

## 主席報告 CHAIRMAN'S STATEMENT

本人欣然呈列香港國際建設投資管理集團有限公司(「本公司」)連同其附屬公司(「本集團」)截至二零一六年十二月三十一日止九個月期間(「期間」)之年報連同截至二零一六年三月三十一日止年度之比較數字。於期間內，本集團錄得本公司股東應佔溢利134,000,000港元，相等於每股0.14港元(截至二零一六年三月三十一日止年度：397,000,000港元，相等於每股0.45港元)，而營業額為3,031,000,000港元(截至二零一六年三月三十一日止年度：4,057,000,000港元)。

### 股息

本公司董事局(「董事局」)議決建議向於二零一七年五月十八日名列本公司股東名冊之股東派付末期股息每股0.10港元(截至二零一六年三月三十一日止年度：無)。截至二零一六年九月三十日止六個月並無宣派中期股息(截至二零一五年九月三十日止期間：每股股份0.20港元)。待股東在應屆股東週年大會上批准後，建議之末期股息將於二零一七年六月八日或之前支付。

### 業務回顧

#### 香港市場

#### 地基打樁

本集團地基打樁分類之營業額於期間內為2,115,000,000港元。其貢獻(即分類業績減應佔管理層獎勵花紅)為226,000,000港元，而往年則為394,000,000港元。本集團手頭之主要合約包括(其中包括)黃大仙、白田邨及粉嶺之公屋發展項目、將軍澳、觀塘、北角及白石角之私人住宅發展項目，以及黃竹坑、觀塘、白石角及元朗之商業發展項目。於期間內，地基打樁分類之息稅折舊攤銷前盈利為268,000,000港元，而往年則為455,000,000港元。該分類於期間內之整體息稅折舊攤銷前盈利利潤率為13%。

I am pleased to present the annual report of Hong Kong International Construction Investment Management Group Co., Limited (the "Company") together with its subsidiaries (the "Group") for the 9 months period ended 31 December 2016 (the "Period") together with comparative figures for year ended 31 March 2016. During the Period, the Group achieved a profit attributable to equity holders of the Company of HK\$134 million, equivalent to HK\$0.14 per share (year ended 31 March 2016: HK\$397 million, equivalent to HK\$0.45 per share) while turnover was HK\$3,031 million (year ended 31 March 2016: HK\$4,057 million).

### DIVIDEND

The board of directors of the Company (the "Board") has resolved to recommend a final dividend payment of HK\$0.10 (year ended 31 March 2016: Nil) per share to shareholders whose names appear on the Company's register of members on 18 May 2017. No interim dividend was declared for the six months ended 30 September 2016 (period ended 30 September 2015: HK\$0.20 per share). Subject to shareholders' approval at the forthcoming annual general meeting, the proposed final dividend will be paid on or before 8 June 2017.

### BUSINESS REVIEW

#### Hong Kong Market

#### Foundation Piling

During the Period, turnover of the Group's foundation piling segment was HK\$2,115 million. Its contribution to net profit, representing segment result less share of management incentive bonus, was HK\$226 million as compared to HK\$394 million last year. The Group's major contracts on hand include, inter alia, the public housing developments in Wong Tai Sin, Pak Tin Estates and Fanling, private residential developments in Tseung Kwan O, Kwun Tong, North Point, Pak Shek Kok, and commercial developments in Wong Chuk Hang, Kwun Tong, Pak Shek Kok and Yuen Long. During the Period, EBITDA for the foundation piling segment was HK\$268 million as compared to HK\$455 million last year. The overall EBITDA margin for the segment was 13% for the Period.

中國市場

PRC Market

物業發展

Property Development

泰欣嘉園

The Waterfront

於期間內，本集團在上海之住宅項目泰欣嘉園確認收益30,000,000港元，而上年度之收益則為466,000,000港元，純利貢獻11,000,000港元(截至二零一六年三月三十一日止年度：302,000,000港元)。

During the Period, the Group's residential project in Shanghai, The Waterfront, recognized a revenue of HK\$30 million as compared to HK\$466 million last year and contribution to net profit of HK\$11 million (year ended 31 March 2016: HK\$302 million).

泰欣嘉園 The Waterfront



於二零一六年十二月三十一日，泰欣嘉園之未售面積概列如下：

The unsold area of The Waterfront as at 31 December 2016 is outlined below:

- 住宅：約1,000平方米；
- 泊車位：約12個泊車位；
- 非住宅：約4,800平方米，主要指臨街零售店舖樓面及一棟歷史建築。

- Residential: about 1,000 sqm;
- Car Park: about 12 car park units;
- Non-Residential: about 4,800 sqm, representing primarily street front retail shops and a historic building.

由於二零一六年十月及十一月推出日趨從嚴之政策，上海住宅市場按交易量計出現整體下滑，但平均單價保持穩定。由於僅有一套未售出單位，且具有獨特性，故不會大幅降價將其出售。儘管上海零售市場情況並不樂觀，但泰欣嘉園之零售店舖樓面及歷史建築已全部出租。

Due to the tightening policies introduced in October and November 2016, the overall Shanghai residential market has slowed down in terms of number of transactions but the average unit price remains stable. As there is only one unsold residential unit which is of such a unique nature, it is not intended to dispose of it by substantial reduction in price. Despite the unfavourable retail market sentiment in Shanghai, all the retail shops and the historic building at The Waterfront have been leased out.

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### 泰悦豪庭

本集團在天津之住宅項目泰悦豪庭包括總樓面面積(「樓面面積」)約為75,000平方米之六幢大廈。

於期間內，確認收益569,000,000港元，上年度之收益則為488,000,000港元，而純利貢獻由上年度之228,000,000港元增至305,000,000港元。

於二零一六年十二月三十一日，泰悦豪庭之未售出面積概列如下：

- 住宅：約330平方米；
- 泊車位：約26個泊車位；
- 非住宅：約3,900平方米，主要指臨街零售店舖樓面及泰悦豪庭之會所。

於二零一六年，天津住宅市場情況十分樂觀，交易量及平均單價雙創新高。泰悦豪庭已受益於整體市場情況，且僅剩一套未售出單位。

零售店舖樓面將留作出租或出售。

### The Riverside

The Group's residential project in Tianjin, The Riverside, comprises 6 towers with a total gross floor area ("GFA") of about 75,000 sqm.

During the Period, a revenue of HK\$569 million was recognized as compared to HK\$488 million last year and contribution to net profit increased from HK\$228 million last year to HK\$305 million.

The unsold area of The Riverside as at 31 December 2016 is outlined below:

- Residential: about 330 sqm;
- Car Park: about 26 car park units;
- Non-Residential: about 3,900 sqm, representing primarily street front retail shops and The Riverside's clubhouse.

The residential market sentiment in Tianjin was very positive in 2016 and both transaction volume and average unit price have reached record high. The Riverside has benefited from the overall market sentiment and there is only one unsold unit.

The retail shops would be reinstated for leasing or disposal.

### 泰悦豪庭 The Riverside



泰和龍庭

泰和龍庭位於瀋陽皇姑區，佔地面積約為41,209平方米，樓面面積約為165,000平方米。泰和龍庭包括住宅及商業發展項目。建築工程大體上已完成，並於二零一六年九月中已開始向買家交付單位。由於該等單位可供視察並入住，預期可加強潛在客戶之信心，因而加快二零一七年之銷售。

於期間內，確認收益286,000,000港元，而純利貢獻約為3,000,000港元。

於二零一六年十二月三十一日，泰和龍庭之未售出面積概列如下：

- 住宅：約74,000平方米；
- 泊車位：約972個泊車位；
- 非住宅：約62,665平方米，包括一個商場及一幢辦公大樓。

泰和龍庭之住宅單位銷售亦受益於中央政府有關減少樓房存貨之政策。就瀋陽零售辦公室之整體市場情況而言，供給過剩已產生重大不利影響。出售或出租泰和龍庭辦公室及零售店舖仍面臨挑戰。

於期間內，物業發展分類之稅折舊攤銷前盈利為330,000,000港元，而往年則為528,000,000港元。整體息稅折舊攤銷前盈利利潤率為37%。

The Pinnacle

The Pinnacle is located at Huanggu District in Shenyang with a site area of about 41,209 sqm and a GFA of about 165,000 sqm. The Pinnacle comprises both residential and commercial developments. Construction works had substantially completed and handover of the units to the buyers commenced in mid-September 2016. As the units are available for inspection and occupancy, it is expected that the confidence of our potential customers will increase hence improving the pace of sale in 2017.

During the Period, a revenue of HK\$286 million was recognized and contribution to net profit was about HK\$3 million.

The unsold area of The Pinnacle as at 31 December 2016 is outlined below:

- Residential: About 74,000 sqm;
- Car Park: About 972 car park units;
- Non-Residential: About 62,665 sqm, comprising a shopping mall and an office block.

The sale of residential units of The Pinnacle has also benefited from the Central Government's policies on reduction in housing inventories. As for the overall market sentiment for retail office in Shenyang, the over supply situation has created tremendous adverse impact. Disposal or leasing of the office and retail shops of The Pinnacle remains challenging.

During the Period, EBITDA for the property development segment was HK\$330 million as compared to HK\$528 million last year. The overall EBITDA margin was 37% for the Period.

泰和龍庭 The Pinnacle



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### 物業投資及管理

本集團變現部分投資物業，物業投資及管理分類之營業額於期間內為2,000,000港元，而往年則為26,000,000港元。

### 強制性無條件現金要約、變更公司名稱及財政年結日

於二零一六年六月三十日，HNA Finance I Co., Ltd. (「HNA Finance I」) 收購本公司約66%權益，而HNA Finance I提出之強制性無條件現金要約於二零一六年七月二十八日截止。於期間內，本公司成為HNA Finance I之附屬公司，完成公司名稱變更，並將其財政年結日變更為十二月三十一日。

### 股份配售

於二零一六年八月至十月期間，本公司已經發行259,500,000股股份，並籌得所得款項淨額約1,058,100,000港元。

### 前景

就地基打樁及建築業務而言，由於市場參與者增加以及可供選擇項目減少，預期短期內之競爭仍屬激烈。鑒於勞工短缺、營運成本上升及競爭加劇等市場因素，自二零一六年三月三十一日起直至截至二零一六年十二月三十一日止財政期間，利潤率在整體而言受到利潤降低之負面影響。根據於二零一六年三月三十一日(即最近之財政年度年末)後提交之標書，本集團觀察到本集團或其他方成功中標項目之利潤率相比本集團於截至二零一六年三月三十一日止最近之財政年度所錄得之平均利潤率為低，並預期此趨勢將影響本集團截至二零一七年十二月三十一日止財政年度之財務業績。

### Property Investment and Management

The Group has realized some of its investment properties and turnover of the property investment and management segment during the Period was HK\$2 million as compared to HK\$26 million last year.

### Mandatory Unconditional Cash Offer, Change of Company Name and Year End Date

On 30 June 2016, HNA Finance I Co., Ltd. ("HNA Finance I") acquired about 66% interest in the Company and the mandatory unconditional cash offer made by HNA Finance I was closed on 28 July 2016. During the Period, the Company has become a subsidiary of HNA Finance I, completed its name change, and changed its financial year end date to 31 December.

### Share Placement

During the period from August to October 2016, the Company had issued 259,500,000 Shares and raised net proceeds amounted to approximately HK\$1,058,100,000.

### PROSPECTS

In respect of the foundation piling and construction business, the competition is expected to remain keen in the near future due to the growing number of market players and reduced available projects. The profit margins as a whole have been negatively affected by reduced profit margins given market factors such as labour shortages, rising operating costs and intensification of competition since 31 March 2016 and up to the financial period ended 31 December 2016. Based on the tenders it has submitted after 31 March 2016, being its most recent financial year end, it has been observed by the Group that successful tenders for the Group or others have been achieved at levels of decreased profit margins as compared to the average profit margin achieved by the Group for the most recent financial year ended 31 March 2016 and this trend is expected to affect the Group's financial results for the financial year ending 31 December 2017.

就中國之物業發展業務而言，鑒於減少樓房存貨為中央政府定於二零一六年之五大主要工作之一，中央政府推出一系列之紓緩政策以支持物業市場，使二零一六年首季度之整體物業市場情況得以大幅改善。紓緩措施加強了買家之信心。儘管於逾20個城市重新引入緊縮措施以穩定住宅市場使中國之整體市場情況自二零一六年十月起轉弱，仍預期我們剩餘住宅物業之銷售將維持穩定，原因是我們產品在質素及價值方面具有獨特性。瀋陽物業發展項目建設大致上已於二零一六年九月完工，並已開始進行交付部分先前已售出單位。自二零一六年九月起，本集團持續交付已售出單位。由於該等單位可供視察並入住，預期可加強潛在客戶之信心，因而加快二零一七年之銷售。來自物業銷售之收益及毛利僅於交付完成後確認。根據於二零一七年二月底之單位交付(佔該發展項目所有住宅單位約31%)，瀋陽發展項目之利潤率自二零一六年九月起維持相對穩定。作為背景資料，來自瀋陽發展項目物業銷售之利潤率並不及本集團於上海及天津(均為中國一線城市)之發展項目般高。

就香港之物業發展業務而言，香港政府擬供應最多460,000個公營及私營單位作為未來十年之房屋供應目標，這預期將會在中期上支持對建築行業服務之需求。「一帶一路」沿線地區對專業及基建服務亦存在強勁需求。本集團將在香港尋求更多物業發展及相關項目管理機會，並參考現行市場狀況，按照各項目自身之優點考慮其可行性。

In respect of the property development business in the PRC, the overall property market sentiment improved significantly in the first quarter of 2016 due to a slew of relaxation policies rolled out by the Central Government to support the property market, given that a reduction in housing inventories was set as one of the five major tasks in 2016 for the Central Government. The relaxation measures boosted the confidence of buyers. Though the overall market sentiment in China has weakened since October 2016 due to the re-introduction of austerity measures in more than 20 cities to stabilize the residential market, sales of our remaining residential properties is expected to remain steady due to uniqueness of our products in terms of quality and value. Construction of the property development project in Shenyang was substantially completed in September 2016, and hand over of some units previously sold commenced. Since September 2016, the Group has continued to hand over sold units. As the availability units are available for inspection and occupancy, it is expected that the confidence of our potential customers will increase hence improving the pace of sale in 2017. Revenue and gross profits from the sale of the properties are only recognised upon delivery. Based on delivery of units which, as at the end of February 2017, represented approximately 31% of all residential units in the development, the profit margins from the Shenyang development has remained relatively stable since September 2016. By way of background, the profit margins from sale of properties of the Shenyang development are not as high as those of the Group's development projects in Shanghai and Tianjin, which are first tier cities in the PRC.

In respect of the property development business in Hong Kong, the HK Government intends to supply up to 460,000 public and private units as the housing supply target for the next 10 years, which is expected to support demand for services from the construction industry in the medium term. There is also a strong demand for professional and infrastructure services from the regions along the "One Belt One Road". The Group will explore more property development and related project management opportunities in Hong Kong and consider the viability of each project on its own merits with reference to the prevailing market conditions.

## 主席報告 CHAIRMAN'S STATEMENT

本集團將繼續進行其現有業務(即物業發展、地基打樁及地盤勘查及物業投資與管理)。其亦將繼續維持審慎之投資及融資策略並致力加強其效率,同時尋求機會以在最大程度增加股東回報。其亦將繼續為其未來發展探求合適之業務機會,包括利用與股東之協同效應以提升本集團之長期增長潛力。截至二零一六年十二月三十一日,除於一般及正常業務過程中銷售其物業發展項目及進行之其他交易以及本集團另行披露者外,本公司並未物色到任何潛在目標,且並無就任何潛在收購達成任何協議、安排、諒解或進行任何磋商,亦無有關出售或縮減本集團現有資產或業務規模之計劃、安排、諒解、意向、磋商(不論是已達成協議或正進行中)。

### 財務回顧

本集團繼續採取審慎之理財政策及維持穩健之資本結構與現金流量充沛。於二零一六年十二月三十一日,本集團持有現金約1,858,000,000港元(二零一六年三月三十一日:1,806,000,000港元),而資產總值及資產淨值(經扣除非控股股東權益後)分別約為5,527,000,000港元(二零一六年三月三十一日:5,608,000,000港元)及2,949,000,000港元(二零一六年三月三十一日:2,688,000,000港元)。於二零一六年十二月三十一日,本集團之流動資產淨值為2,830,000,000港元。於二零一六年十二月三十一日,本集團並無任何淨負債,並錄得淨現金結餘1,383,000,000港元,而於二零一六年三月三十一日,本集團錄得淨現金結餘949,000,000港元。與履約保證擔保有關之或然負債由二零一六年三月三十一日之195,000,000港元增至二零一六年十二月三十一日之344,000,000港元,而為買家按揭貸款作出之擔保為42,000,000港元。本集團賬面值約169,000,000港元之若干資產已予質押作為本集團取得若干銀行融資之保證。本集團之銀行借款主要以港元計值。貨幣風險已獲監控,並將在必要時考慮遠期合約。

The Group will continue with its existing businesses, being property development, foundation piling and site investigation, and property investment and management. It will also continue to maintain a prudent investment and financing strategy and strive to strengthen its efficiency, while seeking opportunities to maximize the return to its shareholders. It will also continue to explore suitable business opportunities for its future development, including leveraging on synergies with its shareholder(s), to enhance the long-term growth potential of the Group. As at 31 December 2016 and save for sales of its property developments and other transactions in the ordinary and usual course of business and as otherwise disclosed by the Group, the Company had not identified any potential targets and had no agreement, arrangement, understanding or negotiation on any potential acquisition, and had no plan, arrangement, understanding, intention, negotiation (either concluded or in process) on any disposal or scale down of existing assets or business of the Group.

### FINANCIAL REVIEW

The Group continues to adopt a prudent financing policy and sustain a sound capital structure with healthy cashflow. As at 31 December 2016, the Group's cash on hand was approximately HK\$1,858 million (31 March 2016: HK\$1,806 million) while total assets and net assets (after deducting non-controlling interests) were approximately HK\$5,527 million (31 March 2016: HK\$5,608 million) and HK\$2,949 million (31 March 2016: HK\$2,688 million), respectively. As at 31 December 2016, the Group's net current assets amounted to HK\$2,830 million. As at 31 December 2016, the Group did not have any net debt and recorded a net cash balance of HK\$1,383 million, while the Group recorded a net cash balance of HK\$949 million as at 31 March 2016. Contingent liabilities in relation to guarantees of performance bonds increased from HK\$195 million as at 31 March 2016 to HK\$344 million as at 31 December 2016 while guarantees for end user mortgage loans amounted to HK\$42 million. Certain of the Group's assets with a book value of approximately HK\$169 million have been pledged to secure certain banking facilities of the Group. The Group's bank borrowings were primarily denominated in Hong Kong dollars. Currency exposure has been monitored and forward contracts will be considered as required.

### 聘用及薪酬政策

於二零一六年十二月三十一日，本集團(包括其位於香港、澳門及中國之所有附屬公司)合共聘用約1,270名僱員。本集團之薪酬政策主要根據現行市場薪金水平及各公司及有關僱員之表現而釐定。本集團亦提供其他福利，包括公積金、醫療保險及培訓等。此外，僱員亦可根據本集團經批准之購股權計劃條款獲授購股權。

### 致謝

本人謹代表董事局，對全體員工在期間內竭誠服務、努力不懈及貢獻良多致以衷心感謝，並感謝全體股東對本集團之支持。

代表董事局

趙權

主席

香港

二零一七年三月二十七日

### EMPLOYMENT AND REMUNERATION POLICIES

The Group, including its subsidiaries in Hong Kong, Macau and the PRC, employed approximately 1,270 employees as at 31 December 2016. The Group's remuneration policies are primarily based on prevailing market salary levels and the performance of the respective companies and individuals concerned. Fringe benefits include provident fund, medical insurance and training. In addition, share options may also be granted in accordance to the terms of the Group's approved share option scheme.

### APPRECIATION

On behalf of the Board, I would also like to express my sincere gratitude to all our staff for their dedication, hard work and contribution during the Period and to thank all our shareholders for their support.

On behalf of the Board

ZHAO QUAN

*Chairman*

Hong Kong

27 March 2017