

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT



致香港國際建設投資管理集團有限公司股東

(於百慕達註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第61頁至205頁的香港國際建設投資管理集團有限公司(前稱「泰昇集團控股有限公司」,以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此綜合財務報表包括二零一六年十二月三十一日的綜合財務狀況表與自二零一六年四月一日至二零一六年十二月三十一日止期間的綜合損益表、綜合全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零一六年十二月三十一日的綜合財務狀況及自二零一六年四月一日至二零一六年十二月三十一日止期間的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

To the shareholders of Hong Kong International Construction Investment Management Group Co., Limited

(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Hong Kong International Construction Investment Management Group Co., Limited (formerly known as "Tysan Holdings Limited", the "Company") and its subsidiaries (the "Group") set out on pages 61 to 205, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period from 1 April 2016 to 31 December 2016, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the period from 1 April 2016 to 31 December 2016 in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的，我們不會對這些事項提供單獨的意見。就下列各事項而言，我們是在該背景下提供我們在審計中處理該事項的方式。

我們已履行本報告「核數師就審計綜合財務報表承擔的責任」部分所述的責任，包括與該等事項有關的責任。因此，我們的審計包括執行程序，以應對我們對綜合財務報表中的重大錯誤陳述風險的評估。我們的審計程序(包括為處理下列事項而採取的程序)結果，為我們對隨附綜合財務報表所發表的審計意見提供了基礎。

關鍵審計事項

來自建築工程的收益確認

於截至二零一六年十二月三十一日止期間，貴集團已確認來自地基打樁及地盤勘查工程的收益21.16億港元。該等收益乃根據各建築工程個別合約之完工百分比確認，完工百分比的估計乃根據總預算成本中所產生之實際成本作出。管理層亦基於修訂訂單之合約金額及工程價值而估計相應之合約收益。基於建築合約所承辦之工程活動性質，訂立合約之日期與合約完成日期通常處於不同之會計期間內。於合約進行時，貴集團同時審閱及修訂各建築合約編製之預算中合約收益及合約成本之估計。

在釐定總預算成本時需作出重要估算，而管理層會參考(i)分包商及供應商現時或近期之報價；(ii)來自客戶之修訂訂單；及(iii)對工料測量部所提供項目完工所需工程材料成本、勞工成本及其他成本之估計等資料。

會計政策、會計判斷及估計以及確認地基打樁及地盤勘查工程收益的披露載於財務報表附註3.4、4、5及6。

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

我們進行審核時如何處理關鍵審計事項

我們的程序包括對收入、毛利趨勢及其波動，以及建築合約的成本結構進行分析。我們抽樣查核合約收益是否符合合約所列明的金額、修訂訂單及建築師的指示，以及與客戶協定的最終賬目。我們將工料測量部編製的預算成本與選定合約的會計記錄及原始文件(例如分包商的報價單及付款證明，與客戶、建築師及分包商的通信)進行了比較。我們亦通過與其他類似工程的成本進行比較，並考慮到管理層編製的上一年度預算的歷史準確性，對預算成本進行了查核。此外，我們亦檢測向分包商發出的支票記錄、工人工資記錄及其他支持文件，例如與分包商的最終賬目、管理層編製的成本分配計劃表，以確定實際所產生的成本已適當計入並分配到不同的建設項目。

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

關鍵審計事項(續)

KEY AUDIT MATTERS (Cont'd)

Key audit matter

How our audit addressed the key audit matter

Revenue recognition contributed from construction works

During the period ended 31 December 2016, the Group has recognised revenue from the foundation piling and site investigation works of HK\$2,116 million. Such revenue was recognised according to the percentage of completion of each individual contract of construction works, which was estimated based on actual costs incurred over the total budgeted costs. The corresponding contract revenue was also estimated by management based on contract sum and work values from variation orders. Because of the nature of the activities undertaken for the construction contracts, the date at which the contracts are entered into and the date when the contracts are completed usually fall into different accounting periods. The Group reviews and revises the estimates of both contract revenue and contract costs in the budget prepared for each construction contract as the contract progresses.

When determining the total budgeted costs, significant estimation is required and management makes reference to information such as (i) current or recent offers from subcontractors and suppliers, (ii) variation orders received from customers, and (iii) estimation on project material costs, labour costs and other costs for the completion of the projects provided by the quantity survey department.

The accounting policies, accounting judgements and estimates and disclosures for the recognition of revenue from the foundation piling and site investigation work are included in notes 3.4, 4, 5 and 6 to the financial statements.

Our procedures included performing analysis of revenue, gross profit trend and their fluctuations, and the cost structure of construction contracts. We checked contract revenue, on a sample basis, to amounts stated in contracts, variation orders and instruction from architects and final accounts agreed with customers. We compared budgeted costs prepared by the quantity survey department to accounting records of selected contracts and source documents, e.g., quotations and payment certificates from subcontractors, correspondence with customers, architects and subcontractors. We also checked the budgeted costs by comparing with costs incurred by other similar projects, taking into account the historical accuracy of prior year budgets prepared by management. In addition, we also test checked payment records to subcontractors, worker payroll records and other supporting documents, e.g. final accounts with subcontractors, cost allocation schedules prepared by management to determine if actual costs incurred were properly accounted for and allocated into different construction projects.

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關鍵審計事項(續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項(續)

我們進行審核時如何處理關鍵審計事項(續)

中國內地須繳納土地增值稅(「土地增值稅」)

貴集團須繳納中國內地、香港及澳門之所得稅。基於中國內地稅務系統的複雜性，釐定土地增值稅撥備金額以及支付相關中國內地稅項的時間需要程度較高的判斷。於截至二零一六年十二月三十一日止九個月期間，貴集團的土地增值稅撥備為1.17億港元，其乃就土地增值，即出售房地產所得款項扣除與中國內地房地產發展項目相關的可扣減項目按累進稅率30%至60%徵收。貴集團尚未與各稅務機關確定其若干房地產開發項目的土地增值稅計算及付款。在釐定土地增值價值及其相關稅項時須作出重大判斷。

會計判斷及估計以及土地增值稅撥備的披露載於財務報表附註4及11。

Key audit matter (Cont'd)

我們的程序包括審查重大建築合約、付款憑證及銀行對賬單，以確定所產生的建設成本直接歸屬於物業的建築工程，並已適當撥作資本。我們將發展項目的成本分配與貴集團於往年度的類似發展項目的分配基準及現行市場做法進行了比較。我們審查了貴集團與相關稅務機關之間就計算土地升值的依據。我們亦審查了管理層參照相關稅率及法規編製的土地增值稅計算。

How our audit addressed the key audit matter (Cont'd)

Land appreciation taxes ("LAT") in Mainland China

The Group is subject to income taxes in Mainland China, Hong Kong and Macau. A higher degree of judgement is required in determining the amount of LAT provision and the timing of payment of the related taxes in Mainland China because of the complexity of the tax system in Mainland China. During the nine months period ended 31 December 2016, the Group had LAT provision of HK\$117 million levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures related to its property development projects in Mainland China. The Group has not yet finalised its LAT calculation and payments for certain of its property development projects with various tax authorities. Significant judgement is required in determining the amount of land appreciation value and its related taxes.

The accounting judgements and estimates and disclosures for the provision of LAT are included in notes 4 and 11 to the financial statements.

Our procedures included examining significant construction contracts, payment certificates and bank statements to determine if construction costs incurred were directly attributable to the construction of the properties and were properly capitalised. We compared the cost allocation of the development projects with the allocation basis of similar development projects of the Group in prior years and the prevailing market practices. We reviewed the correspondence between the Group and the relevant tax authorities regarding the basis of calculating the appreciation of land value. We also reviewed the calculation of LAT prepared by management with reference to relevant tax rates and regulations.

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關鍵審計事項(續)

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項(續)

我們進行審核時如何處理關鍵審計事項(續)

應收貿易賬款及應收保固金之減值評估

於二零一六年十二月三十一日，貴集團的應收貿易賬款及應收保固金為7.98億港元。管理層須基於每名客戶現時之信譽及過去之收回歷史，就評估應收貿易賬款及應收保固金的最終變現情況作出作出很大程度之判斷及估計。倘預期與原本的估計有所差異，該差額將影響應收貿易賬款及應收保固金的賬面價值以及應收貿易賬款及應收保固金於該估計有所變更的期間的減值撥備。

會計判斷及估計確認應收貿易賬款減值撥備的披露載於財務報表附註4及22。

我們的程序包括審閱管理層就應收貿易賬款及應收保固金可收回性作出的評估，並參考過去之收回歷史以及隨報告期末後的後續結算情況等各種信息。我們已查核該等結餘的賬齡分類是否準確，並確認逾期債務以透過查核該等客戶的背景進一步評估債項的可收回性。我們亦評估了管理層根據客戶的歷史還款模式、客戶與貴集團的談判狀況、客戶的財務表現及當前市場情況而對個人客戶的信用質量所進行的評估。

Key audit matter (Cont'd)

How our audit addressed the key audit matter (Cont'd)

Impairment assessment of trade and retention receivables

As at 31 December 2016, the Group had trade and retention receivables of HK\$798 million. Significant judgement and estimates from management is required in assessing the ultimate realisation of the trade and retention receivables, based on the current creditworthiness and the past collection history of each customer. Where the expectation is different from the original estimate, such difference will impact the carrying value of trade and retention receivables and impairment allowance for trade and retention receivables in the period in which such estimate has been changed.

The accounting judgements and estimates and disclosures for the recognition of provision for impairment of trade receivables are included in notes 4 and 22 to the financial statements.

Our procedures included reviewing management's assessment on the recoverability of trade and retention receivables with reference to various information such as historical settlement trend and settlement received from customers subsequent to the end of the reporting period. We checked the accuracy of the ageing classification of these balances, and identified overdue debts for further evaluation of their recoverability by checking to the background of these customers. We also evaluated management's assessment of credit quality of individual customers based on the historical repayment pattern from customers, negotiation status between customers and the Group, financial performance of customers and current market condition.

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年報所載的其他資訊

貴公司董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

貴公司董事在審核委員會協助下，須負責監督貴集團的財務報告過程。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們根據百慕達一九八一年公司法第90條僅向全體股東報告，不作其他用途。我們並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

核數師就審計綜合財務報表承擔的責任
(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE
CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

核數師就審計綜合財務報表承擔的責任 (續)

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是鍾育文。

安永會計師事務所
執業會計師
香港
中環
添美道1號
中信大廈22樓

二零一七年三月二十七日

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chung Yuk Man.

Ernst & Young
Certified Public Accountants
22/F, CITIC Tower
1 Tim Mei Avenue
Central
Hong Kong

27 March 2017