



PIONEER GLOBAL GROUP LIMITED
建生國際集團有限公司

Stock Code 股份代號 : 00224





PIONEER GLOBAL GROUP LIMITED

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Rossana WANG GAW, *Chairman*
Goodwin GAW, *Vice Chairman*
Kenneth GAW, *Managing Director*
Christina GAW
Alan Kam Hung LEE

Independent Non-executive Directors

Dr. Charles Wai Bun CHEUNG, JP
Arnold Tin Chee IP
Stephen TAN

AUDIT COMMITTEE

Dr. Charles Wai Bun CHEUNG, JP, *Chairman*
Arnold Tin Chee IP
Stephen TAN

REMUNERATION COMMITTEE

Arnold Tin Chee IP, *Chairman*
Dr. Charles Wai Bun CHEUNG, JP
Stephen TAN

NOMINATION COMMITTEE

Rossana WANG GAW, *Chairman*
Kenneth GAW
Dr. Charles Wai Bun CHEUNG, JP
Arnold Tin Chee IP
Stephen TAN

COMPANY SECRETARY

Tsui Yan LAW

BANKERS

Bank of Communications Co., Ltd. Hong Kong Branch
Citibank N.A. Hong Kong
Standard Chartered Bank (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

SOLICITORS

Baker & McKenzie
Mayer Brown JSM
Fangda Partners

AUDITORS

Wong Brothers & Co.

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

PRINCIPAL OFFICE IN HONG KONG

20th Floor, Lyndhurst Tower
No. 1 Lyndhurst Terrace
Central
Hong Kong

SHARE REGISTRAR & TRANSFER OFFICE IN BERMUDA

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08, Bermuda

SHARE REGISTRARS & TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services Limited
46th Floor, Hopewell Centre
183 Queen's Road East
Hong Kong

INFORMATION

<http://www.pioneerglobalgroup.com>
<http://www.irasia.com/listco/hk/pioneer/index.htm>
Bloomberg: 224:HK
Reuters: 0224.hk

Managing Director's Report



Pioneer Place Elevation

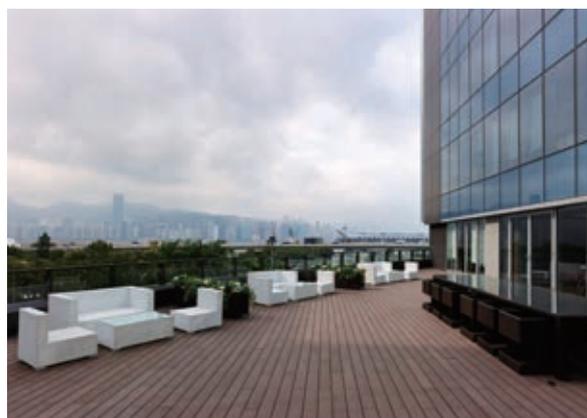
BUSINESS REVIEW

While the US Fed finally began the much anticipated tapering of the quantitative easing operation which pulled its economy out of the Global Financial Crisis of 2007/2008, we saw massive liquidity being injected from the central banks of other major economies, including Japan, China, and Europe. With all major economies in the world reducing interest rates, the US has continued to hold interest rates at a historical low. It is now expected that any upcoming increase in the US interest rate will be slow and gradual. This low interest rate and high liquidity environment has continued to fuel asset price inflation, especially benefitting financial assets such as stocks and physical assets such as real estate.

China's economic growth slowed to below 7%, the lowest level in a decade. In order to guide the domestic housing market to a soft landing, the government canceled home purchase restrictions across much of the country (except for the four tier-one cities of Beijing, Shanghai, Guangzhou, and Shenzhen, plus Haikou) and injected substantial liquidity into the banking system in the second half of 2014. In 2015, the government continued with lowering of interest rates and cutting of bank's Reserve Requirement Ratio, as well as relaxation of mortgage ratio. These measures spurred buying activities in large cities, though home prices and

transaction volume are still soft in lower tier cities. While we do not expect the housing market to recover in the same manner as it did from the massive stimulus in 2009 after the Global Financial Crisis, we believe that the government will be successful in stabilizing the housing market and the economy in general. On the other hand, while China's economic growth slowed to its lowest level in a decade, the stock market went the opposite direction and sky rocketed since Q4 2014. The main index more than doubled while the ChiNext startup index tripled in the past year. While this meteoric rise is liquidity driven and is probably excessive, and may even lead to a financial bubble if not controlled properly, it also reflects domestic optimism of the long term reforms being carried out by the Chinese government. China's emergence as the largest e-commerce and consumption market in the world is real. The leading Chinese companies in these areas are world class and are true innovators. The government's policy of promoting innovation and encouraging entrepreneurship shall pay good dividends long term and continue to support the growth of its financial market and the economy.

In Q4 2014, Hong Kong was rocked by the Occupy Central movement which paralyzed parts of the key districts of Central, Causeway Bay, and Mongkok. While the protests ultimately did not cause any substantial physical damage, it created a very



Pioneer Place Terrace



Pioneer Place Lobby

negative political environment and hurt Hong Kong's image as a tourism destination. Anti-mainland Chinese tourist protests associated with the Occupy movement and the Chinese government's anti-corruption campaign further damaged tourism and retail sales. On the other hand, the property market recovered on the back of a sustained low interest rate and high liquidity environment, despite continued harsh administrative measures by the Hong Kong government making it difficult for end users to purchase properties. The stock market has also performed strongly as the boom of the Chinese stock market migrated to Hong Kong via the direct connect of the two markets. This has provided a lot of support to the office market, in the form of higher occupancy and rental rates. In our opinion, this trend is expected to continue in the coming year.

In Thailand, the army coup in May 2014 brought back law and order after the capital city Bangkok was rocked by months of sometimes violent street protests. As the epicenter of the protests, Bangkok's tourism market recovered surprisingly quickly, with occupancy rates back to normal by Q4 2014, albeit at lower room rates. Pattaya's market also recovered well initially. Unfortunately, economic sanctions against Russia (due to conflicts in Ukraine) and its subsequent currency crisis significantly affected Russian outbound travelers, a key feeder market for Pattaya.

I am pleased to report that turnover for the Group and share of associates increased to HK\$319.2 million for the twelve months ended 31 March 2015, from HK\$281.2 million in 2014. Operating profits also increased by 20.5% to HK\$152.9 million, from HK\$126.9 million. The increase in turnover and operating profits were mainly due to the increase in rental income from the Group's investment properties, particularly the newly revitalized Pioneer Place in Kwun Tong. During the year, net profit attributable to shareholders was HK\$804.2 million, compared to HK\$477.5 million in 2014. The large jump in net profit was primarily due to a larger gain in fair value of investment properties during the current year (HK\$753.6 million for this year versus HK\$414.5 million in 2014). In particular, this year saw a substantial increase in value to the newly completed Pioneer Place and our 68 Yee Wo Street property.

Property Investments

In August 2014, the Group's Pioneer Building (245,678 sq.ft.) in Kwun Tong, Hong Kong reopened as "Pioneer Place" after a 16 months, HK\$240.0 million, major revitalization from an industrial building to an office building. Up to the end of 31 March 2015, occupancy of the building stood at 56% (including leases signed but not yet occupied), at rental rates ranging from HK\$21 to HK\$30 per sq.ft., compared to average rental rates of HK\$7 per sq.ft. prior to the conversion. Based on the leasing pipeline, we are confident that the building will be substantially leased within the next 12 months. For the year ended 31 March 2015, Pioneer Place contributed rental and related revenues of HK\$11.7 million and a substantial fair value increase of HK\$463.6 million, reflecting the successful revitalization of the building from industrial to commercial use.

The Group's 60% owned 68 Yee Wo Street building (229,200 sq.ft.) in Causeway Bay, Hong Kong performed well, enjoying rising average rental rate and high occupancy at 96% as at the close of the

reporting period. Despite the Occupy movement in Causeway Bay near the property during Q4 2014, the tenants in the building have not experienced sustained, negative effects. During the fiscal year ended 31 March 2015, the property contributed rental and related revenues of HK\$118.1 million and a fair value increase of HK\$166.6 million to the Group.

For the twelve months ended 31 March 2015, the Club Lusitano Building (80,100 sq.ft.) in Central, Hong Kong contributed HK\$36.8 million in rental and related revenues and HK\$80.5 million in fair value increase to the Group. The building's retail podium is currently under renovation and scheduled to be completed in September 2015. During the year, the Group successfully signed leases with two new tenants for the entire 11,828 sq.ft. retail podium. Upon the completion of the works for the retail podium, the occupancy of the building shall be 100%.

As at 31 March 2015, the Pemberton Building (70,616 sq.ft.) in Sheung Wan, Hong Kong enjoyed an occupancy rate of 100% and contributed HK\$27.4 million in rental and related revenues and a fair value increase of HK\$38.0 million for the financial year.

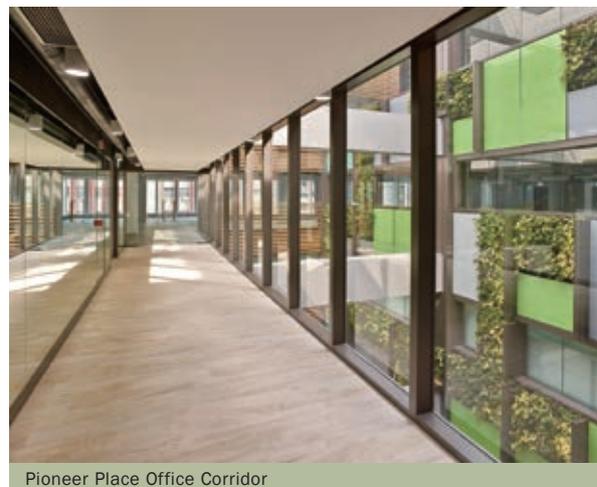
During the reporting period, the Shanghai K. Wah Centre (a 750,000 sq.ft. commercial tower in Shanghai held 15.4% through the Group's 50.0% owned associated company) contributed an associate profit of HK\$21.9 million to the Group.

Investments in Hotel Industry

The Group's investments in hotel industry have all been made through associated companies.

Thailand's tourism industry was hit hard by the massive street protests that started in Q4 2013. While both the Bangkok and Pattaya markets suffered negative impacts during the financial year, the army led coupe in May 2014 restored law and

order and occupancy rates subsequently recovered. In particular, the Bangkok market recovered lost grounds surprisingly quickly while the Pattaya market struggled with the weakened Russian market due to economic sanctions and the depreciation of the Russian Ruble. During the financial year ended 31 March 2015, the Pullman Pattaya Hotel G (owned by the Group's 49.5% owned associated company) performed satisfactorily despite the effects of the political disturbance, with revenues of Baht 349.1 million (2014: Baht 357.6 million) and operating profits of Baht 138.2 million (2014: Baht 144.8 million). For the same period, the Pullman Bangkok Hotel G (held by the Group through the same 49.5% owned associate that holds the Pullman Pattaya



Hotel G) had revenues of Baht 444.2 million (2014: Baht 424.2 million) and operating profit of Baht 151.7 million (2014: Baht 119.3 million).

The Group (through its 49.5% owned Thai associated company) owns 37.5% of a 79 acre land site at Cape Nga in Phuket, Thailand, with plans to develop a world-class luxury resort with branded residences. Phase 1 of the project is a 100-keys all villa resort and luxury residences operating under the brand of Park Hyatt Phuket. The Group plans to begin construction of the project during this fiscal year, with completion expected in the first half of 2018.

A 50% owned associated company of the Group holds 10.3% of Dusit Thani Public Company Limited ("Dusit Thani"), the leading owner and operator of hotels in Thailand. For the year ended 31 December 2014, Dusit Thani achieved total revenues of Baht 4.79 billion (2013 (Restated): Baht 5.01 billion) and net loss attributable to shareholders of Baht 20.6 million (2013 (Restated): profit of Baht 163.7 million). Like our two hotels in Bangkok and Pattaya, Dusit Thani's results were negatively affected by the street protests in Bangkok.

The Group's unlisted associated company (27.71% owned by the Group), Strand Hotels International Limited, is in a 50/50 joint venture with the government of Myanmar to own and operate three hotels in Yangon – the Strand Hotel, the Inya Lake Hotel, and the Thamada Hotel. During the year, the three hotels performed well, with record revenues of US\$15.0 million and operating profits of US\$9.5 million. In Q1 2015, Strand Hotels International Limited also obtained in principle approval by the government to extend the lease terms of the hotels until 2043, plus two ten year extensions at our option. As a condition to the extension of the leases and also to meet upcoming competition, the management of the joint venture company has major refurbishment plans for the three properties. These works are expected to be carried out in phases over the next 3-4 years.

PROSPECTS

The "Strand Cruise", owned by a subsidiary of Strand Hotels International Limited, is a luxury river cruise ship with 27 cabins under construction in Myanmar. The cruise ship will be marketed with packages in conjunction with the Strand Hotel in Yangon under the same brand name. It is expected that the ship will be completed by November 2015 and will be ready for service during the tourism high season of 2016.

With the completion of the revitalization scheme of Pioneer Place and the continued leasing up of the building, the Group has added a substantial source of income to our stable of investment properties. And with the continued strong performance of our commercial portfolio in Hong Kong and the stabilization of our Thai hotel assets, the Group is on a strong financial footing. While we continue to be cautious about the political environment in Hong Kong, we are exploring interesting opportunities due to the slowdown of the tourism industry in the city. In China, we believe the ongoing economic uncertainty may also create investment opportunities for the Group going forward.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2015, the Group continued to enjoy a strong financial position. At 31 March 2015, the Group's total debts to total assets ratio was 23.2% (31 March 2014: 23.7%) and net debt to total assets ratio was 19.9% (31 March 2014: 21.0%).

APPRECIATION

On behalf of the Board, I would like to express our sincere gratitude to all the employees for their contributions.

Kenneth Gaw

Managing Director

Hong Kong, 22 June 2015

The Directors are pleased to present their report together with the audited financial statements of the Group for the year ended 31 March 2015.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and the activities of its principal subsidiaries and associated companies are shown in notes 27 and 12 to the financial statements. An analysis of the Group's turnover and contribution to results by principal activity of operations is set out in note 2 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2015 are set out in the consolidated statement of profit or loss on page 30.

An interim dividend of HK1.30 cents per share, totalling HK\$15,002,000 which was paid on 22 January 2015.

The Directors recommend the payment of a final dividend of HK2.80 cents (2014: HK2.50 cents) per share for the year ended 31 March 2015, payable on 30 September 2015 to all persons registered as shareholders on 23 September 2015. The transfer of books and register of members of the Company will be closed from 21 September 2015 to 23 September 2015, both days inclusive, during which period no transfer of shares will be effected. Payment of the final dividend is conditional upon the passing of an ordinary resolution at the forthcoming annual general meeting.

In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Registrar, Computershare Hong Kong Investor Services Limited at 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Friday, 18 September 2015.

SHARE CAPITAL

There was no movements in the share capital of the Company during the financial year.

DISTRIBUTABLE RESERVES

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of a company is available for distribution. However, the company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after payment be, unable to pay its liabilities as they become due; or
- (b) the realizable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium.

The reserves of the Company available for distribution to shareholders as at 31 March 2015, including contributed surplus and retained earnings amounted to HK\$781,263,000 (2014: HK\$757,747,000).

Details of movements in reserves are set out in note 19 to the financial statements.

Directors' Report

GROUP FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on page 84.

FIXED ASSETS

Details of movements in fixed assets are set out in note 11 to the financial statements.

MAJOR SUBSIDIARIES

Details of the major subsidiaries as at 31 March 2015 are set out in note 27 to the financial statements.

LOANS AND BORROWINGS

Details of loans and borrowings are set out in note 20 to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2015, the Group's five largest customers together accounted for about 31% of the Group's total turnover and the largest customer accounted for about 10% of the Group's total turnover while the five largest suppliers accounted for less than 30% of the Group's expenditure on goods and services.

None of the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had an interest in any of the Group's five largest customers.

DONATIONS

During the financial year, the Group has made HK\$40,000 charitable donations (2014: HK\$81,000).

DIRECTORS

The Directors in office during the financial year and up to the date of this report were:

Executive Directors

Rossana WANG GAW
Goodwin GAW
Kenneth GAW
Christina GAW (appointed on 27 October 2014)
Alan Kam Hung LEE

Independent Non-executive Directors

Dr. Charles Wai Bun CHEUNG, JP
Arnold Tin Chee IP
Stephen TAN

In accordance with the Bye-Laws 82 & 83, Mr. Alan Kam Hung Lee and Mr. Arnold Tin Chee Ip will retire, and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

In accordance with the Bye Law 77, Ms. Christina Gaw who was appointed as Executive Director of the Company will hold office until the forthcoming annual general meeting and being eligible for re-election.

None of directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the employer within one year without payment of compensation other than statutory compensation.

DISCLOSURE OF DIRECTORS' INTERESTS

As at 31 March 2015, the following Directors of the Company were interested, or were deemed to be interested in the following long and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors (the "Model Code") adopted by the Company to be notified to the Company and the Stock Exchange.

Long Position in Shares of the Company

	Number of ordinary shares			Total	%
	Personal Interests	Interests held by controlled corporation	Interests held by family trust		
Rossana Wang Gaw	–	24,894,731 ¹	215,768,260 ²	240,662,991	20.85
Kenneth Gaw	61,418,428	12,725,857 ³	41,305,864 ⁴	115,450,149	10.00
Christina Gaw	–	19,699,216 ⁵	–	19,699,216	1.71
Stephen Tan	–	4,440,754 ⁶	–	4,440,754	0.38

¹ Mrs. Rossana Wang Gaw owns the entire issue share capital of Vitality Holdings Limited, which was beneficially interested in 24,894,731 shares.

² Family trust of which Mrs. Rossana Wang Gaw is the sole beneficiary held an aggregate of 215,768,260 shares.

³ Mr. Kenneth Gaw owns the entire issued share capital of Top Elite Company Limited, which was beneficially interested in 12,725,857 shares.

⁴ Family trust of which Mr. Kenneth Gaw is the sole beneficiary held an aggregate of 41,305,864 shares.

⁵ Ms. Christina Gaw owns the entire issued share capital of Eternity Rich Investments Ltd., which was beneficially interested in 19,699,216 shares.

⁶ Mr. Stephen Tan and his spouse together own 0.59% issued share capital of Bangkok Mercantile (Hong Kong) Co., Ltd., which was beneficially interested in 4,440,754 shares. Mr. Stephen Tan is the Chairman of Bangkok Mercantile (Hong Kong) Co., Ltd. and he can exercise control over the board.

Directors' Report

Long Position in Shares of Associated Corporations

Name of company	Name of director	Number of ordinary shares held by controlled corporation	%
Pioneer Hospitality Siam (GBR) Limited	Rossana Wang Gaw	2,020,000*	50.5
Pioneer Hospitality Siam (GBR) Limited	Kenneth Gaw	2,020,000*	50.5
Keencity Properties Limited	Rossana Wang Gaw	5,019,205*	50.5
Keencity Properties Limited	Kenneth Gaw	5,019,205*	50.5
Pioneer iNetwork Limited	Rossana Wang Gaw	1*	50.0
Pioneer iNetwork Limited	Kenneth Gaw	1*	50.0

* Interested by Mrs. Rossana Wang Gaw and Mr. Kenneth Gaw represented the same interests and were therefore duplicated amongst these two directors for the purpose of the SFO.

Save as disclosed above, as at 31 March 2015, none of the Directors of the Company were interested, or were deemed to be interested in the long and short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code adopted by the Company to be notified to the Company and the Stock Exchange.

DISCLOSURE OF SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 March 2015, so far as the Directors were aware, the following persons (other than a director or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

Name of shareholder	Number of ordinary shares	%
Asset-Plus Investments Ltd.	115,403,866	10.00
Forward Investments Inc.	283,200,215	24.54
Intercontinental Enterprises Corporation	215,768,260 ¹	18.70
Prosperous Island Limited	97,324,936	8.43

¹ Family trust of which Mrs. Rossana Wang Gaw is the sole beneficiary held an aggregate of 215,768,260 shares, which duplicated to those disclosed in "Long Position in Shares of the Company".

Save as disclosed above, the Directors were not aware of any other persons (other than a director or chief executive of the Company) who, as at 31 March 2015, had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group adheres to environmental sustainability from office throughout the property portfolio. As a responsible corporation, we strive to ensure minimal environmental impacts by carefully managing our energy consumption, water usage, property design and waste production.

At office level, the Company participated Green Office Awards Labelling Scheme organized by World Green Organization to implement green initiatives and encourage staff to join environmental related training. At properties level, we advocated e-bill and e-receipt to our tenants and actively launched various energy savings and recycling programmes.

COMPLIANCE TO LAWS AND REGULATIONS

The Board paid attention to the Group's policies and practices on compliance with legal and regulatory requirements. External compliance and legal advisers are engaged to ensure transactions and business performed by the Group are within the applicable law framework. Updates on applicable laws, rules and regulations are brought to the attention of relevant employees and operation units from time to time.

EMPLOYEES RELATIONSHIP

The employment policies of the Company embody the principles of equal opportunity and are tailored to meet the needs of the Company and the areas in which it operates. This includes suitable procedures to support the Company's policy that individuals should not be discriminated against on the basis of race, disability, age, gender, sexuality or religion and that they should be considered for employment and subsequent training, career development and promotion on the basis of their aptitudes and abilities. Also the Company recognizes the value of employee involvement in effective communications and the need for their contribution to decision making on matters affecting their jobs.

EMOLUMENT POLICY

As at 31 March 2015, the number of salaried staff at the holding company level was 18 (2014: 17). The Group ensures that its employees' remuneration packages are competitive. Employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system. The emoluments of the directors of the Company are determined with reference to his/her position, duties and responsibilities, remuneration policy of the Company and the prevailing market conditions.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

As at 31 March 2015, there were no outstanding options to subscribe for the shares of the Company. There were no other arrangements to which the Company or any of its subsidiaries was a party to enable the directors of the Company to acquire benefits by means of the acquisition of shares, or debentures of the Company or any other body corporate.

Directors' Report

DIRECTORS' SERVICE CONTRACTS

No Director has a service contract with any member of the Group which is not determinable within one year without payment of compensation other than statutory compensation.

DIRECTORS' INTEREST IN CONTRACTS

No Director has a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries is a party during the financial year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of any business of the Company or its subsidiaries were entered into or existed during the financial year.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist in Bermuda, the jurisdiction in which the Company was incorporated.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors at the date of the annual report, there was a sufficient public float of the Company.

CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Company are set out in the Corporate Governance Report on pages 18 to 27.

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

During the financial year, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the shares of the Company.

RELATED PARTY TRANSACTION

Detail of the related party transaction is set out in note 26 to the financial statements.

AUDITORS

The financial statements for the year ended 31 March 2015 have been audited by Wong Brothers & Co. who retire and being eligible offer themselves for re-appointment. A resolution for the re-appointment of Wong Brothers & Co. as auditors of the Company will be proposed at the forthcoming annual general meeting.

On Behalf of the Board

Rossana Wang Gaw

Chairman

Hong Kong, 22 June 2015

Biographical Details of Directors

EXECUTIVE DIRECTORS

Mrs. Rossana WANG GAW (Chairman)

Aged 69, was appointed to the Board in 1980 and has been Chairman of the Group since February 1999. She is responsible for the management of the real estate sector in the Group. Mrs. Gaw has 8 years of experience in the garment manufacturing industry and over 30 years of experience in real estate investments and hotels business. Mrs. Gaw is a graduate of the University of California, Berkeley, and holds a Degree in Business Administration. She is the mother of Mr. Goodwin Gaw, Mr. Kenneth Gaw and Ms. Christina Gaw.

Mr. Goodwin GAW (Vice Chairman)

Aged 46, was appointed to the Board in 1994 and became Vice Chairman of the Group in August 1996. He is the Chairman of Gaw Capital Partners, a global real estate private equity firm. He is also the President of Downtown Properties Holdings, a private real estate investment company with commercial properties interest in the United States. Mr. Gaw graduated with a Bachelor of Science Degree in Civil Engineering from the University of Pennsylvania, a Finance Degree from Wharton Business School and a Master of Science Degree in Construction Management from Stanford University. He is the son of Mrs. Rossana Wang Gaw, and the brother of Mr. Kenneth Gaw and Ms. Christina Gaw.

Mr. Kenneth GAW (Managing Director)

Aged 44, was appointed to the Board in 1994 and became Managing Director of the Group in February 1999. He holds directorships at Dusit Thani Public Company Limited, Home Inns & Hotels Management Inc., and Hong Kong-Thailand Business Council. He was a director of Siam Food Products Public Company Limited until 2006 and was a director and Deputy Chairman of Wah Kwong Shipping Holdings Limited until the company was privatized in July 2000. Mr. Gaw co-founded Gaw Capital Partners, a global real estate private equity firm, in July 2005. He graduated with a Bachelor of Science Degree in Applied Mathematics and Economics from Brown University (Magna Cum Laude). Before joining the Group, Mr. Gaw worked in the structured finance group at Goldman, Sachs & Co. in New York and in corporate finance with Goldman Sachs (Asia) LLC in Hong Kong. He is the son of Mrs. Rossana Wang Gaw, and the brother of Mr. Goodwin Gaw and Ms. Christina Gaw.

Ms. Christina GAW

Aged 42, was appointed to the Board in 2014. She is a Partner and Managing Principal of Gaw Capital Partners, a global real estate private equity firm. Before joining the Group, Ms. Gaw worked at Goldman Sachs (Asia) LLC for almost 9 years and UBS for 6 years as Managing Director with responsibilities as Head of Asian Regional Sales and latest capacity as Head of APAC Capital Introduction team within Prime Brokerage. Outside of her professional career capacity, Ms. Gaw is a Corporate Member of The Cheltenham Ladies' College Council and serves as Executive Committee Member of the St. Paul's Coeducation College Alumni Association in Hong Kong. She is also actively engaged in community work in Hong Kong and is a Board Member of The Women's Foundation as well as an Executive Board Member and Treasurer of The Hong Kong Ballet. Ms. Gaw received her Bachelor of Science in Business Administration from the University of San Francisco. Ms. Gaw is the daughter of Mrs. Rossana Wang Gaw, and sister of Mr. Goodwin Gaw and Mr. Kenneth Gaw.

Mr. Alan Kam Hung LEE

Aged 59, has been the Chief Financial Officer of the Group since 2000 and currently being a director of various subsidiaries and associates of the Group. He is also the Chief Operating Officer of Gaw Capital Partners, a global real estate private equity firm. Before joining the Group, he was the Executive Director and Finance Director of Road King Infrastructure Limited which is listed on the main board of the Stock Exchange. Mr. Lee graduated with a Bachelor of Science Degree in Civil Engineering from Imperial College, University of London, a Master of Science Degree in Engineering from the University of Hong Kong and a Master of Business Administration Degree from the University of Toronto. He is a Chartered Accountant (Canada) and a fellow member of the Hong Kong Institute of Certified Public Accountants.

Biographical Details of Directors

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Charles Wai Bun CHEUNG, JP

Aged 78, was appointed to the Board in 1986. He is the Chairman of the Audit Committee of the Company. Dr. Cheung holds an Honorary Doctor's Degree, a Master's Degree in Business Administration and a Bachelor of Science Degree. He has over 35 years of experience in the senior management of companies in various industries including over 22 years of experience of banking business in senior management positions. Dr. Cheung is Chairman of Joy Harvest International Limited, a director and Vice Chairman of the Executive Committee of Metropolitan Bank (China) Ltd.. He is a director and director of Audit Committee of China Resources Bank of Zhuhai Co. Ltd.. He was formerly an independent non-executive director and Chairman of Audit Committee of Shanghai Electric Group Company Limited. He is also an independent non-executive director and Chairman of Remuneration Committee of Universal Technologies Holdings Ltd. and also, an independent non-executive director and Chairman of Audit Committee of China Financial International Investments Limited (formerly named Sunshine Capital Investments Group Limited) which are listed on the main board of the Stock Exchange. Dr. Cheung is Chairman of the board, an independent non-executive director and Chairman of Remuneration Committee and Nomination Committee of Grand T G Gold Holdings Limited and an independent non-executive director and Chairman of Nomination Committee of Zebra Strategic Holdings Limited which are listed on GEM board of the Stock Exchange. He was formerly an Executive Deputy Chairman and Group Chief Executive Officer of Mission Hills Group and formerly a Visiting Professor of School of Business of Nanjing University, China. He is Special Adviser to the President of University of Victoria B.C. Canada. He is a member of Hospital Governing Committee of both Kowloon Hospital and Hong Kong Eye Hospital. Dr. Cheung is also a member of the Regional Advisory Committee of Kowloon of Hong Kong Hospital Authority. He is a council member of The Hong Kong Institute of Directors. Dr. Cheung was a former director and adviser of Tung Wah Group of Hospitals. He was awarded the Directors of the year Awards 2002 of Listed Company Non-executive Director. Dr. Cheung was elected Outstanding Director Award by the Chartered Association of Directors, Outstanding Management Award by Chartered Management Association and Outstanding CEO Award by the Asia Pacific CEO Association in December 2010.

Mr. Arnold Tin Chee IP

Aged 52, was appointed to the Board in 1999. He is the Chairman of the Remuneration Committee of the Company. Mr. Ip is a graduate of Trinity College, Cambridge University. Mr. Ip's work focuses on fund raising for listed and unlisted companies, and management of real estate investment funds. He is a director of Altus Capital Limited where he is involved in the supervision and management of corporate finance and advisory work for companies in Hong Kong and in advising on property investment. He is an independent non-executive director of Pak Fah Yeow International Limited, a company listed on the main board of the Stock Exchange; and Chairman of Japan Residential Assets Manager Limited, manager of a real estate investment trust listed in Singapore. Between 1989 and March 1997, Mr. Ip worked for Standard Chartered Asia Limited and was a director of Yuanta Securities (Hong Kong) Limited thereafter until January 2001, specializing in a range of corporate finance and advisory activities for companies based in Hong Kong and China. From 1984 to 1988, he worked at Arthur Andersen & Co in London specializing in taxation and qualified as a Chartered Accountant in 1988.

Mr. Stephen TAN

Aged 61, was appointed to the Board in 2007. He was educated in the United States and holds a Bachelor's Degree in Business Administration at Rutgers University, and a Master Degree in Business Administration at St. John's University. Mr. Tan is currently an executive director of Asia Financial Holdings Limited and was appointed as an independent non-executive director of China Motor Bus Company, Limited on 1 April 2014, both of which are listed on the main board of the Stock Exchange. He also sits on the boards of Bank Consortium Trust Company Limited, Hong Kong Life Insurance Limited and AFH Charitable Foundation Limited. Mr. Tan serves as the Vice President of Hong Kong Chiu Chow Chamber of Commerce Limited, the Managing Director of Federation of Hong Kong Chiu Chow Community Organizations and the Chairman of both Cantonese Opera Development Fund Investment Committee of the Hong Kong Special Administrative Region and Bangkok Mercantile (Hong Kong) Company Limited. He is a Standing Committee Member of the Chinese General Chamber of Commerce, the Incumbent Honorary President of Chiu Yang Residents Association of Hong Kong Limited. Mr. Tan is a voting member of Tung Wah Group of Hospitals Advisory Board, a member of the Board of Governors of Hong Kong Sinfonietta Limited, a Chartered member of the Rotary Club of The Peak. Mr. Tan is also a member of the Mega Events Fund Assessment Committee.

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

Good corporate governance provides a framework that is essential for effective management, healthy corporate culture, successful business growth and better shareholders' value. The Group's corporate governance practices emphasize a well-balanced quality Board, effective internal control and accountability to shareholders.

The Board has duly adopted the principles of good governance provided by the Code on Corporate Governance Practices (the "CG Code") in the Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") throughout the year ended 31 March 2015, except for deviation from code provision A.6.7 of the CG Code: Mr. Stephen Tan, an independent non-executive director, was unable to attend the annual general meeting of the Company due to prior business commitment.

THE BOARD OF DIRECTORS

Responsibilities and Composition of the Board

The Company is headed by an effective Board which is accountable to shareholders for the long-term performance and interests of the Company. The Board is responsible for directing business affairs of the Group which include determining the corporate objectives and business strategies, setting appropriate policies to manage risks and performing the corporate governance function.

The management is delegated with the day-to-day running and operational matters of the Group and held accountable for the performance of the Company. They also closely monitor changes to regulations and accounting standards that affect the corporate affairs and business, and adopt an appropriate reporting format in its interim report, annual report and other documents to present a balance, clear and comprehensible assessment of the Group's performance and prospects.

Decisions on important matters, including those affect the Group's strategic policies, annual and interim results, material transactions and funding exercises are reserved to the Board whereas the Group's general operations decisions are reserved to the management. The respective functions to the Board and the management have been formalized and set out in writing.

The Board currently comprises eight Directors, including five Executive Directors and three Independent Non-executive Directors. The number of Independent Non-executive Directors in the Company represents more than one-third of the Board, which satisfied the requirement under Rule 3.10(A) of the Listing Rules. The biographical details of the Directors including their names, positions and relationships are set out on pages 14 to 17. In particular, Mrs. Rossana Wang Gaw (Chairman) is the mother of Mr. Goodwin Gaw (Vice Chairman), Mr. Kenneth Gaw (Managing Director) and Ms. Christina Gaw (Executive Director). Save as aforesaid, none of the members of the Board is related to one another.

The Company has maintained on its website and that of Stock Exchange an updated list of Directors identifying their roles and functions and disclosed the names of Directors, including those Independent Non-executive Directors, in all corporate communications.

Chairman and Managing Director

The role of the Chairman and the Managing Director of the Company is separate to reinforce their respective independence and accountability.

The Chairman provides leadership to and oversees the effective functioning of the Board with good corporate governance practices. With the support of the senior management, the Chairman ensures that all Directors receive adequate, complete and reliable information, and are properly briefed on issues arising at Board meetings and that all key and appropriate issues are discussed by the Board in a timely manner.

The Managing Director heads the management and focuses on implementing objectives, policies and strategies approved and delegated by the Board. He has the executive responsibilities over the Company's day-to-day management and operation.

During the year under review, the Chairman of the Company is Mrs. Rossana Wang Gaw whereas the Managing Director is Mr. Kenneth Gaw.

Independent Non-executive Director

Each Independent Non-executive Director is appointed for a term of three years and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Bye-Laws. The Independent Non-executive Directors possess appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. Their active participation in the Board and committee meetings brings an objective and independent voice that protects the minority interests. The Company has received in writing the annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the Independent Non-executive Directors and considers them to be independent of the management and free of any relationship that could materially interfere with the exercise of their independent judgment.

Board Meetings and Procedures

The Board meets regularly, and at least four times a year, to review the business development and discuss any matters arising from corporate governance, risk management, accounting and financing. Additional meetings will be held upon the request of the members when they think necessary. Every Director is entitled to have full access to information on the Group and may, in appropriate circumstances, take independent professional advice at the Company's expense.

In respect of regular Board meetings, at least 14 days' notice is normally given to all Directors and all Directors can include matters for discussion in the agenda if necessary. Agenda and accompanying Board papers in respect of regular Board meetings are sent out in full to all Directors within reasonable time before the Board meetings, which enable the Board to make an informed decision on the matters. Draft minutes of every Board meeting are circulated to all Directors for their comment within a reasonable time after the Board meeting is held. All the minutes are kept by the Company Secretary and available for inspection by any Director.

Corporate Governance Report

All Directors, including the Independent Non-executive Directors, have devoted a reasonable amount of time and effort to the business affairs of the Company. The decisions made are collective decisions of all Directors after thorough discussion at the Board meetings. According to the current Board practices, any material transaction, which involves a conflict of interest for a substantial shareholder or a director, will be considered and dealt with by the Board at a duly convened Board meeting and the director concerned will abstain from voting.

Appropriate insurance cover on directors' and officers' liabilities has been in force to protect the Directors and Officers of the Group from their risk exposure arising from the business of the Group. The insurance coverage is reviewed and renewed on annual basis.

During the financial year, four Board meetings and 2014 Annual General Meeting were held. The composition of the Board and attendance record of each Director at these meetings are set out below:

Directors	Number of Board Meeting attended	2014 Annual General Meeting
Executive Directors		
Rossana Wang Gaw (<i>Chairman</i>)	4/4	1/1
Goodwin Gaw (<i>Vice Chairman</i>)	3/4	1/1
Kenneth Gaw (<i>Managing Director</i>)	4/4	1/1
Alan Kam Hung Lee	4/4	1/1
Christina Gaw (<i>appointed on 27 October 2014</i>)	2/2	N/A
Independent Non-executive Directors		
Dr. Charles Wai Bun Cheung, JP	4/4	1/1
Arnold Tin Chee Ip	4/4	1/1
Stephan Tan	4/4	0/1

Directors' Induction and Training

On appointment to the Board, each newly appointed director receives a comprehensive induction package covering policies and procedures of the Company as well as the general, statutory and regulatory obligations of being a director to ensure that he is sufficiently aware of his responsibilities under the Listing Rules and other relevant regulatory requirements.

All Board members are encouraged to update their knowledge of and familiarity with the business environment related to the Group through active participation at Board meetings and enrolling in a wide range of professional development courses and seminars relating to the Listing Rules, Companies Ordinance, corporate governance practices and professional skills at the Company's expense. The Company provides Directors with regular updates on the performance, financial position and latest development of the Group. Directors are also updated on any material changes in the Listing Rules, Companies Ordinance, rules and regulatory requirements related to directors' duties and responsibilities from time to time.

All Directors have provided the Company Secretary with their training record for the financial year under review and the training received by each Director is summarized below:

Directors	Reading journals, newspapers and/or updates*	Attending seminars, webinars, forums and/or conference*
Executive Directors		
Rossana Wang Gaw	✓	✓
Goodwin Gaw	✓	✓
Kenneth Gaw	✓	✓
Alan Kam Hung Lee	✓	✓
Christina Gaw	✓	✓
Independent Non-executive Directors		
Dr. Charles Wai Bun Cheung, JP	✓	-
Arnold Tin Chee Ip	✓	✓
Stephen Tan	✓	✓

* All the trainings are related to corporate governance, rules and regulations, accounting, financial, management, professional skills and/or directors' duties and responsibilities.

Internal Control

The Board recognizes its responsibility for maintaining a sound and effective system of internal control to ensure shareholders' investment and the Group's assets are properly safeguarded. The system of internal control is designed according to the risk-based approach which identifies the possible risks associated with and controls over various operations and activities of the Group and its environment. The Board has, through the Audit Committee and the external auditors, conducted the review of effectiveness of the Group's internal control system for the year ended 31 March 2015, including all material financial, operational and compliance controls and risk management functions and assessed the adequacy of resources, qualification and experience of the staff of the Company's accounting and financial reporting function, and their training programs and budgets. The result of assessment is satisfactory and there are no significant control failings or weaknesses identified during the financial year which might affect shareholders.

Corporate Governance Functions

The Board as a whole is responsible for performing the corporate governance duties, including to develop and review the policies and practices on corporate governance and on the legal and regulatory compliance; to review and monitor the code of conduct and ethical behavior applicable to the Directors and employee; to review and monitor the training and continuous professional development of Directors and senior management; and to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

Corporate Governance Report

During the year under review, the Board has reviewed the corporate governance practices of the Company and the disclosure in this corporate governance report. The Board also monitored the training and continuous professional development of Directors regularly.

BOARD COMMITTEES

Remuneration Committee

The Remuneration Committee consists of three Independent Non-executive Directors, including Mr. Arnold Tin Chee Ip (Chairman), Dr. Charles Wai Bun Cheung, JP and Mr. Stephen Tan. The responsibilities and functions of the Remuneration Committee are set out in its terms of reference which are aligned with the provisions set out in CG Code and are available on the websites of the Company and the Stock Exchange.

The principal duties of the Remuneration Committee are to make recommendations to the Board regarding the Company's remuneration policy and structure; to assess the performance of executive directors; and to formulate and review the remuneration packages of all the Directors and senior executives.

The remuneration packages of Directors and senior management are reviewed and determined by the Remuneration Committee with reference to his/her position, duties and responsibilities, remuneration policy of the Company and the prevailing market conditions. Sufficient resources are provided to the Committee to discharge its duty. The Committee can consult the Chairman and the Managing Director about their proposals relating to the remuneration of the Executive Directors and have access to independent professional advice at the Company's expense if necessary.

During the financial year, one Remuneration Committee meeting was held and attendance record of each Director is set out as below:

Directors	Number of Remuneration Committee Meeting attended
Independent Non-executive Directors	
Arnold Tin Chee Ip (<i>Chairman</i>)	1/1
Dr. Charles Wai Bun Cheung, JP	1/1
Stephen Tan	1/1

In the meeting, the Remuneration Committee assessed the performance of the Executive Directors and approved the remuneration packages for the Executive Directors for year 2015 and the bonus for year 2014. Details of the Directors' remuneration for year 2015 are set out in note 10 to the financial statements.

Audit Committee

The Audit Committee consists of three Independent Non-executive Directors, including Dr. Charles Wai Bun Cheung, JP (Chairman), Mr. Arnold Tin Chee Ip and Mr. Stephen Tan. The responsibilities and functions of the Audit Committee are set out in its terms of reference which are aligned with the provisions set out in CG Code and are available on the websites of the Company and the Stock Exchange.

The principal duties of the Audit Committee are to review the interim and annual financial statements; to investigate any activity within its terms of reference; to oversee the Company’s relationship with external auditors; to discuss any issues arising from the audits and any matters raised by the external auditors; to assess the internal control and risk management systems; and to monitor the financial aspects of the Group. The Audit Committee meets twice a year with external auditors and is provided with sufficient resources to discharge its duty and has access to independent professional advice at the Company’s expense if necessary.

During the financial year, two Audit Committee meetings were held and attendance record of each Director is set out as below:

Directors	Number of Audit Committee Meeting attended
Independent Non-executive Directors	
Dr. Charles Wai Bun Cheung, JP (<i>Chairman</i>)	2/2
Arnold Tin Chee Ip	2/2
Stephen Tan	2/2

Throughout the year, the Audit Committee reviewed the interim and annual financial statements and reports of the Group with the external auditors and senior management before recommending them to the Board for consideration and approval. The Committee also monitored the integrity of the financial statements and paid attention to any changes in accounting policies and practices and their impact on the Group’s financial statements. In addition, the Audit Committee assisted the Board in meeting its responsibilities for maintaining an effective system of internal control during the financial year. The Committee reviewed the internal control and risk management systems report prepared by the management and discussed the same with the external auditors to ensure the effectiveness and efficiency of the Group’s operation. The external auditors and the Audit Committee were satisfied that the overall financial and operational controls for the Group continued to be effective. The work and finding of the Audit Committee were reported to the Board.

Nomination Committee

The Nomination Committee consists of three Independent Non-executive Directors and two Executive Directors. Mrs. Rossana Wang Gaw is the Chairman of the Nomination Committee whereas Mr. Kenneth Gaw, Dr. Charles Wai Bun Cheung, JP, Mr. Arnold Tin Chee Ip and Mr. Stephen Tan are the Committee members. The responsibilities and functions of the Nomination Committee are set out in its terms of reference which are aligned with the provisions set out in CG Code and are available on the websites of the Company and the Stock Exchange.

The principal duties of the Nomination Committee are to review the structure, size and composition of the Board; to assess the independence of the Independent Non-executive Directors; and to make recommendation to the Board on selection of candidates for directorship and on appointment or reappointment of directors.

The Company adopted a board diversity policy with the aim of achieving diversity on the Company's board of directors. Our board diversity policy considers that board diversity includes a number of different aspects, such as professional experiences, business perspectives, skills, knowledge, gender, age, cultural and educational background, ethnicity and length of service. Under the board diversity policy, the Nomination Committee has responsibility in leading the progress for Board appointments: when there is a vacancy or an addition director, the Committee will identify suitable candidates internally and externally for nomination.

The Committee will assess the candidates based on a range of diversity perspectives stated above before recommended to the Board. All directors so appointed by the Board are subject to election by shareholders at the forthcoming general meeting.

During the financial year, one Nomination Committee meeting was held and attendance record of each Director is set out as below:

Directors	Number of Nomination Committee Meeting attended
Executive Director	
Rossana Wang Gaw (<i>Chairman</i>)	1/1
Kenneth Gaw	1/1
Independent Non-executive Directors	
Dr. Charles Wai Bun Cheung, JP	1/1
Arnold Tin Chee Ip	1/1
Stephen Tan	1/1

In the meeting, the Nomination Committee discussed and made recommendation to the Board for approval of the appointment of Ms. Christina Gaw as an Executive Director. The Committee also reviewed the structure, size and composition of the Board and the board diversity policy, assessed the independence of Independent Non-executive Directors and discussed the re-appointment of retiring Directors at 2015 annual general meeting.

ACCOUNTABILITY AND AUDIT

The Directors acknowledge that they are responsible for preparing the accounts in accordance with generally accepted accounting standards in Hong Kong, the requirements of the Listing Rules and applicable laws as well as the integrity of the financial information so reported. Starting from April 2012, the Company has provided all Directors with monthly management updates of the Company's performance, financial positions and other major matters, giving a balanced and understandable assessment to each Director to discharge their duties.

The consolidated financial statements of the Company for the year ended 31 March 2015 are prepared on the going concerns basis and have been audited by the external auditors, Wong Brothers & Co., and reviewed by the Audit Committee. The Auditors' reporting responsibilities are included in the Independent Auditors' Report on pages 28 to 29.

During the financial year ended 31 March 2015, the external auditors of the Company only provided audit services to the Company and its subsidiaries and the fees charged by the auditors for their services amounted to HK\$492,000.

DIRECTORS' DEALING IN SHARES OF THE COMPANY

The Company has adopted the Model Code of Securities Transactions by Directors of the Listing Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct for securities transactions by Directors of the Company. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the year ended 31 March 2015. The relevant employees who are likely to be in possession of inside information of the Company have been requested to comply with the provisions of the Model Code.

COMPANY SECRETARY

The Company Secretary is responsible for facilitating the Board process, communication among the Board members and has day-to-day knowledge of the Company's affairs as a full time employee of the Company. For the year under review, the Company Secretary has confirmed that she has undertaken no less than 15 hours of relevant professional training.

SHAREHOLDERS' RIGHTS

Procedure for Shareholders to convene a special general meeting

Pursuant to the Companies Act of Bermuda, a special general meeting may be convened by the Board of Directors upon requisition by any shareholder(s) holding not less than one-tenth of the paid-up capital of the Company as at the date of deposit carries the right of voting at the general meetings of the Company. The requisition must state the purpose of the meeting, and each must be signed by the relevant shareholders and deposited to the registered office of the Company at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

If the Board of Directors does not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the shareholder(s), or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

Procedure for Shareholders to put forward proposals at a general meeting

Pursuant to the Companies Act of Bermuda, either any number of the registered shareholders holding not less than one-twentieth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, or not less than 100 of such registered shareholders, can request the Company in writing to (a) give to shareholders entitled to receive notice of the next general meeting notice of any resolutions which may properly be moved and is intended to be moved at that meeting; and (b) circulate to shareholders entitled to receive notice of the next general meeting any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or business to be dealt with at that meeting.

Each of requisition must be signed by the relevant shareholders and deposited to the registered office of the Company at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda not less than six weeks before the meeting, in case of a requisition requiring notice of a resolution; and not less than one week before the meeting, in case of any other requisition, together with a sum reasonably sufficient to meet the Company's expense in sending the notice.

Procedure for Shareholders to propose a person for election as a director

The procedure for proposing a person for election as a director is at the Company's website under the Corporate Governance Section.

Procedure for Shareholders to direct enquiries to the Board

Any enquiries by shareholders drawing the Board's attention can be sent in writing to the Company Secretary at the Company's principal place of business in Hong Kong or via email (info@pioneerglobalgroup.com). Shareholders may also make enquiries with the Board at the general meetings of the Company.

COMMUNICATION WITH SHAREHOLDERS

The Board recognizes the importance of good communication with shareholders. Information in relation to the Group is disseminated to shareholders in a timely manner through a number of formal channels, which include interim and annual reports, announcements and circulars. Investors and shareholders can also visit the Company's website (www.pioneerglobalgroup.com or www.irasia.com/listco/hk/pioneer/index.htm) for relevant corporate and financial information.

The Company's annual general meeting is a valuable forum for the Board to communicate directly with the shareholders. The Chairman, senior management, Independent Non-executive Directors and external auditors participate in the meeting to answer any questions from the shareholders. An annual general meeting circular is distributed to all shareholders at least 20 clear business days prior to the annual general meeting. To facilitate enforcement of the shareholders' rights, significant issues are dealt with under separate resolutions. All resolutions at the annual general meeting of the Company will be decided on a poll and the Company will engage external scrutineer or proper counting of the votes. Results of the poll will be published on the websites of the Company and the Stock Exchange.

During the financial year ended 31 March 2015, there is no significant change in the constitutional documents of the Company.

Independent Auditors' Report

To the Shareholders of

PIONEER GLOBAL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Pioneer Global Group Limited ("the Company") and its subsidiaries (together the "Group") set out on pages 30 to 82, which comprise the consolidated and Company statements of financial position as at 31 March 2015, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Predecessor Hong Kong Companies Ordinance Cap 32 ("the Companies Ordinance"), and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981 and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2015 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Companies Ordinance.

Wong Brothers & Co.

Certified Public Accountants

19/F., MassMutual Tower

38 Gloucester Road

Wanchai, Hong Kong

22 June 2015

Consolidated Statement of Profit or Loss

For the year ended 31 March 2015

	Notes	For the year ended 31 March	
		2015 HK\$'000	2014 HK\$'000
Turnover			
Company and subsidiaries		212,105	177,569
Share of associates		107,053	103,650
		319,158	281,219
Turnover of Company and subsidiaries	3	212,105	177,569
Properties operating expenses		(38,856)	(31,940)
Staff costs		(15,252)	(14,117)
Depreciation		(451)	(523)
Other expenses		(4,631)	(4,078)
		(59,190)	(50,658)
Operating profit		152,915	126,911
Share of profits of associates		42,641	44,598
Change in fair value of investment properties	11	753,637	414,531
Other gains and losses	4	1,603	73
Finance costs		(37,557)	(35,146)
Profit before taxation	5	913,239	550,967
Taxation			
Current	6	(11,704)	(1,215)
Deferred	6	(6,082)	(14,889)
Profit for the year		895,453	534,863
Profit attributable to:			
Shareholders of the Company		804,243	477,449
Non-controlling interests		91,210	57,414
		895,453	534,863
		HK cents	HK cents
Earnings per share	9	69.69	41.37

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2015

	For the year ended 31 March	
	2015	2014
	HK\$'000	HK\$'000
Profit for the year	895,453	534,863
Other comprehensive income/(expenses)		
Items that may be reclassified subsequently to profit or loss:		
Change in fair value of available for sale investments		
– subsidiaries	12,378	(3,475)
– associates	684	(56,746)
Exchange difference on translation of associates	–	21
Other comprehensive income/(expenses) for the year, net of tax	13,062	(60,200)
Total comprehensive income for the year	908,515	474,663
Total comprehensive income attributable to:		
Shareholders of the Company	817,289	415,703
Non-controlling interests	91,226	58,960
	908,515	474,663

Consolidated Statement of Financial Position

At 31 March 2015

	Notes	At 31 March 2015 HK\$'000	At 31 March 2014 HK\$'000
ASSETS			
Non-current assets			
Investment properties	11	6,121,100	5,220,700
Associates	12	765,925	736,659
Available for sale investments	13	321,653	260,895
Property, plant & equipment	11	1,817	2,213
Other assets		300	300
		7,210,795	6,220,767
Current assets			
Debtors, advances & prepayments	14	26,204	17,677
Available for sale investments	13	2,189	12,449
Financial assets at fair value	15	1,614	1,567
Cash & bank balances	17	244,906	175,430
Tax assets		-	230
		274,913	207,353
Total assets		7,485,708	6,428,120
EQUITY			
Share capital	18	115,404	115,404
Reserves	19	4,711,379	3,937,943
Shareholders' funds		4,826,783	4,053,347
Non-controlling interests		801,276	741,188
Total equity		5,628,059	4,794,535
LIABILITIES			
Non-current liabilities			
Creditors & accruals	22	53,299	33,188
Secured bank loans	20	635,242	1,259,803
Deferred taxation	21	47,772	41,690
		736,313	1,334,681
Current liabilities			
Creditors & accruals	22	19,191	36,340
Secured bank loans	20	1,100,433	242,064
Deferred payment		-	20,500
Tax liabilities		1,712	-
		1,121,336	298,904
Total liabilities		1,857,649	1,633,585
Total equity and liabilities		7,485,708	6,428,120

Statement of Financial Position

At 31 March 2015

	Notes	At 31 March 2015 HK\$'000	At 31 March 2014 HK\$'000
ASSETS			
Non-current assets			
Subsidiary companies	16	1,398,748	1,376,094
Associates	12	41,092	41,045
Available for sale investments	13	5,479	3,490
		1,445,319	1,420,629
Current assets			
Debtors, advances & prepayments		151	131
Cash & bank balances	17	207	167
		358	298
Total assets		1,445,677	1,420,927
EQUITY			
Share capital	18	115,404	115,404
Reserves	19	1,329,945	1,304,440
Total equity		1,445,349	1,419,844
LIABILITIES			
Current liabilities			
Creditors & accruals		620	1,094
Tax refundable		(292)	(11)
Total liabilities		328	1,083
Total equity and liabilities		1,445,677	1,420,927

Consolidated Statement of Cash Flows

For the year ended 31 March 2015

	For the year ended 31 March	
	2015 HK\$'000	2014 HK\$'000
Cash flows from operating activities		
Profit before taxation	913,239	550,967
Share of net profit of associates	(42,641)	(44,598)
Increase in fair value of investment properties	(753,637)	(414,531)
Other gains and losses	(1,603)	(73)
Depreciation	451	523
Interest income	(4,333)	(4,706)
Interest expenses	37,557	35,146
Dividend income		
– listed	(5,806)	(4,951)
– unlisted	(6,746)	(2,116)
Operating cash flows before working capital changes	136,481	115,661
(Increase)/decrease in debtors, advances & prepayments	(7,874)	7,795
Increase in creditors & accruals	2,762	12,121
Cash generated from operations	131,369	135,577
Hong Kong profits tax paid	(10,200)	(2,470)
Hong Kong profits tax refunded	453	103
Overseas profits tax paid	(15)	(21)
Net cash generated from operating activities	121,607	133,189
Cash flows from investing activities		
Interest received	3,678	4,872
Dividend received	12,552	7,067
Decrease in short-term bank deposits maturing after three months	–	13,116
Additions to investment properties	(146,763)	(101,969)
Associates:		
Advance to associates	(1,818)	(1,887)
Distribution from associates	15,877	17,650
Available for sale investments:		
Purchase of available for sale investments	(52,456)	(15,094)
Distribution from available for sales investments	2,053	4,677
Proceeds on disposal of available for sale investments	12,463	17,574
Property, plant & equipment:		
Purchase of property, plant & equipment	(69)	(333)
Proceeds on disposal of property, plant & equipment	–	50
Proceeds on disposal of financial assets at fair value	1,392	–
Net cash used in investing activities	(153,091)	(54,277)

Consolidated Statement of Cash Flows

For the year ended 31 March 2015

		For the year ended 31 March	
	Note	2015 HK\$'000	2014 HK\$'000
Cash flows from financing activities			
Interest paid		(37,357)	(35,179)
Distributions to non-controlling interest shareholders		(31,138)	(728)
Dividend paid to shareholders		(43,853)	(43,853)
Deferred payment repaid		(20,500)	(41,000)
Bank loans raised		250,500	62,293
Bank loans repaid		(16,692)	(18,374)
Net cash generated from/(used in) financing activities		100,960	(76,841)
Net increase in cash and cash equivalents		69,476	2,071
Cash and cash equivalents at the beginning of the year		175,430	173,359
Cash and cash equivalents at the end of the year		244,906	175,430
Analysis of the balances of cash and cash equivalents			
Bank balances, cash & deposits placed with banks			
up to three months' maturity	17	244,906	175,430

Consolidated Statement of Changes in Equity

For the year ended 31 March 2015

	Attributable to shareholders of the Company								
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve & surplus		Investment revaluation reserve		Retained earnings HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
			contributed	Exchange reserve	revaluation	reserve			
			surplus HK\$'000	reserve HK\$'000	reserve HK\$'000	reserve HK\$'000			
Total									
At 1 April 2014	115,404	547,748	41,242	6,646	235,697	3,106,610	4,053,347	741,188	4,794,535
Fair value change of available for sale investments									
- subsidiaries	-	-	-	-	12,362	-	12,362	-	12,362
- non-controlling interests	-	-	-	-	-	-	-	16	16
- associates	-	-	-	-	684	-	684	-	684
Net income recognized directly in equity	-	-	-	-	13,046	-	13,046	16	13,062
Profit attributable to equity holders	-	-	-	-	-	804,243	804,243	91,210	895,453
Total comprehensive income for the year	-	-	-	-	13,046	804,243	817,289	91,226	908,515
Distribution to non-controlling interests	-	-	-	-	-	-	-	(31,138)	(31,138)
2014 final dividend paid	-	-	-	-	-	(28,851)	(28,851)	-	(28,851)
2015 interim dividend paid	-	-	-	-	-	(15,002)	(15,002)	-	(15,002)
At 31 March 2015	115,404	547,748	41,242	6,646	248,743	3,867,000	4,826,783	801,276	5,628,059

Consolidated Statement of Changes in Equity

For the year ended 31 March 2015

	Attributable to shareholders of the Company								
	Share capital	Share premium	Capital reserve & surplus	Exchange reserve	Investment revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2013	115,404	547,748	41,242	6,625	297,464	2,673,014	3,681,497	682,956	4,364,453
Fair value change of available for sale investments									
- subsidiaries	-	-	-	-	(5,021)	-	(5,021)	-	(5,021)
- non-controlling interests	-	-	-	-	-	-	-	1,546	1,546
- associates	-	-	-	-	(56,746)	-	(56,746)	-	(56,746)
Exchange on translation of associates	-	-	-	21	-	-	21	-	21
Net income/(expenses) recognized directly in equity	-	-	-	21	(61,767)	-	(61,746)	1,546	(60,200)
Profit attributable to equity holders	-	-	-	-	-	477,449	477,449	57,414	534,863
Total comprehensive income for the year	-	-	-	21	(61,767)	477,449	415,703	58,960	474,663
Distribution to non-controlling interests	-	-	-	-	-	-	-	(728)	(728)
2013 final dividend paid	-	-	-	-	-	(28,851)	(28,851)	-	(28,851)
2014 interim dividend paid	-	-	-	-	-	(15,002)	(15,002)	-	(15,002)
At 31 March 2014	115,404	547,748	41,242	6,646	235,697	3,106,610	4,053,347	741,188	4,794,535

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES

(a) General information

Pioneer Global Group Limited is a limited liability company, incorporated in Bermuda with its shares listed on the Stock Exchange. The principal activity of the Company is investment holding and the principal activities of its major subsidiaries and associates are shown in notes 27 and 12 respectively.

(b) Statement of compliance

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the predecessor Hong Kong Companies Ordinance (Cap. 32). The financial statements also comply with the applicable disclosure provisions of the Listing Rules.

During the current year, the Group has applied a number of new and revised Standards, Amendments to Standards and Interpretations (“new and revised HKFRSs”) issued by the HKICPA which are relevant to its operations.

HKAS 32 (Amendments)	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendments)	Impairment of Assets
HKAS 39 (Amendments)	Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities
HK (IFRIC) – Int 21	Levies

The Group considered that the adoption of these new and revised HKFRSs had no material effect on the results and financial position of the Group and/or disclosures set out in these consolidated financial statements.

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Statement of compliance (continued)

New and revised Standards, Amendments to Standards and Interpretations in issue but not yet effective

The Group has not early applied the following new and revised standards, amendments to standards and interpretations that have been issued but are not yet effective.

HKAS 1 (Amendments)	Presentation of Financial Statements – Disclosure Initiative ³
HKAS 16 and HKAS 38 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortization ³
HKAS 16 and HKAS 41 (Amendments)	Agriculture: Bearer Plants ³
HKAS 19 (Amendments)	Defined Benefits Plans: Employee Contributions ¹
HKAS 27 (Amendments)	Equity Method in Separate Financial Statements ³
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ⁵
HKFRS 9	Financial Instruments ⁵
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	Investment Entities – Applying the Consolidation Exception ³
HKFRS 11 (Amendments)	Accounting for Acquisitions of Interest in Joint Operations ³
HKFRS 14	Regulatory Deferral Accounts ³
HKFRS 15	Revenue from Contracts with Customers ⁴
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle ²
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle ³

¹ Effective for annual periods beginning on or after 1 July 2014

² Effective for annual periods beginning on or after 1 July 2014, with limited exceptions

³ Effective for annual periods beginning on or after 1 January 2016

⁴ Effective for annual periods beginning on or after 1 January 2017

⁵ Effective for annual periods beginning on or after 1 January 2018

The Group is in the process of making an assessment of the potential impact of the above new and revised standards, amendments to standards and interpretations. The Group is not yet in a position to determine the impact of these new and revised standards, amendments to standards and interpretations on the results of operations and financial position of the Group.

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(c) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2015 incorporate the financial statements of the Company and its subsidiaries (the “Group”) and the Group’s interest in associates.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that investment properties, available for sale investments and financial assets at fair value are stated at their fair values as explained in the accounting policies set out below.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(d) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with entity and had the ability to affect those returns through its power over the entity. When assessing whether the Group has power of controls, only substantive rights held by the Group are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. All intra-group transactions, balances and realized surplus and deficits on transactions between group companies have been eliminated. Non-controlling interests represent the proportion of the results and net assets of subsidiaries not attributable to the Group.

In the Company’s statement of financial position, an investment in a subsidiary is stated at cost less any impairment losses.

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

An investment in an associate is accounted for in the consolidated financial statements under the equity method and is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the associate's net assets, unless it is classified as held for sale. The consolidated statement of profit or loss includes the Group's share of the post-acquisition, post-tax results of the associates for the year, including any impairment loss on goodwill relating to the investments in associates recognized for the year.

In the Company's statement of financial position, its investments in associates are stated at cost less impairment losses.

(f) Investment properties

Investment properties are land and/or buildings, which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. Investment properties are stated in the statement of financial position at fair value. Any gain or loss arising from a change in fair value is recognized in profit or loss.

Subsequent costs are capitalized in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group.

(g) Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost less accumulated depreciation and impairment losses. Depreciation is calculated to write off the cost over their estimated useful lives on the reducing balance method at 10-25% p.a..

(h) Financial assets

The Group classifies its financial assets in the categories of financial assets at fair value and available for sale investments. When financial assets are recognized initially, they are measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value) are deducted from fair value on initial recognition. Transaction costs that are directly attributable to financial assets at fair value are recognized immediately to profit or loss. The Group determines the classification of its investments after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Financial assets *(continued)*

The financial instruments are grouped into 3 levels based on the degree to which the inputs to the fair value measurements are observable.

Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: fair value measurements are those derived from inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All regular way purchases and sales of investments are recognized on the trade date i.e. the date that the Group commits to purchase the assets. Regular way purchases or sales are purchases or sales of investments that require delivery of assets within the period generally established by regulation or convention in the market place.

(i) *Financial assets at fair value*

Financial assets held for short term trading purposes is classified as 'financial assets at fair value'. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses arising from changes in fair value are recognized in profit or loss.

(ii) *Available for sale investments*

Available for sale investments are those non-derivative financial assets that are designated as available for sale or are not classified in any other categories of financial assets. After initial recognition, available for sale investments are measured at fair value with gains or losses being recognized as a separate component of equity until the investment is derecognized or the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in profit or loss.

If any objective evidence exists for impairment of available for sale investments, the accumulated loss which is measured as the difference between the acquisition cost and the current fair value, is removed from equity and recognized in profit or loss. Impairment loss recognized on equity investments is not reversed.

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) Impairment of assets

At each year end date, the Group reviews the carrying amounts of its tangible and intangible assets other than financial assets excluding investment in subsidiaries and associates to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

(j) Leases

Leases whereby substantially all the rewards and risks of ownership of assets remain with the leasing company are considered as operating leases. Rental income and expenses under operating leases are accounted for on a straight-line basis over the respective periods of the leases.

(k) Debtors

Debtors are recognized initially at fair value and subsequently stated at amortized cost using the effective interest method, less allowance for doubtful debt. When doubtful debts are identified, provisions are made and recognized in profit or loss.

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, deposits with banks repayable within three months from the date of placement, less bank overdrafts and advances from banks repayable within three months from the date of advance.

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(m) Bank loans and interest-bearing borrowings

Bank loans and interest-bearing borrowings are recognized initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to raising of the bank loans and interest-bearing borrowings. They are subsequently stated at amortized cost. Any difference between the cost and the redemption value is recognized in profit or loss over the period of the bank loans and interest-bearing borrowings using the effective interest rate method.

(n) Creditors

Creditors are recognized initially at fair value and subsequently stated at amortized cost using the effective interest method, unless the effect of discounting would be immaterial, in which case they are stated at cost. Creditors are classified as current liabilities if payment is due within one year or less; otherwise, they are presented as non-current liabilities.

(o) Revenue recognition

(i) Rental income

Rental income is recognized on a straight-line basis over the periods of the leases.

(ii) Rendering of services

Services income is recognized when the services are rendered and billed to clients.

(iii) Dividend income

Dividend income from listed investments is recognized when the share price of the investment goes ex-dividend. Dividend income from unlisted investments is recognized when the Group's right to receive payment is established.

(iv) Interest income

Interest income is recognized on a time proportion basis.

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(p) Foreign currencies

The functional and presentation currency of the Company, subsidiaries and associates which operate in Hong Kong is in Hong Kong dollars. Certain overseas subsidiaries and associates which operate overseas are in their respective local currencies.

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the year end date are translated at the applicable rates ruling at that date. Exchange differences are dealt with in profit or loss. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

On consolidation, the statement of profit or loss of overseas subsidiaries and associates are translated into Hong Kong dollars at the weighted average exchange rates for the year, and their statements of financial position are translated into Hong Kong dollars at the exchange rates ruling at the year end date. The resulting translation differences are included in the exchange reserve.

(q) Employee benefits

The Group participates in a defined contribution mandatory provident fund retirement benefits scheme in compliance with the Mandatory Provident Fund Schemes Ordinance. The assets of this scheme are held separately from those of the Group and administered independently. The Group's contributions are recognized in the statement of profit or loss when incurred. The amount of contributions by the Group is based on a specified percentage of the monthly relevant income of the eligible employees. Forfeited contributions of the fund will be used to reduce the existing retirement scheme costs.

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(r) Taxation

Income tax expense represents the sum of the tax currently payable and the deferred tax.

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date 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 assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited in profit or loss.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of those assets. Capitalization of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized on a time apportionment basis, taking into account the principal and the effective interest rates. They are charged to the profit or loss in the period in which they are incurred.

Notes to the Financial Statements

For the year ended 31 March 2015

1. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(t) Related parties

- (i) A person or a close member of that person's family is related to the Group if that person:
 - (1) has control or joint control over the Group;
 - (2) has significant influence over the Group; or
 - (3) is a member of key management personnel of the Group.
- (ii) An entity is related to the Group if any of the following conditions apply:
 - (1) The entity and the Group are members of the same Group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
 - (2) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (3) Both entities are joint ventures of the same third party.
 - (4) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (5) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
 - (6) The entity is controlled or jointly controlled by a person identified in (i).
 - (7) A person identified in (i)(1) has significant influence over the entity or is a member of key management personnel of the entity (or of the holding company of the entity).

Notes to the Financial Statements

For the year ended 31 March 2015

2. SEGMENT INFORMATION

Segment information is presented by way of the Group's primary business and geographical location.

Business segments

In accordance with the internal financial reporting of the Group provided to the chief operating decision maker (i.e. Board of Directors) for the purposes of allocating resources to segments, assessing their performance and making strategic decisions, the reportable segments are (i) property and hotels and (ii) investments and others.

	Property and hotels		Investments and others		Consolidated	
	2015	2014	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment turnover						
Company and subsidiaries	195,220	164,779	16,885	12,790	212,105	177,569
Segment result	137,067	115,065	16,013	12,095	153,080	127,160
Unallocated corporate expenses					(165)	(249)
Operating profit					152,915	126,911
Share of profits of associates	42,641	44,598	-	-	42,641	44,598
Change in fair value of investment properties	753,637	414,531	-	-	753,637	414,531
Other gains and losses	-	-	1,603	73	1,603	73
Finance costs					(37,557)	(35,146)
Taxation					(17,786)	(16,104)
Non-controlling interests					(91,210)	(57,414)
Profit attributable to shareholders					804,243	477,449

Notes to the Financial Statements

For the year ended 31 March 2015

2. SEGMENT INFORMATION (continued)

Segment assets and liabilities

	Property and hotels		Investments and others		Consolidated	
	2015	2014	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	6,313,063	5,428,828	406,720	262,633	6,719,783	5,691,461
Investment in associates	765,925	736,659	-	-	765,925	736,659
Consolidated total assets					7,485,708	6,428,120
Segment liabilities	(1,855,856)	(1,614,671)	(1,060)	(17,723)	(1,856,916)	(1,632,394)
Unallocated corporate liabilities					(733)	(1,191)
Consolidated total liabilities					(1,857,649)	(1,633,585)
Other information						
Capital expenditure	148,581	103,856	52,456	15,094	201,037	118,950
Depreciation	451	523	-	-	451	523

Geographical segments

In geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets. Overseas segment includes China, Thailand, Malaysia and Singapore.

	Turnover by geographical market		Segment assets	
	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	202,792	169,015	6,578,842	5,567,651
Overseas	9,313	8,554	140,941	123,580
	212,105	177,569	6,719,783	5,691,231

Notes to the Financial Statements

For the year ended 31 March 2015

3. TURNOVER

	2015 HK\$'000	2014 HK\$'000
Rental income	165,193	137,713
Property expenses recovery	30,027	27,066
Dividend income	12,552	7,067
Interest income	4,333	4,706
Others	–	1,017
	212,105	177,569

4. OTHER GAINS AND LOSSES

	2015 HK\$'000	2014 HK\$'000
Net gain on disposal of available for sale investments	1,475	868
Increase/(decrease) in fair value of financial assets	144	(768)
Other losses	(16)	(27)
	1,603	73

5. PROFIT BEFORE TAXATION

	2015 HK\$'000	2014 HK\$'000
Profit before taxation has been arrived at after charging:		
Interest on bank loans wholly repayable within five years	37,557	35,146
Staff costs (including directors' remuneration)		
Salaries, wages and other benefits	15,351	13,835
Pension scheme contributions	192	159
Auditors' remuneration	492	440
Depreciation	451	523
(Over-provision)/provision for long service payments	(291)	123
and after crediting:		
Rental income from investment properties	165,193	137,713
Less: direct outgoings	(5,631)	(2,433)
Listed investment income	5,806	4,951
Unlisted investment income	6,746	2,116
Interest income	4,333	4,706
Exchange gain	–	1,017

Notes to the Financial Statements

For the year ended 31 March 2015

6. TAXATION

(a) Taxation

	2015		Total HK\$'000	2014		Total HK\$'000
	Current taxation HK\$'000	Deferred taxation HK\$'000		Current taxation HK\$'000	Deferred taxation HK\$'000	
Hong Kong						
– Provision for the year	11,689	5,482	17,171	1,194	14,639	15,833
Overseas						
– Provision for the year	15	600	615	21	250	271
	11,704	6,082	17,786	1,215	14,889	16,104

Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) on the estimated Hong Kong source assessable profits for the year. Overseas tax has been provided at the applicable rates in the countries in which the tax is levied.

(b) Reconciliation between accounting profits and the taxation charge

	2015 HK\$'000	2014 HK\$'000
Profit before taxation	913,239	550,967
Less: Share of profits of associates	(42,641)	(44,598)
Profit before taxation attributable to the Company and its subsidiaries	870,598	506,369
Tax calculated at applicable tax rate of 16.5% (2014: 16.5%)	143,649	83,551
Expenses not deductible for taxation purposes	336	8,742
Income not subject to taxation	(127,438)	(70,550)
Current year tax losses not recognized	669	3,100
Utilization of previously unrecognized tax loss	–	(8,927)
Deferred tax asset not recognized during the year	600	250
Over-provision in prior years	(30)	(62)
Taxation charge	17,786	16,104

Notes to the Financial Statements

For the year ended 31 March 2015

7. PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit for the year attributable to equity holders of the Company for the year ended 31 March 2015 in the financial statements of the Company was HK\$67,369,000 (2014: HK\$66,876,000).

8. DIVIDENDS

	2015	2014
	HK\$'000	HK\$'000
Interim dividend of HK1.30 cents (2014: HK1.30 cents) per ordinary share	15,002	15,002
Proposed final cash dividend of HK2.80 cents (2014: HK2.50 cents) per ordinary share	32,313	28,851
	47,315	43,853

The dividends which have been paid during the year by cash are as follows:

Interim for the year ended 31 March 2015 (2014)	15,002	15,002
Final for the year ended 31 March 2014 (2013)	28,851	28,851
	43,853	43,853

The 2015 final cash dividend of HK2.80 cents (2014: HK2.50 cents) per ordinary share has been proposed by the Board of Directors and is subject to approval by the shareholders at the forthcoming annual general meeting.

9. EARNINGS PER SHARE

Earnings per share is calculated on profit attributable to shareholders amounting to HK\$804,243,000 (2014: HK\$477,449,000) and on the 1,154,038,656 shares (2014: 1,154,038,656 shares) in issue during the year.

No diluted earnings per share have been presented for the years ended 31 March 2015 and 31 March 2014 as the Company had no dilutive potential ordinary shares during both years.

Notes to the Financial Statements

For the year ended 31 March 2015

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

	Directors' fee	Salaries, allowances and benefits	Discretionary bonus	Pension scheme contributions	2015 Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Executive directors					
Rossana Wang Gaw	50	2,520	1,000	-	3,570
Goodwin Gaw	50	420	-	-	470
Kenneth Gaw	50	3,330	1,000	18	4,398
Christina Gaw	21	100	-	4	125
Alan Kam Hung Lee	50	1,366	1,000	18	2,434
Independent non-executive directors					
Charles, Wai Bun Cheung, JP	90	-	-	-	90
Stephen Tan	90	-	-	-	90
Arnold Tin Chee Ip	90	-	-	-	90
Total	491	7,736	3,000	40	11,267

	Directors' fee	Salaries, allowances and benefits	Discretionary bonus	Pension scheme contributions	2014 Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Executive directors					
Rossana Wang Gaw	50	2,520	250	-	2,820
Goodwin Gaw	50	420	-	-	470
Kenneth Gaw	50	3,330	800	15	4,195
Alan Kam Hung Lee	50	1,309	900	15	2,274
Independent non-executive directors					
Charles, Wai Bun Cheung, JP	90	-	-	-	90
Stephen Tan	90	-	-	-	90
Arnold Tin Chee Ip	90	-	-	-	90
Total	470	7,579	1,950	30	10,029

Notes to the Financial Statements

For the year ended 31 March 2015

10. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(b) Other senior management's emoluments

During the year, the five highest paid individuals include three directors (2014: four directors), details of whose emoluments are included above. The details of the remuneration of the remaining two (2014: one) highest paid individual are set out below:

	2015	2014
	HK\$'000	HK\$'000
Salaries, allowances and benefits in kind	1,025	604
Bonuses	283	149
Pension scheme contributions	35	15
	1,343	768

The number of highest paid individual fell within emoluments bands is as follows:

	2015	2014
HK\$		
Nil – 1,000,000	2	1

Notes to the Financial Statements

For the year ended 31 March 2015

11. FIXED ASSETS

(a) Investment properties

	2015 HK\$'000	2014 HK\$'000
At Valuation at 31 March 2014 (31 March 2013)	5,220,700	4,704,200
Additions	146,763	101,969
Revaluation	753,637	414,531
At 31 March 2015 (31 March 2014)	6,121,100	5,220,700

In June 2013, the Group entered into a construction contract at a contract sum of HK\$196 million to convert a property from industrial use to commercial use. The construction work was completed during the year with occupation permit issued in December 2014.

Investment properties comprised the following:

	2015 HK\$'000	2014 HK\$'000
At valuation:		
Leasehold properties in Hong Kong – long term	4,570,000	4,277,000
Leasehold properties in Hong Kong – medium term	1,533,000	928,000
Leasehold properties in Mainland China – medium term	18,100	15,700
	6,121,100	5,220,700

Investment properties have been valued at 31 March 2015 by AA Property Services Limited, independent professional valuers, who have recognized relevant professional qualifications and experiences in valuation of properties. The directors had on-going discussions with the surveyors upon producing the valuation reports in respect of valuation assumption use and other inputs relevant for the valuations of the Group's investment properties.

Notes to the Financial Statements

For the year ended 31 March 2015

11. FIXED ASSETS (continued)

(a) Investment properties (continued)

The following table presents the investment properties measured at fair value at 31 March 2015 on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair Value Measurement. Inputs used in determining fair value measurement are categorized into different levels based on how observable the inputs used in the valuation technique.

Descriptions	Fair value measurement categorized into			
	Fair value HK\$'000	Quoted prices in active markets for identical assets (Level 1) HK\$'000	Significant other observable inputs (Level 2) HK\$'000	Significant Unobservable inputs (Level 3) HK\$'000
As at 31 March 2015				
Investment properties				
In Hong Kong	6,103,000	–	5,183,000	920,000
In Mainland China	18,100	–	18,100	–
	6,121,100	–	5,201,100	920,000
As at 31 March 2014				
Investment properties				
In Hong Kong	5,205,000	–	4,370,000	835,000
In Mainland China	15,700	–	15,700	–
	5,220,700	–	4,385,700	835,000

During the year, there were no transfers between level 1 and 2, or transfer into or out of level 3. The group's policy is to recognize transfer as at the end of the reporting period in which they occur.

Notes to the Financial Statements

For the year ended 31 March 2015

11. FIXED ASSETS (continued)

(a) Investment properties (continued)

Most of the properties in Hong Kong and Mainland China are classified as level 2. Their fair value are determined using market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis using market data which is publicly available.

The Group has a 80-year leasehold interest property in Hong Kong, which is classified as level 3. The fair value of the property as at 31 March 2015 is determined using the following basis:

Descriptions	Fair value as at 31 March 2015 HK\$'000	Valuation techniques	Unobservable inputs	Range of Unobservable inputs	Relationship of unobservable inputs to fair value
Property in Hong Kong (with 80-year leasehold interest)	920,000	Investment approach	(i) Capitalization rate	4% – 5% (2014: 4% – 5%)	The higher the capitalization rate, the lower the fair value
	(31 March 2014: 835,000)				
			(ii) Market rent	HK\$45 – \$55 psf per month (2014: HK\$45 – \$55 psf per month)	The higher the market rent, the higher the fair value

The fair value measurement of investment properties is based on the highest and best use, which does not differ from their actual use.

Notes to the Financial Statements

For the year ended 31 March 2015

11. FIXED ASSETS (continued)

(b) Property, plant & equipment

	HK\$'000
Cost	
At 31 March 2013	4,512
Additions	333
Disposals	(279)
Written-off	(26)
At 31 March 2014	4,540
Additions	69
Written-off	(45)
At 31 March 2015	4,564
Accumulated depreciation	
At 31 March 2013	2,032
Charge for the year	523
Disposals	(211)
Written-off	(17)
At 31 March 2014	2,327
Charge for the year	451
Written-off	(31)
At 31 March 2015	2,747
Net book value	
At 31 March 2015	1,817
At 31 March 2014	2,213

Notes to the Financial Statements

For the year ended 31 March 2015

12. ASSOCIATES

	2015	2014
	HK\$'000	HK\$'000
The Group		
Share of net assets	619,084	583,233
Amount due from associates	164,342	162,538
Amount due to associates	(17,501)	(9,112)
	765,925	736,659
The Company		
At cost	2,093	2,093
Amount due from associates	38,999	38,952
	41,092	41,045

The amounts due from/to associates are unsecured, interest-free and have no fixed terms of repayment. The carrying value of the amounts due from/to associates approximates their fair value.

The Directors consider that the amounts due from/to associates as at the end of the reporting period form part of the net investments in the relevant associates.

Notes to the Financial Statements

For the year ended 31 March 2015

12. ASSOCIATES (continued)

Particulars of the major associates of the Group as at 31 March 2015 are as follows:

Name	Country of incorporation	Investment by associates	Group's effective interest in		Issued and paid up share capital
			investment	associates	
Keencity Properties Limited	British Virgin Islands	Pullman Pattaya Hotel G, Thailand	49.5%	49.5%	US\$9,939,020
Pioneer Hospitality Siam (GBR) Limited	Thailand	Hotel operating businesses	49.5%	49.5%	Baht 20,000,000
Royal Culture Limited	Hong Kong	Pullman Bangkok Hotel G, Thailand	49.5%	49.5%	HK\$1
Pioneer iNetwork Limited	Hong Kong	10% of listed shares of Dusit Thani Public Company Ltd and 5% of shares of Gateway China Fund I	50.0%	50.0%	HK\$2
Right Cheer Limited	Hong Kong	Guangzhou Jie Fang Building, China	50.0%	50.0%	HK\$2
Strand Hotels International Limited	British Virgin Islands	Three hotels in Myanmar	13.9%	27.7%	US\$11,101,191
Tidefull Investment Limited	Liberia	Shanghai K Wah Centre, China	7.7%	50.0%	Nil

Notes to the Financial Statements

For the year ended 31 March 2015

12. ASSOCIATES (continued)

	The Group	
	2015	2014
	HK\$'000	HK\$'000
Carrying value of material associates in the consolidated financial statements:		
Keencity Properties Limited	378,276	369,453
Tidefull Investment Limited	247,177	232,723
	625,453	602,176
Aggregate carrying value of individually immaterial associates in the consolidated financial statements	140,472	134,483
	765,925	736,659

Notes to the Financial Statements

For the year ended 31 March 2015

12. ASSOCIATES (continued)

Summary of financial information of the material associate, Keencity Properties Limited & its subsidiaries, is as follows:

	Keencity Properties Limited and its subsidiaries	
	2015	2014
	HK\$'000	HK\$'000
Non-current assets	1,097,177	1,114,608
Current assets	100,022	82,013
Non-current liabilities	(256,007)	(572,779)
Current Liabilities	(492,237)	(192,600)
Equity	448,955	431,242
Revenue	189,120	192,000
Profit/(loss) for the year	4,785	(4,978)
Other comprehensive income	–	–
Total comprehensive income/(expense)	4,785	(4,978)
Dividend received from the associate	–	–
Reconciled to the company's interest on the associate		
Gross amounts of net assets of the associate	448,955	431,242
Group's effective interest	49.5%	49.5%
Group's share of net assets of the associate	222,233	213,465
Amount due from the associate	156,043	155,988
Carrying value of the associate in the consolidated financial statements	378,276	369,453

Notes to the Financial Statements

For the year ended 31 March 2015

12. ASSOCIATES (continued)

Summary of financial information of the material associate, Tidefull Investment Limited, is as follows:

	Tidefull Investment Limited	
	2015 HK\$'000	2014 HK\$'000
Non-current assets	507,152	478,250
Current assets	–	–
Non-current liabilities	–	–
Current Liabilities	–	–
Equity	507,152	478,250
Revenue	–	–
Profit for the year	28,900	39,814
Other comprehensive income	–	–
Total comprehensive income	28,900	39,814
Dividend received from the associate	7,475	7,015
Reconciled to the company's interest on the associate		
Gross amounts of net assets of the associate	507,152	478,250
Group's effective interest	50.0%	50.0%
Group's share of net assets of the associate	253,576	239,125
Amount due to the associate	(6,399)	(6,402)
Carrying value of the associate in the consolidated financial statements	247,177	232,723

Aggregate information of associates that are not individually material:

	The Group	
	2015 HK\$'000	2014 HK\$'000
Aggregate carrying value of individually immaterial associates in the consolidated financial statements	140,472	134,483
Aggregate amounts of the Group's share of those associates		
Profit for the year	18,347	20,178
Other comprehensive expense	(5,715)	(21,225)
Total comprehensive income/(expense)	12,632	(1,047)

Notes to the Financial Statements

For the year ended 31 March 2015

13. AVAILABLE FOR SALE INVESTMENTS

	2015 HK\$'000	2015 HK\$'000	2015 HK\$'000
	Level 1	Level 3	Total
The Group (Non-current)			
Listed equity investments			
In Hong Kong	184,139	–	184,139
Outside Hong Kong	22,718	–	22,718
Listed debt securities/investment funds			
In Hong Kong	18,840	–	18,840
Outside Hong Kong	5,276	–	5,276
Unlisted equity investments			
In Hong Kong	–	37	37
Outside Hong Kong	–	67,510	67,510
Unlisted investment funds			
Outside Hong Kong	–	23,133	23,133
	230,973	90,680	321,653
The Group (Current)			
Listed debt securities			
Outside Hong Kong	2,189	–	2,189
The Company (Non-current)			
Listed equity investments			
In Hong Kong	5,479	–	5,479

Notes to the Financial Statements

For the year ended 31 March 2015

13. AVAILABLE FOR SALE INVESTMENTS (continued)

	2014 HK\$'000	2014 HK\$'000	2014 HK\$'000
	Level 1	Level 3	Total
The Group (Non-current)			
Listed equity investments			
In Hong Kong	140,716	–	140,716
Outside Hong Kong	25,307	–	25,307
Listed debt securities/investment funds			
In Hong Kong	17,998	–	17,998
Outside Hong Kong	7,320	–	7,320
Unlisted equity investments			
In Hong Kong	–	37	37
Outside Hong Kong	–	67,964	67,964
Unlisted investment funds			
Outside Hong Kong	–	1,553	1,553
	191,341	69,554	260,895
The Group (Current)			
Listed debt securities			
In Hong Kong	8,719	–	8,719
Outside Hong Kong	3,730	–	3,730
	12,449	–	12,449
The Company (Non-current)			
Listed equity investments			
In Hong Kong	3,490	–	3,490

The available for sale investments are shown at fair value. The fair value of the listed investments are measured using quoted prices in active market (level 1 inputs). They are derived from the current bid price of the listed shares, debt securities and investment funds at reporting date.

For unlisted investments that do not have quoted market price in active markets, they are measured using valuation techniques in which any significant input is not based on observable market data (level 3 inputs). They are derived from the net asset value of the investments.

Notes to the Financial Statements

For the year ended 31 March 2015

13. AVAILABLE FOR SALE INVESTMENTS (continued)

The following table shows the movement of Level 3 financial instruments during the year:

	2015	2014
	HK\$'000	HK\$'000
Unlisted available for sale investments		
At 1 April 2014 (1 April 2013)	69,554	76,710
Additions	23,400	–
Disposals	–	(6,898)
Return of capital	(2,052)	(4,676)
Total gains or losses:		
In other comprehensive income as change in fair value of available for sale investments of subsidiaries	(222)	4,418
At 31 March 2015 (31 March 2014)	90,680	69,554

14. DEBTORS, ADVANCES & PREPAYMENTS

Debtors, advances & prepayments comprised the following:

	2015	2014
	HK\$'000	HK\$'000
Deferred rental receivables	17,153	11,943
Other deposits and prepayments	6,648	4,802
Trade and rental debtors	2,403	932
	26,204	17,677

Trade and rental debtors mainly comprise rental receivables. Rents from leasing of investment properties are normally received in advance.

Notes to the Financial Statements

For the year ended 31 March 2015

14. DEBTORS, ADVANCES & PREPAYMENTS (continued)

At the reporting date, the aging analysis of the trade and rental debtors was as follows:

	2015 HK\$'000	2014 HK\$'000
0 – 30 days	1,323	923
31 – 60 days	651	9
61 – 90 days	85	–
> 90 days	344	–
	2,403	932

The Group considered the above trade and rental debtors are fully recoverable. The Group has not made any provision for bad and doubtful debts during the year (2014: HK\$40,000). The carrying amount of the debtors, advances and prepayments approximates their fair value.

15. FINANCIAL ASSETS AT FAIR VALUE

	2015 HK\$'000	2014 HK\$'000
Listed shares, at market value		
Outside Hong Kong	1,614	1,567

All of the financial assets at fair value as at 31 March 2015 were measured using quoted price (unadjusted) in active markets for identical financial instruments (level 1 inputs). They are derived from the current bid price of the listed shares at the reporting date.

Notes to the Financial Statements

For the year ended 31 March 2015

16. SUBSIDIARY COMPANIES

	2015 HK\$'000	2014 HK\$'000
Unlisted shares, at cost	421,933	421,933
Amount due by subsidiaries	1,022,481	999,827
Provision for impairment	(45,666)	(45,666)
	1,398,748	1,376,094

The amounts due by subsidiaries are unsecured, interest-free and have no fixed term of repayment. The carrying value of these amounts due by subsidiaries approximates their fair values. A list of major subsidiaries is set out in note 27.

The following table presents the information relating to Causeway Bay 68 Limited, the subsidiary of the Group which has material non-controlling interest ("NCI"). The following summarized consolidated financial information represents the amounts before any inter-company elimination.

	2015 HK\$'000	2014 HK\$'000
Percentage of NCI	40%	40%
Current assets	99,093	115,601
Non-current assets	2,920,000	2,750,000
Current liabilities	(1,021,856)	(12,055)
Non-current liabilities	(53,311)	(1,059,791)
Net assets	1,943,926	1,793,755
Carrying value of NCI in the consolidated financial statements	777,570	717,502
Revenue	118,123	105,949
Profit for the year	225,171	141,719
Total comprehensive income	225,171	141,719
Profit allocated to NCI	90,068	56,688
Cash generated from operating activities	84,833	93,562
Cash used in investing activities	(3,359)	(70,394)
Cash used in financing activities	(98,393)	(23,275)

Notes to the Financial Statements

For the year ended 31 March 2015

17. CASH & BANK BALANCES

	2015	2014
	HK\$'000	HK\$'000
The Group		
Cash at bank and in hand	92,903	111,570
Short-term bank deposits	152,003	63,860
Cash and cash equivalents	244,906	175,430
The Company		
Cash at bank and in hand	207	167

Included in cash and bank balances of the Group, there were deposits of HK\$81,871,000 (2014: HK\$98,790,000) in bank accounts which were charged by the lending banks.

The effective interest rate on short-term bank deposits was 3.78% p.a. (2014: 2.15% p.a.). The carrying amount of these assets approximates their fair value.

The cash and bank balances were denominated in the following currencies:

	2015	2014
	HK\$'000	HK\$'000
The Group		
Hong Kong dollar	99,522	113,105
Chinese yuan	143,643	57,593
United States dollar	1,673	638
Others	68	4,094
	244,906	175,430
The Company		
Hong Kong dollar	204	164
United States dollar	3	3
	207	167

Notes to the Financial Statements

For the year ended 31 March 2015

18. SHARE CAPITAL

	Number of Shares of HK\$0.10 each	HK\$'000
Authorized		
At 31 March 2015 and 31 March 2014	2,000,000,000	200,000
Issued and Fully Paid		
At 31 March 2015 and 31 March 2014	1,154,038,656	115,404

19. RESERVES

The Group

	2015 HK\$'000	2014 HK\$'000
Share premium	547,748	547,748
Capital reserve and contributed surplus	41,242	41,242
Exchange reserve	6,646	6,646
Investment revaluation reserve	248,743	235,697
Retained earnings	3,867,000	3,106,610
	4,711,379	3,937,943

Notes to the Financial Statements

For the year ended 31 March 2015

19. RESERVES (continued)

The Company

	Share premium HK\$'000	Contributed surplus HK\$'000	Retained earnings HK\$'000	Investment revaluation reserve HK\$'000	Total HK\$'000
At 31 March 2014	547,748	381,051	376,696	(1,055)	1,304,440
Profit for the year	-	-	67,369	-	67,369
Final dividend paid for the year ended 31 March 2014	-	-	(28,851)	-	(28,851)
Interim dividend paid for the year ended 31 March 2015	-	-	(15,002)	-	(15,002)
Revaluation of available for sale investments	-	-	-	1,989	1,989
At 31 March 2015	547,748	381,051	400,212	934	1,329,945
At 31 March 2013	547,748	381,051	353,673	(1,321)	1,281,151
Profit for the year	-	-	66,876	-	66,876
Final dividend paid for the year ended 31 March 2013	-	-	(28,851)	-	(28,851)
Interim dividend paid for the year ended 31 March 2014	-	-	(15,002)	-	(15,002)
Revaluation of available for sale investments	-	-	-	266	266
At 31 March 2014	547,748	381,051	376,696	(1,055)	1,304,440

The reserves of the Company available for distribution to shareholders as at the reporting date calculated in accordance with the Bermuda Companies Act, amounted to HK\$781,263,000 (2014: HK\$757,747,000).

Notes to the Financial Statements

For the year ended 31 March 2015

20. SECURED BANK LOANS

	2015 HK\$'000	2014 HK\$'000
Current		
Repayable within one year	1,100,433	242,064
Non-current		
Repayable more than one year but not exceeding two years	–	1,018,329
Repayable more than two years but not exceeding five years	635,242	241,474
	635,242	1,259,803

All bank loans are denominated in Hong Kong dollars except for a bank loan of HK\$1,374,000 which is denominated in Euro (2014: all bank loans were denominated in Hong Kong dollars). The effective interest rate at the year end date was 2.18% p.a. (2014: 2.12% p.a.). The carrying amount of bank loans approximates their fair value based on prevailing market interest rate.

21. DEFERRED TAXATION

The components of deferred tax liabilities recognized in the consolidated statement of financial position and movements thereon during the current and prior years are as follows:

	Revaluation of investment properties HK\$'000	Accelerated tax depreciation HK\$'000	Tax losses HK\$'000	Total HK\$'000
At 31 March 2013	1,688	36,171	(11,058)	26,801
Charge to profit or loss	250	5,831	8,808	14,889
At 31 March 2014	1,938	42,002	(2,250)	41,690
At 31 March 2014	1,938	42,002	(2,250)	41,690
Charge to profit or loss	600	7,347	(1,865)	6,082
At 31 March 2015	2,538	49,349	(4,115)	47,772

Notes to the Financial Statements

For the year ended 31 March 2015

22. CREDITORS & ACCRUALS

	2015	2014
	HK\$'000	HK\$'000
Creditors and accruals (due within one year)		
Rental deposit received	7,716	15,147
Provision for long service payments	219	685
Accruals	5,662	5,181
Trade payables	5,594	15,327
	19,191	36,340
Creditors and accruals (due more than one year)		
Rental deposit received	53,299	33,188
	72,490	69,528

At the reporting date, the aging analysis of the trade payables based on the date of the invoices was as follows:

	2015	2014
	HK\$'000	HK\$'000
0 – 30 days	4,139	15,244
31 – 60 days	350	51
61 – 90 days	116	11
> 90 days	989	21
	5,594	15,327

Trade payables are non-interest bearing and have an average payment term of three months. The carrying amount of the creditors and accruals approximates their fair value.

Notes to the Financial Statements

For the year ended 31 March 2015

23. GUARANTEES & COMMITMENTS

	The Group		The Company	
	2015 HK\$'000	2014 HK\$'000	2015 HK\$'000	2014 HK\$'000
Guarantees				
– given to bank in respect of banking facilities utilized by subsidiaries	721,242	470,192	721,242	470,192
– given to bank in respect of banking facilities utilized by associates	162,565	166,927	14,000	15,500
– on utility deposits	533	548	533	533
Commitments (contracted but not provided for)				
– for total future minimum lease payments in respect of land and buildings				
– not later than one year	2,230	2,905	–	–
– later than one year and not later than five years	764	2,992	–	–
– for purchase of available for sale investments				
– not later than one year	1,316	1,758	–	–

24. OPERATING LEASE RECEIVABLE

At the year end date, the Group's total future minimum lease payments to be received under non-cancellable rental leases in respect of investment properties were as follows:

	2015 HK\$'000	2014 HK\$'000
Not later than one year	207,232	156,438
Later than one year but not later than five years	347,596	275,062
Over five years	5,877	34,635
	560,705	466,135

Notes to the Financial Statements

For the year ended 31 March 2015

25. PLEDGE OF ASSETS

At the year end date, properties with a carrying value of approximately HK\$6,070 million (2014: HK\$5,175 million) and available for sale investments with a carrying value of approximately HK\$18 million (2014: HK\$19 million) were pledged to secure bank loan facilities to the extent of HK\$1,758 million (2014: HK\$1,703 million). Among which HK\$1,736 million (2014: HK\$1,502 million) was utilized at that date.

26. RELATED PARTY TRANSACTION

Key management personnel compensation

The remuneration of Directors and other members of key management during the year were as follows:

	2015	2014
	HK\$'000	HK\$'000
Fees	221	200
Salaries, allowances and benefits	7,736	7,579
Discretionary bonus	3,000	1,950
Pension scheme contributions	40	30
	10,997	9,759

Notes to the Financial Statements

For the year ended 31 March 2015

27. LIST OF MAJOR SUBSIDIARIES

Name of company	Main activity	Place of incorporation	Place of operations	Particulars of issued and paid up capital	Percentage of equity held
AEW VIA HK 1 Limited	Real Estate	Hong Kong	Hong Kong	HK\$10,000	100
All Success Holdings Limited	Real Estate	Hong Kong	Hong Kong	HK\$1	100
Anpona Investments Limited	Real Estate	Hong Kong	Hong Kong	HK\$10,000	100
Brilliant Valley Investment Limited	Investment	Liberia	Hong Kong	HK\$1	100
Causeway Bay 68 Limited	Investment	British Virgin Islands	Hong Kong	US\$1,000	60
Dynamic Business Limited	Real Estate	Hong Kong	Hong Kong	HK\$1	100
Forerunner Investments Limited	Investment	Hong Kong	Hong Kong	HK\$3,000,000	65
Gamolon Investments Limited	Real Estate	Hong Kong	Hong Kong	HK\$10,000	100
Glory East Limited	Real Estate	Liberia	Hong Kong	Nil	100
Golden Mile Limited	Real Estate	Liberia	Hong Kong	Nil	100
Master Yield Limited	Investment	British Virgin Islands	Hong Kong	Nil	100
Pine International Limited	Investment	British Virgin Islands	Hong Kong	HK\$1	100
Pioneer Estates Limited	Real Estate	Hong Kong	Hong Kong	HK\$1,000	100
Pioneer Industries (Holdings) Limited	Investment	Hong Kong	Hong Kong	HK\$75,873,257	100
Supreme Success Limited	Real Estate	Hong Kong	Hong Kong	HK\$1	100
Treasure Spot Investments Limited	Real Estate	British Virgin Islands	Hong Kong	US\$1	60
Wealth Instrument Inc.	Investment	British Virgin Islands	Hong Kong	US\$1	100

Notes to the Financial Statements

For the year ended 31 March 2015

28. FINANCIAL RISKS MANAGEMENT

The Group's principal financial instruments comprise bank loans and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operation. The Group has various other financial assets and liabilities such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarized below.

(a) Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's bank borrowings and short-term bank deposits with a floating interest rate. The interest rates and terms of repayment of the Group's bank borrowings are disclosed in note 20 to the financial statements.

The following table demonstrates the sensitivity to a reasonable possible change in interest rates, with all other variables held constant, of the Group's profit before taxation (through the impact on floating rate borrowings and floating rate bank deposits) and the Group's and the Company's equity.

	Change in basis points	Change in profit before taxation HK\$'000	Change in equity HK\$'000
2015			
Bank borrowings	100	17,357	17,357
Short-term bank deposits	100	1,520	1,520
2014			
Bank borrowings	100	15,018	15,018
Short-term bank deposits	100	639	639

Notes to the Financial Statements

For the year ended 31 March 2015

28. FINANCIAL RISKS MANAGEMENT *(continued)*

(b) Foreign currency risk

The Group's financial assets and financial liabilities are substantially denominated in Hong Kong dollars or United States dollars. As Hong Kong dollars are pegged to United States dollars, the management considers that the foreign currency risk to the Group is not significant.

The Group's exposure to foreign currency risk is primarily through its (i) investment in available for sale investments and financial assets at fair value which are denominated in Thai baht, Singapore dollar, Malaysian ringgit, Euro and Chinese yuan and (ii) bank deposits which are denominated in Euro and Chinese yuan. The following table demonstrates the sensitivity at the year end date to a reasonable possible change in the foreign exchange rate, with all other variables held constant, of the Group's profit before taxation and the Group's equity.

	Change in exchange rate %	Change in profit before taxation HK\$'000	Change in equity HK\$'000
At 31 March 2015			
Available for sale investments and financial assets at fair value			
Thai baht	5%	81	95
Singapore dollar	5%	–	607
Malaysian ringgit	5%	–	3,361
Euro	5%	–	65
Chinese yuan	5%	–	109
Bank deposits			
Chinese yuan	5%	7,179	7,179
At 31 March 2014			
Available for sale investments and financial assets at fair value			
Thai baht	5%	78	78
Singapore dollar	5%	–	687
Malaysian ringgit	5%	–	3,359
Euro	5%	–	78
Chinese yuan	5%	–	733
Bank deposits			
Euro	5%	201	201
Chinese yuan	5%	2,880	2,880

Notes to the Financial Statements

For the year ended 31 March 2015

28. FINANCIAL RISKS MANAGEMENT (continued)

(c) Credit risk

The Group's exposure to credit risk is mainly attributable to bank deposits and investments. Bank deposits are placed with high-quality financial institutions with good credit ratings. Investments are those listed securities and investment funds of counterparties that have high credit standing, the equity share price movements are closely monitored by our management.

The Group is also exposed to counterparties credit risk from its operating activities, primarily attributable to rental income. The Directors believe that our tenants are having high credit quality and the Group has policy in place to ensure that the properties are rented to tenants with an appropriate credit history. The Group has no concentration of credit risk and had no significant outstanding balances due by tenants at the reporting date. Accordingly, the overall credit risk is considered minimal.

(d) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank facilities.

The maturity profile of the Group's financial liabilities as at the year end date, based on the contracted undiscounted payments, was as follows:

The Group at 31 March 2015

	Within 1 year or on demand HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000	Over 5 years HK\$'000	Total HK\$'000
Interest bearing bank borrowings	1,134,532	12,381	640,226	-	1,787,139
Rental deposit received	7,716	18,890	28,103	6,306	61,015
Accruals and trade payables	11,256	-	-	-	11,256
	1,153,504	31,271	668,329	6,306	1,859,410

Notes to the Financial Statements

For the year ended 31 March 2015

28. FINANCIAL RISKS MANAGEMENT (continued)

(d) Liquidity risk (continued)

The Group at 31 March 2014

	Within 1 year or on demand HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000	Over 5 years HK\$'000	Total HK\$'000
Interest bearing bank borrowings	271,473	1,044,546	248,640	–	1,564,659
Deferred payment	20,808	–	–	–	20,808
Rental deposit received	15,147	8,677	18,443	6,068	48,335
Accruals and trade payables	20,508	–	–	–	20,508
	327,936	1,053,223	267,083	6,068	1,654,310

The Company at 31 March 2015

	Within 1 year or on demand HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000	Over 5 years HK\$'000	Total HK\$'000
Accruals and trade payables	620	–	–	–	620

The Company at 31 March 2014

	Within 1 year or on demand HK\$'000	Between 1 and 2 years HK\$'000	Between 2 and 5 years HK\$'000	Over 5 years HK\$'000	Total HK\$'000
Accruals and trade payables	1,094	–	–	–	1,094

Notes to the Financial Statements

For the year ended 31 March 2015

28. FINANCIAL RISKS MANAGEMENT (continued)

(e) Equity price risk

Equity price risk is the risk that the fair value of equity securities decreases as a result of changes in the level of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual investments classified as available for sale investments (note 13) and financial assets at fair value (note 15) as at 31 March 2015. The Group's listed investments are valued at quoted market prices at the year end date.

The following table demonstrates the sensitivity to every 5% change in fair value of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the year end date. For the purpose of this analysis, the impact for the available for sale investments is deemed to be on the available for sale investments revaluation reserve and no account is given for factors such as impairment which might impact on the statement of profit or loss.

	Carrying amount of investments HK\$'000	Change in profit before taxation HK\$'000	Change in equity HK\$'000
At 31 March 2015			
Listed investments:			
Available for sale investments	233,162	–	11,658
Financial assets at fair value	1,614	81	81
At 31 March 2014			
Listed investments:			
Available for sale investments	203,790	–	10,190
Financial assets at fair value	1,567	78	78

Notes to the Financial Statements

For the year ended 31 March 2015

28. FINANCIAL RISKS MANAGEMENT (continued)

(f) Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the years ended 31 March 2015 and 31 March 2014.

The Group monitors capital using a gearing ratio, which is net debt divided by total assets. Net debt includes interest bearing bank borrowings and deferred payment less cash and bank balances. The gearing ratios as at the year end dates were as follows:

	2015 HK\$'000	2014 HK\$'000
Interest bearing bank borrowings	1,735,675	1,501,867
Deferred payment	–	20,500
Less: Cash and bank balances	(244,906)	(175,430)
Net debt	1,490,769	1,346,937
Total assets	7,485,708	6,428,120
Gearing ratio	19.9%	21.0%

29. APPROVAL OF FINANCIAL STATEMENTS

The financial statements set out on pages 30 to 82 have been approved by the Board of Directors on 22 June 2015.

Schedule of the Group's Properties

The following is a list of properties held for investment as at 31 March 2015:

Location/Lot No.	Type of property	Lease term	Group's effective interest	Gross area
1. Pioneer Place (formerly known as Pioneer Building) 33 Hoi Yuen Road, Kwun Tong, Kowloon Kwun Tong Inland Lot No. 294	Commercial	Medium-term	100%	245,678 ft ²
2. 1st Floor, Fu Hop Factory Building Nos. 209 & 211 Wai Yip Street, Kwun Tong, Hong Kong 8/112 shares of and in Kwun Tong Inland Lot No. 293	Industrial	Medium-term	100%	11,100 ft ²
3. The Pemberton Nos. 22-26 Bonham Strand, Sheung Wan, Hong Kong The Remaining Portion of Inland Lot No. 7667	Commercial	Long-term	100%	70,616 ft ²
4. Club Lusitano No. 16 Ice Street, Central, Hong Kong Remaining portion of Inland Lot No. 339	Commercial	Long-term	100%	80,100 ft ²
5. 68 Yee Wo Street No. 68 Yee Wo Street, Causeway Bay, Hong Kong The whole of Section K of Inland Lot No. 1408	Commercial	Long-term	60%	229,200 ft ²
6. Apartments A and B on 19th Floor, Wah Tai Mansion, No. 388 Zhao Jia Bang Road, Shanghai, People's Republic of China	Residential	Medium-term	100%	5,248 ft ²

Five Years Financial Summary

	2011 HK\$'000 (Restated) <i>(Note 2)</i>	2012 HK\$'000 (Restated) <i>(Note 2)</i>	2013 HK\$'000	2014 HK\$'000	2015 HK\$'000
RESULTS					
Turnover	160,767	179,762	199,415	177,569	212,105
Profit attributable to shareholders	600,810	405,545	671,140	477,449	804,243
Dividend	21,542	27,697	41,545	43,853	47,315
Earnings per share (HK cents)	78.09	42.97	58.16	41.37	69.69
FINANCIAL POSITION					
Total assets	4,399,124	5,234,406	5,969,085	6,428,120	7,485,708
Total liabilities	(1,477,364)	(1,658,076)	(1,604,632)	(1,633,585)	(1,857,649)
	2,921,760	3,576,330	4,364,453	4,794,535	5,628,059
Capital and reserves					
Share capital	76,935	115,404	115,404	115,404	115,404
Reserves	2,327,145	2,877,126	3,566,093	3,937,943	4,711,379
Shareholders' funds	2,404,080	2,992,530	3,681,497	4,053,347	4,826,783
Non-controlling interests	517,680	583,800	682,956	741,188	801,276
	2,921,760	3,576,330	4,364,453	4,794,535	5,628,059
	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>	<i>HK cents</i>
Net asset value per share <i>(Note 1)</i>	312.5	259.3	319.0	351.2	418.3

Note 1: Net asset value per share is arrived at using shareholders' fund divided by number of issued shares at year end.

Note 2: The comparative figures for the years 2011 and 2012 have been restated as a result of the adoption of the amendments to HKAS12 "Deferred Tax: Recovery of Underlying Assets".

