ANNUAL REPORT 2014/15

NGA CHUN
HOLDINGS COMPANY LIMITED
雅駿控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1462

CONTENT

CORPORATE INFORMATION

Registered Office	Clifton House 75 Fort Street, PO Box 1350 Grand Cayman, KY1-1108, Cayman Islands
Office and Principal Place of Business	Unit B, 10/F., Summit Building 30 Man Yue Street, Hung Hom Kowloon, Hong Kong
Board of Directors	***Executive Directors*** Mr. Fung Chi Wing *(Chairman)* Ms. Fung Mei Lan Ir Wong Chi Wai *(Chief Executive Officer)* ***Independent Non-Executive Directors*** Ir Ho Pun Hing Ir Szeto Ka Sing Dr. Leung Shiu Ki Albert
Audit Committee	Dr. Leung Shiu Ki Albert *(Chairman)* Ir Ho Pun Hing Ir Szeto Ka Sing
Remuneration Committee	Ir Ho Pun Hing *(Chairman)* Dr. Leung Shiu Ki Albert Ir Wong Chi Wai
Nomination Committee	Mr. Fung Chi Wing *(Chairman)* Dr. Leung Shiu Ki Albert Ir Ho Pun Hing
Authorised Representatives	Mr. Fung Chi Wing Mr. Kung Hei Ning, *CPA*
Company Secretary	Mr. Kung Hei Ning, *CPA*
Legal Advisor	*As to Hong Kong Law* Howse Williams Bowers
Compliance Advisor	Ample Capital Limited
Auditors	Ernst & Young

Hong Kong Branch Share Registrar and Transfer Office	Tricor Investor Services Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Cayman Islands Principal Share Registrar and Transfer Office	Appleby Trust (Cayman) Ltd. Clifton House 75 Fort Street, PO Box 1350 Grand Cayman KY1-1108 Cayman Islands
Share Information	Place of listing: Main Board of The Stock Exchange of Hong Kong Limited Stock code: 1462 Board lot size: 4,000 shares
Website	www.ngachun.com.hk

FOUR YEAR FINANCIAL SUMMARY

RESULTS

For the year ended 31 March

	2015 HK$'000	2014 HK$'000	2013 HK$'000	2012 HK$'000
Revenue	**684,578**	581,494	424,411	339,544
Profit before tax	**48,067**	55,697	48,782	29,858
Income tax expense	**(9,540)**	(10,419)	(8,091)	(4,947)
Profit and total comprehensive income for the year	**38,527**	45,278	40,691	24,911

ASSETS AND LIABILITIES

As at 31 March

	2015 HK$'000	2014 HK$'000	2013 HK$'000	2012 HK$'000
Total assets	**373,399**	284,046	198,715	122,759
Total liabilities	**(126,657)**	(144,541)	(104,488)	(69,223)
Total equity	**246,742**	139,505	94,227	53,536

CHAIRMAN'S STATEMENT

FINANCIAL HIGHLIGHTS

	2015	2014
Financial Performance (HK$'000)		
Revenue	**684,578**	581,494
Gross profit	**73,654**	74,994
Gross profit margin	**10.8%**	12.9%
Profit attributable to owners of the parent	**38,527**	45,278
Financial Position (HK$'000)		
Cash and cash equivalents	**156,755**	96,491
Total assets	**373,399**	284,046
Total liabilities	**126,657**	144,541
Net assets	**246,742**	139,505
Current ratio *(Note 1)*	**2.37 times**	1.47 times
Gearing ratio *(Note 2)*	**14.6%**	41.5%
Return on equity *(Note 3)*	**15.6%**	32.5%

Notes:

1. Current ratio is calculated by dividing current assets by current liabilities as at the end of the reporting period.

2. Gearing ratio is calculated by dividing total interest-bearing bank loans by the total equity as at the end of the reporting period and multiplied by 100%.

3. 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%.

TO OUR SHAREHOLDERS

I am pleased to present the annual results of Nga Chun Holdings Company Limited (the "Company") and its subsidiaries (collectively, the "Group") for the year ended 31 March 2015 (the "Reporting Period"). This is the first annual report of the Group since the Company's listing of its shares (the "Listing") on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 16 October 2014.

The Listing marked a milestone in the Group's future development. The success of the Listing also brought about higher levels of supervisory control and provided management with new impetus and goal in its business.

During the Reporting Period, the Group recorded turnover of approximately HK$684.6 million, up by 17.7% from approximately HK$581.5 million for the year ended 31 March 2014. Included in the turnover was (i) revenue from one-off projects of approximately HK$359.5 million, increased by 38.5% from approximately HK$259.6 million in the previous year; and (ii) revenue from retainer projects of approximately HK$325.1 million, increased by 1.0% from approximately HK$321.9 million in the previous year.

During the Reporting Period, the Group recorded a gross profit of approximately HK$73.7 million. The gross profit margin decreased from approximately 12.9% for the year ended 31 March 2014 to approximately 10.8% for the Reporting Period. The decrease was mainly due to the higher revenue of approximately HK$115.7 million from a one-off project in the public sector in Tai Lam and three retainer projects in the public sector for institutional buildings which had relatively lower gross profit margins.

The outlook for the building services ("Building Services") industry in Hong Kong looks bright. According to the Hong Kong 2015-16 Budget, Hong Kong Government will allocate approximately HK$76.1 billion to infrastructure. In addition, the new Long Term Housing Strategy issued in December 2014 has adopted a total housing supply target of 480,000 units for the next decade by providing Home Ownership Scheme flats, public rental housings and securing land supply in order to cater for the mass housing market. We believe that there will be more opportunities for the Building Services business in both private and public sectors in the future.

We shall continue to play an active role in seeking opportunities in the Building Services industry in Hong Kong for growth to enhance value for shareholders of the Company. We shall mainly focus on undertaking engineering works involving (i) electrical installation; (ii) air-conditioning installation works; and (iii) fire services installation works. Having considered solid experience in the Building Services industry, possession of the requisite licenses and registration for undertaking engineering projects in both private and public sectors, we are of the view that the Group is well positioned to capture the emerging business opportunities.

On behalf of the board (the "Board") of directors ("Directors") of the Company, I would like to express our gratitude and sincere appreciation to the management and all our staff members for their hard work and dedication, and all shareholders of the Company for their continuous support.

Fung Chi Wing
Chairman

Hong Kong, 19 June 2015

QUALIFICATIONS AND LICENSES

The following table summarises the details of the major qualifications and licenses obtained by the Group as at 31 March 2015.

Government and related organisations	Category
Electrical and Mechanical Services Department	Registered Electrical Contractor
Building Authority	Registered Specialist Contractor (Ventilation)
Fire Services Department	Registered Fire Service Installation Contractor — Class 1 & 2
Works Branch, Development Bureau	Electrical Installation — Approved Suppliers of Materials & Specialist Contractors — Group III
Works Branch, Development Bureau	Air-conditioning Installation — Approved Suppliers of Materials & Specialist Contractors — Group II (probationary)
Works Branch, Development Bureau	Fire Service Installation — Approved Suppliers of Materials & Specialist Contractors — Group I
Hong Kong Housing Authority	Housing Authority List of Electrical Contractors (probationary)

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

The Group is principally engaged in the provision of Building Services in Hong Kong as a subcontractor.

The engineering works undertaken by the Group are mainly related to (i) electrical installation works; (ii) air-conditioning installation works; and (iii) fire services installation works. The Group undertakes engineering projects in both public and private sectors, which are mainly building related projects including (i) new building development; and (ii) existing building renovation. All of the Group's revenues were derived in Hong Kong.

As at 31 March 2015, the Group had over 50 one-off and retainer projects in progress, with a total estimated outstanding contract sum and work order value of approximately HK$1,048.2 million. The Group's business is undertaken by an operating subsidiary, Fungs E & M Engineering Company Limited ("Fungs E & M"), a Building Services engineering specialist in various building works in both public and private sectors in Hong Kong. Since 1 April 2015, and up to the date of this report, the Group was awarded with new contracts with an aggregate estimated contract sum of approximately HK$252.3 million.

Events After The Reporting Period

On 15 April 2015, the Group has entered into a sale and purchase agreement with YWH Limited, a company controlled by Mr. Fung Chi Wing ("Mr. Fung"), one of the Group's controlling shareholders, to acquire a unit with gross floor area of approximately 1,884 square feet located at Unit K, 11/F, Summit Building, 30 Man Yue Street, Hung Hom, Kowloon, Hong Kong, at a consideration of HK$8.0 million, for general office use. The transaction was completed on 30 April 2015.

FINANCIAL REVIEW

Revenue

The Group's revenue for the Reporting Period was approximately HK$684.6 million representing an increase of approximately 17.7% from approximately HK$581.5 million in the previous year. The increase was mainly due to the combined effect of:

(i) Higher revenue of approximately HK$203.8 million recognised for three one-off projects in the public sector which had achieved significant progress during the Reporting Period while these projects were at preliminary stage and only approximately HK$13.2 million was recognised as revenue in the previous year; and

(ii) Lower revenue of approximately HK$9.3 million recognised for a one-off project in the private sector which was substantially completed in the year ended 31 March 2014 while approximately HK$92.1 million was recognised as revenue in the previous year.

Gross Profit Margin

During the Reporting Period, the Group recorded a gross profit of approximately HK$73.7 million. The gross profit margin decrease from approximately 12.9% for the year ended 31 March 2014 to approximately 10.8% for the Reporting Period. The decrease was mainly due to the higher revenue of approximately HK$115.7 million from a one-off project in the public sector in Tai Lam and three retainer projects in the public sector for institutional buildings which have relatively lower gross profit margins due to competitive conditions at their contract negotiation stages.

Other Income and Gains

Other income and gains increased by approximately 162.4% from approximately HK$0.5 million from the previous year to approximately HK$1.3 million for the Reporting Period. The increase was mainly due to the increase in interest income from bank deposits.

Administrative Expenses

The Group's administrative expenses for the Reporting Period were approximately HK$29.2 million, representing an increase of 111.9% from approximately HK$13.8 million in the previous year. This was mainly attributable to the recognition of listing expenses of approximately HK$12.1 million during the Reporting Period.

Net Profit After Tax

For the Reporting Period, the Group recorded net profit of approximately HK$38.5 million, a decrease of approximately 14.9% as compared to the net profit of approximately HK$45.3 million for the previous year. This was mainly due to the increase in administrative expenses and the decrease in gross profit margin.

Liquidity and Financial Resources

The Group has funded the liquidity and capital requirements primarily through capital contributions from shareholders, bank borrowings, cash inflows from operating activities and proceeds received from the Listing on the Main Board of the Stock Exchange on 16 October 2014 (the "Listing Date").

The total interest-bearing bank borrowings of the Group decreased from approximately HK$57.8 million as at 31 March 2014 to approximately HK$36.1 million as at 31 March 2015. All borrowings were repayable on demand and denominated in Hong Kong dollars. The interest rates of the Group's interest-bearing bank borrowings are primarily re-priced every month based on the change of the Hong Kong Inter-bank Offered Rate. The Group currently does not have an interest rate hedging policy and the Group monitors interest risk continuously and considers hedging any excessive risk when necessary. As at 31 March 2015, the total banking facilities of the Group amounted to approximately HK$61.4 million (31 March 2014: approximately HK$78.1 million).

As of 31 March 2015, the Group had cash and cash equivalents of approximately HK$156.8 million, representing an increase of 62.5% from approximately HK$96.5 million as of 31 March 2014. The Group did not have pledged deposits other than a pledged deposit for a life insurance product with a carrying amount of approximately HK$6.2 million and HK$6.0 million as at 31 March 2015 and 31 March 2014, respectively. The increase in cash and cash equivalents during the Reporting Period was mainly due to the combined effects of (i) net cash inflow from operating activities of approximately HK$27.7 million; (ii) increase in a time deposit with original maturity of more than three months of approximately HK$14.9 million; (iii) the repayment of interest-bearing bank loans of approximately HK$21.8 million; (iv) the proceeds received from the Listing, net of share issue expenses directly attributable to the issue of new shares of the Company, amounted to approximately HK$104.7 million; and (v) payment of an interim dividend of approximately HK$36.0 million.

Gearing ratio is calculated based on the amount of total interest-bearing bank loans divided by the total equity. Decrease in gearing ratio from 41.5% as at 31 March 2014 to 14.6% as at 31 March 2015 was mainly due to the repayment of interest-bearing bank loans during the Reporting Period.

As at 31 March 2015, the Group had aggregate banking facilities of approximately HK$25.3 million which was not utilised. As at 31 March 2015, the banking facilities were secured by (i) unlimited guarantees provided by the Company; (ii) legal charge over a building of the Group with carrying amount of approximately HK$48.9 million; and (iii) pledged deposit for a life insurance product with a carrying amount of approximately HK$6.2 million.

Contingent Liabilities

Details of the Group's and the Company's contingent liabilities are set out in note 27 to the financial statements.

Capital Commitments

Details of the Group's capital commitments are set out in note 29 to the financial statements.

Capital Expenditures

For the year ended 31 March 2015, the Group purchased property, plant and equipment of approximately HK$4.9 million (2014: approximately HK$11.1 million).

PROSPECTS

According to the Hong Kong 2015–16 Budget, the Hong Kong Government will allocate approximately HK$76.1 billion to infrastructure. In addition, the new Long Term Housing Strategy issued in December 2014 has adopted a total housing supply target of 480,000 units for the next decade by providing Home Ownership Scheme flats, public rental housings and securing land supply in order to cater for the mass housing market.

Moreover, the Building Services industry is steering towards designing and installing more complex and more energy efficient systems for buildings in Hong Kong. The public's increasing awareness of energy efficiency, indoor air quality and sustainability have triggered contractors in the Building Services industry to construct better heating, ventilation and air-conditioning systems. Therefore, the design and installation work processes that go into the servicing of intelligent buildings are more complicated.

In view of the aforesaid increasing public expenditure on infrastructure, the Hong Kong Government housing strategy and the market development, the Directors believe that there will be more opportunities for our Building Services business in both private and public sectors in the future. Having considered the Group's solid experience in the Building Services industry, possession of the requisite licenses and registrations for undertaking engineering projects in both private and public sectors, the Directors are of the view that the Group is well positioned to capture the emerging business opportunities.

FOREIGN EXCHANGE RISK

Since the Group operates in Hong Kong and all of the revenue and transactions arising from its operations were settled in Hong Kong dollars, and the Group's assets and liabilities are primarily denominated in Hong Kong dollars, the Directors believe that the Group's risk in foreign exchange is insignificant and the Group will have sufficient foreign exchange to meet its foreign exchange requirements. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates and has not adopted any currency hedging policy or other hedging instruments during the Reporting Period.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Reporting Period, there was no acquisition or disposal of subsidiaries and associated companies by the Company save as disclosed in the Company's prospectus dated 30 September 2014 (the "Prospectus").

SIGNIFICANT INVESTMENTS

During the Reporting Period, the Company did not hold any significant investment.

STAFF AND REMUNERATION POLICY

As of 31 March 2015, the Group employed 78 employees in Hong Kong. The Group reviewed directors and employees' remuneration from time to time and salary adjustment was normally made on an annual basis with reference to their performance and work experience and with reference to the prevailing market conditions. Staff benefits include mandatory provident fund and training programs.

The total remuneration cost incurred by the Group for the Reporting Period was approximately HK$39.2 million (2014: approximately HK$33.3 million).

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. FUNG Chi Wing, aged 53, is the founder of the Group and one of the Company's controlling shareholders (as defined in the Listing Rules). He was appointed as the chairman of the Board and an executive Director on 26 June 2014. Mr. Fung is the brother of Ms. Fung Mei Lan. He is also a director of Fungs E & M. Mr. Fung is primarily responsible for all major affairs of the Group, including its overall business development, management and operations. Mr. Fung has over 38 years of experience in the Building Services industry. Mr. Fung started working as an electrical apprentice in 1976. Upon acquiring the necessary skills and knowledge of the Building Services business, Mr. Fung founded Fungs E & M in 1994 with his two brothers, Mr. Fung Chuen and Mr. Fung Chi Kwong, to carry out Building Services engineering works and served as its director till now. Mr. Fung is a director of a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Ms. FUNG Mei Lan, aged 54, was appointed as an executive Director on 26 June 2014. Ms. Fung is the sister of Mr. Fung Chi Wing. Ms. Fung joined the Group in September 1997 and has over 15 years' experience in accounting, financing and administration in the Building Services industry and is primarily responsible for the management of the Group's financial and procurement department.

Ir WONG Chi Wai, aged 51, was appointed as an executive Director and the chief executive officer of the Company on 26 June 2014 and is primarily responsible for the overall development and management of the Group's operations. He is also a director of Fungs E & M. Ir Wong joined the Group in November 1998 as a project manager. Ir Wong has over 15 years of experience in the management and execution of Building Services engineering projects. Ir Wong was awarded with a Bachelor of Engineering Degree (Electrical and Electronic Engineering) in June 1990 from the Council for National Academic Awards in the United Kingdom. He obtained a Master of Engineering Management degree in October 1996 from the University of Technology, Sydney, and a Master of Science Degree in Engineering (Building Services Engineering) in November 2001 from the University of Hong Kong. Ir Wong is a Chartered Engineer, a fellow member of the Institution of Engineering and Technology and the Institution of Mechanical Engineers in the United Kingdom. Ir Wong is also a member of the Hong Kong Institution of Engineers ("HKIE"), a Registered Professional Engineer (Electrical and Building Services) and a Registered Energy Assessor in Hong Kong.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ir HO Pun Hing, aged 77, was appointed as an independent non-executive Director on 22 September 2014. Ir Ho obtained a Diploma in Electrical Engineering awarded by the Institution of Electrical Engineers, the United Kingdom in 1962 and a Master degree of Science with honours awarded by National University of Ireland in March 2003. He is also a fellow member of HKIE, the Institution of Engineering and Technology, the United Kingdom, and the Institution of Mechanical Engineers, the United Kingdom. Ir Ho worked for the Government as a Building Services engineer from 1973 to 1998, when he retired as chief Building Services engineer. Ir Ho joined the Group as the technical director from November 1998 to November 2004. During this period, Ir Ho was responsible for the contractual and technical matters of Building Services engineering projects. Ir Ho has been serving as a council member of the Hong Kong Electrical Contractors' Association Limited for over 13 years. He was also a council member with the Pneumoconiosis Compensation Fund Board from 2006 to 2011, and chairman of HKIE (Electrical Division) from 1991 to 1992. Currently, he serves as a technical advisor of the Hong Kong Federation of Electrical and Mechanical Contractors Limited.

Ir SZETO Ka Sing, aged 61, was appointed as an independent non-executive Director on 22 September 2014. Ir Szeto passed the Engineering Council Examination (Part 2) organised by the Engineering Council (the United Kingdom) in July 1987. Ir Szeto is a Chartered Engineer, a fellow member of HKIE, the Institution of Mechanical Engineers (the United Kingdom), the Institute of Marine Engineering, Science and Technology (the United Kingdom) and the Energy Institute (the United Kingdom). He is also a Registered Professional Engineer (Mechanical, Marine and Naval Architecture) and a Registered Energy Assessor in Hong Kong. Ir Szeto worked for Shell Hong Kong Limited as an engineer from April 1981 and retired as a technical and engineering manager in July 2013. He was chairman of HKIE (Mechanical, Marine, Naval Architecture and Chemical Division) in 2003 and 2004, the chairman of HKIE (Gas and Energy Division) in 2004 and 2005 and the chairman of the Institution of Mechanical Engineers (Hong Kong Branch) in 2012, 2013 and 2014. Ir Szeto was a member of the Appeal Board Panel (Amusement Rides (Safety)) from February 2011 to January 2014. Ir Szeto has been a member of the Appeal Board Panel (under Lifts and Escalators Ordinance) from March 2013 to March 2016 and a member of the Disciplinary Tribunal Panel (under Builders' Lifts and Tower Working Platforms (Safety) Ordinance (Cap. 470)) since April 2014.

Dr. Leung Shiu Ki Albert, aged 65, was appointed as an independent non-executive Director on 22 September 2014. Dr. Leung obtained a Doctorate degree of Philosophy in Economics from Shanghai University of Finance and Economics in September 2007, a Master degree of Business Administration from Brunel University, United Kingdom in December 1985 and a Diploma in Management Studies from The Polytechnic of Central London, United Kingdom, in October 1983. Dr. Leung is a member of the Hong Kong Institute of Certified Public Accountants. Dr. Leung is a governor of The Hong Kong Kidney Foundation. He is the Financial and Business Consultant of Beauchamp International Development Limited and is responsible for providing financial and business development service. Dr. Leung is also a non-executive director of China Translation And Printing Services Limited. Dr. Leung serves as an independent non-executive director in Oi Wah Pawnshop Credit Holdings Limited and Mission Capital Holdings Limited, both of which are companies listed on the Main Board of the Stock Exchange. Dr. Leung has around 10 years of experience in accounting and auditing in accounting firms in England from 1977 to 1987. From 1988 to 1992, he joined Citicorp International Limited as Assistant Vice President with a major responsibility in corporate finance matters in Hong Kong.

FINANCIAL CONTROLLER AND COMPANY SECRETARY

Mr. KUNG Hei Ning, aged 29, was appointed as the financial controller and company secretary of the Company on 26 June 2014. He is mainly responsible for the financial management and reporting, investor relations, fund raising and capital management of the Group. Mr. Kung obtained a Bachelor's degree in business administration in accounting from the Hong Kong University of Science and Technology in July 2008. Before joining the Group in April 2014, Mr. Kung was a manager of one of the international CPA firms. Mr. Kung is a member of the Hong Kong Institute of Certified Public Accountants.

CORPORATE GOVERNANCE REPORT

The Company has adopted the requirements of the code provisions of the Corporate Governance Code and Corporate Governance Report (the "Corporate Governance Code") contained in appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Group has complied with all the applicable code provisions under the Corporate Governance Code from the date of Listing on 16 October 2014. Key corporate governance principles and practices of the Company are summarised below.

BOARD

In compliance with rules 3.10(1) and 3.10A of the Listing Rules, the Board comprises three executive Directors and three independent non-executive Directors ("INED") from the date of Listing on 16 October 2014. The number of INEDs represents more than one-third of the Board. As such, there exists a strong independent element in the Board, which can effectively exercise independent judgement. The Company has also complied with rule 3.10(2) of the Listing Rules which stipulates that one of the INEDs must possess appropriate professional qualification or accounting or related financial management expertise. In compliance with the Corporate Governance Code, the INEDs are expressly identified in all corporate communications that disclose the names of the Directors.

The Company has received from each of its INEDs an annual confirmation of his independence pursuant to rule 3.13 of the Listing Rules. The Group considers all INEDs to be independent under the Listing Rules. Save as disclosed in the section headed "Biographical Details of Directors and Senior Management" in this annual report, there is no financial, business, family or other material/relevant relationship among the members of the Board, in particular, between the chairman of the Board and the chief executive of the Company.

The Board currently comprises six members, as detailed below:

Executive Directors	Independent Non-Executive Directors
Mr. Fung Chi Wing *(Chairman)*	Ir Ho Pun Hing
Ms. Fung Mei Lan	Ir Szeto Ka Sing
Ir Wong Chi Wai *(Chief executive officer)*	Dr. Leung Shiu Ki Albert

The biographical details of the Directors are set out in page 11 to 12 of this annual report.

Two executive Directors, namely Mr. Fung Chi Wing and Ms. Fung Mei Lan, are siblings. Ms. Fung Mei Lan is the older sister of Mr. Fung Chi Wing.

BOARD RESPONSIBILITIES AND DELEGATION

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.

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 its shareholders at all times.

The Board is responsible for performing the corporate governance functions set out in the code provision D.3.1 of the Corporate Governance Code.

During the Reporting Period, the Board has monitored the Company's corporate governance policies and practices, the training and continuous professional development of the Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the

Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in appendix 10 to the Listing Rules and the written guidelines governing securities transactions by employees who are likely to possess inside information of the Company and/or its securities, and the Company's compliance with the Corporate Governance Code and disclosure in this Corporate Governance Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The code provision A.2.1 of the Corporate Governance Code requires that the roles of chairman and chief executive officer should be separate and not be performed by the same individual.

The duties and responsibilities of the chairman and the chief executive officer of the Company are clearly and appropriately segregated. For instance, Mr. Fung Chi Wing, acting as the chairman of the Board, is responsible for overseeing the functioning of the Board while Ir Wong Chi Wai, acting as the chief executive officer, is responsible for managing the Group's business operation. As such, the Company has complied with the code provision A.2.1 of Corporate Governance Code.

DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME

According to the code provision A.6.5 of the Corporate Governance 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 Directors confirmed that they have complied with the code provision A.6.5 of Corporate Governance Code on Directors' training and they have provided a record of training they received for the financial year ended 31 March 2015 to the Company.

A summary of continuous professional development each Director participated in during the financial year ended 31 March 2015, according to the records provided, is set out below:

Name of Directors	Attending internal briefings or trainings, participating seminars or reviewing materials
Executive Directors	
Mr. Fung Chi Wing	√
Ms. Fung Mei Lan	√
Ir Wong Chi Wai	√
Independent non-executive Directors	
Ir Ho Pun Hing	√
Ir Szeto Ka Sing	√
Dr. Leung Shiu Ki Albert	√

All the Directors attended a training session conducted by the Company's legal advisers relating to directors' duties and responsibilities under the Hong Kong Companies Ordinance (Cap. 622), the Listing Rules and other applicable laws and regulations.

NOMINATION OF DIRECTORS

New Directors of the Company recommended by the nomination committee of the Company will be assessed by taking into criteria such as experience, balance of skills and diversity of perspectives appropriate to the requirements of the business of the Company when considering new Directors appointments.

The Board shall then make recommendations to the Company's shareholders on Directors standing for re-election, providing sufficient biographical details of Directors to enable shareholders of the Company to make an informed decision on the re-election, and where, nominating appropriate persons to fill causal vacancies or as additions to the Board.

Pursuant to code provision A.5.6 of the Corporate Governance Code, the Company has adopted a board diversity policy. The Company believes that the diversification of the Board is beneficial for enhancing the performance of the Company. The Company has adopted the board diversity policy to confirm that in designing the Board's composition, board diversity has been considered from a number of aspects, including but not limited to age, cultural and educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

APPOINTMENTS, RE-ELECTION AND REMOVAL

All Directors are appointed for a specific term. Each executive Director is engaged on a service agreement for a term of 3 years with effect from the Listing on 16 October 2014. The appointment may be terminated by either party by not less than 3 months written notice. The Company has signed an appointment letter with each of the INEDS. The appointment of each of the INEDS was from 16 October 2014 (the date of Listing) for a term of two years. All Directors, including the chairman are required to retire from office by rotation and are subject to re-election by shareholders of the Company at annual general meeting at least once every 3 years.

Under the Company's Articles of Association (the "Articles"), one-third of the Directors, must retire and be eligible for re-election at each annual general meeting. The Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as additional Director. Any Director so appointed shall be subject to retirement by rotation.

At the forthcoming annual general meeting of the Company, Mr. Fung Chi Wing, Ms. Fung Mei Lan, Ir Wong Chi Wai, Ir Ho Pun Hing, Ir Szeto Ka Sing and Dr. Leung Shiu Ki Albert, will retire pursuant to the Articles provisions stated in the foregoing paragraph. All the above retiring directors, being eligible, will offer themselves for re-election at the forthcoming annual general meeting. The Board and the nomination committee of the Company recommended their re-appointment. The Company's circular, sent together with this annual report, contains detailed information of the above retiring directors as required by rule 13.51(2) of the Listing Rules.

BOARD AND GENERAL MEETINGS

Under code provision A.1.1 of the Corporate Governance Code, the Board shall meet regularly and at least four times a year at approximately quarterly intervals. From the date of Listing on 16 October 2014 up to the date of this report, three Board meetings were held to consider and review, among other things, the financial statements for the 6 months ended 30 September 2014 and for the year ended 31 March 2015 and matters concerning corporate governance and management with attendance of individual members as set out below:

Attendance	**From the date of Listing to 31 March 2015**	**From 1 April 2015 to date of this report**
Mr. Fung Chi Wing *(Chairman)*	2/2	1/1
Ms. Fung Mei Lan	2/2	1/1
Ir Wong Chi Wai	2/2	1/1
Ir Ho Pun Hing	2/2	1/1
Ir Szeto Ka Sing	1/2	1/1
Dr. Leung Shiu Ki Albert	2/2	1/1

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the Model Code as its code of conduct regarding securities transactions by the Directors.

After a specific enquiry by the Group, all Directors have confirmed that they have fully complied with the required standard set out in the Model Code during the period from the date of Listing on 16 October 2014 to 31 March 2015.

COMPLIANCE WITH THE WRITTEN GUIDELINES FOR SECURITIES TRANSACTIONS BY THE RELEVANT EMPLOYEES OF THE COMPANY

The Company has also established written guidelines on no less exacting terms than the Model Code (the "Employees Written Guidelines") governing securities transactions by employees who are likely to possess inside information of the Company and/or its securities. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

In case where the Company is aware of any restricted period for dealings in the Company's securities, the Company will notify its Directors and relevant employees in advance.

BOARD COMMITTEES

The Board has established a number of functional committees with specific written terms of reference which deal clearly with the committee's authority and duties and require the committees to report back on their decisions or recommendations. The written terms of reference of the Board committees are available on the website of the Company and the Stock Exchange.

AUDIT COMMITTEE

The audit committee of the Company which was established on 22 September 2014 comprises three INEDs, namely Dr. Leung Shiu Ki Albert (Chairman), Ir Ho Pun Hing and Ir Szeto Ka Sing. With reference to the terms of reference, the primarily responsibilities of the audit committee are, among others,

1. to make recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors;

2. to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;

3. to develop and implement policy on engaging the external auditors to supply non-audit services;

4. to monitor integrity of the Company's financial statements, annual report and accounts, half-year report and review significant financial reporting judgments contained in them;

5. to review the Company's financial controls, internal control and risk management systems;

6. to review the Group's financial and accounting policies and practices;

7. to review the external auditors' management letter and management's response;

8. to act as the key representative body for overseeing the Company's relations with the external auditors; and

9. to review arrangements employees of the Group can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters.

During the Reporting Period, and up to the date of this report the audit committee reviewed with the management the Group's unaudited interim results for the six months ended 30 September 2014 and the audited annual results for the financial year ended 31 March 2015, and discussed internal controls and financial reporting matters. The audit committee also reviewed this annual report, and confirmed that this annual report complies with the applicable standard, the Listing Rules, and other applicable legal requirements and that adequate disclosures have been made. There is no disagreement between the Directors and the audit committee regarding the selection and appointment of the external auditors. The Board is of the view that the audit committee has properly discharged its duties and responsibilities during the Reporting Period and up to the date of this report.

From the date of Listing on 16 October 2014 up to the date of this report, three meetings of audit committee were held with attendance of individual members as set out below:

Attendance	**From date of Listing to 31 March 2015**	**From 1 April 2015 to date of this report**
Dr. Leung Shiu Ki Albert *(Chairman)*	2/2	1/1
Ir Ho Pun Hing	2/2	1/1
Ir Szeto Ka Sing	1/2	1/1

REMUNERATION COMMITTEE

The remuneration committee of the Company which was established on 22 September 2014 comprises one executive Director namely Ir Wong Chi Wai, and two INEDs, namely Ir Ho Pun Hing (Chairman), and Dr. Leung Shiu Ki Albert.

With reference to the terms of reference, the primarily responsibilities of the remuneration committee include:

1. to consult the chairman of the Board and the chief executive officer about their remuneration proposals for other executive Directors;

2. to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

3. to make recommendations to the Board, on the remuneration packages of individual executive Directors and senior management;

4. to make recommendations to the Board on the remuneration of non-executive Directors;

5. to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and no excessive; and

6. to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate.

The Board is of the view that the remuneration committee has properly discharged its duties and responsibilities during the Reporting Period and up to the date of this report.

From the date of Listing on 16 October 2014 up to the date of this report, one meeting of the remuneration committee was held during the Reporting Period to review the remuneration policy, the remuneration packages for individual executive Directors, senior management and INEDs and the annual bonus policy. The attendance of individual members in the meeting is set out below:

Attendance	**From the date of Listing to 31 March 2015**
Ir Ho Pun Hing *(Chairman)*	1/1
Dr. Leung Shiu Ki Albert	1/1
Ir Wong Chi Wai	1/1

Pursuant to the code provision B.1.5 of Corporate Governance Code, the annual remuneration (including bonus) of the members of the senior management of the Group by band for the year ended 31 March 2015 is set out below:

Remuneration Band	**Number of Senior Management**
Up to HK$1,000,000	1

NOMINATION COMMITTEE

The nomination committee of the Company which was established on 22 September 2014 comprises one executive Director, namely Mr. Fung Chi Wing (Chairman), and two INEDs, namely Ir Ho Pun Hing and Dr. Leung Shiu Ki Albert.

With reference to terms of reference, the primary responsibilities of the nomination committee include:

1. to review the structure, size and composition (including experience, skills and knowledge) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

2. to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;

3. to make recommendations to the Board on the appointment or re-appointment of Directors of the Company and succession planning for Directors of the Company; and

4. to assess the independence of INEDs of the Company.

According to the terms of reference, the nomination committee of the Company is also responsible for reviewing the board diversity policy, developing and reviewing measurable objectives for implementing the policy, and monitoring the progress on achieving these objectives so as to ensure the continued effectiveness of the Board.

The Board is of the view that the nomination committee has properly discharged its duties and responsibilities during the Reporting Period and up to the date of this report.

From the date of Listing on 16 October 2014 up to the date of this report, two meetings of the nomination committee was held to review the size, composition and diversity of the Board, the policy for nomination of Directors and the procedures, process and criteria to select and recommend candidates for directorship during the year. The attendance of individual members in the meetings is set out below:

Attendance	From the date of Listing to 31 March 2015	From 1 April 2015 to date of this report
Mr. Fung Chi Wing *(Chairman)*	1/1	1/1
Ir Ho Pun Hing	1/1	1/1
Dr. Leung Shiu Ki Albert	1/1	1/1

INTERNAL CONTROLS

The Board has an overall responsibility for maintaining a sound and effective internal control system of the Group. The system of internal control is designed not only to achieve the Group's objectives with facilitating an effective and efficient business operation to ensure a reliable financial reporting and compliance with applicable rules and regulations, but also to provide reasonable, but not absolute, assurance on preventing material misstatement or loss as well as managing and minimising risks of failure in operational system.

The Board should at least annually conduct a review on the effectiveness of the system of internal control including all relevant financial, operational and compliance controls and risk management functions.

The Board, through the audit committee of the Company, has conducted annual review of the effectiveness of the Group's system of internal control covering financial, operational and compliance policies.

COMPLIANCE OF DEED OF NON-COMPETITION

All the INEDs are delegated with the authority to review the deed of non-competition ("the Deed of Non-competition") dated 22 September 2014 given by Mr. Fung, Team Great Limited ("Team Great") and Mr. Ngai Chun Hung ("Mr. Ngai"), all being controlling shareholders of the Company. The INEDs were not aware of any non-compliance of the Deed of Non-competition given by Mr. Fung, Team Great and Mr. Ngai for the period from 22 September 2014 to the date of this annual report. Details of the Deed of Non-competition have been set out in the section headed "Relationship with Controlling Shareholders" in the Prospectus.

AUDITORS' REMUNERATION

During the Reporting Period, the remuneration paid and payable to the Company's external auditors, Ernst & Young, is set out below:

	HK$'000
Audit service	1,280
Non-audit services:	
Professional service fees in relation to the initial public offering of the Company	3,000
Taxation and other services	396

COMPANY SECRETARY

Mr. Kung Hei Ning ("Mr. Kung") was appointed as the financial controller and the company secretary of the Company on 26 June 2014. In the opinion of the Board, Mr Kung possesses the necessary qualifications and experience, and is capable of performing the functions of a company secretary. Mr. Kung is the secretary of the Board and various Board committees including audit committee, remuneration committee and nomination committee.

During the Reporting Period, Mr. Kung has complied with Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

DIRECTORS' AND AUDITORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Directors acknowledge and understand their responsibility for preparing the financial statements and to ensure that the financial statements of the Group are prepared to reflect the true and fair view of the state of affairs, results and cash flows of the Group and are in compliance with the relevant accounting standards and principles, applicable laws and disclosure provision required of the Listing Rules. The Directors are of the view that the financial statements of the Group for each financial year have been prepared on this basis.

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

Statement of the Company's external auditors' responsibilities for preparing the consolidated financial statements is set out in the Independent Auditors' Report of this report.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with shareholder 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 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 of the Company will 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.

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 at the principal place of business of the Company in Hong Kong 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 MEETING ON 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 at the principal place of business of the Company in Hong Kong 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.

If with 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

The existing Articles have been adopted pursuant to a special resolution passed by the Company's sole shareholder on 22 September 2014 in preparation for the Listing. Since then, no change has been made to the Articles by the Company. The latest version of the Articles is available on the websites of the Stock Exchange and the Company.

REPORT OF THE DIRECTORS

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 2015.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of corporate management services. During the year ended 31 March 2015, the Company's principal subsidiaries were engaged in the provision of Building Services in Hong Kong as a subcontractor.

There were no significant changes in the nature of the Group's principal activities during the Reporting Period.

RESULTS

The results of the Group for the Reporting Period are set out in the consolidated statement of profit or loss and other comprehensive income on page 33 of this annual report.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK$0.03 per share for the year ended 31 March 2015 (2014: Nil), amounting to approximately HK$12.0 million (2014: Nil) in aggregate. The proposal on distribution of dividend will be submitted to the forthcoming annual general meeting for consideration and approval.

DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

Assuming that the final dividend is approved by the shareholders of the Company at the forthcoming annual general meeting, for the purpose of ascertaining the entitlement to the final dividend, the register of members of the Company will be closed from 24 September 2015, Thursday to 25 September 2015, Friday (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for the final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar in Hong Kong, Tricor Investor Services Limited at level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by no later than 4:30 p.m. on 23 September 2015, Wednesday. It is expected that the final dividend will be payable and issued on or about 16 October 2015, Friday to those entitled whose names appear on the register of member of the Company on 25 September 2015, Friday.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

To ascertain the entitlement to attend and vote at the annual general meeting to be held on 18 September 2015, Friday, the register of members of the Company will be closed from 16 September 2015, Wednesday to 18 September 2015, Friday (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify for attending and voting at the annual general meeting, all share transfer documents accompanied by the corresponding share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 15 September 2015, Tuesday.

FOUR YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last four financial years ended 31 March 2015 is set out on page 4 of this annual report.

USE OF NET PROCEEDS FROM INITIAL PUBLIC OFFERING

The net proceeds from the share offer of the Company in connection with the Listing on 16 October 2014 was approximately HK$92.6 million. According to the section "Future Plans and Use of Proceeds" set out in the Prospectus, the Group has used the net proceeds as follows:

	Actual net proceeds HK$ million	**Used amount** HK$ million	**Unused amount** HK$ million
Operation of prospective projects	55.5	55.5	—
Hiring of additional staff	18.5	—	18.5
Upgrade of computer system and software	9.3	—	9.3
General working capital	9.3	9.3	—
Total	92.6	64.8	27.8

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Reporting Period are set out in note 14 to the financial statements.

BANK BORROWINGS

Particulars of the bank borrowings of the Group as at 31 March 2015 are set out in note 22 to the financial statements.

CONSULTING PROFESSIONAL TAX ADVISERS

The Company's shareholders are recommended to consult professional advisers if they are in any doubt as to the tax implications of purchasing, holding, disposing of, dealing in or the exercise of any rights in relation to the Company's shares.

PENSION SCHEME

Particulars of the pension scheme operated by the Group are set out under "Employee benefits" in note 2.5 to the financial statements.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries as at 31 March 2015 are set out in note 15 to the financial statements.

SHARE CAPITAL AND SHARE PREMIUM

The Company's total issued share capital as at 31 March 2015 was 400,000,000 ordinary shares of HK$0.01 each. Details of movements in the share capital and the share premium of the Company during the Reporting Period are set out in notes 24 and 25 to the financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles and there was no restriction against such rights under the laws of Cayman Islands.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor its subsidiaries purchased, redeemed or sold any of the Company's listed securities from the date of Listing to 31 March 2015.

RESERVES

Details of the reserves of the Group are set out in note 25 to the financial statements.

As of 31 March 2015, the reserve of the Company available for distribution was approximately HK$202,586,000 (2014: Nil) inclusive of share premium and retained earnings, of which HK$12,000,000 has been proposed as a final dividend for the year.

SHARE OPTION SCHEME

Particulars of the share option scheme (the "Scheme") which was adopted on 22 September 2014 is set out in note 26 to the financial statements.

The maximum number of shares of the Company in respect of which options may be granted under the Scheme was 40,000,000, representing approximately 10% of the issued share capital of the Company as of the date of Listing and the date of this annual report.

The Scheme shall be valid and effective for a period of ten years commencing on 22 September 2014, being the date of adoption of the Scheme by the Board.

No share options were granted since the adoption of the Scheme and there were no share option outstanding as at 31 March 2015.

DIRECTORS

The Directors during the Reporting Period and up to the date of this report were:

Executive Directors

Mr. Fung Chi Wing (Chairman) (Appointed on 26 June 2014)
Ms. Fung Mei Lan (Appointed on 26 June 2014)
Ir Wong Chi Wai (Appointed on 26 June 2014)

Independent Non-executive Directors

Ir Ho Pun Hing (Appointed on 22 September 2014)
Ir Szeto Ka Sing (Appointed on 22 September 2014)
Dr. Leung Shiu Ki Albert (Appointed on 22 September 2014)

The Directors' biographical details are set out in the section headed "Biographical Details of Directors and Senior Management" in this report.

Information regarding Directors' emoluments is set out in note 8 to the financial statements.

An annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules has been received from each of the INEDs.

DIRECTORS' SERVICE CONTRACTS

All executive Directors have entered into service contracts with the Company for a term of three years commencing from 16 October 2014 (the date of Listing), which may be terminated earlier by no less than three months written notice served by either party on the other. They are also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles.

Each of the INEDs has signed a letter of appointment with the Company for a term of two years with effect from the date of Listing. Their appointments are subject to the provisions of retirement and rotation of Directors under the Articles.

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).

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 to the financial statements.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES

As at 31 March 2015, the interests and short positions of the Directors and chief executive in shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which would be required to be recorded in the register required to be kept under Section 352 of the SFO; or which would otherwise be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long position in shares of the Company/associated corporation

Director	Name of corporation	Capacity and nature of interests	Number of ordinary shares held	% of issued share capital
Mr. Fung	The Company	Interest in a controlled corporation	300,000,000 *(Note)*	75%
Mr. Fung	Team Great	Beneficial owner	50 shares of US$1.00 each	50%

Note: These shares are legally and beneficially owned by Team Great, 50% of the issued share capital of which is legally and beneficially owned by Mr. Fung.

Save as disclosed above, as at 31 March 2015, none of the Directors or chief executive of the Company or any of their spouses or children under eighteen years of age had registered an interest or a short position in the shares or 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, 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.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 31 March 2015, 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) or company in the shares or underlying shares of the Company which would be required to be recorded in the register required to be kept under Section 336 of the SFO were as follows:

Long position in shares of the Company

Name of shareholders	Notes	Capacity and nature of interests	Number of ordinary shares held	% of issued share capital
Team Great		Beneficial owner	300,000,000	75%
Globetrade Limited	1	Interest in a controlled corporation	300,000,000	75%
Profit Chain Investment Limited ("Profit Chain")	2	Interest in a controlled corporation	300,000,000	75%
Vantage International (Holdings) Limited ("Vantage")	3, 4 and 5	Interest in a controlled corporation	300,000,000	75%
Winhale Ltd.	3	Interest in a controlled corporation	300,000,000	75%
Braveway Limited	4	Interest in a controlled corporation	300,000,000	75%
HSBC International Trustee Limited	4	Interest in a controlled corporation	300,000,000	75%
Mr. Ngai	5	Interest in a controlled corporation	300,000,000	75%
Spouse of Mr. Fung	6	Interest of a spouse	300,000,000	75%
Spouse of Mr. Ngai	7	Interest of a spouse	300,000,000	75%

Notes:

1. Team Great is owned as to 50% by Mr. Fung, 40% by Globetrade Limited and 10% by Mr. Fung Chuen. Both Mr. Fung and Globetrade Limited are deemed to be interested in 300,000,000 shares of the Company owned by Team Great by virtue of the SFO.

2. Globetrade Limited is wholly-owned by Profit Chain which is in turn wholly-owned by Vantage. Profit Chain and Vantage are deemed to be interested in 300,000,000 shares of the Company owned by Team Great which is owned as to 40% by Globetrade Limited by virtue of the SFO.

3. Winhale Ltd. is ultimately beneficially owned by the Xyston Trust, a discretionary family trust settled by Mr. Ngai for the benefit of himself and his family members. Winhale Ltd. is deemed to be interested in 300,000,000 shares of the Company held by Team Great under the SFO by virtue of its interest in 48.02% of the voting shares in Vantage. Team Great is owned as to 40% by Globetrade Limited which is in turn wholly-owned by Profit Chain which is in turn wholly-owned by Vantage.

4. Braveway Limited and HSBC International Trustee Limited are deemed to be interested in the shares of Vantage held by Winhale Ltd. by virtue of the fact that Winhale Ltd. is wholly-owned by the trust of which Braveway Limited is the trustee. This trust is in turn 99.99% owned by Xyston Trust which HSBC International Trustee Limited is the trustee. Braveway Limited and HSBC International Trustee Limited are deemed to be interested in 300,000,000 shares of the Company held by Team Great under the SFO by virtue of their interest in 48.02% of the voting shares in Vantage. Team Great is owned as to 40% by Globetrade Limited which is in turn wholly-owned by Profit Chain which is in turn wholly-owned by Vantage.

5. Mr. Ngai, is interested in 1,080,011,200 shares of Vantage, which comprise 6,250,800 shares held by himself, the deemed interest in 838,760,400 shares held by Winhale Ltd. and 235,000,000 shares held by Fame Yield International Limited by virtue of his interest in the entire issued share capital of Fame Yield International Limited and he was the settlor and a beneficiary of the Xyston Trust. Mr. Ngai is deemed to be interested in 300,000,000 shares of the Company held by Team Great under the SFO by virtue of his interest in approximately 61.83% of the voting shares in Vantage. Team Great is owned as to 40% by Globetrade Limited which is wholly-owned by Profit Chain which is in turn wholly-owned by Vantage.

6. Ms. Lee Yuk Hing is the spouse of Mr. Fung and is deemed to be interested in 300,000,000 shares of the Company owned by Team Great which is owned as to 50% by Mr. Fung by virtue of the SFO.

7. Ms. Cheng Wai Chun is the spouse of Mr. Ngai and is deemed to be interested in the 300,000,000 shares of the Company owned by Team Great because of Mr. Ngai's deemed interest in the same shares of the Company by virtue of the SFO.

Save as disclosed above, as at 31 March 2015, no person, other than the Directors and chief executive of the Company whose interests are set out in the section "Directors' and Chief Executive's Interests in Shares" 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.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of the Group's contract costs and contract revenue attributable to major suppliers and customers are as follows:

a. Percentage of contract costs attributable to the:

—	Largest supplier	4.0%
—	Five largest suppliers	11.7%

b. Percentage of contract revenue attributable to the:

—	Largest customer	45.0%
—	Five largest customers	92.8%

Save as disclosed under heading "Continuing Connected Transactions" below in this report, none of the Directors of the Company or any of their associate or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest suppliers and customers.

DIRECTORS' INTEREST IN CONTRACTS

Save as the related party transactions disclosed in note 30 to the financial statements, no contract of significance to which the Company or any of its subsidiaries, holding company or fellow subsidiaries was a party and in which a Director had a material interests directly or indirectly subsisted at the end of the Reporting Period or at any time during the Reporting Period.

MANAGEMENT CONTRACTS

No management contracts concerning the whole or any substantial part of the business of the Company were entered into or existed during the Reporting Period.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 March 2015 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective associates, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries 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 30 to the financial statements.

CONTINUING CONNECTED TRANSACTIONS

In accordance with the reporting and announcement requirements under Chapter 14A of the Listing Rules, the Group had entered the following non-exempt continuing connected transactions during the Reporting Period:

Connected persons	Notes	Duration of agreement	Date of agreement	Nature and purpose of transactions
Certain subsidiaries of Vantage	a	Three years from the date of Listing	22 September 2014	To govern the existing and future contracting arrangement between certain subsidiaries of Vantage and Fungs E & M
Certain subsidiaries of Lanon Holdings Company Limited ("Lanon Holdings")	b	Three years from the date of Listing	22 September 2014	To govern the existing and future contracting arrangement between certain subsidiaries of Lanon Holdings and Fungs E & M
Able E & M Engineering ("Able E & M")	c	Two years from the date of Listing	22 September 2014	To govern the existing and future contracting arrangement between Able E & M and Fungs E & M

Notes:

(a) The relevant subsidiaries of Vantage, Able Engineering Company Limited ("Able Engineering"), Able Contractors Limited ("Able Contractors"), Able Contracting Limited ("Able Contracting") and Excel Engineering Company Limited ("Excel Engineering"), are connected persons of the Company by virtue of them being subsidiaries of Vantage, one of the Company's controlling shareholders.

On 22 September 2014, Fungs E & M and the relevant subsidiaries of Vantage including Able Engineering, Able Contractors, Able Contracting and Excel ("Vantage Subsidiaries") entered into a contract framework agreement (the "Vantage Contract Framework Agreement") to govern the overall relationship of the parties in relation to 11 existing contracts entered into between Fungs E & M and Vantage Subsidiaries and any such future contracts between Fungs E & M and Vantage Subsidiaries from time to time in relation to the provision of Building Services engineering works by Fungs E & M. The maximum amount of contracting fees payable to Fungs E & M under the Vantage Contract Framework Agreement shall not exceed the annual caps of HK$177 million, HK$200 million and HK$107 million for the years ending 31 March 2015, 2016 and 2017 respectively. Details of the Vantage Contract Framework Agreement are set out in the Prospectus.

During the year ended 31 March 2015, the contract revenue from the Vantage Subsidiaries to the Group amounted to approximately HK$121.7 million, which did not exceed the relevant annual cap for the same period.

(b) The relevant subsidiaries of Lanon Holdings, Lanon Development Limited ("Lanon Development") and Lanon Building Limited ("Lanon Building"), are connected persons of the Company by virtue of them being beneficially held as to 78% by Mr. Ngai Wing Yin through his indirect interest in Lanon Holdings. Mr. Ngai Wing Yin is the son of Mr. Ngai, the latter being a controlling shareholder of Vantage, one of the Company's controlling shareholders.

On 22 September 2014, Fungs E & M entered into a contract framework agreement with Lanon Development and Lanon Building (the "Lanon Contract Framework Agreement") to govern the overall relationship of the parties in relation to 5 existing contracts entered into between Fungs E & M and the relevant subsidiaries of Lanon Holdings and any such future contracts as may be entered into between Fungs E & M and the relevant subsidiaries of Lanon Holdings from time to time in relation to the provision of Building Services engineering works by Fungs E & M. The maximum amount of contracting fees payable to Fungs E & M under the Lanon Contract Framework Agreement shall not exceed the annual caps of HK$82 million, HK$92 million and HK$87 million for the years ending 31 March 2015, 2016 and 2017 respectively. Details of the Lanon Contract Framework Agreement are set out in the Prospectus.

During the year ended 31 March 2015, the contract revenue from the relevant subsidiaries of Lanon Holdings amounted to approximately HK$62.5 million, which did not exceed the relevant annual cap for the same period.

(c) Each of Vantage and Mr. Fung (both the Company's controlling shareholders) is beneficially indirectly interested in 50% of the shareholdings in Able E & M.

On 5 September 2014, Fungs E & M entered into a contract agreement with Able E & M (the "Able E & M Contract Agreement") to govern the overall relationship of the parties in relation to 6 existing contracts entered into between the Group and Able E & M in relation to the provision of Building Services engineering works by Fungs E & M according to the requirements under Chapter 14A of the Listing Rules. The maximum amount of contracting fees payable to Fungs E & M under the Able E & M Contract Agreement shall not exceed the annual caps of HK$47 million and HK$18 million for the years ending 31 March 2015 and 2016 respectively. Details of the Able E & M Contract Agreement are set out in the Prospectus.

During the year ended 31 March 2015, the contract revenue from Able E & M amounted to approximately HK$21.7 million, which did not exceed the relevant annual cap for the same period.

The independent non-executive Directors have reviewed the continuing connected transactions mentioned above 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 better; 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 of the Company as a whole.

The Company's auditor has confirmed that:

(i) nothing has come to their attention that causes them to believe that the continuing connected transactions mentioned above have not been approved by the Board;

(ii) for transactions in the Vantage Contract Framework Agreement, the Lanon Contract Framework Agreement and the Able E & M Contract Agreement, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;

(iii) nothing has come to their attention that causes them to believe that the continuing connected transactions mentioned above were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

(iv) with respect to the aggregate amount of each of the continuing connected transactions set out above, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the maximum annual cap as set by the Company.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Having made specific enquiry of all Directors, all Directors have confirmed that neither themselves nor their respective associates (as defined in the Listing Rules) had held any position or had interest in any businesses or companies that were or might be materially competing with the business of the Group, or gave rise to any concern regarding conflict of interest during the Reporting Period.

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 from the date of Listing on 16 October 2014 to 31 March 2015.

CORPORATE GOVERNANCE CODE

Throughout the period from the date of Listing on 16 October 2014 to 31 March 2015, the Company has complied with the applicable code provisions as set out in the Corporate Governance Code contained in appendix 14 to the Listing Rules.

For the details of the Company's corporate governance practices, please refer to the section headed "Corporate Governance Report" in this annual report.

SUFFICIENCY OF PUBLIC FLOAT

To the best knowledge of the Directors and based on information available in the public domain concerning the Company, at least 25% of the Company's issued share capital were held by the public as at the date of this report.

AUDITORS

Ernst & Young shall retire in the forthcoming annual general meeting, being eligible, offer itself for re-appointment. A resolution for the re-appointment of Ernst & Young will be proposed at the forthcoming annual general meeting. The Company has not changed its external auditors during the year ended 31 March 2015 and up to the date of this annual report.

On behalf of the Board

Fung Chi Wing
Chairman

Hong Kong, 19 June 2015

INDEPENDENT AUDITORS' REPORT

EY 安永

To the shareholders of Nga Chun Holdings Company Limited
(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Nga Chun Holdings Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 33 to 78, which comprise the consolidated and company statements of financial position as at 31 March 2015, 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.

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 of the Group as at 31 March 2015, and of the Group's 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.

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

19 June 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2015

	Notes	2015 HK$'000	2014 HK$'000
REVENUE	5	684,578	581,494
Contract costs		(610,924)	(506,500)
Gross profit		73,654	74,994
Other income and gains	5	1,302	496
Administrative expenses		(29,216)	(13,785)
Finance costs	6	(1,142)	(557)
Other expenses, net		3,469	(5,451)
PROFIT BEFORE TAX	7	48,067	55,697
Income tax expense	10	(9,540)	(10,419)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		38,527	45,278
Profit and total comprehensive income attributable to owners of the parent	11	38,527	45,278
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT			
Basic and diluted	13	HK11.14 cents	HK15.09 cents

Details of the dividend for the year are disclosed in note 12 to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

	Notes	2015 HK$'000	2014 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	14	67,221	65,487
Pledged deposit for a life insurance product	16	6,133	5,963
Total non-current assets		73,354	71,450
CURRENT ASSETS			
Gross amount due from customers for contract works	17	61,703	57,588
Accounts receivable	18	63,633	55,412
Prepayments, deposits and other receivables	19	2,220	3,105
Tax recoverable		789	—
Time deposits with maturity of more than three months		14,945	—
Cash and cash equivalents	20	156,755	96,491
Total current assets		300,045	212,596
CURRENT LIABILITIES			
Accounts payable	21	26,103	26,956
Accruals of costs for contract works		60,187	48,707
Tax payable		—	7,377
Other payables and accruals		4,245	3,492
Interest-bearing bank loans	22	36,066	57,833
Total current liabilities		126,601	144,365
NET CURRENT ASSETS		173,444	68,231
TOTAL ASSETS LESS CURRENT LIABILITIES		246,798	139,681
NON-CURRENT LIABILITIES			
Deferred tax liabilities	23	56	176
Net assets		246,742	139,505
EQUITY			
Equity attributable to owners of the parent			
Issued capital	24	4,000	—
Reserves	25	242,742	139,505
Total equity		246,742	139,505

Director

Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2015

	Attributable to owners of the parent				
	Issued capital HK$'000 (note 24)	**Share premium** HK$'000 (note 25(b))	**Capital reserve** HK$'000 (note 25(a))	**Retained profits** HK$'000	**Total equity** HK$'000
At 1 April 2013	—	—	4,800*	89,427*	94,227
Profit and total comprehensive income for the year	—	—	—	45,278	45,278
At 31 March 2014 and 1 April 2014	—	—*	4,800*	134,705*	139,505
Profit and total comprehensive income for the year	—	—	—	38,527	38,527
Interim dividend (note 12)	—	—	—	(36,000)	(36,000)
Issue of new shares pursuant to the Reorganisation (note 24(b))	10	114,341	(114,351)	—	—
Capitalisation Issue (note 24(c))	2,990	(2,990)	—	—	—
Issue of new shares pursuant to the Share Offer (note 24(d))	1,000	109,000	—	—	110,000
Share issue expenses	—	(5,290)	—	—	(5,290)
At 31 March 2015	4,000	215,061*	(109,551)*	137,232*	246,742

* These reserve accounts comprise the consolidated reserves of HK$242,742,000 (2014: HK$139,505,000) in the consolidated statement of financial position.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2015

	Notes	2015 HK$'000	2014 HK$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**48,067**	55,697
Adjustments for:			
Finance costs	6	**1,142**	557
Interest income	5	**(569)**	(1)
Depreciation	7	**3,133**	3,447
Charges of a life insurance product		**63**	—
Impairment of other receivables	7	**105**	—
Impairment/(reversal of impairment) of an amount due from a related party	7	**(5,451)**	5,451
		46,490	65,151
Increase in the gross amount due from customers for contract works		**(4,115)**	(2,007)
Increase in accounts receivable		**(8,221)**	(11,030)
Decrease in prepayments, deposits and other receivables		**923**	4,231
Decrease in accounts payable		**(853)**	(4,208)
Increase in accruals of costs for contract works		**11,480**	34,252
Increase in other payables and accruals		**753**	598
Cash generated from operations		**46,457**	86,987
Interest received		**193**	1
Interest paid		**(1,142)**	(557)
Hong Kong profits tax paid		**(17,826)**	(12,058)
Net cash flows from operating activities		**27,682**	74,373
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		**(4,867)**	(31,055)
Repayments from a related party		**5,451**	3,003
Increase in time deposits with original maturity of more than three months		**(14,945)**	—
Payment for a life insurance product		**—**	(5,983)
Net cash flows used in investing activities		**(14,361)**	(34,035)

Consolidated Statement of Cash Flows (Continued)

Year ended 31 March 2015

	Notes	2015 HK$'000	2014 HK$'000
Net cash flows used in investing activities		**(14,361)**	(34,035)
CASH FLOWS FROM FINANCING ACTIVITIES			
New interest-bearing bank loans		**—**	38,000
Repayment of interest-bearing bank loans		**(21,767)**	(4,767)
Interim dividend paid	12	**(36,000)**	—
Gross proceeds from issue of shares	24(d)	**110,000**	—
Share issue expenses	25(b)	**(5,290)**	—
Net cash flows from financing activities		**46,943**	33,233
NET INCREASE IN CASH AND CASH EQUIVALENTS		**60,264**	73,571
Cash and cash equivalents at beginning of year		**96,491**	22,920
CASH AND CASH EQUIVALENTS AT END OF YEAR		**156,755**	96,491
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	20	**131,994**	96,491
Non-pledged time deposits with original maturity of less than three months when acquired	20	**24,761**	—
		156,755	96,491

STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

	Notes	2015 HK$'000
NON-CURRENT ASSETS		
Investments in a subsidiary	15	114,352
CURRENT ASSETS		
Due from a subsidiary	15	63,248
Cash and cash equivalents	20	29,016
Prepayments, deposits and other receivables	19	35
Total current assets		92,299
CURRENT LIABILITIES		
Other payables and accruals		64
Due to a subsidiary	15	1
Total current liabilities		65
NET CURRENT ASSETS		92,234
Net assets		206,586
EQUITY		
Issued capital	24	4,000
Reserves	25(b)	202,586
Total equity		206,586

Director

Director

NOTES TO FINANCIAL STATEMENTS

31 March 2015

1. CORPORATE INFORMATION

Nga Chun Holdings Company Limited (the "Company") is an exempted company with limited liability incorporated in the Cayman Islands. The registered office address of the Company is Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is located at Unit B, 10/F., Summit Building, 30 Man Yue Street, Hung Hom, Kowloon, Hong Kong.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 16 October 2014 (the "Listing Date").

During the year, the Company and its subsidiaries (collectively referred to as the "Group") were engaged in the provision of building services ("Building Services") in Hong Kong.

Pursuant to the reorganisation of the Company in connection with the listing of the shares ("the Listing") of the Company on the Stock Exchange (the "Reorganisation"), the Company became the holding company of the companies now comprising the Group on 22 September 2014. Details of the Reorganisation are set out in the paragraph headed "Corporate Reorganisation" in the section headed "History and Reorganisation" to the prospectus of the Company dated 30 September 2014 (the "Prospectus").

In the opinion of the directors, the immediate and ultimate holding company of the Company is Team Great Limited ("Team Great"), which is incorporated in the British Virgin Islands ("BVI").

2.1 BASIS OF PRESENTATION

Pursuant to the Reorganisation, the Company became the holding company of the companies now comprising the Group on 22 September 2014. As the Reorganisation only involved inserting new holding entities at the top of an existing group and has not resulted in any change of economic substances, the consolidated financial statements of the Group for the years ended 31 March 2014 and 2015 have been presented as a continuation of the existing group using the pooling of interest method. Accordingly, 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 are prepared as if the current group structure immediately after the Reorganisation had been in existence throughout the years ended 31 March 2014 and 2015 rather than from the date of incorporation of the Company. The comparative consolidated statement of financial position as at 31 March 2014 presented the assets and liabilities of the companies comprising the Group, as if the group structure immediately after the Reorganisation had been in existence at 31 March 2014.

2.2 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, which because the Company has not early adopted the revised disclosure provisions of the Rules Governing the Listing of Securities (the "Listing Rules") of The Stock Exchange, are those of the predecessor Hong Kong Companies Ordinance (Cap. 32). They have been prepared under the historical cost convention. These financial statements are presented in Hong Kong dollars ("HK$"), which is the Company's functional and presentation currency and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 BASIS OF PREPARATION *(Continued)*

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2015. 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).

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 indicate 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.

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.

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	*Investment Entities*
Amendments to HKAS 32	*Offsetting Financial Assets and Financial Liabilities*
Amendments to HKAS 36	*Recoverable Amount Disclosures for Non-Financial Assets*
Amendments to HKAS 39	*Novation of Derivatives and Continuation of Hedge Accounting*
HK(IFRIC) — Int 21	*Levies*
Amendment to HKFRS 2 included in *Annual Improvements 2010–2012 Cycle*	*Definition of Vesting Condition*[1]
Amendment to HKFRS 3 included in *Annual Improvements 2010–2012 Cycle*	*Accounting for Contingent Consideration in a Business Combination*[1]
Amendment to HKFRS 13 included in *Annual Improvements 2010–2012 Cycle*	*Short-term Receivables and Payables*
Amendment to HKFRS 1 included in *Annual Improvements 2011–2013 Cycle*	*Meaning of Effective HKFRSs*

1 Effective from 1 July 2014

Except for the amendment to HKFRS 1 which is only relevant to an entity's first HKFRS financial statements, the nature and the impact of each amendment and interpretation is described below:

(a) Amendments to HKFRS 10 include a definition of an investment entity and provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. Investment entities are required to account for subsidiaries at fair value through profit or loss rather than consolidate them. Consequential amendments were made to HKFRS 12 and HKAS 27 (2011). The amendments to HKFRS 12 also set out the disclosure requirements for investment entities. The amendments have had no impact on the Group as the Company does not qualify as an investment entity as defined in HKFRS 10.

(b) The HKAS 32 Amendments clarify the meaning of "currently has a legally enforceable right to set off" for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in HKAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments have had no impact on the Group as the Group does not have any offsetting arrangement.

(c) The HKAS 36 Amendments remove the unintended disclosure requirement made by HKFRS 13 on the recoverable amount of a cash-generating unit which is not impaired. In addition, the amendments require the disclosure of the recoverable amounts for the assets or cash-generating units for which an impairment loss has been recognised or reversed during the reporting period, and expand the disclosure requirements regarding the fair value measurement for these assets or units if their recoverable amounts are based on fair value less costs of disposal. The amendments have had no impact on the financial position or performance of the Group.

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES *(Continued)*

(d) The HKAS 39 Amendments provide an exception to the requirement of discontinuing hedge accounting in situations where over-the-counter derivatives designated in hedging relationships are directly or indirectly, novated to a central counterparty as a consequence of laws or regulations, or the introduction of laws or regulations. For continuance of hedge accounting under this exception, all of the following criteria must be met: (i) the novations must arise as a consequence of laws or regulations, or the introduction of laws or regulations; (ii) the parties to the hedging instrument agree that one or more clearing counterparties replace their original counterparty to become the new counterparty to each of the parties; and (iii) the novations do not result in changes to the terms of the original derivative other than changes directly attributable to the change in counterparty to achieve clearing. The amendments have had no impact on the Group as the Group has not novated any derivatives during the current and prior years.

(e) HK(IFRIC) — Int 21 clarifies that an entity recognises a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognised before the specified minimum threshold is reached. The interpretation has had no impact on the Group as the Group applied, in prior years, the recognition principles under HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* which for the levies incurred by the Group are consistent with the requirements of HK(IFRIC) — Int 21.

(f) The HKFRS 2 Amendment clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including (i) a performance condition must contain a service condition; (ii) a performance target must be met while the counterparty is rendering service; (iii) a performance target may relate to the operations or activities of an entity, or to those of another entity in the same group; (iv) a performance condition may be a market or non-market condition; and (v) if the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied. The amendment has had no impact on the Group.

(g) The HKFRS 3 Amendment clarifies that contingent consideration arrangements arising from a business combination that are not classified as equity should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of HKFRS 9 or HKAS 39. The amendment has had no impact on the Group.

(h) The HKFRS 13 Amendment clarifies that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. The amendment has had no impact on the Group.

2.4 NEW AND REVISED HKFRSs AND REVISED DISCLOSURE REQUIREMENTS UNDER THE REVISED LISTING RULES NOT YET ADOPTED

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

1 Effective for annual periods beginning on or after 1 July 2014
2 Effective for annual periods beginning on or after 1 January 2016
3 Effective for annual periods beginning on or after 1 January 2017
4 Effective for annual periods beginning on or after 1 January 2018
5 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

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 expects that the adoption of HKFRS 9 will have an impact on the classification and measurement of the Group's financial assets. Further information about the impact will be available nearer the implementation date of the standard.

Amendments to HKFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value. The amendments to HKFRS 10 also clarify that only a subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. Consequential amendments were made to HKFRS 12 to require an investment entity that prepares financial statements in which all of its subsidiaries are measured at fair value through profit or loss in accordance with HKFRS 9 to present the disclosures in respect of investment entities in accordance with HKFRS 12. HKAS 28 (2011) was also amended to allow an investor that is not itself an investment entity, and has an interest in an investment entity associate or joint venture, to retain the fair value measurement applied by the investment entity associate or joint venture to the interest in its subsidiaries. The amendments are not expected to have any impact on the Group as the Company is not an investment entity as defined in HKFRS 10.

2.4 NEW AND REVISED HKFRSs AND REVISED DISCLOSURE REQUIREMENTS UNDER THE REVISED LISTING RULES NOT YET ADOPTED *(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 that will apply to 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. The Group expected to adopt HKFRS 15 on 1 April 2017 and is currently assessing the impact of HKFRS 15 upon adoption.

Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements in five areas, including materiality, disaggregation and subtotals, notes structure, disclosure of accounting policies and presentation of items of other comprehensive income arising from equity accounted investments. The amendments further encourage entities to apply professional judgement in determining what information to disclose and how to structure the disclosure in the financial statements. The Group expects to adopt the amendments from 1 April 2016.

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.

2.4 NEW AND REVISED HKFRSs AND REVISED DISCLOSURE REQUIREMENTS UNDER THE REVISED LISTING RULES NOT YET ADOPTED *(Continued)*

The HKAS 16 and HKAS 41 Amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will be within the scope of HKAS 16 instead of HKAS 41. After initial recognition, bearer plants will be measured under HKAS 16 at accumulated cost before maturity. After the bearer plants mature, they will be measured either using the cost model or revaluation model in accordance with HKAS 16. The amendments also require that produce growing on the bearer plants will remain in the scope of HKAS 41 and is measured at fair value less costs to sell. Government grants relating to bearer plants will now be accounted for in accordance with HKAS 20 Accounting for Government Grants and Disclosure of Government Assistance. The Group expects to adopt the amendments from 1 April 2016. The amendments are not expected to have any impact on the Group as the Group does not have any bearer plants.

The HKAS 19 Amendments 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 Group expects to adopt the amendments from 1 April 2015.

The *Annual Improvements to HKFRSs 2010–2012 Cycle* issued in January 2014 sets out amendments to a number of HKFRSs. Except for those described in note 2.3, the Group expects to adopt the amendments from 1 April 2015. None of the amendments are expected to have a significant financial impact on the Group. Details of the amendment most applicable to the Group 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.

In addition, the amendments to the Listing Rules announced by the Stock Exchange in February 2015 relating to the disclosure of financial information with reference to the Companies Ordinance (Cap. 622) and HKFRs will be applied for the year ending March 31, 2016. They will affect the presentation and disclosure of certain information in the consolidated financial statements for the next financial year.

Notes to Financial Statements (Continued)

31 March 2015

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fair value measurement

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.

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 the reporting period.

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 and financial assets), 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.

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Impairment of non-financial assets *(Continued)*

An assessment is made at the end of the 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.

Related parties

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

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

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

(ii) has significant influence over the Group; or

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

or

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

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

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

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

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

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

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

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

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Property, plant and equipment and depreciation

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

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

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

Land and buildings	Over the shorter of the remaining lease terms and 40 years
Furniture, fixtures and office equipment	20%
Motor vehicles	25%

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

Residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at least at 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.

Leases

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

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.

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as loans and receivables. The Group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets.

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

The Group's financial assets include accounts and other receivables, deposits, and cash and cash equivalents.

Subsequent measurement

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

Derecognition of financial assets

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

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Impairment of financial assets

The Group assesses at the end 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).

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

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

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings. All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

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

The Group's financial liabilities include accounts and other payables, accruals of costs for contract works and interest-bearing bank loans.

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial liabilities *(Continued)*

Subsequent measurement

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

Loans and borrowings

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

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

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.

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

Cash and cash equivalents

For the purpose of the 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.

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Cash and cash equivalents *(Continued)*

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 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 the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of 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, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

- in respect of deductible temporary differences associated with investments in subsidiaries, 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 the 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 the 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.

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Income tax *(Continued)*

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.

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.

Revenue recognition

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

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

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

(c) rental income, on a time proportion basis over the lease terms.

Construction, renovation and other contracts

Contract revenue comprises the agreed contract amount or fixed rate per unit of output 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 contracts is recognised on the percentage of completion method, measured by reference to the percentage of certified value of work performed to date to the total contract sum of the relevant contracts.

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

Employee benefits

Pension scheme

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

2.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

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 have been approved by the shareholders in a general meeting.

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group using the exchange rates prevailing at the dates of the transactions. Exchange differences arising from the settlement of such transactions and from the retranslation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

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 the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the 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 2.5 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 17 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 the 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. SIGNIFICANT ACCOUNTING ESTIMATES *(Continued)*

Estimation uncertainty *(Continued)*

Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of the 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 to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Estimated recoverability of receivables

The Group's management determines the provision of receivables based on an assessment of the recoverability of the receivables. This assessment is based on the credit history of its customers and other debtors as well as the current market condition, and requires the use of judgements and estimates. Management reassesses the provision at the end of the reporting period.

4. SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment, which is the provision of Building Services. Since this is the only operating segment of the Group, no further operating segment analysis thereof is presented.

The Group's revenue from external customers was derived solely from its operations in Hong Kong during the year, and the non-current assets of the Group were located in Hong Kong as at 31 March 2015 and 2014.

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:

	2015 **HK$'000**	2014 HK$'000
Customer A	**308,315**	277,355
Customer B#	**121,742**	69,694
Customer C	**N/A***	92,050
Customer D	**87,393**	—

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

Included sales to a group of entities which are known to be under common control of a related party.

Except for the aforesaid, no revenue from a single external customer accounted for 10% or more of the Group's revenue.

5. REVENUE, OTHER INCOME AND GAINS

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

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

	2015 HK$'000	2014 HK$'000
Revenue		
Contract revenue	684,578	581,494
Other income and gains		
Interest income	569	1
Management fee income	613	—
Gross rental income	120	480
Sundry income	—	15
	1,302	496

6. FINANCE COSTS

	Group	
	2015 HK$'000	2014 HK$'000
Interest on bank loans and overdrafts wholly repayable within five years	1,142	557

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Notes	2015 HK$'000	2014 HK$'000
Depreciation	14	3,133	3,447
Auditors' remuneration		1,280	220
Impairment/(reversal of impairment) of an amount due from a related party*	19	(5,451)	5,451
Impairment of other receivables*	19	105	—
Net rental income		(102)	(413)
Exchange loss*		1,877	—
Employee benefit expense:			
Wages and salaries		38,144	32,519
Pension scheme contributions (defined contribution scheme)		1,011	799
		39,155	33,318
Minimum lease payments under operating leases in respect of office equipment		154	138

* Included in "Other expenses, net" in the consolidated statement of profit or loss and other comprehensive income.

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules and section 161 of the predecessor Hong Kong Companies Ordinance (Cap. 32), is as follows:

	Group	
	2015 HK$'000	2014 HK$'000
Fees	**180**	—
Other emoluments:		
Salaries, allowances and benefits in kind	**4,348**	4,137
Discretionary performance-related bonuses	**3,673**	3,264
Pension scheme contributions (defined contribution schemes)	**54**	45
	8,075	7,446
	8,255	7,446

The Company was incorporated on 21 May 2014, hence, directors' remuneration for the year ended 31 March 2014 was the remuneration received by certain directors of the Company from a subsidiary now comprising the Group for their appointments as directors of this subsidiary or in a capacity as an employee.

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	2015 HK$'000	2014 HK$'000
Ir Ho Pun Hing	**60**	—
Ir Szeto Ka Sing	**60**	—
Dr. Leung Shiu Ki Albert	**60**	—
	180	—

Ir Ho Pun Hing, Ir Szeto Ka Sing and Dr. Leung Shiu Ki Albert were appointed as independent non-executive directors of the Company on 22 September 2014.

There were no other emoluments payable to the independent non-executive directors during the year.

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION *(Continued)*

(b) Executive directors

	Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Discretionary performance-related bonuses HK$'000	Pension scheme contributions HK$'000	Total remuneration HK$'000
Year ended 31 March 2015					
Mr. Fung Chi Wing ("Mr. Fung")	**—**	**3,103**	**1,560**	**18**	**4,681**
Ir Wong Chi Wai ("Mr. Wong")	**—**	**727**	**1,903**	**18**	**2,648**
Ms. Fung Mei Lan ("Ms. Fung")	**—**	**518**	**210**	**18**	**746**
	—	**4,348**	**3,673**	**54**	**8,075**
Year ended 31 March 2014					
Mr. Fung	—	2,985	1,500	15	4,500
Mr. Wong	—	705	1,524	15	2,244
Ms. Fung	—	447	240	15	702
	—	4,137	3,264	45	7,446

Mr. Fung, Ms. Fung and Mr. Wong were appointed as executive directors of the Company on 26 June 2014. Mr. Fung was appointed as the chairman of the Company and Mr. Wong was appointed as the chief executive officer of the Company on 26 June 2014.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2014: two) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining three (2014: three) non-director, highest paid employees are as follows:

	Group	
	2015 HK$'000	2014 HK$'000
Salaries, allowances and benefits in kind	**1,707**	1,648
Discretionary performance-related bonuses	**1,280**	1,283
Pension scheme contributions	**53**	45
	3,040	2,976

9. FIVE HIGHEST PAID EMPLOYEES *(Continued)*

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

	Number of employees	
	2015	2014
Nil to HK$1,000,000	**2**	2
HK$1,000,001 to HK$1,500,000	**1**	1
	3	3

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% (2014: 16.5%) on the estimated assessable profits arising in Hong Kong during the year.

	Group	
	2015 HK$'000	2014 HK$'000
Current — Hong Kong		
Charge for the year	**9,668**	10,564
Over-provision in prior years	**(8)**	—
Deferred (note 23)	**(120)**	(145)
Total tax charge for the year	**9,540**	10,419

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

	Group	
	2015 HK$'000	2014 HK$'000
Profit before tax	**48,067**	55,697
Tax at the Hong Kong statutory tax rate of 16.5%	**7,931**	9,190
Adjustments in respect of current tax of previous periods	**(78)**	—
Income not subject to tax	**(955)**	—
Expenses not deductible for tax	**2,580**	1,239
Tax losses not recognised	**62**	—
Others	**—**	(10)
Tax charge at the Group's effective tax rate	**9,540**	10,419

11. PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

The profit attributable to owners of the parent for the year ended 31 March 2015 includes a loss of HK$12,945,000 (2014: Nil), which has been dealt with in the financial statements of the Company (note 25(b)).

12. DIVIDEND

	2015 **HK$'000**	2014 HK$'000
Proposed final — HK3 cents (2014: Nil) per ordinary share	**12,000**	—

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

On 8 September 2014, Fungs E & M Engineering Company Limited ("Fungs E & M"), a subsidiary of the Company, declared an interim dividend of HK$36,000,000 to the then shareholder. Such interim dividend was paid in October 2014.

13. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

The calculation of basic earnings per share for the year ended 31 March 2015 is based on the profit for the year attributable to owners of the parent of HK$38,527,000 (2014: HK$45,278,000) and the weighted average number of ordinary shares of 345,723,425 (2014: 300,000,000) in issue during the year, as if the Reorganisation and Capitalisation Issue as defined in notes 24(b) and 24(c) had been effective since 1 April 2013.

The weighted average number of ordinary shares used to calculate the basic earnings per share amount for the year ended 31 March 2015 includes an ordinary share of the Company issued upon incorporation, the 999,999 new ordinary shares issued pursuant to the Reorganisation (note 24(b)) and the 299,000,000 new ordinary shares issued pursuant to the Capitalisation Issue (note 24(c)), as if all these shares had been in issue throughout the year ended 31 March 2015, and the weighted average of 100,000,000 new ordinary shares issued pursuant to the Share Offer (note 24(d)).

The number of ordinary shares used to calculate the basic earnings per share amount for the year ended 31 March 2014 was based on 300,000,000 ordinary shares, representing the number of ordinary shares of the Company immediately after the Capitalisation Issue, as if all these shares had been in issue throughout the year ended 31 March 2014.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 March 2014 and 2015 as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2014 and 2015.

14. PROPERTY, PLANT AND EQUIPMENT

Group

	Land and buildings HK$'000	Furniture, fixtures and office equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
31 March 2015				
At 31 March 2014 and 1 April 2014:				
Cost	**65,047**	**3,755**	**6,536**	**75,338**
Accumulated depreciation	**(1,938)**	**(2,376)**	**(5,537)**	**(9,851)**
Net carrying amount	**63,109**	**1,379**	**999**	**65,487**
At 1 April 2014, net of accumulated depreciation	**63,109**	**1,379**	**999**	**65,487**
Additions	**4,362**	**505**	**—**	**4,867**
Depreciation provided during the year	**(1,952)**	**(717)**	**(464)**	**(3,133)**
At 31 March 2015, net of accumulated depreciation	**65,519**	**1,167**	**535**	**67,221**
At 31 March 2015:				
Cost	**69,409**	**4,260**	**6,536**	**80,205**
Accumulated depreciation	**(3,890)**	**(3,093)**	**(6,001)**	**(12,984)**
Net carrying amount	**65,519**	**1,167**	**535**	**67,221**
31 March 2014				
At 1 April 2013:				
Cost	54,193	3,763	6,471	64,427
Accumulated depreciation	(261)	(1,843)	(4,444)	(6,548)
Net carrying amount	53,932	1,920	2,027	57,879
At 1 April 2013, net of accumulated depreciation	53,932	1,920	2,027	57,879
Additions	10,854	136	65	11,055
Depreciation provided during the year	(1,677)	(677)	(1,093)	(3,447)
At 31 March 2014, net of accumulated depreciation	63,109	1,379	999	65,487
At 31 March 2014:				
Cost	65,047	3,755	6,536	75,338
Accumulated depreciation	(1,938)	(2,376)	(5,537)	(9,851)
Net carrying amount	63,109	1,379	999	65,487

At 31 March 2015, one of the Group's land and buildings with a net carrying amount of approximately HK$48,916,000 (2014: HK$50,421,000) was pledged to secure general banking facility granted to the Group (note 22).

The Group's land included in land and buildings is situated in Hong Kong and is held under a medium lease term.

15. INVESTMENTS IN SUBSIDIARIES

	Company 2015 HK$'000	Company 2014 HK$'000
Unlisted shares, at cost	**114,352**	—

The amounts due from and to subsidiaries included in the Company's current assets and current liabilities are unsecured, interest-free and repayable on demand.

Particulars of the subsidiaries of the Group as at 31 March 2015 are set out below:

Company name	Place and date of incorporation and place of operations	Issued ordinary share capital	Percentage of equity attributable to the Company Direct	Percentage of equity attributable to the Company Indirect	Principal activities
Master Grand Investment Company Limited ("Master Grand")	BVI 19 May 2014	US$100	100	—	Investment holding
Fungs E & M	Hong Kong 28 July 1994	HK$4,800,000	—	100	Building Services

16. PLEDGED DEPOSIT FOR A LIFE INSURANCE PRODUCT

During the year ended 31 March 2014, the Group entered into a life insurance policy with an insurance company to insure an executive director. Under this policy, the Group is the beneficiary and the policy holder. The Group is required to pay an upfront payment for the policy. The Group may request a partial surrender or full surrender of the policy at any time and receive cash based on the value of the policy at the date of withdrawal, which is determined by the gross premium paid at inception plus accumulated interest earned and minus insurance premium and policy expenses charged (the "Cash Value"). If such withdrawal is made at any time during the first to the eighteenth policy year, as appropriate, a pre-determined specified surrender charge would be imposed.

The insurance company pays interest at a rate of 4.2% per annum on the Cash Value of the policy for the first policy year. Commencing on the second policy year, the interest rate is 2% plus a premium determined by the insurance company on an annual basis.

At the inception date, the upfront payment is separated into a prepayment of life insurance premium and a deposit. The prepayment of life insurance premium is amortised to profit or loss over the insured period and the deposit is carried at amortised cost using the effective interest method. The effective interest rate on initial recognition was determined by discounting the estimated future cash receipts through the expected life of the insurance policy, excluding the financial effect of surrender charge.

The carrying amount of the life insurance product as at 31 March 2015 approximated to the Cash Value of the insurance policy, which is considered a close estimate to the fair value. The expected life of the policy remained unchanged from the initial recognition.

16. PLEDGED DEPOSIT FOR A LIFE INSURANCE PRODUCT *(Continued)*

The fair value of the non-current portion of the pledged deposit is categorised within Level 3 of the fair value hierarchy and has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar credit terms, credit risk and remaining maturities.

The prepayment of life insurance premium of HK$20,000 is included in the current portion of prepayments, deposits and other receivables and an aggregate carrying amount of HK$6,153,000 (2014: HK$5,983,000) was pledged as security for the Group's general banking facility (note 22).

17. CONSTRUCTION, RENOVATION AND OTHER CONTRACTS

	Group	
	2015 HK$'000	2014 HK$'000
Gross amount due from customers for contract works	**61,703**	57,588
Contract costs incurred plus recognised profits less recognised losses to date	**994,040**	705,883
Less: Progress billings	**(932,337)**	(648,295)
	61,703	57,588

18. ACCOUNTS RECEIVABLE

	Group	
	2015 HK$'000	2014 HK$'000
Due from third parties	**39,693**	33,617
Due from related parties	**23,940**	21,795
	63,633	55,412

Accounts receivable represented receivables for contract works. The payment terms of receivables for contract works are stipulated in the relevant contracts and the receivables are usually due for settlement within 7 days after the customers receive interim payment from their project employers.

At 31 March 2015, retentions receivable (including those classified under amounts due from related parties) included in accounts receivable amounted to HK$15,932,000 (2014: HK$16,111,000), which are repayable on terms ranging from two to three years.

The credit terms offered to the related parties are similar to those offered to other major independent customers of the Group.

18. ACCOUNTS RECEIVABLE *(Continued)*

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

	Group	
	2015 **HK$'000**	2014 HK$'000
Past due but not impaired:		
One to three months past due	**1,038**	158
Four to six months past due	**—**	155
Over six months past due	**2,187**	2,380
	3,225	2,693
Neither past due nor impaired	**60,408**	52,719
	63,633	55,412

Accounts receivable that were past due but not impaired relate to a number of independent customers and a related party 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 enhancements over these balances.

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

19. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Group		Company
	2015 **HK$'000**	2014 HK$'000	**2015** **HK$'000**
Prepayments	**1,793**	246	**35**
Deposits and other receivables	**532**	159	**—**
Due from a related party	**—**	8,151	**—**
	2,325	8,556	**35**
Impairment	**(105)**	(5,451)	**—**
	2,220	3,105	**35**

19. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES *(Continued)*

The movements in provision for impairment are as follows:

	Group	
	2015 HK$'000	2014 HK$'000
At beginning of year	**5,451**	—
Impairment losses recognised (note 7)	**105**	5,451
Impairment losses reversed (note 7)	**(5,451)**	—
At end of year	**105**	5,451

The impairment in the prior year related to an amount due from Able E & M Engineering Company ("Able E & M"), which is jointly controlled by a director of the Company and a substantial shareholder. Such impairment was reversed during the year upon settlement received from Able E & M.

The individually impaired other receivables related to individuals that were in financial difficulties or were in default in payments and only a portion of the receivables is expected to be recovered.

20. CASH AND CASH EQUIVALENTS

	Group		Company
	2015 HK$'000	2014 HK$'000	**2015 HK$'000**
Cash and bank balances	**131,994**	96,491	**29,016**
Time deposits	**24,761**	—	**—**
	156,755	96,491	**29,016**
Cash and cash equivalents denominated in:			
Renminbi ("RMB")	**24,761**	—	**—**
HK$	**123,386**	96,491	**29,016**
Euro	**8,608**	—	**—**
	156,755	96,491	**29,016**

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.

21. ACCOUNTS PAYABLE

	Group	
	2015	2014
	HK$'000	HK$'000
Due to third parties	**26,103**	23,930
Due to related parties (note)	**—**	3,026
	26,103	26,956

Note: The amounts are unsecured, interest-free and are normally settled on 60-day terms. The credit terms offered by the related parties are similar to those offered by other major independent suppliers of the Group.

An aging analysis of the accounts payable as at the end of the reporting period, based on the invoice date, is as follows:

	Group	
	2015	2014
	HK$'000	HK$'000
Current to 3 months	**26,103**	26,892
Over 6 months	**—**	64
	26,103	26,956

At 31 March 2015, retentions payable included in accounts payable amounted to HK$9,374,000 (2014: HK$6,261,000), which are normally settled on terms ranging from two to three years.

Accounts payable are non-interest-bearing and are normally settled within three months. The payment terms are stipulated in the relevant contracts.

22. INTEREST-BEARING BANK LOANS

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

	Group	
	2015	2014
	HK$'000	HK$'000
Interest-bearing bank loans — repayable on demand, secured and at a floating interest rate	**36,066**	57,833

Notes:

(a) The Group's secured bank loans are secured by:

(i) an unlimited guarantee provided by a director as at 31 March 2014, and which was released upon the Listing;

22. INTEREST-BEARING BANK LOANS *(Continued)*

Notes: *(Continued)*

(a) The Group's secured bank loans are secured by: *(Continued)*

(ii) a legal charge over a land and building of the Group with a carrying amount of HK$48,916,000 (2014: HK$50,421,000) as at 31 March 2015; and

(iii) a pledged deposit of a life insurance product with a carrying amount of HK$6,153,000 (2014: HK$5,983,000) as at 31 March 2015.

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

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

(d) As further explained in note 33 to the financial statements, the interest-bearing bank loans of the Group containing an on-demand clause have been classified as current liabilities. For the purpose of the above analysis, the loans are included within current interest-bearing bank loans and analysed into bank loans repayable on demand. Based on the maturity terms of the loans, the amounts repayable in respect of the loans are as follows:

	2015 **HK$'000**	2014 HK$'000
Analysed into:		
Within one year	**11,033**	21,767
In the second year	**10,933**	11,033
In the third to fifth years, inclusive	**7,800**	16,133
After five years	**6,300**	8,900
	36,066	57,833

23. DEFERRED TAX LIABILITIES

The movements of deferred tax liabilities during the year are as follows:

Group

	Depreciation allowance in excess of related depreciation HK$'000
At 1 April 2013	321
Deferred tax credited to profit or loss during the year (note 10)	(145)
At 31 March 2014 and 1 April 2014	176
Deferred tax credited to profit or loss during the year (note 10)	(120)
At 31 March 2015	**56**

23. DEFERRED TAX LIABILITIES *(Continued)*

At 31 March 2015, there was no significant unrecognised deferred tax liability for taxes that would be payable on the unremitted earnings of the Group's subsidiaries as the Group has no liability to additional tax should such amounts be remitted.

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

24. ISSUED CAPITAL

Shares

	2015 HK$'000
Authorised:	
1,000,000,000 ordinary shares of HK$0.01 each	**10,000**
Issued and fully paid:	
400,000,000 ordinary shares of HK$0.01 each	**4,000**

The movements in the Company's share capital during the period from 21 May 2014 (date of incorporation) to 31 March 2015 were as follows:

	Notes	**Number of ordinary shares of HK$0.01 each**	**Nominal value of ordinary shares** HK$'000
Authorised:			
At 21 May 2014 (date of incorporation)	(a)	37,000,000	370
Increase in authorised share capital on 22 September 2014	(b)	963,000,000	9,630
At 31 March 2015		1,000,000,000	10,000

	Notes	**Number of shares in issue**	**Issued capital** HK$'000
Issued and fully paid:			
At 21 May 2014 (date of incorporation)	(a)	1	—
Issue of new shares pursuant to the Reorganisation	(b)	999,999	10
Capitalisation Issue	(c)	299,000,000	2,990
Issue of new shares pursuant to the Share Offer	(d)	100,000,000	1,000
At 31 March 2015		400,000,000	4,000

24. ISSUED CAPITAL *(Continued)*

Notes:

(a) Upon incorporation on 21 May 2014, the authorised share capital of Company was HK$370,000 divided into 37,000,000 shares of HK$0.01 each. On the date of incorporation, 1 ordinary share of HK$0.01 was allotted and issued nil paid by the Company to the initial subscriber, Reid Services Limited, which was transferred to Team Great on 13 June 2014.

(b) On 22 September 2014, an ordinary resolution of the sole shareholder of the Company was passed and pursuant to which:

(i) the authorised share capital of the Company was increased from HK$370,000 to HK$10,000,000 by the creation of 963,000,000 additional shares of HK$0.01 each, ranking pari passu in all respects with existing shares of the Company; and

(ii) Team Great transferred all the shares it held in Fungs E & M to Master Grand, a direct wholly-owned subsidiary of the Company, in consideration of the Company allotting and issuing 999,999 ordinary shares in connection with the Reorganisation.

(c) Pursuant to the special resolution of the sole shareholder of the Company passed on 22 September 2014, a sum of HK$2,990,000 standing to credit of the share premium account of the Company was approved to be capitalised and for the allotment and issue of 299,000,000 ordinary shares of HK$0.01 each, credited as fully paid at par on 16 October 2014 (the "Capitalisation Issue").

(d) In connection with the listing of the Company on the Main Board of the Stock Exchange, 100,000,000 new ordinary shares of HK$0.01 each were issued at a price of HK$1.1 per share for a total cash consideration, before expenses, of HK$110,000,000 (the "Share Offer"). Dealings in the shares of the Company on the Stock Exchange commenced on 16 October 2014.

25. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statements of changes in equity.

Capital reserve

The amount represented the difference between the share capital and share premium issued by the Company for the acquisition of a subsidiary pursuant to the Reorganisation and the share capital of the subsidiary being acquired at the time of the Reorganisation.

25. RESERVES *(Continued)*

(b) Company

	Share premium HK$'000	Accumulated losses HK$'000	Total HK$'000
At 21 May 2014 (date of incorporation)	—	—	—
Loss and total comprehensive income for the period	—	(12,475)	(12,475)
Issue of new shares pursuant to the Reorganisation (note 24(b))	114,341	—	114,341
Capitalisation Issue (note 24(c))	(2,990)	—	(2,990)
Issue of shares pursuant to the Share Offer (note 24(d))	109,000	—	109,000
Share issue expenses	(5,290)	—	(5,290)
At 31 March 2015	215,061	(12,475)	202,586

26. SHARE OPTION SCHEME

Pursuant to the share option scheme adopted by the Company on 22 September 2014 (the "Scheme"), the Company may grant options to directors (including executive directors, non-executive directors and independent non-executive directors) and full-time employees of any member of the Group and any advisers, consultants, contractors, sub-contractors, suppliers, agents, customers, business partners, joint venture business partners, service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group, to subscribe for shares in the Company with the payment of HK$1.00 upon each option granted and the options granted must be accepted within 14 days from the date of offer.

The subscription price of a share shall be at least the higher of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option (ii) the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheet for the five trading days immediately preceding the date of grant of the option; and (iii) the nominal value of the shares of the Company on the date of grant of the option. The share options granted are exercisable at any time during a period of not more than 10 years from the date of grant, subject to the provisions of early termination contained in the Scheme. The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the number of shares of the Company in issue from time to time. The total number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes must not, in aggregate, exceed 10% of the number of shares of the Company in issue on the date the shares of the Company commence trading on the Stock Exchange. The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12 months period up to the date of grant shall not exceed 1% of the shares of the Company then in issue.

No share option was granted, exercised, cancelled or lapsed since the adoption date of the Scheme on 22 September 2014 and there was no outstanding share option under the Scheme as at 31 March 2015.

27. CONTINGENT LIABILITIES

(a) As at 31 March 2015, the Company had given a guarantee to a bank in connection with a facility granted to a subsidiary, of which HK$36,066,000 (2014: Nil) was utilised.

(b) In the ordinary course of the Group's Building Services 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.

28. OPERATING LEASE ARRANGEMENT

(a) As lessor

The Group leases certain of its property (note 14) under an operating lease arrangement, with a lease negotiated for a term of five years. The term of the lease generally also requires the tenant to pay security deposits and provides for periodic rent adjustments according to the then prevailing market conditions.

At the end of the reporting period, the Group had total future minimum lease receivables under a non-cancellable operating lease with its tenant falling due as follows:

	Group	
	2015 **HK$'000**	2014 HK$'000
Within one year	—	480
In the second to fifth years, inclusive	—	1,440
	—	1,920

(b) As lessee

The Group leases an office property under an operating lease arrangement. The lease for the property is negotiated for a term of two years.

At the end of the reporting period, the Group had total future minimum lease payments under a non-cancellable operating lease falling due as follows:

	Group	
	2015 **HK$'000**	2014 HK$'000
Within one year	**20**	—

29. COMMITMENTS

At the end of the reporting period, the Group had the following significant capital commitments in respect of acquisition of items of property, plant and equipment:

	Group	
	2015	2014
	HK$'000	HK$'000
Contracted, but not provided for	**879**	—

30. RELATED PARTY TRANSACTIONS

During the year, the directors are of the view that related parties of the Group include the following companies:

Name of related party	Relationship with the Group
YWH Limited ("YWH")	An entity controlled by a director of the Company
Able E & M	An entity jointly controlled by a director of the Company and a substantial shareholder of the Company
Central Illuminazione System Limited* ("Central Illuminazione")	An entity under significant influence of a director of the Company
Able Engineering Company Limited ("Able Engineering")	An entity controlled by a substantial shareholder of the Company
Able Contracting Limited ("Able Contracting")	An entity controlled by a substantial shareholder of the Company
Able Contractors Limited ("Able Contractors")	An entity controlled by a substantial shareholder of the Company
Excel Engineering Company Limited ("Excel")	An entity controlled by a substantial shareholder of the Company
Lanon Development Limited ("Lanon Development")	An entity controlled by a family member of a substantial shareholder of the Company
Lanon Building Limited ("Lanon Building")	An entity controlled by a family member of a substantial shareholder of the Company

* This entity was not a related party of the Group since 2 April 2014. As a result, only the purchases made before 2 April 2014 constituted related party transactions of the Group.

30. RELATED PARTY TRANSACTIONS *(Continued)*

(a) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following transactions with related parties during the year:

	Group	
	2015 **HK$'000**	2014 HK$'000
Contract revenue from related parties#		
Able E & M	**21,719**	36,288
Able Engineering	**94,005**	56,033
Able Contracting	**18,907**	10,883
Able Contractors	**7,789**	1,286
Excel	**1,041**	1,492
Lanon Development	**16,561**	32,235
Lanon Building	**45,930**	23,998
Purchase of materials from Central Illuminazione	**—**	15,250
Rental expense to YWH#	**40**	—
Unlimited personal guarantee in respect of the Group's banking facilities provided by Mr. Fung	**—**	78,133

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

(b) **Outstanding balances with related parties**

Other than balances with related parties disclosed elsewhere in the financial statements, the Group had no outstanding balances with related parties as at the end of the reporting period.

(c) Compensation of key management personnel of the Group:

	2015 **HK$'000**	2014 HK$'000
Short term employee benefits	**8,793**	7,401
Pension scheme contributions	**68**	45
Total compensation paid to key management personnel	**8,861**	7,446

Further details of compensation of directors' emoluments are included in note 8 to the financial statements.

These related party transactions constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

31. FINANCIAL INSTRUMENTS BY CATEGORY

As at 31 March 2015, all the financial assets and liabilities of the Group were loans and receivables and financial liabilities at amortised cost, respectively.

32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments reasonably approximate to fair values.

Management has assessed that the fair values of the current portion of deposits, accounts receivable, other receivables, amounts due from related parties, cash and cash equivalents, accounts payable, other payables and accruals, accruals of costs for contract works and interest-bearing bank loans approximate to their carrying amounts largely due to the short term maturities of these instruments.

During the year ended 31 March 2015, there were no transfer of fair value measurement between Level 1 and Level 2 and no transfer into or out of Level 3 for both financial assets and financial liabilities.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments include interest-bearing bank loans, accounts and other receivables, deposits, accounts and other payables, accruals of costs for contract works, and cash and cash equivalents. 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 interest rate risk, credit risk and liquidity risk. The risks associated with financial instruments and the policies on how to mitigate these risks are described below. Management monitors closely the Group's exposures to financial risks to ensure appropriate measures are implemented in a timely and effective manner.

Interest rate risk

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

At 31 March 2015, it is estimated that an increase/decrease of 25 (2014: 25) basis points in interest rates, with all other variables held constant, would decrease/increase the Group's profit after tax and retained profits by HK$75,000 (2014: HK$121,000) arising as a result of higher/lower interest expense on the Group's floating-rate borrowings. There would be no impact on the other components of the Group's equity.

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

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from the time deposits denominated in Euro and RMB.

The Group currently does not have a foreign currency hedging policy. However, management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the Euro and RMB exchange rate, with all other variables held constant, of the Group's profit before tax. There is no material impact on other components of the Group's equity:

	Increase/ (decrease) in exchange rate %	**Increase/ (decrease) in profit before tax** HK$'000
2015		
If Euro strengthens against the Hong Kong dollar	5.00	430
If Euro weakens against the Hong Kong dollar	(5.00)	(430)
If RMB strengthens against the Hong Kong dollar	5.00	1,985
If RMB weakens against the Hong Kong dollar	(5.00)	(1,985)

The Group did not have material foreign currency balances at 31 March 2014 and is therefore not subject to foreign currency risk.

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 31 March 2015 and 2014 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. The Group's accounts receivable from contract works represent interim payments or retentions certified by the customers under the terms as stipulated in the contracts and the Group does not hold any collateral over these receivables. As the project employers in respect of the Group's 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 2015, the Group had certain concentrations of credit risk as 20% (2014: 24%) of the total accounts receivable were due from the Group's largest external customer and 67% (2014: 68%) 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 18 and 19, respectively, to the financial statements.

33. 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:

Group

	Within 1 year or on demand HK$'000	In the second year HK$'000	In the third to fifth year, inclusive HK$'000	Total HK$'000
As at 31 March 2015				
Accounts payable	**17,626**	**8,477**	**—**	**26,103**
Accruals of costs for contract works	**60,187**	**—**	**—**	**60,187**
Interest-bearing bank loans (note)	**36,066**	**—**	**—**	**36,066**
	113,879	**8,477**	**—**	**122,356**

	Within 1 year or on demand HK$'000	In the second year HK$'000	In the third to fifth year, inclusive HK$'000	Total HK$'000
As at 31 March 2014				
Accounts payable	21,428	5,424	104	26,956
Accruals of costs for contract works	48,707	—	—	48,707
Interest-bearing bank loans (note)	57,833	—	—	57,833
	127,968	5,424	104	133,496

Note:

The loan agreements of these bank loans contain a repayment on-demand clause giving the bank the unconditional right to call in the loan at any time and therefore, for the purpose of the above maturity profile, the total amount is classified as "on demand".

Notwithstanding the above clause, the directors do not believe that the related loans will be called in their entirely within 12 months, and they consider that the loans will be repaid in accordance with the maturity dates as set out in the loan agreements. This evaluation was made considering: the financial position of the Group at the date of approval of the financial statements; the Group's compliance with the loan covenants; the lack of events of default and the fact that the Group has made all previously scheduled repayments on time.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

Liquidity risk *(Continued)*

Group (Continued)

Note: *(Continued)*

The maturity profile of the loans as at 31 March 2014 and 2015, based on the contractual undiscounted payments, including expected interest payments, and ignoring the effect of any repayment on demand clause is as follows:

	2015 HK$'000	2014 HK$'000
Within one year	11,765	22,875
In the second year	11,366	11,774
In the third to fifth years, inclusive	8,450	17,080
After five years	6,460	9,232
	38,041	60,961

Company

	Within 1 year or on demand HK$'000	In the second year HK$'000	In the third to fifth year, inclusive HK$'000	Total HK$'000
As at 31 March 2015				
Accruals	64	—	—	64
Guarantees given to a bank in connection with facilities granted to a subsidiary	36,066	—	—	36,066
	36,130	—	—	36,130

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.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

Capital management *(Continued)*

The Group monitors capital using a gearing ratio, which is interest-bearing bank loans divided by the total equity. Total equity refers to equity attributable to owners of the parent. The gearing ratios as at the end of the reporting period were as follows:

Group

	2015 HK$'000	2014 HK$'000
Interest-bearing bank loans	**36,066**	57,833
Equity attributable to owners of the parent	**246,742**	139,505
Gearing ratio (%)	**14.6**	41.5

34. EVENTS AFTER THE REPORTING PERIOD

On 15 April 2015, the Group entered into a provisional sale and purchase agreement with YWH, an entity controlled by a director of the Company, to purchase a office property at a consideration of HK$8,000,000. The transaction was completed in April 2015.

35. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 19 June 2015.