Chuang's Consortium International Limited
（莊士機構國際有限公司）
(Incorporated in Bermuda with limited liability)
(Stock Code: 367)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH, 2015

RESULTS

The board of Directors (the "Board") of Chuang's Consortium International Limited (the "Company") announces the consolidated results of the Company and its subsidiaries (collectively as the "Group") for the year ended 31st March, 2015 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March, 2015

	Note	**2015** **HK$'000**	2014 HK$'000
Revenues	*3*	**1,521,709**	1,389,053
Cost of sales		**(950,566)**	(873,596)
Gross profit		**571,143**	515,457
Other income and net gain	*5*	**103,680**	163,084
Selling and marketing expenses		**(96,926)**	(99,536)
Administrative and other operating expenses		**(470,814)**	(390,858)
Change in fair value of investment properties		**593,253**	450,269
Operating profit	*6*	**700,336**	638,416
Finance costs	*7*	**(66,769)**	(59,042)
Share of results of associated companies	*8*	**(1,350)**	11,364
Share of results of joint ventures		**(44)**	(69)
Profit before taxation		**632,173**	590,669
Taxation	*9*	**(105,672)**	(98,083)
Profit for the year		**526,501**	492,586
Attributable to:			
Equity holders		**502,952**	468,530
Non-controlling interests		**23,549**	24,056
		526,501	492,586
Dividends	*10*	**86,550**	85,739
		HK cents	*HK cents*
Earnings per share (basic and diluted)	*11*	**29.17**	27.71

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March, 2015

	2015	2014
	HK$'000	*HK$'000*
Profit for the year	**526,501**	492,586
Other comprehensive income:		
Items that may be reclassified subsequently to profit and loss		
Net exchange differences	**(39,425)**	(16,612)
Realization of exchange reserve upon disposal of subsidiaries	**(1,094)**	(423)
Change in fair value of available-for-sale financial assets	**35,455**	9,961
Realization of investment revaluation reserve upon disposal of available-for-sale financial assets	**(371)**	(171)
Other comprehensive loss for the year	**(5,435)**	(7,245)
Total comprehensive income for the year	**521,066**	485,341
Total comprehensive income attributable to:		
Equity holders	**486,837**	458,627
Non-controlling interests	**34,229**	26,714
	521,066	485,341

CONSOLIDATED BALANCE SHEET

As at 31st March, 2015

	Note	2015 HK$'000	2014 HK$'000
Non-current assets			
Property, plant and equipment		**768,066**	263,242
Investment properties		**5,969,808**	6,746,278
Leasehold lands and land use rights		**938,207**	32,749
Properties for/under development		**778,800**	740,330
Cemetery assets		**561,692**	558,300
Associated companies		**48,782**	52,765
Joint ventures		**–**	–
Amounts due from joint ventures		**66,215**	63,950
Available-for-sale financial assets		**243,708**	209,155
Loans and receivables		**12,553**	12,550
		9,387,831	8,679,319
Current assets			
Properties for sale		**2,569,602**	2,274,623
Inventories		**185,912**	128,722
Cemetery assets		**108,064**	110,142
Debtors and prepayments	*12*	**528,267**	558,338
Tax recoverable		**–**	339
Financial assets at fair value through profit or loss		**85,621**	77,898
Pledged bank balances		**55,269**	55,440
Cash and bank balances		**1,972,173**	2,313,185
		5,504,908	5,518,687
Assets of disposal group classified as held for sale	*13*	**–**	61,529
		5,504,908	5,580,216
Current liabilities			
Creditors and accruals	*14*	**505,257**	502,899
Sales deposits received		**213,389**	479,850
Short-term bank borrowings		**243,466**	29,335
Current portion of long-term bank borrowings		**919,241**	505,939
Convertible note		**–**	59,682
Taxation payable		**348,808**	297,852
		2,230,161	1,875,557
Liabilities of disposal group classified as held for sale	*13*	**–**	3,294
		2,230,161	1,878,851
Net current assets		**3,274,747**	3,701,365
Total assets less current liabilities		**12,662,578**	12,380,684
Equity			
Share capital		**433,432**	430,515
Reserves		**7,718,680**	7,310,950
Proposed final dividend		**52,012**	51,662
Shareholders' funds		**8,204,124**	7,793,127
Non-controlling interests		**1,526,873**	1,478,027
Total equity		**9,730,997**	9,271,154
Non-current liabilities			
Long-term bank borrowings		**2,538,079**	2,716,983
Deferred taxation liabilities		**361,405**	360,550
Loans and payables with non-controlling interests		**32,097**	31,997
		2,931,581	3,109,530
		12,662,578	12,380,684

NOTES:

1. GENERAL INFORMATION

Chuang's Consortium International Limited (the "Company") is a limited liability company incorporated in Bermuda and listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is 25th Floor, Alexandra House, 18 Chater Road, Central.

The principal activities of the Company and its subsidiaries (collectively as the "Group") are property development and investment, hotel operation and management, manufacturing, sales and trading of printed products, home finishing products, watch components and merchandises, securities investment and trading, development and operation of cemetery and information technology business.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets and financial assets at fair value through profit or loss at fair values, and in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants.

The consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies of the Group.

Effect of adopting amendments to standards and interpretation

For the financial year ended 31st March, 2015, the Group adopted the following amendments to standards and interpretation that are effective for the accounting periods beginning on or after 1st April, 2014 and relevant to the operations of the Group:

HKAS 32 (Amendment)	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities
HKAS 36 (Amendment)	Impairment of Assets – Recoverable Amount Disclosures for Non-financial Assets
HKAS 39 (Amendment)	Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities
HK(IFRIC) - Int 21	Levies

The Group has assessed the impact of the adoption of these amendments to standards and interpretation and considered that there was no significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies and presentation of the consolidated financial statements.

New standards and amendments to standards that are not yet effective

The following new standards and amendments to standards have been published which are relevant to the Group's operations and are mandatory for the Group's accounting periods beginning on or after 1st April, 2015, but have not yet been early adopted by the Group:

HKAS 1 (Amendment)	Presentation of Financial Statements – Disclosure Initiative (effective from 1st January, 2016)
HKAS 16 (Amendment) and HKAS 38 (Amendment)	Property, Plant and Equipment and Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortization (effective from 1st January, 2016)
HKAS 19 (2011) (Amendment)	Employee Benefits: Defined Benefit Plans – Employee Contributions (effective from 1st July, 2014)
HKAS 27 (Amendment)	Separate Financial Statements: Equity Method in Separate Financial Statements (effective from 1st January, 2016)
HKFRS 9	Financial Instruments (effective from 1st January, 2018)
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective from 1st January, 2016)
HKFRS 10, HKFRS 12 and HKAS 28 (Amendments)	Investment Entities: Applying the Consolidation Exception (effective from 1st January, 2016)
HKFRS 11 (Amendment)	Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations (effective from 1st January, 2016)
HKFRS 14	Regulatory Deferral Accounts (effective from 1st January, 2016)
HKFRS 15	Revenue from Contracts with Customers (effective from 1st January, 2017)
HKFRSs (Amendment)	Annual Improvements to HKFRSs 2010–2012 Cycle (effective from 1st July, 2014)
HKFRSs (Amendment)	Annual Improvements to HKFRSs 2011–2013 Cycle (effective from 1st July, 2014)
HKFRSs (Amendment)	Annual Improvements to HKFRSs 2012–2014 Cycle (effective from 1st January, 2016)

The Group will adopt the above new standards and amendments to standards as and when they become effective. The Group has already commenced the assessment of the impact to the Group and is not yet in a position to state whether these would have a significant impact on its results of operations and financial position.

In addition, the revised Rules Governing the Listing of Securities on the Stock Exchange on disclosure of financial information with reference to the new Hong Kong Companies Ordinance (Cap. 622) will come into operation as from the Group's first financial year ending on or after 31st March, 2016. The Group is in the process of making an assessment of expected impact of the changes. So far it has concluded that the impact is unlikely to be significant and only the presentation and the disclosure of information in the consolidated financial statements will be affected.

3. REVENUES

Revenues (representing turnover) recognized during the year are as follows:

	2015	2014
	HK$'000	*HK$'000*
Sales of properties	**993,778**	797,959
Rental income and management fees	**164,593**	152,735
Income from hotel operation and management	**6,185**	–
Sales of goods and merchandises	**345,401**	387,300
Securities trading	**(1,942)**	29,207
Interest income from financial assets at fair value through profit or loss	**986**	1,497
Dividend income from listed investments	**236**	10,868
Sales of cemetery assets	**12,472**	9,487
	1,521,709	1,389,053

4. SEGMENT INFORMATION

(a) Segment information by business lines

The chief operating decision maker (the "CODM") has been identified as the Executive Directors and senior management. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The CODM considers the business from a business perspective, including property development and investment, hotel operation and management, sales of goods and merchandises, securities investment and trading, cemetery and others (including information technology business). The CODM assesses the performance of the operating segments based on a measure of segment result.

The segment information by business lines is as follows:

	Property development and investment *HK$'000*	Hotel operation and management *HK$'000*	Sales of goods and merchandises *HK$'000*	Securities investment and trading *HK$'000*	Cemetery *HK$'000*	Others and corporate *HK$'000*	2015 Total *HK$'000*
Revenues	1,158,371	6,185	345,401	(720)	12,472	–	1,521,709
Other income and net gain/(loss)	17,380	(4)	41,260	(165)	10,393	34,816	103,680
Operating profit/(loss)	958,173	(67,648)	(29,119)	(885)	5,466	(165,651)	700,336
Finance (costs)/income	(55,229)	(7,087)	(4,474)	–	21	–	(66,769)
Share of results of associated companies	80	(656)	–	–	–	(774)	(1,350)
Share of results of joint ventures	(44)	–	–	–	–	–	(44)
Profit/(loss) before taxation	902,980	(75,391)	(33,593)	(885)	5,487	(166,425)	632,173
Taxation (charge)/credit	(107,513)	–	(2,797)	–	4,638	–	(105,672)
Profit/(loss) for the year	795,467	(75,391)	(36,390)	(885)	10,125	(166,425)	526,501
Segment assets	10,139,465	1,463,380	422,258	86,356	689,348	1,976,935	14,777,742
Associated companies	153	41,053	–	–	–	7,576	48,782
Joint ventures	–	–	–	–	–	–	–
Amounts due from joint ventures	66,215	–	–	–	–	–	66,215
Total assets	10,205,833	1,504,433	422,258	86,356	689,348	1,984,511	14,892,739
Total liabilities	4,046,056	748,647	121,569	–	164,820	80,650	5,161,742
Other segment items are as follows:							
Capital expenditure	960,513	100,754	8,772	–	5,490	4,637	1,080,166
Depreciation	3,111	12,170	25,760	–	644	13,978	55,663
Amortization of leasehold lands and land use rights							
– charged to the consolidated income statement	32	20,395	1,002	–	74	–	21,503
– capitalized into properties	4,000	–	–	–	–	–	4,000
Provision for impairment of inventories	–	–	2,855	–	–	–	2,855
Provision for impairment of trade debtors	91	–	697	–	1,066	–	1,854
Provision for impairment of other deposits	29,000	–	–	–	–	–	29,000
Reversal of provision for impairment of trade debtors	–	–	(523)	–	–	–	(523)
Write-back of provision for expenses undertaking	–	–	–	–	(10,224)	–	(10,224)

	Property development and investment HK$'000	Hotel operation and management HK$'000	Sales of goods and merchandises HK$'000	Securities investment and trading HK$'000	Cemetery HK$'000	Others and corporate HK$'000	2014 Total HK$'000
Revenues	950,694	–	387,300	41,572	9,487	–	1,389,053
Other income and net gain	128,488	–	14,888	–	64	19,644	163,084
Operating profit/(loss)	825,521	(9,181)	(46,675)	41,572	(4,850)	(167,971)	638,416
Finance costs	(54,123)	–	(4,550)	–	(369)	–	(59,042)
Share of results of associated companies	59	10,477	–	–	–	828	11,364
Share of result of a joint venture	(69)	–	–	–	–	–	(69)
Profit/(loss) before taxation	771,388	1,296	(51,225)	41,572	(5,219)	(167,143)	590,669
Taxation (charge)/credit	(98,939)	–	(564)	–	1,420	–	(98,083)
Profit/(loss) for the year	672,449	1,296	(51,789)	41,572	(3,799)	(167,143)	492,586
Segment assets	11,119,069	4,037	453,948	85,724	688,734	1,791,308	14,142,820
Associated companies	2,706	41,709	–	–	–	8,350	52,765
Joint venture	–	–	–	–	–	–	–
Amount due from a joint venture	63,950	–	–	–	–	–	63,950
Total assets	11,185,725	45,746	453,948	85,724	688,734	1,799,658	14,259,535
Total liabilities	4,548,075	486	112,730	–	178,135	148,955	4,988,381
Other segment items are as follows:							
Capital expenditure	855,797	–	11,619	–	10,300	6,789	884,505
Depreciation	3,505	–	28,499	–	687	12,572	45,263
Amortization of leasehold lands and land use rights							
– charged to the consolidated income statement	32	–	2,183	–	74	–	2,289
– capitalized into properties	4,000	–	–	–	–	–	4,000
Provision for impairment of property, plant and equipment	–	–	2,321	–	–	–	2,321
Provision for impairment of inventories	–	–	2,423	–	–	–	2,423
Provision for impairment of trade debtors	1,266	–	623	–	819	–	2,708
Provision for impairment of other deposits	7,272	–	–	–	–	–	7,272
Reversal of provision for impairment of trade debtors	–	–	(919)	–	–	–	(919)

(b) Geographical segment information

The business of the Group operates in different geographical areas. Revenues are presented by the countries where the customers are located. Non-current assets, total assets and capital expenditure are presented by the countries where the assets are located. The segment information by geographical area is as follows:

	Revenues		**Capital expenditure**	
	2015	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**156,801**	194,448	**706,684**	292,772
The People's Republic of China (the "PRC")	**1,019,777**	812,673	**303,959**	506,433
Other countries	**345,131**	381,932	**69,523**	85,300
	1,521,709	1,389,053	**1,080,166**	884,505

	Non-current assets *(Note)*		**Total assets**	
	2015	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**7,260,475**	6,534,791	**9,942,201**	8,983,771
The PRC	**1,355,657**	1,344,472	**4,051,567**	4,380,030
Other countries	**515,438**	578,351	**898,971**	895,734
	9,131,570	8,457,614	**14,892,739**	14,259,535

Note: *Non-current assets in geographical segment represent non-current assets other than available-for-sale financial assets and loans and receivables.*

5. OTHER INCOME AND NET GAIN

	2015	2014
	HK$'000	*HK$'000*
Interest income from bank deposits	**32,261**	24,769
Dividend income from available-for-sale financial assets	**3,784**	2,776
Sales of scraped materials	**3,237**	5,325
Reversal of provision for impairment of trade debtors	**523**	919
Gain on disposal of subsidiaries *(Note a)*	**17,107**	40,491
Write-back of provision for expenses undertaking *(Note b)*	**10,224**	–
Fair value gain on transfer of properties from properties for sale to investment properties	**4,283**	78,215
Gain on disposal of an investment property	**11,252**	–
Net gain/(loss) on disposal of property, plant and equipment	**11,948**	(60)
Loss on disposal of leasehold lands and land use rights	**(333)**	–
Gain on disposal of available-for-sale financial assets	**868**	1,894
Net exchange (loss)/gain	**(2,794)**	159
Sundries	**11,320**	8,596
	103,680	163,084

Notes:

(a) (i) *On 27th May, 2013, a subsidiary (the "Vendor") of the Group entered into an agreement with an independent third party (the "Purchaser") to dispose of its investment in a wholly-owned subsidiary at a consideration of HK$1. The Vendor also executed an indemnity deed amounting to RMB48.8 million (equivalent to HK$60.9 million) in favour of the Purchaser for a period of two years from the date of completion of the disposal on 15th August, 2013. Details of the transaction were set out in the announcement of the Company on 27th May, 2013.*

(ii) *On 14th May, 2014, a subsidiary of the Group entered into an agreement with an independent third party to dispose of its investment in the wholly-owned subsidiaries at a consideration of approximately HK$78.2 million. The whole consideration was received on 21st May, 2014 and the transaction was completed during the year ended 31st March, 2015. Details of the transaction were set out in the announcement of Midas International Holdings Limited ("Midas") (a listed subsidiary of the Group) dated 14th May, 2014 and note 13.*

(b) *The write-back of provision for expenses undertaking was related to the disposal of certain subsidiaries by the Midas group in September 2007 as the respective undertaking expired in September 2014.*

6. OPERATING PROFIT

	2015	2014
	HK$'000	*HK$'000*
Operating profit is stated after crediting:		
Net realized gain of financial assets at fair value through profit or loss	**4,188**	23,750
Fair value gain of financial assets at fair value through profit or loss	**–**	5,457
and after charging:		
Cost of properties sold	**605,047**	511,531
Cost of inventories sold	**210,478**	232,281
Depreciation	**55,663**	45,263
Amortization of leasehold lands and land use rights	**21,503**	2,289
Fair value loss of financial assets at fair value through profit or loss	**6,130**	–
Provision for impairment of property, plant and equipment	**–**	2,321
Provision for impairment of inventories	**2,855**	2,423
Provision for impairment of trade debtors	**1,854**	2,708
Provision for impairment of other deposits	**29,000**	7,272
Staff costs, including Directors' emoluments		
Wages and salaries	**235,185**	215,497
Retirement benefit costs	**8,476**	7,777

7. FINANCE COSTS

	2015 *HK$'000*	2014 *HK$'000*
Interest expenses		
Bank borrowings wholly repayable within five years	**67,095**	61,121
Bank borrowings wholly repayable after five years	**32,960**	20,496
Bank overdraft wholly repayable within five years	**326**	166
Convertible note wholly repayable within five year	**2,688**	7,750
	103,069	89,533
Fair value adjustment of trade debtors	**(21)**	369
Amounts capitalized into		
Investment properties	**(5,799)**	(1,124)
Properties for/under development	**(3,632)**	(2,561)
Properties for sale	**(24,160)**	(19,425)
Cemetery assets	**(2,688)**	(7,750)
	(36,279)	(30,860)
	66,769	59,042

The above analysis shows the finance costs in accordance with the agreed scheduled repayment dates set out in the agreements. The capitalization rates applied to funds borrowed for the development of properties range from 1.59% to 7.20% (2014: 2.36% to 7.38%) per annum, whereas the capitalized effective rate for cemetery assets is 14.86% (2014: 14.86%) per annum.

8. SHARE OF RESULTS OF ASSOCIATED COMPANIES

In 2014, share of results of associated companies included a negative goodwill of HK$10,801,000 arising from the acquisition of associated companies during the year ended 31st March, 2014.

9. TAXATION

	2015 *HK$'000*	2014 *HK$'000*
Current taxation		
Hong Kong profits tax- over-provision in previous years	**(75,458)**	(7,605)
Overseas profits tax	**79**	378
PRC corporate income tax	**64,544**	46,825
PRC land appreciation tax	**118,153**	51,177
Deferred taxation	**(1,646)**	7,308
	105,672	98,083

No provision for Hong Kong profits tax has been made as the Group has sufficient tax losses brought forward to set off against the estimated assessable profits for the year (2014: Nil). PRC corporate income tax and overseas profits tax have been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the PRC and the countries in which the Group operates respectively. PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land and development expenditures.

Share of taxation charge of associated companies for the year ended 31st March, 2015 of HK$99,000 (2014: HK$170,000) is included in the consolidated income statement as share of results of associated companies. There is no taxation charge/credit of the joint ventures for the year ended 31st March, 2015 (2014: Nil).

10. DIVIDENDS

	2015	2014
	HK$'000	*HK$'000*
Interim scrip dividend with a cash option of 2.0 HK cents (2014: 2.0 HK cents) per share	**34,538**	34,077
Proposed final scrip dividend with a cash option of 3.0 HK cents (2014: 3.0 HK cents) per share	**52,012**	51,662
	86,550	85,739

On 29th June, 2015, the board of Directors proposed a final scrip dividend with a cash option of 3.0 HK cents (2014: 3.0 HK cents) per share amounting to HK$52,012,000 (2014: HK$51,662,000). The amount of HK$52,012,000 is calculated based on 1,733,729,517 issued shares as at 29th June, 2015. This proposed dividend is not reflected as a dividend payable in the consolidated financial statements, but will be reflected and accounted for as an appropriation of reserves in the year ending 31st March, 2016 upon the approval by the shareholders.

11. EARNINGS PER SHARE

The calculation of the earnings per share is based on the profit attributable to equity holders of HK$502,952,000 (2014: HK$468,530,000) and the weighted average number of 1,724,432,370 (2014: 1,690,630,402) shares in issue during the year.

The diluted earnings per share is equal to the basic earnings per share since there are no dilutive potential shares in issue during the years and the convertible notes issued by a subsidiary are anti-dilutive.

12. DEBTORS AND PREPAYMENTS

Rental income and management fees are received in advance whereas receivables from cemetery operation are settled in accordance with the terms of respective contracts. Credit terms of hotel income and sales of goods and merchandises mainly range from 30 days to 45 days and 30 days to 180 days respectively. The aging analysis of the trade debtors of the Group is as follows:

	2015	2014
	HK$'000	*HK$'000*
Below 30 days	**48,637**	61,053
31 to 60 days	**23,339**	10,495
61 to 90 days	**11,767**	20,559
Over 90 days	**17,132**	20,907
	100,875	113,014

Debtors and prepayments include net deposits of HK$286,008,000 (2014: HK$321,515,000) for property projects and acquisition of properties and leasehold lands and land use rights in Hong Kong, the PRC and Vietnam after the accumulated provision for impairment of HK$67,272,000 (2014: HK$38,272,000) as at 31st March, 2015.

13. ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

	2015	2014
	HK$'000	*HK$'000*
Assets		
Leasehold lands and land use rights	–	46,216
Property, plant and equipment	–	7,219
Cash and bank balances	–	8,094
	–	61,529
Liabilities		
Deferred taxation liabilities	–	(3,294)
	–	58,235

On 14th May, 2014, a subsidiary of the Group entered into an agreement with an independent third party to dispose of its investment in the wholly-owned subsidiaries at a consideration of approximately HK$78.2 million. All the related assets and liabilities had been reclassified as "assets of disposal group classified as held for sale" and "liabilities of disposal group classified as held for sale" respectively as at 31st March, 2014. The transaction was completed during the year ended 31st March, 2015 and a gain on disposal was recorded by the Group in "Other income and net gain" (note 5(a)(ii)).

14. CREDITORS AND ACCRUALS

The aging analysis of the trade creditors of the Group is as follows:

	2015	2014
	HK$'000	*HK$'000*
Below 30 days	**32,484**	16,397
31 to 60 days	**11,287**	13,777
Over 60 days	**23,677**	21,095
	67,448	51,269

Creditors and accruals include the construction cost payables and accruals of HK$189,295,000 (2014: HK$225,361,000) for the property projects of the Group.

15. FINANCIAL GUARANTEES

As at 31st March, 2015, the Company had provided a guarantee of HK$117,000,000 (2014: HK$117,000,000) for the banking facility granted to a joint venture, and subsidiaries had provided guarantees of HK$795,441,000 (2014: HK$593,591,000) to banks for mortgage loans made by the banks to the purchasers of properties sold by the subsidiaries in the PRC.

16. COMMITMENTS

As at 31st March, 2015, the Group had commitments contracted but not provided for in respect of property projects and property, plant and equipment of HK$428,034,000 (2014: HK$402,393,000) and available-for-sale financial assets of HK$49,964,000 (2014: HK$49,952,000) respectively.

17. PLEDGE OF ASSETS

As at 31st March, 2015, the Group had pledged certain assets including property, plant and equipment, investment properties, leasehold lands and land use rights, properties for sale and bank deposits, with an aggregate carrying value of HK$8,259,166,000 (2014: HK$7,083,739,000), to secure banking and financial guarantee facilities granted to the subsidiaries.

18. EVENT AFTER THE REPORTING PERIOD

On 21st April, 2015, Chuang's China Investments Limited (a listed subsidiary of the Group) and its wholly-owned subsidiary entered into a sale and purchase agreement with Midas (a listed subsidiary of the Group) and its wholly-owned subsidiary to acquire the entire registered capital of a PRC wholly-owned subsidiary of Midas (the major assets are the land and property in the PRC) at a consideration of RMB101.6 million (equivalent to approximately HK$127.0 million) (subject to adjustment). The transaction will be completed on the seventh business day after the last outstanding conditions precedent is fulfilled. Details of the transaction were set out in the announcement of the Company dated 21st April, 2015.

FINANCIAL REVIEW

For the year ended 31st March, 2015, revenues of the Group amounted to HK$1,521.7 million (2014: HK$1,389.1 million), representing an increase of 9.5% compared to that of the last year. This was mainly due to the increase in property sales in the People's Republic of China (the "PRC") recognized by the Group during the year. Revenues of the Group comprised revenues from sales of properties of HK$993.8 million (2014: HK$798.0 million), revenues from rental and other income of investment properties of HK$164.5 million (2014: HK$152.7 million), revenues from hotel operation of HK$6.2 million (2014: Nil), revenues from sales of goods and merchandises of HK$345.4 million (2014: HK$387.3 million), revenues from cemetery business of HK$12.5 million (2014: HK$9.5 million) and loss from securities investment and trading business of HK$0.7 million (2014: profit of HK$41.6 million).

As a result of increase in revenues generated from sales of properties, gross profit during the year increased to HK$571.1 million (2014: HK$515.5 million), representing an increase of 10.8% compared to that of the last year. Gross profit margin was 37.5% (2014: 37.1%) which was similar to that of the last year. Other income and net gain decreased to HK$103.7 million (2014: HK$163.1 million) mainly due to the decrease in fair value gain on transfer of properties from properties for sale to investment properties in the PRC. A breakdown of other income and net gain is shown in note 5 on page 9 of this report. Furthermore, the Group also recorded an upward revaluation surplus of HK$593.3 million (2014: HK$450.3 million) for its investment properties, reflecting the continued improvement in property prices of our investment properties in Hong Kong during the year.

On the costs side, selling and marketing expenses decreased slightly to HK$96.9 million (2014: HK$99.5 million). Administrative and other operating expenses increased to HK$470.8 million (2014: HK$390.9 million) mainly due to a general increase in overheads due to the increase in business activities of the Group, the pre-opening expenses of the hotel operation and amortization/depreciation of the hotel property of the Group amounting in aggregate to HK$49.9 million, and the provision for diminution in value of a property project in Vietnam amounting to HK$29 million. Finance costs increased to HK$66.8 million (2014: HK$59.0 million) mainly due to the increase of bank borrowings of the Group. Share of loss of associated companies amounted to HK$1.4 million (2014: profit of HK$11.4 million due to a negative goodwill arising on the acquisition of a 40% interest in a hotel in Cebu, Philippines being recognized). Taxation amounted to HK$105.7 million (2014: HK$98.1 million) mainly relating to net tax paid or payable on sales of properties.

Taking all the above into account, profit attributable to equity holders of the Company amounted to HK$503.0 million (2014: HK$468.5 million), representing an increase of 7.4% compared to that of the last year. Earnings per share was 29.17 HK cents (2014: 27.71 HK cents).

DIVIDENDS

After taking into account the need to maintain sufficient financial resources for the working capital of the Group's projects and businesses, the board of Directors (the "Board") has resolved to recommend for the shareholders' approval at the forthcoming annual general meeting of the Company (the "AGM") the payment of a final dividend of 3.0 HK cents (2014: 3.0 HK cents) per share for the year ended 31st March, 2015. The final dividend, if approved, will be paid on or before 30th October, 2015 by allotment of new shares with a cash option to the shareholders whose names appear on the Company's register of members on 11th September, 2015.

Subject to the Listing Committee of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting listing of and permission to deal in the new shares to be issued pursuant to the scrip dividend scheme, new share entitlement will be calculated by reference to the par value of the shares of the Company, being HK$0.25, or the average of the closing prices on the Stock Exchange of the shares of the Company for the five consecutive trading days up to and including 11th September, 2015, whichever is higher. A circular giving full details of the scrip dividend scheme and a form of election will be sent to the shareholders of the Company as soon as practicable.

An interim dividend of 2.0 HK cents (2014: 2.0 HK cents) per share has been paid in respect of the current financial year. Total dividends for the year, therefore, will amount to 5.0 HK cents (2014: 5.0 HK cents) per share, and the total amount will be HK$86.6 million (2014: HK$85.7 million).

BUSINESS REVIEW

(A) Investment/Hotel Properties

(i) Hong Kong

(a) Investment Properties

The Group owns a high-quality portfolio of investment properties in Hong Kong which generate strong recurrent income stream to the Group. The total gross area of the Group's investment properties in Hong Kong amounted to about 190,000 *sq. ft.* comprising retail, office and high-class residential spaces. Rental and other income from investment properties in Hong Kong during the year amounted to HK$130.2 million, representing an increase of 7.9% over that of the last year. The Group's major investment properties in Hong Kong are as follows:

(1) Chuang's Tower, Nos. 30-32 Connaught Road Central, Hong Kong (100% owned)

The property is a commercial/office building and is strategically located at the heart of Central District and next to the exits of both the Central Station of the Mass Transit Railway and the Hong Kong Station of the Airport Express Line. Currently, the Group is studying plans to upgrade the property with a view to further enhance the rental yield.

(2) Chuang's London Plaza, No. 219 Nathan Road, Tsim Sha Tsui, Kowloon (100% owned)

Strategically located at the heart of shopping centres in Tsim Sha Tsui, Kowloon, and next to the exit of the Mass Transit Railway, the property is a shopping and entertainment complex. In order to improve the rental yield and thus the capital value of the property, the Group is exploring plans and strategies to renovate and upgrade the property with a view to increase the gross area of the shops at the ground floor and the first floor levels and to improve the accessibility of the shops at the basement levels. In order to achieve the above objectives, further building plans will be submitted to the relevant authorities for approval. Once the approval is obtained, the Group will evaluate the best timing to carry out the renovation and upgrading works.

(3) No. 15 Gough Hill Road, The Peak, Hong Kong (100% owned)

The redevelopment of the property into a single house with unique architectural design has been progressing satisfactorily. Site formation and foundation works are in progress and are expected to be completed in the third quarter of 2015 which will be closely followed by the superstructure works. The project is expected to be completed in the fourth quarter of 2016. In view of the strong demand and limited supply of this type of luxury property in that area, it is envisaged that rental and capital value of the property will be enhanced upon completion of the development.

(4) House A, No. 37 Island Road, Deep Water Bay, Hong Kong (100% owned)

Located at Deep Water Bay, a prestigious residential area, this property enjoys a glamourous sea-view. The property was leased out during the year.

(b) Hotel Property

Hotel sáv, No. 83 Wuhu Street, Hunghom, Kowloon (100% owned)

Hotel sáv, which commenced operation in mid-February 2015, is located at the heart of Hunghom and comprises of 388 rooms together with shopping units at the ground floor level. The shopping units have been fully leased and total revenues from the hotel operation for the months of February and March 2015 amounted to HK$6.2 million. The average room rate of the hotel was about HK$720 and the average occupancy rate of the hotel was about 40% for the months of February and March 2015. The occupancy rate of the hotel had been improved to about 78% in April 2015 and about 83% in May 2015. The hotel is managed by Sav Hospitality Limited, the hotel management arm of the Group.

(ii) Malaysia

Central Plaza, Jalan Sultan Ismail, Kuala Lumpur (100% owned)

Central Plaza, located at the heart of central business district and prestigious shopping area of Kuala Lumpur, has a total gross floor area ("GFA") of 380,000 *sq. ft.* of retail, office and carparking spaces. During the year, rental and other income from this property amounted to HK$22.4 million, representing an increase of 5.7% over that of the last year.

(iii) Philippines

Pacific Cebu Resort, Cebu (40% owned)

Pacific Cebu Resort is a resort established in 1992 with 136 rooms and abundant diving facilities, and is located at Lapu-Lapu City, Mactan Island in Cebu of Philippines occupying a site area of about 64,987 *sq. m.*. During the year, renovation works to upgrade the rooms and the facilities have been completed which resulted in an increase in both room rate and occupancy rate. Meanwhile, the Group is also carrying out feasibility studies to develop the vacant land within the resort (about 20,000 *sq. m.*) into hotels/condominiums/villas/shops in order to create more value from this investment. The resort is managed by Sav Hospitality Limited.

(B) Properties Under Development/Held For Sale

(i) Hong Kong

(a) Parkes Residence, No. 101 Parkes Street, Kowloon (100% owned)

The property is close to the Jordan Station of the Mass Transit Railway and will be developed into a 25-storey commercial/residential building comprising 114 fully furnished studio units with clubhouse facilities and shopping units at the podium levels (G/F to 2/F). Superstructure works have been completed and internal and external finishing works are in progress. The project is expected to be completed within the financial year ending 2016. Up to the date of this report, 84 residential units and certain shopping units have been pre-sold with an aggregate sales value of HK$801.1 million, and deposits of about HK$139 million have been received. The Group will continue to market the remaining residential units and the ground floor shops.

(b) Villa 28 and Villa 30, Po Shan Road, Hong Kong (50% owned)

The Group owns a 50% interest in the project and is the project manager of the development. The property is located in a prestigious mid-level area that enjoys a glamorous sea-view. Building plans have been approved to develop the property into two semi-detached residences with GFA of about 40,632 *sq. ft.*. Demolition works of the project have been completed. Plans for the site formation and foundation works have been approved.

(ii) Taiwan

sáv Residence, Xinyi District, Taipei City (100% owned)

The project, located nearby the city centre of Taipei City, is a residential development comprising a villa and 6 apartment units (of which 2 are duplex apartments). Occupation permit has been issued by the relevant authorities. Internal decoration works for the apartments have been completed and up to the date of this report, 2 apartment units have been leased out. Marketing works for leasing out/sale of the apartments are in progress.

(iii) Vietnam

(a) Greenview Garden, Thu Duc District, Ho Chi Minh City (100% owned)

The project covers a site area of 20,300 *sq. m.* and it is planned that a commercial/residential complex with GFA of 94,000 *sq. m.* will be developed on the site. The site is currently vacant and construction permit has recently been obtained. The Group will embark on the development of villas as an initial phase of the development which will then be followed by the development of high-rise apartments.

(b) Duc Hoa District, Long An Province

The Group had participated in a 70% interest in the project pursuant to an agreement (the "Agreement") entered into between the Group and the joint venture partner. As disclosed in various announcements of the Company, an arbitral award had been granted in favour of the Group by the Vietnam International Arbitration Centre in May 2013 and upheld by the court of Vietnam in October 2013 for specific performance against the joint venture partner. Since then, the Group had held a number of meetings with the joint venture partner in the presence of the enforcement office in Vietnam with a view to enforce the arbitral award. However, up to the date of this report, no major progress was made as the joint venture partner had been proposing a new set of terms which are not in accordance with the terms of the Agreement. The Group, after taking legal advice, considered that it would not be appropriate for the joint venture partner to re-negotiate the terms of the Agreement as the arbitral award specifically requested the joint venture company to be formed in accordance with the terms of the Agreement. Furthermore, in the course of the negotiation, the Group noted that the joint venture partner had mortgaged the land use rights of the project for financing though the joint venture partner has indicated that it will contribute the land use rights free of encumbrance in the event that the joint venture company is formed. The Group will continue to enforce the arbitral award in accordance with its terms and will seek further legal advice as to any alternative courses of action in order to speed up the return of this investment. The investment cost of the Group in this project as at the balance sheet date, after provisions, amounted to about HK$60 million.

(iv) Mongolia

(a) International Finance Centre, Sukhbaatar District, Ulaanbaatar (100% owned)

The project has a site area of about 3,272 *sq. m.* and is located within the central business district. It is planned that a retail/office building will be developed. Concept design has been approved and detailed building plans have been submitted to the relevant authorities for approval. Foundation works are completed while superstructure works will commence when the detailed building plans have been approved.

(b) The Edelweiss Residence, Sukhbaatar District, Ulaanbaatar (53% owned)

The project is located in the city centre within the embassy district. It is planned that two towers of apartments will be developed. Superstructure works for the first tower of apartments with GFA of about 19,000 *sq. m.* have commenced and are expected to be completed in the first quarter of 2017. Marketing works for the first tower of apartments will commence soon.

(C) Chuang's China Investments Limited ("Chuang's China", stock code: 298)

Chuang's China is a 56.5% owned listed subsidiary of the Group and Chuang's China and its subsidiaries (the "Chuang's China Group") are principally engaged in, inter alia, property development and investment. For the year ended 31st March, 2015, the Chuang's China Group recorded revenues of HK$1,008.6 million (2014: HK$804.7 million) (which comprised revenues from sales of properties in the PRC of HK$993.8 million (2014: HK$783.0 million), revenues from rental and other income of investment properties in the PRC of HK$11.7 million (2014: HK$10.9 million), revenues from trading business of HK$2.9 million (2014: HK$10.8 million) and revenues from securities investment and trading business of HK$0.2 million (2014: Nil)) and profit attributable to equity holders of HK$94.5 million (2014: HK$110.3 million).

(i) Investment/Hotel Properties

(a) Investment Properties

The Chuang's China Group holds the following portfolio of investment properties in the PRC with an aggregate GFA of over 50,000 *sq. m.*, of which 25% are completed properties and 75% are under construction. Rental and related income during the year was HK$11.7 million.

(1) Chengdu Digital Plaza Level 6 at Chengdu, having a GFA of 4,255 *sq. m.*, is subject to a three-year tenancy expiring in 2016.

(2) Chuang's New City at Dongguan has two completed commercial properties with aggregate GFA of about 12,436 *sq. m.*. About 7,936 *sq. m.* of these properties are subject to various leases expiring from 2015 to 2025. The remaining 4,500 *sq. m.* of these commercial properties were not leased out as at 31st March, 2015 and are recorded in the financial statements as "Properties for sale". Additional investment properties under construction at Chuang's New City have a total GFA of about 6,026 *sq. m.*.

(3) Chuang's Le Papillon at Guangzhou has two completed commercial properties with aggregate GFA of 1,181 *sq. m.*. One of the commercial properties with GFA of 601 *sq. m.* is subject to an eight-year tenancy expiring in 2023, while the other property with GFA of 580 *sq. m.* was not leased out as at 31st March, 2015 and is therefore recorded in the financial statements as "Properties for sale". Furthermore, investment properties to be constructed at Chuang's Le Papillon will have a total GFA of about 2,639 *sq. m.*.

(4) Chuang's Mid-town at Anshan has investment properties under construction of 29,616 *sq. m.*. It is a 6-level commercial podium located at the city centre of Anshan.

(5) The Chuang's China Group holds five office units at R&F Yingkai Square (富力盈凱廣場) with total GFA of 896 *sq. m.*, and is located in the CBD of Zhujiang New Town (珠江新城) in Guangzhou. During the year, the properties were recorded in the financial statements as "Properties for sale". In view of its prime location, the Chuang's China Group considers that its value will be appreciated and decides to lease out the properties subsequent to the year end date.

As at 31st March, 2015, the Chuang's China Group's investment properties in the PRC has an aggregate book value of approximately HK$251.7 million. The Chuang's China Group will continue to increase its investment property portfolio for rental purpose, which will bring recurrent and steady cash inflow, in order to weather the slowdown of the property development sales in the PRC.

During the year, the Chuang's China Group entered into an agreement to dispose of an investment property in Guangzhou with GFA of about 1,804 *sq. m.* at a consideration of approximately RMB32.4 million (equivalent to approximately HK$40.5 million). The transaction was completed in July 2014 and realized a net gain after taxation of approximately RMB3.7 million (equivalent to approximately HK$4.6 million) to the Chuang's China Group. Details of the transaction were set out in the announcement of Chuang's China dated 12th June, 2014.

Subsequent to the year end date, on 21st April, 2015, the Chuang's China Group announced the acquisition of the industrial property located at Changan, Dongguan, with a GFA of about 39,000 *sq. m.* at RMB101.6 million (equivalent to approximately HK$127.0 million). The industrial property is close to a well developed residential and commercial area and is about 10 km to Shenzhen. After completion of the acquisition, the Chuang's China Group intends to lease out the property for rental income and will monitor the market conditions regarding redevelopment potential of the property to optimize the investment return.

(b) Hotel Property

sáv Resort & Spa, Xiamen, Fujian (59.5% owned by Chuang's China)

sáv Resort & Spa is located in the beautiful scenery of the south coast of Siming District, covering an area of about 27,600 *sq. m.*, and just five minutes walk from the nearby beach.

Focusing on a low density development, the project has 18,000 *sq. m.* in GFA and focuses on creating a harmonious architectural and landscape design. The project provides 30 villas with an aggregate GFA of about 8,300 *sq. m.* which will be rented out on long lease. An exclusive resort with 100 keys (total GFA of 9,700 *sq. m.*) will be operated as hotel and resort. It is expected that soft opening of the hotel will be before the end of 2015.

(ii) Property Development

The growth of the PRC's macro economy has shown sign of slowing down during the year under review. With such downward pressure, the PRC property market also underwent correction and adjustments from rapid growth in the past few years. Property buyers took a wait-and-see attitude, leading to a decline in both price and volume in major cities. Property developers in the PRC are then faced with challenges from slow-moving inventory level, shrinking profit margins and intensifying competition.

In recent months, relaxation of restrictions on property purchasing, loosening of monetary policy and decrease in interest rate of housing mortgage loan are launched to boost the property market. However, sign of a recovery in terms of transaction volume and price have yet to be seen and the PRC property market is still full of challenges.

During the year, the Chuang's China Group took proactive strategy to diversify its property development business to Hong Kong, and has actively participated in a number of public tenders in Hong Kong. In February 2015, the Chuang's China Group had succeeded in the public tender for a lot in Yip Wong Road, Tuen Mun at the tender price of HK$428.8 million.

(1) Chuang's Le Papillon, Guangzhou, Guangdong (100% owned by Chuang's China)

Chuang's Le Papillon is an integrated residential and commercial community and is divided into different phases. Phase I and II (Block A to P) have a total GFA of 260,800 *sq. m.*. It comprises 34 high-rise residential towers with a total of 2,077 flats and 22 villas, commercial podium, club houses and 1,497 carparking spaces.

Occupancy of Block A to I, K, M and N were handed over to buyers in previous financial years. During the year under review, occupancy of Block J and L were handed over to buyers. This marked the completion of the high-rise development of Phase I and II. Block P, comprising 22 villas with aggregate GFA of about 7,000 *sq. m.*, will be completed soon and the show flat is ready to be launched for marketing.

The Group is reviewing the product mix and plot ratio of future development, taking into account the local home-buyers' preferences on flat sizes and market condition. The Group plans to commence construction on our site, however, it requires the obtaining of approval by the relevant authorities in Guangzhou, including approval for development plans and land quota to be released by the relevant authorities in the PRC. As the approval will take some time to be obtained, the Group is in close liaison with the authorities to follow up the approval process and also to explore means on speeding up such process.

Regarding the sales progress for Phase I and II, all the 34 high-rise blocks (Block A to N) have been launched to the market. Marketing of the villas (Block P) will be launched in the coming months. As of to-date, unsold residential properties of this project of Block A to P amounted to about RMB290 million.

(2) Imperial Garden, Chuang's New City, Dongguan, Guangdong (100% owned by Chuang's China)

Chuang's New City has a total GFA of about 520,000 *sq. m.* and is divided into different phases. Phase I and II (Block 1 to 14) have an aggregate GFA of about 150,300 *sq. m.*. It provides 1,239 residential flats, a modern commercial shopping complex and 184 carparking spaces. It is well equipped with ancillary facilities such as club house, kindergarten and sports arena.

Occupancy of Block 1 to 8 were handed over to buyers in previous financial years. During the year under review, occupancy of Block 9 to 14 were handed over to buyers. As of to-date, unsold residential properties of Block 1 to 14 amounted to about RMB130 million.

Foundation works for Phase III (Block 29 to 31) with total GFA of about 40,000 *sq. m.* are completed. Superstructure works have commenced. Marketing of these three blocks with flat sizes ranging from 82 *sq. m.* to 138 *sq. m.* will commence soon.

The Group will plan for development of Phase IV (Block 15 to 20) with total GFA of about 83,000 *sq. m.*. As for the remaining development with GFA of about 233,000 *sq. m.*, the Group will embark on development plan in accordance with local market sentiments and sales progress.

(3) Chuang's Mid-town, Anshan, Liaoning (100% owned by Chuang's China)

Situated right next to the Anshan rail station, this site is located at the core city centre of Tie Dong Qu (鐵東區) near the bustling pedestrian street. The development will provide integrated community with residential, shopping areas, specialty business activities, SOHO and office space with a total GFA of about 100,000 *sq. m.*.

The development consists of a 6-level commercial podium providing an aggregate GFA of about 29,600 *sq. m.*. Above the podium will be a twin tower (Block A and B) with 27 and 33-storey respectively, offering total GFA of about 63,000 *sq. m.* as residential and service apartments. Superstructure works of the commercial podium are in satisfactorily progress. Pre-sale of Block A will commence soon.

(4) Chuang's Plaza, Anshan, Liaoning (100% owned by Chuang's China)

Adjacent to Chuang's Mid-town, the second site of the Group is located in the prime city centre of Tie Dong Qu (鐵東區). With a developable GFA of 390,000 *sq. m.*, the site will provide a mega integrated development including office towers, retail, food and beverage and entertainment facilities together with residential blocks. Master layout planning has been submitted to the relevant authority for approval.

(5) Yip Wong Road, Tuen Mun Town Lot No. 514, Tuen Mun, New Territories, Hong Kong (100% owned by Chuang's China)

The site at Yip Wong Road has an area of about 2,428 *sq. m.* and has developable GFA of 10,862 *sq. m.* for residential purpose and 2,428 *sq. m.* for commercial purpose.

The site is located along the riverside recreation park, overlooking Tuen Mun River. Along the promenade right in front of the site, it is within leisure walking distance to the nearby landmark commercial mall. The site is easily accessible to the light rail station and Tuen Mun West Rail and is close to (i) the Tuen Mun-Chek Lap Kok Link under construction, which will connect Tuen Mun to the Hong Kong-Zhuhai-Macao Bridge Hong Kong port and the Hong Kong International Airport; and (ii) Shenzhen via the Hong Kong-Shenzhen Western Corridor (深港西部通道).

The site was handed over to the Group in March 2015. Ground investigation works are completed, and building plans are submitted for approval. Site formation and foundation works will commence once the plans are approved.

(6) Other property projects in the PRC

The Chuang's China Group holds a 54% interest in a property development project in Changsha. As at 31st March, 2015, the Chuang's China Group's total investment costs amounted to about HK$80 million. Properties available for sales (total residential GFA of 19,000 *sq. m.* and commercial GFA of 11,600 *sq. m.*) of this project have a total book costs of about HK$121 million. The operating license of the joint venture company in the PRC has expired since 2012. The Group is considering ways of orderly dissolving this joint venture company in the PRC.

The Chuang's China Group holds a 51% development interest in a project in Chengdu. In view of the complexity of the project that involves resettlements, the Chuang's China Group has ongoing discussions with the local partner regarding disposal of this development interest by the Chuang's China Group. In the event the disposal alternative is not effected, the Chuang's China Group will evaluate the legal rights and procedures on unwinding the investment.

(7) Sales and revenues recognition for PRC projects

Due to the sluggish market and price-cutting strategies by other property developers in the PRC, total contracted sales of the Group in the PRC during the financial year ended 31st March, 2015 had decreased. Contracted sales pending completion in the PRC in the last corresponding period amounted to about RMB685 million (equivalent to approximately HK$857 million) whereas contracted sales pending completion as of to-date amounted to only about RMB257 million (equivalent to approximately HK$322 million). The Group will recognize contracted sales as revenues in the financial statements when such sales are completed.

Currently, the Chuang's China Group's projects in Guangzhou and Dongguan have unsold (i) completed residential properties amounted to about RMB420 million and (ii) carparks of about RMB197 million. In the coming financial year, the Chuang's China Group plans to launch additional residential properties of about RMB400 million for pre-sale in the PRC, comprising Block 29 to 31 of Imperial Garden at Dongguan and Block A of Chuang's Mid-town at Anshan. Accordingly, the total properties available for sales in the PRC have a total saleable value of about RMB1,017 million (equivalent to approximately HK$1,273 million).

(D) Midas International Holdings Limited ("Midas", stock code: 1172)

Midas is a 60.8% owned listed subsidiary of the Group and Midas and its subsidiaries (the "Midas Group") are principally engaged in the printing business and property business focusing on the development and operation of cemetery in the PRC. For the year ended 31st March, 2015, the Midas Group recorded revenues of HK$274.6 million (2014: HK$309.8 million) (which comprised revenues from the printing business of HK$262.1 million (2014: HK$300.3 million) and revenues from the property business of HK$12.5 million (2014: HK$9.5 million)) and loss attributable to equity holders of HK$16.6 million (2014: HK$42.5 million).

(i) Printing Business

The uncertain economic outlook has dampened the global printing demand. Customer sentiment was adversely affected, causing them to take a cautious approach toward ordering and stocking. They withheld or reduced orders with shorter lead time, while intense competition in the printing industry brought down the price of orders. These trends affected the printing revenue of the Group. As a result, during the year under review, the Group recorded a decrease of sales of 12.7% in the printing division.

In the cost aspects, with further increase in minimum wages in the Southern China region, the Group experienced regular upward adjustments in labour cost during the year. Due to intense competition in the printing market, the additional costs could not be fully passed to the customers and, as a result, this has an adverse effect on the profit margin. In response to the harsh operating environment, the Group enhanced production efficiency through automation and lean manufacturing practices, and continued to search for materials with lower costs so as to ease the cost pressure. The Group also upheld strict control on its capital investment and closely monitored its stock level and customer credit.

In order to achieve improvement, the Group will concentrate its effort on enhancing sales. In this respect, the Group will strengthen its marketing team and delegate additional resources to strengthen the product development and engineering department aiming to improve product structure and to lower processing cost. Coupled with the cost saving measures as mentioned above, this will enable the Group to offer a more competitive price to its customers for orders. Furthermore, the Group will focus to develop various stationary products with original design and launch these into the PRC market in order to capture steady revenue.

Taking into account the anticipated printing demand, the Midas Group considered that the current production facilities at Boluo, Huizhou is sufficient for its requirement in the coming years. Accordingly, the Midas Group had taken steps to dispose of the other two factory premises in order to realize their capital values. In May 2014, the Midas Group disposed of the industrial land located at Coastal Industry Zone in Shatian, Dongguan to an independent third party. The net proceeds of HK$77.4 million from this disposal were applied as general working capital of the Midas Group. In April 2015, the Midas Group entered into an agreement to dispose of the factory premises at Changan, Dongguan for RMB101.6 million. Upon completion of the disposal, the financial position of the Midas Group will be further strengthened.

(ii) Property Business

The Group operates a cemetery – "Fortune Wealth Memorial Park" in Sihui, Guangdong which comprises a site of 518 mu, of which 100 mu have commenced development inclusive of a martyr memorial cemetery as mentioned below, and an adjacent site of 4,482 mu, which has been reserved, making up a total of 5,000 mu.

During the year under review, local government has approved to establish a martyr memorial cemetery within Fortune Wealth Memorial Park for commemorating martyrs. Construction work of this martyr memorial cemetery commenced in July 2014 and was completed in early 2015. The Group believes that this martyr memorial cemetery can enhance customer awareness and improve sales in the long run.

In the sales aspect, the Group delegated more resources into the Guangzhou district, which was a major market for our cemetery business. The Group continued to strengthen its sales team by recruiting more salesmen and appointing new agencies for promoting the services of the cemetery. In order to expand our market presence and attract more customers, the Group has, during the year, set up two new sales offices in Guangzhou, making a total of four sales offices and the Group is planning to increase two more sales outlets in the Guangzhou district in the near future.

In the promotion aspect, the Group continued to allocate more resources in placing advertisements in newspapers or through funeral parlors. Our sales team continued to conduct regular visits to the home for the aged and to provide comprehensive caring and burial information and services to elderly so as to boost our publicity. All these efforts built up awareness among target customers and helped to boost cemetery sales and as a result, sales during the year under review increased by 31.6% over that of the last year.

In the development aspect, the Group has completed 8 graveyards (area M1 to M8) and a mausoleum which can accommodate niches on the 100 mu of land. There are 3,257 grave plots already built, of which 990 grave plots were sold at the balance sheet date, leaving 2,267 grave plots available for sales. The Group is in the process of constructing two new graveyards (area M9 and M10) which consisted of about 830 grave plots. These new graveyards are expected to be completed soon and the Group will launch these into the market once completed. In order to further enhance the value of the cemetery, the Group plans to add two more graveyards (area M11 and M12) comprising about 1,350 grave plots. Layout plan of these new graveyards is in the process of being finalized and construction work will commence soon. Upon completion of the above development, there will be about 4,447 grave plots available for sale in the initial 100 mu of land with sales value of about RMB250 million based on current market prices.

In anticipation of the growing demand of prestigious grave plots, the Midas Group is now in negotiation with the local government with a view to expand the cemetery by phases.

(iii) Information Technology Business

Since 2008, the Midas Group has established a subsidiary, namely Midas Solution and Consulting Limited ("MSCL"), to provide information technology services to group companies on a cost sharing basis. MSCL has an experienced software development team with various information technology skills. Throughout these years, this team has successfully established and implemented an Enterprises Resources Planning System for the Midas Group's printing operation. The team has also developed and maintained a management information system for the Midas Group's cemetery operation. All these systems optimized the operating process and provided monitoring and controlling functions within the Midas Group. Furthermore, MSCL has in the past years developed various Apps and a real time bidding system for an online auction company.

In view of experiences gained through the above developments and the substantial growth potential in the information technology business, the Midas Group will in future delegate more resources to strengthen the information technology team and explore investment opportunities (including the formation of strategic partnership) in the e-publishing, e-commerce and e-auction businesses.

(iv) Prospects of the Midas Group

The operating environment for the printing industry is challenging in the coming years. Moving forward, the Group is adopting a prudent approach in its resources allocation so as to enhance its competitive advantage. Furthermore, the Group will actively expand into the original design manufacturing business and explore other means to better utilize the Group's manufacturing network and resources. At the same time, the Group will be carefully monitoring the printing market and act swiftly and forcefully as and when opportunities arise.

As the majority of customers of the cemetery are from cities located nearby the cemetery in the Pearl River Delta, improvements in infrastructure in these areas are important to the development of the cemetery. In this respect, the Group noted that there are a number of major infrastructural development projects in progress within these areas and these projects are expected to be completed in the coming years. The Group is confident that, with the completion of these infrastructural development projects coupled with our continuous effort in sales and marketing, the return from our cemetery business should be promising in the long run.

In order to diversify the income base of the Midas Group and to restore the Midas Group into profitability soonest possible, in addition to looking into new business opportunities in the information technology business as stated above, the Midas Group will review the development strategies of the printing and property businesses and such development strategies will include, inter alia, enticement of new investor, formation of strategic partnership, or disposing part or whole of the printing or property business to realize their intrinsic values.

(E) Other Businesses

(i) Sintex Nylon and Cotton Products (Pte) Limited ("Sintex")

Sintex is engaged in the sales of home finishing products under its own brand names in Singapore and is 88.2% owned by the Group. During the year, Sintex recorded revenues of HK$80.4 million, representing an increase of 5.7% over that of the last year, and profit of about HK$1.2 million.

(ii) Securities Investment and Trading

During the year, securities investment and trading business of the Group recorded a loss of HK$0.9 million, comprising realized gain on disposal of investments of HK$4.2 million, dividend and interest income from investments of HK$1.2 million, fair value loss on investments of HK$6.1 million as a result of mark to market valuations as at the balance sheet date and exchange loss of HK$0.2 million. As at 31st March, 2015, investments of the Group amounted to HK$85.6 million comprised of securities listed on the Stock Exchange and high yield bonds.

FINANCIAL POSITION

As at 31st March, 2015, net assets attributable to equity holders of the Company was HK$8,204.1 million. Net asset value per share was HK$4.73, which is calculated based on the book costs of the Group's properties for sale before taking into account their appreciated values.

As at 31st March, 2015, the Group's cash, bank balances (including pledged bank balances) and investments held for trading amounted to HK$2,113.1 million (2014: HK$2,454.6 million, including those in assets held for sale). Bank borrowings as at the same date amounted to HK$3,700.8 million (2014: HK$3,252.3 million). The Group's net debt to equity ratio, expressed as a percentage of bank borrowings net of cash, bank balances and investments held for trading over net assets attributable to equity holders of the Company, was 19.4% (2014: 10.2%).

Approximately 61.3% of the Group's cash, bank balances and investments held for trading were denominated in Hong Kong dollar and United States dollar, 38.1% were in Renminbi and the balance of 0.6% were in other currencies. Approximately 87.1% of the Group's bank borrowings were denominated in Hong Kong dollar, 8.4% were in Renminbi and the balance of 4.5% were in Malaysian Ringgit. Accordingly, there should not be material risk in foreign exchange fluctuation.

Based on the agreed scheduled repayment dates in the loan agreements and ignoring the effect of any repayment on demand clause, approximately 22.2% of the Group's bank borrowings were repayable within the first year, 17.3% were repayable within the second year, 30.6% were repayable within the third to fifth years and the balance of 29.9% were repayable after the fifth year.

PROSPECTS

The Hong Kong SAR Government had in the past few years implemented a number of regulatory measures to curb speculative activities in the property market and there is no sign that these regulatory measures will be relaxed in the near term. On the other hand, the Central Government had recently adjusted its regulatory policies and introduced certain stimulus policies to ensure the long term healthy development of the property market in the PRC. The Group will monitor the above situations closely and will take appropriate steps to further replenish our land bank when opportunities arise.

With the completion of Parkes Residence in Jordan and No. 15 Gough Hill Road at The Peak in the financial year ending 2016 and 2017 respectively, the Group is confident that its value will be further enhanced. Furthermore, in the coming financial years, the Group will continue our mission to take steps to further enhance rental yield and return of our investment/hotel properties and thus their capital values, and to unlock the store value of our remaining development projects in Hong Kong, the PRC and elsewhere in the region by speeding up their development and sales in accordance with local market conditions so as to further create value for our shareholders.

CLOSING OF REGISTER

The AGM is scheduled on Monday, 31st August, 2015. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 25th August, 2015 to Monday, 31st August, 2015, both dates inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 24th August, 2015.

The proposed final dividend is subject to the approval of the shareholders of the Company at the AGM. The record date for entitlement to the proposed final dividend is Friday, 11th September, 2015. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Monday, 7th September, 2015 to Friday, 11th September, 2015, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Friday, 4th September, 2015.

STAFF

The Group puts emphasis on training and cultivating elite talent. We are committed to providing a dynamic and enthusiastic working atmosphere and increase hiring talents of all fields. As at 31st March, 2015, the Group (excluding the Chuang's China Group and the Midas Group) employed 414 staff, the Chuang's China Group employed 264 staff and the Midas Group employed 1,259 staff. The Group provides its staff with other benefits including discretionary bonus, contributory provident fund, share options and medical insurance. Staff training is also provided as and when required.

DEALING IN THE COMPANY'S SECURITIES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed shares during the year.

CORPORATE GOVERNANCE

Due to other commitments, two Independent Non-Executive Directors had not attended the 2014 annual general meeting of the Company pursuant to Code A.6.7 of the code provisions set out in the Appendix 14 – Corporate Governance Code (the "CG Code") of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). Except as mentioned hereof, the Company has complied throughout the year ended 31st March, 2015 with the code provisions set out in the CG Code.

An audit committee has been established by the Company to review and supervise the Company's financial reporting process and internal controls and review the relationship with the auditor. The audit committee has held meetings in accordance with the relevant requirements and reviewed the consolidated results of the Group for the year ended 31st March, 2015. The current members of the audit committee are Mr. Abraham Shek Lai Him, Mr. Fong Shing Kwong and Mr. Yau Chi Ming, the Independent Non-Executive Directors of the Company.

The Company has also adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules. Having made specific enquiries of all Directors of the Company, the Company received confirmations from all Directors that they have complied with the required standard as set out in the Model Code.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in this preliminary announcement of the Group's results for the year ended 31st March, 2015 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers 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 PricewaterhouseCoopers on this preliminary announcement.

PUBLICATION OF RESULTS ON THE STOCK EXCHANGE'S WEBSITE

The annual report of the Company for the year ended 31st March, 2015 containing all applicable information required by paragraph 45 of Appendix 16 of the Listing Rules will be published on the website of the Stock Exchange in due course.

By order of the Board of
Chuang's Consortium International Limited
Ko Sheung Chi
Managing Director

Hong Kong, 29th June, 2015

As at the date of this announcement, Mr. Alan Chuang Shaw Swee, Mr. Ko Sheung Chi, Mr. Albert Chuang Ka Pun, Miss Candy Chuang Ka Wai, Mr. Chong Ka Fung, Mr. Lui Lop Kay, Mr. Wong Chung Wai and Mr. Chan Chun Man are the Executive Directors of the Company, and Mr. Abraham Shek Lai Him, Mr. Fong Shing Kwong, Mr. Yau Chi Ming and Mr. David Chu Yu Lin are the Independent Non-Executive Directors of the Company.