



Paul Y. Engineering Group Limited

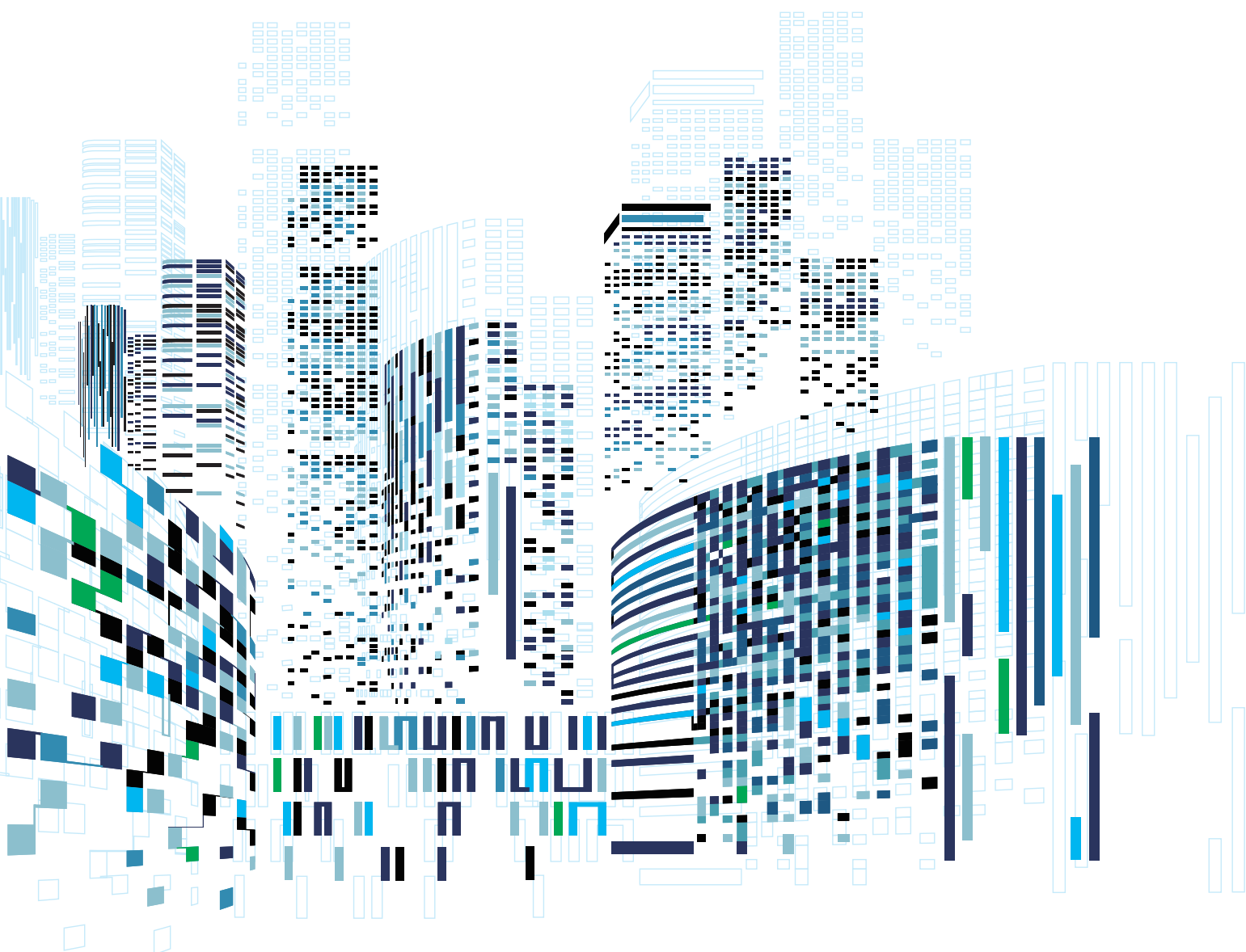
保華建業集團有限公司

(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)

Sustaining Growth Striving for Excellence

承優擴展 著實向前



Interim Report
中期報告

2020

Contents 目錄

- 2 Chairman's Statement
主席報告
- 4 Chief Executive Officer's Report
行政總裁報告
- 9 Corporate Governance
企業管治
- 12 Report on Review of Condensed Consolidated
Financial Statements
簡明綜合財務報表審閱報告
- 14 Condensed Consolidated Statement of
Profit or Loss
簡明綜合損益表
- 15 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
- 16 Condensed Consolidated Statement of
Financial Position
簡明綜合財務狀況表
- 18 Condensed Consolidated Statement of
Changes in Equity
簡明綜合權益變動表
- 20 Condensed Consolidated Statement of
Cash Flows
簡明綜合現金流量表
- 21 Notes to the Condensed Consolidated
Financial Statements
簡明綜合財務報表附註
- 55 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 2019.

Profit for the period attributable to owners of the Company was about HK\$29 million (2018: HK\$32 million), a decrease of about 9% compared with the same period last year. Our shareholders' fund at the period end was approximately HK\$812 million or about HK\$0.67 per share. Cash, bank balances and deposits stood at about HK\$429 million. Revenue during the period increased to about HK\$5,213 million (2018: HK\$4,391 million), an increase of about 19% 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\$9,115 million (2018: HK\$12,533 million), a decrease of about 27% from the last corresponding period. As at 30 September 2019, the value of contracts on hand was about HK\$39,792 million, up by approximately 22% as compared with the corresponding amount as at 31 March 2019. Subsequent to the period end, the Group further secured new contracts with a total value of approximately HK\$1,752 million.

Looking ahead, there remain numerous challenges. Facing the impact of both external and internal factors, Hong Kong's economy has entered into a recession in the third quarter of 2019. Nevertheless, the Board remains positive in view of the strong order book on hand and believes that the land and housing policies of the HKSAR Government will continue to provide growth opportunities for the construction market in medium and long term. The Board and management team will closely monitor development of government policies and macro-economic trends so as to be poised to speedily grasp the opportunities that arise.

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」）截至二零一九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2,900萬港元（二零一八年：3,200萬港元），較去年同期減少約9%。於期末，股東資金約為8.12億港元或每股約0.67港元。現金、銀行結餘及存款約為4.29億港元。期內之收入增加至約52.13億港元（二零一八年：43.91億港元），較去年同期增加約19%。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91.15億港元（二零一八年：125.33億港元），較去年同期減少約27%。於二零一九年九月三十日，本集團手頭合約價值約為397.92億港元，較二零一九年三月三十一日之相關價值增加約22%。期末後，本集團再取得總值約17.52億港元之新合約。

展望未來，仍有眾多挑戰。面對外在和內在各種因素的影響，香港經濟在2019年第三季度陷入衰退。儘管如此，因著手頭非常可觀的合約量，董事會仍保持樂觀態度，並認為香港特區政府的土地和住房政策，將在中長期內繼續為建築市場提供增長機會。董事會和管理團隊將密切留意政府政策發展和宏觀經濟趨勢，以便迅速抓緊機遇。

In closing, I would like to extend my sincere gratitude to our dedicated Board, management team and committed employees for their hard work and continuous effort over the years, for laying a solid foundation for our business to prosper. We will continue to explore opportunities and foster a culture of excellence, so as to deliver quality growth and create long-term shareholder value with clear and unified goals.

James Chiu, OBE, JP
Chairman

Hong Kong, 26 November 2019

最後，我要衷心感謝我們盡心盡力的董事會，管理團隊和員工，多年來的辛勤工作和努力不懈，為我們的業務發展奠定堅實的基礎。我們將繼續發掘機遇，樹立卓越的文化，以實現高質量的增長，並通過明確和統一的目標，創造長期的股東價值。

趙雅各, OBE, JP
主席

香港，二零一九年十一月二十六日

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 2019, together with the comparative figures for the corresponding period in 2018. 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 14 to 54 of this report, which have been reviewed by the Company's Audit Committee and external auditor.

Review of Financial Performance and Positions

During the period under review, competition within the construction industry remained intense, particularly in pricing. Nevertheless, the Group has achieved a growth of approximately 22% in the value of contracts on hand with a tendering strategy that has put more emphasis on our technical know-how and professional management. By leveraging our professional expertise, experience and state-of-the-art digital technologies, we joined hands with iMAX of Singapore to combine our experience and ambition for the Modular Integrated Construction (MiC) market. Based on the advancement of the patented Candle-Loc Connection System and the strength of our technical know-how on MiC, the Group was awarded a project to develop the Student Residence of the University of Hong Kong at Wong Chuk Hang, a pilot project adopting MiC, selected by the Development Bureau, as our first MiC project in Hong Kong.

For the six months ended 30 September 2019, the Group recorded a consolidated revenue of approximately HK\$5,213 million (2018: HK\$4,391 million), representing an increase of approximately 19% from that of the last period. The gross profit decreased by approximately 34% to approximately HK\$117 million (2018: HK\$178 million) and the gross margin was approximately 2.2% (2018: 4.0%). During the period, the Group reported a gain of approximately HK\$154 million as a result of the disposal of subsidiaries holding the prepaid land lease at a consideration of approximately HK\$10 million. However, profit for the period attributable to owners of the Company was decreased by approximately 9% to approximately HK\$29 million (2018: HK\$32 million), mainly due to additional allowance made for project final accounts and expected credit loss in view of the worsening economic situation.

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」）截至二零一九年九月三十日止六個月之中期業績以及二零一八年同期的比較數字。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14頁至第54頁，惟已經本公司之審核委員會及外聘核數師審閱。

財務表現及狀況回顧

回顧期內，建築行業的競爭依然激烈，尤其是在價格方面。儘管如此，集團透過側重於技術知識和專業管理的招標策略，令手頭合約價值增長了約22%。此外，我們透過專業知識、經驗和先進的數碼技術，與新加坡iMAX攜手合作進攻組裝合成建築法(MiC)市場。因著已獲專利的Candle-Loc Connection系統，以及我們對MiC技術的充份了解，集團獲得了香港大學位於黃竹坑的學生宿舍項目，該項目為發展局選定的MiC先導發展項目，也是我們於香港的第一個MiC項目。

截至二零一九年九月三十日止六個月，本集團錄得綜合收入約52.13億港元（二零一八年：43.91億港元），較去年同期增加約19%。毛利減少約34%至約1.17億港元（二零一八年：1.78億港元），而毛利率約為2.2%（二零一八年：4.0%）。期內，本集團因按代價約1,000萬港元出售持有預付土地租賃的附屬公司錄得盈利約1.54億港元。然而，本公司擁有人應佔期間溢利減少約9%至約2,900萬港元（二零一八年：3,200萬港元），主要由於考慮經濟形勢惡化，就項目最終賬目及預期信貸虧損作出額外撥備所致。

The Group has maintained a strong financial position with total assets of approximately HK\$5,427 million. Current assets were approximately HK\$5,093 million, representing approximately 1.1 times the current liabilities. The equity attributable to owners of the Company was approximately HK\$812 million. Net cash used in operating activities was about HK\$112 million and net cash inflow in respect of investing and financing activities was approximately HK\$216 million, resulting in a net increase in cash and cash equivalents of about HK\$104 million for the period.

本集團財務狀況穩健，資產總值約為54.27億港元，流動資產約為50.93億港元，相當於流動負債約1.1倍。本公司擁有人應佔權益約為8.12億港元。用於經營業務之現金淨額約為1.12億港元，而投資及融資活動之現金流入淨額約為2.16億港元，故期內之現金及與現金等值項目錄得約1.04億港元之淨增幅。

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\$5,213 million (2018: HK\$4,391 million), up by about 19%. It reported an operating loss of approximately HK\$11 million (2018: operating profit of approximately HK\$82 million). As at 30 September 2019, the value of contracts on hand was approximately HK\$39,703 million, while the value of work remaining had stood at approximately HK\$25,088 million.

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52.13億港元(二零一八年：43.91億港元)，上升約19%。該分部錄得經營虧損約為1,100萬港元(二零一八年：經營溢利約8,200萬港元)。於二零一九年九月三十日，其手頭合約價值約為397.03億港元，而餘下工程價值則約為250.88億港元。

During the period under review, the Management Contracting division secured new construction contracts with an aggregate value of approximately HK\$9,026 million, representing a decrease of approximately 28% as compared to the amount of approximately HK\$12,533 million for the same period last year. Subsequent to the period end, the division secured further contracts of approximately HK\$1,752 million. Set out below are some of the new contracts secured during the period and up to the date of this report:

回顧期內，承建管理分部獲得之新建築工程合約總值約90.26億港元，較去年同期之約125.33億港元減少約28%。期末後，該分部再取得約值17.52億港元之工程合約。以下為期內及截至本報告日期所取得之部分新合約：

- Construction of Central Kowloon Route – Kai Tak East
- Main contract works (Lot 9) for the Concordia Comprehensive Development at Coloane, Macau
- Main contract works (Lot 12a) for the Concordia Comprehensive Development at Coloane, Macau
- Main contract works for the residential development at NKIL6562 and NKIL6565, Kai Tak
- Main contract works for the residential development at TMTL523 Castle Peak Road, Tai Lam
- Main contract works for 1224-place student residence at Police School Road, Wong Chuk Hang, for the University of Hong Kong using MiC units
- Three runway system project – Third runway and associated works at Hong Kong International Airport
- 中九龍幹線—啟德東工程
- 澳門路環聯生填海區發展項目(第9地段)總承包合約工程
- 澳門路環聯生填海區發展項目(第12a地段)總承包合約工程
- 啟德NKIL6562及NKIL6565住宅發展項目總承包合約工程
- 大欖青山公路TMTL523住宅發展項目總承包合約工程
- 採用MiC組件為香港大學黃竹坑警校道學生宿舍1,224個宿位項目總承包合約工程
- 香港國際機場三跑道系統項目—第三跑道和相關工程合約

During the period under review, revenue contributed by the Property Development Management division was insignificant. 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 profit, through its joint venture, of approximately HK\$1 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\$5 million (2018: HK\$5 million) during the period and its occupancy was about 86% as at 30 September 2019.

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 2019, cash, bank balances and deposits stood at approximately HK\$429 million, of which approximately HK\$373 million, HK\$30 million, HK\$17 million, HK\$6 million and HK\$3 million were denominated in Hong Kong Dollars, Renminbi, Macau Patacas, Singapore Dollars and Malaysian Ringgit respectively. The Group had total bank borrowings of approximately HK\$826 million at the period end which are repayable within one year.

All of the Group's borrowings as at 30 September 2019 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\$826 million and equity attributable to owners of the Company of around HK\$812 million, was about 1.0 as at 30 September 2019.

Employees

The Group had 1,962 full-time employees, excluding contracted casual labour in Macau, as at 30 September 2019. 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，物業發展管理分部所貢獻之收入不大。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溢利約100萬港元。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500萬港元（二零一八年：500萬港元），其出租率於二零一九年九月三十日約為86%。

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。於二零一九年九月三十日，現金、銀行結餘及存款總額約為4.29億港元，其中約3.73億港元、3,000萬港元、1,700萬港元、600萬港元及300萬港元分別以港元、人民幣、澳門幣、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8.26億港元，有關借款須於一年內償還。

於二零一九年九月三十日，本集團所有借款按浮動息率計息，並以港元為單位。於二零一九年九月三十日，根據總銀行借款約8.26億港元及本公司擁有人應佔權益約8.12億港元計算，本集團之資本負債比率約1.0。

僱員

於二零一九年九月三十日，本集團共聘用1,962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。

Pledge of Assets

As at 30 September 2019, the Group pledged bank deposits of approximately HK\$9 million and charged the Group's 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\$73 million issued to financial institutions for bonds on construction contracts of joint operations as at 30 September 2019.

Commitments

As at 30 September 2019, 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\$3 million.

Securities in Issue

As at 30 September 2019, there were 1,220,558,996 shares in issue. During the period under review, there was no movement in the issued share capital.

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 2019 (2018: Nil).

資產抵押

於二零一九年九月三十日，本集團將約900萬港元之銀行存款，及本集團於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

於二零一九年九月三十日，本集團就合營業務之建築合約獲授之保證而向金融機構發出之彌償保證，有約7,300萬港元之或然負債。

承擔

於二零一九年九月三十日，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300萬港元。

已發行證券

於二零一九年九月三十日，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。

中期股息

本公司董事會不建議派付截至二零一九年九月三十日止六個月之中期股息(二零一八年：無)。

Outlook

Looking ahead, the global economy is clouded with uncertainties including China-US trade tensions and Brexit. Besides, Hong Kong is suffering from the internal unrest and it is generally expected that the economy of Hong Kong will continue to worsen in last quarter of 2019 and even in 2020.

Moving forward, the competition in construction industry will remain severe. With a strong order book of nearly HK\$40 billion on hand, we will take proactive approach to minimize the effect of the economic downturn to our businesses and operation. We will continue to focus on premium projects while adopting a cautious approach in project tendering. We are confident that our strong reputation in professionalism and technical know-how will help us secure premium contracts in Hong Kong and Macau in coming years. We will also closely monitor and control our cost to improve cost efficiency.

Meanwhile, we have long stood at the forefront of the technological revolution, and we are currently changing the face of engineering and construction industry. The Group will continue to put adequate resources in research, development and the application of new technologies to expand our smart construction.

As one of Hong Kong's leading contracting services companies, the Group is committed to operational excellence and cost efficiency. We will continue to manage our resources proactively and stay poised to grasp opportunities while continuously creating added value for shareholders.

Lee Hang Wing, James

Executive Director & Chief Executive Officer

Hong Kong, 26 November 2019

展望

展望未來，全球經濟充滿不確定因素，包括中美貿易緊張局勢和英國脫歐。此外，香港正遭受內部動蕩之苦，普遍預計香港經濟將在2019年最後一季甚至2020年繼續惡化。

往後的日子，建築業的競爭將依然激烈。憑藉近400億港元的強勁手頭合約，我們將採取積極的措施，以盡量減少經濟下滑對我們業務和運營的影響。我們將繼續專注於優質項目，同時在項目招標中，採取審慎的態度。我們相信，我們的良好聲譽，包括專業形象和卓越技術，將有助於我們未來幾年，在香港和澳門獲得優質合約。我們亦會繼續密切留意和控制成本，以提高成本效益。

同時，我們一直於開創新技術上走在前端，並正在革新工程和建築行業。集團將繼續在研發及應用新技術方面投入充足的資源，以擴展我們的智能建築。

作為香港其中一間領先的總承建商，集團致力於追求卓越營運及提升成本效益。我們將繼續積極主動管理資源，並隨時準備抓住機遇，不斷為股東創造更多價值。

李恒穎

執行董事兼行政總裁

香港，二零一九年十一月二十六日

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 2019 has been reviewed by the Audit Committee and the Company's external auditor.

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。

本集團截至二零一九年九月三十日止六個月之中期業績已由審核委員會及本公司外聘核數師審閱。

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 30 September 2019, shareholders approved the re-appointment of Messrs Deloitte Touche Tohmatsu as the Company's external auditor for the financial year ending 31 March 2020. 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

在本公司於二零一九年九月三十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二零二零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。

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表審閱報告

Deloitte.

德勤

**TO THE BOARD OF DIRECTORS OF
PAUL Y. ENGINEERING GROUP LIMITED**

(incorporated in the British Virgin Islands with limited liability)

致保華建業集團有限公司董事會

(在英屬處女群島註冊成立之有限公司)

Introduction

We have reviewed the condensed consolidated financial statements of Paul Y. Engineering Group Limited (the “Company”) and its subsidiaries set out on pages 14 to 54, which comprise the condensed consolidated statement of financial position as of 30 September 2019 and the related condensed consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

引言

本行已審閱第14頁至第54頁所載保華建業集團有限公司(「貴公司」)及其附屬公司之簡明綜合財務報表，包括於二零一九年九月三十日之簡明綜合財務狀況表，以及截至該日止六個月期間之相關簡明綜合損益表、損益及其他全面收益表、權益變動表及現金流量表以及若干說明性之附註。貴公司董事須負責根據由香港會計師公會頒佈之香港會計準則第34號「中期財務報告」(「香港會計準則第34號」)編製及呈報該等簡明綜合財務報表。本行之責任是根據審閱之結果，對該等簡明綜合財務報表作出結論，並按照雙方所協定之委聘書條款僅向整體董事會報告，除此之外本報告不可用作其他用途。本行不會就本報告之內容向任何其他人士負上或承擔任何責任。

審閱範圍

本行依據香港會計師公會頒佈之香港審閱項目準則第2410號「由實體之獨立核數師執行之中期財務資料審閱」進行本行之審閱工作。審閱該等簡明綜合財務報表主要包括向負責財務和會計事務之人員作出查詢，以及進行分析性和其他審閱程序。由於審閱之範圍遠較根據香港審計準則進行審核之範圍為小，故本行不保證可知悉所有在審核中可能發現之重大事項。因此，本行不會發表審核意見。

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 26 November 2019

結論

根據本行之審閱結果，本行並無發現任何事項而令本行相信該等簡明綜合財務報表在任何重大方面未有根據香港會計準則第34號編製。

德勤•關黃陳方會計師行
執業會計師

香港，二零一九年十一月二十六日

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

簡明綜合損益表

For the six months ended 30 September 2019 截至二零一九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	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收入	3	5,212,886	4,391,358
Cost of sales	銷售成本		(5,095,848)	(4,213,559)
Gross profit	毛利		117,038	177,799
Other income	其他收益		19,500	18,528
Administrative expenses	行政費用		(202,871)	(146,045)
Finance costs	融資成本		(34,663)	(7,105)
Impairment allowance on financial assets and contract assets	金融資產及合約資產之減值撥備		(24,396)	(6,922)
Gain on disposal of subsidiaries	出售附屬公司之盈利	18	153,705	-
Share of results of associates	攤佔聯營公司業績		(6)	(2,307)
Share of results of joint ventures	攤佔合營企業業績		749	860
Profit before tax	除稅前溢利		29,056	34,808
Income tax credit (expense)	所得稅抵免(費用)	4	65	(2,675)
Profit for the period	期間溢利	5	29,121	32,133

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 2019 截至二零一九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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit for the period	期間溢利	29,121	32,133
Other comprehensive expense for the period:	期間其他全面開支：		
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	(3,123)	(5,702)
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)	(7,644)
		(8,411)	(13,346)
Total comprehensive income for the period	期間全面收益總額	20,710	18,787

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 September 2019 於二零一九年九月三十日

		NOTES	Unaudited 未經審核 30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	Audited 經審核 31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
		附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機械及設備	7	133,887	143,258
Right-of-use assets	使用權資產	7	91,467	–
Prepaid land lease payments	預付土地租賃款項		–	15,661
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		89,427	94,144
			334,342	272,624
CURRENT ASSETS	流動資產			
Prepaid land lease payments	預付土地租賃款項		–	575
Trade and other debtors, deposits and prepayments	貿易及其他應收款項、按金 及預付款項	8	1,168,093	992,536
Contract assets	合約資產	9	2,387,589	2,124,006
Amount due from ultimate holding company	應收最終控股公司款項	17(b)(i)	64,257	62,422
Amounts due from fellow subsidiaries	應收同系附屬公司款項	17(b)(ii)	471,674	465,205
Amounts due from associates	應收聯營公司款項	17(c)(i)	17,725	18,462
Amounts due from joint ventures	應收合營企業款項	17(c)(ii)	28,664	28,637
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	17(d)(i)	97,726	55,345
Amount due from a related company	應收一間關連公司款項	17(e)(i)	94	94
Loan to ultimate holding company	向最終控股公司貸款	17(b)(iii)	63,700	64,350
Loan to a fellow subsidiary	向一間同系附屬公司貸款	17(b)(iv)	312,620	315,810
Other loans receivable	其他應收貸款	10	48,084	56,162
Taxation recoverable	可收回稅項		4,196	1,421
Pledged bank deposits	已抵押銀行存款		9,185	15,753
Short term bank deposits	短期銀行存款		55,377	94,638
Bank balances and cash	銀行結餘及現金		364,093	223,199
			5,093,077	4,518,615

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

簡明綜合財務狀況表(續)

At 30 September 2019 於二零一九年九月三十日

		NOTES 附註	Unaudited 未經審核 30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	Audited 經審核 31.3.2019 二零一九年 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	3,040,609	2,810,250
Contract liabilities	合約負債	9	467,002	323,822
Amount due to a joint venture	應付一間合營企業款項	17(c)(iii)	65	–
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	17(d)(ii)	103,331	58,436
Amount due to a related company	應付一間關連公司款項	17(e)(ii)	4,827	2,121
Loan from a related company	一間關連公司借款	17(e)(iii)	70,000	70,000
Lease liabilities	租賃負債		25,102	–
Taxation payable	應付稅項		1,704	2,122
Bank and other borrowings	銀行及其他借款	12	825,700	722,200
			4,538,340	3,988,951
NET CURRENT ASSETS	流動資產淨值		554,737	529,664
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		889,079	802,288
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		9,055	9,227
Lease liabilities	租賃負債		67,928	–
			76,983	9,227
			812,096	793,061
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	13	122,056	122,056
Reserves	儲備		690,040	671,005
TOTAL EQUITY	總權益		812,096	793,061

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 September 2019 截至二零一九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 千港元	HK\$'000 千港元 (Note (a)) (附註(a))	HK\$'000 千港元	HK\$'000 千港元 (Note (b)) (附註(b))	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 March 2019 (audited)	於二零一九年三月三十一日(經審核)	122,056	406,727	1,812	26,489	13,497	222,480	793,061
Adjustments for initial application of HKFRS 16 (Note 2)	首次應用香港財務報告準則第16號之調整(附註2)	-	-	-	-	-	(1,675)	(1,675)
At 1 April 2019 (restated)	於二零一九年四月一日(重列)	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
At 31 March 2018 (audited)	於二零一八年三月三十一日(經審核)	122,056	406,727	1,812	26,489	23,563	375,412	956,059
Adjustments for initial application of HKFRS 9 and HKFRS 15	首次應用香港財務報告準則第9號及香港財務報告準則第15號之調整	-	-	-	-	32	(194,099)	(194,067)
At 1 April 2018 (restated)	於二零一八年四月一日(重列)	122,056	406,727	1,812	26,489	23,595	181,313	761,992
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	(5,702)	-	(5,702)
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	-	-	-	-	(7,644)	-	(7,644)
Profit for the period	期間溢利	-	-	-	-	-	32,133	32,133
Total comprehensive (expense) income for the period	期間全面(開支)收益總額	-	-	-	-	(13,346)	32,133	18,787
At 30 September 2018 (unaudited)	於二零一八年九月三十日(未經審核)	122,056	406,727	1,812	26,489	10,249	213,446	780,779

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)
簡明綜合權益變動表(續)

For the six months ended 30 September 2019 截至二零一九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 (31.3.2019: 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 (31.3.2019: 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 (31.3.2019: HK\$9,301,000) and HK\$9,830,000 (31.3.2019: 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(二零一九年三月三十一日：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(二零一九年三月三十一日：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(二零一九年三月三十一日：9,301,000港元)及9,830,000港元(二零一九年三月三十一日：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 2019 截至二零一九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

	NOTE 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net cash used in operating activities	用於經營業務之現金淨額	(111,597)	(68,509)
Net cash used in investing activities	用於投資業務之現金淨額		
Advances to joint operations/other partners of joint operations	向合營業務/合營業務其他夥伴墊款	(42,750)	–
Additions to property, plant and equipment	添置物業、機械及設備	(11,758)	(52,975)
Placement of pledged bank deposits	存入已抵押銀行存款	(9,185)	–
Advance of other loans receivable	向其他應收貸款墊款	–	(30,000)
Proceeds from disposal of property, plant and equipment	出售物業、機械及設備所得款項	35	5,249
Repayment from a joint venture	一間合營企業還款	563	590
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	10,273	–
Release of pledged bank deposits	轉撥已抵押銀行存款	14,835	–
Other investing cash flows	其他投資現金流	1,511	1,105
		(36,476)	(76,031)
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	1,291,875	1,036,910
Advances from joint operations/other partners of joint operations	合營業務/合營業務其他夥伴墊款	42,450	–
Repayment of lease liabilities	償還租賃負債	(11,337)	–
Repayment of bank borrowings	償還銀行借款	(1,038,000)	(1,006,840)
Other financing cash flows	其他融資現金流	(32,845)	(23,242)
		252,143	6,828
Net increase (decrease) in cash and cash equivalents	現金及與現金等值項目增加(減少)淨額	104,070	(137,712)
Effect of foreign exchange rate changes	外幣匯率變動之影響	(2,437)	(2,166)
Cash and cash equivalents brought forward	現金及與現金等值項目承前	317,837	479,585
Cash and cash equivalents carried forward	現金及與現金等值項目結轉	419,470	339,707
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	55,377	30,471
Bank balances and cash	銀行結餘及現金	364,093	309,236
		419,470	339,707

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2019 截至二零一九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 changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2019 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2019.

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatorily effective for the Group’s financial period beginning on 1 April 2019 for the preparation of the Group’s condensed consolidated financial statements:

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle

Except for the application of HKFRS 16 “Leases” as described below, the application of the other new and amendments to HKFRSs in the current period has had no material impact on the 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。

除了應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）對會計政策所導致的變動外，編製截至二零一九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二零一九年三月三十一日止年度之年度財務報表所呈列者一致。

應用新訂及經修訂香港財務報告準則

於本中期期間，本集團已首次應用下列由香港會計師公會頒佈之新訂及經修訂香港財務報告準則，其於編製本集團於二零一九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：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理之不確定性
香港財務報告準則第9號（修訂）	具有負補償的提前還款特性
香港會計準則第19號（修訂）	計劃修訂、縮減或結算
香港會計準則第28號（修訂）	於聯營公司及合營企業之長期權益
香港財務報告準則（修訂）	香港財務報告準則二零一五年至二零一七年週期之年度改進

除下文所述應用香港財務報告準則第16號「租賃」外，於本期間應用其他新訂及經修訂香港財務報告準則對簡明綜合財務報表並無重大影響。

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 “Leases” and the related interpretations.

2.1 Key changes in accounting policies resulting from application of HKFRS 16

The Group has applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For a contract entered into or modified on or after the date of initial application, the Group assesses whether the contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

As a lessee

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of premises and plant and machinery that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動

本集團已於本中期間首次應用香港財務報告準則第16號。香港財務報告準則第16號取代了香港會計準則第17號「租賃」以及相關詮釋。

2.1 應用香港財務報告準則第16號所導致之會計政策之主要變動

本集團已根據香港財務報告準則第16號之過渡條文應用以下會計政策。

租賃之定義

倘合約為換取代價而給予在一段時間內控制已識別資產使用之權利，則該合約為租賃或包含租賃。

就於首次應用日期或之後訂立或修改之合約而言，本集團根據香港財務報告準則第16號之定義於開始或修改日期評估該合約是否為一項租賃或包含一項租賃。除非合約之條款及條件其後出現變動，否則有關合約將不予重新評估。

作為承租人

短期租賃及低價值資產租賃

本集團對自開始日期起計租賃期12個月或以下且不含購買選擇權之物業、機械及機器租賃應用短期租賃確認豁免。本集團亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃之租賃付款於租賃期內按直線法確認為開支。

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Right-of-use assets

Except for short-term leases and leases of low-value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the condensed consolidated statement of financial position.

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.1 應用香港財務報告準則第16號所導致之會計政策之主要變動(續)

作為承租人(續)

使用權資產

除短期租賃及低價值資產租賃外，本集團於租賃開始日期(即相關資產可供使用之日)確認使用權資產，使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債之任何重新計量作出調整。

使用權資產之成本包括：

- 租賃負債之初步計量金額；
- 於開始日期或之前作出之任何租賃付款，減任何已收租賃優惠；
- 本集團產生之任何初始直接成本；及
- 本集團於拆除及搬遷相關資產、復原相關資產所在場地或復原相關資產至租賃之條款及條件所規定之狀況而產生之估計成本。

倘本集團合理確定於租期結束時獲取相關租賃資產之所有權，則使用權資產自租賃開始日期至可使用年期結束期間計提折舊。否則，使用權資產以直線法於其估計可使用年期及租賃期(以較短者為準)內計提折舊。

本集團於簡明綜合財務狀況表內將使用權資產呈列為單獨項目。

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Leasehold land and building

For payments of a property interest which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 “Financial Instruments” and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.1 應用香港財務報告準則第16號所導致之會計政策之主要變動(續)

作為承租人(續)

租賃土地及樓宇

就物業權益(包括租賃土地及樓宇部分)之付款而言,當有關付款無法於租賃土地及樓宇部分之間可靠分配時,則整項物業呈列為本集團之物業、機械及設備。

可退還租賃按金

已付可退還租賃按金乃根據香港財務報告準則第9號「金融工具」入賬並初步按公平值計量。於初步確認時對公平值之調整被視為額外租賃付款並計入使用權資產成本。

租賃負債

於租賃開始日期,本集團按該日未付之租賃付款現值確認及計量租賃負債。倘租賃隱含之利率難以釐定,則本集團使用租賃開始日期之遞增借款利率計算租賃付款現值。

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease liabilities (Continued)

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depends on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.1 應用香港財務報告準則第16號所導致之會計政策之主要變動(續)

作為承租人(續)

租賃負債(續)

租賃付款包括：

- 固定付款(包括實質性之固定付款)減任何應收租賃優惠；
- 取決於指數或利率而定之可變租賃付款；
- 根據保證之剩餘價值預期將支付之金額；
- 本集團合理確定將行使之購買選擇權之行使價；及
- 倘租賃期反映本集團會行使終止租賃選擇權，則計入終止租賃之罰款。

於租賃開始日期後，租賃負債就利息增長及租賃付款作出調整。

倘出現以下情況，本集團重新計量租賃負債(並對相關使用權資產作出相應調整)：

- 租賃期有所變動或行使購買選擇權之評估發生變化，在此情況下，相關租賃負債透過使用重新評估日期之經修訂貼現率貼現經修訂租賃付款而重新計量。
- 因進行市場租金調查後市場租金變動而引致租賃付款變動，在此情況下，相關租賃負債使用初始貼現率貼現經修訂租賃付款而重新計量。

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.1 Key changes in accounting policies resulting from application of HKFRS 16 (Continued)

As a lessee (Continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 “Income Taxes” requirements to the leasing transactions as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.1 應用香港財務報告準則第16號所導致之會計政策之主要變動(續)

作為承租人(續)

租賃修訂

倘出現以下情況，本集團將租賃修訂作為一項單獨之租賃進行入賬：

- 該項修訂通過增加一項或多項相關資產之使用權利擴大了租賃範圍；及
- 租賃代價增加之金額相當於範圍擴大對應之單獨價格，及為反映特定合約之實際情況而對單獨價格進行之任何適當調整。

就未作為一項單獨租賃入賬之租賃修訂而言，本集團使用修訂生效日期之經修訂貼現率貼現經修訂租賃付款，按經修訂租賃之租賃期重新計量租賃負債。

稅項

為計量本集團於其確認使用權資產及相關租賃負債之租賃交易之遞延稅項，本集團會首先釐定稅項扣減是否歸屬於使用權資產或租賃負債。

就稅項扣減歸屬於租賃負債的租賃交易而言，本集團應用香港會計準則第12號「所得稅」的規定於整個租賃交易。有關使用權資產及租賃負債之暫時差額乃按淨額基準評估。使用權資產折舊超出租賃負債本金部分的租賃款項導致可扣減暫時差額淨額。

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.2 Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.2 首次應用香港財務報告準則第16號而進行之過渡及產生之影響概要

租賃之定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)一詮釋第4號「釐定安排是否包括租賃」下識別為租賃之合約應用香港財務報告準則第16號，而並無對先前並未識別為包括租賃之合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在之合約。

就於二零一九年四月一日或之後訂立或修訂之合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載之規定應用租賃之定義。

作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於首次應用日期(二零一九年四月一日)確認。於首次應用日期之任何差額於期初保留溢利確認且並無重列比較資料。

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (a) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- (b) applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment; and
- (c) used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group’s leases with extension and termination options.

On transition, the Group has made the following adjustments upon application of HKFRS 16:

As at 1 April 2019, the Group recognised additional lease liabilities and measured right-of-use assets at the carrying amount as if HKFRS 16 had been applied since the commencement dates, but discounted using the incremental borrowing rates at the date of initial application by applying HKFRS 16.C8(b)(i) transition.

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.2 首次應用香港財務報告準則第16號而進行之過渡及產生之影響概要(續)

作為承租人(續)

於過渡時應用香港財務報告準則第16號項下之經修訂追溯方法時，本集團按逐項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關之租賃應用以下可行權宜方法：

- (a) 選擇不就租賃期於首次應用日期起計12個月內結束之租賃確認使用權資產及租賃負債；
- (b) 就類似經濟環境內相似相關資產類別對類似剩餘租期之租賃組合應用單一貼現率；及
- (c) 根據於首次應用日期之事實及情況於事後釐定本集團帶有續租及終止選擇權之租賃之租賃期。

於過渡時，本集團已於應用香港財務報告準則第16號後作出以下調整：

本集團於二零一九年四月一日確認額外租賃負債，並應用香港財務報告準則第16號C8(b)(i)過渡規定，以如同自租賃開始日期起一直採用香港財務報告準則第16號而釐定之賬面值計量使用權資產，但使用首次應用日期之遞增借款利率貼現。

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the Group at the date of initial application. The weighted average incremental borrowing rate applied is approximately 3.7%.

At the date of initial application of HKFRS 16, the reconciliation from the operating lease commitments to the lease liabilities recognised is as follows:

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.2 首次應用香港財務報告準則第16號而進行之過渡及產生之影響概要(續)

作為承租人(續)

對於先前分類為經營租賃之租賃，當確認租賃負債時，本集團已應用於首次應用日期本集團之遞增借款利率。所應用的加權平均遞增借款利率約為3.7%。

下表載列於香港財務報告準則第16號首次應用日期經營租賃承擔與所確認租賃負債之對賬：

		HK\$' 000 千港元
Operating lease commitments disclosed as at 31 March 2019	於二零一九年三月三十一日披露之經營租賃承擔	46,372
Less: Recognition exemption – short-term leases	減：確認豁免－短期租賃	(2,682)
		43,690
Lease liabilities discounted at incremental borrowing rate	按遞增借款利率貼現之租賃負債	42,414
Add: Extension options reasonably certain to be exercised	加：合理確定將行使之延長選擇權	54,553
Lease liabilities as at 1 April 2019	於二零一九年四月一日之租賃負債	96,967
Analysed as:	分析為：	
Current	流動	22,525
Non-current	非流動	74,442
		96,967

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

As a lessee (Continued)

The carrying amount of right-of-use assets as at 1 April 2019 comprises the following:

	Notes 附註	HK\$' 000 千港元
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	應用香港財務報告準則第16號後確認與經營租賃有關之使用權資產	95,292
Reclassified from prepaid land lease payments	從預付土地租賃款項重新分類	(a) 16,236
Adjustments on rental deposits	租賃按金調整	(b) 941
		112,469

The right-of-use assets represents leasehold land and buildings.

Notes:

- (a) Upfront payments for leasehold interest in land situated in Hong Kong were classified as prepaid land lease payments as at 31 March 2019. Upon application of HKFRS 16, the non-current and current portion of prepaid land lease payments amounting to HK\$15,661,000 and HK\$575,000 respectively were reclassified to right-of-use assets.
- (b) Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use of the underlying assets and were adjusted to reflect the discounting effect at transition. Accordingly, HK\$941,000 was adjusted to refundable rental deposits paid and right-of-use assets.

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.2 首次應用香港財務報告準則第16號而進行之過渡及產生之影響概要(續)

作為承租人(續)

使用權資產於二零一九年四月一日之賬面值包括以下各項：

使用權資產指租賃土地及樓宇。

附註：

- (a) 於二零一九年三月三十一日，位於香港之土地租賃權益之預付款項分類為預付土地租賃款項。於應用香港財務報告準則第16號時，金額分別為15,661,000港元及575,000港元之預付土地租賃款項之非流動及流動部分重新分類為使用權資產。
- (b) 於應用香港財務報告準則第16號前，本集團將已付可退還租賃按金視為香港會計準則第17號適用之租賃項下之權利及責任。根據香港財務報告準則第16號項下之租賃付款定義，該等按金並非與相關資產使用權相關之付款，並已作出調整反映過渡之貼現影響。因此，941,000港元調整至已付可退還租賃按金及使用權資產。

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position as at 1 April 2019 for the initial application of HKFRS 16. Line items that were not affected by the changes have not been included.

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.2 首次應用香港財務報告準則第16號而進行之過渡及產生之影響概要(續)

下列為於二零一九年四月一日首次應用香港財務報告準則第16號之簡明綜合財務狀況表確認之金額作出之調整。沒有受變動影響之項目不包括在內。

		Carrying amounts previously reported at 31.3.2019	Adjustments	Carrying amounts under HKFRS 16 at 1.4.2019 於二零一九 四月一日 香港財務報告 準則第16號下 之賬面值
		於二零一九年 三月三十一日 先前呈報 之賬面值 HK\$'000 千港元	調整 HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產			
Right-of-use assets	使用權資產	-	112,469	112,469
Prepaid land lease payments	預付土地租賃款項	15,661	(15,661)	-
Current assets	流動資產			
Prepaid land lease payments	預付土地租賃款項	575	(575)	-
Trade and other debtors, deposits and prepayments	貿易及其他應收款項、 按金及預付款項	992,536	(941)	991,595
Current liabilities	流動負債			
Lease liabilities	租賃負債	-	22,525	22,525
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	-	74,442	74,442
Capital and reserves	資本及儲備			
Retained profits	保留溢利	222,480	(1,675)	220,805

2. Principal Accounting Policies (Continued)

Impacts and changes in accounting policies on application of HKFRS 16 “Leases” (Continued)

2.2 Transition and summary of effects arising from initial application of HKFRS 16 (Continued)

The initial application of HKFRS 16 resulted in recognition of right-of-use assets and lease liabilities, and adjustments on rental deposits with corresponding net effect charged to retained profits by HK\$1,675,000 as at 1 April 2019.

For the purpose of reporting cash flows used in operating activities under indirect method for the six months ended 30 September 2019, movements in working capital have been computed based on opening statement of financial position as at 1 April 2019 as disclosed above.

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

2. 主要會計政策(續)

應用香港財務報告準則第16號「租賃」之影響及會計政策變動(續)

2.2 首次應用香港財務報告準則第16號而進行之過渡及產生之影響概要(續)

於二零一九年四月一日，首次應用香港財務報告準則第16號導致確認使用權資產及租賃負債，及租賃按金調整，相應影響淨值自保留溢利扣除1,675,000港元。

就截至二零一九年九月三十日止六個月根據間接方法呈報用於經營業務之現金流量而言，營運資金變動已根據上文所披露之二零一九年四月一日之期初財務狀況表計算。

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)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九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:

For the six months ended 30 September 2019

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：

截至二零一九年九月三十日止六個月

		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	5,212,886	-	-	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	收入確認之時間						
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						(98,159)
Gain on disposal of subsidiaries	出售附屬公司之盈利						153,705
Finance costs	融資成本						(34,663)
Profit before tax	除稅前溢利						29,056

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九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 2018

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)

截至二零一八年九月三十日止六個月

		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	4,391,330	28	-	4,391,358	-	4,391,358
Inter-segment sales	分部間銷售	-	712	-	712	(712)	-
Segment revenue	分部收入	4,391,330	740	-	4,392,070	(712)	4,391,358
Timing of revenue recognition	收入確認之時間						
Over time	隨時間	4,391,330	740	-	4,392,070	(712)	4,391,358
Segment profit (loss)	分部溢利(虧損)	82,023	(1,497)	878	81,404	-	81,404
Corporate income	企業收益						18,528
Central administrative costs	中央行政成本						(58,019)
Finance costs	融資成本						(7,105)
Profit before tax	除稅前溢利						34,808

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

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(虧損)溢利為各可報告及經營分部招致之虧損或賺取之溢利,並無分攤企業收益、中央行政成本、出售附屬公司之盈利及融資成本。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。

4. Income Tax (Credit) Expense

4. 所得稅(抵免)費用

		Six months ended 30 September 截至九月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong	香港		
Current tax	本期稅項	-	1,316
Macau and other jurisdictions	澳門及其他司法權區		
Current tax	本期稅項	1,083	1,359
Overprovision in prior years	過往年度超額撥備	(1,148)	-
		(65)	1,359
		(65)	2,675

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%。

由於應課稅溢利均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 (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九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	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 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	20,739	16,718
Depreciation of right-of-use assets	使用權資產之折舊	12,423	-
Loss (gain) on disposal of property, plant and equipment	出售物業、機械及設備之虧損(盈利)	248	(4,926)
Legal and professional fee (Note)	法律及專業費用(附註)	2,208	1,630
Release of prepaid land lease payments (Note)	轉撥預付土地租賃款項(附註)	-	288
Staff costs (Note)	員工成本(附註)	143,772	97,929
Interest income	利息收益	(19,500)	(18,528)

Note: These items are included in administrative expenses.

附註：該等項目計入行政費用內。

6. Dividends

No dividend was paid or proposed during the six months ended 30 September 2019 and 2018, nor has any dividend been proposed since the end of the reporting periods.

6. 股息

截至二零一九年及二零一八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。

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

During the period, the Group spent HK\$11,758,000 (1.4.2018 to 30.9.2018: HK\$52,975,000) 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\$283,000 (1.4.2018 to 30.9.2018: HK\$323,000).

During the period, the Group entered into new lease agreements for the use of land and buildings, motor vehicle and office equipment. The Group is required to make periodic payments. On lease commencement, the Group recognised HK\$7,486,000 and HK\$7,419,000 for right-of-use assets and lease liabilities respectively.

7. 物業、機械及設備及使用權資產

期內，本集團動用11,758,000港元(二零一八年四月一日至二零一八年九月三十日：52,975,000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283,000港元(二零一八年四月一日至二零一八年九月三十日：323,000港元)之物業、機械及設備。

期內，本集團就土地及樓宇、汽車及辦公室設備之使用訂立新租賃協議。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7,486,000港元及租賃負債7,419,000港元。

8. Trade and Other Debtors, Deposits and Prepayments

8. 貿易及其他應收款項、按金及預付款項

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Trade debtors	貿易應收款項	677,724	553,664
Less: Impairment allowance	減：減值撥備	(12,626)	(13,515)
		665,098	540,149
Advance payments to sub-contractors	向分判商支付之預付款項	147,209	157,894
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	236,603	224,070
Other debtors, deposits and prepayments	其他應收款項、按金及預付款項	122,796	70,762
		506,608	452,726
Less: Impairment allowance	減：減值撥備	(3,613)	(339)
		502,995	452,387
		1,168,093	992,536

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

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

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.

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:

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Within 90 days	90日內	612,690	490,641
More than 180 days	超過180日	52,408	49,508
		665,098	540,149

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 collectively using a provision matrix with appropriate groupings based on the Group's 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、按金及預付款項(續)

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。

於報告期末，以發票日期為基準呈報之經扣除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撥備矩陣並以適當組別分類進行集體評估，根據本集團過往信貸虧損經驗，以毋須花費不必要成本或努力獲得之前瞻性資料作調整。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 (Continued)
簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

9. Contract Assets and Liabilities

9. 合約資產及負債

		Notes	30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
		附註		
Retention held by customers	客戶持有之保固金	(a)	993,369	766,634
Unbilled revenue of construction contracts	建築合約未發票據之收入	(b)	1,740,796	1,698,338
Advances from customers of construction contracts	預收建築合約客戶款項	(c)	(809,554)	(664,233)
Less: Impairment allowance			1,924,611 (4,024)	1,800,739 (555)
			1,920,587	1,800,184
Analysed as:	分析為:	(d)		
Contract assets	合約資產		2,387,589	2,124,006
Contract liabilities	合約負債		(467,002)	(323,822)
			1,920,587	1,800,184
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		415,760	332,447
- after 12 months from the end of the reporting period	- 報告期末起計12個月後		577,609	434,187
			993,369	766,634

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代價之權利，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），客戶持有之保固金轉移至貿易應收款項。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九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之權利，因為該等權利須待客戶對本集團所完成建築工程表示滿意後方可作實且有關工程須待客戶核實。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），未發票據之收入轉撥至貿易應收款項。
- (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 past due as at 30 September 2019. The directors of the Company consider the amounts are recoverable within one year.

10. 其他應收貸款

	30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Other loans receivable	63,855	63,855
Less: Impairment allowance	(15,771)	(7,693)
	48,084	56,162

其他應收貸款為無抵押、按香港最優惠利率加年息6%之浮動利率計息及於二零一九年九月三十日已逾期。本公司董事認為有關款項可於一年內收回。

11. Trade and Other Creditors and Accrued Expenses

11. 貿易及其他應付款項及應計開支

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Trade creditors	貿易應付款項	794,574	668,924
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	633,349	665,510
– after 12 months from the end of the reporting period	– 報告期末起計12個月後	372,752	253,566
Other creditors and accrued expenses	其他應付款項及應計開支	1,239,934	1,222,250
		3,040,609	2,810,250

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。本集團設有財務風險管理政策，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：

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Within 90 days	90日內	767,913	643,582
More than 90 days and within 180 days	超過90日但於180日內	2,136	5
More than 180 days	超過180日	24,525	25,337
		794,574	668,924

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

12. Bank and Other Borrowings

During the period, the Group repaid bank borrowings of HK\$1,038,000,000 (1.4.2018 to 30.9.2018: HK\$1,006,840,000) and raised bank and other borrowings of HK\$1,291,875,000 (1.4.2018 to 30.9.2018: HK\$1,036,910,000) for the Group's operation.

12. 銀行及其他借款

期內，本集團償還1,038,000,000港元(二零一八年四月一日至二零一八年九月三十日：1,006,840,000港元)之銀行借款，並新造1,291,875,000港元(二零一八年四月一日至二零一八年九月三十日：1,036,910,000港元)之銀行及其他借款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 2018, 31 March 2019 and 30 September 2019	已發行及繳足： 於二零一八年四月一日、 二零一九年三月三十一日及 二零一九年九月三十日	1,220,558,996	122,056

14. Share-based Payment Transactions

(a) Share option scheme of South Shore

On 11 August 2015 (the “Adoption Date”), South Shore adopted a new share option scheme (the “2015 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 2015 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 2015 Scheme during the six months ended 30 September 2019 and 2018. All share options granted to directors of the Company under the 2015 Scheme lapsed during the six months ended 30 September 2019. No share options granted to directors of the Company under the 2015 Scheme were exercised or cancelled during the six months ended 30 September 2019. No share options granted to directors of the Company under the 2015 Scheme lapsed, were exercised or cancelled during the six months ended 30 September 2018.

(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 2019 and 2018.

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」)，南岸採納一項新的購股權計劃(「二零一五年計劃」)，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。二零一五年計劃將自採納日期起維持有效十年。

截至二零一九年及二零一八年九月三十日止六個月概無本公司董事根據二零一五年計劃獲授予購股權。截至二零一九年九月三十日止六個月本公司董事根據二零一五年計劃獲授予之購股權均已失效。截至二零一九年九月三十日止六個月概無本公司董事根據二零一五年計劃獲授予之購股權已獲行使或被註銷。截至二零一八年九月三十日止六個月概無本公司董事根據二零一五年計劃獲授予之購股權失效、獲行使或被註銷。

(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。

截至二零一九年及二零一八年九月三十日止六個月概無任何南岸股份根據股份獎勵計劃獲授予本集團任何合資格人士。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

15. Capital Commitments

15. 資本承擔

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	2,772	4,274

16. Contingent Liabilities

16. 或然負債

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Indemnities issued to financial institutions 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金融機構發出彌償保證	72,980	45,544

17. Related Party Disclosures

(a) Related party transactions

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

17. 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	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Ultimate holding company 最終控股公司	Interest income 利息收益	2,974	2,933
Fellow subsidiaries 同系附屬公司	Revenue from construction contracts 建築合約收入	86,735	–
	Interest income 利息收益	11,396	11,199
	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	128,924	22,920
	Interest income 利息收益	122	203
Subsidiary of a substantial shareholder 主要股東之附屬公司	Interest expense 利息開支	2,501	2,633

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

17. Related Party Disclosures (Continued)

17. 關連人士之披露(續)

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

(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) Amount due from ultimate holding company

(i) 應收最終控股公司款項

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	65,568	63,052
Less: Impairment allowance	減：減值撥備	(1,311)	(630)
		64,257	62,422

(ii) Amounts due from fellow subsidiaries

(ii) 應收同系附屬公司款項

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	409,250	409,250
Other balance	其他結餘	72,050	60,654
		481,300	469,904
Less: Impairment allowance	減：減值撥備	(9,626)	(4,699)
		471,674	465,205

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.

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。

17. 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

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	(1,300)	(650)
		63,700	64,350

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

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	(6,380)	(3,190)
		312,620	315,810

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.

17. 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

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

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 (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

17. Related Party Disclosures (Continued)

17. 關連人士之披露(續)

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

(c) 應收／付聯營公司及合營企業款項

(i) Amounts due from associates

(i) 應收聯營公司款項

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	17,725	18,462

(ii) Amounts due from joint ventures

(ii) 應收合營企業款項

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	24,749	23,841
Other balances	其他結餘	69	129
Non-trade balance	非貿易結餘	3,846	4,667
		28,664	28,637

The trade balances due from joint ventures have a credit period of 90 days on average and the aged analysis presented based on the invoice date at the end of the reporting period is as follows:

應收合營企業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呈報之賬齡分析如下：

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Within 90 days	90日內	24,740	23,841
More than 90 days and within 180 days	超過90日但於180日內	9	-
		24,749	23,841

17. Related Party Disclosures (Continued)

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

(iii) Amount due to a joint venture

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	65	-

(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\$43,670,000 (31.3.2019: HK\$1,289,000) and HK\$54,056,000 (31.3.2019: HK\$54,056,000), respectively. The balances due to joint operations and other partners of joint operations are HK\$54,056,000 (31.3.2019: HK\$54,056,000) and HK\$49,275,000 (31.3.2019: HK\$4,380,000), respectively.

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

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	740	769
Other balances	其他結餘	180	520
Non-trade balances	非貿易結餘	96,806	54,056
		97,726	55,345

17. 關連人士之披露(續)

(c) 應收／付聯營公司及合營企業款項(續)

(iii) 應付一間合營企業款項

(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43,670,000港元(二零一九年三月三十一日: 1,289,000港元)及54,056,000港元(二零一九年三月三十一日: 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54,056,000港元(二零一九年三月三十一日: 54,056,000港元)及49,275,000港元(二零一九年三月三十一日: 4,380,000港元)。

(i) 應收合營業務／合營業務其他夥伴款項

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

17. Related Party Disclosures (Continued)

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

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

The trade balances due from joint operations/other partners of joint operations have a credit period of 90 days on average and the aged analysis presented based on the invoice date at the end of the reporting period is as follows:

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Within 90 days	90日內	387	609
More than 90 days and within 180 days	超過90日但於180日內	197	-
More than 180 days	超過180日	156	160
		740	769

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

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	4,673	1,920
Other balances	其他結餘	2,152	2,460
Non-trade balances	非貿易結餘	96,506	54,056
		103,331	58,436

17. 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)

(i) 應收合營業務/合營業務其他夥伴款項(續)

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呈報之賬齡分析如下：

(ii) 應付合營業務/合營業務其他夥伴款項

17. 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 (Continued)

The trade balances due to joint operations/other partners of joint operations have a credit period of 90 days on average and the aged analysis presented based on the invoice date at the end of the reporting period is as follows:

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Within 90 days	90日內	4,101	1,332
More than 180 days	超過180日	572	588
		4,673	1,920

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

(i) Amount due from a related company

Trade and other balance	貿易及其他結餘	94	94
Trade balance	貿易結餘		

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

17. 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(續)

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呈報之賬齡分析如下：

(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

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 三月三十一日 HK\$'000 千港元
Trade and other balance	貿易及其他結餘	94	94
Trade balance	貿易結餘		

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 (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

17. 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

		30.9.2019 二零一九年 九月三十日 HK\$'000 千港元	31.3.2019 二零一九年 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	4,827	2,121

(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.

17. 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

(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。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)
簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

17. Related Party Disclosures (Continued)

- (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\$3,846,000 (31.3.2019: HK\$4,667,000) 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:

17. 關連人士之披露(續)

- (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3,846,000港元(二零一九年三月三十一日：4,667,000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	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Short-term benefits	短期福利	9,032	4,541
Post-employment benefits	退休福利	9	18
		9,041	4,559

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

簡明綜合財務報表附註(續)

For the six months ended 30 September 2019 截至二零一九年九月三十日止六個月

18. 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 are accounted for as disposal of subsidiaries. Details of the net liabilities disposed of are summarised below:

18. 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。有關所出售之負債淨額概述如下：

		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、按金及預付款項	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：

		HK\$' 000 千港元
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：

		HK\$' 000 千港元
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

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

CORPORATE INFORMATION (Continued)

公司資料(續)

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
DBS Bank Limited
DBS Bank (China) Limited, Beijing Branch
Fubon Bank (Hong Kong) Limited
Hang Seng Bank Limited
Hang Seng Bank (China) Limited Beijing Branch
Shanghai Commercial Bank Limited
The Bank of East Asia, Limited
The Bank of East Asia (China) Limited, Beijing 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
星展銀行有限公司
星展銀行(中國)有限公司·北京分行
富邦銀行(香港)有限公司
恒生銀行有限公司
恒生銀行(中國)有限公司北京分行
上海商業銀行有限公司
東亞銀行有限公司
東亞銀行(中國)有限公司·北京分行
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