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興勝創建控股有限公司

HANISON CONSTRUCTION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 896)

**ANNOUNCEMENT OF FINAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2015**

SUMMARY OF RESULTS

For the year ended 31 March 2015, Hanison Construction Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) recorded a turnover of HK\$2,095.2 million, up 28.8% from HK\$1,626.5 million recorded in the previous financial year. Consolidated profit attributable to owners of the Company for the year surged by 169.2% to HK\$419.2 million (2014: HK\$155.7 million). The encouraging results were mainly due to profits derived from the sales of our property development projects, significant gain on change in fair value of investment properties, as well as the satisfactory performance of our Construction, Interior and Renovation, and Building Materials Divisions during the year.

The basic earnings per share and diluted earnings per share for the year were HK78.2 cents and HK78.1 cents. The basic earnings per share represented an increase of 169.7% as compared to HK29.0 cents last year.

As at 31 March 2015, the net asset value of the Group amounted to HK\$1,743.6 million (2014: HK\$1,348.0 million), representing an increase of 29.3% over last year. Net asset value per share at 31 March 2015 was HK\$3.25 (2014: HK\$2.51).

DIVIDEND

The board of directors of the Company (the “Board”) has recommended a final dividend of HK3.4 cents per share for the year ended 31 March 2015 (2014: HK3.2 cents per share) to shareholders whose names appear on the register of members of the Company on 3 September 2015. This, together with the interim dividend of HK2.1 cents per share (2014: HK1.8 cents per share) distributed during the year, gives a total dividend of HK5.5 cents per share for the year (2014: HK5.0 cents per share). The proposed final dividend will be paid on 16 September 2015 following approval at the annual general meeting scheduled to be held on 25 August 2015 (“AGM”).

PROPOSED BONUS ISSUE OF SHARES

The Board has resolved to recommend a bonus issue (“Bonus Issue”) of shares of HK\$0.1 each in the capital of the Company (“Bonus Shares”) on the basis of 1 Bonus Share for every 4 existing shares held by the shareholders of the Company whose names appear on the register of members of the Company on 3 September 2015. The Bonus Shares will be fully paid at par and will rank pari passu with the existing issued ordinary shares of the Company in all respects from the date of issue, except that they will not rank for the final dividend for the year ended 31 March 2015 or the Bonus Issue. The Bonus Issue is conditional upon shareholders’ approval at the AGM and the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting listing of, and permission to deal in, the Bonus Shares. Subject to the aforementioned conditions, the certificates for the Bonus Shares are expected to be despatched to the qualifying shareholders of the Company by ordinary post at their own risk on or around 16 September 2015. A circular containing further details of the Bonus Issue will be sent to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS FOR AGM

The register of members of the Company will be closed from 21 August 2015 to 25 August 2015, both days inclusive, for the purpose of determining the identity of members who are entitled to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 20 August 2015.

CLOSURE OF REGISTER OF MEMBERS FOR DIVIDEND AND BONUS SHARES

The register of members of the Company will be closed from 1 September 2015 to 3 September 2015, both days inclusive, for the purpose of determining the identity of members who are entitled to the final dividend for the year ended 31 March 2015 and Bonus Shares. In order to qualify for the final dividend for the year ended 31 March 2015 and Bonus Shares, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 31 August 2015.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2015

	<i>NOTES</i>	2015 HK\$'000	2014 <i>HK\$'000</i>
Turnover	3	2,095,154	1,626,525
Cost of sales		(1,707,685)	(1,377,469)
Gross profit		387,469	249,056
Other income		4,281	37,025
Other gains and losses		68	64
Marketing and distribution costs		(71,771)	(32,721)
Administrative expenses		(164,233)	(125,368)
Gain on change in fair value of investment properties		355,902	55,736
Share of profit (loss) of an associate		5,249	(264)
Share of profit of joint ventures		2,432	3,530
Finance costs		(7,927)	(7,736)
Profit before taxation	5	511,470	179,322
Taxation	6	(24,008)	(15,306)
Profit for the year		487,462	164,016
Profit for the year attributable to:			
Owners of the Company		419,202	155,698
Non-controlling interest		68,260	8,318
		487,462	164,016
Earnings per share			
Basic (HK cents)	8	78.2	29.0
Diluted (HK cents)	8	78.1	N/A

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2015

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Profit for the year	<u>487,462</u>	<u>164,016</u>
Other comprehensive expense:		
Item that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	<u>(978)</u>	<u>(334)</u>
Total comprehensive income for the year	<u>486,484</u>	<u>163,682</u>
Total comprehensive income for the year attributable to:		
Owners of the Company	418,224	155,364
Non-controlling interest	<u>68,260</u>	<u>8,318</u>
	<u>486,484</u>	<u>163,682</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2015

	<i>NOTES</i>	31.3.2015 HK\$'000	31.3.2014 <i>HK\$'000</i>
Non-current assets			
Investment properties		1,028,240	804,040
Property, plant and equipment		68,794	71,360
Prepaid lease payments		6,508	6,789
Interest in an associate		26,223	20,974
Interests in joint ventures		187,158	155,574
Pledged bank deposits		83,720	49,795
Deferred tax assets		488	702
		1,401,131	1,109,234
Current assets			
Properties under development for sale		343,166	794,832
Properties held for sale		393,680	84,416
Inventories		22,089	23,795
Amounts receivable on contract work		134,805	78,844
Progress payments receivable	<i>9</i>	96,723	69,155
Retention money receivable		214,466	125,916
Debtors, deposits and prepayments	<i>10</i>	542,405	123,944
Prepaid lease payments		219	224
Amounts due from joint ventures		18	24,979
Amount due from an associate		2,198	2,132
Investments held for trading		426	364
Taxation recoverable		2,940	548
Derivative financial instruments		–	89
Bank balances and cash		301,206	323,444
		2,054,341	1,652,682
Current liabilities			
Amounts payable on contract work		243,447	208,683
Trade and other payables	<i>11</i>	586,429	398,824
Taxation payable		18,707	8,740
Amount due to a non-controlling shareholder		76,222	–
Bank loans – amounts due within one year		691,260	699,300
		1,616,065	1,315,547
Net current assets		438,276	337,135
Total assets less current liabilities		1,839,407	1,446,369

	31.3.2015 HK\$'000	31.3.2014 <i>HK\$'000</i>
Non-current liabilities		
Other long-term payable	14,253	14,253
Amount due to a non-controlling shareholder	–	70,957
Deferred tax liabilities	8,095	7,908
	<u>22,348</u>	<u>93,118</u>
	<u>1,817,059</u>	<u>1,353,251</u>
Capital and reserves		
Share capital	53,632	53,632
Reserves	1,689,928	1,294,380
	<u>1,743,560</u>	<u>1,348,012</u>
Equity attributable to owners of the Company	1,743,560	1,348,012
Non-controlling interest	73,499	5,239
	<u>1,817,059</u>	<u>1,353,251</u>

NOTES:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for the investment properties and certain financial instruments, which are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied for the first time the following amendments to HKFRSs and a new interpretation issued by the HKICPA.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	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

The application of the amendments to HKFRSs and the new interpretation in the current year has had no material impact on the Group’s financial performance and financial positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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

HKFRS 9	Financial instruments ⁶
HKFRS 14	Regulatory deferral accounts ⁴
HKFRS 15	Revenue from contracts with customers ⁵
Amendments to HKAS 1	Disclosure initiative ³
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation ³
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants ³
Amendments to HKAS 19	Defined benefit plans: Employee contributions ¹
Amendments to HKAS 27	Equity method in separate financial statements ³
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ³
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception ⁵
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations ³
Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle ²
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle ¹
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle ³

¹ *Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted.*

² *Effective for annual periods beginning on or after 1 July 2014, with limited exceptions. Earlier application is permitted.*

³ *Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.*

⁴ *Effective for first annual HKFRS financial statements beginning on or after 1 January 2016, with earlier application permitted.*

⁵ *Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.*

⁶ *Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.*

HKFRS 15 “Revenue from contracts with customers”

In July 2014, HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 “Revenue”, HKAS 11 “Construction contracts” and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

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

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company are in the process of assessing the impact of application of HKFRS 15 in the future on amounts reported and disclosures made in the Group’s consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

The directors of the Company anticipate that the application of the other new and revised HKFRSs will have no material impact on the financial performance and financial position of the Group.

3. TURNOVER

Turnover represents the aggregate of the revenue earned from construction contract work, interior and renovation contracts, supply and installation of building materials, sales of health products, gross rental income from property investment, sale of properties and provision of property agency and management services during the year.

4. SEGMENT INFORMATION

The Group is organised into seven operating divisions: construction, interior and renovation works, trading and installation of building materials, sales of health products, property investment, property development and provision of property agency and management services. These divisions are the basis on which the Group reports its financial information internally and are regularly reviewed by the executive directors of the Company, being the chief operating decision makers, for the purpose of allocating resources to segments and assessing their performance.

(a) **Segment revenues and results**

The following is an analysis of the Group's revenue and results by operating segment:

For the year ended 31 March 2015

	Construction <i>HK\$'000</i>	Interior and renovation <i>HK\$'000</i>	Building materials <i>HK\$'000</i>	Health products <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Property development <i>HK\$'000</i>	Property agency and management <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
TURNOVER										
External sales	1,040,254	286,104	253,334	56,357	25,864	422,806	10,435	2,095,154	-	2,095,154
Inter-segment sales	76,113	205,012	14,570	36	1,431	-	7,809	304,971	(304,971)	-
Total	<u>1,116,367</u>	<u>491,116</u>	<u>267,904</u>	<u>56,393</u>	<u>27,295</u>	<u>422,806</u>	<u>18,244</u>	<u>2,400,125</u>	<u>(304,971)</u>	<u>2,095,154</u>

Inter-segment sales are charged by reference to market prices.

RESULTS										
Segment result	<u>35,734</u>	<u>22,242</u>	<u>33,724</u>	<u>2,428</u>	<u>340,973</u>	<u>85,195</u>	<u>624</u>	<u>520,920</u>	<u>-</u>	<u>520,920</u>
Unallocated expenses										<u>(9,450)</u>
Profit before taxation										<u>511,470</u>

For the year ended 31 March 2014

	Construction <i>HK\$'000</i>	Interior and renovation <i>HK\$'000</i>	Building materials <i>HK\$'000</i>	Health products <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Property development <i>HK\$'000</i>	Property agency and management <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
TURNOVER										
External sales	1,006,992	50,844	239,691	55,283	26,583	233,084	14,048	1,626,525	-	1,626,525
Inter-segment sales	144,518	163,674	17,500	-	1,748	-	3,147	330,587	(330,587)	-
Total	<u>1,151,510</u>	<u>214,518</u>	<u>257,191</u>	<u>55,283</u>	<u>28,331</u>	<u>233,084</u>	<u>17,195</u>	<u>1,957,112</u>	<u>(330,587)</u>	<u>1,626,525</u>

Inter-segment sales are charged by reference to market prices.

RESULTS										
Segment result	<u>14,105</u>	<u>3,592</u>	<u>3,928</u>	<u>2,696</u>	<u>87,084</u>	<u>70,480</u>	<u>502</u>	<u>182,387</u>	<u>-</u>	<u>182,387</u>
Unallocated expenses										<u>(3,065)</u>
Profit before taxation										<u>179,322</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the results from each segment without allocation of administration costs incurred by head office and the inactive subsidiaries. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

(b) Other Information**Year ended 31 March 2015**

	Construction HK\$'000	Interior and renovation HK\$'000	Building materials HK\$'000	Health products HK\$'000	Property investment HK\$'000	Property development HK\$'000	Property agency and management HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment results or segment assets:								
Depreciation	1,785	38	220	561	462	-	2,480	5,546
Gain on change in fair value of investments properties	-	-	-	-	(355,902)	-	-	(355,902)
Gain on change in fair value of investments held for trading	(62)	-	-	-	-	-	-	(62)
Gain on change in fair value of derivative financial instruments	-	-	(6)	-	-	-	-	(6)
Reversal of impairment loss recognised on trade debtors	-	-	(7,009)	-	-	-	-	(7,009)
Gain on disposal of property, plant and equipment	(362)	-	-	(4)	-	-	-	(366)
Interest income	-	-	(24)	(1)	-	(17)	(1,545)	(1,587)
Share of profit of an associate	-	-	-	-	(5,249)	-	-	(5,249)
Share of (profit) loss of joint ventures	(6,668)	-	-	-	-	4,236	-	(2,432)
Finance costs	-	-	628	-	5,712	1,587	-	7,927
Additions to non-current assets (note)	3,576	-	1,649	962	7,288	-	29	13,504
Interest in an associate	-	-	-	-	26,223	-	-	26,223
Interests in joint ventures	7,485	-	-	-	-	179,673	-	187,158

Amounts regularly provided to the chief operating decision makers but not included in the measure of segment results:

Income tax expenses	4,473	3,532	426	32	502	14,624	419	24,008
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Note: Non-current assets exclude pledged bank deposits, deferred tax assets, interest in an associate and interests in joint ventures.

Year ended 31 March 2014

	Construction HK\$'000	Interior and renovation HK\$'000	Building materials HK\$'000	Health products HK\$'000	Property investment HK\$'000	Property development HK\$'000	Property agency and management HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment results or segment assets:								
Depreciation	1,919	38	268	528	1,170	-	2,546	6,469
Gain on change in fair value of investment properties	-	-	-	-	(55,736)	-	-	(55,736)
Loss on change in fair value of investments held for trading	8	-	-	-	-	-	-	8
Gain on change in fair value of derivative financial instruments	-	-	(72)	-	-	-	-	(72)
Impairment loss recognised on trade debtors	-	-	4,936	-	-	-	-	4,936
(Gain) loss on disposal of property, plant and equipment	(2,200)	-	-	6	(27,363)	-	(23)	(29,580)
Gain on disposal of assets classified as held for sale	-	-	-	-	(4,000)	-	-	(4,000)
Interest income	-	-	(41)	(1)	(32)	-	(1,374)	(1,448)
Share of loss of an associate	-	-	-	-	264	-	-	264
Share of profit of joint ventures	(3,448)	-	-	-	-	(82)	-	(3,530)
Finance costs	-	-	1,479	-	5,691	566	-	7,736
Additions to non-current assets (note)	-	-	2,624	84	4,163	-	5	6,876
Interest in an associate	-	-	-	-	20,974	-	-	20,974
Interests in joint ventures	3,417	-	-	-	-	152,157	-	155,574

Amounts regularly provided to the chief operating decision makers but not included in the measure of segment results:

Income tax expenses	1,857	524	466	-	2,570	9,397	492	15,306
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Note: Non-current assets exclude pledged bank deposits, deferred tax assets, interest in an associate and interests in joint ventures.

Geographical information

The Group's turnover which is generated from customers located in Hong Kong, the Company's place of domicile, amounted to HK\$2,080,311,000 (2014: HK\$1,567,292,000). Accordingly, no further analysis of the Group's turnover by geographical market based on geographical location of customers has been prepared.

The analysis of the Group's non-current assets by geographical location of assets is presented as follows (Note):

	2015 HK\$'000	2014 <i>HK\$'000</i>
Hong Kong (place of domicile)	1,136,609	903,245
The People's Republic of China (the "PRC")	180,314	155,492
	<u>1,316,923</u>	<u>1,058,737</u>

Note: Interest in an associate and interests in joint ventures are analysed by geographical location of their respective operations.

Non-current assets excluded pledged bank deposits and deferred tax assets.

Information about major customers

Revenue from customers of the corresponding years individually contributing over 10% of the total turnover of the Group as follows:

	2015 HK\$'000	2014 <i>HK\$'000</i>
Customer A (<i>note</i>)	252,296	81,505
Customer B (<i>note</i>)	235,893	–
Customer C (<i>note</i>)	– *	327,543
Customer D (<i>note</i>)	– *	269,519
	<u>488,189</u>	<u>678,567</u>

Note: Revenue from construction contracts income within the construction segment.

* The corresponding revenue does not contribute over 10% of the total turnover of the Group in the respective year.

5. PROFIT BEFORE TAXATION

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Profit before taxation has been arrived at after charging and (crediting):		
Depreciation of property, plant and equipment	5,546	6,469
Auditor's remuneration	2,380	2,060
(Reversal of) impairment loss recognised on trade debtors	(7,009)	4,936
Gain on disposal of property, plant and equipment	(366)	(29,580)
Gain on disposal of assets classified as held for sale	–	(4,000)
Net exchange loss	428	94
Contract costs recognised as expense in cost of sales	1,412,233	1,193,102
Costs of inventories recognised as an expense in cost of sales	295,452	174,772
Reversal of over accrued contract costs upon finalisation of accounts during the year	(15,399)	–
Gross rental income under operating leases	(25,864)	(26,583)
<i>Less:</i> Direct operating expenses that generated rental income during the year	<u>4,319</u>	<u>2,669</u>
	<u>(21,545)</u>	<u>(23,914)</u>
Sub-leasing income	(327)	(325)
<i>Less:</i> Direct operating expenses that generated sub-leasing income during the year	<u>53</u>	<u>47</u>
	<u>(274)</u>	<u>(278)</u>
Expenses included in cost of contract work:		
Depreciation	3,527	3,345
Release of prepaid lease payments	219	224
Rentals under operating leases in respect of:		
– plant and machinery	12,688	7,231
– others	<u>1,859</u>	<u>1,155</u>

6. TAXATION

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Hong Kong Profits Tax		
Current year	23,749	13,697
Overprovision in prior years	<u>(142)</u>	<u>(327)</u>
	23,607	13,370
Deferred taxation	<u>401</u>	<u>1,936</u>
	<u>24,008</u>	<u>15,306</u>

Hong Kong Profits Tax is provided at 16.5% on the estimated assessable profits for both years.

Taxation arising in other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions. Profits tax arising in the PRC is calculated at 25% on the assessable profits for both years.

7. DIVIDENDS

Dividends recognised as distribution during the year:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Ordinary shares:		
Interim dividend for 2015 – HK2.1 cents per share (2014: HK1.8 cents per share for 2014)	11,263	9,654
Final dividend for 2014 – HK3.2 cents per share (2014: HK3.2 cents per share for 2013)	<u>17,162</u>	<u>17,162</u>
	<u>28,425</u>	<u>26,816</u>

A final dividend of HK3.4 cents per share totalling not less than HK\$18,234,000 in respect of the year ended 31 March 2015 (2014: final dividend of HK3.2 cents per share totalling HK\$17,162,000 in respect of the year ended 31 March 2014) has been proposed by the directors and is subject to approval by the shareholders in forthcoming annual general meeting.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share for the year attributable to owners of the Company based on the following data:

	2015 HK\$'000	2014 <i>HK\$'000</i>
<u>Earnings</u>		
Earnings for the purpose of basic and diluted earnings per share	<u>419,202</u>	<u>155,698</u>
	2015 '000	2014 <i>'000</i>
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	536,316	<u>536,316</u>
Effect of dilutive potential ordinary shares: Adjustment in relation to share options issued by the Company	<u>473</u>	
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<u>536,789</u>	

There was no dilutive potential ordinary shares outstanding during the year ended 31 March 2014.

9. PROGRESS PAYMENTS RECEIVABLE

Progress payments receivable represent the amounts receivable, after deduction of retention money, for construction services which usually fall due within 30 days after the work is certified. Retention money is usually withheld from the amounts receivable for work certified. 50% of the retention money is normally due upon completion of construction services and the remaining 50% portion is due upon finalisation of construction accounts.

The aged analysis of progress payments receivable is as follows:

	31.3.2015 HK\$'000	31.3.2014 <i>HK\$'000</i>
Within 30 days	96,723	58,116
31 – 60 days	<u>–</u>	<u>11,039</u>
	<u>96,723</u>	<u>69,155</u>

10. DEBTORS, DEPOSITS AND PREPAYMENTS

Proceeds from property sales are receivable pursuant to the terms of the sale and purchase agreements. Retention money receivable in respect of construction services is settled in accordance with the terms of the respective contracts. In addition to the payment of rental deposits, the Group are required to pay monthly rents in respect of leased properties in advance. For other businesses, the Group generally allows a credit period of not more than 90 days (2014: not more than 90 days) to its customers. Before accepting any new customer, the Group will internally assess the credit quality of the potential customers and define appropriate credit limit. Other receivables are unsecured, interest-free and repayable on demand.

The aged analysis of trade debtors presented based on the invoice date at the end of the reporting period is as follows:

	31.3.2015	31.3.2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	174,208	18,367
31 – 60 days	37,995	6,583
61 – 90 days	135,848	409
Over 90 days	14,678	4,110
	<u>362,729</u>	<u>29,469</u>

11. TRADE AND OTHER PAYABLES

The aged analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

	31.3.2015	31.3.2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	143,653	90,499
31 – 60 days	884	3,535
61 – 90 days	219	1,122
Over 90 days	6,743	5,059
	<u>151,499</u>	<u>100,215</u>

OPERATIONS REVIEW

CONSTRUCTION DIVISION

The turnover for the Construction Division was HK\$1,116.4 million for the year ended 31 March 2015 (2014: HK\$1,151.5 million). During the year, the Construction Division secured several new building construction contracts.

The total amount of contracts on hand as at 31 March 2015 was HK\$1,547.1 million, of which HK\$3.2 million was derived from a project under joint venture arrangement with a joint venture partner.

Major Projects Completed

- (1) Construction of proposed residential redevelopment, The Austine Place, at No. 38 Kwun Chung Street, Kowloon
- (2) Construction of composite development at Nos. 1-21 Dundas Street, Kowloon
- (3) Construction of the redevelopment at No. 23 Tong Chong Street, Quarry Bay, Hong Kong

Major Projects in Progress

- (1) Construction of the proposed residential and commercial development at No. 5 Tung Yuen Street, Yau Tong, Kowloon
- (2) Construction of the residential development at N.K.I.L. No. 6493 Inverness Road, Kowloon Tong
- (3) Construction of the proposed hotel developments at Nos. 15-16 Connaught Road West and Nos. 29-31 New Market Street, Sheung Wan, Hong Kong
- (4) Construction of the proposed residential development at No. 11 Grampian Road, Kowloon

Major Project Awarded

- (1) Operation and maintenance of Chai Wan public fill barging point and Mui Wo temporary public fill reception facility

INTERIOR AND RENOVATION DIVISION

For the year ended 31 March 2015, the Interior and Renovation Division recorded a turnover of HK\$491.1 million, as compared with HK\$214.5 million last year. The Interior and Renovation Division achieved a significant increase in turnover for the year under review.

The total amount of contracts on hand as at 31 March 2015 was HK\$367.6 million.

In March 2015, Hanison Interior and Renovation Limited was awarded merit prize in Renovation in Construction Industry Safety Award Scheme 2014/2015 for its renovation works at Flora Garden.

Major Projects Completed

- (1) Second year's alterations and additions term contract for building works for The Hong Kong Polytechnic University
- (2) Spatial reorganisation works to Core FJ, 7/F of The Hong Kong Polytechnic University
- (3) Renovation and repartitioning works at Un Chau Shopping Centre for The Link Management Limited
- (4) Alterations and additions works at TU4 of The Hong Kong Polytechnic University

Major Projects Undertaken

- (1) Renovation work of Ronsdale Garden at No. 25 Tai Hang Drive, Jardine's Lookout, Hong Kong
- (2) Renovation and alteration works at Branksome Grande at No. 3 Tregunter Path, Hong Kong
- (3) Renovation work of Flora Garden at No. 7 Chun Fai Road, Hong Kong
- (4) Alterations, additions, repairs and improvement (AA&I) 2012-13 Centennial Campus Consequentials – Reorganisation of space for the Administration & Common Area at Pao Siu Loong Building of the University of Hong Kong

BUILDING MATERIALS DIVISION

For the year ended 31 March 2015, the turnover of the Building Materials Division was HK\$267.9 million, compared with that of HK\$257.2 million last year.

Trigon Building Materials Limited (“Trigon HK”) and Trigon Interior Fitting-Out Works (Macau) Limited (“Trigon Macau”) (collectively, “Trigon”)

Trigon HK and Trigon Macau are two of the subsidiaries of the Group under the Building Materials Division, specialising in the supply and installation of interior products such as different types of suspended ceiling system, metal cladding system, demountable partition system, fire related protection system, decorative moulding, raised flooring and wood flooring.

Major Projects Undertaken

- (1) Renovation and repartitioning works at Un Chau Shopping Centre for The Link Management Limited – Supply and installation of suspended ceiling system
- (2) S.T.T.L. No. 502 proposed residential development at Lok Wo Sha, Ma On Shan – Supply and installation of suspended ceiling system
- (3) Proposed residential development at Austin Station – Site C at K.I.L. No. 11126 – Supply and installation of external suspended ceiling system
- (4) West Island Line – Sai Ying Pun Station and tunnels – Supply and installation of false ceiling

- (5) Kwun Tong Line Extension – Yau Mai Tei to Whampoa Tunnels and Ho Man Tin Station – Supply and installation of suspended ceiling system
- (6) MTR XRL Project 810B – West Kowloon Terminus Station South – Supply and installation of acoustic ceiling panel and fire rated ceiling system
- (7) Tin Shui Wai Hospital – Supply and installation of suspended ceiling

The total amount of contracts on hand of Trigon as at 31 March 2015 amounted to HK\$99.8 million.

Million Hope Industries Limited (“Million Hope HK”) and 美興新型建築材料(惠州)有限公司(“美興”) (collectively “Million Hope”)

Million Hope HK and its factory, 美興, specialise in the design, supply and installation of aluminium windows and curtain walls in Hong Kong and Mainland China. Million Hope is one of the authorised manufacturers of the renowned German brand product “Schüco”.

Major Projects Undertaken

- (1) Proposed residential development of “My Home Purchase Plan” at Tsing Luk Street, Tsing Yi, T.Y.T.L. No. 138 – Design, supply and installation of aluminium window, louvre, glass wall and sun shading
- (2) Proposed residential development at No.8 Mount Nicholson Road, The Peak, Hong Kong – Design, supply and installation of aluminium window, sliding door and folding door
- (3) Residential development at No.18 Tong Chun Street, Tseung Kwan O, TKOTL119, New Territories – Design, supply and installation of aluminium window, sliding door, aluminium cladding and curtain wall
- (4) Proposed residential development at No.62 Begonia Road, Kowloon Tong – Design, supply and installation of curtain wall and aluminium window

Major Projects Awarded

- (1) Redevelopment of Grand Court, 109-135 Kadoorie Avenue, Homantin, Kowloon – Supply and installation of slide folding door and window
- (2) Residential redevelopment at No.11 Grampian Road, Kowloon N.K.I.L. 2602, S.A. & R.P. – Design, supply and installation of curtain wall and external cladding
- (3) Proposed residential redevelopment at No.31 Conduit Road, Mid-levels, Hong Kong – Installation of curtain wall system and aluminium window

- (4) Proposed residential development at TMTL 423, Area 48, Castle Peak Road, So Kwun Wat, Tuen Mun, N.T. – Design, supply and installation of aluminium window, louvre, grille and metal balustrade
- (5) Proposed residential and commercial development at 33 Tong Yin Street, TKOTL 125, Area 125, Area 68A1, Tseung Kwan O, New Territories – Design, supply and installation of tower curtain wall and podium façade
- (6) Proposed residential and commercial development– TKOTL112, Area 65C1, Tseung Kwan O, New Territories – Design, supply and installation of aluminium cladding, canopy, skylight and curtain wall

The total amount of contracts on hand of Million Hope as at 31 March 2015 amounted to HK\$764.7 million.

PROPERTY DEVELOPMENT DIVISION

The Property Development Division recorded a turnover of HK\$422.8 million for the year ended 31 March 2015 (2014: HK\$233.1 million).

During the year, the Group has sold 5 workshops and 3 car parking spaces of The Bedford and 20 residential units of The Austine Place.

For the pieces of agricultural land at Tong Yan San Tsuen in Yuen Long, a land exchange application for residential use was made in 2012 with the Lands Department. It is expected that the offer of land premium will be issued soon.

Meanwhile, a land exchange application of another proposed residential development of the Group at D.D. 129, Lau Fau Shan in Yuen Long is also under progress of which premium figure will be available soon.

For the proposed residential development project with Sun Hung Kai Properties Limited at So Kwun Wat, Tuen Mun, planning application to the Town Planning Board was completed in the previous financial year. A land exchange application to convert the land to residential use will be made with the Lands Department in due course.

In February 2014, the Group acquired 25% interest in a piece of land located at Sha Tin Town Lot No. 603, Lok Lam Road, Fo Tan, New Territories which will be developed into a low-density residential development.

LUXÉAST, the Group's 49% interests in the parcel of land situated at 中國浙江省海寧市區文苑路西側、後富亭港南側 (West of Wenyuan Road and South of Houfutinggang, Haining, Zhejiang Province, the PRC) for the development and construction of office, retail, carparking spaces and other development pertaining to the land, pre-sale has commenced in late 2012. A total of 60 商品房買賣合同 (Sale and Purchase Agreement for Commodity Flat) and a total of 17 認購書 (Purchaser Letter) have been signed up to the end of the reporting period.

PROPERTY INVESTMENT DIVISION

The Property Investment Division recorded a turnover of HK\$27.3 million as compared with that of HK\$28.3 million last year.

Leasing performance of Shatin Industrial Centre was steady, attaining an occupancy rate of 83% at 31 March 2015.

On 19 March 2015, the Group entered into a sale and purchase agreement to dispose of CentreHollywood in Sheung Wan in which the Group has 60% interest. The Division will cease to receive rental income derived from CentreHollywood upon completion of the disposal in the financial year ending 31 March 2016.

To diversify its investment portfolio, the Group entered into a Memorandum of Understanding on 30 March 2015 for the acquisition of a serviced apartment at High Street. The building is conveniently located in close proximity to Sai Ying Pun Station and will be renovated to improve the rental income and the property value.

Other investment properties of the Group include No. 31 Wing Wo Street in Sheung Wan, some units at Kin Wing Industrial Building in Tuen Mun, various land lots in D.D. 76 Ping Che in Fanling and various land lots in D.D. 128 Deep Bay Road in Yuen Long, all together contributed to satisfactory income to the Group during the year. For the land lots in D.D. 132 in Tuen Mun of which the Group has 50% interest, a large portion was resumed by the HKSAR Government in the year while the remaining part will continue to be leased out for income.

PROPERTY AGENCY AND MANAGEMENT DIVISION

The turnover of the Property Agency and Management Division for the year was HK\$18.2 million (2014: HK\$17.2 million).

During the year under review, the Property Agency and Management Division continued to provide project management services and site supervision services to the large-scale integrated development project in Haining City, Zhejiang Province, the PRC.

In Hong Kong, the Property Agency and Management Division acted as the project manager for two of the Group's redevelopment projects, The Bedford at Nos. 91-93 Bedford Road and The Austine Place at No. 38 Kwun Chung Street, for a client in the redevelopment project, The Grampian at Nos. 11-13 Grampian Road as well as for a residential project at Sha Tin Town Lot No. 603, Lok Lam Road, respectively.

This Division also provided property management services to Golf Parkview in Sheung Shui, One LaSalle and Eight College in Kowloon Tong, CentreHollywood in Sheung Wan, The Bedford and The Austine Place.

Other services of this Division included rental collection and leasing agency services to 8 Hart Avenue and The Cameron in Tsim Sha Tsui and CentreHollywood in Sheung Wan.

HEALTH PRODUCTS DIVISION

Health Products Division of the Group has three subsidiaries: Care & Health Limited ("Care & Health"), Healthcorp Trading Limited ("Healthcorp") and Retailcorp Limited ("Retailcorp"). They are engaged in the wholesale of Chinese and Western supplements and running of retail chain stores respectively.

This year, the Health Products Division recorded a turnover of HK\$56.4 million as compared to HK\$55.3 million last year.

Retailcorp runs the businesses of its chain stores under the trade name of HealthPlus. As at 31 March 2015, there are 12 retail outlets (including a HealthPlus shop at St. Teresa's Hospital in Kowloon) and 1 service centre in operation. Due to substantial increase in rental by the landlords, 2 HealthPlus shops have been closed: Tai Po shop was closed in October 2014 and Lai Chi Kok shop was closed in May 2015. To meet the needs of our customers, 1 new shop located at The Austine Place has been opened in April 2015 recently.

Health Products Division introduced a new product "Health & Beauty Tonic Powder", which targets to enrich blood and beauty, promote metabolism and improve sleeping quality for female of all age.

Healthcorp, Retailcorp and Care & Health all received the Caring Company award from the Hong Kong Council of Social Service for the 2nd, 10th and 11th consecutive year respectively. HealthPlus has also been awarded with the Quality Tourism Services Scheme and the No Fakes Pledge Scheme.

As for e-Marketing and e-Commerce, a fan page on Facebook has been developed in order to interact with potential customers as well as improving customer relations. e-Shops has also been established for our local customers as well as overseas customers to purchase our products online, saving traveling time and making purchase in their own time.

FINANCIAL REVIEW

Group Liquidity and Financial Resources

The Group's liquidity and financing requirements are regularly reviewed.

For day-to-day liquidity management and to maintain flexibility in funding, the Group has access to banking facilities with an aggregate amount of HK\$1,656.0 million (HK\$646.0 million was secured by first charges over certain leasehold land and buildings, investment properties, properties held for sale and bank deposits of the Group), of which HK\$691.3 million loans have been drawn down and approximately HK\$463.5 million has been utilised mainly for the issuance of letters of credit and performance bonds as at 31 March 2015. The bank loans under these banking facilities bear interests at prevailing market interest rates.

The Group follows a prudent policy in managing its cash balance, and endeavours to maintain its sound cash flow generating capability, its ability to take on investments and acquisition projects, in order to enhance shareholder wealth. The total cash and bank balances of the Group amounted to HK\$301.2 million as at 31 March 2015 (2014: HK\$323.4 million), and accounted for 14.7% of the current assets (2014: 19.6%).

During the year, the Group has a net cash outflow of HK\$79.1 million in its operating activities (mainly due to the increase in debtors, deposits and prepayments, retention money receivables and amounts receivable on contract work, netting off the increase in trade and other payables and the decrease in properties under development for sale), a net cash inflow of HK\$88.1 million in its investing activities (mainly due to proceeds from disposal of investment properties and repayment from joint ventures, netting off capital injection to a joint venture and placement of pledged bank deposits), and a net cash outflow of HK\$31.2 million in its financing activities (mainly due to dividends paid to shareholders and repayment of bank loans, netting off the new bank loans raised and advance from a non-controlling shareholder). As a result, both the cash and bank balances and the bank borrowings decreased. Net bank borrowings (total bank borrowings less total cash and bank balances) amounted to HK\$390.1 million at 31 March 2015 (2014: net bank borrowings of HK\$375.9 million). Accordingly, the gearing ratio of the Group, calculated on the basis of the Group's net bank borrowings to shareholders' funds, was 22.4% (2014: 27.9%). The net current assets have increased by HK\$101.2 million to HK\$438.3 million as at the year-end date and the current ratio (current assets divided by current liabilities) was 1.27 times (2014: 1.26 times).

With its cash holdings and available banking facilities, the Group's liquidity position will remain healthy in the coming year, with sufficient financial resources to meet its obligations, operation and future development requirements.

Treasury Policy

The aim of the Group's treasury policy is to minimise its exposure to fluctuations in the exchange rate and not to engage in any highly leveraged or speculative derivative products. Treasury transactions unrelated to underlying financial exposure are not undertaken. Foreign currency exposures of the Group arise mainly from the purchase of goods. The Group will determine if any hedging is required, on an individual basis, depending upon the size and nature of the exposure, and the prevailing market circumstances.

In order to enhance the deployment of internal funds with maximum benefit, to achieve better risk control, and to minimise cost of funds, the Group's treasury activities are centralised and scrutinised by the top management.

The surplus cash which is generally placed with reputable financial institutions is mostly denominated in Hong Kong dollar. Most of the income, expenses, assets and liabilities of the Group are denominated in Hong Kong dollars. The Group therefore does not have any significant exposure to gains or losses arising from the movement of foreign currency exchange rate against the Hong Kong dollar.

Shareholders' Funds

At the year-end date, shareholders' funds of the Group were HK\$1,743.6 million including reserves of HK\$1,689.9 million, an increase of HK\$395.5 million from HK\$1,294.4 million at 31 March 2014. On that basis, the consolidated net asset value of the Group as at 31 March 2015 was HK\$3.25 per share, compared to the consolidated net asset value of HK\$2.51 per share as at 31 March 2014. The increase in shareholders' funds was mainly attributable to profits retained after the payments of dividends during the year.

Capital Structure

The Group intends to keep an appropriate mix of equity and debt to ensure an efficient capital structure over time. During the year under review, the Group has borrowed Hong Kong dollar loans amounting to HK\$691.3 million from the banks (at 31 March 2014: HK\$699.3 million). The borrowings have been used as general working capital for financing the properties for development and investment purposes over the years. The maturity profile of the loans spread over a period of five years with HK\$646.6 million repayable within the first year, HK\$19.7 million repayable within the second year, HK\$25.0 million repayable within the third to fifth years. Bank loans that are repayable more than one year after the end of the reporting period but contain a repayment on demand clause with carrying amount of HK\$44.7 million have been classified as current liabilities. Interest is based on HIBOR plus a competitive margin.

Collateral

As at 31 March 2015, certain leasehold land and buildings, investment properties, properties held for sale of the Group, at the carrying value of approximately HK\$1,231.5 million (at 31 March 2014: HK\$1,153.6 million), were pledged to the banks to secure the Hong Kong dollar loans of HK\$361.3 million (at 31 March 2014: HK\$446.3 million). In addition, bank deposits of HK\$83.7 million (at 31 March 2014: HK\$49.8 million) were pledged for bank loans granted to one of the Group's joint ventures in the PRC.

Contingent Liabilities

During the year ended 31 March 2004, legal actions in respect of allegations of copyright infringement and defamation have been taken against certain subsidiaries of the Company carrying on health products business. No further steps have been taken against the Group in respect of such actions after the court hearing for directions to appoint experts and exchange witness statements since 2004. At 31 March 2015, the directors are of the opinion that in view of the uncertainty, it is not practicable to assess the financial effect.

As at 31 March 2015, the Group has provided a corporate guarantee to a bank to secure banking facilities granted to a joint venture of approximately HK\$27,100,000, which represents the Group's proportionate share of the banking facilities utilised as at 31 March 2015. In the opinion of the directors of the Company, the fair values of these financial guarantee contracts are insignificant at initial recognition and no provision for financial guarantee contracts has been made at the end of the reporting period as the directors of the Company consider that the possibility of default of the parties involved is remote.

Capital Commitments

At the end of the reporting period, the Group had the following commitments:

	31.3.2015	31.3.2014
	HK\$'000	HK\$'000
<u>Contracted for but not provided in consolidated financial statements</u>		
Commitments for the acquisition of property, plant and equipment	<u>–</u>	<u>2,030</u>

In addition, the Group had also committed with another joint venturer to contribute the joint venture by means of shareholder's loan proportioned to its equity interest in the joint venture to finance the expenditure of property under development if called.

Authorised but not contracted for

As at the end of both reporting periods, the Group had committed with an independent third party to contribute HK\$231,500,000, representing 23.63% of the anticipated project costs for the joint development of a site in So Kwun Wat, Hong Kong.

Employees and Remuneration Policy

The number of full time monthly employees of the Group, excluding its joint ventures, was around 765 (of which 167 employees were in Mainland China) as at 31 March 2015. The Group recruits and promotes individuals based on their development potential, merits and competencies, and ensures that their remuneration packages are at a reasonable market level.

FUTURE DIRECTIONS AND PROSPECTS

The global economy is expected to grow by 3% in 2015, and at an average of approximately 3.3% through to 2017, supported by gradually recovering labour markets and consistently low financing costs. In Mainland China, with Beijing lowering interest rates in early 2015 to spur the slowing economy and cut financing costs for businesses, growth is also expected to gradually pick up. Although Mainland China's GDP growth slowed to 7% in the first quarter of 2015, the Group is optimistic about the overall economic outlook given that the PRC Government will be committed to maintaining a well-balanced economy over the long run.

For Hong Kong and the local property market, 2015 will be a challenging year. The US Federal Reserve Board has been preparing to raise interest rates. Although not expected to be significant, the adjustment might still impact the local property market as well as dampen local consumption and investment sentiment. However, as the demand for housing is still high, the Group remains confident about the prospects for the construction industry and property market in Hong Kong.

Moving forward, the Group will remain prudent yet responsive to changing market conditions. Together with our most important asset, our loyal and established team of building and development staff, the Group is well positioned to seize every opportunity in the years to come.

CORPORATE GOVERNANCE

The corporate governance principles of the Company emphasize a quality Board and transparency and accountability to all shareholders.

Throughout the year ended 31 March 2015, the Company has complied with all the Code Provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), except for the deviations set out below in respect of which remedial steps for compliance have been taken or considered reasons are given below:

- (a) Code Provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The non-executive directors (including the independent non-executive directors) of the Company are not appointed for a specific term. However, pursuant to the Articles of Association of the Company amended on 2 August 2005, at each annual general meeting of the Company, one-third of the directors, including executive, non-executive and independent non-executive directors shall retire from office by rotation, and every director shall be subject to retirement at least once every three years. As such, the Company considers that sufficient measures have been taken to ensure that the corporate governance practices of the Company are no less exacting than those in the CG Code.
- (b) Code Provision A.6.7 of the CG Code stipulates that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Cha Mou Sing, Payson, Mr. Cha Mou Daid, Johnson and Dr. Lam Chat Yu, non-executive directors of the Company, were unable to attend the annual general meeting of the Company held on 26 August 2014 as they had other important business engagements. Details of the directors’ attendance record of meetings are set out in the Corporate Governance Report of the Company’s Annual Report to be despatched shortly. To ensure compliance with the CG Code, the Company has taken and will continue to take all reasonable measures to arrange the schedule in such a cautious way that all directors can attend the general meeting(s).
- (c) Code Provision E.1.2 of the CG Code stipulates that the Chairman of the Board should attend the annual general meeting. The Chairman of the Board, Mr. Cha Mou Sing, Payson, was unable to attend the annual general meeting of the Company held on 26 August 2014 as he had other important business engagement. However, the Managing Director, present at the annual general meeting, took the chair of that meeting in accordance with Article 78 of the Articles of Association of the Company.

MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as its own code of conduct regarding directors’ securities transactions. Having made specific enquiry of all directors of the Company, all directors confirmed they have complied with the required standard set out in the Model Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

REVIEW OF ANNUAL RESULTS

The consolidated financial statements for the year ended 31 March 2015 have been reviewed by the Audit Committee of the Company.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2015 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

By order of the Board
HANISON CONSTRUCTION HOLDINGS LIMITED
Wong Sue Toa, Stewart
Managing Director

Hong Kong, 23 June 2015

As at the date of this announcement, the Board comprises:

Non-executive Chairman

Mr. Cha Mou Sing, Payson

Non-executive Directors

Mr. Cha Mou Daid, Johnson

Dr. Lam Chat Yu

Executive Directors

Mr. Wong Sue Toa, Stewart (*Managing Director*)

Mr. Tai Sai Ho (*General Manager*)

Independent Non-executive Directors

Mr. Chan Pak Joe

Dr. Lau Tze Yiu, Peter

Dr. Sun Tai Lun