PYI Corporation Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 498)

(Financial figures in this announcement are expressed in Hong Kong dollars ("$") unless otherwise specified)

2015 FINAL RESULTS

The board of directors (the "Board") of PYI Corporation Limited ("PYI" or the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2015.

FINANCIAL HIGHLIGHTS

	2015	Change
Turnover		
– the Group	$524 million	-48%
– share of associates and joint ventures	$5,634 million	+14%
Gross profit	$126 million	-22%
Profit attributable to shareholders	$86 million	0%
Earnings per share	1.9 cents	0%
Interim dividend per share	0.5 cent	0%
Final dividend per share	0.5 cent	0%
Total dividend per share	1 cent	0%
Shareholders' funds	$4,844 million	-2%
Net asset value per share	$1.06	-2%

RESULTS

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2015

	Notes	2015 $'000	2014 $'000
Turnover			
The Company and its subsidiaries	3	**523,557**	998,652
Share of associates and joint ventures		**5,633,874**	4,926,481
		6,157,431	5,925,133
Group turnover	3	**523,557**	998,652
Cost of sales		**(397,284)**	(835,838)
Gross profit		**126,273**	162,814
Other income	4	**23,766**	23,157
Administrative expenses		**(166,375)**	(166,540)
Distribution and selling expenses		**(100,525)**	(123,716)
Other gains and losses	5	**23,871**	23,743
Other expenses		**(45,619)**	(61,514)
Finance costs	6	**(66,771)**	(52,781)
Gain on fair value changes of investment properties	11	**412,660**	390,228
Share of results of associates		**123,132**	122,164
Share of results of joint ventures		**1,437**	744
Profit before taxation	7	**331,849**	318,299
Taxation	8	**(203,434)**	(182,360)
Profit for the year		**128,415**	135,939
Profit for the year attributable to:			
Owners of the Company		**86,028**	85,586
Non-controlling interests		**42,387**	50,353
		128,415	135,939
Earnings per share	9		
Basic earnings per share		**1.9 cents**	1.9 cents
Diluted earnings per share		**1.9 cents**	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 March 2015

	2015 **$'000**	2014 *$'000*
Profit for the year	**128,415**	135,939
OTHER COMPREHENSIVE (EXPENSE) INCOME		
Item that will not be reclassified to profit or loss		
Change in carrying amount of investments in equity instruments	**(179,890)**	35,029
Items that may be subsequently reclassified to profit or loss		
Exchange differences arising from translation of foreign operations	**(3,411)**	1,839
Share of exchange differences of associates and joint ventures	**(2,015)**	585
Other comprehensive (expense) income for the year	**(185,316)**	37,453
Total comprehensive (expense) income for the year	**(56,901)**	173,392
Total comprehensive (expense) income for the year attributable to:		
Owners of the Company	**(98,947)**	123,095
Non-controlling interests	**42,046**	50,297
	(56,901)	173,392

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2015

	Notes	2015 $'000	2014 $'000
NON-CURRENT ASSETS			
Property, plant and equipment		**1,590,300**	1,585,828
Investment properties	*11*	**1,340,016**	859,327
Project under development		**188,146**	256,064
Prepaid lease payments		**328,434**	333,446
Other intangible assets		**59,932**	65,581
Interests in associates		**1,745,688**	1,688,875
Interests in joint ventures		**89,058**	87,730
Investments in equity instruments		**588,210**	702,754
Other non-current assets		**93,096**	93,025
		6,022,880	5,672,630
CURRENT ASSETS			
Prepaid lease payments		**5,255**	3,053
Stock of properties	*12*	**1,791,947**	1,723,474
Inventories of finished goods		**39,685**	28,152
Loans receivable		**74,000**	76,000
Dividend receivable from an associate		**47,280**	–
Amounts due from associates		**37,494**	38,470
Amount due from a non-controlling interest		**–**	1,250
Trade and other debtors, deposits and prepayments	*13*	**267,129**	242,299
Investments in equity instruments held for trading		**101,510**	84,984
Pledged bank deposits		**408,448**	473,683
Short term bank deposits		**213,389**	312,639
Bank balances and cash		**422,906**	440,548
		3,409,043	3,424,552
CURRENT LIABILITIES			
Trade and other creditors and accrued expenses	*14*	**393,299**	397,200
Amounts due to associates		**140,016**	140,918
Amount due to a joint venture		**130**	131
Amounts due to non-controlling interests		**2,497**	9,225
Taxation payable		**4,475**	2,381
Bank and other borrowings – due within one year		**1,534,562**	1,494,149
		2,074,979	2,044,004
NET CURRENT ASSETS		**1,334,064**	1,380,548
TOTAL ASSETS LESS CURRENT LIABILITIES		**7,356,944**	7,053,178

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2015

	2015 **$'000**	2014 *$'000*
NON-CURRENT LIABILITIES		
Bank and other borrowings – due after one year	**747,488**	675,619
Amounts due to non-controlling interests	**9,988**	12,500
Deferred tax liabilities	**937,191**	747,449
Deferred income	**56,042**	53,459
Other payables	**53,662**	57,541
	1,804,371	1,546,568
	5,552,573	5,506,610
CAPITAL AND RESERVES		
Share capital	**457,736**	457,736
Reserves	**4,386,298**	4,464,938
Equity attributable to owners of the Company	**4,844,034**	4,922,674
Non-controlling interests	**708,539**	583,936
TOTAL EQUITY	**5,552,573**	5,506,610

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 March 2015

	2015 **$'000**	2014 *$'000*
Net cash (used in) from operating activities	**(162,904)**	11,196
Net cash from (used in) investing activities	**17,461**	(61,217)
Net cash from (used in) financing activities	**28,811**	(439,869)
Net decrease in cash and cash equivalents	**(116,632)**	(489,890)
Effect of foreign exchange rate changes	**(260)**	7,471
Cash and cash equivalents brought forward	**753,187**	1,235,606
Cash and cash equivalents carried forward	**636,295**	753,187
Analysis of the balances of cash and cash equivalents		
Short term bank deposits	**213,389**	312,639
Bank balances and cash	**422,906**	440,548
	636,295	753,187

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 (the "HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and by the Hong Kong Companies Ordinance.

2. Principal accounting policies

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

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

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
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
HKFRS 9 (2009)	Financial Instruments
HK(IFRIC) - Int 21	Levies

HKFRS 9 (2009) *Financial Instruments*

During the year, the Group has early adopted an earlier version of HKFRS 9 (i.e. adoption of the HKFRS 9 version issued in 2009), which is in advance of the effective date of HKFRS 9 issued in 2014 that is effective for annual periods beginning on or after 1 January 2018. This earlier version of HKFRS 9 covers only the classification and measurement of financial assets. The Group has chosen 1 April 2014 as its date of initial application (i.e. the date on which the Group has reassessed the classification of its financial assets in accordance with requirements of HKFRS 9 (2009)). The assessment of classification is based on the facts and circumstances as at 1 April 2014. In accordance with transition provisions set out in the amendment to HKFRS 9 "Mandatory Effective Date and Transition Disclosures" issued in 2011, the Group has not restated comparative information and has provided additional disclosures on the transition in these consolidated financial statements for the year ended 31 March 2015, and any difference on the measurement of the Group's financial assets as at 1 April 2014 arising from the adoption of HKFRS 9 (2009) is recognised in the investment revaluation reserve at 1 April 2014 based on the facts and circumstances of the business model in which the assets were held at that date. HKFRS 9 (2009) does not apply to financial assets that have already been de-recognised at the date of initial application.

HKFRS 9 (2009) contains new requirements for the classification and measurement of financial assets. As a result, the Group has classified its financial assets as subsequently measured at either amortised cost or fair value, depending on its business model for managing those financial assets and the assets' contractual cash flow characteristics. Financial assets which are debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All equity instruments are measured at their fair values at the end of subsequent reporting periods. As permitted by HKFRS 9 (2009), the Group had made an irrevocable election, on instrument-by-instrument basis, to present subsequent changes in the fair value of all equity instruments held by the Group as at 1 April 2014 except those that are held for trading purposes, in other comprehensive income ("OCI"), with only dividend income generally recognised in profit or loss. The Group has classified all the equity instruments with intention for trading to be measured under HKFRS 9 (2009) at fair value through profit or loss.

2. *Principal accounting policies - continued*

HKFRS 9 (2009) *Financial Instruments* - continued

The following summarises the classification and measurement changes for the Group's financial assets on 1 April 2014, the Group's date of initial application of HKFRS 9 (2009).

	Original measurement category and carrying amount as previously stated				New measurement category and carrying amount under HKFRS 9 (2009)		
	Fair value through profit or loss *$'000*	Available-for-sale *$'000*	Loans and receivables *$'000*	Remeasure-ments upon application of HKFRS 9 (2009) *$'000*	Fair value through profit or loss *$'000*	Fair value through OCI *$'000*	Amortised cost *$'000*
Equity instruments							
- Held for trading	84,984	-	-	-	84,984	-	-
- Not held for trading	-	702,754	-	65,347	-	768,101	-
Loans and receivables	-	-	323,452	-	-	-	323,452
Pledged bank deposits	-	-	473,683	-	-	-	473,683
Cash and cash equivalents	-	-	753,187	-	-	-	753,187
	84,984	702,754	1,550,322	65,347	84,984	768,101	1,550,322

Further details of the financial assets impacted by the adoption of the new standards are set out in notes to the consolidated financial statements of the 2015 Annual Report.

Except as described above, the application of amendments to HKFRSs in the current year has had no material effect on the amounts reported and/or disclosures set out in these consolidated financial statements of the Group.

New and revised HKFRSs in issue but not yet effective

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

Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[5]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[5]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[4]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[5]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 - 2012 Cycle[6]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 - 2013 Cycle[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 - 2014 Cycle[5]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[5]
HKFRS 9 (2014)	Financial Instruments[1]
HKFRS 14	Regulatory Deferral Accounts[2]
HKFRS 15	Revenue from Contracts with Customers[3]

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

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

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

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

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

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

2. *Principal accounting policies - continued*

New and revised HKFRSs in issue but not yet effective - continued

HKFRS 9 (2014) *Financial Instruments*

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets and is early adopted by the Group with a date of initial application on 1 April 2014. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' ("FVTOCI") measurement category for certain simple debt instruments.

Key requirements of HKFRS 9 (2014), other than those relating to classification and measurement of financial assets covered in HKFRS 9 (2009) which has been early adopted by the Group, are described below:

- In addition to the requirements of HKFRS 9 (2009), debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount of outstanding, are measured at FVTOCI.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 (2014) requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 (2014) requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors anticipate that the adoption of HKFRS 9 (2014) in the future (excluding the scope of HKFRS 9 (2009) that has been adopted by the Group with a date of initial application on 1 April 2014) may have impact on the amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

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.

2. Principal accounting policies - continued

New and revised HKFRSs in issue but not yet effective - continued

HKFRS 15 *Revenue from Contracts with Customers* - continued

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 anticipate that the application of HKFRS 15 in the future may have a material impact on the 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 a detailed review has been completed.

Except as described above, the directors of the Company anticipate that the application of other new or revised HKFRSs will have no material impact on the Group's consolidated financial statements.

3. Segment information

The operating segments of the Group is determined based on information reported to the Group's chief operating decision maker (the Managing Director of the Company) for the purposes of resources allocation and performance assessment.

The information focuses more specifically on the strategic operation and development of each business unit and its performance is evaluated through organising similar business units into an operating segment. The Group's operating and reportable segments are as follows:

Paul Y. Engineering Group	- Building construction, civil engineering, development management, project management, facilities and asset management services and investment in properties
Ports development	- Development of ports facilities and ports related properties
Ports and logistics	- Operation of ports, liquefied petroleum gas ("LPG") and compressed natural gas ("CNG") products and logistics businesses
Property	- Development, investment, sale and leasing of real estate properties, developed land and land under development
Treasury	- Provision of credit services and securities trading

The Managing Director of the Company assesses the performance of the operating segments based on a measure of earnings before interest expense and tax ("EBIT") and earnings before interest expense, tax, depreciation and amortisation ("EBITDA").

3. *Segment information - continued*

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

	Paul Y. Engineering Group *$'000*	Ports development *$'000*	Ports and logistics *$'000*	Property *$'000*	Treasury *$'000*	Segment total and consolidated *$'000*
TURNOVER	**-**	**-**	**488,188**	**19,780**	**15,589**	**523,557**
EBITDA	**40,248**	**-**	**102,814**	**381,541**	**54,241**	**578,844**
Depreciation and amortisation*	**-**	**-**	**(62,261)**	**(8,227)**	**(3)**	**(70,491)**
Segment result - EBIT	**40,248**	**-**	**40,553**	**373,314**	**54,238**	**508,353**
Corporate and other expenses**						**(109,733)**
Finance costs						**(66,771)**
Profit before taxation						**331,849**
Taxation						**(203,434)**
Profit for the year						**128,415**

For the year ended 31 March 2014

	Paul Y. Engineering Group *$'000*	Ports development *$'000*	Ports and logistics *$'000*	Property *$'000*	Treasury *$'000*	Segment total and consolidated *$'000*
TURNOVER	-	-	459,659	524,268	14,725	998,652
EBITDA	38,221	-	95,868	375,857	56,152	566,098
Depreciation and amortisation*	-	-	(81,036)	(7,052)	(3)	(88,091)
Segment result - EBIT	38,221	-	14,832	368,805	56,149	478,007
Corporate and other expenses**						(106,927)
Finance costs						(52,781)
Profit before taxation						318,299
Taxation						(182,360)
Profit for the year						135,939

* Including depreciation of property, plant and equipment and amortisation of other intangible assets.

** Including acquisition-related costs for potential projects of about $30,278,000 (2014: $34,660,000).

3. *Segment information - continued*

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segment:

At 31 March 2015

	Paul Y. Engineering Group *$'000*	Ports development *$'000*	Ports and logistics *$'000*	Property *$'000*	Treasury *$'000*	Segment total and consolidated *$'000*
ASSETS						
Segment assets	**531,499**	**484,270**	**3,720,149**	**3,807,544**	**875,892**	**9,419,354**
Unallocated assets						**12,569**
Consolidated total assets						**9,431,923**
LIABILITIES						
Segment liabilities	**-**	**-**	**1,655,692**	**1,380,099**	**819,702**	**3,855,493**
Unallocated liabilities						**23,857**
Consolidated total liabilities						**3,879,350**

At 31 March 2014

	Paul Y. Engineering Group *$'000*	Ports development *$'000*	Ports and logistics *$'000*	Property *$'000*	Treasury *$'000*	Segment total and consolidated *$'000*
ASSETS						
Segment assets	685,731	401,378	3,770,582	3,238,614	990,051	9,086,356
Unallocated assets						10,826
Consolidated total assets						9,097,182
LIABILITIES						
Segment liabilities	-	-	1,576,060	1,175,155	817,364	3,568,579
Unallocated liabilities						21,993
Consolidated total liabilities						3,590,572

Segment assets and liabilities comprise assets and liabilities of the operating subsidiaries, as well as interests in associates, joint ventures and investments in equity instruments that are engaged in different businesses. Accordingly, segment assets exclude corporate assets which are mainly bank balances and cash and other receivables, and segment liabilities exclude corporate liabilities which are mainly other payables.

3. Segment information - continued

Geographical information

The Group's operations are mainly located in Hong Kong and the People's Republic of China (the "PRC") other than Hong Kong.

The following is an analysis of the Group's turnover by geographical market based on location of customers, irrespective of the origin of the goods/services:

	2015 **$'000**	2014 $'000
Hong Kong	**11,085**	9,588
The PRC other than Hong Kong	**508,292**	984,231
Others	**4,180**	4,833
	523,557	998,652

4. Other income

Other income includes:

	2015 **$'000**	2014 $'000
Bank and other interest income	**19,687**	20,312
Rental income from short term leasing of stock of properties	**2,783**	1,291

5. Other gains and losses

	2015 **$'000**	2014 $'000
Gain on changes in fair value of investments in equity instruments held for trading	**24,065**	11,320
Impairment loss reversed on receivables	**12**	16,210
Net exchange (loss) gain	**(686)**	5,609
Loss on disposal of a joint venture	**-**	(8,014)
Loss on disposal of property, plant and equipment	**(914)**	(1,382)
Gain on disposal of prepaid lease payments	**1,394**	-
	23,871	23,743

6. *Finance costs*

	2015 **$'000**	2014 $'000
Borrowing costs on:		
Bank borrowings wholly repayable within five years	**98,652**	85,156
Bank borrowings not wholly repayable within five years	**-**	4,645
Amounts due to non-controlling interests wholly repayable within five years	**144**	-
Amounts due to non-controlling interests not wholly repayable within five years	**-**	171
Imputed interest expense on other payables	**1,569**	1,860
Amounts due to associates wholly repayable within five years	**6,784**	7,046
Other borrowings wholly repayable within five years	**1,921**	2,959
	109,070	101,837
Less: Amount capitalised in respect of construction in progress (included in property, plant and equipment)	**(34,101)**	(34,769)
Amount capitalised in respect of project under development	**-**	(4,601)
Amount capitalised in respect of properties under development for sale (included in stock of properties)	**(8,198)**	(9,686)
	66,771	52,781

The capitalised borrowing costs represent the borrowing costs incurred by the entities on borrowings whose funds were specifically invested in the project and properties during the year.

7. *Profit before taxation*

	2015 **$'000**	2014 $'000
Profit before taxation has been arrived at after charging (crediting):		
Amortisation of other intangible assets (included in distribution and selling expenses)	**1,989**	10,348
Cost of inventories recognised as an expense	**276,339**	731,746
Depreciation of property, plant and equipment:		
Amount provided for the year	**70,176**	80,997
Less: Amount capitalised in respect of properties under development for sale (included in stock of properties)	**(583)**	(1,787)
Amount capitalised in respect of project under development	**-**	(52)
Amount capitalised in respect of construction in progress (included in property, plant and equipment)	**(1,091)**	(1,415)
	68,502	77,743
Release of prepaid lease payments	**3,253**	3,359
Total interest income (included in turnover and other income)	**(30,326)**	(32,893)

8. Taxation

	2015 ***$'000***	2014 *$'000*
The charge (credit) comprises:		
Hong Kong Profits Tax:		
Overprovision in prior years	**-**	(4,200)
Taxation arising in jurisdictions outside Hong Kong:		
Current year	**7,598**	45,588
Underprovision in prior years	**5,161**	260
	12,759	45,848
Deferred taxation		
Land Appreciation Tax (the "LAT")	**118,393**	68,211
Others	**72,282**	72,501
	190,675	140,712
Taxation attributable to the Company and its subsidiaries	**203,434**	182,360

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

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate for the Group's subsidiaries in the PRC is 25% from 1 January 2008 onwards.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

According to the requirements of the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例) effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例實施細則) effective from 27 January 1995 as well, all income from the sale or transfer of land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value as calculated according to the Provisional Regulations of the PRC on LAT and its Detailed Implementation Rules.

9. *Earnings per share*

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

	2015 ***$'000***	2014 *$'000*
Profit for the year attributable to owners of the Company for the purpose of basic and diluted earnings per share	**86,028**	85,586

	2015 **Number of shares**	2014 Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	**4,577,360,572**	4,577,360,572
Effect of dilutive potential ordinary shares: Share options	**1,838,438**	-
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**4,579,199,010**	4,577,360,572

No diluted earnings per share had been presented for the year ended 31 March 2014 as the Company did not have any dilutive potential ordinary shares outstanding during that year.

10. *Distribution*

	2015 ***$'000***	2014 *$'000*
Dividends recognised as distribution during the year:		
Final cash dividend declared for the year ended 31 March 2014 – HK0.5 cent (2014: HK0.5 cent for the year ended 31 March 2013) per share	**22,887**	22,887
Interim cash dividend declared for the year ended 31 March 2015 – HK0.5 cent (2014: HK0.5 cent) per share	**22,887**	22,887
	45,774	45,774
Dividends proposed in respect of current year:		
Final cash dividend proposed for the year ended 31 March 2015 – HK0.5 cent (2014: HK0.5 cent) per share	**22,887**	22,887

The amount of the final cash dividend proposed for the year ended 31 March 2015 has been calculated by reference to the 4,577,360,572 issued shares as at the date of this announcement.

11. *Investment properties*

	Leasehold properties in the PRC *$'000*	Developed land *$'000* (note a)	Land under development *$'000* (note b)	Total *$'000*
At 31 March 2014	246,619	293,083	319,625	859,327
Exchange realignment	(308)	(366)	(399)	(1,073)
Transferred from project under development (note b)	-	-	44,031	44,031
Additions	9,772	-	15,478	25,250
Increase in fair value recognised in the consolidated income statement	4,212	68,082	340,366	412,660
Disposal	(179)	-	-	(179)
At 31 March 2015	260,116	360,799	719,101	1,340,016

Notes:

a. In prior years, the Group completed the reclamation of certain land area and obtained the certificate of completion of land reclamation (the "Certificate") issued by qualified project engineering and construction manager in respect of certain land area (the "Formed Land") in Jiangsu Province, the PRC. Upon obtaining the Certificate, such Formed Land held for capital appreciation had been recognised as land held under operating lease and classified and accounted for as investment properties. During the year ended 31 March 2014, an aggregate sum of about $66,077,000 was incurred for other development works (mainly representing the fundamental greenery, landscaping and drainage works) to achieve the highest and best use of the Formed Land for tourist and resort use.

b. In connection with the reclamation of certain land area in Jiangsu Province, the PRC, the Group commenced, but not yet completed, the land leveling process (mainly representing the sand filling work to achieve leveling of the area) (the "Land Being Formed"). Upon the commencement of land leveling process, the Land Being Formed that held for rentals and/or capital appreciation as investment properties had been recognised as land under development and classified and accounted for as investment properties. The relevant costs, which include the development expenditure, borrowing costs capitalised and other directly attributable expenses, amounting to about $44,031,000 (2014: $115,817,000), have been transferred from project under development to investment properties during the year.

   In addition, during the year ended 31 March 2014, the land leveling process and other development works of certain area of Land Being Formed of about $300,496,000 were completed and transferred to Formed Land.

The fair values of the Group's investment properties at 31 March 2015 and 31 March 2014 have been arrived at on the basis of valuations carried out as at those dates by Asset Appraisal Limited, an independent qualified professional valuer not connected with the Group.

In determining the fair value of leasehold properties, the comparison method is adopted under which comparison based on information of recent transacted prices of comparable properties is made. Comparable properties of similar size, character and location are analysed in order to arrive at a fair comparison of capital values.

In determining the fair value of Formed Land, the comparison method is adopted under which comparison based on information of recent transacted prices of comparable properties is made. Comparable properties of similar size, character and location are analysed in order to arrive at a fair comparison of capital values. The fair value measurement also takes into account the highest and best use of the Formed Land for tourist and resort use, which correlates to the zoning of the area for tourist resort by the government. Certain costs, including government levies and all necessary fees and expenses associated with the change of the Formed Land for tourist and resort use to be charged by the government, which are the best estimate based on the latest information available to the management of the Company, have been considered in arriving the fair value of the Formed Land.

11. Investment properties - continued

In determining the fair value of Land Being Formed, the same comparison method is adopted and valuation has been considered for further costs to be expended for the development of the Land Being Formed into Formed Land. Further costs for completing the land leveling process and other development works as at 31 March 2015 are estimated to be about $80 million (2014: insignificant).

One of the key unobservable inputs used in valuing the Formed Land and Land Being Formed is the 20% of saleable land discount on the comparable properties applied by the valuer. A slight change in the saleable land discount used would result in a significant change in fair value measurement of the investment properties.

For the Formed Land, the Group has to obtain certain appropriate certificates for the disposal. Based on past experience, the directors of the Company consider that there is no material impediment to obtain these certificates for the Group.

12. Stock of properties

	2015 **$'000**	2014 $'000
Properties under development for sale	**1,303,803**	1,251,450
Completed properties held for sale	**488,144**	472,024
	1,791,947	1,723,474

Land Being Formed which is developed for future sale is recognised as properties under development for sale in stock of properties upon the commencement of the land leveling process. Formed Land which is also developed for future sale in the ordinary course of business is classified as properties under development for sale in stock of properties upon commencement of development.

At 31 March 2015, stock of properties includes Formed Land of about $713,529,000 (2014: $694,667,000) for which the Group has to obtain certain appropriate certificates for the disposal of the Formed Land. Based on past experience, the directors of the Company consider that there is no material impediment to obtain these certificates for the Group.

At 31 March 2015, stock of properties includes an amount of about $1,004,721,000 (2014: $965,438,000) which is expected to be realised after more than twelve months from the end of the reporting period.

13. Trade and other debtors, deposits and prepayments

The Group's credit terms for customers of ports and logistics segment normally range from 30 days to 90 days. Rental income for property business is receivable according to the agreements and the credit terms granted by the Group to other debtors normally range from 30 days to 90 days.

Included in trade and other debtors, deposits and prepayments are trade debtors of about $94,291,000 (2014: $61,740,000). The Group does not hold any collateral over these balances. Their ageing analysis, net of allowance for doubtful debts, presented based on the invoice date at the end of the reporting period is as follows:

	2015 ***$'000***	2014 *$'000*
Within 90 days	**53,001**	43,394
More than 90 days and within 180 days	**27,235**	12,726
More than 180 days	**14,055**	5,620
	94,291	61,740

14. Trade and other creditors and accrued expenses

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

	2015 ***$'000***	2014 *$'000*
Within 90 days	**76,808**	72,606
More than 90 days and within 180 days	**811**	266
More than 180 days	**33,477**	29,308
	111,096	102,180

FINAL DIVIDEND

The Board of PYI proposed a final cash dividend of HK0.5 cent per share, which together with the interim cash dividend of HK0.5 cent per share paid in January 2015, amounts to a total dividend of HK1 cent per share (2014: HK1 cent per share), representing a payout ratio of 53% for this financial year. Subject to the approval of PYI's shareholders in the 2015 Annual General Meeting to be held on Friday, 4 September 2015, cheques for payment of the final cash dividend to shareholders whose names appear on PYI's register of members as at the close of business on Wednesday, 23 September 2015 are expected to be despatched to shareholders by post on or around Wednesday, 7 October 2015.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of PYI will be closed during the period from Monday, 21 September 2015 to Wednesday, 23 September 2015, both dates inclusive, during which period no transfer of share(s) of PYI will be effected. In order to qualify for the final cash dividend, all transfer document(s), accompanied by the relevant share certificate(s), must be lodged with PYI's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on Friday, 18 September 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF FINANCIAL PERFORMANCE AND POSITION

For the year ended 31 March 2015, the Group recorded a consolidated turnover of about $524 million (2014: $999 million), representing a decrease of 48% from last year. Taking into account the share of turnover of associates and joint ventures, the turnover was about $6,157 million (2014: $5,925 million), representing an increase of 4% from last year. The Group's gross profit decreased by 22% from last year to about $126.3 million (2014: $162.8 million), which represented a gross margin of 24% (2014: 16%) of the consolidated turnover. The decrease in turnover and gross profit were mainly attributable to the fact that there was sale of certain lower margin property stocks in last year, and no such sale was recorded during the current year.

During the year, the Group achieved a profit before taxation of about $332 million (2014: $318 million) which was composed of:

(i) net gain of about $40 million (2014: $38 million) million in Paul Y. Engineering Group mainly engaged in management contracting and property development management businesses;
(ii) net gain of about $41 million (2014: $15 million) in ports and logistics business;
(iii) net gain of about $373 million (2014: $369 million) in property business;
(iv) net gain of about $54 million (2014: $56 million) in treasury business;
(v) net corporate and other expenses of about $109 million (2014: $107 million), which included acquisition-related costs of about $30 million (2014: $35 million); and
(vi) finance costs of about $67 million (2014: $53 million).

Net profit for the year attributable to the owners of PYI was about $86.0 million (2014: $85.6 million) and basic earnings per share was HK1.9 cents (2014: HK1.9 cents).

When compared with the Group's financial position as at 31 March 2014, total assets increased by 4% to about $9,432 million (2014: $9,097 million). As at 31 March 2015, net current assets amounted to about $1,334 million (2014: $1,381 million), whereas current ratio in respect of current assets to current liabilities decreased slightly to 1.64 times (2014: 1.68 times). After taking into account (a) the net profit of about $86 million; (b) the net decrease in carrying amount of equity investments not held for trading of about $114 million recognised in negative investment revaluation reserve (comprised net decrease of about $180 million disclosed as other comprehensive expense for the year and net increase of about $66 million disclosed as an adjustment to balance brought forward, as recognised in accordance with the Hong Kong accounting standards HKFRS 9 (2009) Financial Instruments adopted during the year); (c) the deficit from Renminbi exchange translation of about $5 million; and (d) the dividend distribution of about $46 million to PYI's shareholders, equity attributable to owners of PYI was decreased by 2% to about $4,844 million (2014: $4,923 million), representing $1.06 (2014: $1.08) per share as at 31 March 2015.

Net cash outflow from operating activities was about $163 million (2014: inflow of about $11 million), which was mainly attributable to (a) the purchase of higher level of LPG inventories at lower cost with an aim to enhance control of seasonal price risk; and (b) the incurred pre-development expenses and development costs of stock of properties at Xiao Yangkou of Nantong City, Jiangsu Province, the PRC, which is under development as a regional tourism site. Net cash inflow from investing activities was about $17 million (2014: outflow of about $61 million) and that from financing activities was about $29 million (2014: outflow of about $440 million), resulting in a net decrease in available cash and cash equivalents of about $117 million (2014: $490 million) during the year.

REVIEW OF OPERATIONS

Ports and Logistics

PYI achieved satisfactory progress in implementing its Yangtze Strategy during the year. The Group's network of cargo ports was strengthened and generating synergy value.

Nantong Port Group (45% owned)

Nantong Port Group contributed about $73 million (2014: $87 million) to the segment's operating profit for the year. The decrease in contribution was affected by the rise in operating and finance costs following the initial operation of a new container terminal expansion in 2014.

Nantong Port is a major river port in the Yangtze Delta Region, one of China's category-one national ports opened to foreign trade and an important hub port of the country. The main cargoes handled by Nantong Port Group are iron ore, minerals, cement, steel, coal, fertilizers, grains and edible oil. Nantong Port provides easy access to the Yangtze region by road and waterway and is an ideal hub port for cargo trans-shipment in the Yangtze Delta Region.

Annual bulk cargo throughput of Nantong Port in 2014 maintained steady level at about 64 million tonnes (2013: 64 million tonnes), while the container throughput in 2014 increased by 10% to 550,000 TEUs (2013: 501,000 TEUs).

Yichang Port Group (51% owned)

Yichang Port Group contributed about $2 million (2014: $15 million) to the segment's operating profit for the year. Its operating result was affected by the drop in revenue from higher margin coal and phosphate bulk trans-shipment and logistics services.

Yichang Port Group is principally engaged in transport logistics and minor properties investments, providing transportation, cargo loading and discharging, storage, shipping agent, cargo agent, port logistics and port equipment rental services and commodities trading in Yichang Port, which is situated on the Yangtze River near the Three Gorges Dam in Yichang, Hubei Province.

Annual bulk cargo throughput of Yichang Port Group for the year ended 31 March 2015 increased by 16% to about 6.6 million tonnes (2014: 5.7 million tonnes). Its annual container throughput increased by 23% to 134,000 TEUs (2014: 109,000 TEUs).

Jiangyin Sunan Container Terminal (40% owned)

Jiangyin Sunan continued to provide a stable contribution of about $10 million (2014: $10 million) to the segment's operating profit for the year.

Jiangyin Sunan is principally engaged in containers loading and discharging as well as the storage, maintenance, washing and leasing of containers. The container terminal operated by Jiangyin Sunan is the only container terminal in Jiangyin City.

Annual container throughput of Jiangyin Sunan in 2014 increased by 10% to 459,000 TEUs (2013: 417,000 TEUs).

Jiaxing International Feeder Port (90% owned)

Jiaxing International Feeder Port is a core pilot feeder port in Zhejiang Province under the plans of Ministry of Transport. The port started commercial operation in the first quarter of 2015 after declared soft open in mid-2010, and becomes the first container feeder port in the Yangtze Delta Region with comprehensive customs and logistics services. The port was going through its startup operation and did not contribute to the segment's operating profit for the year (2014: Nil).

Jiaxing International Feeder Port is principally engaged in loading, discharging and storage of containers. A customs office is located in port area for efficient consignment, declaration and clearance at one stop. The port also features a range of integrated logistics supporting services such as examination, quarantine, storage and information services, etc.

Annual container throughput of Jiaxing International Feeder Port for the year ended 31 March 2015 increased by 19% to about 175,000 TEUs (2014: 147,000 TEUs).

LPG, CNG and Logistics (100% owned)

The LPG and CNG distribution and logistics businesses of Minsheng Gas recorded an operating loss of about $44 million (2014: $84 million) during the year, which included an one-off write-down in the value of LPG assets of about $27 million (2014: $41 million) (included in distribution and selling expenses) due to transformation of certain LPG fueling stations into CNG fueling stations. After excluding effect of the one-off expense, operating result of Minsheng Gas had shown promising improvement which was attributable to the decline in LPG procurement cost, as well as all five transformed CNG fueling stations becoming operational. Although operating profit was achieved by the LPG and CNG retail and distribution business of Minsheng Gas, such profit was insufficient to cover losses in the logistics business, resulting in the overall operating loss.

As at 31 March 2015, Minsheng Gas has nine LPG and five CNG fueling stations in Wuhan City. Since Minsheng Gas successfully obtained qualification for natural gas operation in March 2013, five LPG fueling stations had been transformed into CNG fueling stations since last year, in which three stations were transformed during the year. The overall sale performance and profitability of Minsheng Gas is expected to be strengthened as the management has implemented logistics enhancement measures to aim for cost savings, as well as the three newly transformed CNG fueling stations will have a full-year contribution in the coming financial year.

Ports Development – Yangkou Port (9.9% owned)

There was no contribution from Yangkou Port Co to the Group's operating profit for the year (2014: Nil).

PYI continues to enjoy the future growth of Yangkou Port through the remaining 9.9% equity interest, which is intended to be held for long-term investment purpose and is classified as an investment in equity instrument. As at 31 March 2015, the investment in Yangkou Port Co is stated at fair value (through other comprehensive income) of about $484 million (2014: measured at cost of about $401 million).

Engineering Business – Paul Y. Engineering (47.5% owned)

Paul Y. Engineering contributed about $40 million (2014: $38 million) to the segment's operating profit for the year ended 31 March 2015.

Paul Y. Engineering recorded a turnover of about $10,696 million (2014: $9,244 million) during the year. It secured new contracts of about $5,264 million (2014: $6,336 million) in aggregate value during the year. As at 31 March 2015, the total value of contracts on hand of Paul Y. Engineering was about $31,476 million (2014: $26,492 million) and the value of work remaining was about $10,062 million (2014: 14,456 million).

Property
The property business contributed about $373 million (2014: $369 million) to the Group's operating profit for the year. The profit was mainly attributable to the gain on revaluation of certain investment properties with an area of about 2.88 sq km (2014: 3.89 sq km) located at Xiao Yangkou amounted to about $408 million (2014: $382 million), before the relevant deferred tax charges of about $192 million (2014: $155 million). The operating result included net development expenses for resort project at Xiao Yangkou of about $15 million (2014: $27 million) incurred during the year.

The Group has 11.5 sq km land bank situated at Xiao Yangkou of Nantong City, Jiangsu Province, the PRC, which is under development as a regional tourism site of national standard with hotspring and recreational facilities. As at 31 March 2015, about 6.88 sq km (2014: 5.88 sq km) of the land bank had reached the developing stage or the developed and serviced stage. About 0.88 sq km (2014: 0.88 sq km) of the developed land and about 2 sq km (2014: 1 sq km) of the land under development at Xiao Yangkou were classified as investment properties and measured at fair value of about $1,080 million (2014: $613 million). The remaining of about 2.11 sq km (2014: 2.11 sq km) of the developed land and about 1.89 sq km (2014: 1.89 sq km) of the land under development were classified as trading stock as at 31 March 2015.

As at 31 March 2015, a gross floor area of about 6,000 sq m of "Nantong International Trade Center", a commercial and office development in the central business district of Nantong City, had been rented out for hotel operation. Rental income of the investment properties amounted to about $5 million (2014: $5 million) was contributed to the Group's turnover during the year. The Group also holds a gross floor area of about 15,000 sq m of "Nantong International Trade Center" for sale.

In the main urban district of Yichang City along Yangtze River, the Group holds certain commercial, residential and industrial properties with gross floor area of about 71,000 sq m (inclusive of commercial shops of about 5,000 sq m) through Yichang Port Group. Rental income of the investment properties amounted to about $7 million (2014: $6 million) was contributed to the Group's turnover during the year.

In the Hangzhou Hi-Tech Industry Development Zone of Bingjiang, Hangzhou City, the Group holds jointly with Paul Y. Engineering an office building known as "Pioneer Technology Building", which has a gross floor area of about 20,000 sq m. The building was almost fully leased out as at 31 March 2015 and generated rental income of about $13 million (2014: $12 million) during the year.

Treasury
The treasury investments contributed about $54 million (2014: $56 million) to the Group's operating profit for the year. During the year, listed securities held for trading recorded a fair value gain of about $24 million (2014: $11 million) and generated dividend income of about $5 million (2014: $2 million). The high-yield loans and Renminbi bank deposits in Hong Kong generated interest income of about $25 million (2014: $30 million). During the year ended 31 March 2014, a reversal of impairment loss on receivable of about $15 million was recognised as a result of recovery of an aged loan receivable.

As at 31 March 2015, (a) total value of the Group's portfolio of listed securities held for trading amounted to about $102 million (2014: $85 million), equivalent to about 1.1% (2014: 0.9%) of the Group's total assets; and (b) portfolio of high-yield loans receivable amounted to about $74 million (2014: $76 million), equivalent to about 0.8% (2014: 0.8%) of the Group's total assets.

MATERIAL ACQUISITION AND DISPOSAL
There were no material acquisition and disposal of subsidiaries and associates during the year.

EVENT AFTER THE REPORTING PERIOD
There were no major subsequent events occurred since the end of the reporting period and up to the date of this announcement.

OUTLOOK

The central government's "Yangtze River Economic Belt", "One Belt, One Road" and "21st Century Maritime Silk Road" strategies will provide PYI with valuable opportunities for optimizing its port network in China. PYI remains positive on the outlook of its port business in the Yangtze River region and will stay in line with such national strategies. Looking forward, PYI will pursue strategic growth in both our Yangtze ports as well as the resort and leisure development at Xiao Yangkou with a view to maintain long term business growth and generate sustainable returns to our shareholders.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 March 2015, the Group had total assets of $9,432 million (2014: $9,097 million) which were financed by shareholders' funds and credit facilities. A variety of credit facilities were maintained to meet its working capital requirements and committed capital expenditure, which bore interest at market rates and had contracted terms of repayment ranging from on demand to five years. The Group mainly generated revenue and incurred costs in Hong Kong dollar and Renminbi, and no financial instruments had been used for hedging purpose during the year. The Group adopts a prudent funding and treasury policy and manages the fluctuation exposures of exchange rate and interest rate on specific transactions.

As at 31 March 2015, the Group's total borrowings amounted to about $2,384 million (2014: $2,274 million) with about $1,626 million (2014: $1,586 million) repayable on demand or within one year and about $758 million (2014: $688 million) repayable after one year. Borrowings denominated in Hong Kong dollar of about $872 million (2014: $851 million) bore interest at floating rates. Borrowings denominated in Renminbi of about $890 million (2014: $829 million) bore interest at floating rates and about $622 million (2014: $594 million) bore interest at fixed rates. The Group's gearing ratio was 0.49 (2014: 0.46), which was calculated based on the total borrowings of about $2,384 million (2014: $2,274 million) and the Group's shareholders' funds of about $4,844 million (2014: $4,923 million).

Bank balances and cash of the Group as at 31 March 2015 amounted to about $1,045 million (2014: $1,227 million), of which about $1,008 million (2014: $1,061 million) was denominated in Renminbi, about $37 million (2014: $166 million) was denominated in Hong Kong dollar and about $0.2 million (2014: $0.2 million) was denominated in other currencies. Also, about $408 million (2014: $474 million) had been pledged to banks to secure general credit facilities granted to the Group, which included about RMB320 million (equivalent to about $400 million) (2014: RMB353 million, equivalent to about $441 million) deposited in Hong Kong to secure banking facilities denominated in Hong Kong dollar and available in Hong Kong. As at 31 March 2015, the Group had a net debt position (being bank borrowings net of bank balances and cash) of about $1,045 million (2014: $750 million).

CONTINGENT LIABILITIES

As at 31 March 2015, the Group had contingent liability in respect of a guarantee provided to a bank for banking facilities granted to a third party of about $25 million (2014: $25 million).

PLEDGE OF ASSETS

As at 31 March 2015, certain property interests, property, plant and equipment and bank balances of the Group with an aggregate value of about $1,596 million (2014: $1,388 million), as well as the Company's investments in certain subsidiaries of about $412 million (2014: $217 million) were pledged to banks and financial institutions to secure general credit facilities granted to the Group.

COMMITMENTS

As at 31 March 2015, the Group had expenditure contracted for but not provided in the consolidated financial statements in respect of acquisition of certain property, plant and equipment and properties interests in a total amount of about $12 million (2014: $6 million).

NUMBER OF EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2015, the Group employed a total of 1,619 (2014: 1,759) full time employees. Remuneration packages consisted of salary as well as performance-based bonus. Further, the Company has implemented three share-related incentive schemes to provide alternative means to motivate employees and promote their loyalty in line with the Group's strategy. Such schemes benefited both the Group's staff in Hong Kong and the Mainland.

PURCHASE, SALE AND 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.

CORPORATE GOVERNANCE

In the Corporate Governance Report published in PYI's 2014 annual report (the "2014 Annual Report") (which can be viewed on PYI's website: www.pyicorp.com), we reported that, save for the deviation disclosed therein, PYI has applied the principles and complied with all applicable code provisions of the Corporate Governance Code set out in Appendix 14 to the Listing Rules (the "CG Code"), and adopted some of the recommended best practices for the year ended 31 March 2014.

Throughout the year ended 31 March 2015, PYI continued to comply with the code provisions as set out in the CG Code and adopt some of the recommended best practices, except for the following deviation:

Code Provision A.2.1 of the CG Code stipulates that the roles of the chairman and chief executive officer ("CEO") should be separated and performed by different individuals. Following the retirement of Dr Chow Ming Kuen, Joseph on 16 September 2011, Mr Lau Tom Ko Yuen, the Managing Director (equivalent to CEO) of PYI, has been appointed as chairman of PYI ("Chairman") and has performed the roles of Chairman and CEO with effect from 26 September 2011.

The Board of PYI believes that it is appropriate and in the interests of PYI for Mr Lau Tom Ko Yuen to take up both roles at the present stage as it helps to ensure consistent leadership within the Group and enable more effective and efficient overall strategic planning for the Group. The Board of PYI also believes that the balance of power and authority for the present arrangement will not be impaired and is adequately ensured by the current Board which comprises experienced and high calibre individuals with more than half the number thereof being independent non-executive directors.

PYI has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code for dealing in the securities of PYI by PYI's directors and the relevant employees of the Group. According to specific enquiries made by PYI, all PYI's directors and relevant employees of the Group have confirmed their compliance with the required standard set out in the Model Code throughout the year ended 31 March 2015.

REVIEW OF ACCOUNTS

The Group's results for the year ended 31 March 2015 have been reviewed by the Audit Committee of PYI.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, condensed consolidated statement of cash flows 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 this preliminary announcement.

APPRECIATION

We would like to take this opportunity to send our gratitude to our shareholders, clients and partners for their continuous support and confidence to the Group, and express our appreciation to our executives and staff across the nation for their dedication and contribution during the past year.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on PYI's corporate website at www.pyicorp.com under "Investors" and the HKExnews at www.hkexnews.hk under "Listed Company Information". The 2015 Annual Report will be despatched to shareholders of PYI and posted at the aforesaid websites in July 2015.

ANNUAL GENERAL MEETING

The 2015 Annual General Meeting of PYI is scheduled to be held on Friday, 4 September 2015. Notice of the 2015 Annual General Meeting will be published on the websites of both the Stock Exchange and PYI and despatched to PYI's shareholders in due course.

BOARD OF DIRECTORS

As at the date of this announcement, the composition of the Board of PYI is as follows:

Mr Lau Tom Ko Yuen	:	Chairman and Managing Director
Mr Chan Yiu Lun, Alan	:	Executive Director
Mr Chan Shu Kin	:	Independent Non-Executive Director
Mr Li Chang An	:	Independent Non-Executive Director
Ms Wong Lai Kin, Elsa	:	Independent Non-Executive Director
Mr Mok Yat Fan, Edmond	:	Independent Non-Executive Director

On behalf of the Board
PYI Corporation Limited
Lau Tom Ko Yuen
Chairman and Managing Director

Hong Kong, 19 June 2015