THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the Offer, this Composite Document or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Vision Fame International Holding Limited**, you should at once hand this Composite Document together with the accompanying Form of Acceptance to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

This Composite Document should be read in conjunction with the accompanying Form of Acceptance, the provisions of which form part of the terms of the Offer contained herein.

GRAND SILVER GROUP LIMITED
瀚銀集團有限公司
(Incorporated in the British Virgin Islands with limited liability)

VISION FAME INTERNATIONAL HOLDING LIMITED
允升國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1315)

COMPOSITE OFFER AND RESPONSE DOCUMENT RELATING TO THE MANDATORY UNCONDITIONAL CASH OFFER BY

中国平安证券(香港)
PING AN OF CHINA SECURITIES (HONG KONG)

PING AN OF CHINA SECURITIES (HONG KONG) COMPANY LIMITED

ON BEHALF OF GRAND SILVER GROUP LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF VISION FAME INTERNATIONAL HOLDING LIMITED (OTHER THAN THOSE ALREADY ACQUIRED OR AGREED TO BE ACQUIRED BY GRAND SILVER GROUP LIMITED AND PARTIES ACTING IN CONCERT WITH IT)

Financial adviser to Grand Silver Group Limited

中国平安资本(香港)
PING AN OF CHINA CAPITAL (HONG KONG)

Independent Financial Adviser to the Independent Board Committee

VINCO 域高

Grand Vinco Capital Limited

(A wholly-owned subsidiary of Vinco Financial Group Limited)

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed "Definitions" in this Composite Document.

A letter from Ping An Securities and Ping An Capital containing, among other things, the details of the terms of the Offer is set out on pages 6 to 12 of this Composite Document. A letter from the Board is set out on pages 13 to 16 of this Composite Document. A letter from the Independent Board Committee containing its advice to the Independent Shareholders is set out on page 17 of this Composite Document. A letter from Vinco Capital containing its opinion on the Offer and its recommendation to the Independent Board Committee is set out on pages 18 to 34 of this Composite Document.

The procedures for acceptance and settlement of the Offer and other related information are set out in Appendix I to this Composite Document and in the accompanying Form of Acceptance. Acceptances of the Offer should be received by the Registrar by no later than 4:00 p.m. on Friday, 10 May 2013 or such later time(s) and/or date(s) as the Offeror may determine and announce in accordance with the requirements of the Takeovers Code.

Persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the Form of Acceptance to any jurisdiction outside Hong Kong should read the details in this regard which are contained in the paragraph headed "Overseas Shareholders" in the "Letter from Ping An Securities and Ping An Capital" and in the paragraph headed "Overseas Shareholders" in Appendix I of this Composite Document before taking any action. It is the responsibility of each Overseas Shareholder wishing to accept the Offer to satisfy himself, herself or itself as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents and any registration or filing which may be required and the compliance with all necessary formalities, regulatory and/or legal requirements. Overseas Shareholders are advised to seek professional advice on deciding whether or not to accept the Offer.

This Composite Document will remain on the websites of the Stock Exchange at *http://www.hkex.com.hk* and the Company at *http://www.visionfame.com* as long as the Offer remains open.

19 April 2013

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The expected timetable set out below is indicative only and may be subject to changes. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate. Unless otherwise specified, all times and dates contained in this Composite Document and the accompanying Form of Acceptance refer to Hong Kong local time and dates.

	2013
Despatch date of this Composite Document and the Form of Acceptance and the commencement date of the Offer *(Note 1)*	Friday, 19 April
Latest time and date for acceptance of the Offer *(Notes 2 and 4)*	4:00 p.m. on Friday, 10 May
Closing Date of the Offer *(Note 1)*	Friday, 10 May
Announcement of the results of the Offer as at the Closing Date to be posted on the website of the Stock Exchange *(Note 2)*	by 7:00 p.m. on Friday, 10 May
Latest date for posting of remittances in respect of valid acceptances received under the Offer *(Notes 3 and 4)*	Wednesday, 22 May

Notes:

(1) The Offer, which is unconditional in all respects, is made on the date of posting of this Composite Document, and is capable of acceptance on and from Friday, 19 April 2013 until the Closing Date. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except in the circumstances set out in the section headed "Right of Withdrawal" in Appendix I to this Composite Document.

(2) In accordance with the Takeovers Code, the Offer must initially be opened for acceptance for at least 21 days following the date on which this Composite Document was posted. The latest time and date for acceptance of the Offer is 4:00 p.m. on Friday, 10 May 2013. An announcement will be issued through the website of the Stock Exchange by 7:00 p.m. on Friday, 10 May 2013 stating whether the Offer has been extended, revised or expired. In the event that the Offeror decides to extend the Offer and the announcement does not specify the next closing date, at least 14 days' notice by way of an announcement will be given before the Offer is closed to those Independent Shareholders who have not accepted the Offer.

(3) Remittances in respect of the cash consideration payable for the Shares tendered under the Offer will be despatched to the accepting holders of the Offer Shares by ordinary post at their own risk as soon as possible but in any event within 7 Business Days following the date of receipt of a duly completed Form of Acceptance and all relevant documents by the Registrar in accordance with the Takeovers Code.

(4) If there is a tropical cyclone warning signal number 8 or above, or a black rainstorm warning: (a) in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the latest date for acceptance of the Offer and the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer and the posting of remittances will remain at 4:00 p.m. on the same Business Day; or (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the latest date for acceptance of the Offer and the latest date for posting of remittances for the amounts due under the Offer in respect of valid acceptances, the latest time for acceptance of the Offer and the posting of remittances will be rescheduled to 4:00 p.m. on the following Business Day.

Save as mentioned above, if the latest time for the acceptance of the Offer and the posting of remittances do not take effect on the date and time as stated above, the other dates mentioned above may be affected. The Offeror and the Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

In this Composite Document, unless the context otherwise requires, the following expressions shall have the following meanings:

"acting in concert"	has the meaning ascribed to it under the Takeovers Code
"associate(s)"	has the meaning ascribed to it under the Takeovers Code
"Board"	the board of Directors
"Business Day"	a day on which the Stock Exchange is open for transaction of business
"BVI"	the British Virgin Islands
"BVI Company 1"	Prosper Ace Investments Limited, a company incorporated in the BVI with limited liability on 28 April 2011 and a direct wholly-owned subsidiary of the Company
"BVI Company 2"	Magic Choice Holdings Limited, a company incorporated in the BVI with limited liability on 28 April 2011 and an indirect wholly-owned subsidiary of the Company
"BVI Company 3"	Vigor Yield Limited, a company incorporated in the BVI with limited liability on 28 April 2011 and an indirect wholly-owned subsidiary of the Company
"BVI Company 4"	Virtue Dynamic Limited, a company incorporated in the BVI with limited liability on 28 April 2011 and an indirect wholly-owned subsidiary of the Company
"BVI Company 5"	Wonder Success International Limited, a company incorporated in the BVI with limited liability on 28 April 2011 and an indirect wholly-owned subsidiary of the Company
"BVI Company 6"	Samba Sky Investments Limited, a company incorporated in the BVI with limited liability on 6 April 2011 and an indirect wholly-owned subsidiary of the Company
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"Closing Date"	Friday, 10 May 2013, being the closing date of the Offer which is 21 days after the date on which this Composite Document is posted or any subsequent closing date(s) as may be determined and announced by the Offeror in accordance with the requirements of the Takeovers Code
"Companies Ordinance"	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)

"Company" or "Offeree"	Vision Fame International Holding Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1315)
"Completion"	completion of the S&P Agreement, which took place on 13 March 2013
"(this) Composite Document"	this composite offer and response document dated 19 April 2013 jointly issued by and on behalf of the Offeror and the Company to the Shareholders in connection with the Offer
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company, including independent non-executive director(s) of the Company
"Executive"	the Executive Director of the Corporate Finance Division of the SFC and any delegate of the Executive Director
"Form of Acceptance"	the form of acceptance and transfer of Share(s) in respect of the Offer accompanying this Composite Document
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent committee of the Board comprising all the independent non-executive Directors, namely Mr. Lam Siu Lo, Andrew, JP, Mr. Li Ying Ming and Mr. Tam Tak Kei, Raymond, which was established to give recommendation to the Independent Shareholders in respect of the Offer
"Independent Financial Adviser" or "Vinco Capital"	Grand Vinco Capital Limited, a wholly-owned subsidiary of Vinco Financial Group Limited (stock code: 8340), a licensed corporation under the SFO permitted to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO and the independent financial adviser appointed by the Company to advise the Independent Board Committee in respect of the Offer

"Independent Shareholder(s)"	Shareholder(s) other than the Offeror, its beneficial owner and parties acting in concert with any of them
"Joint Announcement"	the announcement dated 15 March 2013 jointly issued by the Offeror and the Company in relation to, among others, the S&P Agreement and the Offer
"Last Trading Day"	13 March 2013, the last full trading day for the Shares prior to the trading of the Shares being halted on the Stock Exchange on 14 March 2013 pending the release of the Joint Announcement
"Latest Practicable Date"	16 April 2013, being the latest practicable date prior to printing of this Composite Document for ascertaining certain information for inclusion in this Composite Document
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Macau"	the Macau Special Administrative Region of the PRC
"MOP"	Macau Pataca, the lawful currency of Macau
"Offer"	the mandatory unconditional cash offer made by Ping An Securities on behalf of the Offeror to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code
"Offer Period"	has the meaning ascribed to it under the Takeovers Code, being the period commencing from 11 March 2013 and ending on the Closing Date
"Offer Price"	the cash amount of HK$1.56 payable by the Offeror for each Share in respect of the Offer
"Offer Share(s)"	the issued Share(s) other than those already owned or agreed to be acquired by the Offeror, its beneficial owner and parties acting in concert with any of them
"Offeror"	Grand Silver Group Limited, a company with limited liability incorporated in the BVI and wholly-owned by Mr. Wang Zhijun
"Overseas Shareholder(s)"	Shareholder(s) whose registered addresses, as shown on the register of members of the Company, are outside Hong Kong

"Ping An Capital"	Ping An of China Capital (Hong Kong) Company Limited, a licensed corporation under the SFO permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in connection with the Offer
"Ping An Securities"	Ping An of China Securities (Hong Kong) Company Limited, a licensed corporation under the SFO permitted to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO
"PRC"	the People's Republic of China which, for the purpose of this Composite Document, excludes Hong Kong, Macau and Taiwan
"Regent Pacific"	Regent Pacific Investments Limited, a company incorporated in the BVI with limited liability on 18 August 1995 and a company wholly-owned by Mr. Wong Law Fai as at the Latest Practicable Date
"Registrar"	Union Registrars Limited, being the branch share registrar and transfer office of the Company in Hong Kong, whose address is at 18th Floor, Fook Lee Commercial Centre Town Place, 33 Lockhart Road Wanchai, Hong Kong
"Relevant Period"	the period commencing on 11 September 2012, being the date falling six months preceding the commencement of the Offer Period, up to and including the Latest Practicable Date
"S&P Agreement"	the sale and purchase agreement for the Sale Shares entered into between the Vendor, Mr. Wong Law Fai, the Offeror and Mr. Wang Zhijun on 13 March 2013 in respect of the acquisition by the Offeror of the Sale Shares
"Sale Shares"	225,000,000 Shares, representing 75% of the issued share capital of the Company as at the Latest Practicable Date, sold by the Vendor and purchased by the Offeror under the S&P Agreement
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the issued Share(s)
"Singapore"	The Republic of Singapore

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"S$"	Singapore dollar(s), the lawful currency of Singapore
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"US$"	United States dollars, the lawful currency of the US
"Vendor"	Smart Tactics Group Limited, a company with limited liability incorporated in the BVI and wholly-owned by Mr. Wong Law Fai, an executive Director
"Wan Chung Construction"	Wan Chung Construction Company Limited (宏宗建築有限公司), a company incorporated in Hong Kong with limited liability on 14 May 1982 and an indirect wholly-owned subsidiary of the Company
"Wan Chung Interior Design"	Wan Chung Interior Design Co., Limited (宏宗室內設計有限公司), a company incorporated in Hong Kong with limited liability on 2 January 1998 and an indirect wholly-owned subsidiary of the Company
"Wan Chung Investments"	Wan Chung Investments Pte. Ltd., a company incorporated in Singapore on 22 December 2010
"Wan Chung (Macau)"	Wan Chung Engineering (Macau) Company Limited (宏宗工程（澳門）有限公司) (Wan Chung Engenharia (Macau) Limitada), a company incorporated in Macau with limited liability on 7 September 2005 and an indirect wholly-owned subsidiary of the Company
"Wan Chung Property"	Wan Chung Property Company Limited (宏宗置業有限公司) (formerly known as Clever Wisdom Investment Limited (方傑投資有限公司)), a company incorporated in Hong Kong with limited liability on 28 February 1991 and an indirect wholly-owned subsidiary of the Company
"Wan Chung (Singapore)"	Wan Chung Construction (Singapore) Pte. Ltd., a company incorporated in Singapore on 20 November 2008 and an indirect wholly-owned subsidiary of the Company
"%"	per cent

No representation has been made by the Offeror or the Company that any amount denominated in foreign currency have been, could have been or may be exchanged at any rates or at all.

中国平安证券(香港)
PINGAN OF CHINA SECURITIES (HONG KONG)

中国平安资本(香港)
PINGAN OF CHINA CAPITAL (HONG KONG)

28/F
169 Electric Road
North Point
Hong Kong

19 April 2013

To the Independent Shareholders

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFER BY
PING AN OF CHINA SECURITIES (HONG KONG) COMPANY LIMITED
ON BEHALF OF GRAND SILVER GROUP LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF
VISION FAME INTERNATIONAL HOLDING LIMITED
(OTHER THAN THOSE ALREADY ACQUIRED OR AGREED TO BE ACQUIRED BY
GRAND SILVER GROUP LIMITED
AND PARTIES ACTING IN CONCERT WITH IT)**

1. INTRODUCTION

On 15 March 2013, the Offeror and the Company jointly announced that the Offeror entered into the S&P Agreement dated 13 March 2013 with the Vendor pursuant to which the Offeror agreed to purchase and the Vendor agreed to sell the Sale Shares, being the aggregate interest of 225,000,000 Shares held by the Vendor, representing 75% of the entire issued share capital of the Company as at the date of the Joint Announcement at a total cash consideration of HK$350,000,000 (equivalent to approximately HK$1.56 per Sale Share). Completion took place on 13 March 2013.

Immediately following Completion, the Offeror, its beneficial owner and parties acting in concert with any of them became interested in 225,000,000 Shares, representing 75% of the issued share capital of the Company as at the Latest Practicable Date. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offer for all the issued Shares (other than those already owned by the Offeror and parties acting in concert with it). This letter sets out, among other things, the details of the Offer, information on the Offeror and the intention of the Offeror regarding the Group. The terms and procedures of acceptance of the Offer are set out in this letter, Appendix I to this Composite Document of which this letter forms part, and the accompanying Form of Acceptance. Terms used in this letter shall have the same meanings as defined in this Composite Document unless the context otherwise requires. The Independent Shareholders are strongly advised to consider carefully the information contained in the "Letter from the Board", "Letter from the Independent Board Committee" and "Letter from Vinco Capital" as set out in this Composite Document.

2. MANDATORY UNCONDITIONAL CASH OFFER

As at the Latest Practicable Date, there were 300,000,000 Shares in issue. As at the Latest Practicable Date, the Offeror and parties acting in concert with it were interested in a total of 225,000,000 Shares, representing 75% of the issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make mandatory unconditional cash offer for all the issued Shares (other than those already owned by the Offeror and parties acting in concert with it). The Offer is unconditional in all respects.

Ping An Securities, for and on behalf of the Offeror, is making the Offer on the following terms in accordance with Rule 26.1 of the Takeovers Code:

For each Offer Share . . . . HK$1.56 in cash

The Offer Price of HK$1.56 per Offer Share is the same as the price per Sale Share paid by the Offeror to the Vendor under the S&P Agreement.

Comparison of value

The Offer Price of HK$1.56 per Offer Share represents:

(a) a discount of approximately 27.78% to the closing price of HK$2.16 per Share as quoted on the Stock Exchange on the last trading day prior to the commencement of the Offer Period (i.e. 8 March 2013);

(b) a discount of approximately 8.24% to the closing price of HK$1.70 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(c) a discount of approximately 25.71% to the closing price of HK$2.10 per Share as quoted on the Stock Exchange on the Last Trading Day;

(d) a discount of approximately 29.09% to the average closing price of approximately HK$2.20 per Share as quoted on the Stock Exchange over the last 5 trading days up to and including the Last Trading Day;

(e) a discount of approximately 25.36% to the average closing price of approximately HK$2.09 per Share as quoted on the Stock Exchange over the last 10 trading days up to and including the Last Trading Day;

(f) a premium of approximately 164% over the net asset value of approximately HK$0.59 per Share with reference to the audited financial statements of the Group as at 31 March 2012 and based on 300,000,000 Shares in issue as at the Latest Practicable Date; and

(g) a premium of approximately 140% over the net asset value of approximately HK$0.65 per Share with reference to the unaudited financial statements of the Group as at 30 September 2012 and based on 300,000,000 Shares in issue as at the Latest Practicable Date.

The Offer Price is not less than the price per Sale Share paid by the Offeror under the S&P Agreement.

Highest and lowest Share prices

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the period of six months preceding the commencement of the Offer Period and ending on the Latest Practicable Date were HK$2.52 per Share on 12 March 2013 and HK$1.53 per Share recorded on 27 March 2013, 28 March 2013, 3 April 2013, 5 April 2013, 9 April 2013 and 11 April 2013, respectively.

Value of the Offer

As at the Latest Practicable Date, there were 300,000,000 Shares in issue. There were no outstanding warrants, derivatives or convertibles which may confer any rights to the holder(s) thereof to subscribe for, convert or exchange into the Shares.

Based on the number of Offer Shares of 75,000,000, the total number of issued Shares of 300,000,000, and the Offer Price of HK$1.56 each, the Offer is valued at an aggregate amount of HK$117,000,000, and the entire issued share capital of the Company is valued at HK$468,000,000.

Confirmation of financial resources

The consideration payable in respect of acceptances under the Offer will be met from the financial resources of the sole beneficial owner of the Offeror. Ping An Capital, as the financial adviser to the Offeror, is satisfied that sufficient resources are available to the Offeror to satisfy full acceptance of the Offer.

Effect of accepting the Offer

By accepting the Offer, the relevant Shareholders will sell their Shares to the Offeror fully paid, free from all encumbrances and with all rights attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made, that is, the date of despatch of this Composite Document. Acceptance of the Offer by any Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Offer are free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, the right to receive dividends and distributions declared, made or paid, if any, on or after the date of despatch of this Composite Document. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Stamp duty

In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Shareholders at a rate of 0.1% of: (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and will be deducted from the cash amount payable by the Offeror on behalf of the relevant Shareholders accepting the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Shareholders accepting the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptances of the Offer and the transfers of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Settlement of the consideration for the Offer

Settlement of the consideration for the Offer (after deducting the accepting Shareholders' share of stamp duty) will be made as soon as possible but in any event within 7 Business Days following the date on which the duly completed acceptance of the Offer and the relevant documents of title of the Shares in respect of such acceptance are received by or for the Offeror.

Overseas Shareholders

The making of the Offer or the acceptance thereof by persons not being a resident of Hong Kong or with a registered address in jurisdictions outside Hong Kong may be affected by the laws of the relevant jurisdictions. Independent Shareholders who are citizens or residents or nationals of jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal requirements in their own jurisdictions.

It is the responsibility of each Overseas Shareholder who wishes to accept the Offer to satisfy themselves as to the full observance of all applicable legal and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental exchange control or other consents which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdiction. Any acceptance by an Overseas Shareholder will be deemed to constitute a representation and warranty from such person to the Offeror, Ping An Capital, Ping An Securities and the Company that he/she has observed and is permitted under all applicable laws and regulations to receive and accept the Offer, and any revision thereof, and that, such acceptance shall be valid and binding in accordance with all applicable laws. Independent Shareholders should consult their professional adviser if in doubt.

3. INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The principal activity of the Company is investment holding and the principal activities of its subsidiaries are the provision of (a) building construction services in Hong Kong, Macau and Singapore, (b) property maintenance services in Hong Kong, and (c) alterations, renovation, upgrading works and fitting-out works services in Hong Kong, Macau and Singapore.

The Group reported an audited net profit before and after taxation of approximately HK$41.3 million and HK$33.0 million respectively for the financial year ended 31 March 2012. For the financial year ended 31 March 2011, the Group reported an audited net profit before and after taxation of approximately HK$67.2 million and HK$54.7 million respectively. The unaudited consolidated equity attributable to owners of the Company as at 30 September 2012 was approximately HK$196.4 million.

4. INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the BVI with limited liability on 28 January 2013 and is beneficially and wholly-owned by Mr. Wang Zhijun. The Offeror is an investment holding company. It has carried on no business since incorporation until the entering into of the S&P Agreement.

Mr. Wang Zhijun, aged 41, is the sole director and beneficial owner of the Offeror. Mr. Wang Zhijun has been a businessman for over ten years, he currently has investment in a company incorporated in Singapore which is engaged in international trading of non-ferrous metals. He considers that the Offer provides the Independent Shareholders with an opportunity to realise their investment in the Shares which are relatively illiquid and himself with a good opportunity to leverage his experience gained in the past and to invest in building construction and management businesses.

Except the transactions under the S&P Agreement, neither the Offeror, its beneficial owner nor parties acting in concert with any of them has dealt in any Shares or any options, warrants, derivatives or securities convertible into Shares during the period commencing on the date falling six months prior to the date of the announcement of the Company dated 11 March 2013.

5. OFFEROR'S INTENTION REGARDING THE GROUP

Following the close of the Offer, the Offeror intends that the Group will continue its existing business and will maintain the listing status of the Company on the Main Board of the Stock Exchange. However, the Offeror will conduct a review on the business activities and assets of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. The Offeror has no intention to discontinue the employment of the employees (save for the change in the composition of the Board) or to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business. Any disposal of the existing business of the Group, if contemplated, will be made in full compliance with the Listing Rules. As at the Latest Practicable Date, the Offeror has no agreement, arrangement, understanding, intention or negotiation with any party (concluded or otherwise) about any disposal of assets and/or business of the Group (other than any disposal of current assets in the ordinary course of business of the Group), any injection of new assets or business into the Group or any fund raising activities by the Group after the completion of the Offer.

6. PROPOSED CHANGE OF BOARD COMPOSITION

The Board is currently made up of 6 Directors, comprising 3 executive Directors and 3 independent non-executive Directors. The Offeror has not yet determined whether it requires all the existing Directors to resign with effect after the first closing date of the Offer. New Directors may be appointed to the Board at the earliest time as allowed under the Takeovers Code and any such appointment will be made in compliance with the Takeovers Code and the Listing Rules. The Offeror intends to nominate Mr. Wang Zhijun as an executive Director and such appointment will not take effect earlier than the date of posting of this Composite Document in compliance with the requirements under the Takeovers Code. Further announcement will be made on any further proposed change of the composition of the Board and new appointment of Directors.

7. MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

In the event that after the completion of the Offer, the public float of the Company falls below 25%, the directors of the Company at the relevant time and of the Offeror will undertake to the Stock Exchange that they will take appropriate steps to restore the minimum public float as required under the Listing Rules as soon as possible following the close of the Offer to ensure that sufficient public float exists for the Shares.

If, upon closing of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25%, of the Shares are held by the public or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, the Stock Exchange may exercise its discretion to suspend trading in the Shares. In this connection, it should be noted that upon the close of the Offer, there may be insufficient public float for the Shares, and there is a possibility for trading in the Shares be suspended until sufficient level of public float is attained.

8. TAX IMPLICATIONS

None of the Company, the Offeror, Ping An Capital, Ping An Securities, the Registrar or any of their respective directors or any other parties involved in the Offer is in a position to advise the Independent Shareholders on their individual tax implications. The Independent Shareholders are recommended to consult their own professional advisers as to the tax implications that may arise from accepting the Offer. None of the Company, the Offeror, the respective professional advisers to the Company and the Offeror or any of their respective directors or any other parties involved in the Offer accepts any responsibility for any tax effect on, or liabilities of, the Independent Shareholders.

9. ACCEPTANCE AND SETTLEMENT

Your attention is drawn to the further details regarding the procedures for acceptance and settlement and acceptance period as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

10. GENERAL

Acceptance of the Offer by any person or persons will be deemed to constitute a warranty by such person or persons to the Offeror, Ping An Capital, Ping An Securities and the Company that the Shares acquired under the Offer are sold by any such person or persons free from all encumbrances and with all rights attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made, that is, the date of posting of this Composite Document.

To ensure equality of treatment of all Independent Shareholders, those registered Independent Shareholders who hold the Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. It is essential for the beneficial owners of the Offer Shares whose investments are registered in the names of nominees to provide instructions to their nominees of their intentions with regard to the Offer.

The attention of the Overseas Shareholders is drawn to the paragraph headed "Overseas Shareholders" in Appendix I to this Composite Document.

All documents and remittances to the Independent Shareholders will be sent by ordinary post or courier at their own risk. Such documents and remittances will be sent to the Independent Shareholders at their respective addresses as they appear in the register of members of the Company or, in the case of joint Independent Shareholders, to the Independent Shareholder whose name appears first in the register of members. None of the Company, the Offeror, Ping An Capital, Ping An Securities, the Registrar, or any of their respective directors or professional advisers or any other parties involved in the Offer will be responsible for any loss or delay in transmission or any other liabilities that may arise as a result thereof.

11. COMPULSORY ACQUISITION

The Offeror does not intend to avail itself of any power of compulsory acquisition of any Shares after close of the Offer.

12. ADDITIONAL INFORMATION

Your attention is drawn to the "Letter from the Board", the "Letter from the Independent Board Committee", the "Letter from Vinco Capital", the accompanying Form of Acceptance and the additional information set out in the appendices to this Composite Document.

Yours faithfully,
For and on behalf of
Ping An of China Securities (Hong Kong) Company Limited
Warren Cheung
Head of Equity Capital Market

Yours faithfully,
For and on behalf of
Ping An of China Capital (Hong Kong) Company Limited
Tam Kin Fong
Managing Director

Vision Fame International Holding Limited
允升國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1315)

Executive Director:
Mr. Wong Law Fai
(Chairman and Chief executive officer)
Mr. So Kwok Lam
Mr. Yip Chi Chong

Independent non-executive Directors:
Mr. Lam Siu Lo, Andrew, *JP*
Mr. Li Ying Ming
Mr. Tam Tak Kei, Raymond

Registered Office:
Clifton House,
75 Fort Street,
P.O. Box 1350,
Grand Cayman,
KY1-1108,
Cayman Islands

19 April 2013

To the Shareholders

Dear Sir or Madam,

MANDATORY UNCONDITIONAL CASH OFFER BY PING AN OF CHINA SECURITIES (HONG KONG) COMPANY LIMITED ON BEHALF OF GRAND SILVER GROUP LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF VISION FAME INTERNATIONAL HOLDING LIMITED (OTHER THAN THOSE ALREADY ACQUIRED OR AGREED TO BE ACQUIRED BY GRAND SILVER GROUP LIMITED AND PARTIES ACTING IN CONCERT WITH IT)

INTRODUCTION

It was announced on 15 March 2013 that pursuant to the S&P Agreement dated 13 March 2013 entered into by, among others, the Offeror and the Vendor, the Offeror acquired 225,000,000 Sale Shares (representing 75% of the issued share capital of the Company) for a cash consideration of HK$350,000,000 (equivalent to approximately HK$1.56 per Sale Share). Completion took place on the same date of the S&P Agreement.

Following the Completion, the Offeror, its beneficial owner and parties acting in concert with any of them are interested in a total of 225,000,000 Shares, representing 75% of the issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned by the Offeror and parties acting in concert with it). The Offer is unconditional in all respects. Ping An Securities is making the Offer on behalf of the Offeror.

Further details of the Offer, including the terms and the procedures of acceptances of the Offer are set out in the "Letter from Ping An Securities and Ping An Capital" and Appendix I to this Composite Document of which this letter forms part, and in the accompanying Form of Acceptance. The purpose of this Composite Document is to provide you with, among other things, information relating to the Company and the Offer, the recommendation of the Independent Board Committee to the Independent Shareholders and the "Letter from Vinco Capital" to the Independent Board Committee in relation to the Offer.

THE OFFER

As at the Latest Practicable Date, there were 300,000,000 Shares in issue. The Company has no outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of any options, warrants or securities convertible or exchangeable into Shares.

The Offer Price of HK$1.56 per Offer Share is the same as the price per Sale Share paid by the Offeror to the Vendor under the S&P Agreement. As stated in the "Letter from Ping An Securities and Ping An Capital", as the Offeror and parties acting in concert with it owned 225,000,000 Shares as at the Latest Practicable Date, 75,000,000 Shares are subject to the Offer and the total consideration of the Offer would be HK$117,000,000 based on the Offer Price.

Principal Terms of the Offer

As disclosed in the "Letter from Ping An Securities and Ping An Capital", Ping An Securities, for and on behalf of the Offeror, is making the Offer on the terms set out in this Composite Document in accordance with Rule 26.1 of the Takeovers Code:

For each Offer Share . . . . HK$1.56 in cash

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

The Shares to be acquired under the Offer shall be fully paid, free from all encumbrances, and with all rights attaching to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date of despatch of this Composite Document. Acceptance of the Offer by any Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Offer are free from all liens, charges, options, claims, equities, adverse interests, third-party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, the right to receive dividends and distributions declared, made or paid, if any, on or after the date of despatch of this Composite Document. Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Your attention is drawn to the further details regarding the procedures for acceptance of the offer, settlement and acceptance period as set out in Appendix I to this Composite Document and the accompanying Form of Acceptance.

INFORMATION ON THE COMPANY

The Company is a company incorporated in the Cayman Islands with limited liability and its Shares are listed on the Main Board of the Stock Exchange. Immediately after Completion and as at the Latest Practicable Date, its ultimate holding company was the Offeror, a company incorporated in the BVI. The principal activity of the Company is investment holding and the principal activities of its subsidiaries are the provision of (a) building construction services in Hong Kong, Macau and Singapore, (b) property maintenance services in Hong Kong, and (c) alterations, renovation, upgrading works and fitting-out works services in Hong Kong, Macau and Singapore.

The following table is a summary of certain audited financial information of the Group for the two financial years ended 31 March 2011 and 31 March 2012 respectively:

	Year ended 31 March	
	2012	2011
	HK$'000	*HK$'000*
Turnover	**661,703**	734,719
Profit before tax	**41,311**	67,150
Profit attributable to Shareholders	**32,964**	54,746
Net assets	**177,469**	87,776

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (a) immediately before Completion and (b) immediately after Completion and as at the Latest Practicable Date:

	Shareholding structure immediately before Completion		**Shareholding structure immediately after Completion and as at the Latest Practicable Date**	
	Number of Shares	*%*	*Number of Shares*	*%*
The Vendor *(Note)*	225,000,000	75	—	—
The Offeror	—	—	225,000,000	75
Public	75,000,000	25	75,000,000	25
Total	300,000,000	100	300,000,000	100

Note: Mr. Wong Law Fai, an executive Director, chairman and chief executive officer of the Company beneficially owns the entire issued share capital of the Vendor. By virtue of the SFO, Mr. Wong Law Fai was deemed to be interested in the Shares held by the Vendor.

INTENTIONS OF THE OFFEROR IN RELATION TO THE COMPANY

Your attention is drawn to the sections headed "Information on the Offeror" and "Offeror's intention regarding the Group" in the "Letter from Ping An Securities and Ping An Capital" as set out in this Composite Document. The Board is aware of the intentions of the Offeror in respect of the Company and is willing to render reasonable co-operation with the Offeror which is in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no agreement, arrangement, understanding, intention or negotiation (concluded or otherwise) with the Offeror about any disposal/termination/scaling-down of the current business of the Group.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

In the event that after the completion of the Offer, the public float of the Company falls below 25%, the directors of the Company at the relevant time and of the Offeror will undertake to the Stock Exchange that they will take appropriate steps to restore the minimum public float as required under the Listing Rules as soon as possible following the close of the Offer to ensure that sufficient public float exists for the Shares.

If, upon closing of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25%, of the Shares are held by the public or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, the Stock Exchange may exercise its discretion to suspend trading in the Shares. In this connection, it should be noted that upon the close of the Offer, there may be insufficient public float for the Shares, and there is a possibility for trading in the Shares be suspended until sufficient level of public float is attained.

RECOMMENDATION

The Independent Board Committee has been established to make recommendations to the Independent Shareholders as to whether the Offer is fair and reasonable and as to acceptance of the Offer. Your attention is drawn to the "Letter from the Independent Board Committee" and the "Letter from Vinco Capital" as set out in this Composite Document containing their advice and recommendation to the Independent Shareholders and the Independent Board Committee respectively in respect of the Offer.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information contained in the appendices to this Composite Document. You are also recommended to read carefully Appendix I to this Composite Document and the accompanying Form of Acceptance for further details in respect of the procedures for acceptance of the Offer.

Yours faithfully,
On behalf of the Board
Vision Fame International Holding Limited
So Kwok Lam
Executive Director

Vision Fame International Holding Limited
允升國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1315)

19 April 2013

To the Independent Shareholders

Dear Sir/Madam,

MANDATORY UNCONDITIONAL CASH OFFER BY PING AN OF CHINA SECURITIES (HONG KONG) COMPANY LIMITED ON BEHALF OF GRAND SILVER GROUP LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF VISION FAME INTERNATIONAL HOLDING LIMITED (OTHER THAN THOSE ALREADY ACQUIRED OR AGREED TO BE ACQUIRED BY GRAND SILVER GROUP LIMITED AND PARTIES ACTING IN CONCERT WITH IT)

We refer to this Composite Document dated 19 April 2013 jointly issued by the Company and the Offeror, of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as defined in this Composite Document.

We have been appointed to constitute the Independent Board Committee to consider the terms of the Offer and to advise you (i.e. Independent Shareholders) as to whether or not the terms of the Offer are fair and reasonable and to make recommendations in respect of acceptance of the Offer or not. Vinco Capital has been appointed as the Independent Financial Adviser to make recommendation to us in respect of the terms of Offer and, in particular, whether the Offer is fair and reasonable and to make recommendations in respect of the acceptance of the Offer or not. Details of its advice and recommendation, together with the principal factors and reasons which it has considered before arriving at such recommendation, are set out in the "Letter from Vinco Capital" on pages 18 to 34 of this Composite Document.

We also wish to draw your attention to the "Letter from the Board", the "Letter from Ping An Securities and Ping An Capital" and the additional information set out in the appendices to this Composite Document.

Taking into account the terms of the Offer and the independent advice and recommendations from Vinco Capital, we consider that the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to accept the Offer. Independent Shareholders are recommended to read the full text of the "Letter from Vinco Capital" set out in this Composite Document.

Yours faithfully,
For and on behalf of
the Independent Board Committee
Vision Fame International Holding Limited
Lam Siu Lo, Andrew, JP　　**Li Ying Ming**　　**Tam Tak Kei, Raymond**
Independent Non-executive Directors

The following is the full text of a letter of advice from Vinco Capital to the Independent Board Committee in respect of the Offer which has been prepared for the purpose of incorporation in this Composite Document:

VINCO 城高

Grand Vinco Capital Limited
Units 4909–4910, 49/F., The Center
99 Queen's Road Central, Hong Kong

19 April 2013

To the Independent Board Committee of
Vision Fame International Holding Limited

Dear Sirs,

MANDATORY UNCONDITIONAL CASH OFFER BY PING AN OF CHINA SECURITIES (HONG KONG) LIMITED ON BEHALF OF GRAND SILVER GROUP LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF VISION FAME INTERNATIONAL HOLDING LIMITED (OTHER THAN THOSE ALREADY ACQUIRED OR AGREED TO BE ACQUIRED BY GRAND SILVER GROUP LIMITED AND PARTIES ACTING IN CONCERT WITH IT)

A. INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer, details of which are set out in the Composite Document jointly issued by the Offeror and the Company to the Shareholders dated 19 April 2013 of which this letter forms part. Capitalised terms used in this letter shall have the same meanings ascribed to them in the Composite Document unless the context otherwise requires.

On 15 March 2013, the Offeror and the Company jointly announced that, on 13 March 2013, the Offeror and the Vendor has entered into the S&P Agreement pursuant to which, among others, the Offeror agreed to purchase and the Vendor agreed to sell the Sale Shares for a total cash consideration of HK$350,000,000 (equivalent to approximately HK$1.56 per Sale Share). The Sale Shares represent 75% of the entire issued share capital of the Company as at the Latest Practicable Date. The Completion took place on 13 March 2013 upon signing of the S&P Agreement. Immediately prior to Completion, the Vendor held 225,000,000 Shares, representing 75% of the existing total issued share capital of the Company as at Latest Practicable Date. Immediately after Completion, the Vendor does not hold any Shares.

Immediately prior to Completion, the Offeror, its beneficial owner and parties acting in concert with any of them were not interested in the share capital or voting rights of the Company, other than the interest in the Shares under the S&P Agreement. Upon Completion, the Offeror, its beneficial owner and parties acting in concert with any of them in aggregate own 225,000,000 Shares, representing 75% of the entire issued share capital of the Company as at Latest Practicable Date. Pursuant to Rule 26.1(a) of the Takeovers Code, the Offeror is required to make a mandatory unconditional offer in cash for all the issued securities other than those already owned or agreed to be acquired by the Offeror. Accordingly, Ping An Securities, for and on behalf of the Offeror, will make the Offer on the terms of HK$1.56 in cash (the "Offer Price") for each Offer Share.

The Independent Board Committee, comprising Mr. Lam Siu Lo, Andrew, *JP*, Mr. Li Ying Ming and Mr. Tam Tak Kei, Raymond, all being the independent non-executive Directors who are independent of the Offer, has been formed to advise the Independent Shareholders in respect of the terms of the Offer and whether the terms of the Offer are fair and reasonable and as to whether the Independent Shareholders should accept the Offer. We have been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Offer. In our capacity as the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee as to whether the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned and such appointment has been approved by the Independent Board Committee.

B. BASIS OF OUR OPINION AND RECOMMENDATION

In formulating our opinion and recommendation, we have relied on the accuracy of the information and facts contained or referred to in the Composite Document and provided to us by the Company, the Directors and the management of the Company. We have assumed that all information and representations contained or referred to in the Composite Document were true and accurate at the time when they were made and continue to be true and accurate at the date of the Composite Document. We have also assumed that all statements of belief, opinion and intention made by the Directors and the Offeror in the Composite Document were reasonably made after due enquiries and considerations. We have no reasons to doubt that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have reviewed sufficient information to enable us to reach an informed view and to justify reliance on the accuracy of the information contained in the Composite Document and to provide a reasonable basis for our opinions and recommendations. The Directors have declared in a responsibility statement set out in the appendix III to the Composite Document that they jointly and severally accept full responsibility for the accuracy of the information contained in the Composite Document (other than information relating to the Offeror, its ultimate beneficial owner and parties acting concert with them). We have not, however, carried out any independent verification of the information provided by the Company, the Directors and the management of the Company, nor have we conducted an independent investigation into the business and affairs, financial condition and future prospects of the Group and/or the Offeror.

In formulating our opinions, we have not considered the tax implications on the Independent Shareholders arising from acceptances or non-acceptances of the Offer as these are particular to their individual circumstances. It is emphasised that we will not accept responsibility for any tax effect on or liability of any person resulting from his or her acceptance or non-acceptance of the Offer. In particular, the Independent Shareholders who are residents outside Hong Kong or subject to overseas tax or Hong Kong taxation on securities dealings should consider their own tax position, and if in any doubt, should consult their own professional advisers.

In formulating our opinions, our opinions are necessarily based upon the financial, economic, market, regulatory and other conditions as they existed on, and the facts, information, representations, and opinions made available to us as of the Latest Practicable Date. We disclaim any undertaking or obligation to advise any person of any change in any fact or matter affecting the opinions expressed herein which may come or be brought to our attention after the end of the period for the acceptance of the Offer. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

This letter is issued for the Independent Board Committee solely in respect of the Offer and, except for its inclusion in the Composite Document, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

C. PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee in relation to the Offer, we have considered the principal factors and reasons set out below:

1. Historical financial performance of the Group

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are the provision of (a) building construction services in Hong Kong, Macau and Singapore, (b) property maintenance services in Hong Kong, and (c) alterations, renovation, upgrading works and fitting-out works services in Hong Kong, Macau and Singapore.

Set out below is a summary of the financial information on the Group as extracted from the annual reports and interim report of the Company for the three years ended 31 March 2012 and the six months ended 30 September 2012:

	For the six months ended 30 September		**For the year ended 31 March**		
	2012	**2011**	**2012**	**2011**	**2010**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)	*(Unaudited)*	*(Audited)*	*(Audited)*	*(Audited)*
Turnover	484,016	271,085	661,703	734,719	636,651
Profit attributable to owners of the Company	23,203	26,918	32,964	54,746	42,874

	As at 30 September	**As at 31 March**		
	2012	**2012**	**2011**	**2010**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)	*(Audited)*	*(Audited)*	*(Audited)*
Total assets	439,190	389,489	394,831	421,189
Total liabilities	242,832	212,020	307,055	291,029
Equity attributable to owners of the Company	196,358	177,469	87,776	130,160
Bank balances and cash	68,907	65,997	64,849	51,683

Audited consolidated results for the year ended 31 March 2011

As disclosed in the prospectus of the Company (the "Prospectus"), the Group recorded a turnover of approximately HK$734.7 million, representing an increase of approximately 15.4% as compared to that of the previous year. Such increase in revenue was due to the increase in work volume across all three geographical areas (i.e. Hong Kong, Macau and Singapore). The turnover derived from Hong Kong increased approximately 13.8% to approximately HK$606.1 million in 2011. Such increase was largely contributed by revenue recognized for the reprovisioning project of Wo Hop Shek Crematorium increased drastically to approximately HK$157.0 million as the project progressed into an advanced stage during the financial year ended 31 March 2011. The turnover derived in Macau also increased to approximately HK$3.7 million in 2011 from approximately HK$0.008 million in 2010. This was due to several fitting-out contracts from the international casino gaming resort were secured and amounting to a total of HK$3.7 million revenue being recognized for the year ended 31 March 2011 from these projects. For Singapore, turnover was recorded from approximately HK$104.3 million in 2010 to approximately HK$124.9 million in 2011. The increase was primarily driven by the high-end fitting-out project for the international casino gaming resort in Singapore. The revenue recognized for the project increased from HK$92.1 million for the period ended 31 March 2010 to HK$104.5 million for the period ended 31 March 2011 as a result of an increase in work volume completed.

The profits attributable to owners of the Company increased by approximately 27.5%, from approximately HK$42.9 million for the year ended 31 March 2010 to approximately HK$54.7 million for the year ended 31 March 2011. With reference to the Prospectus, such increase in profit was mainly due to increase in gross profit margin from 13.5% for the year ended 31 March 2010 to approximately 15.0% for the year ended 31 March 2011. The improved gross profit margin was due to more revenue being recognised resulting from the increase in the number of work orders received of the government's term contracts for property maintenance segment in 2011, which can dilute the fixed cost of operating the management team. Besides, the increase of other income from the reversal of over provision of litigation fees also contributed the increase in profits.

Audited consolidated results for the year ended 31 March 2012

As disclosed in the annual report of the Company for the year ended 31 March 2012 (the "Annual Report 2012"), the Group recorded a turnover of approximately HK$661.70 million, representing a decrease of approximately 9.9% as compared to that of the previous year. The decrease in turnover was mainly attributable to the decrease in building construction segment and property maintenance segment revenue in Hong Kong. The decrease in building construction segment revenue was due to the completion of substantial completion of two sizable construction contracts in Hong Kong during the first half of last year. As a result, the corresponding revenue has decreased from approximately HK$266.52 million for the year ended 31 March 2011 to approximately HK$158.05 million for the year ended 31 March 2012, representing a reduction of revenue by approximately 40.70%. The decrease in revenue in property maintenance was mainly due to the close of two significant property maintenance contracts in Hong Kong in March and May 2010 respectively. As a result, revenue from property maintenance segment for the year ended 31 March 2012 was mainly derived from one major government property maintenance contract in Hong Kong as opposed to three major government property maintenance contracts during the year ended 31 March 2011.

According to the Annual Report 2012, the profits attributable to owners of the Company decreased from approximately HK$54.75 million for the year ended 31 March 2011 to approximately HK$32.96 million for the year ended 31 March 2012, representing a decrease of approximately 39.80%. Such significant decrease in profit of the Group was mainly due to the fact that (i) a number of sizable projects across all three business segments were substantially completed in 2010 to early 2011 and (ii) the progress of several newly-awarded projects during the year under review were still at an early stage such that the revenue was not substantially reflected in the year ended 31 March 2012.

Unaudited consolidated results for the six months ended 30 September 2012

As disclosed in the interim report of the Company for the six months ended 30 September 2012 (the "Interim Report 2012"), the Group recorded a turnover of approximately HK$484.01 million for the six months ended 30 September 2012, representing a 79% increase against approximately HK$271.09 million of the same period in 2011. The increase in turnover was contributed by (i) the increase in building construction segment revenue by approximately 37.98% to approximately HK$134.11 million for the six months ended 30 September 2012 as a construction project in Singapore has been in full swing resulting in more revenue being recognised, (ii) the revenue derived from alterations, renovation, upgrading and fitting-out works segment increased from approximately HK$94.61 million for the six months ended 30 September 2011 to approximately HK$274.96 million for the six months ended 30 September 2012.

However, according to the Interim Report 2012, the profit attributable to owners of the Company decreased from approximately HK$26.92 million for the six months ended 30 September 2011 to approximately HK$23.20 million for the six months ended 30 September 2012, representing a decrease of approximately 13.82%. Such decrease in profit of the Group was due to (i) decrease in building construction segment profit resulting from a recovery of revenue in the last interim period in 2011 in relation to disputes for the final contract amount for a building construction project completed in 2001 with one of the Group's customers, (ii) the decline in property maintenance segment profit resulting from the contribution of relatively high segment profit from a property maintenance project with an international casino gaming resort in Singapore in the last interim period in 2011.

2. Reason for the sale of the Sale Shares

As confirmed by Mr. Wong Law Fai, taking into account the consideration for the Sale Shares offered by the Offeror, he considered that it is desirable for him to realise his investment in the Company held through the Vendor to pursue his personal objectives.

We are of the view that it is reasonable for Mr. Wong to realise his investment as the Offer Price of HK$1.56 represented a premium of 30% over the offer price of HK$1.2 during the initial public offering. Given the construction industry is facing challenges from raising labour and material costs, the 30% premium may represent a good exit opportunity, depending on the personal investment objectives of each investor.

3. Prospect of the Group

The principal activities of the Group cover three geographical areas i.e. Hong Kong, Macau and Singapore. As stated in the Interim Report 2012, the construction industry has been growing steadily in the past year across those three geographical areas.

According to a table revised on 12 March 2013, namely Table 106: Gross value of construction works performed by main contractors analysed by broad trade group (in nominal terms), issued by Construction & Miscellaneous Services Statistics Section, Census and Statistics Department of Hong Kong, the total gross value of construction works performed by main contractors increased steadily from approximately HK$92,866 million in 2007 to approximately HK$128,535 million in 2011, representing a compound annual growth rate ("CAGR") of approximately 8.47%. As stated in the Interim Report 2012, the Directors believe that construction industry will continue to grow in coming years. We concur with the Directors' view as the ten mega infrastructure projects announced by the Hong Kong government in 2007 are being rolled out in phases as scheduled and the government has also forged ahead with other construction works, such as revitalising historic buildings.

The construction industry for Macau has been surging since the global financial crisis in 2008. According to the Construction Report 2009–2012 issued by Statistic and Census Service of Macau government, the total gross floor areas for completion of buildings surged from 584,147 square meters in 2008 to 1,568,470 square meters in 2012, representing a CAGR of approximately 28.01%. As stated in the Interim Report 2012, the Directors believe that strong economic growth in Macau can support construction industry in Macau.

In Singapore, according to Yearbook of Statistics Singapore 2012, the total progress payment of construction work done certified by both public and private sectors increased from approximately S$17,872 million in 2007 to approximately S$27,688 million in 2012, representing a CAGR of approximately 11.57%. The total gross floor area for completion of buildings also increased from approximately 1,126 thousand square meters in 2007 to approximately 1,466 thousand square meters in 2011, with a CAGR of approximately 6.82%. According to media release on 16 January 2013 by Housing and Construction Authority in Singapore, the construction demand for Singapore will remain strong especially in public sector for public housing and railway construction.

On the other hand, according to the Interim Report 2012, the rising labour and materials costs and shortage of construction workers and professionals have posted challenges to the construction industry. According to press release by Hong Kong Construction Industry Employees General Union on 16 October 2012, the daily wages for different types of construction workers in 2012 would increase ranging from 5% to 30% compared with that of 2011. The inflating wages of workers together with the rise in construction materials may affect the profitability of the construction projects as a whole.

Despite the positive outlook of the construction industry, the rise in wages of workers, shortage of construction workers and professionals together with the rise in construction materials costs are major threats to the prospect of the industry. It may affect the profit margins of the Group's projects and hence the profitability of the Group if those industry-wide threats persist and the Group could not control those costs vigilantly.

4. Information on the Offeror and Mr. Wang Zhijun ("Mr. Wang")

Set out below is the information on the Offeror and Mr. Wang as extracted from the "Letter from Ping An Securities and Ping An Capital" of the Composite Document:

The Offeror is a company incorporated in the BVI with limited liability on 28 January 2013 and is beneficially and wholly-owned by Mr. Wang. The Offeror is an investment holding company. It has carried on no business since incorporation until the entering into of the S&P Agreement.

Mr. Wang, aged 41, is the sole director and beneficial owner of the Offeror. Mr. Wang has been a businessman for over ten years, he currently has investment in a company incorporated in Singapore which is engaged in international trading of non-ferrous metals. He considers that the Offer provides the Independent Shareholders with an opportunity to realise their investment in the Shares which are relatively illiquid and himself with a good opportunity to leverage his experience gained in the past and to invest in building construction and management businesses.

Except the transactions under the S&P Agreement, neither the Offeror, its beneficial owner nor parties acting in concert with any of them has dealt in any Shares or any options, warrants, derivatives or securities convertible into Shares during the period commencing on the date falling six months prior to the date of the announcement of the Company dated 11 March 2013.

5. Intention of the Offeror and proposed change of Board composition

Business

As stated in the Letter from Ping An Securities and Ping An Capital, the Offeror is intended to continue the Group's existing principal business and has no intention to introduce any major changes to the existing operation and business of the Group following the close of the Offer. The Offeror has no intention to discontinue the employment of the employees of the Group (save for the change in the composition of the Board) or to dispose of or redeploy the assets of the Group other than those in its ordinary course of business. The Offeror will conduct a more detailed review on the business activities and assets of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. Subject to the result of the review, the Offeror may explore other suitable business opportunities and new investments. As at the Latest Practicable Date, no such business opportunities or investments have been identified and the Offeror has no intention or plan to inject any assets or businesses into the Company. As at the Latest Practicable Date, the Offeror has no agreement, arrangement, understanding, intention or negotiation with any party (concluded or otherwise) about any disposal of assets and/or business of the Group (other than any disposal of current assets in the ordinary course of business of the Group), any injection of new assets or business into the Group or any fund raising activities by the Group after the completion of the Offer.

Maintain listing of the Group

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

In the event that after the completion of the Offer, the public float of the Company falls below 25%, the Directors of the Company at the relevant time and of the Offeror will undertake to the Stock Exchange that they will take appropriate steps to restore the minimum public float as required under the Listing Rules as soon as possible following the close of the Offer to ensure that sufficient public float exists for the Shares.

Proposed change of Board composition of the Company

The Board is currently made up of 6 Directors, comprising 3 executive Directors and 3 independent non-executive Directors. The Offeror has not yet determined whether it requires all the existing Directors to resign with effect after the first closing date of the Offer. New Directors may be appointed to the Board at the earliest time as allowed under the Takeovers Code and any such appointment will be made in compliance with the Takeovers Code and the Listing Rules. The Offeror intends to nominate Mr. Wang as an executive Director and such appointment will not take effect earlier than the date of posting of the Composite Document in compliance with the requirements under the Takeovers Code. Further announcement will be made on any further proposed change of the composition of the Board and new appointment of Directors.

6. The Offer

Ping An Securities, on behalf of the Offeror, will make the Offer on the following terms:

The Share Offer

For each Offer Share. . . . . HK$1.56 in cash

The Offer will be unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of the Shares or any other conditions. The Offer Price is determined after negotiations between the Vendor and the Offeror at arm's length basis, with reference to the prevailing market price and trading volume of the Shares and the financial position and performance of the Group. As at the Latest Practicable Date, there are 300,000,000 Shares in issue. Save the 300,000,000 Shares, there are no other outstanding securities, share options, warrants, derivatives or convertibles which may confer any rights to the holder(s) thereof to subscribe for, convert or exchange into the Shares.

7. Comparisons of value

The Offer Price of HK$1.56 for each Offer Share represents:

(i) a discount of approximately 27.78% to the closing price of HK$2.16 per Share as quoted on the Stock Exchange on the last trading day prior to the commencement of the Offer Period (i.e. 8 March 2013);

(ii) a discount of approximately 25.71% to the closing price of HK$2.10 per Share as quoted on the Stock Exchange on 13 March 2013, being the Last Trading Day;

(iii) a discount of approximately 29.09% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 5 consecutive full trading days up to and including the Last Trading Day, being approximately HK$2.20 per Share;

(iv) a discount of approximately 25.36% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 10 consecutive full trading days up to and including the Last Trading Day, being approximately HK$2.09 per Share;

(v) a discount of approximately 15.98% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the last 30 consecutive full trading days up to and including the Last Trading Day, being approximately HK$1.86 per Share;

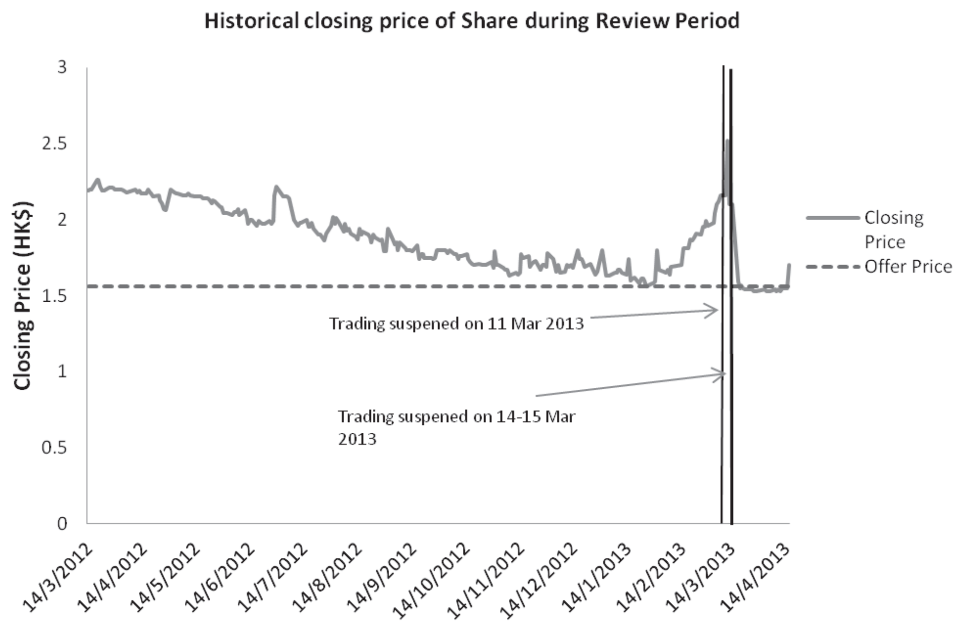
(vi) a discount of approximately 8.24% to the closing price of HK$1.70 per Share as quoted on the Stock Exchange as at the Latest Practicable Date;

(vii) a premium of approximately 164.41% over the audited consolidated net asset value per Share of approximately HK$0.59 as at 31 March 2012 and based on 300,000,000 Shares in issue as at the Latest Practicable Date; and

(viii) a premium of approximately 140% over the unaudited consolidated net asset value per Share of approximately HK$0.65 as at 30 September 2012 and based on 300,000,000 Shares in issue as at the Latest Practicable Date.

8. Historical price performance of the Shares

The chart below illustrates the closing price levels of the Shares as quoted on the Stock Exchange during the twelve-month period preceding the date of the Joint Announcement, from (i) 14 March 2012 up to 8 March 2013, being the last trading day prior to suspension for the first announcement pursuant to rule 3.7 of Takeovers Code published on 11 March 2013 (the "First Announcement"), (ii) 12 March 2013 up to 13 March 2013, being the Last Trading Day prior to suspension for the Joint Announcement published on 15 March, and (iii) 18 March 2013 up to the Latest Practicable Date (collectively known as the "Review Period"):



Source: The Stock Exchange

As shown in the chart above, the highest and lowest closing prices of the Shares during the Review Period were HK$2.52 on 12 March 2013 and HK$1.53 on 27 March 2013, 28 March 2013, 3 April 2013, 5 April 2013, 9 April 2013 and 11 April 2013 respectively. The Offer Price therefore represents a discount of approximately 38.10% to the highest closing price of the Shares and a premium of approximately 1.96% over the lowest closing price of the Shares during the Review Period.

From 14 March 2012 to 25 January 2013, the Share price demonstrated an overall decreasing trend. We are of the view that the decreasing trend of the Share price for that period might be due to the announcement of profit warning by the Company for the financial year ended 31 March 2012. During the financial year ended 31 March 2012, there was significant decrease in profits of approximately 39.80% compared to the previous financial year. In addition, the Group also recorded a decrease in interim profit of approximately 13.82% compared with the previous interim period.

From 26 January 2013 to 8 March 2013, being the last trading day prior to suspension for the First Announcement, the Share price experienced a significant surge in such short period. The Directors are of the view that they are not aware of any reason which may cause a significant increase in the Share price during that period.

Subsequently, trading in Shares was suspended on 11 March 2013 pending for the release of the First Announcement. Following the publication of the First Announcement on 11 March 2013, the closing price of the Shares increased approximately 16.67% to HK$2.52 on 12 March 2013, being the first trading day after resumption of trading. It is observed that the surge in the Share price might be merely due to the First Announcement as the market were optimistic in the price of the offer which would lead to surge in price together with the trading volumes. However, the surge in the Share price could not be sustained after the publication of the Joint Announcement.

Trading in Shares was again suspended from 14 March 2013 to 15 March 2013 pending for the release of the Joint Announcement. Following the publication of the Joint Announcement on 15 March 2013, the closing prices of the Shares during the period from 18 March 2013, being the first trading day after the Joint Announcement was published, to the Latest Practicable Date (the ''Post-Joint Announcement Period'') ranged from the highest of HK$1.70 (recorded on 16 April 2013) to the lowest of HK$1.53 (recorded on 27 March 2013, 28 March 2013, 3 April 2013, 5 April 2013, 9 April 2013 and 11 April 2013). The Offer Price represents a discount of approximately 8.24% to the highest closing price of the Shares and a premium of approximately 1.96% over the lowest closing price of the Shares during the Post-Joint Announcement Period.

Independent Shareholders should note that although the Offer Price represents a discount of approximately 8.24% to the closing price of HK$1.70 per Share on the Latest Practicable Date, there is no assurance that the trading price of the Shares will continue to sustain at such level or to be significantly higher or lower than the Offer Price during the period for the acceptance of the Offers. Independent Shareholders should be reminded to closely monitor the market price of the Shares during the period for the acceptance of the Offer.

9. Liquidity of the Shares

The table below sets out the average daily trading volume of the Shares during the Review Period, and the percentage as represented by such average daily trading volume to the total number of Shares in issue and the total number of Shares held by the Independent Shareholders.

	Total trading volume for the month/period *(Note 1)*	Maximum daily trading volume for the month/period *(Note 2)*	Minimum daily trading volume for the month/period *(Note 3)*	Average daily trading volume for the month/period *(Note 4)*	Approximate percentage of average daily trading volume to total number of Shares held by public Shareholders at the Latest Practicable Date	Approximate percentage of average daily trading volume to total number of Shares in issue at the Latest Practicable Date
2012						
March *(Note 5)*	19,766,000	3,272,000	1,086,000	1,520,462	2.03%	0.51%
April	29,108,000	2,290,000	1,066,000	1,617,111	2.16%	0.54%
May	50,924,000	3,242,000	1,516,000	2,314,727	3.09%	0.77%
June	30,878,000	2,314,000	942,000	1,470,381	1.96%	0.49%
July	26,164,000	1,998,000	786,000	1,245,905	1.66%	0.42%
August	28,432,000	2,096,000	536,000	1,236,174	1.65%	0.41%
September	34,212,000	2,666,000	902,000	1,710,600	2.28%	0.57%
October	46,936,000	4,336,000	1,198,000	2,346,800	3.13%	0.78%
November	46,324,000	3,996,000	404,000	2,105,636	2.81%	0.70%
December	25,452,000	2,578,000	22,000	1,339,579	1.79%	0.45%
2013						
January	57,020,000	3,570,000	120,000	2,591,818	3.46%	0.86%
February	23,976,000	3,820,000	648,000	1,410,353	1.88%	0.47%
March *(Note 6)*	51,786,000	6,370,000	498,000	3,046,235	4.06%	1.02%
April *(Note 7)*	36,128,000	14,256,000	154,000	3,612,800	4.82%	1.20%

Source: The Stock Exchange

Notes:

(1) Total trading volume for the month/period is sourced from the website of the Stock Exchange.

(2) Average daily trading volume is calculated by dividing the total trading volume for the month/period by the number of trading days during the month/period which excludes any trading day on which trading in the Shares on the Stock Exchange was suspended for the whole trading day.

(3) Based on 75,000,000 Shares held by public Shareholders as at the Latest Practicable Date.

(4) Based on 300,000,000 Shares in issue, being the total issued share capital of the Company as at the Latest Practicable Date.

(5) Since the beginning of the Review Period, i.e. 14 March 2012.

(6) Trading in the Shares was suspended on 11 March 2013 and from 14 March 2013 up to 15 March 2013.

(7) Up to the Latest Practicable Date

As illustrated from the above table, the daily trading volume of the Shares during the Review Period ranged from approximately 22,000 Shares to approximately 14,256,000 Shares, representing approximately 0.0073% and 4.75% of the total number of Shares in issue as at the Latest Practicable Date respectively and approximately 0.0293% and 19% of the total number of Shares held by public Shareholders as at the Latest Practicable Date respectively.

We noted that there was an increase in trading volume of the Shares on 12 March 2013 and 18 March 2013, which was most likely stimulated by the publication of the First Announcement and the Joint Announcement respectively and the trading in the Shares was resumed on those days. The average daily trading volume throughout the Review Period was 1,913,608 Shares, representing approximately 0.64% and 2.55% of the total number of Shares in issue as at the Latest Practicable Date and the total number of Shares held by public Shareholders as at the Latest Practicable Date respectively. However, such level of trading volume was still considered to be thin as compared to the total number of Shares held by public Shareholders as at the Latest Practicable Date. Given the low liquidity of Shares during the Review Period, the Independent Shareholders should note that if they wish to realise their investments in the Company, especially those with bulk quantities of Shares, they might not be able to dispose the Shares in the market without exerting a downward pressure on the market price of the Shares in short term. Therefore, we anticipate that the Independent Shareholders may have difficulties in selling a significant number of Shares in the open market within a short period of time if the same trading pattern of the Shares persists during and shortly after the period for the acceptance of the Offer. Independent Shareholders who intend to dispose part or all of their shareholdings should closely monitor the market price and the liquidity of the Shares in the open market.

10. Comparable analysis

In assessing the fairness and reasonableness of the Offer Price, it is a general practice to apply commonly used benchmarks for evaluating the value of companies. We have considered applying the price-to-earnings ratios (the "P/E ratio(s)") and the price-to-book ratios (the "P/B ratio(s)") in our analysis. We have searched for comparable companies listed on the Stock Exchange which are primary engaged in businesses similar to those of the Group. We identified 4 comparable companies (the "Comparables"), all of which are in similar line of business as the Group does i.e. principally engaged in building construction services, property maintenance services and alterations, renovation, upgrading works and fitting-out works services. The list is exhaustive and we consider the Comparables are fair and representative comparables to the Company. Shareholders should note that the business, operation and prospect of the Company are not exactly the same as the Comparables and we have not conducted any in-depth investigation into business and operations of the Comparables save for the aforesaid selection criteria. Nevertheless, the Comparables can still be a meaningful reference in assessing the fairness and reasonableness of the Offer Price. Our relevant finding is summarised in the table below.

Company	Stock code	Principal activities	Share price as at Latest Practicable Date	Market capitalisation as at Latest Practicable Date *(HK$'000)*	P/E ratio *(Note 1)*	P/B ratio *(Note 2)*
Vantage International (Holdings) Limited	15	Provides building construction, civil engineering, and renovation, repairs, and maintenance services.	0.67	1,012,815	4.623	0.906
Hanison Construction Holdings Ltd	896	Operates building construction, interior and renovation works business, and supplies building materials.	1.10	589,948	4.603	0.561
Yau Lee Holdings Limited	406	Provides contracts building construction, plumbing, maintenance, and decoration projects	1.63	714,027	20.083	0.502
Hsin Chong Construction Group Limited	404	Provides building construction, civil engineering, renovation and fitting-out, building repair and maintenance, and construction management	1.19	1,236,827	6.871	0.585
				Minimum	4.603	0.502
				Maximum	20.083	0.906
				Average	9.045	0.639
		The Company	1.56 *(Note 3)*	468,000 *(Note 3)*	14.197 *(Note 4)*	2.637 *(Note 5)*

Sources: The Stock Exchange

Notes:

(1) P/E ratios of the Comparables are calculated based on their respective closing prices as at the Latest Practicable Date and the profit for the year attributable to owners of the Comparables as extracted from their respective latest annual reports, divided by the total number of issued shares as at Latest Practicable Date.

(2) P/B ratios of the Comparables are calculated based on their respective closing prices as at the Latest Practicable Date and the net asset value attributable to owners of the Comparables as extracted from their respective latest annual reports, divided by the total number of issued shares as at Latest Practicable Date.

(3) The Offer Price, instead of the closing price of the Shares as at Latest Practicable Date, has been used and the implied market capitalisation of the Company is calculated based on the Offer Price and 300,000,000 Shares in issue of the Company as at Latest Practicable Date.

(4) The implied P/E ratio of the Company is calculated based on the Offer Price and the profit for the year attributable to owners of the Company of approximately HK$32.96 million as stated in Annual Report 2012.

(5) The implied P/B ratio of the Company is calculated based on the Offer Price and the net asset value attributable to owners of the Company of approximately HK$177.47 million as stated in Annual Report 2012.

As illustrated in the above, the P/E ratios and P/B ratios of the Comparables ranged from approximately 4.60 times to approximately 20.08 times and approximately 0.50 times to approximately 0.91 times respectively. The average of the P/E ratios and P/B ratios of the Comparables are approximately 9.05 times and approximately 0.64 times respectively. The implied P/E ratio and implied P/B ratio of the Company, based on the Offer Price of HK$1.56, are approximately 14.20 times and approximately 2.64 times respectively, which are within the range of the Comparables' P/E ratios and higher than the average of the P/E ratios and P/B ratios of the Comparables. As such, we consider the Offer Price, with reference to the above implied P/E ratio and P/B ratio, is fair and reasonable given the current market valuation and pricing of shares on the other listed companies in the industry.

D. RECOMMENDATION

Taking into consideration the abovementioned factors and reasons for the Offers, in particular:

(i) The Share price has been adjusting in a downward trend since the Joint Announcement. At 12 March 2013, being the business day prior to the Last Trading Day, the closing price of the Share recorded at HK$2.1 (the Offer Price represents a discount of approximately 25.71% to such price), with the anticipation of favourable offer after the publication of the First Announcement. The closing price of the Share then dropped by approximately 24.28% to HK$1.59 after publishing the Joint Announcement;

(ii) the Offer Price represents significant premium of approximately 164.41% and approximately 140% over the audited consolidated net asset value per Share of approximately HK$0.59 as at 31 March 2012 and the unaudited consolidated net asset value per Share of approximately HK$0.65 as at 30 September 2012 respectively;

(iii) the Offer represents a guaranteed opportunity for Shareholders to realise their investment since Shareholders may not be able to dispose large quantities of Shares without exerting downward pressure on the price of Shares in the open market given the low liquidity of the Shares;

(iv) the P/E ratio and P/B ratio as implied by the Offer Price are higher than the average of the P/E ratios and P/B ratios of the Comparables; and

(v) as discussed in the paragraph headed "Prospect of the Group", the profitability of the Group may be affected by the raising worker wages and construction material costs.

Based on the aforesaid, we are of the view that the terms of the Offer are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to accept the Offer.

The Independent Shareholders, in particular those who intend to accept the Offer, are reminded to note the recent fluctuation in the price of the Shares. There is no guarantee that the current market price of the Shares will or will not sustain and will or will not be higher than the Offer Price during and after the period for the acceptance of the Offer. The Independent Shareholders who intend to accept the Offer are reminded to closely monitor the market price and the liquidity of the Shares during the period for the acceptance of the Offer and shall, having regard to their own circumstances and investment objectives, consider selling their Shares and selling their Shares in the open market, instead of accepting the Offer, if the net proceeds from the sale of such Shares would be higher than that receivable under the Offer.

The Independent Shareholders are also reminded that their decisions to dispose or hold their investment in the Shares are subject to their individual circumstances and investment objectives. The Independent Shareholders should read carefully the procedures for accepting the Offer as detailed in the Composite Document, the appendices to the Composite Document and the form of acceptance, if they wish to accept the Offer.

Yours faithfully,
For and on behalf of
Grand Vinco Capital Limited
Alister Chung
Managing Director

1. PROCEDURES FOR ACCEPTANCE OF THE OFFER

To accept the Offer, you should complete and sign the Form of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms of the Offer.

(a) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Share(s) is/are in your name, and you wish to accept the Offer, you must send the duly completed and signed Form(s) of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for not less than the number of Shares in respect of which you intend to accept the Offer by post or by hand to the Registrar marked "Vision Fame International Holding Limited Offer" on the envelope by no later than 4:00 p.m. on the Closing Day or such later time and/or date as the Offeror may determine and announce in compliance with the Takeovers Code.

(b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the Offer whether in full or in part of your Shares, you must either:

(i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) with the nominee company, or other nominee, and with instructions authorising it to accept the Offer on your behalf and request it to deliver the completed Form(s) of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar; or

(ii) arrange for the Shares to be registered in your name by the Company through the Registrar, and send the completed Form(s) of Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, by no later than 4:00 p.m. on the Closing Day; or

(iii) if your Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorize HKSCC Nominees Limited to accept the Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or

(iv) if your Shares have been lodged with your investor participant's account maintained with CCASS, authorize your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.

(c) If the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your Shares is/are not readily available and/or is/are lost as the case may be and you wish to accept the Offer, the Form(s) of Acceptance should nevertheless be completed and delivered to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to the Registrar as soon as possible thereafter. If you have lost your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title you should also write to the Registrar for a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Registrar.

(d) If you have lodged transfer(s) of any of your Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the Offer in respect of your Shares, you should nevertheless complete the Form(s) of Acceptance and deliver it to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will be deemed to be an irrevocable authority to Ping An Capital, Ping An Securities and/or the Offeror or their respective agent(s) to collect from the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar, and to authorise and instruct the Registrar to hold such share certificate(s), subject to the terms and conditions of the Offer, as if it was/they were delivered to the Registrar with the Form(s) of Acceptance.

(e) Acceptance of the Offer will be treated as valid only if the duly completed and signed Form(s) of Acceptance is received by the Registrar by no later than 4:00 p.m. on the Closing Day or such later time and/or date as the Offeror may determine in accordance with the requirements of the Takeovers Code and is:

(i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and, if those share certificate(s) is/are not in your name, such other documents in order to establish your right to become the registered holder of the relevant Shares; or

(ii) from a registered Shareholder or his personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to Shares which are not taken into account under another sub-paragraph of this paragraph (e)); or

(iii) certified by the Registrar or the Stock Exchange.

If the Form(s) of Acceptance is executed by a person other than the registered Independent Shareholders, appropriate documentary evidence of authority to the satisfaction of the Registrar must be produced.

(f) No acknowledgement of receipt of any Form(s) of Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

(g) The address of the Registrar is at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong.

2. ACCEPTANCE PERIOD AND REVISIONS

Unless the Offer has previously been revised or extended with the consent of the Executive, all Forms of Acceptance must be received by the Registrar by 4:00 p.m. on the Closing Day in accordance with the instructions printed thereon.

If the Offer is extended or revised, the announcement of such extension or revision will state the next Closing Day and the Offer will remain open for acceptance for a period of not less than 14 days from the posting of the written notification and/or announcement of the extension or revision to the Independent Shareholders and, unless previously extended or revised, shall close on the subsequent Closing Day. If the Offeror revises the terms of the Offer, all Independent Shareholders whether or not they have already accepted the Offer, will be entitled to accept the revised Offer under the revised terms.

If the Closing Day is extended, any reference in this Composite Document and in the Form(s) of Acceptance to the Closing Day shall, except where the context otherwise requires, be deemed to refer to the Closing Day of the Offer as so extended.

3. ANNOUNCEMENTS

(a) As required under Rule 19 of the Takeovers Code, by 6:00 p.m. (or such later time and/or date as the Executive may in exceptional circumstance permit) on the Closing Day, the Offeror must inform the Executive and the Stock Exchange of its intention in relation to the revision, extension or expiry of the Offer. The Offeror must publish an announcement on the Stock Exchange's website no later than 7:00 p.m. on the Closing Day stating whether the Offer has been revised, extended or has expired.

The announcement must state the following:

(i) the total number of Shares and rights over Shares for which acceptances of the Offer have been received;

(ii) the total number of Shares and rights over Shares held, controlled or directed by the Offeror and parties acting in concert with it before the offer period (as defined under the Takeovers Code); and

(iii) the total number of Shares and rights over Shares acquired or agreed to be acquired during the offer period by the Offeror and parties acting in concert with it.

The announcement must include details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or any person acting in concert with it has borrowed or lent, save for any borrowed Shares which have been either on-lent or sold.

The announcement must also specify the percentages of the relevant classes of share capital of the Company and the percentages of voting rights of the Company represented by these numbers of Shares.

(b) In computing the total number of Shares represented by acceptances, acceptances which are not in all respects in complete and good order or that are subject to verification may only be included where they could be counted towards fulfilling the acceptance conditions under paragraph 1(e) of this Appendix.

(c) As required under the Takeovers Code and the Listing Rules, any announcement in relation to the Offer, in respect of which the Executive and the Stock Exchange have confirmed that they have no further comments thereon, will be published on the website of the Stock Exchange (*http://www.hkex.com.hk*) and the website of the Company (*http://www.visionfame.com*).

4. RIGHT OF WITHDRAWAL

(a) Acceptance of the Offer tendered by the Independent Shareholders or by their agent(s) on their behalves shall be irrevocable and cannot be withdrawn, except in the circumstances set out in sub-paragraph (b) below.

(b) If the Offeror is unable to comply with any of the requirements of Rule 19 of the Takeovers Code, the Executive may require that the Independent Shareholders who have tendered acceptances of the Offer be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that paragraph are met.

5. SETTLEMENT

(a) Provided that the Form(s) of Acceptance and/or the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) are in complete and good order in all respects and have been received by the Registrar by no later than 4:00 p.m. on the Closing Day for the acceptance of the Offer, a cheque for the amount representing the cash consideration due to each accepting Independent Shareholder in respect of the Shares tendered by him/her or his/her agent(s) under the Offer, less seller's ad valorem stamp duty payable by him/her in the case for tendered Shares, will be despatched to each accepting Independent Shareholder by ordinary post at his/her own risk as soon as possible but in any event within 7 business days following the date of receipt of duly completed acceptances by the Registrar and in accordance with the Takeovers Code.

(b) Settlement of the consideration to which any Independent Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer, without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offeror may otherwise be, or claim to be, entitled against such Shareholder.

If the Offer is withdrawn with the consent of the Executive in accordance with the Takeovers Code, the Offeror shall, as soon as possible but in any event within 10 days thereof, return by ordinary post the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the Shares lodged with the Form(s) of Acceptance to the relevant Independent Shareholders who have tendered acceptances to the Offer.

No fraction of a cent will be payable and the amount of the consideration payable to an Independent Shareholder who accepts the Offer will be rounded up to the nearest cent.

6. OVERSEAS SHAREHOLDERS

The making of the Offer or the acceptance thereof by persons not being a resident of Hong Kong or with a registered address in jurisdictions outside Hong Kong may be affected by the laws of the relevant jurisdictions. Independent Shareholders who are citizens or residents or nationals of jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal requirements in their own jurisdictions.

It is the responsibility of each Overseas Shareholder who wishes to accept the Offer to satisfy himself/herself as to the full observance of all applicable legal and regulatory requirements of the relevant jurisdiction in connection therewith, including the obtaining of any governmental exchange control or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdiction. Any acceptance by an Overseas Shareholder will be deemed to constitute a representation and warranty from such person to the Offeror that he/she is permitted under all applicable laws and regulations to receive and accept the Offer, and any revision thereof, and that, all local laws and requirements have been fully complied with. Independent Shareholders should consult their professional adviser if in doubt.

7. GENERAL

(a) All communications, notices, Form(s) of Acceptance, share certificate(s), transfer receipts, other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to settle the consideration payable under the Offer to be delivered by or sent to or from the Independent Shareholders will be delivered by or sent to or from them, or their designated agents through ordinary post at their own risk, and none of the Company, the Offeror, Ping An Capital, Ping An Securities, Vinco Capital, the Registrar nor any of their respective directors or agents or other parties involved in the Offer accepts any liability for any loss in postage or any other liabilities that may arise as a result thereof.

(b) The provisions set out in the Form of Acceptance form part of the terms of the Offer.

(c) The accidental omission to despatch this Composite Document and/or the Form(s) of Acceptance or any of them to any person to whom the Offer is made will not invalidate the Offer in any way.

(d) The Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong. Execution of a Form of Acceptance by or on behalf of an Independent Shareholder will constitute such shareholder's agreement that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the offer.

(e) Due execution of the Form of Acceptance will constitute an authority to any director of the Offeror, Ping An Capital, Ping An Securities or such person or persons as any of them may direct to complete and execute any document on behalf of the person accepting the Offer and to do any other act that may be necessary or expedient for the purposes of vesting in the Offeror, Ping An Capital, Ping An Securities or such person or persons as it may direct the Shares, in respect of which such person has accepted the Offer.

(f) Acceptance of the Offer by any person or persons will be deemed to constitute a warranty by such person or persons to the Offeror that the Shares acquired under the Offer are sold by any such person or persons free from all liens, claims and encumbrances and together with all rights attaching thereto including the right to receive all future dividends or other distributions, if any, declared, paid or made on the Shares on or after the Completion.

(g) The Offeror does not intend to exercise any right which may be available to it to acquire compulsorily any Shares not acquired under the Offer after the close of the Offer.

(h) References to the Offer in this Composite Document and in the Form(s) of Acceptance shall include any extension and/or revision thereof.

(i) Acceptance to the Offer by any nominee will be deemed to constitute a warranty by such nominee to Offeror that the number of Shares in respect of which it is indicated in the Form(s) of Acceptance is the aggregate number of Shares held by such nominee for such beneficial owners who are accepting the Offer.

(j) The English text of this Composite Document and the Form of Acceptance shall prevail over their Chinese text for the purpose of interpretation.

1. FINANCIAL SUMMARY

The following is a summary of the financial results of the Company (i) for each of the three financial years ended 31 March 2012, as extracted from the annual report of the Company for the financial year ended 31 March 2012, and the prospectus of the Company dated 30 December 2011, and (ii) for the six months ended 30 September 2011 and 2012 as extracted from the 2012 interim report of the Company.

The auditors of the Company for the aforesaid period, SHINEWING (HK) CPA Limited, did not issue any qualified opinion on the financial statements of the Company for any of the three financial years ended 31 March 2012.

Consolidated Statement of Comprehensive Income

	Six months ended 30 September		**Year ended 31 March**		
	2012	**2011**	**2012**	**2011**	**2010**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)	*(Unaudited)*			
Turnover	484,016	271,085	661,703	734,719	636,651
Cost of sales	(440,583)	(229,809)	(572,640)	(624,261)	(550,825)
Gross profit	43,433	41,276	89,063	110,458	85,826
Other income	1,821	11,602	16,488	7,715	3,754
Administrative expenses	(24,428)	(20,792)	(62,955)	(44,375)	(33,956)
Fair value decrease in investment properties	—	—	—	(1,294)	1,500
Impairment loss recognised in respect of available-for-sale investments	—	—	—	(3,303)	—
Finance costs	(818)	(683)	(1,513)	(1,290)	(2,259)
Gain on disposal of a subsidiary	—	459	459	—	—
Share of loss of an associate	7,051	(170)	(231)	(761)	—
Profit before taxation	27,059	31,692	41,311	67,150	51,033
Taxation	(3,856)	(4,774)	(8,347)	(12,404)	(8,159)
Profit for the period/year attributable to owners of the Company	23,203	26,918	32,964	54,746	42,874

	Six months ended 30 September		Year ended 31 March		
	2012	**2011**	**2012**	**2011**	**2010**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)	*(Unaudited)*			
Other comprehensive income (expenses):					
Exchange differences arising on translation of foreign operations	1,924	(2,253)	(937)	8,018	802
Reclassification adjustment for the cumulative exchange difference included in profit or loss upon disposal of foreign operation	—	39	39	—	—
Fair value gain (loss) on available-for-sale investments	2,762	(4,135)	1,305	12	—
Other comprehensive income (expenses) for the period/year	4,686	(6,349)	407	8,030	802
Total comprehensive income for the period/year attributable to owners of the Company	27,889	20,569	33,371	62,776	43,676
Earnings per share (HK cents) — Basic and dilutive	7.73	10.81	12.7	22.0	17.2

The Company declared a final dividend of HK$0.03 per Share in respect of the year ended 31 March 2012 on 25 June 2012. The dividend was paid in September 2012 totaling HK$9,000,000. No dividend was declared by the Company in respect of the years ended 31 March 2010 and 2011 and the six months ended 30 September 2012.

For each of the three financial year ended 31 March 2012, the Company had no profit or loss attributable to minority interest, and did not have any extraordinary or exceptional items.

Consolidated Statement of Financial Position

	30 September		31 March	
	2012	**2012**	**2011**	**2010**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)			
Non-current assets				
Property, plant and equipment	17,936	13,842	13,455	13,361
Investment properties	—	—	26,714	9,000
Interest in an associate	7,431	196	426	1,110
Available-for-sale investments	16,150	13,030	9,516	—
	41,517	27,068	50,111	23,471
Current assets				
Amounts due from customers for contract work	42,390	36,245	12,227	356
Trade and other receivables	243,962	208,831	219,642	246,899
Amount due from a director	—	—	—	42,625
Amount due from fellow subsidiaries	—	—	4	3
Amount due from an associate	—	8,151	8,146	5,881
Amount due from a related company	—	—	—	832
Pledged bank deposits	42,414	43,197	39,852	49,439
Bank balances and cash	68,907	65,997	64,849	51,683
	397,673	362,421	344,720	397,718
Current liabilities				
Amounts due to customers for contract work	—	—	20,621	50,419
Trade and other payables	169,015	137,532	149,231	180,463
Amount due to a director	—	—	40,658	—
Amounts due to fellow subsidiaries	—	—	513	526
Amount due to a related company	—	—	963	969
Secured bank borrowings	65,015	66,599	79,459	50,114
Tax payable	7,112	6,203	14,391	6,449
Obligations under finance leases	—	—	—	89
Secured bank overdraft	—	—	—	591
	241,142	210,334	305,836	289,620

	30 September		31 March	
	2012	**2012**	**2011**	**2010**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)			
Net current assets	156,531	152,087	38,884	108,098
Total assets less current liabilities	198,048	179,155	88,995	131,569
Non-current liabilities				
Provision for long service payments	1,272	1,272	813	1,010
Deferred tax liabilities	418	414	406	399
	1,690	1,686	1,219	1,409
Net assets	196,358	177,469	87,776	130,160
Capital and reserves				
Share capital	3,000	3,000	22,000	22,000
Reserves	193,358	174,469	65,776	108,160
Total equity	196,358	177,469	87,776	130,160

2. AUDITED FINANCIAL INFORMATION FOR THE FINANCIAL YEAR ENDED 31 MARCH 2012

The following financial information has been extracted from the annual report of the Company for the financial year ended 31 March 2012.

Consolidated Statement of Comprehensive Income
For the year ended 31 March 2012

		2012	2011
	Notes	*HK$'000*	*HK$'000*
Turnover	*6*	661,703	734,719
Cost of sales		(572,640)	(624,261)
Gross profit		89,063	110,458
Other income	*8*	16,488	7,715
Administrative expenses		(62,955)	(44,375)
Fair value decrease in investment properties	*16*	—	(1,294)
Impairment loss recognised in respect of available-for-sale investments		—	(3,303)
Finance costs	*9*	(1,513)	(1,290)
Gain on disposal of a subsidiary	*31*	459	—
Share of loss of an associate	*17*	(231)	(761)
Profit before taxation		41,311	67,150
Taxation	*10*	(8,347)	(12,404)
Profit for the year attributable to owners of the Company	*12*	32,964	54,746
Other comprehensive income:			
Exchange differences arising on translation of foreign operations		(937)	8,018
Reclassification adjustment for the cumulative exchange difference included in profit or loss upon disposal of foreign operation	*31*	39	—
Fair value gain on available-for-sale investments		1,305	12
Other comprehensive income for the year		407	8,030
Total comprehensive income for the year attributable to owners of the Company		33,371	62,776
Earnings per share (HK cents)			
— Basic and dilutive	*13*	12.7	22.0

Consolidated Statement of Financial Position
As at 31 March 2012

	Notes	**2012** *HK$'000*	**2011** *HK$'000*
Non-current assets			
Property, plant and equipment	*15*	13,842	13,455
Investment properties	*16*	—	26,714
Interest in an associate	*17*	196	426
Available-for-sale investments	*18*	13,030	9,516
		27,068	50,111
Current assets			
Amounts due from customers for contract work	*19*	36,245	12,227
Trade and other receivables	*20*	208,831	219,642
Amount due from a fellow subsidiary	*21*	—	4
Amount due from an associate	*21*	8,151	8,146
Pledged bank deposits	*22*	43,197	39,852
Bank balances and cash	*22*	65,997	64,849
		362,421	344,720
Current liabilities			
Amounts due to customers for contract work	*19*	—	20,621
Trade and other payables	*23*	137,532	149,231
Amount due to a director	*24*	—	40,658
Amounts due to fellow subsidiaries	*21*	—	513
Amount due to a related company	*21*	—	963
Secured bank borrowings	*25*	66,599	79,459
Tax payable		6,203	14,391
		210,334	305,836
Net current assets		152,087	38,884
Total assets less current liabilities		179,155	88,995

	Notes	2012 HK$'000	2011 HK$'000
Non-current liabilities			
Provision for long service payments	26	1,272	813
Deferred tax liabilities	27	414	406
		1,686	1,219
Net assets		177,469	87,776
Capital and reserves			
Share capital	28	3,000	22,000
Reserves		174,469	65,776
Total equity		177,469	87,776

Consolidated Statement of Changes in Equity

For the year ended 31 March 2012

	Share capital HK$'000	Share premium HK$'000 (Note a)	Exchange reserve HK$'000	Capital reserve HK$'000 (Note b)	Legal reserve HK$'000 (Note c)	Available-for-sale investments revaluation reserve HK$'000	Other reserve HK$'000 (Note d)	Retained profits HK$'000	Total HK$'000
At 1 April 2010	22,000	—	806	2,776	12	—	—	104,566	130,160
Profit for the year	—	—	—	—	—	—	—	54,746	54,746
Other comprehensive income for the year:									
Exchange differences arising on translation of foreign operations	—	—	8,018	—	—	—	—	—	8,018
Fair value gain on available-for-sale investments	—	—	—	—	—	12	—	—	12
Total comprehensive income for the year	—	—	8,018	—	—	12	—	54,746	62,776
Dividend declared and paid *(Note 14)*	—	—	—	—	—	—	—	(105,160)	(105,160)
At 31 March 2011 and 1 April 2011	22,000	—	8,824	2,776	12	12	—	54,152	87,776
Profit for the year	—	—	—	—	—	—	—	32,964	32,964
Other comprehensive income (expense) for the year:									
Exchange differences arising on translation of foreign operations	—	—	(937)	—	—	—	—	—	(937)
Reclassification adjustment for the cumulative exchange difference included in profit or loss upon disposal of foreign operation	—	—	39	—	—	—	—	—	39
Fair value gain on available-for-sale investments	—	—	—	—	—	1,305	—	—	1,305
Total comprehensive income (expense) for the year	—	—	(898)	—	—	1,305	—	32,964	33,371
Elimination of the share capital on group reorganisation *(Note 28)*	(22,000)	—	—	—	—	—	22,000	—	—
Shares issued under global offering	510	60,690	—	—	—	—	—	—	61,200
Shares issued by capitalisation	2,490	(2,490)	—	—	—	—	—	—	—
Shares issued expenses	—	(4,878)	—	—	—	—	—	—	(4,878)
At 31 March 2012	3,000	53,322	7,926	2,776	12	1,317	22,000	87,116	177,469

Notes:

a. Under the Companies Law, Cap. 22 (Law 6 of 1961, as consolidated and revised) of the Cayman Islands, the share premium account of the Company is distributable to its shareholders, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

b. In prior years, Wan Chung Construction Company Limited ("Wan Chung Construction") acquired entire equity interest in Wan Chung Property Company Limited ("Wan Chung Property") from its then shareholder, Regent Pacific Investments Limited, a related company of Vision Fame International Holding Limited under common shareholder, at a discount of approximately HK$2,776,000. Such acquisition is deemed to be a transaction with owners of the Company and therefore recorded in capital reserve.

c. In accordance with the provisions of Macau Commercial Code, the Company's subsidiary incorporated in Macau is required to transfer 25% of its annual net profit to a legal reserve until the balance of the reserve reaches 50% of the subsidiary's registered capital. Legal reserve is not distributable to shareholders.

d. Other reserves represented the difference between the nominal value of the issued share capital of the subsidiaries, acquired pursuant to the group reorganisation and the consideration paid for acquiring these subsidiaries.

Consolidated Statement of Cash Flows
For the year ended 31 March 2012

	2012	2011
	HK$'000	*HK$'000*
OPERATING ACTIVITIES		
Profit before taxation	41,311	67,150
Adjustments for:		
Bank interest income	(568)	(461)
Interest income from subcontractors	(1,696)	(2,634)
Other interest income	(7,705)	—
Investment income	(15)	—
Finance costs	1,513	1,290
Fair value decrease in investment properties	—	1,294
Gain on disposal of a subsidiary	(459)	—
Gain on disposal of property, plant and equipment	(1,744)	(167)
Written back of retention money payables	(718)	—
Impairment loss recognised in respect of available-for-sale investments	—	3,303
Share of loss of an associate	231	761
Recovery of litigation fee	—	(3,704)
Depreciation of property, plant and equipment	1,249	1,391
Operating cash flows before movements in working capital	31,399	68,223
Increase in amounts due from customers for contract work	(24,043)	(11,801)
Decrease in amounts due to customers for contract work	(20,725)	(31,968)
Decrease in trade and other receivables	10,944	40,112
Decrease in trade and other payables	(9,996)	(29,892)
Increase (decrease) in provision for long service payments	459	(197)
Cash (used in) generated from operations	(11,962)	34,477
Hong Kong Profits Tax paid	(7,250)	(1,597)
Singapore Corporate Tax paid	(9,658)	(2,979)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(28,870)	29,901

	2012 *HK$'000*	2011 *HK$'000*
INVESTING ACTIVITIES		
Withdrawal of pledged bank deposits	230,067	341,554
Placement of pledged bank deposits	(233,412)	(331,967)
Settlement from the assignment of loan *(Note 31)*	19,400	—
Interest received	8,273	156
Proceeds from disposal of investment property	8,200	—
Proceeds from disposal of property, plant and equipment	4,200	460
Investment income received	15	—
Repayment from (advance to) a fellow subsidiary	4	(1)
Purchase of property, plant and equipment	(4,106)	(1,683)
Purchase of available-for-sale investments	(2,218)	(12,297)
Net cash outflow arising on disposal of a subsidiary *(Note 31)*	(176)	—
Repayment from a director	—	42,625
Repayment from a related company	—	876
Purchase of investment property	—	(18,015)
Advance to an associate	—	(1,518)
NET CASH FROM INVESTING ACTIVITIES	30,247	20,190
FINANCING ACTIVITIES		
New secured bank borrowings raised	617,274	719,958
Proceeds from issue of shares, net of issuing expenses	56,322	—
Repayment to fellow subsidiaries	(513)	(13)
Repayment to a related company	(963)	(6)
Interest paid	(1,513)	(1,290)
(Repayment to) advance from a director	(40,658)	40,658
Repayment of secured bank borrowings	(630,134)	(690,613)
Repayment of obligations under finance leases	—	(89)
Dividend paid	—	(105,160)
NET CASH USED IN FINANCING ACTIVITIES	(185)	(36,555)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,192	13,536
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	64,849	51,092
Effect of foreign exchange rate changes	(44)	221
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	65,997	64,849

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2012

1. GENERAL

Vision Fame International Holding Limited (the "Company") was incorporated in the Cayman Islands on 31 May 2011 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The addresses of its registered office and principal place of business are disclosed in the section of "Corporate Information" in the annual report.

Pursuant to a group reorganisation (the "Reorganisation") of the Company and its subsidiaries (collectively referred to as the "Group") to rationalise the structure of the Group in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing"), the Company acquired the equity interests of entities under common control and became the holding company of the subsidiaries now comprising the Group. Details of the Reorganisation were set out in the prospectus of the Company dated 30 December 2011 (the "Prospectus").

The shares of the Company have been listed on the Stock Exchange with effect from 18 January 2012.

Since all entities which took part in the Reorganisation were under common control of Mr. Wong Law Fai, the Group is regarded as a continuing entity resulting from the Reorganisation of entities under common control. The consolidated financial statements of the Group have been prepared using the principles of merger accounting in accordance with Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as if the group structure under the group reorganisation had been in existence at the beginning of the earliest year presented. Accordingly, the consolidated results of the Group for the years ended 31 March 2011 and 2012 include the results of the Group with effect from 1 April 2010 or, if later, since their respective dates of incorporation, as if the current group structure had been in existence throughout the two years presented. The consolidated statement of financial position of the Group as at 31 March 2011 has been prepared as if the current group structure had been in existence as at that date.

The directors of the Company consider that, its parent and ultimate holding company is Smart Tactics Group Limited, incorporated in the British Virgin Islands (the "BVI").

The Company acts as an investment holding company and the principal activities of its subsidiaries are set out in Note 38.

The consolidated financial statements are presented in Hong Kong Dollars ("HK$"). Other than those subsidiaries established in Macau and Singapore whose functional currency is Macau Pataca ("MOP") and Singapore Dollars ("SGD"), respectively, the functional currency of the Company and other subsidiaries is HK$.

Pursuant to a special resolution passed on 20 July 2011, the name of the Company was changed from Vision Fame International Holding Ltd. to Vision Fame International Holding Limited 允升國際控股有限公司 with effective from 20 July 2011.

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

The Group has applied all the HKFRSs, Hong Kong Accounting Standards ("HKASs"), amendments and interpretations ("Int(s)") issued by the HKICPA which are effective for the Group's financial year beginning on 1 April 2011.

New and revised standards, amendments and interpretations 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 HKFRS	Annual Improvements 2009 — 2011 Cycle[4]
Amendments to HKFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters[1]
	First-time Adoption of HKFRSs — Government Loans[4]
Amendments to HKFRS 7	Disclosures — Transfers of Financial Assets[1]
	Disclosures — Offsetting Financial Assets and Financial Liabilities[4]
	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[6]
HKFRS 9	Financial Instruments[6]
HKFRS 10	Consolidated Financial Statements[4]
HKFRS 11	Joint Arrangements[4]
HKFRS 12	Disclosures of Interests in Other Entities[4]
HKFRS 13	Fair Value Measurement[4]
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[3]
Amendments to HKAS 12	Deferred Tax: Recovery of Underlying Assets[2]
HKAS 19 (as revised in 2011)	Employee Benefits[4]
HKAS 27 (as revised in 2011)	Separate Financial Statements[4]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[4]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[5]
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine[4]

1 Effective for annual periods beginning on or after 1 July 2011.
2 Effective for annual periods beginning on or after 1 January 2012.
3 Effective for annual periods beginning on or after 1 July 2012.
4 Effective for annual periods beginning on or after 1 January 2013.
5 Effective for annual periods beginning on or after 1 January 2014.
6 Effective for annual periods beginning on or after 1 January 2015.

Amendments to HKFRS 7 Disclosures — Transfers of Financial Assets

The amendments to HKFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.

To date, the Group has not entered into transactions involving transfers of financial assets. However, if the Group enters into other types of transfers of financial assets in the future, disclosures regarding those transfers may be affected.

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures — Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify existing application issues relating to the offsetting requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amended offsetting disclosures are required for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

To date, the Group has not entered into transactions involving offsetting of financial assets and financial liabilities. However, if the Group enters into other types of offsetting of financial assets and financial liabilities in the future, disclosures regarding the offsetting may be affected.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- HKFRS 9 requires all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments 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 other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, 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 attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

The directors anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

HKFRS 10 replaces the parts of HKAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements and HK (SIC)-Int 12 Consolidation — Special Purpose Entities. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 Interests in Joint Ventures and HK (SIC)-Int 13 Jointly Controlled Entities — Non-Monetary Contributions by Venturers. HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The directors of the Company anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013. The application of these five standards may have significant impact on amounts reported in the consolidated financial statements. However, the directors of the Company have not yet performed a detailed analysis of the impact of the application of these standards and hence have not yet quantified the extent of the impact.

HKFRS 13 Fair Value Measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 Financial Instruments: Disclosures will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013 with earlier application permitted.

The directors of the Company anticipate that HKFRS 13 will be adopted in the Group's consolidated financial statements for the annual period beginning on 1 January 2013 and that the application of the new standard may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

Other than disclosed above, the directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements has been prepared on the historical cost basis, except for investment properties, and certain financial instruments that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Merger accounting for business combination involving entities under common control

Business combinations under common control are accounted for using merger accounting. In applying merger accounting, the consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or excess of acquirer's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interest.

The consolidated statement of comprehensive income include the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

Investment in a subsidiary

Investment in a subsidiary is included in the Company's statement of financial position at cost less any identified impairment loss.

Interest in an associate

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associate are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, interest in an associate are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's interest in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

Where a group entity transacts with its associate, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of the interest in the associate that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business and net of discounts.

Revenue recognition for construction contracts in relation to building construction or upgrade services of the infrastructure included in the segment of alternation, renovation, upgrading and fitting out works is set out in the section headed "Construction contracts" below.

Revenue from property maintenance, alterations, renovation, upgrading and fitting-out works other than upgrade services of the infrastructure are recognised when services are provided.

Revenue recognition for rental income is set out in the section headed "Leasing" below.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Investment income is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

Property, plant and equipment

Property, plant and equipment, including buildings held for use in the production or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period in which the item is derecognised.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Leasehold land held for undetermined future use is regarded as held for capital appreciation purpose and classified as an investment property, and carried at fair value. Changes in fair value of the leasehold land are recognised directly in profit or loss for the period in which changes take place.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognised.

Construction contracts

Where the outcome of a construction contract in relation to building construction or upgrade services of the infrastructure under a service concession arrangement can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, as measured based on the proportion that contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as amounts due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade and other receivables.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period, except for exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and retranslated at the rate of exchange prevailing at the end of the reporting period. Exchange differences arising are recognised in equity under the heading of exchange reserve.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefits cost

Payments to the Mandatory Provident Fund Scheme ("MPF Scheme") and other defined contribution retirement benefit schemes are recognised as expenses when employees have rendered service entitling them to the contributions.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associate, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

The Group's financial assets are classified as loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, amount due from a fellow subsidiary/an associate, pledged bank deposits, bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in revaluation reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the revaluation reserve is reclassified to profit or loss (see accounting policy on impairment loss on financial assets below).

Impairment loss on financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade and other receivables and amounts due from a fellow subsidiary and an associate, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables and amounts due from a fellow subsidiary and an associate, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When trade and other receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed through profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in revaluation reserve. For available-for-sale debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Other financial liabilities

Other financial liabilities including trade and other payables, amount(s) due to a director/fellow subsidiaries/a related company and secured bank borrowings are subsequently measured at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generated unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generated unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgement in applying the entity's accounting policies

The following is the critical judgement, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in consolidated financial statements.

Contingent liabilities in respect of legal claims

The Group has been engaged in a number of legal claims in respect of certain construction works. Contingent liabilities arising from these legal claims have been assessed by management with reference to legal advice. The directors of the Company considered that no provision for the contingent liabilities in respect of the litigation is necessary after due consideration of each case and with reference to legal opinion.

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Construction contracts revenue recognition

The Group recognised contract revenue and profit of a construction contract according to the management's estimation of the total outcome of the project as well as the percentage of completion of construction works. Notwithstanding that the management reviews and revises the estimates of both contract revenue and costs for the construction contract as the contract progresses, the actual outcome of the contract in terms of its total revenue and costs may be higher or lower than the estimates and this will affect the revenue and profit recognised.

Property maintenance revenue recognition

When services are provided, property maintenance income is recognised based on management's estimation of the value of each works order. Thereafter, customers would undertake detailed assessment of all completed works orders before finalisation of a property maintenance contract which normally lasts for two to three years. During the assessment process, the actual value of completed works orders assessed by the customers may be higher or lower than the estimates and this will affect the revenue from property maintenance recognised.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The determination of the useful lives involves management's estimation. The Group assesses annually the useful lives of the property, plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

Estimated impairment of property, plant and equipment

The Group assesses annually whether property, plant and equipment have any indication of impairment, in accordance with relevant accounting policies. The recoverable amounts of property, plant and equipment have been determined based on value-in-use calculations if there is indication of impairment. The calculations and valuations require the use of judgement and estimates on future operating cash flows and discount rates adopted. As at 31 March 2012, the directors of the Company considered that there was no impairment indication and the carrying value of property, plant and equipment was approximately HK$13,842,000 (2011: HK$13,455,000).

Impairment loss recognised in respect of available-for-sale investments

The Group classifies certain investments in listed securities as available-for-sale and recognised movements of its fair value in other comprehensive income and accumulated in revaluation reserve. When the fair value declines, management makes assumptions about the decline in value to determine whether there is an impairment that should be recognised. When there is objective evidence that the investment is impaired, impairment loss is recognised in the consolidated statement of comprehensive income. During the year ended 31 March 2011, impairment loss recognised in respect of available-for-sale investments amounted to HK$3,303,000 (2012: nil).

Impairment loss recognised in respect of trade receivables

The Group performs ongoing credit evaluations of its customers and adjusts credit limits based on payment history and the customer's current credit-worthiness, as determined by the review of their current credit information. The Group continuously monitors collections and payments from its customers and maintains a provision for estimated credit losses based upon its historical experience and any specific customer collection issues that it has been identified. Credit losses have historically been within the Group's expectations and the Group will continue to monitor the collections from customers and maintain an appropriate level of estimated credit losses. As at 31 March 2012, the carrying value of trade receivables was approximately HK$83,399,000 (2011: HK$116,149,000) (net of accumulated impairment loss of nil (2011: HK$3,837,000)).

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of secured bank borrowings disclosed in Note 25, pledged bank deposits and bank balances and cash disclosed in Note 22, and equity attributable to the owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure periodically. As part of this review, the directors of the Company consider the cost of capital and risks associated thereto. The Group will balance its overall capital structure through the payment of dividends, new share issues and the issue or redemption of borrowings.

6. TURNOVER

	2012	2011
	HK$'000	*HK$'000*
Revenue from building construction	243,453	268,345
Revenue from property maintenance	157,201	236,374
Revenue from alterations, renovation, upgrading and fitting-out works	261,049	230,000
	661,703	734,719

7. SEGMENT INFORMATION

The Group's reportable and operating segments, based on information reported to the chief operating decision maker, the chief executive officer, for the purpose of resource allocation and performance assessment are as follows:

(1) Building construction;

(2) Property maintenance; and

(3) Alterations, renovation, upgrading and fitting-out works.

No operating segments have been aggregated to form the above reportable and operating segments. Information regarding the above segments is reported below.

Segment revenue and results

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

For the year ended 31 March 2012

	Building construction	Property maintenance	Alterations, renovation, upgrading and fitting-out works	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	243,453	157,201	261,049	661,703
Segment profit	31,129	10,012	60,343	101,484
Other income				4,067
Central administration costs				(62,955)
Finance costs				(1,513)
Gain on disposal of a subsidiary				459
Share of loss of an associate				(231)
Profit before taxation				41,311

For the year ended 31 March 2011

	Building construction *HK$'000*	Property maintenance *HK$'000*	Alterations, renovation, upgrading and fitting-out works *HK$'000*	Total *HK$'000*
Segment revenue	268,345	236,374	230,000	734,719
Segment profit	16,308	18,816	77,968	113,092
Other income				5,081
Fair value decrease in investment properties				(1,294)
Central administration costs				(44,375)
Finance costs				(1,290)
Impairment loss recognised in respect of available-for-sale investments				(3,303)
Share of loss of an associate				(761)
Profit before taxation				67,150

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the profit earned by each segment without allocation of central administration costs, directors' salaries, certain other income, fair value change in investment properties, impairment loss recognised in respect of available-for-sale investments, gain on disposal of a subsidiary, share of loss of an associate and finance costs. This is the measure reported to the chief operating decision maker, the chief executive officer, for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

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

	2012 *HK$'000*	**2011** *HK$'000*
Segment assets		
Building construction	67,722	61,936
Property maintenance	64,476	99,952
Alterations, renovation, upgrading and fitting-out works	86,252	36,318
Total segment assets	218,450	198,206
Unallocated corporate assets	171,039	196,625
Total assets	389,489	394,831

	2012 HK$'000	2011 HK$'000
Segment liabilities		
Building construction	35,312	45,699
Property maintenance	54,298	83,030
Alterations, renovation, upgrading and fitting-out works	35,681	37,526
Total segment liabilities	125,291	166,255
Unallocated corporate liabilities	86,729	140,800
Total liabilities	212,020	307,055

For the purpose of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than investment properties, interest in an associate, available-for-sale investments, certain property, plant and equipment, other receivables, amount due from a fellow subsidiary, an associate, pledged bank deposits and bank balances and cash as these assets are managed on a group basis.

- all liabilities are allocated to operating segments other than certain other payables, tax payable, secured bank borrowings, amounts due to a director, fellow subsidiaries and a related company, provision for long services payments and deferred tax liabilities as these liabilities are managed on a group basis.

Other segment information

For the year ended 31 March 2012

	Building construction HK$'000	Property maintenance HK$'000	Alterations, renovation, upgrading and fitting out works HK$'000	Unallocated HK$'000	Total HK$'000
Amounts included in the measure of segment profit or segment assets:					
Additions to property, plant and equipment	322	60	44	3,680	4,106
Depreciation of property, plant and equipment	99	183	55	912	1,249
Interest income from subcontractors	—	(802)	(894)	—	(1,696)
Other interest income	(7,705)	—	—	—	(7,705)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or segment assets:					
Interest in an associate	—	—	—	196	196
Share of loss of an associate	—	—	—	231	231
Gain on disposal of a subsidiary	—	—	—	(459)	(459)
Gain on disposal of property, plant and equipment	—	—	—	(1,744)	(1,744)
Bank interest income	—	—	—	(568)	(568)
Finance costs	—	—	—	1,513	1,513
Taxation	—	—	—	8,347	8,347

For the year ended 31 March 2011

	Building construction *HK$'000*	Property maintenance *HK$'000*	Alterations, renovation, upgrading and fitting-out works *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Amounts included in the measure of segment profit or segment assets:					
Additions to property, plant and equipment	—	—	—	1,683	1,683
Depreciation of property, plant and equipment	4	54	—	1,333	1,391
Interest income from subcontractors	—	(2,544)	(90)	—	(2,634)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or segment assets:					
Interest in an associate	—	—	—	426	426
Addition to investment properties	—	—	—	18,015	18,015
Fair value decrease in investment properties	—	—	—	1,294	1,294
Share of loss of an associate	—	—	—	761	761
Impairment loss recognised in respect of available-for-sale investments	—	—	—	3,303	3,303
Gain on disposal of property, plant and equipment	—	—	—	(167)	(167)
Bank interest income	—	—	—	(461)	(461)
Finance costs	—	—	—	1,290	1,290
Taxation	—	—	—	12,404	12,404

Geographical information

The Group's operations are located in Hong Kong, Macau and Singapore.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about its non-current assets is presented based on the geographical location of the assets.

Revenue from external customers

	2012	2011
	HK\$'000	*HK\$'000*
Hong Kong (country of domicile)	496,998	606,105
Macau	19,080	3,698
Singapore	145,625	124,916
	661,703	734,719

Non-current assets

	2012	2011
	HK\$'000	*HK\$'000*
Hong Kong (country of domicile)	9,093	20,271
Singapore	4,945	20,324
	14,038	40,595

Non-current assets excluded available-for-sale investments.

Information about major customers

Revenues from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2012	2011
	HK\$'000	*HK\$'000*
Customer A[1]	353,912	505,947
Customer B[2]	N/A[3]	122,397

1 Revenue from building construction, property maintenance and alterations, renovation, upgrading and fitting-out works.

2 Revenue from property maintenance and alterations, renovation, upgrading and fitting-out works.

3 The corresponding revenue did not contribute over 10% of the total revenue of the Group.

8. OTHER INCOME

	2012	2011
	HK$'000	*HK$'000*
Bank interest income	568	461
Gain on disposal of property, plant and equipment	1,744	167
Investment income	15	—
Interest income from sub-contractors	1,696	2,634
Other interest income *(Note a)*	7,705	—
Recovery of insurance expenses	1,021	—
Recovery of litigation fee	—	3,704
Rental income *(Note b)*	112	228
Sale of scrap materials	1,736	215
Written back of retention money payables	718	—
Other income	1,173	306
	16,488	7,715

Notes:

(a) During year ended 31 March 2012, interest income of approximately HK$7,705,000 represented revenues yielded by a recovery proceeding of the Group which was made against the other party for determination of their dispute in respect of the final contract amount of a construction project which the Group was engaged as the main contractor.

(b)

	2012	2011
	HK$'000	*HK$'000*
Gross rental income	112	228
Less: direct operating expenses (included in administrative expenses)	—	(9)
	112	219

9. FINANCE COSTS

	2012	2011
	HK$'000	*HK$'000*
Interest on secured bank borrowings wholly repayable within five years	1,513	1,290

10. TAXATION

	2012	2011
	HK$'000	*HK$'000*
Current year taxation		
Hong Kong Profits Tax	3,891	4,726
Singapore Corporate Tax	4,448	7,671
	8,339	12,397
Deferred taxation *(Note 27)*	8	7
	8,347	12,404

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profit for both years.

Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in the Cayman Islands and BVI.

Singapore Corporate Tax has been provided at the rate of 17% on the estimated assessable profit for both years.

Macau Complementary Income Tax ("MCIT") is charged at the progressive rate on the estimated assessable profits. No MCIT has been provided for the year ended 31 March 2012 since the assessable profits is wholly absorbed by tax losses brought forward. No provision for MCIT for year ended 31 March 2011 has been made as the subsidiary operating in Macau did not generate any assessable profits in Macau.

The tax charge for the year can be reconciled to the profit before taxation per the consolidated statement of comprehensive income as follows:

	2012	**2011**
	HK$'000	*HK$'000*
Profit before taxation	41,311	67,150
Tax expense at rates applicable to profits in the jurisdiction concerned	8,595	11,201
Tax effect of share of loss of an associate	39	129
Tax effect of income not taxable for tax purposes	(381)	(21)
Tax effect of expenses not deductible for tax purposes	105	850
Utilisation of tax losses previously not recognised	(11)	—
Tax effect of tax losses not recognised	—	245
Tax charge for the year	8,347	12,404

11. DIRECTORS' REMUNERATION AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

(a) Directors' remuneration

The remuneration paid or payable to each of the directors of the Company for the year ended 31 March 2012 is set out below:

Name of director	*Note*	**Fee**	**Salaries, allowances and other benefits**	**Discretionary bonus**	**(Reversal of) provision for long service payments**	**Contributions to retirement benefits scheme**	**Total**
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Executive directors							
Wong Law Fai		—	1,111	165	13	12	1,301
So Kwok Lam		—	1,035	160	—	12	1,207
Yip Chi Chong		—	949	142	(99)	—	992
Independent non-executive directors							
Lam Siu Lo, Andrew, *JP*	*(i)*	34	—	—	—	—	34
Tam Tak Kei, Raymond	*(i)*	34	—	—	—	—	34
Li Ying Ming	*(i)*	34	—	—	—	—	34
		102	3,095	467	(86)	24	3,602

The remuneration paid or payable to each of the directors of the Company for the year ended 31 March 2011 is set out below:

Name of director	Fee	Salaries, allowances and other benefits	Discretionary bonus	Contributions to retirement benefits scheme	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Executive directors					
Wong Law Fai	—	1,100	—	12	1,112
So Kwok Lam	—	835	127	12	974
Yip Chi Chong	—	993	112	—	1,105
	—	2,928	239	24	3,191

Notes:

(i) Lam Siu Lo, Andrew, *JP*, Tam Tak Kei, Raymond, and Li Ying Ming were appointed as independent non-executive directors of the Company on 19 December 2011.

(ii) The discretionary bonus is determined by reference to the Group's operating results and the individual performance of the directors.

(b) Individuals with highest emoluments

Of the five individuals with the highest emoluments in the Group, two (2011: three) were directors of the Company whose emoluments are included in the disclosures in Note 11(a) above. The emoluments of the remaining three (2011: two) individuals were as follows:

	2012	2011
	HK$'000	*HK$'000*
Salaries, allowances and other benefits	3,822	2,342
Contributions to retirement benefits scheme	72	12
	3,894	2,354

Their emoluments were within the following bands:

	2012	2011
HK$1,000,001 to HK$1,500,000	3	2

During the years ended 31 March 2012 and 2011, no emoluments were paid by the Group to any directors of the Company or the five highest paid individuals (including directors of the Company and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company waived any emolument during the years ended 31 March 2012 and 2011.

12. PROFIT FOR THE YEAR

	2012	2011
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging:		
Staff costs		
— salaries, allowances and other benefits	70,190	66,595
— provision for long service payments	545	45
— contributions to retirement benefits scheme	2,347	2,705
Total staff costs (excluding directors' remuneration)	73,082	69,345
Auditor's remuneration	990	89
Directors' remuneration *(Note 11)*	3,602	3,191
Depreciation of property, plant and equipment	1,249	1,391
Minimum lease payment under operating leases in respect of land and buildings	1,416	2,482
Exchange difference, net	11	1,368

13. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company is based on the following:

	2012	2011
	HK$'000	*HK$'000*
Earnings		
Earnings for the purpose of basic earnings per share	32,964	54,746

	2012	2011
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	259,311	249,000

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares during the years ended 31 March 2012 and 2011.

The weighted average number of ordinary shares in issue during the year ended 31 March 2012 represents 249,000,000 ordinary shares (Notes 28(a), (b) and (c)) in issue before the Listing as if such shares were issued on 1 April 2011, and the weighted average of 51,000,000 ordinary shares (Note 28(d)) issued upon the Listing.

The weighted average number of ordinary shares in issue during the year ended 31 March 2011 represents 249,000,000 ordinary shares (Notes 28(a), (b) and (c)) in issue before the Listing, as if such shares had been outstanding during the entire year of 2011.

14. DIVIDEND

No dividend has been paid by the Company during the year ended 31 March 2012. The final dividend of HK3 cents in respect of the year ended 31 March 2012 (2011: nil) per share has been proposed by the directors of the Company and is subject to approval by the shareholders of the Company in annual general meeting.

The special dividend paid by the Company's subsidiary to its then shareholders during the year ended 31 March 2011 amounted to approximately HK$105,160,000.

15. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings HK$'000	Leasehold improvements HK$'000	Furniture, fixture and equipment HK$'000	Computers HK$'000	Motor vehicles HK$'000	Total HK$'000
COST						
At 1 April 2010	11,672	670	2,031	1,577	2,870	18,820
Additions	—	98	298	108	1,179	1,683
Disposals	—	—	(11)	—	(1,130)	(1,141)
Exchange realignment	—	2	75	—	60	137
At 31 March 2011 and 1 April 2011	11,672	770	2,393	1,685	2,979	19,499
Additions	—	798	3,035	273	—	4,106
Disposals	(2,672)	—	—	—	—	(2,672)
Written off	—	—	(660)	(926)	—	(1,586)
Exchange realignment	—	(4)	(14)	—	—	(18)
At 31 March 2012	9,000	1,564	4,754	1,032	2,979	19,329
ACCUMULATED DEPRECIATION						
At 1 April 2010	702	591	1,331	1,521	1,314	5,459
Charge for the year	234	101	367	86	603	1,391
Eliminated on disposals	—	—	(5)	—	(843)	(848)
Exchange realignment	—	1	27	—	14	42
At 31 March 2011 and 1 April 2011	936	693	1,720	1,607	1,088	6,044
Charge for the year	180	59	335	135	540	1,249
Eliminated on disposals	(216)	—	—	—	—	(216)
Eliminated on written off	—	—	(660)	(926)	—	(1,586)
Exchange realignment	—	—	(4)	—	—	(4)
At 31 March 2012	900	752	1,391	816	1,628	5,487
CARRYING VALUES						
At 31 March 2012	8,100	812	3,363	216	1,351	13,842
At 31 March 2011	10,736	77	673	78	1,891	13,455

The above items of property, plant and equipment are depreciated on a straight line basis over the estimated useful lives as below:

Land and buildings	Over the shorter of the unexpired lease term and 50 years
Leasehold improvements	Over the shorter of the unexpired lease term and 3 to 4 years
Furniture, fixture and equipment	5 years
Computers	3 years
Motor vehicles	5 years

The carrying value of land and buildings located in Hong Kong under long-term lease were pledged to secure banking facilities granted to:

	2012	2011
	HK$'000	*HK$'000*
A key management personnel *(Note)*	—	2,456
The Group	8,100	8,280
	8,100	10,736

Note: On 1 June 2011, the Group entered into an assignment of sale and purchase with a key management personnel and his spouse, pursuant to which the Group agreed to sell and the key management personnel and his spouse agreed to purchase the Group's land and buildings at cash consideration of HK$4,200,000 which was determined with reference to market value. On the date of disposal, the carrying value of the land and buildings amounted to approximately HK$2,456,000.

16. INVESTMENT PROPERTIES

	HK$'000
FAIR VALUE	
At 1 April 2010	9,000
Additions	18,015
Net decrease in fair value recognised in profit or loss	(1,294)
Exchange realignment	993
At 31 March 2011 and 1 April 2011	26,714
Disposal	(8,200)
Derecognised on disposal of a subsidiary	(18,870)
Exchange realignment	356
At 31 March 2012	—

The carrying value of investment properties shown above comprises:

	2012	2011
	HK$'000	*HK$'000*
Medium-term lease in Hong Kong	—	8,200
Long-term lease outside Hong Kong	—	18,514
	—	26,714

As at 31 March 2011, investment property located in Hong Kong was held for undetermined future use and regarded as held for capital appreciation purpose, while investment property located in Singapore was held to earn rental. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes were measured using the fair value model and were classified and accounted for as investment properties.

The fair value of the investment property located in Hong Kong at 31 March 2011 has been arrived at on the basis of a valuation carried out on that date by BMI Appraisals Limited ("BMI"), an independent qualified professional valuer not connected with the Group. BMI has among their staff members of the Hong Kong Institute of Surveyors with recent experiences in the valuation of similar properties in the relevant locations. The valuations were arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions. On 30 May 2011, the Group entered into a memorandum of sale and purchase with One Two Holdings Hong Kong Limited ("One Two Holdings") (formerly known as Wan Chung Holdings Limited) in which Mr. Wong Law Fai is the common director of the Company and One Two Holdings, to dispose of the investment property at cash consideration of HK$8,200,000 which was determined with reference to market value. The transaction was completed on 25 July 2011.

The fair value of the Group's investment property located in Singapore at 31 March 2011 has been arrived at on the basis of a valuation carried out on that date by Knight Frank Pte Ltd ("Knight Frank"), an independent qualified professional valuer not connected with the Group. Knight Frank has among its staff members of the Singapore Institute of Surveyors and Valuers and has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant location. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the same location and condition. The property was derecognised through the disposal of a subsidiary on 3 June 2011 as set out in Note 31.

As at 31 March 2011, the Group's investment property located in Hong Kong under medium-term lease with carrying value of HK$8,200,000 (2012: nil) was pledged to secure banking facilities granted to the Group.

17. INTEREST IN AN ASSOCIATE

	2012	**2011**
	HK$ 000	*HK$'000*
Unlisted investment, at cost	1,087	1,087
Share of post-acquisition results	(992)	(761)
Exchange realignment	101	100
	196	426

At the end of the reporting period, the Group had interests in the following associate:

Name	**Form of entity**	**Place of incorporation and operation**	**Class of shares held**	**Proportion of nominal value of issued capital held by the Group and portion of voting power held indirectly 2012**	**2011**	**Principal activity**
Castilia Development Pte. Ltd.	Private limited liability company	Singapore	Ordinary	20%	20%	Investment holding, property and real estate development

Included in the cost of investment in an associate at 31 March 2012 and 2011 is goodwill of approximately HK$426,000 arising on acquisition of an associate in March 2010.

The summarised unaudited financial information in respect of the Group's associate is set out below:

	2012	**2011**
	HK$'000	*HK$'000*
Total assets	136,862	94,756
Total liabilities	(138,185)	(94,927)
Net liabilities	(1,323)	(171)
Group's share of net liabilities of an associate	(265)	(34)
Turnover	—	74
Loss for the year	(1,152)	(3,805)
Group's share of loss of an associate for the year	(231)	(761)

18. AVAILABLE-FOR-SALE INVESTMENTS

	2012	2011
	HK$'000	*HK$'000*
Listed outside Hong Kong at fair value:		
— equity securities	12,697	9,195
— debt securities with fixed interest rate of 4.7% per annum	333	321
	13,030	9,516

The fair values of the above listed securities are determined based on the quoted market bid prices available on the relevant stock exchange.

For the year ended 31 March 2011, an impairment loss of approximately HK$3,303,000 (2012: nil) was recognised as the directors of the Company considered the market price of the equity securities listed outside Hong Kong significantly decreased.

19. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONTRACT WORK

	2012	2011
	HK$'000	*HK$'000*
Contracts in progress at the end of the reporting period:		
Contract costs incurred plus recognised profits less recognised losses	709,502	964,576
Less: progress billings	(673,257)	(972,970)
	36,245	(8,394)
Analysed for reporting purposes as:		
Amounts due from contract customers *(Note)*	36,245	12,227
Amounts due to contract customers	—	(20,621)
	36,245	(8,394)

Note: At 31 March 2012, included in the amounts due from customers for contract work was amount of approximately HK$38,000 (2011: HK$1,098,000) due from an associate.

20. TRADE AND OTHER RECEIVABLES

The following is an analysis of trade and other receivables at the end of the reporting period:

	2012	2011
	HK$'000	*HK$'000*
Trade receivables		
— from third parties	76,513	119,103
— from an associate	6,886	883
	83,399	119,986
Unbilled revenue	40,526	55,403
Retention money receivables *(Note a)*	25,506	18,082
Advances, utility deposits and other receivables *(Note b)*	59,400	30,008
	208,831	223,479
Less: Impairment loss recognised in respect of trade receivables *(Note c)*	—	(3,837)
Trade and other receivables	208,831	219,642

The Group does not hold any collateral over these balances.

Notes:

(a) As at 31 March 2012, retention money of approximately HK$14,197,000 (2011: HK$4,146,000) were expected to be recovered or settled in more than twelve months from the end of the reporting period.

(b) As at 31 March 2012, included in other receivables were advances to sub-contractors of approximately HK$20,749,000 (2011: HK$7,483,000). The amounts were interest bearing at rates ranging from 7% to 9% (2011: 9%) per annum for the year ended 31 March 2012.

As at 31 March 2012, included in other receivables were amounts of approximately HK$9,428,000 (2011: HK$9,146,000) pledged to secure banking facilities granted to the Group and approximately HK$7,268,000 (2011: nil) pledged for guarantees in respect of performance bonds in favour of the Group's clients.

(c) The movements in the impairment loss of trade receivables were as follows:

	2012	**2011**
	HK$'000	*HK$'000*
At 1 April	3,837	3,837
Amounts written off as uncollectible	(3,837)	—
At 31 March	—	3,837

As at 31 March 2011, included in impairment loss of trade receivables was individually impaired trade receivable of approximately HK$3,837,000 (2012: nil) which had been long outstanding.

The Group does not have a standardised and universal credit period granted to its customers, and the credit period of individual customer is considered on a case-by-case basis and stipulated in the project contract, as appropriate. The following is an aged analysis of trade receivables, presented based on the invoice date at the end of the reporting period, and net of impairment loss recognised:

	2012	**2011**
	HK$'000	*HK$'000*
Within 30 days	82,806	115,100
More than 90 days	593	1,049
	83,399	116,149

As at 31 March 2012, included in the Group's trade receivable balances were debtors with aggregate carrying amount of approximately HK$593,000 (2011: HK$25,996,000) which were past due at the end of the reporting period for which the Group has not provided for impairment loss.

Ageing of trade receivables which are past due but not impaired:

	2012	**2011**
	HK$'000	*HK$'000*
More than 30 days and within 90 days	223	24,946
More than 90 days	370	1,050
	593	25,996

The directors of the Company consider that there has not been a significant change in credit quality of the trade receivables and there is no recent history of default, therefore the amounts are considered recoverable.

21. AMOUNTS DUE FROM (TO) FELLOW SUBSIDIARIES/AN ASSOCIATE/A RELATED COMPANY

Amounts due from (to) fellow subsidiaries, an associate and a related company were unsecured, interest-free and repayable on demand. The amounts due from (to) fellow subsidiaries and a related company have been fully settled during the year ended 31 March 2012.

Mr. Wong Law Fai is the common director and has controlling interest in both of the Company and the related company, Regent Pacific Investments Limited.

22. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Pledged bank deposits

Pledged bank deposits represents deposits pledged to banks to secure banking facilities granted to the Group. All bank deposits have been pledged to secure short-term bank borrowings and are therefore classified as current assets. The pledged deposits carried interest at fixed rates ranging from 0.30% to 0.60% (2011: 0.07% to 0.2%) per annum during the year ended 31 March 2012.

Included in pledged bank deposits are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

	2012	**2011**
	HK$'000	*HK$'000*
United States dollars ("USD")	6,479	6,478

Bank balances and cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with maturity within three months from initial inception. Bank balances carried interest at market rates ranging from 0.001% to 0.69% (2011: 0.001% to 0.01%) per annum during the year ended 31 March 2012.

Included in bank balances and cash are the following amounts denominated in a currency other than the functional currency of the entity to which they relate:

	2012	**2011**
	HK$ 000	*HK$'000*
USD	130	121
SGD	12,407	67

23. TRADE AND OTHER PAYABLES

The following is an analysis of trade and other payables at the end of the reporting period:

	2012	**2011**
	HK$'000	*HK$'000*
Trade payables	100,645	129,408
Retention money payables	24,645	16,226
Accrued expenses and other payables	12,242	3,597
	137,532	149,231

Note: As at 31 March 2012, retention money of approximately HK$18,755,000 (2011: HK$5,429,000) was expected to be paid or settled after more than twelve months from the end of the reporting period.

Included in accrued expenses and other payables is amount of approximately HK$102,000 (2011: nil) representing accrued directors' remunerations.

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

	2012	2011
	HK$'000	*HK$'000*
Within 30 days	98,931	126,871
More than 30 days and within 90 days	1,610	1,266
More than 90 days	104	1,271
	100,645	129,408

The average credit period on trade payables is 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are paid within the credit time-frame.

24. AMOUNT DUE TO A DIRECTOR

	2012	2011
	HK$'000	*HK$'000*
Maximum amount outstanding from the director during the year	—	44,377

The amount due to a director, Mr. Wong Law Fai, was unsecured, interest-free and had been fully settled during the year ended 31 March 2012.

25. SECURED BANK BORROWINGS

	2012	2011
	HK$'000	*HK$'000*
Bank loans	50,500	79,459
Trust receipt loans	16,099	—
	66,599	79,459

	2012	2011
	HK$'000	*HK$'000*
Carrying amount repayable within one year *(Note)*	66,599	76,459
Carrying amount of bank loans that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	—	3,000
	66,599	79,459

Note: The amounts due are based on the scheduled repayment dates set out in the loan agreements.

During the year ended 31 March 2012, secured bank borrowings bore floating interest rates from 2.30% to 3.85% (2011: 2.00% to 3.31%) per annum. The weighted average interest rate for the year ended 31 March 2012 was 2.59% (2011: 2.44%) per annum.

The amounts of banking facilities and the utilisation at the end of the reporting period are set out as follows:

	2012	**2011**
	HK$'000	*HK$'000*
Facility amount	195,989	189,700
Utilisation at 31 March	90,121	97,774

As at 31 March 2012 and 2011, banking facilities were secured by:

- certain assets of the Group as set out in Note 34; and
- personal guarantee provided by the Company's director, Mr. Wong Law Fai.

In addition, at 31 March 2012, certain banking facilities were guaranteed by a subsidiary's director.

The personal guarantee provided by the Company's director, Mr. Wong Law Fai, has been released subsequent to 31 March 2012.

26. PROVISION FOR LONG SERVICE PAYMENTS

Under the Hong Kong Employment Ordinance, the Group is obliged to make lump sum payments on cessation of employment in certain circumstances to employees who have completed at least five years of service with the Group. The amount payable is dependent on the employees' final salary and years of service, and is reduced by entitlements accrued under the Group's retirement plans that are attributable to contributions made by the Group. The Group does not set aside any assets to fund the remaining obligations.

	2012	**2011**
	HK$'000	*HK$'000*
At 1 April	813	1,010
Charged to profit or loss	459	45
Payments made during the year	—	(242)
At 31 March	1,272	813

The provision represented the management's best estimate of the Group's liability at the end of the reporting period.

27. DEFERRED TAX LIABILITIES

The following is the major deferred tax liability recognised by the Group and movements thereon during the years ended 31 March 2012 and 2011:

	Accelerated tax depreciation
	HK$'000
At 1 April 2010	399
Charged to profit or loss	7
At 31 March 2011 and 1 April 2011	406
Charged to profit or loss	8
At 31 March 2012	414

At 31 March 2012, the Group has unused tax losses of approximately HK$1,712,000 (2011: HK$2,318,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. At 31 March 2012, approximately HK$1,313,000 (2011: HK$1,313,000) included in the above unused tax losses will expire after three years from the year of assessment to which they related to. Other losses may be carried forward indefinitely.

28. SHARE CAPITAL

As the Company was not incorporated prior to 31 March 2011 and the Reorganisation was not completed as at 31 March 2011, the share capital of the Group in the consolidated statements of financial position as at 1 April 2010 and 31 March 2011 represented the share capital of Wan Chung Construction of HK$22,000,000.

Movements of the authorised and issued share capital of the Company for the period from 31 May 2011 (date of incorporation of the Company) to 31 March 2012 are as follows:

	Note	**Number of ordinary shares**	**Nominal value of ordinary shares** *HK$'000*
Ordinary shares of HK$0.01 each			
Authorised:			
At 31 May 2011 (date of incorporation)	*(a)*	38,000,000	380
Increase in the year	*(c)*	1,962,000,000	19,620
At 31 March 2012		2,000,000,000	20,000
Issued and fully paid:			
At 31 May 2011 (date of incorporation)	*(a)*	1	—
Shares issued on Reorganisation	*(b)*	9,999	—
Shares issued by capitalisation	*(c)*	248,990,000	2,490
Shares issued under global offering	*(d)*	51,000,000	510
At 31 March 2012		300,000,000	3,000

Notes:

(a) Upon incorporation, the authorised share capital of the Company was HK$380,000 divided into 38,000,000 ordinary shares of HK$0.01 each. One share was allotted and issued nil paid to the subscriber on 31 May 2011, which was then transferred to Smart Tactics Group Limited ("Smart Tactics") on the same date.

(b) Pursuant to the Reorganisation and as consideration for the acquisition by the Company of the entire issued share capital of Prosper Ace Investments Limited ("Prosper Ace") from Smart Tactics, on 16 December 2011, (i) the one nil paid share then held by Smart Tactics was credited as fully paid at par, and (ii) 9,999 shares, credited as fully paid at par, were allotted and issued to Smart Tactics. The acquisition of the issued share capital of Prosper Ace was accounted for by the Group using merger method and approximately HK$22,000,000 was recognised in other reserve.

(c) Pursuant to the written resolutions passed by the sole shareholder of the Company on 19 December 2011, the authorised share capital of the Company was increased from HK$380,000 to HK$20,000,000 by the creation of an additional of 1,962,000,000 ordinary shares of HK$0.01 each.

Subject to the share premium account of the Company being credited as a result of the global offering of 51,000,000 ordinary shares on 17 January 2012, the directors of the Company were authorised to capitalise approximately HK$2,490,000 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par allot and issue a total of 248,990,000 ordinary shares for the allotment and issue to the shareholders of the Company on the register of the members of the Company at the close of business on 16 December 2011 in proportion to their then respective existing shareholdings in the Company and the directors of the Company allotted and issued such shares as aforesaid and gave effect to the capitalisation.

(d) On 17 January 2012, 51,000,000 ordinary shares of HK$0.01 each were issued to the public at a price of HK$1.20 per share for cash totalling approximately HK$61,200,000 by way of global offering. The excess of the issue price over the par value of the shares, net of share issued expenses of approximately HK$4,878,000, were credited to the share premium account of the Company.

All shares issued during the year rank *pari passu* in all respects with all shares then in issue.

29. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2012	2011
	HK$'000	*HK$'000*
Financial assets		
Loans and receivables (including pledged bank deposits, bank balances and cash)	296,152	321,554
Available-for-sale investments	13,030	9,516
Other financial liabilities		
At amortised cost	203,308	270,078

Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, trade and other receivables, amounts due from an associate and a fellow subsidiary, pledged bank deposits, bank balances and cash, trade and other payables, amounts due to a director, fellow subsidiaries and a related company and secured bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Group has certain portion of pledged bank deposits, bank balances and cash denominated in currencies other than the functional currency of the entity to which they relate.

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

Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2011: 5%) increase and decrease in HK$ against the relevant foreign currencies. A 5% (2011: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2011: 5%) change in foreign currency rates. A positive number below indicates an increase in post-tax profit where HK$ strengthen 5% (2011: 5%) against the relevant currency. For a 5% (2011: 5%) weakening of HK$ against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be negative.

	2012	2011
	HK$'000	*HK$'000*
USD	330	276
SGD	620	3
	950	279

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its variable-rate bank balances, and secured bank borrowings, and is also exposed to fair value interest rate risk in relation to fixed-rate pledged bank deposits and advances to subcontractors. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate arising from the Group's HK$ denominated borrowings.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. During the year ended 31 March 2012, a 100 (2011: 100) basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 (2011: 100) basis points higher/lower and all other variables were held constant, the Group's post-tax profit would decrease/increase by approximately HK$270,000 (2011: HK$659,000) for the year ended 31 March 2012. This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank balances and secured bank borrowings.

Other price risk

The Group is exposed to price risk through its investments in listed securities during the year ended 31 March 2012 and 2011. The management manages this exposure by maintaining a portfolio of investments with different risks. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to price risk at the end of the reporting date.

If the prices of the respective securities had been 5% (2011: 5%) higher/lower, revaluation reserve would increase/ decrease by approximately HK$652,000 (2011: HK$476,000) for the Group as a result of the changes in fair value of available-for-sale investments for the year ended 31 March 2012.

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations as at 31 March 2012 and 2011 in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the consolidated statement of financial position. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade and other receivables at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Management considers the credit risk attributable to the amounts due from related parties to be insignificant as majority of the receivables are due from group companies with a good creditworthiness.

The Group's concentration of credit risk by geographical locations is mainly in Hong Kong, which accounted for 81% (2011: 80%) of the total trade receivable as at 31 March 2012.

As at 31 March 2012, the Group has concentration of credit risk as 51%, (2011: 66%) of the total trade receivables was due from the Group's largest customer while 81% (2011: 92%) of the total trade receivables was due from the Group's five largest customers within building construction, property maintenance and alterations, renovation, upgrading and fitting-out works segments.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and other source of fundings and considers the risk is minimal.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

Liquidity table	**On demand or within 1 year** *HK$'000*	**1–5 years** *HK$'000*	**Total contractual undiscounted cash flow** *HK$'000*	**Carrying amount** *HK$'000*
At 31 March 2012				
Trade and other payables	117,954	18,755	136,709	136,709
Secured bank borrowings	66,819	—	66,819	66,599
	184,773	18,755	203,528	203,308
At 31 March 2011				
Trade and other payables	143,056	5,429	148,485	148,485
Amount due to a director	40,658	—	40,658	40,658
Amounts due to fellow subsidiaries	513	—	513	513
Amount due to a related company	963	—	963	963
Secured bank borrowings *(Note a)*	79,608	—	79,608	79,459
	264,798	5,429	270,227	270,078

Notes:

(a) Borrowings with a repayment on demand clause were included in the "on demand or within 1 year" time band in the above maturity analysis. As at 31 March 2011, the aggregate undiscounted principal amounts of these borrowings amounted to approximately HK$3,000,000. Taking into account the Group's financial position, the directors of the Company did not believe that it is probable that the banks would exercise their discretionary rights to demand immediate repayment. The directors of the Company believed that such borrowings in amounts of HK$1,200,000 and HK$1,800,000 would be repaid within one year and within 2–5 years, respectively after the reporting date in accordance with the scheduled repayment dates set out in the loan agreements. At that time, the aggregate principal and interest cash outflows would amount to approximately HK$3,134,000. The borrowings have been fully settled during the year ended 31 March 2012.

(b) The amounts included above for variable interest rate instruments for non-derivative financial liabilities was subject to change if changes in variable interest rates differed to those estimates of interest rates determined at the end of the reporting period.

Fair value

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and

- the fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values due to their immediate or short-term maturities.

Fair value measurements recognised in the consolidated statement of financial position

The financial instruments that are measured subsequent to initial recognition at fair value, are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 31 March 2012, the fair value of available-for-sale investments amounted to approximately HK$13,030,000 (2011: HK$9,516,000) is derived from unadjusted quoted prices in active market for identical assets and hence, its fair value measurement is grouped into Level 1.

30. RETIREMENT BENEFITS PLANS

The Group operates MPF Scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% (2011: 5%) of relevant payroll costs to the MPF Scheme, which contribution is matched by employees and subject to a cap of HK$1,000 (2011: HK$1,000) per employee.

Under the laws of Singapore, certain subsidiaries of the Company make contributions to the state pension scheme, the Central Provident Fund ("CPF"). The subsidiaries of the Company in Singapore are required to contribute certain percentages varies from 5% to 20% (2011: 5% to 20%) of the monthly salaries of their current employees to the CPF.

Employees employed by the Group's operations in Macau Special Administration Region ("MSAR") are members of government-managed retirement benefits schemes operated by the MSAR government. The MSAR operations are required to pay a monthly fixed contribution to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the MSAR government is to make the required contributions under the schemes.

During the year ended 31 March 2012, the total expenses recognised in the consolidated statement of comprehensive income are approximately HK$2,371,000 (2011: HK$2,729,000), which represent contributions payable to these schemes by the Group at rates specified in the rules of the schemes.

31. DISPOSAL OF A SUBSIDIARY

On 3 June 2011, Wan Chung Construction (Singapore) Pte. Ltd. ("Wan Chung (Singapore)") disposed of its entire equity interest in Wan Chung Investments Pte. Ltd. ("Wan Chung Investments") for a consideration of SGD2 or equivalent to HK$12 to Mr. Eng Boon Seng and Ms Eng Mew Yong ("Purchasers"). Ms. Eng Mew Yong is the spouse of Mr. Chng Kang Hai, a director of Wan Chung (Singapore).

On the same date, Wan Chung (Singapore) entered into a deed of assignment with the Purchasers pursuant to which Wan Chung (Singapore) assigned to the Purchasers a shareholder's loan ("Shareholder's Loan") to Wan Chung Investments in the sum of approximately SGD3,084,000 or equivalent to approximately HK$19,400,000, upon completion of the disposal of Wan Chung Investments. The Shareholder's Loan was settled on 6 June 2011.

Analysis of asset and liabilities over which control was lost:

	HK$'000
Investment property	18,870
Bank balances and cash	176
Trade and other payables	(144)
Shareholder's Loan	(19,400)
Net liabilities disposed of	(498)
Cumulative exchange difference in respect of the net assets of the subsidiary reclassified from equity to profit or loss on loss of control of the subsidiary	39
Gain on disposal of a subsidiary	(459)

Net cash outflow arising on disposal of a subsidiary:

	HK$'000
Cash consideration received	—
Less: bank balances and cash disposed of	(176)
	(176)

Wan Chung Investments disposed of during the year ended 31 March 2012 has no material impact on the Group's result and cash flows.

32. COMMITMENTS

The Group as lessee

At the end of the reporting period, the Group had outstanding commitments in respect of future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2012 *HK$'000*	**2011** *HK$'000*
Within one year	778	1,070
In the second to fifth year inclusive	229	770
	1,007	1,840

Operating lease payments represent rentals payable by the Group for certain of its office premises and staff quarters. Leases are negotiated and rentals are fixed for an average term of one to four years.

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

	2012	2011
	HK$'000	*HK$'000*
Within one year	—	613
In the second to fifth year inclusive	—	431
	—	1,044

As at 31 March 2011, the properties are expected to generate rental yields of 4.3% per annum. As set out in Note 16, the properties have been disposed of or derecognised through disposal of a subsidiary during the year ended 31 March 2012.

33. CONTINGENT LIABILITIES

(a) Contingent liabilities in respect of legal claims

One subsidiary of the Group is defendant in a number of claims, lawsuits, arbitrations and potential claims relating to subcontracting fees, damages of personal injuries and breach of construction contracts. The directors of the Company considered that no provision for the contingent liabilities in respect of the litigation is necessary after due consideration of each case and with reference to the legal opinion.

(b) Guarantees issued

At the end of the reporting period, the Group had provided the following guarantees:

	2012	2011
	HK$'000	*HK$'000*
Guarantees in respect of performance bonds in favor of its clients	83,359	18,315
Guarantee given to a bank in respect of banking facilities granted to an associate	14,227	14,218
	97,586	32,533

At the end of the reporting period, the directors of the Company considered that the fair value of the financial guarantee is insignificant.

34. PLEDGE OF ASSETS

(a) At the end of the reporting period, the Group had pledged the following assets to banks and an insurance company to secure the banking facilities and performance bonds granted to the Group:

	2012	2011
	HK$'000	*HK$'000*
Property, plant and equipment	8,100	8,280
Investment property	—	8,200
Other receivables	16,696	9,146
Bank deposits	43,197	39,852
	67,993	65,478

(b) As at 31 March 2011, the Group's land and buildings with carrying value of approximately HK$2,456,000 were pledged to secure banking facilities granted to a key management personnel. The land and buildings were disposed of to the key management personnel and his spouse on 1 June 2011 as set out in Note 15.

(c) The Group's benefits under certain construction contracts were pledged to banks to secure the facilities granted to the Group.

35. SHARE OPTION SCHEME

Pursuant to the written resolution of the shareholders of the Company on 19 December 2011, the Company has adopted a Share Option Scheme (the "Scheme") to attract and retain the best available personnel, to provide additional incentive to eligible participants and to promote the success of the business of the Group.

Eligible participants of the Scheme include employees (full-time or part-time), directors, consultants or advisors, distributors, contractors, suppliers, agents, customers, and business partners or service providers of the Group.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK$5 million must be approved in advance by the Company's shareholders.

Options granted must be taken up within seven days inclusive of the day on which such offer was made, upon payment of HK$1 per option. Options may be exercised at any time from during a period as the directors of the Company may determine which shall not exceed ten years from the date of grant. The exercise price is determined by the directors of the Company, and will not at least the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

No share options are granted since the adoption of the Scheme and there are no outstanding share options as at 31 March 2012.

36. RELATED PARTY TRANSACTIONS

(a) Save as disclosed elsewhere in the consolidated financial statements, during the years ended 31 March 2012 and 2011, the Group entered into transactions with related parties as follows:

	2012	**2011**
	HK$'000	*HK$'000*
Construction revenue received from an associate	32,299	1,337
Administrative income received from an associate	220	—
Rental income received from a key management personnel	26	154

(b) Compensation of key management personnel

The remuneration of key management personnel of the Group during the years ended 31 March 2012 and 2011 is as follows:

	2012	2011
	HK$'000	*HK$'000*
Salaries, allowances and other benefits	15,459	12,657
(Reversal of) provision for long service payments	(25)	38
Contributions to retirement benefits scheme	315	279
	15,749	12,974

(c) Under a deed of indemnity dated 19 December 2011, the then controlling shareholders have undertaken to provide indemnities on a joint and several basis in respect of, among other matters, all claims, payments, suits, damages, settlements payments and any associated costs and expenses which would be incurred or suffered by the Group as a result of any litigation, arbitration and/or legal proceedings, whether of criminal, administrative, contractual, tortuous or otherwise nature against any member of the Group which was issued and/or accrued and/or arising from any act, non-performance, omission or otherwise of any member of the Group on or before the listing date.

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

		2012
	Notes	*HK$ 000*
Non-current asset		
Investment in a subsidiary		119,427
Current assets		
Amount due from a subsidiary	(b)	29,223
Prepayment		500
Bank balances and cash		11,006
		40,729
Current liabilities		
Amount due to a subsidiary	(b)	830
Accrued expenses		475
		1,305
Net current assets		39,424
Total assets less current liabilities		158,851
Capital and reserves		
Share capital		3,000
Reserves	(c)	155,851
Total equity		158,851

Notes:

(a) No comparative figure for 2011 was shown as the Company was incorporated on 31 May 2011.

(b) Amount due from (to) a subsidiary is unsecured, non-interest bearing and repayable on demand.

(c) Reserves

	Share premium *(Note i)* *HK$'000*	**Other reserve** *(Note ii)* *HK$'000*	**Accumulated losses** *HK$'000*	**Total** *HK$'000*
At 31 May 2011 (date of incorporation)	—	—	—	—
Shares issued under global offering	60,690	—	—	60,690
Shares issued by capitalisation	(2,490)	—	—	(2,490)
Share issued expenses	(4,878)	—	—	(4,878)
Acquisition of a subsidiary	—	119,427	—	119,427
Loss and total comprehensive expense for the period	—	—	(16,898)	(16,898)
At 31 March 2012	53,322	119,427	(16,898)	155,851

Notes:

i. Under the Companies Law, Cap. 22 (Law 6 of 1961, as consolidated and revised) of the Cayman Islands, the share premium account of the Company is distributable to its shareholders, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

ii. The other reserve represents the difference between the nominal value of the shares issued for the acquisition of Prosper Ace and the consolidated net asset value of Prosper Ace and its subsidiaries at the date of acquisition.

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Company's subsidiaries as at 31 March 2012 and 2011 are as follow:

Name of subsidiary	Place of incorporation/ operation	Class of shares held	Issued and fully paid share capital	Percentage of equity interest attributable to the Company 2012	2011	Principal activities
Prosper Ace	BVI	Ordinary	US$10,000 *(Note 1)*	100%	—	Investment holding
Wan Chung Construction	Hong Kong	Ordinary	HK$22,000,000	100%	100%	Provision of properties maintenance services, building construction works and alternations, renovation, upgrading and fitting-out works services
Wan Chung Engineering (Macau) Company Limited	Macau	Ordinary	MOP25,000	100%	100%	Provision of properties maintenance services, building construction works and alternations, renovation, upgrading and fitting-out works services
Wan Chung (Singapore)	Singapore	Ordinary	SGD6,700,000	100%	100%	Provision of properties maintenance services, building construction works and alternations, renovation, upgrading and fitting-out works services
Wan Chung Property	Hong Kong	Ordinary	HK$10,000	100%	100%	Property holding
Wan Chung Investments	Singapore	Ordinary	SGD2	— *(Note 2)*	100%	Investment and property holding

Notes:

(1) The issued and fully paid share capital of Prosper Ace was increased from US$1 to US$10,000 on 16 December 2011.

(2) Wan Chung Investments was disposed of on 3 June 2011.

(3) Other than Prosper Ace, all subsidiaries are indirectly held by the Company.

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

None of the subsidiaries had any debt securities issued subsisting at the end of both years or any time during both years.

3. UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012

The following financial information has been extracted from the interim report of the Company for the six months ended 30 September 2012.

Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30 September 2012

		Six months ended 30 September	
		2012	**2011**
	Notes	*HK$'000*	*HK$'000*
		(Unaudited)	(Unaudited)
Turnover	*4*	484,016	271,085
Cost of sales		(440,583)	(229,809)
Gross profit		43,433	41,276
Other income		1,821	11,602
Administrative expenses		(24,428)	(20,792)
Finance costs	*5*	(818)	(683)
Gain on disposal of a subsidiary		—	459
Share of profit (loss) of an associate		7,051	(170)
Profit before taxation	*6*	27,059	31,692
Taxation	*7*	(3,856)	(4,774)
Profit for the period attributable to owners of the Company		23,203	26,918
Other comprehensive income (expense):			
Exchange differences arising on translation of foreign operations		1,924	(2,253)
Reclassification adjustment for the cumulative exchange difference included in profit or loss upon disposal of foreign operation		—	39
Fair value gain (loss) on available-for-sale investments		2,762	(4,135)
Other comprehensive income (expense) for the period		4,686	(6,349)
Total comprehensive income for the period attributable to owners of the Company		27,889	20,569
Earnings per share (in Hong Kong cents)			
Basic and diluted	*9*	7.73	10.81

Condensed Consolidated Statement of Financial Position
As at 30 September 2012

	Notes	30 September 2012 HK$'000 (Unaudited)	31 March 2012 HK$'000 (Audited)
Non-current assets			
Property, plant and equipment	10	17,936	13,842
Interest in an associate		7,431	196
Available-for-sale investments		16,150	13,030
		41,517	27,068
Current assets			
Amounts due from customers for contract work		42,390	36,245
Trade and other receivables	11	243,962	208,831
Amount due from an associate		—	8,151
Pledged bank deposits		42,414	43,197
Bank balances and cash		68,907	65,997
		397,673	362,421
Current liabilities			
Trade and other payables	12	169,015	137,532
Secured bank borrowings	13	65,015	66,599
Tax payable		7,112	6,203
		241,142	210,334
Net current assets		156,531	152,087
Total assets less current liabilities		198,048	179,155
Non-current liabilities			
Provision for long service payments		1,272	1,272
Deferred tax liabilities		418	414
		1,690	1,686
Net assets		196,358	177,469
Capital and reserves			
Share capital	14	3,000	3,000
Reserves		193,358	174,469
Total equity		196,358	177,469

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2012

	Share capital HK$'000	Share premium HK$'000 (Note a)	Exchange reserve HK$'000	Capital reserve HK$'000 (Note b)	Legal reserve HK$'000 (Note c)	Available-for-sale investments revaluation reserve HK$'000	Other reserve HK$'000 (Note d)	Retained profits HK$'000	Total HK$'000
At 1 April 2012 (audited)	3,000	53,322	7,926	2,776	12	1,317	22,000	87,116	177,469
Profit for the period	—	—	—	—	—	—	—	23,203	23,203
Other comprehensive income for the period	—	—	1,924	—	—	2,762	—	—	4,686
Total comprehensive income for the period	—	—	1,924	—	—	2,762	—	23,203	27,889
Dividend paid *(Note 8)*	—	(9,000)	—	—	—	—	—	—	(9,000)
At 30 September 2012 (unaudited)	3,000	44,322	9,850	2,776	12	4,079	22,000	110,319	196,358
At 1 April 2011 (audited)	22,000	—	8,824	2,776	12	12	—	54,152	87,776
Profit for the period	—	—	—	—	—	—	—	26,918	26,918
Other comprehensive expenses for the period	—	—	(2,214)	—	—	(4,135)	—	—	(6,349)
Total comprehensive (expenses) income for the period	—	—	(2,214)	—	—	(4,135)	—	26,918	20,569
At 30 September 2011 (unaudited)	22,000	—	6,610	2,776	12	(4,123)	—	81,070	108,345

Notes:

a. Under the Companies Law, Cap. 22 (Law 6 of 1961, as consolidated and revised) of the Cayman Islands, the share premium account of the Company is distributable to its shareholders, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

b. In prior years, Wan Chung Construction Company Limited acquired entire equity interest in Wan Chung Property Company Limited from its then shareholder, Regent Pacific Investments Limited, a related company of Vision Fame International Holding Limited under common shareholder, at a discount of approximately HK$2,776,000. Such acquisition is deemed to be a transaction with owners of the Company and therefore recorded in capital reserve.

c. In accordance with the provisions of Macau Commercial Code, the Company's subsidiary incorporated in Macau is required to transfer 25% of its annual net profit to a legal reserve until the balance of the reserve reaches 50% of the subsidiary's registered capital. Legal reserve is not distributable to shareholders.

d. Other reserve represented the difference between the nominal value of the issued share capital of the subsidiaries, acquired pursuant to the group reorganisation and the consideration paid for acquiring these subsidiaries.

Condensed Consolidated Statement of Cash Flows
For the six months ended 30 September 2012

	Six months ended 30 September 2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Net cash from (used in) operating activities	10,196	(7,179)
Net cash from investing activities	3,656	35,928
Net cash used in financing activities	(11,402)	(71,663)
Net increase (decrease) in cash and cash equivalents	2,450	(42,914)
Cash and cash equivalents at the beginning of the period	65,997	64,849
Effect of foreign exchange rate changes	460	(102)
Cash and cash equivalents at the end of the period, represented by bank balances and cash	68,907	21,833

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2012

1. GENERAL

Vision Fame International Holding Limited (the "Company") was incorporated in the Cayman Islands on 31 May 2011 as an exempted company with limited liability under the Companies Law of the Cayman Islands.

The Company acts as an investment holding company and the principal activities of its subsidiaries are provision of building construction, property maintenance and alterations, renovation, upgrading and fitting-out works services.

Pursuant to a group reorganisation (the "Reorganisation") of the Company and its subsidiaries (collectively referred to as the "Group") to rationalise the structure of the Group in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing"), the Company acquired the equity interests of entities under common control and became the holding company of the subsidiaries now comprising the Group. Details of the Reorganisation were set out in the prospectus of the Company dated 30 December 2011.

The shares of the Company have been listed on the Stock Exchange with effect from 18 January 2012.

Since all entities which took part in the Reorganisation were under common control of Mr. Wong Law Fai, the Group is regarded as a continuing entity resulting from the Reorganisation of entities under common control. The condensed consolidated financial statements of the Group have been prepared using the principles of merger accounting in accordance with Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). Accordingly, the comparative condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows of the Group for the six months ended 30 September 2011 and relevant explanatory notes disclosed in these condensed consolidated financial statements have been prepared on the basis as if the current group structure has been in existence throughout the prior period.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the HKICPA as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange.

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment property and certain financial instruments, which are measured at fair values, as appropriate.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2012 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2012.

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA:

Amendments to HKFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to HKFRS 7	Disclosures — Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax — Recovery of Underlying Assets

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

4. TURNOVER AND SEGMENT INFORMATION

The Group's operating and reportable segments, based on information reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided as follows:

(i) Building construction;

(ii) Property maintenance; and

(iii) Alterations, renovation, upgrading and fitting-out works.

No operating segments have been aggregated to form the above reportable segments and operating segments. Information regarding the above segments is reported below.

(a) Segment revenue and results

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

For the six months ended 30 September 2012

	Building construction	**Property maintenance**	**Alterations, renovation, upgrading and fitting-out works**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Segment revenue	134,112	74,940	274,964	484,016
Segment profit	16,669	4,490	23,155	44,314
Other income				940
Central administration costs				(24,428)
Finance costs				(818)
Share of profit of an associate				7,051
Profit before taxation				27,059

For the six months ended 30 September 2011

	Building construction	Property maintenance	Alterations, renovation, upgrading and fitting-out works	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Segment revenue	97,194	79,286	94,605	271,085
Segment profit	21,866	9,171	18,288	49,325
Other income				3,553
Central administration costs				(20,792)
Finance costs				(683)
Gain on disposal of a subsidiary				459
Share of loss of an associate				(170)
Profit before taxation				31,692

(b) Segment assets

The following is an analysis of the Group's assets by reportable and operating segments:

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Building construction	91,603	67,722
Property maintenance	62,963	64,476
Alterations, renovation, upgrading and fitting-out works	116,034	86,252
Total segment assets	270,600	218,450

5. FINANCE COSTS

	Six months ended 30 September 2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest on secured bank borrowings wholly repayable within five years	818	683

6. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging (crediting):

	Six months ended 30 September	
	2012	**2011**
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Bank interest income	(313)	(237)
Interest income from sub-contractors	(766)	(421)
Other interest income *(Note)*	—	(7,494)
Gain on disposal of property, plant and equipment	—	(1,744)
Investment income	(7)	(7)
Depreciation of property, plant and equipment	1,792	571
Minimum lease payment under operating leases in respect of land and buildings	542	590
Exchange difference, net	765	198

Note: During six months ended 30 September 2011, interest income of approximately HK$7,494,000 represented revenues yielded by a recovery proceeding of the Group which was made against the other party for determination of their dispute in respect of the final contract amount of a construction project which the Group was engaged as the main contractor.

7. TAXATION

	Six months ended 30 September	
	2012	**2011**
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current taxation		
Hong Kong Profits Tax	3,852	3,310
Singapore Corporate Tax	—	1,460
	3,852	4,770
Deferred taxation	4	4
	3,856	4,774

8. DIVIDENDS

During the current interim period, a final dividend of HK3 cents per share in respect of the year ended 31 March 2012 (six months ended 30 September 2011: nil in respect of the year ended 31 March 2011) was declared and paid to the owners of the Company. The aggregate amount of the final dividend declared and paid in the interim period amounted to HK$9,000,000 (six months ended 30 September 2011: nil).

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 September 2012 (six months ended 30 September 2011: nil).

9. EARNINGS PER SHARE

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

	Six months ended 30 September	
	2012	**2011**
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Earnings		
Earnings for the purpose of basic earnings per share	23,203	26,918
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	300,000	249,000

The weighted average number of ordinary share in issue during the period ended 30 September 2011 represents 249,000,000 ordinary shares (Notes 14 (a), (b) and (c)) in issue before the Listing, as if such shares had been outstanding during the six months ended 30 September 2011.

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares for the six months ended 30 September 2012 and 2011.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2012, the Group spent approximately HK$5,784,000 (six months ended 30 September 2011: approximately HK$919,000) for the acquisition of property, plant and equipment.

Property, plant and equipment with a net carrying value of approximately HK$2,456,000 were disposed of by the Group during the six months ended 30 September 2011 (six months ended 30 September 2012: nil), resulting in a net gain on disposals of approximately HK$1,744,000 (six months ended 30 September 2012: nil).

11. TRADE RECEIVABLES

The Group does not have a standardised and universal credit period granted to its customers, and the credit period of individual customer is considered on a case-by-case basis and stipulated in the project contract, as appropriate.

The following is an analysis of trade receivables by age, presented based on the invoice date at the end of the reporting period, and net of impairment loss recognised:

	30 September 2012	**31 March 2012**
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 30 days	144,563	82,806
More than 30 days and within 90 days	79	—
More than 90 days	1,749	593
	146,391	83,399

12. TRADE PAYABLES

The following is an analysis of trade payables by age, presented based on the invoice date at the end of the reporting period:

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 30 days	121,680	98,931
More than 30 days and within 90 days	1,751	1,610
More than 90 days	135	104
	123,566	100,645

13. SECURED BANK BORROWINGS

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Bank loans	58,000	50,500
Trust receipt loans	7,015	16,099
Carrying amount repayable within one year *(Note)*	65,015	66,599

Note: The amounts due are based on the scheduled repayment dates set out in the loan agreements.

As at 30 September 2012, secured bank borrowings carried floating interest rates from 2.30% to 7.25% (31 March 2012: 2.30% to 3.85%) per annum.

As at 30 September and 31 March 2012, the secured bank borrowings are secured by the Group's certain assets of the Group as set out in Note 17.

As at 31 March 2012, certain banking facilities were guaranteed by the Company's director, Mr. Wong Law Fai and a subsidiary's director. The personal guarantee provided by Mr. Wong Law Fai has been released during the six months ended 30 September 2012.

14. SHARE CAPITAL

	Number of Ordinary shares	Nominal value of ordinary shares
		HK$'000
Ordinary share of HK$0.01 each		
Authorised:		
At 31 May 2011 (date of incorporation) *(Note a)*	38,000,000	380
Increase in the year *(Note c)*	1,962,000,000	19,620
At 31 March 2012 and 30 September 2012	2,000,000,000	20,000
Issued and fully paid:		
At 31 May 2011 (date of incorporation) *(Note a)*	1	—
Shares issued on Reorganisation *(Note b)*	9,999	—
Shares issued by capitalisation *(Note c)*	248,990,000	2,490
Shares issued under global offering *(Note d)*	51,000,000	510
At 31 March 2012 and 30 September 2012	300,000,000	3,000

Notes:

a. Upon incorporation, the authorised share capital of the Company was HK$380,000 divided into 38,000,000 ordinary shares of HK$0.01 each. One share was allotted and issued nil paid to the subscriber on 31 May 2011, which was then transferred to Smart Tactics Group Limited ("Smart Tactics") on the same date.

b. Pursuant to the Reorganisation and as consideration for the acquisition by the Company of the entire issued share capital of Prosper Ace Investments Limited ("Prosper Ace") from Smart Tactics, on 16 December 2011, (i) the one nil paid share then held by Smart Tactics was credited as fully paid at par, and (ii) 9,999 shares, credited as fully paid at par, were allotted and issued to Smart Tactics. The acquisition of the issued share capital of Prosper Ace was accounted for by the Group using merger method and approximately HK$22,000,000 was recognised in other reserve.

c. Pursuant to the written resolutions passed by the sole shareholder of the Company on 19 December 2011, the authorised share capital of the Company was increased from HK$380,000 to HK$20,000,000 by the creation of an additional 1,962,000,000 ordinary shares of HK$0.01 each. Subject to the share premium account of the Company being credited as a result of the global offering of 51,000,000 ordinary shares on 17 January 2012, the directors of the Company were authorised to capitalise approximately HK$2,490,000 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par allot and issue a total of 248,990,000 ordinary shares for the allotment and issue to the shareholders of the Company on the register of the members of the Company at the close of business on 16 December 2011 in proportion to their then respective existing shareholdings in the Company and the directors of the Company allotted and issued such shares as aforesaid and gave effect to the capitalisation.

d. On 17 January 2012, 51,000,000 ordinary shares of HK$0.01 each were issued to the public at a price of HK$1.20 per share for cash totalling approximately HK$61,200,000 by way of global offering. The excess of the issue price over the par value of the shares, net of share issued expenses of approximately HK$4,878,000, were credited to the share premium account of the Company.

All shares issued rank pari passu in all respects with all shares then in issue.

15. COMMITMENTS

The Group as lessee

At the end of the reporting period, the Group had outstanding commitments in respect of future minimum lease payments under non-cancellable operating leases which fall due as follows:

	30 September 2012 *HK$'000* (Unaudited)	31 March 2012 *HK$'000* (Audited)
Within one year	604	778
In the second to fifth year inclusive	101	229
	705	1,007

Operating lease payments represent rentals payable by the Group for certain of its office premises and staff quarters. Leases are negotiated and rentals are fixed for an average term of one to three years (31 March 2012: one to four years).

16. CONTINGENT LIABILITIES

(a) Contingent liabilities in respect of legal claims

One subsidiary of the Group is defendant in a number of claims, lawsuits, arbitrations and potential claims relating to subcontracting fees, damages of personal injuries and breach of construction contracts. The directors of the Company considered that no provision for the contingent liabilities in respect of the litigation is necessary after due consideration of each case and with reference to the legal opinion.

(b) Guarantees issued

At the end of the reporting period, the Group had provided the following guarantees:

	30 September 2012 *HK$'000* (Unaudited)	31 March 2012 *HK$'000* (Audited)
Guarantees in respect of performance bonds in favor of its clients	105,268	83,359
Guarantee given to a bank in respect of banking facilities granted to an associate	14,551	14,227
	119,819	97,586

At the end of the reporting period, the directors of the Company considered that the fair value of the financial guarantee is insignificant.

17. PLEDGE OF ASSETS

(a) At the end of the reporting period, the Group had pledged the following assets to banks and an insurance company to secure the banking facilities and performance bonds granted to the Group:

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Property, plant and equipment	8,010	8,100
Other receivables	16,842	16,696
Bank deposits	42,414	43,197
	67,266	67,993

(b) The Group's benefits under certain construction contracts were pledged to banks to secure the facilities granted to the Group.

18. RELATED PARTY TRANSACTIONS

(a) Except as disclosed elsewhere in the condensed consolidated financial statements, the Group had the following transactions with related parties:

	Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Construction revenue received from an associate	3,004	8,451
Administrative income received from an associate	—	220
Rental income received from a key management personnel	—	26

(b) On 1 June 2011, the Group entered into an assignment of sale and purchase with a key management personnel and his spouse, pursuant to which the Group agreed to sell and the key management personnel and his spouse agreed to purchase the Group's land and buildings at cash consideration of HK$4,200,000 which was determined with reference to market value. On the date of disposal, the carrying value of the land and buildings amounted to approximately HK$2,456,000.

(c) On 30 May 2011, the Group entered into a memorandum of sale and purchase with One Two Holdings Hong Kong Limited ("One Two Holdings") (formerly known as Wan Chung Holdings Limited) in which Mr. Wong Law Fai is the common director of the Company and One Two Holdings, to dispose of the investment property at cash consideration of HK$8,200,000 which was determined with reference to market value. On the date of disposal, the carrying value of the investment property amounted to HK$8,200,000. The transaction was completed on 25 July 2011.

(d) Compensation of key management personnel

The remuneration of key management personnel of the group during the period was as follows:

	Six months ended 30 September	
	2012	**2011**
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Salaries, allowances and other benefits	8,084	7,746
Contributions to retirement benefits scheme	213	207
	8,297	7,953

(e) The following balances were outstanding from an associate at the end of the reporting period:

	30 September 2012	**31 March 2012**
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Amounts due from customers for contract work	—	38
Trade receivables	—	6,886
	—	6,924

(f) As at 31 March 2012, included in accrued expense and other payables was amount of approximately HK$102,000 (30 September 2012: nil) representing accrued directors' remunerations.

(g) Under a deed of indemnity dated 19 December 2011, the then controlling shareholders have undertaken to provide indemnities on a joint and several basis in respect of, among other matters, all claims, payments, suits, damages, settlements payment and any associated costs and expenses which would be incurred or suffered by the Group as a result of any litigation, arbitration and/or legal proceedings, whether of criminal, administrative, contractual, tortuous or otherwise nature against any member of the Group which was issued and/or accrued and/or arising from any act, non-performance, omission or otherwise of any member of the Group on or before the listing date.

4. MATERIAL CHANGE

The Directors confirm that there are no material changes in the financial or trading position or outlook of the Company since 31 March 2012 (being the date to which the latest audited account of the Company were made up) up to and including the Latest Practicable Date.

5. INDEBTEDNESS

As at 28 February 2013, being the latest practicable date for the purpose of this statement prior to the printing of this Composite Document, the Group had total secured bank borrowings of approximately HK$51.0 million, which was secured by (i) a portion of our property, plant and equipment with carrying amount of approximately HK$7.9 million; (ii) other receivable of approximately HK$15.5 million; and (iii) bank deposits of approximately HK$47.9 million.

Contingent liabilities

As at 28 February 2013, being the latest practicable date for the preparation of the indebtedness statement in this Composite Document, the Group had the following contingent liabilities:

(a) ***Contingent liabilities in respect of legal claims***

A subsidiary of the Group is defendant in a number of claims, lawsuits, arbitrations and potential claims relating to subcontracting fees, damages of personal injuries and breach of construction contracts. The Directors considered that no provision for the contingent liabilities in respect of the litigation is necessary after due consideration of each case and with reference to the legal opinion.

(b) ***Guarantee issued***

As at 28 February 2013, the Group had provided guarantees in respect of performance bonds in favor of its clients in total amount of approximately HK$129.8 million.

In addition, the Company had issued a single guarantee to the Group's client, pursuant to which, the Company would indemnify the Group's client on demand against and in respect of all losses thereby suffered or incurred by the Group's client to the extent that one of the subsidiaries of the Group is or would be liable for the same.

For the purpose of the above indebtedness statement, foreign currency amounts have been translated into HK$ at the exchange rate prevailing at the close of business on 28 February 2013.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, at the close of business on 28 February 2013, the Group did not have any loan capital issued and outstanding, and authorised or otherwise created but unissued any term loans (secured, unsecured, guaranteed or not), bank overdrafts, loans or other similar indebtedness, liabilities under acceptance (other than normal trade bills and payables) or acceptable credits, debentures, mortgages, charges, hire purchase or other finance lease commitments, guarantees or other material contingent liabilities.

6. WORKING CAPITAL

The Directors, are of the opinion that, taking into consideration the financial resources presently available to the Group, including the existing available banking facilities and other internal resources, the Group has sufficient working capital for its present requirements, that is, for at least the next twelve months commencing from the date of this Composite Document.

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Takeovers Code for the purpose of providing information to the Shareholders with regard to the Group and the Offer.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than information relating to the Offeror, its ultimate beneficial owner and parties acting in concert with them), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than opinions expressed by the director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this Composite Document (other than information relating to the Group, the Vendor and parties acting in concert with any of them), and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. CORPORATE INFORMATION OF THE COMPANY

The Company is a company incorporated in the Cayman Islands on 31 May 2011 with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The principal activity of the Company is investment holding and the principal activities of its subsidiaries are the provision of (a) building construction services in Hong Kong, Macau and Singapore, (b) property maintenance services in Hong Kong, and (c) alterations, renovation, upgrading works and fitting-out works services in Hong Kong, Macau and Singapore.

The address of its registered office is at Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands.

3. SHARE CAPITAL OF THE COMPANY

The authorised share capital and the issued share capital of the Company as at the Latest Practicable Date were HK$20,000,000 divided into 2,000,000,000 Shares and HK$3,000,000 divided into 300,000,000 Shares respectively.

All existing issued Shares rank pari passu in all respect including all rights as to dividends, voting and interests in capital.

As at the Latest Practicable Date, the Company had no outstanding options, warrants or convertible or exchangeable securities carrying rights to subscribe for, convert or exchange into, Shares.

Since 31 March 2013, being the date to which the Company's latest financial year ended, and up to the Latest Practicable Date, the Company had not issued any new Shares.

4. MARKET PRICES

The table below shows the closing price of the Shares quoted on the Stock Exchange on (i) the last day on which trading took place in each of the calendar months during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing price per Share *(HK$)*
28 September 2012	1.80
31 October 2012	1.79
30 November 2012	1.78
31 December 2012	1.80
31 January 2013	1.80
28 February 2013	1.99
8 March 2013 (being the last business day prior to the commencement of the Offer Period)	2.16
13 March 2013 (Last Trading Day)	2.10
28 March 2013	1.53
16 April 2013 (Latest Practicable Date)	1.70

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the Relevant Period were HK$2.52 per Share on 12 March 2013 and HK$1.53 per Share recorded on 27 March 2013, 28 March 2013, 3 April 2013, 5 April 2013, 9 April 2013 and 11 April 2013, respectively.

5. DISCLOSURE OF INTERESTS

(a) Interests and short positions of the Directors in the shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

As at the Latest Practicable Date, none of the Directors had any interests in the relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company.

(b) Interests and short positions of the substantial shareholders in the Shares, underlying Shares of the Company

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had, or were deemed or taken to have, an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or held any option in respect of such capital:

Name	**Nature of interest**	**Number of Shares interested**	**% of shareholding**
The Offeror	Beneficial owner	225,000,000 (L)	75%
Mr. Wang Zhijun *(Note 1)*	Interest of controlled corporation	225,000,000 (L)	75%
Ms. Guan Hongyan *(Note 2)*	Interest of spouse	225,000,000 (L)	75%

Notes:

1. As at the Latest Practicable Date, Mr. Wang Zhijun owned the entire issued share capital of the Offeror. By virtue of the SFO, Mr. Wang Zhijun is deemed to be interested in 225,000,000 Shares which the Offeror is interested in.

2. Ms. Guan Hongyan is the spouse of Mr. Wang Zhijun. By virtue of the SFO, Ms. Guan Hongyan is deemed to be interested in 225,000,000 Shares which Mr. Wang Zhijun is interested in.

6. INTERESTS IN THE COMPANY AND THE OFFEROR AND ARRANGEMENTS IN CONNECTION WITH THE OFFER

As at the Latest Practicable Date,

(a) neither the Company nor the Directors was interested in or owned or controlled any shares, convertible securities, warrants, options or derivatives of the Offeror;

(b) save as disclosed in section 5(b) of this Appendix, neither the Offeror, its sole director nor parties acting in concert with any of them was interested in or owned or controlled any Shares, convertible securities, warrants, options or derivatives of the Company;

(c) and during the Relevant Period, there were no Shares, convertible securities, warrants, options or derivatives of the Company which the Offeror, its beneficial owner or any party acting in concert with any of them had borrowed or lent;

(d) none of the subsidiaries of the Company, pension fund of the Company or of a subsidiary of the Company or an adviser to the Company as specified in class (2) of the definition of associate under the Takeovers Code owned or controlled any Shares, convertible securities, warrants, options or derivatives of the Company;

(e) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with the Company or with any person who was an associate of the Company by virtue of classes (1), (2), (3) or (4) of the definition of associate under the Takeovers Code or with the Offeror, its beneficial owner or any person acting in concert with any of them;

(f) no Shares, convertible securities, warrants, options or derivatives of the Company were managed on a discretionary basis by fund managers (other than exempt fund managers) connected with the Company;

(g) no Independent Shareholder had irrevocably committed himself or herself or itself to accept or reject the Offer;

(h) save for the arrangement of resignations contemplated thereunder as set out under the paragraph headed "Proposed Change of Board Composition" in the "Letter from Ping An Securities and Ping An Capital" of this Composite Document, there was no agreement or arrangement between any Director and any other person which was conditional on or dependent upon the outcome of the Offer or otherwise connected with the Offer;

(i) save for the arrangement of resignation as mentioned under the Joint Announcement and as set out under the section headed "Proposed Change of Board Composition" in the "Letter from Ping An Securities and Ping An Capital" of this Composite Document, there was no agreement, arrangement or understanding (including any compensation arrangement) existing between the Offeror, its beneficial owner or any person acting in concert with any of them and any Director, recent Directors, Shareholders or recent Shareholders having any connection with or being dependent upon the Offer;

(j) there was no agreement or arrangement to which the Offeror was a party which related to the circumstances in which the Offeror may or may not invoke or seek to invoke a condition to the Offer; and

(k) the Offeror had no intention to transfer, charge or pledge the Shares acquired in pursuance of the Offer to any other persons nor had the Offeror entered into any such agreement, arrangement or understanding.

During the Relevant Period, there were no Shares, convertible securities, warrants, options or derivatives of the Company which the Company or any Directors had borrowed or lent.

7. DEALINGS IN SECURITIES AND ARRANGEMENTS IN RELATION TO DEALINGS

During the Relevant Period,

(a) save for the S&P Agreement, neither the Offeror, its sole director nor parties acting in concert with any of them had dealt for value in any Shares, convertible securities, warrants, options or derivatives of the Company;

(b) none of the Company or the Directors had dealt for value in any shares, convertible securities, warrants, options or derivatives of the Offeror;

(c) save for the S&P Agreement, none of the Directors had dealt for value in any Shares, convertible securities, warrants, options or derivative of the Company;

(d) no fund managers (other than exempt fund manager) who were connected with the Company had dealt for value in any Shares, convertible securities, warrants, options or derivatives of the Company which were managed on a discretionary basis; and

(e) none of the subsidiaries of the Company, pension fund of the Company or of a subsidiary of the Company or an adviser to the Company as specified in class (2) of the definition of associate under the Takeovers Code had dealt for value in any Shares, convertible securities, warrants, options or derivatives of the Company.

The Offeror confirms that as at the Latest Practicable Date,

(i) the Offeror, its beneficial owner, and/or parties acting in concert with any of them had not received any irrevocable commitment to accept or reject the Offer;

(ii) there was no outstanding derivative in respect of securities in the Company which has been entered into by the Offeror, its beneficial owner and/or any person acting in concert with any of them;

(iii) there was no arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Company and which might be material to the Offer;

(iv) save for the Sale Shares, none of the Offeror, its beneficial owner and/or parties acting in concert with any of them owned or had control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;

(v) save for the S&P Agreement, there was no agreement or arrangement to which the Offeror, its beneficial owner and/or parties acting in concert with any of them was a party which relates to circumstances in which it might or might not invoke or seek to invoke a pre-condition or a condition to the Offer; and

(vi) there was no relevant security (as defined in note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror, its beneficial owner and/or any person acting in concert with any of them had borrowed or lent.

8. DIRECTORS' SERVICE CONTRACTS AND OTHER INTERESTS

Save as disclosed below, as at the Latest Practicable Date, none of the Directors had any service contracts with the Company or any of its subsidiaries or associated companies in force (a) which (including both continuous and fixed term contracts) were entered into or amended within six months before the commencement of the Offer Period; (b) which were continuous contracts with a notice period of 12 months or more; or (c) which were fixed term contracts with more than 12 months to run irrespective of the notice period:

Directors	**Date of letter of appointment**	**Expiry date of letter of appointment** *(Note 1)*	**Fixed annual remuneration under relevant letter of appointment**
Mr. Wong Law Fai	19 December 2011	19 December 2014	HK$938,646
Mr. Yip Chi Chong	19 December 2011	19 December 2014	HK$1,066,768
Mr. So Kwok Lam	19 December 2011	19 December 2014	HK$935,524

Each of Mr. Wong Law Fai, Mr. Yip Chi Chong and Mr. So Kwok Lam is also entitled to discretionary bonus subject to approval by the Board based on the Company's profitability.

Note:

1. The terms of the office of the Directors are subject to retirement by rotation under the articles of association of the Company.

As at the Latest Practicable Date:

(a) no benefit (other than statutory compensation) has been or will be given to any Director as compensation for loss of office or otherwise in connection with the Offer; and

(b) save for the S&P Agreement, there was no material contract to which the Offeror is a party in which any Director has a material personal interest.

9. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

10. MATERIAL CONTRACTS

The Company or any of its subsidiaries had, within the two years preceding the date of the commencement of the Offer Period on 11 March 2013 and up to and including the Latest Practicable Date, entered into the following contracts which was or might be material, other than contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group:

(a) a memorandum of sale and purchase dated 30 May 2011 entered into between Wan Chung Construction and Wan Chung Holdings Limited, pursuant to which Wan Chung Construction agreed to sell and Wan Chung Holdings Limited agreed to purchase the property known as Sections A to C, H to K and R of Lot No. 931, Lot No. 930, Lot No. 932 and Lot No. 934 in D.D. 111, Yuen Long, New Territories, Hong Kong at a consideration of HK$8,200,000;

(b) a memorandum of sale and purchase dated 1 June 2011 entered into between Wan Chung Construction and Wong Yiu Wai Vegent and Chan Yuet On, pursuant to which Wan Chung Construction agreed to sell and Wong Yiu Wai Vegent and Chan Yuet On agreed to purchase the property known as Flat C, 3rd Floor, Harbour Court, No.18 Kai Yuen Terrace, Hong Kong at a consideration of HK$4,200,000;

(c) an assignment dated 1 June 2011 entered into between Wan Chung Construction and Wong Yiu Wai Vegent and Chan Yuet On, pursuant to which Wan Chung Construction assigned to Wong Yiu Wai Vegent and Chan Yuet On all its interest in the property known as Flat C, 3rd Floor, Harbour Court, No.18 Kai Yuen Terrace, Hong Kong at a consideration of HK$4,200,000;

(d) a share purchase agreement dated 3 June 2011 entered into between Eng Boon Seng (Yu Wenxin) and Eng Mew Yong and Wan Chung (Singapore), pursuant to which (i) Wan Chung (Singapore) agreed to sell and Eng Boon Seng (Yu Wenxin) and Eng Mew Yong agreed to purchase 2 fully paid ordinary shares of Wan Chung Investments for a consideration of S$2.00; and (ii) Wan Chung (Singapore), Eng Boon Seng (Yu Wenxin) and Eng Mew Yong agreed to deliver a deed of assignment between themselves for the assignment of a shareholder's loan to Wan Chung Investments in the sum of S$3,084,370.48 at the consideration of S$3,084,370.48;

(e) a deed of assignment dated 3 June 2011 entered into between Eng Boon Seng (Yu Wenxin) and Eng Mew Yong and Wan Chung (Singapore), pursuant to which Wan Chung (Singapore) assigned to Eng Boon Seng (Yu Wenxin) and Eng Mew Yong a shareholder's loan to Wan Chung Investments in the sum of S$3,084,370.48 at the consideration of S$3,084,370.48;

(f) an assignment dated 25 July 2011 entered into between Wan Chung Construction and One Two Holdings Hong Kong Limited, pursuant to which Wan Chung Construction assigned to One Two Holdings Hong Kong Limited the property known as Sections A to C, H to K and R of Lot No.931, Lot No.930, Lot No.932 and Lot No.934 in Demarcation District No. 111 at a consideration of HK$8,200,000;

(g) a share sale and purchase agreement dated 7 December 2011 entered into between BVI Company 1, BVI Company 3, Wan Chung Construction and Mr. Wong Law Fai, pursuant to which BVI Company 3 agreed to acquire 9,999 ordinary shares and 1 ordinary share of Wan

Chung Property, representing, in aggregate, its entire issued share capital, from Wan Chung Construction and Mr. Wong Law Fai at a consideration of HK$11,612,149 to be satisfied by the issue and allotment of 688 shares of US$1 each in the capital of BVI Company 1, credited as fully paid, to the Vendor (as directed by Wan Chung Construction and Mr. Wong Law Fai);

(h) a share sale and purchase agreement dated 7 December 2011 entered into between BVI Company 1, BVI Company 4 and Wan Chung Construction, pursuant to which BVI Company 4 agreed to acquire 10,000 ordinary shares of Wan Chung Interior Design, representing its entire issued share capital, from Wan Chung Construction at a consideration of HK$33,219 to be satisfied by the issue and allotment of 2 shares of US$1 each in the capital of BVI Company 1, credited as fully paid, to the Vendor (as directed by Wan Chung Construction);

(i) a share transfer agreement in Chinese dated 7 December 2011 entered into between BVI Company 5, Wan Chung Construction and Mr. Wong Law Fai, pursuant to which BVI Company 5 agreed to acquire two shares (quota) with nominal values of MOP24,000 and MOP1,000 of Wan Chung (Macau) from Wan Chung Construction and Mr. Wong Law Fai at an aggregate consideration of MOP2 (equivalent to approximately HK$2);

(j) a sale and purchase agreement dated 7 December 2011 entered into between BVI Company 1, BVI Company 6, Wan Chung Construction, pursuant to which BVI Company 6 agreed to acquire 6,700,000 ordinary shares of Wan Chung (Singapore), representing in aggregate its entire issued share capital, from Wan Chung Construction at a consideration of S$9,531,498 (equivalent to approximately HK$57,820,164) to be satisfied by the issue and allotment of 3,424 shares of US$1 each in the capital of BVI Company 1, credited as fully paid, to the Vendor (as directed by Wan Chung Construction);

(k) a share sale and purchase agreement dated 8 December 2011 entered into between BVI Company 1, BVI Company 2, Regent Pacific and Mr. Wong Law Fai, pursuant to which BVI Company 2 agreed to acquire 21,999,999 and 1 ordinary shares of Wan Chung Construction, representing in aggregate its entire issued share capital, from Regent Pacific and Mr. Wong Law Fai at a consideration of HK$99,355,011 to be satisfied by the issue and allotment of 5,885 shares of US$1 each in the capital of BVI Company 1, credited as fully paid, to the Vendor (as directed by Regent Pacific and Mr. Wong Law Fai);

(l) a deed of revocation dated 7 December 2011 entered into between Wan Chung Construction and Mr. Wong Law Fai, pursuant to which Wan Chung Construction agreed to terminate and revoke the declarations of trust dated 31 March 2009, 8 March 2010, 19 March 2010 and 14 October 2010 pursuant to which Mr. Wong Law Fai declared that he held the 670,000 ordinary shares of Wan Chung (Singapore) on trust for Wan Chung Construction;

(m) a sale and purchase agreement dated 16 December 2011 entered into between the Company, the Vendor and Mr. Wong Law Fai, pursuant to which the Company acquired the entire issued share capital of BVI Company 1, and as consideration for which (i) the one nil paid Share then held by the Vendor was credited as fully paid at par, and (ii) 9,999 Shares were allotted and issued to the Vendor on 16 December 2011, credited as fully paid;

(n) a deed of non-competition in Chinese dated 19 December 2011 executed by Mr. Wong Law Fai in favour of the Company, pursuant to which Mr. Wong Law Fai has irrevocably given certain non-competition undertakings in favour of the Company;

(o) a deed of non-competition in Chinese dated 19 December 2011 executed by the Vendor in favour of the Company, pursuant to which the Vendor has irrevocably given certain non-competition undertakings in favour of the Company;

(p) a deed of indemnity dated 19 December 2011 executed by Mr. Wong Law Fai and the Vendor in favour of the Company (for itself and as trustee for its subsidiaries), pursuant to which Mr. Wong Law Fai and the Vendor have given certain indemnities in relation to, among others, taxation and litigation, to the Company (for itself and as trustee for its subsidiaries);

(q) Hong Kong underwriting agreement dated 29 December 2011 in relation to the underwriting arrangements regarding the public offer of the Shares in Hong Kong entered into among the Company, the Vendor, Mr. Wong Law Fai, the executive Directors (being Mr. Wong Law Fai, Mr. So Kwok Lam and Mr. Yip Chi Chong), China Everbright Capital Limited, Guotai Junan Securities (Hong Kong) Limited, China Everbright Securities (HK) Limited, Ample Orient Capital Limited, Ever-long Securities Company Limited and South China Securities Limited;

(r) the international underwriting agreement dated 13 January 2012 in relation to the underwriting arrangements regarding the international placing of Shares entered into among the Company, the Vendor, Mr. Wong Law Fai, the executive Directors (being Mr. Wong Law Fai, Mr. So Kwok Lam and Mr. Yip Chi Chong), China Everbright Capital Limited, Guotai Junan Securities (Hong Kong) Limited, China Everbright Securities (HK) Limited, Ample Orient Capital Limited, Ever-long Securities Company Limited and South China Securities Limited; and

(s) a joint venture agreement dated 28 February 2013 entered into between Vision Foundation Pte Ltd, an indirect wholly-owned subsidiary of the Company, and Keat Seng Piling Pte Ltd., pursuant to which the parties set out their agreements in relation to the management and operation of Keat Seng — Vision Foundation JV Pte Ltd, a joint venture company.

11. CONSENTS AND QUALIFICATIONS

The followings are the names and the qualifications of the professional advisers whose letters, opinions or advice are contained or referred to in this Composite Document:

Name	Qualifications
Ping An Capital	a licensed corporation under the SFO permitted to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being the financial adviser to the Offeror in connection with the Offer
Ping An Securities	a licensed corporation under the SFO permitted to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO
Vinco Capital	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO and the independent financial adviser appointed by the Company to advise the Independent Board Committee in respect of the Offer

Ping An Capital, Ping An Securities and Vinco Capital have given and have not withdrawn their respective written consents to the issue of this Composite Document with the inclusion herein of their respective letters, opinions, recommendation or advice (as the case may be) and references to their names in the form and context in which they respectively appear.

12. GENERAL

As at the Latest Practicable Date:

(a) The registered office of the Offeror was situated at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands and the correspondence address of the Offeror was at 14/F Harbour Commercial Building, 122–124 Connaught Road Central, Central, Hong Kong. The sole director and the sole shareholder of the Offeror was Mr. Wang Zhijun and his correspondence address was at 14/F, Harbour Commercial Building, 122–124 Connaught Road Central, Central, Hong Kong;

(b) The registered office of the Company was situated at Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands and the principal place of business of the Company was situated at Flat A, 2/F, Fuk On Building, 1123 Canton Road, Mongkok, Kowloon, Hong Kong. The Board comprised Mr. Wong Law Fai, Mr. So Kwok Lam, Mr. Yip Chi Chong, as executive Directors and Mr. Lam Siu Lo, Andrew JP and Mr. Li Ying Ming and Mr. Tam Tak Kei, Raymond as independent non-executive Directors;

(c) The registered office of each of Ping An Capital and Ping An Securities was situated at 28/F, 169 Electric Road, North Point, Hong Kong;

(d) The registered office of Vinco Capital was situated at Units 4909–4910, 49/F, The Center, 99 Queen's Road Central, Hong Kong;

(e) In the event of inconsistency, the English texts of this Composite Document and the Form of Acceptance shall prevail over their respective Chinese texts.

13. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection, during the period from 19 April 2013, being the date of this Composite Document for so long as the Offer remains open for acceptance, at (i) the website of the SFC at *http://www.sfc.hk*; (ii) the website of the Company at *http://www.visionfame.com*, and (iii) (during normal business hours from 9:00 a.m. to 5:00 p.m., except for Saturdays, Sundays and public holidays) the principal place of business of the Company at Flat A, 2/F, Fuk On Building, 1123 Canton Road, Mongkok, Kowloon, Hong Kong:

(a) the memorandum and articles of association of the Company;

(b) the memorandum and articles of association of the Offeror;

(c) the prospectus of the Company dated 30 December 2011;

(d) the annual report of the Company for the financial year ended 31 March 2012;

(e) the letter from Ping An Securities and Ping An Capital dated 19 April 2013 as set out on pages 6 to 12 of this Composite Document;

(f) the letter from the Board dated 19 April 2013 as set out on pages 13 to 16 of this Composite Document;

(g) the letter from the Independent Board Committee to the Independent Shareholders dated 19 April 2013 as set out on page 17 of this Composite Document;

(h) the letter from Vinco Capital to the Independent Board Committee dated 19 April 2013 as set out on pages 18 to 34 of this Composite Document;

(i) the letters of consents referred to under the paragraph headed "Consents and Qualifications" in this Appendix;

(j) the material contracts referred to under the paragraph headed "Material Contracts" in this Appendix;

(k) the letters of appointment of the Directors with the Company or its subsidiaries or associated companies referred to under the paragraph headed "Directors' Service Contracts and Other Interests" in this Appendix; and

(l) the S&P Agreement.