



EXCEL DEVELOPMENT (HOLDINGS) LIMITED
怡益控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號：1372

2015/16

Annual Report 年報

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Corporate Information

公司資料

Registered Office

Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head Office and Principal Place of Business

21st Floor, 1 Duddell Street
Central, Hong Kong

Executive Directors

Mr. Wong Hin Shek (Chairman)
(appointed on 20 July 2015)
Mr. Xing Bin (appointed on 11 September 2015)
Mr. Li Chi Pong (resigned on 10 August 2015)
Mr. Poon Yan Min (resigned on 10 August 2015)

Non-executive Director

Mr. Yau Kwok Fai (resigned on 10 August 2015)

Independent Non-executive Directors

Ms. Chu Yin Yin Georgiana (appointed on 20 July 2015)
Mr. Yip Tai Him (appointed on 20 July 2015)
Mr. Chan Kai Wing (appointed on 20 July 2015)
Dr. Law Kwok Sang (resigned on 10 August 2015)
Professor Patrick Wong Lung Tak, B.B.S., J.P.
(resigned on 10 August 2015)
Ms. Mak Suk Hing (resigned on 10 August 2015)

Audit Committee

Mr. Chan Kai Wing (Chairman)
(appointed on 10 August 2015)
Ms. Chu Yin Yin Georgiana (appointed on 10 August 2015)
Mr. Yip Tai Him (appointed on 10 August 2015)
Professor Patrick Wong Lung Tak, B.B.S., J.P.
(resigned on 10 August 2015)
Dr. Law Kwok Sang (resigned on 10 August 2015)
Ms. Mak Suk Hing (resigned on 10 August 2015)

Remuneration Committee

Mr. Yip Tai Him (Chairman)
(appointed on 10 August 2015)
Ms. Chu Yin Yin Georgiana (appointed on 10 August 2015)
Mr. Chan Kai Wing (appointed on 10 August 2015)
Dr. Law Kwok Sang (resigned on 10 August 2015)
Professor Patrick Wong Lung Tak, B.B.S., J.P.
(resigned on 10 August 2015)
Ms. Mak Suk Hing (resigned on 10 August 2015)
Mr. Li Chi Pong (resigned on 10 August 2015)

註冊辦事處

Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處兼主要營業地點

香港中環
都爹利街1號21樓

執行董事

王顯碩先生 (主席)
(於二零一五年七月二十日委任)
邢濱先生 (於二零一五年九月十一日委任)
李治邦先生 (於二零一五年八月十日辭任)
潘潤棉先生 (於二零一五年八月十日辭任)

非執行董事

游國輝先生 (於二零一五年八月十日辭任)

獨立非執行董事

朱燕燕女士 (於二零一五年七月二十日委任)
葉棣謙先生 (於二零一五年七月二十日委任)
陳繼榮先生 (於二零一五年七月二十日委任)
羅國生博士 (於二零一五年八月十日辭任)
黃龍德教授 銅紫荊星章，太平紳士
(於二零一五年八月十日辭任)
麥淑卿女士 (於二零一五年八月十日辭任)

審核委員會

陳繼榮先生 (主席)
(於二零一五年八月十日委任)
朱燕燕女士 (於二零一五年八月十日委任)
葉棣謙先生 (於二零一五年八月十日委任)
黃龍德教授 銅紫荊星章，太平紳士
(於二零一五年八月十日辭任)
羅國生博士 (於二零一五年八月十日辭任)
麥淑卿女士 (於二零一五年八月十日辭任)

薪酬委員會

葉棣謙先生 (主席)
(於二零一五年八月十日委任)
朱燕燕女士 (於二零一五年八月十日委任)
陳繼榮先生 (於二零一五年八月十日委任)
羅國生博士 (於二零一五年八月十日辭任)
黃龍德教授 銅紫荊星章，太平紳士
(於二零一五年八月十日辭任)
麥淑卿女士 (於二零一五年八月十日辭任)
李治邦先生 (於二零一五年八月十日辭任)

Nomination Committee

Mr. Wong Hin Shek (Chairman)
(appointed on 10 August 2015)
Ms. Chu Yin Yin Georgiana (appointed on 10 August 2015)
Mr. Yip Tai Him (appointed on 10 August 2015)
Mr. Chan Kai Wing (appointed on 10 August 2015)
Mr. Yau Kwok Fai (resigned on 10 August 2015)
Dr. Law Kwok Sang (resigned on 10 August 2015)
Professor Patrick Wong Lung Tak, B.B.S., J.P.
(resigned on 10 August 2015)
Ms. Mak Suk Hing (resigned on 10 August 2015)

Company Secretary

Ms. Wong Po Ling, Pauline (appointed on 10 August 2015)
Mr. Liu Shiu Yuen, FCPA
(resigned on 10 August 2015)

Cayman Islands Share Registrar

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

Hong Kong Branch Share Registrar and Transfer Office

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

Auditors

Ernst & Young
Certified Public Accountants
22/F., CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

Share Information

Ordinary share listing

| | |
|------------------|---|
| Place of listing | Main Board of The Stock Exchange of Hong Kong Limited |
| Stock code | 1372 |
| Board lot size | 2,000 shares |

Website of the Company

www.excel-dev.com

提名委員會

王顯碩先生 (主席)
(於二零一五年八月十日委任)
朱燕燕女士 (於二零一五年八月十日委任)
葉棣謙先生 (於二零一五年八月十日委任)
陳繼榮先生 (於二零一五年八月十日委任)
游國輝先生 (於二零一五年八月十日辭任)
羅國生博士 (於二零一五年八月十日辭任)
黃龍德教授 銅紫荊星章，太平紳士
(於二零一五年八月十日辭任)
麥淑卿女士 (於二零一五年八月十日辭任)

公司秘書

王寶玲女士 (於二零一五年八月十日委任)
廖筱原先生，資深會計師
(於二零一五年八月十日辭任)

開曼群島過戶登記分處

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

香港股份過戶登記分處

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

核數師

安永會計師事務所
執業會計師
香港中環
添美道1號
中信大廈22樓

股份資料

普通股上市

| | |
|--------|---------------|
| 上市地點 | 香港聯合交易所有限公司主板 |
| 股份代號 | 1372 |
| 每手買賣單位 | 2,000股 |

公司網址

www.excel-dev.com

Chairman's Statement

主席報告

FINANCIAL HIGHLIGHTS

財務摘要

| | | 2016 二零一六年 | 2015 二零一五年 |
|--|-------------------|---------------|---------------|
| Financial Performance (HK\$'000) | 財務表現 (千港元) | | |
| Revenue | 收入 | 609,335 | 702,856 |
| Gross profit | 毛利 | 5,852 | 40,803 |
| Gross profit margin | 毛利率 | 1.0% | 5.8% |
| EBITDA (Note 1) | EBITDA (附註1) | (12,237) | 19,210 |
| Profit/(loss) attributable to owners of the parent | 母公司擁有人應佔溢利/(虧損) | (33,123) | 15,874 |
| Financial Position (HK\$'000) | 財務狀況 (千港元) | | |
| Cash and cash equivalents | 現金及現金等值物 | 16,885 | 143,693 |
| Goodwill (Note 2) | 商譽 (附註2) | 490,948 | - |
| Intangible assets (Note 2) | 無形資產 (附註2) | 687,523 | - |
| Profit guarantee (Note 2) | 溢利保證 (附註2) | 9,636 | - |
| Total assets | 總資產 | 1,702,936 | 376,040 |
| Liability component of convertible bonds (Note 2) | 可換股債券之負債部分 (附註2) | 340,316 | - |
| Promissory notes (Note 2) | 承兌票據 (附註2) | 426,576 | - |
| Total liabilities | 總負債 | 1,169,985 | 149,913 |
| Net assets | 資產淨值 | 532,951 | 226,127 |
| Current ratio (Note 3) | 流動比率 (附註3) | 1.6 | 2.5 |
| Gearing ratio (Note 4) | 槓桿比率 (附註4) | 143.2% | 0% |
| Return on equity (Note 5) | 股本回報率 (附註5) | N/A 不適用 | 7.0% |

Notes:

附註：

- Profit/(loss) before income tax, depreciation and amortisation, interest income, finance costs and exchange gains/(losses).
- Goodwill, intangible assets and profit guarantee were derived from the newly acquired automotive engines business while the liability portion of convertible bonds and promissory notes were issued for such acquisition.
- Current ratio is calculated by dividing current assets by current liabilities as at the end of the reporting period.
- Gearing ratio is calculated by dividing the total of interest-bearing borrowings, liability component of convertible bonds and promissory notes less cash and cash equivalent by the total equity as at the end of the reporting period and multiplied by 100%.
- The calculation of return on equity is based on the profit attributable to owners of the parent during the year divided by the ending equity attributable to owners of the parent as at the end of the reporting period and multiplied by 100%.

- 除所得稅前溢利/(虧損)、折舊及攤銷、利息收入、財務費用及匯兌收益/(虧損)。
- 商譽、無形資產及溢利保證乃來自新收購之汽車發動機業務，而可換股債券及承兌票據之負債部分則為該項收購而發行。
- 流動比率乃按報告期末的流動資產除以流動負債計算得出。
- 槓桿比率乃按報告期末的計息借款總額、可換股債券之負債部份及承兌票據減現金及現金等值物除以總權益再乘以100%計算得出。
- 股本回報率乃按年內母公司擁有人應佔溢利除以報告期末的母公司擁有人應佔權益再乘以100%計算得出。

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Excel Development (Holdings) Limited (the "Company"), I hereby present the annual results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2016.

BUSINESS REVIEW AND PROSPECTS

Loss for the year ended 31 March 2016 attributable to shareholders of the Company (the "Shareholders") amounted to approximately HK\$33.1 million in contrast to a profit of approximately HK\$15.9 million in 2015. Basic and diluted loss per share was approximately HK16.6 cents as compared to basic and diluted earnings per share of HK7.9 cents in 2015. The turnaround was mainly due to (i) the unsatisfactory results of the civil engineering works due to increasing costs of operation; and (ii) the finance costs of approximately HK\$10.0 million charged on convertible bonds and promissory notes in relation to the newly acquired automotive engines business.

During the year under review, the revenue of the Group's civil engineering and construction business was approximately HK\$467.6 million (2015: HK\$702.9 million), representing a decrease of 33.5% when compared with that of last year. The decrease was primarily due to the fact that the Group was not awarded with new significant contracts from the public sector during the year. The civil engineering and construction business recorded a segment loss of approximately HK\$12.9 million (2015: segment profit of approximately HK\$27.9 million). In the view that such business have been affected by increasing materials, staff and labour costs and the competitive market in recent years, the financial and operating performance of this segment remained lack of satisfaction.

各位股東：

本人謹此代表怡益控股有限公司（「本公司」）董事（「董事」）會（「董事會」）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的全年業績。

業務回顧及前景

本公司股東（「股東」）應佔截至二零一六年三月三十一日止年度虧損約為33,100,000港元，相反二零一五年錄得溢利約15,900,000港元。每股基本及攤薄虧損約為16.6港仙，而二零一五年則錄得每股基本及攤薄盈利7.9港仙。業務轉盈為虧主要由於(i)由於經營成本上升，導致土木工程之業績並不理想；及(ii)就有關新收購汽車發動機業務之可換股債券及承兌票據支付財務費用約10,000,000港元。

於回顧年內，本集團土木工程及建造業務之收入約為467,600,000港元（二零一五年：702,900,000港元），較去年下跌33.5%。下跌主要由於本集團於年內並無獲公共部門授出新的重大合約。土木工程及建造業務錄得分部虧損約12,900,000港元（二零一五年：分部溢利約為27,900,000港元）。由於此業務近年受到物料、員工和勞工成本上升以及激烈的市場競爭所影響，此分部的財務及經營表現仍然未如理想。

Chairman's Statement

主席報告

Looking ahead, the Directors are cautious about the prospect of the construction business, and we expect that the adverse operation environment will remain tough in the coming years such as continuously rising wages and cost of construction materials and shortage of skilled labour. The Group will continue to adopt a prudent approach when submitting new tenders and enhance cost control initiatives to remain competitive in the industry.

On 4 February 2016, the Group has successfully acquired the automotive engines business. The newly acquired automotive engines business had contributed approximately HK\$141.7 million revenue to the Group, represented 23.3% of the Group revenue, and recorded a segment profit of approximately HK\$5.2 million including the amortisation of the 5 years sales contracts and deferred tax credit amounting to approximately HK\$8.4 million and approximately HK\$1.9 million respectively. Apart from such amortisation and its relevant deferred tax, the automotive engines business recorded a segment profit of HK\$11.7 million which shall be more truly reflect its actual financial and operating performance as such amortisation and its relevant deferred tax did not affect the actual cashflow of the Group.

According to some public statistics and research, the Chinese automotive manufacturing industry has been growing at an annualised rate of 10.0% during the past five years. In addition, with strong support from the Chinese government and the low oil price environment, the automotive manufacturing industry is expected to experience steady and substantial growth over the next five years. Given the abovementioned prospects of the Chinese automotive industry, the automotive engines business will become the key segment of the Group in the near future and continue to broaden our revenue stream and improve our Group's results.

In order to strengthen the competitive advantages in the automotive business, on 24 May 2016, the Group entered into an agreement with an independent third party, in connection with a possible acquisition of automotive wheels and tyres business at a consideration of HK\$390.0 million through issuance of convertible bonds.

展望將來，董事對於建造業務的前景持謹慎態度，且我們預期不利的經營環境將會持續數年，如工資和建造物料成本不斷上升及技術勞工短缺。本集團於提交新的招標書時會繼續採取審慎策略，並會加強成本控制措施，以於業內保持競爭力。

於二零一六年二月四日，本集團成功收購汽車發動機業務。此新收購之汽車發動機業務已為本集團帶來約141,700,000港元的收入，佔本集團收入的23.3%，同時亦錄得約5,200,000港元之分部溢利，包括攤銷5年銷售合約及遞延稅項抵免分別為約8,400,000港元及約1,900,000港元。倘撇除有關攤銷及其相關的遞延稅項，汽車發動機業務錄得分部溢利11,700,000港元，因攤銷及其相關遞延稅項並不影響本集團的實際現金流量，故此更能反映其實際財務及經營表現。

根據若干公開統計數字及研究，中國的汽車製造業於過往五年以年度化比率10.0%增長。此外，由於中國政府的大力支持及低油價環境，預期汽車製造業將於未來五年達致穩定而持續的增長。鑒於中國汽車製造業的上述前景，汽車發動機業務將於短期內成為本集團的主要分部，並將繼續拓闊我們的收入流及改善本集團的業績。

為鞏固於汽車業務的競爭優勢，本集團於二零一六年五月二十四日與一名獨立第三方訂立協議，內容有關可能收購汽車車輪及輪胎業務，代價為390,000,000港元，將透過發行可換股債券支付。

Looking forward, the Group will continue to proactively seize strategic investment opportunities with an aim to further strengthen the asset base and strive for the best return to the Shareholders.

APPRECIATION

Finally, on behalf of the Board, I would like to take this opportunity to express my sincere appreciation to our management team and staff for their dedication commitment, as well as our valued shareholders, business partners and associates for their support and encouragement to the Group in the past year.

Wong Hin Shek
Chairman

Hong Kong, 29 June 2016

放眼未來，本集團將不斷積極把握策略性投資機會，以進一步加強資產基礎及竭力為股東帶來最佳回報。

鳴謝

最後，本人謹藉此機會代表董事會向本集團管理層團隊及全體員工表達衷心謝意，感激彼等的熱誠投入，亦感謝我們寶貴的股東、業務夥伴及合作夥伴於去年對本集團的鼎力支持及鼓勵。

主席
王顯碩

香港，二零一六年六月二十九日

Summary of Significant Contracts on Hand

重大手頭合約概要

The following table summarises our significant contracts on hand for the civil engineering and construction business as at 31 March 2016: 下表概述我們於二零一六年三月三十一日有關土木工程及建造業務的重大手頭合約：

| Particulars of the contract 合約詳情 | | Contract sum 合約金額 HK\$ million 百萬港元 |
|---|--|--|
| <u>Waterworks</u> | | |
| 水務工程 | | |
| Replacement and rehabilitation of water mains stage 4 phase 1 — Mains in West Kowloon, Kwai Tsing and Tsuen Wan (13/WSD/10) | 更換及修復水管計劃第4階段第1期— 九龍西、葵青及荃灣水管工程(13/WSD/10) | 616 |
| Replacement and rehabilitation of water mains stage 4 phase 1 — Major mains in Eastern New Territories (10/WSD/11) | 更換及修復水管計劃第4階段第1期— 新界東主要水管工程合約(10/WSD/11) | 345 |
| Replacement and rehabilitation of water mains stage 4 phase 1 — Remaining mains on Hong Kong Island (3/WSD/12) | 更換及修復水管計劃第4階段第1期— 港島區餘下主要水管工程合約(3/WSD/12) | 467 |
| <u>Roads and drainage works</u> | | |
| 道路及渠務工程 | | |
| Provision of external cable construction works and outside telecommunications plant maintenance services | 提供戶外電纜建設及維修保養 | — (Note) (附註) |
| Proposed Development at Hai Tan Street/ Kweilin Street/Pei Ho Street, Sham Shui Po | 深水埗海壇街／桂林街／北河街建議發展項目 | 15 |
| Advance Civil Engineering Works for Public Housing Development Projects Batch 5 (2015 – 2017) | 第5批公共房屋計劃(二零一五年至二零一七年)前期土木工程 | 40 |
| <u>Landslip preventive and remedial works to slopes</u> | | |
| 防止山泥傾瀉以及斜坡修補工程 | | |
| Upgrading/Improvement works to Lands Department slopes in the Northern Regions | 地政總署北部地區斜坡鞏固／改善工程 | 158 |

Summary of Significant Contracts on Hand

重大手頭合約概要

| Particulars of the contract 合約詳情 | | Contract sum 合約金額 HK\$ million 百萬港元 |
|--|--------------------------------------|--|
| <u>Utilities civil engineering works</u> <u>公用設施土木工程</u> | | |
| Term contract for provision of civil engineering works for the telecommunication networks and associated facilities | 提供電訊網絡及相關設施之土木工程定期合約 | — (Note) (附註) |
| Provision of integrated field works for field services in Hong Kong region | 提供香港區綜合網絡敷設服務 | — (Note) (附註) |
| Provision of integrated field works for field services in Kowloon region | 提供九龍區綜合網絡敷設服務 | — (Note) (附註) |
| Provision of civil works for cable circuit improvement for certain areas of the Central and Western District of the Hong Kong Island | 提供港島中西部地區若干區域電纜線路改善土木工程 | 42 |
| Gas pipelaying work at King's Road between Shipyard Lane and Healthy Street East | 英皇道氣體管線鋪設工程 (介乎於船塢里及健康東街之間) | 21 |
| Civil works for rehabilitation of water reservoirs, fire-proofing improvement work for structures at MSB and miscellaneous improvement works at LPS & LMX | 南丫發電廠廠房防火提升工程，雜項改善工程之改建及加建工程及修復儲水庫工程 | 35 |
| Construction and Maintenance of Trenching/ Cable Laying and Contractual Works in the Areas of Hong Kong, Ap Lei Chau, Lamma Island and any Outlying Island | 香港、鴨脷洲、南丫島及任何離島的線坑／電纜鋪設的建造及保養及合約工程 | — (Note) (附註) |
| Rehabilitation of Underground Fire Hydrant Pipes at Gas Turbine and Stage 3 Areas | 燃氣發電機組及第3階段區域地下消防栓管修復工程 | 20 |
| <u>Other — Building construction works</u> <u>其他 — 樓宇建造工程</u> | | |
| New Entrances and Associated Modification Works in Tsuen Wan West | 荃灣西站翻新及新建入口工程 | 80 |

Note: No contract sum provided in the contracts due to the nature of the relevant contracts.

附註：鑑於合約性質，有關的合約並無規定合約金額。

Management Discussion and Analysis

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BUSINESS REVIEW

During the year under review, the Group was engaged in two business segments, (i) civil engineering works and building construction and maintenance works (the "Civil Engineering and Construction Business"); and (ii) development, production and sale of automotive engines (the "Automotive Engines Business"). For the year ended 31 March 2016, the Group recorded a consolidated revenue of approximately HK\$609.3 million (2015: approximately HK\$702.9 million). Loss for the year attributable to shareholders was approximately HK\$33.1 million (2015: profit of approximately HK\$15.9 million). The turnaround was mainly due to (i) the unsatisfactory results of the civil engineering works due to increasing costs of operation; and (ii) the finance costs of approximately HK\$10.0 million charged on convertible bonds and promissory notes in relation to the newly acquired Automotive Engines Business. Basic and diluted loss per share were approximately HK16.6 cents (2015: basic and diluted earnings per share of approximately HK7.9 cents).

Civil Engineering and Construction Business

All of the Group's contracts undertaken for both civil engineering construction business and building construction and maintenance business were for customers which are independent third parties including certain departments of the Government of the Hong Kong Special Administrative Region, public utilities companies and private organisations in Hong Kong.

During the year ended 31 March 2016, the revenue of Group's Civil Engineering and Construction Business were approximately HK\$467.6 million (2015: approximately HK\$702.9 million), represented a decrease of approximately 33.5% when compared with that of last year. For the year under review, included in the revenue was: (i) revenue from civil engineering works of approximately HK\$437.3 million (2015: approximately HK\$543.0 million); and (ii) revenue from building construction and maintenance works of approximately HK\$30.3 million (2015: approximately HK\$159.9 million).

業務回顧

於回顧年內，本集團從事兩個業務分部，(i) 土木工程項目以及樓宇建造及保養業務（「土木工程及建造業務」）；及(ii) 開發、生產及銷售汽車發動機（「汽車發動機業務」）。截至二零一六年三月三十一日止年度，本集團錄得綜合收入約為609,300,000港元（二零一五年：約702,900,000港元）。股東應佔年度虧損約為33,100,000港元（二零一五年：溢利約為15,900,000港元）。業務轉盈為虧主要由於(i) 因經營成本上升，導致土木工程之業績並不理想；及(ii) 就有關新收購汽車發動機業務之可換股債券及承兌票據支付財務費用約10,000,000港元。每股基本及攤薄虧損約為16.6港仙（二零一五年：每股基本及攤薄盈利約為7.9港仙）。

土木工程及建造業務

本集團承辦的所有土木工程建造業務及樓宇建造和保養業務合約均來自獨立第三方客戶，包括香港特別行政區政府的若干部門、香港公用事業公司以及私營組織。

於截至二零一六年三月三十一日止年度，本集團土木工程及建造業務之收入約為467,600,000港元（二零一五年：約702,900,000港元），較去年下跌約33.5%。於回顧年內，收益包括：(i) 來自土木工程之收入約為437,300,000港元（二零一五年：約543,000,000港元）；及(ii) 來自樓宇建造和保養工程之收入約為30,300,000港元（二零一五年：約159,900,000港元）。

BUSINESS REVIEW (Cont'd)

Civil Engineering and Construction Business (Cont'd)

The overall gross profit of this segment decreased from approximately HK\$40.8 million for the year ended 31 March 2015 to a gross loss of approximately HK\$78,000 for the year ended 31 March 2016. The decrease was mainly attributable to general and additional costs incurred for certain projects during the year.

As of 31 March 2016, the Group had 16 significant projects in progress. All such significant projects in progress, except for the building construction project newly awarded in current year, are civil engineering construction projects.

As of 31 March 2016, the total contract sum and the total outstanding values of the Group's substantial projects in progress were approximately HK\$1,839.0 million and HK\$559.0 million respectively.

During the year ended 31 March 2016, the Group was awarded with the following new substantial contracts:

- Construction and Maintenance of Trenching/Cable Laying and Contractual Works in the Areas of Hong Kong, Ap Lei Chau, Lamma Island and any Outlying Island
- Proposed Development at Hai Tan Street/Kweilin Street/Pei Ho Street, Sham Shui Po
- Rehabilitation of Underground Fire Hydrant Pipes at Gas Turbine and Stage 3 Areas
- Advance Civil Engineering Works for Public Housing Development Projects Batch 5 (2015 – 2017)
- New Entrances and Associated Modification Works in Tsuen Wan West

業務回顧 (續)

土木工程及建造業務 (續)

分部之整體毛利由截至二零一五年三月三十一日止年度約40,800,000港元下跌至截至二零一六年三月三十一日止年度毛損約78,000港元。下降主要由於若干項目於年內產生的整體額外成本所致。

於二零一六年三月三十一日，本集團擁有16個重大在建項目。除於本年度新獲授之樓宇建造項目外，所有該等重大之在建項目均為土木工程建造項目。

於二零一六年三月三十一日，本集團的重大在建項目的合約總金額及未完成工程合約金額分別約為1,839,000,000港元及559,000,000港元。

於截至二零一六年三月三十一日止年度，本集團獲授以下新重大合約：

- 香港、鴨脷洲、南丫島及任何離島的線坑／電纜鋪設的建造及保養及合約工程
- 深水埗海壇街／桂林街／北河街建議發展項目
- 燃氣發電機組及第3階段區域地下消防栓管修復工程
- 第5批公共房屋計劃(二零一五年至二零一七年)前期土木工程
- 荃灣西站翻新及新建入口工程

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BUSINESS REVIEW (Cont'd)

Automotive Engines Business

On 4 February 2016, the Group acquired a new business engaged in development, production and sale of automotive engines. During the year ended 31 March 2016, the Automotive Engines Business recorded a segment revenue of approximately HK\$141.7 million for two months since the date of completion of the acquisition. The segment profit reached approximately HK\$11.7 million excluding the amortisation of 5 years' sales contracts and deferred tax credit amounting to approximately HK\$8.4 million and approximately HK\$1.9 million respectively, which merely represented an accounting treatment on the acquisition but no cash flow effect to the Group.

Pursuant to the terms of agreements dated 12 October 2015, 20 November 2015 and 15 January 2016 (collectively refer to as the "Engines SPA") in relation to the acquisition of Automotive Engines Business, the vendor has irrevocably warranted and guaranteed to the Company that the audited profit after tax of the Automotive Engines Business shall not be less than HK\$170.0 million and HK\$230.0 million for the first and second year upon completion respectively. Driven by the increasing demand and consumer spending on automobiles, the Board is confident of a good prospect with high and sustainable growth in the investment in the Automotive Engines Business and expect this new business would further strengthen the revenue stream of the Group in near future.

PROSPECTS

Although the operating environment of the construction business is expected to remain tough in the coming years such as continuously rising wages and cost of construction materials and shortage of skilled labour, the Board is confident that the Group would be capable of securing promising business opportunities given its vast experience in handling a wide variety of construction works. The Group will continue to adopt a prudent approach when submitting new tenders.

In addition, the Group will make use of its competitive strengths by continuing to improve its quality of service and competitiveness to capitalise on the trend of increasing civil engineering construction works projects in Hong Kong in the coming years to further strengthen the Group's business growth.

業務回顧 (續)

汽車發動機業務

於二零一六年二月四日，本集團收購一項從事開發、生產及銷售汽車發動機之新業務。於截至二零一六年三月三十一日止年度，汽車發動機業務自完成收購之日起兩個月內錄得分部收入約141,700,000港元。分部溢利約達11,700,000港元，不包括攤銷5年銷售合約及遞延稅項抵免分別為約8,400,000港元及約1,900,000港元，此僅為收購之會計處理，對本集團的現金流量並無任何影響。

根據日期為二零一五年十月十二日、二零一五年十一月二十日及二零一六年一月十五日（統稱為「發動機買賣協議」）有關收購汽車發動機業務之協議條款，賣方已向本公司不可撤回地擔保及保證，於完成建設後首年及第二年汽車發動機業務之經審核除稅後溢利將分別不少於170,000,000港元及230,000,000港元。伴隨著上升的汽車需求及消費者支出，董事會深信汽車發動機業務之投資將具有可持續高增長的前景，並預期此新業務在不久的將來進一步加強本集團的收入來源。

前景

雖然建造業務不利的經營環境預期將會持續數年，如工資和建造物料成本不斷上升及技術勞工短缺，但鑒於本集團於處理各式各樣的建造業務方面擁有豐富經驗，董事會深信本集團能把握蓬勃的商機。本集團於提交新的招標書時會繼續採取審慎策略。

此外，本集團會繼續改善其服務質素及競爭力，利用其競爭優勢，以把握於未來數年香港土木工程建造項目上升之趨勢，從而進一步鞏固本集團的業務增長。

PROSPECTS (Cont'd)

Meanwhile, the newly acquired Automotive Engines Business will become a growth engine of the Group as the consumption market in the People's Republic of China (the "PRC") is expected to have a steady growth in next few years, driven by the deduction of purchase tax on passenger vehicles and the international oil price. The Group remains optimistic on the demand of automotives and thus stimulating the Automotive Engines Business.

Turbocharged engine is one of the major products in the Automotive Engines Business. The Group will accelerate to promote the turbocharged engine in domestic market, enhance its quality and enrich product models. It is expected that the Group will experience a rapid development in automotive industry.

Looking ahead, the Board will closely monitor the market and seize other growth opportunities to adopt appropriate measures and strategies to strive for the best return to the Shareholders.

DIVIDEND

On 5 June 2015, the Directors declared a special cash dividend of HK\$50.0 million, representing HK\$0.25 per ordinary share in the issued share capital of the Company and was approved by the Company's shareholders at the extraordinary general meeting on 4 August 2015 (2015: Nil). The Board does not recommend payment of any final dividend for the year ended 31 March 2016 (2015: Nil).

CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING

As at 31 March 2016, the Group had cash and bank balances amounting to approximately HK\$16.9 million (2015: approximately HK\$143.7 million). The decrease was mainly due to the payment of special cash dividend of HK\$50.0 million and the retention payable to a former fellow subsidiary of approximately HK\$60.0 million that had been settled. The Group had not pledged any bank deposits for the bank loans.

The Group's cash and cash equivalents were denominated in Hong Kong dollars and Renminbi.

前景 (續)

與此同時，受乘用車購置稅及國際油價下調所帶動，預期中華人民共和國（「中國」）的消費市場於未來數年將穩定增長，新收購之汽車發動機業務將成為本集團的增長動力。本集團對汽車的需求及因而受刺激的汽車發動機業務保持樂觀態度。

渦輪增壓發動機乃汽車發動機業務的主要產品之一。本集團將於國內市場加快推廣渦輪增壓發動機、提高其質量及增加產品型號。預期本集團於汽車產業之發展將會突飛猛進。

展望將來，董事會將密切監察市場及把握其他增長機會，以採取合適的措施及策略，竭力為股東帶來最佳回報。

股息

於二零一五年六月五日，董事宣派特別現金股息50,000,000港元，相當於本公司已發行股本中每股普通股0.25港元，並已獲本公司股東於二零一五年八月四日之股東特別大會上批准（二零一五年：無）。董事會並不建議就截至二零一六年三月三十一日止年度派付任何末期股息（二零一五年：無）。

資本結構、財務資源、流動資金及槓桿比率

於二零一六年三月三十一日，本集團之現金及銀行結餘約為16,900,000港元（二零一五年：約143,700,000港元）。下跌主要由於派付50,000,000港元之特別現金股息及向前同系附屬公司支付約60,000,000港元之應付保留款項（已清償）。本集團並沒有為銀行貸款抵押任何銀行存款。

本集團之現金及現金等值物以港元及人民幣計值。

Management Discussion and Analysis

管理層討論及分析

CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING (Cont'd)

As at 31 March 2016, the total assets were approximately HK\$1,702.9 million (2015: approximately HK\$376.0 million). The significant increase was mainly due to goodwill, intangible assets and profit guarantee of approximately HK\$490.9 million, HK\$687.5 million and HK\$9.6 million respectively, arising from the acquisition of the Automotive Engines Business.

As at 31 March 2016, the total liabilities were approximately HK\$1,170.0 million (2015: approximately HK\$149.9 million). Given that the acquisition of Automotive Engines Business, the Company issued convertible bonds and promissory notes at principal amount of HK\$390.0 million and HK\$410.0 million respectively, as the consideration. The convertible bonds are due in 2018 with non-interest bearing and its carrying amount was approximately HK\$731.0 million in which approximately HK\$390.7 million was recognised as equity as at 31 March 2016. The promissory notes are interest-bearing of 10% per annum and repayable within two years and its carrying amount was approximately HK\$426.6 million. Other borrowings of the Group comprised loans from independent third parties amounting to HK\$7.0 million with 12% annual interest and RMB5.0 million (equivalent to approximately HK\$6.0 million) with 5% annual interest. Both of them are repayable within 1 year.

As at 31 March 2016, the Group had banking facilities of HK\$60.0 million (2015: HK\$189.0 million) which was not utilised and was secured by corporate guarantees from the Company amounted to HK\$60.0 million (2015: HK\$189.0 million).

When compared with the Group's financial position as at 31 March 2015, the net current assets decreased by approximately 21.0% to approximately HK\$176.2 million (2015: approximately HK\$223.1 million) while net assets increased by approximately 135.7% to approximately HK\$533.0 million (2015: approximately HK\$226.1 million) as at 31 March 2016.

資本結構、財務資源、流動資金及槓桿比率 (續)

於二零一六年三月三十一日，總資產約為1,702,900,000港元(二零一五年：約376,000,000港元)。顯著上升主要由於收購汽車發動機業務產生分別為約490,900,000港元、687,500,000港元及9,600,000港元之商譽、無形資產及溢利保證。

於二零一六年三月三十一日，總負債約為1,170,000,000港元(二零一五年：約149,900,000港元)。鑒於收購汽車發動機業務，本公司發行本金額分別為390,000,000港元及410,000,000港元之可換股債券及承兌票據作為代價。可換股債券於二零一八年到期及不計息，其於二零一六年三月三十一日之賬面值約為731,000,000港元，其中約390,700,000港元確認為權益。承兌票據按年利率10%計息及須於兩年內償還，而其賬面值約為426,600,000港元。本集團其他借款包括來自獨立第三方的按年利率12%計息的貸款7,000,000港元，以及按年利率5%計息的貸款人民幣5,000,000元(相等於約6,000,000港元)。兩筆貸款均須於1年內償還。

於二零一六年三月三十一日，本集團有銀行融資60,000,000港元(二零一五年：189,000,000港元)，該筆款項尚未動用並由本公司的企業擔保60,000,000港元(二零一五年：189,000,000港元)所抵押。

與本集團於二零一五年三月三十一日的財務狀況相比，於二零一六年三月三十一日的流動資產淨值下跌約21.0%至約176,200,000港元(二零一五年：約223,100,000港元)，而資產淨值上升約135.7%至約533,000,000港元(二零一五年：約226,100,000港元)。

CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING (Cont'd)

Current ratio of the Group was maintained at a healthy level at 1.6 times as at 31 March 2016 (2015: 2.5 times). Current ratio is calculated by dividing current assets by current liabilities.

Gearing ratio is calculated based on the amount of net cash and bank balances (interest-bearing borrowings, liability component of the convertible bonds and promissory notes less cash and cash equivalent) divided by the total equity. As at 31 March 2016, the Group's gearing ratio was therefore 143.2% (2015: 0%).

CHANGE OF CONTROLLING SHAREHOLDER

Referring to the joint announcement dated 16 June 2015, the Company was informed by Profit Chain Investments Limited (the "Vendor") on 5 June 2015 that the Vendor, Youth Force Asia Ltd. (the "Youth Force") and Vantage International (Holdings) Limited ("Vantage") had entered into the sale and purchase agreement (the "SPA1"), pursuant to which the Vendor had agreed to sell and Youth Force had agreed to purchase 150,000,000 shares of the Company, representing 75.0% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Hong Kong Code on Takeovers and Mergers, upon the completion of the SPA1, Youth Force would be required to make a mandatory unconditional cash offer (the "Offer") for all other issued shares of the Company.

On 10 August 2015, Youth Force and the Company jointly announced that the Offer was closed and Youth Force received valid acceptances in respect of a total of 228 shares under the Offer. On 13 August 2015, the Company was informed by Youth Force, being the controlling shareholder of the Company, that it has disposed of an aggregate of 228 shares on the open market for the purpose of restoring the public float of the Company.

資本結構、財務資源、流動資金及槓桿比率 (續)

於二零一六年三月三十一日，本集團流動比率為1.6倍，乃維持在健康水平（二零一五年：2.5倍）。流動比率按流動資產除以流動負債計算。

槓桿比率乃按現金淨額及銀行結餘（計息借款、可換股債券及承兌票據的負債部分減現金及現金等值物）除以總權益計算得出。於二零一六年三月三十一日，本集團之槓桿比率為143.2%（二零一五年：0%）。

控股股東之變更

茲提述日期為二零一五年六月十六日之聯合公告，Profit Chain Investments Limited（「賣方」）於二零一五年六月五日告知本公司，賣方、Youth Force Asia Ltd.（「Youth Force」）及盈信控股有限公司（「盈信」）訂立買賣協議（「買賣協議1」），據此賣方同意出售，而Youth Force同意購買本公司150,000,000股股份，佔本公司全部已發行股本75.0%。根據香港公司收購及合併守則第26.1條，於完成買賣協議1後，Youth Force須對本公司所有其他已發行股份提出強制性無條件現金要約（「要約」）。

於二零一五年八月十日，Youth Force及本公司聯合宣佈要約已截止，Youth Force已根據要約收到涉及合共228股股份之有效接納。於二零一五年八月十三日，Youth Force告知本公司，作為本公司之控股股東，其已於公開市場上出售合共228股股份，以恢復本公司之公眾持股量。

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管理層討論及分析

INVESTMENT POSITION AND PLANNING

On 12 October 2015, Future Marvel Limited, a direct wholly-owned subsidiary of the Company (the “Purchaser 1”), the guarantor and the vendor, Power Expert Global Limited (“Power Expert”), entered into the Engines SPA, pursuant to which the Purchaser 1 has conditionally agreed to acquire, and Power Expert has conditionally agreed to sell the Automotive Engines Group for the consideration of HK\$800.0 million. The consideration was satisfied (i) as to HK\$410.0 million by way of issue of the promissory notes; and (ii) as to HK\$390.0 million by way of issue of the convertible bonds with the conversion price of HK\$2.0 per consideration share. The principal business activities of the target group were engaged in the development, production and sales of automotive engines. The completion of this acquisition took place on 4 February 2016.

On 24 May 2016, Global Harvest Inc. a direct wholly-owned subsidiary of the Company (the “Purchaser 2”) as purchaser entered into another sale and purchase agreement (the “Wheels SPA”) with Mr. Zhang Yong (“Mr. Zhang”), an independent third party of the Group, as vendor. Pursuant to which, the Purchaser 2 has conditionally agreed to acquire and Mr. Zhang has conditionally agreed to sell the entire issued share capital of Keenmount Limited (“Keenmount”) and all the liabilities, loans and obligations owing by Keenmount and its subsidiaries in an aggregate consideration of HK\$390.0 million, which shall be satisfied to Mr. Zhang by issue of convertible bonds in the principle amount of HK\$390.0 million at completion. Keenmount and its subsidiaries intend to be principally engaged in the assembly of automotive wheels and tyres and supply of assembled wheels and tyres to automotive manufacturers. Details of the transaction are set out in the Company’s announcements dated 24 May 2016.

投資狀況及計劃

於二零一五年十月十二日，本公司之直接全資附屬公司Future Marvel Limited（「買方1」）、擔保人及賣方巧能環球有限公司（「巧能環球」）訂立發動機買賣協議，據此買方1有條件同意收購，而巧能環球有條件同意出售汽車發動機集團，代價為800,000,000港元。代價已按以下方式支付(i)410,000,000港元透過發行承兌票據之方式支付；及(ii)390,000,000港元透過發行換股價為每股代價股份2.0港元之可換股債券之方式支付。目標集團之主要業務活動為從事開發、生產及銷售汽車發動機。此收購已於二零一六年二月四日完成。

於二零一六年五月二十四日，本公司的一間直接全資附屬公司Global Harvest Inc.（「買方2」）（作為買方）與本集團之獨立第三方張勇先生（「張先生」）（作為賣方）訂立另一份買賣協議（「車輪買賣協議」）。據此，買方2有條件地同意收購，而張先生有條件地同意出售建峰有限公司（「建峰」）之全部已發行股本以及建峰及其附屬公司結欠之負債、貸款及債項，總代價為390,000,000港元，須於完成時以透過發行本金額為390,000,000港元之可換股債券向張先生支付。建峰及其附屬公司擬主要從事汽車車輪及輪胎組裝以及向汽車製造商供應組裝車輪及輪胎。此交易之詳情載於本公司日期二零一六年五月二十四日之公告。

CONVERTIBLE BONDS

On 4 February 2016, the Company issued zero coupon convertible bonds with an aggregate principal amount of HK\$390.0 million to Power Expert as part of the consideration for the Engines Acquisition. The maturity date of the convertible bonds is on the second anniversary of the date of issuance (i.e. 3 February 2018). The convertible bonds bear no interest on the principal amount. No security or guarantee is granted in respect of the convertible bonds. The convertible bonds can be converted into 195,000,000 ordinary shares in the Company at the initial conversion price of HK\$2.00 per conversion share (subject to adjustment pursuant to the terms of the convertible bonds). The Company may at any time before the maturity date by written notice redeem the convertible bonds at 100% of the principal amount. Any amount of the convertible bonds which is redeemed by the Company will forthwith be cancelled. At 31 March 2016, no convertible bonds were converted and the outstanding principal amount of the convertible bonds was HK\$390.0 million.

As at 31 March 2016, the convertible bonds with an aggregate principal amount of HK\$390.0 million were deposited with an escrow agent in favour of the Company as security for the 1st Guaranteed Profit (i.e. HK\$170.0 million for the year ending 28 February 2017) and the 2nd Guaranteed Profit (i.e. HK\$230.0 million for the year ending 28 February 2018). The convertible bonds in the principal amounts of HK\$165,750,000 and HK\$224,250,000 shall be released to Power Expert if the audited consolidated profits after tax of the Automotive Engines Group for the two years ending 28 February 2017 and 2018 are equal to or more than the 1st Guaranteed Profit and the 2nd Guaranteed Profit, respectively, after the issue of the auditors' certificate for each period.

CONTINGENT LIABILITIES

Detail of the Group's contingent liabilities are set out in note 35 to the financial statements.

可換股債券

於二零一六年二月四日，本公司向巧能環球發行本金總額為390,000,000港元的零息可換股債券，以作為發動機收購事項的部分代價。可換股債券的到期日為發行日期的第二個週年（即二零一八年二月三日）。可換股債券的本金額並不計息。概無就可換股債券授出抵押或擔保。可換股債券可按按初步換股價每股換股股份2.00港元（有待根據可換股債券的條款調整）兌換為本公司的195,000,000股普通股。本公司可於到期日前隨時透過書面通知按本金額的100%贖回可換股債券。本公司所贖回的任何金額可換股債券將立即被註銷。於二零一六年三月三十一日，概無可換股債券被兌換，而可換股債券的未償還本金額為390,000,000港元。

於二零一六年三月三十一日，本金總額達390,000,000港元之可換股債券獲以本公司為受益人存入託管代理，以作為第一項保證溢利（即截至二零一七年二月二十八日止年度為170,000,000港元）及第二項保證溢利（即截至二零一八年二月二十八日止年度為230,000,000港元）之抵押。倘汽車發動機集團於截至二零一七年及二零一八年二月二十八日止兩個年度之經審核綜合除稅前溢利分別相等於或超過第一項保證溢利及第二項保證溢利，則於就各期間發出核數師證明後，本金額達165,750,000港元及224,250,000港元之可換股債券將會發放予巧能環球。

或然負債

本集團之或然負債之詳情載於財務報表附註35。

Management Discussion and Analysis

管理層討論及分析

FOREIGN CURRENCY RISK

Most of the Group's assets and liabilities are denominated in Hong Kong dollars and Renminbi, which are the functional currencies of respective group companies. The Group has not entered into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2016, the Group had approximately 750 employees (2015: 420) in Hong Kong and the PRC. The Group's remuneration policy is reviewed periodically and determined by reference to market terms, company performance, and individual qualifications and performance. Other staff benefits include bonuses awarded on a discretionary basis, mandatory provident fund scheme for Hong Kong employees, state-sponsored retirement plans for PRC employees.

外幣風險

本集團大部份的資產及負債以港元及人民幣計算，該等貨幣為相關集團公司的功能貨幣。本集團並無就外匯風險訂立任何工具。本集團將密切監察匯率變化，並將採取適當行動減低匯率風險。

僱員及薪酬政策

於二零一六年三月三十一日，本集團於香港及中國擁有約750名（二零一五年：420名）僱員。本集團會檢討薪酬政策，並參考市場條款、公司表現、個人資歷及表現而釐定。其他員工福利包括按酌情基準發放的花紅、強制性公積金計劃（對香港僱員而言）及國家資助退休計劃（對中國僱員而言）。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS

Executive Directors

Mr. Wong Hin Shek, aged 46, was appointed as an executive Director and the chairman of the Board on 20 July 2015 and 10 August 2015 respectively. Mr. Wong is also the chairman of the nomination committee of the Company. He has over 21 years of experience in the investment banking industry. Mr. Wong obtained a Bachelor of Commerce Degree from University of Toronto in Canada and a Master of Science (Financial Management) Degree from University of London in United Kingdom. Mr. Wong is also a responsible officer of Veda Capital Limited, a licensed corporation which carries out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (the "SFO"). He has been involved in the management, business development and strategic investment of listed companies in Hong Kong. Mr. Wong is currently the chairman and an executive director of each of DeTai New Energy Group Limited (stock code: 559) and Sino Golf Holdings Limited (stock code: 361). The shares of these companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Wong was an executive director of KuangChi Science Limited (formerly known as "Climax International Company Limited") (stock code: 439) from June 2007 to August 2014, the shares of which are listed on the Main Board of the Stock Exchange.

Mr. Xing Bin, aged 28, was appointed as an executive Director on 11 September 2015. Mr. Xing holds a Bachelor's Degree of Business Administration in Accounting from Peking University. Mr. Xing has over 5 years of solid experiences in the field of finance from his past work experiences.

董事

執行董事

王顯碩先生，46歲，於二零一五年七月二十日及二零一五年八月十日分別獲任命為執行董事及董事會之主席。王先生並為本公司之提名委員會之主席。彼擁有超過21年投資銀行經驗。王先生持有加拿大多倫多大學頒授之商業學士學位及英國倫敦大學頒授之財務管理理學碩士學位。王先生亦為智略資本有限公司之負責人員，該公司為一家根據證券及期貨條例（「證券及期貨條例」）可從事第6類（就機構融資提供意見）受規管活動之持牌法團。彼參與香港上市公司之管理、業務發展及策略性投資工作。王先生目前為德泰新能源集團有限公司（股份代號：559）及順龍控股有限公司（股份代號：361）各自之主席及執行董事，該等公司股份於香港聯合交易所有限公司（「聯交所」）主板上市。王先生於二零零七年六月至二零一四年八月出任光啟科學有限公司（前稱「英發國際有限公司」）（股份代號：439）之執行董事，該公司股份於聯交所主板上市。

邢濱先生，28歲，於二零一五年九月十一日獲任命為執行董事。邢先生持有北京大學會計學工商管理學士學位。邢先生過去於金融領域累積逾五年的紮實經驗。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS (Cont'd)

Independent Non-executive Directors

Ms. Chu Yin Yin, Georgiana, aged 45, was appointed as an independent non-executive Director on 20 July 2015. Ms. Chu is also a member of each of the audit committee, the remuneration committee and the nomination committee of the Company. She obtained a Bachelor of Business Administration Degree in Accountancy from The University of Hong Kong and a Master of Corporate Governance Degree from The Hong Kong Polytechnic University. Ms. Chu is a fellow member of both the Hong Kong Institute of Certified Public Accountants, the Association of the Chartered Certified Accountants and a member of the Institute of Chartered Accountants in England and Wales. Ms. Chu is also a fellow member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Company Secretaries. Prior to joining the Company, she has over 16 years' extensive experience by working in an international audit firm and other listed companies. Ms. Chu is currently an executive director of China Water Industry Group Limited (stock code: 1129) and an independent non-executive director of Sino Golf Holdings Limited (stock code: 361). The shares of these companies are listed on the Main Board of the Stock Exchange.

董事 (續)

獨立非執行董事

朱燕燕女士，45歲，於二零一五年七月二十日獲任命為獨立非執行董事。朱女士亦為本公司之審核委員會、薪酬委員會及提名委員會各自之成員。彼持有香港大學會計學工商管理學士學位及香港理工大學公司管治碩士學位。朱女士為香港會計師公會及英國特許公認會計師公會之資深會員，以及英格蘭及威爾斯特許會計師公會會員。朱女士亦為英國特許秘書及行政人員公會以及香港特許秘書公會之資深會員。加入本公司前，彼曾於一家國際執業會計師行及多家上市公司工作，累積逾16年豐富工作經驗。朱女士目前為中國水業集團有限公司（股份代號：1129）之執行董事及順龍控股有限公司（股份代號：361）之獨立非執行董事，該等公司股份於聯交所主板上市。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS (Cont'd)

Independent Non-executive Directors (Cont'd)

Mr. Yip Tai Him, aged 45, was appointed as an independent non-executive Director on 20 July 2015. Mr. Yip is also the chairman of the remuneration committee of the Company, a member of each of the audit committee and the nomination committee of the Company. He has been a practising accountant in Hong Kong since 1999. Mr. Yip is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and the Institute of Chartered Accountants in England and Wales. He has over 20 years of experience in accounting, auditing and financial management. Mr. Yip is currently an independent non-executive director of each of China Communication Telecom Services Company Limited (stock code: 8206), Vinco Financial Group Limited (stock code: 8340), GCL-Poly Energy Holdings Limited (stock code: 3800), Redco Properties Group Limited (stock code: 1622) and Sino Golf Holdings Limited (stock code: 361). The shares of these companies are listed on the Main Board or the Growth Enterprise Market (the "GEM") of the Stock Exchange. Mr. Yip was an independent non-executive director of each of Lajin Entertainment Network Group Limited (previously known as China Media and Films Holdings Limited) (stock code: 8172) from December 2008 to April 2015, iOne Holdings Limited (stock code: 982) from April 2009 to July 2014, MEGA MEDICAL TECHNOLOGY LIMITED (stock code: 876) from February 2001 to June 2014 and Larry Jewelry International Company Limited (stock code: 8351) from May 2014 to October 2014 and a non-executive director of Larry Jewelry International Company Limited (stock code: 8351) from April 2014 to May 2014. The shares of these companies are listed on the Main Board or GEM of the Stock Exchange.

董事 (續)

獨立非執行董事 (續)

葉棣謙先生，45歲，於二零一五年七月二十日獲任命為獨立非執行董事。葉先生亦為本公司之薪酬委員會之主席，以及本公司之審核委員會及提名委員會各自之成員。自一九九九年起彼為香港執業會計師。葉先生為英國特許會計師公會以及英格蘭及威爾斯特許會計師公會資深會員。彼在會計、核數及財務管理方面擁有超過20年經驗。彼現為神通電信服務有限公司(股份代號：8206)、域高金融集團有限公司(股份代號：8340)、保利協鑫能源控股有限公司(股份代號：3800)、力高地產集團有限公司(股份代號：1622)及順龍控股有限公司(股份代號：361)各自的獨立非執行董事，該等公司的股份均在聯交所主板或創業板(「創業板」)上市。葉先生自二零零八年十二月至二零一五年四月擔任拉近網娛集團有限公司(前稱中國傳媒影視控股有限公司)(股份代號：8172)獨立非執行董事、自二零零九年四月至二零一四年七月擔任卓智控股有限公司(股份代號：982)獨立非執行董事、自二零零一年二月至二零一四年六月擔任美加醫學科技有限公司(股份代號：876)獨立非執行董事及自二零一四年五月至二零一四年十月擔任俊文寶石國際有限公司(股份代號：8351)獨立非執行董事以及自二零一四年四月至二零一四年五月擔任俊文寶石國際有限公司(股份代號：8351)非執行董事，該等公司股份均於聯交所主板或創業板上市。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

DIRECTORS (Cont'd)

Independent Non-executive Directors (Cont'd)

Mr. Chan Kai Wing, aged 55, was appointed as an independent non-executive Director on 20 July 2015. Mr. Chan is also the chairman of the audit committee of the Company, a member of each of the remuneration committee and the nomination committee of the Company. He obtained a Bachelor's Degree in Economics from Macquarie University in Sydney, Australia in April 1986. Mr. Chan is a fellow member of CPA Australia. Mr. Chan is currently the managing director and founder of Mandarin Capital Enterprise Limited, a company specialised in the provision of financial advisory services in the area of accounting, merger and acquisition and corporate restructuring for both listed and private companies in Hong Kong and the PRC, whose clients include companies in the real estate development industry and dairy industry etc. He is currently an independent non-executive director of each of China Conch Venture Holdings Limited (stock code: 586), China Assurance Finance Group Limited (stock code: 8090) and Sino Golf Holdings Limited (stock code: 361). The shares of these companies are listed on the Main Board or GEM of the Stock Exchange. Mr. Chan worked in the audit department of Ernst & Young in Hong Kong from 1988 to 1991. He was also a director and the financial controller of Shenzhen China Bicycle Company (Holdings) Limited, a listed company in the PRC from 1991 to 1999.

董事 (續)

獨立非執行董事 (續)

陳繼榮先生，55歲，於二零一五年七月二十日獲任命為獨立非執行董事。陳先生亦為本公司之審核委員會之主席，以及本公司之薪酬委員會及提名委員會各自之成員。彼於一九八六年四月於澳洲悉尼麥覺理大學獲得經濟學學士學位。陳先生為澳洲會計師公會之資深會員。陳先生現為文華資本企業有限公司之董事總經理及始創人，該公司專門從事為香港及中國之上市及私營公司提供會計方面之財務顧問服務、併購及企業重組等，其客戶包括房地產行業及乳製品行業之公司。彼目前為中國海螺創業控股有限公司（股份代號：586）、中國融保金融集團有限公司（股份代號：8090）及順龍控股有限公司（股份代號：361）之獨立非執行董事，該等公司股份均於聯交所主板或創業板上市。陳先生曾於一九八八年至一九九一年任職於香港之安永會計師事務所審計部。彼亦曾於一九九一年至一九九九年於深圳中華自行車（集團）股份有限公司（一間於中國上市之公司）擔任董事及財務總監。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

SENIOR MANAGEMENT

Ms. Wong Po Ling, Pauline, aged 38, was appointed as the Company Secretary on 10 August 2015. She obtained a bachelor's degree in accountancy and a master degree in corporate governance from The Hong Kong Polytechnic University. She is a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. She is also a member of the Institute of Chartered Secretaries and Administrator, the Hong Kong Institute of Chartered Secretaries and the Taxation Institute of Hong Kong. Ms. Wong has over 15 years of experience in financial management, mergers and acquisitions and corporate governance matters.

Mr. Lee Yan Fai, aged 31, was appointed as Financial Controller on 20 August 2015. He obtained a bachelor degree in accounting. He is a practicing member of Hong Kong Institute of Certified Public Accountants and a member of Hong Kong Securities and Investment Institute. Mr. Lee has 10 years of solid experiences in the area of accounting, merger and acquisition and initial public offering for both listed and private companies in Hong Kong and the PRC by working in international audit firms and other listed company prior to joining the Company.

Mr. Lai Kon Ting, aged 36, is the Contracts Manager of our Group, responsible for implementation of works and the overall management of contracts. Mr. Lai obtained a Bachelor Degree in Civil and Structural Engineering in November 2001 from the Hong Kong University of Science and Technology and Degree of Master of Science in Engineering (Infrastructure Project Management) from The University of Hong Kong in November 2014. He is a Chartered Engineer of Engineering Council, United Kingdom and a corporate member of the Institution of Civil Engineers and the HKIE as well as a Registered Professional Engineer (Civil). He has over 10 years of experience in the construction of roads and utilities works, landslip prevention, waterworks and building works. He is also a Tutor for Excel in the HKIE Engineering Graduate Training (Scheme A) for graduate engineers.

高級管理層

王寶玲女士，38歲，於二零一五年八月十日獲委任為公司秘書。彼獲頒香港理工大學會計學學士學位及企業管治碩士學位。彼為香港會計師公會及英格蘭及威爾斯特許會計師公會會員。彼亦為特許秘書及行政人員公會、香港特許秘書公會及香港稅務學會會員。王女士在財務管理、併購及企業管治事宜方面積逾15年經驗。

李恩輝先生，31歲，於二零一五年八月二十日獲委任為財務總監。彼獲頒會計學學士學位。彼為香港會計師公會執業會計師及香港證券及投資學會會員。李先生於加盟本公司前曾任職於國際會計師行及其他上市公司，在香港及中國上市公司及私營公司之會計、併購及首次公開發售領域積累10年豐富經驗。

黎幹廷先生，36歲，為本集團的合約經理，負責工程實施及合約的整體管理。黎先生於二零零一年十一月取得香港科技大學土木及結構工程學士學位，並於二零一四年十一月取得香港大學工學碩士（基建項目管理）學位。彼為英國工程理事會特許工程師、土木工程師學會及香港工程師學會正式會員，亦為註冊專業工程師（土木）。彼於建造業，包括道路及公用設施工程、滑坡防治、水務工程及樓宇建造工程等領域積累逾10年經驗。彼亦為怡益的香港工程師學會為栽培見習工程師而推出的工程畢業生訓練計劃（A類）的導師。

Biographical Details of Directors and Senior Management

董事及高級管理層履歷

SENIOR MANAGEMENT (Cont'd)

Mr. Wong Kin Sang, aged 36, is the Project Manager of our Group, responsible for all activities on site to ensure the efficient running of a project and effective use of resources. Mr. Wong obtained a Bachelor Degree in Civil and Structural Engineering in November 2002 from the Hong Kong University of Science and Technology. He is a corporate member of the HKIE. He has over 10 years of experience in the construction of waterworks, roads and utilities works, landslip prevention and building works. He is also a Tutor for Excel in the HKIE Engineering Graduate Training (Scheme A) for graduate engineers.

Mr. Wong Kin Yan, aged 46, is the Environmental and Quality Manager of our Group, responsible for the implementation and maintenance of our Group's environmental and quality management systems. Mr. Wong obtained a Bachelor Degree in Applied Science in December 1994 from Hong Kong Baptist University. He is a Chartered Environmentalist and a corporate member of the Society of Environmental Engineers. He has over 15 years of experience in the environmental and quality management in the construction field. He is the Management Representative of Excel's ISO 9001 Quality Management System and ISO 14001 Environmental Management System.

高級管理層 (續)

黃健生先生，36歲，為本集團的項目經理，負責工地的所有活動，以確保項目的有效運行及資源的有效利用。黃先生於二零零二年十一月取得香港科技大學土木及結構工程學士學位。彼為香港工程師學會正式會員。彼於建造業，包括水務工程、道路及公用設施工程、滑坡防治及樓宇建造工程等領域積累逾10年經驗。彼亦為怡益的香港工程師學會為栽培見習工程師而推出的工程畢業生訓練計劃(A類)的導師。

王建殷先生，46歲，為本集團的環境和質素經理，負責實施及維繫本集團的環境及品質管理體系。王先生於一九九四年十二月取得香港浸會大學應用科學系學士學位。彼為英國特許環境師及英國環境工程師學會正式會員。彼於建築業的環境及品質管理領域擁有逾15年經驗。彼為怡益的ISO 9001品質管理系統及ISO 14001環境管理系統的管理者代表。

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") since 11 December 2013, the date on which dealings in its shares (the "Shares") first commence on the Stock Exchange.

For the year ended 31 March 2016, the Company has complied with the code provisions set out in the CG Code with the following exception:

Code provision A.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Since 10 August 2015, the Company did not have any officer with the title of Chief Executive Officer. The overall responsibility of supervising and ensuring that the Group functions in line with the order of the Board in terms of day-to-day operations and execution is vested in the Board itself.

Under Code Provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders.

For the extraordinary general meetings of the Company held on 4 February 2016 and 24 March 2016, the whole Board attended the meetings to ensure an effective communication with the Shareholders at that meetings except that Mr. Chan Kai Wing (independent non-executive Director and chairman of audit committee of the Company) was unable to attend the extraordinary general meetings due to unavoidable business commitment.

The Company regularly reviews its corporate governance practices to ensure they comply with the CG Code and align with the latest developments.

企業管治常規

本集團致力維持高水平的企業管治，以保障股東權益及提升企業價值及問責性。本公司自二零一三年十二月十一日（其股份（「股份」）首次開始於聯交所買賣日期）起已採納聯交所證券上市規則（「上市規則」）附錄14所載企業管治守則（「企業管治守則」）所載的原則。

截至二零一六年三月三十一日止年度，本公司已遵守企業管治守則所載守則條文，惟以下除外：

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，並不應由一人同時兼任。自二零一五年八月十日起，本公司並無任何高級職員具有行政總裁職銜。就日常營運及執行而言，監督及確保本集團職能與董事會指令貫徹一致的整體職責歸屬於董事會本身。

根據守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會，對公司股東的意見有公正的了解。

全體董事會成員均已出席於二零一六年二月四日及二零一六年三月二十四日舉行之股東特別大會以確保與大會上之股東有效溝通，惟陳繼榮先生（本公司之獨立非執行董事及審核委員會主席）基於無法避免的公務原因而未能出席股東特別大會。

本公司定期審議其企業管治常規，以確保已遵守企業管治守則及緊貼企業管治最新發展。

THE BOARD

Responsibilities of the Board

The Board is responsible for the overall leadership of the Group, oversees the strategic decisions and monitors business and performance of the Group. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. Approval has to be obtained from the Board prior to any significant transactions entered into by the management. To oversee particular aspects of the Company's affairs, the Board has established three Board committees including the audit committee (the "Audit Committee"), the remuneration committee (the "Remuneration Committee") and the nomination committee (the "Nomination Committee") (together, the "Board Committees"). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

All Directors shall ensure that they carry out duties in good faith, in compliance with applicable laws and regulations, and in the interests of the Company and the Shareholders at all times.

Board Composition

As at 31 March 2016, the Board is composed of five Directors, including two executive Directors and three independent non-executive Directors. The biographical details of the Directors are set out in the section headed "Biographical Details of Directors and Senior Management" on pages 19 to 24 of this annual report.

For the year ended 31 March 2016, the Board at all times met the requirements of the Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

董事會

董事會的責任

董事會負責本集團的整體領導，並監察本集團的策略性決定以及監察業務及表現。董事會已向本集團的高級管理層授出本集團日常管理及營運的權力及責任。管理層訂立任何重大交易前須取得董事會批准。為監察本公司事務的特定範疇，董事會已成立三個董事委員會，包括審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）（統稱「董事委員會」）。董事會已向該等董事委員會授出各職權範圍所載的責任。

全體董事須確保彼等本著真誠、遵守適用法律及法規，及於所有時間符合本公司及股東利益的方式履行職責。

董事會組成

於二零一六年三月三十一日，董事會由五名董事組成，包括兩名執行董事及三名獨立非執行董事。董事之履歷詳情載列於本年報第19至24頁「董事及高級管理層履歷」一節。

截至二零一六年三月三十一日止年度，董事會在任何時間均遵守上市規則第3.10(1)及3.10(2)條有關委任至少三名獨立非執行董事（其中至少一名獨立非執行董事須擁有適當的專業資格或會計或相關財務管理專業知識）的規定。

THE BOARD (Cont'd)

Board Composition (Cont'd)

The Company has also complied with Rule 3.10A of the Listing Rules relating to the appointment of independent non-executive Directors representing at least one-third of the Board.

The Board has assessed the independence of all the independent non-executive Directors. Having considered the guidelines as set out in Rule 3.13 of the Listing Rules, the Board considers all of them to be independent having regard to (i) their annual confirmation on independence as required under the Listing Rules; (ii) the absence of involvement in the daily management of the Company; (iii) the absence of any relationships or circumstances which would interfere with the exercise of their independent judgment; and (iv) the absence of remuneration from the Company other than the directors' fee.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. All Directors have separate and independent access to the advices and services of the senior management and the company secretary with a view to ensuring that board procedures, and all applicable rules and regulations, are followed. When needed and upon making request to the Board, the independent non-executive Directors may obtain independent professional advice at the Company's expense in carrying out their duties.

Saved as disclosed in the "Biographical Details of Directors and Senior Management" section of this annual report, there are no relationships (including financial, business, family or other material or relevant relationships) among members of the Board.

董事會 (續)

董事會組成 (續)

本公司亦已遵守上市規則第3.10A條有關委任相當於至少董事會成員三分之一的獨立非執行董事的規定。

董事會已評估所有獨立非執行董事之獨立性，及經考慮上市規則第3.13條所載的指引彼等(i)根據上市規則要求遞交的獨立性的年度確認書；(ii)並無參與本公司日常管理；(iii)無任何關係或情況影響而對其行使獨立判斷構成干預；及(iv)除董事袍金外，本公司並無支付其他酬金。董事會認為本公司所有獨立非執行董事均屬獨立。

全體董事(包括獨立非執行董事)均為董事會帶來各種不同的寶貴營商經驗、知識及專業，使其可具效率及有效履行董事會的職能。為確保董事會程序及所有適用規則及規例均獲得遵守，所有董事皆有自行及獨立接觸高級管理層及公司秘書的途徑，以獲得彼等的意見和服務。在履行職責時，獨立非執行董事可按需要向董事會提出要求，以取得獨立專業意見，相關費用由本公司承擔。

除本年報「董事及高級管理層履歷」一節所披露者外，董事會成員之間並無關係(包括財務、業務、家族或其他重要或相關關係)。

THE BOARD (Cont'd)

Chairman and Chief Executive Officer

The position of the Chairman was held by Mr. Yau Kwok Fai while the position of Chief Executive Officer was held by Mr. Li Chi Pong during the period from 1 April 2015 to 10 August 2015. Mr. Wong Hin Shek started to act as the Chairman from 10 August 2015. Since then, the Company did not have any officer with the title of Chief Executive Officer. The overall responsibility of supervising and ensuring that the Group functions in line with the order of the Board in terms of day-to-day operations and execution is vested in the Board itself.

The Board is of the view that there exists a balance of power and authority and will review the current practice from time to time and make appropriate changes if necessary.

During the year ended 31 March 2016, the Chairman has met with the independent non-executive Directors without the executive Directors present.

Directors' Training and Continuous Professional Development

Every Director keeps abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. The Company continuously updates the Directors on the Group's businesses and the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices.

According to the Code Provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant.

The Company has requested from each director and maintained their records of training received during the year end 31 March 2016.

董事會 (續)

主席與行政總裁

於二零一五年四月一日至二零一五年八月十日期間，主席一職由游國輝先生擔任，而行政總裁一職由李治邦先生擔任。王顯碩先生自二零一五年八月十日起開始擔任主席，自此，本公司並無任何高級職員具有行政總裁職銜。就日常營運及執行而言，監督及確保本集團職能與董事會指令貫徹一致的整體職責歸屬於董事會本身。

董事會認為，權力與授權之間存在平衡，並將不時審閱目前慣例及作出適當變動（如有必要）。

於截至二零一六年三月三十一日止年度，主席曾於執行董事不在場情況下與獨立非執行董事會面。

董事培訓及持續專業發展

每位董事均會時常更新有關本公司董事責任，以及本公司的經營、業務活動及動向的資料。本公司持續向董事提供有關本集團業務及就上市規則及其他適用監管規定之最新發展之資料，以確保董事遵守妥善之企業管治常規及提升彼等對該方面之意識。

企業管治守則下守則條文第A.6.5條，規定董事須參與持續專業發展，以拓展及更新其知識和技能，從而確保其知情並對董事會作出相應的貢獻。

本公司已要求各董事提供並已保存彼等於截至二零一六年三月三十一日止年度進行培訓之紀錄。

THE BOARD (Cont'd)

Directors' Training and Continuous Professional Development (Cont'd)

During the year ended 31 March 2016, all Directors pursued continuous professional development and relevant details are set out below:

董事會 (續)

董事培訓及持續專業發展 (續)

於截至二零一六年三月三十一日止年度，所有董事皆有參與持續專業發展，茲將相關資料列述如下：

| Name of Directors 董事姓名 | | Types of training 培訓類別 |
|---|---|---------------------------|
| Executive Directors: | | |
| Mr. Wong Hin Shek (<i>Chairman</i>) (appointed on 20 July 2015) | 執行董事： 王顯碩先生 (主席) (於二零一五年七月二十日委任) | A, B |
| Mr. Xing Bin (appointed on 11 September 2015) | 邢濱先生 (於二零一五年九月十一日委任) | B |
| Mr. Li Chi Pong (resigned on 10 August 2015) | 李治邦先生 (於二零一五年八月十日辭任) | A, B |
| Mr. Poon Yan Min (resigned on 10 August 2015) | 潘潤棉先生 (於二零一五年八月十日辭任) | A, B |
| Non-Executive Director: | | |
| Mr. Yau Kwok Fai (resigned on 10 August 2015) | 非執行董事： 游國輝先生 (於二零一五年八月十日辭任) | A, B |
| Independent Non-Executive Directors: | | |
| Ms. Chu Yin Yin Georgiana (appointed on 20 July 2015) | 獨立非執行董事： 朱燕燕女士 (於二零一五年七月二十日委任) | A, B |
| Mr. Yip Tai Him (appointed on 20 July 2015) | 葉棣謙先生 (於二零一五年七月二十日委任) | A, B |
| Mr. Chan Kai Wing (appointed on 20 July 2015) | 陳繼榮先生 (於二零一五年七月二十日委任) | A, B |
| Dr. Law Kwok Sang (resigned on 10 August 2015) | 羅國生博士 (於二零一五年八月十日辭任) | A, B |
| Professor Patrick Wong Lung Tak, B.B.S., J.P. (resigned on 10 August 2015) | 黃龍德教授 銅紫荊星章，太平紳士 (於二零一五年八月十日辭任) | A, B |
| Ms. Mak Suk Hing (resigned on 10 August 2015) | 麥淑卿女士 (於二零一五年八月十日辭任) | B |
| Remarks: | 註解： | |
| A – Attending seminars/conferences/forums | A – 出席研討會／會議／論壇 | |
| B – Reading journals/updates/articles/materials | B – 閱讀期刊／最新資訊／文章／資料 | |

THE BOARD (Cont'd)

Appointment and Re-election of Directors

Each of the Directors has signed a letter of appointment with the Company, which does not specify any fixed term of service and may be terminated by either party giving to the other not less than one-month prior notice in writing. They are also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association of the Company (the "Articles").

According to the Articles, the Board has the power at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Besides, at every annual general meeting, one-third of the Directors for the time being, or if their number is not a multiple of three, the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

The procedures and process of appointment, re-election and removal of Directors are set out in the Articles. The Nomination Committee is responsible for reviewing the Board composition, monitoring the appointment, re-election and succession planning of Directors.

董事會 (續)

董事的委任及重選連任

各董事均已與本公司訂立委任函，其並無訂明任何固定服務年期且可由任何一方向另一方發出不少於一個月之事先書面通知予以終止。彼等亦須根據本公司組織章程細則（「細則」）於本公司股東週年大會上退任及重選連任。

根據細則，董事會有權於任何時候委任任何人士為董事，以填補臨時空缺或作為新增董事。獲董事會委任以填補臨時空缺的任何董事，其任期將直至其獲委任後本公司的首次股東大會為止，並須於該大會上重選連任。獲董事會委任作為現有董事會新增董事的任何董事，其任期將直至本公司的下一屆股東週年大會為止，而屆時將合資格重選連任。此外，於每屆股東週年大會上，當時董事人數的三分之一（或當人數並非三的倍數時，則最接近但不少於三分之一的人數）須輪值退任，前提為每名董事須最少每三年輪值退任一次。

董事的委任、重選連任及罷免程序及過程載於細則。提名委員會負責檢討董事會的組成方式、監察董事的委任、重選連任及接任計劃。

THE BOARD (Cont'd)

Meetings

Code Provision A.1.1 prescribes that at least four regular board meetings should be held in each year at approximately quarterly intervals with active participation of majority of Directors, either in person or through electronic means of communication.

The Company convened and held twenty three Board meetings during the year ended 31 March 2016.

Additional Board meetings will be convened, as and when required, to deal with ad hoc issues. Any Director who is not able to present physically may participate at any Board meeting through electronic means of communication, such as conference telephone or other similar communication equipment, in accordance with the Articles.

Notice convening each regular Board meeting is sent at least 14 days in advance, and reasonable notice is given for other Board meetings and committee meetings. The Company Secretary assists the Chairman to prepare the meeting notice and agenda. Each Director may include any item in the agenda. The agenda, accompanied by meeting papers with sufficient and reliable information, are sent to each Director at least 3 days before each Board meeting or committee meeting to enable the Directors to make informed decisions on the matters to be discussed, except where a Board meeting or committee meeting is convened on a very urgent basis to consider any urgent ad hoc matter.

The Company Secretary is responsible for taking and keeping minutes of all Board meetings and committee meetings. Draft minutes will normally be circulated to Directors for comment within a reasonable time after each meeting and the final version is open for Directors' inspection.

董事會 (續)

會議

守則條文第A.1.1條規定，每年至少召開四次定期董事會會議，大約每季一次，且大多數董事須積極參與會議（無論親身或通過電子通訊方式）。

本公司於截至二零一六年三月三十一日止年度已召開及舉行二十三次董事會會議。

董事會於有需要時會另行召開會議，以處理突發事項。根據細則，任何無法親身出席之董事均可透過電子通訊設備，例如會議電話或其他類似通訊設備，參與任何董事會會議。

召開每次董事會定期會議之通告會於最少14天前發出，而就其他董事會會議及委員會會議之通告則會於合理時間內發出。公司秘書協助主席擬定會議通告及議程。每位董事均可於議程內加入任何議題。除非董事會會議及委員會會議於緊急情況下召開以考慮任何緊急突發事項，議程連同載有充足且可靠資料之會議文件將不少於董事會會議及委員會會議舉行日期前3天發送給每位董事，使董事能就須討論之事項作出知情決定。

公司秘書負責所有董事會會議及委員會會議記錄，並保存有關記錄。每次會議後一般於合理時間內交予董事傳閱記錄草稿並發表意見，其定稿可供董事隨時查閱。

Corporate Governance Report

企業管治報告

THE BOARD (Cont'd)

Meetings (Cont'd)

During the year ended 31 March 2016, twenty three Board meetings, three Audit Committee meetings, two Remuneration Committee meetings, three Nomination Committee meetings and four general meetings were held. Details of individual Directors' attendance at these meetings are set out in the following table:

董事會 (續)

會議 (續)

於截至二零一六年三月三十一日止年度，共舉行二十三次董事會會議、三次審核委員會會議、兩次薪酬委員會會議、三次提名委員會會議及四次股東大會。有關個別董事出席該等會議的詳情載列於下表：

| Directors | Board Meeting | Attended/Eligible to attend 已出席次數/可出席次數 | | | General Meeting | |
|--|---------------------------------------|--|--------------------------------|------------------------------|-----------------|-----|
| | | Audit Committee Meeting | Remuneration Committee Meeting | Nomination Committee Meeting | | |
| 董事 | 董事會會議 | 審核委員會會議 | 薪酬委員會會議 | 提名委員會會議 | 股東大會 | |
| Executive Directors: | | | | | | |
| 執行董事 | | | | | | |
| Mr. Wong Hin Shek (Chairman) (appointed on 20 July 2015) | 王顯碩先生 (主席) (於二零一五年七月二十日委任) | 15/16 | N/A 不適用 | N/A 不適用 | 1/1 | 3/3 |
| Mr. Xing Bin (appointed on 11 September 2015) | 邢濱先生 (於二零一五年九月十一日委任) | 5/9 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 3/3 |
| Mr. Li Chi Pong (resigned on 10 August 2015) | 李治邦先生 (於二零一五年八月十日辭任) | 5/7 | N/A 不適用 | N/A 1/1 | N/A 不適用 | 1/1 |
| Mr. Poon Yan Min (resigned on 10 August 2015) | 潘潤棉先生 (於二零一五年八月十日辭任) | 5/7 | N/A 不適用 | N/A 不適用 | N/A 不適用 | 0/1 |
| Non-Executive Director: | | | | | | |
| 非執行董事 | | | | | | |
| Mr. Yau Kwok Fai (resigned on 10 August 2015) | 游國輝先生 (於二零一五年八月十日辭任) | 5/7 | N/A 不適用 | N/A 不適用 | 2/2 | 1/1 |
| Independent Non-Executive Directors: | | | | | | |
| 獨立非執行董事 | | | | | | |
| Ms. Chu Yin Yin Georgiana (appointed on 20 July 2015) | 朱燕燕女士 (於二零一五年七月二十日委任) | 15/16 | 2/2 | 1/1 | 1/1 | 3/3 |
| Mr. Yip Tai Him (appointed on 20 July 2015) | 葉棟謙先生 (於二零一五年七月二十日委任) | 9/16 | 2/2 | 1/1 | 1/1 | 3/3 |
| Mr. Chan Kai Wing (appointed on 20 July 2015) | 陳繼榮先生 (於二零一五年七月二十日委任) | 6/16 | 2/2 | 1/1 | 1/1 | 1/3 |
| Dr. Law Kwok Sang (resigned on 10 August 2015) | 羅國生博士 (於二零一五年八月十日辭任) | 2/7 | 1/1 | 1/1 | 2/2 | 1/1 |
| Professor Patrick Wong Lung Tak, B.B.S., J.P. (resigned on 10 August 2015) | 黃龍德教授 鋼紫荊星章，太平紳士 (於二零一五年八月十日辭任) | 2/7 | 1/1 | 1/1 | 2/2 | 1/1 |
| Ms. Mak Suk Hing (resigned on 10 August 2015) | 麥淑卿女士 (於二零一五年八月十日辭任) | 1/7 | 1/1 | 1/1 | 2/2 | 1/1 |

N/A: Not applicable

THE BOARD (Cont'd)

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the year ended 31 March 2016.

The Company's employees, who are likely to be in possession of inside information of the Company, have also subjected to the Model Code for securities transactions. No incident of non-compliance of the Model Code by the employees was noted by the Company.

Remuneration of Directors and Senior Management

The Company has established a formal and transparent procedure for formulating policies on remuneration of Directors and senior management of the Group. Details of the remuneration of each of the Directors for the year ended 31 March 2016 are set out in note 8 to the financial statements.

The biographies of the senior management are disclosed in the section headed "Biographical Details of Directors and Senior Management" in this annual report. Remuneration paid to the senior management (excluding the Directors) for the year ended 31 March 2016 are included in note 9 to the financial statements.

Directors' Liability Insurance

The Company purchases annually the Directors' and officers' liability insurance for members of the Board. The insurance cover is reviewed annually to ensure that the Directors and officers are adequately protected against potential liabilities.

BOARD COMMITTEES

The Board has set up three Board Committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, to oversee particular aspects of the Company's affairs.

董事會 (續)

證券交易之標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則(「標準守則」)。本公司已向所有董事作出特別查詢，而董事已確認彼等於截至二零一六年三月三十一日止年度一直遵守標準守則。

本公司僱員如可能擁有本公司內幕消息，亦須遵守證券交易之標準守則。本公司並不知悉任何僱員違反標準守則之事件。

董事及高級管理層的薪酬

本公司已就制定本集團董事及高級管理層薪酬的政策設立正式及具透明度的程序。截至二零一六年三月三十一日止年度，各董事的薪酬詳情載於財務報表附註8。

高級管理層的履歷披露於本年報「董事及高級管理層履歷」一節。截至二零一六年三月三十一日止年度，已付予高級管理層(不包括董事)的薪酬載於財務報表附註9。

董事責任保險

本公司每年為董事會成員購買董事及高級職員責任保險。每年會檢討保額，以確保董事及高級職員受充份保障，以防承受潛在負債。

董事委員會

董事會已成立三個委員會，即審核委員會、薪酬委員會及提名委員會，以監督本公司特定方面的事務。

BOARD COMMITTEES (Cont'd)

Audit Committee

The Audit Committee was established in compliance with Rules 3.21 and 3.22 of the Listing Rules and Code Provision C.3.3 of the CG Code.

The full terms of reference of the Audit Committee are available on the Stock Exchange's website and the Company's website.

As at 31 March 2016, the Audit Committee is made up of three independent non-executive Directors, namely Mr. Chan Kai Wing, Ms. Chu Yin Yin Georgiana and Mr. Yip Tai Him. Mr. Chan Kai Wing is the Chairman of the Audit Committee. Mr. Chan Kai Wing is a certified public accountant and possesses the appropriate accounting qualifications and experiences in financial matters.

The Audit Committee meets at least twice annually and also meets with the Company's external auditor at least twice annually to discuss the audit plan and to review the Company's annual report and accounts. During the year ended 31 March 2016, the Audit Committee held three meetings.

The primary duties of the Audit Committee include, but not limited to:

- make recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of the resignation or the dismissal of that auditor;
- review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process and reporting obligations in accordance with applicable standards;
- discuss with the auditors the nature and scope of the audit and reporting obligations before the audit commences;

董事委員會 (續)

審核委員會

審核委員會根據上市規則第3.21及3.22條以及企業管治守則的守則條文第C.3.3條成立。

有關審核委員會的職權範圍全文可於聯交所網站及本公司網站查閱。

於二零一六年三月三十一日，審核委員會由三名獨立非執行董事組成，即陳繼榮先生、朱燕燕女士及葉棣謙先生。陳繼榮先生現為審核委員會主席。陳繼榮先生為執業會計師，並具有合適的會計資格及財務事宜的經驗。

審核委員會每年舉行最少兩次會議，亦會與本公司外聘核數師每年舉行最少兩次會議，以商討有關審計計劃及審閱本公司的年報及賬目。於截至二零一六年三月三十一日止年度，審核委員會舉行了三次會議。

審核委員會之主要職責包括但不限於：

- 就外聘核數師的委任、重新委任及罷免向董事會提供建議、批准外聘核數師的薪酬及聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；
- 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序及申報責任是否有效；
- 於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任；

BOARD COMMITTEES (Cont'd)

Audit Committee (Cont'd)

- develop and implement policy on engaging an external auditor to supply non-audit services;
- act as the key representative body for overseeing the Company's relations with the external auditor;
- monitor the integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgements contained in them;
- review arrangements employees of the Company can use, in confidence to raise concerns about possible improprieties in financial reporting, internal control or other matters;
- review the Company's financial controls, internal control and risk management systems;
- discuss the internal control system with management to ensure that management has performed its duties to have an effective internal control system;
- review the Group's financial and accounting policies and practices; and
- review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response.

Audit Committee also reviewed final results of the Company and its subsidiaries for the year ended 31 March 2016 as well as the audit report prepared by the external auditor relating to accounting issues and major findings in course of audit.

董事委員會 (續)

審核委員會 (續)

- 就外聘核數師提供非核數服務制定政策，並予以執行；
- 擔任主要代表，負責監督本公司與外聘核數師的關係；
- 監察本公司的財務報表及本公司年報及帳目、半年度報告及季度報告（若擬刊發）的完整性，並審閱報表及報告所載有關財務申報的重大意見；
- 檢討本公司設定的以下安排：本公司僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注；
- 檢討本公司的財務監控、內部監控及風險管理系統；
- 與管理層討論內部監控系統，確保管理層已履行職責建立有效的內部監控系統；
- 檢討本集團的財務及會計政策及實務；及
- 檢查外聘核數師給予管理層的《審核情況說明函件》、核數師就會計紀錄、財務帳目或監控系統向管理層提出的任何重大疑問及管理層作出的回應。

審核委員會亦審閱本公司及其附屬公司截至二零一六年三月三十一日止年度的全年業績，以及由外聘核數師就會計事宜及核數過程中的重大發現所編製的核數報告。

BOARD COMMITTEES (Cont'd)

Remuneration Committee

The Remuneration Committee was established in compliance with Rules 3.25 and 3.26 of the Listing Rules and Code Provision B.1.2 of the CG Code.

The full terms of reference of the Remuneration Committee are available on the Stock Exchange's website and the Company's website.

As at 31 March 2016, the Remuneration Committee is made up of three independent non-executive Directors, namely Mr. Yip Tai Him, Ms. Chu Yin Yin Georgiana and Mr. Chan Kai Wing. Mr. Yip Tai Him is the Chairman of the Remuneration Committee.

The Remuneration Committee meets at least once a year to review the remuneration of Directors and make recommendations to the Board. During the year ended 31 March 2016, two meetings of the Remuneration Committee were held.

The primary duties of the Remuneration Committee include, but not limited to:

- make recommendations to the Board on the Company's policy and structure for the remuneration packages of Directors and senior management;
- determine with delegated responsibility the remuneration packages of individual Directors and senior management;
- review and approve compensation payable to executive Directors and senior management for any loss or termination of office; and
- review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct.

董事委員會 (續)

薪酬委員會

薪酬委員會根據上市規則第3.25及3.26條及企業管治守則的守則條文第B.1.2條成立。

有關薪酬委員會的職權範圍全文可於聯交所網站及本公司網站查閱。

於二零一六年三月三十一日，薪酬委員會由三名獨立非執行董事，即葉棣謙先生、朱燕燕女士及陳繼榮先生組成。葉棣謙先生現為薪酬委員會主席。

薪酬委員會每年舉行最少一次會議，以審閱董事的酬金，並向董事會提出建議。於截至二零一六年三月三十一日止年度，薪酬委員會舉行了兩次會議。

薪酬委員會之主要職責包括但不限於：

- 就本公司董事及高級管理層的薪酬待遇及架構向董事會提出建議；
- 獲董事會判斷而轉授釐訂個別執行董事及高級管理層的薪酬待遇；
- 檢討及批准向執行董事及高級管理層支付任何喪失或終止職務有關的賠償；及
- 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排。

BOARD COMMITTEES (Cont'd)

Nomination Committee

The Nomination Committee was established in compliance with Code Provision A.5.1 and A.5.2 of the CG Code.

The full terms of reference of the Nomination Committee are available on the Stock Exchange's website and the Company's website.

As at 31 March 2016, the Nomination Committee is made up of three independent non-executive Directors, namely Ms. Chu Yin Yin Georgiana, Mr. Yip Tai Him and Mr. Chan Kai Wing and one executive Director, namely Mr. Wong Hin Shek. Mr. Wong Hin Shek is the Chairman of the Nomination Committee.

The Nomination Committee will be held at least once a year. During the year ended 31 March 2016, three meetings of the Nomination Committee were held.

The primary duties of the Nomination Committee include, but not limited to:

- review the structure, size, composition and diversity (including the skills, knowledge and experience) of the Board at least annually and make recommendations to the Board in order to maintain an appropriate range and balance of skills, knowledge and experience of the Board;
- identify individuals suitably qualified to become Directors and select or make recommendations to the Board on the selection of, individuals nominated for directorships. In identifying suitable candidates, a range of diversity perspectives with reference to the Company's business model and specific needs will be considered, including but not limited to gender, age, culture, race, educational background, professional experience, knowledge and skills;
- assess the independence of independent non-executive Directors;

董事委員會 (續)

提名委員會

提名委員會根據企業管治守則的守則條文第A.5.1及A.5.2條成立。

有關提名委員會的職權範圍全文可於聯交所網站及本公司網站查閱。

於二零一六年三月三十一日，提名委員會由三名獨立非執行董事，即朱燕燕女士、葉棣謙先生及陳繼榮先生，以及一名執行董事，即王顯碩先生所組成。王顯碩先生現為提名委員會主席。

提名委員會將每年舉行最少一次會議。於截至二零一六年三月三十一日止年度，提名委員會舉行了三次會議。

提名委員會之主要職責包括但不限於：

- 為使董事的技能、知識和經驗達致一定水平及平衡，至少每年檢討董事會的架構、人數、組成及多樣性（包括技能、知識及經驗方面），並就任何擬作出的變動向董事會提出建議；
- 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見。在物色合適人選時，會考慮一系列多元化範疇，並參考本公司的業務模式和特定需求，包括但不限於性別、年齡、文化、種族、教育背景、專業經驗、知識及技能；
- 評核獨立非執行董事的獨立性；

Corporate Governance Report

企業管治報告

BOARD COMMITTEES (Cont'd)

Nomination Committee (Cont'd)

- make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors; and
- conform to any requirement, direction, and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by the Listing Rules or applicable law.

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for, amongst other things, the development and review of the policies and practices on corporate governance of the Group and monitoring the compliance with legal and regulatory requirements, reviewing and monitoring the training and continuous professional development of Directors and senior management, and reviewing the corporate governance compliance with the Code Provisions and disclosure in the annual report.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company and of the Group for the year ended 31 March 2016, which give a true and fair view of the state of affairs of the Company and of the Group on a going concern basis. The Board is provided with explanations and information by the senior management of the Company, so that the Directors have an informed assessment of the financial and other information of the Group putting forward to the Board for discussion and approval.

To the best of the Directors' knowledge, there is no uncertainty relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

董事委員會 (續)

提名委員會 (續)

- 就董事委任或重新委任以及董事繼任計劃的有關事宜向董事會提出建議；及
- 遵守董事會不時發出的要求，指引及規則或本公司的內部憲法或上市規則或任何適用的法律。

企業管治職能

董事會負責 (其中包括) 制訂及檢討本集團之企業管治政策及常規，以及監察遵守法律及監管規定之情況、檢討及監察董事及高級管理層之培訓及持續專業發展，以及檢討企業管治是否符合守則條文及於年報作出披露。

董事有關財務報表的財務申報責任

董事明白彼等有責任以持續營運之基準編製本公司及本集團截至二零一六年三月三十一日止年度之財務報表，以真實且公平地反映本公司及本集團之財務狀況。董事會將獲本公司高級管理層提供說明及資料，以便董事就提呈董事會討論及批准的本集團財務及其他資料作出知情的評估。

就董事所深知，概無任何不明朗事件或情況可能會嚴重影響本集團持續營運之能力。

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS (Cont'd)

The external auditors of the Company acknowledge their reporting responsibilities in their independent auditors' report on the financial statements for the year ended 31 March 2016 as set out in the Independent Auditors' Report on pages 74 to 75 of the annual report.

AUDITORS' REMUNERATION

In respect of the year ended 31 March 2016, the remuneration paid and payable to the Company's external auditors, Ernst & Young, is set out below:

| | | HK\$'000 千港元 |
|-----------------------------|---------|-----------------|
| Audit service | 審核服務 | 1,750 |
| Non-audit services: | 非審核服務： | |
| Taxation and other services | 稅務及其他服務 | 728 |

INTERNAL CONTROL

The Board acknowledges that it is the responsibility of the Board for maintaining an adequate internal control system to safeguard Shareholders investments and the Company's assets and reviewing the effectiveness of such system on an annual basis. The Board has entrusted the Audit Committee with the responsibility to review the internal control systems of the Group, which include financial, operational and compliance controls and risk management aspects of the Group.

During the year under review, the Board has conducted review on the effectiveness of the internal control system of the Group through discussion with the Audit Committee on audit findings and control issues. These procedures provide reasonable, but not absolute, assurance against material errors, losses and fraud, and manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

The Board has also considered the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programs.

董事有關財務報表的財務申報責任 (續)

本公司之外聘核數師在本年報第74至75頁的獨立核數師報告中，載有彼等有關截至二零一六年三月三十一日止年度財務報表的申報責任。

核數師酬金

截至二零一六年三月三十一日止年度，本公司已付及應付外聘核數師安永會計師事務所的酬金如下：

| | HK\$'000 千港元 |
|-----------------------------|-----------------|
| Audit service | 1,750 |
| Non-audit services: | |
| Taxation and other services | 728 |

內部監控

董事會明白，董事會須負責維持充分的內部監控制度，以保障股東的投資及本公司的資產，並每年審閱該制度的有效性。董事會已授權審核委員會負責檢討本集團內部監控系統，包括本集團財務、營運及合規控制及風險管理職能。

於回顧年內，董事會透過與審核委員會討論審核結論及監控事宜，從而對本集團內部監控系統之成效作出檢討。訂立上述程序旨在可合理但非絕對確保本集團不會出現重大失誤、虧損及欺詐，並可管理而非消除本集團營運制度失誤及本集團業務未能達標之風險。

董事會亦已考慮本公司會計及財務匯報職能之資源、員工專業資格及經驗，以及培訓課程是否足夠。

COMPANY SECRETARY

Mr. Liu Shiu Yuen, who had been the company secretary of the Company, resigned from such position on 10 August 2015. Ms. Wong Po Ling, Pauline ("Ms. Wong") was appointed as the company secretary of the Company to fill the vacancy on 10 August 2015.

During the year ended 31 March 2016, Ms. Wong has complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognises the importance of timely disclosure of information, which will enable Shareholders and investors to make the informed investment decisions. The various channels via which the Company communicates with its Shareholders include interim and annual reports, information on the websites of the Stock Exchange and the Company, annual general meeting and other general meeting that may be convened.

The annual general meeting of the Company provides opportunity for Shareholders to communicate directly with the Directors. The Chairman of the Board and the Chairman of the Board Committees will attend the annual general meeting to answer Shareholders' questions. The external auditor of the Company will also attend the annual general meeting to answer questions about the conduct of the audit, the preparation and contents of the auditors' report, the accounting policies and auditor independence.

公司秘書

廖筱原先生曾擔任本公司之公司秘書，已於二零一五年八月十日辭任該職務。王寶玲女士（「王女士」）已於二零一五年八月十日獲委任為本公司之公司秘書，以填補空缺。

於截至二零一六年三月三十一日止年度，王女士已遵守上市規則第3.29條之規定進行不少於15小時之相關專業培訓。

與股東溝通及投資者關係

本公司認為，與股東的有效溝通對加強投資者關係及使投資者了解本集團的業務、表現及策略非常重要。本公司亦深信及時地披露本公司資料以供股東及投資者作出知情投資決策的重要性。本公司與其股東溝通的渠道包括中期及年度報告、載於聯交所及本公司網站的資料、股東週年大會以及其他可能召開的股東大會。

本公司股東週年大會提供股東與董事直接溝通的機會。董事會主席及各董事委員會主席將出席股東週年大會解答股東提問。本公司的外聘核數師亦將出席股東週年大會，以解答有關審計行事、核數師報告的編製及內容、會計政策及核數師獨立性的提問。

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed for each substantial issue at general meetings, including the election of individual Directors.

All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Stock Exchange and the Company after each general meeting.

Shareholders should direct their enquiries about their shareholdings to the Company's Hong Kong branch share registrar and transfer office, namely, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Shareholders who wish to put enquiries to the Board can send their enquiries to the Company Secretary of the Company who will ensure these enquiries to be properly directed to the Board. Shareholders may at any time make a request for the Company's information to the extent such information is publicly available.

Convening of Extraordinary General Meetings and Putting Forward Proposals

In accordance with the Articles, an extraordinary general meeting shall be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company.

Such requisition shall be made in writing to the Board or the Company Secretary of the Company for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within 2 months after the deposit of such requisition.

股東權利

為保障股東的利益及權利，本公司會於股東大會上就各實際事項（包括選舉個別董事）提呈獨立決議案。

於股東大會上提呈的所有決議案將根據上市規則以投票方式進行表決，投票結果將於股東大會舉行後於聯交所及本公司網站刊登。

股東應就其股權作出之查詢送交本公司之香港股份過戶登記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。股東如欲向董事會提交查詢，可將有關查詢送交本公司之公司秘書，其將確保將有關查詢妥善送達董事會。股東可隨時要求提供本公司可供公眾查閱之資料。

召開股東特別大會及提呈建議

根據細則，一位或以上於提呈要求當日持有不少於本公司繳足股本（賦有於本公司股東大會上投票權）十分之一的股東，可要求召開本公司之股東特別大會。

有關要求可向董事會或本公司之公司秘書書面提出，要求董事會召開股東特別大會，以處理有關要求所指明的事項。有關大會須於提出該要求後兩個月內舉行。

SHAREHOLDERS' RIGHTS (Cont'd)

Convening of Extraordinary General Meetings and Putting Forward Proposals (Cont'd)

If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, 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.

As regards proposing a person for election as a Director, the procedures are available on the website of the Company.

CONSTITUTIONAL DOCUMENTS

There was no amendment made to the memorandum and articles of association of the Company during the year ended 31 March 2016. The latest version of the constitutional documents of the Company is available on the websites of the Stock Exchange and the Company.

NON-COMPETITION UNDERTAKING BY VANTAGE

For details, please refer to the section headed "Non-Competition Undertaking by Vantage" of "Report of the Directors".

股東權利 (續)

召開股東特別大會及提呈建議 (續)

若遞呈後二十一日內，董事會未有開展召開該大會之程序，則遞呈要求人士可自發以同樣方式作出此舉，而遞呈要求人士因董事會之缺失而合理產生的所有開支將由本公司向遞呈要求人士作出償付。

關於建議某人參選董事的事宜，可於本公司網站參閱有關程序。

章程文件

於截至二零一六年三月三十一日止年度，概無對本公司組織章程大綱及細則進行任何修訂。本公司的章程文件的最新版本可於聯交所網站及本公司網站查閱。

盈信作出的不競爭承諾

詳情請參見「董事會報告」之「盈信作出的不競爭承諾」一節。

The Directors of the Company are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 March 2016.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of corporate management services. During the year ended 31 March 2016, the Company's principal subsidiaries were engaged in the business of (i) civil engineering works and building construction and maintenance; and (ii) development, production and sale of automotive engines.

RESULTS

The results of the Group for the year ended 31 March 2016 are set out in the consolidated statement of profit or loss and other comprehensive income on page 76 of the annual report.

BUSINESS REVIEW

A fair review of the Group's business, particulars of important events affecting the Group that have occurred during the year ended 31 March 2016, and an indication of likely future development in the Group's business, are set out in the "Chairman's Statement" and "Management Discussion and Analysis" of this annual report. A description of principal risks and uncertainties facing the Group is set out in the note 40 to the financial statements.

本公司董事欣然提呈其報告連同截至二零一六年三月三十一日止年度本集團的經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股及提供企業管理服務。於截至二零一六年三月三十一日止年度，本公司的主要附屬公司從事(i)土木工程項目以及樓宇建造及保養業務；及(ii)開發、生產及銷售汽車發動機之業務。

業績

本集團截至二零一六年三月三十一日止年度的業績載於本年報第76頁的綜合損益及其他全面收入表。

業務回顧

公平審閱本集團業務、截至二零一六年三月三十一日止年度發生之影響本集團之重大事件詳情及本集團業務之可能未來發展跡象，載於本年報「主席報告」及「管理層討論及分析」。本集團面臨的主要風險及不確定性之說明載於財務報表附註40。

ENVIRONMENTAL POLICY

Our commitment to protecting the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations. Our Group encourages environmental protection and promote awareness towards environmental protection to the employees. Our Group also implements green office practices such as promoting the use of recycled papers and reducing energy consumption by switching off idle lighting and electrical appliances.

Our Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the operation of our Group's businesses and enhance environmental sustainability.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by our Group that has a significant impact on the business and operations of our Group.

RELATIONSHIPS WITH STAKEHOLDERS

The Company recognises that employees are our valuable assets. Thus our Group provides competitive remuneration package to attract and motivate the employees. Our Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard.

Our Group also understands that it is important to maintain good relationship with business partners to achieve its long-term goals. Accordingly, our senior management have kept good communication, promptly exchanged ideas and shared business update with them when appropriate. During the year, there was no material and significant dispute between our Group and its business partners.

環境政策

本集團在日常業務營運中不斷推廣綠色措施和意識，以達到其保護環境的承諾。本集團鼓勵環保並推動僱員提升環保意識。本集團亦實施各項綠色辦公措施，例如提倡使用環保紙並透過關閉閒置的電燈及電器以減少能源消耗。

本集團將不時審閱其環保工作，並將考慮於本集團之業務營運中實施更多環保措施及常規，加強環境可持續性。

遵守相關法律及法規

年內，就本公司所知，本集團並無嚴重違反或不遵守對本集團之業務及營運造成重大影響之適用法律及法規。

與利益相關者之關係

本公司認同，僱員乃其寶貴資產。因此，本集團提供具競爭力之薪酬待遇，以吸引並激勵僱員。本集團定期檢討僱員之薪酬待遇，並會因應市場標準而作出必要調整。

本集團亦明白，與商業夥伴保持良好商業關係對達成其長遠目標而言屬至關重要。因此，高級管理層會在適當情況下與彼等進行良好溝通、適時交流想法及共享最新業務資料。年內，本集團與其商業夥伴並無重大而明顯之糾紛。

FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 March 2016 (2015: Nil).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five financial years ended 31 March 2016 is set out on page 180 of this annual report.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. There is appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

DEBENTURES

Details of the convertible bonds and the promissory notes issued by the Group are set out in notes 27 and 28 to the financial statements. Save for the above, the Group did not issue any debentures during the year ended 31 March 2016.

EQUITY-LINKED AGREEMENTS

Save for the share option scheme as disclosed in the below section headed "Share Option Scheme" and the section headed "Convertible Bonds" of "Management Discussion and Analysis", no equity-linked agreements were entered into by the Group, or existed during the year.

MANAGEMENT CONTRACTS

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

末期股息

董事會並不建議就截至二零一六年三月三十一日止年度派付末期股息（二零一五年：無）。

五年財務概要

本集團截至二零一六年三月三十一日止最後五個財政年度的已刊發業績以及資產及負債的概要載於本年報第180頁。

獲准許之彌償條文

根據細則，各董事有權就履行其職務或在履行其職務方面或在其他有關方面可能蒙受或招致之所有損失或責任從本公司之資產中獲取彌償。本集團董事及高級職員已獲妥當之董事及高級職員責任保險。

債權證

本集團發行之可換股債券及承兌票據之詳情載於財務報表附註27及28。除上文所述者外，於截至二零一六年三月三十一日止年度，本集團並無發行任何債權證。

股票掛鈎協議

除下文「購股權計劃」一節及「管理層討論及分析」之「可換股債券」一節所披露之購股權計劃外，本集團於年內概無訂立或存在股票掛鈎協議。

管理合約

年內，並無訂立或存在與本集團整體或任何重要部分業務有關之管理及行政合約。

MAJOR CUSTOMERS AND SUPPLIERS

Major Customers

During the year ended 31 March 2016, the largest customer accounted for approximately 42.8% (2015: 49.3%) of the Group's total revenues. The five largest customers accounted for approximately 88.8% (2015: 94.6%) of the Group's total revenues for the year ended 31 March 2016.

For the civil engineering and construction segment, the customer base is relatively concentrated to certain departments of the Government, public utilities companies and private organisations in Hong Kong. The largest customer was engaged in this segment. For the newly automotive engines business, two of its customers became the second and third largest customer who represented approximately 23.3% of the Group's total revenue.

None of our Directors or their respective associates or any Shareholder (to the knowledge of our Directors) holding more than 5% of the Company's issued share capital had any interest in the five largest customers.

Major Suppliers

The Group five largest suppliers being its sub-contractors together accounted for approximately 68.2% (2015: 98.5%) of the Group's total sub-contracting fees charged to the Group for the year ended 31 March 2016. The largest sub-contractor accounted for approximately 21.0% (2015: 28.8%) of the total sub-contracting fees charged to the Group for the year ended 31 March 2016.

Other than as set out in the paragraph above, none of our Directors or their associates or any Shareholders (to the knowledge of our Directors) holding more than 5% of the Company's issued share capital had any interests in the five largest sub-contractors.

主要客戶及供應商

主要客戶

於截至二零一六年三月三十一日止年度，本集團最大客戶佔本集團的總收入約為42.8%（二零一五年：49.3%）。截至二零一六年三月三十一日止年度，我們五大客戶佔本集團的總收入約為88.8%（二零一五年：94.6%）。

於土木工程及建造分部方面，客戶基礎相對集中於香港政府若干部門、公用事業公司及私人機構。最大客戶亦屬於此分部。於新的汽車發動機業務方面，其中兩名客戶成為佔本集團總收入約23.3%的第二及第三大客戶。

概無董事或彼等各自的聯繫人或據董事所知擁有本公司已發行股本5%以上的任何股東於任何五大客戶中擁有任何權益。

主要供應商

截至二零一六年三月三十一日止年度，本集團五大供應商（即我們的分包商）合共佔本集團支付的分包費總額約為68.2%（二零一五年：98.5%）。截至二零一六年三月三十一日止年度，本集團最大分包商佔本集團支付的分包費總額約為21.0%（二零一五年：28.8%）。

除上段所載列者外，概無董事或彼等各自的聯繫人或據董事所知擁有本公司已發行股本5%以上的任何股東於任何五大分包商中擁有任何權益。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 13 to the financial statements.

SHARE CAPITAL

Details of movements in share capital of the Company during the year are set out in note 30 to the financial statements.

RESERVES

Details of movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution to Shareholders as at 31 March 2016 amounted to approximately HK\$11.2 million (2015: HK\$84.5 million).

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles or the laws of Cayman Islands where the Company is incorporated, which would oblige the Company to offer new shares to existing Shareholders on a pro-rata basis.

DONATIONS

Donations made by the Group during the year amounted to HK\$20,000 (2015: HK\$20,000).

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the year ended 31 March 2016.

物業、機器及設備

本集團於年內的物業、機器及設備變動詳情載於財務報表附註13。

股本

本公司於年內的股本變動詳情載於財務報表附註30。

儲備

於年內，本集團之儲備變動詳情載於綜合權益變動表。

可供分派儲備

於二零一六年三月三十一日，本公司可供分派予股東的儲備約11,200,000港元（二零一五年：84,500,000港元）。

優先購買權

細則或本公司註冊成立所在的開曼群島法例均不設優先購買權條文規定本公司有責任按比例向現有股東提呈發售新股份。

捐款

本集團於年內作出的捐款金額為20,000港元（二零一五年：20,000港元）。

買賣或贖回本公司上市證券

本公司或其任何附屬公司概無於截至二零一六年三月三十一日止年度買賣或贖回本公司任何上市證券。

Report of the Directors

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

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

DIRECTORS

The Directors who held office during the year and up to the date of this annual report were:

Executive Directors

Mr. Wong Hin Shek (*Chairman*)
(appointed on 20 July 2015)

Mr. Xing Bin (appointed on 11 September 2015)

Mr. Li Chi Pong (resigned on 10 August 2015)

Mr. Poon Yan Min (resigned on 10 August 2015)

Non-executive Director

Mr. Yau Kwok Fai (resigned on 10 August 2015)

Independent Non-executive Directors

Ms. Chu Yin Yin Georgiana (appointed on 20 July 2015)

Mr. Yip Tai Him (appointed on 20 July 2015)

Mr. Chan Kai Wing (appointed on 20 July 2015)

Dr. Law Kwok Sang (resigned on 10 August 2015)

Professor Patrick Wong Lung Tak, *B.B.S., J.P.*
(resigned on 10 August 2015)

Ms. Mak Suk Hing (resigned on 10 August 2015)

Mr. Li Chi Pong, Mr. Poon Yan Min, Mr. Yau Kwok Fai, Dr. Law Kwok Sang, Professor Patrick Wong Lung Tak *B.B.S., J.P.* and Ms. Mak Suk Hing resigned as Directors with effect from 10 August 2015 due to change in control of the Company. Each of the resigned Directors has confirmed that he/she has no disagreement with the Board and that there is no matter in respect of his/her resignation which needs to be brought to the attention of the Shareholders and the Stock Exchange.

足夠公眾持股量

根據可供本公司查閱的資料及據本公司董事於本年報日期所知，本公司已維持上市規則規定的足夠公眾持股量。

董事

於年內及直至本年報日期，在任董事為：

執行董事

王顯碩先生 (*主席*)

(於二零一五年七月二十日委任)

邢濱先生 (於二零一五年九月十一日委任)

李治邦先生 (於二零一五年八月十日辭任)

潘潤棉先生 (於二零一五年八月十日辭任)

非執行董事

游國輝先生 (於二零一五年八月十日辭任)

獨立非執行董事

朱燕燕女士 (於二零一五年七月二十日委任)

葉棣謙先生 (於二零一五年七月二十日委任)

陳繼榮先生 (於二零一五年七月二十日委任)

羅國生博士 (於二零一五年八月十日辭任)

黃龍德教授 *銅紫荊星章，太平紳士*

(於二零一五年八月十日辭任)

麥淑卿女士 (於二零一五年八月十日辭任)

李治邦先生、潘潤棉先生、游國輝先生、羅國生博士、黃龍德教授 (*銅紫荊星章，太平紳士*) 及麥淑卿女士辭任董事，由二零一五年八月十日起生效，乃由於本公司控制權變動。各辭任董事確認，其與董事會並無意見分歧，亦無有關其辭任之事宜須敦請股東及聯交所垂注。

DIRECTORS (Cont'd)

In accordance with the Articles, one-third of the Directors for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) will retire from office by rotation and will be eligible for re-election and re-appointment at every annual general meeting, provided that every Director shall be subject to retirement by rotation at an annual general meeting at least once every three years.

Circular containing details of the Directors to be re-elected at the forthcoming annual general meeting of the Company will be despatched to the Shareholders in due course.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the Directors and senior management of the Group are set out on pages 19 to 24 of this annual report.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the independent non-executive Directors has confirmed their independence pursuant to Rule 3.13 of the Listing Rules. The Board considered all of the independent non-executive Directors to be independent in accordance with Rule 3.13 of the Listing Rules.

DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

董事 (續)

根據細則，現時三分之一董事（倘若其數目並非為三的倍數，則取最接近而不少於三分之一之數目）將輪值告退，並有資格在每次股東週年大會膺選連任及重新委任，惟各董事須最少每三年於股東週年大會上輪值告退一次。

載有本公司應屆股東週年大會上膺選連任的董事詳情的通函將適時向股東寄發。

董事會及高級管理層

本集團董事及高級管理層的履歷詳情載於本年報第19至24頁。

獨立非執行董事的獨立性確認

根據上市規則第3.13條，各獨立非執行董事均已確認彼等的獨立性。根據上市規則第3.13條，董事會認為全體獨立非執行董事均為獨立人士。

董事服務合同

概無董事訂立本集團不可於一年內毋須支付賠償（法定賠償除外）而終止的服務合同。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Other than those transactions disclosed in note 37 of the notes to the financial statements and in the section "Continuing Connected Transactions" below, no transactions, arrangements or contracts of significance in relation to the Group's business to which any of the Company's subsidiaries and fellow subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at any time during the year ended 31 March 2016.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, no Director was interested in any business apart from the Company's business, which competes or is likely to compete, either directly or indirectly, with the Company's business which is required to be disclosed pursuant to the Listing Rules.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and the five highest paid individuals are set out in notes 8 and 9 of the notes to the financial statements in this annual report.

CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

Upon specific enquiry by the Company and following confirmations from the Directors, save as disclosed in the section headed "Biographical Details of Directors and Senior Management" in this annual report, there was no change in the information of the Directors required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules for the year ended 31 March 2016.

董事於交易、安排或合同之權益

除於財務報表附註37及下文「持續關連交易」一節所披露的該等交易外，於截至二零一六年三月三十一日止年度任何時間並不存在本公司任何附屬公司及同系附屬公司為訂約一方及董事或董事之關聯實體直接或間接於其中擁有重大權益並對本集團業務而言屬重要之交易、安排或合約。

董事於競爭業務的權益

於年內，除本公司業務外，概無董事於須根據上市規則披露並與本公司業務直接或間接構成競爭或可能構成競爭的業務中擁有任何權益。

董事及五位最高薪酬人士的薪酬

董事及五位最高薪酬人士的薪酬詳情載於本年報財務報表附註8及9。

董事資料的變動

經本公司具體查詢及董事確認後，除本年報「董事及高級管理層履歷」一節所披露者外，截至二零一六年三月三十一日止年度，任何須根據上市規則第13.51(2)條第(a)至(e)段及第(g)段予以披露的董事資料概無任何變動。

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

As at 31 March 2016, none of the Directors or chief executive of the Company had registered an interest or a short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME

At the extraordinary general meeting of the Company held on 24 March 2016, the shareholders of the Company approved the adoption of the share option scheme of the Company (the "Scheme"). The relevant listing approval was granted by the Stock Exchange on 29 March 2016. A summary of the principal terms of the Scheme are as follows:

Purpose

The purpose of the Scheme is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Company.

Participants

The eligible participant(s) of the Scheme is/are full time or part time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Group); and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group.

董事及最高行政人員之股份、相關股份及債權證之權益及淡倉

於二零一六年三月三十一日，本公司董事或最高行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條須載入該條文所述登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

購股權計劃

於二零一六年三月二十四日舉行的本公司股東特別大會上，本公司股東批准採納本公司之購股權計劃（「計劃」）。聯交所已於二零一六年三月二十九日授予相關上市批准。計劃的主要條款概要如下：

目的

計劃之目的為讓本公司向獲選合資格參與者授出購股權，以作為就彼等對本公司所作出之貢獻或潛在貢獻之激勵或獎勵。

參與者

計劃的合資格參與者為本集團全職或兼職員工（包括本集團任何董事，不論是執行或非執行董事及是否獨立董事）；及本集團任何業務或合營夥伴、承包商、代理或代表、專家顧問、顧問、供應商、生產商或特許發出人、客戶、特許持有人（包括任何再授特許持有人）或分銷商、業主或租戶（包括任何分租戶）或董事會全權酌情認為對本集團作出貢獻或可能對本集團作出貢獻之任何人士。

SHARE OPTION SCHEME (Cont'd)

Maximum number of shares

The maximum number of Shares which may be issued upon exercise of all options which may be granted at any time under this Scheme together with options which may be granted under any other share option schemes for the time being of the Company shall not exceed such number of Shares as equals 10 per cent. of the issued share capital of the Company as at the date of approval of the Scheme.

Maximum entitlement of each participant

Unless approved by the shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the options granted to each eligible participants (including both exercised and outstanding options) in any 12-month period must not exceed 1 per cent. of the Shares in issue.

Option period

The option period of the Scheme, in respect of any particular option, the period to be determined and notified by the Directors to the grantee thereof at the time of making an offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular option but subject to the provisions for early termination thereof contained herein.

Acceptance of offer

Any offer of the option of the Company may be accepted by an eligible participant in the duplicate letter of option grant letter comprising acceptance of the offer duly signed by such eligible participant and received by the Company together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof within twenty-one (21) days from the offer date.

Exercise price

The exercise price shall be determined at the discretion of the Board at its absolute discretion, provided that it shall be not less than the highest of: (a) the closing price of the Shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a Business Day; (b) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) Business Days immediately preceding the offer date; (c) the nominal value of the Share on the offer date.

購股權計劃 (續)

股份最高數目

於悉數行使根據本計劃可能於任何時間授出的所有購股權以及根據本公司當時的任何其他購股權計劃可能授出的購股權而可予發行之股份最高數目不應超過相等於本公司於計劃批准當日的已發行股本之10%的股份數目。

每名參與者之最高權益

除非得到本公司股東批准，否則於任何12個月期間於行使授予各合資格參與者的購股權（包括已行使及尚未行使的購股權）而已發行及將予發行的股份總數不得超過已發行股份的1%。

購股權期間

有關任何特定購股權的計劃購股權期間將由董事於作出要約時釐定及通知其承授人，前提是有關期間不得超過自授出特定購股權當日起計十(10)年，惟須符合計劃所載有關其提早終止的條文。

接受要約

合資格參與者可於要約日期起計二十一(21)日內透過一式兩份購股權授予函件（包括有關合資格參與者正式簽署接受要約及由本公司收妥），連同向本公司支付獲授購股權之代價1.00港元接受本公司有關購股權之任何要約。

行使價

行使價將由董事會全權酌情釐定，惟不得低於以下各項之最高者：(a)股份於要約日期（必須為營業日）在聯交所每日報價表所示在聯交所的收市價；(b)股份於緊接要約日期前五(5)個營業日在聯交所每日報價表所示的平均收市價；(c)股份於要約當日的面值。

SHARE OPTION SCHEME (Cont'd)

Remaining life of the Scheme

The Directors shall be entitled at any time within 10 years commencing on 29 March 2016 to offer the grant of an option to any eligible participant. The Scheme will expire on 28 March 2026.

As at the date of this report and since the adoption of the Scheme, no share option has been granted by the Company.

購股權計劃 (續)

計劃之剩餘年期

董事將有權於二零一六年三月二十九日起計10年內隨時向任何合資格參與者授出購股權。計劃將於二零二六年三月二十八日屆滿。

於本報告日期及自計劃獲授納以來，本公司概無授出購股權。

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

As at 31 March 2016, to the best of the Directors' knowledge, the interests and short positions of the person (other than the Directors or chief executive of the Company) in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register of substantial shareholders required to be kept under section 336 of the SFO were as follows:

主要股東於股份及相關股份中的權益及淡倉

於二零一六年三月三十一日，就董事所深知，除本公司董事及最高行政人員外，依照本公司根據證券及期貨條例第336條規定備存的主要股東登記冊所載，以下人士於本公司的股份及相關股份中擁有以下根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益及淡倉：

Long positions in the issued shares/underlying shares of the Company

於本公司已發行股份／相關股份的好倉

| Name of shareholders | Notes | Nature of interest | Number of ordinary shares/ underlying shares held | Approximate percentage of issued share capital of the Company |
|--|-------|--|---|---|
| 股東姓名／名稱 | 附註 | 權益性質 | 所持有普通股／相關股份數目 | 已發行股本概約百分比 |
| Mr. Jiang Jianhui ("Mr. Jiang") 姜建輝先生 (「姜先生」) | (a) | Interest in a controlled corporation 受控法團權益 | 150,000,000 | 75.0% |
| Youth Force | (a) | Beneficial owner 實益擁有人 | 150,000,000 | 75.0% |
| Ms. Weng Guangmin ("Ms. Weng") 翁光敏女士 (「翁女士」) | (b) | Interest in a controlled corporation 受控法團權益 | 195,000,000 | 97.5% |
| Power Expert 巧能環球 | (b) | Beneficial owner 實益擁有人 | 195,000,000 | 97.5% |

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Cont'd)

Long positions in the issued shares/underlying shares of the Company (Cont'd)

Notes:

- (a) Youth Force is wholly-owned by Mr. Jiang. As such, Mr. Jiang is deemed to be interested in the 150,000,000 Shares owned by Youth Force by virtue of the SFO.
- (b) Power Expert is wholly-owned by Ms. Weng. As such, Ms. Weng is deemed to be interested in the 195,000,000 underlying Shares through its interests in the convertible bonds, in the principal amount of HK\$390,000,000 issued by the Company, owned by Power Expert by virtue of the SFO.

Save as disclosed above, as at 31 March 2016, no person, other than the Directors and chief executive of the Company whose interests are set out in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had notified the Company of an interest or short position in the shares or underlying shares of the Company that was required to be recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

主要股東於股份及相關股份中的權益及淡倉(續)

於本公司已發行股份／相關股份的好倉(續)

附註：

- (a) Youth Force由姜先生全資擁有。因此，姜先生根據證券及期貨條例被視為於 Youth Force擁有的150,000,000股股份中擁有權益。
- (b) 巧能環球由翁女士全資擁有。因此，根據證券及期貨條例，翁女士被視為透過其於本公司發行本金額為390,000,000港元之可換股債券之權益於巧能環球擁有之195,000,000股相關股份中擁有權益。

除上文所披露者外，於二零一六年三月三十一日，除本公司董事或最高行政人員(有關權益詳情已載於上文「董事及最高行政人員之股份、相關股份及債權證之權益及淡倉」一節)外，概無任何人士知會本公司其擁有根據證券及期貨條例第336條規定須記錄於本公司須存置的登記冊中的本公司股份或相關股份中的權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, at no time during the year ended 31 March 2016 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or his/her spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, or any of its subsidiaries, holding companies or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

RELATED PARTY TRANSACTIONS

Details of the significant related party transactions undertaken in the usual course of business are set out in note 37 to the financial statements.

CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 March 2016, the Group had the following continuing connected transactions. Details are as follows:

| Connected person 關連人士 | Duration of agreement 協議年期 | Nature of transaction 交易性質 |
|---|--|--|
| Able Contractors (note a) 安保建築 (附註a) | Three years commencing from 21 November 2013 自二零一三年十一月二十一日起計三年 | Sub-contract of carcass works for a building construction project in Tsuen Wan 分包一項位於荃灣的樓宇建造項目的 主體建築工程 |
| Frason Holdings Limited (note b) 輝信控股有限公司 (附註b) | Three years commencing from 1 June 2013 自二零一三年六月一日起計三年 | Lease of office premises and car parking spaces 租賃辦公場所及泊車位 |

董事購入股份或債權證之權利

除上文「董事及最高行政人員之股份、相關股份及債權證之權益及淡倉」一節所披露者外，於截至二零一六年三月三十一日止年度並無授出權利予任何董事或其各自之配偶或未滿十八歲之子女，以購入本公司股份或債權證而獲取利益，而彼等亦無行使該等權利；本公司或其任何附屬公司、控股公司或同系附屬公司亦無參與任何安排，以令董事能於任何其他法人團體獲得該等權利。

關聯方交易

有關於日常業務過程中所進行的重大關聯方交易詳情載於財務報表附註37。

持續關連交易

於截至二零一六年三月三十一日止年度，本集團已進行下列持續關連交易。詳情如下：

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

note a:

Able Contractors, is a connected person of the Company by virtue of it being a wholly owned subsidiary of Vantage, one of our previous controlling shareholders during the period from 1 April 2015 to 5 June 2015.

In the ordinary and usual course of business, Excel Engineering Company Limited ("Excel"), the wholly owned subsidiary of the Company, entered into transaction with Able Contractors on normal commercial terms. Pursuant to the sub-contracting agreement, Able Contractors shall provide sub-contracting works for the building construction project in Tsuen Wan. Excel may (but is not obliged to) provide certain staff as it may consider appropriate to assist or supervise Able Contractors under the relevant project and in return, Able Contractors would reimburse the Group based on the cost of the relevant staff and the hours spent in accordance with the sub-contracting agreement.

During the period from 1 April 2015 to 5 June 2015, the sub-contracting fee to Able Contractors amounted to approximately HK\$8.0 million which did not exceed the related annual cap while there was no reimbursement of staff cost from Able Contractors during the period.

The independent non-executive Directors have reviewed the continuing connected transactions and have confirmed that the continuing connected transactions have been entered into (i) in the ordinary and usual course of business of the Group; (ii) either on normal commercial terms or on terms no less favourable than those available to/from independent third parties; and (iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and are in the interests of the Shareholders as a whole.

Ernst & Young, 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 Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with Rule 14A.38 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

持續關連交易 (續)

附註a:

由於安保建築為盈信（我們於二零一五年四月一日至二零一五年六月五日期間的過往控股股東之一）的全資附屬公司，故此安保建築為本公司的關連人士。

於日常及一般業務過程中，本公司的全資附屬公司，怡益工程有限公司（「怡益」）已按一般商業條款與安保建築訂立交易。根據所訂立的分包協議，安保建築應為荃灣一項樓宇建造工程項目提供分包工程。根據分包協議，怡益可（但無義務）調撥其認為合適的員工協助或監督安保建築履行其於分包協議下的義務，而安保建築應根據有關員工成本及所花費的時間向怡益作出償付。

於二零一五年四月一日至二零一五年六月五日期間，支付予安保建築的分包費為約8,000,000港元（並未超過本年度相關的交易額上限），而本期間並沒有來自安保建築作出的有關員工成本的償付。

獨立非執行董事已審閱持續關連交易，並確認持續關連交易乃(i)本集團日常及一般業務；(ii)該等交易是按照一般商務條款進行，或該等交易的條款不遜於獨立第三方可取得或提供的條款；及(iii)根據相關協議內公平合理且符合股東整體利益之條款訂立。

本公司的核數師安永會計師事務所已獲委聘，根據香港會計師公會頒佈的香港核證委聘準則第3000號 *非審核或審閱過往財務資料的核證委聘*，並參照實務說明第740號關於香港上市規則項下持續關連交易的核數師函件，就本集團的持續關連交易作出報告。安永會計師事務所已根據上市規則第14A.38條發出無保留意見函件，當中載有其有關本集團於上文所披露持續關連交易的發現及結論。本公司已將核數師函件副本呈交聯交所。

CONTINUING CONNECTED TRANSACTIONS (Cont'd)

note b:

Frason Holdings Limited ("Frason"), is a connected person of the Company by virtue of it being a wholly owned subsidiary of Vantage, one of our previous controlling shareholders during the period from 1 April 2015 to 5 June 2015.

Frason and Excel entered into a tenancy agreement pursuant to which Frason as Landlord agreed to lease to Excel the office premises at No. 155 Waterloo Road, Kowloon Tong, Kowloon, Hong Kong and car parking spaces at a monthly rent of HK\$51,700 (exclusive of utility and other property related miscellaneous expenses).

As the highest relevant percentage ratio in respect of this continuing connected transaction, on an annual basis, is less than 5% and the annual consideration is less than HK\$3,000,000, this transaction was pursuant to Rule 14A.33 of the Listing Rules constituted de minimis continuing connected transactions exempt from the reporting, announcement, annual review and independent shareholders' approval requirements in Chapter 14A of the Listing Rules.

NON-COMPETITION UNDERTAKING BY VANTAGE

Vantage, the previous controlling shareholder of the Company during the year, entered into a deed of non-competition (the "Deed") with the Company on 21 November 2013. Pursuant to the Deed, Vantage undertakes that the retained Vantage group will not, inter alia, engage in civil engineering construction business and any business that is or is likely to be in competition with that of the Group. For details about the above-mentioned Deed, please refer to section headed "Relationship with Controlling Shareholders" in our prospectus dated 28 November 2013 for details.

Vantage has confirmed to the Company of its compliance with the Deed. The independent non-executive Directors have reviewed the status of compliance and confirmed that Vantage has not been in breach of the non-competition undertaking during the period from 1 April 2015 to 5 June 2016.

持續關連交易 (續)

附註b:

由於輝信控股有限公司(「輝信」)為盈信(我們於二零一五年四月一日至二零一五年六月五日期間的過往控股股東之一)的全資附屬公司,故此輝信為本公司的關連人士。

輝信與怡益訂立租賃協議(「租賃協議」),據此,輝信(作為業主)同意向怡益租賃位於香港九龍九龍塘窩打老道155號的辦公場所及泊車位,月租金為51,700港元(不包括水電費及其他物業相關雜費)。

由於此持續關連交易有關最高百分比率按年度基準低於5%,而年度代價不足3,000,000港元,故根據上市規則第14A.33條,此交易構成持續關連交易的最低豁免,無需遵守上市規則第14A章的申報、公告、年度審閱及獲獨立股東批准的規定。

盈信作出的不競爭承諾

於二零一三年十一月二十一日,盈信(我們先於年內的控股股東)與本公司訂立不競爭契據(「契據」)。根據契據,盈信承諾盈信保留集團將不會(其中包括)從事土木工程建造業務及任何與本集團構成或可能構成競爭的業務。有關上述契據之詳情,請參閱我們於二零一三年十一月二十八日刊發的招股章程「與控股股東的關係」一節。

盈信已向本公司確認,其已遵守契據。獨立非執行董事已審閱遵守情況,並確認於二零一五年四月一日至二零一六年六月五日期間,盈信並無違反不競爭承諾。

CORPORATE GOVERNANCE

The Company has applied the principles and Code Provisions as set out in the CG Code contained in Appendix 14 of the Listing Rules. During the year ended 31 March 2016, save as disclosed in the section headed "Corporate Governance Report", the Company has complied with the Code Provisions in the CG Code.

EVENT AFTER THE REPORTING PERIOD

Major Transaction in Relation to Acquisition of the Entire Equity Interest in the Target Company

On 24 May 2016, the Purchaser 2 as purchaser entered into the Wheels SPA with Mr. Zhang as vendor. Pursuant to which, the Purchaser 2 has conditionally agreed to acquire and Mr. Zhang has conditionally agreed to sell the entire issued share capital of Keenmount and all the liabilities, loans and obligations owing by Keenmount and its subsidiaries at completion in an aggregate consideration of HK\$390.0 million, which shall be satisfied to Mr. Zhang by issue of convertible bonds in the principle amount of HK\$390.0 million at completion. Keenmount and its subsidiaries intend to be principally engaged in the assembly of automotive wheels and tyres and supply of assembled wheels and tyres to automotive manufacturers.

Further details of the transaction are set out in the Company's announcements dated 24 May 2016 and 22 June 2016.

AUDIT COMMITTEE

The Audit Committee has reviewed together with the management and external auditor the accounting principles and policies adopted by the Group, discussed internal controls and financial reporting matters and the audited consolidated financial statements for the year ended 31 March 2016.

企業管治

本公司已應用上市規則附錄14所載企業管治守則中載列的原則及守則條文。於截至二零一六年三月三十一日止年度，除「企業管治報告」一節披露者外，本公司一直遵守企業管治守則的守則條文。

報告期後事項

有關收購目標公司之全部股本權益之主要交易

於二零一六年五月二十四日，買方2（作為買方）與張先生（作為賣方）訂立輪胎買賣協議。據此，買方2有條件地同意收購，而張先生有條件地同意出售建峰之全部已發行股本以及建峰及其附屬公司於完成時結欠之所有負債、貸款及債項，總代價為390,000,000港元，須以於完成時透過發行本金額為390,000,000港元之可換股債券向張先生支付。建峰及其附屬公司擬主要從事汽車車輪及輪胎組裝以及向汽車製造商供應組裝車輪及輪胎。

有關交易之進一步詳情載列於本公司日期為二零一六年五月二十四日及二零一六年六月二十二日之公告。

審核委員會

審核委員會已與管理層及外聘核數師審閱本集團採納的會計原則及政策，並討論有關內部監控及財務匯報事宜以及截至二零一六年三月三十一日止年度的經審核綜合財務報表。

AUDITORS

The consolidated financial statements for the year ended 31 March 2016 have been audited by Ernst & Young.

Ernst & Young shall retire in the forthcoming annual general meeting and, being eligible, will offer themselves for re-appointment. A resolution for the re-appointment of Ernst & Young as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board
Excel Development (Holdings) Limited

Wong Hin Shek
Chairman and Executive Director

Hong Kong, 29 June 2016

核數師

安永會計師事務所已審核截至二零一六年三月三十一日止年度的綜合財務報表。

安永會計師事務所須於即將舉行的股東週年大會上退任，並符合資格及願意膺選連任。有關續聘安永會計師事務所為本公司核數師的決議案將於即將舉行的股東週年大會上獲提呈。

代表董事會
怡益控股有限公司

主席及執行董事
王顯碩

香港，二零一六年六月二十九日



ABOUT THIS REPORT

Excel Development (Holdings) Limited (“Excel Development” or the “Group”), focuses on its business in (i) civil engineering and construction business; and (ii) automotive engines business.

Looking back into the current financial year, the Group was devoted to the development of environmental protection, community contribution as well as its employee and stakeholder engagement.

This section is our first report outlining our commitments and strategies to environmental protection, social responsibility and governance. Our first report covers the sustainability performance of the Group from 1 April 2015 to 31 March 2016. Our report serves two main purposes:

- Ensuring that our environment, social and governance performance is clearly and openly communicated with our stakeholders; and
- Stimulating discussion with and soliciting input from our stakeholders in the shaping of our business.

Relevant disclosures of this report are made in accordance with the Environmental, Social and Governance Reporting Guide published by The Stock Exchange of Hong Kong Limited, highlighting our performance in various aspects of the guide in the current financial year. The scope of reporting covers the Group’s headquarters and its subsidiary operating companies and contains only the most material segment information of the Group. Considering that the automotive engines business was newly acquired on 4 February 2016, its impact was immaterial in the current financial year. Thus, our first report only included the civil engineering and construction business.

有關本報告

怡益控股有限公司（「怡益」或「本集團」）將其業務集中於(i)土木工程及建造業務；及(ii)汽車發動機業務。

回顧本財政年度，本集團致力於環保發展、社區貢獻以及其僱員及持份者參與。

本節為概述我們對環保、社會責任及管治的承諾及策略的首份報告。我們的首份報告涵蓋本集團由二零一五年四月一日起至二零一六年三月三十一日的可持續發展表現。我們的報告有兩個主要目的：

- 確保將我們於環境、社會及管治的表現公開清晰地告知持份者；及
- 於策劃業務時，促進與持份者的討論並徵求其意見。

本報告的相關披露乃根據香港聯合交易所有限公司頒佈的環境、社會及管治報告指引而作出，強調我們於本財政年度在指引各方面的表現。報告範疇涵蓋本集團的總部及其附屬公司營運公司，並僅載有本集團的最重要分部資料。考慮到汽車發動機業務於二零一六年二月四日新收購，其於本財政年度的影響並不重大。因此，我們的首份報告僅包括土木工程及建造業務。



COMMITMENT TO OUR PEOPLE

Our Workspace

"People are the most valuable assets of the Group at all time and in every aspect."

Aspiring to be the preferred employer in the industry, we are devoted to shape a non-discriminating, diverse, fair and harmonious workplace in which our people are highly valued and respected. We deeply believe that recruiting and retaining top talents are of paramount importance for the sustainable development of the Group. In formulation of our human resources strategies, we have allocated ample resources in providing various trainings to our employees in the hope of developing their full potentials both personally and professionally in addition to attractive remuneration packages and promising career paths. We grow hand-in-hand for the benefits of individual employee and the long-term growth of the Group as a united body. Our project companies have developed company regulations outlining the standards and guidelines of which our employees are expected to follow. We strongly encourage open communication within the organization for successful execution of company policies and strategies.

Talent Acquisition and Retention

"As we treasure our people we also take good care of them."

The Group seeks and welcomes people with talent and passion. Our team of about 400 employees is the important asset of the Group and their unwavering dedication has ensured the continued success of the Group. We strive to establish a workforce of diversify and competency as it is the key to our provision of a world-class service to our customers. As an equal opportunity employer, the Group is committed to employing a diverse workforce in terms of age and academic qualifications to carry out the operations of our business. We provide all employees with the opportunities to reach their growth potential and contribute to the well-being of the community. We see diversity and inclusiveness as an essential and integral part of our competitive advantage.

對我們員工的承諾

我們的工作環境

「不論何時，員工於各方面均是本集團的最寶貴資產。」

我們致力成為業內首選僱主，努力塑造一個無歧視、多元化、公平和諧的工作環境，讓我們的員工受到高度重視及備受尊重。我們深信，招聘及保留頂尖人才對本集團的可持續發展乃至關重要。在制定人力資源策略時，除了吸引的薪酬待遇及明朗的晉升途徑外，我們亦已分配充足資源以為僱員提供各種各類培訓，希望發展其個人及專業方面的最大潛力。我們攜手成長，將各名僱員的利益及本集團的長期增長連成一體。我們的項目公司已制定公司規例，概述我們預期僱員遵從的標準及指引。我們強烈鼓勵組織內進行坦誠溝通，以便成功執行公司政策及策略。

人才招聘及挽留

「正因我們珍惜員工，所以對他們無微不至。」

本集團尋求及歡迎具天分且充滿熱誠的人才。我們的團隊有大約400名僱員，為本集團的一項重要資產，他們堅定不移的貢獻確保了本集團持續成功。我們努力不懈地建立多元化且能幹的工作團隊，皆因這正是我們向客戶提供世界級服務的關鍵。作為平等機會僱主，本集團致力僱用不同年齡及學歷的員工營運業務。我們為全體僱員提供發揮增長潛力並回饋社會的機會。我們視多元化及包容性為我們競爭優勢的一項重要組成部分。



COMMITMENT TO OUR PEOPLE (Cont'd)

Talent Acquisition and Retention (Cont'd)

"As we treasure our people we also take good care of them." (Cont'd)

The Group's competitive remuneration and benefit package demonstrates our commitment to rewarding employees for their excellence in job performance, results and for their professionalism. We strictly comply with the Employment Ordinance for the protection of benefits of employees in Hong Kong. Meanwhile, a comprehensive performance review system was established so that our employees could receive regular review and appraisal of performance and development.

Equal Opportunities and Diversity

"We believe that by aligning talents with various competencies and capabilities from different range of backgrounds, the Group grows from strength to strength."

We are committed to establishing an inclusive, diverse and discrimination-free culture based on the values of fairness, dignity and respect. We provide equal opportunities and fair treatment for all job applicants and current employees irrespective of age, gender, race, color, descent, ethnic background, nationality, disability, veteran status, citizenship, religion, sexual orientation and marital status as we believed that varieties and differences are intrinsic to the success and sustainable development of our business.

We adopt a zero tolerance approach to unethical labour practices including child labour and forced labour. We strive not only to comply stringently with the Employment Ordinance in Hong Kong and other applicable legal requirements but to exemplify best practice as a responsible employer.

對我們員工的承諾 (續)

人才招聘及挽留 (續)

「正因我們珍惜員工，所以對他們無微不至。」
(續)

本集團的薪酬及福利待遇具有競爭力，引證我們為僱員的優秀工作表現及業績以及專業精神給予獎勵的承諾。我們嚴格遵守僱傭條例以保障香港僱員福利。同時，我們亦設有全面績效評核制度，故僱員能得到定期檢討報告以及表現及發展評價。

平等機會及多元化

「我們相信，透過匯聚來自不同背景而各具才幹及能力的人才，本集團的發展得以更上一層樓。」

我們致力以公平、莊重及尊重的價值觀為根基，建立包容、多元化且無歧視的文化。我們相信，多元與差異是我們業務取得成功及可持續發展的基石，故我們不論年齡、性別、種族、膚色、出身、民族背景、國籍、殘疾、資歷、公民身份、宗教信仰、性取向及婚姻狀況，對所有求職人士及現職僱員提供平等機會及公平對待。

我們對不道德勞工行為（包括童工及強制勞工）採取零容忍態度。我們不單嚴格遵守香港僱傭條例及其他適用法律規定，亦極力體現作為負責任僱主的最佳做法。

0 Reported cases
宗申報個案

of discrimination, child labour and forced labour in the current financial year

本財政年度歧視、童工及強制勞工

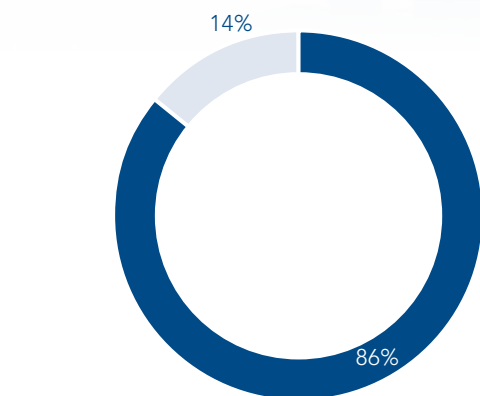


COMMITMENT TO OUR PEOPLE (Cont'd)

Diversity of Our People

By Gender

按性別劃分



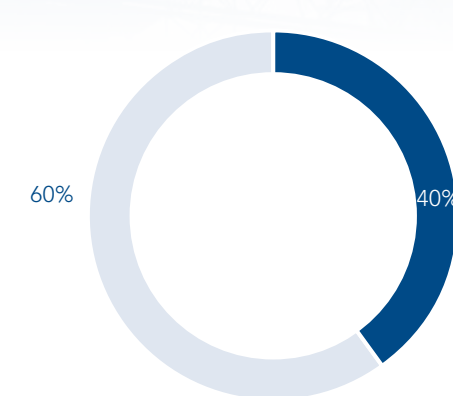
- Male 男性
- Female 女性

對我們員工的承諾 (續)

我們的員工多元性

By Designation

按任命劃分



- Executive Director 執行董事
- Independent Non-executive Directors 獨立非執行董事

Occupational Health and Safety

"Our employees form the keystone of our success, and we recognise the importance of building a conducive and inclusive working environment that provides them with opportunities to reach their full potential."

Health and safety are the most pressing concerns across our business operations. As a responsible corporation, we are committed to protecting the health and safety of our employees, customers, subcontractors and the public by conducting our business in a safe and socially responsible manner so as to minimise the health and safety risks posed to them. Our occupational health and safety management system has been certified compliance with OHSAS 18001, which is aligned with international standards of best practice.

職業健康及安全

「我們的僱員構建我們成功的基石，我們深明締造有利且包容的工作環境對為僱員提供機會以發揮最大潛能的重要性。」

健康及安全為我們業務營運中最備受關注的事宜。作為一間負責任的公司，我們透過以安全及具社會責任的方式進行業務，致力保障僱員、客戶、分包商及公眾人士的健康及安全，藉以將其面臨的健康及安全風險減至最低。我們的職業健康及安全系統已獲認證符合與國際標準最佳常規一致的OHSAS 18001。



COMMITMENT TO OUR PEOPLE (Cont'd)

Occupational Health and Safety (Cont'd)

"Our employees form the keystone of our success, and we recognise the importance of building a conducive and inclusive working environment that provides them with opportunities to reach their full potential." (Cont'd)

We aim to excel in occupational health and safety performance and achieve an accident-free operation. We offer an ideal workplace and comprehensive wellness programs for our employees while maintaining regular and open dialogues with them. "Safety first – prevention is crucial" is the fundamental principle governing our safety management policy. To accomplish this, we will comply fully with all applicable laws and regulations and strive to integrate health and safety considerations into all aspects of our business activities. We also require our business partners to meet the same health and safety standards.

With construction as one of our core business, it is vital for our employees and subcontracted workers to be on the alert for potential hazards, and follow strict safety protocol when working onsite. We work closely with our subcontractors to ensure that all subcontracted workers we engage are given comprehensive safety training during different project stages:

對我們員工的承諾 (續)

職業健康及安全 (續)

「我們的僱員構建我們成功的基石，我們深明締造有利且包容的工作環境對為僱員提供機會以發揮最大潛能的重要性。」(續)

我們旨在於職業健康及安全表現方面精益求精，並實現零意外營運。我們為僱員提供一個理想工作環境及全面健康計劃，同時與其保持定期及公開的對話。「安全第一 – 防患未然」乃我們的安全管理政策的基本原則。為達成這點，我們將全面遵守一切適用法律及法規，並極力將健康及安全考慮結合於我們各方面的業務活動。我們亦要求業務夥伴符合相同健康及安全標準。

建造為我們的核心業務之一，對我們的僱員及分包工人而言，在工地施工時對潛在危害提高警覺並遵循嚴格安全守則乃至關重要。我們與分包商緊密合作，確保我們委聘的所有分包工人於不同項目階段均獲提供全面的安全培訓：





COMMITMENT TO OUR PEOPLE (Cont'd)

Occupational Health and Safety (Cont'd)

"Our employees form the keystone of our success, and we recognise the importance of building a conducive and inclusive working environment that provides them with opportunities to reach their full potential." (Cont'd)

- Risk assessment is conducted on each project at the outset to identify the risks associated to determine and implement relevant precautionary measures
- Induction trainings are provided before commencement of work
- Site-specific training is organised when technical and complicated work procedures are to be executed

As well as attending to day-to-day health and safety considerations, we must be prepared for the unexpected. To augment the ability of emergency preparedness and response of our employees, all of our operating companies are required to carry out emergency drills and safety exercises periodically according to applicable national laws and regulations as well as emergency preparedness plans.

We also believe that regular education and training play a vital role in raising and maintaining the occupational health and safety awareness among our people at all times. We covered topics such as safety use of equipment, prevention and handling of accident, emergency management and rescue, production safety and corresponding laws and regulations, fire protection knowledge, etc.

In the event of any safety incident at work, our employees have to report and investigate the incident in accordance with the Group's policy. All employees must report to their supervisors in respect of any accident at work for immediate implementation of appropriate protective measures.

對我們員工的承諾 (續)

職業健康及安全 (續)

「我們的僱員構建我們成功的基石，我們深明締造有利且包容的工作環境對為僱員提供機會以發揮最大潛能的重要性。」(續)

- 我們於各項目開始時進行風險評估，以識別相關風險，從而釐定並實施相關預防措施
- 於展開工程前，我們提供入職培訓
- 於執行技術型及複雜工程程序時，我們組織工地特定培訓

除關注日常健康及安全外，我們必須為意外做好準備。為加強僱員的緊急應變及反應的能力，我們所有的營運公司均須根據適用國家法律及法規以及緊急應變計劃，定期進行突發事故演練及安全演習。

我們亦相信，在任何時候，定期教育及培訓在提高及維持我們員工的職業健康及安全警覺方面均具有重要作用。我們涵蓋安全使用設備、預防及處理意外、緊急管理及救援、生產安全及相應法律及法規、消防知識等主題。

倘工作期間發生任何安全事故，我們的僱員須根據本集團政策報告及調查事故。全體僱員必須就工作期間的任何意外向其監事報告，以便即時實施適當保護措施。



COMMITMENT TO OUR PEOPLE (Cont'd)

Training and Continual Development

"Investing in our people is not only advantageous to the personal and career development of our people but also to the sustainable and healthy growth of our business."

Excel Development aspires to be an employer of choice. We have policies and systems in place to attract talents and through continuous training and development, nurture them for a fulfilling career.

Investing in the future is essential to us and we develop employees at every level of their career. We offer our employees a variety of learning opportunities that will enhance their management and technical skills on the basis of their job capacity, personal capability and development potential. Different learning experiences and dynamic training programs are organised to enable our people to achieve their highest potential. Training programs have been organised both internally and externally to equip our employees with new knowledge in the industry. To show recognition and acknowledgement, relevant qualification certificates are presented to employees upon completion of certain courses.

對我們員工的承諾（續）

培訓及持續發展

「於我們員工的投資不僅對員工的個人及職業發展有益處，亦有助我們業務的持續及健康增長。」

怡益渴望成為最佳僱主。我們已設立政策及制度吸引人才，並通過持續培訓及發展，扶助他們實現精彩的職業生涯。

投資未來對我們十分重要，我們在僱員的職業生涯中各個層面培育他們。我們為僱員提供各式各樣的學習機會，按照其工作能力、個人能力及發展潛力提升其管理及技術技能。我們舉辦不同的學習體驗及生動的培訓計劃，讓我們的員工得以發揮其最大潛力。我們舉辦內部及外部培訓計劃，為僱員提供新的行業知識。於完成若干課程後，僱員將獲頒相關資格證書，以示表彰及認可。

**0 Fatal
accident**
宗致命
意外

was occurred in the current
financial year

於本財政年度發生



COMMITMENT TO OUR ENVIRONMENT

Environmental Protection and Green Operation

We are committed to protecting the environment and supporting sustainable development by conducting our business in an environmentally responsible manner. We believe that a successful environment management is important for us to meet customers' demand in environment protection and to ensure healthy growth and sustainable development of our business. At Excel Development, we aim to ensure that all services are delivered with high quality and are conducted in an environmentally responsible manner in delivering construction works.

It is our policy to comply fully with applicable laws and regulations and endeavor to integrate environmental considerations into all aspects of our business operation. We are seeing more stringent environmental laws and regulations in different countries as well as rising stakeholder expectations, which are crucial drivers for our focus on environmental compliance.

In recent years, the Group has strengthened energy management and emission control to mitigate greenhouse effect. We believe that monitoring and tracking of our air and greenhouse gas emissions are important metrics to demonstrate our progress in emissions reduction.

Our approach

We have a variety of internal environmental standards and guidelines to assist us in fulfilling our environmental commitments. Our current internal environmental standards take the view that, as an environmentally responsible Group, we should require our operations to perform beyond compliance.

We believe that sustainability encompasses not merely our environmental performance but also encapsulates the way we manage our business practices. In addition to applicable laws and regulations, the Group has established a series of internal control mechanisms and management systems to ensure the highest standard of business integrity across our operating units.

對我們環境的承諾

環保及綠色營運

我們透過對環境負責任的方式進行業務，致力保護環境及支持可持續發展。我們相信，成功的環境管理對我們符合客戶的環保要求以及確保業務穩健增長及可持續發展而言尤為重要。在怡益，我們旨在確保所交付的一切服務均屬優質，且交付建築工程時以對環境負責任的方式進行。

我們的政策為全面遵守適用法律及法規，力圖將環保元素結合我們所有方面的業務營運。我們目睹不同國家推行更嚴格的環境法律及法規，加上持份者的期望提高，成為我們專注於環境合規的重要推動力。

近年來，本集團已加強能源管理及排放控制，以減輕溫室效應。我們相信，監測及跟蹤我們的空氣及溫室氣體排放乃證明我們減排進度的一項重要指標。

我們的方法

我們有各項內部環境標準及指引，以協助我們履行對環保的承諾。根據我們目前的內部環境標準，我們作為對環境負責任的集團，應要求營運的表現超乎合規。

我們相信，可持續發展不僅包括我們的環保表現，亦包含我們管理營商的方式。除適用法律及法規外，本集團已建立一系列內部監控機制及管理系統，確保我們的營運單位達致業務誠信的最高標準。



COMMITMENT TO OUR ENVIRONMENT (Cont'd)

In-house Green Management

In addition to applicable laws and regulations, the Group is committed to green our own operation through proactive environment management and staff engagement. We have set up an environmental management system to promote environmental awareness and to prevent pollution of the environment. Our environmental management system was accredited ISO 14001 certification.

Management of Construction Waste

We are committed to preventing pollution and mitigating potential environmental impacts arising from our projects and operation. Throughout the current financial year, the Group did not produce any hazardous waste. In managing construction waste, our objective is to promote the 3R policy, i.e. reduce, reuse and recycle, and devote to prevent construction waste from being disposed of in landfills. Specific measures include:

- Avoiding and minimizing construction waste generation at sources through better planning, designing and construction management
- Reuse/recycle construction waste whenever possible
- All construction wastes that could not be reuse/recycle are minimised, transported and disposed of in environmental friendly manners and in full compliance with statutory requirements
- Monitoring the performance of our subcontractors to ensure their compliance with our environmental requirements

對我們環境的承諾 (續)

室內綠色管理

除適用法律及法規外，本集團致力通過積極環境管理及員工參與，綠化自有經營。我們已設立一套環境管理系統，以宣傳環保意識及防止環境污染。我們的環境管理系統已獲ISO 14001認證。

管理建築廢料

我們致力防止由我們的項目及營運所引致的污染並減輕潛在環境影響。於本財政年度整個年度，本集團並無產生任何有害廢料。在管理建築廢料時，我們旨在宣傳3R政策（即減少使用(reduce)、物盡其用(reuse)及循環再用(recycle)），並極力防止將建築廢料丟棄於垃圾堆填區。具體措施包括：

- 透過更佳的規劃、設計及工程管理，避免及盡量減少在源頭產生建築廢料
- 盡可能將建築廢料物盡其用／循環再用
- 透過環保及完全遵守法定要求的方式，盡量減少、運輸及丟棄無法物盡其用／循環再用的一切建築廢料
- 監控分包商的表現，確保其遵守環境要求

0 hazardous
waste
有害廢料

was produced in the current
financial year
於本財政年度產生



COMMITMENT TO OUR ENVIRONMENT (Cont'd)

Green Office

At our group we are committed to the responsible use of resources, which entails using resources that have less potential environmental impacts where commercially possible, but more importantly, using less resources. As part of our environmental policy, we enact 3R practices – Reduce, Reuse and Recycle – to minimise the consumption of valuable resources and tackle waste.

To enhance our employees' awareness of reducing energy, we implement in the current financial year an office policy at our Head Office, under which:

- Electric appliances are required to turn-off when unattended to reduce unnecessary energy wastage
- Air-conditioner are tuned to optimise room temperature

By implementing the energy saving policy, electricity generated from our Head Office decreased by 30%, from 12,576 kg CO₂/kWh in the first half of financial year to 8,783 kg CO₂/kWh in the second half of financial year. We are glad to see this is working and will extend the initiative to the future.

對我們環境的承諾 (續)

綠化辦公室

在本集團，我們致力負責任地使用資源，意味著我們在商業上可行的情況下使用潛在環境影響較少的資源，惟更重要的是要減少使用資源。作為環境政策的一部分，我們制定3R守則 – 減少使用、物盡其用及循環再用 – 以盡量減少耗用珍貴資源及解決浪費。

為提高僱員減少使用能源的意識，我們於本財政年度在總部實施一項辦公室政策，據此：

- 無人使用時須關閉電器，以減少不必要的能源浪費
- 將空調調節至最佳室內溫度

透過實施能源節約政策，總部產生的電力由財政年度上半年的每千瓦時12,576公斤二氧化碳減少30%至財政年度下半年的每千瓦時8,783公斤二氧化碳。我們很高興見到政策有效，並將於日後擴大措施範圍。



12,576 kg CO₂ / kWh
每千瓦時12,576公斤二氧化碳



8,783 kg CO₂ / kWh
每千瓦時8,783公斤二氧化碳



COMMITMENT TO OUR SUPPLY CHAIN

Guiding Supplier Behavior

"We recognise the positive impact we can have on our subcontractors by clearly communicating our expectations on sustainability issues."

We will consider a set of strict criteria for the selection of subcontractors based on their previous job experience, skills for specialised job, resource capabilities, reputation, present workload and their price quotations. During the course of a project, we will implement regular assessment of our subcontractors to ensure quality of their works.

Also, we regularly evaluate our subcontractors' performance in order to maintain a list of authorised subcontractors which is reviewed and updated on an ongoing basis. We have adopted guidelines to maintain objectiveness of all evaluation reports. Past performance is logged in our management system, and is taken into account when selecting subcontractors for new projects. Serious cases of misconduct or lack of improvement in performance can lead to exclusion from our subcontractors list.



Encouraging Good Labour Practice

Not only are we committed to treating our own people fairly and with respect, we also require our construction subcontractors to follow sound labour practices. At a minimum, we expect our subcontractors to operate with integrity, treat their people fairly and ensure compliance with all applicable laws and regulations. We will hold regular meetings with subcontractors to ensure they and their workers align with our environmental protection policy.

對我們供應鏈的承諾

對供應商的行為給予指引

「我們深知通過清晰交流我們對可持續發展議題的期望，可為分包商帶來的正面影響。」

我們將考慮一套甄選分包商的嚴格標準，當中參照其過往工作經驗、特定工作技能、資源能力、聲譽、現時工作量及其報價。於項目過程中，我們將對分包商進行定期評估，以確保其工作質量。

此外，我們會定期評估分包商的表現，以維持一份認可分包商名單，並按持續基準審閱及更新。我們已採納指引維持所有評估報告的客觀性。過往表現記錄於我們的管理系統，並於甄選新項目分包商時用以考慮。行為不當或表現缺乏改善的嚴重情況可能導致被剔除分包商名單。



鼓勵良好勞工常規

我們不僅致力於以公平及尊重的態度對待我們本身的員工，我們亦要求工程分包商遵循良好的勞工常規。我們期望分包商最低限度以誠信經營、公平對待其員工及確保遵守所有適用法律及法規。我們將與分包商舉行定期會議，確保其及其工人遵守我們的環保政策。



COMMITMENT TO OUR SUPPLY CHAIN (Cont'd)

Supporting Local Subcontractors

We choose to work with subcontractors in Hong Kong whenever possible. Throughout 2015, all of our subcontractors are located in Hong Kong. We believe that in doing so, we contribute to the local economy. We will also assess the viability of incorporating more medium or even social enterprises in our supply chain to promote local entrepreneurship.

Construction Worker Safety

We have a stringent occupational health and safety management system that meets the OHSAS 18001 standard. We will conduct safety assessment on our subcontractors to ensure all constructions are undertaken in a safe manner. Regular meetings are held between our project manager and subcontractors to discuss a variety of matters including the health and safety aspects of the project.

- Prior to construction project commencement:
 - Conduct safety assessment on subcontractor and the project
 - Site safety induction training specific to the conditions of individual sites
- During the project:
 - Communications are frequently held to enhance alertness of workers
 - Meetings with subcontractors and perform site visit to keep track on progress and quality of work

對我們供應鏈的承諾 (續)

支持本地分包商

我們盡可能選擇與香港分包商合作。於二零一五年全年，我們的所有分包商均位於香港。我們相信，這可為本地經濟作出貢獻。我們亦將評估將更多中型甚或社會企業融入我們供應鏈中的可行性，以促進本地企業的發展。

建築工人的安全

我們設有嚴格的職業健康及安全管理系統，符合OHSAS 18001標準。我們將對分包商進行安全評估，確保所有工程均以安全方式承接。我們的項目經理會與分包商進行定期會議，以討論包括項目的健康及安全方面等事宜。

- 展開工程項目前：
 - 對分包商及項目進行安全評估
 - 就個別工地的環境提供特定工地安全入職培訓
- 項目期間：
 - 保持經常溝通以提高工人警覺性
 - 與分包商舉行會議，並進行工地考察，以緊貼工程進度及質量



COMMITMENT TO OUR SUPPLY CHAIN (Cont'd)

Quality Management

We believe that our commitment to enhancing the quality of our management and construction works is instrumental in maintaining our overall reputation. In pursuit of quality, we implement and operate a quality management system in accordance with the requirements of ISO 9001.

To ensure delivery of quality work to our customers, our project team members are well trained in implementing our quality control measures which comprise monitoring, verifying and validating the construction, installation works and materials before delivery of completed project works to our customers. Regular inspection will be conducted by our project team members to ensure that the work completed conforms to the specifications and requirements set out in the relevant contract.

Anti-corruption

We are committed to providing quality service to customers and all employees must perform duties at the highest level of integrity, commitment and professionalism. We have comprehensive mechanisms to ensure that ethical business practices are adopted when our employees deal with suppliers and subcontractors. A Code of Conduct has been established for all employees, which are made for the purpose of setting out the standard of behavior expected for our employees, such as acceptance of gifts or entertainment, conflict of interest and outside employment.

對我們供應鏈的承諾 (續)

品質管理

我們相信我們致力提升管理及建造工程的質素有助維持整體聲譽。為追求質素，我們按照 ISO 9001 的要求落實並執行品質管理系統。

為確保向客戶提供優質服務，我們的項目團隊成員已經就實施品質管理措施（包括在向客戶交付已完工項目前監控、核實及證實建造、安裝工程及物料）接受充足培訓。我們的項目團隊成員亦會定期視察以確保已完成的工程符合載於相關合約的規格及要求。

反貪污

我們致力向客戶提供優質服務，而所有僱員必須以誠信、承諾及專業精神的最高水平履行職責。我們設有全面機制，確保僱員與供應商及分包商磋商時採用合乎道德的商業常規。本公司已為全體僱員設立行為守則，旨在載列期望僱員達到的行為標準，如接受禮物或娛樂、利益衝突及受僱於外間機構。



COMMITMENT TO OUR COMMUNITY

Community Involvement

"A helping hand can change the world"

As a responsible enterprise, we believe in the importance of giving back to society while operating our business. Driven by our core value of "Caring", we engage different community groups to support and add value to communities, and build social capital through various programs. We hope to build mutual trust and support in creating a harmonious and sustainable society.

Community Contribution

We invest both money and time into our communities. Our community investment strategy is to monitor social issues and concerns and address them as needed. For this reason, we have chosen charitable organization with mission of building a caring society to donate our community service.

OUTLOOK

We would like to take this opportunity to extend our sincere gratitude to our employees, suppliers, shareholders and other stakeholders for their long-term support and trust to the Group. The feedbacks from these parties are of great value to us in forming our business strategy to focus on their needs. We will continue to strive to implement the best practices in corporate social responsibility to advance the global sustainability agenda at large.

對我們社區的承諾

社區參與

「施予援手，改變世界」

作為一間負責任的企業，我們相信在經營業務的同時回饋社會的重要性。在我們的核心價值「關愛」所帶動下，我們參與不同的社區組織以支持社區發展及為其增值，並通過各種計劃建立社會資本。我們希望創造一個互助互信的融洽及可持續社會。

社區貢獻

我們對社區投資金錢及時間。我們的社區投資策略為監察社會議題，並於有需要時加以關注及處理。為此，我們已甄選以建立關懷社會為使命的慈善組織，向其提供我們的義務社會服務。

展望

我們藉此機會衷心感謝我們的員工、供應商、股東及其他持份者對本集團一直以來的支持和信任。彼等的反饋極為寶貴，可促使我們專注於其需要而制定業務策略。我們將繼續努力達致落實社會企業責任的最佳措施，以促進對全球整體可持續性的關注。

Independent Auditors' Report

獨立核數師報告



To the shareholders of Excel Development (Holdings) Limited
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Excel Development (Holdings) Limited (the "Company") and its subsidiaries set out on pages 76 to 179, which comprise the consolidated statement of financial position as at 31 March 2016, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the 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.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our 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.

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.

致怡益控股有限公司列位股東
(於開曼群島註冊成立的有限公司)

我們已完成審核怡益控股有限公司（「貴公司」）及其附屬公司載於第76至179頁的綜合財務報表，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，及截至該日止年度的綜合損益及其他全面收入表、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和其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司董事須負責遵照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，編製反映真實及公平意見的綜合財務報表，並負責進行董事認為必要的有關內部控制，以確保綜合財務報表的編製並無因欺詐或錯誤引致的重大錯誤陳述。

核數師的責任

我們的責任是根據審核結果，就該等綜合財務報表發表意見。本報告僅向全體股東報告，除此之外別無其他用途。我們並不會就本報告的內容向任何其他人士承擔責任或負上任何責任。

我們已根據香港會計師公會頒佈的《香港審核準則》進行審核。按該等準則的規定，我們須遵守道德操守規定計劃及進行審核，以合理確定綜合財務報表是否存有任何重大錯誤陳述。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of 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 Company and its subsidiaries as at 31 March 2016, and of their 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.

Ernst & Young
Certified Public Accountants
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

29 June 2016

審核涉及執程序以獲取有關綜合財務報表所載金額及披露事項的審核憑證。所選定的程序須取決於核數師的判斷，包括評估有關綜合財務報表存在因欺詐或錯誤而引致重大錯誤陳述的風險。在作出該等風險評估時，核數師考慮與該公司編製反映真實及公平意見的綜合財務報表相關的內部監控，以設計適當的審核程序，而並非對公司內部監控的有效性發表意見。審核亦包括評核董事所採用會計政策是否恰當及所作會計估計的合理性，以及評核綜合財務報表的整體列報方式。

我們相信，我們已取得充分而恰當的審核憑證，可為我們的審核意見提供基礎。

意見

我們認為，該綜合財務報表已根據《香港財務報告準則》真實與公平地反映 貴公司及其附屬公司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和現金流量，並已按照《香港公司條例》的披露規定妥善編製。

安永會計師事務所
執業會計師
香港中環
添美道1號
中信大廈22樓

二零一六年六月二十九日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入表

Year ended 31 March 2016
截至二零一六年三月三十一日止年度

| | | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|--------------------------------------|-------------|----------------------------------|----------------------------------|
| | | Notes 附註 | | |
| REVENUE | 收入 | 5 | 609,335 | 702,856 |
| Cost of sales | 合約成本 | | (603,483) | (662,053) |
| Gross profit | 毛利 | | 5,852 | 40,803 |
| Other income and gains | 其他收入及收益 | 5 | 10,756 | 3,163 |
| Administrative expenses | 行政開支 | | (38,171) | (24,875) |
| Finance costs | 財務費用 | 6 | (10,370) | (39) |
| Change in fair value of a financial asset at fair value through profit or loss | 按公平值透過損益列賬之 金融資產公平值變動 | 18 | (416) | – |
| PROFIT/(LOSS) BEFORE TAX | 除稅前溢利／(虧損) | 7 | (32,349) | 19,052 |
| Income tax expense | 所得稅支出 | 10 | (774) | (3,178) |
| PROFIT/(LOSS) FOR THE YEAR | 年內溢利／(虧損) | | (33,123) | 15,874 |
| OTHER COMPREHENSIVE LOSS | 其他全面虧損 | | | |
| Other comprehensive loss to be reclassified to profit or loss in subsequent periods: | 於後續期間 重新分類至損益 的其他全面虧損： | | | |
| Exchange differences on translation of foreign operations | 換算海外業務的 匯兌差額 | | (769) | – |
| OTHER COMPREHENSIVE LOSS FOR THE YEAR | 年內其他全面虧損 | | (769) | – |
| TOTAL COMPREHENSIVE INCOME/ (LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT | 母公司擁有人應佔 全面收入／(虧損) 總額 | | (33,892) | 15,874 |
| EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT | 母公司 擁有人應佔 每股盈利／(虧損) | 12 | | |
| Basic and diluted (HK cents) | 基本及攤薄 (港仙) | | (16.6) | 7.9 |

Consolidated Statement of Financial Position

綜合財務狀況表

31 March 2016
於二零一六年三月三十一日

| | | Notes | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|------------------|-------|----------------------------------|----------------------------------|
| | | 附註 | | |
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、機器及設備 | 13 | 48,327 | 2,194 |
| Investment properties | 投資物業 | 14 | – | 800 |
| Goodwill | 商譽 | 15 | 490,948 | – |
| Intangible assets | 無形資產 | 16 | 687,523 | – |
| Investment in a joint venture | 於一間合營企業的投資 | 17 | – | – |
| Total non-current assets | 非流動資產總值 | | 1,226,798 | 2,994 |
| CURRENT ASSETS | 流動資產 | | | |
| Financial asset at fair value through profit or loss | 按公平值透過損益列賬之金融資產 | 18 | 9,636 | – |
| Inventories | 存貨 | 19 | 1,622 | – |
| Gross amount due from customers for contract works | 應收客戶的合約工程款總額 | 20 | 30,150 | 31,028 |
| Accounts receivable | 應收賬款 | 21 | 396,360 | 177,789 |
| Tax recoverable | 可收回稅項 | | 3,177 | 4,494 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款 | 22 | 18,308 | 16,042 |
| Cash and cash equivalents | 現金及現金等值物 | 23 | 16,885 | 143,693 |
| Total current assets | 流動資產總值 | | 476,138 | 373,046 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Accounts payable | 應付賬款 | 24 | 225,796 | 101,464 |
| Accruals of costs for contract works | 預提合約工程成本 | | 38,688 | 45,237 |
| Tax payable | 應繳稅項 | | 2,926 | – |
| Other payables and accruals | 其他應付款及預提費用 | 25 | 19,531 | 3,204 |
| Interest-bearing other borrowings | 計息其他借款 | 26 | 13,013 | – |
| Total current liabilities | 流動負債總值 | | 299,954 | 149,905 |
| NET CURRENT ASSETS | 流動資產淨值 | | 176,184 | 223,141 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 資產總值減流動負債 | | 1,402,982 | 226,135 |

Consolidated Statement of Financial Position

綜合財務狀況表

31 March 2016

於二零一六年三月三十一日

| | | | 2016 | 2015 |
|--|-------------------|-------|----------------|----------------|
| | | | 二零一六年 | 二零一五年 |
| | | Notes | HK\$'000 | HK\$'000 |
| | | 附註 | 千港元 | 千港元 |
| NON-CURRENT LIABILITIES | 非流動負債 | | | |
| Convertible bonds | 可換股債券 | 27 | 340,316 | – |
| Promissory notes | 承兌票據 | 28 | 426,576 | – |
| Deferred tax liabilities | 遞延稅項負債 | 29 | 103,139 | 8 |
| Total non-current liabilities | 非流動負債總值 | | 870,031 | 8 |
| Net assets | 資產淨值 | | 532,951 | 226,127 |
| EQUITY | 權益 | | | |
| Equity attributable to owners of the parent | 母公司擁有人應佔權益 | | | |
| Share capital | 股本 | 30 | 2,000 | 2,000 |
| Equity component of convertible bonds | 可換股債券之權益部分 | 27 | 390,716 | – |
| Reserves | 儲備 | 32 | 140,235 | 224,127 |
| Total equity | 總權益 | | 532,951 | 226,127 |

Wong Hin Shek
Director
王顯碩
董事

Xing Bin
Director
邢濱
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

Year ended 31 March 2016
截至二零一六年三月三十一日止年度

| | | Attributable to owners of the parent 母公司擁有人應佔 | | | | | |
|--|----------------------------|--|------------------|------------------------------------|---|---------------------|-----------------|
| | | Share capital | Share premium | Exchange fluctuation reserve | Equity component of convertible bonds | Retained profits | Total equity |
| | | 股本 | 股份溢價 | 外匯波動 儲備 | 可換股債券 之權益部分 | 保留溢利 | 總權益 |
| | | HK\$'000 | 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 | 千港元 |
| At 1 April 2014 | 於二零一四年四月一日 | 2,000 | 95,486 | - | - | 112,767 | 210,253 |
| Profit and total comprehensive income for the year | 年內溢利及全面收入總額 | - | - | - | - | 15,874 | 15,874 |
| 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 | 2,000 | 95,486* | -* | - | 128,641* | 226,127 |
| Loss for the year | 年內虧損 | - | - | - | - | (33,123) | (33,123) |
| Other comprehensive loss for the year: | 年內其他全面虧損： | | | | | | |
| Exchange differences on translation of foreign operations | 換算海外業務的 匯兌差額 | - | - | (769) | - | - | (769) |
| Total comprehensive loss for the year | 年內全面虧損總額 | - | - | (769) | - | (33,123) | (33,892) |
| Special dividend paid (note 11) | 已付特別股息(附註11) | - | (50,000) | - | - | - | (50,000) |
| Issue of convertible bonds for a business combination (note 27) | 發行可換股債券以作 業務合併(附註27) | - | - | - | 390,716 | - | 390,716 |
| At 31 March 2016 | 於二零一六年三月三十一日 | 2,000 | 45,486* | (769)* | 390,716 | 95,518* | 532,951 |

* These reserve accounts comprise the consolidated reserves of HK\$140,235,000 (2015: HK\$224,127,000) in the consolidated statement of financial position.

* 此等儲備賬目包括於綜合財務狀況表中的綜合儲備140,235,000港元(二零一五年: 224,127,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 March 2016
截至二零一六年三月三十一日止年度

| | Notes 附註 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|----------------------|----------------------------------|----------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | 經營業務產生的現金流量 | | |
| Profit/(loss) before tax | 除稅前溢利／(虧損) | (32,349) | 19,052 |
| Adjustments for: | 就下列項目作出調整： | | |
| Finance costs | 財務費用 | 10,370 | 39 |
| Interest income | 利息收入 | (28) | (85) |
| Depreciation | 折舊 | 1,381 | 204 |
| Gain on disposal of subsidiaries | 出售附屬公司的收益 | (85) | – |
| Gain on disposal of items of property, plant and equipment | 出售物業、機器及設備項目的收益 | (44) | (72) |
| Gain on disposal of investment properties | 出售投資物業的收益 | (300) | – |
| Gain on changes in fair value of investment properties | 投資物業公平值變動收益 | – | (200) |
| Amortisation of intangible assets | 無形資產攤銷 | 8,389 | – |
| Change in fair value of a financial asset at fair value through profit or loss | 按公平值透過損益列賬之金融資產公平值變動 | 416 | – |
| | | (12,250) | 18,938 |
| Decrease in inventories | 存貨減少 | 39,353 | – |
| Decrease in gross amount due from customers for contract works | 應收客戶的合約工程款總額減少 | 878 | 48,950 |
| Decrease/(increase) in accounts receivable | 應收賬款減少／(增加) | (171,445) | 3,958 |
| Decrease in prepayments, deposits and other receivables | 預付款項、按金及其他應收款減少 | 4,036 | 14,195 |
| Increase/(decrease) in accounts payable | 應付賬款增加／(減少) | 43,671 | (134,068) |
| Increase/(decrease) in accruals of costs for contract works | 預提合約工程成本增加／(減少) | (6,549) | 33,447 |
| Increase in other payables and accruals | 其他應付款及預提費用增加 | 13,377 | 58 |
| Cash used in operations | 經營使用的現金 | (88,929) | (14,522) |
| Interest received | 已收利息 | 28 | 85 |
| Interest paid | 已付利息 | (340) | (39) |
| Hong Kong profits tax refunded/(paid) | 退回／(已付) 香港利得稅 | 1,317 | (7,359) |
| Net cash flows used in operating activities | 經營業務使用的現金流量淨額 | (87,924) | (21,835) |

Consolidated Statement of Cash Flows

綜合現金流量表

Year ended 31 March 2016
截至二零一六年三月三十一日止年度

| | Notes 附註 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|-------------|----------------------------------|----------------------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES 投資業務產生的現金流量 | | | |
| Additions of items of property, plant and equipment | 13 | (1,953) | (2,294) |
| Acquisition of subsidiaries | 33 | (501) | – |
| Disposal of subsidiaries | 34 | 97 | – |
| Proceeds from disposal of investment properties | | 1,100 | – |
| Proceeds from disposal of items of property, plant and equipment | | 44 | 72 |
| Increase in an amount due from the Vantage Group | | – | 1,196 |
| Net cash flows used in investing activities | | (1,213) | (1,026) |
| CASH FLOWS FROM FINANCING ACTIVITIES 融資業務產生的現金流量 | | | |
| New interest-bearing bank loans | | – | 8,606 |
| New interest-bearing other loans | | 7,000 | – |
| Repayment of interest-bearing bank loans | | – | (8,606) |
| Special dividend paid | | (50,000) | – |
| Advance from a shareholder | | 6,000 | – |
| Net cash flows used in financing activities | | (37,000) | – |
| NET DECREASE IN CASH AND CASH EQUIVALENTS 現金及現金等值物減少淨額 | | | |
| Cash and cash equivalents at beginning of year | | 143,693 | 166,554 |
| Effect of foreign exchange rate changes, net | | (671) | – |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | | 16,885 | 143,693 |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS 現金及現金等值物結餘分析 | | | |
| Cash and bank balances | 23 | 16,885 | 133,546 |
| Non-pledged time deposits with original maturity of less than three months when acquired | 23 | – | 10,147 |
| | | 16,885 | 143,693 |

Notes to Financial Statements

財務報表附註

31 March 2016

二零一六年三月三十一日

1. Corporate and Group information

Excel Development (Holdings) Limited (the “Company”) is an exempted company with limited liability incorporated in the Cayman Islands. The registered office address of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at 21st Floor, 1 Duddell Street, Central, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the “Group”) were principally engaged in the following principal activities:

- Civil engineering works and building construction and maintenance works (the “Civil Engineering and Construction Business”)
- Development, production and sale of automotive engines (the “Automotive Engines Business”, and newly acquired during the year – note 33)

On 5 June 2015, the then intermediate holding company, Vantage International (Holdings) Limited (“Vantage”), disposed of its entire equity interest in the Company to Youth Force Asia Ltd. (“Youth Force”), a company incorporated in the British Virgin Islands (“BVI”). Youth Force has become the holding company and the ultimate holding company of the Company since then.

Vantage and its subsidiaries are hereafter collectively referred to as the “Vantage Group”.

1. 公司及集團資料

怡益控股有限公司（「本公司」）為一間在開曼群島註冊成立的獲豁免有限公司。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的主要營業地點位於香港中環都爹利街1號21樓。

年內，本公司及其附屬公司（統稱「本集團」）主要從事下列主要活動：

- 土木工程項目以及樓宇建造及保養業務（「土木工程及建造業務」）
- 開發、生產及銷售汽車發動機（「汽車發動機業務」，及於年內新收購－附註33）

於二零一五年六月五日，當時的中介控股公司盈信控股有限公司（「盈信」）出售其持有的全部本公司股權予Youth Force Asia Ltd.（「Youth Force」），該公司為一間在英屬處女群島（「英屬處女群島」）註冊成立的公司。自此，Youth Force便成為本公司之控股公司及最終控股公司。

盈信及其附屬公司於下文統稱為「盈信集團」。

Notes to Financial Statements

財務報表附註

31 March 2016
二零一六年三月三十一日

1. Corporate and Group information (Continued)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

1. 公司及集團資料 (續)

有關附屬公司之資料

本公司之主要附屬公司詳情如下：

| Company name 公司名稱 | Place of incorporation/ registration and business 註冊成立／登記及 營業地點 | Nominal value of issued ordinary share capital 已發行普通股 股本的面值 | Percentage of equity attributable to the Company 本公司應佔 權益百分比 | | Principal activities 主要業務 |
|---|---|--|--|----------------|---|
| | | | Direct 直接 | Indirect 間接 | |
| Excel Engineering Company Limited ("Excel Engineering") 怡益工程有限公司 (「怡益工程」) | Hong Kong 香港 | HK\$ 23,288,000 23,288,000港元 | – | 100 | Civil engineering works and building construction and maintenance works 土木工程項目以及 樓宇建造及 保養業務 |
| Excel Construction Development Limited ("Excel Construction") | Hong Kong 香港 | HK\$1 1港元 | – | 100 | Leasing of equipment for construction works 租賃工程設備 |
| Chongqing Bisu Yunbo Motor Technology Limited# ("Bisu Yunbo") 重慶比速雲博動力科技 有限公司* (「比速雲博」) | People's Republic of China ("PRC") 中華人民共和國 (「中國」) | RMB 60,000,000 人民幣 60,000,000元 | – | 100 | Development, production and sale of automotive engines 開發、生產及 銷售汽車發動機 |

* Registered as limited liability company under PRC law

* 根據中國法律註冊為有限公司

The English name of this company represents the best effort made by management of the Company to directly translate its Chinese name as no official English name has been registered.

由於並無註冊正式英文名稱，故此公司之英文名稱乃由本公司管理層盡最大努力直接自其中文名稱翻譯。

Notes to Financial Statements

財務報表附註

31 March 2016

二零一六年三月三十一日

1. Corporate and Group information (Continued)

Information about subsidiaries (Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Details of the subsidiaries acquired and disposed of during the year are summarised in notes 33 and 34 to the financial statements, respectively.

2.1 Basis of preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and a financial asset at fair value through profit or loss which have been measured at fair value.

These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand ("HK\$'000") except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

1. 公司及集團資料 (續)

有關附屬公司之資料 (續)

上表列出董事認為主要影響本年度業績或組成本集團絕大部分資產淨值之本公司附屬公司。董事認為，列出其他附屬公司之資料將會使篇幅過於冗長。

年內已收購及出售的附屬公司之詳情分別於財務報表附註33及34概述。

2.1 編製基準

本財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）（包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例之披露規定而編製。除按公平值透過損益列賬之投資物業及金融資產以公平值計量外，本財務報表乃根據歷史成本記賬法編製。

除另有說明者外，本財務報表以港元（「港元」）呈列，而所有價值均已湊整至最接近千位（「千港元」）。

綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一六年三月三十一日止年度之財務報表。附屬公司指本公司直接或間接控制的實體（包括結構化實體）。當本集團通過參與被投資方的相關活動而承擔可變回報的風險或有權享有可變回報，並且有能力運用對被投資方的權力（即是使本集團目前有能力主導被投資方的相關活動的現時權利）影響該等回報時，即取得控制權。

2.1 Basis of preparation (Continued)

Basis of consolidation (Continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicated that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.1 編製基準 (續)

綜合基準 (續)

當本公司直接或間接擁有少於被投資方大多數的表決或類似權利，在評估其是否擁有對被投資方的權力時，本集團會考慮所有相關事實和情況，包括：

- (a) 與被投資方其他表決權持有者的合同安排；
- (b) 其他合同安排產生的權利；及
- (c) 本集團的表決權及潛在表決權。

附屬公司的財務報表採用與本公司一致的會計政策及相同報告期間編製。附屬公司的業績自本集團取得控制權之日期起綜合，並繼續綜合直至控制權終止之日為止。

損益及其他全面收入的各組成部分乃歸屬於本集團母公司擁有人及非控股權益，即使此舉引致非控股權益結餘為負數。所有集團內公司間之資產及負債、權益、收入、開支及本集團成員公司間交易相關之現金流均於綜合賬目時全數抵銷。

倘事實及情況反映上文所述三項控制權因素其中一項或多項有變，則本集團會重估是否仍然控制被投資方。附屬公司擁有權益的變動（並無失去控制權）於入賬時列作權益交易。

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2.1 Basis of preparation (Continued)

Basis of consolidation (Continued)

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

2.2 Changes in accounting policies and disclosures

The Group has adopted the following revised standards for the first time for the current year's financial statements.

Amendments to HKAS 19 *Defined Benefit Plans:*
Employee Contributions
Annual Improvements to HKFRSs 2010-2012 Cycle

Annual Improvements to HKFRSs 2011-2013 Cycle

The nature and the impact of each amendment is described below:

- (a) Amendments to HKAS 19 apply to contributions from employees or third parties to defined benefit plans. The amendments simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. If the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction of service cost in the period in which the related service is rendered. The amendments have had no impact on the Group as the Group does not have defined benefit plans.

2.1 編製基準 (續)

綜合基準 (續)

倘本集團失去對一間附屬公司之控制權，則其終止確認(i)該附屬公司之資產(包括商譽)及負債、(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計交易差額；及確認(i)所收代價之公平值、(ii)所保留任何投資之公平值及(iii)損益中任何因此產生之盈餘或虧絀。先前於其他全面收入確認的本集團應佔成分會視乎情況，按倘本集團直接出售相關資產或負債所要求的相同基準重新分類至損益或保留溢利。

2.2 會計政策的變動及披露

本集團首次於本年度財務報表內採納下列經修訂準則。

香港會計準則第19號 *界定福利計劃*：
(修訂) *僱員供款*
香港財務報告準則二零一零年至
二零一二年週期的年度改進
香港財務報告準則二零一一年至
二零一三年週期的年度改進

各項修訂的性質及影響描述如下：

- (a) 香港會計準則第19號(修訂)適用於僱員或第三方向界定福利計劃供款。該等修訂簡化並非以僱員服務年資而定供款的會計處理，例如按薪金固定百分比計算的僱員供款。倘供款金額並非以服務年資而定，實體獲准將該等供款於提供相關服務期間作為服務成本確認為扣減。由於本集團並無界定福利計劃，故該等修訂對本集團並無任何影響。

2.2 Changes in accounting policies and disclosures (Continued)

(b) The *Annual Improvements to HKFRSs 2010-2012 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

- **HKFRS 8 *Operating Segments*:** Clarifies that an entity must disclose the judgements made by management in applying the aggregation criteria in HKFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics used to assess whether the segments are similar. The amendments also clarify that a reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments have had no impact on the Group.
- **HKAS 16 *Property, Plant and Equipment* and HKAS 38 *Intangible Assets*:** Clarifies the treatment of the gross carrying amount and accumulated depreciation or amortisation of revalued items of property, plant and equipment and intangible assets. The amendments have had no impact on the Group as the Group does not apply the revaluation model for the measurement of these assets.
- **HKAS 24 *Related Party Disclosures*:** Clarifies that a management entity (i.e., an entity that provides key management personnel services) is a related party subject to related party disclosure requirements. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The amendment has had no impact on the Group as the Group does not receive any management services from other entities.

2.2 會計政策的變動及披露 (續)

(b) 於二零一四年一月頒佈之香港財務報告準則二零一零年至二零一二年週期的年度改進載列多項香港財務報告準則之修訂。於本年度生效之修訂詳情如下：

- **香港財務報告準則第8號經營分部：**釐清實體於應用香港財務報告準則第8號內之綜合標準時必須披露管理層作出之判斷，包括所綜合經營分部之概況以及用於評估分部是否類似時之經濟特徵。該等修訂亦釐清分部資產與資產總值之對賬僅在該對賬報告予最高營運決策者之情況下方須披露。該等修訂對本集團並無任何影響。
- **香港會計準則第16號物業、機器及設備及香港會計準則第38號無形資產：**釐清物業、機器及設備以及無形資產的重估項目的賬面總額及累計折舊或攤銷的處理。由於本集團不會就計量該等資產應用重估模型，故該等修訂對本集團並無任何影響。
- **香港會計準則第24號關連方披露：**釐清管理實體（即提供主要管理人員服務的實體）為關連方，須遵守關連方披露規定。此外，使用管理實體的實體須披露就管理服務產生的開支。由於本集團並無接受其他實體的任何管理層服務，故該修訂對本集團並無任何影響。

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2.2 Changes in accounting policies and disclosures (Continued)

(c) The *Annual Improvements to HKFRSs 2011-2013 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Details of the amendments that are effective for the current year are as follows:

- HKFRS 3 *Business Combinations*: Clarifies that joint arrangements but not joint ventures are outside the scope of HKFRS 3 and the scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is applied prospectively. The amendment has had no impact on the Group as the Company is not a joint arrangement and the Group did not form any joint arrangement during the year.
- HKFRS 13 *Fair Value Measurement*: Clarifies that the portfolio exception in HKFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of HKFRS 9 or HKAS 39 as applicable. The amendment is applied prospectively from the beginning of the annual period in which HKFRS 13 was initially applied. The amendment has had no impact on the Group as the Group does not apply the portfolio exception in HKFRS 13.

2.2 會計政策的變動及披露 (續)

(c) 於二零一四年一月頒佈之香港財務報告準則二零一一年至二零一三年週期的年度改進載列多項香港財務報告準則之修訂。於本年度生效之修訂詳情如下：

- 香港財務報告準則第3號業務合併：釐清合營安排（惟非合營公司）不屬於香港財務報告準則第3號範圍內，而範圍豁免情況僅適用於合營安排自身財務報表中的會計處理。該修訂將於日後應用。由於本公司並非合營安排及本集團於本年度並無成立任何合營安排，故該修訂對本集團並無任何影響。
- 香港財務報告準則第13號公平值計量：釐清香港財務報告準則第13號的組合豁免不僅可應用於金融資產及金融負債，亦可應用於香港財務報告準則第9號或香港會計準則第39號（按適用者）範圍內的其他合約。該修訂自香港財務報告準則第13號初次應用的年度期間開始時起即將應用。由於本集團並無應用香港財務報告準則第13號的組合豁免，故該修訂對本集團並無任何影響。

2.2 Changes in accounting policies and disclosures (Continued)

(c) (Continued)

- HKAS 40 *Investment Property*: Clarifies that HKFRS 3, instead of the description of ancillary services in HKAS 40 which differentiates between investment property and owner-occupied property, is used to determine if the transaction is a purchase of an asset or a business combination. The amendment is applied prospectively for acquisitions of investment properties. The amendment has had no impact on the Group as there was no acquisition of investment properties during the year and so this amendment is not applicable.

In addition, the Company has adopted the amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") relating to the disclosure of financial information with reference to the Hong Kong Companies Ordinance (Cap. 622) during the current financial year. The main impact to the financial statements is on the presentation and disclosure of certain information in the financial statements.

2.2 會計政策的變動及披露 (續)

(c) (續)

- 香港會計準則第40號*投資物業*：釐清須使用香港財務報告準則第3號以釐定交易為購買資產或業務合併，而非使用將投資物業與自用物業加以區分的香港會計準則第40號的配套服務說明作釐定。該修訂預期應用於購置投資物業。由於本年度並無收購任何投資物業，且該修訂並不適用，故該修訂對本集團並無任何影響。

此外，於本財政年度，本公司已採用香港聯合交易所有限公司證券上市規則（「上市規則」）中關於香港公司條例（第622章）要求財務資料披露之修訂。對財務報表的主要影響在於財務報表內若干資料之呈報及披露。

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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

| | |
|---|---|
| HKFRS 9 | <i>Financial Instruments</i> ² |
| Amendments to HKFRS 10 and HKAS 28 (2011) | <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁵ |
| Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011) | <i>Investment Entities: Applying the Consolidation Exception</i> ¹ |
| Amendments to HKFRS 11 | <i>Accounting for Acquisitions of Interests in Joint Operations</i> ¹ |
| HKFRS 14 | <i>Regulatory Deferral Accounts</i> ⁴ |
| HKFRS 15 | <i>Revenue from Contracts with Customers</i> ² |
| HKFRS 16 | <i>Leases</i> ³ |
| Amendments to HKAS 1 | <i>Disclosure Initiative</i> ¹ |
| Amendments to HKAS 16 and HKAS 38 | <i>Clarification of Acceptable Methods of Depreciation and Amortisation</i> ¹ |
| Amendments to HKAS 16 and HKAS 41 | <i>Agriculture: Bearer Plants</i> ¹ |
| Amendments to HKAS 27 (2011) | <i>Equity Method in Separate Financial Statements</i> ¹ |
| Annual Improvements 2012-2014 Cycle | Amendments to a number of HKFRSs ¹ |

2.3 已頒佈但未生效之香港財務報告準則

本集團並無於本財務報表內應用以下已頒佈但尚未生效之新制訂和經修訂的香港財務報告準則。

| | |
|--|-------------------------------------|
| 香港財務報告準則第9號 | 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 (二零一一年)(修訂) | 投資者與其聯營公司或合營企業之資產出售或投入 ⁵ |
| 香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號 (二零一一年)(修訂) | 投資實體：應用綜合豁免 ¹ |
| 香港財務報告準則第11號 (修訂) | 核算共同經營中權益的購買 |
| 香港財務報告準則第14號 | 監管遞延賬戶 ⁴ |
| 香港財務報告準則第15號 | 與客戶之間的合約產生的收入 ² |
| 香港財務報告準則第16號 | 租賃 ³ |
| 香港會計準則第1號 (修訂) | 披露主動性 ¹ |
| 香港會計準則第16號及香港會計準則第38號 (修訂) | 對可接受的折舊和攤銷方法的澄清 |
| 香港會計準則第16號及香港會計準則第41號 (修訂) | 農業：生產性植物 ¹ |
| 香港會計準則第27號 (二零一一年)(修訂) | 單獨財務報表中的權益法 |
| 年度改進 (二零一二年至二零一四年週期) | 對若干香港財務報告準則的修訂 ¹ |

2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (Continued)

- 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 Effective for annual periods beginning on or after 1 January 2019
- ⁴ Effective for an entity that first adopts HKFRSs for its annual financial statements beginning on or after 1 January 2016 and therefore is not applicable to the Group
- ⁵ No mandatory effective date is determined but available for early adoption

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 April 2018. The Group is currently assessing the impact of the standard.

The amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively.

2.3 已頒佈但未生效之香港財務報告準則 (續)

- ¹ 適用於二零一六年一月一日或以後開始的年度期間生效
- ² 適用於二零一八年一月一日或以後開始的年度期間生效
- ³ 適用於二零一九年一月一日或以後開始的年度期間生效
- ⁴ 對首次於二零一六年一月一日或之後開始的年度財務報表採納香港財務報告準則的實體生效，故並不適用於本集團
- ⁵ 尚未釐定強制生效日期，惟可予提早採納

有關預期將適用於本集團的該等香港財務報告準則的進一步資料如下：

於二零一四年九月，香港會計師公會頒佈香港財務報告準則第9號的最終版本，將金融工具項目的各個階段作出總結以取代香港會計準則第39號及香港財務報告準則第9號所有先前的版本。該準則就分類和計量、減值及對沖會計引進新要求。本集團預期將會於二零一八年四月一日採用香港財務報告準則第9號。本集團現正評估該準則的影響。

香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂針對香港財務報告準則第10號及香港會計準則第28號(二零一一年)的規定於處理投資者與其聯營公司或合營企業之間的資產出售或注資時的不一致性。該等修訂規定投資者與其聯營公司或合營企業之間的資產出售或注資構成一項業務時，須全數確認盈虧。至於涉及不構成業務的資產的交易，交易產生的盈虧於投資者的損益確認，惟僅以非關連投資者於該聯營公司或合營企業的權益為限。該等修訂將於日後應用。

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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (Continued)

The amendments to HKFRS 11 require that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a business must apply the relevant principles for business combinations in HKFRS 3. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to HKFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party. The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 April 2016.

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In September 2015, the HKICPA issued an amendment to HKFRS 15 regarding a one-year deferral of the mandatory effective date of HKFRS 15 to 1 January 2018. The Group expects to adopt HKFRS 15 on 1 April 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

2.3 已頒佈但未生效之香港財務報告準則（續）

香港財務報告準則第11號（修訂）要求，如果收購方收購共同經營業務的權益，而共同經營業務的活動構成一項業務，則收購方須應用香港財務報告準則第3號內有關企業合併的有關原則。該等修訂亦澄清，在收購同一共同經營業務中的額外權益時，如果保留共同控制權，則之前在共同經營業務中所持有的權益不予以重新計量。此外，香港財務報告準則第11號已經加入範圍豁免，指明當分享共同控制權各方（包括報告實體）受到同一最終控制方的共同控制，則該等修訂並不適用。該等修訂適用於初次收購共同經營業務中的權益以及收購同一共同經營業務的任何額外權益。預期於二零一六年四月一日採用時，該等修訂將不會對本集團的財務狀況或表現構成任何影響。

香港財務報告準則第15號訂立將與客戶之間的合約產生的收入入賬的新五步法模型。根據香港財務報告準則第15號，收入應按反映實體預期有權就向客戶轉移商品或服務換取的代價的金額確認。香港財務報告準則第15號內的原則為計量及確認收入提供更具架構的方法。該準則亦引進廣泛的定性及定量披露要求，包括總收入的分拆、有關履行義務的資料、合約資產和負債賬戶結餘於各期間的變動，以及重大判斷和估計。有關準則將會取代目前所有香港財務報告準則的收入確認要求。於二零一五年九月，香港會計師公會頒佈香港財務報告準則第15號之修訂，將香港財務報告準則第15號的強制性生效日期延遲一年至二零一八年一月一日。本集團預期將會於二零一八年四月一日採用香港財務報告準則第15號，而目前正在評估香港財務報告準則第15號採用時的影響。

2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (Continued)

HKFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. The Group is yet to assess the full impact of the standard on its financial position and results of operations. The standard is mandatorily effective for annual periods beginning on or after 1 January 2019.

Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:

- (i) the materiality requirements in HKAS 1;
- (ii) that specific line items in profit or loss and the statement of financial position may be disaggregated;
- (iii) that entities have flexibility as to the order in which they present the notes to financial statements; and
- (iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

2.3 已頒佈但未生效之香港財務報告準則 (續)

香港財務報告準則第16號載列確認、計量、呈列及披露租賃之原則。該準則引進單一承租人會計模型，並規定承租人就年期超過12個月之全部租賃確認資產及負債，惟相關資產屬低價值者則除外。承租人須確認代表其使用相關租賃資產權利之使用權利資產及代表其作出租賃付款責任之租賃負債。香港財務報告準則第16號實質上承前香港會計準則第17號之出租人會計規定。因此，出租人繼續將其租賃分類為經營租賃或融資租賃，並以不同方式將該兩類租賃入賬。本集團尚未評估該準則對其財務狀況及經營業績之全面影響。該準則於二零一九年一月一日或之後開始之年度期間強制生效。

香港會計準則第1號(修訂)載有在財務報表列報及披露範疇內焦點集中的改善。該等修訂釐清：

- (i) 香港會計準則第1號的重要性規定；
- (ii) 損益及財務狀況表內的特定項目可予分拆；
- (iii) 實體可靈活決定財務報表附註的呈列次序；及
- (iv) 使用權益法入賬的分佔聯營公司及合營企業其他全面收入必須於單一項目內合併呈列，並在其後將會或將不會重新分類至損益的項目之間區分。

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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (Continued)

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and profit or loss. The Group expects to adopt the amendments from 1 April 2016. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 16 and HKAS 38 clarify the principle in HKAS 16 and HKAS 38 that revenue reflects a pattern of economic benefits that are generated from operating business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are to be applied prospectively. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 April 2016 as the Group has not used a revenue-based method for the calculation of depreciation of its non-current assets.

2.3 已頒佈但未生效之香港財務報告準則（續）

此外，該等修訂釐清在財務狀況及損益呈列額外小計時適用的規定。本集團預期自二零一六年四月一日起採納該等修訂。預期該等修訂將不會對本集團的財務報表構成任何重大影響。

香港會計準則第16號及香港會計準則第38號（修訂）釐清香港會計準則第16號及香港會計準則第38號內有關收入反映經營（資產屬其中一部分的）業務所產生的經濟利益的模式而非透過使用資產耗用的經濟利益的模式的原則。因此，以收入為基礎的方法不可用於計算物業、機器及設備的折舊，而僅可在非常有限的情況下用於計算無形資產的攤銷。該等修訂將於日後應用。由於本集團並無使用以收入為基礎的方法計算其非流動資產的折舊，因此，預期於二零一六年四月一日採用時，該等修訂將不會對本集團的財務狀況或表現構成任何影響。

2.4 Summary of significant accounting policies

Investment in a joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investment in a joint venture is stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

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

The Group's share of the post-acquisition results and other comprehensive income of a joint venture is included in the consolidated statement of profit or loss and other comprehensive income. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its joint venture are eliminated to the extent of the Group's investment in a joint venture, except where unrealised losses provide evidence of an impairment of the asset transferred.

2.4 主要會計政策概要

於合營企業的投資

合營企業為一項合營安排，對安排擁有共同控制權的合營各方據此對合營企業的資產淨值擁有權利。共同控制為以合約協定方式分享安排的控制權，並僅在對相關活動的決定需要分享控制權的各方一致同意時方會存在。

本集團於合營企業的投資乃按以權益會計法計算本集團所佔資產淨值減任何減值虧損於綜合財務狀況表列賬。

任何可能存在的並非相類似會計政策已予以調整以使其一致。

本集團所佔合營企業的收購後業績及其他全面收入乃分別計入綜合損益及其他全面收入表。此外，當於合營企業的權益內直接確認變動時，本集團於綜合權益變動表確認其所佔任何變動（倘適用）。自本集團與其合營企業之間所進行交易產生的未變現收益及虧損乃以本集團於合營企業的投資為限予以撇銷，惟倘未變現虧損證明所轉讓資產出現減值者除外。

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2.4 Summary of significant accounting policies (Continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

2.4 主要會計政策概要 (續)

業務合併及商譽

業務合併按收購法列賬。轉讓代價乃按收購日期之公平值計量，該公平值為本集團轉讓的資產於收購日期的公平值、本集團自被收購方的前度擁有人承擔的負債及本集團發行以換取被收購方控股權的股本權益的總和。就各項業務合併而言，本集團選擇以公平值或被收購方可識別資產淨值的應佔比例，計算屬現時擁有人權益並賦予擁有人權利在清盤時按比例分佔淨資產之於被收購方之非控股權益。非控股權益之一切其他部分乃按公平值計量。收購相關成本於產生時列為開支。

本集團收購一項業務時會根據合同條款、收購日之經濟狀況及有關條件評估取得的金融資產及承擔的金融負債，以進行適當分類及指定。這包括分離被收購方主合同中的嵌入式衍生工具。

倘業務合併為分階段實現，先前持有的股本權益應按其於收購日的公平值重新計算，而產生的任何收益或虧損則於損益中確認。

由收購方將予轉讓的任何或然代價將於收購日期按公平值確認。倘或然代價被分類為一項資產或負債，則按公平值計量，而其公平值變動乃於損益確認。倘或然代價歸類為權益，則毋須重新計量，且往後結算於權益列賬。

2.4 Summary of significant accounting policies (Continued)

Business combinations and goodwill (Continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 主要會計政策概要 (續)

業務合併及商譽 (續)

商譽初步按成本計量，即轉讓代價、確認為非控股權益的金額及本集團此前持有的被收購方股權的任何公平值之和超出本集團所收購可識別資產淨值及所承擔負債的部分。倘該代價及其他項目之和低於所收購資產淨值的公平值，有關差額在重估後於損益確認為廉價收購收益。

初步確認後，商譽按成本減任何累計減值損失計量。商譽每年或於有事件或情況變動表明賬面值可能減值時更頻繁地進行減值測試。本集團每年於三月三十一日進行商譽減值測試。就減值測試而言，於業務合併時收購的商譽自收購日起分配至預期將從合併協同效應受益之本集團各現金產生單位或現金產生單位組別，而不論本集團之其他資產或負債是否已被分配至該等單位或單位組別。

減值數額通過評估商譽所屬的現金產生單位（現金產生單位組別）的可收回金額而釐定。倘現金產生單位（現金產生單位組別）的可收回金額低於賬面值，則確認減值虧損。就商譽所確認的減值虧損不會於後續期間撥回。

倘商譽已被分配至某現金產生單位（或現金產生單位組別），而該單位內的部分業務被出售，與被出售業務有關的商譽將於釐定出售的收益或虧損時計入該業務的賬面值。在此等情況下被出售的商譽按被出售業務的相對價值及保留的現金產生單位部分計量。

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2.4 Summary of significant accounting policies (Continued)

Fair value measurement

The Group measures its investment properties and financial asset at fair value through profit or loss at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 主要會計政策概要 (續)

公平值計量

本集團於各報告期間期末按公平值計量其按公平值透過損益列賬之投資物業及金融資產。公平值指於計量日在市場參與者之間的有序交易中，就出售資產將收取或轉讓負債將支付的價格。公平值計量乃假設出售資產或轉讓負債的交易於資產或負債的主要市場或(如無主要市場)資產或負債的最有利市場進行。主要或最有利市場須為本集團能參與的市場。於計量資產或負債的公平值時乃使用市場參與者為資產或負債定價時將使用的假設，並假設市場參與者以符合其最佳經濟利益的方式行事。

非金融資產的公平值計量會計及市場參與者將資產用於其最大限度使用及最佳用途，又或將其售予會將資產用於其最大限度使用及最佳用途的另一名市場參與者，從而創造經濟利益的能力。

本集團採用適用於具體情況的估值技巧，確保有足夠數據以有關技巧計量公平值，並盡可能採用相關可觀察輸入元素及盡量減少使用不可觀察輸入元素。

2.4 Summary of significant accounting policies (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策概要 (續)

公平值計量 (續)

於財務報表計量或披露公平值的所有資產及負債，均基於對公平值計量整體而言有重要影響的最低層輸入元素而按下述公平值層級分類：

- 第一層 – 按相同資產或負債於活躍市場的報價 (未經調整)
- 第二層 – 按對公平值計量有重要影響的可觀察 (直接或間接) 最低層輸入元素的估值技巧
- 第三層 – 按對公平值計量有重要影響的不可觀察最低層輸入元素的估值技巧

就按經常性基準於財務報表確認的資產及負債而言，本集團透過於各報告期間期末重新評估分類方法 (根據對公平值計量整體而言有重要影響的最低層輸入元素)，釐定於公平值層級之間是否曾經出現轉移。

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2.4 Summary of significant accounting policies (Continued)

Impairment of non-financial assets

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

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

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

2.4 主要會計政策概要 (續)

非金融資產減值

倘存在減值跡象，或當資產須進行年度減值測試時（建造合約資產、金融資產及投資物業除外），則會估計資產的可收回金額。資產的可收回金額按資產或現金產生單位的使用價值與其公平值減出售成本兩者中的較高者計算，並就個別資產釐定，除非資產產生的現金流入在很大程度上並不獨立於其他資產或資產組合所產生者，而在此情況下，可收回金額就資產所屬的現金產生單位釐定。

只有當資產的賬面值超過其可收回金額時，方會確認減值虧損。評估使用價值時，會採用反映對貨幣時間價值及該資產特有風險的當時市場評價的稅前貼現率將該估計未來現金流量折算為現值。減值虧損乃於其在與減值資產功能一致的有關開支類別產生的期間在損益扣除。

於各報告期間期末會評估是否有跡象顯示過往確認的減值虧損可能已不存在或有所減少。如有此等跡象，則會估計可收回金額。只有在釐定資產的可收回金額中所用的估計發生改變時，才會撥回過往確認的資產減值虧損（不包括商譽），然而，撥回金額不得高於倘資產於過往年度未有確認減值虧損所釐定的賬面值（扣除任何折舊／攤銷）。此等減值虧損的撥回在其產生期間計入損益。

2.4 Summary of significant accounting policies (Continued)

Related parties

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

- (a) the party is a person or a close member of that person's family and that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);

2.4 主要會計政策概要 (續)

關連方

在下列情況下，有關人士被視為本集團的關連方：

- (a) 該人士為個人或與該個人關係密切的家庭成員，且該個人：
 - (i) 對本集團擁有控制權或共同控制權；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理人員的成員；

或

- (b) 該人士為適用以下任何情況的實體：
 - (i) 該實體及本集團為同一集團的成員；
 - (ii) 某實體為另一實體的聯營公司或合營企業（或為該另一實體的母公司、附屬公司或同系附屬公司）；
 - (iii) 該實體及本集團為同一第三方的合營企業；
 - (iv) 某實體為第三方的合營企業且另一實體為該第三方的聯營公司；
 - (v) 該實體為就本集團或與本集團關聯的任何實體的僱員福利所設的離職後福利計劃；
 - (vi) 該實體受(a)項所界定的個人控制或共同控制；

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2.4 Summary of significant accounting policies (Continued)

Related parties (Continued)

(b) (Continued)

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

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 主要會計政策概要 (續)

關連方 (續)

(b) (續)

- (vii) (a)(i)項所界定的個人對該實體有重大影響力或為該實體(或該實體的母公司)的主要管理人員的成員；及
- (viii) 該實體或其所屬集團內任何成員公司為本集團或其母公司提供主要管理人員服務。

物業、機器及設備及折舊

物業、機器及設備按成本減累計折舊及任何減值虧損列賬。物業、機器及設備項目的成本包括其購買價及任何使資產達致其運轉狀態及地點作其擬定用途的直接應佔成本。

物業、機器及設備項目已投入營運後所產生的支出，如維修及保養等，一般於其產生期間從損益中扣除。倘符合確認標準，則就主要檢查產生的支出會於作為重置的資產賬面值中撥充資本。倘若物業、機器及設備的重要部分須不時更換，則本集團會將有關部分確認為具有特定使用年期的個別資產並將其相應折舊。

2.4 Summary of significant accounting policies (Continued)

Property, plant and equipment and depreciation (Continued)

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

| | |
|--|------------|
| Leasehold improvement | 20% |
| Machinery and equipment | 10% to 24% |
| Furniture, fixtures and office equipment | 20% to 33% |
| Motor vehicles | 24% |

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

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

2.4 主要會計政策概要 (續)

物業、機器及設備及折舊 (續)

折舊乃使用直線法按其估計可使用年期撇銷每個物業、機器及設備項目的成本至其殘值。就此而言採用的主要年率如下：

| | |
|--------------|---------|
| 租賃改善 | 20% |
| 機器及設備 | 10%至24% |
| 傢俬、固定裝置及辦公設備 | 20%至33% |
| 汽車 | 24% |

倘一項物業、機器及設備的各部分具有不同的可使用年期，則該項目的成本乃依照合理基準在多個部分之間分配，而每部分會分開折舊。殘值、可使用年期及折舊方法會至少於各財政年度年末檢討及調整(倘適用)。

一項物業、機器及設備(包括初始確認的任何重要部分)在出售時或預期不會從其使用或出售獲得未來經濟利益時解除確認。於解除確認資產的年度在損益確認的出售或報廢的任何盈虧為相關資產出售所得款項淨額與其賬面值之間的差額。

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2.4 Summary of significant accounting policies (Continued)

Investment properties

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

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

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

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Customer contracts

Customer contracts secured on the date of acquisition are recognised as cost of goods sold under the unit of consumption method which is based on the sales volume in each reporting period as a proportion of the total estimated units of sales over the contract period.

2.4 主要會計政策概要 (續)

投資物業

投資物業為持有作賺取租金收入及／或作資本增值，而非用作生產或供應貨品或服務或作行政用途，亦非在日常業務過程中作出售的土地及樓宇權益（包括物業經營租賃下的租賃權益，否則將符合投資物業的定義）。該等物業初始按成本（包括交易成本）計量。於初始確認後，投資物業按反映各報告期間結束時市況的公平值列賬。

自投資物業公平值變動所產生的盈虧於產生年度計入損益。

報廢或出售投資物業的任何盈虧於報廢或出售的年度在損益確認。

無形資產（商譽除外）

分開收購的無形資產於初步確認時按成本計量。自業務合併所收購無形資產的成本即收購日期的公平值。無形資產的可使用年期乃評估為有限或無限。具有有限年期的無形資產其後於可使用經濟年期攤銷，並於該無形資產出現可能減值跡象時作減值評估。具有有限可使用年期的無形資產的攤銷年期及攤銷方法須至少於各財政年度結算日作檢討。

客戶合約

於收購日期抵押的客戶合約以基於各報告期間之銷量的消費單位法按於合約期內估計總銷售單位之比例確認為已售商品成本。

2.4 Summary of significant accounting policies (Continued)

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss on the straight-line basis over the lease terms.

2.4 主要會計政策概要 (續)

租賃

實質上轉移了資產所有權(合法業權除外)的絕大部分回報及風險予本集團之租賃列作融資租賃。設立融資租賃之初，租賃資產成本按最低租金付款的現值撥充資本，並與責任(利息部分除外)一併列賬以反映購買及融資狀況。根據資本化融資租賃持有的資產(包括融資租賃項下的預付土地租賃款項)計入物業、機器及設備，並於資產租期與估計使用年期兩者中之較短期間折舊。該等租賃的財務費用自損益扣除，以便計算租期內的固定定期費率。

倘資產所有權之絕大部分回報及風險仍由出租人承擔，則租賃作為經營租賃列賬。倘本集團為出租人，本集團根據經營租賃出租之資產計入非流動資產，而根據經營租賃應收之租金按租賃期限以直線法計入損益。倘本集團為承租人，根據經營租賃應付之租金(扣除從出租人收取的任何獎勵後)按租賃期限以直線法自損益扣除。

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2.4 Summary of significant accounting policies (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss and loans and receivables, as appropriate. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

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

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as finance costs in profit or loss.

2.4 主要會計政策概要 (續)

投資及其他金融資產

初始確認及計量

金融資產於初始確認時分類為按公平值透過損益列賬之金融資產以及貸款及應收款(按適用者)。本集團在初始確認其金融資產時釐定其分類。當金融資產被初始確認時，其以公平值加上歸因於收購金融資產的交易成本計量，惟按公平值透過損益列賬之金融資產則除外。

凡以常規方式買賣金融資產，均於交易日(即本集團承諾買賣資產的日期)進行確認。以常規方式買賣乃指按照市場規定或慣例一般指定的期間內交割資產的金融資產買賣。

後續計量

金融資產之後續計量視乎其以下分類而定：

按公平值透過損益列賬之金融資產

按公平值透過損益列賬之金融資產包括持作買賣之金融資產以及於初步確認時指定為按公平值透過損益列賬之金融資產。金融資產如購入以於短期賣出，則分類為持作買賣金融資產。除非衍生工具(包括個別嵌入式衍生工具)指定作為有效對沖工具(定義見香港會計準則第39號)，否則亦列為持作買賣。

按公平值透過損益列賬之金融資產按公平值於財務狀況表列賬，其公平值之正數淨變動則於損益中呈列作其他收入及收益，而公平值之負數淨變動於損益中呈列作財務費用。

2.4 Summary of significant accounting policies (Continued)

Investments and other financial assets (Continued)

Financial assets at fair value through profit or loss (Continued)

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Loans and receivables

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

2.4 主要會計政策概要 (續)

投資及其他金融資產 (續)

按公平值透過損益列賬之金融資產 (續)

於初步確認時指定為按公平值透過損益列賬之金融資產，只於初步確認當日在符合香港會計準則第39號所定準則下方指定為按公平值透過損益列賬。

倘經濟特點及風險與主合約並無密切關連，而主合約並非持作交易或指定按公平值透過損益列賬，則主合約內之嵌入式衍生工具入賬作獨立衍生工具，並以公平值計賬。該等嵌入式衍生工具按公平值計量，而公平值變動則於損益表確認。重新評估僅在合約條款出現變動致使現金流量出現大幅修改，或金融資產自按公平值計量並透過損益列賬之類別重新分類，方在有需要時根據合約作出。

貸款及應收款

貸款及應收款為有固定或可以釐定付款額，而在活躍市場上沒有報價的非衍生金融資產。初始計量後，該等資產其後採用實際利率法以攤銷成本減任何減值撥備計量。計算攤銷成本時，應考慮收購的任何折讓或溢價，且包括構成實際利率不可或缺部分的費用或成本。按實際利率計算的攤銷計入損益中的其他收入及收益。自減值產生的虧損在損益中的貸款融資成本及應收款的其他開支確認。

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2.4 Summary of significant accounting policies (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

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

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

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

2.4 主要會計政策概要 (續)

解除確認金融資產

當下列情況出現時，金融資產（或（倘適用）金融資產的一部分或一組類似金融資產的一部分）乃被大致上解除確認（即從本集團的綜合財務狀況表剔除）：

- 從資產收取現金流量的權利已屆滿；或
- 本集團已轉讓其從資產收取現金流量的權利，或根據「轉付」安排，已承擔向第三方在無嚴重延遲的情況下全數支付已獲取現金流量的義務；並且：(a)本集團已轉讓資產的絕大部分風險及回報，或(b)本集團並無轉讓或保留資產的絕大部分風險及回報，但已轉讓資產的控制權。

當本集團已轉讓其從資產收取現金流量的權利或已訂立轉付安排，本集團將評估其是否已保留該資產擁有權的風險及回報以及已保留的程度。倘本集團並無轉讓或保留資產的絕大部分風險及回報，亦無轉讓資產的控制權，該項已轉讓資產將以本集團持續參與的程度為限予以確認。在該情況下，本集團亦確認相關的負債。該項已轉讓資產及相關負債按反映本集團已保留的權利和義務的基準計量。

以經轉讓資產擔保方式的持續參與按資產原賬面金額與本集團可能被要求償還的代價的最高金額之間的較低者計量。

2.4 Summary of significant accounting policies (Continued)

Impairment of financial assets

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

Financial assets carried at amortised cost

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

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

2.4 主要會計政策概要 (續)

金融資產減值

本集團於各報告期間結束時評估是否存在任何客觀證據表明一項金融資產或一組金融資產出現減值。倘於資產初始確認後發生一件或多件事件，對該金融資產或該組金融資產的估計未來現金流量產生影響，而有關影響能夠可靠地估計，則存在減值。減值證據的跡象可包括債務人或一組債務人面對重大財務困難，不履行或拖欠利息或本金的支付，他們有可能將進行破產或進行其他財務重組，以及有可觀察數據表明估計未來現金流量將會顯著減少，例如，與拖欠相聯繫的欠款或經濟狀況改變。

按攤銷成本列值的金融資產

對於按攤銷成本列值的金融資產，本集團首先會單獨評估個別有重要影響的金融資產是否存在減值，或對個別並無重要影響的金融資產進行組合評估。倘本集團確定沒有客觀證據顯示經個別評估的金融資產（無論有否重要影響）存在減值，則將該資產歸入一組具有相似信貸風險特徵的金融資產，並進行組合減值評估。已進行個別減值評估並確認或繼續確認減值損失的資產，將不會納入組合減值評估。

已識別的任何減值虧損金額乃以資產的賬面值與估計未來現金流量的現值（不包括尚未發生的未來信貸虧損）之間的差額計量。估計未來現金流量的現值按金融資產的原有實際利率（即初始確認時計算的實際利率）貼現。

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2.4 Summary of significant accounting policies (Continued)

Impairment of financial assets (Continued)

Financial assets carried at amortised cost (Continued)

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

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

Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

2.4 主要會計政策概要 (續)

金融資產減值 (續)

按攤銷成本列值的金融資產 (續)

資產的賬面值乃透過使用撥備賬抵減，虧損金額在損益賬確認。利息收入繼續採用就計量減值虧損而用以將未來現金流量貼現的利率按減少後的賬面值累計。當實際上已沒有希望在未來收回，且所有抵押品已變現或轉讓予本集團時，則貸款及應收款連同任何相關撥備予以一併撇銷。

倘在後續期間，估計減值虧損金額因為在確認減值後發生的事件而增加或減少，則過往確認的減值虧損會透過撥備賬調整而增加或減少。倘撇銷金額在其後被收回，則收回金額會計入損益賬的其他開支。

金融負債

初始確認及計量

金融負債乃分類為貸款及借款。本集團在初始確認其金融負債時釐定分類。

所有金融負債按公平值進行初始確認並扣除直接歸屬的交易成本。

2.4 Summary of significant accounting policies (Continued)

Financial liabilities (Continued)

Subsequent measurement

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

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

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

2.4 主要會計政策概要 (續)

金融負債 (續)

後續計量

初始確認後，計息其他借款、可換股債券之負債部份及承兌票據其後採用實際利率法按攤銷成本計量，除非貼現的影響並不重大，在這種情況下，則按成本列賬。在解除確認負債時及在實際利率法攤銷過程中，所產生的盈虧在損益中確認。

計算攤銷成本時，應考慮收購產生的任何折讓或溢價，以及作為實際利率不可或缺部分的費用或成本。按實際利率計算的攤銷乃計入損益中的財務費用。

財務擔保合約

本集團作出之財務擔保合約即要求發行人作出特定付款以償付持有人因特定債務人未能根據債務工具之條款償還到期款項而招致損失之合約。財務擔保合約初步按其公平值確認為一項負債，並就作出該擔保直接產生之交易成本作出調整。於初始確認後，本集團按(i)履行報告期末之現有責任所須開支之最佳估計金額；及(ii) 初始確認之金額減(如適用) 累計攤銷(以較高者為準) 計量財務擔保合約。

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2.4 Summary of significant accounting policies (Continued)

Financial liabilities (Continued)

Convertible bonds

The component of convertible bonds that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On issuance of convertible bonds, the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

Derecognition of financial liabilities

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

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

Offsetting of financial instruments

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

2.4 主要會計政策概要 (續)

金融負債 (續)

可換股債券

可換股債券中顯示負債特徵的部分，在扣除交易成本後在財務狀況表中確認為負債。發行可換股債券時，採用同等非可換股債券的市值，釐定負債部分的公平值，該數額按攤銷成本基準持續列為長期負債，直至於換股或贖回時註銷為止。所得款項餘款分配至已確認的換股期權，扣除交易成本後計入股東權益。於其後年度，換股期權的賬面值不會重新計量。交易成本乃根據首次確認該等工具時，所得款項於負債及權益部分的分配攤分至可換股債券的負債及權益成份。

解除確認金融負債

當負債下的責任被解除、取消或到期時，金融負債將被解除確認。

當現有金融負債被同一貸款人的另一項條款顯著有別的負債取代，或現有負債的條款經大幅修訂的時候，此種互換或修訂被視作解除確認原有負債並確認新負債，各自賬面值之間的差額在損益確認。

金融工具的互相抵銷

當以現時可予強制執行法定權利將已確認金額互相抵銷，並且擬按淨值基準結算或同時變現資產和清償負債時，金融資產及金融負債會互相抵銷，而淨值乃在財務狀況表內列報。

2.4 Summary of significant accounting policies (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using weighted average method, and in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

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

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

Income tax

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

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

2.4 主要會計政策概要 (續)

存貨

存貨按成本及可變現淨值之較低者計賬。成本按加權平均法計算，而就進行中之工程及成品而言，包括直接材料成本、直接勞工成本及適當部分之經常性開支。可變現淨值乃基於估計售價減完成及出售將產生的任何估計成本。

現金及現金等值物

就綜合現金流量表而言，現金及現金等值物包括手頭現金及活期存款，以及可隨時兌換為已知數額現金的短期高流動性投資，有關項目須承受的價值變動風險較低且期限較短（一般於購入後三個月內到期），並減除須應要求償還並構成本集團現金管理不可或缺部分的銀行透支。

就綜合財務狀況表而言，現金及現金等值物包括手頭現金及銀行存款，包括定期存款及與現金性質類似且用途不受限制的資產。

所得稅

所得稅包括即期稅項及遞延稅項。與在損益賬以外確認的項目有關的所得稅，乃在損益以外的其他全面收入或直接在權益中確認。

於即期及過往期間的即期稅項資產及負債，乃以於各報告期間結束時已執行的或實質上已執行的稅率（及稅法）為基礎，考慮到本集團經營所在司法權區的當前詮釋及慣例，按預期將從稅務機關返還或支付予稅務機關的金額計量。

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2.4 Summary of significant accounting policies (Continued)

Income tax (Continued)

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

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

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and a joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要 (續)

所得稅 (續)

於報告期間結束時在資產及負債的稅基與其就財務報告而言的賬面值之間的所有暫時性差額，須按負債法計提遞延稅項。

所有應課稅暫時性差額均會確認為遞延稅項負債，除非：

- 當遞延稅項負債乃因初始確認商譽或不屬業務合併交易的資產或負債而產生，並且於交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對於涉及與附屬公司及合營企業之投資相關的應課稅暫時性差額，若撥回暫時性差額的時間可以受到控制，並且暫時性差額有可能不會在可預見未來撥回。

2.4 Summary of significant accounting policies (Continued)

Income tax (Continued)

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

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and a joint venture, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

2.4 主要會計政策概要 (續)

所得稅 (續)

所有可扣減的暫時性差額、承前未用稅項抵免及任何未用稅務虧損，均會確認為遞延稅項資產。遞延稅項資產的確認以將有可能以應課稅溢利抵扣可扣減的暫時性差額、承前未用稅項抵免及未用稅務虧損的金額為限，除非：

- 當有關自可扣減暫時性差額的遞延稅項資產乃自初始確認不屬業務合併交易的資產或負債而產生，並且於交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對於與附屬公司及合營企業的投資相關的可扣減暫時性差額，遞延稅項資產僅於暫時性差額有可能將在可預見未來撥回並且將會出現可利用暫時性差額予以抵扣的應課稅溢利時，方會確認。

遞延稅項資產的賬面值於各報告期間結束時進行檢討，並以預期不會再出現足夠的應課稅溢利以動用全部或部分遞延稅項資產時為限予以調低。尚未確認的遞延稅項資產於各報告期間結束時重新評估，並以可能有足夠的應課稅溢利用以收回全部或部分遞延稅項資產時為限予以確認。

遞延稅項資產及負債乃以於各報告期間結束時已執行的或實質上已執行的稅率（及稅法）為基礎，按預期在變現資產或償還負債的期間應用的稅率計算。

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2.4 Summary of significant accounting policies (Continued)

Income tax (Continued)

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

Government grants

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

Revenue recognition

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

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from construction, renovation and other contracts, based on the percentage of completion basis, as further explained in the accounting policy for "Construction, renovation and other contracts" below;
- (c) from work orders of contracts for alterations, additions, repairs and maintenance, based on the value of individual work orders certified by relevant employers;

2.4 主要會計政策概要 (續)

所得稅 (續)

倘存在法律上可予強制執行的權利將即期稅項資產與即期稅項負債互相抵銷，而遞延稅項涉及同一應課稅實體及同一稅務機關，則遞延稅項資產與遞延稅項負債乃互相抵銷。

政府補助

倘有合理保證可收取政府補助並將符合所有附帶條件，則會按公平值確認補助。倘有關補助涉及開支項目，其將於計劃補助的成本（擬予以補償）支銷期間按系統基準確認為收入。

收入確認

收入乃於經濟利益將有可能流入本集團及收入能夠可靠計算時按下列基準確認：

- (a) 來自銷售貨物，倘擁有權的重大風險及回報已轉移至買方，惟本集團並不參與通常與擁有權相關之管理，亦無已售貨物的實際控制權；
- (b) 來自建造、翻新及其他合約，按完工百分比基準確認，於下文「建造、翻新及其他合約」的會計政策進一步詳述；
- (c) 來自改建、加建、維修及保養的工程訂單合約，按經有關僱主確認個別工程訂單價值入賬；

2.4 Summary of significant accounting policies (Continued)

Revenue recognition (Continued)

- (d) rental income, on a time proportion basis over the lease terms;
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (f) consultancy service fee income is recognised when the consultancy services are rendered.

Construction, renovation and other contracts

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

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

Provision is made for foreseeable losses as soon as they are anticipated by management.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is treated as an amount due from customers for contract works. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is treated as accruals of costs for contract works.

2.4 主要會計政策概要 (續)

收入確認 (續)

- (d) 租金收入，按租期以時間比例計算；
- (e) 利息收入，按預提基準採用實際利率法計算，方式為應用在金融工具的預期壽命或更短期間（如適用）將估計未來現金收入準確貼現至金融資產賬面淨值的利率；及
- (f) 顧問服務費收入，於提供顧問服務時確認。

建造、翻新及其他合約

合約收入包括已協定的合約金額及來自改建工程、索償額及獎勵金的適當款額。所產生的合約成本則包括直接材料、分包成本、直接工資及適當比例的可變及固定建造間接成本。

固定價格合約的收入乃按完工百分比方法確認，並會在計量時參考迄今已施工工程的經核定價值佔相關合約的總合約金額的百分比。

倘管理層一旦預計於可見未來出現虧損，則就此計提撥備。

倘迄今已產生的合約成本加已確認溢利減已確認虧損超過進度賬單款項，則有關結餘被視作應收客戶的合約工程款項。倘進度賬單款項超過迄今已產生合約成本加已確認溢利減已確認虧損，則有關餘額被視作應計合約工程成本。

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2.4 Summary of significant accounting policies (Continued)

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 31 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

2.4 主要會計政策概要 (續)

以股份為基礎付款

本公司運作購股權計劃，藉以向為本集團營運成功作出貢獻的合資格參與者提供激勵及回報。本集團的僱員（包括董事）按以股份為基礎付款的形式收取薪酬，據此僱員提供服務以作為股本工具的代價（「股權結算交易」）。

就於二零零二年十一月七日後授出與僱員之股權結算交易的成本乃經參考其於授出日期之公平值計算。公平值乃由外部估值師使用二項式模型釐定，有關進一步詳情載於財務報表附註31。

股權結算交易之成本乃在僱員福利開支中連同相應權益增加，於達成表現及／或服務條件之期間內確認。於各報告期末直至歸屬日期就股權結算交易確認之累計開支反映歸屬期屆滿之程度及本集團對將會最終歸屬之股本工具數目之最佳估計。某一期間之損益之扣除或計入指於報告期起及報告期末確認之累計開支變動。

服務及非市場表現條件在釐定獎勵之授出日期公平值時均不予考慮，惟達成有關條件之可能性乃作為本集團有關將會最終歸屬之股本工具數目之最佳估計的一部分予以評估。市場表現條件反映於授出日期之公平值。獎勵所附帶之任何其他條件（但並無相關服務規定者）均被視為非歸屬條件。非歸屬條件均反映於獎勵之公平值，並引致獎勵之即時支銷，除非亦存在服務及／或表現條件。

2.4 Summary of significant accounting policies (Continued)

Share-based payments (Continued)

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2.4 主要會計政策概要 (續)

以股份為基礎付款 (續)

就因非市場表現及／或服務條件未獲達成而最終並無歸屬之獎勵而言，一概不會確認任何開支。倘獎勵包括市場或非歸屬條件，則交易會被視為歸屬，而不論是否達成市場或非歸屬條件，惟須達成所有其他表現及／或服務條件。

於修改股權結算獎勵之條款時，倘達成獎勵之原有條款，則盡量確認最低開支，倘如有關條款未經修改。此外，會就任何增加以股份為基礎付款之總公平值之任何修改或於修改日期計量時另行有利於僱員之任何修改確認開支。

倘註銷股權結算獎勵，則其乃猶如已經於註銷日期歸屬處理，而尚未就獎勵確認之任何開支乃即時確認。此包括在本集團或僱員控制之內之在非歸屬條件未獲達成下之任何獎勵。然而，倘以新獎勵替代經註銷獎勵，並於其獲授出當日指定為替代獎勵，則有關經註銷及新獎勵乃按猶如其為原有獎勵之修改處理（載述於前一段）。

尚未行使購股權之攤薄影響乃在計算每股盈利時反映為額外股份攤薄。

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2.4 Summary of significant accounting policies (Continued)

Other employee benefits

Paid leave carried forward

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

Pension schemes

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

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

2.4 主要會計政策概要 (續)

其他僱員福利

結轉有薪假期

本集團根據僱傭合約按曆年基準向其僱員提供有薪年假。在若干情況下，於報告期間結束時尚未使用的假期准予結轉，並供相關僱員在下一年度使用。於各報告期間結束時，就僱員在年內產生及結轉的有薪假期所涉及的預期未來成本預提費用。

退休福利計劃

本集團按照強制性公積金計劃條例為所有合資格參與界定供款強制性公積金退休福利計劃（「強積金計劃」）的僱員辦理強積金計劃。供款按僱員底薪的某一百分比計算，於應按照強積金計劃的規則支付供款時在損益扣除。強積金計劃的資產由獨立管理基金持有並與本集團資產分開管理。當向強積金計劃供款時，本集團的僱主供款全數歸屬於僱員所得。

本集團亦為合資格參與強制性公積金豁免職業退休計劃條例（「職業退休計劃條例」）退休福利計劃的僱員辦理職業退休計劃條例計劃。該計劃以類似強積金計劃的方式運作，惟當僱員於本集團僱員供款全數歸屬前退出該計劃，則本集團須持續支付的供款以被沒收的僱主供款的相關金額予以扣減。

2.4 Summary of significant accounting policies (Continued)

Other employee benefits (Continued)

Pension schemes (Continued)

The employees of the Group's subsidiary which operates in Mainland China are required to participate in a central pension scheme operated by the local municipal government. This subsidiary is required to contribute 5% of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

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

Dividends

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

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

2.4 主要會計政策概要 (續)

其他僱員福利 (續)

退休福利計劃 (續)

本集團於中國內地經營的附屬公司的僱員須參與地方市政營運的中央退休金計劃。此附屬公司須按其薪酬成本的5%向中央退休金計劃供款。供款於根據中央退休金計劃的規則應付時於損益扣除。

借貸成本

直接歸屬於購置、建造或生產合資格資產(即必須經過一段相當時間方可作擬定用途或出售的資產)的借貸成本,乃作為該等資產的一部分成本而撥充資本。當資產大致上可作擬定用途或出售時,有關借貸成本不再撥充資本。有待作合資格資產支出的專項借款當用作暫時性投資所賺取的投資收入,從已撥充資本的借貸成本中扣除。所有其他借貸成本於產生期間內支銷。借貸成本包括實體就借入資金所產生的利息及其他成本。

股息

由於本公司的組織章程大綱及章程細則授權董事會宣派中期股息,故中期股息會同時獲建議及宣派。因此,中期股息於建議及宣派時即時確認為負債。

末期股息於股東於股東大會上批准時確認為負債。

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2.4 Summary of significant accounting policies (Continued)

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in other comprehensive income until the net investment is disposed of, at which time the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on these monetary items are also recorded in other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 主要會計政策概要 (續)

外幣

該等財務報表以本公司之功能貨幣港元呈列。本集團各實體各自釐定其功能貨幣，而包括在各實體之財務報表之項目均以該功能貨幣計量。本集團實體錄得的外幣交易最初以各自於交易當日的適用功能貨幣匯率記錄入賬。以外幣列值的貨幣資產及負債，則按各報告期末通行的功能貨幣匯率換算。結算或換算貨幣項目產生之差額均於損益確認。

因結算或換算貨幣項目產生的所有匯兌差額於損益確認，惟就指定作為對沖本集團的海外業務投資淨額一部分的貨幣項目則除外。這些於其他全面收入確認，直至投資淨額已出售，此時累算金額乃重新分類至損益。就該等貨幣項目匯兌差額應佔的稅項支出及抵免亦計入其他全面收入內。

按外幣歷史成本計量的非貨幣項目按首次交易日期的匯率換算。按外幣公平值計量的非貨幣項目採用計量公平值當日的匯率換算。換算按公平值計量的非貨幣項目所產生收益或虧損被視為等同於確認該項目公平值變動所產生收益或虧損（即於其他全面收入或損益內確認公平值收益或虧損之項目之換算差額，亦分別於其他全面收入或損益中確認）。

2.4 Summary of significant accounting policies (Continued)

Foreign currencies (Continued)

The functional currencies of certain subsidiaries operating in the PRC are currencies other than Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollar at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss and other comprehensive income are translated into Hong Kong dollar at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollar at the exchange rate ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollar at weighted average exchange rates for the year.

2.4 主要會計政策概要 (續)

外幣 (續)

於中國經營的若干附屬公司的功能貨幣為港元以外的貨幣。於報告期末，該等實體的資產和負債按報告期末通行的匯率換算為港元，而其損益及其他全面收入表則按該年度的加權平均匯率換算為港元。由此產生的匯兌差額於其他全面收入確認，並於匯兌波動儲備累計。出售海外業務時，與該項海外業務有關的其他全面收入部分於損益中確認。

收購海外業務產生的任何商譽及對收購產生的資產及負債賬面金額作出的任何公平值調整作海外業務的資產及負債處理，並按收市匯率換算。

就綜合現金流量表而言，海外附屬公司的現金流量按現金流量日期的匯率換算為港元。海外附屬公司於年內經常產生的現金流量則按該年度的加權平均匯率換算為港元。

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3. Significant accounting estimates

The preparation of the Group's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

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

Construction, renovation and other contracts

As further explained in note 2.4 to the financial statements, revenue and profit recognition on contract works is dependent on the estimation of the total outcome of the construction contract, as well as the work performed to date. Based on the Group's past experience and the nature of the contract activities undertaken by the Group, the Group makes estimates of the point at which it considers the work is sufficiently advanced such that the costs to complete and the revenue can be reliably estimated. As a result, until this point is reached, the amount due from customers for contract works as disclosed in note 20 to the financial statements will not include profit which the Group may eventually realise from the work performed to date. In addition, actual outcomes in terms of total contract costs and/or revenue may be higher or lower than those estimated at the end of each reporting period, which would affect the revenue and profit recognised in future years.

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

3. 主要會計估計

編製本集團的財務報表需要管理層作出會影響收入、開支、資產和負債的報告金額及其隨附的披露的估計和假設，並披露或然負債。然而，有關該等假設和估計的不確定性，可能導致須就未來對受影響資產或負債的賬面值作出重大調整的結果。

估計的不確定性

以下描述可能引致資產及負債之賬面值於下個財政年度或須予以重大調整的重大風險而有關未來的主要假設以及於各報告期末存在之估計不確定性的其他主要來源。

建造、翻新及其他工程合約

誠如財務報表附註2.4所進一步解釋，合約工程的收入及溢利確認須視乎所估計的建造合約之總結果，以及迄今已進行工程量。根據本集團以往的經驗及本集團所進行合約活動的性質，本集團將於其認為工程之進度足以可靠地估計竣工成本及收入時作出估計。因此，在到達該程度前，誠如財務報表附註20所披露應收客戶之合約工程款並不包括本集團最終可能從迄今已進行工程實現的溢利。此外，總合約成本及／或收入的實際結果可能高於或低於各報告期末的估計，而影響到未來年度確認的收入及溢利。

估計總合約成本以及會影響到是否須就可預見損失計提任何準備的可收回改建工程，需要作出重大假設。估計乃根據項目管理人員的以往經驗及知識而作出。

3. Significant accounting estimates (Continued)

Estimation uncertainty (Continued)

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 March 2016 was HK\$490,948,000 (2015: Nil). Further details are given in note 15.

Impairment of non-financial assets (other than goodwill)

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

3. 主要會計估計 (續)

估計的不確定性 (續)

商譽減值

本集團至少按年基準評估商譽是否出現減值。該過程需要估計獲分配商譽的現金產生單位的使用價值。本集團須於估計使用價值時對現金產生單位的預期未來現金流量作出估計，亦須選用合適的貼現率以計算該等現金流量的現值。於二零一六年三月三十一日，商譽的賬面金額為490,948,000港元(二零一五年：無)。進一步詳情載於附註15。

非金融資產減值 (商譽除外)

於各報告期末，本集團評估所有非金融資產是否有任何減值跡象。當有跡象表明未必能收回賬面金額時，非金融資產會進行減值測試。當資產或現金產生單位的賬面金額超過其可收回金額(即其公平值減出售成本和使用價值兩者中的較大者)時，則存在減值。公平值減出售成本是根據按公平原則進行具有約束力的類似資產出售交易所得的數據或可觀察市場價格減去出售資產的增量成本而計算。當計算使用價值時，管理層必需估計預期未來來自資產或現金產生單位的現金流量，同時選擇適當的貼現率計算該等現金流量的現值。

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3. Significant accounting estimates (Continued)

Estimation uncertainty (Continued)

Useful lives and impairment of property, plant and equipment

The Company determines the estimated useful lives and related depreciation for its items of property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of items of property, plant and equipment of similar nature and functions. Management will increase the depreciation charges where useful lives are less than previously estimate, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives and actual residual values may differ from residual values. Periodic review could result in a change in depreciable lives and residual values and therefore depreciation expenses in future periods.

Useful lives of intangible assets

The estimated useful lives of intangible assets reflect management's estimation on the Group's intention to derive future economic benefits from the intangible assets, which are the revenue being generated from the estimated units of sales over the contract period of the Automotive Engine Sales Framework Agreements (as defined in note 16). When useful lives of intangible assets are different from those previously estimated, the amortisation charges for future periods will be adjusted accordingly.

Impairment of receivables

The Group records impairment of receivables based on an assessment of the recoverability of trade and bills receivables, and other receivables. The identification of doubtful debts requires directors' estimates. Where the expectation is different from the original estimate, the difference will impact on the carrying values of the trade and bills receivables and other receivables and doubtful debt expenses in the period in which the estimate has been changed.

3. 主要會計估計 (續)

估計的不確定性 (續)

物業、機器及設備之可使用年期及減值

本公司釐定其物業、機器及設備項目之估計可使用年期及相關折舊。該估計乃基於類似性質及功能的物業、機器及設備項目之實際可使用年期的過往經驗而作出。倘可使用年期少於先前估計之年期，管理層將增加折舊開支，或撇銷或撇減已報廢或出售之技術陳舊或非策略資產。實際經濟年期可能有別於估計可使用年期，且實際剩餘價值可能有別於剩餘價值。定期檢討可能使可折舊年期及剩餘價值出現變動，因而引致未來期間折舊開支出現變動。

無形資產之可使用年期

無形資產之估計可使用年期反映管理層就本集團透過無形資產獲得未來經濟利益之估計，即汽車發動機銷售框架協議（定義見附註16）於合約期內之估計銷量所產生之收入。倘無形資產之可使用年期與以往所估計的不同，未來期間之攤銷費用將作相應調整。

應收款減值

本集團根據應收賬款及應收票據以及其他應收款的可收回情況的評估，將應收款減值入賬。辨別呆賬須由董事作出估計。倘預期與原來估計者有別，則差異將於有關估計出現變化的期間，影響應收賬款及應收票據以及其他應收款以及呆賬開支的賬面值。

3. Significant accounting estimates (Continued)

Estimation uncertainty (Continued)

Write-down of inventories to net realisable value

Write-down of inventories to net realisable value is made based on the estimated net realisable value of the inventories. The assessment of the write-down involves management's judgements and estimates. Where the actual outcome or expectation in future is different from the original estimate, the differences will have impact on the carrying amounts of inventories and the write-down/write-back of inventories in the period in which the estimate has been changed.

Income tax

The Group is subject to income taxes in the PRC and Hong Kong. As a result of the fact that certain matters relating to income taxes have not been confirmed by the local tax bureau, objective estimate and judgement based on currently enacted tax laws, regulations and other related policies are required in determining the provision for income taxes. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the income tax and tax provisions in the period in which the differences realise.

Contingent consideration arising from business combinations

One of the Group's business acquisitions has involved post-acquisition performance-based contingent consideration. The Group follows the requirement of HKFRS 3 (Revised) *Business Combinations* to recognise the fair value of the contingent consideration for the acquisition, as of its acquisition date as part of the consideration transferred in exchange for the acquired business/subsidiary. The fair value measurements require, among other things, significant estimation of post-acquisition performance of the acquired subsidiary/business and significant judgement on time value of money. Contingent consideration shall be remeasured at their fair value resulting from events or factors emerging after the acquisition date, with any resulting gain or loss recognised in the consolidated statement of profit or loss and other comprehensive income in accordance with HKFRS 3 (Revised) *Business Combinations*.

3. 主要會計估計 (續)

估計的不確定性 (續)

撇減存貨至可變現淨值

撇減存貨至可變現淨值乃根據存貨的估計可變現淨值作出。評估撇減須涉及管理層的判斷及估計。倘實際結果或日後預期與原有估計有別，則有關差異將於有關估計出現變化的期間，影響存貨的賬面值及存貨的撇減／撥回。

所得稅

本集團須繳納中國及香港所得稅。由於地方稅務機關並無確認若干與所得稅相關的事宜，於釐定所得稅撥備時，須根據現時實施的稅項法例、法規及其他相關政策作出客觀估計及判斷。倘此等事宜的最終評稅結果與原有記錄的金額有別，則差額將影響差額兌現期間的所得稅及稅項撥備。

業務合併產生的或然代價

本集團一項業務收購涉及以收購後業務表現為基礎的或然代價。本集團遵照香港財務報告準則第3號(經修訂) *業務合併* 的規定確認收購或然代價於其收購日期的公平值，作為已轉讓代價的一部分以交換已收購業務／附屬公司。公平值的計量需要(其中包括)對所收購附屬公司／業務的收購後業務表現作出重要估算，以及對貨幣的時間價值作出重要判斷。或然代價須按其因收購日期後出現的事件或因素所產生的公平值重新計量，而由此產生的任何收益或虧損根據香港財務報告準則第3號(經修訂) *業務合併* 在綜合損益及其他全面收入表確認。

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4. Segment information

During the year ended 31 March 2015, the Group's revenue, expenses and assets are generated solely from the Civil Engineering and Construction Business in Hong Kong. The management of the Group made decisions about resources allocation and assessed performance of the Group based on the operating results from the business activities of the Civil Engineering and Construction Business. Accordingly, the directors are of the opinion that the Civil Engineering and Construction Business in Hong Kong was a single reportable operating segment of the Group for the year ended 31 March 2015.

During the year, on 12 October 2015, the Group entered into a sale and purchase agreement (the "Engines SPA") with Power Expert Global Limited ("Power Expert"), an independent third party, to acquire the 100% equity interest in Well Surplus Enterprises Limited and its subsidiaries (the "Automotive Engines Group") and the loans owed by the Automotive Engines Group to its then shareholder (the "Engines Acquisition"). The Automotive Engines Group is principally engaged in the development, manufacture and sale of automotive engines. The Engines Acquisition was completed on 4 February 2016 and the Group has commenced the Automotive Engines Business since then.

4. 分部資料

截至二零一五年三月三十一日止年度，本集團之收入、開支及資產僅自香港土木工程及建造業務產生。本集團之管理層根據土木工程及建造業務的業務活動之經營業績作出有關資源分配及本集團表現評估的決策。因此，董事認為，香港土木工程及建造業務為本集團截至二零一五年三月三十一日止年度的單一可報告經營分部。

年內，於二零一五年十月十二日，本集團與獨立第三方巧能環球有限公司（「巧能環球」）訂立買賣協議（「發動機買賣協議」），以收購Well Surplus Enterprises Limited及其附屬公司（「汽車發動機集團」）的100%股權以及汽車發動機集團結欠其當時股東的貸款（「發動機收購事項」）。汽車發動機集團主要從事開發、生產及銷售汽車發動機。發動機收購事項已於二零一六年二月四日完成，而本集團自此已開展汽車發動機業務。

4. Segment information (Continued)

For management purposes, the Group is organised into business units based on their products and service and has two reportable operating segments as follows:

- Civil engineering and construction segment – civil engineering works and building construction and maintenance works
- Automotive engines segment – development, production and sale of automotive engines

Management monitors the results of the Group's operating segments separately for the purpose of making decision about resources allocations and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that finance costs as well as head office and corporate expenses are excluded from such measurement.

4. 分部資料 (續)

就管理而言，本集團按照其產品及服務被歸為業務單位，並有下列兩個可報告經營分部：

- 土木工程及建造分部 – 土木工程項目以及樓宇建造及保養業務
- 汽車發動機分部 – 開發、生產及銷售汽車發動機

就作出有關資源分配及表現評估的決策而言，管理層獨立監控本集團經營分部的業績。分部表現按可報告分部損益（即經調整除稅前損益計量）評核。經調整除稅前損益之計量與本集團之除稅前損益一致，惟有關計量不包括財務費用以及總辦事處及企業費用。

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4. Segment information (Continued)

4. 分部資料 (續)

| | | Civil engineering and construction 土木工程及建造 | | Automotive engines 汽車發動機 | | Total 總計 | |
|------------------------------------|------------|--|-----------------|-----------------------------|-----------------|-----------------|-----------------|
| | | 2016 二零一六年 | 2015 二零一五年 | 2016 二零一六年 | 2015 二零一五年 | 2016 二零一六年 | 2015 二零一五年 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Segment revenue | 分部收益 | 467,631 | 702,856 | 141,704 | - | 609,335 | 702,856 |
| Segment results | 分部業績 | (12,881) | 27,918 | 5,195 | - | (7,686) | 27,918 |
| Corporate and unallocated income | 企業及未分配收入 | | | | | 424 | - |
| Corporate and unallocated expenses | 企業及未分配開支 | | | | | (14,717) | (8,827) |
| Finance costs | 財務費用 | | | | | (10,370) | (39) |
| Profit/(loss) before tax | 除稅前溢利/(虧損) | | | | | (32,349) | 19,052 |
| Other segment information: | 其他分部資料: | | | | | | |
| Capital expenditure | 資本支出 | | | | | | |
| - operating segment | - 經營分部 | 58 | 2,294 | 1,139 | - | 1,197 | 2,294 |
| - unallocated | - 未分配 | | | | | 756 | - |
| | | | | | | 1,953 | 2,294 |
| Bank interest income | 銀行利息收入 | | | | | | |
| - operating segment | - 經營分部 | 25 | 85 | 3 | - | 28 | 85 |
| Depreciation | 折舊 | | | | | | |
| - operating segment | - 經營分部 | 587 | 204 | 704 | - | 1,291 | 204 |
| - unallocated | - 未分配 | | | | | 90 | - |
| | | | | | | 1,381 | 204 |
| Amortisation of intangible assets | 無形資產攤銷 | | | | | | |
| | | - | - | 8,389 | - | 8,389 | - |

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4. Segment information (Continued)

Geographical information

a) Revenue from external customers

| | | 2016 | 2015 |
|----------------|------|----------|----------|
| | | 二零一六年 | 二零一五年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Hong Kong | 香港 | 467,631 | 702,856 |
| Mainland China | 中國內地 | 141,704 | – |
| | | 609,335 | 702,856 |

b) Non-current assets

| | | 2016 | 2015 |
|----------------|------|-----------|----------|
| | | 二零一六年 | 二零一五年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Hong Kong | 香港 | 2,330 | 2,994 |
| Mainland China | 中國內地 | 1,224,468 | – |
| | | 1,226,798 | 2,994 |

4. 分部資料 (續)

地區資料

a) 來自外部客戶的收益

| | | 2016 | 2015 |
|----------------|------|----------|----------|
| | | 二零一六年 | 二零一五年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Hong Kong | 香港 | 467,631 | 702,856 |
| Mainland China | 中國內地 | 141,704 | – |
| | | 609,335 | 702,856 |

b) 非流動資產

| | | 2016 | 2015 |
|----------------|------|-----------|----------|
| | | 二零一六年 | 二零一五年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Hong Kong | 香港 | 2,330 | 2,994 |
| Mainland China | 中國內地 | 1,224,468 | – |
| | | 1,226,798 | 2,994 |

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4. Segment information (Continued)

Information about major customers

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

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|------------|-----|----------------------------------|----------------------------------|
| Customer A | 客戶A | 260,643 | 372,739 |
| Customer B | 客戶B | 20,474* | 159,698 |
| Customer C | 客戶C | 97,700 | 108,016 |
| Customer D | 客戶D | 71,536 | – |
| Customer E | 客戶E | 70,552 | – |

* Less than 10% of revenue

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

4. 分部資料 (續)

主要客戶的資料

來自各主要客戶的收入佔本集團於本年度收入的10%或以上，如下所示：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|------------|-----|----------------------------------|----------------------------------|
| Customer A | 客戶A | 260,643 | 372,739 |
| Customer B | 客戶B | 20,474* | 159,698 |
| Customer C | 客戶C | 97,700 | 108,016 |
| Customer D | 客戶D | 71,536 | – |
| Customer E | 客戶E | 70,552 | – |

* 收入的10%以下

除上述者外，概無單一外部客戶佔本集團收入的10%或以上。香港特別行政區政府(「香港特區政府」)各政府政策局及部門於以上分析被視為單一客戶。

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5. Revenue, other income and gains

Revenue represents the appropriate proportion of contract revenue from construction, renovation and other contracts and the net invoiced value of goods sold, after allowances for returns and trade discounts.

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

5. 收入、其他收入及收益

收入指扣除退貨及貿易折扣後來自建造、翻新及其他合約的合約收入適當部分以及已售貨物發票淨值。

收入、其他收入及收益之分析如下：

| | | Notes 附註 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|-----------------|-------------|----------------------------------|----------------------------------|
| Revenue | 收入 | | | |
| Contract revenue | 合約工程收入 | | 467,631 | 702,856 |
| Sales of goods | 銷售貨物 | | 141,704 | – |
| | | | 609,335 | 702,856 |
| Other income and gains | 其他收入及收益 | | | |
| Interest income | 利息收入 | | 28 | 85 |
| Consultancy fee income | 顧問費收入 | | 1,200 | 1,200 |
| Rental income | 租金收入 | | 8,400 | 1,400 |
| Government subsidies* | 政府補助* | | 28 | 73 |
| Gain on disposal of items of property, plant and equipment | 出售物業、機器及設備項目的收益 | | 44 | 72 |
| Gain on disposal of subsidiaries | 出售附屬公司的收益 | 34 | 85 | – |
| Gain on changes in fair value of investment properties | 投資物業公平值變動收益 | 14 | – | 200 |
| Gain on disposal of investment properties | 出售投資物業的收益 | | 300 | – |
| Sundry income | 雜項收入 | | 671 | 133 |
| | | | 10,756 | 3,163 |

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

* 就向已畢業的工程師及學徒提供在職培訓取得香港職業訓練局（香港特區政府設立的機構）的補助。現時沒有有關該等補助的未履行條件或或然事件。

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6. Finance costs

An analysis of finance costs is as follows:

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---------------------------------------|------------|----------------------------------|----------------------------------|
| Interest on bank and other borrowings | 銀行及其他借款利息 | 340 | 39 |
| Interest on promissory notes | 承兌票據利息 | 5,696 | – |
| Imputed interest on convertible bonds | 可換股債券之推算利息 | 4,334 | – |
| | | 10,370 | 39 |

6. 財務費用

財務費用分析如下：

7. Profit/(loss) before tax

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

| | | Notes 附註 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|--------------------------------|-------------|----------------------------------|----------------------------------|
| Cost of inventories sold | 已售存貨成本 | | 135,775 | – |
| Cost of services provided | 已提供服務成本 | | 467,708 | 662,053 |
| Depreciation | 折舊 | 13 | 1,381 | 204 |
| Amortisation of intangible assets* | 無形資產攤銷* | 16 | 8,389 | – |
| Auditors' remuneration | 核數師酬金 | | 1,750 | 1,260 |
| Gain on disposal of investment properties | 出售投資物業的收益 | | (300) | – |
| Gain on disposal of subsidiaries | 出售附屬公司的收益 | 34 | (85) | – |
| Employee benefits expense (exclusive of directors' and chief executive's remuneration – note 8): | 僱員福利開支 (不包括董事及最高行政人員酬金 – 附註8): | | | |
| Wages and salaries | 工資及薪金 | | 26,754 | 30,690 |
| Pension scheme contributions (defined contribution schemes) | 退休福利計劃供款 (定額供款計劃) | | 1,145 | 1,140 |
| | | | 27,889 | 31,830 |
| Minimum lease payments under operating leases | 經營租賃下的最低租金 | | 1,589 | 2,525 |

7. 除稅前溢利／(虧損)

本集團之除稅前溢利／(虧損)已扣除／(計入)下列各項：

* The amortisation of intangible assets for the year is included in "Cost of sales" in the consolidated statement of profit or loss and other comprehensive income.

* 年內無形資產攤銷於綜合損益及其他全面收入表內的「銷售成本」入賬。

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8. Directors' and chief executive's remuneration

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

8. 董事及最高行政人員酬金

根據上市規則、《香港公司條例》第383(1)(a)、(b)、(c)及(f)條以及《公司(披露董事利益資料)規例》第2部披露之年內董事及最高行政人員酬金如下：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|------------------|----------------------------------|----------------------------------|
| Fees | 袍金 | 639 | 576 |
| Other emoluments: | 其他薪酬： | | |
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | 3,018 | 3,465 |
| Discretionary performance-related bonuses | 與表現掛鈎的酌情花紅 | - | 3,850 |
| Pension scheme contributions (defined contribution schemes) | 退休福利計劃供款(定額供款計劃) | 64 | 120 |
| | | 3,082 | 7,435 |
| | | 3,721 | 8,011 |

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8. Directors' and chief executive's remuneration (Continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

8. 董事及最高行政人員酬金 (續)

(a) 獨立非執行董事

於年內支付予獨立非執行董事的袍金如下：

| | | Notes | Fees | Salaries, allowances and benefits in kind | Discretionary performance-related bonuses | Pension scheme contributions | Total remuneration |
|---------------------------------|--------------|-------|------------|---|---|------------------------------|--------------------|
| | | 附註 | 袍金 | 薪金、津貼及實物利益 | 與表現掛鈎的酌情花紅 | 退休福利計劃供款 | 總酬金 |
| | | | 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 |
| 2016 | 二零一六年 | | | | | | |
| Dr. Law Kwok Sang | 羅國生博士 | (i) | 96 | - | - | - | 96 |
| Professor Patrick Wong Lung Tak | 黃龍德教授 | (i) | 96 | - | - | - | 96 |
| Ms. Mak Suk Hing | 麥淑卿女士 | (i) | 96 | - | - | - | 96 |
| Ms. Chu Yin Yin | 朱燕燕女士 | (ii) | 101 | - | - | - | 101 |
| Mr. Yip Tai Him | 葉棣謙先生 | (ii) | 101 | - | - | - | 101 |
| Mr. Chan Kai Wing | 陳繼榮先生 | (ii) | 101 | - | - | - | 101 |
| | | | 591 | - | - | - | 591 |
| 2015 | 二零一五年 | | | | | | |
| Dr. Law Kwok Sang | 羅國生博士 | (i) | 144 | - | - | - | 144 |
| Professor Patrick Wong Lung Tak | 黃龍德教授 | (i) | 144 | - | - | - | 144 |
| Ms. Mak Suk Hing | 麥淑卿女士 | (i) | 144 | - | - | - | 144 |
| | | | 432 | - | - | - | 432 |

Notes:

(i) Resigned on 10 August 2015

(ii) Appointed on 20 July 2015

There were no other emoluments payable to the independent non-executive directors during the year (2015: Nil).

附註：

(i) 於二零一五年八月十日辭任

(ii) 於二零一五年七月二十日獲委任

於年內概無應付其他酬金予獨立非執行董事 (二零一五年：無)。

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8. Directors' and chief executive's remuneration (Continued)

8. 董事及最高行政人員酬金 (續)

(b) executive directors and a non-executive director

(b) 執行董事及一名非執行董事

| | | Notes 附註 | Fees 袍金 HK\$'000 千港元 | Salaries, allowances and benefits in kind 薪金、津貼及實物利益 HK\$'000 千港元 | Discretionary performance-related bonuses 與表現掛鈎的酌情花紅 HK\$'000 千港元 | Pension scheme contributions 退休福利計劃供款 HK\$'000 千港元 | Total remuneration 總酬金 HK\$'000 千港元 |
|--|-----------------|-------------|-------------------------------|--|--|---|--|
| 2016 | | | | | | | |
| 二零一六年 | | | | | | | |
| Executive directors | | | | | | | |
| 執行董事 | | | | | | | |
| Mr. Li Chi Pong | 李治邦先生 | (i) | - | 633 | - | 20 | 653 |
| Mr. Poon Yan Min | 潘潤棉先生 | (i) | - | 508 | - | 20 | 528 |
| Mr. Wong Hin Shek (chairman) | 王顯碩先生 (主席) | (ii) | - | 1,677 | - | 14 | 1,691 |
| Mr. Xing Bin | 邢濱先生 | (iii) | - | 200 | - | 10 | 210 |
| | | | - | 3,018 | - | 64 | 3,082 |
| Non-executive director | | | | | | | |
| 非執行董事 | | | | | | | |
| Mr. Yau Kwok Fai | 游國輝先生 | (i) | 48 | - | - | - | 48 |
| | | | 48 | 3,018 | - | 64 | 3,130 |
| 2015 | | | | | | | |
| 二零一五年 | | | | | | | |
| Executive directors | | | | | | | |
| 執行董事 | | | | | | | |
| Mr. Li Chi Pong (chief executive officer) | 李治邦先生 (行政總裁) | (i) | - | 1,934 | 3,000 | 60 | 4,994 |
| Mr. Poon Yan Min | 潘潤棉先生 | (i) | - | 1,531 | 850 | 60 | 2,441 |
| | | | - | 3,465 | 3,850 | 120 | 7,435 |
| Non-executive director | | | | | | | |
| 非執行董事 | | | | | | | |
| Mr. Yau Kwok Fai | 游國輝先生 | (i) | 144 | - | - | - | 144 |
| | | | 144 | 3,465 | 3,850 | 120 | 7,579 |

Notes:

附註：

(i) Resigned on 10 August 2015

(i) 於二零一五年八月十日辭任

(ii) Appointed on 20 July 2015

(ii) 於二零一五年七月二十日獲委任

(iii) Appointed on 11 September 2015

(iii) 於二零一五年九月十一日獲委任

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2015: Nil).

於年內，並無董事放棄或同意放棄任何酬金的安排（二零一五年：無）。

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9. Five highest paid employees

The five highest paid employees during the year included three (2015: two) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two (2015: three) non-director, highest paid employees for the year are as follows:

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|------------|----------------------------------|----------------------------------|
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | 1,866 | 2,796 |
| Discretionary performance-related bonuses | 與表現掛鈎的酌情花紅 | 450 | 216 |
| Pension scheme contributions | 退休福利計劃供款 | 36 | 54 |
| | | 2,352 | 3,066 |

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

| | | 2016 二零一六年 | 2015 二零一五年 |
|--------------------------------|-------------------------|---------------|---------------|
| Nil to HK\$1,000,000 | 零至1,000,000港元 | – | 1 |
| HK\$1,000,001 to HK\$1,500,000 | 1,000,001港元至1,500,000港元 | 2 | 2 |
| | | 2 | 3 |

9. 五名最高薪酬僱員

於年內，五名最高薪酬僱員包括三名（二零一五年：兩名）董事，彼等的酬金詳情載於上文附註8。於年內，其餘兩名（二零一五年：三名）最高薪酬而非董事的僱員的酬金詳情如下：

酬金介乎下列組別的最高薪酬而非董事的僱員人數如下：

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10. Income tax

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI. Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Bisu Yunbo, a wholly-owned subsidiary of the Group, is subject to a preferential corporate income tax ("CIT") rate of 15%.

10. 所得稅

根據開曼群島及英屬處女群島的法例及規例，本集團毋須繳付開曼群島及英屬處女群島的任何所得稅。香港利得稅已根據本年度內自香港產生之估計應課稅溢利按16.5%（二零一五年：16.5%）之稅率撥備。本集團之全資附屬公司比速雲博須按優惠企業所得稅（「企業所得稅」）稅率15%繳稅。

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--------------------------------------|-----------------|----------------------------------|----------------------------------|
| Current charge for the year | 年度即期費用 | | |
| Hong Kong profit tax | 香港利得稅 | – | 3,172 |
| PRC CIT | 中國企業所得稅 | 2,626 | – |
| Underprovision in prior years | 過往年度撥備不足 | – | 3 |
| Deferred (note 29) | 遞延（附註29） | (1,852) | 3 |
| Total tax charge for the year | 年度稅項支出總額 | 774 | 3,178 |

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10. Income tax (Continued)

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax at the statutory/applicable rates for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate is as follows:

10. 所得稅 (續)

適用於按本公司及其大部分附屬公司所在司法權區之法定／適用稅率計算除稅前溢利／(虧損)的稅項支出／(抵免)與按實際稅率計算的稅項支出的對賬如下：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|-------------------|----------------------------------|----------------------------------|
| Profit/(loss) before tax | 除稅前溢利／(虧損) | (32,349) | 19,052 |
| At the statutory/applicable rates of different jurisdictions | 按不同司法權區之法定／適用稅率計算 | (5,415) | 3,144 |
| Adjustments in respect of current tax of previous periods | 對過往期間即期稅項的調整 | - | 3 |
| Income not subject to tax | 毋須課稅的收入 | (117) | (47) |
| Expenses not deductible for tax | 不可扣稅開支 | 4,210 | 98 |
| Tax loss not recognised | 並無確認的稅項虧損 | 2,096 | - |
| Others | 其他 | - | (20) |
| Tax charge at the Group's effective tax rate | 本集團按實際稅率計算的稅項支出 | 774 | 3,178 |

11. Dividend

11. 股息

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|----------------------------|---------|----------------------------------|----------------------------------|
| Special dividend | 特別股息 | 50,000 | – |
| Interim and final dividend | 中期及末期股息 | – | – |

The directors do not recommend the payment of any final dividend in respect of the year (2015: Nil).

董事不建議就本年度派付任何末期股息（二零一五年：無）。

On 5 June 2015, the directors declared a special cash dividend of HK\$50,000,000, representing HK\$0.25 per ordinary share in the issued share capital of the Company, out of the share premium account of the Company. The special cash dividend was approved by the Company's shareholders at the extraordinary general meeting on 4 August 2015 and was paid on 2 September 2015.

於二零一五年六月五日，董事宣派特別現金股息50,000,000港元，相等於在本公司之股份溢價賬中，本公司已發行股本中每股普通股0.25港元。特別現金股息由本公司股東於二零一五年八月四日在股東特別大會上批准，並於二零一五年九月二日派付。

12. Earnings/(loss) per share attributable to owners of the parent

12. 母公司擁有人應佔每股盈利／（虧損）

The calculation of basic loss per share is based on the loss for the year attributable to owners of the parent of HK\$33,123,000 (2015: profit of HK\$15,874,000) and the weighted average number of ordinary shares of 200,000,000 (2015: 200,000,000) in issue during the year.

於本年度，每股基本虧損乃根據母公司擁有人應佔之虧損33,123,000港元（二零一五年：溢利15,874,000港元）及年內已發行普通股之加權平均數200,000,000股（二零一五年：200,000,000股）計算。

No adjustment has been made to the basic loss per share amount presented for the year ended 31 March 2016 in respect of a dilution as the impact of the convertible bonds had an anti-dilutive effect on the basic loss per share amount presented.

由於可換股債券之影響對呈列之每股基本虧損金額具有反攤薄作用，故並無就截至二零一六年三月三十一日止年度呈列之每股基本虧損金額作出攤薄調整。

No adjustment has been made to the basic earnings per share amount presented for the year ended 31 March 2015 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during that year.

由於本集團於截至二零一五年三月三十一日止年度內並無任何潛在攤薄已發行普通股，故並無就該年度所呈列之每股基本盈利金額作出攤薄調整。

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13. Property, plant and equipment

13. 物業、機器及設備

| | | Leasehold improvement | Machinery and equipment | Furniture, fixtures and office equipment 傢私、 固定裝置及 辦公設備 | Motor vehicles | Total |
|--|---------------------------------|--------------------------|-------------------------------|---|-----------------------|-----------------------|
| | | 租賃改善 HK\$'000 千港元 | 機器及設備 HK\$'000 千港元 | HK\$'000 千港元 | 汽車 HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| 31 March 2016 | 二零一六年三月三十一日 | | | | | |
| At 31 March 2015 and at 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： | | | | | |
| Cost | 成本 | - | 3,598 | 699 | 1,994 | 6,291 |
| Accumulated depreciation | 累計折舊 | - | (1,446) | (669) | (1,982) | (4,097) |
| Net carrying amount | 賬面淨值 | - | 2,152 | 30 | 12 | 2,194 |
| At 1 April 2015, net of accumulated depreciation | 於二零一五年四月一日 扣除累計折舊 | - | 2,152 | 30 | 12 | 2,194 |
| Additions | 添置 | 428 | 865 | 660 | - | 1,953 |
| Acquisition of subsidiaries (note 33) | 收購附屬公司(附註33) | - | 45,470 | 91 | - | 45,561 |
| Depreciation provided during the year | 年內折舊撥備 | (56) | (1,244) | (75) | (6) | (1,381) |
| At 31 March 2016, net of accumulated depreciation | 於二零一六年 三月三十一日 扣除累計折舊 | 372 | 47,243 | 706 | 6 | 48,327 |
| At 31 March 2016: | 於二零一六年三月 三十一日： | | | | | |
| Cost | 成本 | 428 | 49,933 | 1,450 | 1,433 | 53,244 |
| Accumulated depreciation | 累計折舊 | (56) | (2,690) | (744) | (1,427) | (4,917) |
| Net carrying amount | 賬面淨值 | 372 | 47,243 | 706 | 6 | 48,327 |
| 31 March 2015 | 二零一五年三月三十一日 | | | | | |
| At 1 April 2014: | 於二零一四年四月一日： | | | | | |
| Cost | 成本 | - | 1,308 | 695 | 2,429 | 4,432 |
| Accumulated depreciation | 累計折舊 | - | (1,308) | (633) | (2,387) | (4,328) |
| Net carrying amount | 賬面淨值 | - | - | 62 | 42 | 104 |
| At 1 April 2014, net of accumulated depreciation | 於二零一四年四月一日 扣除累計折舊 | - | - | 62 | 42 | 104 |
| Additions | 添置 | - | 2,290 | 4 | - | 2,294 |
| Depreciation provided during the year | 年內折舊撥備 | - | (138) | (36) | (30) | (204) |
| At 31 March 2015, net of accumulated depreciation | 於二零一五年三月三十一日 扣除累計折舊 | - | 2,152 | 30 | 12 | 2,194 |
| At 31 March 2015: | 於二零一五年三月三十一日： | | | | | |
| Cost | 成本 | - | 3,598 | 699 | 1,994 | 6,291 |
| Accumulated depreciation | 累計折舊 | - | (1,446) | (669) | (1,982) | (4,097) |
| Net carrying amount | 賬面淨值 | - | 2,152 | 30 | 12 | 2,194 |

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14. Investment properties

14. 投資物業

| | | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--------------------------------------|---------|------------|----------------------------------|----------------------------------|
| | | Note 附註 | | |
| Carrying amount at beginning of year | 年初的賬面值 | | 800 | 600 |
| Gain on fair value changes | 公平值變動收益 | 5 | – | 200 |
| Disposal | 出售 | | (800) | – |
| Carrying amount at end of year | 年末賬面值 | | – | 800 |

The Group's investment properties were revalued on 31 March 2015 by DTZ Debenham Tie Leung Limited, independent professionally qualified valuers, at HK\$800,000, on the market value, existing use basis.

於二零一五年三月三十一日，本集團的投資物業經獨立專業合資格估值師戴德梁行有限公司按市值及現有用途基準重新估值為800,000港元。

The fair values of the Group's investment properties at 31 March 2015 were measured using the direct comparison method based on market observable transactions of similar properties and were adjusted to reflect the conditions and locations of the subject properties and hence were classified as Level 2 of the fair value hierarchy.

本集團的投資物業於二零一五年三月三十一日的公平值乃經對類似物業的可觀察市場交易運用直接比較法進行計量，並經調整以反映標的物業的狀況及位置，並因而被分類為公平值等級的第二層。

15. Goodwill

15. 商譽

| | | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---------------------------------------|--------------|--|----------------------------------|----------------------------------|
| Cost and net carrying amount: | 成本及賬面淨值： | | | |
| At 1 April | 於四月一日 | | – | – |
| Acquisition of subsidiaries (note 33) | 收購附屬公司(附註33) | | 490,948 | – |
| At 31 March | 於三月三十一日 | | 490,948 | – |

Goodwill acquired through a business combination is allocated to the cash-generating unit of the Automotive Engines Business (the "Automotive Engines CGU") for impairment testing.

透過業務合併所收購的商譽被分配至汽車發動機業務之現金產生單位(「汽車發動機現金產生單位」)以作減值測試。

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15. Goodwill (Continued)

Impairment test of goodwill

The recoverable amount of the Automotive Engines CGU was determined based on a value in use calculation using cash flow projections of financial budgets covering a five-year period approved by management. The discount rate applied to the cash flow projections was 20.79%. Management has determined the sales growth rate based on the sales volume stipulated in the Automotive Engine Sales Framework Agreements (as defined in note 16). The cash flow projections of the Automotive Engines Business beyond the five-year period of financial budgets are extrapolated using a growth rate of 3%, which did not exceed the long term average growth rate of the industry. The discount rate used is before tax and reflects specific risks relating to the units.

Assumptions were used in the value in use calculation of the Automotive Engines CGU for 31 March 2016. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Sales growth rate – The sales growth rates on product types of the Group are based on the sales volume stipulated in the Automotive Engine Sales Framework Agreements (as defined in note 16).

Discount rate – The discount rate used is before tax and reflects specific risks relating to the Automotive Engines CGU.

Business environment – There is no major change in the existing political, legal and environment conditions in the countries with which and the country in which the Automotive Engines CGU carried on its business.

15. 商譽 (續)

商譽之減值測試

汽車發動機現金產生單位之可收回金額乃使用經管理層批准涵蓋五年期的財政預算內現金流量預測計算的使用價值為基礎而釐定。現金流量預測所使用的貼現率為20.79%。管理層已根據汽車發動機銷售框架協議(定義見附註16)所訂明的銷量釐定銷售增長率。五年期後財政預算中汽車發動機業務的現金流量預測使用3%增長率推斷,該比率並無超過行業長期平均增長率。所使用的貼現率為除稅前及反映有關該等單位的特定風險。

計算二零一六年三月三十一日汽車發動機現金產生單位的使用價值時使用了假設。下文描述管理層作出現金流量預測以進行商譽減值測試時所根據的各項主要假設:

銷售增長率 – 本集團各產品種類的銷售增長率乃以汽車發動機銷售框架協議(定義見附註16)所訂明的銷量為基礎。

貼現率 – 所使用的貼現率為除稅前及反映有關汽車發動機現金產生單位的特定風險。

營商環境 – 與汽車發動機現金產生單位進行業務的國家或該單位進行業務所在的國家的現時政治、法律及環境狀況概無出現重大變動。

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16. Intangible assets

16. 無形資產

| | | Customer contracts 客戶合約 2016 二零一六年 HK\$'000 千港元 |
|--|---------------|--|
| Net carrying amount: | 賬面淨值： | |
| At 1 April 2015 | 於二零一五年四月一日 | – |
| Acquisition of subsidiaries (note 33) | 收購附屬公司(附註33) | 695,912 |
| Amortisation provided during the year (note 7) | 年內已撥備的攤銷(附註7) | (8,389) |
| At 31 March 2016 | 於二零一六年三月三十一日 | 687,523 |
| At 31 March 2016: | 於二零一六年三月三十一日： | |
| Cost | 成本 | 695,912 |
| Accumulated amortisation | 累計攤銷 | (8,389) |
| Net carrying amount | 賬面淨值 | 687,523 |

Before the completion of the Engines Acquisition, on 18 November 2015, the Automotive Engines Group entered into three separate automotive engine sales framework agreements (the "Automotive Engine Sales Framework Agreements") with BAIC Yinxiang Automobile Co., Limited, Chongqing Mystery Speed Automobile Accessory Limited and Chongqing North Automobile (collectively, the "Automotive Engine Sales Parties"), all of them are independent third parties, and pursuant to which the Automotive Engine Sales Parties have agreed to procure pre-agreed quantities of engines from the Automotive Engines Group from 2016 to 2020.

The directors are of the opinion that the Automotive Engine Sales Framework Agreements are intangible items that are separately identifiable and could be measured reliably in accordance with HKAS 38 *Intangible Assets*. They are stated at cost less accumulated amortisation and impairment losses and are amortised under the unit of consumption method which is based on the sales volume in each reporting period as a proportion of the total estimated units of sales over the contract period of the Automotive Engine Sales Framework Agreements.

發動機收購事項完成前，於二零一五年十一月十八日，汽車發動機集團與北汽銀翔汽車有限公司、重慶幻速汽車配件有限公司及重慶比速汽車(統稱為「汽車發動機銷售訂約方」，全部均為獨立第三方)訂立三份獨立的汽車發動機銷售框架協議(「汽車發動機銷售框架協議」)，據此汽車發動機銷售訂約方已同意於二零一六年至二零二零年向汽車發動機集團採購預先協定數量的發動機。

董事認為汽車發動機銷售框架協議屬於獨立識別的無形項目，並可根據香港會計準則第38號無形資產可靠地計量。其按成本減累計攤銷及減值虧損列值，並根據消費單位法基於各報告期間之銷量作為於汽車發動機銷售框架協議合約期內估計總銷售單位之比例攤銷。

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17. Investment in a joint venture

During the year ended 31 March 2016, the Group decided to cease the business of Excel-China Harbour Joint Venture. The cancellation of the business registration of Excel-China Harbour Joint Venture was completed in November 2015.

Particulars of the joint venture are as follows:

| Name 名稱 | Business structure 業務架構 | Place of registration and operation 註冊及營業地點 | Percentage of 百分比 | | | Principal activity 主要業務 |
|-----------------------------------|----------------------------|--|--------------------------------|------------------------|---------------------------|---------------------------------|
| | | | Ownership interest 所有者權益 | Voting power 投票權 | Profit sharing 利潤分成 | |
| Excel-China Harbour Joint Venture | Body unincorporate | Hong Kong | 70 | 50 | 70 | Engineering works contractor |
| 怡益中國港灣聯營 | 非屬法團的團體 | 香港 | | | | 工程承建商 |

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

The Group has not shared any profit and other comprehensive income of its joint venture during the year (2015: Nil) since the joint venture was at breakeven during the year.

17. 於一間合營企業的投資

於截至二零一六年三月三十一日止年度，本集團決定終止怡益中國港灣聯營之業務。怡益中國港灣聯營已於二零一五年十一月完成註銷商業登記。

有關該合營企業的詳情如下：

以上於一間合營企業的投資由本公司間接持有。

本集團於年內並無分佔其合營企業的任何溢利及其他全面收入（二零一五年：無），乃因合營企業於年內處於盈虧平衡狀態所致。

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18. Financial asset at fair value through profit or loss

18. 按公平值透過損益列賬之金融資產

| | | Contingent consideration – profit guarantee 或然代價 – 利潤保證 HK\$'000 千港元 |
|---|----------------------------------|---|
| At 1 April 2014, 31 March 2015 and 1 April 2015 | 於二零一四年四月一日、二零一五年三月三十一日及二零一五年四月一日 | – |
| Acquisition of subsidiaries (note 33) | 收購附屬公司(附註33) | 10,052 |
| Change in fair value | 公平值變動 | (416) |
| At 31 March 2016 | 於二零一六年三月三十一日 | 9,636 |

Pursuant to the Engines SPA, Power Expert has warranted and guaranteed to the Group that the audited consolidated profit after tax of the Automotive Engines Group (excluding any fair value adjustments arising from purchase price allocation upon the completion of the Engines Acquisition by the Group) as prepared in accordance with HKFRSs, for the two years ending 28 February 2017 and 2018 shall not be less than HK\$170,000,000 ("1st Guaranteed Profit") and HK\$230,000,000 ("2nd Guaranteed Profit") (collectively, the "Guaranteed Profit"), respectively.

In the event that the Guaranteed Profit has not been achieved, Power Expert shall compensate the Group. Details of the calculation of the compensation are set out in the Group's circular dated 19 January 2016.

The fair value of the profit guarantee was HK\$9,636,000 as at 31 March 2016, which was determined by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent professional valuer, based on the probabilistic flow method in which the cash flows for each year represent the difference between the guaranteed profit and the projected net profit. The directors of the Company estimated the projected net profits of the Automotive Engines Group under four different scenarios with respective scenario probabilities. The fair value of the profit guarantee was the probability-weighted average of the present values of the shortfalls between the guaranteed profits and the projected net profits under the four scenarios. A discount rate of 6.45% has been used to calculate the present value of cash flows of the profit guarantee.

根據發動機買賣協議，巧能環球向本集團承諾及保證，汽車發動機集團根據香港財務報告準則編製的截至二零一七年及二零一八年二月二十八日止兩個年度經審核綜合稅後溢利（不包括本集團於發動機收購事項完成後因購買價分配而產生的任何公平值調整）將分別不少於170,000,000港元（「第一期保證溢利」）及230,000,000港元（「第二期保證溢利」）（統稱「保證溢利」）。

倘未能達到保證溢利，巧能環球須向本集團作出賠償。有關計算賠償金額的詳情載列於本集團日期為二零一六年一月十九日的通函內。

溢利保證於二零一六年三月三十一日的公平值為9,636,000港元，此乃由獨立專業估值師仲量聯行企業評估及諮詢有限公司根據概率統計法釐定，其中每年的現金流量代表保證溢利與預測純利之間的差額。本公司董事估計汽車發動機集團在四個不同情況下按相關情況的概率之預測純利。溢利保證的公平值是保證溢利與四個情況下的預測純利之間的不足額之現值的概率加權平均值。貼現率6.45%已用作計算溢利保證現金流量之現值。

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18. Financial asset at fair value through profit or loss (Continued)

Below is a summary of a significant unobservable input to the valuation of the contingent consideration together with a quantitative sensitivity analysis as at 31 March 2016:

18. 按公平值透過損益列賬之金融資產 (續)

下文為於二零一六年三月三十一日計算或然代價估值時的重要不可觀察輸入值連同定量敏感度分析之概要：

| | Valuation technique 估值方法 | Significant unobservable input 重要不可觀察輸入值 | Sensitivity of fair value to the input 公平值對輸入值之敏感度 |
|--|-----------------------------|---|---|
| Discounted financial instrument in respect of the profit guarantee | Probabilistic flow method | Discount rate 6.45% | 1% increase/decrease in discount rate would result in decrease in fair value by HK\$145,000/increase in fair value by HK\$149,000 |
| 溢利保證的已貼現金融工具 | 概率統計法 | 貼現率6.45% | 貼現率上升／下跌1%將導致公平值減少145,000港元／公平值增加149,000港元 |

19. Inventories

19. 存貨

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|----------------|-----|----------------------------------|----------------------------------|
| Raw materials | 原材料 | 428 | — |
| Finished goods | 製成品 | 1,194 | — |
| | | 1,622 | — |

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20. Construction, renovation and other contracts 20. 建造、翻新及其他合約

| | | 2016 | 2015 |
|--|-------------------------|-------------|-------------|
| | | 二零一六年 | 二零一五年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Gross amount due from customers for contract works | 應收客戶的合約工程款總額 | 30,150 | 31,028 |
| Contract costs incurred plus recognised profits less recognised losses to date | 已產生的合約成本加迄今的已確認溢利減已確認虧損 | 1,308,811 | 2,729,350 |
| Less: Progress billings | 減：進度賬單款項 | (1,278,661) | (2,698,322) |
| | | 30,150 | 31,028 |

21. Accounts receivable

Accounts receivable represented receivables for contract works and sale of automotive engines. The payment terms of contract work receivables are stipulated in the relevant contracts and the credit period is generally one month. The payment terms for receivables arising from sale of automotive engines are mainly on credit and the credit period is generally one to three months. The carrying amounts of accounts receivable approximate to their fair values.

As at 31 March 2016, retentions receivable included in accounts receivable amounted to HK\$128,806,000 (2015: HK\$120,041,000) and are repayable on terms ranging from two to three years.

21. 應收賬款

應收賬款指合約工程應收款及銷售汽車發動機。合約工程應收款的付款方法於有關合約中訂明，而信貸期一般為一個月。來自銷售汽車發動機的應收款項的付款方法以信貸為主，而信貸期一般為一至三個月。應收賬款的賬面值與其公平值相若。

於二零一六年三月三十一日，應收賬款中包含的應收保留款項為128,806,000港元（二零一五年：120,041,000港元），還款期介乎兩至三年。

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21. Accounts receivable (Continued)

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

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|-------------------------------|----------|----------------------------------|----------------------------------|
| Past due but not impaired: | 逾期但並無減值： | | |
| One to three months past due | 逾期一至三個月 | 2,926 | 8,330 |
| Four to six months past due | 逾期四至六個月 | 225 | 209 |
| Over six months past due | 逾期超過六個月 | 209 | 2 |
| | | 3,360 | 8,541 |
| Neither past due nor impaired | 既無逾期亦無減值 | 393,000 | 169,248 |
| | | 396,360 | 177,789 |

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

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

As at 31 March 2016, no accounts receivable were pledged to secure the Group's banking facilities (2015: HK\$86,161,000).

21. 應收賬款（續）

並無個別或整體上認為減值的應收賬款賬齡分析如下：

逾期但並無減值的應收賬款乃有關若干獨立客戶，彼等與本集團交易的記錄良好。根據以往經驗，董事認為，該等結餘無須計提減值準備，原因是有關信用質素並無重大改變，且仍然認為可全數收回有關結餘。本集團並無就該等結餘持有任何抵押品或其他信用增級。

既無逾期亦無減值的應收賬款與為數眾多的獨立客戶相關，而彼等並無近期欠繳記錄。

於二零一六年三月三十一日，概無抵押應收賬款以取得本集團的銀行信貸額（二零一五年：86,161,000港元）。

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22. Prepayments, deposits and other receivables 22. 預付款項、按金及其他應收款

| | | 2016 | 2015 |
|-----------------------------------|---------------|---------------|---------------|
| | | 二零一六年 | 二零一五年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Prepayments | 預付款項 | 1,808 | 2,915 |
| Deposits and other receivables | 按金及其他應收款 | 16,034 | 12,923 |
| Due from a related party (note) | 應收一名關連方款項(附註) | 369 | – |
| Due from the Vantage Group (note) | 應收盈信集團款項(附註) | 97 | 204 |
| | | 18,308 | 16,042 |

Note: The amounts were unsecured, interest-free and have no fixed terms of repayment.

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default. The carrying amounts of other receivables and deposits approximate to their fair values.

附註：有關款項為無抵押、免息及無固定還款期。

上述資產既無逾期亦無減值。上述結餘包含的金融資產乃與近期並無欠款記錄的應收款有關。其他應收款及按金的賬面值與其公平值相若。

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23. Cash and cash equivalents

23. 現金及現金等值物

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|----------------------------|-----------|----------------------------------|----------------------------------|
| Cash and cash equivalents: | 現金及現金等值物： | | |
| Cash and bank balances | 現金及銀行結餘 | 16,885 | 133,546 |
| Non-pledged time deposits | 無抵押定期存款 | – | 10,147 |
| | | 16,885 | 143,693 |

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to HK\$3,027,000 (2015: Nil). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

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

於報告期末，本集團以人民幣計值的現金及銀行結餘達3,027,000港元（二零一五年：無）。人民幣不得自由兌換為其他貨幣，惟根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准透過獲授權進行外匯業務的銀行將人民幣兌換為其他貨幣。

銀行存款按基於每日銀行存款利率釐定的浮動利率賺取利息。視乎本集團的即時現金需要，短期定期存款的期限介乎一日至三個月不等，並按各短期定期存款利率賺取利息。現金及現金等值物存放於信用評級高及近期並無違約記錄的銀行。

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24. Accounts payable

24. 應付賬款

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---------------------------------|--------------|----------------------------------|----------------------------------|
| Due to other third parties | 應付其他第三方款項 | 215,365 | 41,276 |
| Due to the Vantage Group (note) | 應付盈信集團款項(附註) | 10,431 | 60,188 |
| | | 225,796 | 101,464 |

Note: The amount was unsecured, interest-free and repayable within 90 days (2015: no fixed terms of repayment).

附註：有關款項為無抵押、免息及須於90天（二零一五年：無固定還款期）內還款。

An ageing analysis of the accounts payable as at the end of each reporting period, based on the invoice date, is as follows:

下列為按發票日期於各報告期末應付賬款之賬齡分析：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---------------------|--------|----------------------------------|----------------------------------|
| Current to 3 months | 即期至三個月 | 223,123 | 97,908 |
| 4 to 6 months | 四至六個月 | 2,304 | 3,383 |
| Over 6 months | 超過六個月 | 369 | 173 |
| | | 225,796 | 101,464 |

At 31 March 2016, retentions payable included in accounts payable amounted to HK\$5,749,000 (2015: HK\$63,608,000) and are normally settled on terms ranging from two to three years. The carrying amounts of accounts payable approximate to their fair values.

於二零一六年三月三十一日，應付賬款中包含的應付保留款項為5,749,000港元（二零一五年：63,608,000港元），一般於介乎兩至三年結算。應付賬款的賬面值與其公平值相若。

Accounts payable are non-interest-bearing and are normally settled on terms ranging from 7 to 120 days. The payment terms are stipulated in the relevant contracts.

應付賬款為免計利息，一般於介乎7至120天結算。支付條款於有關合約中訂明。

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25. Other payables and accruals

25. 其他應付款及預提費用

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|-------------------------------|---------------|----------------------------------|----------------------------------|
| Other payables | 其他應付款 | 11,696 | 1,358 |
| Accruals | 預提費用 | 1,385 | 1,846 |
| Due to a shareholder (note) | 應付一名股東款項(附註) | 6,000 | – |
| Due to a related party (note) | 應付一名關聯方款項(附註) | 450 | – |
| | | 19,531 | 3,204 |

Note: The amounts were unsecured, interest-free and have no fixed terms of repayment.

附註：該等款項為無抵押、免息及無固定還款期。

Other payables are non-interest-bearing and are expected to be settled within one year. The carrying amounts of other payables and accruals approximate to their fair values.

其他應付款為免計利息，並預期於一年內清還。其他應付款及預提費用的賬面值與其公平值相若。

26. Interest-bearing other borrowings

26. 其他計息借款

| | | 2016 二零一六年 | | | 2015 二零一五年 | | |
|-------------------------|------------|--|-------------------------------|----------|--|------------|----------|
| | | Contractual interest rate (%) per annum 合約 年利率 (%) | Maturity | HK\$'000 | Contractual interest rate (%) per annum 合約 年利率 (%) | Maturity | HK\$'000 |
| | | | 到期日 | 千港元 | | 到期日 | 千港元 |
| Current | 流動 | | | | | | |
| Other loans – unsecured | 其他貸款 – 無抵押 | 5%-12% | 2016-2017 二零一六年 – 二零一七年 | 13,013 | N/A 不適用 | N/A 不適用 | – |

Notes:

附註：

- The Group's interest-bearing other borrowings are repayable on demand or within one year.
- Except for an unsecured other loan of \$6,013,000 which is denominated in RMB, all borrowings are in Hong Kong dollars.

- 本集團的其他計息借款須按要求或於一年內償還。
- 除一筆以人民幣計值的其他無抵押貸款6,013,000元外，所有借款均以港元計值。

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27. Convertible bonds

The convertible bonds recognised in the consolidated statement of financial position are bifurcated into two components for accounting purpose, namely the liability component and the equity component, and the movements of these components during the reporting period are as follows:

27. 可換股債券

於綜合財務狀況表確認的可換股債券就會計用途而分為兩件部分，分別為負債部分及權益部分，而該等部分於報告期內的變動如下：

| | | Liability component | Equity component | Total |
|---|----------------------------------|---------------------|------------------|----------|
| | | 負債部分 | 權益部分 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 |
| At 1 April 2014, 31 March 2015 and 1 April 2015 | 於二零一四年四月一日、二零一五年三月三十一日及二零一五年四月一日 | - | - | - |
| Issue of convertible bonds for a business combination (note 33) | 就業務合併發行可換股債券(附註33) | 335,982 | 390,716 | 726,698 |
| Interest expense (note 6) | 利息開支(附註6) | 4,334 | - | 4,334 |
| At 31 March 2016 | 於二零一六年三月三十一日 | 340,316 | 390,716 | 731,032 |

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27. Convertible bonds (Continued)

On 4 February 2016, the Company issued zero coupon convertible bonds with an aggregate principal amount of HK\$390,000,000 to Power Expert as part of the consideration for the Engines Acquisition. The maturity date of the convertible bonds is on the second anniversary of the date of issuance (i.e. 3 February 2018). The convertible bonds bear no interest on the principal amount. No security or guarantee is granted in respect of the convertible bonds. The convertible bonds can be converted into 195,000,000 ordinary shares in the Company at the initial conversion price of HK\$2.00 per conversion share (subject to adjustment pursuant to the terms of the convertible bonds). The Company may at any time before the maturity date by written notice redeem the convertible bonds at 100% of the principal amount. Any amount of the convertible bonds which is redeemed by the Company will forthwith be cancelled. At 31 March 2016, no convertible bonds were converted and the outstanding principal amount of the convertible bonds was HK\$390,000,000.

As at 31 March 2016, the convertible bonds with an aggregate principal amount of HK\$390,000,000 were deposited with an escrow agent in favour of the Company as security for the 1st Guaranteed Profit and the 2nd Guaranteed Profit. The convertible bonds in the principal amounts of HK\$165,750,000 and HK\$224,250,000 shall be released to Power Expert if the audited consolidated profits after tax of the Automotive Engines Group for the two years ending 28 February 2017 and 2018 are equal to or more than the 1st Guaranteed Profit and the 2nd Guaranteed Profit, respectively, after the issue of the auditors' certificate for each period.

27. 可換股債券 (續)

於二零一六年二月四日，本公司向巧能環球發行本金總額為390,000,000港元的零息可換股債券，以作為發動機收購事項的部分代價。可換股債券的到期日為發行日期的第二個週年（即二零一八年二月三日）。可換股債券的本金額並不計息。概無就可換股債券授出抵押或擔保。可換股債券可按初步換股價每股換股股份2.00港元（可根據可換股債券的條款調整）兌換為本公司的195,000,000股普通股。本公司可於到期日前隨時透過書面通知按本金額的100%贖回可換股債券。本公司所贖回的任何金額可換股債券將立即被註銷。於二零一六年三月三十一日，概無可換股債券被兌換，而可換股債券的未償還本金額為390,000,000港元。

於二零一六年三月三十一日，本金總額為390,000,000港元的可換股債券獲以本公司為受益人存入託管代理，以作為第一項保證溢利及第二項保證溢利之抵押。倘汽車發動機集團於截至二零一七年及二零一八年二月二十八日止兩個年度之經審核綜合稅後溢利分別相等於或超過第一項保證溢利及第二項保證溢利，則於就各期間發出核數師證明後，本金額為165,750,000港元及224,250,000港元之可換股債券將會發放予巧能環球。

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28. Promissory notes

28. 承兌票據

| | | 2016 | 2015 |
|-------------|------|----------|----------|
| | | 二零一六年 | 二零一五年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| First Note | 第一票據 | 179,979 | — |
| Second Note | 第二票據 | 246,597 | — |
| | | 426,576 | — |

Notes:

On 4 February 2016, the Company issued two promissory notes with face values of HK\$174,250,000 (the "First Note") and HK\$235,750,000 (the "Second Note") in favour of Power Expert as part of the consideration for the Engines Acquisition. Both the First Note and Second Note carry interest at a rate of 10% per annum. The outstanding principal amounts plus any accrued interest will be repayable on the maturity date falling on the second anniversary of the date of the First Note and Second Note, i.e. 3 February 2018. The carrying amounts of the First Note and Second Note at year end were computed by discounting the face values of the notes by the effective interest rate.

As at 31 March 2016, the promissory notes with an aggregate face value of HK\$410,000,000 were deposited with an escrow agent in favour of the Company as security for the 1st Guaranteed Profit and the 2nd Guaranteed Profit. The promissory notes in the face values of HK\$174,250,000 and HK\$235,750,000 shall be released to Power Expert if the audited consolidated profits after tax of the Automotive Engines Group for the two years ending 28 February 2017 and 2018 are equal to or more than the 1st Guaranteed Profit and the 2nd Guaranteed Profit, respectively, after the issue of the auditors' certificate for each period.

附註：

於二零一六年二月四日，本公司向巧能環球發行兩批承兌票據，面值分別為174,250,000港元（「第一票據」）及235,750,000港元（「第二票據」），以作為發動機收購事項的部分代價。第一票據及第二票據均按年利率10%計息。未償還本金額連同任何累計利息將須於第一票據及第二票據的第二週年當日（即二零一八年二月三日）的到期日償還。第一票據及第二票據於年末的賬面值已按實際利率將票據的面值貼現計算。

於二零一六年三月三十一日，總面值為410,000,000港元之承兌票據獲以本公司為受益人存入託管代理，以作為第一項保證溢利及第二項保證溢利之抵押。倘汽車發動機集團於截至二零一七年及二零一八年二月二十八日止兩個年度之經審核綜合稅後溢利分別相等於或超過第一項保證溢利及第二項保證溢利，則於就各期間發出核數師證明後，面值為174,250,000港元及235,750,000港元之承兌票據將會發放予巧能環球。

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29. Deferred tax

The movements of deferred tax liabilities during the year are as follows:

29. 遞延稅項

遞延稅項負債於年內的變動如下：

| | | Depreciation allowance in excess of related depreciation 超過相關折舊的折舊免稅額 HK\$'000 千港元 | Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司所引起的公平值調整 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--------------------------|---|---|--------------------------------|
| At 1 April 2014 | 於二零一四年四月一日 | 5 | – | 5 |
| Deferred tax charged to profit or loss during the year (note 10) | 年內在損益扣除的遞延稅項 (附註10) | 3 | – | 3 |
| 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 | 8 | – | 8 |
| Acquisition of subsidiaries (note 33) | 收購附屬公司 (附註33) | – | 104,983 | 104,983 |
| Deferred tax charged/(credited) to profit or loss during the year (note 10) | 年內在損益扣除/(計入)的遞延稅項 (附註10) | 3 | (1,855) | (1,852) |
| At 31 March 2016 | 於二零一六年三月三十一日 | 11 | 103,128 | 103,139 |

The Group has tax losses arising in Hong Kong of HK\$12,704,000 (2015: Nil) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

本集團於香港產生稅務虧損12,704,000港元(二零一五年：無)，可無限期用以抵銷產生虧損之公司之日後應課稅溢利。概無就該等虧損確認遞延稅項資產，原因是該等虧損乃產生自己虧損一段時間的附屬公司，並認為不太可能將有應課稅溢利可利用稅務虧損以作抵銷。

29. Deferred tax (Continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

As at 31 March 2016, the Group had unremitted earnings amounting to HK\$16,888,000 (2015: Nil) that were subject to withholding taxes. In the opinion of the directors, the Company is able to control the timing of the reversal of the temporary difference and it is not probable that these subsidiaries established in Mainland China will distribute such earnings in the foreseeable future. Accordingly, no deferred tax has been recognised for withholding taxes that would be payable on distribution of unremitted earnings by the Group's subsidiaries established in Mainland China in respect of earnings generated.

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

29. 遞延稅項 (續)

根據中國企業所得稅法，於中國內地成立的外資企業須就向外方投資者宣派的股息提撥10%預扣稅項。該要求由二零零八年一月一日起生效，並應用於二零零七年十二月三十一日後產生的溢利。若中國內地與外方投資者所屬司法權區有稅務協定，則可應用較低預扣稅稅率。對本集團而言，適用稅率為10%。因此，本集團有責任就該等於中國內地成立的附屬公司以二零零八年一月一日起產生的溢利所分派的股息繳納預扣稅。

於二零一六年三月三十一日，本集團須繳納預扣稅之未獲寬免盈利為16,888,000港元)(二零一五年：無)。董事認為，本公司能夠控制撥回暫時差異之時機，而該等於中國內地成立的附屬公司於可見將來不大可能分派有關盈利。因此，概無就本集團於中國內地成立的附屬公司所產生的盈利中分派未獲寬免盈利應付之預扣稅確認遞延稅項。

本公司向其股東支付股息不會產生所得稅後果。

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30. Share capital

Shares

30. 股本

股份

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|--|----------------------------------|----------------------------------|
| Authorised: | 法定股本： | | |
| 500,000,000 (2015: 500,000,000) ordinary shares of HK\$0.01 each | 500,000,000股（二零一五年： 500,000,000股）每股面值 0.01港元的普通股 | 5,000 | 5,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| 200,000,000 (2015: 200,000,000) ordinary shares of HK\$0.01 each | 200,000,000股（二零一五年： 200,000,000股）每股面值 0.01港元的普通股 | 2,000 | 2,000 |

31. Share Option Scheme

Pursuant to an ordinary resolution passed on 24 March 2016, the shareholders of the Company approved the adoption of a new share option scheme (the "Scheme"). Unless otherwise terminated or amended, the Scheme will remain in force for 10 years from the date of adoption.

The purpose of the Scheme is to provide incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include full-time or part-time employees, including any executive directors of the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group. The Scheme became effective on 29 March 2016 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

31. 購股權計劃

根據於二零一六年三月二十四日通過之普通決議案，本公司股東批准採納新購股權計劃（「該計劃」）。除非另行終止或修訂，該計劃將自採納日期起計10年維持生效。

該計劃之目的為向為本集團營運成功作出貢獻之合資格參與者提供激勵及回報。該計劃之合資格參與者包括全職及兼職僱員，包括本集團之任何執行董事；及本集團之任何業務或合營企業夥伴、承包商、代理或代表、諮詢人、顧問、供應商、生產商或持牌人、客戶、獲發牌人（包括任何子獲發牌人）或分銷商、業主或租戶（包括任何子租戶）或董事會單獨酌情認為已經或可能會對本集團作出貢獻之任何人士。該計劃於二零一六年三月二十九日生效，而除非另行經取消或修訂，否則將自該日起維持生效達10年。

31. Share Option Scheme (Continued)

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the total number of shares of the Company in issue as at the date when the Scheme was approved by the shareholders of the Company in a general meeting. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive officer or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors and ends on a date which is not later than 10 years from the date of the offer of the share options.

31. 購股權計劃 (續)

現時根據該計劃獲准授出之未行使購股權最高數目為相等於(在其獲行使後)本公司於該計劃獲本公司股東在股東大會上批准當日之已發行股份總數的10%之數額。購股權所涉及可於任何12個月期間內發行之該計劃之每名合資格參與者之最高股份數目限於本公司於任何時候已發行股份的1%。凡進一步授出超出該限額之購股權均須經股東在股東大會上批准。

購股權可授予本公司之董事、行政總裁或主要股東或任何彼等之聯繫人，惟須事先經獨立非執行董事批准。此外，任何於任何12個月期間內授予本公司之主要股東或獨立非執行董事或任何彼等之聯繫人而超出本公司於任何時候已發行股份的0.1%或總值(按本公司股份於授出日期之價格計)超過5百萬港元之購股權均須經股東在股東大會上事先批准。

授出購股權之要約可於要約日期起計21天內，於承授人支付名義代價合共1港元後予以接納。已授出購股權之行使期可由董事釐定，並在不遲於購股權要約當日起計10年之日完結。

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31. Share Option Scheme (Continued)

The exercise price of the share options is determinable by the directors, but should not be less than the highest of (i) the closing price of the shares of the Company as stated in the Stock Exchange daily quotation sheet on the date of grant of share options; (ii) the average closing price of the shares of the Company as stated on the Stock Exchange for the 5 trading days immediately preceding the date of the offer; and (iii) the nominal value of the shares of the Company.

Shares options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

No share option has been granted since the adoption of the Scheme.

32. Reserves

The amounts of the Group's reserves and the movements therein for the year are presented in the consolidated statement of changes in equity.

33. Business combination

On 12 October 2015, the Group entered into the Engines SPA with Power Expert for the acquisition of the Automotive Engines Group at an aggregate consideration of HK\$800,000,000 (the "Engines Consideration"). The Engines Consideration consisted of convertible bonds with an aggregate principal amount of HK\$390,000,000, promissory notes with an aggregate face value of HK\$410,000,000 and a contingent consideration. The aggregate fair value of the Engines Consideration on the date of completion was HK\$1,137,526,000.

31. 購股權計劃 (續)

購股權之行使價可由董事釐定，惟不得少於下列之最高者：(i)於授出購股權日期在聯交所每日報價表所列之本公司股份收市價；(ii)於緊接要約日期前5個交易日在聯交所所列之本公司股份平均收市價；及(iii)本公司股份之面值。

購股權並無賦予持有人權利享有股息或在股東大會上投票。

自採納該計劃以來，概無授出任何購股權。

32. 儲備

本集團於本年度的儲備數額及其變動於綜合權益變動表呈列。

33. 業務合併

於二零一五年十月十二日，本集團與巧能環球訂立發動機買賣協議，以按總代價800,000,000港元（「發動機代價」）收購汽車發動機集團。發動機代價包括本金總額為390,000,000港元之可換股債券、總面值為410,000,000港元之承兌票據及或然代價。發動機代價於完成日期之總公平值為1,137,526,000港元。

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33. Business combination (Continued)

The fair value of the identifiable assets and liabilities of the Automotive Engines Group as at the date of acquisition were as follows:

33. 業務合併 (續)

汽車發動機集團於收購日期的可識別資產及負債的公平值如下：

| | | Notes 附註 | Fair value recognised on acquisition 收購時確認 的公平值 HK\$'000 千港元 |
|---|----------------------|-------------|--|
| Property, plant and equipment | 物業、機器及設備 | 13 | 45,561 |
| Intangible assets | 無形資產 | 16 | 695,912 |
| Cash and bank balances | 現金及銀行結餘 | | 3,789 |
| Inventories | 存貨 | | 40,975 |
| Accounts receivable | 應收賬款 | | 47,126 |
| Prepayments and other receivables | 預付款項及其他應收款 | | 6,314 |
| Accounts payable | 應付賬款 | | (80,661) |
| Other payables and accruals | 其他應付款及預提費用 | | (1,240) |
| Tax payable | 應付稅項 | | (300) |
| Interest-bearing other borrowing | 其他計息借款 | | (5,915) |
| Deferred tax liabilities | 遞延稅項負債 | 29 | (104,983) |
| Total identifiable net assets at fair value | 按公平值計值的 可識別資產淨值總額 | | 646,578 |
| Goodwill on acquisition | 收購的商譽 | 15 | 490,948 |
| | | | 1,137,526 |
| Satisfied by: | 以下列各項支付： | | |
| Convertible bonds | 可換股債券 | 27 | 726,698 |
| Promissory notes | 承兌票據 | | 420,880 |
| Contingent consideration – profit guarantee | 或然代價 – 溢利保證 | 18 | (10,052) |
| | | | 1,137,526 |

The fair values of the accounts receivable and other receivables as at the date of acquisition amounted to HK\$47,126,000 and HK\$6,314,000, respectively. The gross contractual amounts of accounts receivable and other receivables were HK\$47,126,000 and HK\$6,314,000, respectively, of which no receivables are expected to be uncollectible.

應收賬款及其他應收款於收購日期的公平值分別為47,126,000港元及6,314,000港元。應收賬款及其他應收款的總合約金額分別為47,126,000港元及6,314,000港元，預期概無該等應收款不可被收回。

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33. Business combination (Continued)

The Group incurred transaction costs of HK\$4,290,000 for this acquisition. These transaction costs have been expensed and are included in “administrative expenses” in the consolidated statement of profit or loss and other comprehensive income.

An analysis of the cash flows in respect of the acquisition is as follows:

| | | HK\$'000 千港元 |
|--|--|-----------------|
| Cash and bank balances acquired and net inflow of cash and cash equivalents included in cash flows from investing activities | 計入投資業務產生的現金流量之已收購現金及銀行結餘以及現金及現金等值物的淨流入 | 3,789 |
| Transaction costs of the acquisition included in cash flows from operating activities | 計入經營業務產生的現金流量之收購事項的交易成本 | (4,290) |
| | | (501) |

Since the acquisition, the Automotive Engines Group contributed HK\$141,704,000 to the Group's revenue and HK\$3,165,000 to the consolidated profit for the year ended 31 March 2016.

Had the combination taken place at the beginning of the year, the revenue of the Group and the loss of the Group for the year would have been HK\$640,606,000 and HK\$30,713,000, respectively.

33. 業務合併（續）

本集團就此收購事項產生4,290,000港元的交易成本。該等交易成本已支銷及計入綜合損益及其他全面收入表內的「行政開支」。

有關收購事項的現金流量分析如下：

自收購事項以來，汽車發動機集團對本集團截至二零一六年三月三十一日止年度的收入及綜合溢利分別貢獻了141,704,000港元及3,165,000港元。

倘合併於年初進行，本集團於年內的收入及虧損將分別為640,606,000港元及30,713,000港元。

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34. Disposal of subsidiaries

On 3 June 2015, the Group entered into a conditional agreement with an independent third party, to dispose of the Group's entire equity interest in Top Integration Limited, a wholly-owned subsidiary of the Group, together with its wholly-owned subsidiary, Gadelly Construction Company Limited (collectively the "Disposal Group"), for an aggregate cash consideration of HK\$8,920,000 (the "Disposal"). The Disposal Group is mainly engaged in civil engineering works and construction and maintenance. The Disposal was completed on 3 June 2015.

34. 出售附屬公司

於二零一五年六月三日，本集團與一名獨立第三方訂立有條件協議，以出售本集團於其全資附屬公司Top Integration Limited的全部股權連同其全資附屬公司加德利建築有限公司（統稱為「出售集團」），總現金代價為8,920,000港元（「出售事項」）。出售集團主要從事土木工程以及建築及維修。出售事項已於二零一五年六月三日完成。

| | | 2016 二零一六年 HK\$'000 千港元 |
|--|--------------------------|----------------------------------|
| | Note 附註 | |
| Net assets disposed of: | 已出售的資產淨值： | |
| Cash and bank balances | 現金及銀行結餘 | 8,823 |
| Prepayments | 預付款項 | 12 |
| | | 8,835 |
| Gain on disposal of subsidiaries | 出售附屬公司的收益 | 85 |
| | | 8,920 |
| Satisfied by: | 以下列項目支付： | |
| Cash | 現金 | 8,920 |
| An analysis of the net inflow of cash and cash equivalents in respect of the Disposal is as follows: | 有關出售事項之現金及現金等值物淨流入的分析如下： | |
| | | HK\$'000 千港元 |
| Cash consideration | 現金代價 | 8,920 |
| Cash and bank balances disposed of | 已出售的現金及銀行結餘 | (8,823) |
| Net inflow of cash and cash equivalents in respect of the Disposal | 有關出售事項之現金及現金等值物淨流入 | 97 |

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35. Contingent liabilities

- (a) At 31 March 2016, the guarantees given by the Group to certain banks in respect of performance bonds in favour of certain contract customers amounted to HK\$23,435,000 (2015: HK\$23,055,000).

At 31 March 2015, the Company had given unlimited performance guarantees in favour of a customer for contract works (the "Contract Customer") in respect of losses, claims, damages, costs and expenses caused by non-compliance with the terms and conditions of the construction contract entered into between the Group and the Contract Customer.

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

35. 或然負債

- (a) 於二零一六年三月三十一日，本集團就給予若干合約客戶之履約保證而向若干銀行提供的擔保為23,435,000港元（二零一五年：23,055,000港元）。

於二零一五年三月三十一日，本公司及一名合約工程客戶（「合約客戶」）之間訂立的建築合約，本公司向該合約客戶就不履行合約條款及條件而對其造成的損失、申索、損害、成本及開支提供無上限履約擔保。

- (b) 在本集團建造業務的日常過程中，本集團或本集團分包商的僱員因為在受僱期間發生意外導致人身傷害而向本集團提出若干索賠。董事認為，有關索賠屬於保險的承保範圍，不會對本集團的財務狀況或業績及經營構成任何重大不利影響。

36. Operating lease arrangements

As lessor

The Group leases certain of its equipment under an operating lease arrangement. The lease for equipment is negotiated for a term of thirty months.

At the end of the reporting period, the Group had total future minimum lease receivables under a non-cancellable operating lease falling due as follows:

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Within one year | 一年內 | 8,400 | 8,507 |
| In the second to fifth years, inclusive | 第二至第五年(包括首尾兩年) | 3,050 | 11,343 |
| | | 11,450 | 19,850 |

As lessee

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

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Within one year | 一年內 | 5,686 | 3,973 |
| In the second to fifth years, inclusive | 第二至第五年(包括首尾兩年) | 1,866 | 2,735 |
| | | 7,552 | 6,708 |

36. 經營租賃安排

作為出租人

本集團根據經營租賃安排租用其若干設備。經協商後的設備租賃年期為三十個月。

於報告期末，本集團根據不可撤銷經營租賃須於下列日期應收的未來最低租金總額如下：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Within one year | 一年內 | 8,400 | 8,507 |
| In the second to fifth years, inclusive | 第二至第五年(包括首尾兩年) | 3,050 | 11,343 |
| | | 11,450 | 19,850 |

作為承租人

本集團根據經營租賃安排租用其若干辦公室物業。經協商後的物業租賃年期介乎一至四年。

於報告期末，本集團根據不可撤銷經營租賃須於下列日期支付的未來最低租金總額如下：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Within one year | 一年內 | 5,686 | 3,973 |
| In the second to fifth years, inclusive | 第二至第五年(包括首尾兩年) | 1,866 | 2,735 |
| | | 7,552 | 6,708 |

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37. Related party transactions

(a) In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

37. 關連方交易

(a) 除在本財務報表其他部分詳述的交易及結餘外，本集團於年內曾與關連方進行下列交易：

| | | 2016 | 2015 |
|-------|--|----------|----------|
| | | 二零一六年 | 二零一五年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| (i) | Subcontracting fee paid to the Vantage Group 支付予盈信集團的分包費 | 8,037 | 158,101 |
| (ii) | Subcontracting fee paid to a joint venture of the Vantage Group 支付予盈信集團一間合營企業的分包費 | – | 1,041 |
| (iii) | Rental expense paid to the Vantage Group 支付予盈信集團的租賃費用 | 103 | 620 |
| (iv) | Corporate service fee paid to a related party which is controlled by a director of the Company 支付予由本公司一名董事所控制的關連方的企業服務費 | 484 | – |
| (v) | Financial advisory fee paid to a related party which is controlled by a director of the Company 支付予由本公司一名董事所控制的關聯方的財務顧問費用 | 1,880 | – |

37. Related party transactions (Continued)

(a) (Continued)

On 5 June 2015, the Vantage Group ceased to be a related party of the Group, as Vantage, the then intermediate holding company, had disposed of its entire shareholding in the Company and items (i) to (iii) ceased to constitute related party transactions from 5 June 2015 onwards. As a result, only those transactions with the Vantage Group for the period from 1 April 2015 to 5 June 2015 are included in the above related party transactions disclosures during the year ended 31 March 2016.

The above transactions were conducted on terms and conditions mutually agreed between the relevant parties.

(b) Outstanding balances with related parties

Balances with related parties are included in notes 22, 24 and 25 to the financial statements.

(c) Compensation of key management personnel of the Group

Further details of compensation of key management personnel of the Group are included in notes 8 and 9 to the financial statements.

Except for item (a)(ii), the related party transactions in respect of item (a) above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

38. Financial instruments by category and fair value of financial instruments

Except for the profit guarantee which is classified as a financial asset at fair value through profit or loss and measured at fair value, the financial assets and liabilities of the Group as at 31 March 2016 and 2015 are loans and receivables and financial liabilities at amortised cost, respectively.

37. 關連方交易（續）

(a)（續）

於二零一五年六月五日，盈信集團不再為本集團的關連方，此乃由於當時的中介控股公司盈信出售其於本公司的全部股權，而項目(i)至(iii)自二零一五年六月五日起不再構成關連方交易。因此，只有二零一五年四月一日至二零一五年六月五日期間與盈信集團的交易包括於上述截至二零一六年三月三十一日止年度的關連方交易披露。

上述交易乃按有關各方相互協定的條款及條件進行。

(b) 與關連方的未清償結餘

與關連方的結餘載列於財務報表附註22、24及25。

(c) 本集團主要管理人員的報酬

有關本集團主要管理人員報酬的進一步詳情載於財務報表附註8及9。

按上市規則第14A章所界定，有關上述(a)項的關連方交易（除(a)(ii)項外）亦構成關連交易或持續關連交易。

38. 金融工具分類及金融工具之公平值

除分類為按公平值透過損益列賬及按公平值計量之金融資產的溢利保證外，本集團於二零一六年及二零一五年三月三十一日之金融資產及負債分別為貸款及應收款以及按攤銷成本計值之金融負債。

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39. Fair value and fair value hierarchy of financial instruments

Management has assessed that the fair values of cash and bank balances, accounts payable, financial assets included in prepayments, deposits and other receivables, the current portion of loans and interest receivables, financial liabilities included in other payables and accruals to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the director is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the director and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the directors. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of the liability portion of convertible bonds and promissory notes have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for convertible bonds and promissory notes as at 31 March 2016 was assessed to be insignificant.

39. 金融工具之公平值及公平值層級

由於現金及銀行結餘、應付賬款、計入預付款項、按金及其他應收款之金融資產、貸款及應收利息之即期部分、計入其他應付款及預提費用之金融負債大多於短期內到期，故管理層認為該等工具之公平值與其賬面值相若。

本集團由董事領導的財務部負責釐定金融工具公平值計量政策及程序。財務部直接向董事及審核委員會報告。於各報告日期，財務部分析金融工具價值變動並釐定估值時適用的主要參數。估值由董事審閱及批准。估值過程及結果由審核委員會每年討論兩次以進行中期及年度財務報告。

金融資產及負債的公平值乃按該工具可由自願各方在現有交易（強制或清算銷售除外）中可交換的金額計入。

以下為用作估計公平值的方法及假設：

可換股債券及承兌票據負債部分之公平值已按類似條款、信貸風險及剩餘期限的工具目前可用的利率折讓預期未來現金流量計算。本集團於二零一六年三月三十一日對可換股債券及承兌票據的自有不履約風險被評為不重大。

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39. Fair value and fair value hierarchy of financial instruments (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 March 2016

39. 金融工具之公平值及公平值層級 (續)

公平值層級

下表說明本集團金融工具之公平值計量層級：

按公平值計量之資產：

於二零一六年三月三十一日

| | Fair value measurement using 使用下列各項進行公平值計量 | | | Total 總計 |
|---|--|---|--|-------------|
| | Quoted prices in active markets (Level 1) 活躍市場報價 (第一層) HK\$'000 千港元 | Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二層) HK\$'000 千港元 | Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三層) HK\$'000 千港元 | |
| Financial asset at fair value through profit or loss 按公平值透過 損益列賬之 金融資產 | – | – | 9,636 | 9,636 |

The Group did not have any financial assets measured at fair value as at 31 March 2015.

於二零一五年三月三十一日，本集團並無任何按公平值計量的金融資產。

The Group did not have any financial liabilities measured at fair value as at 31 March 2016 and 2015.

於二零一六年及二零一五年三月三十一日，本集團並無任何按公平值計量的金融負債。

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2015: Nil).

年內，金融資產及金融負債第一層與第二層公平值計量之間並無轉移，亦無轉至或轉自第三層（二零一五年：無）

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40. Financial risk management objectives and policies

The Group's principal financial instruments include the gross amount due from customers for contract works, accounts and other receivables, prepayments and deposits, accounts and other payables, accruals of costs for contract works, cash and cash equivalents, promissory notes and convertible bonds. Details of these financial instruments are disclosed in the respective notes to the financial statements.

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

Foreign currency risk

Foreign currency risk means the risk on the fluctuation of fair value or future cash flows of financial instruments which arose from changes in exchange rates.

The Group's civil engineering and construction business is located in Hong Kong and is transacted and settled in HK\$ while the Group's automotive engines business is located in Mainland China and is transacted and settled in RMB. Accordingly, the directors considered that the Group's foreign currency risk is insignificant.

40. 財務風險管理目標及政策

本集團的主要金融工具包括應收客戶合約工程總款額、應收賬款及其他應收款、預付款項及按金、應付賬款及其他應付款、預提合約工程成本、現金及現金等值物、承兌票據及可換股債券。該等金融工具的詳情於財務報表內各項有關附註披露。

本集團在日常業務過程中面對多種財務風險，包括外幣風險、信貸風險及流動資金風險。有關金融工具的風險以及如何減低該等風險的政策均在下文描述。管理層嚴密監察本集團所面對的財務風險，以確保適時及有效地採取適當措施。

外幣風險

外幣風險指因匯率變動而產生的金融工具的公平值或未來現金流波動風險。

本集團之土木工程及建造業務位於香港，並以港元交易及結算，而本集團之汽車發動機業務乃位於中國內地，並以人民幣交易及結算。因此，董事認為本集團面對的外幣風險乃微不足道。

40. Financial risk management objectives and policies (Continued)

Credit risk

The Group's credit risk is primarily attributable to bank balances and accounts and other receivables. The Group's maximum credit risk exposure at the end of the reporting period in the event of other parties failing to perform their obligations is represented by the carrying amount of each financial asset as stated in the consolidated statement of financial position.

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

At 31 March 2016, the Group had certain concentrations of credit risk as 28% (2015: 47%) of the total accounts receivable were due from the Group's largest external customer and 87% (2015: 91%) of the total accounts receivable were due from the Group's five largest external customers, respectively.

Further quantitative data in respect of the Group's exposure to credit risk arising from accounts and other receivables are disclosed in notes 21 and 22, respectively, to the financial statements.

40. 財務風險管理目標及政策 (續)

信貸風險

本集團的信貸風險主要來自銀行結餘以及應收賬款及其他應收款。倘若其他相關各方未能履行其義務，本集團於報告期結束時面對的最高信貸風險相當於各金融資產在綜合財務狀況表中所列的賬面值。

管理層會持續地密切監察各債務人的信譽度及還款模式。本集團的政策為所有願意按信貸期買賣的汽車發動機客戶進行買賣，並須進行信貸認證程序。本集團的合約工程應收賬款指根據合約內訂明條款支付的期中付款或經客戶核實的保留款項，而本集團並不就該等應收款持有任何抵押品。由於本集團的合約工程客戶主要為政府部門以及財力雄厚的發展商或業主，管理層認為不能收回合約工程應收款的風險不大。

於二零一六年三月三十一日，本集團存在若干信貸風險集中的情況，應收賬款總額中的28%（二零一五年：47%）來自本集團的最大外部客戶，而應收賬款總額中的87%（二零一五年：91%）則來自本集團的五大外部客戶。

有關本集團應收賬款及其他應收款所產生的信貸風險的進一步量化數據分別在財務報表附註21及22披露。

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40. Financial risk management objectives and policies (Continued)

Liquidity risk

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

The following table details the remaining contractual maturities at the end of 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 as at the end of the reporting period) and the earliest date that the Group could be required to repay:

40. 財務風險管理目標及政策 (續)

流動資金風險

本集團的政策為定期監察現時及預期流動資金需求，以確保其維持足夠現金儲備及來自主要金融機構的足夠融資額度，從而滿足其短期及長期的流動資金需求。此外，本集團會安排銀行信貸額，以備不時之需。

下表詳列本集團的金融負債於報告期結束時的剩餘合約期，其乃根據合約未貼現現金流量（包括按合約利率或（如屬浮動利率）根據於報告期結束時的利率計算的利息付款）及本集團可能須償還的最早日期得出：

| | | Within 1 year or on demand 一年內或須應 要求償還 HK\$'000 千港元 | Between 1 and 2 years 一至二年 HK\$'000 千港元 | Between 2 and 5 years 二至五年 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--------------------------------------|---------------------|---|--|--|--------------------------------|
| As at 31 March 2016 | 於二零一六年三月三十一日 | | | | |
| Accounts payable | 應付賬款 | 220,647 | 2,896 | 2,253 | 225,796 |
| Accruals of costs for contract works | 預提合約工程成本 | 38,688 | – | – | 38,688 |
| Other payables (note 25) | 其他應付款 (附註25) | 18,146 | – | – | 18,146 |
| Interest-bearing other borrowings | 計息其他借款 | 13,903 | – | – | 13,903 |
| Convertible bonds | 可換股債券 | – | 390,000 | – | 390,000 |
| Promissory notes | 承兌票據 | – | 492,000 | – | 492,000 |
| | | 291,384 | 884,896 | 2,253 | 1,178,533 |
| As at 31 March 2015 | 於二零一五年三月三十一日 | | | | |
| Accounts payable | 應付賬款 | 38,439 | 60,782 | 2,243 | 101,464 |
| Accruals of costs for contract works | 預提合約工程成本 | 45,237 | – | – | 45,237 |
| Other payables (note 25) | 其他應付款 (附註25) | 1,358 | – | – | 1,358 |
| | | 85,034 | 60,782 | 2,243 | 148,059 |

40. Financial risk management objectives and policies (Continued)

Capital management

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

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

The Group monitors capital using a gearing ratio, which is net cash and bank balances divided by the total capital. Net cash and bank balances are calculated as the total of interest-bearing borrowings, liability component of the convertible bonds and promissory notes less cash and cash equivalents. Total capital refers to equity attributable to owners of the parent. The gearing ratio as at 31 March 2016 was as follows:

40. 財務風險管理目標及政策（續）

資金管理

本集團資金管理政策的主要目標為確保本集團能持續經營，同時透過優化債務與股本結構謀求利益相關者回報最大化。

董事會定期檢討資本架構。作為此項檢討工作的一部分，董事考慮資金成本及與各類資金相關的風險，並將透過新股發行及新增債務或償還現有債務來平衡本集團的整體資本架構。

本集團運用槓桿比率監控資本，而槓桿比率乃按現金及銀行結餘淨值除以資本總額計算。現金及銀行結餘淨值則按計息借款、可換股債券的負債部分及承兌票據的總額減現金及現金等值物計算。資本總額指母公司擁有人應佔權益。於二零一六年三月三十一日的槓桿比率如下：

| | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| Interest-bearing other borrowings (note 26) 其他計息借款（附註26） | 13,013 | - |
| Liability component of convertible bond (note 27) 可換股債券的負債部份（附註27） | 340,316 | - |
| Promissory notes (note 28) 承兌票據（附註28） | 426,576 | - |
| Less: Cash and cash equivalents 減：現金及現金等值物 | (16,885) | (143,693) |
| Net cash and bank balances 現金及銀行結餘淨值 | (763,020) | (143,693) |
| Equity attributable to owners of the parent 母公司擁有人應佔權益 | 532,951 | 226,127 |
| Gearing ratio (%) 槓桿比率(%) | 143% | N/A 不適用 |

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二零一六年三月三十一日

41. Event after the reporting period

On 24 May 2016, the Group entered into a sale and purchase agreement with Global Harvest Incorporation, an independent third party, to acquire the entire equity interest in Keenmount Limited and its subsidiaries (collectively the "Automotive Wheel Group") at a consideration of HK\$390 million. The consideration will be satisfied by:

- (i) The issuance of 2-year convertible bonds of HK\$390 million at an initial conversion price of HK\$2.0 per conversion share; and
- (ii) Contingent consideration.

The Automotive Wheel Group is principally engaged in the assembly of automobile wheels and tyres and supply of assembled wheels and tyres to automobile manufacturers. As at the date of approval of these financial statements, this transaction has not been completed and is subject to the preparation of a circular and necessary approvals from, including but not limited to, the Hong Kong Stock Exchange and the shareholders of the Company as stipulated in the sale and purchase agreement.

Further details of the proposed acquisition of the Automotive Wheel Group are set out in the Company's announcement dated 24 May 2016.

42. Comparative Amounts

As further explained in note 2.2 to the financial statements, due to the implementation of the Hong Kong Companies Ordinance (Cap.622) during the current year, the presentation and disclosures of certain items and balances in the financial statements have been restated to conform with the current year's presentation and disclosures.

41. 報告期後事項

於二零一六年五月二十四日，本集團與一名獨立第三方Global Harvest Incorporation訂立買賣協議，以收購建峰有限公司及其附屬公司（統稱「Automotive Wheel Group」）之全部股權，代價為390,000,000港元。代價將以以下列方式結清：

- (i) 發行2年期、390,000,000港元可換股債券，初步轉換價為每股轉換股份2.0港元；及
- (ii) 或然代價。

Automotive Wheel Group主要從事汽車車輪及輪胎組裝以及向汽車製造商供應組裝車輪及輪胎。於批准本財務報表日期，此項交易尚未完成，並有待編製通函及按買賣協議規定自（包括但不限於）香港聯交所及本公司股東獲得必要批准。

有關建議收購Automotive Wheel Group的進一步詳情載於本公司日期為二零一六年五月二十四日之公告。

42. 比較金額

誠如財務報表附註2.2進一步闡釋，由於在本年度內實行《香港公司條例》（第622章），財務報表若干項目之呈列及披露已經重列，藉以配合本年度之呈列及披露。

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財務報表附註

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二零一六年三月三十一日

43. Statement of financial position of the Company

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

43. 本公司之財務狀況表

有關本公司於報告期末之財務狀況表之資料如下：

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|------------------|----------------------------------|----------------------------------|
| NON-CURRENT ASSETS | 非流動資產 | | |
| Property, plant and equipment | 物業、機器及設備 | 425 | – |
| Investment in subsidiaries | 於附屬公司之投資 | – | – |
| Total non-current assets | 非流動資產總值 | 425 | – |
| CURRENT ASSETS | 流動資產 | | |
| Due from subsidiaries | 應收附屬公司款項 | 1,184,717 | 86,379 |
| Prepayments, deposits and other receivables | 預付款項、按金及其他應收款 | 1,023 | 196 |
| Cash and cash equivalents | 現金及現金等值物 | 1,419 | 316 |
| Total current assets | 流動資產總值 | 1,187,159 | 86,891 |
| CURRENT LIABILITIES | 流動負債 | | |
| Other payables and accruals | 其他應付款及預提費用 | 9,777 | 440 |
| Interest-bearing other borrowings | 計息其他借款 | 7,000 | – |
| Total current liabilities | 流動負債總值 | 16,777 | 440 |
| NET CURRENT ASSETS | 流動資產總值 | 1,170,382 | 86,451 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 資產總值減流動負債 | 1,170,807 | 86,451 |
| NON-CURRENT LIABILITIES | 非流動負債 | | |
| Convertible bonds | 可換股債券 | 340,316 | – |
| Promissory notes | 承兌票據 | 426,576 | – |
| Deferred tax liabilities | 遞延稅項負債 | 2 | – |
| Total non-current liabilities | 非流動負債總值 | 766,894 | – |
| Net assets | 資產淨值 | 403,913 | 86,451 |

Notes to Financial Statements

財務報表附註

31 March 2016
二零一六年三月三十一日

43. Statement of financial position of the Company (Continued)

43. 本公司之財務狀況表 (續)

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
|--|-----------------|----------------------------------|----------------------------------|
| EQUITY | 權益 | | |
| Share capital | 股本 | 2,000 | 2,000 |
| Equity component of convertible bonds (note) | 可換股債券之權益部分 (附註) | 390,716 | - |
| Reserves (note) | 儲備 (附註) | 11,197 | 84,451 |
| Total equity | 總權益 | 403,913 | 86,451 |

Notes to Financial Statements

財務報表附註

31 March 2016
二零一六年三月三十一日

43. Statement of financial position of the Company (Continued)

Note:

A summary of the Company's reserves is as follows:

43. 本公司之財務狀況表 (續)

附註：

本公司之儲備概要如下：

| | | Share premium | Equity component of convertible bonds | Accumulated losses | Total |
|---|-------------------------|---------------|---------------------------------------|--------------------|----------|
| | | 溢價 | 可換股債券之權益部分 | 累計虧損 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 April 2014 | 於二零一四年四月一日 | 95,486 | – | (10,613) | 84,873 |
| Total comprehensive loss for the year | 年內全面虧損總值 | – | – | (422) | (422) |
| At 31 March 2015 and at 1 April 2015 | 於二零一五年三月三十一日及於二零一五年四月一日 | 95,486 | – | (11,035) | 84,451 |
| Total comprehensive loss for the year | 年內全面虧損總值 | – | – | (23,254) | (23,254) |
| Issue of convertible bonds for a business combination (note 27) | 發行可換股債券以作業務合併 (附註27) | – | 390,716 | – | 390,716 |
| Special dividend paid (note 11) | 已付特別股息 (附註11) | (50,000) | – | – | (50,000) |
| At 31 March 2016 | 於二零一六年三月三十一日 | 45,486 | 390,716 | (34,289) | 401,913 |

44. Approval of the financial statements

The financial statements were approved and authorised for issue by the board of directors on 29 June 2016.

44. 批准財務報表

財務報表於二零一六年六月二十九日獲董事會批准及授權刊發。

Five-Year Financial Summary

五年財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the Group's published financial statements, is set out below.

本集團過去五個財政年度之業績、資產及負債概要（摘錄自本集團已刊發財務報表）載列如下。

RESULTS

For the year ended 31 March

業績

截至三月三十一日止年度

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 | 2012 二零一二年 HK\$'000 千港元 |
|--|-----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Revenue | 收入 | 609,335 | 702,856 | 1,477,332 | 984,296 | 690,043 |
| Profit/(loss) before tax | 除稅前溢利／ (虧損) | (32,349) | 19,052 | 36,034 | 47,941 | 33,692 |
| Income tax expense | 所得稅支出 | (774) | (3,178) | (7,638) | (7,875) | (5,522) |
| Profit/(loss) and total comprehensive income/(expenses) for the year | 年內溢利／ (虧損)及 全面收入／ (支出)總額 | (33,123) | 15,874 | 28,396 | 40,066 | 28,170 |

ASSETS AND LIABILITIES

As at 31 March

資產及負債

於三月三十一日

| | | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 | 2012 二零一二年 HK\$'000 千港元 |
|-------------------|-----|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Total assets | 總資產 | 1,702,936 | 376,040 | 460,726 | 629,531 | 439,535 |
| Total liabilities | 總負債 | (1,169,985) | (149,913) | (250,473) | (485,082) | (335,152) |
| Total equity | 總權益 | 532,951 | 226,127 | 210,253 | 144,449 | 104,383 |



EXCEL DEVELOPMENT (HOLDINGS) LIMITED
怡益控股有限公司