SYNERGIS HOLDINGS LIMITED
新昌管理集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 02340)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2016

The board (the "Board") of directors (the "Directors") of Synergis Holdings Limited (the "Company" or "Synergis") announces the unaudited interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2016.

FINANCIAL OVERVIEW

During the period ended 30 June 2016 (the "Reporting Period"), the Group has delivered shareholder value through stable performance. Profit attributable to Shareholders was HK$19.3 million, representing growth of 1.0% over the period ended 30 June 2015 (the "Corresponding Period").

		Six months ended 30 June		
	(in HK$ million)	**2016**	**2015**	**Change**
Revenue		1,180.0	1,129.2	+4.5%
Gross Profit		82.6	81.3	+1.6%
Operating Profit		28.1	28.3	-0.7%
Profit attributable to Shareholders		19.3	19.1	+1.0%
Gross Profit Margin		7.0%	7.2%	-0.2%
Net Profit Margin		1.6%	1.7%	-0.1%
Basic Earnings Per Share	HK cents	5.2	5.0	+4.0%

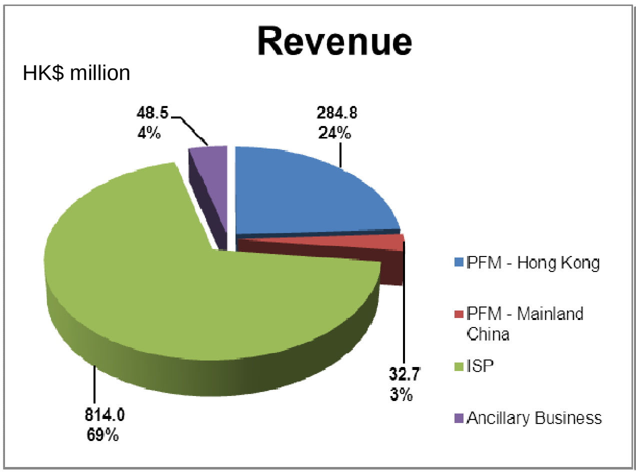
Our Group's core businesses, the property and facility management (the "PFM") business and ancillary business (collectively, the "PFM Business"), and interiors and special projects business (the "ISP Business"), continued to deliver stable and satisfactory results to the Group.

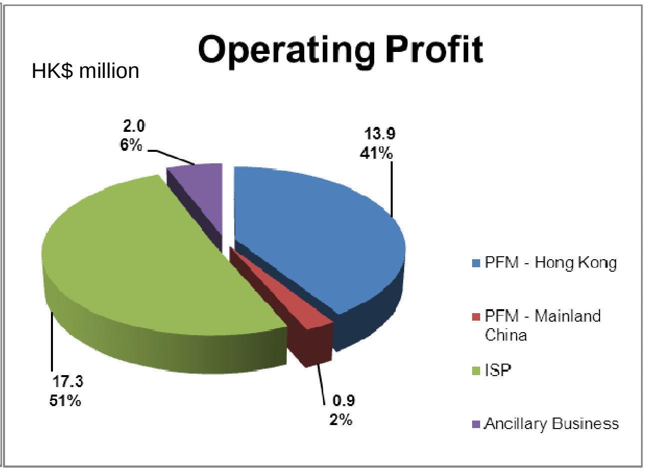
The Group reported consolidated revenue of HK$1.2 billion for the Reporting Period, an increase of 4.5% over the Corresponding Period. Gross Profit and Operating Profit were recorded at approximately HK$82.6 million and HK$28.1 million, increasing by 1.6% and slightly decreasing by 0.7% respectively when compared with the Corresponding Period. In terms of Operating Profit, the two businesses each accounted for around half of the Group's performance for the Reporting Period.

BUSINESS REVIEW AND PROSPECTS

BUSINESS OVERVIEW

The PFM Business maintained its position as one of leading service providers in the industry, whilst the ISP Business continued to be a significant contributor to the Group's revenue and Operating Profit.





	Revenue (HK$' million)			Operating Profit (HK$' million)		
	Six months ended 30 June			Six months ended 30 June		
	2016	**2015**	**Change**	**2016**	**2015**	**Change**
PFM – Hong Kong	284.8	292.2	-2.5%	13.9	16.7	-16.8%
Ancillary Business – Hong Kong	48.5	40.2	20.6%	2.0	2.6	-23.1%
PFM Business – Hong Kong Sub-total	**333.3**	**332.4**	**0.3%**	**15.9**	**19.3**	**-17.6%**
PFM – Mainland China	32.7	42.4	-22.9%	0.9	(0.9)	200.0%
PFM Business Sub-total	**366.0**	**374.8**	**-2.3%**	**16.8**	**18.4**	**-8.7%**
ISP Business	**814.0**	**754.4**	**7.9%**	**17.3**	**21.2**	**-18.4%**
Corporate Overheads	**-**	**-**	**-**	**(6.0)**	**(11.3)**	**46.9%**
Total	**1,180.0**	**1,129.2**	**4.5%**	**28.1**	**28.3**	**-0.7%**

Property and Facility Management Business

"This segment continued to generate steady revenue and profit in the first half of 2016 although the business has undergone a challenging year"

Property and Facility Management

As at 30 June 2016, the Group managed 291 property and facility management service contracts of which 254 contracts were in Hong Kong and 37 contracts were in Mainland China. The gross floor area under the Group's management was approximately 10.1 million square metres ("sqm") (Hong Kong: 7.6 million sqm and Mainland China: 2.5 million sqm).

Hong Kong

The PFM Business has maintained a diversified portfolio of contracts comprising different sectors including the government, public institutions and private clients.

The Group has extended the scope of its institutional portfolio through three new facility management contracts of two-year to three-year from three institutions, namely, S.K.H Yan Laap Primary School, S.K.H Chai Wan St. Michael's Primary School and Hang Seng Management College, which were awarded during the Reporting Period with the contract sums totalling HK$16.0 million.

We were able to maintain a high retention rate for contract renewal during the Reporting Period. The following key contracts were successfully renewed with an increase in service fee and/or with expanded scopes:

(i) Property management service contracts of Wah Kwai Estate, Gold King Industrial Building, Hibiscus Park and Jonsim Place;
(ii) Facility management service contracts of the Hospital Authority's Wong Tai Sin Hospital and Kwong Wah Hospital; and
(iii) Facility management service contract of the CUSCS Tseung Kwan O Learning Centre.

While the revenue of this business segment has maintained at a stable level, the Operating Profit decreased by 16.8% to HK$13.9 million as a result of the expansion of our management team for new business development.

Looking forward, the management believes that the business environment will remain challenging and difficult. Our dedicated management team will exert more efforts on further developing the Facility Management Business with a focus on the opportunities of the airport, educational institutions, industrial estates and corporate real estate sector. In the education sector, the management has spent years building up a management portfolio including the training establishments of HKU SPACE, Chinese University, Hang Seng Management College, Ying Wa College and the English Schools Foundation. With our proven track records in the region, we are confident that we could obtain additional businesses.

After we have been successfully been engaged to provide property management services for the new laundry building in Yuen Long in 2015, we have identified a good opportunity for further development of the business in various industrial estates. In the meantime, an emerging area would be the corporate real estate sector where there is an increasing demand for property management services to support their offices and front-line operations. We believe that with our expertise and cost consciousness, more businesses with satisfactory margin can be generated.

Mainland China

The financial performance of this business segment was encouraging in the first half of 2016. With the strong presence of our management team, the operating profit has improved and reported HK$0.9 million.

The Group has earned a good reputation in many mainland communities. Recently, the Company has secured four two-year to three-year contracts in Shanghai with a total contract sum of HK$4.5 million. Among those contracts, we will be providing property and asset management services for four residential and commercial development projects.

The residential projects are City Condo in Changning district and Haisi Tower in Xuhui district. Located in the centre of the Hongqiao Development Zone, City Condo is a major development with a clubhouse and an underground car park covering a total construction area of over 110,000 sqm. Haisi Tower consists of two 17-storey residential buildings and is situated in a high-end district in Shanghai. The Group will provide property management services for both projects.

Another two premium commercial development projects which our Group will be providing asset management services are Corporate Avenue Phase 1 and Sanlin commercial project. Corporate Avenue Phase 1 is a high-tech commercial and office complex with two A-list office buildings covering a total construction area of 98,000 sqm. Located in the Pudong New Area, the Sanlin commercial project consists of two lots of land, B1-5 and B1-6, and includes a commercial construction area of 40,000 sqm. We have also been appointed to provide agency services for the Sanlin commercial project after opening.

With different requirements of skillsets and job references in the Northern China and Southern/Eastern China, the management has adopted different strategies in developing its business in different regions. Our Northern China team will focus on commercial consultancy and leasing, while the Southern/Eastern China teams will focus on property management and agency services. The management team has built up solid experience with high quality services over the years. The team aims at delivering more profit contribution to the Group in the second half of 2016.

Ancillary Business

During the first half of 2016, the Ancillary Business of security, cleaning, trading and laundry reported revenue and gross profit of HK$48.5 million and HK$2.0 million respectively. Due to the higher demand of the ancillary services, the revenue grew by 20.6% when comparing to the Corresponding Period. The demand of the ancillary services would signify the potential business opportunities in the coming years. With the synergistic effect of PFM Business, our Group will focus more resources on repositioning and integration of various ancillary businesses, for providing high quality services to our customers.

Interiors and Special Projects

"New contracts worth approximately HK$1.0 billion with the outstanding value of contracts on hand exceeding HK$3.0 billion during the Reporting Period. The outstanding value of contracts on hand is a new record high."

For the Reporting Period, the ISP Business recorded HK$814.0 million in total revenue and HK$36.8 million in Gross Profit, representing an increase of 7.9% and 5.1% respectively from the Corresponding Period. Significant contributions came from the renovation projects of ATL Logistics Centre, Lee Gardens One, AEON Kornhill Store, a residential development in Discovery Bay and large-scale revitalization works for a building in Tsuen Wan. The Gross Profit Margin was 4.5%, which is very similar to that of the Corresponding Period. The decrease in Operating Profit was a result of developing the new management teams to handle upcoming new business opportunities for business expansion. As a result, the operating profit of ISP Business decreased by 18.4% to HK$17.3 million.

New Contracts Awarded

New contracts amounting to HK$969.3 million have been secured during the Reporting Period, a substantial increase from that of the Corresponding Period.

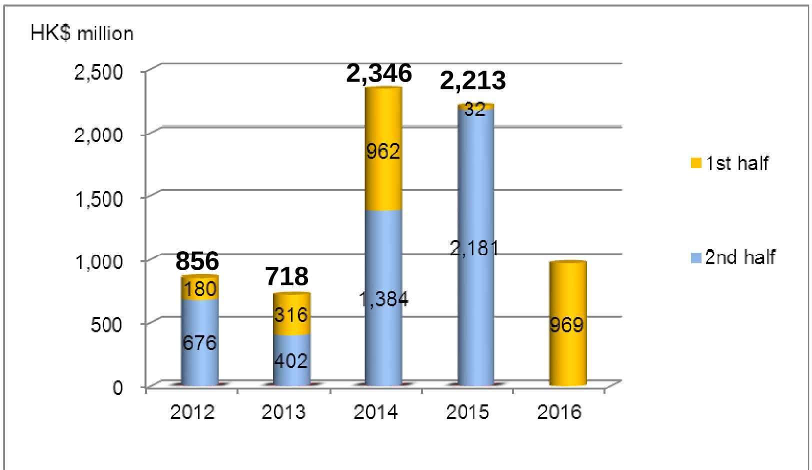
Up to the end of June 2016, a number of projects with significant contract sums have been secured. The major projects are listed by nature as below:

Construction and Special Projects

- Chinese Medicine Plant Development at Yuen Long Industrial Estate

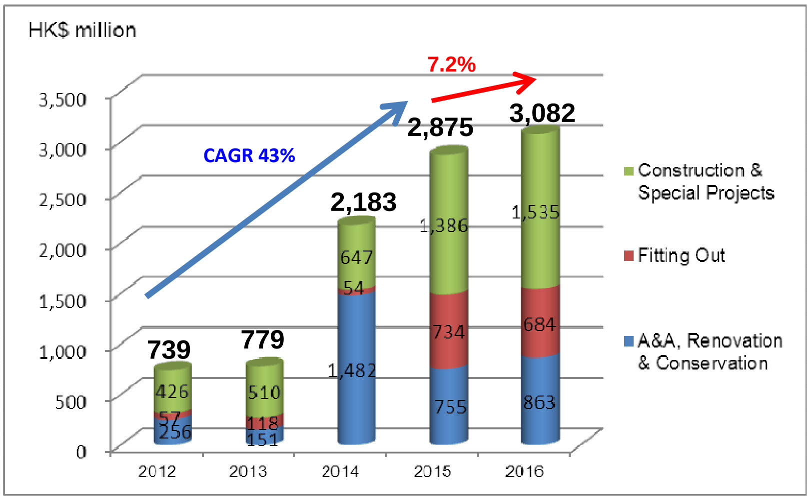
Alteration and Addition, Renovation and Conservation

- Asset Enhancement Works at Chung Fu Plaza (North);
- Renovation Works at AEON Kornhill Store and Whampoa Store;
- Alteration and Improvement Works at Lincoln House Carpark; and
- Alteration and Addition Works at Kowloon Investment Building at Bute Street



Outstanding Workload

With strong replenishment of new orders, the total outstanding order book exceeded HK$3.0 billion as at 30 June 2016. Around 40% of the total outstanding order book will be completed in 2016. The management believes that the ISP Business will deliver sustainable growth in the coming years through the team's commitment and dedication to excellence. Plans are also in hand to develop new lines of business including curtain wall business, material sourcing and purchasing specialist trading to help reduce project costs.



Financial Position and Financial Risk Management

As at 30 June 2016, total outstanding bank loans amounted to HK$198.7 million which are scheduled to be repaid over the next two years. These include an outstanding balance of HK$96 million relating to the banking facility for acquiring the ISP Business in November 2012. The remaining is working capital loans to support mainly the ISP operations and business development. The management will continue to proactively monitor the financial position of the Group.

Interest costs on bank borrowings are primarily charged based on a spread over HIBOR. With regard to the current portfolio of businesses, the management expects that the financial requirements for future will be met from a combination of retained earnings and bank borrowings. The Group would continue to manage our financial position and maintain sufficient working capital and liquidity to get ready for any business opportunities and to prepare for the challenges in future.

Financial position (HK$'000)	30 June 2016	31 December 2015
Total assets	**1,186,854**	**1,229,575**
Receivables and other assets	847,373	877,235
Deposit, cash and cash equivalents	111,584	129,841
Current assets	**958,957**	**1,007,076**
Net assets	**287,753**	**279,392**
Current liabilities	**888,113**	**938,974**
Bank loans	**198,720**	**293,536**
Gearing ratios and liquidity		
Net debt to net assets	30.3%	58.6%
Total debt to net assets	69.1%	105.1%
Current ratio	1.1	1.1

Financial position	30 June 2016	30 June 2015
Shares in issue (all classes)	**427,956,000**	**427,502,000**
Per share data		
Basic earnings per share (HK cents)	**5.2**	**5.0**
Diluted earnings per share (HK cents)	**4.5**	**4.4**
Dividend per share (HK cents)	**1.5**	**2.5**
Net assets per share (HK cents)	**67.2**	**60.5**
Other key ratios		
Return on shareholders' equity (ROE)	**6.7%**	**7.4%**
Dividend payout ratio	**33%**	**56%**

The Group adopts a conservative approach in the management of its financial risks and resources, under the supervision of its Executive Directors.

Interest rate risk arising from bank borrowings is low as the interest rates are fixed for short-term periods to take advantage of the lower interest rates. Interest rates will be subject to fluctuation at the time of renewal.

The Group's business is conducted primarily in Hong Kong, and the majority of its assets and liabilities are denominated in Hong Kong Dollars, and therefore it has minimal foreign currency exposure. The growth in the Mainland China has been funded via permanent capital injection and foreign currency hedging is considered unnecessary.

It is the Group's policy not to enter into derivative transactions for speculative purposes. It is also the Group's policy not to invest in financial products, including hedge funds or similar instruments, with significant underlying leverage or derivative exposure.

Cash Management

The Group operates a centralized cash management system. Cash balances surplus to immediate requirements are mainly placed as short-term bank deposits with a number of licensed banks in Hong Kong.

Human Resources

As at 30 June 2016, the Group employed a total of 5,804 staff (30 June 2015: 5,934) in Hong Kong and Mainland China.

Employee Engagement and Staff Development are the two major focuses for the sustainable business growth of the Group. Our Learning and Development Team conducted a large-scale training needs analysis last year. It has modified the training curriculum based on the findings and formulated a brand-new series of training programmes for our staff. People Management and Leadership are the main keys of the training programmes which aim at enhancing staff capability and management skills. The Group anticipates positive impacts to be brought by the revamped training programmes on both the services that we offer and our future corporate development.

INTERIM DIVIDEND

The Board has declared the payment of an interim dividend of 1.5 HK cents per share for the six months ended 30 June 2016 (30 June 2015: 2.5 HK cents per share). The interim dividend will be paid on or around Friday, 30 September 2016 to shareholders of the Company whose names appear on the register of members of the Company on Wednesday, 21 September 2016 (Hong Kong time).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining shareholders' entitlement to the interim dividend, the register of members of the Company will be closed from Monday, 19 September 2016 to Wednesday, 21 September 2016, both days inclusive (Hong Kong time). No transfer of shares of the Company will be registered during the period. In order to qualify for the interim dividend, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Thursday, 15 September 2016 (Hong Kong time).

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2016

	Note	Unaudited Six months ended 30 June **2016** **HK$'000**	 2015 HK$'000
Revenue	2	**1,180,024**	1,129,201
Cost of sales		**(1,097,437)**	(1,047,937)
Gross profit		**82,587**	81,264
Other income		**2,043**	3,353
General and administrative expenses		**(56,109)**	(53,127)
Amortisation of intangible assets		**(1,707)**	(4,363)
Interest expenses		**(3,049)**	(3,680)
Profit before taxation	3	**23,765**	23,447
Taxation	4	**(4,600)**	(4,342)
Profit for the period		**19,165**	19,105
Profit attributable to:			
Equity holders of the Company		**19,342**	19,105
Non-controlling interests		**(177)**	-
		19,165	19,105
Earnings per share for profit attributable to the equity holders of the Company			
- basic	5	**5.2 cents**	5.0 cents
- diluted	5	**4.5 cents**	4.4 cents
Dividends	6	**6,419**	10,688

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2016

	Unaudited	
	Six months ended 30 June	
	2016	2015
	HK$'000	HK$'000
Profit for the period	**19,165**	19,105
Other comprehensive loss:		
Items that may be subsequently reclassified to profit or loss		
Exchange differences on translating foreign operations	**(603)**	(24)
Total comprehensive income for the period	**18,562**	19,081

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET
AS AT 30 JUNE 2016

	Note	**Unaudited 30 June 2016 HK$'000**	Audited 31 December 2015 HK$'000
Non-current assets			
Property, plant and equipment		**13,989**	6,883
Investment properties		**3,040**	3,040
Intangible assets	7	**38,984**	40,691
Goodwill	7	**171,794**	171,794
Deferred tax assets		**90**	91
Total non-current assets		**227,897**	222,499
Current assets			
Contracting work-in-progress		**372,268**	299,158
Receivables	8	**382,996**	470,877
Deposits and prepayments	8	**21,323**	35,545
Amount due from ultimate holding company	9	**7,855**	12,939
Amounts due from fellow subsidiaries	9	**62,902**	58,633
Taxation recoverable		**29**	83
Deposit, cash and cash equivalents		**111,584**	129,841
Total current assets		**958,957**	1,007,076
Current liabilities			
Payables and accruals	11	**671,080**	630,796
Bank loans	10	**198,720**	293,536
Amount due to non-controlling interests	9	**25**	1,148
Amount due to other partner of joint operations		**21**	6
Amounts due to fellow subsidiaries	9	**601**	588
Taxation payable		**17,666**	12,900
Total current liabilities		**888,113**	938,974
Net current assets		**70,844**	68,102
Total assets less current liabilities		**298,741**	290,601
Non-current liabilities			
Long service payment liabilities		**3,977**	3,977
Deferred tax liabilities		**7,011**	7,232
Total non-current liabilities		**10,988**	11,209
Net assets		**287,753**	279,392
Equity attributable to equity holders of the Company			
Share capital	12	**42,796**	42,768
Retained profits and other reserves		**238,500**	227,143
Proposed interim/final dividends		**6,419**	10,692
		287,715	280,603
Non-controlling interests		**38**	(1,211)
Total equity		**287,753**	279,392

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 Basis of Preparation

The unaudited condensed consolidated financial information 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 interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's annual consolidated financial statements for the year ended 31 December 2015, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") and amendments mandatory for the first time for the financial year beginning 1 January 2016:

HKAS 1 Amendment	Disclosure Initiative
HKAS 27 Amendment	Equity Method in Separate Financial Statements
HKFRS 11 Amendment	Accounting for Acquisitions of Interests in Joint Operations
HKAS 16 Amendment and HKAS 38 Amendment	Clarification of Acceptable Methods of Depreciation and Amortisation
Annual improvements Projects	Annual improvements to HKFRSs 2012-2014 cycle

The adoption of these revised HKFRS and amendments that are relevant to the Group's operations and mandatory for the annual period beginning 1 January 2016 has had no material impact on the Group's results and financial position of the Group.

2 Segment Information

In accordance with the Group's internal financial reporting provided to the chief operating decision-maker, identified as the Executive Committee, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are:

- property and facility management services in Hong Kong;
- property and facility management services in Mainland China;
- ancillary business including security, cleaning, laundry, etc.; and
- interiors and special projects

(a) Segment Result (in HK$'000)

Unaudited six months ended 30 June 2016	PFM Hong Kong	PFM Mainland China	Ancillary Business	PFM Business	ISP Business	Corporate (Note 1)	Total
Revenue	**284,765**	**32,744**	**48,537**	**366,046**	**813,978**	**-**	**1,180,024**
Gross profit	**30,356**	**6,843**	**8,558**	**45,757**	**36,830**	**-**	**82,587**
Operating expenses	**(16,456)**	**(5,972)**	**(6,540)**	**(28,968)**	**(19,488)**	**(6,048)**	**(54,504)**
Operating profit	**13,900**	**871**	**2,018**	**16,789**	**17,342**	**(6,048)**	**28,083**
Amortisation of intangible assets				**-**	**-**	**(1,707)**	**(1,707)**
Acquisition loan interest expenses				**-**	**-**	**(1,913)**	**(1,913)**
Interest expenses				**(255)**	**(881)**	**-**	**(1,136)**
Other expenses				**(900)**	**(700)**	**(5)**	**(1,605)**
Other income				**1,770**	**273**	**-**	**2,043**
Profit before taxation				**17,404**	**16,034**	**(9,673)**	**23,765**
Taxation				**(2,151)**	**(2,449)**	**-**	**(4,600)**
Profit for the period				**15,253**	**13,585**	**(9,673)**	**19,165**

Unaudited six months ended 30 June 2015	PFM Hong Kong	PFM Mainland China	Ancillary Business	PFM Business	ISP Business	Corporate (Note 1)	Total
Revenue	292,193	42,352	40,200	374,745	754,456	-	1,129,201
Gross profit	30,316	7,681	8,233	46,230	35,034	-	81,264
Operating expenses	(13,659)	(8,584)	(5,667)	(27,910)	(13,833)	(11,268)	(53,011)
Operating profit/(loss)	16,657	(903)	2,566	18,320	21,201	(11,268)	28,253
Amortisation of intangible assets				-	-	(4,363)	(4,363)
Acquisition loan interest expenses				-	-	(2,350)	(2,350)
Interest expenses				(198)	(1,132)	-	(1,330)
Other expenses				250	117	(483)	(116)
Other income				1,471	1,882	-	3,353
Profit before taxation				19,843	22,068	(18,464)	23,447
Taxation				(1,043)	(3,299)	-	(4,342)
Profit for the period				18,800	18,769	(18,464)	19,105

Note 1: Corporate mainly represents corporate and administrative activities, and shared services.

(b) Customers Information

For the six months ended 30 June 2016, revenue of approximately HK$163,838,000 (for the six months ended 30 June 2015: HK$138,906,000) was derived from one single external customer which was attributable to the ISP business.

3 Profit Before Taxation

	Unaudited Six months ended 30 June	
	2016	2015
	HK$'000	HK$'000
Profit before taxation is arrived after charging:		
Staff costs, including directors' emoluments	**372,369**	351,649
Depreciation	**2,389**	2,304
Operating lease rental on land, buildings and office equipments	**6,509**	6,185

4 Taxation

Hong Kong profits tax has been provided for at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits for the period after application of available tax losses brought forward for both periods. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates of taxation prevailing in the countries in which the Group operates.

The amount of tax charged/(credited) to the consolidated income statement represents:

	Unaudited Six months ended 30 June	
	2016	2015
	HK$'000	HK$'000
Current taxation		
Hong Kong profits tax		
- provision for the period	**4,805**	4,721
Overseas tax		
- provision for the period	**15**	453
Deferred taxation	**(220)**	(832)
	4,600	4,342

5 Earnings Per Share

(a) Basic earnings per share is calculated by dividing the Group's unaudited profit attributable to equity holders less dividend to convertible preference shareholders by the weighted-average number of ordinary shares in issue during the period.

	Unaudited Six months ended 30 June	
	2016	2015
Profit attributable to equity holders (HK$'000)	**19,342**	19,105
Less: dividend to convertible preference shareholders (HK$'000)	**(1,200)**	(2,000)
Profit attributable to ordinary shareholders (HK$'000)	**18,142**	17,105
Weighted-average ordinary shares issued ('000)	**347,697**	338,790
Basic earnings per share (HK cents)	**5.2**	5.0

(b) Diluted earnings per share is calculated by dividing the Group's unaudited profit attributable to equity holders by the weighted-average ordinary shares outstanding after adjusting for the potential dilutive effect in respect of outstanding employee share options and potential ordinary shares to be issued on convertible preference shares during the period.

	Unaudited Six months ended 30 June	
	2016	2015
Profit attributable to equity holders (HK$'000)	**19,342**	19,105
Weighted-average ordinary shares issued ('000)	**347,697**	338,790
Adjustments for share options ('000)	**1,883**	10,967
Adjustments for potential ordinary shares to be issued ('000)	**80,000**	80,000
Weighted-average ordinary shares for calculating diluted earnings per share ('000)	**429,580**	429,757
Diluted earnings per share (HK cents)	**4.5**	4.4

6 Dividends

At a meeting held on 17 August 2016, the Company's Board of directors declared the payment of an interim dividend of 1.5 HK cents per ordinary share (30 June 2015: 2.5 HK cents). This interim dividend is not reflected as a dividend payable in this condensed consolidated interim financial information, but will be reflected as an appropriation of retained profits for the year ending 31 December 2016.

7 Intangible Assets and Goodwill

	Goodwill HK$'000	**Trademark HK$'000**	**Backlog orders HK$'000**	**Non-competition agreement HK$'000**	**Total HK$'000**
Cost					
At 1 January 2015	**168,968**	**48,826**	**15,934**	**2,393**	**67,153**
Addition for the year	2,826	-	-	-	-
As 1 January 2016 and 30 June 2016	**171,794**	**48,826**	**15,934**	**2,393**	**67,153**
Accumulated amortisation					
At 1 January 2015	-	(6,781)	(11,065)	(333)	(18,179)
Amortisation for the year	-	(3,255)	(4,869)	(159)	(8,283)
At 31 December 2015	-	(10,036)	(15,934)	(492)	(26,462)
Amortisation for the period	-	**(1,628)**	-	**(79)**	**(1,707)**
As 30 June 2016	-	**(11,664)**	**(15,934)**	**(571)**	**(28,169)**
Net Book Value					
At 30 June 2016	**171,794**	**37,162**	-	**1,822**	**38,984**
At 31 December 2015	171,794	38,790	-	1,901	40,691

Intangible assets arising from the acquisition of the Interior and Special Projects business and Hsin Chong abp Company Limited in 2012 and 2015 respectively include goodwill, trademark, backlog orders and non-competition agreement.

8 Receivables, Deposits and Prepayments

The credit period of the Group's accounts receivable generally ranges from 30 to 60 days. (31 December 2015: 30 to 60 days). The ageing analysis of accounts receivable by due date is as follows:

	Unaudited 30 June 2016 HK$'000	Audited 31 December 2015 HK$'000
Accounts receivable		
Not yet due	**159,801**	239,032
1 to 30 days	**49,877**	28,894
31 to 60 days	**9,661**	28,939
61 to 90 days	**2,791**	5,761
Over 90 days	**13,380**	12,627
	235,510	315,253
Retention receivables	**128,312**	122,303
Other receivables	**19,174**	33,321
Receivables	**382,996**	470,877
Deposits and prepayments	**21,323**	35,545
	404,319	506,422

The majority of the Group's accounts receivable are denominated in Hong Kong dollars. There were no accounts receivables impaired as of 30 June 2016 (2015: Nil). The maximum exposure to credit risk at the reporting date is the carrying value of the accounts receivable mentioned above. The company does not hold any collateral as security.

9 Balances with Fellow Subsidiaries, Ultimate Holding Company and Non-controlling interests

Balances with fellow subsidiaries, ultimate holding company and non-controlling interests are unsecured, interest free, repayable on demand with no fixed terms of repayment and mainly denominated in Hong Kong dollars.

Balances included receivables in trade nature amounted to HK$4,723,000 (2015: HK$678,000) and HK$49,423,000 (2015: HK$50,505,000) due from ultimate holding company and fellow subsidiaries respectively.

10 Bank Loans

	Unaudited 30 June 2016 HK$'000	Audited 31 December 2015 HK$'000
Portion due for repayment within one year	**126,720**	209,536
Portion due for repayment after one year, which contains a clause of repayment on demand in the second year	**72,000**	84,000
Total bank loans	**198,720**	293,536

Notes:

(a) As at 30 June 2016, the Group had bank loans of HK$198,720,000 (31 December 2015: HK$244,992,000) and Nil (31 December 2015: HK$48,544,000) denominated in Hong Kong dollars and Macau Pataca respectively.

(b) The bank loans of the Group carried weighted average interest rates of 2.7% (31 December 2015: 2.7%) per annum.

(c) The Group's bank loan of HK$96,000,000 (31 December 2015: HK$108,000,000) is subject to a floating charge over the assets of its subsidiaries.

(d) The carrying amounts of loans approximate their fair values.

11 Payables and Accruals

The credit period of the Group's accounts payable generally ranges from 30 to 60 days. (31 December 2015: 30 to 60 days). The ageing analysis of accounts payable by due date is as follows:

	Unaudited 30 June 2016 HK$'000	Audited 31 December 2015 HK$'000
Accounts payable		
Not yet due	**400,092**	372,109
1 to 30 days	**24,616**	43,250
31 to 60 days	**10,309**	9,684
61 to 90 days	**4,193**	2,545
Over 90 days	**16,939**	11,998
	456,149	439,586
Retention payables, other payables and accruals	**214,931**	191,210
	671,080	630,796

12 Share Capital

	Number of shares '000	Amount HK$'000
Issued and fully paid:		
Ordinary shares		
At 1 January 2016	347,676	34,768
Share issued upon exercise of options granted under the Share Option Scheme	**280**	**28**
At 30 June 2016	**347,956**	**34,796**
Convertible preference shares		
At 1 January 2016	80,000	8,000
At 30 June 2016	**80,000**	**8,000**
Ordinary shares and convertible preference shares issued and fully paid		
At 30 June 2016	**427,956**	**42,796**
At 31 December 2015	427,676	42,768

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2016.

REVIEW OF INTERIM FINANCIAL INFORMATION

The unaudited condensed consolidated interim financial information of the Company for the six months ended 30 June 2016 has been reviewed by the Company's external auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee of the Company comprises three members, namely, Mr. David Yu Hon To (chairman of the Audit Committee), Mr. Kan Fook Yee and Mr. Wong Tsan Kwong. The Audit Committee together with the participation of the management and the Company's external auditor, PricewaterhouseCoopers, have reviewed the unaudited condensed consolidated interim financial information of the Company for the six months ended 30 June 2016.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (as amended from time to time by the Stock Exchange) as its own code of conduct for regulating securities transactions by the Directors. Having made specific enquiry of all the Directors, all the Directors confirmed they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2016.

CORPORATE GOVERNANCE CODE

The Company has applied the principles in the code provisions and certain recommended best practices set out in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules.

During the six months ended 30 June 2016, the Company complied with all code provisions of the CG Code.

By order of the Board of
Synergis Holdings Limited
Joseph Choi Kin Hung
Executive Director and Chairman

Hong Kong, 17 August 2016

As at the date of this announcement, the Board comprises Ir Joseph Choi Kin Hung (Chairman), Mr Terence Leung Siu Cheong (Managing Director) and Mr Lui Chun Pong as Executive Directors; and Mr Stephen Ip Shu Kwan, Mr Kan Fook Yee, Mr Wong Tsan Kwong and Mr David Yu Hon To as Independent Non-executive Directors.

* *for identification purpose only*