



Paul Y. Engineering Group Limited

保華建業集團有限公司

(Incorporated in the British Virgin Islands with limited liability)

(於英屬處女群島註冊成立之有限公司)

敢於創新 企業長青

*Embracing Innovation
for Corporate Sustainability*



Interim Report
中期報告

2021

Headquartered in Hong Kong, Paul Y. Engineering Group Limited is dedicated to providing full-fledged engineering and property services, with operations in Hong Kong, Mainland China, Macau, Singapore and Malaysia.

For over 70 years, Paul Y. Engineering has been at the heart of some of the most challenging and impactful construction projects that have shaped the iconic skylines of Hong Kong and many other cities. Our projects include commercial and residential buildings, institutional facilities, highways, airport runways, railways, tunnels, port works, water and sewage treatment facilities etc.

We serve our valuable client-base by delivering integrated solutions, from concept to completion and ongoing management, as well as components that best match clients' needs and expectations. Meanwhile, we are deeply committed to our role as a responsible corporate citizen contributing to building harmonious and sustainable communities.

保華建業集團有限公司以香港為基地，致力提供全方位的工程及物業相關服務，業務遍及香港、中國內地、澳門、新加坡及馬來西亞。

過去七十多年，保華建業參與及建設過不少具挑戰性及代表性的項目，為香港以及世界各地的城市勾劃和塑造出深刻和具標誌性的景觀，點綴各大都會。我們的工程項目包括商業及住宅樓宇、教育設施、高速公路、機場跑道、鐵路、隧道、港口、水利及排污設施等。

我們為客戶提供全面而靈活的方案，由前期的概念構思至建造過程，到落成後的持續管理，我們均完全配合客戶的需要和期望。與此同時，保華建業作為負責任的企業公民，矢志建設和諧及可持續發展的社區。

Contents 目錄

- 2 Chairman's Statement
主席報告
- 4 Chief Executive Officer's Report
行政總裁報告
- 10 Corporate Governance
企業管治
- 13 Condensed Consolidated Statement of Profit or Loss
簡明綜合損益表
- 14 Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
簡明綜合損益及其他全面收益表
- 15 Condensed Consolidated Statement of Financial Position
簡明綜合財務狀況表
- 17 Condensed Consolidated Statement of Changes in Equity
簡明綜合權益變動表
- 19 Condensed Consolidated Statement of Cash Flows
簡明綜合現金流量表
- 20 Notes to the Condensed Consolidated Financial Statements
簡明綜合財務報表附註
- 43 Corporate Information
公司資料

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

I am pleased to present the Interim Report of Paul Y. Engineering Group Limited (the "Company", together with its subsidiaries, the "Group") for the six months ended 30 September 2020.

Profit for the period attributable to owners of the Company was about HK\$67 million (2019: HK\$29 million), an increase of about 130% compared with the same period last year. Our shareholders' fund at the period end was approximately HK\$742 million or about HK\$0.61 per share. Cash, bank balances and deposits stood at about HK\$793 million. Revenue during the period increased to about HK\$5,357 million (2019: HK\$5,213 million), an increase of about 3% compared with the same period last year. The board of directors (the "Board") does not recommend an interim dividend.

During the period under review, the Group secured new contracts with a total value of about HK\$6,103 million (2019: HK\$9,115 million), a decrease of about 33% from the last corresponding period. As at 30 September 2020, the value of contracts on hand was about HK\$45,959 million, up by approximately 4% as compared with the corresponding amount as at 31 March 2020. Subsequent to the period end, the Group further secured new contracts with a total value of approximately HK\$911 million.

Looking ahead, the Group remains highly vigilant towards the short-to-medium term economic outlook. Continued challenges with COVID-19 and heightened tension between China and the United States will bring volatility to the global and domestic markets. The Group will pay close attention to the market and strengthen our core business. In addition, we will deploy resources and cutting-edge innovative technologies to enhance operational efficiency. We will also formulate appropriate strategies and policies to cope with upcoming challenges, and ensure the constant growth of our business. The Group remains confident in a buoyant long-term outlook for local construction, as the Chief Executive's 2020 Policy Address shed light on huge amount of infrastructure works, such as increasing housing and land supply, developing Tuen Mun West and enhancing transport infrastructure.

各位股東：

本人欣然提呈保華建業集團有限公司（「本公司」，連同其附屬公司，「本集團」）截至二零二零年九月三十日止六個月之中期報告。

本公司擁有人應佔期間溢利約為6,700萬港元（二零一九年：2,900萬港元），較去年同期增加約130%。於期末，股東資金約為7.42億港元或每股約0.61港元。現金、銀行結餘及存款約為7.93億港元。期內之收入增加至約53.57億港元（二零一九年：52.13億港元），較去年同期增加約3%。董事會（「董事會」）不建議派發中期股息。

回顧期內，本集團獲得之新合約總值約61.03億港元（二零一九年：91.15億港元），較去年同期減少約33%。於二零二零年九月三十日，本集團手頭合約價值約為459.59億港元，較二零二零年三月三十一日之相關價值增加約4%。期末後，本集團再取得總值約9.11億港元之新合約。

展望未來，本集團對香港的短至中期的經濟前景保持高度審慎。2019冠狀病毒病疫情的持續及中美關係不穩為全球及國內市場帶來一定程度的動蕩。集團將一直密切留意市場發展，強化核心業務，妥善運用資源及創新建築科技以提升營運效率及效益，並以適當的部署及措施應付未來挑戰，確保業務持續增長。而行政長官在2020施政報告中闡明了大量的基建工程投資，包括增加房屋及土地供應、發展屯門西、提升交通基建等，因此集團相信本地建造業長期前景仍然樂觀。

CHAIRMAN'S STATEMENT 主席報告

In closing, I would like to express my sincere gratitude to our Board, management team and committed employees for their support and dedication, which have cemented a solid foundation for our business. The Group will strive to achieve constant growth by adding value to our core business, with an aim to create long-lasting value to all stakeholders.

James Chiu, OBE, JP
Chairman

Hong Kong, 27 November 2020

最後，本人想藉此向我們的董事會、管理團隊及員工致以衷心謝意。全賴各個團隊的支持及努力不懈，集團的業務基礎得以鞏固。集團將致力發展核心業務的優勢，實現持續增長的目標，為各持分者創造長遠價值。

趙雅各, OBE, JP
主席

香港，二零二零年十一月二十七日

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

Dear Shareholders,

It is my pleasure to present the interim results of Paul Y. Engineering Group Limited (the "Company", together with its subsidiaries, the "Group") for the six months ended 30 September 2020, together with the comparative figures for the corresponding period in 2019. The consolidated statements of profit or loss, profit or loss and other comprehensive income, financial position, changes in equity and cash flows of the Group, all of which are unaudited and condensed, along with selected explanatory notes, are set out on pages 13 to 42 of this report, which have been reviewed by the Company's Audit Committee.

Review of Financial Performance and Positions

During the period under review, the construction industry in Hong Kong has been hammered by unfavourable external and internal factors, including the COVID-19 pandemic. Our supply chains in Mainland have nearly resumed normal as the epidemic had been well contained there since March. However, the resurgence of the COVID-19 pandemic in Hong Kong had still caused certain delay in the progress of our projects with additional costs incurred. Fortunately, with our strong order book on hand and the launch of the Anti-epidemic Fund by the Hong Kong Government, the Group could mitigate the impacts on our business. The Group has maintained effective risk management measures, and has proactively adopted multi-pronged policies such as constant review and optimisation of business and project management, as well as adoption of prudent tendering strategies. Leveraging our all-round business strategies, the Group has successfully secured several new contracts covering public works and private developments to keep our business on track.

For the six months ended 30 September 2020, the Group recorded a consolidated revenue of approximately HK\$5,357 million (2019: HK\$5,213 million), representing an increase of approximately 3% from that of the last period. The gross profit increased by approximately 108% to approximately HK\$244 million (2019: HK\$117 million) and the gross margin was approximately 4.5% (2019: 2.2%). Profit for the period attributable to owners of the Company was increased by approximately 130% to approximately HK\$67 million (2019: HK\$29 million). The increase in gross profit and profit for the period was mainly due to government subsidies received.

各位股東：

本人欣然提呈保華建業集團有限公司（「本公司」，連同其附屬公司，「本集團」）截至二零二零年九月三十日止六個月之中期業績以及二零一九年同期的比較數字。本集團之綜合損益表、綜合損益及其他全面收益表、綜合財務狀況表、綜合權益變動表，以及綜合現金流量表均未經審核及屬簡明性質，並附載部分說明性之附註，載於本報告第13頁至第42頁，惟已經本公司之審核委員會審閱。

財務表現及狀況回顧

回顧期內，本港建築業受到外在及內在環境的不利因素沖擊，當中包括2019冠狀病毒病疫情。由於內地的疫情自三月開始受到控制，我們的物料供應鏈得以逐步回復正常。然而，本港2019冠狀病毒病疫情反覆導致我們的工程進度有所延誤，並衍生額外成本。但我們手頭合約充足，加上政府「防疫抗疫基金」的資助，均有助減輕對本集團業務的影響。就此，本集團一直恪守有效的風險管理措施，並積極採取各種政策，包括持續檢討與優化營運和項目管理，以及採取審慎的投標策略。集團憑藉多元的業務拓展，成功取得多項工務工程及私營發展項目新合約，業務穩健發展。

截至二零二零年九月三十日止六個月，本集團錄得綜合收入約53.57億港元（二零一九年：52.13億港元），較去年同期增加約3%。毛利增加約108%至約2.44億港元（二零一九年：1.17億港元），而毛利率約為4.5%（二零一九年：2.2%）。期內，本公司擁有人應佔期間溢利增加約130%至約6,700萬港元（二零一九年：2,900萬港元），毛利和溢利的增長主要來自政府的補貼。

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

The Group has maintained a strong financial position with total assets of approximately HK\$6,323 million. Current assets were approximately HK\$6,010 million, representing approximately 1.1 times the current liabilities. The equity attributable to owners of the Company was approximately HK\$742 million. Net cash from operating activities was about HK\$149 million and net cash inflow in respect of investing and financing activities was approximately HK\$226 million, resulting in a net increase in cash and cash equivalents of about HK\$375 million for the period.

Review of Operations

Management Contracting division remained the core business and the major contributor of revenue this period. Revenue of this division amounted to approximately HK\$5,354 million (2019: HK\$5,213 million), up by about 3%. It reported an operating profit of approximately HK\$161 million (2019: operating loss of approximately HK\$11 million). As at 30 September 2020, the value of contracts on hand was approximately HK\$45,870 million, while the value of work remaining had stood at approximately HK\$27,948 million.

During the period under review, the Management Contracting division secured new construction contracts with an aggregate value of approximately HK\$6,103 million, representing a decrease of approximately 32% as compared to the amount of approximately HK\$9,026 million for the same period last year. Subsequent to the period end, the division secured further contracts of approximately HK\$911 million. Set out below are some of the new contracts secured during the period and up to the date of this report:

- Civil works for intake and cable bridge at Lamma Power Station Extension
- Design and construction of Joint-User Government Office Building, Tseung Kwan O
- Foundation work for Ventilation Building Property Development at Yau Tong
- Main contract works for the residential development at off Anderson Road (Lot No.1068 in Survey District No.3), Kwun Tong
- Main contract works for residential redevelopment at 23 Po Shan Road
- Main contract works for senior citizen residences development at 8 Lee Kung Street, Hung Hom
- Main contract works for student residence development of The Hong Kong University of Science and Technology
- Main works for Yuen Long Effluent Polishing Plant – Stage 1
- 南丫發電廠擴建部分進水口及電纜橋土木工程
- 將軍澳政府聯用辦公大樓設計及建造工程
- 油塘通風樓物業發展項目地基工程
- 觀塘安達臣道對出(測量約份第3約地段第1068號)住宅發展項目總承包合約工程
- 實珊道23號住宅發展項目總承包合約工程
- 紅磡利工街8號長者住宅發展項目總承包合約工程
- 香港科技大學學生宿舍發展項目總承包合約工程
- 元朗淨水設施 — 第一階段主體工程

本集團財務狀況穩健，資產總值約為63.23億港元，流動資產約為60.1億港元，相當於流動負債約1.1倍。本公司擁有人應佔權益約為7.42億港元。來自經營業務之現金淨額約為1.49億港元，而投資及融資活動之現金流入淨額約為2.26億港元，故期內之現金及與現金等值項目錄得約3.75億港元之淨增幅。

業務回顧

承建管理分部仍為本集團之主要業務，亦是本期間之主要收入來源。該分部收入約達53.54億港元(二零一九年：52.13億港元)，上升約3%。該分部錄得經營溢利約為1.61億港元(二零一九年：經營虧損約1,100萬港元)。於二零二零年九月三十日，其手頭合約價值約為458.7億港元，而餘下工程價值則約為279.48億港元。

回顧期內，承建管理分部獲得之新建築工程合約總值約61.03億港元，較去年同期之約90.26億港元減少約32%。期末後，該分部再取得約值9.11億港元之工程合約。以下為期內及截至本報告日期所取得之部分新合約：

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

The Property Development Management division reported a profit of approximately HK\$2 million for the period under review. The value of contracts on hand for Property Development Management division at the period end was approximately HK\$89 million.

The Property Investment division reported a loss, through its joint venture, of approximately HK\$6 million for the period under review. The joint venture holds an investment property in Hangzhou, the Pioneer Technology Building, which is an office building with gross floor area of about 20,000 square meters. The building generated rental income of about HK\$6 million (2019: HK\$5 million) during the period and its occupancy was about 93% as at 30 September 2020.

Liquidity and Capital Resources

Under its prudent funding and treasury policies, the Group maintains a variety of credit facilities to meet requirements for working capital. As at 30 September 2020, cash, bank balances and deposits stood at approximately HK\$793 million, of which approximately HK\$736 million, HK\$26 million, HK\$19 million, HK\$10 million and HK\$2 million were denominated in Hong Kong Dollars, Macau Patacas, Renminbi, Singapore Dollars and Malaysian Ringgit respectively. The Group had total bank borrowings of approximately HK\$1,374 million at the period end which are repayable within one year.

All of the Group's borrowings as at 30 September 2020 bore interest at floating rates and were denominated in Hong Kong Dollars. The Group's gearing ratio, based on total bank borrowings of approximately HK\$1,374 million and equity attributable to owners of the Company of around HK\$742 million, was about 1.9 as at 30 September 2020.

Employees

The Group had 2,011 full-time employees, excluding contracted casual labour in Macau, as at 30 September 2020. The Group offers competitive remuneration package that is based on overall market rates and employee performance, as well as the performance of the Group. Remuneration package is comprised of salary, a performance-based bonus, and other benefits including training, provident funds and medical coverage.

回顧期內，物業發展管理部門錄得溢利約200萬港元。物業發展管理分部於期末之手頭合約價值約8,900萬港元。

回顧期內，物業投資分部通過其合營企業錄得虧損約600萬港元。該合營企業於杭州持有一項投資物業「先鋒科技大廈」，該物業乃一幢建築樓面面積約20,000平方米之辦公大樓。期內，該物業帶來租金收益約600萬港元（二零一九年：500萬港元），其出租率於二零二零年九月三十日約為93%。

流動資金與資本來源

本集團根據審慎之資金及財務政策，備有多項信貸安排以提供其所需之營運資金。於二零二零年九月三十日，現金、銀行結餘及存款總額約為7.93億港元，其中約7.36億港元、2,600萬港元、1,900萬港元、1,000萬港元及200萬港元分別以港元、澳門幣、人民幣、新加坡元及馬來西亞令吉為單位。本集團於期末之總銀行借款約13.74億港元，有關借款須於一年內償還。

於二零二零年九月三十日，本集團所有借款按浮動息率計息，並以港元為單位。於二零二零年九月三十日，根據總銀行借款約13.74億港元及本公司擁有人應佔權益約7.42億港元計算，本集團之資本負債比率約1.9。

僱員

於二零二零年九月三十日，本集團共聘用2,011名全職僱員，不包括於澳門之合約臨時工人。本集團根據整體市場水平、僱員之表現，以及本集團之業務表現，提供具競爭力之酬金待遇。酬金待遇包括薪金、按表現發放之花紅，以及其他福利，包括培訓、公積金及醫療福利。

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

Pledge of Assets

As at 30 September 2020, the Group charged its benefits over certain construction contracts to secure the general facilities granted to the Group.

Contingent Liabilities

The Group had contingent liabilities in respect of indemnities of approximately HK\$29 million issued to banks for bonds on construction contracts of joint operations as at 30 September 2020.

Commitments

As at 30 September 2020, the Group had expenditure contracted for but not provided in the condensed consolidated financial statements in respect of acquisition of property, plant and equipment of approximately HK\$1 million.

Event after the Reporting Period

On 9 October 2020, South Shore Holdings Limited ("South Shore"), the ultimate holding company of the Company, received a letter dated 8 October 2020 from a registered shareholder of South Shore requesting South Shore to convene a special general meeting for the purpose of considering, and if thought fit, passing a resolution to wind up South Shore pursuant to bye-law 164(2) of the bye-laws of South Shore and the relevant provisions of the Bermuda Companies Act 1981. The relevant special general meeting will be held on 4 December 2020. For details, please refer to the circular of South Shore dated 4 November 2020. As shareholders holding some 25% of the issued share capital of South Shore have expressed opposition to the winding up of South Shore, South Shore expects that it is almost a certainty that the proposed resolution will not be passed by the requisite majority.

Securities in Issue

As at 30 September 2020, there were 1,220,558,996 shares in issue. During the period under review, there was no movement in the issued share capital.

資產抵押

於二零二零年九月三十日，本集團以其若干建築合約之利益作抵押，作為授予本集團之一般融資之擔保。

或然負債

於二零二零年九月三十日，本集團就合營業務之建築合約獲授之保證而向銀行發出之彌償保證，有約2,900萬港元之或然負債。

承擔

於二零二零年九月三十日，本集團就購置物業、機械及設備已訂約但未於簡明綜合財務報表內撥備之開支約100萬港元。

報告期間後事項

於二零二零年十月九日，本公司之最終控股公司南岸集團有限公司（「南岸」）接獲一名南岸註冊股東一封日期為二零二零年十月八日之函件，要求南岸舉行股東特別大會以考慮及酌情通過決議案，以根據南岸的公司細則第164(2)條及百慕達一九八一年公司法之相關條文將南岸清盤。有關之股東特別大會將於二零二零年十二月四日舉行。有關詳情，請參閱南岸日期為二零二零年十一月四日之通函。由於持有南岸已發行股份之大約25%之股東已經表示反對將南岸清盤，南岸預期該建議決議案不會獲得所須的大多數通過。

已發行證券

於二零二零年九月三十日，已發行股份共1,220,558,996股。回顧期內，已發行股本並無任何變動。

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

Interim Dividend

The board of directors of the Company does not recommend the payment of an interim dividend for the six months ended 30 September 2020 (2019: Nil).

Outlook

Recovery of the global and domestic economies will remain slow due to the impact of intense Sino-US trade relations and Brexit, as well as lingering effect brought by the COVID-19 pandemic. Property market in Hong Kong is also disrupted and investors has become more cautious in the still-uncertain economic environment. Accordingly, business environment in the construction industry is also encountering challenges such as keen competition in tender prices.

The Group will monitor the development of macro-economic factors closely and make swift response to potential risks with flexible strategies. We will continue to take a proactive approach on our tenders and focus on those selected tenders that will also take into account the technical competence of the tenderers. In addition, we will keep optimising all facets of our operation by streamlining operation procedures, enabling workplace digitalisation as well as centralising procurement and management decisions in order to enhance business performance. Real time data management and knowledge sharing will be implemented to enhance operational transparency and information flow, whereas prudent and viable tendering strategies will be adopted to extend the portfolio of our business.

The Group has and will continue to invest substantial resources in research, development and application of innovative technologies in our projects, such as exploring integrated platforms for The Internet of Things (IoT), Virtual Reality and Building Information Modelling (BIM) in offsite construction control and monitoring. Through the application of innovative technologies, we are determined to uplift project efficiency and financial performance.

中期股息

本公司董事會不建議派付截至二零二零年九月三十日止六個月之中期股息(二零一九年：無)。

展望

全球和本地經濟預計仍會受到各種不確定的因素影響，包括中美貿易關係緊張、英國脫歐等問題，加上2019冠狀病毒病疫情持續，經濟復蘇勢頭緩慢，香港的房地產市場也會因此受到衝擊。在這些不確定的經濟環境下，投資者將會變得更加謹慎，而建造業亦會相應地面臨各種挑戰，包括投標價格的激烈競爭。

集團將密切審視各項宏觀經濟因素的發展，並以迅速及靈活的營運策略應對潛在風險。我們將繼續採取積極主動的投標方式，並將重點投放於對投標者有工程技術需求的投標項目上。此外，為提升業務表現，集團持續於業務營運的各個範疇進行優化，當中包括精簡營運程序、工地電子化、中央採購管理等方案。我們亦推行實時資訊管理平台，以加強營運管理及資訊流程的透明度，並採取審慎及適時的投標策略，積極拓展業務範疇。

集團在嶄新建築技術的研發和應用上不遺餘力，如投放資源研究物聯網(IoT)、虛擬實境及建築信息模擬技術(BIM)的整合平台，以遙距監察及管理工程進度。通過創新科技應用，集團銳意提升項目營運成效及財務表現。

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

As one of the major main contractors in Hong Kong, the Group aspires to take our business forward with our rich construction experience and expertise, and to explore a wider range of business opportunities. We have set up our new business unit in Facility Management and confidently we shall secure new projects for this unit soon. Finally, we would like to express our sincere gratitude to our shareholders and long-term business partners for their support and trust, and unwavering effort of staff. The Group will strive to overcome the challenges brought by adversities and is dedicated to creating long-term value to stakeholders.

Lee Hang Wing, James

Executive Director & Chief Executive Officer

Hong Kong, 27 November 2020

作為香港主要的大型承建商之一，集團一直致力推動業務發展，有效運用我們豐富的建築經驗及專長，尋找更多發展商機。我們正式成立新的設施管理部門，並有信心即將在此業務範疇取得新項目。最後，我們謹此感謝各股東及合作夥伴長期的支持和信任，以及員工不懈的努力。集團將致力克服逆境帶來的挑戰，化危為機，為各持份者創造更大價值。

李恒穎

執行董事兼行政總裁

香港，二零二零年十一月二十七日

CORPORATE GOVERNANCE

企業管治

Paul Y. Engineering Group Limited (the “Company”, together with its subsidiaries, the “Group”) is committed to maintaining high standards of corporate governance because we believe that is the best way to enhance shareholder value. The Company places strong emphasis on an effective board (the “Board”) of directors (the “Directors”) of the Company, accountability, sound internal control, appropriate risk-assessment procedures, and transparency to all shareholders.

Board of Directors

The Board has a balanced composition of Executive and Non-Executive Directors to ensure independent viewpoints in all discussions. The Board currently comprises six Directors, including three Independent Non-Executive Directors, one Non-Executive Director, and two Executive Directors.

More than one-third of the Board was made up of Independent Non-Executive Directors, one of whom had appropriate professional qualifications, or accounting or related financial management expertise. There is no relationship (including financial, business, family or other material/relevant relationship) among members of the Board.

The Board is responsible for overseeing the Company’s strategic direction and the controls applied to its activities, and ensuring that Management has appropriate processes in place for risk-assessment, management, and internal control over the Company’s day-to-day affairs.

The Chairman of the Company is Ir James Chiu (an Independent Non-Executive Director and the Chairman of the Audit Committee of the Company). The Chief Executive Officer is Mr Lee Hang Wing, James. To ensure a balance of power and authority, the positions of the Chairman and Chief Executive Officer of the Company are held by different individuals, with separate duties. The division of responsibilities between the Chairman and Chief Executive Officer is clearly established and set out in writing.

The Board meets regularly and at least four times a year. In order to have an effective Board, Directors are provided with information on activities and developments in the Group’s business on a regular and timely basis to keep them apprised of the latest developments of the Group.

In addition, in order to enable the Board and each Director to discharge their duties, it is the Company’s practice to provide all Directors with monthly updates giving a balanced and understandable assessment of the Company’s performance, positions and prospects.

保華建業集團有限公司(「本公司」，連同其附屬公司，「本集團」)致力維持高水平之企業管治，因本集團相信此乃提升股東價值之最佳途徑。本公司之企業管治原則強調有效之本公司董事(「董事」)會(「董事會」)、問責性、有效之內部監控、恰當之風險評估程序及對全體股東之透明度。

董事會

董事會中執行董事及非執行董事之組合保持均衡，確保所有討論具備獨立觀點。董事會現由六位董事組成，包括三位獨立非執行董事、一位非執行董事及兩位執行董事。

董事會中超過三分之一董事為獨立非執行董事，而其中一位擁有合適專業資歷或會計或相關財務管理專長。董事會各成員之間並無諸如財務、商業、家族或其他重大／相關性質利益關係。

董事會負責監管本公司之策略方向及對業務活動之控制，並確保管理層已為本公司日常事務之風險評估、管理及內部監控採納適當程序。

本公司主席為趙雅各工程師(獨立非執行董事及本公司審核委員會主席)。行政總裁為李恒穎先生。本公司主席與行政總裁之職位由不同人士擔任，各司其職，以確保權力及權限之均衡。主席與行政總裁分工清晰並以書面列明。

董事會定期開會，並每年最少舉行四次會議。為確保董事會行事有效，董事獲定期及適時提供本集團業務之活動及發展之資料，以使董事瞭解本集團之最新發展狀況。

此外，為了讓董事會及各董事履行其職責，本公司實行每月向各董事提供最新資料，載列有關本公司表現、狀況及前景之平衡及易於理解之評估。

Board Committees

To facilitate the work of the Board, Board committees have been set up with written terms of reference which clearly define the role, authority, and functions of each committee. Each Board committee is required to report their decisions or recommendations to the Board. The role and function of each Board committee are set out below:

Audit Committee

The Audit Committee consists of three members. The Audit Committee currently comprises Ir James Chiu (Chairman), Professor Lee Chack Fan and Mr Iain Ferguson Bruce. All the members of this Committee are Independent Non-Executive Directors.

The principal duties of the Audit Committee include oversight of the Group's financial reporting system, risk management and internal control systems, review of the Group's financial information, and review of the relationship with the external auditor of the Company. This Committee also meets regularly with the Company's external auditor to discuss the audit process and accounting issues.

The Group's interim results for the six months ended 30 September 2020 has been reviewed by the Audit Committee.

Executive Committee

The Executive Committee consists of three members. The current members of the Executive Committee are Mr Lee Hang Wing, James (Chairman), Mr Chan Fut Yan and Mr Law Hon Wa, William.

The Executive Committee is mainly responsible for handling the management and operations of the day-to-day business of the Group.

Company Secretary

The Company Secretary supports the Chairman, the Board and the Board Committees by ensuring good information flow and that Board policy and procedures are followed. She is responsible for advising the Board on governance matters and facilitates the induction and professional development of Directors. The Company Secretary is also responsible to the Group's compliance with all obligations of relevant rules and regulations.

董事委員會

為使董事會工作更為順利，特成立以書面列明職權範圍之董事委員會，清晰界定各委員會角色、權限及職能。各董事委員會均須向董事會報告彼等之決議或建議。各董事委員會之角色及職能載列如下：

審核委員會

審核委員會由三位成員組成。審核委員會現時由趙雅各工程師（主席）、李焯芬教授及布魯士先生組成。本委員會全部成員均為獨立非執行董事。

審核委員會之主要職責包括監管本集團之財務申報制度、風險管理及內部監控系統、審閱本集團之財務資料，並檢討與本公司外聘核數師之關係。本委員會亦與本公司之外聘核數師定期會晤，以商討審核之流程及會計事項。

本集團截至二零二零年九月三十日止六個月之中期業績已經審核委員會審閱。

執行委員會

執行委員會由三位成員組成。執行委員會現時成員包括李恒穎先生（主席）、陳佛恩先生及羅漢華先生。

執行委員會主要負責處理本集團日常業務之管理以及營運。

公司秘書

公司秘書負責支援主席、董事會及董事委員會，確保資訊流通無阻，以及有關董事會之政策及程序得到遵守。公司秘書向董事會提供管治事宜之意見，並促進董事履新及專業發展。公司秘書亦對本集團遵守相關規則及規例之所有責任負責。

External Auditor

At the Company's Annual General Meeting held on 27 November 2020, shareholders approved the re-appointment of Messrs Deloitte Touche Tohmatsu as the Company's external auditor for the financial year ending 31 March 2021. The Audit Committee of the Company is responsible for approving the remuneration and terms of engagement of the external auditor and ensuring the continuing objectivity and independence of the external auditor.

Risk Management and Internal Control

The Board is responsible for the Company's risk management and internal control systems and for reviewing their effectiveness. In meeting its responsibility, the Board seeks to increase risk awareness across the Company's business operations and has put in place policies and procedures which provide a framework for controls and management of risks.

The Board also committed to managing risks and monitoring its business and financial activities in a manner which enables it to maximise profitable business opportunities, avoid or reduce risks which can cause loss or reputational damage, ensure compliance with applicable laws and regulations, and enhance resilience to external events.

Investor Relations and Shareholder Rights

In order to enhance shareholder and investor understanding of the Group's business, the Company has established several communication channels with shareholders and investors, including (i) printed copies of corporate documents (including but not limited to annual reports, interim reports, circulars and notices of shareholder meetings); (ii) general meetings where shareholders can offer comments and exchange views with the Board; and (iii) the Company's website: www.pyengineering.com.

外聘核數師

在本公司於二零二零年十一月二十七日舉行之股東週年大會上，股東批准續聘德勤•關黃陳方會計師行為本公司截至二零二一年三月三十一日止財政年度之外聘核數師。本公司審核委員會負責審批聘用外聘核數師之薪酬及聘用條款，並保證外聘核數師之持續客觀性及獨立性。

風險管理及內部監控

董事會有責任維持本公司之風險管理及內部監控系統及檢討其效益。為履行此責任，董事會致力於本公司業務營運中增強風險意識，並制定相關政策及程序，為風險監控及管理提供框架。

董事會亦致力管理風險及監察其業務及財務活動，務求能盡量提高可獲利商機、避免或減低可能造成損失或破壞聲譽之風險、確保遵守適用法例和法規以及提高對外來事件的回應能力。

投資者關係及股東權利

為加深股東及投資者對本集團業務之了解，本公司已建立不同渠道與股東及投資者溝通，包括(i)印製之公司刊物(包括而不限於年報、中期報告、通函及股東大會通告)；(ii)股東大會讓股東可向董事會提出意見及交流觀點；及(iii)本公司網站：www.pyengineering.com。

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

簡明綜合損益表

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

		Unaudited 未經審核		
		Six months ended 30 September 截至九月三十日止六個月		
		NOTES 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收入	3	5,357,462	5,212,886
Cost of sales	銷售成本		(5,113,793)	(5,095,848)
Gross profit	毛利		243,669	117,038
Other income	其他收益		20,190	19,500
Administrative expenses	行政費用		(139,370)	(202,871)
Finance costs	融資成本		(23,147)	(34,663)
Impairment allowance on financial assets and contract assets	金融資產及合約資產之 減值撥備		(27,420)	(24,396)
Gain on disposal of subsidiaries	出售附屬公司之盈利	19	–	153,705
Share of results of associates	攤佔聯營公司業績		(4)	(6)
Share of results of joint ventures	攤佔合營企業業績		(5,647)	749
Profit before tax	除稅前溢利		68,271	29,056
Income tax (expense) credit	所得稅(費用)抵免	4	(1,349)	65
Profit for the period	期間溢利	5	66,922	29,121

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Profit for the period	期間溢利	66,922	29,121
Other comprehensive income (expense) for the period:	期間其他全面收益 (開支):		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至 損益之項目:		
Exchange differences arising from translation of foreign operations	換算海外業務產生之 匯兌差額	1,837	(3,123)
Share of translation reserve of an associate and joint ventures	攤佔一間聯營公司及合營 企業匯兌儲備	3,388	(5,288)
		5,225	(8,411)
Total comprehensive income for the period	期間全面收益總額	72,147	20,710

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 September 2020 於二零二零年九月三十日

		NOTES 附註	Unaudited 未經審核 30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	Audited 經審核 31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機械及設備	7	127,123	143,222
Right-of-use assets	使用權資產	7	81,271	83,942
Goodwill	商譽		11,526	11,526
Other intangible assets	其他無形資產		8,035	8,035
Interests in joint ventures	合營企業權益		84,338	86,477
			312,293	333,202
CURRENT ASSETS	流動資產			
Trade and other debtors, deposits and prepayments	貿易及其他應收款項、訂金及預付款項	8	1,151,831	997,653
Contract assets	合約資產	9	3,160,639	2,683,633
Amount due from ultimate holding company	應收最終控股公司款項	18(b)(i)	35,466	34,095
Amounts due from fellow subsidiaries	應收同系附屬公司款項	18(b)(ii)	451,911	443,282
Amounts due from associates	應收聯營公司款項	18(c)(i)	18,132	17,634
Amounts due from joint ventures	應收合營企業款項	18(c)(ii)	16,682	6,830
Amounts due from joint operations/ other partners of joint operations	應收合營業務／合營業務其他夥伴款項	18(d)(i)	63,256	78,027
Amount due from a related company	應收一間關連公司款項	18(e)(i)	94	94
Loan to ultimate holding company	向最終控股公司貸款	18(b)(iii)	32,500	32,500
Loan to a fellow subsidiary	向一間同系附屬公司貸款	18(b)(iv)	245,841	245,841
Other loans receivable	其他應收貸款	10	36,427	48,084
Taxation recoverable	可收回稅項		4,135	4,755
Short term bank deposits	短期銀行存款		282,430	108,170
Bank balances and cash	銀行結餘及現金		510,945	309,024
			6,010,289	5,009,622

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 September 2020 於二零二零年九月三十日

		NOTES 附註	Unaudited 未經審核 30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	Audited 經審核 31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
CURRENT LIABILITIES	流動負債			
Trade and other creditors and accrued expenses	貿易及其他應付款項及應計開支	11	3,471,172	2,811,218
Contract liabilities	合約負債	9	494,183	495,372
Amount due to a joint venture	應付一間合營企業款項	18(c)(iii)	60	60
Amounts due to joint operations/ other partners of joint operations	應付合營業務／合營業務 其他夥伴款項	18(d)(ii)	65,822	77,588
Amount due to a related company	應付一間關連公司款項	18(e)(ii)	9,759	7,302
Loan from a related company	一間關連公司借款	18(e)(iii)	70,000	70,000
Lease liabilities	租賃負債		23,304	25,139
Taxation payable	應付稅項		1,786	1,440
Bank borrowings	銀行借款	12	1,374,200	1,115,300
			5,510,286	4,603,419
NET CURRENT ASSETS	流動資產淨值		500,003	406,203
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		812,296	739,405
NON-CURRENT LIABILITIES	非流動負債			
Obligations in excess of interests in associates	超出聯營公司權益之 責任		9,126	9,002
Lease liabilities	租賃負債		61,502	60,882
			70,628	69,884
			741,668	669,521
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	13	122,056	122,056
Reserves	儲備		619,612	547,465
TOTAL EQUITY	總權益		741,668	669,521

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔						
		Share capital	Contributed surplus	Capital redemption reserve	Special reserve	Translation reserve	Retained profits	Total
		股本	實繳盈餘	贖回儲備	特別儲備	匯兌儲備	保留溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(Note (a)) (附註(a))		(Note (b)) (附註(b))			
At 1 April 2020 (audited)	於二零二零年四月一日 (經審核)	122,056	406,727	1,812	26,489	2,555	109,882	669,521
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	1,837	-	1,837
Share of translation reserve of an associate and joint ventures	攤佔一間聯營公司及合營企業匯兌儲備	-	-	-	-	3,388	-	3,388
Profit for the period	期間溢利	-	-	-	-	-	66,922	66,922
Total comprehensive income for the period	期間全面收益總額	-	-	-	-	5,225	66,922	72,147
At 30 September 2020 (unaudited)	於二零二零年九月三十日 (未經審核)	122,056	406,727	1,812	26,489	7,780	176,804	741,668
At 1 April 2019 (audited)	於二零一九年四月一日 (經審核)	122,056	406,727	1,812	26,489	13,497	220,805	791,386
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	(3,123)	-	(3,123)
Share of translation reserve of an associate and joint ventures	攤佔一間聯營公司及合營企業匯兌儲備	-	-	-	-	(5,288)	-	(5,288)
Profit for the period	期間溢利	-	-	-	-	-	29,121	29,121
Total comprehensive (expense) income for the period	期間全面(開支)收益總額	-	-	-	-	(8,411)	29,121	20,710
At 30 September 2019 (unaudited)	於二零一九年九月三十日 (未經審核)	122,056	406,727	1,812	26,489	5,086	249,926	812,096

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

Notes:

- (a) The contributed surplus represents the differences of the carrying amount of the investments in subsidiaries acquired on 29 June 2011 and 30 June 2011 from South Shore Holdings Limited ("South Shore"), the ultimate holding company of the Company, and the carrying amount of the amount due from a subsidiary assigned by South Shore on 30 June 2011, in excess of the nominal value of the Company's shares issued in exchange for.
- (b) The special reserve of the Company and its subsidiaries (collectively referred to as the "Group") includes (i) a credit amount of HK\$1,000,000 (31.3.2020: HK\$1,000,000) representing the difference between the cost of acquisition of two subsidiaries and the nominal amount of their share capital at the date on which they were acquired by Paul Y. Management Contracting Group Limited, a subsidiary of the Company; (ii) a credit amount of HK\$6,358,000 (31.3.2020: HK\$6,358,000) representing the equity-settled share-based payment expenses recognised in previous years; and (iii) credit amounts of HK\$9,301,000 (31.3.2020: HK\$9,301,000) and HK\$9,830,000 (31.3.2020: HK\$9,830,000) representing the equity-settled share-based payment expenses recognised in relation to the share options granted under the share option scheme of South Shore and the shares awarded under the share award scheme of South Shore, respectively.

附註：

- (a) 實繳盈餘指於二零一一年六月二十九日及二零一一年六月三十日向本公司之最終控股公司南岸集團有限公司(「南岸」)收購於附屬公司之投資之賬面值及南岸於二零一一年六月三十日所轉讓應收一間附屬公司款項之賬面值，超出本公司所發行用於交換之股份面值之該等差額。
- (b) 本公司及其附屬公司(合稱「本集團」)之特別儲備包括(i)一筆為數1,000,000港元(二零二零年三月三十一日：1,000,000港元)之進賬，即收購兩間附屬公司之成本與有關附屬公司被本公司之附屬公司保華建設工程集團有限公司收購當日之股本面值之間的差額；(ii)一筆為數6,358,000港元(二零二零年三月三十一日：6,358,000港元)之進賬，即於過往年度確認以股權結算以股份為基礎之付款開支；及(iii)為數分別9,301,000港元(二零二零年三月三十一日：9,301,000港元)及9,830,000港元(二零二零年三月三十一日：9,830,000港元)之進賬，即分別就根據南岸購股權計劃授出之購股權及根據南岸股份獎勵計劃獎勵之股份確認以股權結算以股份為基礎之付款開支。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

		Unaudited 未經審核 Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	NOTE 附註		
Net cash from (used in) operating activities	來自(用於)經營業務之現金淨額	148,544	(111,597)
Net cash from (used in) investing activities	來自(用於)投資業務之現金淨額		
Repayment from joint operations/other partners of joint operations	合營業務/合營業務 其他夥伴還款	10,543	–
Repayment from a joint venture	一間合營企業還款	1,107	563
Proceeds from disposal of property, plant and equipment	出售物業、機械及設備 所得款項	283	35
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	–	10,273
Release of pledged bank deposits	調撥已抵押銀行存款	–	14,835
Placement of pledged bank deposits	存入已抵押銀行存款	–	(9,185)
Advances to joint operations/other partners of joint operations	向合營業務/合營業務 其他夥伴墊款	(351)	(42,750)
Additions to property, plant and equipment	添置物業、機械及設備	(5,696)	(11,758)
Other investing cash flows	其他投資現金流	2,481	1,511
		8,367	(36,476)
Net cash from financing activities	來自融資活動之現金淨額		
New bank and other borrowings raised	新造銀行及其他借款	899,900	1,291,875
Advances from joint operations/other partners of joint operations	合營業務/合營業務 其他夥伴墊款	351	42,450
Repayment to joint operations/other partners of joint operations	償還合營業務/合營業務 其他夥伴	(10,543)	–
Repayment of lease liabilities	償還租賃負債	(12,787)	(11,337)
Repayment of bank borrowings	償還銀行借款	(641,000)	(1,038,000)
Other financing cash flows	其他融資現金流	(17,867)	(32,845)
		218,054	252,143
Net increase in cash and cash equivalents	現金及與現金等值項目增加淨額	374,965	104,070
Effect of foreign exchange rate changes	外幣匯率變動之影響	1,216	(2,437)
Cash and cash equivalents brought forward	現金及與現金等值項目承前	417,194	317,837
Cash and cash equivalents carried forward	現金及與現金等值項目結轉	793,375	419,470
Analysis of the balances of cash and cash equivalents	現金及與現金等值項目 結餘分析		
Short term bank deposits	短期銀行存款	282,430	55,377
Bank balances and cash	銀行結餘及現金	510,945	364,093
		793,375	419,470

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

1. 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 Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

2. Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis.

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2020 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2020.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the Amendments to References to the Conceptual Framework in HKFRS Standards and the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the Group’s financial period beginning on 1 April 2020 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

Except as described below, the application of the Amendments to References to the Conceptual Framework in HKFRS Standards and amendments to HKFRSs in the current period have had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

1. 編製基準

簡明綜合財務報表乃根據香港會計師公會（「香港會計師公會」）所頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」而編製。

2. 主要會計政策

簡明綜合財務報表乃根據歷史成本法編製。

除因應用經修訂香港財務報告準則（「香港財務報告準則」）及應用與本集團相關之若干會計政策而導致額外會計政策外，編製截至二零二零年九月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方法與編製本集團截至二零二零年三月三十一日止年度之年度財務報表所呈列者一致。

應用經修訂香港財務報告準則

於本中期期間，本集團已首次應用由香港會計師公會頒佈之香港財務報告準則概念框架提述之修訂及下列經修訂香港財務報告準則，其於編製本集團於二零二零年四月一日開始之財務期間之簡明綜合財務報表時強制生效：

香港會計準則第1號及香港會計準則第8號（修訂）	重大之定義
香港財務報告準則第3號（修訂）	業務之定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號（修訂）	利率基準改革

除下文所述外，於本期間應用香港財務報告準則概念框架提述之修訂及經修訂香港財務報告準則對本集團於本期間及過往期間之財務狀況及表現及／或簡明綜合財務報表所載之披露並無重大影響。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

2. Principal Accounting Policies (Continued)

Application of amendments to HKFRSs (Continued)

Impacts of application of Amendments to HKAS 1 and HKAS 8 “Definition of Material”

The amendments provide a new definition of material that states “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity”. The amendments also clarify that materiality depends on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements taken as a whole.

The application of the amendments in the current interim period had no impact on the condensed consolidated financial statements. Changes in presentation and disclosures on the application of the amendments, if any, will be reflected on the consolidated financial statements for the year ending 31 March 2021.

Accounting policies newly applied by the Group

In addition, the Group has applied the following accounting policies which became relevant to the Group in the current interim period.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Grants relating to compensation of expenses are deducted from the related expenses.

2. 主要會計政策 (續)

應用經修訂香港財務報告準則 (續)

應用香港會計準則第1號及香港會計準則第8號 (修訂)「重大之定義」的影響

該修訂就重大一詞提供新定義，列明「倘遺漏、錯述或遮蓋有關資料可合理地預期會影響通用目的財務報表之主要使用者基於提供特定報告實體的財務資料的財務報表作出之決定，則有關資料屬重大」。該修訂亦釐清重大性取決於資料（於整份財務報表中不論單獨或與其他資料一併考慮）之性質或牽涉範圍。

於本中期間應用該修訂並無對簡明綜合財務報表構成影響。應用該修訂而帶來呈列及披露之變動（如有）將於截至二零二一年三月三十一日止年度的綜合財務報表內反映。

本集團新應用的會計政策

此外，本集團已應用下列於本中期間與本集團相關之會計政策。

政府補助

除非能合理保證本集團將遵守政府補助之附帶條件以及將獲發有關補助，否則不會確認政府補助。

政府補助於本集團將有關補助擬用作補償之相關成本確認為開支之期間內按系統性基準於損益確認。

用作補償已產生之開支或虧損，或目的是給予本集團即時財務支援且並無未來相關成本而應收之政府補助，於其成為應收期間在損益確認。與補償開支有關之補助會從相關開支中扣減。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

3. Revenue and Segment Information

Revenue of the Group represents the contract revenue from management contracting services and gross proceeds received and receivable from property development management services in connection with contract works performed.

The Group is organised into the following three reportable and operating segments:

Management contracting	– building construction and civil engineering
Property development management	– development management, project management and facilities and asset management services
Property investment	– investment in properties through investment in a joint venture

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

For the six months ended 30 September 2020

		Management contracting	Property development management	Property investment	Segment total	Eliminations	Consolidated
		承建管理	發展管理	物業投資	分部總計	對銷	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
SEGMENT REVENUE	分部收入						
External sales	對外銷售	5,354,182	3,280	–	5,357,462	–	5,357,462
Inter-segment sales	分部間銷售	–	1,331	–	1,331	(1,331)	–
Segment revenue	分部收入	5,354,182	4,611	–	5,358,793	(1,331)	5,357,462
Timing of revenue recognition	收入確認時間						
Over time	隨時間	5,354,182	4,611	–	5,358,793	(1,331)	5,357,462
Segment profit (loss)	分部溢利(虧損)	160,670	1,766	(5,779)	156,657	–	156,657
Corporate income	企業收益						20,190
Central administrative costs	中央行政成本						(66,346)
Impairment allowance on financial assets	金融資產之減值撥備						(19,083)
Finance costs	融資成本						(23,147)
Profit before tax	除稅前溢利						68,271

3. 收入及分部資料

本集團之收入指承建管理服務之合約收入及就所履行合約工程提供物業發展管理服務而收取及應收之款項總額。

本集團分為下列三個可報告及經營分部：

承建管理	– 樓宇建造及土木工程
物業發展管理	– 發展管理、項目管理以及設施及資產管理服務
物業投資	– 投資於物業(通過投資於一間合營企業)

以下為本集團來自客戶合約之收入及業績按可報告及經營分部之分析：

截至二零二零年九月三十日止六個月

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

3. Revenue and Segment Information (Continued)

The following is an analysis of the Group's revenue from contracts with customers and results by reportable and operating segments: (Continued)

For the six months ended 30 September 2019

		Management contracting 承建管理 HK\$' 000 千港元	Property development management 物業發展管理 HK\$' 000 千港元	Property investment 物業投資 HK\$' 000 千港元	Segment total 分部總計 HK\$' 000 千港元	Eliminations 對銷 HK\$' 000 千港元	Consolidated 綜合 HK\$' 000 千港元
SEGMENT REVENUE	分部收入						
External sales	對外銷售	5,212,886	-	-	5,212,886	-	5,212,886
Inter-segment sales	分部間銷售	-	1,241	-	1,241	(1,241)	-
Segment revenue	分部收入	5,212,886	1,241	-	5,214,127	(1,241)	5,212,886
Timing of revenue recognition	收入確認時間						
Over time	隨時間	5,212,886	1,241	-	5,214,127	(1,241)	5,212,886
Segment (loss) profit	分部(虧損)溢利	(11,382)	(611)	666	(11,327)	-	(11,327)
Corporate income	企業收益						19,500
Central administrative costs	中央行政成本						(83,417)
Impairment allowance on financial assets	金融資產之減值撥備						(14,742)
Finance costs	融資成本						(34,663)
Gain on disposal of subsidiaries	出售附屬公司之盈利						153,705
Profit before tax	除稅前溢利						29,056

Inter-segment sales are charged at prevailing market rates or at terms determined and agreed by both parties, where no market price was available.

Segment profit (loss) represents profit earned or loss incurred by each reportable and operating segment without allocation of corporate income, central administrative costs, certain impairment allowance on financial assets, finance costs and gain on disposal of subsidiaries. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

3. 收入及分部資料(續)

以下為本集團來自客戶合約之收入及業績按可報告及經營分部之分析：(續)

截至二零一九年九月三十日止六個月

分部間銷售乃按現行市價收取或(倘並無可供參考之市價)按雙方釐定及同意之條款收取。

分部溢利(虧損)為各可報告及經營分部之溢利或虧損,並無分攤企業收益、中央行政成本、若干金融資產之減值撥備、融資成本及出售附屬公司之盈利。此乃向主要營運決策者呈報用作資源分配及表現評估之計量方法。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

4. Income Tax Expense (Credit)

4. 所得稅費用(抵免)

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Hong Kong	香港		
Current tax	本期稅項	2,458	-
Macau and other jurisdictions	澳門及其他司法權區		
Current tax	本期稅項	91	1,083
Overprovision in prior years	過往年度超額撥備	(1,200)	(1,148)
		(1,109)	(65)
		1,349	(65)

The directors of the Company consider the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the condensed consolidated financial statements. The estimated weighted average annual tax rate used for calculation of Hong Kong Profits Tax is 16.5% for both periods.

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements for the six months ended 30 September 2019 as the assessable profits were wholly absorbed by tax losses brought forward.

Taxation arising in Macau and other jurisdictions is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

本公司董事認為實施兩級制利得稅率後所涉及之金額對簡明綜合財務報表而言並不重大。計算此兩期間香港利得稅使用之估計加權平均年度稅率均為16.5%。

由於應課稅溢利被承前稅務虧損悉數抵銷，故並無於截至二零一九年九月三十日止六個月簡明綜合財務報表作出香港利得稅撥備。

在澳門及其他司法權區產生之稅項乃根據管理層對整個財政年度之預期加權平均全年所得稅率作出之最佳估計而確認。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

5. Profit for the Period

5. 期間溢利

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Profit for the period has been arrived at after charging (crediting):	期間溢利已扣除 (計入) :		
Depreciation of property, plant and equipment	物業、機械及設備之折舊	20,057	20,739
Depreciation of right-of-use assets	使用權資產之折舊	12,880	12,423
Loss on disposal of property, plant and equipment	出售物業、機械及設備之虧損	1,541	248
Staff costs (net of government grants of HK\$18,066,000 (1.4.2019 to 30.9.2019: Nil)) included in administrative expenses	計入行政費用內之員工成本 (扣除政府補助18,066,000港元 (二零一九年四月一日至二零一九年九月三十日: 無))	85,447	143,772
Interest income	利息收益	(20,190)	(19,500)

In addition, government grants of HK\$47,674,000 (1.4.2019 to 30.9.2019: Nil) are included in cost of sales.

此外，計入銷售成本內之政府補助為47,674,000港元 (二零一九年四月一日至二零一九年九月三十日: 無)。

6. Dividends

No dividend was paid or proposed during the six months ended 30 September 2020 and 2019, nor has any dividend been proposed since the end of the reporting periods.

6. 股息

截至二零二零年及二零一九年九月三十日止六個月概無派發或擬派股息，自報告期末後亦無擬派任何股息。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

7. Property, Plant and Equipment and Right-of-Use Assets

During the period, the Group spent HK\$5,696,000 (1.4.2019 to 30.9.2019: HK\$11,758,000) on property, plant and equipment to expand and upgrade its operating capacity. In addition, the Group has disposed of property, plant and equipment with carrying value of HK\$1,824,000 (1.4.2019 to 30.9.2019: HK\$283,000).

During the period, the Group entered into new lease agreements with lease term of up to two years. The Group is required to make periodic payments. On lease commencement, the Group recognised right-of-use assets of HK\$3,312,000 (1.4.2019 to 30.9.2019: HK\$7,486,000) and lease liabilities of HK\$3,299,000 (1.4.2019 to 30.9.2019: HK\$7,419,000).

In addition, the Group signed an offer letter in relation to a lease modification during the period. The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use assets, and recognised right-of-use assets and lease liabilities of HK\$8,542,000 and HK\$8,374,000 respectively in respect of the lease modification during the period.

7. 物業、機械及設備及使用權資產

期內，本集團動用5,696,000港元（二零一九年四月一日至二零一九年九月三十日：11,758,000港元）於購置物業、機械及設備以擴張及提升其經營能力。此外，本集團出售賬面值為1,824,000港元（二零一九年四月一日至二零一九年九月三十日：283,000港元）之物業、機械及設備。

期內，本集團訂立租賃期最長兩年的新租賃協議。本集團須定期付款。於租賃開始後，本集團分別確認使用權資產3,312,000港元（二零一九年四月一日至二零一九年九月三十日：7,486,000港元）及租賃負債3,299,000港元（二零一九年四月一日至二零一九年九月三十日：7,419,000港元）。

此外，本集團期內就一項租賃修訂簽訂一份要約函。本集團透過對租賃負債的重新計量，對相關使用權資產進行相應調整，期內就租賃修訂分別確認使用權資產8,542,000港元及租賃負債8,374,000港元。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

8. Trade and Other Debtors, Deposits and Prepayments

8. 貿易及其他應收款項、訂金及預付款項

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade debtors	貿易應收款項	661,215	485,412
Less: Impairment allowance	減：減值撥備	(12,069)	(11,860)
		649,146	473,552
Advance payments to sub-contractors	向分判商支付之預付款項	162,963	218,282
Construction and material purchase costs paid on behalf of sub-contractors	代分判商支付之建造及材料採購成本	204,340	193,329
Other debtors, deposits and prepayments	其他應收款項、訂金及預付款項	141,389	115,231
		508,692	526,842
Less: Impairment allowance	減：減值撥備	(6,007)	(2,741)
		502,685	524,101
		1,151,831	997,653

Trade debtors mainly arise from management contracting business. The Group's credit terms for its management contracting business are negotiated at terms determined and agreed with its trade customers. The credit periods are ranging from 60 to 90 days.

貿易應收款項主要來自承建管理業務。本集團承建管理業務之信貸期乃與貿易客戶磋商及訂立。信貸期由60日至90日不等。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

8. Trade and Other Debtors, Deposits and Prepayments (Continued)

The aged analysis of trade debtors, net of impairment allowance, presented based on the invoice date at the end of the reporting period is as follows:

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Within 90 days	90日內	593,516	424,518
More than 90 days and within 180 days	超過90日但於180日內	–	1,224
More than 180 days	超過180日	55,630	47,810
		649,146	473,552

As part of the internal credit risk management, the Group applies simplified approach to recognise lifetime expected credit losses (“ECL”) for its trade debtors. The ECL on trade debtors are assessed individually and/or collectively using a provision matrix with appropriate groupings based on the historical credit loss experience adjusted by forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by the management of the Group to ensure relevant information about specific debtors is updated.

8. 貿易及其他應收款項、訂金及預付款項(續)

於報告期末，以發票日期為基準呈報之經扣減減值撥備後之貿易應收款項之賬齡分析如下：

作為內部信貸風險管理之一部分，本集團應用簡化方法就貿易應收款項確認全期預期信貸虧損（「預期信貸虧損」）。貿易應收款項之預期信貸虧損乃使用個別評估及／或根據過往信貸虧損經驗並以毋須付出不必要成本或努力即可獲得之前瞻性資料作調整，使用適當組別分類之撥備矩陣進行集體評估。有關分類由本集團管理層定期檢討，確保獲得有關特定債務人之最新相關資料。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

9. Contract Assets and Liabilities

9. 合約資產及負債

		Notes 附註	30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Retention held by customers	客戶持有之保固金	(a)	1,166,820	1,041,780
Unbilled revenue of construction contracts	建築合約未發票據之收入	(b)	2,307,997	2,029,539
Advances from customers of construction contracts	預收建築合約客戶款項	(c)	(796,130)	(877,684)
			2,678,687	2,193,635
Less: Impairment allowance	減：減值撥備		(12,231)	(5,374)
			2,666,456	2,188,261
Analysed as:	分析為：	(d)		
Contract assets	合約資產		3,160,639	2,683,633
Contract liabilities	合約負債		(494,183)	(495,372)
			2,666,456	2,188,261
Retention held by customers expected to be settled:	客戶持有預期將於下列期間結清之保固金：			
– within 12 months from the end of the reporting period	– 報告期末起計12個月內		559,644	475,949
– after 12 months from the end of the reporting period	– 報告期末起計12個月後		607,176	565,831
			1,166,820	1,041,780

Notes:

- (a) Retention held by customers represents the Group's right to consideration for works performed and the rights are conditional upon the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The retention held by customers are transferred to trade debtors when the rights become unconditional, which is typically at the expiration of the defect liability period.

附註：

- (a) 客戶持有之保固金指本集團就所完成工程獲得收取代價的權利，而該等權利須待客戶於合約訂明之一段期間內對服務質素表示滿意後方可作實。當該等權利成為無條件（一般於保修期屆滿時）時，客戶持有之保固金轉移至貿易應收款項。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

9. Contract Assets and Liabilities (Continued)

Notes: (Continued)

- (b) Unbilled revenue represents the Group's right to consideration for works completed and not yet certified because the rights are conditional upon the satisfaction by the customers on the construction works completed by the Group and the works is pending for the certification by the customers. The unbilled revenue is transferred to trade debtors when the rights become unconditional, which is typically at the time the Group obtains the certification of the completed construction works from the customers.
- (c) Advances from customers include the non-refundable payment received from customers, for which the Group has obligation to transfer goods or services to customers.
- (d) A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

The Group classifies these contract assets as current because the Group expects to realise them in its normal operating cycle.

Contract liabilities of the Group, which are expected to be settled within the Group's normal operating cycle, are classified as current.

9. 合約資產及負債(續)

附註：(續)

- (b) 未發票據之收入指本集團就已完成但尚未核實的工程收取代價的權利，因為該等權利須待客戶滿意本集團所完成建築工程後方可作實，而有關工程仍有待客戶核實。當該等權利成為無條件（一般為本集團獲得客戶核實已完成建築工程時），未發票據之收入轉移至貿易應收款項。
- (c) 來自客戶之預收款項包括從客戶收到不可退還的付款，本集團就此有向客戶轉移貨品或服務的責任。
- (d) 與同一合約相關的合約資產及合約負債按淨額基準入賬及呈列。

本集團將該等合約資產分類為流動資產，乃因本集團預期於其正常營運週期內將其變現。

本集團將合約負債分類為流動負債，乃因本集團預期於其正常營運週期內償還有關負債。

10. Other Loans Receivable

Other loans receivable	其他應收貸款
Less: Impairment allowance	減：減值撥備

The other loans receivable are unsecured, interest bearing at a floating rate at the best lending rate in Hong Kong plus 6% per annum and are expected to be repaid within one year.

10. 其他應收貸款

	30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Other loans receivable	63,855	63,855
Less: Impairment allowance	(27,428)	(15,771)
	36,427	48,084

其他應收貸款為無抵押、按香港最優惠利率加年息6%之浮動利率計息及預期將於一年內償還。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

11. Trade and Other Creditors and Accrued Expenses

11. 貿易及其他應付款項及應計開支

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade creditors	貿易應付款項	739,680	531,759
Retention held by the Group expected to be settled:	本集團持有預期將於下列期間結清之保固金：		
– within 12 months from the end of the reporting period	– 報告期末起計12個月內	866,461	655,599
– after 12 months from the end of the reporting period	– 報告期末起計12個月後	457,625	412,627
Other creditors and accrued expenses	其他應付款項及應計開支	1,407,406	1,211,233
		3,471,172	2,811,218

The average credit period on trade creditors is 90 days. The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

貿易應付款項之平均信貸期為90日。本集團設有金融風險管理政策，確保所有應付款項均在信貸時限內。

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

於報告期末，以發票日期為基準呈報之貿易應付款項之賬齡分析如下：

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Within 90 days	90日內	716,519	508,687
More than 90 days and within 180 days	超過90日但於180日內	2,402	3,684
More than 180 days	超過180日	20,759	19,388
		739,680	531,759

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

12. Bank Borrowings

During the period, the Group repaid bank borrowings of HK\$641,000,000 (1.4.2019 to 30.9.2019: HK\$1,038,000,000) and raised bank borrowings of HK\$899,900,000 (1.4.2019 to 30.9.2019: bank and other borrowings of HK\$1,291,875,000) for the Group's operation.

12. 銀行借款

期內，本集團償還641,000,000港元（二零一九年四月一日至二零一九年九月三十日：1,038,000,000港元）之銀行借款，並新造銀行借款899,900,000港元（二零一九年四月一日至二零一九年九月三十日：銀行及其他借款1,291,875,000港元）作為本集團之營運所需。

13. Share Capital

13. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股		
Authorised: Unlimited number of ordinary shares	法定： 無限數目之普通股	N/A不適用	N/A不適用
Issued and fully paid: At 1 April 2019, 31 March 2020 and 30 September 2020	已發行及繳足： 於二零一九年四月一日、 二零二零年三月三十一日及 二零二零年九月三十日	1,220,558,996	122,056

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

14. Share-Based Payment Transactions

(a) Share option scheme of South Shore

On 11 August 2015 (the "Adoption Date"), South Shore adopted a share option scheme (the "Scheme") for the purpose of providing incentive or reward to any employees, executives or officers, directors of South Shore and its subsidiaries ("South Shore Group") or any invested entity and any consultant, adviser or agent of South Shore Group or any invested entity, who have contributed or will contribute to the growth and development of South Shore Group or any invested entity. The Scheme will remain in force for a period of ten years from the Adoption Date.

No share options were granted to directors of the Company under the Scheme during the six months ended 30 September 2020 and 2019. No share options granted to directors of the Company under the Scheme were exercised or cancelled during the six months ended 30 September 2020 and 2019. All share options granted to directors of the Company under the Scheme lapsed during the six months ended 30 September 2019.

(b) Share award scheme of South Shore

On 6 September 2006, share award scheme was adopted by South Shore. The share award scheme allows South Shore to make bonus payments to eligible persons (including employees, directors, consultants, advisers and agents of South Shore Group) by way of South Shore's shares acquired by and held through an independent trustee until fulfilment of specified conditions before vesting.

None of the eligible persons of the Group were awarded any of South Shore's shares under the share award scheme during the six months ended 30 September 2020 and 2019.

14. 以股份為基礎之付款交易

(a) 南岸之購股權計劃

於二零一五年八月十一日（「採納日期」），南岸採納一項購股權計劃（「計劃」），以向對或將會對南岸及其附屬公司（「南岸集團」）或任何投資機構作出貢獻之南岸集團或任何投資機構之任何僱員、行政人員或高級職員、董事及南岸集團或任何投資機構之顧問、諮詢人或代理提供獎勵或報酬。計劃將自採納日期起維持有效十年。

截至二零二零年及二零一九年九月三十日止六個月概無本公司董事根據計劃獲授予購股權。截至二零二零年及二零一九年九月三十日止六個月概無本公司董事根據計劃獲授予之購股權獲行使或被註銷。截至二零一九年九月三十日止六個月，本公司董事根據計劃獲授予之購股權均已失效。

(b) 南岸之股份獎勵計劃

於二零零六年九月六日，南岸採納股份獎勵計劃。股份獎勵計劃容許南岸向合資格人士（包括南岸集團之僱員、董事、顧問、諮詢人及代理）以南岸股份的形式派發花紅，此等股份將由一名獨立受託人購入及持有直至指定的歸屬條件達成為止。

截至二零二零年及二零一九年九月三十日止六個月概無本集團合資格人士根據股份獎勵計劃獲授予任何南岸股份。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

15. Capital Commitments

15. 資本承擔

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	已訂約但未於簡明綜合財務報表內撥備有關購置物業、機械及設備之資本開支	1,357	1,828

16. Contingent Liabilities

16. 或然負債

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Indemnities issued to banks for bonds on construction contracts of joint operations	就合營業務之建築合約獲授之保證而向銀行發出之彌償保證	28,526	28,526

17. Event after the Reporting Period

17. 報告期間後事項

On 9 October 2020, South Shore received a letter dated 8 October 2020 from a registered shareholder of South Shore requesting South Shore to convene a special general meeting for the purpose of considering, and if thought fit, passing a resolution to wind up South Shore pursuant to bye-law 164(2) of the bye-laws of South Shore and the relevant provisions of the Bermuda Companies Act 1981. The relevant special general meeting will be held on 4 December 2020. For details, please refer to the circular of South Shore dated 4 November 2020. As shareholders holding some 25% of the issued share capital of South Shore have expressed opposition to the winding up of South Shore, South Shore expects that it is almost a certainty that the proposed resolution will not be passed by the requisite majority.

於二零二零年十月九日，南岸接獲一名南岸註冊股東一封日期為二零二零年十月八日之函件，要求南岸舉行股東特別大會以考慮及酌情通過決議案，以根據南岸的公司細則第164(2)條及百慕達一九八一年公司法之相關條文將南岸清盤。有關之股東特別大會將於二零二零年十二月四日舉行。有關詳情，請參閱南岸日期為二零二零年十一月四日之通函。由於持有南岸已發行股份之大約25%之股東已經表示反對將南岸清盤，南岸預期該建議決議案不會獲得所須的大多數通過。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

18. Related Party Disclosures

(a) Related party transactions

During the period, the Group entered into the following significant transactions with its related parties:

18. 關連人士之披露

(a) 關連人士交易

期內，本集團與其關連人士訂立以下重大交易：

Class of related party 關連人士類別	Nature of transaction 交易性質	Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Ultimate holding company 最終控股公司	Interest income 利息收益	2,933	2,974
Fellow subsidiaries 同系附屬公司	Revenue from construction contracts 建築合約收入	273,933	86,735
	Interest income 利息收益	11,196	11,396
	Hotel accommodation and related expense 酒店住宿及相關費用	–	372
Joint ventures 合營企業	Revenue from construction contracts 建築合約收入	55,219	128,924
	Interest income 利息收益	93	122
Subsidiary of a substantial shareholder 主要股東之附屬公司	Interest expense 利息開支	2,457	2,501

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

18. Related Party Disclosures (Continued)

(b) Amounts due from ultimate holding company and fellow subsidiaries/loans to ultimate holding company and a fellow subsidiary

(i) Amount due from ultimate holding company

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balance	貿易及其他結餘		
Other balance	其他結餘	70,932	68,189
Less: Impairment allowance	減：減值撥備	(35,466)	(34,094)
		35,466	34,095

(ii) Amounts due from fellow subsidiaries

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balances	貿易及其他結餘		
Trade balances	貿易結餘	389,250	389,250
Other balance	其他結餘	94,474	83,278
		483,724	472,528
Less: Impairment allowance	減：減值撥備	(31,813)	(29,246)
		451,911	443,282

The trade balances due from fellow subsidiaries which have a credit period of 90 days on average are aged more than 180 days based on the invoice date at the end of the reporting period.

18. 關連人士之披露 (續)

(b) 應收最終控股公司及同系附屬公司款項／向最終控股公司及一間同系附屬公司貸款

(i) 應收最終控股公司款項

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balance	貿易及其他結餘		
Other balance	其他結餘	70,932	68,189
Less: Impairment allowance	減：減值撥備	(35,466)	(34,094)
		35,466	34,095

(ii) 應收同系附屬公司款項

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balances	貿易及其他結餘		
Trade balances	貿易結餘	389,250	389,250
Other balance	其他結餘	94,474	83,278
		483,724	472,528
Less: Impairment allowance	減：減值撥備	(31,813)	(29,246)
		451,911	443,282

應收同系附屬公司之貿易結餘之平均信貸期為90日，而於報告期末以發票日期為基準之賬齡為超過180日。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

18. Related Party Disclosures (Continued)

(b) Amounts due from ultimate holding company and fellow subsidiaries/loans to ultimate holding company and a fellow subsidiary (Continued)

(iii) Loan to ultimate holding company

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Loan to ultimate holding company	向最終控股公司貸款	65,000	65,000
Less: Impairment allowance	減：減值撥備	(32,500)	(32,500)
		32,500	32,500

The loan to ultimate holding company is unsecured, interest bearing at a floating rate at the best lending rate in Hong Kong plus 4% per annum and is repayable within one year.

(iv) Loan to a fellow subsidiary

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Loan to a fellow subsidiary	向一間同系附屬公司貸款	319,000	319,000
Less: Impairment allowance	減：減值撥備	(73,159)	(73,159)
		245,841	245,841

The loan to a fellow subsidiary is unsecured, interest bearing at a floating rate at the best lending rate in Hong Kong plus 2% per annum and is repayable within one year.

18. 關連人士之披露 (續)

(b) 應收最終控股公司及同系附屬公司款項／向最終控股公司及一間同系附屬公司貸款 (續)

(iii) 向最終控股公司貸款

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Loan to ultimate holding company	向最終控股公司貸款	65,000	65,000
Less: Impairment allowance	減：減值撥備	(32,500)	(32,500)
		32,500	32,500

向最終控股公司貸款為無抵押、按香港最優惠利率加年息4%之浮動利率計息及須於一年內償還。

(iv) 向一間同系附屬公司貸款

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Loan to a fellow subsidiary	向一間同系附屬公司貸款	319,000	319,000
Less: Impairment allowance	減：減值撥備	(73,159)	(73,159)
		245,841	245,841

向一間同系附屬公司貸款為無抵押、按香港最優惠利率加年息2%之浮動利率計息及須於一年內償還。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

18. Related Party Disclosures (Continued)

(c) Amounts due from/to associates and joint ventures

(i) Amounts due from associates

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balances	貿易及其他結餘		
Other balances	其他結餘	18,132	17,634

(ii) Amounts due from joint ventures

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balances	貿易及其他結餘		
Trade balance	貿易結餘	10,902	-
Other balances	其他結餘	3,507	3,558
Non-trade balance	非貿易結餘	2,273	3,272
		16,682	6,830

The trade balance due from a joint venture which has a credit period of 90 days is aged within 90 days based on the invoice date at the end of the reporting period.

應收一間合營企業之貿易結餘之信貸期為90日，而於報告期末以發票日期為基準之賬齡為90日內。

(iii) Amount due to a joint venture

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balance	貿易及其他結餘		
Other balance	其他結餘	60	60

(iii) 應付一間合營企業款項

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

18. Related Party Disclosures (Continued)

(d) Amounts due from/to joint operations/ other partners of joint operations

Amounts represent balances due from and to joint operations, which are deemed to be borne by other partners of such joint operations, and other partners of joint operations. The balances due from joint operations and other partners of joint operations are HK\$9,200,000 (31.3.2020: HK\$23,971,000) and HK\$54,056,000 (31.3.2020: HK\$54,056,000), respectively. The balances due to joint operations and other partners of joint operations are HK\$54,085,000 (31.3.2020: HK\$54,085,000) and HK\$11,737,000 (31.3.2020: HK\$23,503,000), respectively.

(i) Amounts due from joint operations/other partners of joint operations

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balances	貿易及其他結餘		
Trade balances	貿易結餘	352	338
Other balances	其他結餘	3,337	7,930
Non-trade balances	非貿易結餘	59,567	69,759
		63,256	78,027

The trade balances due from joint operations/other partners of joint operations which have a credit period of 90 days on average are aged more than 180 days based on the invoice date at the end of the reporting period.

18. 關連人士之披露 (續)

(d) 應收／付合營業務／合營業務其他夥伴款項

款項指應收及應付合營業務(被視為將由該等合營業務其他夥伴承擔)及合營業務其他夥伴之結餘。應收合營業務及合營業務其他夥伴之結餘分別為9,200,000港元(二零二零年三月三十一日: 23,971,000港元)及54,056,000港元(二零二零年三月三十一日: 54,056,000港元)。應付合營業務及合營業務其他夥伴之結餘分別為54,085,000港元(二零二零年三月三十一日: 54,085,000港元)及11,737,000港元(二零二零年三月三十一日: 23,503,000港元)。

(i) 應收合營業務／合營業務其他夥伴款項

應收合營業務／合營業務其他夥伴之貿易結餘之平均信貸期為90日，而於報告期末以發票日期為基準之賬齡為超過180日。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

18. Related Party Disclosures (Continued)

(d) Amounts due from/to joint operations/ other partners of joint operations (Continued)

(ii) Amounts due to joint operations/other partners of joint operations

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balances	貿易及其他結餘		
Trade balances	貿易結餘	570	548
Other balances	其他結餘	5,685	7,281
Non-trade balances	非貿易結餘	59,567	69,759
		65,822	77,588

The trade balances due to joint operations/other partners of joint operations which have a credit period of 90 days on average are aged more than 180 days based on the invoice date at the end of the reporting period.

(e) Amount due from/to a related company/ loan from a related company

(i) Amount due from a related company

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balance	貿易及其他結餘		
Trade balance	貿易結餘	94	94

The trade balance due from a related company which has a credit period of 90 days is aged more than 180 days based on the invoice date at the end of the reporting period.

18. 關連人士之披露 (續)

(d) 應收／付合營業務／合營業務 其他夥伴款項 (續)

(ii) 應付合營業務／合營業務 其他夥伴款項

應付合營業務／合營業務其他夥伴之貿易結餘之平均信貸期為90日，而於報告期末以發票日期為基準之賬齡為超過180日。

(e) 應收／付一間關連公司款 項／一間關連公司借款

(i) 應收一間關連公司款項

應收一間關連公司之貿易結餘之信貸期為90日，而於報告期末以發票日期為基準之賬齡為超過180日。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

18. Related Party Disclosures (Continued)

(e) Amount due from/to a related company/ loan from a related company (Continued)

(ii) Amount due to a related company

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balance	貿易及其他結餘		
Other balance	其他結餘	9,759	7,302

(iii) Loan from a related company

The loan from a related company is unsecured, interest bearing at a floating rate at the best lending rate in Hong Kong plus 2% per annum and is repayable on demand.

The related company is the subsidiary of a substantial shareholder of the Company.

(f) Other balances and non-trade balances due from/to ultimate holding company, fellow subsidiaries, associates, joint ventures, joint operations/other partners of joint operations and a related company are unsecured, interest-free and repayable on demand except for the non-trade balance due from a joint venture of HK\$2,273,000 (31.3.2020: HK\$3,272,000) which is interest bearing at a fixed rate of 6% per annum and is repayable within one year.

(g) The remuneration of directors during the period is as follows:

18. 關連人士之披露 (續)

(e) 應收/付一間關連公司款項/ 一間關連公司借款 (續)

(ii) 應付一間關連公司款項

		30.9.2020 二零二零年 九月三十日 HK\$'000 千港元	31.3.2020 二零二零年 三月三十一日 HK\$'000 千港元
Trade and other balance	貿易及其他結餘		
Other balance	其他結餘	9,759	7,302

(iii) 一間關連公司借款

一間關連公司借款為無抵押，按香港最優惠利率加年息2%之浮動利率計息及須於要求時償還。

關連公司為本公司一名主要股東之附屬公司。

(f) 應收/付最終控股公司、同系附屬公司、聯營公司、合營企業、合營業務/合營業務其他夥伴及一間關連公司之其他結餘及非貿易結餘為無抵押、免息及須於要求時償還，惟應收一間合營企業之非貿易結餘2,273,000港元(二零二零年三月三十一日：3,272,000港元)按固定年利率6%計息，並須於一年內償還除外。

(g) 期內董事之薪酬如下：

		Six months ended 30 September 截至九月三十日止六個月	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Short-term benefits	短期福利	9,032	9,032
Post-employment benefits	退休福利	9	9
		9,041	9,041

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2020 截至二零二零年九月三十日止六個月

19. Disposal of Subsidiaries

During the six months ended 30 September 2019, the Group disposed of two wholly-owned subsidiaries, namely Unistress Group Limited, an investment holding company incorporated in the British Virgin Islands, and Unistress Concrete Products (H.K.) Limited, a company incorporated in Hong Kong holding interest in prepaid land lease, to an independent third party at a cash consideration of approximately HK\$10,273,000. The above transactions were accounted for as disposal of subsidiaries.

The effect of the disposal was summarised below:

19. 出售附屬公司

截至二零一九年九月三十日止六個月，本集團將兩間全資擁有之附屬公司，即 Unistress Group Limited (一間於英屬處女群島註冊成立之投資控股公司) 及聯力混凝土製品(香港)有限公司(一間於香港註冊成立之公司並持有預付土地租賃權益)，出售予獨立第三方，現金代價約為 10,273,000 港元。上述交易以出售附屬公司入賬。

該出售之影響概述如下：

		HK\$'000 千港元
Net liabilities disposed of:	所出售負債淨額：	
Right-of-use assets (prepaid land lease payments)	使用權資產(預付土地租賃款項)	16,046
Other debtors, deposits and prepayments	其他應收款項、訂金及預付款項	273
Other creditors and accrued expenses	其他應付款項及應計開支	(9,182)
Other borrowing	其他借款	(150,569)
		(143,432)
Gain on disposal of subsidiaries:	出售附屬公司之盈利：	
Cash consideration	現金代價	10,273
Net liabilities disposed of	所出售負債淨額	143,432
Gain on disposal	出售所得之盈利	153,705
Cash inflow arising from disposal of subsidiaries:	出售附屬公司產生之現金流入：	
Cash consideration received	已收現金代價	10,273

BOARD OF DIRECTORS

James Chiu, *OBE, JP*
Chairman (Independent Non-Executive Director)

Lau Tom Ko Yuen
Deputy Chairman (Non-Executive Director)

Chan Fut Yan
Deputy Chairman (Executive Director)

Lee Hang Wing, James
Chief Executive Officer (Executive Director)

Lee Chack Fan, *GBS, SBS, JP*
Independent Non-Executive Director

Iain Ferguson Bruce
Independent Non-Executive Director

AUDIT COMMITTEE

James Chiu, *OBE, JP (Chairman)*

Lee Chack Fan, *GBS, SBS, JP*

Iain Ferguson Bruce

EXECUTIVE COMMITTEE

Lee Hang Wing, James (*Chairman*)

Chan Fut Yan

Law Hon Wa, William

COMPANY SECRETARY

Mui Ching Hung, Joanna

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

董事會

趙雅各, *OBE, JP*
主席 (獨立非執行董事)

劉高原
副主席 (非執行董事)

陳佛恩
副主席 (執行董事)

李恒穎
行政總裁 (執行董事)

李焯芬, *GBS, SBS, JP*
獨立非執行董事

布魯士
獨立非執行董事

審核委員會

趙雅各, *OBE, JP (主席)*

李焯芬, *GBS, SBS, JP*

布魯士

執行委員會

李恒穎 (*主席*)

陳佛恩

羅漢華

公司秘書

梅靜紅

核數師

德勤•關黃陳方會計師行
註冊公眾利益實體核數師

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

Bangkok Bank Public Company Limited, Hong Kong Branch
Bank of China (Hong Kong) Limited
Bank of China, Macau Branch
BNP Paribas
China Construction Bank (Asia) Corporation Limited
China CITIC Bank International Limited
China CITIC Bank International Limited Macau Branch
China CITIC Bank International Limited Singapore Branch
Chong Hing Bank Limited
Dah Sing Bank, Limited
Hang Seng Bank Limited
Shanghai Commercial Bank Limited
The Bank of East Asia, Limited
The Bank of East Asia, Limited, Macau Branch
The Hongkong and Shanghai Banking Corporation Limited
United Overseas Bank Limited, Hong Kong Branch

REGISTERED OFFICE

Vistra Corporate Services Centre
Wickhams Cay II
Road Town
Tortola, VG1110
British Virgin Islands

PRINCIPAL PLACE OF BUSINESS

11/F, Paul Y. Centre
51 Hung To Road
Kwun Tong, Kowloon
Hong Kong
Tel: +852 2831 8338
Fax: +852 2833 1030

TRANSFER AGENT

Tricor Standard Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

WEBSITE

www.pyengineering.com

主要往來銀行

盤谷銀行香港分行
中國銀行(香港)有限公司
中國銀行·澳門分行
法國巴黎銀行
中國建設銀行(亞洲)股份有限公司
中信銀行(國際)有限公司
中信銀行(國際)有限公司澳門分行
中信銀行(國際)有限公司新加坡分行
創興銀行有限公司
大新銀行有限公司
恒生銀行有限公司
上海商業銀行有限公司
東亞銀行有限公司
東亞銀行有限公司·澳門分行
香港上海滙豐銀行有限公司
大華銀行有限公司·香港分行

註冊辦事處

Vistra Corporate Services Centre
Wickhams Cay II
Road Town
Tortola, VG1110
British Virgin Islands

主要營業地點

香港
九龍觀塘
鴻圖道51號
保華企業中心11樓
電話：+852 2831 8338
傳真：+852 2833 1030

股份過戶代理人

卓佳標準有限公司
香港
皇后大道東183號
合和中心54樓

網址

www.pyengineering.com

Paul Y. Engineering Group Limited
保華建業集團有限公司

11/F, Paul Y. Centre, 51 Hung To Road,
Kwun Tong, Kowloon, Hong Kong
香港九龍觀塘鴻圖道51號保華企業中心11樓
T 電話 +852 2831 8338
F 傳真 +852 2833 1030

www.pyengineering.com