

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

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2005 截至二零零五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 the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair value or revalued amounts, as appropriate.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st March, 2005, except as described below.

In the current period, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standards ("HKFRSs"), HKASs and Interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the HKICPA that are effective for accounting periods beginning on or after 1st January, 2005. The application of the new HKFRSs has resulted in a change in the presentation of the income statement, balance sheet and the statement of changes in equity. In particular, the presentation of minority interests and share of tax of associates have been changed. The changes in presentation have been applied retrospectively. The adoption of the new HKFRSs has resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results for the current and prior accounting periods are prepared and presented:

Business Combinations

In the current period, the Group has elected to apply HKFRS 3 "Business Combinations" retrospectively to goodwill existing at or acquired after, and to business combinations for which the agreement date is on or after 1st December, 2002. The principal effects of the application of HKFRS 3 to the Group are summarised below:

Goodwill

In previous periods, goodwill arising on acquisitions prior to 1st April, 2001 was held in reserves, and goodwill arising on acquisitions after 1st April, 2001 was capitalised and amortised over its estimated useful life. The Group has applied the relevant transitional provisions in HKFRS 3 retrospectively to goodwill existing at or acquired after, and to business combinations for which the agreement date is on or after 1st December, 2002. Goodwill previously recognised in reserves has been transferred to the accumulated profits of the Group on 1st December, 2002. With respect to goodwill previously capitalised on the balance sheet, the Group has discontinued amortising such goodwill from 1st December, 2002 (the date on which the Group applied the HKFRS 3 with retrospective effect) onwards and goodwill will be tested for impairment at least annually/in the financial year in which the acquisition takes place. Goodwill arising on acquisitions after 1st December, 2002 is measured at cost less accumulated impairment losses (if any) after initial recognition. As a result of this change in accounting policy, no amortisation of goodwill has been charged in the current period. Comparative figures have been restated.

1. 編製基準

簡明綜合財務報表乃根據香港聯合交易所有限公司證券上市規則附錄十六有關披露之適用規定及香港會計師公會(「香港會計師公會」)頒佈之香港會計準則(「香港會計準則」)第34號「中期財務報告」之規定而編製。

2. 主要會計政策

除若干物業及金融工具乃按公平價值或重估款額(如適用)估量外,簡明綜合財務報表乃根據歷史成本法編製。

除下述者外,所採納之會計政策乃與編製本集團截至二零零五年三月三十一日止年度之全年財務報表所採納者相符。

於本期間,本集團首次採納由香港會計師公會發出之多項新訂香港財務報告準則(「香港財務報告準則」)、香港會計準則及詮釋(下文統稱「新訂香港財務報告準則」)。該等準則於二零零五年一月一日或以後開始之會計期間生效。採納新訂香港財務報告準則導致收入報表、資產負債表及權益變動表之呈報方式有變。特別是,少數股東權益及攤佔聯營公司稅項之呈報方式有所改變。此等呈報方式變動已追溯應用。採納新訂香港財務報告準則導致本集團在以下範疇之會計政策出現變動,對現行及以往會計期間之業績之編製及呈列方式構成影響:

業務合併

在本期間,本集團已選擇對於二零零二年十二月一日存在或於之後收購之商譽及協議日期為當日或之後之業務合併追溯應用香港財務報告準則第3號「業務合併」。採用香港財務報告準則第3號對本集團之主要影響概述如下:

商譽

於以往期間,因於二零零一年四月一日前進行收購而產生之商譽撥入儲備,而因於二零零一年四月一日後進行收購而產生之商譽於其估計可使用年內資本化及攤銷。本集團已對於二零零二年十二月一日存在或於之後收購之商譽及協議日期為當日或之後之業務合併追溯應用香港財務報告準則第3號之相關過渡性條文。以往於儲備確認之商譽已於二零零二年十二月一日撥入本集團之累積溢利。就以往於資產負債表資本化之商譽而言,本集團已由二零零二年十二月一日(本集團追溯應用香港財務報告準則第3號之日)起停止攤銷該商譽,以及最低限度每年/於收購事項進行之財政年度對商譽進行一次減值評估。因於二零零二年十二月一日後進行收購而產生之商譽於初次確認後乃按成本減累積減值虧損(如有)估量。因此會計政策之變動,本期間並無扣除任何商譽攤銷。比較數字已經重列。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Business Combinations (continued)

Excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost (previously known as "negative goodwill")

In accordance with HKFRS 3, any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition ("discount on acquisition") is recognised immediately in profit or loss in the period in which the acquisition takes place. In previous periods, negative goodwill arising on acquisitions prior to 1st April, 2001 was held in reserves, and negative goodwill arising on acquisitions on or after 1st April, 2001 was presented as a deduction from assets and released to income based on an analysis of the circumstances from which the balance resulted. In accordance with the relevant transitional provisions in HKFRS 3, the Group has derecognised all negative goodwill of HK\$434,580,000 in December 2002 which was previously presented as a deduction from assets or held in reserve, with a corresponding increase to accumulated profits.

Contingent Liabilities of Acquirees

In accordance with HKFRS 3, contingent liabilities of an acquiree are recognised at the date of the acquisition if the fair value of the contingent liabilities can be measured reliably. Previously, contingent liabilities of acquirees were not recognised separately from goodwill. As the Group has elected to apply the revised accounting policy retrospectively to business combinations for which the agreement date is on or after 1st December, 2002, contingent liabilities of an acquiree with fair value of HK\$123,711,000 measured at the date of an acquisition that took place in December 2002 have been recognised on the balance sheet. The contingent liabilities arise on a dispute with an ex-shareholder of the acquiree on the potential loss on a contract. The acquiree proceeded a court action against the ex-shareholder to recover the losses together with interest and expenses incurred. Comparative figures have been restated.

Financial Instruments

In the current period, the Group has applied HKAS 32 "Financial Instruments: Disclosure and Presentation" and HKAS 39 "Financial Instruments: Recognition and Measurement". HKAS 32 requires retrospective application. The application of HKAS 39, which is effective for accounting periods beginning on or after 1st January, 2005, generally does not permit to recognise, derecognise or measure financial assets and liabilities on a retrospective basis. The principal effects resulting from the implementation of HKAS 32 and HKAS 39 are summarised below:

Convertible notes and redeemable convertible preference shares

HKAS 32 requires an issuer of a compound financial instrument (that contains both financial liability and equity components) to separate the compound financial instrument into its liability and equity components on its initial recognition and to account for these components separately. In subsequent periods, the liability component is carried at amortised cost using the effective interest method. The principal impact of HKAS 32 on the Group is in relation to the convertible notes and the redeemable convertible preference shares issued by the Company that contain both liability and equity components. Previously, the convertible notes and the redeemable convertible preference shares were classified as liabilities and equity, respectively, on the balance sheet. Because HKAS 32 requires retrospective application, comparative figures have been restated. Comparative results for 2004 has been restated in order to reflect the increase in effective interest on the liability component.

Classification and measurement of financial assets and financial liabilities

The Group has applied the relevant transitional provisions in HKAS 39 with respect to classification and measurement of financial assets and financial liabilities that are within the scope of HKAS 39.

2. 主要會計政策 (續)

業務合併 (續)

本集團於被收購公司之可辨認資產、負債及或然負債中應佔公平淨值之權益超過成本(之前列為「負商譽」)

根據香港財務報告準則第3號，於被收購公司之可辨認資產、負債及或然負債中應佔公平淨值之權益超出收購成本之任何部份(「收購折讓」)，會即時在進行收購之期間於溢利或虧損內確認。於以往期間，因於二零零一年四月一日前進行收購而產生之負商譽撥入儲備，而因於二零零一年四月一日或之後進行收購而產生之負商譽乃呈列為資產扣除，乃按產生結餘之情況分析撥入收入。根據香港財務報告準則第3號之有關過渡性條文，本集團已不再確認於二零零二年十二月而以往呈列為資產扣除或撥入儲備之所有負商譽434,580,000港元，並相應增加累積溢利。

被收購公司之或然負債

根據香港財務報告準則第3號，倘或然負債之公平值能可靠地估量，則被收購公司之或然負債乃於收購日期確認。以往，被收購公司之或然負債並非與商譽分開確認。由於本集團已選擇對協議日期為二零零二年十二月一日或之後之業務合併追溯應用經修訂之會計政策，被收購公司於收購(於二零零二年十二月進行)日期估量公平價值為123,711,000港元之或然負債已於資產負債表確認。或然負債因與被收購公司之前任股東就一份合約之潛在虧損有所爭議而產生。被收購公司針對前任股東提出法院訴訟，以收回損失連同利息及所產生之開支。比較數字已經重列。

金融工具

於本期間，本集團已應用香港會計準則第32號「金融工具：披露及呈列」及香港會計準則第39號「金融工具：確認及估量」。香港會計準則第32號規定追溯應用。應用於二零零五年一月一日或之後開始之會計期間生效之香港會計準則第39號，一般不允許按追溯基準確認、不再確認或估量金融資產及負債。採納香港會計準則第32號及香港會計準則第39號所導致之主要影響概述如下：

可換股票據及可贖回可換股優先股

香港會計準則第32號規定，包含金融負債及權益部份之綜合金融工具之發行人，於始初確認時須將綜合金融工具分為負債及權益部份，並將該等部份分開入賬。於以後之期間，負債部份採用實際利息法按攤銷成本列賬。香港會計準則第32號對本集團之主要影響乃重與本公司所發行之可換股票據及可贖回可換股優先股有關，該等可換股票據及可贖回可換股優先股包括負債及權益部份。之前，可換股票據及可贖回可換股優先股分別於資產負債表上分類為負債及權益。由於香港會計準則第32號要求作出追溯應用，比較數字已經重列。二零零四年之比較溢利已經重列，以反映負債部份之實際權益增加。

金融資產及金融負債之分類及估量

本集團已應用香港會計準則第39號之相關過渡性條文，內容有關屬於香港會計準則第39號範疇內之金融資產及金融負債之分類及估量。

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Financial Instruments (continued)

Classification and measurement of financial assets and financial liabilities (continued)

By 31st March, 2005, the Group classified and measured its debt and equity securities in accordance with the benchmark treatment of Statement of Standard Accounting Practice 24 "Accounting for Investments in Securities" ("SSAP 24"). Under SSAP 24, investments in debt or equity securities are classified as "investment securities" or "other investments" as appropriate. "Investment securities" are carried at cost less impairment losses (if any) while "other investments" are measured at fair value, with unrealised gains or losses included in the profit or loss. From 1st April, 2005 onwards, the Group classifies and measures its debt and equity securities in accordance with HKAS 39. Under HKAS 39, financial assets are classified as "financial assets at fair value through profit or loss" or "available-for-sale financial assets". The classification depends on the purpose for which the assets are acquired. "Financial assets at fair value through profit or loss" and "available-for-sale financial assets" are carried at fair value, with changes in fair values recognised in profit or loss and equity, respectively.

On 1st April, 2005, the Group has classified and measured its debt and equity securities in accordance with the requirements of HKAS 39. The adoption of the HKAS 39 has had no material effect on the previous carrying amounts of assets and liabilities at 1st April, 2005 and, accordingly, no adjustment has been made to the Group's accumulated profits.

Owner-occupied Leasehold Interest in Land

In previous periods, owner-occupied leasehold land and buildings were included in property, plant and equipment and measured using the revaluation model. In the current period, the Group has applied HKAS 17 "Leases". Under HKAS 17, the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification, unless the lease payments cannot be allocated reliably between the land and buildings elements, in which case, the entire lease is generally treated as a finance lease. To the extent that the allocation of the lease payments between the land and buildings elements can be made reliably, the leasehold interests in land are reclassified to prepaid lease payments under operating leases, which are carried at cost and amortised over the lease term on a straight-line basis. This change in accounting policy has been applied retrospectively. As the allocation between the land and buildings elements cannot be made reliably, the leasehold interests in land continue to be accounted for as property, plant and equipment.

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

The effects of the changes in the accounting policies described above on the results for the respective periods are as follows:

2. 主要會計政策 (續)

金融工具 (續)

金融資產及金融負債之分類及估量 (續)

於二零零五年三月三十一日前，本集團根據會計實務準則第24號「證券投資之會計處理方法」(「會計實務準則第24號」)之基準處理方法分類及估量其債務與股本證券。根據會計實務準則第24號，債務或股本證券之投資分類為「投資證券」或「其他投資」(倘適用)。「投資證券」乃按成本減減值虧損(如有)列賬，而「其他投資」則按公平值估量，其未變現收益或虧損計入溢利或虧損。自二零零五年四月一日起，本集團根據香港會計準則第39號分類及估量其債務與股本證券。根據香港會計準則第39號，金融資產分類為「按公平價值於溢利或虧損列賬之金融資產」或「可供出售之金融資產」。資產乃取決於其收購之目的而分類。「按公平價值於溢利或虧損列賬之金融資產」及「可供出售之金融資產」乃按公平價值列賬，公平價值之變動分別於溢利或虧損及權益中確認。

於二零零五年四月一日，本集團已根據香港會計準則第39號之規定分類及估量其債務與股本證券。採納香港會計準則第39號對於二零零五年四月一日之資產及負債以往之賬面值並無任何重大影響，因此並無對本集團之累積溢利作出任何調整。

業主自用土地租賃權益

於以往期間，業主自用租賃土地及樓宇計入物業、廠房及設備，並採用重估模式估量。於本期間，本集團已應用香港會計準則第17號「租賃」。根據香港會計準則第17號，就租賃分類而言，租賃土地及樓宇之土地與樓宇部份分開考慮，除非租賃款項無法可靠地在土地與樓宇部份之間作出分配，則在該情況下，整份租賃一般被視為融資租賃處理。倘租賃款項能夠可靠地在土地與樓宇部份之間作出分配，則將土地租賃權益重新分類為經營租賃之預付租賃款項，該租賃款項乃按成本列賬，並於租賃期內以直線法攤銷。此會計政策變動已被追溯應用。由於無法可靠地在土地與樓宇部份之間作出分配，土地租賃權益繼續作為物業、廠房及設備列賬。

3. 會計政策更改之影響概要

上述會計政策更改對各期間業績之影響如下：

		Six months ended	
		30/9/2005	30/9/2004
		HK\$'000	HK\$'000
		截至九月三十日止六個月	二零零四年
		二零零五年	二零零四年
		千港元	千港元
Discount on acquisition released to income	收購折讓解除至收入	3,874	-
Decrease in amortisation of negative goodwill (included in other operating expenses)	負商譽之攤銷 (包括在其他經營開支)減少	-	(23,590)
(Increase) decrease in loss on disposal and dilution of interests in associates	出售及攤薄聯營公司權益之虧損 (增加)減少	(41,660)	79
Increase in interest on the liability component of convertible notes (included in finance costs)	可換股票據之負債部份之利息 (包括在財務成本)增加	(936)	(1,545)
Increase in interest on the liability component of redeemable convertible preference shares (included in finance costs)	可贖回可換股優先股之負債部份之利息 (包括在財務成本)增加	(5,489)	-
Increase (decrease) in share of results of associates	攤佔聯營公司業績增加 (減少)	45,011	(4,825)
Increase (decrease) in profit for the period	期內溢利增加 (減少)	800	(29,881)

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

(continued)

The cumulative effects of the application of the new HKFRSs at the respective year ends are summarised below:

As at 31st March, 2005 and 1st April, 2005:

3. 會計政策更改之影響概要 (續)

應用新訂香港財務報告準則於各年底之累積影響概述如下：

於二零零五年三月三十一日及二零零五年四月一日：

		Effect of HKFRS 3	Effect of HKAS 32	Share of effect of HKAS 39 on associates		
	31/3/2005 HK\$'000 (Originally stated)	HK\$'000	HK\$'000	31/3/2005 HK\$'000 (Restated)	1/4/2005 HK\$'000 (Restated)	
	二零零五年 三月三十一日 千港元 (原先列賬)	香港財務報告 準則第3號 之影響 千港元	香港會計 準則第32號 之影響 千港元	二零零五年 三月三十一日 千港元 (經重列)	攤佔香港會計 準則第39號 對聯營公司 之影響 千港元	二零零五年 四月一日 千港元 (經重列)
Balance sheet items	資產負債表項目					
Interests in associates	聯營公司權益	1,652,095	189,794	-	1,841,889	22,788
Convertible notes	可換股票據	(164,378)	-	1,750	(162,628)	-
Redeemable convertible preference shares	可贖回可換股優先股	-	-	(286,537)	(286,537)	-
Total effects on assets and liabilities	對資產及負債之總影響	1,487,717	189,794	(284,787)	1,392,724	22,788
Share capital	股本	133,896	-	(26,695)	107,201	-
Share premium	股份溢價	293,220	-	(256,274)	36,946	-
Other reserve	其他儲備	(1,721)	2,675	-	954	(780)
Goodwill reserve	商譽儲備	(44,851)	44,851	-	-	-
Convertible notes reserve	可換股票據儲備	-	-	11,016	11,016	-
Preference shares reserve	優先股儲備	-	-	871	871	-
Accumulated profits	累積溢利	78,391	142,268	(13,705)	206,954	23,568
Total effects on equity	對權益之總影響	458,935	189,794	(284,787)	363,942	22,788
		1,028,782	-	-	1,028,782	-

3. SUMMARY OF THE EFFECTS OF THE CHANGES IN ACCOUNTING POLICIES

(continued)

As at 31st March, 2004:

3. 會計政策更改之影響概要 (續)

於二零零四年三月三十一日：

		31/3/2004	Effect of	Effect of	1/4/2004
		HK\$'000	HKFRS 3	HKAS 32	HK\$'000
		(Originally stated)	香港財務報告	香港會計	(Restated)
		二零零四年	準則第3號	準則第32號	二零零四年
		三月三十一日	之影響	之影響	四月一日
		千港元	千港元	千港元	千港元
		(原先列賬)			(經重列)
Balance sheet items	資產負債表項目				
Interests in associates	聯營公司權益	1,750,489	30,290	-	1,780,779
Negative goodwill	負商譽	(314,540)	314,540	-	-
Other payables	其他應付款項	-	(123,711)	-	(123,711)
Convertible notes	可換股票據	(289,050)	-	6,210	(282,840)
Total effects on assets and liabilities	對資產及負債之總影響	1,146,899	221,119	6,210	1,374,228
Other reserve	其他儲備	7,130	2,675	-	9,805
Goodwill reserve	商譽儲備	(49,067)	49,067	-	-
Convertible notes reserve	可換股票據儲備	-	-	12,568	12,568
Accumulated profits	累積溢利	(1,085,101)	224,973	(6,358)	(866,486)
Minority interests	少數股東權益	-	1,139,769	-	1,139,769
Total effects on equity	對權益之總影響	(1,127,038)	1,416,484	6,210	295,656
Minority interests	少數股東權益	1,195,365	(1,195,365)	-	-
		<u>1,078,572</u>	<u>-</u>	<u>-</u>	<u>1,078,572</u>

4. TURNOVER AND SEGMENT INFORMATION

Business segments

For management purposes, the Group's continuing operations are mainly organised into three operating divisions, namely investment and finance (including treasury investment), property investment, and trading of building materials and machinery. These divisions are the basis on which the Group reports its primary segment information.

Six months ended 30th September, 2005

	Continuing operations						Discontinued operations							Consolidated HK\$'000
	Investment and finance HK\$'000	Property investment HK\$'000	Trading of building materials and machinery HK\$'000		Eliminations HK\$'000	Sub-total HK\$'000	Building construction HK\$'000	Civil engineering HK\$'000	Specialist works HK\$'000	Construction materials HK\$'000	Others HK\$'000	Eliminations HK\$'000	Sub-total HK\$'000	
			Others HK\$'000	Others HK\$'000										
	投資及財務 千港元	物業投資 千港元	建築材料及 機械買賣 千港元	其他 千港元	抵銷 千港元	小計 千港元	樓宇 建築工程 千港元	土木工程 千港元	專項工程 千港元	建築材料 千港元	其他 千港元	抵銷 千港元	小計 千港元	合併 千港元
TURNOVER	營業額													
External sales	對外銷售	37,085	328	2,580	2,778	-	42,771	-	-	-	-	-	-	42,771
Inter-segment sales	分部間銷售	2,857	363	-	-	(3,220)	-	-	-	-	-	-	-	-
Total	合計	39,942	691	2,580	2,778	(3,220)	42,771	-	-	-	-	-	-	42,771
RESULT	業績													
Segment result	分部業績	1,929	(110)	210	(3,408)	-	(1,379)	-	-	-	-	-	-	(1,379)
Unallocated corporate expenses	不可攤分之 企業支出	-	-	-	-	-	(8,774)	-	-	-	-	-	-	(8,774)
Discount on acquisition released to income	收購折讓 解除至收入	-	-	-	3,874	-	3,874	-	-	-	-	-	-	3,874
Allowance for amounts due from associates and a related company	應收聯營公司 及一家關連公司 款項撥備	-	-	-	(1,085)	-	(1,085)	-	-	-	-	-	-	(1,085)
Loss on disposal and dilution of interests in associates	出售及攤薄 聯營公司權益 之虧損	-	-	-	(25,733)	-	(25,733)	-	-	-	-	-	-	(25,733)
Share of results of associates	攤佔聯營公司 業績	-	-	-	137,404	-	137,404	-	-	-	-	-	-	137,404
Finance costs	財務成本	-	-	-	-	-	(14,283)	-	-	-	-	-	-	(14,283)
Profit before taxation	除稅前溢利	-	-	-	-	-	90,024	-	-	-	-	-	-	90,024
Taxation	稅項	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the period	期內溢利	-	-	-	-	-	90,024	-	-	-	-	-	-	90,024

4. 營業額及分類資料

業務分類

就管理而言，本集團將持續經營業務大致分為三個業務部門，即投資及融資（包括庫務投資）、物業投資，以及建築材料及機械買賣。有關業務構成本集團申報其主要分類資料之基準。

截至二零零五年九月三十日止六個月

Six months ended 30th September, 2004

	Continuing operations						Discontinued operations							Consolidated HK\$'000
	Investment and finance HK\$'000	Property investment HK\$'000	Trading of building materials and machinery HK\$'000		Eliminations HK\$'000	Sub-total HK\$'000	Building construction HK\$'000	Civil engineering HK\$'000	Specialist works HK\$'000	Construction materials HK\$'000	Others HK\$'000	Eliminations HK\$'000	Sub-total HK\$'000	
			Others HK\$'000	Others HK\$'000										
	投資及財務 千港元	物業投資 千港元	建築材料及 機械買賣 千港元	其他 千港元	抵銷 千港元	小計 千港元	樓宇 建築工程 千港元	土木工程 千港元	專項工程 千港元	建築材料 千港元	其他 千港元	抵銷 千港元	小計 千港元	合併 千港元
TURNOVER	營業額													
External sales	對外銷售	22,369	21,210	2,279	1,457	-	47,315	1,248,557	234,406	174,475	183	-	1,657,621	1,704,936
Inter-segment sales	分部間銷售	449	8,549	25	-	(9,023)	-	-	57,760	30,374	-	(88,134)	-	-
Total	合計	22,818	29,759	2,304	1,457	(9,023)	47,315	1,248,557	234,406	232,235	30,557	(88,134)	1,657,621	1,704,936
RESULT	業績													
Segment result	分部業績	7,615	8,238	92	(150)	-	15,795	17,648	18,329	10,840	(7,909)	-	38,908	54,703
Unallocated corporate expenses	不可攤分之 企業支出	-	-	-	-	-	(19,367)	-	-	-	-	-	-	(19,367)
Net investment expenses	投資開支淨額	(1,614)	1,129	-	-	-	(485)	-	-	-	-	-	-	(485)
Allowance for amounts due from associates and a related company	應收聯營公司 及一家關連公司 款項撥備	-	-	-	(799)	-	(799)	-	-	-	-	-	-	(799)
Loss on disposal and dilution of interests in associates	出售及攤薄 聯營公司權益 之虧損	-	-	-	(15,556)	-	(15,556)	-	-	-	878	-	878	(14,678)
Share of results of associates	攤佔聯營公司 業績	-	-	-	-	-	-	-	-	-	-	-	-	-
- an associate of PVI engaged in engineering and infrastructure service	一保華從事 工程及 基建服務 之聯營 公司	-	-	-	-	-	2,137	-	-	-	77,398	-	79,535	79,535
- others	一其他	-	-	-	(59,334)	-	(59,334)	-	(5)	(422)	-	-	(427)	(59,761)
Share of results of jointly controlled entities	攤佔共同控制 機構業績	-	-	-	-	-	-	-	118	-	-	-	118	118
Finance costs	財務成本	-	-	-	-	-	(12,809)	-	-	-	-	-	-	(12,809)
Profit before taxation	除稅前溢利	-	-	-	-	-	(92,555)	(862)	(448)	-	38	(7,295)	119,012	26,457
Taxation	稅項	-	(287)	-	27	-	(2,600)	-	-	-	-	-	(8,567)	(8,827)
Profit for the period	期內溢利	-	-	-	-	-	(92,815)	-	-	-	-	-	110,445	17,630

截至二零零四年九月三十日止六個月

4. TURNOVER AND SEGMENT INFORMATION (continued)

Business segments (continued)

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

As disclosed in the circular dated 5th November, 2004 issued by the Company, PYI Corporation Limited ("PYI", formerly known as Paul Y. - ITC Construction Holdings Limited) has become an associate of the Group since October 2004 after the disposal of 77 million shares in PYI by the Group. After the disposal, the Group's shareholding in PYI decreased from approximately 55.06% to approximately 49.58%. Accordingly, the Group has ceased to carry out the businesses of building construction, civil engineering, specialist works and construction materials since October 2004 as these operations are solely carried out through PYI.

5. INVESTMENT EXPENSES - NET

		Six months ended	
		30/9/2005	30/9/2004
		HK\$'000	HK\$'000
		(Restated)	
		截至九月三十日止六個月	
		二零零五年	二零零四年
		千港元	千港元
		(經重列)	
Gain on disposal of investment properties	出售投資物業之收益	-	1,129
Impairment loss on investment securities	投資證券折損	-	(1,614)
		<u>-</u>	<u>(485)</u>

6. LOSS ON DISPOSAL AND DILUTION OF INTERESTS IN ASSOCIATES

		Six months ended	
		30/9/2005	30/9/2004
		HK\$'000	HK\$'000
		(Restated)	
		截至九月三十日止六個月	
		二零零五年	二零零四年
		千港元	千港元
		(經重列)	
Loss on disposal of interests in associates	出售聯營公司權益之虧損	(25,733)	-
Loss on dilution of interests in associates	攤薄聯營公司權益之虧損	-	(15,649)
Gain on dilution of interests in associates	攤薄聯營公司權益之收益	-	93
		<u>(25,733)</u>	<u>(15,556)</u>

7. FINANCE COSTS

		Six months ended	
		30/9/2005	30/9/2004
		HK\$'000	HK\$'000
		(Restated)	
		截至九月三十日止六個月	
		二零零五年	二零零四年
		千港元	千港元
		(經重列)	
Interest on:	以下各項之利息：		
Convertible notes	可換股票據	5,906	8,790
Redeemable convertible preference shares	可贖回可換股優先股	5,489	-
Others	其他	2,888	4,019
		<u>14,283</u>	<u>12,809</u>

4. 營業額及分類資料 (續)

業務分類 (續)

分部間之銷售乃按主要市場率收取，或倘並無可供採用之市場率，則按雙方決定及同意之條款收取。

誠如本公司於二零零四年十一月五日之通函所披露，於本集團出售77,000,000股保華集團有限公司(「保華」，前稱保華德祥建築集團有限公司)股份後，保華已由二零零四年十月起成為本集團之聯營公司。於出售事項後，本集團於保華之股權由約55.06%減至約49.58%。因此，本集團由二零零四年十月起再無經營樓宇建築工程、土木工程、專項工程及建築材料業務，因為該等業務僅透過保華經營。

5. 投資開支 - 淨額

6. 出售及攤薄聯營公司權益之虧損

7. 財務成本

8. TAXATION

8. 稅項

		Six months ended	
		30/9/2005	30/9/2004
		HK\$'000	HK\$'000
		(Restated)	
		截至九月三十日止六個月	
		二零零五年	二零零四年
		千港元	千港元
		(經重列)	
The tax charge is attributable to continuing operations and comprises:	持續經營業務應佔之稅項支出包括：		
Deferred taxation	遞延稅項	-	260

Hong Kong Profits Tax is calculated at the rate of 17.5% (1.4.2004 to 30.9.2004: 17.5%) of the estimated assessable profits derived from Hong Kong for the period.

For the period ended 30th September, 2005, no tax was payable on the profit for the period arising in Hong Kong since the assessable profit was wholly absorbed by tax losses brought forward.

香港利得稅乃按期內在香港所得之估計應課稅溢利以稅率17.5% (二零零四年四月一日至二零零四年九月三十日：17.5%) 計算。

就截至二零零五年九月三十日止期間而言，由於應課稅溢利均已由承前稅項虧損所抵銷，故毋須就香港產生之期間溢利納稅。

9. PROFIT FOR THE PERIOD

9. 期內溢利

		Six months ended	
		30/9/2005	30/9/2004
		HK\$'000	HK\$'000
		(Restated)	
		截至九月三十日止六個月	
		二零零五年	二零零四年
		千港元	千港元
		(經重列)	
Profit for the period has been arrived at after charging:	期內溢利已扣除：		
Depreciation and amortisation of property, plant and equipment	物業、廠房及設備之折舊及攤銷	3,528	29,590
Less: Amount capitalised in respect of contracts in progress	減：在建工程之資本化款額	-	(799)
		<u>3,528</u>	<u>28,791</u>
Loss on disposal of listed investments	出售上市投資之虧損	-	1,579
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	60	1,640
Unrealised holding loss on listed other investments	其他上市投資未變現虧損	-	7,528
Decrease in fair value of investments held for trading	持作買賣投資之公平價值減少	720	-
Loss on disposal of gold bullion	出售黃金之虧損	351	-
Decrease in fair value of gold trading contract	黃金買賣合約之公平價值減少	4,074	-
Share of taxation of associates	攤佔聯營公司稅項		
- included in share of result of associates	- 包括在攤佔聯營公司業績	14,617	16,937
- included in discontinued operations	- 包括在終止經營業務	-	23,108
and after crediting:	並已計及：		
Unrealised holding gain on gold bullion	黃金未變現收益	4,317	-

10. DIVIDEND

10. 股息

		Six months ended	
		30/9/2005	30/9/2004
		HK\$'000	HK\$'000
		截至九月三十日止六個月	
		二零零五年	二零零四年
		千港元	千港元
Interim dividend – 1.5 cents (2004: 1 cent) per share	中期股息 – 每股港幣1.5仙 (二零零四年：港幣1仙)	16,121	6,543

The amount of the interim dividend declared for the six months ended 30th September, 2005, which will be payable in cash, has been calculated by reference to the 1,074,761,815 issued ordinary shares outstanding as at the date of this report.

截至二零零五年九月三十日止六個月宣佈之以現金支付之中期股息之數額，乃參照本報告刊發日期之已發行普通股1,074,761,815股計算。

11. EARNINGS (LOSS) PER SHARE (from continuing and discontinued operations)

11. 每股盈利(虧損)(持續經營業務及終止經營業務)

The calculation of the basic and diluted earnings (loss) per share attributable to the ordinary equity holders of the parent is based on the following data:

母公司普通股股權持有人應佔之每股基本及攤薄盈利(虧損)乃按以下資料計算：

		Six months ended	
		30/9/2005	30/9/2004
		HK\$'000	HK\$'000
		截至九月三十日止六個月	
		二零零五年	二零零四年
		千港元	千港元 (經重列)
Profit (loss) for the period attributable to equity holders of the parent	母公司股權持有人應佔之 期內溢利(虧損)	91,671	(3,610)
Dividend for preference shares	優先股股息	-	(9,245)
Earnings (loss) for the purposes of basic earnings (loss) per share	計算每股基本盈利(虧損) 之盈利(虧損)	91,671	(12,855)
Effect of dilutive potential ordinary shares:	具潛在攤薄效應普通股之影響：		
Adjustment to the share of results of associates based on dilution of their earnings per share	攤佔附屬公司業績 須按其攤薄後每股盈利 作出調整	(279)	-
Adjustment of finance costs on redeemable convertible preference shares	可贖回可換股優先股之 融資成本須作出調整	5,489	-
Adjustment of finance costs on convertible notes	可換股票據之融資成本 須作出調整	5,906	-
Earnings (loss) for the purposes of diluted earnings (loss) per share	計算每股攤薄盈利(虧損) 之盈利(虧損)	102,787	(12,855)

11. EARNINGS (LOSS) PER SHARE (from continuing and discontinued operations) (continued)

11. 每股盈利(虧損)(持續經營業務及終止經營業務)(續)

		Six months ended	
		30/9/2005	30/9/2004
		Number of shares	Number of shares
		截至九月三十日止六個月	截至九月三十日止六個月
		二零零五年	二零零四年
		股份數目	股份數目
Weighted average number of ordinary shares for the purposes of basic earnings (loss) per share	計算每股基本盈利(虧損)之普通股加權平均數	1,072,008,541	654,294,107
Effect of dilutive potential ordinary shares:	具潛在攤薄效應普通股之影響:		
Redeemable convertible preference shares	可贖回可換股優先股	272,085,692	-
Convertible notes	可換股票據	548,333,333	-
Weighted average number of ordinary shares for the purposes of diluted earnings (loss) per share	計算每股攤薄盈利(虧損)之普通股加權平均數	1,892,427,566	654,294,107

For the period ended 30th September, 2004, the convertible notes and compulsorily convertible cumulative preference shares which became redeemable convertible preference shares in November 2004, were anti-dilutive as the exercise of these convertible notes and compulsorily convertible cumulative preference shares resulted in a decrease in loss per share.

截至二零零四年九月三十日止期間，由於行使可換股票據及於二零零四年十一月成為可贖回可換股優先股之強制性可換股累積優先股會減少每股虧損，故此等可換股票據及強制性可換股累積優先股具反攤薄作用。

12. PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$5,427,000 (1.4.2004 to 30.9.2004: HK\$6,243,000) on property, plant and equipment to expand and upgrade its operating capacity.

12. 物業、廠房及設備

於本期間內，本集團動用約5,427,000港元(二零零四年四月一日至二零零四年九月三十日：6,243,000港元)購入物業、廠房及設備，以擴大及提升其經營能力。

As the directors considered that the carrying amounts of the Group's leasehold land and buildings do not differ significantly from that which would be determined using fair value at 30th September, 2005, no revaluation surplus or deficit has been recognised in the current period.

由於董事估計本集團之租賃土地及樓宇之賬面值與使用於二零零五年九月三十日之公平價值釐定者不會有重大分別，因此並無於本期間確認任何重估盈餘或虧絀。

13. INTERESTS IN ASSOCIATES

13. 聯營公司權益

		(Unaudited) 30/9/2005 HK\$'000 (未經審核) 二零零五年 九月三十日 千港元	(Audited) 31/3/2005 HK\$'000 (Restated) (經審核) 二零零五年 三月三十一日 千港元 (經重列)
Share of net assets:	攤佔淨資產：		
Listed in Hong Kong	香港上市股份	1,266,699	1,838,657
Listed overseas	海外上市股份	5,441	2,704
Unlisted	非上市股份	(129)	-
Goodwill	商譽	756	528
		<u>1,272,767</u>	<u>1,841,889</u>
Market value of listed shares:	上市股份之市值：		
In Hong Kong	香港	971,095	1,866,436
In overseas	海外	80,280	23,468
		<u>1,051,375</u>	<u>1,889,904</u>

In September 2005, the Group disposed of 150 million shares in PYI, representing approximately 11.04% of the then issued share capital of PYI, at the price of HK\$1.5 each. Immediately after the disposal, the Group's shareholding interest in PYI decreased from approximately 49.96% to approximately 38.92%.

於二零零五年九月，本集團按每股1.5港元之價格出售保華之150,000,000股股份，相當於保華之當時已發行股本約11.04%。緊隨出售事項後，本集團於保華之股份權益由約49.96%減至約38.92%。

14. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors of approximately HK\$4,467,000 (31.3.2005: HK\$2,090,000) and their aged analysis at the balance sheet date is as follows:

14. 應收賬款、訂金及預付款項

應收賬款、訂金及預付款項中包括約4,467,000港元(二零零五年三月三十一日：2,090,000港元)之應收貿易賬款。應收貿易賬款於結算日之賬齡分析如下：

		(Unaudited) 30/9/2005 HK\$'000 (未經審核) 二零零五年 九月三十日 千港元	(Audited) 31/3/2005 HK\$'000 (經審核) 二零零五年 三月三十一日 千港元
Trade debtors	應收貿易賬款		
0-30 days	0-30日	4,149	1,852
31-60 days	31-60日	260	24
61-90 days	61-90日	42	90
Over 90 days	超過90日	16	124
		<u>4,467</u>	<u>2,090</u>

14. DEBTORS, DEPOSITS AND PREPAYMENTS (continued)

Trade debtors arising from property leasing business are payable monthly in advance and the credit terms granted by the Group to other trade debtors normally range from 30 days to 90 days.

Included in debtors, deposits and prepayments at 30th September, 2005 are other receivables of approximately HK\$220,248,000 (31.3.2005: Nil) due from the placing agent in connection with the disposal of 11.04% interest in PYI as described in note 13. The amount has been received subsequent to 30th September, 2005.

15. CREDITORS AND ACCRUED EXPENSES

Included in creditors and accrued expenses are trade payables of approximately HK\$5,139,000 (31.3.2005: HK\$4,925,000) and their aged analysis at the balance sheet date is as follows:

14. 應收賬款、訂金及預付款項(續)

物業租賃業務之應收貿易賬款須按月預付，而本集團就其他應收貿易賬款授出之信貸期一般由30日至90日不等。

於二零零五年九月三十日之應收賬款、訂金及預付款項包括有關附註13所述出售保華之11.04%權益而應收配售代理之款項約220,248,000港元(二零零五年三月三十一日：無)。該款項於二零零五年九月三十日後已收取。

15. 應付賬款及應計開支

應付賬款及應計開支中包括約5,139,000港元(二零零五年三月三十一日：4,925,000港元)之應付貿易賬款。應付貿易賬款於結算日之賬齡分析如下：

		(Unaudited) 30/9/2005 HK\$'000 (未經審核) 二零零五年 九月三十日 千港元	(Audited) 31/3/2005 HK\$'000 (經審核) 二零零五年 三月三十一日 千港元
Trade payables	應付貿易賬款		
0-30 days	0-30日	5,083	4,817
31-60 days	31-60日	45	54
61-90 days	61-90日	7	33
Over 90 days	超過90日	4	21
		<u>5,139</u>	<u>4,925</u>

16. CONTINGENT LIABILITIES**16. 或然負債**

		(Unaudited) 30/9/2005 HK\$'000 (未經審核) 二零零五年 九月三十日 千港元	(Audited) 31/3/2005 HK\$'000 (經審核) 二零零五年 三月三十一日 千港元
Guarantee given to banks and financial institutions in respect of general facilities granted to an associate	為附屬公司借取一般融資而向銀行及財務機構作出之擔保	56,000	-
Financial support given to an associate	給予一家聯營公司之財政資助	9,287	-
		<u>65,287</u>	<u>-</u>

17. COMMITMENTS

17. 承擔

		(Unaudited) 30/9/2005 HK\$'000 (未經審核) 二零零五年 九月三十日 千港元	(Audited) 31/3/2005 HK\$'000 (經審核) 二零零五年 三月三十一日 千港元
Capital expenditure contracted for but not provided in the financial statements in respect of acquisition of:	有關以下各項之已訂約但未於財務報表撥備之資本支出：		
Equity investments	股權投資	-	43,200
Property, plant and equipment	物業、廠房及設備	-	2,984
		-	46,184

18. TRANSACTIONS WITH RELATED PARTIES

During the period, the Group had transactions with the following related parties, details of which are as follows:

18. 與有關連人士之交易

期內，本集團與以下有關連人士進行之交易詳情如下：

		Six months ended	
		30/9/2005 HK\$'000 截至九月三十日止六個月 二零零五年 千港元	30/9/2004 HK\$'000 二零零四年 千港元
Associates and jointly controlled entities:	聯營公司及共同控制機構：		
Purchase of concrete products by the Group	本集團購買混凝土產品	-	36
Dividend income	股息收入	488,084	56,024
Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	-	1,581
Service fees charged by the Group	本集團收取服務費	-	449
Service fees charged to the Group	本集團支付服務費	-	1
Subcontracting fees charged to the Group	本集團支付分承包費	-	1,917
Construction works charged by the Group	本集團收取建築工程款項	-	41,820
Interest income received	已收利息收入	1,891	11,424
Project management fee, consulting and handling fees charged by the Group	本集團收取項目管理費、顧問及手續費	-	1,136
Directors or companies controlled by directors:	董事或董事控制之公司：		
Interest payable on convertible notes issued by the Group	本集團發行之可換股票據之應付利息	4,018	6,257
Interest paid by the Group	本集團支付利息	1,406	-
Other related companies:	其他關連公司：		
Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	-	2,781
Interest income received	已收利息收入	2,378	4,796
Service fees charged to the Group	本集團支付服務費	-	1,321

19. POST BALANCE SHEET EVENTS

- (a) In October 2005, a wholly-owned subsidiary of the Company, Famex Investment Limited, acquired 11 million shares in Hanny Holdings Limited ("Hanny") on market for a consideration of approximately HK\$44,000,000. After the acquisition, the Group's shareholding interest in Hanny increased from approximately 20.61% to approximately 25.48%.
- (b) Subsequent to the balance sheet date, the directors of the Company intend to seek the approval of the holders of the ordinary shares for the possible disposal of up to 178 million shares in PYI (subject to adjustment in the event of a share consolidation or share subdivision by PYI), representing approximately 13.0% of the existing issued share capital of PYI. Assuming that the maximum of 178 million shares in PYI are sold, the Group's shareholding interest in PYI will decrease from approximately 39.8% to approximately 26.8% of the existing issued share capital of PYI. The price of any disposal will be subject to a minimum price of HK\$1.5 each (subject to adjustment in the event of a share consolidation or share subdivision by PYI), being approximately the 180 day average closing price per share in PYI up to and including 8th November, 2005, adjusted by the special dividend paid in July 2005. The transaction will be subject to the shareholders' approval on 15th December, 2005.
- (c) In December 2005, the Company has reached a settlement with Hoi Sing Construction Company Limited ("Hoi Sing") in respect of the proceedings, the appeal and the claim, pursuant to which Hoi Sing and its liquidators have irrevocably and unconditionally released the Company from all claims made in respect of the proceedings, the appeal and the liquidation of Hoi Sing generally, and the Company and Hoi Sing have agreed, among other things, to dismiss all actions brought under the proceedings and the appeal but to admit to proof part of the claim in the Hoi Sing liquidation on condition that up to a certain level of dividend entitlement comprised in the claim be deferred after other creditors. The Company has already made full provision against the claim in previous years. Accordingly, the Company does not expect that the settlement will give rise to any material financial effect on the Company.

19. 結算日後事項

- (a) 於二零零五年十月，本公司之全資附屬公司其威投資有限公司已在市場上收購錦興集團有限公司（「錦興」）之11,000,000股股份，代價約為44,000,000港元。於收購事項後，本公司於錦興之股權權益已由約20.61%增加至約25.48%。
- (b) 結算日後，本公司董事擬尋求普通股股東批准可能出售保華之最多178,000,000股股份（可在保華進行股份合併或股份拆細時予以調整），相當於保華之現有已發行股本約13.0%。假設出售保華之最多178,000,000股股份，本集團於保華之股份權益將由約39.8%減至相當於保華之現有已發行股本約26.8%。出售最低價格為每股1.5港元（可在保華進行股份合併或股份拆細時予以調整），約相當於每股保華股份於截至二零零五年十一月八日止之180日平均收市價（已就於二零零五年七月派付之特別股息調整）。有關交易將有待股東於二零零五年十二月十五日批准。
- (c) 於二零零五年十二月，本公司已就法律訴訟、上訴及索償與海成建築有限公司（「海成」）達成和解。據此，海成及其清盤人已不可撤回地無條件完全撤銷彼等就法律訴訟、上訴及一般海成清盤事宜而對本公司所提出之一切索償要求，而本公司與海成亦同意（其中包括）撤銷根據法律訴訟及上訴而採取之一切法律行動，並承認海成清盤事宜中之部份索償款額確有真實憑據，惟就索償而分派之款項中，須遞延至若干部份之款項已分派予其他債權人後方可收取。本公司往年已就索償作出全數撥備。因此，本公司預期，有關之和解不會對本公司產生任何重大財務影響。