



Paul Y. Engineering Group Limited

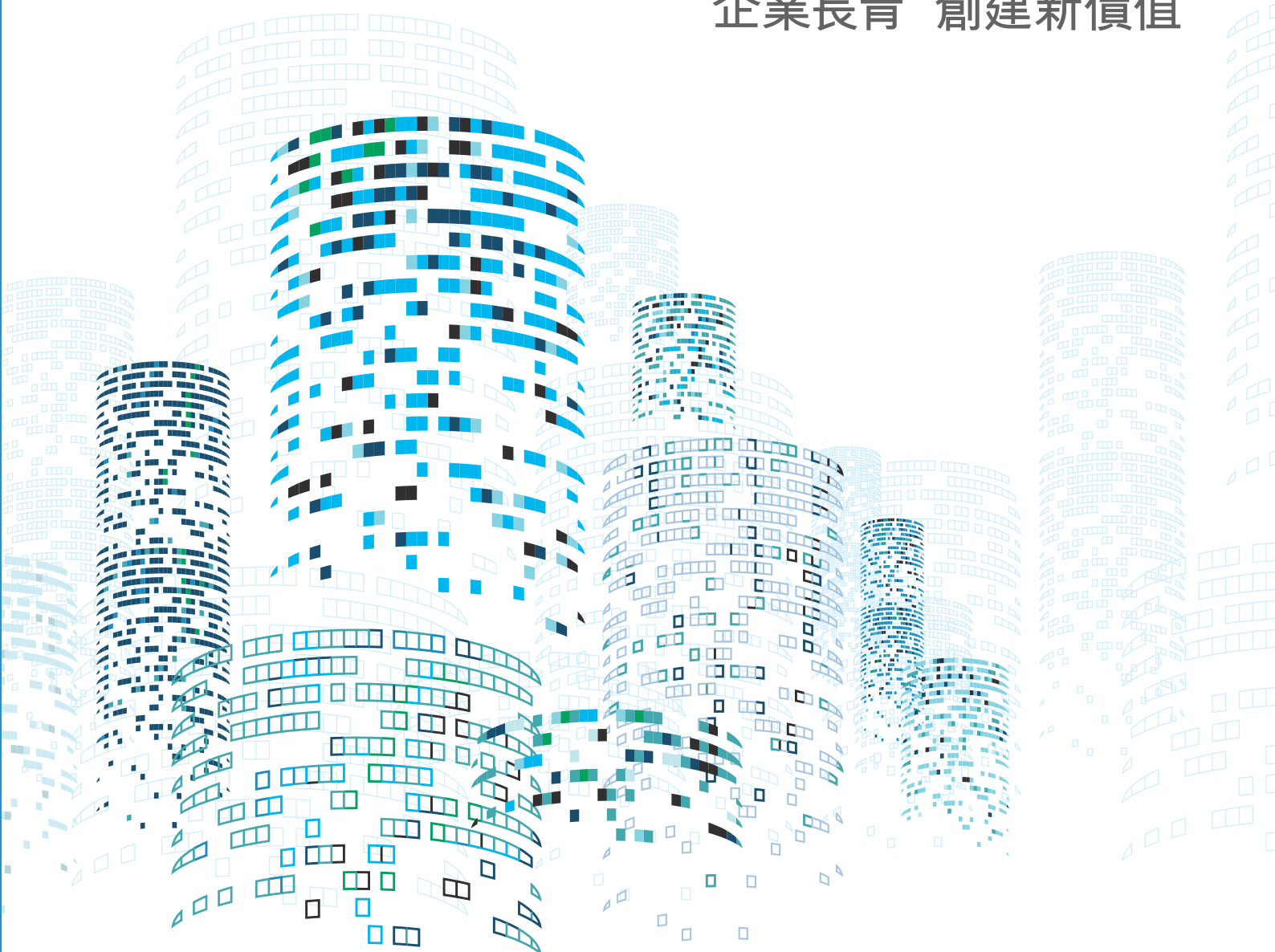
保華建業集團有限公司

(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)

CREATING VALUE FOR CORPORATE SUSTAINABILITY

企業長青 創建新價值



Interim Report
中期報告

2022

Paul Y. Engineering Group Limited is a leading construction and engineering group headquartered in Hong Kong, offering comprehensive and integrated project management and delivery services and facilities management services in Hong Kong, Mainland China, Macau and Southeast Asia.

For over 75 years, Paul Y. Engineering has been at the heart of some of the most challenging and impressive construction and engineering projects that have shaped the iconic skylines of Hong Kong and many other cities. Through growth in recent decades, Paul Y. Engineering has developed and become one of Hong Kong's largest contracting businesses.

We aim to satisfy the needs and expectations of our valuable clientele by providing integrated project delivery solutions through all stages of projects. At the same time, we are committed to our role as a responsible corporate citizen by the implementation of sustainable practices in our businesses and good corporate governance to build harmonious relationships with our people, clients, business partners and the communities in which we operate.

保華建業集團有限公司以香港為基地，是其中一間主要的建築及工程公司，致力提供全面及綜合式的項目管理、交付服務及設施管理服務，業務遍及香港、中國內地、澳門及東南亞。

過去七十五年，保華建業參與及建設了不少具挑戰性及代表性的工程項目，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。隨着近數十年的業務增長，保華建業已發展成為本港一間最具規模的承建商之一。

我們致力為客戶提供全面而靈活的方案，務求在整個建造過程裏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，透過實踐可持續發展及良好的企業管治，矢志與員工、客戶、合作夥伴和社區建立和諧關係。

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DEPUTY CHAIRMAN'S STATEMENT

副主席報告

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 2021.

Profit for the period attributable to owners of the Company was about HK\$22 million (2020: HK\$67 million), a decrease of about 67% compared with the same period last year. Our shareholders' fund at the period end increased to approximately HK\$1,158 million or about HK\$0.95 per share as the Group accepted an irrevocable and unconditional assignment of the voting rights of 100% shareholding in Grand Scheme Developments Limited from Blue River Holdings Limited, the ultimate holding company of the Company, at nil consideration on 30 September 2021. Cash, bank balances and deposits stood at about HK\$898 million. Revenue during the period was about HK\$6,402 million (2020: HK\$5,357 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\$4,794 million (2020: HK\$6,103 million), a decrease of about 21% from the last corresponding period. As at 30 September 2021, the value of contracts on hand was about HK\$53,724 million, up by approximately 7% as compared with the corresponding amount as at 31 March 2021. Subsequent to the period end, the Group further secured new contracts with a total value of approximately HK\$655 million.

Looking ahead, having lived with the pandemic for almost 2 years and the advances being made around the world in controlling it, the global economy is expected to recover gradually with benefits for Hong Kong. We will monitor the market closely with a view to identifying opportunities to grow and diversify. We will continue to apply innovative and technological advances to our operations to strengthen our business foundation and to drive efficiency. Our focus will continue to be on safety, cost control and quality through implementation of good control measures and corporate governance as part of our risk management policy and procedures.

The Group remains positive that the HKSAR Government's land and housing policies and its proposed infrastructure works, such as the Northern Metropolis Development Strategy, will continue to provide sustainable growth opportunities for the construction market in the long term.

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」）截至二零二一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2,200萬港元（二零二零年：6,700萬港元），較去年同期減少約67%。股東資金於期末增加至約11.58億港元或每股約0.95港元，此乃由於本集團接納本公司之最終控股公司藍河控股有限公司於二零二一年九月三十日無償轉讓Grand Scheme Developments Limited之100%股權之投票權，此轉讓乃不可撤回及無條件。現金、銀行結餘及存款約為8.98億港元。期內之收入約為64.02億港元（二零二零年：53.57億港元），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47.94億港元（二零二零年：61.03億港元），較去年同期減少約21%。於二零二一年九月三十日，本集團手頭合約價值約為537.24億港元，較二零二一年三月三十一日之相關價值增加約7%。期末後，本集團再取得總值約6.55億港元之新合約。

展望未來，經過近兩年的疫情，加上各國在控制疫情方面取得進展後，預計全球經濟將逐漸復甦，本港將因而受惠。我們將繼續密切留意市場，尋求增長和多元化的機遇。我們將繼續在我們的運營中應用創新技術，以加強我們的業務基礎並提高效率。作為我們風險管理政策和程序的一部分，我們將繼續透過實施良好的監管措施和公司管治來推動工地安全、達致成本控制和提高建築質量。

另外，本集團認為香港特區政府計劃推出的一系列造地建屋政策，以及大量的基建工程投資（例如北部都會區發展策略），將繼續為本地建造業創造機會，相信業界長遠前景依然樂觀。

DEPUTY CHAIRMAN'S STATEMENT 副主席報告

In closing, I would like to express my sincere gratitude to our Board, management teams and committed employees for their hard work and continuous effort over the years. To increase shareholder value, we will continue to capture opportunities to realise sustainable growth of our business.

Chan Fut Yan

Deputy Chairman (Executive Director)

Hong Kong, 26 November 2021

最後，本人藉此向董事會成員、管理團隊和全體員工多年來的辛勤工作和努力不懈，為集團作出巨大貢獻深表謝意。本集團將不斷尋找更多發展商機，令業務達致可持續增長，為各股東創造更大價值。

陳佛恩

副主席(執行董事)

香港，二零二一年十一月二十六日

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 2021, together with the comparative figures for the corresponding period in 2020. 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 50 of this report.

REVIEW OF FINANCIAL PERFORMANCE AND POSITIONS

During the period under review, with the impact of the COVID-19 pandemic continuing to linger, and the construction industry is facing challenges of rising costs of raw materials, the Group's business in the review period has been exceptionally challenging. Fortunately, with our strong order book on hand and leveraging our all-round business strategies, the Group has successfully secured several new contracts covering public works and private development to drive income increase. The Group continued to grasp opportunities and enhance our business performance by adopting various approaches including constant review and optimisation operations and project management, as well as advanced technologies application.

For the six months ended 30 September 2021, the Group recorded a consolidated revenue of approximately HK\$6,402 million (2020: HK\$5,357 million), representing an increase of approximately 19% from that of the last period. The gross profit decreased by approximately 2% to approximately HK\$239 million (2020: HK\$244 million) and the gross margin was approximately 3.7% (2020: 4.5%). Profit for the period attributable to owners of the Company was decreased by approximately 67% to approximately HK\$22 million (2020: HK\$67 million). The decrease in gross profit and profit for the period was mainly due to the absence of wage subsidies from the Government for the corresponding period of last year.

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」）截至二零二一年九月三十日止六個月之中期業績以及二零二零年同期的比較數字。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50頁。

財務表現及狀況回顧

回顧期內，受到2019年新型冠狀病毒病疫情的延續，加上建築原材料價格上升，本集團業務於回顧期內尤其充滿挑戰。但我們手頭合約充足，加上本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，帶動收入增長，有助減輕對本集團業務的影響。本集團繼續把握機遇，並透過採納不同措施，包括持續優化營運及項目管理，以及應用先進科技，提升業務表現。

截至二零二一年九月三十日止六個月，本集團錄得綜合收入約64.02億港元（二零二零年：53.57億港元），較去年同期增加約19%。毛利減少約2%至約2.39億港元（二零二零年：2.44億港元），而毛利率約為3.7%（二零二零年：4.5%）。期內，本公司擁有人應佔期間溢利減少約67%至約2,200萬港元（二零二零年：6,700萬港元）。毛利和溢利的減少主要是由於期內未有如去年同期政府所提供之工資補貼所致。

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

On 30 September 2021, the Group accepted an irrevocable and unconditional assignment of the voting rights of 100% shareholding (the "Voting Rights") in Grand Scheme Developments Limited ("Grand Scheme") from Blue River Holdings Limited ("Blue River"), the ultimate holding company of the Company, at nil consideration. As Grand Scheme becomes a wholly-owned subsidiary of the Group, total assets of the Group increased to approximately HK\$8,695 million as at 30 September 2021. Current assets increased to approximately HK\$8,034 million, representing approximately 1.1 times the current liabilities. The equity attributable to owners of the Company increased to approximately HK\$1,158 million. Net cash used in operating activities was about HK\$214 million and net cash inflow in respect of investing and financing activities was approximately HK\$333 million, resulting in a net increase in cash and cash equivalents of about HK\$119 million for the period.

REVIEW OF OPERATIONS

Management contracting division remained the core business and the major contributor of revenue during this period. Revenue of this division amounted to approximately HK\$6,400 million (2020: HK\$5,354 million), up by about 20%. It reported an operating profit of approximately HK\$121 million (2020: HK\$161 million). As at 30 September 2021, the value of contracts on hand was approximately HK\$53,635 million, while the value of work remaining had stood at approximately HK\$29,010 million.

During the period under review, the management contracting division secured new construction contracts with an aggregate value of approximately HK\$4,794 million, representing a decrease of approximately 21% as compared to the amount of approximately HK\$6,103 million for the same period last year. Subsequent to the period end, the division secured further contracts of approximately HK\$641 million. Set out below are some of the new contracts secured during the period and up to the date of this report:

- Construction of Public Housing Development at Chiu Shun Road, Tseung Kwan O
- Design and Build Contract for Automated Car Park A at Hong Kong Boundary Crossing Facilities
- Development of Lok Ma Chau Loop Main Works Package 1 Contract 1 – Site Formation and Infrastructure Works inside Lok Ma Chau Loop and Western Connection Road Phase 1
- Main Contract for Mixed Housing Development at Pak Wo Road, FSSTL 264, Fanling

於二零二一年九月三十日，本集團接納本公司之最終控股公司藍河控股有限公司（「藍河」）無償轉讓Grand Scheme Developments Limited（「Grand Scheme」）之100%股權之投票權（「投票權」），此轉讓乃不可撤回及無條件。由於Grand Scheme成為本集團之全資附屬公司，本集團於二零二一年九月三十日之資產總值增加至約86.95億港元，流動資產增加至約為80.34億港元，相當於流動負債約1.1倍。本公司擁有人應佔權益增加至約11.58億港元。用於經營業務之現金淨額約為2.14億港元，而投資及融資活動之現金流入淨額約為3.33億港元，故期內之現金及與現金等值項目錄得約1.19億港元之淨增幅。

業務回顧

承建管理部門仍為本集團之主要業務，亦是本期間之主要收入來源。該部門收入約達64.00億港元（二零二零年：53.54億港元），上升約20%。該部門錄得經營溢利約為1.21億港元（二零二零年：1.61億港元）。於二零二一年九月三十日，其手頭合約價值約為536.35億港元，而餘下工程價值則約為290.10億港元。

回顧期內，承建管理部門獲得之新建築工程合約總值約47.94億港元，較去年同期之約61.03億港元減少約21%。期末後，該部門再取得約值6.41億港元之工程合約。以下為期內及截至本報告日期所取得之部分新合約：

- 將軍澳昭信路公共房屋發展項目建造工程
- 香港口岸自動停車場A設計及建造合約
- 落馬洲河套地區發展第一期主體工程合約一：落馬洲河套地區工地平整和基礎設施工程及西面連接道路第一期
- 粉嶺上水市地段第264號百和路混合房屋項目總承包合約工程

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

- Main Contract for Proposed Student Activities Center for Hong Kong International School Association Limited at R.B.L. 1199 Tai Tam Reservoir Road, Tai Tam
- Main Contract Works for the Composite Redevelopment at 11 Ngau Tau Kok Road
- Site Formation and Foundation Works for Proposed Residential Redevelopment at 6 Deep Water Bay Road
- 大潭水塘道鄉郊建屋地段第1199號擬建香港國際學校學生活動中心總承包合約工程
- 牛頭角道11號綜合重建發展項目總承包合約工程
- 深水灣道6號住宅重建項目工地平整及地基工程

The property development management division reported a profit of approximately HK\$7 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. Subsequent to the period end, the division secured further contracts of approximately HK\$14 million.

The property investment division reported a loss, through its joint venture, of approximately HK\$11 million for the period under review. The joint venture was disposed of by the Group during the period. In addition, Grand Scheme and its subsidiaries, which are principally engaged in investment, sale and leasing of properties, become subsidiaries of the Group on 30 September 2021, and are included in this division.

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 2021, cash, bank balances and deposits stood at approximately HK\$898 million, of which approximately HK\$756 million, HK\$16 million, HK\$111 million, HK\$12 million and HK\$3 million were denominated in Hong Kong Dollars, Macau Patacas, Renminbi, Singapore Dollars and Malaysian Ringgit respectively.

As at 30 September 2021, the Group had total bank borrowings of approximately HK\$1,568 million which are repayable within one year. All of the bank borrowings 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\$1,568 million and equity attributable to owners of the Company of around HK\$1,158 million, was about 1.35 as at 30 September 2021.

回顧期內，物業發展管理部門錄得溢利約700萬港元。物業發展管理部門於期末之手頭合約價值約為8,900萬港元。期末後，該部門取得約值1,400萬港元之合約。

回顧期內，物業投資部門通過其合營企業錄得虧損約1,100萬港元。本集團已於期內出售該合營企業。此外，Grand Scheme及其附屬公司於二零二一年九月三十日成為本集團之附屬公司並計入本部門，其主要從事物業投資、銷售及租賃。

流動資金與資本來源

本集團根據審慎之資金及庫務政策，備有多項信貸安排以提供其所需之營運資金。於二零二一年九月三十日，現金、銀行結餘及存款約為8.98億港元，其中約7.56億港元、1,600萬港元、1.11億港元、1,200萬港元及300萬港元分別以港元、澳門幣、人民幣、新加坡元及馬來西亞令吉為單位。

於二零二一年九月三十日，本集團之總銀行借款約15.68億港元，有關借款須於一年內償還。全部銀行借款按浮動利率計息，並以港元為單位。於二零二一年九月三十日，根據總銀行借款約15.68億港元及本公司擁有人應佔權益約11.58億港元計算，本集團之資本負債比率約為1.35。

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

EMPLOYEES

The Group had 2,183 full-time employees, excluding contracted casual labour in Macau, as at 30 September 2021. 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.

PLEDGE OF ASSETS

As at 30 September 2021, the Group pledged bank deposits and cash of approximately HK\$41 million and charged over the Group's leasehold land and building and benefits from 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 financial institutions for bonds on construction contracts of joint operations as at 30 September 2021.

In addition, a subsidiary of the Company was involved in a dispute with a sub-contractor alleging a final payment of approximately HK\$38 million being due under a sub-contract for construction works, for which the subsidiary assesses no entitlement. The Group is of the view that the claim is groundless and that it would not lead to a material adverse impact on the financial position of the Group. No provision has therefore been made in the condensed consolidated financial statements as at 30 September 2021.

COMMITMENTS

As at 30 September 2021, 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\$6 million.

僱員

於二零二一年九月三十日，本集團共聘用2,183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。

資產抵押

於二零二一年九月三十日，本集團將約4,100萬港元之銀行存款及現金，以及本集團之租賃土地及樓宇及若干建築合約產生之利益作抵押，作為授予本集團之一般融資之擔保。

或然負債

於二零二一年九月三十日，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2,900萬港元之或然負債。

此外，本公司一間附屬公司涉及一宗與分判建築工程有關之糾紛。分判商聲稱在分判合約下有一筆金額約3,800萬港元的應收工程款項，而在附屬公司的評審中，分判商並無該權利。本集團認為有關申索毫無根據，且不會對本集團之財務狀況造成重大不利影響。因此，於二零二一年九月三十日之簡明綜合財務報表中並無作出任何撥備。

承擔

於二零二一年九月三十日，本集團就購置物業、機械及設備而已訂約但未於簡明綜合財務報表內撥備之開支約600萬港元。

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

MATERIAL ACQUISITION AND DISPOSAL

On 30 June 2021, the Group has disposed of its interests in a joint venture, through disposal of subsidiaries, which is principally engaged in property investment.

On 30 September 2021, the Group has received an irrevocable and unconditional assignment of the Voting Rights in Grand Scheme from Blue River, the ultimate holding company of the Company, at nil consideration. Upon accepting the assignment of the Voting Rights, Grand Scheme and its subsidiaries become wholly-owned subsidiaries of the Group starting from 30 September 2021.

Apart from the above, there was no other material acquisition and disposal of subsidiaries, associates and joint ventures during the period.

SECURITIES IN ISSUE

As at 30 September 2021, 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 2021 (2020: Nil).

OUTLOOK

Over the past 2 years the effects of the COVID-19 pandemic have badly affected the global economy and a number of business sectors in Hong Kong. However with the mass global rollout of COVID-19 vaccinations and the consequent gradual easing of travel and other restrictions across the world, the global economy is showing signs of recovery. We must not, however, be complacent and must remain vigilant. Notwithstanding potential improvement in Sino-US trade relations, other international political and trade issues have arisen which could adversely impact the economic environment.

重大收購及出售

於二零二一年六月三十日，本集團透過出售附屬公司出售一間主要從事物業投資之合營企業權益。

於二零二一年九月三十日，本集團獲本公司之最終控股公司藍河無償轉讓Grand Scheme之投票權，此轉讓乃不可撤回及無條件。於接納獲轉讓之該批投票權後，Grand Scheme及其附屬公司自二零二一年九月三十日成為本集團之全資附屬公司。

除上述者外，本集團於期內並無重大收購及出售附屬公司、聯營公司及合營企業之事項。

已發行證券

於二零二一年九月三十日，已發行合共1,220,558,996股股份。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二零二一年九月三十日止六個月之中期股息(二零二零年：無)。

展望

過去兩年中，2019年新型冠狀病毒病的疫情，對全球市場及本港各行各業帶來衝擊。隨着大規模疫苗接種計劃展開及各國放寬入境限制，全球經濟有望恢復。但本集團絕不會鬆懈，必須保持警惕。儘管中美貿易關係可能改善，但其他國際政治及貿易事件已經出現，或為全球經濟帶來不利影響。

CHIEF EXECUTIVE OFFICER'S REPORT

行政總裁報告

In Hong Kong, the construction industry is already encountering challenges created in part by prevailing international relations with the rising costs of raw materials. In addition the competition for projects has been keen with tender prices at unexpected levels not seen for a number of years. Nevertheless, the Board remains positive in view of the strong order book in hand that will provide long-term income streams. We will continue to focus on premium projects while adopting a cautious approach in project tendering to expand the portfolio of our business. Wishing to keep pace of the technological revolution, which has been changing the face of construction, we will continue to actively apply advanced innovative technologies to our operations. We have and will continue to invest substantial resources in promoting and expanding smart construction and implementing workplace digitalisation to streamline design and project planning, enhance transparency, efficiency and shorten construction time. We will continue to support the policies of the HKSAR Government in the use of technology, such as Building Information Modelling (BIM), and the adoption of Modular Integrated Construction (MiC) for realisation of green construction and sustainable development in Hong Kong.

Through mindful deployment of resources and innovation and identification of business opportunities for diversification, the Group will be able to overcome the challenges from volatile market conditions and continue to grow.

Finally, I would like to take this opportunity to express my sincere gratitude to our Board members, management teams and employees for their dedication and hard work and our shareholders, clients and business partners for their support and trust over the years. The Group remains committed to doing its best to build value for growth.

Lee Hang Wing, James

Chief Executive Officer (Executive Director)

Hong Kong, 26 November 2021

在香港，本地建造業亦正面對因現時國際關係而引致原材料價格上升的挑戰。另外，投標價格競爭激烈令投標價格處於多年未見的意外水平。儘管如此，鑑於本集團手頭合約充足並帶來長期收入來源，董事會仍然保持樂觀。本集團將繼續專注於優質項目，在項目招標中採取審慎的策略，積極拓展業務範疇。為了跟上正在改變建築業面貌的技術革命，本集團將繼續積極地將先進的創新技術應用到我們的運營中。我們已經並將繼續投入大量資源來推廣和擴展智能建築和實施工地數碼化，以簡化設計和項目規劃，提高透明度、效率和縮短施工時間。本集團將繼續支持香港特區政府在科技應用方面的政策，例如建築信息模擬技術(BIM)，以及採用「組裝合成」建築法(MiC)，以實現香港的綠色建築和可持續發展。

透過資源審慎運用、創新及多元業務發展，本集團將能克服各種市場動盪挑戰及持續發展。

最後，本人謹此機會衷心向一直為本集團付出努力的董事會成員、管理團隊及員工致謝，同時感謝各股東、客戶及合作夥伴多年內的支持和信任。本集團將致力做到最好，持續創優增值。

李恒穎

行政總裁(執行董事)

香港，二零二一年十一月二十六日

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

Composition

As at the date of this report, the Board comprises three Directors, who possess appropriate expertise and qualifications in managing the Group.

Role and Responsibilities

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 Board has in place a list of decisions that are to be retained for the Board decision. These matters include:

1. Corporate strategy;
2. Financial reporting and control;
3. Major financial arrangements;
4. Risk management;
5. Succession planning; and
6. Recommendations to shareholders regarding the appointment of external auditor, dividend payments, capital reorganizations and scheme of arrangement.

The Board has delegated all day-to-day operations and management of the Company’s business to Management under the leadership of the Chief Executive Officer of the Company.

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

組成

於本報告日期，董事會由三位董事組成，彼等具備適當專業及資格管理本集團。

角色及職責

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

董事會已完整地將本公司一系列決策納入其管治範圍，其中包括：

1. 公司策略；
2. 財務匯報及控制；
3. 重大財務安排；
4. 風險管理；
5. 繼承方案；及
6. 就外聘核數師任命、派息、資本重組及債務償還安排向股東提供建議。

董事會已將本公司業務之一切日常營運及管理的工作轉授予以本公司行政總裁為首的管理層負責。

Board Process

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. The Directors have full access to information on the Group and are able to seek independent professional advice whenever they deem it necessary.

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.

To avoid conflicts of interest, Directors who have declared their material interests in the proposed transactions or issues to be discussed are not counted in the quorum of meetings and abstain from voting on the relevant resolutions.

Minutes of Board meetings with sufficient details of matters discussed are kept in safe custody by the Company Secretary, and are open for inspection by Directors.

Management Functions

The division of responsibilities between the Board and Management are clearly set out in writing to ensure that there is a segregation of duties with clear accountability.

The Board has delegated all the day-to-day operations and management of the Company's business to Management, under the leadership of the Chief Executive Officer of the Company. Management is required to report to the Board on their decisions or recommendations.

董事會程序

為確保董事會行事有效，董事獲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現狀。董事可取閱本集團之一切資料，並在董事認為需要時徵詢獨立專業意見。

此外，為了讓董事會及各董事履行其職責，本公司已實行每月向各董事提供更新資料，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。

為避免利益衝突，對討論的擬議交易或問題宣稱有重大利害關係的董事將不得算入會議法定人數中，亦須迴避對相關決議案進行投票。

詳盡載明相關事項之董事會會議之記錄由公司秘書妥為保管，並供各董事查閱。

管理職能

董事會與管理層之職責區分以書面形式清晰列明，以保證各司其職。

董事會已將本公司業務之一切日常營運及管理 work 轉授予以本公司行政總裁為首的管理層負責。管理層須向董事會匯報其決議或建議。

CORPORATE GOVERNANCE

企業管治

COMPANY SECRETARY

The Company Secretary supports the Board by ensuring good information flow and that Board policy and procedures are followed. He 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.

EXTERNAL AUDITOR

A written resolution of all members of the Company in lieu of the Annual General Meeting dated 22 October 2021, shareholders approved the re-appointment of Crowe (HK) CPA Limited as the Company's external auditor for the financial year ending 31 March 2022. The Board 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.

公司秘書

公司秘書負責支援董事會，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。

外聘核數師

本公司於二零二一年十月二十二日通過之全體股東書面決議案以代替股東週年大會中，股東批准續聘國富浩華(香港)會計師事務所有限公司為本公司截至二零二二年三月三十一日止財政年度之外聘核數師。本公司董事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 2021 截至二零二一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	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
	NOTES 附註		
Revenue	收入	3	6,401,724
Cost of sales	銷售成本		5,357,462
			(6,163,075)
Gross profit	毛利		243,669
Other income	其他收益		3,907
Administrative expenses	行政費用		(194,881)
Finance costs	融資成本		(23,270)
Impairment allowance on financial assets and contract assets	金融資產及合約資產之 減值撥備		(14,120)
Gain on disposal of subsidiaries and a joint venture	出售附屬公司及一間合營 企業之盈利	22	13,481
Share of results of associates	攤佔聯營公司業績		7,137
Share of results of joint ventures	攤佔合營企業業績		(11,156)
Profit before tax	除稅前溢利		68,271
Income tax credit (expense)	所得稅抵免(費用)	4	2,191
Profit for the period	期間溢利	5	21,938
			66,922

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 2021 截至二零二一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	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Profit for the period	期間溢利	21,938	66,922
Other comprehensive (expense) income for the period:	期間其他全面(開支) 收益：		
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	376	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	1,268	3,388
Reclassification adjustment on disposal of a joint venture	出售一間合營企業之重新 分類調整	(2,641)	-
		(997)	5,225
Total comprehensive income for the period	期間全面收益總額	20,941	72,147

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 September 2021 於二零二一年九月三十日

		NOTES 附註	Unaudited 未經審核 30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	Audited 經審核 31.3.2021 二零二一年 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	147,560	143,750
Right-of-use assets	使用權資產	7	85,134	80,134
Investment properties	投資物業	8	196,919	–
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		750	89,837
Financial assets measured at FVOCI	按公平值誌入其他全面收益 之金融資產	9	210,337	–
			660,261	333,282
CURRENT ASSETS	流動資產			
Stock of properties	物業存貨	10	34,370	–
Trade and other debtors, deposits and prepayments	貿易及其他應收款項、訂金 及預付款項	11	2,446,861	1,151,389
Contract assets	合約資產	12	4,344,845	3,439,178
Amount due from ultimate holding company	應收最終控股公司款項	20(b)(i)	–	–
Amounts due from fellow subsidiaries	應收同系附屬公司款項	20(b)(ii)	140	1,017,986
Amounts due from associates	應收聯營公司款項	20(c)(i)	5,820	18,642
Amounts due from joint ventures	應收合營企業款項	20(c)(ii)	1,508	4,862
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	20(d)(i)	120,563	90,250
Amount due from a related company	應收一間關連公司款項	20(e)(i)	–	94
Loan to ultimate holding company	向最終控股公司貸款	20(b)(iii)	–	–
Loan to a fellow subsidiary	向一間同系附屬公司貸款	20(b)(iv)	–	177,226
Other loans receivable	其他應收貸款	13	177,226	–
Taxation recoverable	可收回稅項		4,895	4,213
Pledged bank deposits and restricted cash	已抵押銀行存款及受限制現金		40,986	26,630
Short term bank deposits	短期銀行存款		108,916	131,600
Bank balances and cash	銀行結餘及現金		748,314	606,249
			8,034,444	6,668,319

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

At 30 September 2021 於二零二一年九月三十日

		NOTES 附註	Unaudited 未經審核 30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	Audited 經審核 31.3.2021 二零二一年 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	14	5,403,981	4,383,587
Contract liabilities	合約負債	12	332,633	451,626
Amounts due to fellow subsidiaries	應付同系附屬公司款項	20(b)(v)	9,990	–
Amount due to a joint venture	應付一間合營企業款項	20(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	20(d)(ii)	90,453	67,084
Amount due to a related company	應付一間關連公司款項	20(e)(ii)	–	12,202
Loan from a related company	一間關連公司借款	20(e)(iii)	–	70,000
Lease liabilities	租賃負債		31,070	27,375
Taxation payable	應付稅項		27,301	27,529
Bank borrowings	銀行借款	15	1,568,282	1,185,187
			7,463,770	6,224,650
NET CURRENT ASSETS	流動資產淨值		570,674	443,669
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		1,230,935	776,951
NON-CURRENT LIABILITIES	非流動負債			
Deferred tax liabilities	遞延稅項負債		13,204	–
Obligations in excess of interests in associates	超出聯營公司權益之 責任		2,162	9,251
Lease liabilities	租賃負債		58,024	57,461
			73,390	66,712
			1,157,545	710,239
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	16	122,056	122,056
Reserves	儲備		1,035,489	588,183
TOTAL EQUITY	總權益		1,157,545	710,239

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 September 2021 截至二零二一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	Other reserve	Retained profits	Total
		股本	實繳盈餘	贖回儲備	特別儲備	匯兌儲備	其他儲備	保留溢利	總計
		HK\$'000	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	千港元
			(Note (a)) (附註(a))		(Note (b)) (附註(b))		(Note (c)) (附註(c))		
At 1 April 2021 (audited)	於二零二一年四月一日 (經審核)	122,056	406,727	1,812	26,489	12,542	-	140,613	710,239
Exchange differences arising from translation of foreign operations	換算海外業務產生之 匯兌差額	-	-	-	-	376	-	-	376
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	-	-	-	-	1,268	-	-	1,268
Reclassification adjustment on disposal of a joint venture (Note 22)	出售一間合營企業之 重新分類調整 (附註22)	-	-	-	-	(2,641)	-	-	(2,641)
Profit for the period	期間溢利	-	-	-	-	-	-	21,938	21,938
Total comprehensive (expense) income for the period	期間全面(開支)收益 總額	-	-	-	-	(997)	-	21,938	20,941
Deemed contribution from holding company (Note 21)	視作控股公司之出資 (附註21)	-	-	-	-	-	426,365	-	426,365
At 30 September 2021 (unaudited)	於二零二一年九月三十日 (未經審核)	122,056	406,727	1,812	26,489	11,545	426,365	162,551	1,157,545

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 30 September 2021 截至二零二一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

Notes:

附註：

- (a) The contributed surplus represents the differences of the carrying amount of the investments in subsidiaries acquired from the former holding company of the Company and the carrying amount of the amount due from a subsidiary assigned by the former holding company of the Company, in excess of the nominal value of the Company's shares issued in exchange therefor.
- (a) 實繳盈餘指向本公司之前控股公司收購於附屬公司之投資之賬面值及本公司之前控股公司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) The special reserve of the Company and its subsidiaries (collectively referred to as the "Group") comprises (i) the difference between the cost of acquisition of subsidiaries and the nominal amount of their share capital at the date on which they were acquired; and (ii) the equity-settled share-based payment expenses recognised in relation to the share options granted under the share option scheme and the shares awarded under the share award scheme of the former holding company of the Company.
- (b) 本公司及其附屬公司(統稱「本集團」)之特別儲備包括(i)收購附屬公司之成本與有關附屬公司被收購當日之股本面值之間的差額；及(ii)本公司根據前控股公司之購股權計劃授出之購股權及股份獎勵計劃獎勵之股份而確認以股權結算以股份為基礎之付款開支。
- (c) The other reserve represents the fair value of net assets acquired from the holding company of the Company at nil consideration which was deemed as contribution from holding company (see note 21 for details).
- (c) 其他儲備指向本公司之控股公司以零代價收購資產淨值之公平值被視作控股公司之出資(詳情見附註21)。

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 September 2021 截至二零二一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	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Net cash (used in) generated from operating activities	(用於)來自經營業務之現金淨額	(213,782)	148,544
Net cash (used in) generated from investing activities	(用於)來自投資業務之現金淨額		
Additions to property, plant and equipment	添置物業、機械及設備	(24,148)	(5,696)
Placement of pledged bank deposits and restricted cash	存入已抵押銀行存款及受限制現金	(14,392)	-
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)
Acquisition of assets through deemed acquisition of subsidiaries	透過視作收購附屬公司進行之資產收購	21	-
Repayment from a joint venture	一間合營企業還款	1,203	1,107
Proceeds from disposal of property, plant and equipment	出售物業、機械及設備所得款項	106	283
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
Other investing cash flows	其他投資現金流	944	2,481
		(13,599)	8,367

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 30 September 2021 截至二零二一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

		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Net cash generated from financing activities	來自融資活動之現金淨額		
New bank borrowings raised	新造銀行借款	812,695	899,900
Advances from joint operations/other partners of joint operations	合營業務／合營業務其他夥伴墊款	–	351
Repayment of bank borrowings	償還銀行借款	(429,600)	(641,000)
Repayment of lease liabilities	償還租賃負債	(18,231)	(12,787)
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)
Other financing cash flows	其他融資現金流	(18,265)	(17,867)
		346,599	218,054
Net increase in cash and cash equivalents	現金及與現金等值項目增加淨額	119,218	374,965
Effect of foreign exchange rate changes	外幣匯率變動之影響	163	1,216
Cash and cash equivalents brought forward	現金及與現金等值項目承前	737,849	417,194
Cash and cash equivalents carried forward	現金及與現金等值項目結轉	857,230	793,375
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	108,916	282,430
Bank balances and cash	銀行結餘及現金	748,314	510,945
		857,230	793,375

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2021 截至二零二一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. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies newly applied by the Group.

Other than changes in accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) and application of certain accounting policies which become 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 2021 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2021.

(a) Application of amendments to HKFRSs

In the current interim period, the Group has applied 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 2021:

Amendments to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

The application of the amendments to HKFRSs in the current interim period has 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. 重要會計政策

簡明綜合財務報表乃根據歷史成本法編製，惟投資物業及若干金融工具按公平值計量，並詳述於本集團新應用的會計政策中。

除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之會計政策變動外，截至二零二一年九月三十日止六個月之簡明綜合財務報表內所採用之會計政策及計算方法與本集團截至二零二一年三月三十一日止年度之年度財務報表所呈列者一致。

(a) 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下列經修訂香港財務報告準則，其於本集團於二零二一年四月一日開始之財務期間強制生效：

香港財務報告準則第16號（經修訂）	2019冠狀病毒病相關租金寬免
香港財務報告準則第16號（經修訂）	二零二一年六月三十日之後的2019冠狀病毒病相關租金寬免
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號（經修訂）	利率基準改革—第二段

於本中期期間應用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 2021 截至二零二一年九月三十日止六個月

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Accounting policies newly applied by the Group

The Group has applied the following accounting policies which became relevant to the Group in the interim period.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

2. 重要會計政策(續)

(b) 本集團新應用的會計政策

本集團已應用下列於中期期間與本集團相關之會計政策。

非金融資產的公平值計量計入市場參與者透過將資產以其最高效及最佳用途使用或將其出售予另一市場參與者將資產以其最高效及最佳用途使用以創造經濟效益的能力。

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級及第三級，載述如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

收購並不構成業務的附屬公司

當本集團收購一組並不構成業務的資產及負債時，本集團透過將購買價首先按其各自的公平值分配至金融資產/金融負債，以識別及確認所收購個別可識別資產及所承擔負債，而餘下的購買價結餘其後按於購買日期的相關公平值分配至其他可識別資產及負債。有關交易並不會產生商譽或議價收購盈利。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2021 截至二零二一年九月三十日止六個月

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Accounting policies newly applied by the Group (Continued)

Investment properties

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

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

If a property becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in property revaluation reserve. On the subsequent sale or retirement of the property, the relevant revaluation reserve will be transferred directly to retained profits.

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

An investment property carried at fair value is transferred to properties for sales when there is a change in use evidenced by commencement of development with a view to sale of the relevant properties. The fair value of the property at the date of transfer is the deemed cost of the property for its subsequent accounting in accordance with HKAS 2.

2. 重要會計政策(續)

(b) 本集團新應用的會計政策(續)

投資物業

投資物業乃持作賺取租金及／或資本增值之物業。

於初步確認時，投資物業乃按成本(包括任何直接應佔費用)計量。於初步確認後，投資物業按公平值計量，並予以調整以撇除任何預付或應計經營租賃收入。投資物業公平值變動所產生之收益或虧損於產生期間列入損益中。

倘物業因其用途發生變化(以擁有人終止佔用證明)成為投資物業，則該項目於轉撥日期之賬面值與公平值之間的任何差額於其他全面收益確認及於物業重估儲備內累計。物業其後銷售或報廢時，有關重估儲備將直接轉移至保留溢利。

投資物業於出售或永久停用及預期出售不會帶來未來經濟利益時終止確認。終止確認物業所產生任何收益或虧損乃按出售所得款項淨額與資產賬面值之差額計算，於該物業終止確認之期間計入損益。

當有證據顯示投資物業開始發展以作出售，顯示有關物業用途有所改變，則按公平值計值之投資物業將被轉撥至待售物業。物業於轉撥日期之公平值視作為根據香港會計準則第2號進行後續會計處理時之物業成本入賬。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2021 截至二零二一年九月三十日止六個月

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Accounting policies newly applied by the Group (Continued)

Financial instruments

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at FVOCI:

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments designated as at FVOCI

Investments in equity instruments at FVOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve; and are not subject to impairment assessment.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the other income in profit or loss.

Derecognition of financial assets

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss, but is transferred to retained profits.

2. 重要會計政策(續)

(b) 本集團新應用的會計政策(續)

金融工具

金融資產

金融資產之分類及其後計量

滿足下列條件之金融資產其後按公平值誌入其他全面收益計量：

- 該金融資產乃以同時透過銷售及收取合約現金流而達致目的之業務模式持有；及
- 合約條款規定於特定日期產生之現金流純粹為支付本金及未償付之本金利息。

指定為按公平值誌入其他全面收益之權益工具

按公平值誌入其他全面收益之權益工具投資其後按公平值計量，公平值變動產生之收益及虧損於其他全面收益確認，並於投資重估儲備累計，且毋須進行減值評估。

當本集團確立收取股息之權利時，該等權益工具投資之股息於損益中確認，除非股息明確屬於收回投資成本之一部分則作別論。股息計入損益的其他收益中。

終止確認金融資產

於終止確認本集團在初步確認時選擇按公平值誌入其他全面收益計量之權益工具投資時，先前於投資重估儲備內積累之累計收益或虧損不會重新分類至損益，而是轉撥至保留溢利。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2021 截至二零二一年九月三十日止六個月

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Accounting policies newly applied by the Group (Continued)

Stock of properties

Stock of properties is stated at the lower of cost and net realisable value. Cost of stock of properties is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Net realisable value is determined by reference to sale proceeds received after the end of the reporting period, or, if not yet sold after the end of the reporting period, by management estimates based on prevailing market condition. The relevant costs include acquisition costs, development expenditure, borrowing costs capitalised and other direct costs attributable to such properties.

3. REVENUE AND SEGMENT INFORMATION

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

During the period, the Group disposed of its interests in a joint venture which is principally engaged in property investment (see note 22 for details). In addition, Grand Scheme Developments Limited ("Grand Scheme") and its subsidiaries, which are principally engaged in investment, sale and leasing of properties, become subsidiaries of the Group on 30 September 2021 (see note 21 for details) and are included in the property investment segment.

The Group's reportable and operating segments for the current period are changed as follows:

Management contracting	–	building construction and civil engineering
Property development management	–	development management, project management and facilities and asset management services
Property investment	–	investment, sale and leasing of properties

2. 重要會計政策(續)

(b) 本集團新應用的會計政策(續)

物業存貨

物業存貨按成本及可變現淨值兩者之較低者列賬。物業存貨成本乃使用加權平均成本法計算。可變現淨值是以一般業務過程中估計之銷售價減估計之銷售費用計算。可變現淨值乃參照報告期完結後取得之銷售所得款項，或倘於報告期完結後仍未售出，管理層基於現行市場狀況估計而釐定。相關成本包括收購成本、發展支出、撥充資本借貸成本及其他該等物業應佔直接成本。

3. 收入及分部資料

本集團之收入包括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。

期內，本集團出售其於一間合營企業之權益，該合營企業主要從事物業投資(詳情見附註22)。此外，Grand Scheme Developments Limited (「Grand Scheme」)及其附屬公司於二零二一年九月三十日成為本集團之附屬公司並計入物業投資分部中，其主要從事物業投資、銷售及租賃(詳情見附註21)。

本集團於期內之可報告及經營分部變動如下：

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	–	物業投資、銷售及租賃

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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:

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：

For the six months ended 30 September 2021

截至二零二一年九月三十日止六個月

		Management contracting 承連管理 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	6,400,416	1,308	-	6,401,724	-	6,401,724
Inter-segment sales	分部間銷售	-	1,180	-	1,180	(1,180)	-
Segment revenue	分部收入	6,400,416	2,488	-	6,402,904	(1,180)	6,401,724
Timing of revenue recognition	收入確認時間						
Over time	隨時間	6,400,416	2,488	-	6,402,904	(1,180)	6,401,724
Segment profit (loss)	分部溢利(虧損)	121,084	6,624	(11,032)	116,676	-	116,676
Corporate income	企業收益						1,065
Central administrative costs	中央行政成本						(88,205)
Gain on disposal of subsidiaries and a joint venture	出售附屬公司及一間合營企業之盈利						13,481
Finance costs	融資成本						(23,270)
Profit before tax	除稅前溢利						19,747

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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 2020

		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	5,354,182	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 Over time	收入確認時間 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

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 and a joint venture. 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)

截至二零二零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及一間合營企業之盈利。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。

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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	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Hong Kong	香港		
Current tax	本期稅項	22	2,458
Overprovision in prior years	過往年度超額撥備	(2,350)	-
		(2,328)	2,458
Macau and other jurisdictions	澳門及其他司法權區		
Current tax	本期稅項	269	91
Overprovision in prior years	過往年度超額撥備	(132)	(1,200)
		137	(1,109)
		(2,191)	1,349

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of assessable profits of the qualifying group entity will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The assessable profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

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.

根據香港利得稅的利得稅兩級制，合資格集團實體的首200萬港元應課稅溢利將按8.25%的稅率徵稅，而超過200萬港元之應課稅溢利將按16.5%的稅率徵稅。不符合利得稅兩級制資格的集團實體的應課稅溢利將繼續劃一按16.5%的稅率徵稅。

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。

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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	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 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	21,381	20,057
Depreciation of right-of-use assets	使用權資產之折舊	16,057	12,880
Loss on disposal of property, plant and equipment	出售物業、機械及設備之虧損	55	1,541
Staff costs (net of government grants of HK\$1,288,000 (1.4.2020 to 30.9.2020: HK\$18,066,000)) included in administrative expenses	計入行政費用內之員工成本 (扣除政府補助1,288,000港元 (二零二零年四月一日至二零二零年九月三十日: 18,066,000港元))	128,869	85,447
Interest income	利息收益	(1,065)	(20,190)

For the six months ended 30 September 2020, government grants of approximately HK\$47,674,000 was included in cost of sales.

截至二零二零年九月三十日止六個月，計入銷售成本內之政府補助約為47,674,000港元。

6. DIVIDENDS

No dividend was paid or proposed during the six months ended 30 September 2021 and 2020, nor has any dividend been proposed since the end of the reporting periods.

6. 股息

截至二零二一年及二零二零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 approximately HK\$24,148,000 (1.4.2020 to 30.9.2020: HK\$5,696,000) 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 approximately HK\$161,000 (1.4.2020 to 30.9.2020: HK\$1,824,000).

7. 物業、機械及設備及使用權資產

期內，本集團動用約24,148,000港元(二零二零年四月一日至二零二零年九月三十日: 5,696,000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，本集團出售賬面值約為161,000港元(二零二零年四月一日至二零二零年九月三十日: 1,824,000港元)之物業、機械及設備。

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7. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (Continued)

During the period, the Group entered into new lease agreements for the use of properties and recognised right-of-use assets of approximately HK\$17,588,000 (1.4.2020 to 30.9.2020: HK\$3,312,000) and lease liabilities of approximately HK\$17,493,000 (1.4.2020 to 30.9.2020: HK\$3,299,000).

In addition, property, plant and equipment of approximately HK\$1,179,000 and right-of-use assets of approximately HK\$3,449,000 have been consolidated into the Group upon the deemed acquisition of subsidiaries during the period as set out in note 21.

8. INVESTMENT PROPERTIES

7. 物業、機械及設備及使用權資產(續)

期內，本集團就使用物業訂立新租賃協議，並確認使用權資產約17,588,000港元(二零二零年四月一日至二零二零年九月三十日：3,312,000港元)及租賃負債約17,493,000港元(二零二零年四月一日至二零二零年九月三十日：3,299,000港元)。

此外，物業、機械及設備約1,179,000港元以及使用權資產約3,449,000港元已在期內視作收購附屬公司後於本集團綜合入賬(詳情見附註21)。

8. 投資物業

		Leasehold properties 租賃物業 HK\$'000 千港元
Fair value	公平值	
Deemed acquisition of subsidiaries (note 21) and at 30 September 2021	視作收購附屬公司(附註21)及於二零二一年九月三十日	196,919

The fair value of the Group's investment properties at 30 September 2021 has been arrived at on the basis of valuations carried out by Asset Appraisal Limited, an independent qualified professional valuer not connected with the Group.

In determining the fair value of leasehold properties in the People's Republic of China (the "PRC"), the highest and best use of the properties is their current use. The comparison method is adopted under which comparison based on information of recent transacted prices of comparable properties is made. Comparable properties of similar size, characteristic and location are analysed in order to arrive at a fair comparison of capital values.

本集團於二零二一年九月三十日之投資物業之公平值是按由與本集團概無關連之獨立合資格專業估值師中誠達資產評估顧問有限公司進行之估值計算。

於釐定於中華人民共和國(「中國」)之租賃物業之公平值時，物業的最高效及最佳用途為其現時用途。採用之比較法以可資比較物業之最近成交價格資料為基準。對面積、性質及地點相若之可資比較物業進行分析，以就資本值達致公平比較。

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8. INVESTMENT PROPERTIES (Continued)

One of the key inputs used in valuing the investment properties is the market price of comparable properties with average comparable property floor area price ranged from RMB5,000 to RMB7,000 per square metre, using direct comparison approach and taking into account of the difference in the nature, location and condition. The increase in the market price per square meter of comparable properties would result in an increase in the fair value of the investment properties, and vice versa.

9. FINANCIAL ASSETS MEASURED AT FVOCI

The investment in unlisted equity securities represents 9.9% equity interest in Jiangsu Yangkou Port Development and Investment Co., Ltd. ("Yangkou Port Co"), which is engaged in the business of development of port and related infrastructures. As at 30 September 2021, the investment is stated at fair value of approximately HK\$210,337,000.

A reasonable estimate of fair value is determined by using valuation techniques appropriate to the market and industry of the investment. Valuation techniques used to support the valuation include the asset-based approach which uses the fair market value of its total assets minus its total liabilities, and the market approach which uses prices and other relevant information generated by market transactions involving identical or comparable assets or businesses.

In determining the fair value of property assets of Yangkou Port Co under the asset-based approach, the comparison method is adopted under which comparison based on information of recent transacted prices of comparable lands is made. Comparable properties of similar size, characteristic and location are analysed in order to arrive at a fair comparison of capital values.

8. 投資物業(續)

投資物業估值採用之其中一項主要輸入數據為可資比較物業之市場價格，平均可資比較物業樓面面積價格為每平方米人民幣5,000元至人民幣7,000元，乃使用直接比較法，並考慮到性質、位置及狀況之不同。可資比較物業之每平方米市場價格上升，將導致投資物業公平值上升，反之亦然。

9. 按公平值誌入其他全面收益之金融資產

	30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
PRC unlisted equity securities 中國非上市股本證券	210,337	-

於非上市股本證券之投資指從事港口及相關基礎設施發展業務之江蘇洋口港投資開發有限公司(「洋口港公司」)之9.9%股權。於二零二一年九月三十日，該投資按公平值約210,337,000港元列賬。

公平值之合理估計乃採用該投資之市場及行業適用之估值方法釐定。用於支持該估值之估值方法包括資產基礎法(使用其總資產減其總負債之公平市值)及市場法(使用價格及涉及相同或可資比較資產或業務之市場交易所產生之其他相關資料)。

根據資產基礎法釐定洋口港公司物業資產之公平值時，採用以可資比較土地之最近成交價格資料為基準之比較法，對面積、性質及地點相若之可資比較物業進行分析，以就資本值達致公平比較。

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9. FINANCIAL ASSETS MEASURED AT FVOCI (Continued)

A key unobservable input being 20% of saleable land discount on comparable lands of Yangkou Port Co to discount the fair value of properties by approximately HK\$1,974 million, has been applied in valuing the properties. A slight increase in the saleable land discount used would result in a significant decrease in fair value measurement of the properties and hence of the unlisted equity securities, and vice versa. A 5% increase in the saleable land discount (i.e. revised to 25%), holding all other variables constant, carrying amount of the properties would decrease by approximately HK\$493 million, and fair value of the Group's investment in corresponding equity instrument would decrease by approximately HK\$17 million.

10. STOCK OF PROPERTIES

Completed properties held for sale are situated in Jiangsu Province, the PRC. At 30 September 2021, completed properties held for sale amounting to approximately HK\$34,370,000 are carried at net realisable value which represents the sales proceeds estimated based on the comparable properties of similar size, characteristic and location under prevailing market condition, less applicable selling expenses.

9. 按公平值誌入其他全面收益之金融資產(續)

物業估值採用之一項主要非可觀察輸入數據為按洋口港公司可資比較土地之20%可銷售土地折讓，以將物業之公平值折讓約19.74億港元。可銷售土地折讓輕微上升將會導致物業及非上市股本證券之公平值計量出現重大減少，反之亦然。若可銷售土地折讓上升5%（即修訂至25%），而所有其他變數保持不變，則物業之賬面值將減少約4.93億港元及本集團於相關權益工具投資之公平值將減少約1,700萬港元。

10. 物業存貨

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
Completed properties held for sale	已完工持作出售物業	34,370	-

已完工持作出售物業位於中國江蘇省。於二零二一年九月三十日，已完工持作出售物業約34,370,000港元按可變現淨值列賬，其指基於現行市場情況下相若面積、性質及地點的可資比較物業之銷售所得款項估算，並減去適用之銷售開支。

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11. TRADE AND OTHER DEBTORS, DEPOSITS AND PREPAYMENTS

11. 貿易及其他應收款項、訂金及預付款項

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
Trade debtors	貿易應收款項	1,777,865	567,353
Less: Impairment allowance	減：減值撥備	(78,726)	(52,283)
		1,699,139	515,070
Advance payments to sub-contractors	向分判商支付之預付款項	286,542	282,798
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	300,336	215,040
Other debtors, deposits and prepayments	其他應收款項、訂金及預付款項	340,122	152,344
		927,000	650,182
Less: Impairment allowance	減：減值撥備	(179,278)	(13,863)
		747,722	636,319
		2,446,861	1,151,389

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其貿易客戶磋商及訂立。信貸期由60日至90日不等。

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11. 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:

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
Within 90 days	90日內	652,164	500,916
More than 90 days and within 180 days	超過90日但於180日內	10,802	182
More than 180 days	超過180日	1,036,173	13,972
		1,699,139	515,070

Included in the trade debtors aged more than 180 days was an amount of approximately HK\$1,017,986,000 (31.3.2021: Nil) reclassified during the period from amounts due from former fellow subsidiaries of the Group which is covered by the retention right over the building constructed under the construction contracts.

11. 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：

包括在賬齡超過180日的貿易應收款項中，約1,017,986,000港元(二零二一年三月三十一日：無)的款項乃於期內由應收本集團前同系附屬公司款項重新分類，該等款項受根據建築合約建造的建築物之留置權保障。

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12. CONTRACT ASSETS AND LIABILITIES

12. 合約資產及負債

		NOTES 附註	30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
Retention held by customers	客戶持有之保固金	(a)	1,313,830	1,276,053
Unbilled revenue of construction contracts	建築合約未發票據之收入	(b)	3,249,110	2,459,778
Advances from customers of construction contracts	預收建築合約客戶款項	(c)	(540,205)	(738,498)
			4,022,735	2,997,333
Less: Impairment allowance	減：減值撥備		(10,523)	(9,781)
			4,012,212	2,987,552
Analysed as:	分析為：	(d)		
Contract assets	合約資產		4,344,845	3,439,178
Contract liabilities	合約負債		(332,633)	(451,626)
			4,012,212	2,987,552
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		727,022	660,165
– after 12 months from the end of the reporting period	– 報告期末起計12個月後		586,808	615,888
			1,313,830	1,276,053

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。

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12. 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.

13. OTHER LOANS RECEIVABLE

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

The gross amounts of other loans receivable are unsecured, interest bearing at floating rates at the best lending rate in Hong Kong plus 2% to 6% per annum and are repayable on demand.

12. 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）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。

13. 其他應收貸款

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
Other loans receivable	其他應收貸款	447,855	63,855
Less: Impairment allowance	減：減值撥備	(270,629)	(63,855)
		177,226	-

其他應收貸款總額為無抵押、按香港最優惠利率加年息2%至6%之浮動利率計息，並須於要求時償還。

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13. OTHER LOANS RECEIVABLE (continued)

Included in other loans receivable, gross carrying amounts of HK\$65,000,000 (31.3.2021: Nil) and HK\$319,000,000 (31.3.2021: Nil) were reclassified during the period from loans to former ultimate holding company and a former fellow subsidiary respectively.

The gross carrying amount of approximately HK\$181,770,000 with impairment allowance of approximately HK\$4,544,000 at the end of the reporting period was an advance to a former fellow subsidiary for its trade balance settlement, which is covered by the retention right over the building constructed under the construction contracts.

14. TRADE AND OTHER CREDITORS AND ACCRUED EXPENSES

Trade creditors	貿易應付款項	1,111,358	591,439
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	853,383	855,816
– after 12 months from the end of the reporting period	– 報告期末起計12個月後	527,555	454,255
Accrued construction costs	應計建築成本	2,280,410	1,984,178
Other creditors and accrued expenses	其他應付款項及應計開支	631,275	497,899
		5,403,981	4,383,587

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.

13. 其他應收貸款(續)

其他應收貸款中，包括賬面總值為65,000,000港元(二零二一年三月三十一日：無)及319,000,000港元(二零二一年三月三十一日：無)乃於期內分別自向前最終控股公司及一間前同系附屬公司貸款重新分類。

於報告期末，賬面總值約181,770,000港元(減值撥備約4,544,000港元)之墊款，乃供一間前同系附屬公司作為償還其貿易結餘，該款項受根據建築合約建造的建築物之留置權保障。

14. 貿易及其他應付款項及應計開支

30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
1,111,358	591,439
853,383	855,816
527,555	454,255
2,280,410	1,984,178
631,275	497,899
5,403,981	4,383,587

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。

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14. TRADE AND OTHER CREDITORS AND ACCRUED EXPENSES (Continued)

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

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
Within 90 days	90日內	1,089,823	567,944
More than 90 days and within 180 days	超過90日但於180日內	1,347	3,827
More than 180 days	超過180日	20,188	19,668
		1,111,358	591,439

14. 貿易及其他應付款項及應計開支(續)

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：

15. BANK BORROWINGS

During the period, the Group repaid bank borrowings of approximately HK\$429,600,000 (1.4.2020 to 30.9.2020: HK\$641,000,000) and raised bank borrowings of approximately HK\$812,695,000 (1.4.2020 to 30.9.2020: HK\$899,900,000) for the Group's operation.

15. 銀行借款

期內，本集團償還約429,600,000港元(二零二零年四月一日至二零二零年九月三十日：641,000,000港元)之銀行借款，並新造銀行借款約812,695,000港元(二零二零年四月一日至二零二零年九月三十日：899,900,000港元)作為本集團之營運所需。

16. SHARE CAPITAL

		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:	法定：		
Unlimited number of ordinary shares	無限數目之普通股	N/A不適用	N/A不適用
Issued and fully paid:	已發行及繳足：		
At 1 April 2020,	於二零二零年四月一日、		
31 March 2021 and	二零二一年三月三十一日及		
30 September 2021	二零二一年九月三十日	1,220,558,996	122,056

16. 股本

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17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

(a) Fair values of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

The fair values of these financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

(b) Fair values of financial assets and financial liabilities that are measured at fair value on a recurring basis

As at 30 September 2021, the fair value of the Group's financial assets measured at FVOCI of approximately HK\$210,337,000 (31.3.2021: Nil) is based on Level 3 measurement (inputs which are unobservable inputs for the asset or liability) using the valuation techniques described in note 9.

There were no transfers between the different levels of the fair value hierarchy during the period.

(c) Reconciliation of Level 3 fair value measurement of financial instruments

17. 金融工具之公平值計量

金融資產及金融負債之公平值按以下方式釐定：

(a) 並非按經常基準以公平值計量之金融資產及金融負債之公平值

於簡明綜合財務報表中按攤銷成本入賬之金融資產及金融負債之賬面值與其公平值相若。

該等金融資產及金融負債之公平值乃按公認定價模式基於貼現現金流量分析而釐定。

(b) 按經常基準以公平值計量之金融資產及金融負債之公平值

於二零二一年九月三十日，按公平值誌入其他全面收益之本集團金融資產之公平值約210,337,000港元（二零二一年三月三十一日：無）乃基於第三級計量（其輸入數據是資產或負債之不可觀察輸入數據）使用附註9所述之估值方法計算。

期內，公平值等級各級別之間並無轉移。

(c) 金融工具之第三級公平值計量之對賬

		Unlisted equity instrument 非上市權益工具 HK\$'000 千港元
Deemed acquisition of subsidiaries (note 21) and at 30 September 2021	視作收購附屬公司(附註21)及於二零二一年九月三十日	210,337

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18. CAPITAL COMMITMENTS

18. 資本承擔

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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	6,248	549

19. CONTINGENT LIABILITIES

19. 或然負債

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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之彌償保證	28,526	28,526

In addition, a subsidiary of the Company was involved in a dispute with a sub-contractor alleging a final payment of approximately HK\$38,000,000 being due under a sub-contract for construction works, for which the subsidiary assesses no entitlement. The Group is of the view that the claim is groundless and that it would not lead to a material adverse impact on the financial position of the Group. No provision has therefore been made in the condensed consolidated financial statements as at 30 September 2021.

此外，本公司一間附屬公司涉及一宗與分判建築工程有關之糾紛。分判商聲稱在分判合約下有一筆金額約38,000,000港元的應收工程款項，而在附屬公司的評審中，分判商並無該權利。本集團認為有關申索毫無根據，且不會對本集團之財務狀況造成重大不利影響。因此，於二零二一年九月三十日之簡明綜合財務報表中並無作出任何撥備。

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20. RELATED PARTY DISCLOSURES

(a) Related party transactions

Save as disclosed elsewhere in the condensed consolidated financial statements, the Group also entered into the following significant transactions with its related parties during the period:

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	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Joint ventures 合營企業	Revenue from construction contracts 建築合約收入	240,317	55,219
	Interest income 利息收益	20	93
Ultimate holding company (note (i)) 最終控股公司(附註(i))	Interest income 利息收益	-	2,933
Fellow subsidiaries (note (i)) 同系附屬公司(附註(i))	Revenue from construction contracts 建築合約收入	-	273,933
	Interest income 利息收益	-	11,196
A subsidiary of a substantial shareholder (note (ii)) 主要股東之一間附屬公司(附註(ii))	Interest expense 利息開支	-	2,457

Notes:

- (i) On 18 May 2021, South Shore Holdings Limited ("South Shore") ceased to be the ultimate holding company of the Company. Accordingly, the transactions with South Shore and its subsidiaries were no longer included in the significant related party transactions with effect from 18 May 2021.
- (ii) The subsidiary of a substantial shareholder was resolved to voluntarily wind up. As a result of the liquidation and appointment of liquidators, the transactions with the subsidiary of a substantial shareholder were no longer included in the significant related party transactions with effect from 31 March 2021.

20. 關連人士之披露

(a) 關連人士交易

除簡明綜合財務報表其他部分所披露者外，本集團於期內亦與其關連人士訂立以下重大交易：

附註：

- (i) 於二零二一年五月十八日，南岸集團有限公司（「南岸」）不再為本公司之最終控股公司。因此，與南岸及其附屬公司的交易不再計入重大關連人士交易，自二零二一年五月十八日起生效。
- (ii) 主要股東之附屬公司已議決自願清盤。因清盤及委任清盤人，與主要股東附屬公司進行之交易不再計入重大關連人士交易，自二零二一年三月三十一日起生效。

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20. RELATED PARTY DISCLOSURES (Continued)

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

(i) Amount due from ultimate holding company

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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	-	70,941
Less: Impairment allowance	減：減值撥備	-	(70,941)
		-	-

(ii) Amounts due from fellow subsidiaries

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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	-	1,044,088
Other balance	其他結餘	140	94,474
		140	1,138,562
Less: Impairment allowance	減：減值撥備	-	(120,576)
		140	1,017,986

The trade balances due from fellow subsidiaries which had a credit period of 90 days on average were aged more than 180 days based on the invoice date as at 31 March 2021.

應收同系附屬公司之貿易結餘之平均信貸期為90日，而於二零二一年三月三十一日以發票日期為基準之賬齡為超過180日。

20. 關連人士之披露(續)

(b) 應收／付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

(ii) 應收同系附屬公司款項

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20. RELATED PARTY DISCLOSURES (Continued)

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

(iii) Loan to ultimate holding company

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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
Less: Impairment allowance	減：減值撥備	-	(65,000)
		-	-

As at 31 March 2021, the loan to ultimate holding company was unsecured, interest bearing at a floating rate at the best lending rate in Hong Kong plus 4% per annum and was repayable within one year.

(iv) Loan to a fellow subsidiary

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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
Less: Impairment allowance	減：減值撥備	-	(141,774)
		-	177,226

As at 31 March 2021, the loan to a fellow subsidiary was unsecured, interest bearing at a floating rate at the best lending rate in Hong Kong plus 2% per annum and was repayable within one year.

20. 關連人士之披露(續)

(b) 應收／付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

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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
Less: Impairment allowance	減：減值撥備	-	(65,000)
		-	-

於二零二一年三月三十一日，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

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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
Less: Impairment allowance	減：減值撥備	-	(141,774)
		-	177,226

於二零二一年三月三十一日，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 2021 截至二零二一年九月三十日止六個月

20. RELATED PARTY DISCLOSURES (Continued)

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

(v) Amounts due to fellow subsidiaries

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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	9,990	-

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

(i) Amounts due from associates

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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	5,820	18,642

(ii) Amounts due from joint ventures

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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	1,508	3,679
Non-trade balance	非貿易結餘	-	1,183
		1,508	4,862

20. 關連人士之披露(續)

(b) 應收／付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)

(v) 應付同系附屬公司款項

(c) 應收／付聯營公司及合營企業款項

(i) 應收聯營公司款項

(ii) 應收合營企業款項

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

For the six months ended 30 September 2021 截至二零二一年九月三十日止六個月

20. RELATED PARTY DISCLOSURES (Continued)

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

(iii) Amount due to a joint venture

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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

(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 approximately HK\$31,035,000 (31.3.2021: HK\$16,894,000) and approximately HK\$89,528,000 (31.3.2021: HK\$73,356,000), respectively. The balances due to joint operations and other partners of joint operations are approximately HK\$78,719,000 (31.3.2021: HK\$55,540,000) and approximately HK\$11,734,000 (31.3.2021: HK\$11,544,000), respectively.

20. 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

該等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約31,035,000港元(二零二一年三月三十一日: 16,894,000港元)及約89,528,000港元(二零二一年三月三十一日: 73,356,000港元)。應付合營業務及合營業務其他夥伴之結餘分別約78,719,000港元(二零二一年三月三十一日: 55,540,000港元)及約11,734,000港元(二零二一年三月三十一日: 11,544,000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 2021 截至二零二一年九月三十日止六個月

20. 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

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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	350	353
Other balances	其他結餘	60,856	30,540
Non-trade balances	非貿易結餘	59,357	59,357
		120,563	90,250

The trade balance due from joint operations/other partners of joint operations 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.

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

		30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 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	569	573
Other balances	其他結餘	30,527	7,154
Non-trade balances	非貿易結餘	59,357	59,357
		90,453	67,084

應收合營業務／合營業務其他夥伴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。

(ii) 應付合營業務／合營業務其他夥伴款項

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

For the six months ended 30 September 2021 截至二零二一年九月三十日止六個月

20. 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 balance due to joint operations/other partners of joint operations 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.

(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
Trade balance	貿易結餘

The trade balance due from a related company which had a credit period of 90 days was aged more than 180 days based on the invoice date as at 31 March 2021.

(ii) Amount due to a related company

Trade and other balance	貿易及其他結餘
Other balance	其他結餘

20. 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

30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
-	94

應收一間關連公司之貿易結餘之信貸期為90日，而於二零二一年三月三十一日以發票日期為基準之賬齡為超過180日。

(ii) 應付一間關連公司款項

30.9.2021 二零二一年 九月三十日 HK\$'000 千港元	31.3.2021 二零二一年 三月三十一日 HK\$'000 千港元
-	12,202

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簡明綜合財務報表附註

For the six months ended 30 September 2021 截至二零二一年九月三十日止六個月

20. RELATED PARTY DISCLOSURES (Continued)

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

(iii) Loan from a related company

The loan from a related company was unsecured, interest bearing at a floating rate at the best lending rate in Hong Kong plus 2% per annum and was assigned during the period as the consideration of the disposal as detailed in note 22.

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 approximately HK\$1,183,000 as at 31 March 2021 which was interest bearing at a fixed rate of 6% per annum and was fully repaid during the period.
- (g) The remuneration of directors during the period is as follows:

20. 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)

(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，並於期內轉讓作為附註22所詳述之出售事項之代價。

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，惟於二零二一年三月三十一日應收一間合營企業之非貿易結餘約1,183,000港元按固定年利率6%計息除外，該結餘已於期內悉數償還。
- (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	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Short-term benefits	短期福利	9,671	9,032
Post-employment benefits	退休福利	482	9
		10,153	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 2021 截至二零二一年九月三十日止六個月

21. ACQUISITION OF ASSETS THROUGH DEEMED ACQUISITION OF SUBSIDIARIES

On 30 September 2021, the Company received an irrevocable and unconditional assignment of the voting rights of 100% shareholding (the "Voting Rights") in Grand Scheme from Blue River Holdings Limited ("Blue River"), the ultimate holding company of the Company, at nil consideration. Upon accepting the assignment of the Voting Rights, Grand Scheme and its subsidiaries, which are principally engaged in investment, sale and leasing of properties, become wholly-owned subsidiaries of the Group on 30 September 2021.

The transaction has been accounted for as an acquisition of assets and liabilities as no business process is acquired.

The effect of the deemed acquisition is summarised below:

21. 透過視作收購附屬公司進行之資產收購

於二零二一年九月三十日，本公司獲本公司之最終控股公司藍河控股有限公司（「藍河」）無償轉讓Grand Scheme之100%股權之投票權（「投票權」），此轉讓乃不可撤回及無條件。於接納轉讓該批投票權後，Grand Scheme及其附屬公司於二零二一年九月三十日成為本集團之全資附屬公司，其主要從事物業投資、銷售及租賃。

由於並無收購任何業務流程，故該交易以一項資產及負債收購入賬。

該視作收購之影響概述如下：

		HK\$'000 千港元
Fair value of net assets acquired:	所收購資產淨值之公平值：	
Property, plant and equipment	物業、機械及設備	1,179
Right-of-use assets	使用權資產	3,449
Investment properties	投資物業	196,919
Financial assets measured at FVOCI	按公平值誌入其他全面收益之金融資產	210,337
Stock of properties	物業存貨	34,370
Trade and other debtors, deposits and prepayments	貿易及其他應收款項、訂金及預付款項	5,043
Taxation recoverable	可收回稅項	1
Bank balances and cash	銀行結餘及現金	22,688
Trade and other creditors and accrued expenses	貿易及其他應付款項及應計開支	(16,323)
Amounts due to fellow subsidiaries	應付同系附屬公司款項	(13,416)
Taxation payable	應付稅項	(1,221)
Lease liabilities	租賃負債	(3,457)
Deferred tax liabilities	遞延稅項負債	(13,204)
		426,365
Deemed contribution from holding company	視作控股公司之出資	(426,365)
Cash consideration	現金代價	-
Net cash inflow arising from deemed acquisition:	視作收購產生之現金流入淨額：	
Bank balances and cash acquired	已收購銀行結餘及現金	22,688

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

For the six months ended 30 September 2021 截至二零二一年九月三十日止六個月

22. DISPOSAL OF SUBSIDIARIES AND A JOINT VENTURE

During the six months ended 30 September 2021, the Group disposed of its interests in a joint venture, 浙江美聯置業有限公司 (“浙江美聯”) through disposal of subsidiaries to Blue River. 浙江美聯 is a wholly foreign-owned enterprise established in the PRC and is principally engaged in property investment which holds an office building in the PRC for rental through its wholly-owned subsidiary. The above transaction has been accounted for as disposal of subsidiaries and a joint venture.

The effect of the disposal is summarised below:

22. 出售附屬公司及一間合營企業

於截至二零二一年九月三十日止六個月，本集團透過出售附屬公司出售其於一間合營企業浙江美聯置業有限公司(「浙江美聯」)之權益予藍河。浙江美聯為一間於中國成立之外商獨資企業，透過其全資附屬公司，主要從事物業投資並持有一幢位於中國的辦公大樓作租賃之用。上述交易列作出售附屬公司及一間合營企業入賬。

該出售之影響概述如下：

		HK\$'000 千港元
Net assets disposed of:	所出售資產淨值：	
Interests in a joint venture	一間合營企業權益	79,247
Other creditors and accrued expenses	其他應付款項及應計開支	(4,318)
		74,929
Release of translation reserve upon disposal	於出售後撥回匯兌儲備	(2,641)
		72,288
Consideration satisfied by:	代價支付方式：	
Assignment of loan and interest payable to a former related company	轉讓應付一間前關連公司之貸款及利息	(85,769)
Gain on disposal	出售所得之盈利	13,481
Net cash inflow arising from disposal:	出售產生之現金流入淨額：	
Cash consideration received	已收現金代價	-

BOARD OF DIRECTORS

Chan Fut Yan

Deputy Chairman (Executive Director)

Lee Hang Wing, James

Chief Executive Officer (Executive Director)

Law Hon Wa, William

Chief Financial Officer (Executive Director)

COMPANY SECRETARY

Wu Shek Chun, Wilfred

AUDITOR

Crowe (HK) CPA Limited

Registered Public Interest Entity Auditors

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

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, Limited, Macau Branch

The Bank of East Asia (China) Limited, Beijing Branch

The Hongkong and Shanghai Banking Corporation Limited

United Overseas Bank Limited, Hong Kong Branch

董事會

陳佛恩

副主席 (執行董事)

李恒穎

行政總裁 (執行董事)

羅漢華

財務總裁 (執行董事)

公司秘書

鄔碩晉

核數師

國富浩華(香港)會計師事務所有限公司

註冊公眾利益實體核數師

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

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

東亞銀行有限公司·澳門分行

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

CORPORATE INFORMATION

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