited with effect from 10 May 2013.

In the opinion of the Directors, Profit Chain Investments Limited ("Profit Chain"), a company incorporated in the British Virgin Islands ("BVI"), is the immediate holding company of the Company; Vantage International (Holdings) Limited ("Vantage"), a company incorporated in Bermuda and listed on the Main Board of the Stock Exchange, is the intermediate holding company of the Company; and the ultimate holding company of the Company is Winhale Ltd., a company incorporated in the BVI.

The Company and its subsidiaries are hereafter collectively referred to as the "Group"; whereas Vantage and its subsidiaries, but excluding the Group, are collectively referred to as the "Retained Vantage Group".

The Company and its subsidiaries now comprising the Group underwent the Reorganisation as set out in the paragraph headed "Reorganisation" in the section headed "History and Development" in the Prospectus.

The Company has undertaken that upon the completion of listing of its shares on the Stock Exchange, the Group will focus on civil engineering construction works while building construction and maintenance works will be taken up by the Retained Vantage Group.

As at the date of this report, the Company had direct and indirect interests in its subsidiaries, all of which are private limited liability companies (or, if incorporated outside Hong Kong, have substantially similar characteristics to a private company incorporated in Hong Kong), the particulars of which are set out below:

Company name	Place and date of incorporation and place of operations	Nominal value of issued ordinary share capital	Percentage of equity attributable to the Company Direct	Percentage of equity attributable to the Company Indirect	Principal activities
Best Trader International Limited ("Best Trader") *(Note (a))*	BVI 28 May 2013	US$1	100	—	Investment holding
Great Jump Enterprises Limited ("Great Jump") *(Note (a))*	BVI 6 January 2000	US$1	—	100	Investment holding
Top Integration Limited ("Top Integration") *(Note (a))*	BVI 28 March 2000	US$10,000	—	100	Investment holding

Company name	Place and date of incorporation and place of operations	Nominal value of issued ordinary share capital	Percentage of equity attributable to the Company Direct	Indirect	Principal activities
Excel Engineering Company Limited *(Note (b))*	Hong Kong 7 May 1976	HK$16,000,000	—	100	Building construction, maintenance, and civil engineering works
Gadelly Construction Company Limited *(Note (b))*	Hong Kong 8 May 1981	HK$4,200,000	—	100	Construction, maintenance and civil engineering works

Notes:

(a) No audited financial statements have been prepared for these entities since their incorporation as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in their jurisdictions of incorporation.

(b) The statutory financial statements of these entities for the years ended 31 March 2011, 2012 and 2013 prepared under HKFRSs were audited by Ernst & Young, Hong Kong.

2.1 BASIS OF PRESENTATION

Pursuant to the Reorganisation as more fully explained in the paragraph headed "Reorganisation" in the section headed "History and Development" in the Prospectus, the Company became the holding company of the companies now comprising the Group subsequent to the end of the Track Record Period on 21 November 2013. The companies now comprising the Group were under the common control of the controlling shareholders before and after the Reorganisation. Accordingly, for the purpose of this report, the Financial Information has been prepared on a combined basis by applying the principles of merger accounting as if the Reorganisation had been completed at the beginning of the Track Record Period.

The combined statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group for the Track Record Period and the four-month period ended 31 July 2012 include the results and cash flows of all companies now comprising the Group from the earliest date presented or since the date when the subsidiaries and/or businesses first came under the common control of the controlling shareholders, where this is a shorter period. The combined statements of financial position of the Group as at 31 March 2011, 2012 and 2013 and 31 July 2013 have been prepared to present the assets and liabilities of the subsidiaries and/or businesses using the existing book values from the controlling shareholders' perspective. No adjustments are made to reflect fair values, or recognise any new assets or liabilities as a result of the Reorganisation.

All intra-group transactions and balances have been eliminated on combination.

2.2 BASIS OF PREPARATION

The Financial Information has been prepared in accordance with HKFRSs (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the HKICPA and accounting principles generally accepted in Hong Kong. All HKFRSs effective for the accounting period commencing from 1 April 2013, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Financial Information throughout the Track Record Period and the period covered by the Interim Comparative Information.

The Financial Information has been prepared under the historical cost convention, except for investment properties, which have been measured at fair value. The Financial Information is presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand except when otherwise indicated.

3. ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in the Financial Information:

HKFRS 9	*Financial Instruments* [2]
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) — *Investment Entities* [1]
HKAS 32 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities* [1]
HKAS 36 Amendments	Amendments to HKAS 36 *Impairment of Assets — Recoverable Amount Disclosures for Non-Financial Assets* [1]
HKAS 39 Amendments	Amendments to HKAS 39 *Financial instruments: Recognition and Measurement — Novation of Derivatives and Continuation of Hedge Accounting* [1]
HK(IFRIC) — Int 21	*Levies* [1]

[1] Effective for annual periods beginning on or after 1 January 2014
[2] Effective for annual periods beginning on or after 1 January 2015

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Group considers that these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of combination

This Financial Information includes the financial statements of the Company and its subsidiaries now comprising the Group for the Track Record Period. As explained in note 2.1 above, the acquisition of subsidiaries and business under common control has been accounted for using merger accounting.

The merger accounting involves incorporating the financial statement items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party. The net assets of the combining entities or business are combined using the existing book value from the perspective of Vantage, one of the controlling shareholders of the Company. No amount is recognised in respect of goodwill or the excess of the acquirer's interest in the fair value of acquirees' net identifiable assets acquired and, liabilities and contingent liabilities assumed over the cost of investment at the time of common control combination.

The acquisition of subsidiaries other than those under common control has been accounted for using the purchase method of accounting.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Except for the common control combination as mentioned above, the results of subsidiaries are combined from the date of acquisition, being the date on which the Group obtains control, and continue to be combined until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on combination in full.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate.

Subsidiaries

A subsidiary is an entity (including a structured entity) controlled by the Company and/or its other subsidiaries.

The Group controls an investee when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., the existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

Joint venture

Joint arrangement is classified as either a joint operation or joint venture, based on the rights and obligations arising from the contractual arrangements between the parties to the arrangement.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group's investment in joint venture is stated in the combined statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post acquisition results and other comprehensive income of a joint venture are included in profit or loss and other comprehensive income, respectively.

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than construction contract assets, financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An assessment is made at the end of each of the Track Record Period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a); and

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Machinery and equipment	24%
Furniture, fixtures and office equipment	24%
Motor vehicles	24%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at least at the end of each of the Track Record Period.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of each of the Track Record Period.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and whether the arrangement conveys a right to use the asset.

Operating lease payments, net of any incentives received from the lessor, are recognised as an expense in profit or loss on a straight-line basis over the lease terms.

Investments and other financial assets

Initial recognition and measurement

Financial assets within the scope of HKAS 39 are classified as loans and receivables. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction costs.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group's financial assets include accounts and other receivables, deposits, amounts due from a joint venture and the Retained Vantage Group, a pledged deposit and cash and cash equivalents.

Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in profit or loss. The loss arising from impairment is recognised in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses at the end of each of the Track Record Period whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of HKAS 39 are classified as loans and borrowings. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include accounts and other payables, accruals of costs for contract works, an amount due to Vantage, an amount due to the Retained Vantage Group and interest-bearing bank loans.

Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

For the purpose of the combined statements of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statements of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits and assets similar in nature to cash, which are not restricted as to use.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Track Record Period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of each of the Track Record Period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and a joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each of the Track Record Period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each of the Track Record Period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Track Record Period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(a) from construction, renovation and other contracts, based on the percentage of completion basis, as further explained in the accounting policy for "Construction, renovation and other contracts" below;

(b) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and

(c) management fee income is recognised when the management services are rendered.

Construction, renovation and other contracts

Contract revenue comprises the agreed contract sum and appropriate amounts from variation orders, claims and incentive payments. Contract costs incurred comprise direct materials, the costs of sub-contracting, direct labour and an appropriate proportion of variable and fixed construction overheads.

Revenue from fixed price contracts is recognised on the percentage of completion method, measured by reference to the percentage of certified value of work performed to date to the total contract sum of the relevant contracts.

Provision is made for foreseeable losses as soon as they are anticipated by management. Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from customers for contract works. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as an amount due to customers for contract works.

Employee benefits

Paid leave carried forward

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the end of each of the Track Record Period is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the end of each of the Track Record Period for the expected future cost of such paid leave earned during the year by the employees and carried forward.

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance in Hong Kong for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The Group also operates a Mandatory Provident Fund Exempted Occupational Retirement Schemes Ordinance ("ORSO") retirement benefit scheme for those employees who are eligible to participate in the ORSO scheme. This scheme operates in a way similar to the MPF Scheme, except that when an employee leaves the scheme prior to his/her interest in the Group's employee contributions vesting fully, the ongoing contributions payable by the Group are reduced by the relevant amount of forfeited employer's contributions.

Borrowing costs

Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on temporary investment of special borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in the connection with the borrowing of funds.

Dividends

Interim dividends are simultaneously proposed and declared, because Great Jump's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Final dividends are recognised as a liability when they have been approved by the shareholder.

5. SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Group's Financial Information requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of each of the Track Record Period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Track Record Period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Construction, renovation and other contracts

As further explained in note 4 to the Financial Information, revenue and profit recognition on contract works is dependent on the estimation of the total outcome of the construction contract, as well as the work performed to date. Based on the Group's past experience and the nature of the contract activities undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and the revenue can be reliably estimated. As a result, until this point is reached, the amount due from customers for contract works as disclosed in note 19 to the Financial Information will not include profit which the Group may eventually realise from the work performed to date. In addition, actual outcomes in terms of total contract costs and/or revenue may be higher or lower than those estimated at the end of each of the Track Record Period, which would affect the revenue and profit recognised in future years.

Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect whether any provision is required for foreseeable losses. The estimates are made based on past experience and knowledge of the project management.

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each of the Track Record Period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Estimation of fair value of investment properties

As disclosed in note 17 to the Financial Information, investment properties are revalued at the end of each of the Track Record Period on the market value, existing use basis by independent professionally qualified valuers. Such valuations were based on certain assumptions and estimates, which are subject to uncertainty and might materially differ from the actual outcomes. In making the judgement for valuation of investment properties on the market value, existing use basis, information from current prices in an active market for similar properties is considered and assumptions that are mainly based on market conditions existing at the end of each of the Track Record Period are used.

6. SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment, which is building construction, maintenance and civil engineering works. Since this is the only operating segment of the Group, no further operating segment analysis thereof is presented.

The Group's revenue from external customers was derived solely from its operations in Hong Kong during the Track Record Period and the four-month period ended 31 July 2012, and the non-current assets of the Group were located in Hong Kong as at 31 March 2011, 2012 and 2013 and 31 July 2013.

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for each of the Track Record Period, is set out below:

	Year ended 31 March			Four-month period ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Customer A	224,456	363,172	342,155	111,556	138,043
Customer B	370,664	N/A*	N/A*	N/A*	N/A*
Customer C	N/A*	168,513	509,451	173,672	432,970
Customer D	N/A*	75,770	N/A*	N/A*	N/A*

* *Less than 10% of the Group's revenue*

Except for the aforesaid, no revenue from a single external customer accounted for 10% or more of the Group's revenue. Government bureaus and departments of the Government of the Hong Kong Special Administrative Region ("HKSAR Government") are considered a single customer.

Information about products and services

	Year ended 31 March			Four-month period ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Revenue from external customers:					
Contract works for civil engineering works	302,166	476,902	459,389	144,461	218,873
Contract works for building construction and maintenance	371,002	213,141	524,907	182,258	435,120
	673,168	690,043	984,296	326,719	653,993

7. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents the appropriate proportion of contract revenue from construction, renovation and other contracts.

An analysis of revenue, other income and gains is as follows:

		Year ended 31 March			Four-month period ended 31 July	
		2011	**2012**	**2013**	**2012**	**2013**
	Note	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)	
Revenue						
Contract revenue		673,168	690,043	984,296	326,719	653,993
Other income and gains						
Interest income		96	285	2,056	384	215
Management fee income		2,220	3,105	14,686	5,060	2,458
Government subsidies*		150	—	55	—	17
Gain on disposal of items of property, plant and equipment		—	9	—	—	151
Gain on changes in fair value of investment properties	17	140	60	40	—	—
Sundry income		—	148	136	40	442
		2,606	3,607	16,973	5,484	3,283

* Subsidies have been received from the Hong Kong Vocational Training Council and the Construction Industry Council, institutions established by the HKSAR Government, for providing on-the-job training for graduate engineers and trainers, respectively. There are no unfulfilled conditions or contingencies relating to these subsidies.

8. FINANCE COSTS

	Year ended 31 March			Four-month period ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Interest on bank loans and overdrafts — wholly repayable within five years	—	33	1,865	337	196

9. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

		Year ended 31 March			Four-month period ended 31 July	
		2011	**2012**	**2013**	**2012**	**2013**
	Note	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)	
Depreciation	16	1,095	871	596	220	161
Auditors' remuneration		220	250	268	—	—
Employee benefits expense (exclusive of directors' remuneration — note 10):						
Wages and salaries		30,167	35,360	37,805	16,147	11,303
Pension scheme contributions (defined contribution schemes)		1,200	1,310	1,449	703	445
		31,367	36,670	39,254	16,850	11,748
Minimum lease payments under operating leases:						
Land and buildings		3,034	2,538	2,160	729	838
Equipment		118	235	222	101	96
		3,152	2,773	2,382	830	934

10. DIRECTORS' REMUNERATION

Directors' remuneration for the Track Record Period, disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

	Year ended 31 March			Four-month period ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Fees	—	—	—	—	—
Other emoluments:					
Salaries, allowances and benefits in kind	2,374	2,528	2,954	896	1,004
Discretionary performance-related bonuses	1,160	2,432	2,588	592	1,759
Pension scheme contributions (defined contribution schemes)	109	112	120	40	40
	3,643	5,072	5,662	1,528	2,803
	3,643	5,072	5,662	1,528	2,803

(a) Independent non-executive directors

The Group did not have any independent non-executive directors at any time during the Track Record Period and the four-month period ended 31 July 2012.

Subsequent to the end of the Track Record Period, three directors were appointed as independent non-executive directors of the Company on 21 November 2013.

(b) Executive directors and a non-executive director

	Fees	Salaries, allowances and benefits in kind	Discretionary performance-related bonuses	Pension scheme contributions	Total remuneration
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Year ended 31 March 2011					
Executive directors					
Mr. Li Chi Pong					
(chief executive officer)	—	1,323	728	61	2,112
Mr. Poon Yan Min	—	1,051	432	48	1,531
	—	2,374	1,160	109	3,643
Non-executive director					
Mr. Yau Kwok Fai	—	—	—	—	—
	—	2,374	1,160	109	3,643
Year ended 31 March 2012					
Executive directors					
Mr. Li Chi Pong					
(chief executive officer)	—	1,386	1,898	60	3,344
Mr. Poon Yan Min	—	1,142	534	52	1,728
	—	2,528	2,432	112	5,072
Non-executive director					
Mr. Yau Kwok Fai	—	—	—	—	—
	—	2,528	2,432	112	5,072
Year ended 31 March 2013					
Executive directors					
Mr. Li Chi Pong					
(chief executive officer)	—	1,653	1,996	60	3,709
Mr. Poon Yan Min	—	1,301	592	60	1,953
	—	2,954	2,588	120	5,662
Non-executive director					
Mr. Yau Kwok Fai	—	—	—	—	—
	—	2,954	2,588	120	5,662

	Fees	Salaries, allowances and benefits in kind	Discretionary performance-related bonuses	Pension scheme contributions	Total remuneration
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Four-month period ended 31 July 2012 (unaudited)					
Executive directors					
Mr. Li Chi Pong (chief executive officer)	—	504	—	20	524
Mr. Poon Yan Min	—	392	592	20	1,004
	—	896	592	40	1,528
Non-executive director					
Mr. Yau Kwok Fai	—	—	—	—	—
	—	896	592	40	1,528
Four-month period ended 31 July 2013					
Executive directors					
Mr. Li Chi Pong (chief executive officer)	—	564	1,098	20	1,682
Mr. Poon Yan Min	—	440	661	20	1,121
	—	1,004	1,759	40	2,803
Non-executive director					
Mr. Yau Kwok Fai	—	—	—	—	—
	—	1,004	1,759	40	2,803

There was no arrangement under which a director waived or agreed to waive any remuneration during the Track Record Period and the four-month period ended 31 July 2012.

During the Track Record Period and the four-month period ended 31 July 2012, no remuneration was paid by the Group any of the Directors as an inducement to join or upon joining the Group as compensation for loss of office.

11. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the Track Record Period included two directors, details of whose remuneration are set out in note 10 above. Details of the remuneration of the remaining three non-director, highest paid employees for the Track Record Period and the four-month period ended 31 July 2012 are as follows:

	Year ended 31 March			Four-month period ended 31 July	
	2011	2012	2013	2012	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Salaries, allowances and benefits in kind	2,126	2,870	3,215	1,007	918
Discretionary performance-related bonuses	164	159	185	—	—
Pension scheme contributions	36	42	51	17	18
	2,326	3,071	3,451	1,024	936

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended 31 March			Four-month period ended 31 July	
	2011	2012	2013	2012 (Unaudited)	2013
Nil to HK$1,000,000	3	1	1	3	3
HK$1,000,001 to HK$1,500,000	—	2	2	—	—
	3	3	3	3	3

During the Track Record Period and the four-month period ended 31 July 2012, no remuneration was paid by the Group to any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

12. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI. Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong for each of the Track Record Period and the four-month period ended 31 July 2012.

	Year ended 31 March			Four-month period ended 31 July	
	2011	2012	2013	2012	2013
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Current — Hong Kong					
Charge for the year	4,980	5,615	7,971	1,931	3,513
Underprovision/(overprovision) in prior years	8	—	(23)	—	—
Deferred (note 27)	(90)	(93)	(73)	(27)	5
Total tax charge for the year	4,898	5,522	7,875	1,904	3,518

A reconciliation of the tax expense applicable to profit before tax at the statutory rate to the tax expense at the effective tax rate is as follows:

	Year ended 31 March			Four-month period ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Profit before tax	29,860	33,692	47,941	11,665	16,221
Tax at the Hong Kong statutory tax rate of 16.5%	4,927	5,559	7,910	1,925	2,676
Adjustments in respect of current tax of previous periods	8	—	(23)	—	—
Income not subject to tax	(39)	(39)	(29)	(23)	(6)
Expenses not deductible for tax	2	2	17	2	848
Tax charge at the Group's effective tax rate	4,898	5,522	7,875	1,904	3,518

13. PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

The combined profit attributable to owners of the parent for the year ended 31 March 2013, the four-month periods ended 31 July 2012 and 2013 included losses of HK$88,000, nil and HK$13,000, respectively, which have been dealt with in the Financial Information of the Company.

14. DIVIDEND

No dividend has been paid or declared by the Company since its incorporation.

15. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

Earnings per share information is not presented as its inclusion, for the purpose of this report, is not considered meaningful due to the Reorganisation and the preparation of the results of the Group for the Track Record Period and the four-month period ended 31 July 2012 on a combined basis as disclosed in note 2.1 above.

16. PROPERTY, PLANT AND EQUIPMENT

Group

	Machinery and equipment *HK$'000*	Furniture, fixtures and office equipment *HK$'000*	Motor vehicles *HK$'000*	Total *HK$'000*
31 March 2011				
At 1 April 2010:				
Cost	1,455	471	3,490	5,416
Accumulated depreciation	(1,344)	(290)	(1,327)	(2,961)
Net carrying amount	111	181	2,163	2,455
At 1 April 2010, net of accumulated depreciation	111	181	2,163	2,455
Additions	—	95	282	377
Depreciation provided during the year	(111)	(98)	(886)	(1,095)
At 31 March 2011, net of accumulated depreciation	—	178	1,559	1,737
At 31 March 2011:				
Cost	1,455	566	3,772	5,793
Accumulated depreciation	(1,455)	(388)	(2,213)	(4,056)
Net carrying amount	—	178	1,559	1,737
31 March 2012				
At 1 April 2011:				
Cost	1,455	566	3,772	5,793
Accumulated depreciation	(1,455)	(388)	(2,213)	(4,056)
Net carrying amount	—	178	1,559	1,737
At 1 April 2011, net of accumulated depreciation	—	178	1,559	1,737
Additions	—	111	5	116
Depreciation provided during the year	—	(71)	(800)	(871)
Disposals	—	—	(39)	(39)
At 31 March 2012, net of accumulated depreciation	—	218	725	943
At 31 March 2012:				
Cost	1,308	677	3,532	5,517
Accumulated depreciation	(1,308)	(459)	(2,807)	(4,574)
Net carrying amount	—	218	725	943

	Machinery and equipment HK$'000	Furniture, fixtures and office equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
31 March 2013				
At 1 April 2012:				
Cost	1,308	677	3,532	5,517
Accumulated depreciation	(1,308)	(459)	(2,807)	(4,574)
Net carrying amount	—	218	725	943
At 1 April 2012, net of accumulated depreciation	—	218	725	943
Additions	—	17	—	17
Depreciation provided during the year	—	(90)	(506)	(596)
At 31 March 2013, net of accumulated depreciation	—	145	219	364
At 31 March 2013:				
Cost	1,308	694	3,532	5,534
Accumulated depreciation	(1,308)	(549)	(3,313)	(5,170)
Net carrying amount	—	145	219	364
31 July 2013				
At 1 April 2013:				
Cost	1,308	694	3,532	5,534
Accumulated depreciation	(1,308)	(549)	(3,313)	(5,170)
Net carrying amount	—	145	219	364
At 1 April 2013, net of accumulated depreciation	—	145	219	364
Additions	—	—	20	20
Disposals	—	—	(14)	(14)
Depreciation provided during the period	—	(30)	(131)	(161)
At 31 July 2013, net of accumulated depreciation	—	115	94	209
At 31 July 2013:				
Cost	1,308	694	2,618	4,620
Accumulated depreciation	(1,308)	(579)	(2,524)	(4,411)
Net carrying amount	—	115	94	209

17. INVESTMENT PROPERTIES

Group

		As at 31 March			As at 31 July
		2011	2012	2013	2013
	Note	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Carrying amount at beginning of year/period		360	500	560	600
Gain on fair value changes	7	140	60	40	—
Carrying amount at end of year/period		500	560	600	600

The Group's investment properties are situated in Hong Kong and are held under long term leases.

The Group's investment properties were revalued on 31 March 2011, 2012 and 2013 and 31 July 2013 by DTZ Debenham Tie Leung Limited, independent professionally qualified valuers, at HK$500,000, HK$560,000 and HK$600,000 and HK$600,000, respectively, on the market value, existing use basis.

The fair values of the Group's investment properties at 31 March 2011, 2012 and 2013 and 31 July 2013 were measured using direct comparison method based on market observable transactions of similar properties and were adjusted to reflect the conditions and locations of the subject properties and hence were classified as level 2 of the fair value hierarchy.

Level 2 inputs are defined as inputs other than unadjusted quoted prices in active markets for identical assets or liabilities that are observable for the asset or liability, either directly or indirectly.

18. INTEREST IN A JOINT VENTURE

The amount due from a joint venture included in the Group's current assets is unsecured, interest-free and has no fixed terms of repayment.

Particulars of the joint venture are as follows:

			Percentage of			
Name	**Business structure**	**Place of registration and operation**	**Ownership interest**	**Voting power**	**Profit sharing**	**Principal activity**
Excel-China Harbour Joint Venture	Body unincorporate	Hong Kong	70	50	70	Engineering works contractor

The above investment in a joint venture is indirectly held by the Company.

The Group has not shared any profit and other comprehensive income of its joint venture during the Track Record Period and the four-month period ended 31 July 2012 since the joint venture was at breakeven during the Track Record Period and the four-month period ended 31 July 2012.

19. CONSTRUCTION, RENOVATION AND OTHER CONTRACTS

Group

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Gross amount due from customers for contract works	4,461	37,318	85,557	85,714
Contract costs incurred plus recognised profits less recognised losses to date	784,603	1,424,704	2,612,385	3,257,188
Less: Progress billings	(780,142)	(1,387,386)	(2,526,828)	(3,171,474)
	4,461	37,318	85,557	85,714

20. ACCOUNTS RECEIVABLE

Accounts receivable represented receivables for contract works. The payment terms of contract work receivables are stipulated in the relevant contracts. The credit period is generally one month. The carrying amounts of accounts receivable approximate to their fair values.

At 31 March 2011, 2012 and 2013 and 31 July 2013, retentions receivable included in accounts receivable amounted to HK$48,804,000, HK$54,330,000 and HK$95,028,000 and HK$113,356,000, respectively, which are repayable on terms ranging from two to three years.

The ageing analysis of the accounts receivable that are not individually nor collectively considered to be impaired is as follows:

Group

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Past due but not impaired:				
One to three months past due	1,546	2,149	3,741	7,680
Four to six months past due	34	83	40	28
Over six months past due	56	365	—	55
	1,636	2,597	3,781	7,763
Neither past due nor impaired	88,334	124,186	223,396	279,450
	89,970	126,783	227,177	287,213

Accounts receivable that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the Directors are of the opinion that no allowance for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancement over these balances.

Accounts receivable that are neither past due nor impaired relate to a number of independent customers for whom there was no recent history of default.

As at 31 March 2012 and 2013 and 31 July 2013, the aggregate amounts of accounts receivable pledged to secure the Group's banking facilities amounted to HK$36,144,000 and HK$138,702,000 and HK$197,298,000, respectively.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Group

		As at 31 March		As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Prepayments	7,823	5,800	3,834	2,546
Deposits and other receivables	13,944	16,865	34,206	25,689
Due from the Retained Vantage Group *(note)*	27,000	73,276	147,968	37,328
Loan to the Retained Vantage Group *(note)*	—	27,000	—	—
	48,767	122,941	186,008	65,563

Note: As at 31 March 2011, 2012 and 2013 and 31 July 2013, the amounts were unsecured, interest-free and have no fixed terms of repayment, except for a loan to the Retained Vantage Group as at 31 March 2012 of HK$27,000,000 which borne interest at a rate with reference to HIBOR per annum.

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

22. BALANCE WITH A SUBSIDIARY

As at 31 March 2013 and 31 July 2013, the Company's balance with a subsidiary is unsecured, interest-free and has no fixed terms of repayment.

23. PLEDGED DEPOSIT AND CASH AND CASH EQUIVALENTS

Group

		As at 31 March		As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Pledged time deposit against bank overdraft facilities	1,075	1,075	—	—
Cash and cash equivalents:				
Cash and bank balances	20,856	129,799	104,755	61,429
Non-pledged time deposits	53,444	20,073	25,070	30,108
	74,300	149,872	129,825	91,537

The time deposit pledged to a bank was to secure bank overdraft facilities granted to the Group (note 26).

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with banks with high credit ratings and no recent history of default.

24. ACCOUNTS PAYABLE

Group

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Due to third parties	31,753	119,830	134,745	126,705
Due to the Retained Vantage Group *(note)*	38,425	118,276	207,942	180,887
	70,178	238,106	342,687	307,592

Note: As at 31 March 2011, 2012 and 2013 and 31 July 2013, the amounts were unsecured, interest-free and have no fixed terms of repayment.

An ageing analysis of the accounts payable as at the end of each of the Track Record Period, based on the invoice date, is as follows:

Group

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Current to 3 months	68,939	236,764	331,451	306,027
4 to 6 months	6	1,036	10,802	392
Over 6 months	1,233	306	434	1,173
	70,178	238,106	342,687	307,592

At 31 March 2011, 2012 and 2013 and 31 July 2013, retentions payable included in accounts payable amounted to HK$39,798,000, HK$50,857,000 and HK$111,775,000 and HK$116,190,000, respectively, which are normally settled on terms ranging from two to three years. The carrying amounts of accounts payable approximate to their fair values.

Accounts payable are non-interest-bearing and are normally settled on terms ranging from 7 to 30 days. The payment terms are stipulated in the relevant contracts.

25. OTHER PAYABLES AND ACCRUALS

Group

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Other payables	237	267	302	1,278
Accruals	1,522	1,776	1,965	1,965
Due to Vantage *(note)*	52,104	52,219	53,732	53,742
Due to the Retained Vantage Group *(note)*	—	—	—	239
	53,863	54,262	55,999	57,224

Note: As at 31 March 2011, 2012 and 2013 and 31 July 2013, the amounts were unsecured, interest-free and have no fixed terms of repayment.

Other payables are non-interest-bearing and are expected to be settled within one year.

26. INTEREST-BEARING BANK LOANS

Interest-bearing bank loans of the Group are repayable on demand and are analysed as follows:

Group

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank loans — secured and at a floating interest rate	—	18,736	78,636	—

Notes:

(a) As at 31 March 2012 and 2013, Vantage has guaranteed the Group's interest-bearing bank loans and certain general banking facilities up to HK$140,000,000 and HK$181,000,000, respectively.

(b) As at 31 March 2012 and 2013, the Group's interest-bearing bank loans and certain general banking facilities are secured by the accounts receivable with an aggregate carrying amount of HK$36,144,000 and HK$138,702,000, respectively.

(c) As at 31 March 2011 and 2012, the Group's bank overdraft facilities are secured by the assignment of the Group's time deposit with an aggregate carrying amount of HK$1,075,000 and HK$1,075,000, respectively.

(d) The interest-bearing bank loans are denominated in Hong Kong dollars.

(e) The interest rates of the Group's interest-bearing bank loans are primarily repriced every month based on the changes of HIBOR.

(f) In the opinion of the Directors, the carrying amounts of the Group's interest-bearing bank loans approximate to their fair values.

27. DEFERRED TAX LIABILITIES

The movements of deferred tax liabilities during the Track Record Period are as follows:

Group

	Depreciation allowance in excess of related depreciation *HK$'000*
At 1 April 2010	269
Deferred tax credited to profit or loss during the year *(note 12)*	(90)
At 31 March 2011 and 1 April 2011	179
Deferred tax credited to profit or loss during the year *(note 12)*	(93)
At 31 March 2012 and 1 April 2012	86
Deferred tax credited to profit or loss during the year *(note 12)*	(73)
At 31 March 2013 and 1 April 2013	13
Deferred tax charged to profit or loss during the period *(note 12)*	5
At 31 July 2013	18

At 31 March 2011, 2012 and 2013 and 31 July 2013, there was no significant unrecognised deferred tax liability for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries or a joint venture as the Group has no liability to additional tax should such amounts be remitted.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

28. ISSUED CAPITAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 30 April 2012 with initial authorised share capital of HK$370,000 divided into 37,000,000 shares of a par value of HK$0.01 each. On the date of incorporation, 1 ordinary share of HK$0.01 was allotted and issued by the Company to its then shareholder.

On 21 November 2013, an ordinary resolution of the Company was passed pursuant to which (a) the authorised share capital of the Company was increased from HK$370,000 to HK$5,000,000 by the creation of 463,000,000 additional shares of a par value of HK$0.01 each, ranking pari passu in all respects with existing shares of the Company; and (b) the allotment of 49,999,999 ordinary shares of a par value of HK$0.01 each to Profit Chain, a subsidiary of the Retained Vantage Group as a result of the Reorganisation.

29. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for each of the Track Record Period and the four-month period ended 31 July 2012 are presented in the combined statements of changes in equity.

(b) Merger reserve

Merger reserve represents the reserve that arose pursuant to the Reorganisation as detailed in note 2.1 above.

(c) Company

	Accumulated losses *HK$'000*
At 30 April 2012 (the date of incorporation) and at 31 July 2012 (Unaudited)	—
Loss and total comprehensive loss for the period	(88)
At 31 March 2013 and at 1 April 2013	(88)
Loss and total comprehensive loss for the period	(13)
At 31 July 2013	(101)

30. CONTINGENT LIABILITIES

(a) At 31 March 2011, 2012 and 2013 and 31 July 2013, the guarantees given by the Group to certain banks in respect of performance bonds in favour of certain contract customers amounted to HK$17,923,000, HK$15,206,000 and HK$37,775,000 and HK$37,775,000, respectively.

(b) In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the Group's sub-contractors in accidents arising out of and in the course of their employment. The Directors are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

31. OPERATING LEASE ARRANGEMENTS

As lessee

The Group leases certain of its office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to four years.

At the end of each of the Track Record Period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Within one year	2,419	3,076	4,600	6,194
In the second to fifth years, inclusive	474	2,946	1,521	6,338
	2,893	6,022	6,121	12,532

32. RELATED PARTY TRANSACTIONS

(a) In addition to the transactions and balances detailed elsewhere in the Financial Information, the Group had the following transactions with related parties during the Track Record Period and the four-month period ended 31 July 2012:

	Year ended 31 March			Four-month period ended 31 July	
	2011	**2012**	**2013**	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (Unaudited)	*HK$'000*
Recurring:					
Sub-contracting fee to the Retained Vantage Group	378,478	212,339	518,803	180,168	428,640
Management fee income and staff cost reimbursement from the Retained Vantage Group	—	2,855	14,026	5,060	2,458
Rental expense to the Retained Vantage Group	—	—	—	—	207
Non-recurring:					
Corporate guarantee in respect of the Group's banking facilities provided by Vantage	61,000	201,000	242,000	201,000	242,000
Management fee to Vantage	6,181	6,286	7,790	2,596	—
Management fee income from a joint venture	2,220	250	660	—	—
Interest income from the Retained Vantage Group	—	109	1,919	337	168

The transactions were conducted on terms and conditions mutually agreed between the relevant parties. The Directors are of the opinion that these related party transactions were conducted in the ordinary course of business of the Group.

(b) Other non-recurring transactions with related parties

(i) During the year ended 31 March 2013 and the four-month period ended 31 July 2013, Vantage had given performance guarantees in favour of a customer for a civil engineering contract work (the "Contract Customer") of the Group in respect of losses, claims, damages, costs and expenses caused by non-compliance with the terms and conditions of the construction contract entered into between Vantage, the Group and the Contract Customer.

(ii) As at 31 March 2011, 2012 and 2013 and 31 July 2013, certain properties of the Retained Vantage Group with an aggregate carrying amount of approximately HK$469,205,000, HK$504,932,000 and HK$243,659,000 and HK$243,659,000, respectively, were pledged to secure certain banking facilities granted to the Group.

(c) Outstanding balances with related parties

Other than the balances with a subsidiary, a joint venture, the Retained Vantage Group and Vantage as disclosed in notes 18, 21, 22, 24 and 25 to the Financial Information, the Company and the Group had no outstanding balances with related parties as at the end of each of the Track Record Period.

(d) Compensation of key management personnel of the Group

Further details of Directors' remuneration are included in note 10 to the Financial Information.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments include interest-bearing bank loans, accounts and other receivables, deposits, amounts due from a joint venture, balances with the Retained Vantage Group, accounts and other payables, accruals of costs for contract works, an amount due to Vantage, a pledged deposit and cash and cash equivalents. Details of these financial instruments are disclosed in the respective notes to the Financial Information.

The Group's ordinary activities expose it to various financial risks, including interest rate risk, credit risk and liquidity risk. The risks associated with financial instruments and the policies on how to mitigate these risks are described below. Management monitors closely the Group's exposures to financial risks to ensure appropriate measures are implemented in a timely and effective manner.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

At 31 March 2011, 2012 and 2013 and 31 July 2013, it is estimated that an increase/decrease of 25 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's profit after tax and retained profits by nil, HK$39,000, HK$164,000 and nil, respectively, arising as a result of higher/lower interest expense on the Group's floating-rate borrowings. There would be no impact on other components of the Group's equity.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of each of the Track Record Period. For the purposes of the analysis, it is assumed that the amount of variable-rate borrowings outstanding at the end of each of the Track Record Period was outstanding throughout the whole year. The 25 basis point increase or decrease represents management assessment of a reasonably possible change in interest rates over the period until the reporting date of the next financial year.

Credit risk

The Group's credit risk is primarily attributable to bank balances, a time deposits and accounts and other receivables. The Group's maximum credit risk exposure at 31 March 2011, 2012 and 2013 and 31 July 2013 in the event of other parties failing to perform their obligations is represented by the carrying amount of each financial asset as stated in the combined statements of financial position.

Management monitors the creditworthiness and payment patterns of each debtor closely and on an ongoing basis. The Group's accounts receivable from contract works represent interim payments or retentions certified by the customers under terms as stipulated in the contracts and the Group does not hold any collateral over these receivables. As the Group's customers in respect of contract works primarily consist of government departments and developers or owners with strong financial backgrounds, management considers that the risk of irrecoverable receivables from contract works is not significant.

At 31 March 2011, 2012 and 2013 and 31 July 2013, the Group had certain concentrations of credit risk as 41%, 43%, 60% and 63% of the total accounts receivable were due from the Group's largest external customer and 95%, 95%, 98% and 99% of the total accounts receivable were due from the Group's five largest external customers, respectively.

Further quantitative data in respect of the Group's exposure to credit risk arising from accounts and other receivables are disclosed in notes 20 and 21, respectively, to the Financial Information.

Liquidity risk

The Group's policy is to monitor regularly the current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and long term. In addition, banking facilities have been put in place for contingency purposes.

The following table details the remaining contractual maturities at the end of each of the Track Record Period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates, or if floating, based on rates as at the end of each of the Track Record Period) and the earliest date that the Group could be required to repay:

Group

	Within 1 year or on demand	**Between 1 and 2 years**	**Between 2 and 5 years**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
As at 31 March 2011				
Accounts payable	62,314	6,360	1,504	70,178
Accruals of costs for contract works	21,075	—	—	21,075
Other payables *(note 25)*	237	—	—	237
Due to Vantage *(note 25)*	52,104	—	—	52,104
	135,730	6,360	1,504	143,594
As at 31 March 2012				
Accounts payable	201,436	7,295	29,375	238,106
Accruals of costs for contract works	22,039	—	—	22,039
Other payables *(note 25)*	267	—	—	267
Interest-bearing bank loans	18,846	—	—	18,846
Due to Vantage *(note 25)*	52,219	—	—	52,219
	294,807	7,295	29,375	331,477
As at 31 March 2013				
Accounts payable	248,225	71,171	23,291	342,687
Accruals of costs for contract works	5,390	—	—	5,390
Other payables *(note 25)*	302	—	—	302
Interest-bearing bank loans	78,797	—	—	78,797
Due to Vantage *(note 25)*	53,732	—	—	53,732
	386,446	71,171	23,291	480,908
As at 31 July 2013				
Accounts payable	198,374	105,256	3,962	307,592
Accruals of costs for contract works	2,980	—	—	2,980
Other payables *(note 25)*	1,278	—	—	1,278
Due to Vantage *(note 25)*	53,742	—	—	53,742
Due to the Retained Vantage Group *(note 25)*	239	—	—	239
	256,613	105,256	3,962	365,831

Capital management

The primary objective of the Group's capital management policy is to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Directors review the capital structure on a periodical basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital and will balance the Group's overall capital structure through new share issues as well as raising new debts or repayment of existing debts.

The Group monitors capital using a gearing ratio, which is net cash and bank balances divided by the total capital. Net cash and bank balances are calculated as the total of interest-bearing bank loans less cash and cash equivalents and a pledged time deposit. Total capital refers to equity attributable to owners of the parent. The gearing ratios as at the end of each of the Track Record Period were as follows:

Group

	As at 31 March			As at 31 July
	2011	**2012**	**2013**	**2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Interest-bearing bank loans	—	18,736	78,636	—
Less: Cash and cash equivalents	(74,300)	(149,872)	(129,825)	(91,537)
Pledged time deposit	(1,075)	(1,075)	—	—
Net cash and bank balances	(75,375)	(132,211)	(51,189)	(91,537)
Equity attributable to owners of the parent	76,213	104,383	144,449	157,152
Gearing ratio *(%)*	Nil	Nil	Nil	Nil

III. EVENTS AFTER THE REPORTING PERIOD

(a) On 21 November 2013 and before the completion of the Reorganisation, Great Jump, a subsidiary of the Group, declared a special dividend of HK$60,000,000 to Profit Chain, its then shareholder and a subsidiary of the Retained Vantage Group. Such dividend was not accounted for in the Financial Information during the Track Record Period. Such dividend will be paid before the listing of the shares of the Company on the Stock Exchange in December 2013.

(b) On 21 November 2013, the companies now comprising the Group completed the Reorganisation in preparation for the listing of the Company's shares on the Stock Exchange. Further details of the Reorganisation are set out in the section headed "History and Development" in the Prospectus.

IV. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Group, the Company or any of its subsidiaries in respect of any period subsequent to 31 July 2013.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong