



佳明
GRAND MING

GRAND MING GROUP HOLDINGS LIMITED
佳明集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1271

2015/16 ANNUAL REPORT 年報

CONTENTS

Corporate Information
Financial Highlights
Five-Year Financial Summary
Chairman's Statement
Management Discussion and Analysis
Report of the Directors
Biographies of Directors and Senior Management
Corporate Governance Report
Independent Auditor's Report
Consolidated Statement of Profit or Loss
Consolidated Statement of Profit or Loss and Other Comprehensive Income
Consolidated Statement of Financial Position
Consolidated Statement of Changes in Equity
Consolidated Cash Flow Statement
Notes to the Financial Statements
Particulars of Properties Held by the Group

目錄

公司資料	2
財務摘要	4
五年財務概要	5
主席報告	6
管理層討論及分析	10
董事會報告	13
董事及高級管理層履歷	27
企業管治報告	33
獨立核數師報告	45
綜合損益表	47
綜合損益及其他全面收益表	48
綜合財務狀況表	49
綜合權益變動表	51
綜合現金流量表	52
財務報表附註	54
本集團所持有物業資料	132

CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chan Hung Ming (*Chairman*)
Mr. Lau Chi Wah
Mr. Yuen Ying Wai
Mr. Kwan Wing Wo

Independent Non-Executive Directors

Mr. Tsui Ka Wah
Mr. Kan Yau Wo
Mr. Mok Kwai Pui Bill
Mr. Lee Chung Yiu Johnny

COMPANY SECRETARY

Mr. Leung Wai Chuen, *HKICPA, FCCA, ACS, ACIS*

COMMITTEES OF THE BOARD

Audit Committee

Mr. Mok Kwai Pui Bill (*Chairman*)
Mr. Tsui Ka Wah
Mr. Kan Yau Wo
Mr. Lee Chung Yiu Johnny

Remuneration Committee

Mr. Tsui Ka Wah (*Chairman*)
Mr. Kan Yau Wo
Mr. Mok Kwai Pui Bill
Mr. Lee Chung Yiu Johnny

Nomination Committee

Mr. Kan Yau Wo (*Chairman*)
Mr. Tsui Ka Wah
Mr. Mok Kwai Pui Bill
Mr. Lee Chung Yiu Johnny

AUTHORISED REPRESENTATIVES

Mr. Chan Hung Ming
Mr. Lau Chi Wah

REGISTERED OFFICE

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

董事會

執行董事

陳孔明先生 (*主席*)
劉志華先生
袁英偉先生
關永和先生

獨立非執行董事

徐家華先生
簡友和先生
莫貴標先生
李宗耀先生

公司秘書

梁偉泉先生 * *HKICPA, FCCA, ACS, ACIS*

董事會委員會

審核委員會

莫貴標先生 (*主席*)
徐家華先生
簡友和先生
李宗耀先生

薪酬委員會

徐家華先生 (*主席*)
簡友和先生
莫貴標先生
李宗耀先生

提名委員會

簡友和先生 (*主席*)
徐家華先生
莫貴標先生
李宗耀先生

授權代表

陳孔明先生
劉志華先生

註冊辦事處

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

CORPORATE INFORMATION

公司資料

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

19/F., Railway Plaza, 39 Chatham Road South
Tsim Sha Tsui, Kowloon, Hong Kong

HONG KONG LEGAL ADVISER

Li & Partners
22/F., World-wide House
19 Des Voeux Road, Central, Hong Kong

AUDITORS

BDO Limited
25th Floor, Wing On Centre
111 Connaught Road, Central, Hong Kong

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

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

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

STOCK CODE

1271

COMPANY WEBSITE

www.grandming.com.hk

香港總部及主要營業地點

香港九龍尖沙咀漆咸道南39號
鐵路大廈19樓

香港法律顧問

李偉斌律師行
香港德輔道中19號
環球大廈22樓

核數師

香港立信德豪會計師事務所有限公司
香港干諾道中111號
永安中心25樓

主要股份過戶登記處

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

股份過戶登記處香港分處

卓佳證券登記有限公司
香港皇后大道東183號
合和中心22樓

主要往來銀行

恒生銀行有限公司
香港上海滙豐銀行有限公司

股份代號

1271

公司網址

www.grandming.com.hk

FINANCIAL HIGHLIGHTS

財務摘要

		2016 二零一六年	2015 二零一五年 (Restated) (重列)	2014 二零一四年 (Restated) (重列)	2013 二零一三年 (Restated) (重列)	2012 二零一二年 (Restated) (重列)
Revenue (HK\$'000)	收益(千港元)					
a. Construction	a. 建築	822,377	704,126	348,300	640,112	926,844
b. Property leasing	b. 物業租賃	145,202	142,048	135,763	133,588	131,218
c. Property development	c. 物業發展	–	–	–	–	–
		967,579	846,174	484,063	773,700	1,058,062
Segment profit (HK\$'000)	分部溢利(千港元)					
a. Construction	a. 建築	72,693	66,142	70,326	35,344	17,264
b. Property leasing	b. 物業租賃	89,824	92,264	90,285	93,749	94,212
c. Property development	c. 物業發展	(18)	(35)	–	–	–
		162,499	158,371	160,611	129,093	111,476
Adjusted profit for the year (Note (i)) (HK\$'000)	經調整本年度溢利 (附註(i))(千港元)	116,734	116,090	107,544	81,586	58,936
Current ratio	流動比率	1.07	1.19	1.84	1.55	0.41
Gearing ratio (Note (ii))	資本負債比率(附註(ii))	43.3%	50.7%	45.1%	64.8%	61.2%
Net gearing ratio (Note (iii))	淨資本負債比率 (附註(iii))	36.3%	42.3%	31.2%	57.1%	50.7%
Return on equity	股本回報	16.2%	15.5%	12.2%	12.2%	9.1%

Note:

- (i) Adjusted profit for the year is calculated based on the profit for the year and adjusted by excluding the changes in fair value of investment properties
- (ii) Gearing ratio represents total interest-bearing borrowings divided by shareholders' equity and multiplied by 100%
- (iii) Net gearing ratio represents total interest-bearing borrowings net of cash and bank balances, divided by shareholders' equity and multiplied by 100%

附註：

- (i) 經調整本年度溢利乃根據本年度溢利並撇除投資物業公平值變動後得出
- (ii) 資本負債比率指總計息借款除以股東權益再乘以100%
- (iii) 淨資本負債比率指扣除現金及銀行存款後之總計息借款除以股東權益再乘以100%

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

		2016	2015	2014	2013	2012
		二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
RESULTS	業績					
<i>For the year ended</i>	<i>截至三月三十一日</i>					
<i>31 March</i>	<i>止年度</i>					
Revenue	收益	967,579	846,174	484,063	773,700	1,058,062
Profit before taxation	除稅前溢利	427,110	352,149	463,402	165,959	113,429
Profit for the year	本年度溢利	401,929	327,813	438,482	148,981	101,936
ASSETS AND LIABILITIES	資產及負債					
<i>As at 31 March</i>	<i>於三月三十一日</i>					
Total assets	總資產	3,829,800	3,482,638	2,801,509	2,292,427	2,211,858
Total liabilities	總負債	1,356,073	1,362,729	981,080	1,002,023	1,054,466
Total equity	總權益	2,473,727	2,119,909	1,820,429	1,290,404	1,157,392

CHAIRMAN'S STATEMENT

主席報告



Chan Hung Ming

陳孔明
Chairman
主席

On behalf of the board (the "Board") of directors (the "Directors") of Grand Ming Group Holdings Limited (the "Company"), I am delighted to present the annual report of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2016 ("FY 2016").

RESULTS

The Group's profit attributable to owners of the Company for FY 2016 amounted to approximately HK\$401.9 million, representing an increase of approximately HK\$74.1 million or 22.6% over approximately HK\$327.8 million for the corresponding year ended 31 March 2015 ("FY 2015"). Earnings per share were HK68.5 cents. By excluding the change in fair value of investment properties, the Group recorded net profit for FY 2016 of approximately HK\$116.7 million, representing an increase of approximately HK\$0.6 million or 0.55% over approximately HK\$116.1 million for FY 2015.

DIVIDENDS

The Board recommends the payment of a final dividend of HK4.0 cents per share to shareholders of the Company ("Shareholders") whose names appear on the register of members of the Company on 5 August 2016. Subject to approval by the Shareholders in the forthcoming annual general meeting of the Company, the dividend warrants will be dispatched to Shareholders on or before 16 August 2016. Together with the interim dividend of HK4.0 cents per share that have been already paid, the total dividend for FY 2016 will amount to HK8.0 cents per share, representing a payout ratio of approximately 38.4% (based on the total dividend for FY 2016 and the Group's profit for the year excluding the increase in fair value of investment properties).

本人謹代表佳明集團控股有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一六年三月三十一日止年度(「二零一六年度」)的年報。

業績

本公司擁有人應佔本集團二零一六年度溢利約401.9百萬港元，較截至二零一五年三月三十一日止相應年度(「二零一五年度」)約327.8百萬港元增加約74.1百萬港元或22.6%。每股盈利為68.5港仙。撇除投資物業公平值變動後，本集團於二零一六年度錄得純利約116.7百萬港元，較二零一五年度約116.1百萬港元增加約0.6百萬港元或0.55%。

股息

董事會建議向於二零一六年八月五日名列本公司股東名冊內的本公司股東(「股東」)派發末期股息每股4.0港仙，惟須待股東於本屆股東週年大會批准後方告作實，股息單將於二零一六年八月十六日或以前派送予股東。連同已派付的中期股息每股4.0港仙，二零一六年度的股息總額將為每股8.0港仙，派息比率約為38.4%(根據二零一六年度的股息總額及本集團本年度溢利(撇除投資物業公平值增加))。

CHAIRMAN'S STATEMENT

主席報告

BONUS ISSUE OF SHARES

To respond the support of the Shareholders, the Company had issued bonus shares on 12 August 2015 and 17 December 2015 on the basis of one bonus share for every ten then existing shares held by Shareholders.

The Board now proposes a bonus issue of shares on the basis of one bonus share for every ten existing shares held by Shareholders whose names appear on the register of members of the Company on 5 August 2016. The relevant resolution will be proposed at the forthcoming annual general meeting of the Company, and if passed and upon The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting the listing of and permission to deal in such new shares, shares certificates of the bonus shares will be dispatched to Shareholders on or before 16 August 2016.

The bonus shares will rank pari passu in all respects with the existing shares in issue from the date of issue except that they will not rank for the final dividend for the FY 2016. No fractional shares arising from the bonus issue shall be allotted and fractional entitlements will be aggregated and sold at such time or times as the Directors shall think fit for the benefit of the Company.

REVIEW OF OPERATION

The Group has a long history in the construction sector as a main contractor in residential and commercial property development projects for prominent local developers since 1997. With an aim of broadening the income stream from a project-based nature to a more balanced one and procuring a higher gross profit margin, the Group tapped into the data centre premises leasing business in 2007. During the past two years, the Group also had actively participated in the tenders of sales of Hong Kong Government land with an aim to engage in the property development business.

1. Construction

The Group has established solid relationships with prominent local developers, providing them with building construction services, alterations, renovation and fitting-out works. During FY 2016, the Group had secured two new construction contracts of proposed residential development in Kau To Shan, Shatin and Kai Tak, Kowloon with an aggregate contract sum of approximately HK\$2.16 billion. As at 31 March 2016, the Group's gross contract value on hand was approximately HK\$2.85 billion.

派送紅股

為回應股東的支持，本公司已於二零一五年八月十二日及二零一五年十二月十七日配發紅股，基準為每持有當時十股股份獲派發一股紅股。

董事會現建議配發紅股予於二零一六年八月五日名列本公司股東名冊內的股東，基準為每持有十股股份可獲派送一股紅股。有關決議案將於本公司的股東週年大會上提出，如決議案獲得通過，及香港聯合交易所有限公司（「聯交所」）批准該等新股上市及買賣，獲派送之紅股股票預計於二零一六年八月十六日或以前派送予股東。

此等紅股除無權享有二零一六年度之末期股息外，自發行當日起在各方面均與現已發行股份享有同等權益。所有零碎紅股將不予配發，零碎股份經彙集後，在董事認為適當之時出售，收益撥歸本公司所有。

業務回顧

本集團於建造業歷史悠久，自一九九七年，乃本地知名發展商的住宅及商用物業發展項目之主要承包商。為擴闊其收入來源，由以項目為基礎轉為較均衡發展，本集團自二零零七年起將業務範圍擴展至毛利率較高的數據中心物業租賃業務。本集團在過去兩年亦積極參與投標香港政府拍賣的土地，旨在投入物業發展業務。

1. 建築業務

本集團與本港知名發展商已建立穩固關係，向其提供樓宇建造服務、改建、翻新及裝修工程。於二零一六年度，本集團獲得兩個位於沙田九肚山及九龍啟德建議住宅發展項目的新建造合約，其合約金額合計約為21.6億港元。於二零一六年三月三十一日，本集團手頭合約毛額價值約為28.5億港元。

CHAIRMAN'S STATEMENT

主席報告

2. Data Centre Premises Leasing

The Group's first high-tier data centre that is located in Tsuen Wan, namely iTech Tower, has been fully leased out since 2011.

The Group's second high-tier data centre, namely iTech Tower 2, is situated in Kwai Chung which provides raised floor area of approximately 45,000 square feet. The occupation permit of the premise had been issued by the Buildings Department of the Hong Kong Government. Same as iTech Tower, iTech Tower 2 is also designed and built for the requirement of high-tier data centre and is capable of customization based on customer's specific requirement. Currently we are responding to specification request from potential customers and negotiating with them the detail terms of the lease agreement.

3. Property Development

On 31 May 2016, the Group had successfully tendered for a land situated at Tsing Yi Town Lot No. 190, Sai Shan Road, Tsing Yi, New Territories from the Hong Kong Government at a premium of HK\$938.88 million. The land parcel will be used for residential and commercial development and the total investment cost is estimated to be HK\$3.30 billion.

OUTLOOK

The construction industry is expected to remain steady in the medium term amid the increase in supply of land by the Hong Kong Government and rollout of new development districts such as Kai Tak and West Kowloon. Yet, following the delay in the government-led infrastructure projects, recent property market consolidation, together with slowdown of Mainland China's economy, supply of the workforce and materials for construction industry are forecasted to rise. This will drive down the construction cost but the gross margin of construction contracts may simultaneously be eroded. Although this does not pose any adverse effect on the Group's existing order books as the contract sums have been confirmed, the Group will pursue prudently when bidding the upcoming construction contracts to ensure the construction business of the Group maintaining a reasonable gross margin.

2. 數據中心物業租賃業務

本集團第一個高端數據中心名為 iTech Tower，位於荃灣，並自二零一一年起已全面租出。

本集團第二個高端數據中心名為 iTech Tower 2，位於葵涌，提供約 45,000 平方呎架空地台面積。香港政府屋宇署已發出大樓的入伙紙。與 iTech Tower 相同，iTech Tower 2 以高端數據中心的要求設計及建造，並可按客戶的特定規格設定。我們現正回應潛在客戶的設置要求，及與彼等商討租賃安排的條款細節。

3. 物業發展

於二零一六年五月三十一日，本集團以 938.88 百萬港元之地價成功投得香港政府位於新界青衣細山路的青衣地段第 190 號用地。該土地將用於住宅及商業發展，發展項目的總投資額預計約 33.0 億港元。

展望

建築行業預計於中期內在香港政府增加土地供應及推出新發展地區（如啟德及西九龍）當中仍保持平穩發展。然而繼政府主導的基礎設施項目延誤，近期的物業市場調整，連同中國內地經濟放緩，預計建築行業的勞動力及物料供應均會上升，此等將降低建築成本，但建造合約的毛利亦可能同時被侵蝕。雖然這對本集團手頭建築合約並未構成不利影響，因其合約金額已被確實，但本集團將謹慎競投未來的建造合約，以確保本集團的建築業務保持合理的毛利。

CHAIRMAN'S STATEMENT

主席報告

On the other side, the current sluggish economy in Hong Kong and interest rate hike concern would provide opportunity for the Group to acquire land from the Hong Kong Government at a more reasonable price. The recent acquisition of the government land in Sai Shan Road, Tsing Yi signifies the first property project undertaken by the Group and the first step to diversify the Group's business into the property development business by leveraging its expertise in the building construction and property development knowledge. We believe that property development activity will bring the Group to an enhanced revenue generating portfolio. As a result, the Group will keep on participating in the tendering of sales of Hong Kong Government land either on our own or through joint venture with other property developers.

As a major international financial centre and proximity to Mainland China, the Hong Kong data centre operators have traditionally enjoyed tremendous businesses from the multinational financial, securities and telecommunication conglomerate. The recent demand for high-tier data centre is driven by cloud, digital media and content. On the other hand, the challenges we will encounter mainly arise from the increase in supply of data centre space in the coming two years, in Tseung Kwan O particularly, which will take time to be absorbed by the new customer demand. The Group will closely monitor the market condition and cautiously consider the development of the third high-tier data centre either in Hong Kong or Mainland China.

APPRECIATION

I would like to take this opportunity to express my gratitude to the Board for its brilliant leadership, to the shareholders for their strong support, and to the community for their enthusiastic assistance, and last but not least, to our staff for their dedicated efforts.

Chan Hung Ming
Chairman

Hong Kong, 2 June 2016

另一方面，現時香港經濟遲緩及憂慮加息的情況為本集團提供機會可以更合理的價錢購入香港政府土地。最近購入位於青衣細山路的政府用地標誌本集團第一個物業項目，並可利用本身在樓宇建築的專業技術和物業發展知識進軍物業發展跨出第一步，令本集團的業務更多元化。此外，董事認為，物業發展活動將增強本集團的業務組合產生收益。因此，本集團會繼續積極以獨資或與其他地產發展商合資的形式，參與投標香港政府拍賣的土地。

作為一個主要國際金融中心及鄰近中國內地，香港數據中心營運者傳統上從跨國金融、證券及電訊集團獲取巨大業務。近期高端數據中心的需求源自雲端、數碼媒體及內容。另一方面，我們面對的挑戰是未來兩年特別是來自將軍澳新增供應的數據中心空間，該等新增的供應需要時間讓新客戶的需求消化。本集團會密切留意市場情況，及慎重考慮於香港或中國內地發展第三座高端數據中心。

致謝

本人謹藉此機會，衷心感謝董事會的英明領導、股東的鼎力支持、社會的熱心援助及全體員工的不懈努力。

主席
陳孔明

香港，二零一六年六月二日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

The Group's total revenue for FY 2016 was approximately HK\$967.6 million, representing an increase of approximately 14.3% or HK\$121.4 million from approximately HK\$846.2 million for FY 2015. Revenue from the construction business increased by approximately 16.8% or HK\$118.3 million, from approximately HK\$704.1 million for FY 2015 to approximately HK\$822.4 million for FY 2016. Revenue from the data centre premises leasing business slightly increased by approximately 1.7% or HK\$2.4 million, from approximately HK\$141.9 million for FY 2015 to approximately HK\$144.3 million for FY 2016.

The increase in revenue was mainly contributed to a construction project at Tseung Kwan O for which construction work commenced in August 2014 and was in full swing during FY 2016.

Gross profit

The Group's gross profit increased by approximately 1.4% or HK\$2.4 million, from approximately HK\$166.8 million for FY 2015 to approximately HK\$169.2 million for FY 2016. Despite the increase in gross profit, the profit margin has declined due to decrease in the proportion of revenue recognised during the year from a construction project which had relatively higher gross profit margin as compared with the corresponding period of last year, and increase of operating cost following the commencement of operation of iTech Tower 2 since December 2015.

Increase in fair value of investment properties

The Group recorded fair value gains on investment properties of approximately HK\$285.2 million during FY 2016 as compared to the fair value gains of approximately HK\$211.7 million for the corresponding period last year. The revaluation gains primarily arise from iTech Tower 2 based on its state of completion.

Profit for the year

The Group recorded a net profit of approximately HK\$401.9 million for FY 2016, an increase of approximately 22.6% or HK\$74.1 million when compared with that of approximately HK\$327.8 million for FY 2015. Excluding the increase in fair value of investment properties, the Group recorded an adjusted profit for the year of approximately HK\$116.7 million in FY 2016, representing an increase of approximately 0.55% or HK\$0.6 million when compared to an adjusted profit for the year of approximately HK\$116.1 million in FY 2015.

財務回顧

收益

本集團二零一六年度的總收益約967.6百萬港元，較二零一五年度約846.2百萬港元增加約14.3%或121.4百萬港元。來自樓宇建築的收益由二零一五年度約704.1百萬港元增加至二零一六年度約822.4百萬港元，增加約16.8%或118.3百萬港元。來自數據中心物業租賃的收益由二零一五年度約141.9百萬港元增至二零一六年度約144.3百萬港元，輕微增加約1.7%或2.4百萬港元。

收益增加主要源於將軍澳之建築項目，其建築工程於二零一四年八月開始，並於二零一六年期間全力進行。

毛利

本集團的毛利由二零一五年度約166.8百萬港元增加約1.4%或2.4百萬港元至二零一六年度約169.2百萬港元。雖然毛利金額增加，毛利率卻有所下降，乃由於一個毛利率相對較高的建築項目在年內確認之收益比例較去年同期減少，及iTech Tower 2自二零一五年十二月開始營運令營運成本上升。

投資物業公平值增加

本集團於二零一六年度錄得投資物業公平值收益約285.2百萬港元，而上年同期則錄得公平值收益約211.7百萬港元。重估收益主要源自iTech Tower 2按其發展進度而產生。

本年度溢利

本集團於二零一六年度錄得純利約401.9百萬港元，較二零一五年度純利約327.8百萬港元增加約22.6%或74.1百萬港元。撇除投資物業之公平值增加後，本集團錄得二零一六年度經調整溢利約116.7百萬港元，較二零一五年度經調整溢利約116.1百萬港元增加約0.55%或0.6百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL POSITION

The Group financed its operations and capital expenditure with internal resources and bank borrowings.

As at 31 March 2016, the Group's total cash and bank balances were approximately HK\$173.2 million (31 March 2015: approximately HK\$177.5 million), most of which are held in Hong Kong dollars. The current ratio (defined as current assets divided by current liabilities) of the Group was 1.07 times (31 March 2015: 1.19 times). The gearing ratio (defined as total interest-bearing borrowings divided by shareholders' equity) of the Group was approximately 43.3% (31 March 2015: approximately 50.7%).

Interest on bank loans is charged at floating rates. The Group had in place treasury policy by which the exposure to floating interest rate risk is mitigated by the use of interest rate swaps. The swaps had fixed swap rates ranging from 0.89% to 1.8% per annum.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There was no acquisition or disposal of subsidiaries and associated companies by the Company during FY 2016.

DETAILS OF FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in Note 35(b) to the financial statements, the Group does not have any concrete plan for material investment or capital assets in the coming year.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2016, the Group had a total of 167 (31 March 2015: 166) employees. The total remuneration cost incurred by the Group for the FY 2016 was approximately HK\$81.3 million (2015: approximately HK\$71.6 million).

The remuneration policy and packages of the Group's employees are periodically reviewed by making reference to the prevailing market conditions. The components of remuneration packages consisted of basic salary, benefits-in-kind, fringe benefits and contributions to mandatory provident funds, as well as discretionary bonuses which are determined according to individual performance of employees.

DEBTS AND CHARGE ON ASSETS

The Group had total bank borrowings of approximately HK\$1,070.3 million as at 31 March 2016 (31 March 2015: approximately HK\$1,074.9 million). Bank borrowings of approximately HK\$1,064.3 million are secured by the Group's assets with an aggregate carrying amount of approximately HK\$3,515.0 million as at 31 March 2016.

財務狀況

本集團以內部資源及銀行借款提供營運資金及資本開支。

於二零一六年三月三十一日，本集團的總現金及銀行結存約173.2百萬港元（二零一五年三月三十一日：約177.5百萬港元），大部分為港元。本集團的流動比率（流動資產除流動負債）為1.07倍（二零一五年三月三十一日：1.19倍）。本集團的資本負債比率（計息借款總額除股東權益）約43.3%（二零一五年三月三十一日：約50.7%）。

銀行貸款按浮動利率計息。本集團所採納的庫務政策為透過使用利率掉期合約減低所面對的浮動利率風險。掉期合約的固定掉期利率介乎年息0.89厘至1.8厘。

附屬公司及聯營公司的重大收購及出售

於二零一六年度期內，本公司並無收購或出售附屬公司及聯營公司。

重大投資或資本資產之未來計劃詳情

除財務報表附註35(b)所披露者外，本集團並無就來年重大投資或資本資產制定任何具體計劃。

僱員及薪酬政策

於二零一六年三月三十一日，本集團聘用167名（二零一五年三月三十一日：166名）僱員。本集團於二零一六年度的薪酬總額約81.3百萬港元（二零一五年：約71.6百萬港元）。

本集團僱員的薪酬政策及待遇定期參考當時市況加以檢討。薪酬待遇包括基本薪金、實物福利、附帶福利及強制性公積金供款，以及按員工個人表現釐定的酌情花紅。

債項及資產抵押

於二零一六年三月三十一日，本集團之銀行借款合同合共約1,070.3百萬港元（二零一五年三月三十一日：約1,074.9百萬港元）。為數約1,064.3百萬港元的銀行借款以本集團資產作抵押，其於二零一六年三月三十一日的合計賬面值約3,515.0百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FOREIGN CURRENCY RISK

The Group has no significant exposure to foreign currency risk because almost all the Group's transactions are denominated in Hong Kong dollars.

CAPITAL COMMITMENTS

Save as disclosed in note 32 to the financial statements, the Group had no other capital commitments as at 31 March 2016.

CONTINGENT LIABILITIES

Save as disclosed in note 33 to the financial statements, the Group had no other contingent liabilities as at 31 March 2016.

EVENT AFTER THE REPORTING PERIOD

Details of the event after the reporting period are set out in note 35 to the financial statements.

Save as disclosed above, there was no significant events have taken place subsequent to 31 March 2016 and up to the date of this annual report.

外匯風險

由於本集團的交易絕大部分以港元計值，故並無面對重大外匯風險。

資本承擔

除財務報表附註32所披露者外，於二零一六年三月三十一日，本集團並無任何其他資本承擔。

或然負債

除財務報表附註33所披露者外，於二零一六年三月三十一日，本集團並無其他或然負債。

報告期後事項

有關報告期後事項之詳情載於財務報表附註35。

除上述所披露者外，自二零一六年三月三十一日後至本年報日期，並無其他重大事項。

REPORT OF THE DIRECTORS

董事會報告

The Directors are pleased to present this annual report together with the audited consolidated financial statements of the Group for FY 2016.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and its subsidiaries are principally engaged in the business of building construction, property leasing and property development. Details of the principal activities of the principal subsidiaries are set out in note 29 to the financial statements. There were no significant changes in the nature of the Group's principal activities during FY 2016.

BUSINESS REVIEW

A review of the business of the Group during the year and the outlook of the Group's business are provided in the Chairman's Statement section from page 6 to 9 of this annual report. Description of the principal risks and uncertainties facing the Group can be found in the Chairman Statement, including the financial risks mentioned in note 31 to the financial statements. Particulars of the events that have occurred since the end of the reporting period are provided in note 35 to the financial statements. An analysis of the Group's performance during the year using financial key performance indicators is provided in the Financial Highlights and Management Discussion and Analysis sections of this annual report. All the above sections form part of this report.

KEY RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group recognise that employees, customers and business partners are the keys to the sustainable development to the Group. The Group is committed to building a close and caring relationship with its employees and business partners, and improves the quality of services and products to the customers.

Employees are regarded as the most vital and valuable assets of the Group. The Group ensures all staffs are reasonably remunerated, regular seminars on safety for specific type of works and activities and safety induction training are provided for all employees as well as the subcontractors' employees.

The Group stays connected with its customers and has ongoing communication with them through various channels such as physical meetings, telephone and electronic mail communication to obtain their feedback and suggestions.

The Group establishes long-term business relationship with the subcontractors. Through the past dealings with the subcontractors, the Group has acquired sufficient appreciation of their expertise and strengths so that it would enable us to maintain our quality standards.

董事欣然呈報本年報連同本集團二零一六年度的經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股，而其附屬公司主要從事樓宇建築、物業租賃及物業發展業務。主要附屬公司的主要業務詳情載於財務報表附註29。於二零一六年度期間，本集團主要業務的性質並無重大變動。

業務審視

有關本集團本年度業務的審視，以及本集團的業務展望在本年報第6至9頁的「主席報告」中闡述。關於本集團面對的主要風險及不明朗因素的敘述在「主席報告」中闡述，包括於財務報表附註31中披露的財務風險。於報告期末後發生的事項詳情刊載於財務報表附註35。於本年報內財務摘要及管理層討論及分析中，就本集團年內表現以財務關鍵表現指標作出分析。上述所有章節均構成本報告一部份。

與僱員、客戶及供應商之重要關係

本集團深知僱員、客戶及業務夥伴為本集團持續發展的關鍵。本集團致力於與其僱員及業務夥伴之間建立緊密及關懷關係，以及改善提供予客戶的服務及產品質素。

僱員被視為本集團最為重要及最有價值資產。本集團確保所有員工獲得合理薪酬，定期為所有員工以及分包商的僱員舉辦特定類別工程及活動安全研討會和入職安全培訓。

本集團與其客戶保持聯繫以及透過各種渠道與客戶持續交流，例如舉行現場會議、電話及電郵溝通獲得彼等的反饋及建議。

本集團與分包商已建立長期業務關係。透過過往與分包商的往來，本集團已充分了解彼等之專門技術及長處，促使我們保持我們的品質標準。

REPORT OF THE DIRECTORS

董事會報告

The Group also places effort to build up and maintain good relationship with various commercial banks as the Group's businesses are capital intensive and require on-going funding to maintain continuous growth.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Company endeavours to protect the environment in which it operates its business. The Group's construction segment has established an environmental management system and was certified by Certification Asia (HK) Limited to be in compliance with the requirements of ISO 14001:2004.

During FY 2016, there was no material non-compliance in relation to air pollution, noise control, disposal and emission of construction wastes. Green office practices are also encouraged in the operation of the Group's businesses, such as double-sided printing and copying, setting up recycling bins, sending and presenting corporate documents or information to the members of the Board in electronic format, and reducing energy consumption by switching off idle lighting and electrical appliances.

COMPLIANCE WITH LAW AND REGULATION

During FY2016, no material non-compliance of the laws and regulations that have a significant impact on the Company was noted. In addition, discussion on the Company's compliance with the Corporate Governance Code is included in the Corporate Governance Report.

RESULTS AND APPROPRIATIONS

The results of the Group for FY 2016 are set out in the consolidated statement of profit or loss on page 47 of this annual report. An interim dividend of HK4.0 cents per share was paid on 17 December 2015. The Board recommends the payment of a final dividend of HK 4.0 cents per share to Shareholders whose names appear on the register of members of the Company on 5 August 2016.

BONUS ISSUE OF SHARES

On 2 June 2015, the Board proposed a bonus issue on the basis of one bonus share for every ten shares then held. The bonus issue was approved by Shareholders on 23 July 2015 and 48,478,326 bonus shares were issued on 12 August 2015.

On 2 November 2015, the Board proposed a bonus issue on the basis of one bonus share for every ten shares then held. The bonus issue was approved by Shareholders on 17 November 2015 and 53,326,158 bonus shares were issued on 17 December 2015.

由於本集團的業務屬資本密集型業務，需要持續融資維持持續增長，本集團亦努力建立及維持與多間商業銀行的良好關係。

環境政策及成效

本公司致力保護其營運的環境。本集團之建築分部已建立一套環境管理系統，並獲Certification Asia (HK) Limited認證為符合ISO 14001:2004之規定。

於二零一六年度期間，在空氣污染、噪音管制、棄置及排放建築廢物方面不存在任何重大違規情況。本集團亦致力鼓勵實行綠化辦公室，如雙面打印及複印、設置回收箱、以電子形式寄送及展示公司文件或資料予董事會成員、及透過關掉閒置之電燈及電器以減少消耗能源。

遵守法律及法規

於二零一六年度期間，對本公司有重大影響的有關法律及規例不存在任何重大違規情況。並且，本公司遵守企業管治守則的情況已包括在企業管治報告。

業績及分派

本集團二零一六年度的業績載於本年報第47頁的綜合損益表。本集團於二零一五年十二月十七日派付中期股息每股4.0港仙。董事會建議向於二零一六年八月五日名列本公司股東名冊的股東派付末期股息每股4.0港仙。

派送紅股

於二零一五年六月二日，董事會建議按每持有當時十股股份獲派送一股紅股的基準配發紅股。此紅股發行於二零一五年七月二十三日獲股東通過及於二零一五年八月十二日發行48,478,326股股份。

於二零一五年十一月二日，董事會建議按每持有當時十股股份獲派送一股紅股的基準配發紅股。此紅股發行於二零一五年十一月十七日獲股東通過及於二零一五年十二月十七日發行53,326,158股股份。

REPORT OF THE DIRECTORS

董事會報告

Details, including the reason of the above two bonus issue of shares are set out in the circular dated 23 June 2015 and 2 November 2015 respectively.

The Board now proposes a bonus issue on the basis of one bonus share for every ten shares held to Shareholders whose names appear on the register of members of the Company on 5 August 2016.

CLOSURE OF REGISTER OF MEMBERS

In order to determine entitlement of Shareholders to the right to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from 26 July 2016 to 28 July 2016, both days inclusive, during which period no transfer of shares will be effected. All transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrars and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 25 July 2016.

In order to determine Shareholders who qualify for the proposed final dividend and bonus issue of shares, the register of members of the Company will be closed from 3 August 2016 to 5 August 2016, both days inclusive, during which period no transfer of shares will be effected. All transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrars and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 2 August 2016.

SHARE ISSUED

During the year, the Company issued 101,804,484 bonus shares in aggregate without consideration on the basis of one bonus share for every ten shares then held.

Details of the shares issued by the Company and the movement in the share capital of the Company during the year are set out in note 26 to the financial statements.

RESERVES AND DISTRIBUTABLE RESERVES

Details of the movements in reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 51 of this annual report and in note 27(b) to the financial statements, respectively.

上述兩次派送紅股之詳情(包括原因)分別刊載於日期為二零一五年六月二十三日和二零一五年十一月二日的通函內。

董事會現建議配發紅股予於二零一六年八月五日名列本公司股東名冊內的股東，基準為每持有十股股份可獲派送一股紅股。

暫停辦理股份過戶登記

為確定合資格出席本屆股東週年大會並於會上投票的股東身份，本公司將於二零一六年七月二十六日至二零一六年七月二十八日(包括首尾兩日)暫停辦理股份過戶登記手續。所有股份過戶文件連同有關股票必須於二零一六年七月二十五日下午四時三十分前送交本公司股份過戶登記處香港分處，卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓，以辦理登記手續。

為確定合資格獲派發建議末期股息及紅股發行的股東身份，本公司將於二零一六年八月三日至二零一六年八月五日(包括首尾兩日)暫停辦理股份過戶登記手續。所有股份過戶文件連同有關股票必須於二零一六年八月二日下午四時三十分前送交本公司股份過戶登記處香港分處，卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓，以辦理登記手續。

發行股份

本年度本公司按每持有當時十股股份獲派送一股紅股之基準以無代價發行合共101,804,484股紅股。

本公司發行之股份及本年度股本變動詳情載列於財務報表附註26。

儲備及可供分派儲備

本集團及本公司本年度儲備變動的詳情分別載於本年報第51頁的綜合權益變動表及財務報表附註27(b)。

REPORT OF THE DIRECTORS

董事會報告

DONATIONS

Donations made by the Group during the year amounted to HK\$3,000.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group is set out on page 5 of this annual report.

FIXED ASSETS

Details of movements in fixed assets (including investment properties and property, plant and equipment) during the year are set out in note 17 to the financial statements.

BANK LOANS

Details of bank loans of the Group as at 31 March 2016 are set out in note 23 to the financial statements.

INTEREST CAPITALISED

The amount of interest capitalised by the Group during the year is set out in note 10(a) to the financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of revenue of the Group attributable to the largest customer and the five largest customers in aggregate are 51.3% and 90.7% respectively.

The percentage of purchases of the Group attributable to the largest supplier and the five largest suppliers in aggregate are 9.9% and 32.6% respectively.

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

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association (the "Articles") and there is no restriction against such rights which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

捐款

本集團本年度作出之捐款為3,000港元。

五年財務概要

本集團的業績、資產及負債概要載於本年報第5頁。

固定資產

固定資產(包括投資物業以及物業、廠房及設備)於本年度的變動詳情載於財務報表附註17。

銀行貸款

本集團於二零一六年三月三十一日之銀行貸款的詳情載於財務報表附註23。

資本化利息

本集團本年度資本化的利息金額載於財務報表附註10(a)。

主要客戶及供應商

本集團最大客戶及合計五大客戶分別應佔本集團收益51.3%及90.7%。

本集團最大供應商及合計五大供應商分別應佔本集團採購額9.9%及32.6%。

概無董事、彼等的緊密聯繫人或任何股東(據董事所知擁有本公司已發行股份數目5%以上者)擁有本集團五大供應商或五大客戶任何權益。

優先購買權

本公司組織章程細則(「細則」)並無優先購買權條文，亦無針對本公司須按比例向現有股東提呈發售新股份的限制。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The Directors of the Company during the year and up to the date of this annual report were:

Executive Directors

Mr. Chan Hung Ming (*Chairman*)
Mr. Lau Chi Wah
Mr. Yuen Ying Wai
Mr. Kwan Wing Wo

Independent

Non-Executive Directors

Mr. Tsui Ka Wah
Mr. Kan Yau Wo
Mr. Mok Kwai Pui Bill
Mr. Lee Chung Yiu Johnny

Pursuant to Article 84(1) of the Articles, one-third of the Directors for the time being shall retire from office by rotation at each annual general meeting, provided that every Director shall be subject to retirement at least once every three years. It is proposed that Mr. Kwan Wing Wo, Mr. Kan Yau Wo and Mr. Lee Chung Yiu Johnny shall retire from office by rotation and, being eligible, offer themselves for re-election as Directors at the forthcoming annual general meeting.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 27 to 32 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years with effect from 9 August 2013 (the "Listing Date") unless terminated by not less than three months' notice in writing served by either the Director or the Company. Each of the independent non-executive Directors has signed a letter of appointment with the Company for a term of three years with effect from the Listing Date unless terminated by not less than three months' notice in writing served by either the independent non-executive Director or the Company.

Apart from the foregoing, no Director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than statutory compensation.

INDEPENDENCE OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Company considers that all of the independent non-executive Directors are independent.

董事

本年度及截至本年報日期為止，本公司董事如下：

執行董事

陳孔明先生(主席)
劉志華先生
袁英偉先生
關永和先生

獨立非執行董事

徐家華先生
簡友和先生
莫貴標先生
李宗耀先生

根據細則第84(1)條，於每屆股東週年大會，當時董事人數之三分之一須輪值退任。各董事須至少每三年輪值退任一次。現建議關永和先生、簡友和先生及李宗耀先生退任董事職位，惟符合資格並願意在應屆股東週年大會上重選連任董事。

董事及高級管理層履歷

本公司董事及本集團高級管理層的履歷詳情載於本年報第27至32頁。

董事服務合約

各執行董事已與本公司訂立服務協議，自二零一三年八月九日(「上市日期」)起生效，初步為期三年，除非董事或本公司向另一方發出不少於三個月的書面通知予以終止。各獨立非執行董事已與本公司簽訂委聘書，自上市日期起生效，為期三年，除非獨立非執行董事或本公司向另一方發出不少於三個月的書面通知予以終止。

除上述者外，概無擬於應屆股東週年大會上重選連任的董事與本公司或其任何附屬公司訂立於一年內終止合約且無須作賠償(法定賠償除外)的服務合約。

獨立非執行董事確認其獨立身分

本公司已收到各獨立非執行董事根據聯交所證券上市規則(「上市規則」)第3.13條發出其獨立身分的年度確認函，且本公司認為彼等均保持其獨立身分。

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISIONS

During the year and up to the date of this annual report, the Company has in force indemnity provisions as permitted under the relevant statutes for the benefit of the Directors of the Company. The permitted indemnity provisions are provided for in the Articles and in the directors and officers liability insurance maintained for the Group in respect of potential liability and costs associated with legal proceedings that may be brought against such Directors.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2016, the interests and short positions of the Directors and chief executives in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which (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 (including interests or short positions which they are taken or deemed to have such provisions 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 of Listed Issuers (“Model Code”) to be notified to the Company and the Stock Exchange, were as follows:

獲准許彌償條文

本年度及截至本年報日期為止，本公司按有關法規的允許，備有以本公司董事為受益人的彌償條文。獲准許彌償條文於細則以及於本集團就可能針對該等董事提出的法律程序的相關潛在責任及成本而投購的董事及高級職員責任險中有所規定。

董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債權證中的權益及淡倉

於二零一六年三月三十一日，董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中，擁有(a)根據證券及期貨條例第XV部第7及8分部之規定須知會本公司及聯交所之權益及淡倉(包括根據證券及期貨條例之規定被認為或被視作擁有之權益及淡倉)；或(b)根據證券及期貨條例第352條規定記入須存置之登記冊內之權益及淡倉；或(c)根據上市公司董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益及淡倉，如下：

Name of Director	Name of Group member/associated corporation 本集團成員公司/ 相聯法團名稱	Capacity/Nature of interest 身分/權益性質	Number of ordinary shares held 持有普通股數目 (Note 1) (附註1)	Approximate percentage of shareholding 股權概約百分比
Mr. Chan Hung Ming 陳孔明先生	The Company 本公司	Interest of a Controlled Corporation (Note 2) 受控法團權益(附註2)	395,307,000 (L)	67.39%
	Chan HM Company Limited	Beneficial owner 實益擁有人	1	100%
Mr. Lau Chi Wah 劉志華先生	The Company 本公司	Interest of a Controlled Corporation (Note 3) 受控法團權益(附註3)	43,923,000 (L)	7.49%

REPORT OF THE DIRECTORS

董事會報告

Note:

1. The Letter "L" denotes the Directors' long position in the shares of the Company or the relevant associated corporation.
2. Mr. Chan Hung Ming holds 100% of the issued share capital of Chan HM Company Limited, which owns 395,307,000 shares out of the issued share capital of the Company. Therefore, Mr. Chan Hung Ming is deemed to have the same interest in the Company.
3. Mr. Lau Chi Wah holds 100% of the issued share capital of Lau CW Company Limited, which owns 43,923,000 shares out of the issued share capital of the Company. Therefore, Mr. Lau Chi Wah is deemed to have the same interest in the Company.

Save as disclosed above, none of the Directors or chief executives of the Company has or is deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 March 2016.

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

As at 31 March 2016, so far as the Directors were aware, the following persons/entity (not being the Directors or chief executives of the Company) had, or were deemed to have interests or short positions in the shares and underlying shares of the Company or any of its associated corporations which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of the Company required to be kept under Section 336 of the SFO:

附註：

1. 字母「L」指董事於本公司或相關相聯法團股份的好倉。
2. 陳孔明先生持有Chan HM Company Limited已發行股本的100%權益，而Chan HM Company Limited擁有本公司已發行股本中395,307,000股普通股份。因此，陳孔明先生被視為於本公司擁有相同權益。
3. 劉志華先生持有Lau CW Company Limited已發行股本的100%權益，而Lau CW Company Limited擁有本公司已發行股本中43,923,000股普通股份。因此，劉志華先生被視為於本公司擁有相同權益。

除上文所披露者外，於二零一六年三月三十一日，概無董事或本公司主要行政人員於本公司或其任何相聯法團的股份、相關股份或債權證中擁有或被視為擁有任何權益或淡倉。

主要股東於股份及相關股份的權益及淡倉

於二零一六年三月三十一日，就董事所知，以下人士／實體（並非董事或本公司主要行政人員）於本公司或其任何相聯法團的股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部須通知本公司或已於本公司根據證券及期貨條例第336條須記錄於存置之登記冊的權益或淡倉：

Name of Shareholder 股東姓名	Capacity/Nature of interest 身分／權益性質	Number of ordinary shares held 持有普通股數目 (Note 1) (附註1)	Approximate percentage of shareholding 股權概約百分比
Chan HM Company Limited	Beneficial owner 實益擁有人	395,307,000 (L)	67.39%
Lau CW Company Limited	Beneficial owner 實益擁有人	43,923,000 (L)	7.49%
Ms. Cheung Shuk Fong 張淑芳女士	Family (Note 2) 配偶(附註2)	43,923,000 (L)	7.49%

REPORT OF THE DIRECTORS

董事會報告

Note:

1. The Letter "L" denotes the person's/entity's long position in the shares of the Company or the relevant Group member.
2. Ms. Cheung Shuk Fong, the spouse of Mr. Lau Chi Wah, is deemed to be interested in Mr. Lau's interest in the Company by virtue of the SFO.

Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued shares of the Company as at 31 March 2016 which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above in the section headed "Interests and Short Positions of Directors and Chief Executives in Shares, Underlying Shares or Debentures of the Company and its Associated Corporations" above, at no time during FY 2016 was the Company or any of its subsidiaries or any holding company or any subsidiary of the Company's holding company, a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save for their respective interests in the Group, none of the Directors was interested in any business which competes or is likely to compete with the businesses of the Group for FY 2016.

CONTINUING CONNECTED TRANSACTIONS

During the year, the Group had the following continuing connected transactions. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

附註：

1. 字母「L」指該人士於本公司或相關集團成員公司股份的好倉。
2. 根據證券及期貨條例，劉志華先生的配偶張淑芳女士被視為於劉先生在本公司的權益中擁有權益。

除上文所披露者外，於二零一六年三月三十一日，本公司並無獲通知本公司已發行股份中有任何其他相關權益或淡倉須根據證券及期貨條例第XV部第2及3分部條文向本公司披露，或已記錄於本公司根據證券及期貨條例第336條須予存置的登記冊內。

董事購買股份或債權證的權利

除上文「董事及主要行政人員於本公司及其相聯法團之股份、相關股份及債權證中的權益及淡倉」一節所披露者外，本公司或其任何附屬公司、控股公司或本公司控股公司的任何附屬公司於二零一六年度概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體的股份或債權證而獲益，亦無董事或彼等的任何配偶或十八歲以下的子女獲授任何權利以認購本公司或任何其他法人團體的股權或債務證券或已行使任何有關權利。

董事於競爭業務的權益

除董事各自於本集團的權益外，於二零一六年度彼等並無於任何與本集團業務構成競爭或可能構成競爭的業務中擁有權益。

持續關連交易

本集團於本年度進行下列持續關連交易。本公司已遵守上市規則第14A章的披露規定。

Rental paid to:

Perfect Top Development Limited
Gain Glory Development Limited

支付租金予：

Perfect Top Development Limited
Gain Glory Development Limited

2016
二零一六年
HK\$'000
千港元

2015
二零一五年
HK\$'000
千港元

420

888

232

492

652

1,380

REPORT OF THE DIRECTORS

董事會報告

The rental expenses related to leasing of certain office units. They were charged according to the tenancy agreements dated 17 April 2013 (“Agreements”) signed between the Group and two related companies, namely Grand Tech Enterprise Company limited (“GTE”) and Grand Regal Holdings limited (“GRH”). On 21 November 2013, GTE and GRH entered into assignment agreements with another two related companies, namely Perfect Top Development Limited (“Perfect Top”) and Gain Glory Development Limited (“Gain Glory”) respectively, pursuant to which the ownership of these office units were transferred from GTE and GRH to Perfect Top and Gain Glory respectively, and Perfect Top and Gain Glory agreed to assume all rights and obligations under the Agreements.

On 17 September 2015, the Group served a notice to Perfect Top and Gain Glory to terminate the Agreements with effect from 21 September 2015. Other than the rental payable up to 20 September 2015, neither party is required to pay any penalty or compensation to the other party in respect of the termination of the Agreements.

GTE, GRH, Perfect Top and Gain Glory are wholly-owned subsidiaries of Grand Ming Holdings Limited, which is owned as to 90% and 10% by Mr. Chan Hung Ming, a controlling shareholder and an executive Director of the Company, and Mr. Lau Chi Wah, an executive Director of the Company, respectively.

The independent non-executive Directors of the Company had reviewed the above continuing connected transactions and confirmed that the transactions have been entered into: (a) in the ordinary and usual course of business of the Company; (b) either on normal commercial terms or, on terms no less favourable to the Company than terms available to or from (as appropriate) independent third parties; and (c) in accordance with the relevant agreements governing such transactions on terms that are fair and reasonable and in the interests of shareholders of the Company as a whole.

The Company’s auditor was engaged to report on the Group’s continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements other than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s letter on Continuing Connected Transactions under the Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed by the Company in this annual report in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor’s letter has been provided by the Company to the Stock Exchange.

租金支出有關於租賃若干辦公室單位。其收費乃根據本集團於二零一三年四月十七日與兩間關聯公司，佳盛企業發展有限公司(「佳盛企業」)及盛輝集團有限公司(「盛輝」)訂立的租賃協議(「協議」)。於二零一三年十一月二十一日，佳盛企業及盛輝分別與另外兩間關聯公司Perfect Top Development Limited(「Perfect Top」)及Gain Glory Development Limited(「Gain Glory」)訂立轉讓協議，據此辦公室單位的擁有權由佳盛企業及盛輝分別轉予Perfect Top及Gain Glory，而Perfect Top及Gain Glory同意承擔協議內的全部權益及責任。

於二零一五年九月十七日，本集團向Perfect Top及Gain Glory發出終止協議的通知書，自二零一五年九月二十一日起生效。除截至二零一五年九月二十日止的租金外，概無訂約方須就終止協議而向另一方支付任何罰款或賠償。

佳盛企業、盛輝、Perfect Top及Gain Glory均為佳明控股有限公司的全資附屬公司，其為本公司控股股東及執行董事陳孔明先生及本公司執行董事劉志華先生分別擁有90%及10%權益。

本公司的獨立非執行董事已審閱上述持續關連交易，並確認交易乃：(a)本公司日常一般業務；(b)按一般商業條款或有關條款不遜於本公司從獨立第三方取得或向其提供的條款；及(c)根據規管該等交易而其條款屬公平合理且符合本公司股東整體利益的相關協議。

本公司核數師獲委聘，遵照香港會計師公會發出的《香港審驗委聘服務準則3000》的「審核或審閱歷史財務資料以外之審驗委聘」，並參照《實務說明》第740號「關於上市規則項下持續關連交易之核數師函件」，就本集團的持續關連交易作出匯報。核數師已根據上市規則第14A.56條，就本公司於本年報所披露持續關連交易的審驗結果，發出無保留意見函件。本公司已將核數師函件副本送呈聯交所。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as the continuing connected transactions disclosed above and in note 34(a) to the financial statements, no Director had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, its holding company, or any of its subsidiaries or any of its fellow subsidiaries was a party during FY 2016.

CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS

Save as the continuing connected transactions disclosed above, none of the Company or any of its subsidiaries had entered into any contract of significance or contract of significance for provision of services with the Company's controlling shareholder or its subsidiaries during the year.

MANAGEMENT CONTRACTS

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

DIRECTORS' REMUNERATION

Details of the Directors' remuneration during the year are set out in note 13 to the financial statements.

NON-COMPETITION UNDERTAKING BY CONTROLLING SHAREHOLDERS

A deed of non-competition in respect of the Controlling Shareholder was entered into on 23 July 2013 (the "Deed of Non-Competition"). The Controlling Shareholder has confirmed to the Company of its compliance with the Deed of Non-Competition provided to the Company during the year.

The independent non-executive Directors have reviewed and confirmed that the Controlling Shareholder of the Company has complied with the Deed of Non-Competition which has been enforced by the Company in accordance with its terms, and that there was no New Opportunity (as defined in the Prospectus headed "Relationship with Controlling Shareholders — Non-compete undertakings") referred by the Controlling Shareholder to the Company as provided under the Deed of Non-Competition.

董事於重大合約的權益

除上述持續關連交易及財務報表附註34(a)所披露者外，於二零一六年度，並無董事直接或間接於本公司、其控股公司或其任何附屬公司或同系附屬公司訂立任何對本集團業務屬重大的交易、安排或重要合約中擁有重大權益。

控股股東於合約的權益

除上述持續關連交易所披露者外，本公司或其任何附屬公司與本公司控股股東或其附屬公司之間於本年度並無訂立任何重要合約或提供服務的重要合約。

管理合約

本年度並無訂立或存在任何與本公司全部或大部份業務有關的管理及行政事宜的合約。

董事薪酬

董事本年度的薪酬詳情載於財務報表附註13內。

控股股東的不競爭承諾

本公司控股股東已於二零一三年七月二十三日訂立不競爭契據(「不競爭契據」)。控股股東已就其遵守不競爭承諾的條款作出年度聲明。

獨立非執行董事已審閱並確認本公司的控股股東已遵守不競爭承諾，且本公司已根據其條款執行不競爭承諾，以及並無新機會(定義見招股章程「與控股股東的關係 — 不競爭承諾」)由本公司控股股東根據不競爭承諾規定轉介予本公司。

REPORT OF THE DIRECTORS

董事會報告

PENSION SCHEMES

The Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all its qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of trustees. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rates specified in the rules. During FY 2016, the Group contributed approximately HK\$2.3 million to the aforesaid scheme.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 23 July 2013 (the "Adoption Date"). The purpose of the Scheme is to attract and retain the best quality personnel, to provide additional incentives to them to promote the long term success of the Group. Pursuant to the Scheme, the Board may, at its own discretion, grant options to any full-time or part-time employee, executives, officers, directors (including executive, non-executive, and independent non-executive Directors), consultants, advisors, suppliers, customers, agents and other persons whom the Board determines have or will have contribution to the Group.

The maximum number of shares in respect of which options may be granted under the Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue upon the Listing Date, being 40,000,000 Shares (the "Scheme Limit"). Subject to Shareholders' approval in general meeting, the Board may (i) renew this limit at any time to 10% of the shares in issue as at the date of the approval by the Shareholders in general meeting; and/or (ii) grant options beyond the Scheme Limit to eligible participants specifically identified by the Board.

The number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the shares in issue from time to time. No options shall be granted under any schemes of the Company (including the Scheme) if this will result in the limit being exceeded.

The total number of shares issuable upon exercise of the options granted under the Scheme and any other share option schemes of the Company to each eligible participant in any 12-month period shall not exceed 1% of the shares in issue. Any further grant of options is subject to Shareholders' approval in general meeting with such eligible participant and his associates abstaining from voting.

退休金計劃

本集團為所有香港合資格僱員提供強制性公積金計劃(「強積金計劃」)。強積金計劃的資產與本集團的資產分開持有，由受託人控制的基金管理。根據強積金計劃規定，僱主及其僱員須按規定訂明的比率向計劃作出供款。本集團於二零一六年度向上述計劃作出供款約2.3百萬港元。

購股權計劃

本公司於二零一三年七月二十三日(「採納日期」)採納一項購股權計劃(「計劃」)。計劃之目的在於吸引及保留高質素的人員，並向彼等提供額外激勵，以促進本集團長遠業務邁向成功。根據計劃，董事會可酌情授出購股權予任何全職或兼職僱員、行政人員、辦事人員、董事(包括執行、非執行及獨立非執行董事)、諮詢顧問、顧問、供應商、客戶、代理及其他董事會認為對本集團有所貢獻或未來有貢獻的人士。

根據計劃及本公司任何其他購股權計劃可予授出的購股權所涉及股份，合共最多不得超過於上市日期本公司所有已發行股份的10%，即40,000,000股股份(「計劃限額」)。倘若獲股東於股東大會上批准，董事會可(i)隨時更新此限額至該股東大會上獲股東批准當日已發行股份的10%；及/或(ii)授出超過計劃限額的購股權予董事會指定的合資格參與者。

根據計劃及本公司任何其他購股權計劃所授出但尚未行使的所有未行使購股權獲行使時而可予發行的股份總數，於任何時間不得超過不時已發行股份的30%。倘此舉將導致股份總數超逾該限額，則不得根據本公司任何其他計劃(包括計劃)授出購股權。

於任何十二個月期間，每名合資格參與者根據計劃及本公司任何其他購股權計劃獲授的購股權獲行使時而可予發行的股份總數，不得超過已發行股份的1%。任何進一步授出購股權須待股東於股東大會上批准且該合資格參與者及其聯繫人放棄投票後方可作實。

REPORT OF THE DIRECTORS

董事會報告

An option may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof. The Scheme shall be valid and effective for a period of ten years commencing from the Adoption Date.

A consideration of HK\$1.0 is payable on acceptance of the grant of an option. Pursuant to the Scheme, the participants may subscribe for the shares of the Company on exercise of an option at the price determined by the Board provided that it shall be at least the highest of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the shares.

No options had been granted under the Scheme during the year.

SHARE AWARD PLAN

The Company adopted a share award plan (the "Share Award Plan" or the "SAP") on the Adoption Date. Subject to and in accordance with the rules of the SAP, the Board may make an award of shares to certain classes of eligible participants as specified in the SAP, as determined by the Board from time to time on the basis of the Board's opinion as to the proposed awardee's contribution and/or future contribution to the development and growth of the Group. The SAP shall be subject to the administration of the Board, or such committee or such sub-committee or person(s) delegated with the power and authority by the Board to administer the SAP. The shares and other trust fund for the implementation of the Share Award Plan shall be administered by a trustee or trustees (the "Share Award Plan trustee", or the "SAP trustee") to be appointed by the Company. Under the SAP, the Board shall determine the eligibility of the eligible participants and the number of shares to be awarded (the "Awarded Shares") and notify the SAP trustee of the making of awards. The SAP trustee shall then set aside the appropriate number of the Awarded Shares pending the transfer and vest to the relevant participants out of a pool of shares which shall comprise of, among others, shares either (1) (i) transferred to it from any person (other than the Group) by way of gift; or (ii) purchased by the SAP trustee out of the funds received by the SAP trustee by way of gift or for nominal consideration; (2) subscribed for or purchased by the Share Award Plan trustee out of the funds allocated by the Board out of the Group's resources ("Group's Contribution"), subject to the terms and conditions of the rules of the SAP; (3) purchased by the SAP trustee by utilizing any surplus gift contribution, or the net proceeds of the sale of the relevant nil-paid rights, options or warrants allocated to it in respect of the Awarded Shares; (4) which remain unvested and revert to the SAP trustee in accordance with the rules of the SAP.

購股權可根據計劃的條款於董事會可能釐定的期間內隨時行使，惟有關期間自授出日期起計不超過10年，且受有關計劃的提前終止條文所規限。計劃於採納日期起計10年期間內生效及有效。

於接納所授出的購股權時須支付1.0港元的代價。根據計劃，參與者可於行使購股權時按董事會釐定的價格認購本公司股份，惟該價格不得低於下列最高者：(i)股份於授出日期（必須為營業日）在聯交所每日報價表所報的收市價；(ii)股份於緊接授出日期前五個營業日在聯交所每日報價表所報的平均收市價；及(iii)股份的面值。

本年度概無根據計劃授出任何購股權。

股份獎勵計劃

本公司於採納日期採納一項股份獎勵計劃（「股份獎勵計劃」）。在股份獎勵計劃的規則規限下，董事會可向股份獎勵計劃指定的若干類別合資格參與者給予股份作為獎勵，人選由董事會根據建議獲獎人士目前及／或日後對本集團發展及成長所作貢獻不時決定。股份獎勵計劃由董事會或由董事會授權管理該計劃的有關委員會、小組委員會或人士管理。涉及實施股份獎勵計劃的股份及其他信託基金由本公司委任的一名或多名信託人（「股份獎勵計劃信託人」）管理。根據股份獎勵計劃，董事會將決定合資格參與者的資格及將用作獎勵的股份數目（「獎勵股份」），並就給予獎勵事宜通知股份獎勵計劃信託人。股份獎勵計劃信託人須從股份組合中撥出適當數目的獎勵股份以待轉讓及歸屬予相關參與者，股份組合包括（其中包括）(1) (i) 由任何人士（本集團除外）以饋贈方式轉讓予股份獎勵計劃信託人的股份；或(ii) 股份獎勵計劃信託人動用股份獎勵計劃信託人獲贈或以象徵式代價獲得的資金所購入的股份；(2) 股份獎勵計劃信託人動用由董事會從本集團資源劃撥的資金（「集團出資」）在股份獎勵計劃規則所定條款及條件限制下認購或購買的股份；(3) 股份獎勵計劃信託人動用任何饋贈餘款或由出售獎勵股份分配予其的相關未繳股款供股、期權或認股權證所得款項淨額而購買的股份；(4) 尚未歸屬並根據股份獎勵計劃規則歸還予股份獎勵計劃信託人的股份。

REPORT OF THE DIRECTORS

董事會報告

The SAP trustee may purchase shares on the Stock Exchange at the prevailing market prices or off the market. In respect of off-market transactions, purchases shall not be made with any connected person, nor shall the purchase price be higher than the lower of (1) the closing market price on the date of such purchase, and (2) the average closing market price for the five preceding trading days on which Shares of the Company were traded on the Stock Exchange. At the beginning of each financial year of the Group, the Board shall determine the maximum amount of the Group's Contribution to be allocated to the SAP trustee (or via a special purpose vehicle which may be established by the SAP trustee subject to the provisions of the trust deed to be executed by the Company as settlor and the SAP trustee as trustee, shortly as "Share Award Plan SPV") during such financial year, provided that the maximum numbers of Shares which may be awarded for each financial year under the SAP shall not exceed 10% of the total number of Shares in issue at the beginning of such financial year. The Share Award Plan trustee may also subscribe for new Shares at par or at such other subscription price as instructed by the Board out of the Group's Contribution if the Board considers it appropriate to do so. Prior approval from the Company's shareholders is not required for the Directors to allot and issue new Shares under the SAP to the SAP trustee, provided that the Directors have sufficient unissued shares within the general mandate on hand subject to certain limitations under the SAP. The Company shall comply with the relevant listing Rules when granting the Awarded Shares. The legal and beneficial ownership of the relevant awarded Shares shall be vested in the relevant selected participant within 10 business days after the latest of (1) the date specified in the notice of the award given by the Board to the SAP trustee; and (2) where applicable, the date on which the condition(s) or performance target(s) (if any) to be attained by such selected participant as specified in the related notice of award have been attained and notified to the Share Award Plan trustee by the Board in writing. Neither the SAP trustee nor Share Award Plan SPV (if so established and subsisting) shall exercise the voting rights in respect of the Shares held under trust. The Share Award Plan will remain in force for a period of 10 years commencing on the Adoption Date.

No Shares had been awarded under the Share Award Plan during the year.

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

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during FY 2016.

股份獎勵計劃信託人可於聯交所按現行市價或於場外購買股份。對於任何場外交易，不得與任何關連人士進行有關購買，且購買價不得高於下列兩者中較低者：(1)進行有關購買當日的收市價，及(2)本公司股份於之前五個交易日在聯交所錄得的平均收市價。於本集團每個財政年度開始時，董事會須釐定將於該財政年度內撥給股份獎勵計劃信託人(或透過股份獎勵計劃信託人可能根據本公司(以財產授予人身份)將與股份獎勵計劃信託人(以信託人身份)訂立的信託契約所載條文成立的特殊目的公司(簡稱「股份獎勵計劃特殊目的公司」))的集團出資上限，惟各財政年度根據股份獎勵計劃獎勵的股份數目上限不得超過於該財政年度初的已發行股份總數10%。倘董事會認為情況合適，股份獎勵計劃信託人亦可自集團出資中撥款，按面值或董事會指示的其他認購價認購新股份。董事根據股份獎勵計劃向股份獎勵計劃信託人配發及發行新股份，毋須事先徵求本公司股東批准，前提為董事備有不超出現有一般授權的足夠數目未發行股份，且受股份獎勵計劃所載若干限制條件的規限。本公司在授出獎勵股份時，須遵守相關上市規則的規定。相關獎勵股份的合法及實益擁有權須於下列最遲日期後10個營業日內，歸屬予相關選定參與者：(1)董事會發給股份獎勵計劃信託人的獎勵通知上列明的日期；及(2)(在適用情況下)相關獎勵通知中載列的選定參與者應達成的條件或表現目標(如有)已獲達成且董事會書面通知股份獎勵計劃信託人的日期。股份獎勵計劃信託人或股份獎勵計劃特殊目的公司(倘按規定設立及存在)不會行使以信託形式持有的股份所賦予的投票權。股份獎勵計劃將自採納日期起維持有效10年。

本年度概無任何股份根據股份獎勵計劃授出。

購買、出售或贖回本公司上市證券

本公司及其任何附屬公司於二零一六年度概無購買、贖回或出售本公司任何上市證券。

REPORT OF THE DIRECTORS

董事會報告

CORPORATE GOVERNANCE

The Company has applied with all the code provisions as set out in the Corporate Governance Code ("CG Code") as contained in Appendix 14 to the Listing Rules for the FY 2016. Details are set out in the Corporate Governance Report on pages 33 to 44.

TAX RELIEF AND EXEMPTION

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this annual report, the Company has maintained the prescribed minimum public float under the Listing Rules.

AUDITOR

During the year, KPMG resigned as auditors of the Company and BDO Limited were appointed by the Directors to fill the casual vacancy so arising. There have been no other changes of auditors in the past three years.

BDO Limited retire and being eligible, offer itself for re-appointment, and a resolution to this effect shall be proposed at the forthcoming annual general meeting.

On behalf of the Board

Chan Hung Ming
Chairman

Hong Kong, 2 June 2016

企業管治

本公司於二零一六年度已應用上市規則附錄十四內企業管治守則所載的所有守則條文。有關詳情載於第33至44頁的企業管治報告內。

稅務寬減及豁免

本公司概不知悉有任何因股東持有本公司證券而向彼等提供之稅務寬減及豁免。

充足公眾持股量

於本年報日期，就本公司所得公開資料及董事所知悉，本公司保持上市規則所規定的最低公眾持股量。

核數師

本年度，畢馬威會計師事務所辭任本公司核數師，香港立信德豪會計師事務所有限公司獲董事委任以填補由此產生之臨時空缺。於過往三年並無其他核數師變動。

香港立信德豪會計師事務所有限公司將任滿退任，且符合資格並願意應聘續任。本公司將就此於應屆股東週年大會上提呈決議案。

代表董事會

主席
陳孔明

香港，二零一六年六月二日

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Chan Hung Ming, aged 62, is our chairman and executive Director. He is also our Controlling Shareholder. Pursuant to the SFO, Mr. Chan is interested in 395,307,000 Shares, representing 67.39% of the number of the issued shares of the Company, as at the date of this annual report.

Mr. Chan is a co-founder of our Group and has participated in the management of our Group since 1995. He is primarily responsible for formulating the overall strategic development and direction of the business development of our Group. He has accumulated over 42 years' experience in construction and property development field and 8 years' experience data centre premises leasing business.

Mr. Chan holds a Higher Certificate in Building Technology from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University).

Save as disclosed above, Mr. Chan is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Mr. Lau Chi Wah, aged 51, is our executive Director and chief executive officer. Pursuant to the SFO, Mr. Lau is interested in 43,923,000 Shares, representing 7.49% of the number of the issued shares of the Company, as at the date of this annual report.

Mr. Lau is a co-founder of our Group and has participated in the management of our Group since 1995. He is primarily responsible for formulating the overall strategic planning of our Group and overseeing the business development, administrative and compliance matters of our Group. He had over 22 years of audit, accounting and finance experience.

Mr. Lau holds a Honour Diploma in Accountancy from the Lingnan College (now known as the Lingnan University) and Master's Degree in Professional Accounting from the Hong Kong Polytechnic University. He is a fellow of the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Save as disclosed above, Mr. Lau is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

執行董事

陳孔明先生，62歲，為本公司主席兼執行董事。陳先生亦為我們的控股股東。根據證券及期貨條例，於本年報日期，陳先生擁有395,307,000股股份權益，佔本公司已發行股份數目的67.39%。

陳先生為本集團的共同創辦人，自一九九五年起參與本集團的管理。彼主要負責制定本集團業務發展的整體發展策略及方向。彼於建築及物業發展領域擁有逾42年經驗。此外，在數據中心物業租賃業務方面擁有逾8年經驗。

陳先生持有香港理工學院（現稱香港理工大學）頒發的建築技術高級證書。

除上文所披露者外，陳先生與任何現任董事、高級管理層、主要股東或控股股東概無關連。

劉志華先生，51歲，為本公司執行董事兼行政總裁。根據證券及期貨條例，於本年報日期，劉先生擁有43,923,000股股份權益，佔本公司已發行股份數目的7.49%。

劉先生為本集團的共同創辦人，自一九九五年起參與本集團的管理。彼主要負責制定本集團整體策略規劃及監督本集團的業務發展、行政及合規事宜。彼擁有逾22年的審核、會計及財務經驗。

劉先生持有由嶺南學院（現稱嶺南大學）頒發的會計學榮譽文憑及香港理工大學頒授的專業會計碩士學位。彼為香港會計師公會的資深會員。

除上文所披露者外，劉先生與任何現任董事、高級管理層、主要股東或控股股東概無關連。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Yuen Ying Wai, aged 53, is our executive Director. Mr. Yuen joined our Group in 2001 and has participated in the management of our Group since 2007.

Mr. Yuen is responsible for the overall management of the construction and data centre premises leasing business. He has over 32 years' experience in quantity surveying and construction project management and 8 years' experience in the construction of high tier data centre and the related leasing matters.

Mr. Yuen holds a Certificate in Civil Engineering Studies from the Hong Kong Vocational Training Council, a National Certificate in Civil Engineering Studies from Business & Technician Education Council, a Higher Certificate in Civil Engineering from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University), and a Diploma in Surveying from the College of Estate Management in the United Kingdom. He is a member of both the Society of Surveying Technician and the Hong Kong Institute of Surveyors.

As at the date of this annual report, Mr. Yuen did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Yuen is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Mr. Kwan Wing Wo, aged 48, is our executive Director and chief financial officer. Mr. Kwan joined the Group in 2008 and has participated in the management of the Group since then.

Mr. Kwan is responsible for the corporate finance, accounting, taxation, investment and administrative matters of our Group. He has over 25 years' experience in auditing, accounting and finance field. Prior to joining our Group in 2008, Mr. Kwan has held a management position in a listed company in Hong Kong for 12 years and was mainly responsible for its finance, financial reporting obligations, accounting, taxation and administrative matters.

Mr. Kwan holds a Bachelor's Degree in Accountancy from the City University of Hong Kong. He is a fellow of the Association of Chartered Certified Accountants of United Kingdom and a member of the HKICPA.

As at the date of this annual report, Mr. Kwan did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Mr. Kwan is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

袁英偉先生，53歲，為本公司執行董事。袁先生於二零零一年加入本集團，自二零零七年起參與本集團的管理。

袁先生負責建築及數據中心租賃業務的整體管理。彼於工料測量及建築項目管理方面擁有逾32年經驗，並於建造高端數據中心及相關租賃事宜方面擁有逾8年經驗。

袁先生持有由香港職業訓練局頒發的土木工程研究證書、由Business & Technician Education Council頒發的土木工程研究國家證書，由香港理工學院（現稱香港理工大學）頒發的土木工程高級證書及由英國房地產管理學院（College of Estate Management）頒發的測量學文憑。彼為測量員學會及香港測量師學會的會員。

於本年報日期，袁先生概無於股份中擁有證券及期貨條例第XV部界定的任何權益或相關權益。

除上文所披露者外，袁先生與任何現任董事、高級管理層、主要股東或控股股東概無關連。

關永和先生，48歲，為本公司執行董事兼財務總監。關先生於二零零八年加入本集團，並自始參與本集團的管理。

關先生負責本集團的企業財務、會計、稅務、投資及行政事宜。彼在審核、會計及財務領域擁有逾25年經驗。於二零零八年加入本集團前，關先生於一間香港上市公司擔任管理層職位12年，主要負責財務、財務匯報責任、會計、稅務及行政事宜。

關先生持有由香港城市大學頒授的會計學學士學位。彼為英國特許公認會計師公會的資深會員及香港會計師公會會員。

於本年報日期，關先生概無於股份中擁有證券及期貨條例第XV部界定的任何權益或相關權益。

除上文所披露者外，關先生與任何現任董事、高級管理層、主要股東或控股股東概無關連。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tsui Ka Wah, aged 63, is our independent non-executive Director since 23 July 2013. He is also the chairman of the remuneration committee and a member of the audit committee and the nomination committee of the Company.

Mr. Tsui has 29 years of banking experience with the United States and local banks, and has held various management positions in corporate, retail and private banking. Currently he holds the position of chief executive officer of SME Credit Company Limited. He is also an independent non-executive director of Oriental Explorer Holdings Limited (stock code: 430), Multifield International Holdings Limited (stock code: 898) and Southeast Asia Properties & Finance Limited (stock code: 252) respectively, whose shares are listed on the Main Board of the Stock Exchange.

Mr. Tsui holds a Bachelor of Arts Degree and a Master's Degree of Business Administration from the Chinese University of Hong Kong.

As at the date of this annual report, Mr. Tsui did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Mr. Tsui is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Mr. Kan Yau Wo, aged 63, is our independent non-executive Director since 23 July 2013. He is also the chairman of the nomination committee and a member of the audit committee and remuneration committee of the Company.

Mr. Kan has been working with Fujitsu's group of companies for over 30 years and was appointed as the president in Fujitsu Hong Kong Ltd. in 2007 and then the chief executive officer of Fujitsu's South China and Hong Kong Region. Mr. Kan retired from his position in Fujitsu's group of companies in 2011.

Mr. Kan graduated from University of Hull in the United Kingdom with Bachelor of Science (First Class Honour) in Computer Studies and Mathematics in July 1978.

As at the date of this annual report, Mr. Kan did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Mr. Kan is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

獨立非執行董事

徐家華先生，63歲，於二零一三年七月二十三日獲委任為本公司獨立非執行董事。彼亦為本公司薪酬委員會主席以及審核委員會及提名委員會的成員。

徐先生於美資銀行及本地銀行擁有29年銀行業經驗，且於企業銀行、零售銀行及私人銀行擔任過不同管理層職位。彼現時於中小企財務有限公司擔任行政總裁。彼亦分別為東方網庫控股有限公司（股份代號：430）、萬事昌國際控股有限公司（股份代號：898）及華信地產財務有限公司（股份代號：252）的獨立非執行董事，該等公司的股份於聯交所主板上市。

徐先生持有由香港中文大學頒授的文學士學位及工商管理碩士學位。

於本年報日期，徐先生概無於股份中擁有證券及期貨條例第XV部界定的任何權益或相關權益。

徐先生與任何現任董事、高級管理層、主要股東或控股股東概無關連。

簡友和先生，63歲，於二零一三年七月二十三日獲委任為本公司獨立非執行董事。彼亦為本公司提名委員會主席以及審核委員會及薪酬委員會的成員。

簡先生於富士通集團公司工作逾30年，在二零零七年獲任命為Fujitsu Hong Kong Ltd.（富士通香港有限公司）總裁，後任富士通華南及香港區行政總裁。簡先生於二零一一年從富士通集團公司退休。

簡先生於一九七八年七月畢業於英國赫爾大學，獲頒計算機科學及數學理學學士學位（一級榮譽）。

於本年報日期，簡先生概無於股份中擁有證券及期貨條例第XV部界定的任何權益或相關權益。

簡先生與任何現任董事、高級管理層、主要股東或控股股東概無關連。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Mok Kwai Pui Bill, aged 55, is our independent non-executive Director since 23 July 2013. He is also the chairman of the audit committee, and a member of the remuneration committee and the nomination committee of the Company.

Mr. Mok has 28 years' experience in accounting, finance and banking in Hong Kong and Mainland China with specific expertise in managing financial and accounting operations, fund raising, investor relations and executing corporate strategy. Currently he is the chief financial officer of Fortune Oil, a company which was listed in the London Stock Exchange and voluntarily delisted in March 2015.

Mr. Mok holds Bachelor of Arts Degree in Business Administration from the University of Washington in the United States and a Master Degree in Business Administration from the Seattle University in the United States. He is a member of the American Institute of Certified Public Accountants and the HKICPA respectively.

As at the date of this annual report, Mr. Mok did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Mr. Mok is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Mr. Lee Chung Yiu Johnny, aged 72, is our independent non-executive Director since 23 July 2013. He is also a member of the audit committee, remuneration committee and the nomination committee of the Company.

With over 20 years' experience in the field of architecture, Mr. Lee worked in several architect firms including as a director from 1995 to 2009. From 2009, Mr. Lee has been working for an architecture company as a project director.

Mr. Lee graduated from the University of Hong Kong with a Bachelor's Degree in Architecture. He is a member of the Hong Kong Institute of Architects and a registered architect with Architects Registration Board in Hong Kong. Mr. Lee is also an authorised person within the List of Architects maintained by the Buildings Department.

莫貴標先生，55歲，於二零一三年七月二十三日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會主席以及薪酬委員會及提名委員會的成員。

莫先生於香港及中國內地的會計、財務及銀行領域擁有28年經驗，並在管理財務及會計營運、籌募資金、投資者關係及實施企業策略方面具備專業知識。彼擔任Fortune Oil（一家於倫敦證券交易所上市，並於二零一五年三月自願取消上市地位的公司）財務總監。

莫先生持有由美國華盛頓大學頒授的工商管理文學學士學位及由美國西雅圖大學頒授的工商管理碩士學位。彼分別為美國註冊會計師協會及香港會計師公會的會員。

於本年報日期，莫先生概無於股份中擁有證券及期貨條例第XV部界定的任何權益或相關權益。

莫先生與任何現任董事、高級管理層、主要股東或控股股東概無關連。

李宗耀先生，72歲，於二零一三年七月二十三日獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、薪酬委員會及提名委員會的成員。

李先生憑藉在建築界逾二十年經驗，於一九九五年至二零零九年在多家建築師事務所擔任董事。自二零零九年，李先生擔任一家建築公司項目總監。

李先生畢業於香港大學，獲頒建築學學士學位。彼為香港建築師學會會員及香港建築師註冊管理局的註冊建築師。李先生亦為屋宇署保存的建築師名單的認可人士。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

As at the date of this annual report, Mr. Lee did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Mr. Lee is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

SENIOR MANAGEMENT

Mr. Au-Yeung Yiu Wai, aged 58, joined our group in 1997 and is a project director of our construction business responsible for supervising our project managers and overseeing the construction matters. He is also a director of Grand Tech Construction Company Limited. Mr. Au-Yeung possesses more than 35 years' experience in the construction industry.

Mr. Au-Yeung holds a Higher Certificate in Civil Engineering from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University), Bachelor of Science in Building from Brighton Polytechnic (now known as university of Brighton) and a Diploma in Construction Management from the Hong Kong Construction Industry Training Authority. Mr. Au-Yeung is a member of both the Chartered Institute of Building and the Hong Kong Institute of Construction Managers.

Mr. Ng Kwok Fong, aged 45, joined our group in 1998 and is the technical director of our construction business in respect of our building design and construction projects and the Group Risk Officer. He is also a director of Grand Tech Construction Company Limited.

Mr. Ng holds a Bachelor of Engineering in Civil Engineering from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University), a Bachelor of Laws from the University of London and a Master of Laws Degree from the City University of Hong Kong. With dual membership in the Institution of Structural Engineers in the United Kingdom and the Hong Kong Institution of Engineers, Mr. Ng is a chartered engineer of the United Kingdom as well as a registered professional engineer of Hong Kong.

於本年報日期，李先生概無於股份中擁有證券及期貨條例第XV部界定的任何權益或相關權益。

李先生與任何現任董事、高級管理層、主要股東或控股股東概無關連。

高級管理層

歐陽耀偉先生，58歲，於一九九七年加入本集團，為我們建築業務的項目總監，負責管理我們的項目經理及監督建築事宜。彼亦為佳盛建築有限公司的董事。歐陽先生擁有逾三十五年建造業經驗。

歐陽先生持有香港理工學院（現稱香港理工大學）土木工程高級證書、布萊頓理工學院（現稱布萊頓大學）建築學理學士學位及香港建造業訓練局建築管理文憑。歐陽先生為英國特許建造學會及香港營造師學會會員。

伍國方先生，45歲，於一九九八年加入本集團，為我們建築業務的建築設計和施工項目技術總監以及集團風險總監。彼亦為佳盛建築有限公司的董事。

伍先生持有香港理工學院（現稱香港理工大學）土木工程學學士學位、倫敦大學法學學士學位及香港城市大學法學碩士學位。憑藉英國結構工程師學會會員及香港工程師學會會員的雙重身份，伍先生成為英國特許工程師及香港註冊專業工程師。

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Chan Sik Nin, aged 51, joined our group in 2013 and is the general manager of our data centre leasing business responsible for such business development and operation. Mr. Chan possesses more than 12 years' experience in the data centre industry and managed to succeed major deals in providing high-tier data centre services for meeting the stringent requirements from customers. Prior to joining our Group, he was the Vice President of Sales & Business Development, and then re-designated as the Vice President of Corporate Development of iAdvantage Limited, a subsidiary of SUNeVision Holdings Ltd. (stock code: 8008) whose shares are listed on the Growth Enterprise Market of the Stock Exchange.

Mr. Chan holds a Master of Business Administration Degree from the University of Canberra, a Diploma in Marketing & International Business from the Chinese University of Hong Kong, and a Professional Diploma in Business Studies from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University).

COMPANY SECRETARY

Mr. Leung Wai Chuen, aged 50, is the company secretary of the Company since July 2013. Mr. Leung has over 25 years' experience in auditing, accounting, financial management and company secretarial matters. Prior to joining our Group, he worked for and held senior positions in various listed companies in Hong Kong and was responsible for their finance, accounting and company secretarial functions. Currently he is an independent non-executive director of E Lighting Group Holdings limited (stock code: 8222), a company listed on the Growth Enterprise Market of the Stock Exchange.

Mr. Leung is a practicing member of the HKICPA, a fellow of the Association of Chartered Certified Accountants of the United Kingdom and an associate of the Hong Kong Institute of Chartered Secretaries and Institute of Chartered Secretaries and Administrators respectively. He holds a Bachelor's Degree in Social Sciences from the University of Hong Kong, a Master's Degree in Business Administration jointly awarded by the University of Wales and the University of Manchester and a Master's Degree in Business (Logistics Management) from the Royal Melbourne Institute of Technology (now known as RMIT University).

Save as disclosed, each of the senior management and the company secretary of our Company has not been a director of any other publicly listed company during the three years preceding the date of this annual report.

陳錫年先生，51歲，於二零一三年加入本集團，出任我們數據中心租賃業務的總經理，負責其業務發展及營運。陳先生於數據中心行業具備逾十二年經驗，成功承接多項涉及客戶嚴格要求的高端數據中心服務的重大交易。於加入本集團前，彼擔任新意網集團有限公司(股份代號：8008，其股份於聯交所創業板上市)的附屬公司互聯優勢有限公司的銷售與業務部副總裁，其後獲調任該公司企業發展部副總裁。

陳先生持有堪培拉大學(University of Canberra)工商管理碩士學位、香港中文大學市場及國際業務文憑及香港理工學院(現稱香港理工大學)商業學專業文憑。

公司秘書

梁偉泉先生，50歲，自二零一三年七月起為本公司的公司秘書。梁先生在審核、會計、財務管理及公司秘書領域擁有逾二十五年經驗。於加入本集團前，他曾於多家香港上市公司工作及擔任高級職務，負責該等公司的財務、會計及公司秘書職能。彼現時為壹照明集團控股有限公司(一家在聯交所創業板上市的公司，股份代號：8222)的獨立非執行董事。

梁先生為香港會計師公會執業會員、英國特許公認會計師公會資深會員、以及香港特許秘書公會及英國特許秘書及行政人員公會附屬會員。彼持有香港大學社會科學學士學位、英國威爾斯大學及曼徹斯特大學聯合頒發的工商管理碩士學位，以及墨爾本皇家理工學院(現稱墨爾本皇家理工大學)工商(物流管理)碩士學位。

除所披露者外，本公司高級管理層及公司秘書於本年報日期前三年內並無擔任任何其他公眾上市公司的董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMITMENT TO CORPORATE GOVERNANCE

The Company acknowledges the importance of good corporate governance practices and procedures, and regards a pre-eminent board of directors, sound internal controls and accountability to all shareholders as the core elements of its corporate governance principles. The Company endeavours to ensure that its businesses are conducted in accordance with rules and regulations, and applicable codes and standards.

CORPORATE GOVERNANCE CODE

Throughout the FY 2016, the Company has applied the principles and complied with the applicable code provisions set out in the CG Code as contained in Appendix 14 to the Listing Rules.

BOARD OF DIRECTORS

1. Responsibilities of the Board

The Board is primarily responsible for management of the Group, including the responsibilities of formulating business strategies, directing and monitoring the Group's development. Apart from its statutory responsibilities, the Board is also required to approve the Group's strategic development plan and major investments; review the Group's financial performance; identify principal risks of the Group's business and ensure adequate systems of risk management and internal control system. The Board also delegates certain responsibilities to various board committees to deal with different aspects of the Company's affairs.

The day-to-day operations and administration are delegated to the management of the Company under the leadership of the executive Directors.

2. Board Composition

The Board currently comprises eight members, as detailed below:

Executive Directors

Mr. Chan Hung Ming
Mr. Lau Chi Wah
Mr. Yuen Ying Wai
Mr. Kwan Wing Wo

Independent Non-Executive Directors

Mr. Tsui Ka Wah
Mr. Kan Yau Wo
Mr. Mok Kwai Pui Bill
Mr. Lee Chung Yiu Johnny

The biographical details of the Directors are set out on pages 27 to 32 of this annual report. There is no financial, business, family or other material/relevant relationship among members of the Board. A list of Directors and their roles and functions has been published on the Company's website.

對企業管治的承擔

本公司深明良好企業管治常規及程序的重要性，確信傑出的董事會、可靠的內部監控及向股東負責乃企業管治原則的要素。本公司致力確保業務遵照規則及規例，以及適用守則及標準進行。

企業管治守則

本公司於二零一六年度應用上市規則附錄十四企業管治守則所載原則並遵守適用守則條文。

董事會

1. 董事會責任

董事會主要負責本集團的管理，包括負責制訂業務策略、領導及督導本集團的發展。除其法定責任外，董事會亦需要批准企業策略發展計劃及主要投資；審閱集團的財務表現；確定集團業務的主要風險及確保適當的風險管理和內部監控系統。董事會亦委派董事委員會處理各項公司事務。

日常營運及行政事宜授予管理層負責，並由執行董事帶領。

2. 董事會組成

董事會現有以下八位成員：

執行董事

陳孔明先生
劉志華先生
袁英偉先生
關永和先生

獨立非執行董事

徐家華先生
簡友和先生
莫貴標先生
李宗耀先生

董事的個人資料詳列於本年報第27至32頁。董事會成員之間概無任何財務、業務、家族或其他重大／相關的關係。董事名單與其角色和職能已登載於本公司網頁。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board has adopted a board diversity policy with the aim of achieving diversity on the Company's Board. The Company recognises the benefits of having a diverse Board, and sees diversity of perspectives at the Board level as essential in achieving a sustainable and balanced development. In designing the Board's composition, board diversity has been considered from a number of aspects, including but not limited to gender, age, educational background, professional experience, skills, knowledge, industry experience and expertise. All board appointments are based on meritocracy, and candidates will be considered against a variety of criteria, having due regard for the benefits of diversity on the Board.

Currently, the Board comprises all male Directors with diverse backgrounds and/or extensive expertise in corporate management, with over 50% of the Directors possessing professional qualifications.

All executive Directors have served the Group for over five years and all independent non-executive Directors were appointed with effect from the Listing Date. The term of office of all independent non-executive Directors has been fixed for a specific term of not more than three years. The Directors are subject to retirement by rotation and re-election at the Company's annual general meeting ("AGM") in accordance with the Articles.

The Company has complied Rule 3.10(1) of the Listing Rules and met the requirement of Rule 3.10A of the Listing Rules of at least one-third of the members of the Board being independent non-executive Directors. In addition, Mr. Mok Kwai Piu Bill, one of the independent non-executive Directors, has the appropriate professional qualifications, or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules.

董事會已採納董事會多元化政策，務求令本公司之董事會更具多元化。本公司確認並深信董事會成員多元化裨益良多，且將董事會層面之多元化視作達致可持續均衡發展的關鍵元素。本公司在設定董事會成員組合時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、教育背景、專業經驗、技能、知識、行業經驗及專門知識。董事會所有委任均以用人唯才為原則，並在考慮人選時以各種標準充分顧及董事會成員多元化的裨益。

現時董事會由具備多元背景及／或豐富企業管理專業知識的男性董事組成，逾半董事具備專業資歷。

各執行董事已於本集團服務超過五年，而全體獨立非執行董事均於上市日期起獲委任。獨立非執行董事有指定委任年期，但不多於三年。根據細則，董事需要輪值退任，惟符合資格在本公司股東週年大會上重選連任董事。

本公司遵照上市規則第3.10(1)條，同時符合上市規則第3.10A條有關董事會至少三分之一成員為獨立非執行董事的規定。而且其中一名獨立非執行董事，另外，莫貴標先生符合上市規則第3.10(2)條的規定，具備相關專業資格，或會計或財務專業資格。

CORPORATE GOVERNANCE REPORT

企業管治報告

3. Board and Board Committee Meetings

The Board's attendance in the general meetings, board meetings and board committee meetings during FY 2016 are as follows:

Director 董事		Meetings Attended/Held 會議出席次數／總數					Annual	Extraordinary
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	General Meeting 股東週年大會	General Meeting 股東特別大會	
Executive Directors 執行董事								
Mr. Chan Hung Ming	陳孔明先生	5/5	-	-	-	1/1	1/1	
Mr. Lau Chi Wah	劉志華先生	5/5	-	-	-	1/1	1/1	
Mr. Yuen Ying Wai	袁英偉先生	5/5	-	-	-	1/1	1/1	
Mr. Kwan Wing Wo	關永和先生	5/5	-	-	-	1/1	1/1	
Independent Non- Executive Directors 獨立非執行董事								
Mr. Tsui Ka Wah	徐家華先生	5/5	3/3	2/2	1/1	1/1	1/1	
Mr. Kan Yau Wo	簡友和先生	5/5	3/3	2/2	1/1	1/1	1/1	
Mr. Mok Kwai Pui Bill	莫貴標先生	5/5	3/3	2/2	1/1	1/1	1/1	
Mr. Lee Chung Yiu Johnny	李宗耀先生	5/5	3/3	2/2	1/1	1/1	1/1	

4. Conflict of Interest

If a Director has a potential conflict of interest in a matter being considered in the board meeting, he will abstain from voting. Independent non-executive Directors with no conflict of interest will be present at meetings dealing with such conflict of interest issues.

5. Directors' and Officers' Liability Insurance

The Company has appropriate and sufficient insurance coverage relating to directors' and officers' liability to indemnify the Directors and senior management against any potential liabilities arising from the Company's business activities for which such Directors and senior management may be held liable.

3. 董事會及董事委員會會議

董事出席二零一六年度期內之股東會議、董事會會議及委員會會議的記錄載列如下：

Meetings Attended/Held

會議出席次數／總數

Director 董事		Meetings Attended/Held 會議出席次數／總數					Annual	Extraordinary
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	General Meeting 股東週年大會	General Meeting 股東特別大會	
Executive Directors 執行董事								
Mr. Chan Hung Ming	陳孔明先生	5/5	-	-	-	1/1	1/1	
Mr. Lau Chi Wah	劉志華先生	5/5	-	-	-	1/1	1/1	
Mr. Yuen Ying Wai	袁英偉先生	5/5	-	-	-	1/1	1/1	
Mr. Kwan Wing Wo	關永和先生	5/5	-	-	-	1/1	1/1	
Independent Non- Executive Directors 獨立非執行董事								
Mr. Tsui Ka Wah	徐家華先生	5/5	3/3	2/2	1/1	1/1	1/1	
Mr. Kan Yau Wo	簡友和先生	5/5	3/3	2/2	1/1	1/1	1/1	
Mr. Mok Kwai Pui Bill	莫貴標先生	5/5	3/3	2/2	1/1	1/1	1/1	
Mr. Lee Chung Yiu Johnny	李宗耀先生	5/5	3/3	2/2	1/1	1/1	1/1	

4. 利益衝突

倘若董事於董事會將予考慮的事項中存有潛在利益衝突，彼須放棄表決。無利益衝突的獨立非執行董事將出席會議處理有關利益衝突的事項。

5. 董事及高級職員責任保險

本公司已為董事及高級職員責任投購適合及充分的保險，以彌償董事及高級管理層可能需要承擔任何因本公司業務所產生的潛在責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

6. Directors' Time Commitments and Trainings

The Company has received confirmation from each Director that he had sufficient time and attention to the affairs of the Company for the year. The Directors have disclosed to the Company the number and nature of offices they held in Hong Kong or overseas listed public companies or organisations and other significant commitments, with the identity of the public companies and organisations and an indication of the time involved. They are reminded to notify the Company in a timely manner of any changes of such information. All Directors are encouraged to attend the Board meeting and board committee meeting in person. For the Directors and committee members who are unable to attend the meeting, participation through electronic means is arranged and available.

All Directors, namely, Mr. Chan Hung Ming, Mr. Lau Chi Wah, Mr. Yuen Ying Wai, Mr. Kwan Wing Wo, Mr. Tsui Ka Wah, Mr. Kan Yau Wo, Mr. Mok Kwai Pui Bill and Mr. Lee Chung Yiu Johnny, had participated in continuous professional development with respect to directors duties, relevant programmes and seminars, in compliance with code provision A.6.5 of the CG Code. A record of the Directors' participation in such programmes is kept by the Company. Reading materials on the latest developments or updates in connection to the Group's businesses, accounting, regulatory and corporate governance aspects were provided to the Directors. They also received monthly financial highlights provided by the management.

CHAIRMAN AND CHIEF EXECUTIVE

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

The Chairman and the Chief Executive Officer are currently two separate positions held by Mr. Chan Hung Ming and Mr. Lau Chi Wah respectively with clear distinction in responsibilities.

Mr. Chan Hung Ming, being the Chairman, is responsible for the management and leadership of the Board to formulate overall strategies and business development directions for the Group, to ensure that adequate, complete and reliable information is provided to all Directors in a timely manner, and to ensure that the issues raised at the Board meetings are explained appropriately.

Mr. Lau Chi Wah, being the Chief Executive Officer, is responsible for the daily operations of the Group and the implementation of business policies, objectives and plans as formulated and adopted by the Board, and is accountable to the Board for the overall operation of the Group.

6. 董事投入時間及培訓

本公司已接獲每名董事確認於本年度投入足夠時間及充分關注本公司事務。董事已向本公司披露彼等於香港或海外上市的公眾公司或機構擔任職務的數目及性質，以及其他重大承擔，並提供公眾公司或機構的名稱和擔任有關職務所涉及的時間。已提示彼等應向本公司適時披露該等資料的任何變更。本公司敦請全體董事及董事委員會成員親身出席董事會及董事委員會會議。倘董事及董事委員會成員無法出席會議，則會安排透過電子方式參與會議。

全體董事，即陳孔明先生、劉志華先生、袁英偉先生、關永和先生、徐家華先生、簡友和先生、莫貴標先生及李宗耀先生已遵照企業管治守則條文第A.6.5條，均曾參與有關董事職責的持續專業發展、相關講座及研討會。董事已向本公司提供該等培訓的記錄。本集團的業務、會計、監管和企業管治方面的最新發展和更新已提供給董事會閱讀。彼等亦收取由管理層提供的每月財務摘要。

主席及行政總裁

企業管治守則守則條文第A.2.1條訂明，主席與行政總裁的角色應有區分，且不應由一人同時兼任。

主席及行政總裁目前分別由陳孔明先生及劉志華先生擔任，兩者的責任有明確區分。

主席陳孔明先生負責管理及領導董事會制定本集團總體策略及業務發展方向，以確保向全體董事及時提供充分、完整及可靠的資料，並確保董事會會議上提出的問題得到適當解釋。

行政總裁劉志華先生負責本集團日常營運，實施由董事會制定及採納的業務政策、目標及計劃，並就本集團的整體營運向董事會負責。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties. Given below are the main corporate governance duties of the Board:

- (i) to develop and review the Company's policies and practices on corporate governance;
- (ii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (iii) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Group and the Directors; and
- (iv) to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

BOARD COMMITTEES

The Board has established three committees, namely, the remuneration committee, audit committee and nomination committee, for overseeing particular aspects of the Group's affairs and discharging its functions. Sufficient resources are provided to enable the Board committees to undertake their specific role.

1. Remuneration Committee

The Company established the remuneration committee on 23 July 2013 with written terms of reference in compliance to Rule 3.25 of the Listing Rules. The written terms of reference are posted on the Company's website and the website of the Stock Exchange.

The primary duties of the remuneration committee are to make recommendation to the Board on the remuneration policy, structure and remuneration package relating to Directors and senior management of the Group and to ensure none of the Directors determine their own remuneration. The remuneration committee consists of four independent non-executive Directors, and the chairman of the committee is Mr. Tsui Ka Wah.

During FY 2016, the remuneration committee held two meetings to review the remuneration policy and structure, assess the performance of executive Directors and make recommendations to the Board on the annual remuneration packages of the executive Directors and senior management and other related matters.

企業管治職能

董事會負責履行企業管治職責。以下為董事會之主要企業管治職責：

- (i) 制訂及檢討本公司的企業管治政策及常規；
- (ii) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (iii) 制訂、檢討及監督適用於本集團僱員及董事的操守準則及合規手冊(如有)；及
- (iv) 檢討本公司遵守管治守則的情況及於企業管治報告內作出披露。

董事委員會

董事會已成立三個委員會，即薪酬委員會、審核委員會及提名委員會，以監察本集團特定方面的事務及履行職責。董事委員會具備充足資源以履行其職責。

1. 薪酬委員會

本公司於二零一三年七月二十三日成立薪酬委員會，並遵照上市規則第3.25條制定書面職權範圍。有關書面職權範圍已於本公司及聯交所網站登載。

薪酬委員會之主要職能為就本集團的董事及高級管理層之薪酬政策及架構向董事會提出推薦建議，並釐定董事及高級管理層之薪酬待遇。以確保無任何董事可自行釐定其薪酬。薪酬委員會由四名獨立非執行董事組成。徐家華先生為薪酬委員會的主席。

薪酬委員會於二零一六年度舉行兩次會議，以檢討薪酬政策及結構，評估執行董事的表現，同時向董事會就執行董事及高級管理層的年度薪酬待遇以及其他相關事宜提出建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

Details of remuneration of Directors and senior management are set out in note 13 and 14(b) to the financial statements respectively.

2. Audit Committee

The Company established the audit committee on 23 July 2013 with written terms of reference in compliance with Rule 3.21 of the Listing Rules. During the year, the terms of reference of audit committee were revised to include risk management functions with effect from 1 April 2016. The revised terms of reference have been posted on the Company's website and the website of the Stock Exchange.

The primary duties of the audit committee, among other things, are to make recommendation to the Board on the appointment, re-appointment and removal of external auditors; to review the financial statements, risk management and internal control systems; and to oversee the financial reporting and the effectiveness of the internal control procedures. The audit committee consists of four independent non-executive Directors, and the chairman of the committee is Mr. Mok Kwai Pui Bill, who holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules.

The audit committee held three meetings during the FY 2016. The committee members also met in separate session with the external auditor without the presence of executive Directors.

The work of the audit committee during the year included:

- (i) review the audited financial statements and annual results announcement for the year ended 31 March 2015;
- (ii) review the unaudited interim report and interim results announcement for the six months ended 30 September 2015;
- (iii) review the work of internal control advisor on assessing the effectiveness of the Group's internal control system;
- (iv) recommend the appointment of new external auditor following the resignation of the then external auditor on 28 January 2016;
- (v) review the revised terms of reference of audit committee.

The Group's audited financial statements and annual results announcement for the year ended 31 March 2016 were reviewed by the audit committee on 2 June 2016.

董事及高級管理層薪酬的詳情分別載於財務報表附註 13 及 14(b)。

2. 審核委員會

本公司於二零一三年七月二十三日成立審核委員會，並遵照上市規則第 3.21 條制定書面職權範圍。本年度審核委員會的職權範圍已修訂包含風險管理職能，自二零一六年四月一日起生效。有關修訂的書面職權範圍已於本公司及聯交所網站登載。

審核委員會之主要職責為(其中包括)就外聘核數師之委任、續聘及罷免向董事會提供推薦意見；審閱財務報表、風險管理及內部監控系統；以及監督財務申報及內部監控程序的成效。審核委員會由四名獨立非執行董事組成。莫貴標先生為審核委員會的主席，彼具備上市規則第 3.10(2) 及 3.21 條規定的合適專業資格。

審核委員會於二零一六年度舉行三次會議。委員會成員亦與外聘核數師單獨會議，會上並無執行董事在場。

審核委員會於本年度的工作包括：

- (i) 審閱截至二零一五年三月三十一日止年度的經審核財務報表及全年業績公佈；
- (ii) 審閱截至二零一五年九月三十日止六個月的未經審核中期報告及中期業績公佈；
- (iii) 審閱內部監控顧問對本集團內部監控系統的成效之評估；
- (iv) 當時任外聘核數師於二零一六年一月二十八日辭任後建議及聘任新外聘核數師；
- (v) 審閱經修訂審核委員會的職權範圍。

本集團截至二零一六年三月三十一日止年度的經審核財務報表及全年業績公佈已由審核委員會於二零一六年六月二日審閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

3. Nomination Committee

The Company established the nomination committee on 23 July 2013 with written terms of reference in compliance with A.5 of Appendix 14 of the Listing Rules. The written terms of references are posted on the Company's website and the websites of the Stock Exchange.

The primary duties of the nomination committee are to review the structure, size and composition of the Board on regular basis; to identify individuals suitably qualified to become Board members; to assess the independence of independent non-executive Directors; and to make recommendations to the Board on the appointment or re-appointment of Directors. The nomination committee consists of four independent non-executive Directors, and the chairman of the committee is Mr. Kan Yau Wo.

The nomination committee held one meeting during FY 2016 to review the size and composition and diversity of the Board by taking into account the necessary balance of skills and experience appropriate for the requirements of the business development of the Group and for effective leadership.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in the Appendix 10 to the Listing Rules as its code of conduct regarding Directors' securities transactions. Having made specific enquires to all Directors by the Company, all Directors confirmed their compliance with the required standard set out in the Model Code throughout the FY 2016.

FINANCIAL REPORTING

The Directors acknowledge that it is their responsibility to prepare the financial statements that give a true and fair view of the Group's affairs and of its results and cash flow in accordance with Hong Kong Financial Reporting Standards, the Companies Ordinance (Cap 622) and the applicable disclosures provisions of the Listing Rules. The management provides information and explanation to the Board to enable it to make an informed assessment of the financial and other decisions by the Board. Accordingly, appropriate accounting policies are selected and applied consistently, and judgements and estimates made by the management for financial reporting purpose are prudent and reasonable.

The responsibilities of the external auditor for the consolidated financial statements of the Group are set out in the Independent Auditor's Report on pages 45 to 46 of this annual report.

3. 提名委員會

本公司於二零一三年七月二十三日成立提名委員會，並遵照上市規則附錄十四第A.5條制定書面職權範圍。有關書面職權範圍已於本公司及聯交所網站登載。

提名委員會之主要職責為定期檢討董事會之架構、人數及組成；物色具備合適資格可擔任董事之人選；評核獨立非執行董事之獨立身分；及就董事委任或再度委任向董事會提出推薦意見。提名委員會由四名獨立非執行董事組成。簡友和先生為提名委員會的主席。

提名委員會於二零一六年度舉行一次會議，以考慮平衡本集團業務發展需求和有效領導所需技能與經驗，檢討董事會的人數、組成及成員多元化。

董事之證券交易

本公司已採納上市規則附錄十所載之標準守則，作為監察董事進行證券交易的操守守則。經本公司向全體董事作出具體查詢後，全體董事均確認彼等於二零一六年度內一直遵守標準守則所規定的準則。

財務報告

董事知悉需負責根據香港財務報告準則，香港公司條例（第622章）及上市規則適用的披露規定編製財務報表，且真實而公平反映本集團業務、業績及現金流量。管理層向董事會提供資料及解釋，讓董事可就財務及其他董事會決定，作出知情評估。因此，選用適當的會計政策，並且貫徹應用，及管理層對財務報告所作的判斷和評估是審慎和合理。

外聘核數師就彼等對本集團綜合財務報表的責任聲明已載於本年報第45至46頁之獨立核數師報告內。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITOR'S REMUNERATION

The remuneration in respect of audit and non-audit services provided by the Company's external auditor to the Group during FY 2016 are approximately HK\$760,000 (2015: HK\$1,680,000) and HK\$577,000 (2015: HK\$693,000) respectively. The non-audit services mainly include the review of the Group's interim financial report and tax advisory services.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has the overall responsibility for maintaining a sound and effective system of internal controls and risk management. The Board has identified the top risks of the Group and determined how much risk the Board is willing to take to achieve the Group's strategic objectives. During FY 2016, an in-house internal audit department had been set up. In addition, the Group established a risk management system based on the "Three Lines of Defence" model. Each business unit is required to identify and manage risks on a day-to-day basis as the first line of defence. The Group Risk Officer, a new position in the Group and acting as the second line of defence, provides oversight of the risk management activities of the first line of defence. Internal auditor, as the third line of defence, provides independent and objective assurance on the overall effectiveness of the internal control and risk management system.

The audit committee had reviewed the adequacy and effectiveness of the Group's risk management and internal controls system based on the assessments made by the Group Risk Officer and the review report audit undertaken by the internal control advisor and internal auditor. The Board, through the review by the audit committee, considers that the Group's internal control and risk management system is effective and adequate.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make informed investment decisions.

The general meetings of the Company are expected to provide a forum for communication between the Board and the shareholders. The Chairman of the Board as well as chairmen of the board committees and, in their absence, other members of the respective committees are available to answer questions at shareholder meetings. The Company's external auditor is also invited to attend the AGM to answer questions about the conduct of the audit and the preparation and content of the Independent Auditor's Report.

核數師酬金

就本公司外聘核數師於二零一六年度向本集團提供的審計及非審計服務的酬金分別約為760,000港元(二零一五年：1,680,000港元)及577,000港元(二零一五年：693,000港元)。非審計服務主要包括審閱本集團中期財務報告及稅務顧問服務。

風險管理及內部控制

董事會就維持健全有效之內部監控和風險管理系統承擔整體責任。董事會已辨識本集團所面對的最大風險，並確定董事會為達致本集團的戰略目標而願意承受的風險水平。內部審計部經已於二零一六年度成立。此外，本集團基於「三道防線」模式設立其風險管理系統。第一道防線，各業務單位的營運經理各自承擔及監控日常風險。集團風險總監(本集團新設職位)作為第二道防線，則為第一道防線的風險管理活動提供監督。內部審計師作為第三道防線，對風險管理系統的整體效益提供獨立及客觀的保證。

審核委員會根據集團風險總監所作的評估及內部控制顧問和內部審計師發出的檢討報告，審閱本集團之風險管理及內部監控系統的適切性和效率。經過審核委員會的審閱，董事會認為本集團的內部監控和風險管理系統是有效和足夠。

與股東及投資者的溝通

本公司認為，與股東有效溝通乃促進與投資者關係及讓投資者了解本集團業務表現及策略所必需。本公司亦明白公司資料保持透明並及時披露公司資料以便股東及投資者能夠作出知情投資決定之重要性。

本公司股東大會有望為董事會與股東提供溝通平台。董事會主席以及各董事委員會主席(如彼等未能出席，則各委員會其他成員)將出席股東大會回答提問。本公司外聘核數師亦獲邀出席股東週年大會回答與審計工作以及獨立核數師報告的編製及內容有關的提問。

CORPORATE GOVERNANCE REPORT

企業管治報告

To promote effective communication, the Company maintains a website at www.grandming.com.hk, where information and updates on the Group's business developments and operations, financial information, corporate governance practices and other information are available for public access.

The Company has established a shareholders' communication policy and posted it on the Company's website since the Listing Date and will review it on a regular basis to ensure its effectiveness.

SHAREHOLDER RIGHTS

1. Convening Extraordinary General Meetings ("EGM")

The following procedures for shareholders to convene an EGM of the Company are prepared in accordance with the Articles:

- (i) One or more Shareholders ("Requisitionist(s)") holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings, shall have the right, by written notice, to require an EGM to be called by the directors for the transaction of any business specified in such requisition.
- (ii) Such requisition shall be made in writing to the Board or the company secretary of the Company by post to the Company's headquarter in Hong Kong at 19/F, Railway Plaza, 39 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong, or by email to info@grandming.com.hk.
- (iii) The EGM shall be held within two months after the deposit of such requisition.
- (iv) If the Board fails to proceed to convene the EGM within 21 days of such deposit, the Requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the Board shall be reimbursed to the Requisitionist(s) by the Company.

為促進有效溝通，本公司設有網站 www.grandming.com.hk，網站載有本集團業務發展及營運、財務資料、企業管治常規及其他資料及各項更新，以供公眾人士查閱。

本公司已制定股東通訊政策，自上市日期起於本公司網站登載，並將定期檢討以確保其成效。

股東權利

1. 召開股東特別大會

以下為股東根據細則召開本公司股東特別大會的程序：

- (i) 須於一名或多名於遞呈要求當日持有不少於本公司有權於股東大會上投票的繳足股本十分之一的股東（「遞呈要求人士」）要求時召開，彼等將有權以書面形式向董事就有關要求中指明的任何業務交易召開股東特別大會。
- (ii) 該項要求須以書面形式以郵寄至本公司地址位於香港九龍尖沙咀漆咸道南39號鐵路大廈19樓的香港總辦事處或電郵至 info@grandming.com.hk 的方式向董事會或本公司公司秘書提呈。
- (iii) 股東特別大會須於該項要求遞呈後兩個月內舉行。
- (iv) 倘董事會未有於有關遞呈後二十一日內召開股東特別大會，則遞呈要求人士可自行以相同方式召開大會，而本公司須向遞呈要求人士償付所有由遞呈要求人士因董事會未能召開大會而產生的所有合理開支。

CORPORATE GOVERNANCE REPORT

企業管治報告

2. Procedures for Putting Forward Proposals at Shareholders' Meetings

- (i) Proposal for election of a person other than a Director as a Director:

A shareholder may propose a person other than a retiring Director ("Candidate") for election as a director at a general meeting by lodging the following documents at the headquarter of the Company in Hong Kong or the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services limited, at level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong:

- (a) a written notice ("Proposal Notice") of the intention to propose the Candidate for election as a Director, which must (i) state the information of the Candidate as required by Rule 13.51(2) of the Listing Rules, which is available on the Stock Exchange's website (www.hkex.com.hk) and (ii) must be signed by the shareholder; and
- (b) a written notice ("Consent Notice") by the Candidate, which must (i) indicate his/her willingness to be elected as a Director and consent to the publication of his/her personal information as required by Rule 13.51(2) of the Listing Rules; and (ii) must be signed by the Candidate.

The Proposal Notice and the Consent Notice shall be lodged for a period of at least 7 clear days commencing no earlier than the day after the despatch of the notice of the general meeting and ending no later than 7 clear days before the date of such general meeting.

2. 於股東大會上提出議案之程序

- (i) 提名一名董事以外之人士參選董事之議案：

倘股東有意於股東大會提呈一名退任董事以外的人選(「候選人」)參選董事，其須將以下文件遞交予本公司的香港總辦事處或本公司股份過戶登記香港分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心22樓：

- (a) 提呈候選人參選董事的書面通知(「提名通知」)必須(i)根據上市規則第13.51(2)條載有候選人的資料，有關規定登載於聯交所網站(www.hkex.com.hk)；及(ii)必須經股東簽署；及
- (b) 候選人的書面通知(「同意通知」)必須(i)表明其願意參選董事的意向，以及同意根據上市規則第13.51(2)條刊登其個人資料；及(ii)必須經候選人簽署。

提名通知及同意通知須於寄發股東大會通告當日起至少七個完整日及不遲於有關股東大會日期前七個完整日期間提交。

CORPORATE GOVERNANCE REPORT

企業管治報告

(ii) Other Proposals:

If a Shareholder wishes to make other proposals (the "Proposal(s)") at a general meeting, he/she may lodge a written request, duly signed, at the head office of the Company in Hong Kong.

The notice period to be given to all the Shareholders for consideration of the Proposal raised by the Shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:

1. Notice of not less than 21 clear days and not less than 20 clear business days in writing if the Proposal requires approval in an annual general meeting of the Company.
2. Notice of not less than 21 clear days and not less than 10 clear business days in writing if the Proposal requires approval by way of a special resolution in an extraordinary general meeting of the Company.
3. Notice of not less than 14 clear days and not less than 10 clear business days in writing if the Proposal requires approval by way of an ordinary resolution in an extraordinary general meeting of the Company.

3. Procedures for Directing Shareholders' Enquiries to the Board

Shareholders may send their enquiries in writing with their detailed contact information to the company secretary of the Company or the Board either by:

- (i) Post to the Company's headquarter in Hong Kong at 19/F, Railway Plaza, 39 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong; or
- (ii) Email to info@grandming.com.hk

(ii) 其他議案：

如股東有意於股東大會上提呈其他議案(「議案」)，彼可將經正式簽署之書面請求交往本公司於香港之總公司。

就股東提出於股東大會上考慮之議案而向全體股東發出通知之通知期，將根據議案之性質而有所不同，詳情如下：

- (1) 倘議案須於本公司股東週年大會上取得批准，則須發出不少於二十一個完整日及不少於二十個完整營業日之書面通知。
- (2) 倘議案須於本公司股東特別大會上以特別決議案之形式取得批准，則須發出不少於二十一個完整日及不少於十個完整營業日之書面通知。
- (3) 倘議案須於本公司股東特別大會上以普通決議案之形式取得批准，則須發出不少於十四個完整日及不少於十個完整營業日之書面通知。

3. 股東向董事會提出查詢的程序

股東可經以下方式向本公司公司秘書或董事會提交書面查詢連同其聯絡詳情：

- (i) 郵寄至本公司地址位於香港九龍尖沙咀漆咸道南39號鐵路大廈19樓的香港總辦事處；或
- (ii) 電郵至 info@grandming.com.hk

CORPORATE GOVERNANCE REPORT

企業管治報告

CONSTITUTIONAL DOCUMENTS

During FY 2016, the Company did not amend its constitutional documents.

COMPANY SECRETARY

The company secretary supports the chairman, the Board and the Board committees by ensuring good information flow and Board policy and procedures are followed. The company secretary is an employee of the Company and is appointed by the Board. The company secretary reports to the chairman and chief executive officer. All directors may call upon him for advice and assistance at any time in respect of his duties. The company secretary obtained a practitioner's endorsement of The Hong Kong Institute of Chartered Secretaries and has taken no less than 15 hours of relevant professional training in compliance with the Rule 3.29 of the Listing Rules. The biographical details of the company secretary are shown on page 32 of this annual report.

章程文件

本公司於二零一六年度並無修訂其章程文件。

公司秘書

公司秘書支援主席、董事會及董事委員會，確保資訊無阻以及遵循董事會政策及程序。公司秘書為本公司僱員並由董事會委任。公司秘書向主席及行政總裁匯報。所有董事可隨時要求公司秘書提供有關其職責的意見和協助。公司秘書持有香港特許秘書公會執業者認可證明，並已參與不少於十五小時的相關專業培訓，符合上市規則第3.29條。公司秘書的個人履歷載於本年報第32頁。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話：+852 2218 8288
傳真：+852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

To the shareholders of Grand Ming Group Holdings Limited (Incorporated in the Cayman Islands with limited liability)

致佳明集團控股有限公司列位股東
(於開曼群島註冊成立的有限公司)

We have audited the consolidated financial statements of Grand Ming Group Holdings Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 47 to 131, which comprise the consolidated statement of financial position as at 31 March 2016, 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 cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

吾等已審核載於第47至131頁佳明集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一六年三月三十一日的綜合財務狀況表，以及截至該日止的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他解釋資料。

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 Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並負責其認為就編製綜合財務報表所必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

AUDITOR'S 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, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

核數師的責任

吾等的責任是根據吾等的審核對該等綜合財務報表作出意見，僅為閣下整體而編製並不為其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。

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.

吾等已根據香港會計師公會頒佈的香港審核準則進行審核。該等準則要求吾等遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT (Continued)

獨立核數師報告(續)

AUDITOR'S RESPONSIBILITY (Continued)

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 auditor's 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 auditor considers 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 financial position of the Group as at 31 March 2016 and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BDO Limited

Certified Public Accountants

Wan Che Bun

Practising Certificate Number P05804

Hong Kong, 2 June 2016

核數師的責任(續)

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製真實而公平的綜合財務報表相關的內部控制，以設計適當的審核程序，但目的並非對實體內部控制成效發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作會計估計的合理性，以及評價綜合財務報表的整體呈報方式。

吾等相信，吾等所得審核憑證能充足及適當地為吾等的審核意見提供基礎。

意見

吾等認為，綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於二零一六年三月三十一日的財務狀況及其截至該日止年度的財務表現及現金流量，並已按照香港公司條例之披露規定妥善編製。

香港立信德豪會計師事務所有限公司

執業會計師

尹子斌

執業證書編號 P05804

香港，二零一六年六月二日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 March 2016 (Expressed in Hong Kong dollars)
截至二零一六年三月三十一日止年度(以港元列示)

		Note 附註	2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Revenue	收益	7	967,579	846,174
Direct costs	直接成本		(798,340)	(679,398)
Gross profit	毛利		169,239	166,776
Other revenue	其他收益	8	1,889	3,619
Other net income	其他收入淨額	9	3,157	3,053
General and administrative expenses	一般及行政開支		(14,136)	(13,427)
Increase in fair value of investment properties	投資物業之公平值增加	17	285,195	211,723
Profit from operations	經營溢利		445,344	371,744
Finance costs	財務成本	10(a)	(18,234)	(19,595)
Profit before taxation	除稅前溢利	10	427,110	352,149
Income tax	所得稅	11	(25,181)	(24,336)
Profit for the year	本年度溢利		401,929	327,813
			HK cents 港仙	HK cents 港仙 (Restated) (重列)
Earnings per share (note)	每股盈利(附註)			
— Basic and Diluted	— 基本及攤薄	16	68.5	55.9

Note: Basic and diluted earnings per share for the year ended 31 March 2015 have been restated for the impact of the bonus issue of shares as explained in notes 26(iv) and 26(v).

附註：誠如附註26(iv)及26(v)所闡述，截至二零一五年三月三十一日止年度的每股基本及攤薄盈利已就發行紅股的影響予以重列。

Details of dividends payable to owners of the Company attributable to the profit for the year are set out in note 15(a).

屬於本年溢利應付予本公司擁有人的股息詳情載於附註15(a)。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2016 (Expressed in Hong Kong dollars)
截至二零一六年三月三十一日止年度(以港元列示)

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Profit for the year	本年度溢利	401,929	327,813
Other comprehensive income	其他全面收益		
<i>Items that may be reclassified subsequently to profit or loss:</i>	其後可能重新分類至損益的項目：		
Available-for-sale securities:	可供出售證券：		
Change in fair value	公平值變動	(1,361)	(797)
Reclassification adjustment for impairment loss transferred to profit or loss	減值虧損重新調整分類至損益表	2,191	-
		830	(797)
Cash flow hedges:	現金流量對沖：		
Change in fair value, net of tax	公平值變動，扣除稅項	(3,262)	6,571
Reclassification adjustment for gain on cash flow hedging instrument transferred to profit or loss	現金流量對沖調整重新分類至損益表	(3,988)	-
		(7,250)	6,571
Other comprehensive income for the year, net of tax	本年度其他全面收益，扣除稅項	(6,420)	5,774
Total comprehensive income for the year	本年度全面收益總額	395,509	333,587

The notes on pages 54 to 131 form part of these financial statements.

第54至131頁所載附註屬於該等財務報表一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2016 (Expressed in Hong Kong dollars)
於二零一六年三月三十一日(以港元列示)

			2016 二零一六年	2015 二零一五年
		Note 附註	\$'000 千元	\$'000 千元
Non-current assets	非流動資產			
Fixed assets	固定資產	17		
— Investment properties	— 投資物業		3,290,000	2,985,000
— Property, plant and equipment	— 物業、廠房及設備		128,765	716
			3,418,765	2,985,716
Deferred tax assets	遞延稅項資產	11(c)	45	—
Other financial assets	其他金融資產	18	12,809	14,170
			3,431,619	2,999,886
Current assets	流動資產			
Gross amount due from customers for contract work	應收客戶合約工程毛額	19	18,815	72,574
Trade and other receivables	應收賬款及其他應收款項	20	206,185	232,632
Restricted and pledged deposits	受限制及已抵押存款	21	53,616	45,984
Cash and bank balances	現金及銀行結存	21	119,565	131,562
			398,181	482,752
Current liabilities	流動負債			
Gross amount due to customers for contract work	應付客戶合約工程毛額	19	17,292	7,616
Trade and other payables	應付賬款及其他應付款項	22	219,795	237,599
Bank loans	銀行貸款	23	125,546	147,880
Derivative financial instruments	衍生金融工具	24	—	5,236
Tax payable	應付稅項	11(c)	7,815	6,150
			370,448	404,481
Net current assets	流動資產淨值		27,733	78,271
Total assets less current liabilities	總資產減流動負債		3,459,352	3,078,157

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

綜合財務狀況表(續)

As at 31 March 2016 (Expressed in Hong Kong dollars)
於二零一六年三月三十一日(以港元列示)

			2016 二零一六年	2015 二零一五年
		Note 附註	\$'000 千元	\$'000 千元
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	23	944,709	926,973
Deferred tax liabilities	遞延稅項負債	11(c)	32,386	31,117
Derivative financial instruments	衍生金融工具	24	8,530	158
			985,625	958,248
NET ASSETS	資產淨值		2,473,727	2,119,909
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	26	5,866	4,848
Reserves	儲備		2,467,861	2,115,061
TOTAL EQUITY	總權益		2,473,727	2,119,909

Approved and authorised for issue by the board of directors on 2 June 2016

董事會於二零一六年六月二日批准及授權刊發

Chan Hung Ming

陳孔明
Director
董事

Lau Chi Wah

劉志華
Director
董事

The notes on pages 54 to 131 form part of these financial statements.

第54至131頁所載附註屬於該等財務報表一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2016 (Expressed in Hong Kong dollars)
截至二零一六年三月三十一日止年度(以港元列示)

			Share capital	Share premium	Fair value reserve	Hedging reserve	Retained profits	Total equity
		Note	股本	股份溢價	公平值儲備	對沖儲備	保留溢利	總權益
		附註	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
			千元	千元	千元	千元	千元	千元
At 1 April 2014	於二零一四年四月一日		4,000	98,934	(33)	(6,443)	1,723,971	1,820,429
Changes in equity for 2015: 二零一五年權益變動:								
Profit for the year	本年度溢利		-	-	-	-	327,813	327,813
Other comprehensive income	其他全面收益	12(b)	-	-	(797)	6,571	-	5,774
Total comprehensive income for the year	本年度全面收益總額		-	-	(797)	6,571	327,813	333,587
Shares issued under the scrip dividend scheme	根據以股代息計劃而發行之股份	26(i)	7	2,796	-	-	-	2,803
Issue of new shares under the bonus issues	根據紅股發行而發行之新股份	26(ii),(iii)	841	(841)	-	-	-	-
Interim dividend declared and paid in respect of the current year	已宣派及支付本年度的中期股息	15(a)	-	-	-	-	(18,510)	(18,510)
Final dividend approved in respect of the previous year	批准屬於上一年度的末期股息	15(b)	-	-	-	-	(18,400)	(18,400)
At 31 March 2015 and 1 April 2015	於二零一五年三月三十一日及二零一五年四月一日		4,848	100,889	(830)	128	2,014,874	2,119,909
Changes in equity for 2016: 二零一六年權益變動:								
Profit for the year	本年度溢利		-	-	-	-	401,929	401,929
Other comprehensive income	其他全面收益	12(b)	-	-	830	(7,250)	-	(6,420)
Total comprehensive income for the year	本年度全面收益總額		-	-	830	(7,250)	401,929	395,509
Issue of new shares under the bonus issues	根據紅股發行而發行之新股份	26(iv),(v)	1,018	(1,018)	-	-	-	-
Interim dividend declared and paid in respect of the current year	已宣派及支付本年度的中期股息	15(a)	-	-	-	-	(21,330)	(21,330)
Final dividend approved in respect of the previous year	批准屬於上一年度的末期股息	15(b)	-	-	-	-	(20,361)	(20,361)
At 31 March 2016	於二零一六年三月三十一日		5,866	99,871	-	(7,122)	2,375,112	2,473,727

The notes on pages 54 to 131 form part of these financial statements.

第54至131頁所載附註屬於該等財務報表一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 March 2016 (Expressed in Hong Kong dollars)
截至二零一六年三月三十一日止年度(以港元列示)

		2016 二零一六年	2015 二零一五年
	Note 附註	\$'000 千元	\$'000 千元
Operating activities	經營活動		
Profit before taxation	除稅前溢利	427,110	352,149
Adjustments for:	就以下各項作出調整：		
— Interest income	— 利息收入	8	(1,449)
— Dividend income from unlisted securities	— 非上市證券的股息收入	8	(810)
— Increase in fair value of investment properties	— 投資物業公平值增加	17	(211,723)
— Net unrealised gain on derivative financial instruments	— 衍生金融工具未變現收益淨額	9	(1,559)
— Net gain on cashflow hedging instrument reclassified from equity	— 從權益中重新分類的現金流量對沖收益淨額	9	(3,988)
— Impairment of available-for-sale securities	— 可供出售證券之減值	9	2,191
— Gain on a bargain purchase in relation to the acquisition of a subsidiary	— 議價收購附屬公司之收益	9	—
— Net foreign exchange loss/(gain)	— 匯兌虧損/(收益)淨額	9	—
— Finance costs	— 財務成本	10(a)	199
— Depreciation	— 折舊	10(c)	18,234
		2,881	19,595
Changes in working capital:	營運資金變動：		
— Decrease/(increase) in trade and other receivables	— 應收賬款及其他應收款項減少/(增加)	26,447	(91,000)
— Decrease/(increase) in gross amount due from customers for contract work	— 應收客戶合約工程毛額減少/(增加)	59,687	(23,965)
— (Decrease)/increase in trade and other payables	— 應付賬款及其他應付款項(減少)/增加	(17,803)	124,464
— Increase in gross amount due to customers for contract work	— 應付客戶合約工程毛額增加	10,592	9,285
Cash generated from operations	經營所得現金	237,406	174,145
Tax paid	已付稅款	(20,859)	(23,942)
Net cash generated from operating activities	經營活動所得現金淨額	216,547	150,203

CONSOLIDATED CASH FLOW STATEMENT (Continued)

綜合現金流量表(續)

For the year ended 31 March 2016 (Expressed in Hong Kong dollars)
截至二零一六年三月三十一日止年度(以港元列示)

		2016 二零一六年	2015 二零一五年
	Note 附註	\$'000 千元	\$'000 千元
Investing activities	投資活動		
Payment for the purchase of fixed assets	購買固定資產付款	(3,930)	(863)
Payment for acquisition of a subsidiary	購買附屬公司付款	-	(125,000)
Expenditure on investment properties	投資物業開支	(131,149)	(284,724)
Interest received	已收利息	574	1,449
Decrease in deposits with original maturity over three months at acquisition	購入時原訂到日期超過三個月的存款減少	-	4,462
Dividends received from unlisted investments	已收非上市證券的股息	816	810
Net cash used in investing activities	投資活動所用現金淨額	(133,689)	(403,866)
Financing activities	融資活動		
Proceeds from bank loans	銀行貸款所得款項	1,253,446	871,911
Repayment of bank loans	償還銀行貸款	(1,259,212)	(618,528)
Increase in pledged deposits	增加已抵押存款	(7,831)	(2,721)
Interest and other borrowing costs paid	已付利息及其他借款成本	(39,567)	(35,778)
Dividends paid	已付股息	(41,691)	(34,107)
Net cash (used in)/generated from financing activities	融資活動(所用)/產生現金淨額	(94,855)	180,777
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(11,997)	(72,886)
Cash and cash equivalents at the beginning of the year	年初的現金及現金等價物	131,562	204,448
Cash and cash equivalents at the end of the year	年末的現金及現金等價物	119,565	131,562

21

The notes on pages 54 to 131 form part of these financial statements.

第54至131頁所載附註屬於該等財務報表一部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 14 August 2012. The registered office and principal place of business are located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and 19/F, Railway Plaza, 39 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong respectively.

The Company is an investment holding company and the shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 9 August 2013.

The Group is principally engaged in the business of building construction, property leasing and property development.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of amendments to HKFRSs effective on 1 January 2015

The HKICPA had issued the following amendments to HKFRSs that are first effect for the current accounting year and relevant to the Group:

HKFRS (Amendments)	Annual Improvements 2010–2012 Cycle
HKFRS (Amendments)	Annual Improvements 2011–2013 Cycle
Amendments to HKAS 19 (2011)	Defined Benefit Plans: Employee Contributions

The application of the above amendments has no material impact on the Group's financial statements.

1. 一般資料

本公司於二零一二年八月十四日在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處及主要營業地點分別位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands及香港九龍尖沙咀漆咸道南39號鐵路大廈19樓。

本公司為投資控股公司，其股份於二零一三年八月九日在香港聯合交易所有限公司（「聯交所」）主板上市。

本集團主要從事樓宇建築，物業租賃及物業發展。

2. 採納香港財務報告準則

(a) 採納於二零一五年一月一日生效之香港財務報告準則的修訂本

香港會計師公會已頒佈下列與本集團有關並於本會計年度首次生效的香港財務報告準則的修訂本：

香港財務報告 準則(修訂本)	2010至2012年 週期之年度改進
香港財務報告 準則(修訂本)	2011至2013年 週期之年度改進
香港會計準則 第19號 (2011年)	界定福利計劃： 僱員供款

應用該等修訂本對本集團的財務報表概無重大影響。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New or revised HKFRSs that have been issued but are not yet effective

The following new or revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group:

HKFRS (Amendments)	Annual Improvements 2012–2014 Cycle ¹
Amendments to HKAS 1	Disclosure Initiative ¹
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ¹
Amendments to HKAS 27	Equity Method in Separate Financial Statements ¹
HKFRS 9 (2014)	Financial Instruments ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
HKFRS 15	Revenue from Contracts with Customers ²

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

² Effective for annual periods beginning on or after 1 January 2018

³ Mandatory effective date is yet determined but early application is permitted

Amendments to HKAS 1 — Disclosure Initiative

The amendments are designed to encourage entities to use judgement in the application of HKAS 1 when considering the layout and content of their financial statements.

An entity’s share of other comprehensive income from equity accounted interests in associates and joint ventures will be split between those items that will and will not be reclassified to profit or loss, and presented in aggregate as a single line item within those two groups.

2. 採納香港財務報告準則 (續)

(b) 已頒佈但尚未生效之全新或經修訂香港財務報告準則

下列已頒佈但尚未生效之全新或經修訂香港財務報告準則與本集團財務報表潛在相關惟未被本集團提早採納：

香港財務報告準則 (修訂本)	2012至2014年週期之年度改進 ¹
香港會計準則第1號 (修訂本)	披露計劃 ¹
香港會計準則第16號及香港會計準則第38號 (修訂本)	對可接受的折舊及攤銷方法的分類 ¹
香港會計準則第27號 (修訂本)	獨立財務報表的權益法 ¹
香港財務報告準則第9號 (2014年)	金融工具 ²
香港財務報告準則第10號及香港會計準則第28號 (修訂本)	投資者與其聯營公司或合營企業之間出售或注入資產 ³
香港財務報告準則第15號	來自客戶合約的收益 ²

¹ 於二零一六年一月一日或之後開始的會計期間生效

² 於二零一八年一月一日或之後開始的會計期間生效

³ 尚未釐定強制生效日期，但可提早應用

香港會計準則第1號 (修訂本) — 披露計劃

該等修訂旨在鼓勵實體在考慮其財務報表的佈局及內容時於應用香港會計準則第1號時運用判斷。

實體於聯營公司及合營企業的股本權益中呈列的應佔其他全面收益將區分為將會及將不會重新分類至損益的項目，並於該兩個組別內共同作為單一項目呈列。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

- (b) New or revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKAS 16 and HKAS 38 — Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to HKAS 16 prohibit the use of a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that amortisation based on revenue is not appropriate for intangible assets. This presumption can be rebutted if either the intangible asset is expressed as a measure of revenue or revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

Amendments to HKAS 27 — Equity Method in Separate Financial Statements

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements.

HKFRS 9 (2014) — Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income (“FVTOCI”) if the objective of the entity’s business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss (“FVTPL”).

2. 採納香港財務報告準則(續)

- (b) 已頒佈但尚未生效之全新或經修訂香港財務報告準則(續)

香港會計準則第16號及香港會計準則第38號(修訂本) — 對可接受的折舊及攤銷方法的分類

香港會計準則第16號(修訂本)禁止使用以收益為基準的方法對物業、廠房及設備項目計算折舊。香港會計準則第38號(修訂本)引入一項可被推翻的假設，即以收益作為無形資產攤銷的基礎並不合適。該假設可於以下兩種情況被推翻：無形資產是以收益衡量；或收益與無形資產經濟利益的消耗存在高度關聯。

香港會計準則第27號(修訂本) — 獨立財務報表的權益法

該等修訂允許實體在其獨立財務報表中採用權益法對其於附屬公司、合營企業及聯營公司的投資進行會計處理。

香港財務報告準則第9號(2014年) — 金融工具

香港財務報告準則第9號引進金融資產分類及計量的新規定。按業務模式持有資產而目的為收取合約現金流的債務工具(業務模式測試)以及具產生現金流的合約條款且僅為支付本金及未償還本金利息的債務工具(合約現金流特徵測試)，一般按攤銷成本計量。倘該實體業務模式的目的為持有及收取合約現金流以及出售金融資產，則符合合約現金流特徵測試的債務工具按公允價值計入其他全面收益計量。實體可於初始確認時作出不可撤銷的選擇，以按公允價值計入其他全面收益計量並非持作買賣的股本工具。所有其他債務及股本工具按公允價值計入損益計量。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

- (b) New or revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 9 (2014) — Financial Instruments (Continued)

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

2. 採納香港財務報告準則 (續)

- (b) 已頒佈但尚未生效之全新或經修訂香港財務報告準則 (續)

香港財務報告準則第9號 (2014年) — 金融工具 (續)

香港財務報告準則第9號就並非按公允價值計入損益計量的所有金融資產納入新的預期虧損減值模式 (取代了香港會計準則第39號的已產生虧損模式) 以及新的一般對沖會計規定，以讓實體於財務報表內更好地反映其風險管理活動。

香港財務報告準則第9號貫徹香港會計準則第39號有關金融負債確認、分類及計量的規定，惟指定按公允價值計入損益的金融負債除外，其因負債信貸風險變動引致的公允價值變動金額於其他全面收益確認，除非此舉會導致或擴大會計錯配。此外，香港財務報告準則第9號保留香港會計準則第39號有關終止確認金融資產及金融負債的規定。

香港財務報告準則第10號及香港會計準則第28號 (修訂本) — 投資者與其聯營公司或合營企業之間出售或注入資產

該等修訂釐清實體向其聯營公司或合營企業出售或注入資產時，將予確認的收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易涉及不構成一項業務的資產，則僅須就不相關投資者於合營企業或聯營公司的權益確認收益或虧損。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

- (b) New or revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 15 — Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5-step approach to revenue recognition:

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

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

The Group has already commenced an assessment of the impact of adopting the above standards and amendments to existing standards to the Group. The directors of the Company have so far concluded that the application of these new pronouncements will have no material impact on the Group's financial statements.

2. 採納香港財務報告準則(續)

- (b) 已頒佈但尚未生效之全新或經修訂香港財務報告準則(續)

香港財務報告準則第15號 — 來自客戶合約的收益

該新訂準則設定單一收益確認框架。該框架的核心原則為實體須確認收益以用金額描述向客戶轉讓承諾貨品或服務，該金額反映預期該實體有權就交換該等商品及服務所收取的代價。香港財務報告準則第15號將取代現有收益確認指引，包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

香港財務報告準則第15號規定須應用五個步驟法確認收益：

- 步驟1： 識別與客戶訂立的合約
- 步驟2： 識別合約的履約責任
- 步驟3： 釐定交易價格
- 步驟4： 分配交易價格至各項履約責任
- 步驟5： 於各項履約責任達成後確認收益

香港財務報告準則第15號包含與特定收益相關的特定指引，該等指引或會更改香港財務報告準則現時應用之方法。該準則亦明顯加強有關收益的定性及定量披露。

本集團已經評估採納以上新訂及經修訂現有準則的影響。董事迄今認為，應用該等新準則將不會對本集團之財務報表造成重大影響。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(c) New Hong Kong Companies Ordinance provisions relating to the disclosure requirements for of financial statements

The provisions of the new Companies Ordinance, Cap. 622, in relation to the disclosure requirements for financial statements apply to the Company in this financial year.

The directors of the Company consider that there is no impact on the Group’s financial position or performance, however, the new Companies Ordinance, Cap. 622, impacts on the presentation and disclosures in the consolidated financial statements. For example, the statement of financial position of the Company is now presented in the notes to the financial statements rather than as a primary statement and related notes to the statement of financial position of the Company are generally no longer presented.

3. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values as explained in the accounting policies set out below.

(c) Functional and presentation currency

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

2. 採納香港財務報告準則 (續)

(c) 新香港公司條例有關財務報表披露要求的規定

香港法例第622章新的公司條例有關財務報表之披露規定於本財政年度適用於本公司。

本公司董事認為，香港法例第622章新的公司條例不會對本集團的財務狀況或表現產生影響，但會影響綜合財務報表之呈列及披露。例如，本公司的財務狀況表現於財務報表附註內呈列而非作為主要報表呈列，且無需呈列本公司財務狀況表的相關附註。

3. 編製基準

(a) 合規聲明

綜合財務報表乃根據所有適用之香港財務報告準則、香港會計準則及詮釋（以下統稱為「香港財務報告準則」）及香港公司條例之披露規定而編製。此外，綜合財務報表亦載列香港聯合交易所有限公司證券上市規則（「上市規則」）所規定之適用披露事項。

(b) 計量基準

除若干物業及金融工具以重估值或公平值計量外，綜合財務報表乃根據歷史成本法編製。有關計量基準詳載於下列之會計政策。

(c) 功能及呈列貨幣

財務報表以港幣為呈列貨幣，與本公司功能貨幣相同。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (the "Group"). Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income from the dates of acquisition or up to the dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interest are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

4. 主要會計政策

(a) 綜合基準

綜合財務報表包括本公司及其附屬公司(「本集團」)的財務報表。集團實體之間的交易及結餘連同未變現溢利均在編製綜合財務報表時悉數對銷。未變現虧損亦予以對銷，除非交易顯示所轉讓資產出現減值跡象，在此情況下，虧損將於損益確認。

年內收購或出售附屬公司之業績由收購生效日期起或截至出售生效日期止(視情況而定)計入綜合損益表和綜合損益及全面收益表。附屬公司之財務報表會於需要時加以調整，令其會計政策與本集團其他成員公司所採用者一致。

本集團於附屬公司權益變動時，如不喪失控制權，入帳列為權益交易。本集團權益及非控股股東權益之帳面值予以調整，反映各自附屬公司權益比例變動。經調整後非控股股東權益金額與所付或所收代價公平值之任何差額，直接於權益確認，並計入本公司擁有人。

當本集團喪失附屬公司控制權，出售溢利或虧損為以下兩者之差額：(i)已收代價公平值與任何保留權益公平值之總額；及(ii)資產(包括商譽)過往帳面值與附屬公司及任何非控股股東權益負債之總額。以往於其他全面收入確認與附屬公司有關之金額，入帳方式相同，猶如相關資產或負債已經出售。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation (Continued)

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

(b) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) 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. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

4. 主要會計政策 (續)

(a) 綜合基準 (續)

收購後，代表現時於附屬公司擁有權益之非控股股東權益帳面值為按初步確認者，另加非控股股東權益其後應佔權益變動。即使全面收入總額計入非控股股東權益造成負結餘，全面收入總額仍然計入非控股股東權益。

(b) 附屬公司

附屬公司指受本集團控制的實體。當本集團從參與實體的事務獲得或有權享有可變回報，並有能力藉對實體行使其權力而影響該等回報，則本集團控制該實體。評估本集團是否有權時，僅會考慮由本集團及其他人士持有的實質權利。

於附屬公司的投資由控制權開始當日直至控制權終止當日止期間在綜合財務報表中綜合入賬。集團內公司間的結餘、交易及現金流量以及集團內公司間交易產生的任何未變現溢利於編製綜合財務報表時悉數抵銷。集團內公司間的交易所產生的未變現虧損僅在未出現減值跡象時以與抵銷未變現溢利相同的方法予以抵銷。

本集團於附屬公司的權益變動而並無導致失去控制權列作權益交易入賬，據此，綜合權益內控股及非控股權益金額會作出調整，以反映相應權益變動，惟不會對商譽作出調整，亦不會確認收益或虧損。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Subsidiaries (Continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 4(i)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(c) Goodwill

Goodwill represents the excess of:

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 4(i)).

On disposal of a cash-generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

4. 主要會計政策 (續)

(b) 附屬公司 (續)

倘本集團失去附屬公司的控制權，則作為出售其於該附屬公司的全部權益入賬，由此產生的收益或虧損於損益內確認。於失去控制權當日在前附屬公司保留的任何權益按公平值確認，該金額將被視為初步確認金融資產時的公平值，或(如適用)初步確認於聯營公司或合營企業的投資成本。

於本公司資產負債表內，於附屬公司的投資乃按成本減去減值虧損列賬(見附註4(i))，除非有關投資獲分類為持作出售(或計入分類為持作出售的出售組別)。

(c) 商譽

商譽指：

- (i) 已轉移代價的公允值、在被收購公司的非控股權益的金額及本集團早前所持被收購公司股權的公允值三者合計；超出
- (ii) 被收購公司可辨別資產及負債於收購日計量的公允值淨額。

如(ii)的金額大於(i)，則此超出金額即時在損益表確認入賬作為議價收購之收益。

商譽按成本值減累計減值虧損列賬。業務合併所得的商譽會被分配至各個現金產生單位或各組現金產生單位(預期會產生合併協同效益)，並須每年作減值測試(附註4(i))。

年內出售現金產生單位時，其應佔已收購商譽金額會於計算出售交易的盈虧時計入其中。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Other investments in equity securities

The Group's and the Company's policies for investments in equity securities, other than investments in subsidiaries, are as follows:

Investments in equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs.

Other investments in securities, being those held for non-trading purposes, are classified as available-for-sale securities. At each end of the reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less impairment losses (see note 4(i)). Dividend income from equity securities and interest income from debt securities calculated using the effective interest method are recognised in profit or loss in accordance with the policies set out in notes 4(r)(iv) and 4(r)(v), respectively. Foreign exchange gains and losses resulting from changes in the amortised cost of monetary items, such as debt securities, are recognised directly in profit or loss.

When the investments are derecognised or impaired (see note 4(i)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

4. 主要會計政策 (續)

(d) 其他證券投資

本集團及本公司的證券投資(於附屬公司的投資除外)政策載列如下：

證券投資初步按公平值(即其交易價格)列賬，除非初步確認時的公平值與交易價格有所不同，且公平值乃依據相同資產或負債的活躍市場報價，或根據僅採用來自可觀察市場數據的估值方法計量。成本包括應佔交易成本。

其他證券投資(即持作非買賣目的)分類為可供出售證券。公平值於各報告期末重新計量，由此產生的任何收益或虧損於其他全面收入內確認，並於公平值儲備的權益內單獨累計。例外情況包括倘股本證券投資於活躍市場的相同工具並無報價及其公平值無法可靠計量，則該等投資在財務狀況表中以成本減去減值虧損確認(見附註4(i))。使用實際利息法計算的股本證券的股息收入與債務證券的利息收入分別根據附註4(r)(iv)及4(r)(v)所載政策於損益確認。債務證券等貨幣項目的攤銷成本變動導致的匯兌收益及虧損直接於損益確認。

當該等投資被取消確認或減值(見附註4(i))時，於權益確認的累計收益或虧損會重新分類至損益。投資於本集團承諾購買/出售投資或投資到期時確認/取消確認。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At each end of the reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see note 4(f)).

(f) Hedging

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk of a committed future transaction, the effective portion of any gains or losses on remeasurement of the derivative financial instrument to fair value are recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The ineffective portion of any gain or loss is recognised immediately in profit or loss.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, the associated gain or loss is reclassified from equity and is included in the initial cost or other carrying amount of the non-financial asset or liability.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gain or loss is reclassified from equity to profit or loss in the same period or periods during which the asset acquired or liability assumed affects profit or loss (such as when interest income or expense is recognised).

For cash flow hedges, other than those covered by the preceding two policy statements, the associated gain or loss is reclassified from equity to profit or loss in the same period or periods during which the hedged forecast transaction affects profit or loss.

4. 主要會計政策(續)

(e) 衍生金融工具

衍生金融工具初步按公平值確認。公平值於各報告期末重新計量。重新計量公平值產生的收益或虧損即時於損益內確認，惟當衍生工具合資格進行現金流量對沖會計處理，在此情況下確認由此產生的任何收益或虧損取決於正在對沖項目的性質(見附註4(f))。

(f) 對沖

現金流量對沖

倘衍生金融工具指定用作對沖已確認資產或負債、或極有可能發生的預期交易的現金流量或已承諾未來交易的外匯風險變動，重新計量衍生金融工具的公平值產生的任何收益或虧損的有效部分於其他綜合收入內確認，並於對沖儲備的權益內單獨累計。任何收益或虧損的無效部分即時於損益內確認。

倘對沖預期交易隨後導致確認非金融資產或非金融負債，相關收益或虧損會從權益重新分類，並計入非金融資產或負債的初步成本或其他賬面值。

倘對沖預期交易隨後致使確認金融資產或金融負債，相關收益或虧損於同期或收購資產或承擔負債影響損益期間(如確認利息收入或開支時)從權益重新分類至損益。

就現金流量對沖而言，除上述兩項政策聲明所涵蓋者外，相關收益或虧損於同期或對沖預期交易影響損益期間從權益重新分類至損益。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Hedging (Continued)

Cash flow hedges (Continued)

When a hedging instrument expires or is sold, terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity until the transaction occurs and it is recognised in accordance with the above policy. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss is reclassified from equity to profit or loss immediately.

(g) Fixed assets

(i) **Investment properties**

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 4(h)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 4(r)(ii).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see note 4(h)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 4(h).

4. 主要會計政策 (續)

(f) 對沖 (續)

現金流量對沖 (續)

當對沖工具已到期或被出售、終止或已行使，或實體撤銷指定對沖關係但仍預計會發生對沖預期交易時，此時累計收益或虧損保留於權益內，直至交易發生時根據上述政策確認。若對沖交易預期不再發生，累計未變現收益或虧損即時從權益重新分類至損益。

(g) 固定資產

(i) **投資物業**

投資物業指根據租賃權益(見附註4(h))擁有或持有用以賺取租金收入及/或用作資本增值的土地及/或樓宇，包括持作目前尚未確定未來用途的土地及正在建設或開發中以供未來用作投資物業的物業。

投資物業按公平值列賬，惟於報告期末仍在建設或開發中的投資物業除外，其公平值當時無法可靠計量。公平值變動或報廢或出售投資物業產生的任何收益或虧損於損益內確認。投資物業的租金收入乃按附註4(r)(ii)所述者入賬。

倘本集團根據經營租賃持有物業權益以賺取租金收入及/或用作資本增值，該權益根據不同物業分類並入賬列作投資物業。任何已分類至投資物業的物業權益入賬列作根據融資租賃持有的投資物業(見附註4(h))，適用於該權益的會計政策與根據融資租賃出租的其他投資物業所採用者相同。租賃款項乃按附註4(h)所述者入賬。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fixed assets (Continued)

(ii) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 4(i)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Property, plant and equipment are depreciated so as to write off their cost or valuation net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at each end of the reporting period. The useful lives are as follows:

Buildings	50 years
Plant and machinery	3–5 years
Furniture, fixtures and equipment	3–5 years
Motor vehicles	5 years

Where parts of an item of furniture, fixtures and other fixed assets have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

4. 主要會計政策 (續)

(g) 固定資產 (續)

(ii) 物業、廠房及設備

物業、廠房及設備按成本減去累計折舊及減值虧損列賬(見附註4(i))。

報廢或出售物業、廠房及設備項目產生的損益按出售所得款項淨額與該項目賬面值之間的差額釐定，並於報廢或出售日期於損益內確認。

物業、廠房及設備折舊於其估計可使用年期以直線法撇銷其成本減去估計剩餘價值(如有)計提。可使用年期、剩餘價值及折舊方法於報告期末進行審核及調整(如適用)。可使用年期如下：

樓宇	50年
廠房及機器	3至5年
傢具、裝置及設備	3至5年
汽車	5年

倘部分傢俬、裝置及其他固定資產項目的可使用年期有別，其成本按合理基準分配予各部分並單獨計提折舊。資產的可使用年期及其剩餘價值(如有)每年進行檢討。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, except where property held under operating leases that would otherwise meet the definition of an investment property is classified as investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see note 4(g)(i)).

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property (see note 4(g)(i)).

4. 主要會計政策 (續)

(h) 租賃資產

倘本集團決定安排 (包括一項交易或一系列交易) 賦予權利於協定期限內使用一項或多項特定資產以換取一筆或多筆款項，則該項安排屬於或包含租賃。有關決定乃根據評估安排的內容作出，而不論有關安排是否屬法定形式的租賃。

(i) 出租予本集團的資產分類

本集團根據租賃持有且租賃將所有權的絕大部分風險及回報轉移至本集團的資產，會分類為根據融資租賃持有。不會將所有權的絕大部分風險及回報轉移至本集團的租賃分類為經營租賃，惟根據經營租賃持有並符合投資物業定義的物業根據不同物業分類為投資物業則除外；而倘分類為投資物業，則入賬列作根據融資租賃持有 (見附註 4(g)(i))。

(ii) 經營租賃費用

如本集團擁有根據經營租賃持有的資產的使用權，則根據租賃作出的付款會在租賃期所涵蓋會計期間內，以等額方式於損益扣除，惟如有其他基準能更清楚地反映租賃資產所產生收益模式則除外。所得租賃優惠在損益內確認為租賃淨付款總額的組成部分。或然租金於產生的會計期間內於損益扣除。

收購根據經營租賃持有的土地的成本在租賃期內按直線法攤銷，惟該物業分類為投資物業則除外 (見附註 4(g)(i))。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets

(i) Impairment of investments in equity securities and other receivables

Investments in equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at each end of the reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

4. 主要會計政策(續)

(i) 資產減值

(i) 證券投資及其他應收款項減值

本集團於各報告期末評估有否任何客觀證據顯示按成本或攤銷成本列賬或分類為可供出售證券的證券投資以及其他即期及非即期應收款項出現減值。減值的客觀證據包括本集團注意到有關下列一項或多項損失事件的可觀察數據：

- 債務人有重大財務困難；
- 違約，如拖欠或無法如期償還利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境出現對債務人造成不利影響的重大變化；及
- 股本工具投資的公平值大幅或長期下跌至低於其成本值。

倘存在任何所述跡象，則按以下方式計量及確認任何減值虧損：

- 就按成本列賬的貿易及其他應收款項而言，倘貼現的影響屬重大，減值虧損以金融資產賬面值與以同類金融資產當時的市場回報率貼現的估計未來現金流量之間的差額計量。按成本列賬的股本證券的減值虧損不予撥回。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(i) Impairment of investments in equity securities and other receivables (Continued)

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

4. 主要會計政策(續)

(i) 資產減值(續)

(i) 證券投資及其他應收款項減值(續)

- 就應收賬款及其他即期應收款項以及按攤銷成本列賬的其他金融資產而言，倘貼現的影響屬重大，減值虧損以資產賬面值與以金融資產原實際利率(即初步確認該等資產時所計算的實際利率)貼現的估計未來現金流量現值之間的差額計量。如該等金融資產具備類似風險特徵，例如類似逾期情況及並未單獨被評估為減值，則有關評估會集中進行。集中評估減值的金融資產的未來現金流量乃根據與整個組別信貸風險特徵類似的資產的過往虧損經驗作出。

倘其後期間減值虧損金額減少，而有關減少可客觀地與確認減值虧損後發生的事件聯繫，則有關減值虧損會透過損益撥回。減值虧損的撥回不得導致資產賬面值超過過往年度如無確認任何減值虧損而應釐定的金額。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(i) Impairment of investments in equity securities and other receivables (Continued)

- For available-for-sale securities, the cumulative loss that has been recognised in the fair value reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade receivables included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

4. 主要會計政策(續)

(i) 資產減值(續)

(i) 證券投資及其他應收款項減值(續)

- 就可供出售證券而言，已於公平值儲備內確認的累計虧損重新分類至損益。於損益內確認的累計虧損金額乃為收購成本(已扣除任何本金還款及攤銷)與當前公平值之間的差額，減去先前於損益內確認的該資產的任何減值虧損。

於損益內確認的可供出售股本證券的減值虧損不得透過損益撥回。該等資產的公平值任何其後增加於其他全面收入內確認。

若其後公允價值增加可被客觀地認為與確認該減值虧損後所發生的事件有關，則會撥回可供出售債務證券之減值虧損。該等情況下撥回之減值虧損會於損益內確認。

減值虧損直接以有關資產撇銷，惟就應收賬款及其他應收款項包含的應收賬款已確認之減值虧損除外，有關款項能否收回被視為存疑但並非微乎其微。於此情況下，呆賬的減值虧損使用撥備賬記錄。倘本集團確認可收回性微乎其微，被視為不可收回的金額直接在應收賬款內撇銷，而任何計入撥備賬與此債務有關的金額將會撥回。先前於撥備賬扣除且其後能收回的款項會從撥備賬撥回。撥備賬的其他變動及其後收回先前直接撇銷的金額均於損益內確認。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at each end of the reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- fixed assets (other than properties carried at revalued amounts);
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

4. 主要會計政策(續)

(i) 資產減值(續)

(ii) 其他資產減值

本集團於各報告期末審閱內部及外界資料來源，以確定以下資產是否可能有減值跡象，或先前確認的減值虧損不再存在或可能已有所減少：

- 固定資產(按重估金額入賬的物業除外)；
- 商譽；及
- 於本公司財務狀況表中投資附屬公司。

倘出現任何該等跡象，則會估計資產的可收回金額。此外，就商譽而言，不論是否有任何減值跡象，其可收回金額亦於每年進行估算。

— 計算可收回金額

資產的可收回金額為其公平值減去銷售成本與使用價值兩者中的較高者。評估使用價值時，估計未來現金流量按反映當時市場對貨幣時間價值及資產特定風險評估的稅前貼現率貼現至其現值。倘資產產生的現金流入基本上並非獨立於其他資產所產生者，按獨立產生現金流入的最小資產類別(即現金產生單位)釐定可收回金額。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(ii) Impairment of other assets (Continued)

— Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

— Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

4. 主要會計政策(續)

(i) 資產減值(續)

(ii) 其他資產減值(續)

— 確認減值虧損

倘資產或其所屬現金產生單位的賬面值超過其可收回金額，則會於損益內確認減值虧損。就現金產生單位確認的減值虧損，按比例減少單位(或一組單位)其他資產的賬面值，惟資產賬面值不會減少至低於其個別公平值減去銷售成本(倘可計量)或使用價值(倘可釐定)。

— 減值虧損撥回

就商譽以外之資產而言，倘若用於釐定可收回金額的估計數字出現有利變動，則減值虧損會予撥回。商譽之減值虧損不會撥回。

所撥回的減值虧損以假設過往年度如無確認減值虧損而應釐定的資產賬面值為限。所撥回的減值虧損於確認撥回之年度計入損益內。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Impairment of assets (Continued)

(iii) Interim financial reporting and impairment

Under the Listing Rule, the Group is required to prepare an interim financial report in compliance with HKAS 34, *Interim financial reporting*, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see notes 4(i)(i) and (ii)).

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

(j) Construction contracts

Construction contracts are contracts specifically negotiated with a customer for the construction of an asset or a group of assets, where the customer is able to specify the major structural elements of the design. The accounting policy for contract revenue is set out in note 4(r)(i). When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

4. 主要會計政策 (續)

(i) 資產減值 (續)

(iii) 中期財務報告及減值

根據上市規則，本集團須遵照香港會計準則第34號，*中期財務報告編製有關財政年度首六個月的中期財務報告*。於中期期末，本集團採用與財政年度末相同的減值測試、確認及撥回標準(見附註4(i)(i)及(ii))。

商譽及可供出售股本證券於中期期間確認的減值虧損不會於其後期間撥回。即使在該中期期間所屬財政年度末評估減值時並無確認虧損或虧損屬輕微，亦不會撥回減值虧損。因此，倘可供出售股本證券的公平值於剩餘年度期間或其後任何其他期間增加，則增幅於其他全面收入而非損益內確認。

(j) 建造合約

建造合約乃就建造一項資產或一組資產而與客戶特別磋商的合約，客戶可在合約內指明設計的主要結構元素。合約收益的會計政策載於附註4(r)(i)。倘建造合約的結果能可靠估計，合約成本經參考報告期末的合約完成進度將確認為開支。倘合約總成本可能超過合約總收益，預期虧損將即時確認為開支。倘不能可靠估計建造合約的結果，合約成本將於其產生期間確認為開支。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Construction contracts (Continued)

Construction contracts in progress at the end of the reporting period are recorded at the net amount of costs incurred plus recognised profit less recognised losses and progress billings, and are presented in the statement of financial position as the "Gross amount due from customers for contract work" (as an asset) or the "Gross amount due to customers for contract work" (as a liability), as applicable. Progress billings not yet paid by the customer are included under "Trade and other receivables". Amounts received before the related work is performed are included under "Trade and other payables".

(k) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see note 4(i)(i)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

(l) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(m) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with note 4(q)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost. Trade and other payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

4. 主要會計政策 (續)

(j) 建造合約 (續)

於報告期末尚在進行當中的建造合約按所產生成本淨額加上已確認溢利，減去已確認虧損及進度款項列賬，並於財務狀況表內呈列為「應收客戶合約工程毛額」（作為資產）或「應付客戶合約工程毛額」（作為負債）（如適用）。客戶尚未支付的進度款項計入「應收賬款及其他應收款項」。於相關工程進行前所收取的金額乃計入「應付賬款及其他應付款項」。

(k) 應收賬款及其他應收款項

應收賬款及其他應收款項按公平值初始確認，其後採用實際利率法按攤銷成本減去呆賬減值撥備（見附註4(i)(i)）列賬，惟倘應收款項為向關聯方所提供無任何固定償還期限的免息貸款或貼現影響並不重大則除外。於此等情況下，應收款項將按成本減去呆賬減值撥備列賬。倘應收賬款及其他應收款項預期可於一年或一年以內（或若更長，則在業務的正常經營週期內）收回，此等應收款項分類為流動資產，否則列為非流動資產。

(l) 計息借款

計息借款按公平值減應佔交易成本初始確認。初始確認後，計息借款按攤銷成本列賬，而初始確認金額與贖回價值之間的任何差額連同任何應付利息及應付費用則按實際利率法於借款期間在損益內確認。

(m) 應付賬款及其他應付款項

應付賬款及其他應付款項按公平值初始確認。除根據附註4(q)(i)計量的財務擔保負債外，應付賬款及其他應付款項其後按攤銷成本列賬，惟倘貼現影響並不重大，則按成本列賬。倘應付款項到期日為一年或一年以內（或若更長，則在業務的正常經營週期內），此等應付款項分類為流動負債，否則列為非流動負債。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(o) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(p) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

4. 主要會計政策 (續)

(n) 現金及現金等價物

現金及現金等價物包括銀行結存及現金、存於銀行及其他金融機構的活期存款，以及短期高流通性投資。此等投資可隨時轉換為已知數額的現金，所承受的價值變動風險不大，並於購入後三個月內到期。

(o) 僱員福利

薪金、年度花紅、帶薪年假、界定供款退休計劃供款及非貨幣性福利成本於僱員提供相關服務年度內累計。倘延遲付款或結算並造成重大影響，則該等金額將按現值列賬。

(p) 所得稅

本年度所得稅包括即期稅項以及遞延稅項資產及負債的變動。即期稅項以及遞延稅項資產及負債的變動於損益內確認，惟與於其他全面收益確認或直接於權益確認的項目有關者除外，在此情況下，有關稅項款項分別於其他全面收益確認或直接於權益確認。

即期稅項乃本年度應課稅收入的預期應繳稅項(按報告期末已頒佈或實質上已頒佈的稅率計算)以及以往年度應繳稅項的任何調整。

遞延稅項資產及負債分別源自可扣稅及應課稅暫時差額，即作財務申報之用的資產及負債賬面值與彼等稅基之間的差額。遞延稅項資產亦源自未動用稅項虧損及未動用稅項抵免。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Income tax (Continued)

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

4. 主要會計政策(續)

(p) 所得稅(續)

除若干為數不多的例外情況外，將確認所有遞延稅項負債及所有遞延稅項資產，惟限於可能有可利用資產抵扣的未來應課稅溢利的情況。可支持確認由可扣稅暫時差額所產生遞延稅項資產的未來應課稅溢利包括因撥回現有應課稅暫時差額將產生的數額，惟該等差額須與同一稅務機關及同一應課稅實體有關，並預期在可扣稅暫時差額預計撥回同一期間或遞延稅項資產所產生稅項虧損可向後期或向前期結轉期間內撥回。倘應課稅暫時差額與同一稅務機關及同一應課稅實體有關，並預期於可動用稅項虧損或抵免期間撥回，則釐定現有應課稅暫時差額是否足以支持確認未動用稅項虧損及抵免產生的遞延稅項資產時，亦採納同一準則。

確認遞延稅項資產及負債的少數例外情況包括不可扣稅商譽產生的該等暫時差額、不影響會計處理及應課稅溢利的資產或負債的初步確認(惟不屬於業務合併的一部分)以及有關於附屬公司投資的暫時差額，惟如屬應課稅差額，限於本集團控制撥回時間且在可預見將來不大可能會撥回差額的情況，或如屬可扣稅差額，則除非差額很可能在將來撥回。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Income tax (Continued)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 4(g)(i), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the end of the reporting period unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each end of the reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Group or the Company has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Group or the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

4. 主要會計政策 (續)

(p) 所得稅 (續)

倘投資物業根據附註4(g)(i)所載會計政策按公平值入賬，已確認遞延稅項金額乃採用於報告期末按賬面值銷售該等資產所適用的稅率計量，除非有關物業可折舊，且於旨在隨時間（而非透過銷售）消耗物業所含的絕大部分經濟利益的商業模式持有。於所有其他情況下，已確認遞延稅項金額乃按資產及負債賬面值的預期變現或結算方式，採用於報告期末已頒佈或實質上已頒佈的稅率計量。遞延稅項資產及負債不予貼現。

遞延稅項資產的賬面值會於各報告期末審閱，並於不再可能產生足夠的應課稅溢利以抵扣有關的稅務利益時作調減。倘可能會有足夠的應課稅溢利可供使用，則任何該等調減將予撥回。

即期稅項結餘及遞延稅項結餘與其變動將分開列示，且不會抵銷。倘本集團或本公司有法定可執行權利以即期稅項資產抵銷即期稅項負債，且符合下列附帶條件，則即期稅項資產及遞延稅項資產可分別抵銷即期稅項負債及遞延稅項負債：

- 就即期稅項資產及負債而言，本集團或本公司計劃按淨額基準結算或同時變現資產及結算負債；或
- 就遞延稅項資產及負債而言，倘該等資產及負債與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 計劃在預期結算或收回大額遞延稅項負債或資產的各未來期間，按淨額基準或同時變現及結算即期稅項資產及即期稅項負債的不同應課稅實體。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantee issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 4(q)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

4. 主要會計政策(續)

(q) 已發出財務擔保、撥備及或然負債

(i) 已發出財務擔保

財務擔保指要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債項工具的條款於到期時付款而蒙受的損失，向持有人支付特定款項以作賠償的合約。

倘本集團發出財務擔保，該擔保的公平值初始確認為應付賬款及其他應付款項內的遞延收入。已發出財務擔保於發出時的公平值乃參照就類似服務的公平磋商交易中所收取費用(如可獲得該等資料)而釐定，或參照息差作出估計，方法為以放款人在獲提供擔保時實際徵收的利率與在不獲提供擔保時可能徵收的估計利率作比較(如該等資料能可靠估計)。倘在發出該擔保時已收或應收代價，則代價根據適用於該類資產的本集團政策予以確認。倘並無已收或應收代價，則於初始確認任何遞延收入時於損益內確認為即時開支。

初始確認為遞延收入的擔保款額按擔保年期於損益內攤銷為已發出財務擔保的收入。此外，倘(i)擔保持有人有可能根據擔保向本集團提出申索，及(ii)向本集團申索款額預期超過現時列於應付賬款及其他應付款項內的擔保金額(即初始確認的金額減累計攤銷)，則需按附註4(q)(ii)方法計提撥備。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Financial guarantees issued, provisions and contingent liabilities (Continued)

(ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(r) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Contract revenue

When the outcome of a construction contract can be estimated reliably, revenue from a fixed price contract is recognised using the percentage of completion method.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

4. 主要會計政策 (續)

(q) 已發出財務擔保、撥備及或然負債 (續)

(ii) 其他撥備及或然負債

當本集團或本公司因過往事件而須承擔法律或推定責任，而履行該責任可能會導致經濟利益外流，並可作出可靠估計時，須就該等時間或數額不確定的其他負債計提撥備。倘貨幣時間價值重大，則有關撥備按履行責任預期所需開支的現值列賬。

倘不大可能需要流出經濟利益，或相關金額不能可靠估計，則須披露有關責任為或然負債，惟流出經濟利益的可能性極低者除外。倘可能承擔的責任須視乎一項或多項未來事件是否發生方會確定是否存在，則該等責任亦披露為或然負債，惟流出經濟利益的可能性極低者除外。

(r) 收益確認

收益乃按已收或應收代價的公平值計量。倘本集團可能獲得經濟利益，且收益及成本(如適用)能可靠地計量，則按下列方式於損益內確認收益：

(i) 合約收益

倘建造合約的結果能可靠地估計，則來自固定價格合約的收益採用完工百分比予以確認。

倘建造合約的結果無法可靠地估計，則僅按有可能收回的已產生合約成本確認收益。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Revenue recognition (Continued)

(ii) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(iii) Rental related income

Rental related income is recognised on an accrual basis.

(iv) Dividends

Dividend income from unlisted investments is recognised when the Group's right to receive payment is established.

(v) Interest income

Interest income is recognised as it accrues using the effective interest method.

(s) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

4. 主要會計政策(續)

(r) 收益確認(續)

(ii) 經營租賃的租金收入

經營租賃的應收租金收入於租賃期所涵蓋期間按等額於損益內確認，惟如有其他基準能更清楚地反映使用租賃資產所產生的利益模式除外。經營租賃所得獎勵於損益內確認為應收租賃淨付款總額的組成部分。或然租金於其賺取的會計期間內確認為收入。

(iii) 租金相關收入

租金相關收入乃按應計基準確認。

(iv) 股息

非上市投資所得股息收入於本集團有權收取款項時確認。

(v) 利息收入

利息收入按實際利率法於應計時確認。

(s) 外幣換算

本年進行的外幣交易按交易日的匯率換算。以外幣計值的貨幣資產及負債則按報告期末的匯率換算。匯兌收益及虧損於損益內確認。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(u) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) 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).
 - (iii) Both entities are joint ventures of the same third party.

4. 主要會計政策 (續)

(t) 借款成本

直接涉及收購、建造或生產資產(即須於較長時期後方能投入作擬定用途或出售者)的借款成本均會資本化作為該資產的部分成本。其他借款成本於其產生期間列作開支。

借款成本於資產相關開支產生、借款成本產生及有關籌備資產作其擬定用途或出售所需活動進行時開始資本化為合資格資產成本的一部分。當有關籌備合資格資產作其擬定用途或出售所需絕大部分活動中斷或完成時，即會暫停或終止資本化借款成本。

(u) 關聯方

- (a) 倘一名人士符合下列條件，則該名人士或其家庭近親成員與本集團有關聯：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。
- (b) 倘一家實體符合下列任何條件，則該實體與本集團有關聯：
- (i) 該實體與本集團屬同一集團的成員公司(即各母公司、附屬公司及同系附屬公司相互關聯)。
 - (ii) 一家實體為另一實體的聯營公司或合營企業(或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業)。
 - (iii) 兩家實體均為同一第三方的合營企業。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (u)(a).
 - (vii) A person identified in (u)(a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(v) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

4. 主要會計政策 (續)

(u) 關聯方 (續)

- (b) 倘一家實體符合下列任何條件，則該實體與本集團有關聯：(續)
- (iv) 一家實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 實體為本集團或與本集團有關聯的實體就僱員福利設立的離職福利計劃。
 - (vi) 實體受(u)(a)所述人士控制或共同控制。
 - (vii) (u)(a)(i)所述人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。
 - (viii) 該實體，或一個集團之任何成員公司(為集團之一部份)，提供主要管理人員服務予本集團或本集團之母公司。

個別人士的家庭近親成員指在與該實體進行交易的過程中預計會影響該名人士或受該名人士影響的家庭成員。

(v) 分部報告

本集團為分配資源予本集團各業務及地區及評估其表現，會定期向本集團最高級行政管理人員提供財務資料，與財務報表所呈報經營分部及各分部項目的金額相同。

個別重要的經營分部不會匯總作財務申報，除非有關分部具有類似經濟特徵且產品及服務性質、生產流程性質、客戶類型或類別、分銷產品或提供服務所採用的方法及監管環境的性質方面相似。倘並非個別重要的經營分部共同擁有上述大部分特徵，該等經營分部可予匯總呈報。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results differ from these estimates.

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

(a) Valuation of investment properties and investment properties under development

As described in note 17, investment properties and investment properties under development are stated at fair value based on the valuation performed by an independent firm of professional valuers.

In determining the fair value of investment properties, the valuers have based on a method of valuation which involves, inter-alia, certain estimates including appropriate discount rates, terminal capitalisation rates and expected future market rents. In relying on the valuation report, management has exercised its judgement and is satisfied that the method of valuation is reflective of the current market conditions.

Investment properties under development are valued by estimating the fair value of such properties as if they were completed in accordance with the relevant development plan and then deducting from that amount the estimated costs to complete the construction, financing costs and a reasonable profit margin.

5. 關鍵會計判斷及估計不確定因素的主要來源

於應用本集團會計政策時，本公司董事需要就不能從其他來源容易得出之資產和負債的賬面價值作出判斷，估計和假設。估計及相關假設乃基於過往經驗及其他相關因素。實際結果與估計有所差別。

這些估計和假設須持續作出審閱。修訂會計估計會在估計已修改及修改只影響當期的時段被作實，或在修改時期及若修改對現在及未來均有影響的未來期間。

(a) 投資物業及發展中投資物業估值

誠如附註17所述，投資物業及發展中投資物業乃基於獨立專業估值師作出的估值按公平值列示。

於釐定投資物業公平值時，估值師所採用的估值方法涉及(其中包括)若干估計，包括適當的貼現率、最終資本化比率及預期日後市場租金。管理層依賴該估值報告時已行使其判斷，並信納估值法已反映當前市況。

發展中投資物業乃透過估計該等物業的公平值而進行估值，猶如該等物業已根據有關發展計劃竣工並扣除完成建設的估計成本、融資成本及合理利潤。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(b) Construction contracts

As explained in notes 4(j) and 4(r)(i), revenue and profit recognition on an uncompleted project is dependent on estimating the total outcome of the construction contract, as well as the work done to date. Based on the Group's recent experience and the nature of the construction activities undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and revenue can be reliably estimated. As a result, until this point is reached the amounts due from customers for contract work as disclosed in note 19 will not include profit which the Group may eventually realise from the work done to date. In addition, actual outcomes in terms of total costs or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

(c) Impairment of trade receivables

The Group evaluates whether there is any objective evidence that trade receivables are impaired, and estimates allowances for doubtful debts as a result of the inability of the debtors to make required payments. The Group bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the customer and historical write-off experience. If the financial condition of the debtors were to deteriorate, actual write-offs would be higher than estimated.

5. 關鍵會計判斷及估計不確定因素的主要來源(續)

(b) 建造合約

誠如附註4(j)及4(r)(i)所述，對未完成項目的收益及溢利確認取決於對建造合約總結果的估計及迄今已進行的工程。根據本集團的近期經驗及本集團進行的建築業務的性質，本集團估計其認為工程已充分完工及能可靠地估計完成成本及收益的時間點。因此，在達到該時間點前，應收客戶合約工程款項(如附註19所披露)將不會包括本集團最終可自迄今已進行的工程變現的溢利。此外，有關總成本或收益的實際結果可能高於或低於報告期末的估計，將會影響於未來年度作為迄今所入賬金額的調整而確認的收益及溢利。

(c) 應收賬款減值

本集團評估是否有任何客觀證據證明應收賬款減值，且估計因債務人不能作出規定付款而產生的呆賬撥備。本集團根據應收賬款結餘的賬齡分析、客戶的信用及過往撇銷經驗作出估計。倘債務人的財政狀況惡化，實際的撇銷將高於估計。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

(d) Fair value measurement

A number of assets and liabilities included in the Group's consolidated financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs; and
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures a number of items at fair value:

- Investment properties and investment properties under development (note 17);
- Other financial assets (note 18); and
- Derivative financial instruments (note 24).

For more detailed information in relation to the fair value measurement of the items above, please refer to the applicable notes.

5. 關鍵會計判斷及估計不確定因素的主要來源(續)

(d) 公平值計量

本集團綜合財務報表內多項資產及負債須按公平值計量及/或作出公平值披露。

本集團金融及非金融資產及負債之公平值計量盡可能利用市場可觀察輸入資料及數據。釐定公平值計量採用之輸入數據分類為不同等級，基準為於估值方法中所用輸入數據的可觀察程度(「公平值等級」)：

- 第一級：相同項目於活躍市場之報價(未經調整)；
- 第二級：除第一級輸入數據以外之直接或間接可觀察數據；及
- 第三級：不可觀察數據(即並非從市場數據中產生之數據)。

將項目分類為上述等級乃以所用輸入數據對該項目公平值計量影響重大之最低等級決定。於各等級之間轉移項目乃於產生期間確認。

本集團按公平值計量多個項目：

- 投資物業及發展中投資物業(附註17)；
- 其他金融資產(附註18)；及
- 衍生金融工具(附註24)。

有關上述各項目公平值計量之進一步詳情，請參閱適用附註。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

6. SEGMENT REPORTING

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has three reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- Construction: contracting of construction of residential buildings, commercial buildings and data centres for external customers and for group companies
- Property leasing: leasing of data centres and office premises
- Property development: development and sale of properties

Inter-segment transactions are priced with reference to prices charged to external parties for similar order. Central revenue and expenses are not allocated to the operating segments as they are not included in the measure of the segment's profit that is used by the chief operating decision-makers for assessment of segment performance.

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, non-current and current assets with the exception of investments in financial assets, deferred tax assets and other corporate assets. Segment liabilities include trade payable, accruals and other current and non-current liabilities attributable to the business activities of the individual segments and bank borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to income generated by those segments and the expenses incurred by those segments.

During the year, the Group performed a review on its businesses and rationalised the classifications for certain segment results allocated to the respective reporting segments. Accordingly, certain comparative amounts have been reclassified to conform to the current year's presentation.

6. 分部報告

本集團按主要經營決策人依據審閱的報告而作出策略決定來釐定經營分部。

本集團有三個須申報分部。有關分部因各業務提供不同的產品及服務，需要不同的業務策略而作出獨立管理。以下概述闡明本集團各須申報分部的業務：

- 建築：為外部客戶及集團公司建造住宅樓宇、商業樓宇及數據中心
- 物業租賃：租賃數據中心及辦公室物業
- 物業發展：發展及銷售物業

分部間交易乃參考就類似訂單向外部人士收取的費用而定價。由於中央收益及開支並不包括在主要經營決策人用以評估分部表現的分部溢利內，故並無分配至各營運分部。

就評估分部表現及分部間資源分配而言，本集團最高層行政管理人員按以下基準監察各可報告分部應佔的業績、資產及負債：

分部資產包括全部有形資產、非流動資產及流動資產，惟金融資產、遞延稅項資產及其他企業資產投資除外。分部負債包括個別分部經營活動應佔的應付貿易賬款、應計費用、其他流動及非流動負債以及分部直接管理的銀行借款。

收益及開支乃參考該等分部帶來的收入及該等分部產生的開支分配至可報告分部。

本集團於年內檢討業務並對若干分部業績分配至相關申報分部進行重整。因此，本集團已將若干比較數字重新分類，以符合本年度之呈列方式。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

6. SEGMENT REPORTING (Continued)

(a) Segment revenue and results

6. 分部報告(續)

(a) 分部收益及業績

		Construction		Property leasing		Property development		Total	
		建築	物業租賃	物業發展	總計				
		2016	2015	2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
			(Restated)		(Restated)		(Restated)		(Restated)
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元	千元
Revenue from external customers	來自外部客戶的收益	822,377	704,126	145,202	142,048	-	-	967,579	846,174
Inter-segment revenue	分部間收益	127,800	228,800	1,735	-	-	-	129,535	228,800
Segment revenue	分部收益	950,177	932,926	146,937	142,048	-	-	1,097,114	1,074,974
Segment results	分部業績	72,693	66,142	89,824	92,264	(18)	(35)	162,499	158,371
Unallocated net income	未分配淨收入							3,249	6,672
Unallocated expenses	未分配支出							(7,396)	(5,022)
Net gain on cash flow hedging instruments	現金流量對沖工具淨收益							3,988	-
Impairment of available-for-sale investment	可供出售證券減值							(2,191)	-
Increase in fair value of investment properties	投資物業之公平值增加							285,195	211,723
Finance costs	財務成本							(18,234)	(19,595)
Profit before taxation	稅前溢利							427,110	352,149

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

6. SEGMENT REPORTING (Continued)

(b) Segment assets and liabilities

6. 分部報告(續)

(b) 分部資產及負債

		2016 二零一六年	2015 二零一五年 (Restated) (重列)
		\$'000 千元	\$'000 千元
Segment assets	分部資產		
Construction	建築	305,016	402,593
Property leasing	物業租賃	3,359,086	3,055,767
Property development	物業發展	-	-
Total segment assets	總分部資產	3,664,102	3,458,360
Available-for-sale securities	可供出售證券	12,809	14,170
Deferred tax assets	遞延稅項資產	45	-
Unallocated office premises	未分配辦公室物業	125,095	-
Unallocated head office and corporate assets	未分配總公司及企業資產	27,749	10,108
Consolidated total assets	綜合總資產	3,829,800	3,482,638
Segment liabilities	分部負債		
Construction	建築	364,444	419,030
Property leasing	物業租賃	947,094	900,893
Property development	物業發展	15	30
Total segment liabilities	總分部負債	1,311,553	1,319,953
Tax payable	應付稅款	7,815	6,150
Deferred tax liabilities	遞延稅項負債	32,386	31,117
Unallocated head office and corporate liabilities	未分配總公司及企業負債	4,319	5,509
Consolidated total liabilities	綜合總負債	1,356,073	1,362,729

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

6. SEGMENT REPORTING (Continued)

(c) Other segment information

	Construction		Property leasing		Property development		Unallocated		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
	(Restated)						(Restated)			
	(重列)						(重列)			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元	千元	千元	千元	千元
Additions to non-current segment assets	-	144	146,923	421,707	-	-	3,812	289	150,735	422,140

(d) Geographic information

No geographic information has been presented as all of the Group's operating activities are carried out in Hong Kong.

(e) Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group is as follows:

	2016	2015
	二零一六年	二零一五年
	\$'000	\$'000
	千元	千元
Customer A	496,573	130,241
Customer B	134,095	344,707
Customer C	108,134	-
Customer D	54,147	204,415

Revenue from all of the above customers are generated from building construction.

6. 分部報告(續)

(c) 其他分部資料

(d) 地區資料

由於本集團所有經營活動均在香港進行，故並無呈列地區資料。

(e) 有關主要客戶的資料

收益源自貢獻超過本集團總收益10%的客戶如下：

以上所有客戶的收益均源自樓宇建造。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

7. REVENUE

Revenue which is derived from the Group's principal activities and recognised during the year is analysed as follows:

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Revenue from building construction	樓宇建造收益	822,377	704,126
Rental income	租金收入	114,296	112,704
Rental related income	租金相關收入	30,906	29,344
		967,579	846,174

8. OTHER REVENUE

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Bank interest income	銀行利息收入	574	1,449
Dividend income from unlisted securities	非上市證券的股息收入	816	810
Others	其他	499	1,360
		1,889	3,619

9. OTHER NET INCOME

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Net unrealised gain on derivative financial instruments	衍生金融工具未變現收益淨額	1,559	2,716
Net gain on cash flow hedging instruments reclassified from equity (note 12(b))	從權益中重新分類的現金流量對沖工具淨收益(附註 12(b))	3,988	-
Impairment of available-for-sale securities (note 12(b))	可供出售證券減值(附註 12(b))	(2,191)	-
Net foreign exchange (loss)/gain	外匯兌換淨(虧損)/收益	(199)	114
Gain on a bargain purchase in relation to the acquisition of a subsidiary (note 25(a))	議價收購附屬公司之收益(附註 25(a))	-	223
		3,157	3,053

7. 收益

年內來自本集團主營業務及已確認之收益分析如下：

8. 其他收益

9. 其他收入淨額

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

10. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

10. 除稅前溢利

除稅前溢利已扣除/(計入)以下各項：

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
(a) Finance costs	(a) 財務成本		
Interest on bank loans wholly repayable:	銀行貸款利息：		
— within five years	— 貸款悉數於五年內償還	37,115	35,075
— after five years	— 貸款悉數於五年後償還	1,223	—
Other borrowing costs	其他借款成本	2,353	2,696
		40,691	37,771
Less: Amount included in construction contracts in progress	減：計入在建建造合約的金額	(6,801)	(8,623)
Amount capitalised into investment properties and investment properties under development *	資本化為投資物業及發展中投資物業的金額*	(15,656)	(9,553)
		18,234	19,595
(b) Staff costs (including directors' remuneration)	(b) 員工成本(包括董事薪酬)		
Salaries, wages and other benefits	薪金、工資及其他福利	78,982	69,508
Contributions to defined contribution retirement plans	界定供款退休計劃供款	2,304	2,076
		81,286	71,584
Less: Amount included in construction contracts in progress	減：計入在建建造合約的金額	(67,837)	(62,032)
Amount capitalised into investment properties and investment properties under development	資本化為投資物業及發展中投資物業的金額	(6,989)	(4,353)
		6,460	5,199
(c) Other items	(c) 其他項目		
Rental income from investment properties	投資物業所得租金收入	(114,296)	(112,704)
Less: Direct outgoings	減：直接支出	51,894	46,211
		(62,402)	(66,493)
Depreciation	折舊	2,881	652
Impairment loss for trade receivables (note 20)	應收賬款之減值虧損(附註20)	—	8
Reversal of impairment loss for trade receivables (note 20)	撥回應收賬款之減值虧損(附註20)	(8)	—
Auditors' remuneration	核數師酬金		
— audit services	— 審計服務	760	1,680
— other services	— 其他服務	577	693

* The borrowing costs have been capitalized at the range of 2.34% to 6.00% (2015: 2.56% to 3.29%) per annum

* 借貸成本已按年率2.34%至6.00%(二零一五年：2.56%至3.29%)資本化

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

11. INCOME TAX

- (a) Income tax in the consolidated statement of profit or loss represents:

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Current tax	本期稅項		
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備	22,539	20,154
Over-provision in respect of prior years	以往年度超額撥備	(15)	(188)
		22,524	19,966
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	產生及撥回暫時差額	2,657	4,370
		25,181	24,336

Pursuant to the rules and regulations of the British Virgin Islands ("BVI") and the Cayman Islands, the Group is not subject to any income tax in the BVI and the Cayman Islands.

The provision for Hong Kong Profits Tax is calculated at 16.5% (2015: 16.5%) of the estimated assessable profits for the year.

- (b) Reconciliation between income tax expense and accounting profit before taxation at applicable tax rate:

11. 所得稅

- (a) 綜合損益表內的所得稅指：

	2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Current tax		
本年度香港利得稅撥備	22,539	20,154
以往年度超額撥備	(15)	(188)
	22,524	19,966
Deferred tax		
產生及撥回暫時差額	2,657	4,370
	25,181	24,336

根據英屬處女群島及開曼群島的規則及規例，本集團毋須繳納英屬處女群島及開曼群島的任何所得稅。

香港利得稅撥備乃根據本年度估計應課稅溢利按16.5% (二零一五年：16.5%)計算。

- (b) 按適用稅率計算的所得稅開支與除稅前會計溢利的對賬：

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Profit before taxation	除稅前溢利	427,110	352,149
Notional tax on profit before taxation, calculated at the rate applicable to the profits in the jurisdictions concerned	按適用於有關司法管轄區之溢利之稅率計算之稅項	70,473	58,105
Effect of non-taxable income	無需課稅收入的影響	(46,370)	(34,653)
Effect of non-deductible expenses	不可扣抵開支的影響	596	1,020
Effect of unused tax losses not recognised	未確認未動用稅項虧損的影響	638	125
Tax effect of prior year's unrecognised tax losses utilised in the current year	動用過往年度未確認稅項虧損的影響	(135)	(34)
Over-provision in respect of prior years	以往年度超額撥備	(15)	(188)
Others	其他	(6)	(39)
		25,181	24,336
Actual income tax expense	實際所得稅開支	25,181	24,336

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

11. INCOME TAX (Continued)

(c) Income tax in the consolidated statement of financial position represents:

(i) Current taxation

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備	22,539	20,154
Provisional Profits Tax paid	已付暫繳利得稅	(14,724)	(14,126)
		7,815	6,028
Acquisition of a subsidiary (note 25(a))	收購附屬公司(附註25(a))	-	122
		7,815	6,150

(ii) Deferred tax assets and liabilities recognised

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

Deferred tax arising from: 來自以下各項的遞延稅項：		Depreciation allowances in excess of the related depreciation 折舊免稅額多於相關折舊 \$'000 千元	Hedging reserve 對沖儲備 \$'000 千元	Total 總計 \$'000 千元
At 1 April 2014	於二零一四年四月一日	24,944	(1,273)	23,671
Charged to other comprehensive income	在其他全面收益內扣除	-	1,299	1,299
Charged to the profit or loss	在損益內扣除	4,370	-	4,370
Acquisition of a subsidiary (note 25(a))	收購附屬公司(附註25(a))	1,777	-	1,777
At 31 March 2015 and 1 April 2015	於二零一五年三月三十一日及 二零一五年四月一日	31,091	26	31,117
Credited to other comprehensive income	在其他全面收益內計入	-	(1,433)	(1,433)
Charged to the profit or loss	在損益內扣除	2,657	-	2,657
At 31 March 2016	於二零一六年三月三十一日	33,748	(1,407)	32,341

11. 所得稅 (續)

(c) 綜合財務狀況表內的所得稅指：

(i) 本期稅項

(ii) 已確認遞延稅項資產及負債

於綜合財務狀況表內確認的遞延稅項(資產)/負債的組成部分及本年的變動如下：

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

11. INCOME TAX (Continued)

(c) Income tax in the consolidated statement of financial position represents: (Continued)

(ii) **Deferred tax assets and liabilities recognised**
(Continued)

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Net deferred tax assets recognised in the consolidated statement of financial position	在綜合財務狀況表內確認的遞延稅項資產淨額	(45)	-
Net deferred tax liabilities recognised in the consolidated statement of financial position	在綜合財務狀況表內確認的遞延稅項負債淨額	32,386	31,117
		32,341	31,117

(d) At 31 March 2016, the Group has not recognised deferred tax assets in respect of unused tax losses of \$4,550,000 (2015: \$1,844,000) as it is not probable that sufficient future taxable profits will be available against which the unused tax losses can be utilised. The tax losses do not expire under current tax legislation.

12. OTHER COMPREHENSIVE INCOME

(a) Tax effects relating to cash flow hedges included in other comprehensive income

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Pre-tax amount	除稅前金額	(8,683)	7,870
Tax charge	稅項支出	1,433	(1,299)
Net-of-tax amount	除稅後金額	(7,250)	6,571

11. 所得稅 (續)

(c) 綜合財務狀況表內的所得稅指：
(續)

(ii) 已確認遞延稅項資產及負債 (續)

(d) 於二零一六年三月三十一日，由於不大可能產生足夠的未來應課稅溢利以抵銷未使用的稅項虧損，本集團並無就未使用稅項虧損4,550,000元（二零一五年：1,844,000元）確認遞延稅項資產。根據現行稅務法規，稅項虧損不會逾期屆滿。

12. 其他全面收益

(a) 有關計入其他全面收益的現金流量對沖的稅務影響

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

12. OTHER COMPREHENSIVE INCOME (Continued)

(b) Components of other comprehensive income, including reclassification adjustments

12. 其他全面收益 (續)

(b) 其他全面收入的組成部分 (包括重新分類調整)

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Available-for-sale securities	可供出售證券：		
Changes in fair value and net movement in the fair value reserve during the year recognised in other comprehensive income	於其他全面收益內確認年內公平值變動及公平值儲備變動淨額	(1,361)	(797)
Reclassification adjustment transferred to profit or loss — impairment (note 9)	重置調整轉入損益 — 減值 (附註9)	2,191	—
Net movement in the fair value reserve during the year recognised in other comprehensive income	於其他全面收益確認年內公平值儲備變動淨額	830	(797)
Cash flow hedges:	現金流量對沖：		
Effective portion of changes in fair value of hedging instruments recognised during the year	年內已確認的對沖工具公平值變動的有効部分	(4,695)	7,870
Net deferred tax credited/(charged) to other comprehensive income	於其他全面收入列支/(列入)的遞延稅項淨額	1,433	(1,299)
Reclassification adjustment transferred to profit or loss — net gain on cash flow hedging instruments (note 9)	重置調整轉入損益 — 現金流量對沖工具淨收益 (附註9)	(3,988)	—
Net movement in the hedging reserve during the year recognised in other comprehensive income	於其他全面收益內確認年內對沖儲備變動淨額	(7,250)	6,571

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

13. DIRECTORS' REMUNERATION

The emoluments paid or payable to each of the directors were as follows:

13. 董事薪酬

已付或應付予每名董事之薪酬如下：

		2016 二零一六年				
		Fees	Basic salaries, allowances and benefits in kind	Bonuses	Retirement scheme contributions	Total
		袍金 \$'000 千元	基本薪金、津貼 及實物福利 \$'000 千元	花紅 \$'000 千元	退休計劃供款 \$'000 千元	總計 \$'000 千元
Executive Directors	執行董事					
Chan Hung Ming	陳孔明	-	1,638	410	18	2,066
Lau Chi Wah	劉志華	-	1,638	410	18	2,066
Yuen Ying Wai	袁英偉	-	1,643	410	18	2,071
Kwan Wing Wo	關永和	-	1,210	300	18	1,528
Independent Non-Executive Directors	獨立非執行董事					
Tsui Ka Wah	徐家華	240	-	60	-	300
Kan Yau Wo	簡友和	240	-	60	-	300
Mok Kwai Pui Bill	莫貴標	240	-	60	-	300
Lee Chung Yiu Johnny	李宗耀	240	-	60	-	300
Total	總計	960	6,129	1,770	72	8,931

		2015 二零一五年				
		Fees	Basic salaries, allowances and benefits in kind	Bonuses	Retirement scheme contributions	Total
		袍金 \$'000 千元	基本薪金、津貼 及實物福利 \$'000 千元	花紅 \$'000 千元	退休計劃供款 \$'000 千元	總計 \$'000 千元
Executive Directors	執行董事					
Chan Hung Ming	陳孔明	-	1,638	410	17	2,065
Lau Chi Wah	劉志華	-	1,638	410	17	2,065
Yuen Ying Wai	袁英偉	-	1,661	410	17	2,088
Kwan Wing Wo	關永和	-	1,222	300	17	1,539
Independent Non-Executive Directors	獨立非執行董事					
Tsui Ka Wah	徐家華	240	-	60	-	300
Kan Yau Wo	簡友和	240	-	60	-	300
Mok Kwai Pui Bill	莫貴標	240	-	60	-	300
Lee Chung Yiu Johnny	李宗耀	240	-	60	-	300
Total	總計	960	6,159	1,770	68	8,957

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

13. DIRECTORS' REMUNERATION (Continued)

No director received any emoluments from the Group as an inducement to join or upon joining the Group or as compensation for loss of office during the year. No director waived or agreed to waive any emoluments during the years ended 31 March 2016 and 2015.

14. EMOLUMENTS OF FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT

(a) Emoluments of five highest paid individuals

The five highest paid individuals of the Group during the year ended 31 March 2016 include 4 (2015: 4) directors whose emoluments are disclosed in note 13. The aggregate of the emoluments in respect of the remaining individual is as follows:

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,306	1,202
Discretionary bonuses	酌情花紅	323	293
Retirement scheme contributions	退休計劃供款	18	17
		1,647	1,512

The above individual's emoluments are within the following band:

		2016 二零一六年 Number of individuals 人數	2015 二零一五年 Number of individuals 人數
\$1,500,000 to \$2,000,000	1,500,000元至2,000,000元	1	1

13. 董事薪酬(續)

本年度內概無董事自本集團收取任何酬金，作為加盟本集團或於加盟本集團時的獎金或作為離職補償。截至二零一六年及二零一五年三月三十一日止年度，概無董事放棄或同意放棄任何酬金。

14. 五名最高薪酬人士及高級管理層酬金

(a) 五名最高薪酬人士酬金

截至二零一六年三月三十一日止年度，本集團的五名最高薪酬人士包括4名(二零一五年：4名)董事，其酬金於附註13披露。其餘人士的酬金總額如下：

上述人士酬金範圍如下：

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

14. EMOLUMENTS OF FIVE HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT

(Continued)

(b) Emoluments of senior management

Other than the emoluments of the Directors and five highest paid individuals disclosed in notes 13 and 14(a), the emoluments of the remaining senior management fell within the following bands:

		2016 二零一六年 Number of individuals 人數	2015 二零一五年 Number of individuals 人數
Nil to \$1,000,000	零至 1,000,000 元	1	1
\$1,000,001 to \$1,500,000	1,000,001 元至 1,500,000 元	1	1

15. DIVIDENDS

(a) Dividends payable to owners of the Company attributable to profit for the year:

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Interim dividend declared and paid of HK4.0 (2015: 4.2) cents per share	已宣派及支付的中期股息每股 4.0 港仙(二零一五年: 4.2 港仙)	21,330	18,510
Final dividend proposed after the end of the reporting period of HK4.0 (2015: 4.2) cents per share	於報告期末後擬派發之末期股息每股 4.0 港仙(二零一五年: 4.2 港仙)	23,464	20,361
		44,794	38,871

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the reporting date.

於報告期末後擬派發之末期股息尚未在報告期末確認為負債。

14. 五名最高薪酬人士及高級管理層酬金(續)

(b) 高級管理層酬金

除於附註 13 及 14(a) 所披露的董事及五名最高薪酬人士的酬金外，餘下高級管理層的酬金處於下列範圍內：

15. 股息

(a) 屬於本年溢利應付予本公司擁有人的股息：

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

15. DIVIDENDS (Continued)

- (b) Dividends payable to owners of the Company attributable to profit for previous year, approved and paid during the year:

Final dividend in respect of the previous year, approved and paid during the year of HK4.2 (2015: HK4.6) cents per share

於本年度批准及支付的上一年度末期股息每股4.2港仙
(二零一五年：4.6港仙)

2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
-----------------------------------	-----------------------------------

20,361	18,400
--------	--------

16. EARNINGS PER SHARE

- (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of \$401,929,000 (2015: \$327,813,000) and the weighted average number of 586,587,747 shares (2015 (restated): 586,135,945 shares) in issue during the year, calculated as follows:

Issued ordinary shares at 1 April

Effect of bonus issue of shares (note 26(iv), (v))

Weighted average number of shares issued under the scrip dividend scheme (note 26(i))

Weighted average number of shares at 31 March

於四月一日已發行普通股

紅股發行的影響(附註26(iv)及(v))

以股代息計劃下發行之股份的加權平均股數(附註26(i))

於三月三十一日的加權平均股數

2016 二零一六年 \$'000 千股	2015 二零一五年 (Restated) (重列) \$'000 千股
-------------------------------	---

484,783	400,000
---------	---------

101,805	185,763
---------	---------

-	373
---	-----

586,588	586,136
---------	---------

- (b) Diluted earnings per share

Diluted earnings per share are the same as the basic earnings per share as the Company had no dilutive potential shares in existence during the years ended 31 March 2016 and 2015.

15. 股息(續)

- (b) 屬於上一個年度溢利，並於本年度批准及支付予本公司擁有人的股息：

16. 每股盈利

- (a) 每股基本盈利

每股基本盈利乃根據本公司權益股東應佔溢利401,929,000元(二零一五年：327,813,000元)及本年度內已發行股份的加權平均數586,587,747股(二零一五年(重列)：586,135,945股)·計算如下：

- (b) 每股攤薄盈利

截至二零一六年及二零一五年三月三十一日止年度期間，本公司並無潛在攤薄股份，故每股攤薄盈利與每股基本盈利相同。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

17. FIXED ASSETS

17. 固定資產

		Investment properties	Investment properties under development	Sub-total	Buildings held for own use	Furniture, fixtures and other fixed assets	Sub-total	Total
		投資物業	發展中投資物業	小計	自用物業	傢俬、裝置及 其他固定資產	小計	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
Cost or valuation:	成本或估值							
At 1 April 2014	於二零一四年四月一日	1,817,000	535,000	2,352,000	-	9,803	9,803	2,361,803
Additions	添置	4,495	289,782	294,277	-	863	863	295,140
Acquisition of a subsidiary (note 25(a))	收購附屬公司 (附註25(a))	127,000	-	127,000	-	-	-	127,000
Written off	報銷	-	-	-	-	(415)	(415)	(415)
Surplus/(deficit) on revaluation	重估盈餘/(虧蝕)	(4,495)	216,218	211,723	-	-	-	211,723
At 31 March 2015	於二零一五年三月三十一日	1,944,000	1,041,000	2,985,000	-	10,251	10,251	2,995,251
Representing:	列示:							
Cost	成本	-	-	-	-	10,251	10,251	10,251
Valuation	估值	1,944,000	1,041,000	2,985,000	-	-	-	2,985,000
		1,944,000	1,041,000	2,985,000	-	10,251	10,251	2,995,251
Accumulated depreciation:	累計折舊							
At 1 April 2014	於二零一四年四月一日	-	-	-	-	9,298	9,298	9,298
Charge for the year	年內支出	-	-	-	-	652	652	652
Written off	報銷	-	-	-	-	(415)	(415)	(415)
At 31 March 2015	於二零一五年三月三十一日	-	-	-	-	9,535	9,535	9,535
Carrying values:	賬面價值							
At 31 March 2015	於二零一五年三月三十一日	1,944,000	1,041,000	2,985,000	-	716	716	2,985,716

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

17. FIXED ASSETS (Continued)

17. 固定資產(續)

		Investment properties	Investment properties under development	Sub-total	Buildings held for own use	Furniture, fixtures and other fixed assets	Sub-total	Total
		投資物業	發展中投資物業	小計	自用物業	傢俬、裝置及其他固定資產	小計	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
Cost or valuation:	成本或估值							
At 1 April 2015	於二零一五年四月一日	1,944,000	1,041,000	2,985,000	-	10,251	10,251	2,995,251
Additions	添置	1,150	145,655	146,805	-	3,930	3,930	150,735
Written off	報銷	-	-	-	-	(15)	(15)	(15)
Transfer	轉撥	1,059,655	(1,186,655)	(127,000)	127,000	-	127,000	-
Surplus on revaluation	重估盈餘	285,195	-	285,195	-	-	-	285,195
At 31 March 2016	於二零一六年三月三十一日	3,290,000	-	3,290,000	127,000	14,166	141,166	3,431,166
Representing:	列示:							
Cost	成本	-	-	-	127,000	14,166	141,166	141,166
Valuation	估值	3,290,000	-	3,290,000	-	-	-	3,290,000
		3,290,000	-	3,290,000	127,000	14,166	141,166	3,431,166
Accumulated depreciation:	累計折舊							
At 1 April 2015	於二零一五年四月一日	-	-	-	-	9,535	9,535	9,535
Charge for the year	年內支出	-	-	-	1,905	976	2,881	2,881
Written off	報銷	-	-	-	-	(15)	(15)	(15)
At 31 March 2016	於二零一六年三月三十一日	-	-	-	1,905	10,496	12,401	12,401
Carrying values:	賬面價值							
At 31 March 2016	於二零一六年三月三十一日	3,290,000	-	3,290,000	125,095	3,670	128,765	3,418,765

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

17. FIXED ASSETS (Continued)

- (a) The fair value of the Group's investment properties and investment properties under development is Level 3 recurring fair value measurements. The movement of these balances are as follows:

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
At 1 April	於四月一日	2,985,000	2,352,000
Additions	添置	146,805	294,277
Acquisition of a subsidiary (note 25(a))	收購附屬公司(附註25(a))	-	127,000
Fair value adjustment	公平值調整	285,195	211,723
Transfer	轉撥	(127,000)	-
At 31 March	於三月三十一日	3,290,000	2,985,000

Fair value adjustment of investment properties and investment properties under development is recognised in the line item "Increase in fair value of investment properties" on the face of the consolidated statement of profit or loss.

During the year ended 31 March 2016, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

The Group's investment properties and investment properties under development were revalued on 31 March 2016 and 31 March 2015 by Colliers International (Hong Kong) Limited, an independent firm of surveyors, who have among their staffs Members of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued, on a market value basis. The management of the Group has discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date.

17. 固定資產(續)

- (a) 本集團的投資物業及發展中投資物業之公平值屬第三級經常性公平值計量。此等結餘的變動如下：

投資物業及發展中投資物業的公平值調整於綜合損益表的「投資物業之公平值增加」項內確認。

於二零一六年三月三十一日止年度期內，第一級及第二級之間並無轉撥，亦未有第三級的轉入或轉出。

本集團的投資物業及發展中投資物業於二零一六年三月三十一日及二零一五年三月三十一日由獨立測量師行高力國際物業顧問(香港)有限公司(其員工當中擁有香港測量師學會會員，對被估物業的地點和類別擁有近期估值經驗)按市值基準估值。本集團管理層於各中期及年度報告估值日期進行估值時就估值假設及估值結果與該等估值師進行討論。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

17. FIXED ASSETS (Continued)

(a) (Continued)

The following table shows the significant unobservable inputs used in the valuation model:

17. 固定資產 (續)

(a) (續)

下列為用於估值模式中使用的重大不可觀察數據：

Properties 物業	Valuation techniques 估值方法	Unobservable input 不可觀察數據	Adopted rate/value 已採納利率/價值	
			2016 二零一六年	2015 二零一五年
Investment properties 投資物業				
— Data centres 數據中心	Income approach — discounted cash flow analysis 收入法 — 貼現現金流量分析	Risk-adjusted discount rate 風險調整貼現率	8%	6%
		Expected market rental growth 預期市場租金增長	4%	4.5%
		Expected occupancy rate 預期出租率	92%–100%	100%
		Terminal capitalisation rate 終止資本化率	5%	4.5%
— Office premises 辦公室物業	Income approach — term and reversion approach 收入法 — 年期和復歸法	Term yield 長期收益率	N/A 不適用	3%
		Reversionary yield 復歸收益率	N/A 不適用	3.25%
		Market rent (\$/square feet/month) 市場租金(元/平方呎/月)	N/A 不適用	31.7
Investment properties under development 發展中投資物業	Residual approach — discounted cash flow analysis 剩餘價值法 — 貼現現金流量分析	Risk-adjusted discount rate 風險調整貼現率	N/A 不適用	6%
		Expected market rental growth 預期市場租金增長	N/A 不適用	4.5%
		Expected stabilised occupancy rate 預期穩定出租率	N/A 不適用	100%
		Terminal capitalisation rate 終止資本化率	N/A 不適用	4.5%
		Expected monthly rental (\$/square feet) 預期月租(元/平方呎)	N/A 不適用	190
		Estimated profit margin 估計利潤率	N/A 不適用	20%
		Costs to completion (\$'000) 竣工成本(千元)	N/A 不適用	221,558

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

17. FIXED ASSETS (Continued)

(a) (Continued)

The fair value of investment properties — data centres is determined on the basis of capitalisation of discounted cash flow analysis by discounting a projected cash flow series associated with the properties using risk-adjusted discount rates. The valuation takes into account expected market rental growth and occupancy rates of the properties. The discount rates used have been adjusted for the quality and location of the buildings and the tenant credit quality. The fair value measurement of investment properties — data centres is positively correlated to the expected market rental growth and the occupancy rate, and negatively correlated to the risk-adjusted discount rate and terminal capitalisation rate.

The fair value of investment properties — office premises is determined on a market basis by capitalising net rental income on a fully leased basis having regard to the current passing rental income from existing tenancies and potential future reversionary income at the market level. No allowance have been made for vacancies or capital deductions of any nature. the fair value measurement of investment properties — office premises is positively correlated to the market rent and negatively correlated to the term yield and reversionary yield.

The fair value of investment properties under development is determined using the residual method by estimating the fair value of such properties as if they were completed in accordance with the relevant development plan and then deducting from that amount the estimated land premium, estimated costs to complete the construction, financing costs and a reasonable profit margin. The fair value measurement of investment properties under development is positively correlated to the expected monthly rental, market rental growth and occupancy rate and negatively correlated to the risk-adjusted discount rate, terminal capitalisation rate, estimated profit margin and costs to completion.

17. 固定資產(續)

(a) (續)

投資物業 — 數據中心之公平值乃根據貼現現金流量資本化分析釐定，有關分析以使用風險調整貼現率貼現與該等物業相關的一系列預測現金流量。估值考慮到該等物業的預期市場租金增幅及出租率。使用的貼現率已調整有關大廈的質素及地點以及租戶的信貸風險質素。投資物業 — 數據中心的公平值計量與預期市場租金增幅及出租率成正比，而與風險調整貼現率及終止資本化率成反比。

投資物業 — 辦公室物業之公平值乃根據貼現現金流量資本化分析釐定，有關分析以使用風險調整貼現率貼現與該等物業相關的一系列預測現金流量。估值考慮到該等物業的預期市場租金增幅及出租率。使用的貼現率已調整有關大廈的質素及地點以及租戶的信貸風險質素。投資物業 — 辦公室物業的公平值計量與預期市場租金增幅及出租率成正比，而與風險調整貼現率及終止資本化率成反比。

發展中投資物業之公平值按剩餘價值方法透過估計該等物業公平值而釐定，假設該等物業按照相關發展計劃竣工，並扣除估計修訂契約之土地補價、估計竣工的成本、融資成本及合理利潤。發展中投資物業的公平值計量與預期月租、市場租金增幅及出租率成正比，與風險調整貼現率、終止資本化率、估計利潤率及竣工成本成反比。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

17. FIXED ASSETS (Continued)

- (b) The Group leases out a number of building facilities under operating leases. The leases typically run for an initial period of 5 to 20 years, with an option to renew the lease after that date at which time all terms are renegotiated.

All properties held under operating leases that would otherwise meet the definition of investment properties are classified as investment properties.

The Group's total future minimum lease payments under non-cancellable operating leases are receivable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

- (c) The Group's buildings held for own use, investment properties and investment properties under development are situated in Hong Kong and held under medium-term leases.
- (d) The Group's buildings held for own use, investment properties and investment properties under development were pledged against bank loans, details of which are set out in note 23.

17. 固定資產(續)

- (b) 本集團根據經營租賃出租部分樓宇設施。該等租賃一般初始為期五至二十年，並有權選擇於約滿及重續各租約時重新協商所有條款。

根據經營租賃持有且在其他方面均符合投資物業定義的所有物業，均會分類為投資物業。

本集團根據不可撤銷經營租賃於日後應收的最低租賃款項總額如下：

	2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
	123,066	118,086
	377,556	372,496
	142,279	176,837
	642,901	667,419

- (c) 本集團持有之自用物業、投資物業及發展中投資物業均位於香港及以中期租約持有。
- (d) 本集團持有之自用物業、投資物業及發展中投資物業已作抵押以取得銀行貸款，有關詳情載於附註23。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

18. OTHER FINANCIAL ASSETS

18. 其他金融資產

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Available-for-sale securities, quoted but unlisted	可供出售證券，有報價但非上市	12,809	14,170

The available-for-sale securities were pledged as security for the bank loans granted to the Group (note 23).

可供出售證券已抵押作為授予本集團銀行貸款的擔保(附註23)。

19. GROSS AMOUNT DUE FROM/TO CUSTOMERS FOR CONTRACT WORK

19. 應收／應付客戶合約工程毛額

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Gross amount due from customers for contract work	應收客戶合約工程毛額		
Contract costs incurred plus recognised profits less recognised losses	產生的合約成本加已確認溢利減已確認虧損	3,047,451	2,272,539
Less: Progress billings received and receivable	減：已收及應收進度款項	(3,028,636)	(2,199,965)
		18,815	72,574
Gross amount due to customers for contract work	應付客戶合約工程毛額		
Progress billings received and receivable	已收及應收進度款項	108,134	128,883
Less: Contract costs incurred plus recognised profits less recognised losses	減：產生的合約成本加已確認溢利減已確認虧損	(90,842)	(121,267)
		17,292	7,616

All gross amounts due from/to customers for contract work are expected to be recovered/settled within one year.

所有應收／應付客戶合約工程毛額預期於一年內收回／結清。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

20. TRADE AND OTHER RECEIVABLES

20. 應收賬款及其他應收款項

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Trade receivables (note (i))	應收賬款(附註(i))	125,510	130,589
Less: allowance for doubtful debts	減：呆賬撥備	(38)	(46)
		125,472	130,543
Deposits, prepayments and other receivables (note (i))	按金、預付款項及其他應收款項(附註(i))	17,628	16,119
Retentions receivable (note (ii))	應收保留款項(附註(ii))	63,085	85,970
		206,185	232,632

Note:

- (i) Except for the amounts of \$27,772,000 (2015: \$30,326,000) as at 31 March 2016, which are expected to be recovered after one year, all of the remaining balances are expected to be recovered within one year.
- (ii) Except for the amounts of \$42,181,000 (2015: \$54,042,000) as at 31 March 2016, which are expected to be recovered after one year, all of the remaining balances are expected to be recovered within one year.

附註：

- (i) 除於二零一六年三月三十一日為數27,772,000元(二零一五年：30,326,000元)的款項預期於一年後收回外，餘下所有結餘預期於一年內收回。
- (ii) 除於二零一六年三月三十一日為數42,181,000元(二零一五年：54,042,000元)的款項預期於一年後收回外，餘下所有結餘預期於一年內收回。

The ageing analysis of the Group's trade receivables (net of allowance for doubtful debts), based on due dates, is as follows:

本集團根據發票日期計算應收賬款(扣除呆賬撥備)的賬齡分析如下：

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Not yet due	未逾期	124,040	119,391
Under 1 month overdue	逾期一個月內	1,386	10,236
More than 1 month overdue and up to 3 months overdue	逾期一個月至三個月	33	908
More than 3 month overdue and up to 6 months overdue	逾期三個月至六個月	13	-
More than 6 month overdue and up to 1 year overdue	逾期六個月至一年	-	8
		125,472	130,543

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

20. TRADE AND OTHER RECEIVABLES (Continued)

At 31 March 2016, the Group's trade receivables of \$38,000 (2015: \$46,000) were individually determined to be impaired. The individually impaired receivables related to customers who were in financial difficulties and management assessed that only a portion of the receivables is expected to be recovered. Accordingly, the Group has recognised impairment losses during the year in relation to the amounts which are considered to be irrecoverable. The movement of impairment during the year, including both specific and collective loss components, is as follows:

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
At 1 April	於四月一日	46	38
Impairment loss recognised (note 10(c))	已確認減值虧損(附註 10(c))	-	8
Reversal (note 10(c))	撥回(附註 10(c))	(8)	-
At 31 March	於三月三十一日	38	46

The ageing analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Neither past due nor impaired	既未逾期亦未減值	124,040	119,391
Less than 1 month past due	一個月內到期	1,386	10,236
Over 1 month but less than 3 months past due	一個月至三個月內到期	33	908
Over 3 months but less than 6 months past due	三個月至六個月內到期	13	-
Over 6 months but less than 1 year past due	六個月至一年內到期	-	8
		1,432	11,152
		125,472	130,543

20. 應收賬款及其他應收款項(續)

於二零一六年三月三十一日，本集團為數38,000元(二零一五年：46,000元)的應收賬款已按其個別情況釐定為已減值。個別已減值的應收賬款與客戶面對財務困難相關，而按管理層評估，預期僅有部分應收賬款可予收回。因此，本集團已於本年確認與被視為無法收回款項有關的減值虧損。年內的減值(包括個別及共同虧損部分)的變動如下：

並無個別或共同視作已減值的應收賬款的賬齡分析如下：

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

20. TRADE AND OTHER RECEIVABLES (Continued)

Receivables which were neither past due nor impaired related to a range of customers for whom there was no recent history of default.

Receivables which were past due but not impaired relate to independent customers that have a good track record of trading with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been significant change in credit quality and the balances are still considered fully recoverable.

21. RESTRICTED AND PLEDGED DEPOSITS AND CASH AND BANK BALANCES

20. 應收賬款及其他應收款項(續)

既未逾期亦未減值的應收賬款均為有關一系列近期無拖欠記錄的客戶。

已逾期但未減值的應收賬款與獨立客戶(與本集團有良好的交易往績記錄)有關。基於過往經驗,由於信貸質素並無重大變化且結餘仍被認為可全數收回,故管理層認為毋須就該等結餘計提減值撥備。

21. 受限制及已抵押存款以及現金及銀行結存

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Cash and bank balances	現金及銀行結存	134,353	113,052
Fixed deposits	定期存款	38,828	64,494
		173,181	177,546
Less:	減:		
Pledged deposits (note (i))	已抵押存款(附註(i))	(47,552)	(39,920)
Restricted deposits (note (ii))	受限制存款(附註(ii))	(6,064)	(6,064)
		(53,616)	(45,984)
Cash and bank balances as stated in the consolidated statement of financial position and cash and cash equivalents as stated in the consolidated cash flow statement	綜合財務狀況表所列之現金及銀行結存及綜合現金流量表所列之現金及現金等價物	119,565	131,562

Note:

- (i) The balances represent bank deposits pledged to secure banks loans of the Group (note 23).
- (ii) The balances represent security deposits placed in a bank according to the terms of the tenancy agreement entered into with a tenant by the Group. The Group has no absolute right and control over the bank balance as the usage of the bank balance is specifically restricted by the tenant under the tenancy agreement. The Group can deduct the balance upon the breach of the tenancy agreement by the tenant. If the Group makes a deduction from the deposit, the tenant shall make up the difference within 14 days of demand.

附註:

- (i) 結存指此銀行存款已作為本集團銀行貸款的抵押(附註23)。
- (ii) 該結存指根據本集團與一名租戶訂立的租賃協議條款存入銀行的保證金。由於使用銀行結存受租賃協議下租戶的明確限制,本集團對銀行結存並無絕對權利及控制權。本集團可於該租戶違反租賃協議時扣除該結存。倘本集團於存款中作出扣除,該租戶須按要於14日內補足差額。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

22. TRADE AND OTHER PAYABLES

22. 應付賬款及其他應付款項

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Trade payables	應付賬款	53,896	103,310
Other payables and accrued charges	其他應付款項及應計費用	101,954	64,894
Rental and other deposits (note (ii))	租金及其他按金(附註(ii))	6,064	7,214
Receipts in advance	預收賬款	3,527	3,232
Retentions payable (note (iii))	應付保留款項(附註(iii))	54,354	58,949
		219,795	237,599

Note:

- (i) Except as disclosed in note (ii) and (iii) below, all trade and other payables are expected to be settled within one year.
- (ii) Except for the amounts of \$6,064,000 (2015: \$6,064,000) as at 31 March 2016, which is expected to be settled after one year, all of the remaining balances are expected to be settled within one year.
- (iii) Except for the amounts of \$31,282,000 (2015: \$32,347,000) as at 31 March 2016, which is expected to be settled after one year, all of the remaining balances are expected to be settled within one year.

The ageing analysis of the Group's trade payables, based on due dates, is as follows:

附註：

- (i) 除下文附註(ii)及(iii)所披露者外，所有應付賬款及其他應付款項預期於一年內結清。
- (ii) 於二零一六年三月三十一日除預期於一年後結清的款項6,064,000元(二零一五年：6,064,000元)外，餘下所有結餘預期於一年內結清。
- (iii) 於二零一六年三月三十一日除預期於一年後結清的款項31,282,000元(二零一五年：32,347,000元)外，餘下所有結餘預期於一年內結清。

本集團根據發票日期計算應付賬款的賬齡分析如下：

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Due within 1 month or on demand	一個月內到期或按要求	53,819	103,181
Due after 1 month but within 3 months	一個月至三個月內到期	74	122
Due after 3 month but within 6 months	三個月至六個月內到期	-	4
Due after 6 months	六個月後到期	3	3
		53,896	103,310

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

23. BANK LOANS

23. 銀行貸款

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Bank loans	銀行貸款		
— Secured	— 有抵押	1,064,331	1,067,506
— Unsecured	— 無抵押	5,924	7,347
		1,070,255	1,074,853

At 31 March 2016, the bank loans were repayable as follows:

於二零一六年三月三十一日，銀行貸款須於如下年期償還：

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Within 1 year and included in current liabilities	一年內並列入流動負債	125,546	147,880
After 1 year and included in non-current liabilities:	一年後並列入非流動負債：		
After 1 year but within 2 years	一年至二年內	534,186	143,276
After 2 years but within 5 years	兩年至五年內	375,523	746,197
After 5 years	五年後	35,000	37,500
		944,709	926,973
		1,070,255	1,074,853

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

23. BANK LOANS (Continued)

- (a) At 31 March 2016, the bank loans bear interest ranging from 1.73% to 6.00% (2015: 2.24% to 3.29%) per annum and are secured by the following assets:

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Investment properties	投資物業	3,290,000	2,985,000
Property, plant and equipment	物業、廠房及設備	125,095	-
Pledged deposits	已抵押存款	47,552	39,920
Available-for-sale securities	可供出售證券	12,809	14,170
Other assets	其他資產	39,527	58,871
		3,514,983	3,097,961

In addition, at 31 March 2016, the banking facilities of the Group were secured by the following:

- assignment of project proceeds, project insurance and fire insurance policies for certain construction contracts in relation to certain banking facilities (including performance bonds) granted to the Group with maximum amount of \$512,977,000 (2015: \$263,670,000);
- assignment of all rentals and all other moneys, sale proceeds and insurance over the investment properties of the Group in relation to certain bank loans granted to the Group with carrying amount of \$920,611,000 (2015: \$882,953,000); and
- share mortgages over the entire issued and paid-up share capital of certain subsidiaries.

- (b) Certain of the Group's banking facilities are subject to the fulfilment of covenants relating to certain balance sheet ratios as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become repayable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 31(b).

23. 銀行貸款 (續)

- (a) 於二零一六年三月三十一日，銀行貸款的年利率介乎1.73厘至6.00厘（二零一五年：2.24厘至3.29厘），並以下列資產作擔保：

	2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
投資物業	3,290,000	2,985,000
物業、廠房及設備	125,095	-
已抵押存款	47,552	39,920
可供出售證券	12,809	14,170
其他資產	39,527	58,871
	3,514,983	3,097,961

此外，於二零一六年三月三十一日，本集團的銀行融資乃以下列項目作擔保：

- 轉讓若干建造合約的項目所得款項、項目險及火險保單，令本集團獲授若干銀行融資（包括履約保證），其最高金額為512,977,000元（二零一五年：263,670,000元）；
- 轉讓本集團投資物業有關的所有租金及所有款項、銷售所得款項以及保險，令本集團獲授若干銀行貸款，其賬面值為920,611,000元（二零一五年：882,953,000元）；及
- 就若干附屬公司的全部已發行及繳足股本作出的股份抵押。

- (b) 本集團若干銀行融資須符合若干有關資產負債比率的契諾，此種契諾常見於與金融機構作出的借款安排。倘本集團違反契諾，所提取的融資將變成須按要求償還。本集團定期監控其遵守該等契諾的情況。本集團管理流動資金風險的進一步詳情載於附註31(b)。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

24. DERIVATIVE FINANCIAL INSTRUMENTS

24. 衍生金融工具

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Cash flow hedges: interest rate swaps	現金流量對沖：利率掉期	8,530	3,835
Interest rate swaps	利率掉期	-	1,559
		8,530	5,394
Represented by:	列示：		
Current portion	流動部份	-	5,236
Non-current portion	非流動部份	8,530	158
		8,530	5,394

(a) The notional principal amounts of derivative financial instruments outstanding at the end of the reporting period were as follows:

(a) 於報告期末未贖回的衍生金融工具的名義本金額如下：

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Interest rate swaps	利率掉期	606,500	851,000

(b) Derivative financial liabilities represent the amounts the Group would pay if the positions were closed at the end of the reporting period. Derivative financial instruments that did not qualify for hedge accounting and their corresponding changes in fair values have been recognised in the profit or loss.

(b) 衍生金融負債指本集團倘於報告期末平倉時將支付的款項。不符合資格進行會計對沖會計法的衍生金融工具及其公平值的相應變動已於損益內確認。

(c) The loss on ineffective portion recognised in profit or loss that arise from cash flow hedges amounts to Nil (2015: HK\$44,000).

(c) 由現金流量對沖產生的無效部份並於損益內確認之虧損為零(二零一五年：44,000元)。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

25. ACQUISITION OF A SUBSIDIARY

- (a) On 21 January 2015, the Group, through a wholly-owned subsidiary of the Company, entered into a provisional sale and purchase agreement with an independent third party (the "Seller") pursuant to which the Group had conditionally agreed to acquire the entire issued share capital of Swift Millions Limited, a company principally holding an office premise in Hong Kong, from the Seller for a cash consideration of \$125,000,000. The transaction was completed on 16 March 2015 and Swift Millions Limited became a subsidiary of the Group accordingly.

The fair value of the assets acquired and the liabilities assumed were as follows:

		\$'000 千元
Investment properties (note 17)	投資物業(附註17)	127,000
Deposits and other receivables	按金及其他應收款項	1,308
Other payables	其他應付款項	(1,186)
Tax payable (note 11(c))	應付稅款(附註11(c))	(122)
Deferred tax liabilities (note 11(c))	遞延負債(附註11(c))	(1,777)
Net assets acquired	收購資產淨值	125,223
Gain on a bargain purchase (note 9)	議價收購之收益(附註9)	(223)
Consideration on acquisition of a subsidiary	收購附屬公司代價	125,000
Satisfied by:	支付:	
Cash	現金	125,000

- (b) Net cash outflow of cash and cash equivalents in respect of the acquisition of a subsidiary:

		\$'000 千元
Cash consideration paid	已付現金代價	125,000

Acquisition of the subsidiary has been accounted for using the purchase method. A gain on a bargain purchase arises from the excess of fair value of identifiable assets and liabilities of the acquired subsidiary over the cost of acquisition. The total revenue of the acquired subsidiary for the year ended 31 March 2015 was \$4,047,000 which contributed \$163,000 to the revenue of the Group. Profit of the acquired subsidiary for the year ended 31 March 2015 was \$8,284,000. The profit attributable to the owners of the Company for the year ended 31 March 2015 included a profit of \$24,000 which related to the acquired subsidiary.

25. 收購附屬公司

- (a) 於二零一五年一月二十一日，本集團透過本公司其一全資附屬公司與獨立第三方(「賣方」)訂立臨時買賣協議，據此，本集團同意有條件向賣方收購連逸有限公司的全部已發行股本，該公司主要持有位於香港的辦公室物業，代價為125,000,000元。此交易於二零一五年三月十六日完成，連逸有限公司因而成為本集團其一附屬公司。

收購的資產及承擔的負債之公平值列示如下：

		\$'000 千元
Investment properties (note 17)	投資物業(附註17)	127,000
Deposits and other receivables	按金及其他應收款項	1,308
Other payables	其他應付款項	(1,186)
Tax payable (note 11(c))	應付稅款(附註11(c))	(122)
Deferred tax liabilities (note 11(c))	遞延負債(附註11(c))	(1,777)
Net assets acquired	收購資產淨值	125,223
Gain on a bargain purchase (note 9)	議價收購之收益(附註9)	(223)
Consideration on acquisition of a subsidiary	收購附屬公司代價	125,000
Satisfied by:	支付:	
Cash	現金	125,000

- (b) 收購附屬公司的現金流量淨額及現金等價物：

		\$'000 千元
Cash consideration paid	已付現金代價	125,000

收購附屬公司以收購法入賬。議價收購之收益來自被收購附屬公司可確認資產及負債的公平值超過收購代價。被收購附屬公司截至二零一五年三月三十一日止年度的總收益為4,047,000元，其貢獻予本集團的收益為163,000元。被收購附屬公司截至二零一五年三月三十一日止年度的溢利為8,284,000元，其中溢利24,000元包括在本公司擁有人應佔截至二零一五年三月三十一日止年度的溢利內。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

26. SHARE CAPITAL

26. 股本

		2016 二零一六年		2015 二零一五年	
		No. of shares 股份數目	Amount 金額	No. of shares 股份數目	Amount 金額
		'000 千股	\$'000 千元	'000 千股	\$'000 千元
Authorised:	法定：				
Ordinary shares of \$0.01 (2015: \$0.01) each	每股面值0.01元 (二零一五年： 0.01元)的普通股	10,000,000	100,000	10,000,000	100,000
Ordinary shares, issued and fully paid:	普通股，已發行及繳足：				
At 1 April	於四月一日	484,783	4,848	400,000	4,000
Shares issued under the scrip dividend scheme (note (i))	根據以股代息發行的 股份(附註(i))	-	-	712	7
Issuance of new shares under the bonus issues (note (ii), (iii), (iv) and (v))	根據紅股發行發行的 新股(附註(ii)、(iii)、 (iv)及(v))	101,805	1,018	84,071	841
At 31 March	於三月三十一日	586,588	5,866	484,783	4,848

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Note:

- (i) On 22 September 2014, the Company issued and allotted 712,058 shares at an issue price of \$3.936 per share in respect of the final dividend for the year ended 31 March 2014 under the scrip dividend scheme. Except for the entitlement to the said final dividend and bonus shares issue (note (ii)), the 712,058 issued shares rank pari passu in all respects with the then existing shares.
- (ii) Pursuant to the ordinary resolution passed at the annual general meeting of the Company held on 31 July 2014, bonus shares were issued to shareholders whose names appeared on the register of members of the Company on 7 August 2014, the record date, on the basis of one new share credited as fully paid for every ten shares held.

On 22 September 2014, an amount of \$400,000 standing to the credit of the share premium account was applied in paying up in full 40,000,000 ordinary shares of \$0.01 each which were allotted and issued as fully paid to the shareholders who were entitled to those bonus shares.

普通股持有人有權收取不時宣派的股息，並享有在本公司股東大會上每股一票的投票權。所有普通股就分配本公司餘下資產而言享有同等地位。

附註：

- (i) 於二零一四年九月二十二日，本公司根據以股代息計劃，就截至二零一四年三月三十一日止年度的末期股息按每股3.936元的發行價發行及配發712,058股股份。除不獲享末期股息及紅股發行(附註(ii))的權利外，該712,058股已發行股份與當時的現有股份在所有方面享有同等地位。
- (ii) 根據本公司於二零一四年七月三十一日舉行的股東週年大會上通過的普通決議案，於二零一四年八月七日(記錄日期)名列本公司股東名冊的股東獲發紅股，基準為每持有十股股份可獲派送一股入賬列作繳足的新股份。

於二零一四年九月二十二日，股份溢價賬為數400,000元的進賬用於繳足40,000,000股每股面值0.01元的普通股，該等繳足普通股乃配發及發行予有權獲派送紅股的股東。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

26. SHARE CAPITAL (Continued)

Note: (Continued)

- (iii) Pursuant to the ordinary resolution passed at the extraordinary general meeting of the Company held on 17 November 2014, bonus shares were issued to shareholders whose names appeared on the register of members of the Company on 5 December 2014, the record date, on the basis of one new share credited as fully paid for every ten shares held.

On 18 December 2014, an amount of \$440,712 standing to the credit of the share premium account was applied in paying up in full 44,071,205 ordinary shares of \$0.01 each which were allotted and issued as fully paid to the shareholders who were entitled to those bonus shares.

- (iv) Pursuant to the ordinary resolution passed at the annual general meeting of the Company held on 23 July 2015, bonus shares were issued to shareholders whose names appeared on the register of members of the Company on 31 July 2015, the record date, on the basis of one new share credited as fully paid for every ten shares held.

On 12 August 2015, an amount of \$484,783 standing to the credit of the share premium account was applied in paying up in full 48,478,326 ordinary shares of \$0.01 each which were allotted and issued as fully paid to the shareholders who were entitled to those bonus shares.

- (v) Pursuant to the ordinary resolution passed at the extraordinary general meeting of the Company held on 17 November 2015, bonus shares were issued to shareholders whose names appeared on the register of members of the Company on 8 December 2015, the record date, on the basis of one new share credited as fully paid for every ten shares held.

On 17 December 2015, an amount of \$533,261 standing to the credit of the share premium account was applied in paying up in full 53,326,158 ordinary shares of \$0.01 each which were allotted and issued as fully paid to the shareholders who were entitled to those bonus shares.

26. 股本(續)

附註：(續)

- (iii) 根據本公司於二零一四年十一月十七日舉行的股東特別大會上通過的普通決議案，於二零一四年十二月五日(記錄日期)名列本公司股東名冊的股東獲發紅股，基準為每持有十股股份可獲派送一股入賬列作繳足的新股份。

於二零一四年十二月十八日，股份溢價賬為數440,712元的進賬用於繳足44,071,205股每股面值0.01元的普通股，該等繳足普通股乃配發及發行予有權獲派送紅股的股東。

- (iv) 根據本公司於二零一五年七月二十三日舉行的股東週年大會上通過的普通決議案，於二零一五年七月三十一日(記錄日期)名列本公司股東名冊的股東獲發紅股，基準為每持有十股股份可獲派送一股入賬列作繳足的新股份。

於二零一五年八月十二日，股份溢價賬為數484,783元的進賬用於繳足48,478,326股每股面值0.01元的普通股，該等繳足普通股乃配發及發行予有權獲派送紅股的股東。

- (v) 根據本公司於二零一五年十一月十七日舉行的股東特別大會上通過的普通決議案，於二零一五年十二月八日(記錄日期)名列本公司股東名冊的股東獲發紅股，基準為每持有十股股份可獲派送一股入賬列作繳足的新股份。

於二零一五年十二月十七日，股份溢價賬為數533,261元的進賬用於繳足53,326,158股每股面值0.01元的普通股，該等繳足普通股乃配發及發行予有權獲派送紅股的股東。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

27. RESERVES

(a) The Group

Details of the movements in the Group's reserves are set out in the consolidated statement of changes in equity. The natures and purposes of reserves within equity are as follows:

(i) **Share premium**

The share premium account is governed by the Companies Law of the Cayman Islands and may be applied by the Company subject to the provisions, if any, of its memorandum and articles of association in paying distributions or dividends to equity shareholders.

No distribution or dividend may be paid to the equity shareholders out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

(ii) **Fair value reserve**

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale securities held at the end of the reporting period and is dealt with in accordance with the accounting policy set out in note 4(d).

(iii) **Hedging reserve**

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of the hedging instruments used in cash flow hedges pending subsequent recognition of the hedged cash flow in accordance with the accounting policy set out in note 4(f).

27. 儲備

(a) 本集團

本集團儲備變動詳情載於綜合權益變動表中。權益中的儲備性質及目的如下：

(i) **股份溢價**

股份溢價賬由開曼群島公司法規管，本公司於向權益股東支付分派或股息時可根據其組織章程大綱及細則的條文(如有)動用股份溢價賬。

除非緊隨建議支付分派或股息當日後本公司將可支付於日常業務中到期的債務，否則不可動用股份溢價賬以向權益股東支付分派或股息。

(ii) **公平值儲備**

公平值儲備包括於報告期末持有的可供出售證券公平值的累計變動淨額，並根據附註4(d)所載會計政策處理。

(iii) **對沖儲備**

對沖儲備包括現金流量對沖所用對沖工具公平值的累計變動淨額的有效部分，以待其後根據附註4(f)所載會計政策確認已對沖的現金流量。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

27. RESERVES (Continued)

(b) The Company

27. 儲備(續)

(b) 本公司

		Share premium 股份溢價 \$'000 千元	Retained profits 保留溢利 \$'000 千元	Total 總計 \$'000 千元
At 1 April 2014	於二零一四年四月一日	98,934	20,562	119,496
Profit and total comprehensive income for the year	本年度溢利及全面收益	-	47,258	47,258
Shares issued under the scrip dividend scheme (note 26(i))	根據以股代息發行的股份(附註26(i))	2,796	-	2,796
Issuance of new shares under the bonus issues (note 26(ii) and (iii))	根據紅股發行發行的新股(附註26(ii)及(iii))	(841)	-	(841)
Interim dividend declared and paid in respect of the current year (note 15(a))	已宣派及支付本年度的中期股息(附註15(a))	-	(18,510)	(18,510)
Final dividend approved in respect of the previous year (note 15(b))	批准屬上一年度的末期股息(附註15(b))	-	(18,400)	(18,400)
At 31 March 2015	於二零一五年三月三十一日	100,889	30,910	131,799
Profit and total comprehensive income for the year	本年度溢利及全面收益	-	82,094	82,094
Issuance of new shares under the bonus issues (note 26(iv) and (v))	根據紅股發行發行的新股(附註26(iv)及(v))	(1,018)	-	(1,018)
Interim dividend declared and paid in respect of the current year (note 15(a))	已宣派及支付本年度的中期股息(附註15(a))	-	(21,330)	(21,330)
Final dividend approved in respect of the previous year (note 15(b))	批准屬上一年度的末期股息(附註15(b))	-	(20,361)	(20,361)
At 31 March 2016	於二零一六年三月三十一日	99,871	71,313	171,184

At 31 March 2016, the aggregate amount of reserves available for distribution to owners of the Company, as calculated in accordance with the Companies Law of the Cayman Islands and the Company's memorandum and articles of association, was \$171,184,000 (2015: \$131,799,000).

於二零一六年三月三十一日，本公司可供分派予本公司擁有人的儲備總額(根據開曼群島公司法以及本公司組織章程大綱及細則計算)為171,184,000元(二零一五年：131,799,000元)。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

28. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

28. 控股公司財務狀況表

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Non-current assets	非固定資產		
Property, plants and equipment	物業、廠房及設備	110	-
Investment in subsidiaries	投資附屬公司	-	-
Loan to a subsidiary	貸款予附屬公司	46,458	-
		46,568	-
Current assets	流動資產		
Loan to a subsidiary	貸款予附屬公司	2,500	-
Prepayment and other receivables	預付款及其他應收款項	218,590	252,466
Cash and bank balances	現金及銀行結存	21,539	2,084
		242,629	254,550
Current liabilities	流動負債		
Other payables	其他應付款項	61,193	63,437
Bank loan	銀行貸款	1,011	1,011
Loan from a subsidiary	附屬公司借款	2,500	2,500
		64,704	66,948
Net current assets	流動資產淨值	177,925	187,602
Total assets less current liabilities	總資產減流動負債	224,493	187,602
Non-current liabilities	非流動負債		
Bank loan	銀行貸款	2,443	3,455
Loan from a subsidiary	附屬公司借款	45,000	47,500
		47,443	50,955
NET ASSETS	資產淨值	177,050	136,647
CAPITAL AND RESERVES	股本及儲備		
Share capital	股本	5,866	4,848
Reserves	儲備	171,184	131,799
		177,050	136,647
TOTAL EQUITY	總權益	177,050	136,647

Approved and authorised for issue by the board of directors on 2 June 2016

董事會於二零一六年六月二日批准及授權刊發

Chan Hung Ming
陳孔明
Director
董事

Lau Chi Wah
劉志華
Director
董事

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

29. SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

29. 附屬公司

以下列表只包括重大影響本集團的業績、資產及負債之附屬公司的詳情。除另有所指外，持有股份類別指普通股。

Name of subsidiary	Place of incorporation and business	Particulars of issued and paid-up capital 已發行及已繳足股本內容	Group's effective interest 本集團實質權益	Proportion of ownership interest 擁有人權益比例		Principal activity 主要業務
				Held by the Company 由本公司持有	Held by a subsidiary 由附屬公司持有	
Grand Tech Construction Company Limited 佳盛建築有限公司	Hong Kong 香港	\$5,000,000	100%	–	100%	Construction 建築
Wellford Properties Limited 偉豐置業有限公司	Hong Kong 香港	\$100	100%	–	100%	Property investment 物業投資
Winning Tech Limited 煒創有限公司	Hong Kong 香港	\$1	100%	–	100%	Property development and investment 物業發展及投資
Top Regent Development Limited 泰盛投資有限公司	Hong Kong 香港	\$1	100%	–	100%	Property holding 物業持有

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

30. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to fund its construction business, property development and investment projects, provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between enhancement of shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to any externally imposed capital requirements.

As at 31 March 2016, the Group's current ratio (defined as current assets divided by current liabilities) was 1.07 times (31 March 2015: 1.19 times). The Group's gearing ratio (defined as total interest-bearing borrowings divided by shareholders' equity) was approximately 43.3% (31 March 2015: approximately 50.7%).

30. 資本管理風險

本集團管理資本的主要目標為保障本集團持續經營的能力，以為本集團的建築業務以及物業發展和投資項目提供資金、為股東及其他利益相關者提供回報及利益以及維持最佳的資本架構以減低資本成本。

本集團積極及定期檢討及管理其資本架構，以在提高股東回報(可能伴隨較高的借款水平)與穩健資本狀況帶來的好處及保障之間取得平衡，並因應經濟狀況的變化調整資本架構。

本公司或其任何附屬公司概不受任何外部施加的資本規定所限。

於二零一六年三月三十一日，本集團的流動比率(流動資產除流動負債)為1.07倍(二零一五年三月三十一日：1.19倍)。本集團的資本負債比率(計息借款總額除股東權益)約43.3%(二零一五年三月三十一日：約50.7%)。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to bank deposits, financial derivative instruments and trade and other receivables. The Group maintains a defined credit policy and the exposures to these credit risks are monitored on an ongoing basis.

Cash is deposited with financial institutions with sound credit ratings and the Group has exposure limit to any single financial institution. Transactions involving derivative financial instruments are with counterparties of sound credit standing. Given their high credit ratings, management does not expect any of these financial institutions and counterparties will fail to meet their obligations.

Before entering into construction contracts, assessment of the potential customers is carried out as part of the acceptance procedures for the new contracts.

Regular review and follow-up actions are carried out on overdue amounts of trade receivables from customers which enable management to assess their recoverability and to minimise the exposure to credit risk. Trade receivables are due within 0-30 days from the date of billing. Normally, the Group does not obtain collateral from customers.

In respect of rental income from leasing properties, rental deposits are held to cover potential exposure to credit risk. An ageing analysis of the receivables is prepared on a regular basis and is closely monitored to minimise any credit risk associated with these receivables. Adequate impairment losses have been made for estimated irrecoverable amounts.

31. 財務風險管理及金融工具公平值

本集團面對的信貸、流動資金及利率風險乃在本集團正常業務過程中產生。本集團面對該等風險以及本集團為管理該等風險所採納的財務風險管理政策及措施如下。

(a) 信貸風險

本集團的信貸風險主要來自銀行存款、衍生金融工具以及應收賬款及其他應收款項。本集團訂有明確的信貸政策，並持續監管該等信貸風險。

現金乃存放於信貸評級穩健的財務機構，而本集團就任何個別財務機構所承擔的風險有限。涉及衍生金融工具的交易是與具良好信貸評級的對手方進行。鑑於彼等具有高信貸評級，管理層預期任何該等財務機構及對手方不會無法履行其責任。

訂立建造合約前，對潛在客戶的評估乃為新合約接納程序的一部分。

本集團對應收客戶的貿易應收款項逾期金額進行定期檢討及採取跟進措施，使管理層得以評估其可收回性及將信貸風險降至最低水平。貿易應收款項自發票日期起零至三十日內到期。一般而言，本集團不會要求客戶提供抵押品。

就來自物業租賃的租金收入而言，本集團持有租賃按金以應付潛在的信貸風險。本集團定期編製應收款項的賬齡分析並作出密切監控，以將與該等應收款項有關的任何信貸風險降至最低水平。估計不可收回的數額已計提足夠的減值虧損。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

At the end of the reporting period, the Group has significant concentration of credit risk in a few customers. In view of their credit standing, good payment record and long established relationships with the Group, management does not consider the Group's credit risk to be significant. At the end of the reporting period, 38% and 79% (2015: 19% and 96%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

Except for the financial guarantees given by the Group as set out in note 33, the Group does not provide any other guarantees which would expose the Group to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is disclosed in note 33.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 20.

(b) Liquidity risk

Individual subsidiaries within the Group are responsible for their own cash management, including the raising of loans to cover the expected cash demands, subject to approval by the Company's board of directors. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed funding lines from major financial institutions to meet its liquidity requirements in the short and longer term.

31. 財務風險管理及金融工具公平值(續)

(a) 信貸風險(續)

於報告期末，本集團少量客戶存在重大信貸集中風險。鑑於其信貸評級、良好支付記錄及與本集團建立的長期關係，管理層認為本集團面臨的信貸風險並不重大。於報告期末，應收賬款總額中分別有38%及79%（二零一五年：19%及96%）為應收本集團最大客戶及五大客戶款項。

除附註33所載本集團作出的財務擔保外，本集團並無提供會使本集團承受信貸風險的任何其他擔保。於報告期末，就該等財務擔保而面臨的最高信貸風險於附註33披露。

有關本集團因應收賬款及其他應收款項產生信貸風險的進一步量化披露載於附註20。

(b) 流動資金風險

本集團旗下各附屬公司負責其本身的現金管理，包括籌集貸款以滿足預期現金需求，惟須由本公司董事會批准。本集團的政策為定期監控當前及預期流動資金需要以及其遵守借款契諾的情況，以確保其維持足夠現金儲備及獲主要財務機構授予充足的已承諾資金額度，應付其短期及長期的流動資金需要。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk (Continued)

The following table details the remaining contractual maturities at the end of the reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

31. 財務風險管理及金融工具公平值(續)

(b) 流動資金風險(續)

下表詳列本集團之金融負債於報告期末餘下合約到期情況，此乃根據合約未貼現現金流量(包括按合約利率(如屬浮息，則根據報告期末的現行利率)計算的利息付款)及本集團可被要求付款的最早日期而得出：

		Contractual undiscounted cash outflow				Total	Carrying amount
		合約未貼現現金流出					
		Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years		
		一年內或按 要求	一年以上 但兩年以內	兩年以上 但五年以內	五年以上	總計	賬面值
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元
At 31 March 2016	於二零一六年三月三十一日						
Bank loans	銀行貸款	152,958	544,109	395,684	41,113	1,133,864	1,070,255
Trade payables, other payables and accrued charges	應付賬款、其他款項及應計費用	155,850	-	-	-	155,850	155,850
Retentions payable	應付保證金	23,072	8,207	23,075	-	54,354	54,354
		331,880	552,316	418,759	41,113	1,344,068	1,280,459
Derivative settled net: Interest rate swap	按淨額結算的衍生工具：利率掉期合約	6,906	6,850	15,653	-	29,409	8,530
At 31 March 2015	於二零一五年三月三十一日						
Bank loans	銀行貸款	173,683	165,772	761,649	44,536	1,145,640	1,074,853
Trade payables, other payables and accrued charges	應付賬款、其他款項及應計費用	168,204	-	-	-	168,204	168,204
Retentions payable	應付保證金	26,602	28,485	3,862	-	58,949	58,949
		368,489	194,257	765,511	44,536	1,372,793	1,302,006
Derivative settled net: Interest rate swap	按淨額結算的衍生工具：利率掉期合約	5,220	808	742	-	6,770	5,394

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk

The Group is exposed to interest rate risk through the impact of rates changes on interest-bearing borrowings which predominantly bear floating interest rates. The Group monitors closely its interest rate exposure and the level of fixed rate and floating rate borrowing and considers hedging interest rate exposure should the need arise. The Group's interest rate profile as monitored by management is set out in (ii) below.

The interest rates and terms of repayment of interest-bearing borrowings of the Group are disclosed in note 23 to the financial statements.

(i) Hedging

Interest rate swaps, denominated in Hong Kong dollars, have been entered into to achieve an appropriate mix of fixed and floating rate exposure consistent with the Group's policy. At 31 March 2016, the Group had interest rate swaps with a notional contract amount of \$606,500,000 (2015: \$651,000,000), which it has designated as cash flow hedges of the interest rate risk inherent in its variable rate bank borrowings. At 31 March 2016, the Group did not have any interest rate swaps (2015: notional contract amount of \$200,000,000) which were not designated as cash flow hedging instruments.

The swaps mature over the next four years and have fixed swap rates ranging from 0.89% to 1.80% (2015: 0.89% to 1.97%). The net fair value of swaps entered into by the Group at 31 March 2016 was \$8,530,000 (2015: \$5,394,000). These amounts are recognised as derivative financial instruments (note 24).

31. 財務風險管理及金融工具公平值(續)

(c) 利率風險

本集團因計息借款的利率變動影響而面臨利率風險，而該等計息借款主要按浮動利率計息。本集團密切監控其所面臨的利率風險以及固定利率及浮動利率借款的水平，並於必要時考慮進行利率風險對沖。管理層所監控的本集團利率情況載於下文(ii)。

本集團計息借款的利率及償還條款於財務報表附註23披露。

(i) 對沖

本集團已訂立以港元計值的利率掉期合約，以達致符合本集團政策的適當固定及浮動利率風險組合。於二零一六年三月三十一日，本集團持有名義合約金額為606,500,000元(二零一五年：651,000,000元)的利率掉期合約，指定為其浮動利率銀行借款內在利率風險的現金流量對沖。於二零一六年三月三十一日，本集團無持有(二零一五年：名義合約金額200,000,000元)任何非指定為現金流量對沖工具的利率掉期合約。

掉期合約將於未來四年內到期，而固定掉期利率介乎0.89厘至1.80厘(二零一五年：0.89厘至1.97厘)。本集團於二零一六年三月三十一日訂立的掉期公平值淨額為8,530,000元(二零一五年：5,394,000元)。該等數額確認為衍生金融工具(附註24)。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

(ii) Interest rate profile

The following table details the interest rate profile of the Group's net borrowings (as defined above) at the end of the reporting period, after taking into account the effect of interest rate swaps designated as cash flow hedging instruments (see (i) above).

		2016 二零一六年		2015 二零一五年	
		Effective interest rate	Amount	Effective interest rate	Amount
		實際利率	金額	實際利率	金額
		%	\$'000 千元	%	\$'000 千元
Net fixed rate borrowings:	固定利率借款淨額：				
Bank loans	銀行貸款	3.39	611,708	3.68	649,920
Variable rate borrowings:	浮動利率借款：				
Bank loans	銀行貸款	3.70	458,547	3.15	424,933
Total net borrowings	總借款淨額		1,070,255		1,074,853
Net fixed rate borrowings as a percentage of total net borrowings	固定利率借款淨額佔總借款淨額的百分比		52.16%		60.47%

(iii) Sensitivity analysis

At 31 March 2016, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased/increased the Group's profit after taxation and total equity by approximately \$3,829,000 (2015: \$3,548,000), in response to the general increase/decrease in interest rates.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at that date. The analysis has been performed on the same basis for the year 2015.

31. 財務風險管理及金融工具公平值(續)

(c) 利率風險(續)

(ii) 利率情況

下表詳列計及指定為現金流量對沖工具的利率掉期的影響後，本集團於報告期末的借款淨額(定義見上文)的利率情況(見上文(i))。

(iii) 敏感度分析

於二零一六年三月三十一日，估計利率整體上升/減少100個基點，而所有其他變數維持不變，本集團除稅後溢利及總權益將減少/增加約3,829,000元(二零一五年：3,548,000元)，此乃由於利率整體上升/減少所致。

上述敏感度分析乃按假設利率變動已於報告期末發生而釐定，並已用於當日存在的非衍生金融工具的利率風險上。二零一五年分析按相同基準進行。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(d) Foreign currency risk

The Group has no significant exposure to foreign currency risk as substantially all of the Group's transactions are denominated in Hong Kong dollars.

(e) Fair value measurement

(i) **Financial assets and liabilities measured at fair value**

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

Level 3 valuations: Fair value measured using significant unobservable inputs.

31. 財務風險管理及金融工具公平值(續)

(d) 外幣風險

本集團並無面臨重大外幣風險，因本集團的絕大部分交易以港元計值。

(e) 公平值計量

(i) **按公平值計量的金融資產及負債**

公平值等級

下表呈列本集團金融工具於報告期末按經常性基準計量的公平值，並按照香港財務報告準則第13號，公平值計量的定義分為三個公平值等級。公平值計量等級乃參照估值技術所用數據的可觀察性和重要性分類如下：

第一級估值：僅使用第一級數據計量的公平值，即於計量日期在活躍市場對相同資產或負債未經調整的報價。

第二級估值：使用第二級數據計量的公平值，即不符合第一級的可觀察數據及未有採用不可觀察的重要數據。不可觀察數據乃指無法取得市場資料的數據。

第三級估值：使用不可觀察的重要數據計量的公平值。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

31. 財務風險管理及金融工具公平值(續)

(e) Fair value measurement (Continued)

(i) **Financial assets and liabilities measured at fair value** (Continued)

Fair value hierarchy (Continued)

(e) 公平值計量(續)

(i) 按公平值計量的金融資產及負債(續)

公平值等級(續)

		Fair value at 31 March 2016 於二零一六年 三月三十一日 的公平值	Fair value measurement as at 31 March 2016 categorised into 於二零一六年三月三十一日的 公平值計量分類為		
		\$'000 千元	Level 1 第一級 \$'000 千元	Level 2 第二級 \$'000 千元	Level 3 第三級 \$'000 千元
Assets	資產				
Available-for-sale securities	可供出售證券	12,809	–	12,809	–
Liabilities	負債				
Derivative financial instruments — Interest rate swaps	衍生金融工具 — 利率掉期合約	8,530	–	8,530	–

		Fair value at 31 March 2015 於二零一五 三月三十一日 的公平值	Fair value measurement as at 31 March 2015 categorised into 於二零一五年三月三十一日的 公平值計量分類為		
		\$'000 千元	Level 1 第一級 \$'000 千元	Level 2 第二級 \$'000 千元	Level 3 第三級 \$'000 千元
Assets	資產				
Available-for-sale securities	可供出售證券	14,170	–	14,170	–
Liabilities	負債				
Derivative financial instruments — Interest rate swaps	衍生金融工具 — 利率掉期合約	5,394	–	5,394	–

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註 (續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

(e) Fair value measurement (Continued)

(i) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

During the years ended 31 March 2016 and 2015, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occurred.

Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of available-for-sale securities is based on quoted market prices at the end of the reporting period without any deduction for transaction costs.

The fair values of interest rate swap is the estimated amount that the Group would receive or pay to terminate the swap at the end of the reporting period, taking into account current interest rates and the current credit worthiness of the swap counterparties.

(ii) Fair values of financial instruments carried at other than fair value

The carrying amounts of the Group's and the Company's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 March 2016 and 2015.

32. COMMITMENTS

Capital commitments outstanding at 31 March 2016 not provided for in the Group's financial statements were as follows:

Contracted for	已訂約
Authorised but not contracted for	已批准但未訂約

The capital commitments solely related to development expenditure for a data centre building.

31. 財務風險管理及金融工具公平值(續)

(e) 公平值計量(續)

(i) 按公平值計量的金融資產及負債(續)

公平值等級(續)

截至二零一六年及二零一五年三月三十一日止年度，第一級及第二級分級之間並無轉撥，亦未有第三級的轉入或轉出。本集團政策為確認在報告期末公平值等級各級之間發生的轉撥。

第二級公平值計量所用估值技術及數據

可供出售證券的公平值乃以報告期末的市場報價為依據，毋須扣減交易成本。

利率掉期的公平值乃經計及現行利率及掉期交易對手目前的信貸評級後，本集團將於報告期末收取或支付以終止掉期之估計金額。

(ii) 並非按公平值計量的金融工具的公平值

本集團及本公司的金融工具按成本或攤銷成本計算的賬面值與其於二零一六年及二零一五年三月三十一日的公平值並無重大差異。

32. 承擔

於二零一六年三月三十一日未履行及未有在本集團財務報告撥備的資本承擔如下：

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Contracted for	已訂約	11,674	26,043
Authorised but not contracted for	已批准但未訂約	64,229	195,515
		75,903	221,558

資本承擔僅與數據中心大樓的發展支出有關。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

33. CONTINGENT LIABILITIES

At 31 March 2016, the Company had contingent liabilities in respect of performance bonds to guarantee for the due and proper performance of the obligations undertaken by one of the Group's subsidiaries amounting to HK\$132,977,000 (2015: HK\$103,670,000).

34. MATERIAL RELATED PARTY TRANSACTIONS

(a) In addition to the transactions and balances disclosed elsewhere in this financial statement, the Group had the following material related party transactions:

33. 或然負債

於二零一六年三月三十一日，本公司就有關擔保本集團其中一家附屬公司履行所承諾責任而發出履約保證的或然負債為132,977,000元(二零一五年：103,670,000元)。

34. 重大關聯方交易

(a) 除本財務報表其他部分所披露的交易及結餘外，本集團訂立以下重大關聯方交易：

		2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
Rental paid to related companies:	支付關聯公司的租金：		
— Perfect Top Development Limited ("Perfect Top")	— Perfect Top Development Limited (「Perfect Top」)	420	888
— Gain Glory Development Limited ("Gain Glory")	— Gain Glory Development Limited (「Gain Glory」)	232	492
		652	1,380

(i) Rental expenses paid were conducted on normal commercial terms and in the ordinary and usual course of the Group's business. These transactions constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(ii) On 17 September 2015, pursuant to the terms of the lease agreements, the Group served a notice to Perfect Top and Gain Glory to terminate the lease agreements with effect from 21 September 2015. Other than the rental payable up to 20 September 2015, neither party is required to pay any penalty or compensation to the other party in respect of the termination of the lease agreements.

Mr. Chan Hung Ming and Mr. Lau Chi Wah, being directors of the Company, are directors and ultimate beneficial owners of Perfect Top and Gain Glory.

(i) 支付的租金費是按照一般商業條款，並於本集團業務的日常及一般業務過程中進行。該等交易構成上市規則第14A章界定的持續關連交易。

(ii) 於二零一五年九月十七日，根據租賃協議的條款，本集團向Perfect Top及Gain Glory發出自二零一五年九月二十一日起終止租賃協議。除截至二零一五年九月二十日止的租金外，概無訂約方須就終止租賃協議而向另一方支付任何罰款或賠償。

陳孔明先生及劉志華先生是本公司的董事，彼亦為Perfect Top及Gain Glory的董事及最後實益擁有人。

NOTES TO THE FINANCIAL STATEMENTS (Continued)

財務報表附註(續)

(Expressed in Hong Kong dollars unless otherwise indicated)
(以港元列示)

34. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

- (b) Remuneration of key management personnel, including amounts paid to the directors as disclosed in note 13 and certain of the highest paid employees and senior management as disclosed in note 14, is as follow:

Short-term employee benefits	短期僱員福利
Post-employment benefits	離職福利

	2016 二零一六年 \$'000 千元	2015 二零一五年 \$'000 千元
	11,255	11,065
	126	123
	11,381	11,188

35. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

- (a) After the end of the reporting period, the directors proposed a final dividend. Further details are disclosed in note 15(a).
- (b) On 31 May 2016, a subsidiary of the Group has successfully tendered for a land situated at Tsing Yi Town Lot No. 190, Sai Shan Road, Tsing Yi, New Territories, Hong Kong (the "Land") from the Hong Kong Government on a 50-year land grant at a premium of \$938.88 million. A deposit of \$25.0 million, paid at the time when the tender of the Land was submitted on 27 May 2016, has been applied as part payment of the premium, the balance of which will be paid on or before 27 June 2016.

The premium is financed by the Group's internal resources and bank borrowings.

Details of the acquisition of the Land were set out in the Company's announcement dated 31 May 2016.

36. IMMEDIATE PARENT AND ULTIMATE HOLDING COMPANY

At 31 March 2016, the directors consider the immediate parent and ultimate holding company of the Group to be Chan HM Company Limited, which is incorporated in the BVI. This entity does not produce financial statements available for public use.

37. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 2 June 2016.

34. 重大關聯方交易(續)

- (b) 主要管理人員的薪酬(包括已付董事的金額)於附註13披露,而若干最高薪酬僱員及高級管理層的薪酬則於附註14披露如下:

35. 非調整的報告期末後事項

- (a) 於報告期末後,董事建議派發末期股息。進一步詳情於附註15(a)中披露。
- (b) 於二零一六年五月三十一日,本集團其一附屬公司以938.88百萬元之地價成功投得香港政府位於香港新界青衣細山路的青衣市地段第190號的用地(「該土地」),批租期為50年。已於二零一六年五月二十七日參與該土地投標時支付25百萬元之訂金已用作支付地價之部份,餘款將於二零一六年六月二十七日或之前支付。

地價以本集團內部資源和銀行借款撥付。

有關收購該土地之詳情已刊載於本公司二零一六年五月三十一日的公佈中。

36. 直接母公司及最終控股公司

於二零一六年三月三十一日,董事認為,本集團的直接母公司及最終控股公司為於英屬處女群島註冊成立的Chan HM Company Limited。該實體並無編製供公眾使用的財務報表。

37. 財務報表批核

本財務報表經董事會於二零一六年六月二日批准及授權刊發。

PARTICULARS OF PROPERTIES HELD BY THE GROUP

本集團所持有物業資料

The particular of the Group's investment properties and buildings held for own use are as follows: 本集團的投資物業及自用物業之詳情如下：

Location 地點	Use 用途	Tenure 租期
Investment properties 投資物業		
iTech Tower No. 28 Pak Tin Par Street Tsuen Wan New Territories, Hong Kong 香港新界 荃灣 白田壩街28號	Data centre 數據中心	Medium-term lease 中期租約
iTech Tower 2 No. 56 Ta Chuen Ping Street Kwai Chung New Territories, Hong Kong 香港新界 葵涌 打磚坪街56號	Data centre 數據中心	Medium-term lease 中期租約
Buildings held for own use 自用物業		
19/F, No. 39 Chatham Road South, Kowloon, Hong Kong 香港九龍漆咸道南39號19樓	Office premises 辦公室物業	Medium-term lease 中期租約



佳明
GRAND MING

GRAND MING GROUP HOLDINGS LIMITED

佳明集團控股有限公司