



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

(Stock code 股份代號: 0577.HK)

ANNUAL REPORT 2007 年報

The background features a stylized illustration of a skyscraper with a grid of windows. A construction crane is visible in the upper right corner. In the lower left, two construction workers wearing white hard hats and light-colored shirts are shown. One worker is pointing upwards towards the building. The entire scene is overlaid with a blue and white torn-paper effect.

**ALL THINGS
TO ALL PROPERTIES**

專業增值 物業全才

All Things To All Properties

From the first sketches
to the final touches
we do it all...

Our integrated solutions
add value to properties
throughout their lifecycles
and allow you to choose
the components that
serve you best.

專業增值 物業全才

從概念構思至項目落成，
我們為客戶提供至為全面的物業服務。

我們提供完備而靈活的方案，
既能使物業保持增值，
同時亦讓客戶選擇最能配合所需的組合。

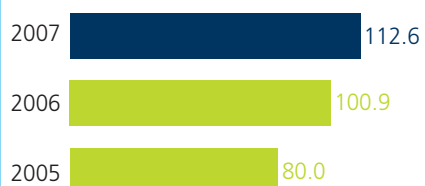


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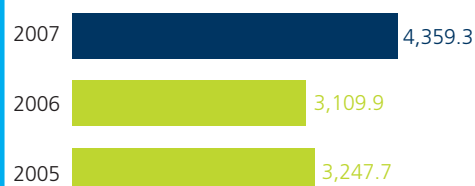
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		2007 HK\$'million 百萬港元	2006 HK\$'million 百萬港元	Percentage change 百分率變動
Turnover	營業額	4,359.3	3,109.9	+40%
Earnings before interest and taxation (EBIT)	未計利息及稅前 盈利	116.9	107.6	+9%
Net profit attributable to equity holders	權益持有人應佔純利	112.6	100.9	+12%
Shares outstanding (million)	發行股份 (百萬股)	590	582	+1%
Net asset value per share (HK\$)	每股資產淨值 (港元)	0.75	0.64	+17%
Earnings per share (HK\$)	每股盈利 (港元)	0.193	0.174	+11%
Dividend per share (HK\$)	每股股息 (港元)	0.09	0.08	+13%
Total assets	總資產值	2,561.4	1,937.2	+32%
Net current assets	流動資產淨值	261.6	362.0	-28%
Net cash	淨現金	172.1	88.5	+94%
Equity attributable to equity holders	權益持有人應佔權益	442.1	369.9	+20%
Operating cash flow	經營業務現金流	123.7	(71.3)	+273%
Net cash flow	淨現金流	29.2	(28.3)	+203%
Current ratio	流動比率	1.13	1.26	-10%
Net cash/equity ratio	淨現金／資本比率	0.39	0.24	+63%
Gearing ratio	負債資本比率	0.51	0.79	-35%
Long term debt/equity ratio	長期負債／資本比率	0.12	0.41	-71%

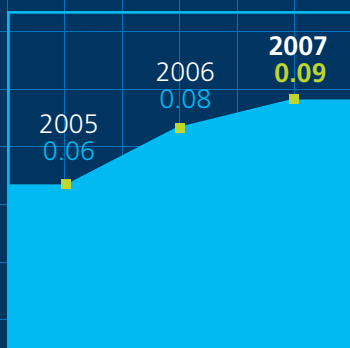
NET PROFIT ATTRIBUTABLE TO
EQUITY HOLDERS (HK\$'MILLION)
權益持有人應佔純利 (百萬港元)



TURNOVER (HK\$'MILLION)
營業額 (百萬港元)



DIVIDEND PER SHARE (HK\$)
每股股息 (港元)



DIVIDEND PAYOUT RATIO
股息派息率



EARNINGS PER SHARE (HK cents)
每股盈利 (港仙)





Performance is a matter of planning, people and providence. All of them are now working in our favour.

業績表現全賴周詳策劃、優秀人才與客觀環境，現在三方面都對我們有利。

Ir James Chiu, OBE, JP
Chairman

趙雅各工程師 · OBE · JP
主席



Dear Shareholders,

It is my great pleasure to present the annual report of Paul Y. Engineering Group Limited ("the Group") for the year ended 31 March 2007.

By delivering strong performance, the Group achieved a net profit attributable to equity holders of HK\$113 million (2006: HK\$101 million) – an increase of 12% compared to the previous year. Return on equity was 25%.

The Board has proposed a final dividend of 5.5 HK cents per share, which, together with the interim dividend of 3.5 HK cents per share, is a payout ratio of approximately 47% for this financial year.

In planning for the future, we have created a strategic business model and synergy within our three specialties – management contracting, project management and facilities management – that enable us to offer a full spectrum of engineering services to meet every need of the property sector.

各位股東：

本人欣然向閣下提呈保華建業集團有限公司（「集團」）截至二零零七年三月三十一日止年度之年報。

集團年內表現理想，權益持有人應佔純利達1.13億港元（二零零六年：1.01億港元），較去年增加12%。資本回報率為25%。

董事局建議派發每股末期股息5.5港仙，連同每股中期股息3.5港仙，本年度股息派息率約為47%。

為配合未來發展，我們已推行包含承建管理、項目管理、設施管理的策略性業務模式。這三項業務已發揮協同效應，讓我們有能力提供全面工程服務，以滿足地產界各種不同的需求。

**DIVIDEND
PAYOUT RATIO**
股息派息率

47%

Our people are simply the best. And providence is working in our favour. Three geographic areas offer particularly exciting growth opportunities: the Mainland market, with its surging economy, favourable business environment, and explosive growth in their property industry. Macau, with its recent construction boom. And Hong Kong, whose civil and private construction markets continue to recover well.

We are committed to world-class standards of corporate governance. Our Board is comprised of two Executive Directors, one Non-Executive Director and three Independent Non-Executive Directors – ensuring the transparency and sustainability of the Group as we take our business forward. Just as important, our Board members are industry leaders, with clearly defined duties and the experience to carry them out.

Engineers, architects, surveyors, lawyers, accountants – more than 150 of our 1,413 staff are professionals, and many of them are senior professional members actively involved in professional bodies, such as the Hong Kong Construction Association, the Hong Kong Institution of Engineers, and the Hong Kong Institute of Project Management. We are particularly gratified by their loyalty – 243 have been with us for more than 10 years.

The Mainland, Hong Kong, Macau – they are all our communities because we are a part of them, helping to build their futures along with our own. Our efforts to protect mature trees on construction sites, reduce energy and paper consumption, and maintain good community relations around our construction sites have earned us a good reputation for the way we approach our work and the people it affects.

In addition, we fund scholarships in tertiary institutions related to the construction industry. We donate cash and construction materials to charity organizations, such as Po Leung Kuk and the HKCA Education Fund. And we sponsor and participate in professional conferences and events.



我們既有最出色的人才，而客觀環境亦有利於業務發展。以下三地的業務前景尤其令人振奮：內地經濟發展蓬勃，營商環境理想，地產界蘊含巨大的增長潛力；澳門建築業發展於近年尤見興旺；香港的公營及私營建築市場亦持續以穩健的步伐復甦，都為我們提供大量商機。

為求企業管治達致國際水準，我們的董事局成員包括兩位執行董事、一位非執行董事，以及三位獨立非執行董事，以確保集團在發展業務的同時，亦保持透明度與可持續發展。董事局各成員均為業界翹楚，經驗豐富，職責分明，是以各司其職，引領集團前進。

我們1,413名員工之中，有超過150位具備工程師、建築師、測量師、律師、會計師等專業資格，當中更有不少是活躍於香港建造商會、香港工程師學會、香港項目管理學會等專業組織的資深成員。同事中有243位服務年資超過十年，其對集團的忠誠尤其可嘉。

作為積極參與內地、香港、澳門三地發展的一分子，我們均視三地為家，自當為締造三地之美好未來盡一分力。我們一直致力保護施工地點的成熟樹木，節省能源與用紙，同時與工地位處之社區保持良好關係，合力減低施工時對社區的影響；集團在關顧社區方面所推行的措施，贏得良好聲譽。

此外，我們亦贊助各專上院校與建築業有關的獎學金，捐贈現金及建築材料予保良局及香港建造商會教育基金等機構，並樂於贊助和參與各項業界的專業會議及活動。

Mainland China, Hong Kong, Macau are all our communities because we are a part of them, helping to build their futures along with our own.

作為積極參與中國內地、香港、澳門三地發展的一分子，我們均視三地為家，自當為締造三地之美好未來盡一分力。

Our efforts have not gone unnoticed. We have received awards from the Environment, Transport and Works Bureau, the HKSAR Government, the Housing Authority, The Chartered Institute of Building (Hong Kong), and many professional organizations. Most thoughtfully, we have received appreciation letters from our clients.

I would like to express my appreciation to my fellow Board members and to our staff for their loyalty, hard work, and contributions to the Group. And I am indebted to our clients and business partners for their support of our broad-reaching strategic vision.

Finally, I want to thank you – our shareholders – for your ongoing support. This year has been an exciting chapter in the growth of our business, and I speak for the Board when I say that we look forward to delivering on our commitments to all of our stakeholders through excellence in management.

James Chiu, OBE, JP
Chairman

Hong Kong, 20 July 2007

我們在履行社會企業責任的努力獲得肯定，集團除了獲得香港特區政府環境運輸及工務局、香港房屋委員會、英國特許建造學會(香港)以及多個專業團體頒發獎項以外，客戶們的嘉許更令我們加添動力，支持我們做得更好。

各位董事與同事竭誠盡忠，努力不懈，對集團貢獻良多，我謹在此向一眾董事局成員及員工致謝。集團遠大的策略目標深受客戶與業務夥伴鼎力支持，我亦藉此機會表達由衷感激。

最後，我更感謝各位股東從未間斷的支持。隨着集團業務在年內揭開令人振奮的一頁，我謹代表董事局表達今後繼續以優質管理，向所有相關人士實踐承諾的期許。

趙雅各, OBE, JP
主席

香港，二零零七年七月二十日

We now have a firm foundation for future growth and are even better equipped to deliver solid results to our shareholders.

我們不僅為日後發展打造穩固基礎，並且匯集力量，為各位股東呈獻理想回報。

Mr Mok Yat Fan, Edmond
Executive Director & Chief Executive Officer
莫一帆先生
執行董事兼行政總裁



SYNERGY

協同效應

Closer ties between our management contracting, project management and facilities management capabilities have created a synergy that directly benefits our customers in the form of lower costs, improved efficiency and seamless integration between design, implementation, construction and ongoing management.

承建管理、項目管理與設施管理三大業務之相互聯繫日趨密切，創造了協同效應，包括減省成本、提升效率，以及設計、施工、建造與持續管理的完美整合，為客戶帶來直接效益。





MANAGEMENT CONTRACTING

承建管理

Management contracting remains a strong arm of our business and we remain the industry leader in Hong Kong. We are growing fast in Macau and the Mainland markets with our capability to deliver innovative special buildings, standard-setting commercial and residential buildings, and our participation in the Olympic venue.

保華建業一直保持在業內的領先位置，而承建管理的表現仍然強勁。我們在澳門與內地市場發展迅速，承建項目包括特殊功能新穎建築、樹立典範的商住樓宇，以及參與奧運會場地的建設。

1 2 3

1. Our team is poised to deliver the highest quality and continue to enrich our 60 years of track records.
保華建業團隊憑藉全面、優質的服務，使六十年來建立的佳績持續增長。
2. Residence Bel-Air sets the standard of luxury living.
貝沙灣樹立豪華生活典範。
3. The equestrian venue of Olympics 2008 is another contribution of Paul Y. Engineering to the development of Hong Kong as a world-class city.
二零零八年奧運會馬術比賽場地，是保華建業對促進香港發展成為國際都會的另一貢獻。

PROJECT MANAGEMENT

項目管理

Our project management capabilities are developing fast, backed by the experience of a team that can deliver total solutions or any component within a project. We are putting our expertise and high standard of professionalism to good use in key building and infrastructure projects in Hong Kong and the Mainland.

憑藉經驗豐富的團隊，保華建業的項目管理業務範疇擴展迅速，精心提供全面服務方案或項目內之個別環節管理。我們確保在香港與內地發展重點建築及基建項目時，貫徹發揮高度的專業技能及專業精神。

1 2 3

1. We draw on our experience to build the Yangkou Port including the 13-km Yellow Sea Crossing.
我們憑藉豐富經驗建造洋口港，以及其中長達 13 公里的黃海大橋。
2. Our project management services encompass the entire development process, from concept to completion.
從概念構思以至工程完竣，我們的項目管理團隊能照顧整個發展過程。
3. The Paul Y. Engineering team working at Crown Macau to deliver our Design & Build service.
保華建業團隊為澳門皇冠酒店提供設計與建造服務。





EXPERTISE
專業才能





EXCELLENCE
卓越服務



FACILITIES MANAGEMENT

設施管理

Our facilities management service enables us to address the complete life cycle of property. By developing best-in-class services, we add value to client assets and returns. And the recurring nature of this service balances our job portfolio and widens our base of income.

保華建業透過其設施管理服務，照顧客戶物業的整個資產週期。我們通過提供卓越服務，為客戶資產與回報增值，周而復始，不但令我們的業務發展更為平衡，亦有助於擴闊集團的收入來源。

1 2 3

1. Facilities management is a long-term management and we are committed to it.
設施管理，是我們對客戶的長遠承諾。
2. Our team of professionals blends our knowledge of building with ongoing management.
我們的專業團隊寓建築專長於持續管理。
3. Facilities management is the key to extract the best value of assets throughout its life cycle.
要令物業於資產週期期間帶來最佳回報，設施管理是重要一環。

Dear Shareholders,

I am pleased to present the annual results of the Company and its subsidiaries ("the Group") for the year ended 31 March 2007, together with the comparative figures for 2006. On pages 56 to 121 of this report are the consolidated statements for income, cash flow and changes in equity, as well as the Group's consolidated balance sheet, all of which are audited, together with explanatory notes. The annual results have been reviewed by the Company's Audit Committee.

One of our most important advances in the past year was enhancing the interaction among our three business streams – management contracting, project management and facilities management. Individually the units were strong, but closer ties have created a synergy that directly benefits our customers in the form of lower costs, improved efficiency, and seamless integration between design, implementation, construction and ongoing management.

We now have a firm foundation for future growth and are even better equipped to deliver solid results to our shareholders.

REVIEW OF FINANCIAL PERFORMANCE AND POSITIONS

For the year ended 31 March 2007, the Group's consolidated turnover was approximately HK\$4,359 million, a 40% increase from that of the last corresponding period.

Gross profit of approximately HK\$167 million was achieved as compared with a corresponding gross profit of approximately HK\$230 million for last year. Share of results of associates was approximately HK\$74 million which comprised mainly of the appreciation in the value of the Group's 25% interest in Paul Y. Centre. Net profit attributable to equity holders of the Company for the year was approximately HK\$113 million versus approximately HK\$101 million of last year. Basic and diluted earnings per share were 19.3 HK cents.

The share price of the Company has improved from HK\$0.91 at last balance sheet end to HK\$1.25 at the end of this financial year, together with the 2006 final dividend of 5.0 HK cents and 2007 interim dividend of 3.5 HK cents paid during the year, the total return to shareholders is 47%. The share price has further increased to HK\$1.33 as at 20 July 2007, increasing the total shareholders' return to 55%. This reflects the management's performance in increasing the shareholders' value.

When compared with the Group's financial position as at last year end, total assets was at approximately HK\$2,561 million compared to approximately HK\$1,937 million at the end of last year. Current assets were at approximately HK\$2,317 million, representing 1.1 times of current liabilities. Net cash was at approximately HK\$172 million and the equity attributable to equity holders of the Company stood at approximately HK\$442 million.

Net cash inflow from operating activities was about HK\$124 million, a significant increase as compared with last year's cash outflow of approximately HK\$71 million. With the net amount of approximately HK\$95 million used in respect of investing and financing activities, this resulted in a net increase in cash of about HK\$29 million for the year.

各位股東：

本人欣然向閣下提呈報告本公司及其附屬公司(「本集團」)於截至二零零七年三月三十一日止年度內錄得之全年業績，以及二零零六年之比較數字。本集團之綜合收益表、綜合現金流動表及綜合權益變動表，以及本集團之綜合資產負債表均經審核，並附載說明性之附註，載於本報告第56頁至第121頁。本業績已經本公司之審核委員會審閱。

承建管理、項目管理與設施管理三大業務之相互聯繫日趨密切，是我們本年度的重要發展之一。這三項業務分別有所表現，而彼此之間更產生了協同效應，從而降低成本、提升效率，並將設計、施工、建造與持續管理完美整合，為客戶帶來直接收益。

我們已為未來發展奠定穩固基礎，並且匯集力量，為各位股東呈獻理想回報。

財務表現及狀況回顧

於截至二零零七年三月三十一日止年度，本集團之綜合營業額約為4,359,000,000港元，較去年同期增長達40%。

毛利約為167,000,000港元；相比之下，去年同期之毛利則約為230,000,000港元。攤佔聯營公司業績約74,000,000港元，主要為本集團於保華企業中心25%權益之價值上升。本年度之本公司權益持有人應佔純利約為113,000,000港元，至於去年則約為101,000,000港元。而每股之基本及攤薄溢利則為19.3港仙。

本公司之股價由去年結算日結束時之0.91港元上升至本財政年度結束時之1.25港元，加上二零零六年末期股息5.0港仙及年內派付之二零零七中期股息3.5港仙，股東總回報達47%。股價於二零零七年七月二十日再升至1.33港元，使股東總回報高達55%。此反映了管理層在提升股東價值方面之表現。

與本集團上年度結束時之財政狀況相比，本集團之總資產約為2,561,000,000港元，上年度結束時則約為1,937,000,000港元。流動資產約為2,317,000,000港元，相當於流動負債之1.1倍。現金淨額約為172,000,000港元，而本公司權益持有人應佔權益則約為442,000,000港元。

經營業務之現金流入淨額約為124,000,000港元，較去年現金流出淨額約71,000,000港元呈大幅增長。用於投資業務及融資活動之現金淨額約為95,000,000港元，致使本年度之現金水平錄得約29,000,000港元之淨上升。

**EQUITY
ATTRIBUTABLE TO
EQUITY HOLDERS
(HK\$'MILLION)**
權益持有人應佔權益
(百萬港元)

442

RETURN ON EQUITY
資本回報

25%

REVIEW OF OPERATIONS

Comparing our development to construction firms in mature markets, we see that the Group has fully evolved from a local construction company into a professional, full-service provider for the property sector. With over 60 years of experience and top-quality people, Paul Y. Engineering leads the local industry in terms of professionalism and a thorough understanding of our chosen markets. By participating to develop cities throughout the Mainland, we are fully equipped for the provision of property services to investors from inception, implementation and delivery of property development.

We see renewed vigour in the construction market, fuelled by the return of investor confidence in Hong Kong and a construction boom in Macau. As a result, the Group secured new contracts worth over HK\$5 billion – and since 1 April 2007, Paul Y. Engineering has secured additional contracts that worth approximately HK\$500 million.

During this fiscal year, our management contracting business continued to be a strong contributor to the Group, delivering an operating profit of approximately HK\$59 million (2006: HK\$120 million). This performance was achieved on a robust turnover of approximately HK\$4,327 million, compared to approximately HK\$3,076 million in 2006 – an increase of 41%. The reduction in the contracting operation profit was due to provision for a few problematic contracts the damages are now well contained and not recurrent. Our management contracting business has been awarded with a number of major projects, in Hong Kong: the 2008 Olympic equestrian venue in Fanling, a residential development project at Sheung Shing Street in Homantin, and Landmark East, an office development at How Ming Street in Kwun Tong; in Macau: the Le Royal Arc, residential, hotel and casino development.

業務回顧

將本集團之發展與成熟市場之其他建築公司相比，本集團已從一家本地建築公司全面蛻變成地產業內一家專業之全面服務供應商。憑藉六十餘年經驗及一流人才，保華建業在專業水平及洞悉選取市場方面已領先本地業界。集團已準備就緒，通過參與發展內地各地城市，為投資者提供全面的物業服務，從物業發展之立案、實施到交付，一應俱全。

香港投資者回復信心、澳門的建築興旺，均帶動建造業市場重現生氣。因此，本集團獲得了價值超過5,000,000,000港元之新工程合約；此外，自二零零七年四月一日起，保華建業再取得了價值約500,000,000港元之新工程合約。

於本財政年度內，承建管理業務繼續為本集團帶來龐大盈利貢獻，實現經營溢利約為59,000,000港元（二零零六年：120,000,000港元）。這一業績表現乃通過約4,327,000,000港元之營業額所實現，二零零六年則為約3,076,000,000港元，增長41%。承建管理業務利潤減少，乃因須為若干問題合約作出撥備所致，幸有關損害不大且不會持續出現。承建管理業務已獲得多項重大工程項目，包括在香港位於粉嶺之二零零八年奧運會馬術比賽場地、何文田常盛街之住宅發展項目以及位於觀塘巧明街之辦公室發展項目「城東誌」；在澳門則有「凱旋門」住宅、酒店及娛樂場發展項目。

Increasing its participation in the markets of Hong Kong, Macau and the Mainland, our project management business delivered an operating profit of approximately HK\$3 million (2006: HK\$16 million) riding on a turnover of approximately HK\$22 million (2006: HK\$27 million).

Our facilities management business incurred a net loss of approximately HK\$3 million (2006: HK\$2 million) which includes an amount of about HK\$4 million of development costs for potential markets on turnover of approximately HK\$25 million, an increase of 2.6 times compared to approximately HK\$7 million in 2006.

Our property investment business through an associated company has delivered an encouraging profit contribution of HK\$72 million.

LIQUIDITY AND CAPITAL RESOURCES

The Group adheres to prudent funding and treasury policies in its operations, maintaining a variety of credit facilities to meet requirements for working capital. At the end of this fiscal year, the Group had total borrowings of approximately HK\$226 million, approximately HK\$174 million of which are repayable within one year. Cash, bank balances and deposits at year end totalled approximately HK\$398 million.

As at 31 March 2007, all of the Group's borrowings bear interest at floating rates and are denominated either in Hong Kong Dollars or Renmenbi. The Group's gearing ratio, based on total borrowings of approximately HK\$226 million and equity attributable to equity holders of around HK\$442 million, stands at about 0.5.

EMPLOYEES

As at 31 March 2007, the Group had 1,413 full-time employees, including the directors of the Group. Employee remuneration is based on overall market rates and employee performance, as well as the performance of the Group. Remuneration packages are comprised of salary, a performance-based bonus, and other benefits including provident funds and medical coverage. Three share incentive schemes (namely, share option scheme, share award scheme and share financing plan) are in place to motivate and reward eligible employees.

PLEDGE OF ASSETS

As at 31 March 2007, the Group pledged bank deposits of approximately HK\$43 million, property plant and equipment of approximately HK\$10 million, and charged the Group's benefits over certain construction contracts to secure the general banking facilities granted to the Group.

項目管理部門在香港、澳門及內地市場之參與有所增加，部門經營溢利約達3,000,000港元(二零零六年：16,000,000港元)，營業額則約22,000,000港元(二零零六年：27,000,000港元)。

設施管理業務錄得淨虧損約3,000,000港元(二零零六年：2,000,000港元)，包括潛在市場發展成本約4,000,000港元，而營業額約25,000,000港元，較二零零六年約7,000,000港元增加了2.6倍。

我們通過一家聯營公司進行物業投資業務，實現利潤貢獻72,000,000港元，成績令人鼓舞。

流動資金及資本來源

本集團就其整體業務營運採納審慎之資金及財務政策，備有多項信貸安排以提供其所需之營運資金。於本財政年度結束時，本集團借款共約226,000,000港元，其中約174,000,000港元須於一年內償還。於年末之現金、銀行結餘及存款共達約398,000,000港元。

於二零零七年三月三十一日，本集團全部借款均按浮動息率計息，並以港元或人民幣為單位。本集團之負債資本比率為0.5，該項比率乃根據本集團之總借款約226,000,000港元及本集團權益持有人應佔權益約442,000,000港元計算。

僱員

於二零零七年三月三十一日，本集團共聘用1,413名全職僱員，包括本集團董事。本集團根據整體市場水平、個別僱員之表現，以及本集團之表現，訂定僱員薪酬。酬金包括薪金、按表現發放之花紅，以及公積金及醫療福利等其他福利。三項股份獎勵計劃(分別為購股權計劃、股份獎勵計劃及股份融資計劃)正在實施，為合資格僱員提供鼓勵及獎賞。

資產抵押

於二零零七年三月三十一日，本集團有合共約43,000,000港元之銀行存款，約10,000,000港元之物業、機械及設備，及本集團於若干建築合約之利益已抵押予銀行，作為授予本集團之一般信貸融資之擔保。



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1. Excellence in details is another key to add value to properties.

優質的建築細節能令物業增值。

2. Widening of Yuen Long Highway.

元朗高速公路擴闊工程。

CONTINGENT LIABILITIES

As at the year end, the Group had contingent liabilities in respect of guarantee of approximately HK\$9 million given to a bank for banking facilities granted to an associate.

DISPOSAL OF 25% INTEREST IN PAUL Y. CENTRE

In March 2007, an associate of the Group entered into a conditional agreement regarding the disposal of Paul Y. Centre at a consideration of HK\$1,150 million. The transaction was completed in June 2007.

COMMITMENTS

As at 31 March 2007, the Group had no significant capital commitment.

SECURITIES IN ISSUE

As at year end, there were 589,599,109 shares in issue, and outstanding share options over a total of 16,600,000 shares with subscription prices of HK\$0.70 (for options over 1,500,000 shares), HK\$0.85 (for options over 1,500,000 shares), HK\$0.90 (for options over 5,600,000 shares) and HK\$1.00 (for options over 8,000,000 shares) per share.

During the year under review, an aggregate of 7,640,330 shares were issued, which included 6,140,330 shares by way of scrip dividend and 1,500,000 shares by way of share options exercise. Share options over 8,000,000 shares were granted, share options over 2,400,000 shares were lapsed and share options over 1,500,000 shares were exercised during the year.

或然負債

本年度結束時，本集團就授予聯營公司之銀行信貸向銀行提供之擔保所涉及款額約9,000,000港元。

出售保華企業中心25%權益

於二零零七年三月，本集團之一家聯營公司訂立一份有條件協議，以1,150,000,000港元之代價出售保華企業中心。此交易已於二零零七年六月完成。

承擔

於二零零七年三月三十一日，本集團並無重大資本承擔。

已發行證券

於年結日，已發行股份共589,599,109股及可認購共16,600,000股股份之未行使購股權，行使價為每股0.70港元(就可認購1,500,000股股份之購股權而言)、0.85港元(就可認購1,500,000股股份之購股權而言)、0.90港元(就可認購5,600,000股股份之購股權而言)及1.00港元(就可認購8,000,000股股份之購股權而言)。

於回顧年度內，已發行合共7,640,330股股份，包括6,140,330股以股代息方式發行之股份及1,500,000股因行使購股權而發行之股份，並已授出可認購共8,000,000股股份之購股權，年內有可認購2,400,000股股份之購股權期滿失效，亦有可認購1,500,000股股份之購股權已獲行使。

FINAL DIVIDEND

The Board has resolved to recommend the payment of a final dividend of 5.5 HK cents per share (2006: 5.0 HK cents per share) for the year ended 31 March 2007 to shareholders whose names appear on the register of members of the Company at the close of business on 19 September 2007. The final dividend is expected to be paid to shareholders via post on or around 15 October 2007.

The Board has also proposed that the final dividend should be satisfied by way of a scrip dividend of shares, with an option to elect cash for part or all of such dividend. The market value of the shares to be issued under the scrip dividend proposal will be fixed by reference to the average of the closing prices of the Company's shares for the three consecutive trading days ending on 19 September 2007, less a discount of 5% of such average price or the par value of shares, whichever is higher. The proposed scrip dividend is conditional upon The Stock Exchange of Hong Kong Limited granting listing of, and permission to deal in, the new shares to be issued and the passing at the forthcoming annual general meeting of the Company of an ordinary resolution to approve the final dividend. A circular detailing the scrip dividend proposal and a form of election will be sent to shareholders.

CLOSE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for the purpose of determining the entitlements to the proposed final dividend from 17 September 2007 to 19 September 2007, both dates inclusive, during which period no share transfers shall be effected. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar in Hong Kong, Standard Registrars Limited (26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong) no later than 4:00 p.m. on 14 September 2007.

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

During the year ended 31 March 2007, there were no purchases, sales or redemptions by the Company, or any of its subsidiaries, of the Company's listed securities.

OUTLOOK

The future looks excellent for the Group throughout Asia. We have strong capabilities that cover the complete property life-cycle, catering to every stage of the property sector. Backed by a proven track record and riding on the growing demand for property and property development-related services in Hong Kong, Macau and the Mainland, we are confident of fortifying our leadership in the construction sector, and of intensifying our role in property development and investment in the region for enhancing returns to our shareholders.

末期股息

董事局已議決向二零零七年九月十九日辦公時間結束時名列本公司股東名冊之股東派付截至二零零七年三月三十一日止年度末期股息每股5.5港仙(二零零六年：每股5.0港仙)。預料末期股息將會約於二零零七年十月十五日以郵寄方式派付予股東。

此外，董事局並建議透過以股代息方式派付末期股息，惟股東可選擇收取現金以代替部份或全部有關股息。根據以股代息建議將予發行之股份之市值，將參考本公司股份於截至二零零七年九月十九日止連續三個交易日之平均收市價，並減去該平均價5%之折讓或股份面值(以較高者為準)計算。以股代息建議須待香港聯合交易所有限公司批准將予發行之新股份上市及買賣，及在本公司應屆股東週年大會上通過，有關批准末期股息之普通決議案後，方可作實。載有以股代息建議全部詳情之通函，將連同選擇表格一併寄予各股東。

暫停辦理股東登記手續

本公司將於二零零七年九月十七日至二零零七年九月十九日止(首尾兩日包括在內)期間暫停辦理股東登記手續，以釐定擬派末期股息之配額，故於該段期間將不會登記任何股份之轉讓。如欲獲發擬派之末期股息，所有股份過戶文件連同有關股票，最遲須於二零零七年九月十四日下午四時正前交回本公司之香港股份過戶登記處，即標準證券登記有限公司以供登記，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

購買、出售或贖回本公司上市證券

於截至二零零七年三月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

展望

本集團放眼全亞洲，前途可謂一片光明。我們具有強大的實力，服務範疇涵蓋物業的整個資產週期，並能配合物業發展各個階段之需要。我們滿懷信心，憑藉集團的豐富經驗及良好聲譽，再加上香港、澳門及內地對與物業相關的服務需求殷切，保華建業集團將繼續鞏固在該等建築市場的領導地位，並透過參與物業發展及投資，為各股東帶來更優厚的回報。

The sharp focus and strong capability we bring to our chosen market have once again brought us rewards – which we are pleased to share with our shareholders.

保華建業謹慎選取市場，並專注發揮業務專長的策略，又再帶來可觀回報；我們樂於與各位股東分享。

Hong Kong's economic recovery is fuelling growth and we are seeing the return of construction projects in the public and private sectors. As Hong Kong emerges from one of the hardest economic decades in its history, the city is enjoying the benefits of a strong economy and low unemployment – which will continue to drive the Hong Kong's property services industry.

Macau's economy is experiencing booming growth in its construction and property-related industries as the city transforms itself into a world-class gaming centre. And the Mainland remains an attractive market for the Group's high-end property-related services in project and facilities management as well as for property development and related services.

With rising expectations from all sectors, the future of business opportunities in the Mainland looks very bright, and also very challenging. The Group is dedicated to meeting and overcoming these challenges with its commitment to the highest standard of professional services and management excellence.

在香港經濟復甦帶動下，公營及私營建築項目之數量將再次上升。香港經濟多次起跌，現已再一次從谷底中重新起飛；加上經濟表現理想及失業率偏低，將利好物業服務界。

隨著澳門博彩業增長，當地的建築及物業相關行業亦越趨興旺，為集團締造龐大商機。保華建業集團之項目及設施管理業務亦瞄準內地市場。因應市場需求，集團有足夠能力提供各項高端服務，以至參與發展物業及相關服務。

保華建業已獲得各界一致認同，內地亦商機處處，但同時挑戰重重。本集團將上下一心，以一流的專業服務與出色的管理水平，全力迎接並克服該等挑戰，締造更理想之成績。

Mok Yat Fan, Edmond
Executive Director & Chief Executive Officer

Hong Kong, 20 July 2007

莫一帆
執行董事兼行政總裁

香港，二零零七年七月二十日



■ **Ir James Chiu**
趙雅各工程師

James Chiu, *OBE, JP*, aged 68, has been the Chairman (Independent Non-Executive Director) of the Company since March 2006. He is also the Chairman of the Audit Committee and Remuneration Committee of the Company. Ir Chiu has served Hong Kong's construction industry for 43 years. He was the Managing Director of the General Electric Company of Hong Kong Limited from 1984 to 1998.

He has held a number of important industry roles. He was a President of the Hong Kong Institution of Engineers and a Chairman of the British Chamber of Commerce in Hong Kong. Currently, he is the President of the Hong Kong Federation of Electrical & Mechanical Contractors Limited; the President of Hong Kong Electrical & Mechanical Contractors' Association; and a member of Construction Industry Council.

Ir Chiu is a Fellow of the Institution of Electrical Engineers (UK), the Hong Kong Institution of Engineers, Institution of Engineers Australia and Hong Kong Academy of Engineering Sciences.



■ **Mr Lau Ko Yuen, Tom**
劉高原先生

趙雅各，*OBE, JP*，68歲，由二零零六年三月起出任本公司之主席(獨立非執行董事)，彼亦為本公司之審核委員會及薪酬委員會主席。趙先生服務香港建築界逾四十三年。彼於一九八四年至一九九八年於香港之英國通用電器GEC擔任董事總經理一職。

他曾擔任業內多項重要職務，當中包括香港工程師學會會長及香港英國商會主席。趙先生現時為香港電機工程師商聯會會長；香港電機工程師商會會長及建造業議會成員。

趙先生為電機工程師學會(英國)、香港工程師學會、澳洲電機工程師學會及香港工程科學院資深會員。



■ **Mr Mok Yat Fan, Edmond**
莫一帆先生



■ **Mr Lee Hon Chiu**
李漢潮先生



■ **Professor Lee Chack Fan**
李焯芬教授



■ **Mr Iain Ferguson Bruce**

Lau Ko Yuen, Tom, aged 56, has been the Deputy Chairman (Non-Executive Director) of the Company since January 2005. He is also a member of the Nomination Committee and Disclosures Committee of the Company. Mr Lau has over 34 years' experience in international corporate management as well as merger and acquisitions. Mr Lau is the Deputy Chairman & Managing Director of PYI Corporation Limited ("PYI") (0498.HK) and an Independent Non-Executive Director of China National Building Material Company Limited (3323.HK). He is also a Director of PYI Treasury Group Limited, Growing Success Limited and Paul Y. Investments Limited, all of which as well as PYI have interests in the shares and underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance.

Mok Yat Fan, Edmond, aged 57, has been an Executive Director & Chief Executive Officer of the Company since June 2006. He is responsible for the overall performance of the Company and its subsidiaries. He is also the Chairman of the Executive Committee of the Company, a member of the Remuneration Committee and Finance and Investment Committee of the Company, and a Director of certain subsidiaries of the Company. Mr Mok has been engaged for over 31 years in project management, property development and architectural practice in Hong Kong and Canada. He graduated from The University of Hong Kong with Bachelor degrees in architectural studies and architecture and is by training an architect. He is a Fellow of the Hong Kong Institute of Architects, a Registered Architect and an Authorised Person (Architects List) under the Hong Kong Buildings Ordinance. He served as Managing Director of Paul Y. Properties Group from 1997 to 2003.

劉高原，56歲，自二零零五年一月起出任本公司之副主席(非執行董事)，彼亦為本公司之提名委員會及披露委員會之成員。劉先生積逾三十四年國際企業管理及收購與合併經驗。劉先生為保華集團有限公司(「PYI」)(0498.HK)之副主席兼董事總經理，及中國建材股份有限公司(3323.HK)之獨立非執行董事。彼亦為PYI Treasury Group Limited, Growing Success Limited及Paul Y. Investments Limited之董事，上述各公司連同PYI均於本公司之股份及相關股份擁有權益，並根據證券及期貨條例第十五部第2及3部份之規定須向本公司披露。

莫一帆，57歲，由二零零六年六月起出任本公司之執行董事兼行政總裁，彼負責本公司及其附屬公司整體表現，彼亦為本公司之執行委員會主席、本公司之薪酬委員會及財務及投資委員會成員，及若干附屬公司之董事。莫先生在香港及加拿大從事項目管理、物業發展及建築實務逾三十一年。彼畢業於香港大學，持有建築研究及建築學學士學位。彼為香港建築師學會資深會員、註冊建築師及香港屋宇條例(建築師名單)內之認可人士。彼於一九九七年至二零零三年間為保華地產集團之董事總經理。

Lee Hon Chiu, aged 45, has been an Executive Director of the Company since January 2005. He is also a member of the Finance and Investment Committee, Disclosures Committee and Executive Committee of the Company, the qualified accountant of the Company, and a Director of certain subsidiaries of the Company. Mr Lee has over 20 years' experience in auditing, accounting and financial management. He holds a Bachelor's degree in business administration and is a member of the Hong Kong Institute of Certified Public Accountants, a Fellow of the Association of Chartered Certified Accountants and also a certified public accountant in Hong Kong.

Lee Chack Fan, SBS, JP, aged 62, has been an Independent Non-Executive Director of the Company since January 2005. He is also the Chairman of the Nomination Committee of the Company, and a member of the Audit Committee and Remuneration Committee of the Company. Professor Lee is the Chair Professor of Geotechnical Engineering and Pro-Vice-Chancellor of The University of Hong Kong. Professor Lee graduated from The University of Hong Kong in 1968 and subsequently received his Master's degree from The University of Hong Kong in 1970 and a Ph.D. from the University of Western Ontario, Canada in 1972. Professor Lee is an internationally renowned expert in geotechnical engineering. He worked for Ontario Hydro in Canada for some 20 years before he joined his alma mater in 1994. He has participated in the design of many massive dams and nuclear power stations. He has served as a specialist consultant or an advisor to many international bodies such as the United Nations Development Plan, World Bank, Asian Development Bank, etc. on numerous energy and infrastructure projects in many parts of the world. Professor Lee's eminent achievement in civil engineering has been highly recognized; he was awarded the K Y Lo Medal in 2000 by the Engineering Institute of Canada and was elected the Academician of the Chinese Academy of Engineering in 2003 in recognition of his contributions to the engineering profession. He has been appointed as Justice of the Peace by the Hong Kong Special Administrative Region Government in July 2003, and he has been awarded the Silver Bauhinia Star in July 2005.

Professor Lee is currently the Chairman of Harbour-front Enhancement Committee, the Chairman of Veterinary Surgeons Board, the Chairman of Hong Kong Institute for Promotion of Chinese Culture, the Chairman, Council of the Lord Wilson Heritage Trust and the President of the Fu Hui Charity Foundation.

李漢潮，45歲，自二零零五年一月起出任本公司之執行董事，彼亦為本公司財務及投資委員會、披露委員會及執行委員會成員、本公司合資格會計師及本公司若干附屬公司之董事。李先生於審計、會計及財務管理方面積逾二十年經驗。彼持有工商管理學士學位，並為香港會計師公會會員、特許公認會計師公會資深會員，亦為本港註冊執業會計師。

李焯芬，SBS，JP，62歲，自二零零五年一月起出任本公司之獨立非執行董事，彼亦為本公司之提名委員會之主席及本公司之審核委員會及薪酬委員會之成員。李教授為香港大學岩土工程講座教授及副校長。李教授於一九六八年畢業於香港大學，而其後於一九七零年取得香港大學之碩士學位，及於一九七二年於加拿大西安大略大學取得博士學位。李教授為蜚聲國際的岩土工程專家。彼於一九九四年加盟其母校以前，曾於加拿大西安大略省電力公司工作逾二十年。彼曾參與多項大壩及核電廠的設計工作。同時彼曾就世界各地多個能源及基建項目，擔任多個國際組織的顧問專家，包括聯合國發展計劃、世界銀行、亞洲發展銀行等。李教授於土木工程方面取得的傑出成就廣獲確認，並於二零零零年獲得Engineering Institute of Canada的KY Lo Medal，同時亦於二零零三年獲選為中國工程學院院士，以表揚其於土木工程方面的貢獻。彼於二零零三年七月獲香港特別行政區政府授勳為太平紳士，並於二零零五年七月獲得香港特別行政區政府頒授銀紫荊勳章。

李教授目前為共建維港委員會主席、獸醫管理局主席、香港中國文化促進中心理事會主席、衛奕信勳爵文物信託理事會主席及福慧慈善基金會會長。

Iain Ferguson Bruce, aged 66, has been an Independent Non-Executive Director of the Company since January 2005. He is also the Chairman of the Finance and Investment Committee and Disclosures Committee of the Company, and a member of the Audit Committee and Nomination Committee of the Company. Mr Bruce joined KPMG in Hong Kong in 1964 and was elected to its partnership in 1971. He was the Senior Partner of KPMG from 1991 until his retirement in 1996 and served as Chairman of KPMG Asia Pacific from 1993 to 1997. Since 1964, Mr Bruce has been a member of the Institute of Chartered Accountants of Scotland, and is a fellow of the Hong Kong Institute of Certified Public Accountants, with over 42 years' of international experience in accounting and consulting. He is also a fellow of The Hong Kong Institute of Directors and a member of The Hong Kong Securities Institute. Mr Bruce serves as an Independent Non-Executive Director on the boards of several publicly listed companies in Hong Kong, Vitasoy International Holdings Ltd. (0345.HK), Wing On Company International Limited (0289.HK) and Tencent Holdings Limited (0700.HK). He is also an Independent Non-Executive Director of Noble Group Limited, a company whose shares are listed on the Singapore Exchange Securities Trading Limited, China Medical Technologies, Inc., a company whose shares are traded on Nasdaq, and Yingli Green Energy Holding Company Limited, a company whose shares are traded on the New York Stock Exchange.

Iain Ferguson Bruce，66歲，自二零零五年一月起出任本公司之獨立非執行董事，彼亦為本公司之財務及投資委員會及披露委員會之主席，以及本公司之審核委員會及提名委員會之成員。彼於一九六四年加盟香港畢馬威會計師事務所及於一九七一年成為其合夥人，並由一九九一年至其於一九九六年退休期間擔任其資深合夥人及於一九九三年至一九九七年間出任畢馬威亞太區之主席。由一九六四年起，彼為蘇格蘭特許會計師公會及香港會計師公會資深會員。彼擁有逾四十二年國際會計及諮詢服務經驗。彼為香港多家公眾上市公司董事局之獨立非執行董事，包括維他奶國際集團有限公司(0345.HK)、永安國際有限公司(0289.HK)及騰訊控股有限公司(0700.HK)。彼亦為Noble Group Limited(該公司之股份於Singapore Exchange Securities Trading Limited上市)，China Medical Technologies, Inc.(該公司之股份於納斯達克股市進行交易)及Yingli Green Energy Holding Company Limited(該公司之股份於紐約證券交易所進行交易)之獨立非執行董事。

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 increase shareholder value. The Company places strong emphasis on an effective board (“Board”) of directors (“Directors”) of the Company, segregation of duties with clear accountability, sound internal control, appropriate risk assessment procedures, and transparency to all shareholders.

The Company has complied with all code provisions and, where applicable, the recommended best practices of the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”) (“Listing Rules”) throughout the year ended 31 March 2007.

BOARD OF DIRECTORS

Role

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 for risk assessment, management, and internal control over the Company’s day-to-day affairs in place.

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 arrangement;
4. Risk management;
5. Succession planning;
6. Notifiable transactions under Chapters 14 and 14A of the Listing Rules; and
7. Recommendations to shareholders regarding appointment of external auditors, dividend payments, capital reorganization 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」，連同其附屬公司合稱為「本集團」)致力維持高水平之企業管治，蓋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」)局(「董事局」)、分明之職責、穩定之內部監控、恰當之風險評估程序及對全體股東之透明度。

截至二零零七年三月三十一日止年度，本公司已遵守香港聯合交易所有限公司(「香港聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治常規守則之所有守則條文及(如適用)建議最佳常規。

董事局

角色

董事局負責監察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。

董事局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；
6. 上市規則第14及14A章節所規定的須予公佈的交易；及
7. 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意見。

董事局已將本公司業務之一切日常營運及管理工作的轉授以本公司行政總裁為首的管理層負責。

Composition

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

Board of Directors 董事局		
Independent Non-Executive Directors 獨立非執行董事	Non-Executive Director 非執行董事	Executive Directors 執行董事
<ul style="list-style-type: none"> James Chiu (Chairman) 趙雅各 (主席) Lee Chack Fan 李焯芬 Iain Ferguson Bruce 	<ul style="list-style-type: none"> Lau Ko Yuen, Tom (Deputy Chairman) 劉高原 (副主席) 	<ul style="list-style-type: none"> Mok Yat Fan, Edmond (Chief Executive Officer) 莫一帆 (行政總裁) Lee Hon Chiu 李漢潮

Biographical information of the Directors is set out on pages 22 to 25 of this annual report.

Half of the Board is made up of Independent Non-Executive Directors, one of whom has appropriate professional qualifications, or accounting or related financial management expertise, as required by the Listing Rules. There is no relationship (including financial, business, family or other material/relevant relationship) among members of the Board.

Independence of Independent Non-Executive Directors

Each of the Independent Non-Executive Directors has given an annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-Executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

The Nomination Committee of the Company is responsible for assessing the independence of the Independent Non-Executive Directors.

Chairman and Chief Executive Officer/Managing Director

To ensure a balance of power and authority, the positions of Chairman and Chief Executive Officer/Managing Director of the Company are held by separate individuals, with segregated duties. The division of responsibilities between the Chairman and Chief Executive Officer/Managing Director is clearly established and set out in writing.

The Chairman of the Company is Ir James Chiu (an Independent Non-Executive Director and the Chairman of the Audit Committee of the Company). The Chief Executive Officer is Mr Mok Yat Fan, Edmond (appointed to fill the vacancy caused by the resignation of the former Managing Director, Ir Wong Wing Hoo, Billy) with effect from 1 June 2006.

組成

董事局中執行董事及非執行董事之組合保持均衡，確保所有討論具備獨立觀點。董事局現由六位董事組成（包括三位獨立非執行董事、一位非執行董事及兩位執行董事）。董事局成員列述如下：

董事履歷簡介列於本年報第22頁至第25頁。

董事局中有一半為獨立非執行董事，而其中一位擁有上市規則所規定之合適專業資歷或會計或相關財務管理專長。董事局各成員之間並無諸如財務、商業、家族或其他相關性質利益關係。

獨立非執行董事之獨立性

各獨立非執行董事已根據上市規則第3.13條向本公司發出週年確認書。本公司認為全體獨立非執行董事符合上市規則第3.13條所載之獨立身份指引，且根據指引條款具備獨立身份。

本公司提名委員會負責評估獨立非執行董事之獨立性。

主席與行政總裁／董事總經理

主席與行政總裁／董事總經理之職位由不同人士擔任，各司其職，以確保權力及授權之均衡。主席與行政總裁／董事總經理分工清晰並以書面列明。

本公司之主席為趙雅各先生（獨立非執行董事及本公司審核委員會主席）。行政總裁為莫一帆先生，莫先生由二零零六年六月一日起成為本公司之行政總裁，填補因前董事總經理黃永灝先生辭任所產生之空缺。

The role of the Chairman of the Company is to oversee the Company's strategic direction and the controls applied to its activities. The Chairman provides leadership for the Board and ensures that the Company establishes sound corporate governance practices and procedures. He also encourages all Directors to make a full and active contribution to the affairs of the Board.

The Chief Executive Officer/Managing Director is responsible for the overall performance of the Company and plays a leading role in delivering a growth strategy. He provides leadership for Management, oversees the day-to-day operations of the Group, and monitors the achievement of Company objectives set by the Board.

Non-Executive Directors

The Non-Executive Directors were appointed for a term of approximately three years expiring at the conclusion of the third annual general meeting from the date of their appointment/re-election, subject to the Company's Bye-laws. Pursuant to the Company's Bye-laws, all Directors are subject to retirement from office by rotation at least once every three years and are eligible for re-election by shareholders.

本公司主席之角色為監管本公司之業務所運用之策略方向及控制。主席領導董事會並確保本公司制定穩健之企業管治常規及程序，並鼓勵全體董事全力投入董事局事務。

行政總裁／董事總經理負責本公司之整體表現，並在執行增長策略時擔當領導角色。彼領導管理層，監督本集團日常運作並督導由董事局制訂之公司發展目標之實際執行情況。

非執行董事

非執行董事之任期約為三年，直至其獲委任／膺選連任當日起第三個股東週年大會完結時止，並須符合本公司之公司細則。根據本公司之公司細則，所有董事均須至少每三年一次輪流退任，並可由股東膺選連任。

Meetings

Details of Directors' attendance at Board meetings and Board committee meetings are set out in the following table:

會議

有關董事出席董事局會議及董事委員會會議之詳情表列如下：

Meetings attended/held during the year ended 31 March 2007 截至二零零七年三月三十一日止年度內出席／舉行之會議						
	Board	Audit Committee	Remuneration Committee	Nomination Committee	Finance and Investment Committee	Disclosures Committee
	董事局	審核委員會	薪酬委員會	提名委員會	財務及投資委員會	披露委員會
Number of meetings held during the year 年內舉行會議之次數	6	3	2	1	2	2
Independent Non-Executive Directors 獨立非執行董事						
James Chiu (<i>Chairman</i>) 趙雅各 (主席)	5/6	3/3	2/2			
Lee Chack Fan 李焯芬	5/6	3/3	2/2	1/1		
Iain Ferguson Bruce	5/6	3/3		1/1	2/2	2/2
Non-Executive Director 非執行董事						
Lau Ko Yuen, Tom (<i>Deputy Chairman</i>) 劉高原 (副主席)	5/6			1/1		2/2
Executive Directors 執行董事						
Mok Yat Fan, Edmond ¹ (<i>Chief Executive Officer</i>) 莫一帆 ¹ (行政總裁)	6/6		2/2		1/1	
Lee Hon Chiu 李漢潮	6/6				2/2	2/2
Kwan Chi Ping, Edgar ² (<i>Chief Operating Officer</i>) 關治平 ² (營運總裁)	3/4					
Wong Wing Hoo, Billy ³ (<i>former Managing Director</i>) 黃永灝 ³ (前董事總經理)	0/0		0/0		0/0	
Average attendance rate 平均出席率	87.5%	100%	100%	100%	100%	100%

Notes:

1. Mr Mok Yat Fan, Edmond was appointed as a Director with effect from 1 June 2006. He was also appointed as a member of the Remuneration Committee and the Finance and Investment Committee with effect from 7 July 2006.
2. Mr Kwan Chi Ping, Edgar was appointed as a Director with effect from 1 June 2006 and resigned with effect from 6 December 2006.
3. Mr Wong Wing Hoo, Billy resigned as a Director with effect from 30 April 2006. He also ceased to be the Chairman of the Finance and Investment Committee, and a member of the Remuneration Committee with effect from 30 April 2006.

The Board meets regularly and at least four times a year. Regular Board meetings are usually scheduled at the beginning of the year to give all Directors adequate time to plan their schedules to attend. Directors receive at least 14 days' prior written notice of regular Board meetings and an agenda. The Board papers, including supporting analyses and relevant background information, are normally sent to all Directors at least 3 days before the Board meeting. For other Board meetings, Directors are given as much notice as possible in the circumstances.

In order to have an effective Board, Directors are provided with information on activities and developments in the Group's business on a regular and timely basis to keep them apprised of the latest developments of the Group. In addition, the Directors have full access to information on the Group and are able to seek independent professional advice whenever they deem it necessary.

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

附註

1. 莫一帆先生自二零零六年六月一日起獲委任為董事。彼亦自二零零六年七月七日起獲委任為薪酬委員會與財務及投資委員會成員。
2. 關治平先生自二零零六年六月一日起獲委任為董事，並於二零零六年十二月六日辭任。
3. 黃永灝先生自二零零六年四月三十日起辭任董事。彼亦自二零零六年四月三十日起不再擔任財務及投資委員會主席以及薪酬委員會成員。

董事局定期開會，並每年最少舉行四次會議。董事局常會通常於年初編定，以便全體董事有充分時間撥冗出席。董事於董事局常會最少14天前接獲董事局常會通知及議程。董事局文件(包括支援性質之分析及相關背景資料)通常於董事局會議最少3天前送交全體董事。至於董事局其他會議，董事亦在可行情況下接獲盡量合理之通知。

為確保董事局行事有效，董事獲適時提供本集團業務之活動及發展之資料，以使董事瞭解集團之最新發展現狀。此外，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。

為避免利益衝突，就將討論的擬議交易或問題宣稱有重大利害關係的董事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局會議及董事委員會會議之記錄由公司秘書妥為保管，並供各董事查閱。

BOARD COMMITTEES

To facilitate the work of the Board, Board committees have been set up with written terms of reference which clearly define the role, authority, and functions of each committee. Each Board committee is required to report their decisions or recommendations to the Board. Details of Directors' attendance at the Board committee meetings are shown on page 29 of this annual report.

The role and function of, and a summary of work done by, each Board committee during the year ended 31 March 2007 are set out below:

Audit Committee

Composition

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

Role and Function

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

Summary of Work Done

The following is a summary of the work performed by this Committee during the year ended 31 March 2007:

1. Review of the annual results of the Group for the year ended 31 March 2006;
2. Review of the interim results of the Group for the six months ended 30 September 2006;
3. Review of the Group's financial information, financial reporting system, internal control procedures, and financial and accounting policies and practices;
4. Approval of remuneration and terms of engagement of the external auditors;
5. Recommendation to the Board to re-appoint the external auditors at the 2006 annual general meeting;
6. Review of the external auditors' independence and objectivity and the effectiveness of the audit process, and review of policy on engaging the external auditors to supply non-audit services;
7. Review of the systems of financial controls, internal control and risk management, and consideration of the findings of any major investigations of internal control matters;
8. Review of the effectiveness of the internal audit function;
9. Review of the continuing connected transactions as set out on pages 49 and 50 of this annual report;
10. Review of the audit plan for the year ended 31 March 2007;
11. Review of the internal control progress report;
12. Recommendation to the Board on the internal corporate audit charter; and
13. Met with the external auditors, in the absence of Management.

董事委員會

為使董事局工作更為順利，特成立以書面列明職權範圍之董事委員會，清晰界定各委員會角色、權限及職能。各委員會均須向董事局報告其決議或意見。有關董事出席董事委員會之詳情見本年報第29頁。

各董事委員會於截至二零零七年三月三十一日止年度之角色職能及其工作概要列於下表：

審核委員會

組成

本委員會現時由三位獨立非執行董事趙雅各先生(本委員會主席)、李焯芬教授及Iain Ferguson Bruce先生組成。

角色及職能

本委員會之主要職責包括督導本集團之財務申報制度及內部監控程序、檢討本集團之財務資料，並檢討與本公司外聘核數師之關係。本委員會亦與本公司之外聘核數師定期會晤，以商討審核之流程及會計事項。

工作概要

本委員會於截至二零零七年三月三十一日止年度之工作概要如下：

1. 審閱本集團截至二零零六年三月三十一日止年度之全年業績；
2. 審閱本集團截至二零零六年九月三十日止六個月之中期業績；
3. 檢討本集團之財務資料、財務申報制度、內部監控程序及財務與會計政策及慣例；
4. 審批外聘核數師之酬金及聘用條款；
5. 向董事局推薦於二零零六年股東週年大會上續聘外聘核數師；
6. 檢討外聘核數師核數工作之獨立性、客觀性及有效性，並檢討聘用外聘核數師提供非核數服務之政策；
7. 檢討財務監控、內部監控及風險管理制度，並考察針對內部監控事務所作的重大調查之結果；
8. 檢討內部審核職能之有效性；
9. 審閱於本年報第49頁及第50頁所載之持續關連交易；
10. 審閱截至二零零七年三月三十一日止年度之審核計劃；
11. 審閱內部監控之進展報告；
12. 就公司內部審核憲章向董事局提供建議；及
13. 在管理層缺席的情況下，與外聘核數師會晤。

Remuneration Committee**Composition**

This Committee currently comprises Ir James Chiu (Chairman of this Committee), Mr Mok Yat Fan, Edmond, and Professor Lee Chack Fan. The majority of the members of this Committee are Independent Non-Executive Directors.

Role and Function

This Committee has been established to ensure there is a formal and transparent procedure for setting policy on the remuneration of Executive Directors and for fixing the remuneration packages for all Directors. This Committee is mainly responsible for making recommendations to the Board on the Company's policy and structure for remuneration of Directors and Management, and making recommendations on the manpower deployment plan.

Summary of Work Done

The following is a summary of the work performed by this Committee during the year ended 31 March 2007:

1. Review and approval of performance-based remuneration for employees of the Group for the year ended 31 March 2007;
2. Consideration and determination of year-end bonus for the Executive Directors;
3. Review of the Company's remuneration policy;
4. Review of trends in compensation and benefits programmes; and
5. Approval in granting share options and share awards.

Remuneration Policy

The Company ensures that the remuneration offered is appropriate for the duties, in line with market practice and pay levels, and effective in attracting, retaining and motivating employees (including Executive Directors). For Non-Executive Directors, the Company ensures that they are sufficiently but not excessively compensated for their efforts and time dedicated to the Company. No individual determines his or her own remuneration.

The remuneration of Directors is determined with reference to market competitiveness, job responsibilities, and performance of the Company and the individual. Details of the emoluments of Directors are set out on page 83 of this annual report.

薪酬委員會**組成**

本委員會現時由趙雅各先生(委員會主席)、莫一帆先生及李焯芬教授組成。本委員會之大部份成員為獨立非執行董事。

角色與職能

成立本委員會旨在確保在釐定執行董事薪酬之政策及釐定全體董事之薪津組合方面，有一套正式且具透明度的程序。本委員會主責就本公司有關董事及管理層之薪酬政策及架構，向董事局提供建議，並就人力資源調配方案提供意見。

工作概要

本委員會於截至二零零七年三月三十一日止年度之工作概要如下：

1. 檢討及批准截至二零零七年三月三十一日止年度，以本集團僱員工作表現為準則之薪酬方案；
2. 考慮並決定有關執行董事的年終花紅方案；
3. 檢討本公司之薪酬政策；
4. 檢討賠償及福利方案之趨向；及
5. 批准授出購股權及股份獎賞。

薪酬政策

本公司確保所支付之薪酬與職務相配，並與市場慣例及水平保持一致；薪金水平必須具競爭力，能有效吸引、挽留及推動僱員(包括執行董事)。就非執行董事，本公司確保因應其投入本公司之精力及時間給予充裕而不過高之酬勞。概無人士自行釐定其個人薪酬。

董事之薪酬按市場競爭力、職務，及本公司及個別人士之表現釐定。董事酬金詳情載於本年報第83頁。

Nomination Committee

Composition

This Committee currently comprises Professor Lee Chack Fan (Chairman of this Committee), Mr Lau Ko Yuen, Tom, and Mr Iain Ferguson Bruce. The majority of the members of this Committee are Independent Non-Executive Directors.

Role and Function

This Committee was established to ensure there is a formal, considered and transparent procedure for the appointment of new Directors to the Board. The duties of this Committee include reviewing the structure, size and composition of the Board and, if necessary, recommending changes. It is also responsible for identifying individuals suitably qualified to become members of the Board and selecting, or making recommendations to the Board on the selection of, individuals to be nominated for directorships.

Summary of Work Done

The following is a summary of the work performed by this Committee during the year ended 31 March 2007:

1. Review of the structure, size and composition of the Board;
2. Assessment of the independence of the Independent Non-Executive Directors;
3. Formulation of a policy on nomination of Directors; and
4. Nomination of candidates to be Directors.

Nomination Procedure

This Committee reviews the structure, size and composition (including skills, knowledge and experience) of the Board on a regular basis and makes recommendations to the Board regarding any proposed changes.

Appointments of new Directors are first considered by this Committee. In considering the appointment of a Director, this Committee applies criteria such as professional and educational background, relevant experience, and qualifications. The recommendations of this Committee are then put to the Board for consideration and approval. Thereafter, all new Directors are subject to election by shareholders at the first general meeting after their appointment.

Management and the Company Secretary liaise with the newly appointed Directors to acquaint them with their duties and responsibilities as Directors and the business operations of the Company. A package of orientation materials setting out their duties and responsibilities under the Listing Rules, Companies Ordinance, and other relevant regulatory requirements of Hong Kong is also provided to each newly appointed Director.

Details on legal and regulatory changes are also provided to all Directors in the discharge of their duties.

提名委員會

組成

本委員會現時由李焯芬教授(本委員會主席)、劉高原先生及Iain Ferguson Bruce先生組成。本委員會大部份成員為獨立非執行董事。

角色及職能

成立本委員會旨在確保在委任新董事加入董事局方面有一套正式、經深思熟慮及具透明度之程序。本委員會之主要職責包括檢討董事局之架構、人數及組成，並於必要時提出改變的建議。其亦負責物色合資格加入董事局之人士，及就獲提名出任董事人士之遴選作出定奪或推薦。

工作概要

本委員會於截至二零零七年三月三十一日止年度之工作概要如下：

1. 檢討董事局之架構、人數及組成；
2. 評估獨立非執行董事之獨立性；
3. 制訂有關董事提名之政策；及
4. 提名董事候選人。

提名程序

本委員會定期檢討董事局之架構、人數及組成(包括其技能、知識與經驗)，並就任何擬議改變向董事局提供意見。

新董事之委任由本委員會首先考慮。審議董事提名事宜時，本委員會考慮有關人士專業及教育背景、相關經驗及資歷等方面，並向董事局提議合適之候選人供審議及審批。此後，所有新董事均由股東在彼等獲委任後之首次股東大會上選出。

管理層及公司秘書會聯絡新獲委任董事，使彼等熟悉身為董事之職責及責任，以及公司之業務營運，並向其提供列載根據上市規則、公司條例及香港其他相關監管規定董事須有的職責及責任等要求之迎新文件。

公司也向所有董事提供有關履行其職責方面的法制及監管之變動詳情。

Finance and Investment Committee**Composition**

This Committee currently comprises Mr Iain Ferguson Bruce (Chairman of this Committee), Mr Mok Yat Fan, Edmond, and Mr Lee Hon Chiu.

Role and Function

This Committee is mainly responsible for making recommendations to the Board on matters relating to investing in assets, evaluating the budgets of all key expenditures, reviewing financial performance against forecast, and considering dividend payout.

Summary of Work Done

The following is a summary of the work performed by this Committee during the year ended 31 March 2007:

1. Review and evaluation of actual-to-budget results (including budget of all key expenditures);
2. Discussion on changes in accounting policies; and
3. Consideration of the payment of the 2006 final dividend and 2007 interim dividend.

Disclosures Committee**Composition**

This Committee currently comprises Mr Iain Ferguson Bruce (Chairman of this Committee), Mr Lau Ko Yuen, Tom, and Mr Lee Hon Chiu.

Role and Function

This Committee is mainly responsible for overseeing disclosures to shareholders, the public, and relevant statutory authorities, and for overseeing compliance with any applicable legal requirements for disclosure.

Summary of Work Done

The work done by this Committee during the year ended 31 March 2007 includes the review of the content of announcements relating to the annual results of the Group for the year ended 31 March 2006, and the interim results of the Group for the six months ended 30 September 2006.

財務及投資委員會**組成**

本委員會現時由Iain Ferguson Bruce先生(本委員會主席)、莫一帆先生及李漢潮先生組成。

角色及職能

本委員會主要負責就有關資產投資向董事局提出建議、評估一切主要開支預算、審閱財政表現與預測進行比較，以及考慮派付股息。

工作概要

本委員會於截至二零零七年三月三十一日止年度之工作概要如下：

1. 檢討及評估實際業績與預算是否相符(包括所有主要開支之預算)；
2. 討論會計政策之變動；及
3. 審議二零零六年末期股息及二零零七年中期股息之派付事宜。

披露委員會**組成**

本委員會現時由Iain Ferguson Bruce先生(本委員會主席)、劉高原先生及李漢潮先生組成。

角色與職能

本委員會主要負責監督向股東、公眾及相關法定機構作出之披露，亦監管確保遵守任何有關披露之適用法例規定。

工作概要

本委員會於截至二零零七年三月三十一日止年度之工作包括審閱就本集團於截至二零零六年三月三十一日止年度之全年業績及本集團截至二零零六年九月三十日止六個月之中期業績所登載之公佈內容。

Executive Committee

Composition

The current members of this Committee are Mr Mok Yat Fan, Edmond (Chairman of this Committee) and Mr Lee Hon Chiu.

Role and Function

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

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

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors.

All directors have confirmed, following specific enquiry by the Company, that they complied with the required standard set out in the Model Code during the year ended 31 March 2007.

The Company has also adopted a code of conduct governing securities transactions by employees who are likely to be in possession of unpublished price-sensitive information in relation to the Group.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Group. With the assistance of the Accounts Department, which is under the supervision of the Qualified Accountant of the Company, the Directors ensure that the financial statements of the Group are prepared on a going concern basis and in accordance with statutory requirements and applicable financial reporting standards. The Directors also ensure that the financial statements of the Group are published in a timely manner.

The statement by the external auditors of the Company regarding their reporting responsibilities of the financial statements of the Group is set out in the Independent Auditor's Report on pages 54 and 55 of this annual report.

執行委員會

組成

本委員會之現任成員為莫一帆先生(本委員會主席)及李漢潮先生。

角色與職能

本委員會主要負責處理本集團日常業務之管理以及營運。

管理職能

董事局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。

以本公司主席為首的董事局已將本公司業務之一切日常營運及管理工作轉授以本公司行政總裁為首的管理層負責。管理層須向董事局匯報其決議或建議。

董事之證券交易

本公司已採納上市規則附錄十所載，上市發行人進行證券買賣之標準守則(「標準守則」)，作為有關董事進行證券交易之操守守則。

本公司作出具體查詢後，全體董事已經確認，彼等於截至二零零七年三月三十一日止年度內均有遵守標準守則規定之準則。

本公司並採納了針對可能獲取有關本集團未公佈之股價敏感性資料的僱員進行證券交易的行為守則。

董事對財務報表之責任

董事確認彼等有責任編製本集團之財務報表。在會計部門(經本公司合資格會計師監督)協助下，董事確保本集團之財務報表乃根據法定要求及適用財務報告準則，按持續經營基準編製。董事亦確保本集團準時刊發其財務報表。

本公司外聘核數師就彼等對本集團之財務報表之申報責任所作聲明載於本年報第54頁及55頁之獨立核數師報告書。

EXTERNAL AUDITORS

The Company engages Deloitte Touche Tohmatsu as its external auditors. The Audit Committee of the Company is responsible for approving the remuneration and terms of engagement of the external auditors and ensuring the continuing objectivity and independence of the external auditors.

The fees paid to the external auditors for audit and non-audit services for the year ended 31 March 2007 (and the comparative figures for the year ended 31 March 2006) are as follows:

		2007 二零零七年 HK\$'000 千港元	2006 二零零六年 HK\$'000 千港元
Audit fee	核數費用	3,527	2,732
Non-audit services fees	非核數服務費用		
Tax services	稅務服務	167	251
MPF audit	強積金核數	21	17
Agreed upon procedures	其他匯報服務	7	32
		195	300

The Audit Committee of the Company has resolved to recommend the re-appointment of Deloitte Touche Tohmatsu as external auditors of the Company. This resolution has been endorsed by the Board and is subject to final approval and authorization by the shareholders at the 2007 Annual General Meeting.

INTERNAL CONTROL AND RISK MANAGEMENT

Introduction

The Board acknowledges its responsibility for the Company's system of internal control and for reviewing its 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, including parameters of delegation to the Board, which provide a framework for identification and management of risks.

The Board is also committed to managing risks and monitoring its business and financial activities in a manner which enables it to maximize 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.

外聘核數師

本公司聘用德勤•關黃陳方會計師行為其外聘核數師。本公司審核委員會負責審批聘用外聘核數師之薪酬及條件，並保證外聘核數師之持續客觀性及獨立性。

截至二零零七年三月三十一日止年度(及與截至二零零六年三月三十一日止年度之數字對照)，應付本公司外聘核數師之核數及非核數服務之費用如下：

本公司審核委員會已決定重新提名德勤•關黃陳方會計師行為本公司外聘核數師。此決議已被董事局批錄，並有待於二零零七年股東週年大會上進行最終審核及授權。

內部監控及風險管理

導言

董事局有責任維持本集團之內部監控系統及檢討其效益。為履行此責任，董事局致力於本公司業務營運中增強風險意識，並合理制定相關政策及程序，包括董事局轉授之相關參數，其中勾勒了風險識別及管理的大致情況。

董事局亦致力管控風險及監察其業務及財務活動，務求能儘量提高可獲利商機、避免或減低可能造成損失或破壞聲譽之風險、確保遵守適用法例法規以及提高對外來事件的恢復能力。

Internal Control

The Company has adopted the definition of internal control and conceptual framework outlined in the COSO (the Committee of Sponsoring Organizations of the Treadway Commission) to assist in complying with Code Provisions. COSO defines internal control as a process designed to provide reasonable assurance regarding the achievement of objectives in relation to the following:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

The Board has overall responsibility for the Company's system of internal control and assessment of risks. The responsibility of day-to-day management of operational risks and the implementation of mitigation measures lies with Management.

Management recognizes that enhancement of our internal control system is necessary to support the continued growth of the Company. In terms of management style, we also aim to move towards a culture based on systematic and structured control principles. In this light, Management has undertaken relevant control procedures to maintain an effective internal control system as follows:

- A clear functional organizational structure is set up with well-defined lines of authority, accountability and responsibilities. In carrying out key functions, management staff are assigned levels of authority and accountability commensurate with their positions and duties.
- The Company is aware of controlling price-sensitive information and its obligations under the Listing Rules.
- Regular reporting to Management and Executive Committee on the performance of works contracts, and close monitoring of actual financial performance results against budgets. The Board reviews the Company's operation and financial performance on a quarterly basis.
- Management reviews with commercial team on monthly basis to ensure that progress and final payments shall be received within a reasonable time. In parallel, Accounts Department also issues a summary of overdue trade receivable to each department regularly as a tool to assist the department heads to chase all outstanding payments and consequently to improve the Company cashflow position.
- The independent internal audit function monitors compliance with management policies and procedures and with regulatory requirements, and conducts reviews on the effectiveness of internal control measures. The head of the internal corporate audit department reports directly to the Audit Committee of the Company on audit and internal control matters.

Whilst the procedures are designed to identify and manage risks that could adversely impact the achievement of the Company's business objectives, they do not provide absolute assurance against misstatement, errors, losses or fraud.

內部監控

本公司已採納COSO (the Committee of Sponsoring Organizations of the Treadway Commission)有關內部監控及概念框架之界定，以助遵守守則條文。COSO將內部監控界定為因應就達致以下目標提供合理保證而制訂之流程：

- 營運效益及效率；
- 財務報告之可靠性；及
- 遵守適用法規。

董事局須為本公司內部監控系統及風險評估作出整體之承擔。日常營運風險管理及減低風險措施之實施則由管理層負責。

管理層認識到有必要提升內部監控系統以配合公司持續增長。就管理作風而言，我們的目標是建立一種文化以系統性及結構性之控制為原則。就此，管理層已採取如下相關監控程序，維持有效之內部監控系統：

- 建立具清晰界線授權、問責及責任的清晰功能組織架構。在履行主要職能時，管理層人員均獲授與其職位及職責相稱之授權及問責性。
- 本公司注意監控股價敏感資料的重要性及本身於上市規則項下之義務。
- 定期向管理層及執行委員會匯報工程合約之表現，並比照預算案密切監察實際財務表現結果。董事局並會每季度檢討本公司之營運以及其財務表現。
- 管理層與商業小組按月審閱，確保收款進度理想及可於合理時間內收到最後付款。同時，會計部亦定期向各部門發出逾期未付應收貿易帳款概要，作為協助部門主管追收欠款之工具，最終達致改善本公司現金流狀況。
- 獨立內部審核職能負責監察遵守管理層政策與程序以至監管規定之情況，並對內部監控措施之效益進行檢討。公司內部審核部主管須直接向本公司審核委員會匯報審核及內部監控事宜。

雖有既定程序辨認及管控可對達致本公司業務目標造成不利影響之風險，惟不能絕對排除謊報、誤差、損失或欺詐。

The Board has conducted a review of the effectiveness of the Company's internal control systems during the year ended 31 March 2007, covering all material controls, including financial, operational and compliance controls, and risk management functions, and considers them adequate and effective.

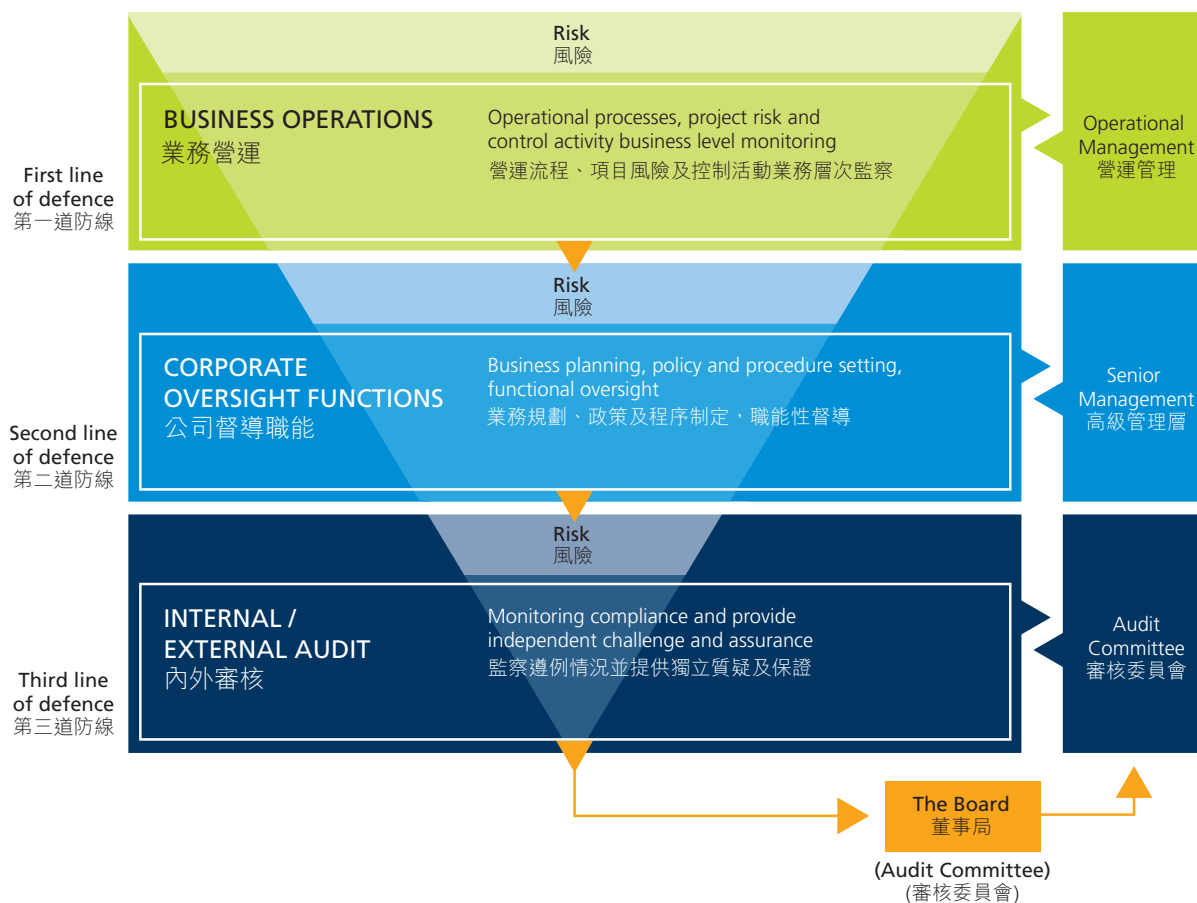
Risk Management

The Company has established a risk management framework to identify potential events that may affect the Company and manage risk to be within its risk appetite, to provide reasonable assurance regarding the achievement of the Company's objectives. It comprises of three lines of defence to provide Management, Audit Committee of the Company and the Board with the confidence that the Company is managing its risks and they are:

董事局已就截至二零零七年三月三十一日止年度內本公司內部監控系統之效益進行檢討，檢討範圍涵括一切重要監控措施，包括財務監控、運作監控及合規監控，以及風險管理職能，並認為各方面均屬適當及有效。

風險管理

本公司已建立風險管理框架，以辨認可能影響本公司之潛在事件，防範風險於未然，為達致本公司目標提供合理保障。此框架由三道防線組成，給予管理層、本公司審核委員會及董事局對本公司能管控風險的信心，分別是：



This risk management approach will enable the Company to have the following potential benefits:

- Greater likelihood of achieving business objectives
- Higher share prices over the longer term
- Reduction in management time spent “fire fighting”
- Increased likelihood of change initiatives being achieved
- More focus internally on doing the right things properly
- Better basis for strategy setting
- Achievement of competitive advantage
- Fewer sudden shocks and unwelcome surprises
- Early mover into new business areas

Furthermore, the Company enhanced the tender estimating procedures to identify, control and report on major tendering and estimating risks including unfamiliarised countries, nature of works, buildabilities and technical feasibilities, changes in tender requirements, unreasonable basis of costs analysis and insufficient information for Management to determine final tender sum.

Management organised a tailored governance structure with defined lines of responsibility and function to cope with the Company growth strategy. With this right organisational structure, we aim to put right people on the right job to enhance the Company's efficiency and productivity.

Risk Assessment

During the year ended 31 March 2007, Management and internal corporate audit department, with the assistance of an external consultant with particular experience in risk advisory services, carried out the following risk assessment exercises of the Company's existing operations and their progress and findings are reported to the Audit Committee of the Company regularly:

- Setting the context of Company goals and objectives (financial as well as non-financial) for our risk assessment process;
- Reviewing the Company's key documentation policies and procedures on strategic-management, core-business, and resource-management processes;
- Identifying, documenting and assessing the Company's high-level risks and controls, including financial, operational and compliance aspects;
- Performing a walkthrough check of the high-level controls documented in the risk registers to ascertain whether the control design was effective in addressing the respective risk;
- Carrying out a COSO Analysis to ascertain if the Company has established entity-level controls that are consistent with the internal control framework recommended in the COSO Internal Control – Integrated Framework;
- Identifying and documenting any deviations from the framework and providing potential improvement opportunities for any inconsistencies or gaps; and
- Preparing a preliminary three-year, risk-based Internal Audit plan which details the internal auditing works for the next three years.

此風險管理模式對本公司有以下潛在好處：

- 較大可能達致業務目標
- 長線利好股價
- 減少管理層用於「救火」的時間
- 提高達致積極改革的可能性
- 更能集中處理適當的事
- 制定策略時更有把握
- 達致競爭優勢
- 減少突發震動及不愉快事件
- 在商場上早着先機

另外，本公司改善其投標估計程序，以辨認、控制及匯報重大招標及估計風險，包括非熟悉國家、工程性質、可建造性及技術可行性、投標規定更改、不合理成本分析基準及資料不足等，以供管理層釐定最後投標金額。

管理層制定了責任與職能之清楚的界線以配合管治架構，及本公司之發展策略。有了這正確組織架構，我們便可做到人盡其才，提升本公司之效率及生產力。

風險評估

截至二零零七年三月三十一日止年度內，管理層及公司內部審核部在外聘專長於風險諮詢服務的顧問，對本公司現有營運進行如下風險評估，並將評估進度及結果定期向本公司審核委員會匯報：

- 設定本公司就本身風險評估流程的目標及宗旨（財務以至非財務的內容）；
- 檢討本公司有關策略管理、核心業務及資源管理流程之主要文件處理政策及程序；
- 辨認、記錄及評估本公司高層風險及控制，包括財務、營運及遵例各方面；
- 對風險登記冊中記錄之高層監控措施作概括審查，以確定監控設計能否有效地應對相關風險；
- 進行COSO分析，確定本公司已建立實體層次監控措施，並與COSO內部控制——綜合框架中所建議的內部監控框架一致；
- 辨認及記錄任何有異於框架之情況，從而改善任何差異或漏洞；及
- 編製初步三年內針對風險的內部審核計劃，詳列未來三年之內部審核工作。

Internal Audit

The majority of key operational controls have been tested for their effectiveness by the internal corporate audit department and a review of the internal control system will be performed at least annually. The testing determines the extent to which operational procedures and controls are being properly followed and implemented in the Company. Based on the results of the tests, control process owners are able to certify for Management that internal controls are working as intended or that necessary corrections have been made where control weaknesses were found. Management has adopted all the recommendations and established clear timelines for implementation. Progress will be reported to the Audit Committee and the Board.

Using risk assessment methodology and taking into account the dynamics of the Company's activities, the internal corporate audit department delivers its annual audit plan for next fiscal year which is endorsed by the Audit Committee and the Board respectively. Under the Internal Corporate Audit Charter approved by the Board during the year, the internal corporate department has unrestricted access to information and complete freedom to draw independent conclusions in their audit.

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, announcements, media releases, and notices of shareholder meetings); (ii) general meetings where shareholders can offer comments and exchange views with the Board; (iii) the Company's website: www.pyengineering.com; and (iv) the Company's share registrar with whom shareholders register their shares.

Shareholders are encouraged to attend all general meetings of the Company, where the Chairman of the Company, Directors, and the external auditors are available to answer questions on the Group's businesses. In order to conduct the general meetings in a transparent manner, it has been the Company's practice since 2005 to conduct poll voting at general meetings with each share entitled to one vote. Separate resolutions are proposed for each substantive issue, including the election of individual Directors.

The last shareholders' meeting of the Company was the special general meeting held on 30 March 2007. The major item discussed was approval of continuing connected transaction with PYI Corporation Limited and 100% of the votes cast were in favour of this resolution. The results of the voting by poll have been published on the websites of the Company and the Hong Kong Stock Exchange, and in newspapers.

Details of the interests of Directors and shareholders in the shares of the Company are shown on pages 44, 51 and 52 of this annual report.

內部審核

大部分主要營運監控措施均經由公司內部審核部測試其效益，而內部監控系統檢討亦將至少每年進行一次。測試可了解到營運程序及監控措施於本公司是否妥當地遵行及其實施的程度。基於測試結果，控制流程負責人能向管理層證實內部監控措施是按計劃運作，或已就發現的監控弱點作出必要修正。管理層已採納所有建議並制定清晰的實施時間表。進度將向審核委員會及董事局匯報。

採用風險評估方法以配合本公司業務的動態，公司內部審核部製發出未來財政年度之年審核計劃書，分別供審核委員會及董事局批核。根據董事局年內批准的公司內部審核憲章，公司內部審核部可不受限制取閱資料，並完全不受干預地作出獨立審核結論。

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、公佈、新聞稿及股東大會通告)；(ii)股東大會讓股東可向董事局提出意見及交流觀點；(iii)本公司網站 www.pyengineering.com；及(iv)本公司之股份過戶登記處處理股東之股份登記。

本公司鼓勵股東出席所有股東大會。本公司主席、董事及外聘核數師均會出席大會，回答有關本集團業務之問題。為了讓股東大會具透明度地進行，本公司自二零零五年起採取股東大會以點票方式表決的做法，即各股份可投一票。至於重大事項，則會就各個事項分開提呈決議案，包括選任個別董事。

本公司上次股東大會為二零零七年三月三十日舉行之股東特別大會。主要討論議題為批准與保華集團有限公司之交易，結果本決議案獲100%贊成票。點票表決結果已在本公司及香港聯交所網站刊載，並在報章上刊登。

董事及股東於本公司股份之權益見本年報第44頁、51頁及52頁。

OTHER CORPORATE INFORMATION**Memorandum and Articles of Association**

There were no changes to the Company's memorandum and articles of association during the year ended 31 March 2007.

其他公司資料**組織章程大綱及細則**

截至二零零七年三月三十一日止年度內，本公司組織章程大綱及細則概無變動。

Key Corporate Dates**公司重要日期**

Events 事項	Dates 日期
Announcement of 2007 interim results 公佈二零零七年中期業績	14 December 2006 二零零六年十二月十四日
Closure of register of members 暫停辦理股東登記手續	8 January 2007 to 10 January 2007 二零零七年一月八日至二零零七年一月十日
Payment of 2007 interim dividend 派付二零零七年中期股息	6 February 2007 二零零七年二月六日
Announcement of 2007 annual results 公佈二零零七年全年業績	20 July 2007 二零零七年七月二十日
2007 annual general meeting 二零零七年股東週年大會	4 September 2007 二零零七年九月四日
Closure of register of members 暫停辦理股東登記手續	17 September 2007 to 19 September 2007 二零零七年九月十七日至二零零七年九月十九日
Payment of 2007 final dividend 派付二零零七年末期股息	15 October 2007 二零零七年十月十五日

Public Float Capitalisation

The public float capitalisation of the Company was approximately HK\$267 million on 31 March 2007, and approximately HK\$338 million on the date of this report.

公眾持股市值

本公司於二零零七年三月三十一日及本報告書日期之公眾持股市值分別約為2.67億港元及3.38億港元。

By order of the Board

承董事局命

Mui Ching Hung, Joanna

Company Secretary

Hong Kong, 20 July 2007

梅靜紅

公司秘書

香港，二零零七年七月二十日

The directors present their annual report and the audited consolidated financial statements of Paul Y. Engineering Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2007.

PRINCIPAL ACTIVITIES

The Company is an investment holding company.

The activities of its principal subsidiaries, associates and jointly controlled entity at 31 March 2007 are set out in note 44 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company for the year ended 31 March 2007 are set out in the consolidated income statement on page 56 of the annual report and in the accompanying notes to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2007, the five largest customers and the single largest customer of the Group accounted for approximately 75% and 33% of the turnover of the Group, respectively. The aggregate purchases attributable to the five largest suppliers of the Group during the year were less than 30% of the purchases of the Group.

As far as the directors are aware, a director and/or his associates, within the meaning of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") (the "Listing Rules"), have an interest of less than 0.001% in shares of one of the five largest customers of the Group for the year ended 31 March 2007.

LIQUIDITY AND CAPITAL RESOURCES

The Group currently maintains a variety of credit facilities to meet its working capital requirements. At 31 March 2007, the Group's total borrowings amounted to approximately HK\$225,905,000 with approximately HK\$174,407,000 repayable within one year, approximately HK\$45,551,000 repayable between one to two years, approximately HK\$4,654,000 repayable between two to five years and approximately HK\$1,293,000 repayable over five years. Cash, bank balances and deposits at 31 March 2007 amounted to approximately HK\$397,977,000. The Group's current ratio was 1.1 and the Group's total borrowings to equity ratio was 0.5 at 31 March 2007.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately HK\$22,893,000 on property, plant and equipment to expand and upgrade its operating capacity.

Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 15 to the consolidated financial statements.

董事謹提呈保華建業集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零零七年三月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為一家投資控股公司。

本公司之主要附屬公司、聯營公司及共同控制機構於二零零七年三月三十一日之業務載列於綜合財務報表附註44。

業績及利潤分配

本集團截至二零零七年三月三十一日止年度之業績及本公司於同年之利潤分配，載列於本年報第56頁綜合收益表，以及綜合財務報表附註。

主要客戶及供應商

截至二零零七年三月三十一日止年度，本集團五大客戶及單一最大客戶分別佔本集團之營業額約75%及33%。年內，本集團五大供應商合佔本集團之購貨量不超過本集團購貨量30%。

據董事所知，一位董事及／或其聯繫人士(按香港聯合交易所有限公司(「香港聯交所」)證券上市規則(「上市規則」)界定)，在截至二零零七年三月三十一日止年度內於本集團五大客戶之其中一客戶擁有少於0.001%之股權權益。

流動資金及資本來源

本集團現時為應付營運資金需要而備有多項信貸融通額。於二零零七年三月三十一日，本集團借款共達約225,905,000港元，其中約174,407,000港元須於一年內償還，約45,551,000港元須於一至兩年內償還，約4,654,000港元須於二至五年內償還，約1,293,000港元須於五年後償還。於二零零七年三月三十一日之現金、銀行結餘及存款約為397,977,000港元。於二零零七年三月三十一日，本集團之流動比率為1.1，而本集團之總借貸對權益比率為0.5。

物業、機械及設備

年內，本集團之物業、機械及設備開支約為22,893,000港元，乃用於擴充及提升營運設施。

年內，本集團物業、機械及設備之上述變動及其他變動詳情載列於綜合財務報表附註15。

SHARE CAPITAL

Details of movements in the issued share capital of the Company during the year are set out in note 33 to the consolidated financial statements.

SHARE OPTIONS

Particulars of the share option schemes and details of movements in the share options of the Company and its holding company during the year are set out in note 34 to the consolidated financial statements.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders as at 31 March 2007 comprised the retained profits of HK\$48,176,000 (2006: HK\$41,330,000).

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Independent Non-Executive Directors

James Chiu, *OBE, JP (Chairman)*
Lee Chack Fan, *SBS, JP*
Iain Ferguson Bruce

Non-Executive Director

Lau Ko Yuen, Tom (*Deputy Chairman*)

Executive Directors

Mok Yat Fan, Edmond (appointed on 1 June 2006)
(*Chief Executive Officer*)
Lee Hon Chiu
Kwan Chi Ping, Edgar (appointed on 1 June 2006 and
(*Chief Operating Officer*) resigned on 6 December 2006)
Wong Wing Hoo, Billy, *JP* (resigned on 30 April 2006)
(*former Managing Director*)

In accordance with Bye-laws 87(1) and 87(2) of the Company's Bye-laws, Mr Lee Hon Chiu and Professor Lee Chack Fan retire by rotation at the forthcoming annual general meeting. All retiring directors, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Non-executive directors are appointed for a specific term of approximately three years, and they are subject to retirement by rotation under the Company's Bye-laws.

DIRECTORS' SERVICE CONTRACTS

None of the directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

股本

年內，本公司已發行股本之變動詳情載列於綜合財務報表附註33。

購股權

年內，本公司及其控股公司之購股權計劃之資料及購股權變動詳情載列於綜合財務報表附註34。

本公司之可供分派儲備

於二零零七年三月三十一日，本公司可供分派予股東之儲備包括保留溢利48,176,000港元(二零零六年：41,330,000港元)。

董事

本公司於本年度及截至本報告日期之董事如下：

獨立非執行董事

趙雅各，*OBE, JP (主席)*
李焯芬，*SBS, JP*
Iain Ferguson Bruce

非執行董事

劉高原 (*副主席*)

執行董事

莫一帆 (於二零零六年六月一日獲委任)
(*行政總裁*)
李漢潮
關治平 (於二零零六年六月一日獲委任及
(*營運總裁*) 於二零零六年十二月六日辭任)
黃永灝，*JP* (於二零零六年四月三十日辭任)
(*前董事總經理*)

根據本公司之公司細則第87(1)及87(2)條，李漢潮先生及李焯芬教授於即將召開之股東週年大會上告退。所有退任董事均合資格並願意於即將召開之股東週年大會上膺選連任。

非執行董事之任期由其獲委任當日開始，直至其須約每三年最少一次，及根據本公司之公司細則輪席退任為止。

董事之服務合約

擬於即將召開之股東週年大會上膺選連任之董事，概無與本集團訂立任何不得於一年內被本集團終止而毋須作出賠償(法定賠償除外)之服務合約。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 March 2007, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Listing Rules were as follows:

(a) Interests in shares and underlying shares of the Company

Name of director	Capacity	Long position	Number of shares of the Company held	Number of underlying shares (in respect of the share options (unlisted equity derivatives)) of the Company held	Approximate percentage of shareholding of the Company
董事姓名	身份	好倉	所持本公司股份數目	所持本公司相關股份(有關購股權(非上市股本衍生工具))數目	佔本公司股權之概約百分比
Mok Yat Fan, Edmond 莫一帆	Beneficial owner 實益擁有人	Long position 好倉	–	5,000,000 (note i) (附註i)	0.85%
Lee Hon Chiu 李漢潮	Beneficial owner 實益擁有人	Long position 好倉	–	1,500,000 (note ii) (附註ii)	0.25%
Iain Ferguson Bruce	Beneficial owner 實益擁有人	Long position 好倉	660,130	–	0.11%

Notes:

- (i) The share options were granted to Mr Mok Yat Fan, Edmond on 13 July 2006 under the share option scheme of the Company adopted on 7 September 2005 ("Share Option Scheme") and entitle him to subscribe for a total of 5,000,000 shares upon exercise at an exercise price of HK\$1.00 per share (as to 1,500,000 options exercisable during the period from 13 July 2006 to 12 July 2008, as to 1,500,000 options exercisable during the period from 13 July 2007 to 12 July 2009 and as to 2,000,000 options exercisable during the period from 13 July 2008 to 12 July 2009).
- (ii) The share options were granted to Mr Lee Hon Chiu on 3 February 2006 under the Share Option Scheme and entitle him to subscribe for a total of 1,500,000 shares upon exercise at the exercise prices of HK\$0.70 (as to 500,000 options exercisable during the period from 3 February 2006 to 6 September 2015), HK\$0.85 (as to 500,000 options exercisable during the period from 1 January 2007 to 6 September 2015) and HK\$1.00 (as to 500,000 options exercisable during the period from 1 January 2008 to 6 September 2015) per share.

附註：

- (i) 該等購股權乃根據本公司於二零零五年九月七日採納之購股權計劃(「購股權計劃」)於二零零六年七月十三日授予莫一帆先生，並授權彼按行使價每股1.00港元認購共5,000,000股股份(其中1,500,000份購股權可於二零零六年七月十三日至二零零八年七月十二日期間行使，1,500,000份購股權可於二零零七年七月十三日至二零零九年七月十二日期間行使，及2,000,000份購股權可於二零零八年七月十三日至二零零九年七月十二日期間行使)。
- (ii) 該等購股權乃根據購股權計劃於二零零六年二月三日授予李漢潮先生，並授權彼認購合共1,500,000股股份，當中500,000份購股權可於二零零六年二月三日至二零一五年九月六日期間按行使價每股0.70港元行使，500,000份購股權可於二零零七年一月一日至二零一五年九月六日期間按行使價每股0.85港元行使，及500,000份購股權可於二零零八年一月一日至二零一五年九月六日期間按行使價每股1.00港元行使。

董事於股份、相關股份及債券之權益及淡倉

於二零零七年三月三十一日，本公司董事及主要行政人員於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第十五部)之股份、相關股份及債券中持有根據證券及期貨條例第352條須存置於本公司登記冊內之權益及淡倉，或根據上市規則之上市公司董事進行證券交易之標準守則(「標準守則」)而須另行知會本公司及香港聯交所之權益及淡倉如下：

(a) 於本公司股份及相關股份之權益

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)
(b) Interests in shares and underlying shares of PYI Corporation Limited ("PYI")
董事於股份、相關股份及債券之權益及淡倉 (續)
(b) 於保華集團有限公司 (「PYI」) 之股份及相關股份之權益

Name of director	Capacity	Long position	Number of shares of PYI held	Number of underlying shares (in respect of the share options (unlisted equity derivatives)) of PYI held	Total	Approximate percentage of shareholding of PYI
董事姓名	身份	好倉	所持PYI股份數目	所持PYI相關股份(有關購股權(非上市股本衍生工具))數目	總計	佔PYI股權之概約百分比
Lau Ko Yuen, Tom	Beneficial owner	Long position	120,671	26,800,000 (note i)	26,920,671	1.80%
劉高原	實益擁有人	好倉		(附註i)		
Mok Yat Fan, Edmond	Beneficial owner	Long position	-	3,500,000 (note ii)	3,500,000	0.23%
莫一帆	實益擁有人	好倉		(附註ii)		

Notes:

- (i) The share options were granted to Mr Lau Ko Yuen, Tom pursuant to the share option scheme of PYI adopted on 27 August 2002 ("PYI Share Option Scheme"). The said share options comprised (i) 13,000,000 options granted to him on 28 December 2004 which entitle him to subscribe for a total of 13,000,000 shares upon exercise at the exercise prices of HK\$1.24 (as to 6,500,000 options) and HK\$1.50 (as to 6,500,000 options) per share exercisable during the period from 28 December 2004 to 26 August 2012; and (ii) 13,800,000 options granted to him on 8 September 2006 which entitle him to subscribe for a total of 13,800,000 shares upon exercise at an exercise price of HK\$2.48 per share (as to 4,600,000 options exercisable during the period from 8 September 2006 to 7 September 2007, as to 4,600,000 options exercisable during the period from 8 September 2007 to 7 September 2008 and as to 4,600,000 options exercisable during the period from 8 September 2008 to 7 September 2009).
- (ii) The share options were granted to Mr Mok Yat Fan, Edmond on 8 September 2006 under the PYI Share Option Scheme and entitle him to subscribe for a total of 3,500,000 shares upon exercise at an exercise price of HK\$2.43 per share (as to 500,000 options exercisable during the period from 8 September 2006 to 7 September 2007, as to 1,500,000 options exercisable during the period from 1 August 2007 to 31 July 2008 and as to 1,500,000 options exercisable during the period from 1 August 2008 to 31 July 2009).

PYI, the ultimate holding company of the Company, is an associated corporation, within the meaning of Part XV of the SFO, of the Company.

Save as disclosed above, at 31 March 2007, none of the directors or chief executives of the Company had any interest or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

附註：

- (i) 該等購股權乃根據PYI於二零零二年八月二十七日採納之購股權計劃(「PYI購股權計劃」)授予劉高原先生。上述購股權包括(i) 13,000,000份於二零零四年十二月二十八日授予彼之購股權，授權彼認購共13,000,000股股份，可於二零零四年十二月二十八日至二零一二年八月二十六日期間按行使價每股1.24港元(其中6,500,000份購股權)及1.50港元(其中6,500,000份購股權)行使；及(ii) 13,800,000份購股權於二零零六年九月八日授予彼之購股權，授權彼認購共13,800,000股股份，行使價為每股2.48港元，其中4,600,000份購股權可於二零零六年九月八日至二零零七年九月七日期間行使、4,600,000份購股權可於二零零七年九月八日至二零零八年九月七日期間行使及4,600,000份購股權可於二零零八年九月八日至二零零九年九月七日期間行使。
- (ii) 該等購股權乃根據PYI購股權計劃於二零零六年九月八日授予莫一帆先生，並授權彼認購合共3,500,000股股份，行使價為每股2.43港元，其中500,000份購股權可於二零零六年九月八日至二零零七年九月七日期間行使，1,500,000份購股權可於二零零七年八月一日至二零零八年七月三十一日期間行使，及1,500,000份購股權可於二零零八年八月一日至二零零九年七月三十一日期間行使。

本公司之最終控股公司PYI，為本公司之相聯法團(定義見證券及期貨條例第十五部)。

除上文所披露者外，於二零零七年三月三十一日，本公司董事或主要行政人員及彼等之聯繫人士概無於本公司或任何相聯法團(定義見證券及期貨條例第十五部)之股份、相關股份或債券中擁有根據證券及期貨條例第352條須存置於本公司登記冊內之任何權益或淡倉，或根據標準守則而須另行知會本公司及香港聯交所之權益或淡倉。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

(a) The Company

i) Share option scheme

Details of movements in the share options of the Company granted under the share option scheme of the Company adopted on 7 September 2005 during the year are as follows:

購買股份或債券之安排

(a) 本公司

i) 購股權計劃

年內根據本公司於二零零五年九月七日採納之購股權計劃授出之本公司購股權之變動如下：

Name of eligible person	Date of grant	Vesting date	Exercise period	Exercise price per share	Number of shares of the Company to be issued upon exercise of the share options				
					Outstanding at 1.4.2006	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31.3.2007
合資格人士姓名	授出日期	歸屬日期	行使期	每股行使價 HK\$ 港元	於二零零六年四月一日尚未行使	年內授出	年內行使	年內失效	於二零零七年三月三十一日尚未行使
Director 董事									
Mok Yat Fan, Edmond*	13.7.2006	13.7.2006	13.7.2006 – 12.7.2008	1.00	–	1,500,000	–	–	1,500,000
莫一帆*	13.7.2006	13.7.2007	13.7.2007 – 12.7.2009	1.00	–	1,500,000	–	–	1,500,000
	13.7.2006	13.7.2008	13.7.2008 – 12.7.2009	1.00	–	2,000,000	–	–	2,000,000
Lee Hon Chiu 李漢潮	3.2.2006	3.2.2006	3.2.2006 – 6.9.2015	0.70	500,000	–	–	–	500,000
	3.2.2006	1.1.2007	1.1.2007 – 6.9.2015	0.85	500,000	–	–	–	500,000
	3.2.2006	1.1.2008	1.1.2008 – 6.9.2015	1.00	500,000	–	–	–	500,000
Wong Wing Hoo, Billy** 黃永灝**	3.2.2006	3.2.2006	3.2.2006 – 6.9.2015	0.70	1,000,000	–	–	–	1,000,000
	3.2.2006	1.1.2007	1.1.2007 – 6.9.2015	0.85	1,000,000	–	–	–	1,000,000
	3.2.2006	1.1.2008	1.1.2008 – 6.9.2015	1.00	1,000,000	–	–	–	1,000,000
Kwan Chi Ping, Edgar*** 關治平***	9.2.2006	9.2.2008	9.2.2008 – 8.2.2009	0.90	2,000,000	–	–	–	2,000,000
	13.7.2006	13.7.2006	13.7.2006 – 12.7.2008	1.00	–	1,500,000	(1,500,000)	–	–
	13.7.2006	13.7.2007	13.7.2007 – 12.7.2009	1.00	–	1,500,000	–	–	1,500,000
Employees 僱員	9.2.2006	9.2.2008	9.2.2008 – 8.2.2009	0.90	6,000,000	–	–	(2,400,000)	3,600,000
					12,500,000	8,000,000	(1,500,000)	(2,400,000)	16,600,000

* Appointed as director on 1 June 2006.

** Resigned as director on 30 April 2006.

*** Appointed as director on 1 June 2006 and resigned on 6 December 2006.

* 於二零零六年六月一日獲委任為董事。

** 於二零零六年四月三十日辭任董事。

*** 於二零零六年六月一日獲委任為董事，並於二零零六年十二月六日辭任。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES (continued)

(a) The Company (continued)

i) Share option scheme (continued)

No share options of the Company were cancelled during the year.

The closing price of the Company's shares on the trading day immediately before 13 July 2006, being the date of grant of 8,000,000 share options, was HK\$0.99.

The closing price of the Company's shares on the trading day immediately before 27 March 2007, being the date of exercise of 1,500,000 share options, was HK\$1.16.

Particulars of share option scheme of the Company are set out in note 34 to the consolidated financial statements.

ii) Share award scheme

This scheme, which was adopted by the Company on 6 September 2006, allows the Company to make bonus payments to eligible persons (including employees, directors, consultants, advisers and agents of the Group) by way of the Company's shares acquired by and held through an independent trustee until fulfilment of specified conditions before vesting.

None of the directors of the Company were awarded any of the Company's shares under this share award scheme during the year or at 31 March 2007.

iii) Share financing plan

This plan, which was adopted by the Company on 6 September 2006, allows eligible persons (including employees, directors, consultants, advisers and agents of the Group) to borrow funds from the Company or from a company within the Group to acquire new or old shares of the Company on a non-recourse basis with the subject shares pledged to the Company as security, subject always to connected transaction and other relevant provisions under the Listing Rules.

None of the directors of the Company acquired any of the Company's shares under this share financing plan during the year or at 31 March 2007.

購買股份或債券之安排(續)

(a) 本公司(續)

i) 購股權計劃(續)

期內概無已註銷之本公司購股權。

緊接二零零六年七月十三日(即授出8,000,000份購股權日期)前之交易日本公司股份之收市價為0.99港元。

緊接二零零七年三月二十七日(即行使1,500,000份購股權日期)前之交易日本公司股份之收市價為1.16港元。

本公司購股權計劃詳情載於綜合財務報表附註34。

ii) 股份獎勵計劃

根據本公司於二零零六年九月六日採納之股份獎勵計劃，本公司可向合資格人士(包括本集團之僱員、董事、顧問、諮詢人及代理人)以本公司之股份之形式派發花紅，此等股份將由一名獨立受託人購入及持有，直至指定的歸屬條件達成為止。

年內或於二零零七年三月三十一日，概無本公司董事根據此股份獎勵計劃獲授任何本公司股份。

iii) 股份融資計劃

本公司於二零零六年九月六日採納之計劃容許合資格人士(包括本集團之僱員、董事、顧問、諮詢人及代理人)向本公司或本集團內一間公司借款以無追索權基準購買本公司新舊股份，而此等股份則質押予本公司作為抵押品，惟須符合上市規則有關關連交易及其他相關條文之規定。

年內或於二零零七年三月三十一日，概無本公司董事根據此股份融資計劃購買任何本公司股份。

**ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES
(continued)****(b) PYI****i) Share option scheme**

Details of movements in the share options of PYI granted under the share option scheme of PYI adopted on 27 August 2002 to the directors of the Company during the year are as follows:

Name of director 董事姓名	Date of grant 授出日期	Vesting date 歸屬日期	Exercise period 行使期	Exercise price per share 每股 行使價 HK\$ 港元	Number of shares of PYI to be issued upon exercise of the share options 因行使購股權而將予發行之PYI股份數目			
					Outstanding at 1.4.2006 於二零零六年 四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Outstanding at 31.3.2007 於二零零七年 三月三十一日 尚未行使
Lau Ko Yuen, Tom 劉高原	28.12.2004	28.12.2004	28.12.2004 to 26.8.2012	1.24	6,500,000	-	-	6,500,000
	28.12.2004	28.12.2004	28.12.2004 to 26.8.2012	1.50	6,500,000	-	-	6,500,000
	8.9.2006	8.9.2006	8.9.2006 to 7.9.2007	2.48	-	4,600,000	-	4,600,000
	8.9.2006	8.9.2007	8.9.2007 to 7.9.2008	2.48	-	4,600,000	-	4,600,000
	8.9.2006	8.9.2008	8.9.2008 to 7.9.2009	2.48	-	4,600,000	-	4,600,000
Mok Yat Fan, Edmond 莫一帆	8.9.2006	8.9.2006	8.9.2006 to 7.9.2007	2.43	-	1,000,000	(500,000)	500,000
	8.9.2006	1.8.2007	1.8.2007 to 31.7.2008	2.43	-	1,500,000	-	1,500,000
	8.9.2006	1.8.2008	1.8.2008 to 31.7.2009	2.43	-	1,500,000	-	1,500,000
					13,000,000	17,800,000	(500,000)	30,300,000

No share options of PYI granted to the above directors were cancelled or lapsed during the year.

Particulars of share option scheme of PYI are set out in note 34 to the consolidated financial statements.

ii) Share award scheme

This scheme, which was adopted by PYI on 23 February 2006, allows PYI to make bonus payments to eligible persons (including employees, directors, consultants, advisers and agents of PYI and its subsidiaries ("PYI Group")) by way of PYI's shares acquired by and held through an independent trustee until fulfilment of specified conditions before vesting.

120,000 PYI's shares, which were awarded to Mr Lau Ko Yuen, Tom, a director of the Company, by PYI under this scheme, were vested during the year. None of the directors of the Company were awarded any PYI's shares under this scheme during the year or at 31 March 2007.

購買股份或債券之安排(續)**(b) PYI****i) 購股權計劃**

年內本公司董事根據PYI於二零零二年八月二十七日採納之購股權計劃獲授之PYI購股權之變動詳情如下：

年內上述董事獲授之PYI購股權概無註銷或失效。

PYI購股權計劃詳情載於綜合財務報表附註34。

ii) 股份獎勵計劃

根據PYI於二零零六年二月二十三日採納之股份獎勵計劃，PYI可向合資格人士(包括PYI及其附屬公司(「PYI集團」)之僱員、董事、顧問、諮詢人及代理人)以PYI之股份的形式派發花紅，此等股份將由一名獨立受託人購入及持有直至指定的歸屬條件達成為止。

根據該計劃向本公司董事劉高原先生授予以120,000股PYI股份已於年內歸屬。年內或於二零零七年三月三十一日，並無根據此計劃向任何本公司董事授予以任何PYI股份。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES (continued)

(b) PYI (continued)

iii) Share financing plan

This plan, which was adopted by PYI on 14 February 2006, allows eligible persons (including employees, directors, consultants, advisers and agents of the PYI Group) to borrow funds from PYI or from a company within the PYI Group to acquire new or old PYI's shares on a non-recourse basis with the subject shares pledged to PYI as security, subject always to connected transaction and other relevant provisions under the Listing Rules.

None of the directors of the Company acquired any PYI's shares under this share financing plan during the year or at 31 March 2007.

Save as disclosed herein, at no time during the year was the Company or any of its subsidiaries or holding company or any subsidiaries of the Company's holding company a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate, and none of the directors, chief executives or their spouse or children under the age of 18, had any right to subscribe for securities of the Company, or had exercised any such rights during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the directors of the Company is interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the businesses of the Group during the year or at 31 March 2007.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed under the section headed "Connected Transactions" below, no contracts of significance to which the Company or any of its holding companies or fellow subsidiaries or subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONNECTED TRANSACTIONS

On 17 January 2005, Paul Y. Engineering Holdings (B.V.I.) Limited, a wholly-owned subsidiary, entered into a business services agreement with PYI which expired on 31 March 2007 ("Former Business Services Agreement"). In view of the expiry of the Former Business Services Agreement, the Company and PYI entered into conditionally a business services agreement on 1 March 2007 ("Existing Business Services Agreement"), for the period from 1 April 2007 to 31 March 2010, with the annual cap amounts of HK\$60 million, HK\$80 million and HK\$100 million for the financial years ending 31 March 2008, 2009 and 2010, respectively.

The entering into of the Existing Business Services Agreement constituted a continuing connected transaction for the Company under Chapter 14A of the Listing Rules. Details of which were set out in the circular of the Company dated 15 March 2007.

購買股份或債券之安排(續)

(b) PYI (續)

iii) 股份融資計劃

PYI於二零零六年二月十四日採納之計劃容許合資格人士(包括PYI集團之僱員、董事、顧問、諮詢人及代理人)向PYI或PYI集團內一間公司借款以無追索權基準購買PYI新舊股份，而此等股份則質押予PYI作為抵押品，惟須符合上市規則項下有關關連交易及其他相關條文之規定。

年內或於二零零七年三月三十一日，概無本公司董事根據此股份融資計劃購買任何PYI股份。

除本文所披露者外，本公司或其任何附屬公司或控股公司，或本公司的控股公司的附屬公司，於年內任何時間概無參與訂立任何安排，以令本公司董事可藉購入本公司或任何其他實體機構之股份或債務證券(包括債券)而獲利，且董事、主要行政人員或彼等之配偶及未滿十八歲之子女概無權認購本公司證券，亦無於年內行使任何該等權利。

董事於構成競爭業務之權益

年內或於二零零七年三月三十一日，如不計本集團業務，本公司董事於與本集團業務直接或間接構成競爭或可能構成競爭之任何業務中，概無擁有任何權益。

董事於重大合約之權益

除下文「關連交易」一節披露者外，本公司各董事在本公司或其任何控股公司或同系附屬公司或附屬公司於本年度結算日或年內任何時間訂立之重要合約中概無直接或間接擁有重大權益。

關連交易

二零零五年一月十七日，全資附屬公司Paul Y. Engineering Holdings (B.V.I.) Limited與PYI訂立於二零零七年三月三十一日屆滿之業務服務協議(「舊業務服務協議」)。鑒於舊業務服務協議屆滿，本公司與PYI於二零零七年三月一日有條件訂立業務服務協議(「現業務服務協議」)，年期為二零零七年四月一日至二零一零年三月三十一日，截至二零零八年、二零零九年及二零一零年三月三十一日止財政年度之年度上限分別為60,000,000港元、80,000,000港元及100,000,000港元。

訂立現業務服務協議構成上市規則第14A章項下本公司之持續關連交易。交易詳情載於本公司日期為二零零七年三月十五日之通函。

CONNECTED TRANSACTIONS (continued)

During the year, the Group entered into certain transactions which constituted "continuing connected transactions" or "connected transactions" under the Listing Rules. Details of such transactions are as follows:

During the year, the Group entered into the following transactions with subsidiaries of PYI:

Name of party 交易方名稱	Nature of transactions 交易性質	Amount 數額 HK\$'000 千港元
Asiawide Holdings Limited ("Asiawide") 佳安集團有限公司(「佳安」)	Project management fees charged by the Group 本集團收取項目管理費	6,600
PYI Xingdong Properties (Jiangsu) Limited ("PYI Xingdong") 保華興東置業(江蘇)有限公司(「保華興東」)	Project management fees charged by the Group 本集團收取項目管理費	1,179

Asiawide and PYI Xingdong are associates, within the meaning of the Listing Rules, of PYI, a substantial shareholder of the Company. Mr Lau Ko Yuen, Tom, a director of the Company is also a director of PYI.

Pursuant to Rule 14A.38 of the Listing Rules, the board of directors of the Company engaged the auditors of the Company to perform certain factual finding procedures, in respect of the continuing connected transactions of the Group in accordance with the Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" issued by the Hong Kong Institute of Certified Public Accountants, to assist the independent non-executive directors of the Company to evaluate whether such transactions:

- (i) have received the approval of the board of directors of the Company;
- (ii) were entered into in accordance with the pricing policies of the Group with reference to similar transactions with independent third parties;
- (iii) have been entered into in accordance with the terms of the relevant agreement governing such transactions; and
- (iv) have not exceeded the relevant cap amount for the year ended 31 March 2007 as set out in the circular of the Company dated 30 November 2004.

The auditors of the Company have reported their factual findings on these procedures to the board of directors of the Company. The independent non-executive directors of the Company, have reviewed and confirmed that the continuing connected transactions as set out above have been entered into:

- (i) in the ordinary and usual course of the business of the Group;
- (ii) either on normal commercial terms or on terms no less favourable to the Company than terms available from independent third parties; and
- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company, as a whole.

關連交易(續)

年內，本集團進行之若干交易屬上市規則項下之「持續關連交易」或「關連交易」。有關交易之詳情如下：

年內，本集團曾與PYI之附屬公司進行以下交易：

佳安及保華興東為上市規則所界定本公司主要股東PYI之聯營公司。本公司董事劉高原先生亦為PYI之董事。

按上市規則第14A.38條之規定，本公司董事局委聘本公司核數師就本集團之持續關連交易按照香港會計師公會頒佈之香港關連服務準則第4400號「受聘進行若干有關財務資料之協定程序」進行若干找尋事實程序以協助本公司獨立非執行董事評估交易是否：

- (i) 已得到本公司董事局之批准；
- (ii) 已按本集團之定價政策進行並參考與獨立第三方之類似交易；
- (iii) 已按管限此等交易之相關協議條款進行；及
- (iv) 不超於列載於本公司於二零零四年十一月三十日刊發之通函所載截至二零零七年三月三十一日止年度之相關上限。

本公司核數師已將該等程序之調查結果向董事局報告。本公司全體獨立非執行董事已審閱上文載列之持續關連交易及核數師報告書並確認此等交易乃：

- (i) 於本集團日常及一般業務範圍內進行；
- (ii) 按正常商業條款，或不遜於本公司向獨立第三方提供或獲獨立第三方提供之條款進行；及
- (iii) 按規管有關交易之協議進行，其條款為公平合理，符合本公司股東之整體利益。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO

At 31 March 2007, so far as is known to the directors and the chief executives of the Company, the interests and short positions of the substantial shareholders/other persons in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO were as follows:

(1) Interests of substantial shareholders in the shares and underlying shares of the Company

根據證券及期貨條例第336條存置之登記冊所記錄之主要股東／其他人士之權益及淡倉

於二零零七年三月三十一日，就本公司董事及主要行政人員所知，根據證券及期貨條例第336條存置之本公司登記冊所記錄之主要股東／其他人士於本公司之股份及相關股份之權益或淡倉如下：

(1) 主要股東於本公司股份及相關股份之權益及淡倉

Name of shareholder	Capacity	Long position	Number of shares of the Company held	Number of underlying shares (in respect of the convertible note(s) (unlisted equity derivatives)) of the Company held	Approximate percentage of shareholding of the Company
股東名稱	身份	好倉	所持本公司股份數目	所持本公司相關股份 (有關可換股票據 (非上市股本衍生工具) 數目	佔本公司股權之概約百分比
PYI	Interest of controlled corporation (Note a) 於受控制法團之權益 (附註a)	Long position 好倉	375,826,317	–	63.74%
PYI	Beneficial owner (Note b) 實益擁有人 (附註b)	Long position 好倉	–	100,000,000	16.96%
PYI Treasury Group Limited ("PYIT")	Interest of controlled corporation (Note a) 於受控制法團之權益 (附註a)	Long position 好倉	375,826,317	–	63.74%
Growing Success Limited ("Growing Success")	Interest of controlled corporation (Note a) 於受控制法團之權益 (附註a)	Long position 好倉	375,826,317	–	63.74%
Paul Y. Investments Limited ("PYIL")	Beneficial owner (Note a) 實益擁有人 (附註a)	Long position 好倉	375,826,317	–	63.74%

Notes:

- (a) PYIL was a wholly-owned subsidiary of Growing Success which was in turn a wholly-owned subsidiary of PYIT. PYIT was a wholly-owned subsidiary of PYI. Growing Success, PYIT and PYI were deemed to be interested in the shares in the Company held by PYIL.

附註：

- (a) PYIL 為 Growing Success 之全資附屬公司，而 Growing Success 則為 PYIT 之全資附屬公司。PYIT 為 PYI 之全資附屬公司。Growing Success、PYIT 及 PYI 被視為於 PYIL 持有之本公司股份中擁有權益。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO (continued)**(1) Interests of substantial shareholders in the shares and underlying shares of the Company (continued)**

- (b) PYI and the Company entered into an agreement for the provision of an unsecured loan facility of a principal amount of up to HK\$100,000,000 to be made available by PYI to the Company pursuant to which convertible note(s) will be issued by the Company to PYI upon draw down of the facility in the principal amount of the facility drawn. Such convertible note(s) are convertible into shares of the Company at an initial conversion price of HK\$1.00 per share, up to a maximum aggregate principal amount of HK\$100,000,000. The Company has not yet issued the convertible notes.

(2) Interests of other persons in shares of the Company

根據證券及期貨條例第336條存置之登記冊所記錄之主要股東／其他人士之權益及淡倉(續)

(1) 主要股東於本公司股份及相關股份之權益及淡倉(續)

- (b) PYI 與本公司訂有協議，據此，PYI 向本公司提供本金額最多達100,000,000 港元之無抵押貸款融通，而本公司將於提供融通後向PYI 發行本金額相等於所取用融通額之可換股票據。該等可換股票據可按初步換股價每股1.00 港元轉換為本公司股份，本金總額最多達100,000,000 港元。本公司尚未發行可換股票據。

(2) 其他人士於本公司股份之權益

Name of person 其他人士姓名／名稱	Capacity 身份	Long position 好倉	Number of shares of the Company held 所持本公司股份數目	Approximate percentage of shareholding of the Company 佔本公司股權之概約百分比
CIM Dividend Income Fund Limited (formerly known as Chelverton Dividend Income Fund Limited) (前稱Chelverton Dividend Income Fund Limited)	Investment manager 投資經理	Long position 好倉	58,333,269	9.89%
OZ Management, L.L.C. ("OZ Management")	Investment manager (note) 投資經理 (附註)	Long position 好倉	41,855,806	7.10%
OZ Master Fund, Ltd. ("OZ Master")	Beneficial owner (note) 實益擁有人 (附註)	Long position 好倉	38,464,092	6.52%
Platinum Global Dividend Fund	Investment Manager 投資經理	Long position 好倉	29,500,000	5.00%

Note:

OZ Master, a wholly-owned subsidiary of OZ Management, owned 38,464,092 shares in the Company. OZ Management was deemed to be interested in the said 38,464,092 shares in the Company held by OZ Master and 3,391,714 shares in the Company held by its two direct wholly-owned subsidiaries.

附註：

OZ Master (OZ Management 之全資附屬公司) 擁有 38,464,092 股本公司股份。OZ Management 被視為於上述由 OZ Master 持有之 38,464,092 股本公司股份及其兩間直接全資附屬公司持有之 3,391,714 股本公司股份中擁有權益。

Save as disclosed above, at 31 March 2007, the Company has not been notified of any interests or short position in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO.

除上文所披露者外，於二零零七年三月三十一日，根據證券及期貨條例第336條本公司須存置之登記冊所記錄，本公司概無獲知會有其他人士擁有本公司之股份及相關股份之權益或淡倉。

RETIREMENT BENEFIT SCHEMES

Information on the Group's retirement benefit schemes is set out in note 38 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

CORPORATE GOVERNANCE

The Company has complied with all code provision and, where applicable, the recommended best practices of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the year ended 31 March 2007.

The Corporate Governance Report is set out on pages 26 to 41 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, the Company has maintained sufficient public float throughout the year ended 31 March 2007 as required under the Listing Rules.

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DONATIONS

During the year, the Group made charitable and other donations of approximately HK\$17,000.

POST BALANCE SHEET EVENT

Details of significant events occurring after the balance sheet date are set out in note 41 to the consolidated financial statements.

AUDITOR

Messrs Deloitte Touche Tohmatsu have acted as auditor of the Company for the past three years. A resolution will be submitted to the annual general meeting to re-appoint Messrs Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

James Chiu, OBE, JP
Chairman

Hong Kong, 20 July 2007

退休福利計劃

本集團退休福利計劃之資料載列於綜合財務報表附註38。

優先購買權

本公司之公司細則或百慕達法例中並無股本優先購買權之條文，規定本公司須按持股比例向現有股東提呈發售新股。

企業管治

截至二零零七年三月三十一日止年度，本公司一直遵守上市規則附錄十四所載《企業管治常規守則》之所有守則條文及(如適用)推薦之最佳常規。

企業管治報告已載列於本年報第26頁至41頁。

足夠公眾持股量

根據本公司所得之公開資料及就本公司董事所知，本公司於截至二零零七年三月三十一日止年度一直維持上市規則所訂明的最低公眾持股量。

購買、出售或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

捐款

本集團於本年度作出約17,000港元之慈善及其他捐款。

結算日後事項

結算日後發生之重大事項載於綜合財務報表附註41。

核數師

德勤•關黃陳方會計師行為本公司過去三年之核數師，本公司將於股東週年大會上提呈一項決議案續聘德勤•關黃陳方會計師行為本公司之核數師。

承董事局命

趙雅各, OBE, JP
主席

香港，二零零七年七月二十日

Deloitte.

德勤

TO THE MEMBERS OF PAUL Y. ENGINEERING GROUP LIMITED
(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Paul Y. Engineering Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 56 to 121, which comprise the consolidated balance sheet as at 31 March 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

致保華建業集團有限公司全體股東
(在百慕達註冊成立之有限公司)

本核數師行已完成審核第56頁至第121頁所載保華建業集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零零七年三月三十一日之綜合資產負債表及截至該日止年度之綜合收益表、綜合權益變動表及綜合現金流動表，以及主要會計政策概要及其他解釋附註。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露要求編製及真實而公平地列報綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報綜合財務報表相關的內部監控，致使綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇並應用適當的會計政策；以及因應情況作出合理的會計估計。

核數師之責任

本核數師行的責任是根據本核數師行審核工作的結果，對綜合財務報表提出意見，並按照百慕達公司法第90條的規定，僅向整體股東報告。除此以外，本核數師行的報告書不可用作其他用途。本核數師行概不就本報告書的內容，對任何其他人士負責或承擔法律責任。本核數師行已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求本核數師行遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2007 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 20 July 2007

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師會考慮與該公司編製及真實而公平地列報綜合財務報表相關的內部監控，以便設計適當的審核程序，但此並非為對公司的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

本核數師行相信，本核數師行所獲得的審核憑證能充足和適當地為下列審核意見建立基礎。

意見

本行認為上述之綜合財務報表均有按照香港財務報告準則真實與公平地反映 貴集團於二零零七年三月三十一日之財政狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露要求而妥善編製。

德勤•關黃陳方會計師行
執業會計師

香港，二零零七年七月二十日

CONSOLIDATED INCOME STATEMENT

綜合收益表

For the year ended 31 March 2007
截至二零零七年三月三十一日止年度

		Notes 附註	2007 HK\$'000 千港元	2006 HK\$'000 千港元
Turnover	營業額	6	4,359,329	3,109,876
Cost of construction works	建築工程成本		(4,192,824)	(2,879,762)
Gross profit	毛利		166,505	230,114
Other income	其他收入	8	33,740	14,571
Administrative expenses	行政費用		(156,546)	(135,441)
Finance costs	融資成本	9	(7,454)	(3,315)
Loss on disposal of subsidiaries	出售附屬公司之虧損		-	(4,456)
Share of results of associates	攤佔聯營公司業績		73,832	2,778
Share of results of jointly controlled entities	攤佔共同控制機構業績		(642)	26
Profit before taxation	除稅前溢利	11	109,435	104,277
Taxation	稅項	12	(8,401)	(3,196)
Profit for the year	年度溢利		101,034	101,081
Attributable to:	應佔：			
Equity holders of the Company	本公司之權益持有人		112,621	100,902
Minority interests	少數股東權益		(11,587)	179
			101,034	101,081
Distributions	分派	13	49,493	51,993
Earnings per share	每股盈利	14		
Basic	基本		HK\$0.193 港元	HK\$0.174 港元
Diluted	攤薄		HK\$0.193 港元	HK\$0.174 港元

CONSOLIDATED BALANCE SHEET

綜合資產負債表

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At 31 March 2007
於二零零七年三月三十一日

			2007	2006
	Notes		HK\$'000	HK\$'000
	附註		千港元	千港元
NON-CURRENT ASSETS				
非流動資產				
Property, plant and equipment	15	物業、機械及設備	35,190	22,837
Prepaid land lease payments	16	預付土地租賃款項	22,561	23,136
Goodwill	17	商譽	61,646	61,646
Other intangible assets	18	其他無形資產	7,240	7,355
Interests in associates	19	聯營公司權益	108,955	39,458
Interests in jointly controlled entities	20	共同控制機構權益	1,928	2,570
Available-for-sale investments	21	可供出售的投資	732	1,064
Deferred consideration receivable	22	應收遞延代價	6,597	10,223
			244,849	168,289
CURRENT ASSETS				
流動資產				
Prepaid land lease payments	16	預付土地租賃款項	575	575
Amounts due from customers for contract works	23	應收客戶合約工程款項	223,637	163,379
Debtors, deposits and prepayments	24	應收賬款、訂金及預付款項	1,631,065	1,172,639
Amounts due from related companies	25	應收關連公司款項	432	2,071
Amounts due from associates	26	應收聯營公司款項	48,630	45,283
Amounts due from jointly controlled entities	26	應收共同控制機構款項	10	17
Amounts due from fellow subsidiaries	26	應收同系附屬公司款項	8,967	234
Loan receivable	27	應收貸款	1,508	1,508
Loan to a related company	28	貸予關連公司之貸款	779	779
Taxation recoverable		可退回稅款	2,942	1,605
Pledged bank deposits	29	已抵押銀行存款	42,601	76,122
Short term bank deposits	29	短期銀行存款	311,606	232,402
Bank balances and cash	29	銀行結餘及現金	43,770	72,287
			2,316,522	1,768,901
CURRENT LIABILITIES				
流動負債				
Amounts due to customers for contract works	23	應付客戶合約工程款項	1,038,548	429,615
Creditors and accrued expenses	30	應付賬款及應計開支	825,326	808,857
Amounts due to related companies	25	應付關連公司款項	2,906	-
Amounts due to associates	26	應付聯營公司款項	1,401	1,498
Amounts due to minority shareholders	26	應付少數股東款項	1,041	-
Amount due to a fellow subsidiary	26	應付同系附屬公司款項	-	18,914
Taxation payable		應付稅項	11,308	5,758
Bank borrowings – due within one year	31	一年內到期之銀行借款	174,407	142,304
			2,054,937	1,406,946
NET CURRENT ASSETS		流動資產淨值	261,585	361,955
TOTAL ASSETS LESS CURRENT LIABILITIES		總資產減流動負債	506,434	530,244

At 31 March 2007

於二零零七年三月三十一日

		Notes 附註	2007 HK\$'000 千港元	2006 HK\$'000 千港元
NON-CURRENT LIABILITY	非流動負債			
Bank borrowings – due after one year	一年後到期之銀行借款	31	51,498	150,000
NET ASSETS	資產淨值		454,936	380,244
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	33	294,800	290,979
Reserves	儲備		147,316	78,921
Equity attributable to equity holders of the Company	本公司之權益持有人應佔 權益		442,116	369,900
Minority interests	少數股東權益		12,820	10,344
TOTAL EQUITY	總權益		454,936	380,244

The financial statements on pages 56 to 121 were approved and authorised for issue by the Board of Directors on 20 July 2007 and are signed on its behalf by:

載於第56頁至第121頁之財務報表已於二零零七年七月二十日獲董事局核准及授權刊發，並由下列董事代表董事局簽署：

Mok Yat Fan, Edmond

莫一帆

Executive Director & Chief Executive Officer

執行董事兼行政總裁

Lee Hon Chiu

李漢潮

Executive Director

執行董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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For the year ended 31 March 2007
截至二零零七年三月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔									
		Share capital	Share premium	Special reserve	Investment revaluation reserve	Share options reserve	Translation reserve	Accumulated (losses) profits	Sub-total	Minority interests	Total
		股本	股份溢價	特別儲備	投資重估儲備	購股權儲備	匯兌儲備	累計(虧損)溢利	小計	股東權益少數	合計
		HK\$'000	HK\$'000	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	千港元	千港元
At 1 April 2005	於二零零五年四月一日	288,350	278,434	(153,767)	1,521	-	(1,708)	(95,208)	317,622	7,365	324,987
Exchange difference arising from translation of foreign operations recognised directly in equity	直接於權益確認換算外國業務產生之匯兌差額	-	-	-	-	-	765	-	765	-	765
Decrease in fair value of available-for-sale investments	可供出售投資公平值減少	-	-	-	(846)	-	-	-	(846)	-	(846)
Net (expense) income recognised directly in equity	直接於權益確認之(開支)收入淨額	-	-	-	(846)	-	765	-	(81)	-	(81)
Profit for the year	年度溢利	-	-	-	-	-	-	100,902	100,902	179	101,081
Total recognised (expense) income for the year	年度確認(開支)收入總額	-	-	-	(846)	-	765	100,902	100,821	179	101,000
Recognition of equity-settled share-based payment expenses	確認為股份為基礎付款之開支	-	-	-	-	137	-	-	137	-	137
Issue of shares under scrip dividend scheme	根據以股代息計劃發行股份	2,629	(2,629)	-	-	-	-	-	-	-	-
Credit arising on scrip dividends	以股代息產生之進賬	-	-	-	-	-	-	3,313	3,313	-	3,313
Dividends paid	已付股息	-	-	-	-	-	-	(51,993)	(51,993)	-	(51,993)
Contribution from minority shareholders	少數股東出資	-	-	-	-	-	-	-	-	2,800	2,800
At 31 March 2006	於二零零六年三月三十一日	290,979	275,805	(153,767)	675	137	(943)	(42,986)	369,900	10,344	380,244
Exchange difference arising from translation of foreign operations recognised directly in equity	直接於權益確認換算外國業務產生之匯兌差額	-	-	-	-	-	1,360	-	1,360	-	1,360
Decrease in fair value of available-for-sale investments	可供出售投資公平值減少	-	-	-	(332)	-	-	-	(332)	-	(332)
Net (expense) income recognised directly in equity	直接於權益確認之(開支)收入淨額	-	-	-	(332)	-	1,360	-	1,028	-	1,028
Profit for the year	年度溢利	-	-	-	-	-	-	112,621	112,621	(11,587)	101,034
Total recognised (expense) income for the year	年度確認(開支)收入總額	-	-	-	(332)	-	1,360	112,621	113,649	(11,587)	102,062
Recognition of equity-settled share-based payment expenses	確認為股份為基礎付款之開支	-	-	-	-	1,088	-	-	1,088	-	1,088
Issue of shares under scrip dividend scheme	根據以股代息計劃發行股份	3,071	(3,071)	-	-	-	-	-	-	-	-
Issue of shares upon exercise of share options	因行使購股權而發行股份	750	994	-	-	(244)	-	-	1,500	-	1,500
Credit arising on scrip dividends	以股代息產生之進賬	-	-	-	-	-	-	5,472	5,472	-	5,472
Dividends paid	已付股息	-	-	-	-	-	-	(49,493)	(49,493)	-	(49,493)
Contribution from minority shareholders	少數股東出資	-	-	-	-	-	-	-	-	14,063	14,063
At 31 March 2007	於二零零七年三月三十一日	294,800	273,728	(153,767)	343	981	417	25,614	442,116	12,820	454,936

For the year ended 31 March 2007
截至二零零七年三月三十一日止年度

The special reserve of the Group includes the following:

- (a) an amount of HK\$1,000,000 representing the difference between the cost of acquisition of two subsidiaries and the nominal amount of their share capital at the date on which they were acquired by Paul Y. Engineering Holdings (B.V.I.) Limited ("PYE Holdings") before the reverse acquisition as mentioned in note (b) below; and
- (b) an amount of HK\$154,767,000 representing the reserve arising from the reverse acquisition of PYE Holdings and its subsidiaries (collectively referred to as "PYE Holdings Group"), net of refund from ex-shareholder of PYE Holdings for the shortfall in net asset value of PYE Holdings Group upon completion of the acquisition by the Company from PYI Corporation Limited, the ultimate holding company, of the entire equity interest in, and shareholders' loan to PYE Holdings Group in January 2005.

本集團之特別儲備包括以下項目：

- (a) 1,000,000港元之款項，即收購兩間附屬公司之成本與有關附屬公司於下文附註(b)所述反收購前被Paul Y. Engineering Holdings (B.V.I.) Limited (「PYE Holdings」)收購當日之股本面值之間的差額；及
- (b) 154,767,000港元之款項，即反收購PYE Holdings及其附屬公司(統稱「PYE Holdings集團」)產生之儲備，並扣除PYE Holdings前股東因本公司於二零零五年一月完成向最終控股公司保華集團有限公司收購PYE Holdings集團全部股本權益及股東貸款時PYE Holdings集團之資產淨值不足而支付之退款。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流動表

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For the year ended 31 March 2007
截至二零零七年三月三十一日止年度

	Notes	2007	2006
	附註	HK\$'000	HK\$'000
		千港元	千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	109,435	104,277
Adjustments for:	就下列項目進行調整：		
Finance costs	融資成本	7,454	3,315
Share of results of associates	攤佔聯營公司業績	(73,832)	(2,778)
Share of results of jointly controlled entities	攤佔共同控制機構業績	642	(26)
Loss on disposal of subsidiaries	出售附屬公司之虧損	-	4,456
Release of prepaid land lease payments	撥回預付土地租賃款項	575	575
Depreciation of property, plant and equipment	物業、機械及設備之折舊	7,029	14,291
Share-based payment expenses	以股份為基礎付款之開支	1,088	137
Loss on disposal of investments held-for-trading	出售持作買賣投資之虧損	-	3,951
Interest income	利息收入	(33,740)	(14,571)
Loss (gain) on disposal of property, plant and equipment	出售物業、機械及設備之虧損(收益)	982	(21,057)
Operating cash flows before movements in working capital	未計營運資金變動前之經營業務現金流量	19,633	92,570
Change in amounts due from (to) customers for contract works, net of attributable interest expenses and depreciation	應收(付)客戶合約工程款項變動，並扣除應計利息開支及折舊	553,473	23,017
Increase in debtors, deposits and prepayments	應收賬款、訂金及預付款項增加	(436,205)	(245,836)
Decrease (increase) in amounts due from related companies	應收關連公司款項減少(增加)	1,639	(162)
Increase in investments held-for-trading	持作買賣投資增加	-	(3,951)
Increase in amounts due from associates	應收聯營公司款項增加	(3,347)	(41,513)
Decrease in amounts due from jointly controlled entities	應收共同控制機構款項減少	7	408
(Increase) decrease in amounts due from fellow subsidiaries	應收同系附屬公司款項(增加)減少	(8,733)	2,857
Increase in creditors and accrued expenses	應付賬款及應計開支增加	16,469	104,093
Increase in amounts due to related companies	應付關連公司款項增加	2,906	-
Decrease in amounts due to associates	應付聯營公司款項減少	(97)	(783)
Decrease in amount due to a jointly controlled entity	應付共同控制機構款項減少	-	(20,766)
Increase in amounts due to minority shareholders	應付少數股東款項增加	1,041	-
(Decrease) increase in amount due to a fellow subsidiary	應付同系附屬公司款項(減少)增加	(18,914)	16,890
Cash generated from (used in) operations	來自(用於)經營業務之現金	127,872	(73,176)
Hong Kong Profits Tax refunded	已退回香港利得稅	-	4,175
Hong Kong Profits Tax paid	已付香港利得稅	(3,296)	(2,296)
Overseas tax paid	已付海外稅項	(892)	-
NET CASH FROM (USED IN) OPERATING ACTIVITIES	來自(用於)經營業務之現金淨額	123,684	(71,297)

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綜合現金流動表

For the year ended 31 March 2007
截至二零零七年三月三十一日止年度

	Notes 附註	2007 HK\$'000 千港元	2006 HK\$'000 千港元
INVESTING ACTIVITIES			
投資業務			
Decrease (increase) in pledged bank deposits	已抵押銀行存款減少(增加)	33,521	(76,122)
Interest received	已收利息	11,145	9,231
Dividend received from associates	已收聯營公司股息	4,789	–
Decrease in deferred consideration receivable	應收遞延代價減少	4,000	–
Proceeds from disposal of property, plant and equipment	出售物業、機械及設備所得款項	1,077	50,103
Proceeds from disposal of other intangible assets	出售其他無形資產所得款項	115	–
Additions to property, plant and equipment	物業、機械及設備增加	(22,893)	(7,142)
Acquisition of interest in an associate	收購一間聯營公司之權益	(161)	(3,900)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	收購附屬公司(扣除所收購之現金及與現金等值項目)	–	(193)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	–	4,000
Additions to other intangible assets	其他無形資產增加	–	(355)
Dividend received from a jointly controlled entity	已收一間共同控制機構股息	–	7,000
NET CASH FROM (USED IN) INVESTING ACTIVITIES	來自(用於)投資業務之現金淨額	31,593	(17,378)
FINANCING ACTIVITIES			
融資活動			
Bank borrowings raised	新造銀行借款	210,732	347,304
Contribution from minority shareholders	少數股東出資	14,063	2,800
Repayment of bank borrowings	償還銀行借款	(297,563)	(235,000)
Dividend paid	已付股息	(44,021)	(48,680)
Interest paid	已付利息	(10,761)	(6,000)
Proceeds from issue of shares	發行股份所得款項	1,500	–
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(用於)來自融資活動之現金淨額	(126,050)	60,424
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	現金及與現金等值項目增加(減少)淨額	29,227	(28,251)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	1,028	517
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	現金及與現金等值項目承前	304,689	332,423
CASH AND CASH EQUIVALENTS CARRIED FORWARD	現金及與現金等值項目結轉	334,944	304,689
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	311,606	232,402
Bank balances and cash	銀行結餘及現金	43,770	72,287
Bank overdrafts	銀行透支	(20,432)	–
		334,944	304,689

1. GENERAL

The Company is an exempted company incorporated in Bermuda with limited liability. Its shares are listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). Its immediate holding company is Paul Y. Investments Limited, a company incorporated in Hong Kong and its ultimate holding company is PVI Corporation Limited ("PVI"), a company incorporated in Bermuda with its shares listed on the Hong Kong Stock Exchange. The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporation Information" section to the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company is an investment holding company. The activities of its principal subsidiaries, associates and jointly controlled entity are set out in note 44.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations (collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") which are either effective for accounting periods beginning on or after 1 December 2005, 1 January 2006 or 1 March 2006. The adoption of the new HKFRSs has had no material effect on how the results and the financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new and revised standards, amendment, interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards, amendment or interpretations will have no material impact on how the results and financial position of the Group are prepared and presented. However, the directors are not yet in a position to determine whether HKFRS 8 would have a significant impact on how the disclosure of segmental information are presented.

1. 一般資料

本公司乃一家於百慕達註冊成立之受豁免有限公司，股份於香港聯合交易所有限公司（「香港聯交所」）上市。其直接控股公司為Paul Y. Investments Limited（於香港註冊成立之公司），而其最終控股公司為保華集團有限公司（「PVI」，於百慕達註冊成立之公司），其股份於香港聯交所上市。本公司之註冊辦事處及主要營業地點之地址於年報「公司資料」一節中披露。

綜合財務報表以港元呈列，港元亦為本公司之功能貨幣。

本公司為一家投資控股公司，其主要附屬公司、聯營公司及共同控制機構之業務載於附註 44。

2. 應用新訂及經修改香港財務報告準則

於本年度，本集團首次應用由香港會計師公會頒佈之多項新訂準則、修訂及詮釋（統稱「新訂香港財務報告準則」），此類準則適用於二零零五年十二月一日、二零零六年一月一日或二零零六年三月一日或以後開始之會計期間。採納新訂香港財務報告準則並無對現行及以往會計期間之業績及財務狀況之編製及呈列方式造成重大影響。因此，無需作出前期調整。

本集團並未提早應用下列已頒佈惟尚未生效之新訂及經修改準則、修訂及詮釋。本公司董事估計，應用該等準則、修訂及詮釋，不會對本集團之業績及財務狀況之編製及呈列造成重大影響。然而，董事並未能決定香港財務報告準則第8號會否對披露分部資料時之呈列方式產生重大影響。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

HKAS 1 (Amendment)	Capital Disclosures ¹
HKAS 23 (Revised)	Borrowing Costs ²
HKFRS 7	Financial Instruments: Disclosures ¹
HKFRS 8	Operating Segments ²
HK(IFRIC) – INT 8	Scope of HKFRS 2 ³
HK(IFRIC) – INT 9	Reassessment of Embedded Derivatives ⁴
HK(IFRIC) – INT 10	Interim Financial Reporting and Impairment ⁵
HK(IFRIC) – INT 11	HKFRS 2 – Group and Treasury Share Transactions ⁶
HK(IFRIC) – INT 12	Service Concession Arrangements ⁷

¹ Effective for annual periods beginning on or after 1 January 2007.

² Effective for annual periods beginning on or after 1 January 2009.

³ Effective for annual periods beginning on or after 1 May 2006.

⁴ Effective for annual periods beginning on or after 1 June 2006.

⁵ Effective for annual periods beginning on or after 1 November 2006.

⁶ Effective for annual periods beginning on or after 1 March 2007.

⁷ Effective for annual periods beginning on or after 1 January 2008.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values, and in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company, its subsidiaries. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefit from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

2. 應用新訂及經修改香港財務報告準則(續)

香港會計準則 第1號(修訂)	資本披露 ¹
香港會計準則 第23號(經修改)	借貸成本 ²
香港財務報告 準則第7號	金融工具：披露 ¹
香港財務報告 準則第8號	經營分部 ²
香港(國際詮釋委員會) — 詮釋第8號	香港財務報告準則第2號 之範疇 ³
香港(國際詮釋委員會) — 詮釋第9號	重新評估嵌入式衍生 工具 ⁴
香港(國際詮釋委員會) — 詮釋第10號	中期財務報告及減值 ⁵
香港(國際詮釋委員會) — 詮釋第11號	香港財務報告準則第2號 — 集團及財資股份交易 ⁶
香港(國際詮釋委員會) — 詮釋第12號	服務特許安排 ⁷

¹ 由二零零七年一月一日或以後開始之全年期間生效

² 由二零零九年一月一日或以後開始之全年期間生效

³ 由二零零六年五月一日或以後開始之全年期間生效

⁴ 由二零零六年六月一日或以後開始之全年期間生效

⁵ 由二零零六年十一月一日或以後開始之全年期間生效

⁶ 由二零零七年三月一日或以後開始之全年期間生效

⁷ 由二零零八年一月一日或以後開始之全年期間生效

3. 主要會計政策

除若干金融工具按公平值估量外，綜合財務報表乃根據歷史成本法及按照香港會計師公會頒佈之香港財務報告準則編製。另外，綜合財務報表內已包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例所規定之適用披露。

綜合基準

綜合財務報表包括本公司及其控制機構（即附屬公司）之財務報表。本公司具權力影響該機構之財務及經營政策，藉以從其活動中獲利，即視作取得其控制權。

年內收購或出售附屬公司之業績乃由實際收購日期起或至實際出售日期止（視情況而定）計入綜合收益表中。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combination

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", which are recognised and measured at fair value less costs to sell.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

3. 主要會計政策(續)

綜合基準(續)

有需要時，附屬公司之財務報表將予調整，以使其會計政策與本集團其他成員公司一致。

所有集團內公司間之交易、結餘、收益及開支在綜合財務報表時均予以對銷。

少數股東權益於附屬公司之淨資產與本集團之股本權益分開呈列。少數股東權益包括業務合併當日應佔金額及自合併後少數股東應佔權益之變動。倘少數股東所佔之虧損超越少數股東於附屬公司應佔之股本權益，除非該少數股東須受約束性責任及有能力支付額外資金以彌補附屬公司之虧損，否則該虧損餘額應由本集團承擔。

業務合併

收購附屬公司時採用購買會計法入賬。收購成本按交換當日所給予之資產、所產生和承擔之負債，以及本集團為控制被收購公司而已發行股本工具之公平值，另加業務合併直接應佔之任何成本計量。被收購公司之可辨別資產、負債及或然負債如符合香港財務報告準則第3號「業務合併」之確認條件，均以收購日之公平值予以確認，惟按照香港財務報告準則第5號「持作出售非流動資產及已終止經營業務」列作持作出售者則按公平值減出售成本確認及計量。

物業、機械及設備

物業、機械及設備按成本減累計折舊及累計減值虧損列賬。

物業、機械及設備按其估計可使用年期並考慮到其估計剩餘價值後以直線法折舊以撇銷其成本。

物業、機械及設備於出售或預期繼續使用該資產時並無未來經濟利益時終止確認。因終止確認資產而產生的盈虧(按該項目之出售所得款項淨額與其賬面值之差額計算)於終止確認該項目當年的綜合收益表內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Prepaid land lease payments

The up-front payments to acquire leasehold interest in land are accounted for as operating leases and are stated at cost and amortised over the lease term on a straight line basis.

Goodwill

Goodwill arising on an acquisition of a subsidiary for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary at the date of acquisition. Such goodwill was capitalised and amortised on straight line basis over its estimated useful life in previous periods. The Group has discontinued amortising such goodwill from 1 April 2005 onwards, and goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired.

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the balance sheet.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

3. 主要會計政策(續)

預付土地租賃款項

購置租賃土地權益之預付款項乃列為經營租賃，以成本入賬及按直線法於租賃期內攤銷。

商譽

收購附屬公司(協議日期為於二零零五年一月一日前)而產生之商譽乃指收購成本超出本集團佔收購日期附屬公司可辨認資產及負債公平值之差額。該商譽乃被資本化，並在過往按估計可使用年期以直線法攤銷。本集團由二零零五年四月一日起停止攤銷該商譽，改為每年對商譽進行一次減值測試，並在有跡象顯示與商譽有關之產生現金單位出現減值時隨時進行減值評估。

就減值測試而言，收購所產生之商譽乃被分配到各有關產生現金單位，或產生現金單位之組別，預期彼等從收購之協同效應中受益。已獲分配商譽之產生現金單位每年及凡單位有可能出現減值之跡象時進行減值測試。就於某個財政年度之收購所產生之商譽而言，已獲分配商譽之產生現金單位於該財政年度完結前進行減值測試。當產生現金單位之可收回金額少於該單位之賬面值，則減值虧損須予分配，削減首先分配到該單位，及其後以單位各資產之賬面值為基準按比例分配到該單位之其他資產之任何商譽之賬面值。商譽之任何減值虧損乃直接於綜合收益表內確認。商譽之減值虧損於其後期間不予撥回。

已撥充資本之收購附屬公司產生之商譽另行於資產負債表呈列。

其後出售附屬公司，則被資本化之商譽之應佔金額於出售時計入釐定損益之金額。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Interests in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

Where a group entity transacts with an associate of the Group, unrealised profits and losses are eliminated to the extent of the Group's interest in the relevant associate, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

Interests in jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interest that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

When a group entity transacts with a jointly controlled entity of the Group, unrealised profits or losses are eliminated to the extent of the Group's interest in the relevant jointly controlled entity, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

3. 主要會計政策(續)

聯營公司權益

聯營公司指投資者對其具有重大影響力之機構，而此機構既非附屬公司亦非合營企業權益。

聯營公司之業績及資產及負債均採用權益會計法計入綜合財務報表。根據權益法，於聯營公司投資乃按成本值於綜合資產負債表列賬，並就本集團應佔聯營公司資產淨值(扣除任何已識別之減值虧損)之收購後變動作出調整。如本集團之應佔聯營公司虧損相等於或超過其於聯營公司之權益(包括實質上構成本集團於聯營公司淨投資之任何長期權益)，則本集團終止確認其應佔之進一步虧損。如本集團已產生法定或推定責任或代表聯營公司支付款項，則就額外應佔虧損作出撥備及確認負債。

如集團實體與本集團之聯營公司進行交易，則未變現損益將以本集團於相關聯營公司之權益為限進行對銷，惟若該未變現虧損為所轉讓資產提供減值理據，則予以全數確認。

共同控制機構權益

共同控制機構指以合資安排另行成立之獨立機構，其合資方共同監控該機構之經濟活動者。

共同控制機構之業績及資產及負債均採用權益會計法計入綜合財務報表。根據權益法，於共同控制機構投資乃按成本值於綜合資產負債表列賬，並就本集團應佔共同控制機構資產淨值(扣除任何已識別之減值虧損)之收購後變動作出調整。如本集團之應佔共同控制機構虧損相等於或超過其於共同控制機構之權益(包括實質上構成本集團於共同控制機構淨投資之任何長期權益)，則本集團終止確認其應佔之進一步虧損。如本集團已產生法定或推定責任或代表共同控制機構支付款項，則就額外應佔虧損作出撥備及確認負債。

集團實體與本集團之共同控制機構進行交易時，未變現損益按本集團於共同控制機構之權益為限對銷，惟若未變現虧損乃所轉讓資產出現減值之跡象時，則確認全額虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Other intangible assets

On initial recognition, intangible assets acquired separately, other than from business combinations, are recognised at cost. After initial recognition, other intangible assets with indefinite useful lives are carried at cost less any accumulated impairment loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

Other intangible assets with indefinite useful lives are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. If the recoverable amount of other intangible assets is estimated to be less than its carrying amount, the carrying amount of the other intangible assets is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of other intangible assets is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for those other intangible assets in prior years. A reversal of an impairment loss is recognised as income immediately.

Impairment (other than goodwill)

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Construction contracts

When the outcome of a construction contract can be estimated reliably, contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the balance sheet date on the same basis as contract revenue. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred. Variations in contract work and claims are included to the extent that they have been agreed with the customer. Provision is made for foreseeable losses as soon as they are anticipated by management.

3. 主要會計政策(續)

其他無形資產

於首次確認時，無形資產乃獨立購入(不包括業務合併)時按成本確認。於首次確認後，具無限期可使用年期之其他無形資產按成本減任何累計減值虧損列賬。

終止確認無形資產所產生盈虧，按出售所得款項淨額與資產賬面值之差額計算，並於終止確認該資產時在綜合收益表中確認。

無限期使用年期的其他無形資產，是以其賬面價值與其可收回款額作出比對，來測試其每年的減值，這項測試不會考慮是否對它們有任何可能減值的意向。如果其他無形資產的可收回款額估計少於其賬面值，其他無形資產的賬面值會減至其可收回款額。減值虧損即時確認為開支。

倘減值虧損隨後撥回，其他無形資產之賬面值會增加至其可收回款額之重新估計值，惟增加後之賬面值不能超過該資產倘於過往年度並無確認減值虧損之賬面金額。減值虧損之撥回即時確認為收入。

減值(不包括商譽)

於每一結算日，本集團審閱其資產之賬面值，以便確定是否有任何跡象顯示該等資產蒙受減值虧損。倘一項資產之可收回款額估計少於其賬面值，則該項資產之賬面值將撇減至其可收回款額。減值虧損即時確認為開支。

倘減值虧損隨後撥回，則該項資產之賬面值將增加至可收回款額之經修訂估計數額，惟增加後之賬面值不得超過倘於過往年度並無確認減值虧損所計算之賬面值。撥回之減值虧損即時確認為收入。

工程合約

倘工程合約之結果可確實地予以估計，則工程費用參考合約於結算日之完成階段(與工程收入之基準相同)確認為開支。倘工程合約之結果不可確實地予以估計，則工程費用在產生之期間確認為開支。合約工程及申索之估值計至彼等於客戶協定之數額。倘管理層估計有可預見虧損，則會為此提撥準備。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Construction contracts (continued)

Where contract costs incurred to date plus recognised profit less recognised loss exceed progress billings, the excess is shown as amount due from a customer for contract work. Where progress billings exceed contract costs incurred to date plus recognised profit less recognised loss, the excess is shown as amount due to a customer for contract work.

Revenue recognition

Revenue from a construction contracts is recognised on the percentage of completion method, measured by reference to the value of work certified during the year.

Project management service income and facilities management service income are recognised when services are provided.

Dividend income from investments is recognised when the Group's right to receive payment has been established.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalisation.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense or capitalised in contracts in progress, where appropriate, when employees have rendered service entitling them to the contributions.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight line basis.

3. 主要會計政策(續)

工程合約(續)

倘現時之工程費用加經確認溢利減經確認虧損超出進度付款，則盈餘以應收客戶合約工程款項呈示。倘進度付款超出現時之工程費用加經確認溢利減經確認虧損，則盈餘以應付客戶合約工程款項呈示。

收入確認

來自工程合約之收入乃按竣工百分比方法，並參考年內已核實工程價值確認。

項目管理服務收入及設施管理服務收入於提供服務時確認。

投資之股息收入於本集團收取股息之權利確立時確認。

利息收入按時間比例以尚未償還之本金額及適用之實際利率入賬。實際利率為於金融資產預期可使用年內實際上將估計未來現金收益貼現至該項資產之淨賬面值之比率。

借貸成本

與符合條件資產(需一段頗長時間方可提供作擬定用途或銷售之資產)之收購、建築或生產直接有關之借貸成本，乃撥作該等資產之部份成本。於資產大致上可供作擬定用途或銷售後，該等借貸成本便不再撥作資本。特定借貸於撥作符合條件資產之支出前用作短暫投資所賺取之投資收入，會自撥作資本之借貸成本中扣除。

其他一切借貸成本在產生之期間內確認為開支。

退休福利成本

定額供款退休福利計劃之款額於僱員提供合資格獲取該供款之服務時列作開支或於適當時撥充在建合約工程資本。

租約

倘租約條款將擁有權之絕大部份風險及收益轉讓予承租人，則租約被分類為融資租約。所有其他租約被分類為經營租約。

根據經營租約應付租金於有關租約年期按直線基準在收益表扣除。訂立經營租約時已收及應收作為獎勵之利益，於租約年期按直線基準扣減租金開支。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Taxation represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 主要會計政策(續)

稅項

稅項指現時應付稅項及遞延稅項。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合收益表中所報溢利淨額不同，乃由於前者不包括在其他年度應課稅收入或可扣稅開支項目，並且不包括從來不需課稅或不獲扣稅之項目。本集團之本期稅項負債乃按於結算日前已頒佈或實質頒佈之稅率計算。

遞延稅項乃按綜合財務報表中之資產及負債賬面值及計算應課稅溢利相應稅基之差額確認，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時提撥。若於一項交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致之臨時差額既不影響應課稅溢利，亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項資產之賬面值乃於各結算日審閱並調減，幅度以不再可能有足夠應課稅溢利備抵全部或部分將收回資產。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於綜合收益表中扣除或計入綜合收益表。惟倘遞延稅項與直接在股本權益中扣除或計入股本權益之項目有關，則遞延稅項亦會於股本權益中處理。

外幣

編製集團旗下個別實體之財務報表時，以該實體之功能貨幣以外貨幣(外幣)進行之交易，按交易日期之適用匯率折算為其功能貨幣(即該實體經營業務所在主要經濟環境之貨幣)入賬。於各結算日，以外幣列值之貨幣項目按該結算日之適用匯率重新換算。按公平值入賬之以外幣列值之非貨幣項目，按釐定其公平值當日之適用匯率重新換算。按歷史成本計量之以外幣列值非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目所產生匯兌差額，於該等差額產生期間之損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are classified as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

The Group's financial assets are classified as loans and receivables, and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. The accounting policies adopted are set out below:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (comprising deferred consideration receivable, debtors, loan receivable, loan to a related company, amounts due from related companies/associates/jointly controlled entities/fellow subsidiaries, pledged bank deposits, short term bank deposits and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment loss. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 主要會計政策(續)

外幣(續)

就綜合財務報表之呈列方式而言，本集團海外業務之資產與負債按於結算日適用之匯率換算為本公司之呈列貨幣(即港元)，而其收入及開支則按該年度之平均匯率換算，惟匯率於該期間大幅波動則除外，於此情況下，則按各交易日期適用之匯率換算。產生之匯兌差額(如有)確認為權益之獨立部分(匯兌儲備)。該等匯兌差額於出售海外業務期間之損益確認。

金融工具

金融資產及金融負債於集團實體成為訂約提供工具之一方時於資產負債表確認。金融資產及金融負債初步以公平值計量。購置或發行金融資產及金融負債時直接產生之交易成本於初步確認時加進或扣減該金融資產及金融負債(視情況而定)之公平值。

金融資產

本集團之金融資產分類為「貸款及應收款項」及「可供出售之金融資產」。所有金融資產之日常買賣乃按交易日基準確認及終止確認。日常買賣指須根據市場規則或慣例確立之時限內交付資產之金融資產買賣。所採納之會計政策載列於下文：

貸款及應收款項

貸款及應收款項為於活躍市場並無報價而附帶固定或可釐定付款之非衍生金融資產。於首次確認後之各結算日，貸款及應收款項(包括應收遞延代價、應收賬款、應收貸款、貸予關連公司之貸款、應收關連公司/聯營公司/共同控制機構/同系附屬公司款項、已抵押銀行存款、短期銀行存款及銀行結餘)採用實際利率法攤銷成本，並減任何已識別減值虧損列賬。倘有客觀證據顯示資產出現減值，則減值虧損會於損益賬確認，並按資產賬面值與按原實際利率貼現之估計未來現金流量現值之差額計算。倘資產可收回金額之增幅能客觀地涉及確認減值後所發生之事件，則減值虧損會於以後期間撥回，惟減值撥回當日之資產賬面值不得超過如無確認減值時之原來應攤銷成本。

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3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in profit or loss in subsequent periods.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

The Group's financial liabilities (comprising creditors, amounts due to related companies/associates/minority shareholder/a fellow subsidiary and bank borrowings) are measured at amortised cost, using the effective interest method, subsequent to initial recognition.

Financial guarantee contract

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designed as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 "Revenue".

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

可供出售之金融資產

可供出售之金融資產為非衍生項目，無論是否劃分為按公平值計入損益之金融資產、貸款及應收款項或持至到期投資。於初步確認後各結算日，可供出售之金融資產按公平值計算。公平值之變動於權益確認，直至該金融資產被出售或決定被減值，屆時過往於權益確認之累計收入或虧損會自權益剔除，並於損益賬中確認。可供出售之金融資產之任何減值虧損於損益賬中確認。可供出售之資本投資之減值虧損將不會於以後期間於損益賬中撥回。

金融負債及股本權益

由集團實體發行之金融負債及股本權益工具按所訂立之合約安排性質，以及金融負債及股本權益工具之定義而分類。

股本權益工具為帶有集團實體資產剩餘權益(經扣除其所有負債)之任何合約。本公司所發行之股本權益工具乃按所收取款項減直接發行成本列賬。

本集團之金融負債(包括應付賬款、應付關連公司、聯營公司/少數股東/同系附屬公司款項，以及銀行借款)乃於初始確認後按攤銷成本以實際利率法計量。

金融擔保合約

金融擔保合約指要求發行人作出特定付款，以補償持有人因特定債務人未能按照債務票據原有或經修訂條款支付到期應付款項而造成之損失。本集團發出之金融擔保合約並非設計成按公平價值計入損益賬是於初次按其公平值減發行金融擔保合約直接應佔交易成本確認。初步確認後，本集團會按以下較高者計量金融擔保合約：(i)按照香港會計準則第37號「撥備、或然負債及或然資產」釐定之款額；及(ii)按照香港會計準則第18號「收益」初步確認之款額減(視何者適用)累計攤銷。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

For financial liabilities, they are removed from the Group's balance sheet when, and only when, they are extinguished (i.e. when the obligation specified in the relevant contract is discharged, cancelled or expires). The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

Share-based payment transactions

For share options granted to employees of the Group after 7 November 2002, the fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight line basis over the vesting period, with a corresponding increase in equity (share options reserve). At each balance sheet date, the Group revises its estimates of the number of share options expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss, with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated profits.

3. 主要會計政策 (續)

金融工具 (續)

終止確認

當自金融資產收取現金流量之權利已屆滿，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值與已收代價及已直接於權益確認之累計損益之總和之間差額，將於損益賬中確認。

至於金融負債，則於終止時（即於有關合約所訂明責任獲解除、取消或屆滿時）於本集團之資產負債表中終止確認。終止確認金融負債之賬面值與已付或應付代價之間差額於損益賬確認。

以股份為基礎付款之交易

就於二零零二年十一月七日後授予本集團僱員之購股權而言，所獲服務之公平值乃參考購股權於授出日期之公平值釐定，在權益歸屬期間以直線法列作開支，並於權益中（購股權儲備）作相應之增加。於各結算日，本集團會修改其對預期最終歸屬購股權數目之估計。修改原估計之影響（如有）於損益確認，並於購股權儲備作相應調整。

購股權獲行使時，先前於購股權儲備中確認之款項將撥入股份溢價。當購股權被沒收或於屆滿日期仍未行使，先前於購股權儲備中確認之款項將撥入累計溢利。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies, management has made various estimates based on past experience, expectations of the future and other information. The key sources of estimation uncertainty that may significantly affect the amounts recognised in the consolidated financial statements are disclosed below:

(a) Deferred tax asset

At 31 March 2007, a deferred tax asset in relation to unused tax losses of HK\$333,982,000 has not been recognised in the Group's balance sheet due to unpredictability of future profit streams. In cases where the actual future profits generated are more than expected, a deferred tax credit would be recognised in the consolidated income statement in the period in which the tax losses are utilised.

(b) Construction contracts

The Group recognises contract revenue and profit on a construction contract according to the management's estimation of the total outcome of the project as well as the percentage of completion of construction works. Notwithstanding that the management reviews and revises the estimates of both contract revenue and costs for the construction contract as the contract progresses, the actual outcome of the contract in terms of its total revenue and costs may be higher or lower than the estimates and this will affect the revenue and profit recognised.

5. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The risks associated with the Group's major financial instruments and the policies on how to mitigate these risks are set out below:

Cash flow interest rate risk

The Group's bank borrowings and bank deposits are carried at floating rate based on the market rates and are therefore exposed to cash flow interest rate risk. The Group currently does not use interest rate swap to swap its borrowings from floating rates to fixed rates as the management believes that changes in the interest rate will not have a significant impact on the Group's financial position. However, management monitors closely the interest rate exposure and will consider using interest rate swaps should the need arise.

Currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. However, because group entities mainly transact in their respective functional currencies, the exposure of the Group to foreign currency risk is considered to be minimal.

4. 不確定估計之主要來源

應用本集團之會計政策時，管理層根據過往經驗、對未來之期望及其他資料作出多項估計。可能對在綜合財務報表內確認之數額具重大影響之不確定估計之主要來源披露如下：

(a) 遞延稅項資產

於二零零七年三月三十一日，由於未能確定未來溢利來源，未動用之稅項虧損333,982,000港元並無於本集團之資產負債表內確認為遞延稅項資產。若將來產生之實際溢利比預期多，將於動用該稅項資產時於綜合收益表中確認遞延稅務抵免。

(b) 建築合約

本集團乃根據管理層對項目總結果之估計乃至合約工程完工百分比確認建築合約之合約收益及利潤。儘管管理層會在合約過程中檢討並修改建築合約之合約收益及成本，合約就總收益及成本之實際結果可能高於或低於有關估計，而此將影響確認之收益及利潤。

5. 金融工具

(a) 金融風險管理目標及政策

本集團主要金融工具所附帶之主要風險及減輕此等風險之政策載列如下：

現金流利率風險

本集團之銀行借款及銀行存款附帶淨動利率，以市場利率為基準，故須承受現金流量利率風險。本集團現時並無利用利率掉期交易，將其借貸由浮息轉為定息，此乃因為管理層相信利率變動對本集團之財政狀況不會產生重大影響。然而，管理層正密切監察利率風險，並會於有需要時考慮採用利率掉期交易。

匯兌風險

匯兌風險即金融工具價值可能因外幣匯率變動而出現波動之風險。然而，因集團公司主要於各自之功能貨幣進行交易，本集團所承受之外匯風險可說微不足道。

5. FINANCIAL INSTRUMENTS (continued)

(a) Financial risk management objectives and policies (continued)

Credit risk

The Group's principal financial assets are debtors, pledged bank deposits, short term bank deposits, and bank balances.

The credit risk on pledged bank deposits, short term bank deposits and bank balances is limited because the counterparties are banks with good reputation.

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge obligations by the counterparties is in relation to:

- the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet; and
- the amount of contingent liabilities as disclosed in note 39.

In order to minimise the credit risk, management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual debtor to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Due to the fact that there are only a few major property developers in Hong Kong, the Group has significant concentration of credit risk in a few customers and significant concentration of credit risk by geographic location in Hong Kong. In view of their credit standings, good payment record in the past and long term relationships with the Group, the directors of the Company consider that the Group's credit risk is minimal. At the balance sheet date, the outstanding balances from the five largest customers amounted to approximately HK\$541,617,000.

Liquidity risk

The objective of the Group is to maintain a balance between the continuity of funding and the flexibility through the use of bank borrowings. In addition, banking facilities have been put in place for general funding purposes.

5. 金融工具(續)

(a) 金融風險管理目標及政策(續)

信貸風險

本集團之主要金融資產為應收賬款、已抵押銀行存款、短期銀行存款及銀行結餘。

由於交易對手均屬信譽卓著之銀行，故已抵押銀行存款、短期銀行存款及銀行結餘之信貸風險有限。

交易對手未能履行義務，本集團所承受將對集團造成財務損失之最大信貸風險乃關於：

- 綜合資產負債表所列各已確認金融資產之賬面值；及
- 附註39所披露之或然負債額。

為降低信貸風險，本集團管理層已委派一小組專責釐定信貸限額、信貸審批及其他監管程序，確保就追回過期欠款採取跟進措施。另外，本集團會定期覆核各個別債務人之可收回款額，確保就未能收回之款項作出恰當減值。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

由於香港只有少數大型物業發展商，本集團就客戶而言及香港地區而言有重大信貸集中風險。鑒於彼等客戶信譽穩健、過去付款記錄良好及與本集團有長期關係，故本公司董事認為本集團之信貸風險微不足道。於結算日，五大客戶之未償還結餘約為541,617,000港元。

資金流動風險

本集團致力透過銀行借款，令資金存續性及靈活性保持平衡。另外，銀行信貸已用作一般資金用途。

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5. FINANCIAL INSTRUMENTS (continued)

(b) Fair value

The fair value of the Group's financial assets and financial liabilities, other than available-for-sale investments, are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

Available-for-sale investments are stated at fair value by reference to bid prices quoted in active market.

The directors consider that the carrying amounts of the Group's principal financial assets and financial liabilities (including deferred consideration receivable, debtors, loan receivable, loan to a related company, pledged bank deposits, short term bank deposits, bank balances, creditors, amounts due from (to) related companies/associates/jointly controlled entities/minority shareholders/fellow subsidiaries, and bank borrowings) recorded at amortised cost in the financial statements approximate their fair values.

6. TURNOVER

Turnover represents the total value of contract work certified, the gross proceeds received and receivable from project management services in connection with contract work, and service income from facilities management rendered by the Group during the year and is analysed as follows:

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Revenue from construction contracts	建築合約收益	4,325,799	3,076,154
Project management service income	項目管理服務收入	9,375	26,776
Facilities management service income	設施管理服務收入	24,155	6,946
		4,359,329	3,109,876

5. 金融工具 (續)

(b) 公平值

除可供出售投資外，本集團金融資產及金融負債之公平值乃按照普遍接納定價模式，按可觀察現市場交易價格以貼現現金流量分析法釐定。

可供出售投資參考活躍市場競價按公平值列賬。

本集團各主要金融工具 (包括應收遞延代價、應收賬款、應收貸款、貸予關連公司貸款、已抵押銀行存款、短期銀行存款、銀行結餘、應付賬款、應收(付)關連公司/聯營公司/共同控制機構/少數股東/同系附屬公司款項及銀行借貸) 於財務報表/按以攤銷成本入賬之賬面值與其公平值相若。

6. 營業額

營業額指年內經核實之建築合約總值以及本集團就其合約工程提供項目管理服務而收取及應收取之款項總額，以及來自設施管理之服務收入，分析如下：

7. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group's operations are currently organised into three operating divisions namely management contracting, project management and facilities management. These divisions are the basis on which the Group reports its primary segment information.

In the previous years, the Group's operations were organised into four operating segments, namely building construction, civil engineering, project management and facilities management. During the year, management has reorganised the operating segments by grouping the building construction and civil engineering segments into the management contracting segment as a result of change in the Group's internal organisational and management structure. Comparative segment information has been restated accordingly.

Business segment information for the year ended 31 March 2007 is presented below:

		Management contracting 承建管理 HK\$'000 千港元	Project management 項目管理 HK\$'000 千港元	Facilities management 設施管理 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
TURNOVER	營業額						
External sales	對外銷售	4,325,799	9,375	24,155	–	–	4,359,329
Inter-segment sales	分部之間銷售	1,596	12,215	472	–	(14,283)	–
Total	總計	4,327,395	21,590	24,627	–	(14,283)	4,359,329
RESULTS	業績						
Segment results	分部業績	58,733	2,797	(3,008)	–	–	58,522
Unallocated corporate expenses	未分配企業開支						(48,563)
Other income	其他收入						33,740
Finance costs	融資成本						(7,454)
Share of results of associates	攤佔聯營公司業績						
– an associate engaged in property investment	– 一間從事物業投資之聯營公司	–	–	–	71,852	–	71,852
– others	– 其他	1,299	681	–	–	–	1,980
Share of results of jointly controlled entities	攤佔共同控制機構業績	(642)	–	–	–	–	(642)
Profit before taxation	除稅前溢利						109,435
Taxation	稅項						(8,401)
Profit for the year	年度溢利						101,034

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

分部之間銷售額乃按市價收取或(倘無可供參考之市價)按雙方釐定及同意之條款收取。

7. 業務及地區分部

業務分部

就管理而言，本集團之業務現時分為三個經營分部，分別為承建管理、項目管理及設施管理。此等部門為本集團匯報其主要分部資料之基準。

於上年度，本集團之業務乃分為四個經營分部，分別為樓宇建造、土木工程、項目管理及設施管理。年內，因應本集團內部結構及管理架構變動，管理層將其經營分部重組，方式為將樓宇建造及土木工程分部劃入承建管理分部。分部比較資料因而重列。

截至二零零七年三月三十一日止年度之業務分部資料呈列如下：

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7. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

7. 業務及地區分部(續)

業務分部(續)

		Management contracting 承建管理 HK\$'000 千港元	Project management 項目管理 HK\$'000 千港元	Facilities management 設施管理 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產					
Segment assets	分部資產	1,966,433	23,329	4,246	37,540	2,031,548
Interests in associates	聯營公司權益	29,038	3,376	–	76,541	108,955
Interests in jointly controlled entities	共同控制機構權益	1,928	–	–	–	1,928
Unallocated corporate assets	未分配企業資產					418,940
Total assets	總資產					2,561,371
LIABILITIES	負債					
Segment liabilities	分部負債	1,844,278	1,845	2,265	–	1,848,388
Unallocated corporate liabilities	未分配企業負債					258,047
Total liabilities	總負債					2,106,435
OTHER INFORMATION	其他資料					
Capital additions	資本增添	19,418	46	1,300	2,129	22,893
Depreciation of property, plant and equipment	物業、機械及設備之折舊	5,853	4	169	1,003	7,029
Loss on disposal of property, plant and equipment	出售物業、機械及設備之虧損	979	–	–	3	982

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

Business segment information for the year ended 31 March 2006 is presented below:

7. 業務及地區分部 (續)

業務分部 (續)

截至二零零六年三月三十一日止年度之業務分部資料呈列如下：

		Management contracting 承建管理 HK\$'000 千港元	Project management 項目管理 HK\$'000 千港元	Facilities management 設施管理 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
TURNOVER	營業額						
External sales	對外銷售	3,076,154	26,776	6,946	–	–	3,109,876
Inter-segment sales	分部之間銷售	–	–	41	–	(41)	–
Total	總計	3,076,154	26,776	6,987	–	(41)	3,109,876
RESULTS	業績						
Segment results	分部業績	120,209	16,049	1,593	–	–	137,851
Unallocated corporate expenses	未分配企業開支						(43,178)
Other income	其他收入						14,571
Finance costs	融資成本						(3,315)
Loss on disposal of subsidiaries	出售附屬公司之虧損	(4,456)	–	–	–	–	(4,456)
Share of results of associates	攤佔聯營公司業績						
– an associate engaged in property investment	– 一間從事物業投資之聯營公司	–	–	–	629	–	629
– others	– 其他	1,043	1,106	–	–	–	2,149
Share of results of jointly controlled entities	攤佔共同控制機構業績	26	–	–	–	–	26
Profit before taxation	除稅前溢利						104,277
Taxation	稅項						(3,196)
Profit for the year	年度溢利						101,081

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

分部之間銷售額乃按市價收取或(倘無可供參考之市價)按雙方釐定及同意之條款收取。

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7. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

7. 業務及地區分部(續)

業務分部(續)

		Management contracting 承建管理 HK\$'000 千港元	Project management 項目管理 HK\$'000 千港元	Facilities management 設施管理 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產					
Segment assets	分部資產	1,414,854	45,980	3,874	35,490	1,500,198
Interests in associates	聯營公司權益	32,366	2,564	–	4,528	39,458
Interests in jointly controlled entities	共同控制機構權益	2,570	–	–	–	2,570
Unallocated corporate assets	未分配企業資產					394,964
Total assets	總資產					1,937,190
LIABILITIES	負債					
Segment liabilities	分部負債	1,210,817	5,283	1,895	–	1,217,995
Unallocated corporate liabilities	未分配企業負債					338,951
Total liabilities	總負債					1,556,946
OTHER INFORMATION	其他資料					
Capital additions	資本增添	4,820	204	174	2,055	7,253
Depreciation of property, plant and equipment	物業、機械及設備之折舊	13,680	75	34	502	14,291

7. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Geographical segments

The Group's operations are located in Hong Kong, Macau and the People's Republic of China other than Hong Kong and Macau (the "PRC").

The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods/services:

		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Hong Kong	香港	2,784,603	2,686,246
Macau	澳門	1,553,975	389,050
PRC	中國	20,751	34,580
		4,359,329	3,109,876

The following is an analysis of the carrying amounts of segment assets and capital additions, analysed by the geographical area in which the assets are located:

		Carrying amounts of segment assets		Capital additions	
		分部資產賬面值		資本增添	
		2007	2006	2007	2006
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	1,144,773	1,151,758	19,081	7,049
Macau	澳門	668,922	140,285	-	-
PRC	中國	227,977	212,284	3,812	204
		2,041,672	1,504,327	22,893	7,253

7. 業務及地區分部 (續)

地區分部

本集團之業務位於香港、澳門及中華人民共和國 (香港及澳門除外) (「中國」)。

按地區分類 (不論商品/服務之來源地) 之本集團之營業額如下：

以下為按資產之所在地區劃分，對分部資產賬面值及資本增添之分析：

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8. OTHER INCOME

8. 其他收入

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Bank interest income	銀行利息收入	9,883	7,403
Other interest income	其他利息收入	23,483	6,993
Imputed interest income on deferred consideration receivable	應收遞延代價之估算利息收入	374	175
		33,740	14,571

9. FINANCE COSTS

9. 融資成本

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Borrowing costs on bank borrowings: wholly repayable within five years	銀行借款之借款成本： 須於五年內全數償還	10,684	6,000
not wholly repayable within five years	不須於五年內全數償還	77	-
		10,761	6,000
Less: Amount capitalised in respect of contracts in progress	減：撥充在建合約工程資本之數額	(3,307)	(2,685)
		7,454	3,315

10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the eight (2006: seven) directors are as follows:

Name of directors	Fees	Salaries and other benefits	Retirement benefit scheme contributions	Share-based payment expenses	Total	
董事姓名	袍金	薪酬及其他福利	退休福利計劃供款	以股份為基礎付款之開支	合計	
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
2007	二零零七年					
James Chiu (note (i))	趙雅各 (附註(i))	774	–	–	774	
Lau Ko Yuen, Tom (note (ii))	劉高原 (附註(ii))	100	–	–	100	
Mok Yat Fan, Edmond (note (iii))	莫一帆 (附註(iii))	–	2,780	10	3,288	
Lee Hon Chiu (note (ii))	李漢潮 (附註(ii))	–	1,700	75	1,842	
Lee Chack Fan (note (ii))	李焯芬 (附註(ii))	500	–	–	500	
Iain Ferguson Bruce (note (ii))	Iain Ferguson Bruce (附註(ii))	550	–	–	550	
Wong Wing Hoo, Billy (note (iv))	黃永灝 (附註(iv))	–	145	5	285	
Kwan Chi Ping, Edgar (note (v))	關治平 (附註(v))	–	1,548	6	1,798	
		1,924	6,173	96	944	9,137
2006	二零零六年					
James Chiu (note (i))	趙雅各 (附註(i))	–	–	–	–	
Lau Ko Yuen, Tom (note (ii))	劉高原 (附註(ii))	–	–	–	–	
Lee Hon Chiu (note (ii))	李漢潮 (附註(ii))	–	1,750	75	1,852	
Lee Chack Fan (note (ii))	李焯芬 (附註(ii))	300	–	–	300	
Iain Ferguson Bruce (note (ii))	Iain Ferguson Bruce (附註(ii))	300	–	–	300	
Ronald James Blake (note (vi))	詹伯樂 (附註(vi))	600	–	–	600	
Wong Wing Hoo, Billy (note (iv))	黃永灝 (附註(iv))	–	2,737	54	2,845	
		1,200	4,487	129	81	5,897

Notes:

- (i) Appointed on 17 March 2006.
(ii) Appointed on 17 January 2005.
(iii) Appointed on 1 June 2006.
(iv) Appointed on 17 January 2005 and resigned on 30 April 2006.
(v) Appointed on 1 June 2006 and resigned on 6 December 2006.
(vi) Appointed on 17 January 2005 and resigned on 17 March 2006.

附註:

- (i) 於二零零六年三月十七日獲委任。
(ii) 於二零零五年一月十七日獲委任。
(iii) 於二零零六年六月一日獲委任。
(iv) 於二零零五年一月十七日獲委任，並於二零零六年四月三十日辭任。
(v) 於二零零六年六月一日獲委任，並於二零零六年十二月六日辭任。
(vi) 於二零零五年一月十七日獲委任，並於二零零六年三月十七日辭任。

10. 董事及僱員酬金

(a) 董事酬金

已付或應付八名(二零零六年:七名)董事各人之酬金如下:

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10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

(b) Employees' emoluments

The five highest paid individuals in the Group for the year included three directors (2006: two directors) of the Company, details of whose emoluments as directors are set out in note 10(a) above.

The aggregate emoluments of the remaining two (2006: three) highest paid individuals, who are employees of the Group are as follows:

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Salaries and other benefits	薪酬及其他福利	3,360	5,482
Discretionary bonus	酌定花紅	185	990
Retirement benefit scheme contributions	退休福利計劃供款	93	147
Share-based payment expenses	以股份為基礎付款之開支	-	21
		3,638	6,640

Their emoluments were within the following bands:

		Number of employees 僱員人數	
		2007	2006
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	-	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	1
		2	3

During the year, no emoluments were paid by the Group to the five highest paid individuals, including directors, as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, none of the directors has waived any emoluments during the year.

10. 董事及僱員酬金(續)

(b) 僱員酬金

本集團於本年度五位最高薪人員包括本公司三名董事(二零零六年：兩名董事)，該等人士之酬金詳情載於上文附註10(a)。

餘下兩位(二零零六年：三位)最高薪酬人士(為本集團僱員)之總酬金如下：

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Salaries and other benefits	薪酬及其他福利	3,360	5,482
Discretionary bonus	酌定花紅	185	990
Retirement benefit scheme contributions	退休福利計劃供款	93	147
Share-based payment expenses	以股份為基礎付款之開支	-	21
		3,638	6,640

彼等酬金級別如下：

		Number of employees 僱員人數	
		2007	2006
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	-	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	1
		2	3

年內，本集團並無向五位最高薪人員(包括董事)支付酬金以作為加入本集團或於加入本集團時之獎勵，或作為離職補償。此外，年內概無任何董事放棄任何酬金。

11. PROFIT BEFORE TAXATION

11. 除稅前溢利

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Profit before taxation has been arrived at after charging:	除稅前溢利已扣除：		
Release of prepaid land lease payments	轉撥預付土地租賃款項	575	575
Auditor's remuneration	核數師酬金	3,527	2,732
Depreciation of property, plant and equipment (note (a) below)	物業、機械及設備之折舊 (下文附註(a))	7,029	14,291
Operating lease rentals (note (b) below)	經營租約租金 (下文附註(b))	11,695	11,468
Staff costs (note (c) below)	員工支出 (下文附註(c))	103,824	92,134
Loss on disposal of investments held-for-trading	出售持作買賣投資之虧損	-	3,951
Loss on disposal of property, plant and equipment	出售物業、機械及設備之虧損	982	-
Net exchange loss	匯兌虧損淨額	-	184
Share of taxation of associates (included in share of results of associates)	攤佔聯營公司之稅項 (包括於攤佔聯營公司業績)	16,314	217
and after crediting:	並已計入：		
Gain on disposal of property, plant and equipment	出售物業、機械及設備之收益	-	21,057

Notes:

附註：

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
(a) Depreciation of property, plant and equipment:	(a) 物業、機械及設備之折舊：		
Owned assets	自置資產	8,520	18,397
Less: Amount capitalised in respect of contracts in progress	減：撥充在建合約工程資本之數額	(1,491)	(4,106)
		7,029	14,291
(b) Operating lease rentals in respect of:	(b) 經營租約租金：		
Premises	物業	11,476	10,544
Plant and machinery	設備及機械	10,926	24,413
		22,402	34,957
Less: Amount capitalised in respect of contracts in progress	減：撥充在建合約工程資本之數額	(10,707)	(23,489)
		11,695	11,468

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11. PROFIT BEFORE TAXATION (continued)

11. 除稅前溢利(續)

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
(c) Staff costs:	(c) 員工支出：		
Directors' emoluments (note 10)	董事酬金(附註10)	9,137	5,897
Other staff costs:	其他員工支出：		
Salaries and other benefits	薪酬及其他福利	288,611	230,463
Retirement benefit scheme contributions, net of forfeited contributions of HK\$1,808,000 (2006: HK\$2,818,000)	退休福利計劃供款(扣除已沒收之 供款1,808,000港元(二零零六年： 2,818,000港元))	8,737	6,574
Share-based payment expenses	以股份為基礎付款之開支	144	56
		306,629	242,990
Less: Amount capitalised in respect of contracts in progress	減：撥充在建合約工程資本之 數額	(202,805)	(150,856)
		103,824	92,134

12. TAXATION

12. 稅項

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
The charge comprises:	稅項支出包括：		
Current tax:	本期稅項：		
Hong Kong Profits Tax	香港利得稅	125	4,101
Overseas tax	海外稅項	9,109	3,332
		9,234	7,433
Overprovision in prior years:	過往年度多計準備：		
Hong Kong Profits Tax	香港利得稅	(268)	(2,926)
Overseas tax	海外稅項	(565)	-
		(833)	(2,926)
Deferred taxation (note 32)	遞延稅項(附註32)	-	(1,311)
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司應佔 稅項	8,401	3,196

Hong Kong Profits Tax is calculated at 17.5% (2006: 17.5%) of the estimated assessable profits for the year.

香港利得稅乃根據本年度估計應課稅溢利按稅率17.5%(二零零六年：17.5%)計算。

Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

海外稅項根據各有關司法權區之通行稅率計算。

12. TAXATION (continued)

The taxation charge for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

12. 稅項 (續)

本年度之稅項支出與綜合收益表所列之除稅前溢利之對賬如下：

		2007	2006
		HK\$'000	HK\$'000
		千港元	千港元
Profit before taxation	除稅前溢利	109,435	104,277
Tax at Hong Kong Profits Tax rate	按香港利得稅稅率計算之稅項	19,151	18,248
Tax effect of share of results of associates/jointly controlled entities	攤佔聯營公司／共同控制機構業績之稅務影響	(12,808)	(490)
Tax effect of expenses not deductible for tax purpose	在稅務方面不可扣減開支之稅務影響	6,297	2,735
Tax effect of income not taxable for tax purpose	在稅務方面毋須課稅收入之稅務影響	(3,309)	(9,074)
Tax effect of deductible temporary difference not recognised	未確認可扣減暫時差額之稅務影響	1,471	1,725
Tax effect of utilisation of deductible temporary difference previously not recognised	動用先前未確認之可扣減暫時差額之稅務影響	(240)	(9,155)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	7,571	9,190
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認稅務虧損之稅務影響	(6,635)	(9,664)
Tax effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營業務之附屬公司之不同稅率之稅務影響	(2,264)	2,607
Overprovision in prior years	過往年度多計準備	(833)	(2,926)
Taxation charge for the year	年度之稅項支出	8,401	3,196

Details of the deferred taxation are set out in note 32.

遞延稅項之詳情載列於附註32。

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13. DISTRIBUTIONS

13. 分派

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Dividends recognised as distributions to equity holders of the Company during the current year:	於年內確認為向本公司之權益持有人分派之股息：		
Interim dividend paid for 2007 – 3.5 HK cents (2006: 3.0 HK cents) per share	已派二零零七年中期股息－每股3.5 港仙(二零零六年：3.0 港仙)	20,395	17,391
Final dividend paid for 2006 – 5.0 HK cents (2005: 6.0 HK cents) per share	已派二零零六年末期股息－每股5.0 港仙(二零零五年：6.0 港仙)	29,098	34,602
		49,493	51,993
Dividends proposed:	擬派股息：		
Final dividend proposed for 2007 – 5.5 HK cents (2006: 5.0 HK cents) per share	擬派二零零七年末期股息－每股5.5 港仙(二零零六年：5.0 港仙)	32,428	29,098

Of the dividends paid during the year, approximately HK\$638,000 (2006: HK\$1,784,000) and HK\$4,834,000 (2006: HK\$1,529,000) were settled in shares under the Company's scrip dividend schemes announced by the directors of the Company on 7 July 2006 and 14 December 2006, respectively and were credited to the accumulated profits of the Company during the year.

年內所派股息中約有638,000港元(二零零六年：1,784,000港元)及4,834,000港元(二零零六年：1,529,000港元)乃根據本公司董事分別於二零零六年七月七日及二零零六年十二月十四日公佈之本公司以股代息計劃以股份支付。此數額已於年內撥入本公司累計溢利。

The amount of the final dividend proposed for the year ended 31 March 2007, which will be in scrip form with a cash option, has been calculated by reference to the 589,599,109 issued shares as at the date of this report.

截至二零零七年三月三十一日止年度建議之以股代息連同現金選擇權之末期股息數額乃參照本年報日期589,599,109股已發行股份計算。

14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the equity holders of the Company is based on the following data:

14. 每股盈利

本公司權益持有人應佔之每股基本及攤薄盈利乃根據下列數據計算：

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company and earnings for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利之本公司權益持有人應佔年度溢利	112,621	100,902
		Number of shares 股份數目	Number of shares 股份數目
Weighted average number of ordinary shares for the purposes of basic earnings per share	計算每股基本盈利之普通股加權平均數	583,110,679	578,268,286
Effect of dilutive potential ordinary shares: Share options	對普通股之潛在攤薄影響：購股權	612,936	129,624
Weighted average number of ordinary shares for the purposes of diluted earnings per share	計算每股攤薄盈利之普通股加權平均數	583,723,615	578,397,910

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、機械及設備

		Buildings	Plant and machinery	Motor vehicles	Furniture, fixtures and computer equipment	Total
		樓宇	設備及機械	汽車	傢具、裝置及電腦設備	總額
		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
COST		成本				
At 1 April 2005	於二零零五年四月一日	739	383,964	21,455	58,895	465,053
Translation adjustment	匯兌調整	20	–	9	11	40
On acquisition of subsidiaries	收購附屬公司	–	–	–	111	111
Additions	添置	–	4,447	955	1,740	7,142
Disposals	出售	–	(309,615)	(5,040)	(3,692)	(318,347)
Eliminated on disposal of subsidiaries	出售附屬公司後對銷	–	(23,667)	(286)	(23,225)	(47,178)
At 31 March 2006	於二零零六年三月三十一日	759	55,129	17,093	33,840	106,821
Translation adjustment	匯兌調整	32	1	14	20	67
Additions	添置	–	13,062	5,071	4,760	22,893
Disposals	出售	(791)	(9,106)	(1,549)	(912)	(12,358)
At 31 March 2007	於二零零七年三月三十一日	–	59,086	20,629	37,708	117,423
DEPRECIATION		折舊				
At 1 April 2005	於二零零五年四月一日	171	322,591	18,921	37,939	379,622
Translation adjustment	匯兌調整	2	–	1	5	8
Provided for the year	本年度準備	22	13,833	841	3,701	18,397
Eliminated on disposals	出售後對銷	–	(280,813)	(5,035)	(3,453)	(289,301)
Eliminated on disposal of subsidiaries	出售附屬公司後對銷	–	(15,500)	(91)	(9,151)	(24,742)
At 31 March 2006	於二零零六年三月三十一日	195	40,111	14,637	29,041	83,984
Translation adjustment	匯兌調整	9	–	7	12	28
Provided for the year	本年度準備	19	5,076	983	2,442	8,520
Eliminated on disposals	出售後對銷	(223)	(8,051)	(1,201)	(824)	(10,299)
At 31 March 2007	於二零零七年三月三十一日	–	37,136	14,426	30,671	82,233
CARRYING VALUES		賬面值				
At 31 March 2007	於二零零七年三月三十一日	–	21,950	6,203	7,037	35,190
At 31 March 2006	於二零零六年三月三十一日	564	15,018	2,456	4,799	22,837

The buildings were held under medium-term land use rights in the PRC.

樓宇位於中國而以中期土地使用權持有。

15. PROPERTY, PLANT AND EQUIPMENT (continued)

The above items of property, plant and equipment are depreciated on a straight line basis at the following rates per annum:

Buildings	Over the lease term or fifty years, whichever is shorter
Plant and machinery	10%
Motor vehicles	20%
Furniture and fixtures	20%
Computer equipment	33 $\frac{1}{3}$ %

16. PREPAID LAND LEASE PAYMENTS

The Group's prepaid land lease payments represent leasehold interest in land in Hong Kong held under medium-term leases and are analysed for reporting purposes as follows:

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Non-current assets	非流動資產	22,561	23,136
Current assets	流動資產	575	575
		23,136	23,711

15. 物業、機械及設備(續)

上述物業、機械及設備乃以直線法折舊年率如下：

樓宇	按租期或五十年，以較短者為準
設備及機械	10%
汽車	20%
傢具及裝置	20%
電腦設備	33 $\frac{1}{3}$ %

16. 預付土地租賃款項

本集團之預付土地租賃款項指位於香港之中期租約土地，就呈報目的而分析如下：

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17. GOODWILL

17. 商譽

		HK\$'000 千港元
COST		
At 1 April 2005	於二零零五年四月一日	320,432
Write off	撇銷	(258,786)
<hr/>		
At 31 March 2006 and 31 March 2007	於二零零六年三月三十一日及二零零七年三月三十一日	61,646
<hr/>		
AMORTISATION AND IMPAIRMENT		
At 1 April 2005	於二零零五年四月一日	258,786
Eliminated on write off	撇銷時對銷	(258,786)
<hr/>		
At 31 March 2006 and 31 March 2007	於二零零六年三月三十一日及二零零七年三月三十一日	-
<hr/>		
CARRYING VALUES		
At 31 March 2007	於二零零七年三月三十一日	61,646
<hr/>		
At 31 March 2006	於二零零六年三月三十一日	61,646

For the purpose of impairment testing, the carrying amount of goodwill at 31 March 2007 has been allocated to the management contracting cash generating unit ("CGU").

The recoverable amount of the above CGU has been determined based on value in use calculations. The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next two years and extrapolates cash flows for the following five years with a steady growth rate of 5%. The rate used to discount the forecast cash flows is 8%. The value in use calculations is calculated based on the budgeted gross margin, which is determined using the unit's past performance and management's expectations for the market development.

為減值測試之目的，於二零零七年三月三十一日之商譽賬面值已撥入承建管理產生現金單位。

產生現金單位之可收回價值額乃基於其使用中價值計算。本集團所編製之現金流預測乃來自管理人員最近審批就未來兩年之財政預算，並以穩定增長率5%推算未來五年之現金流量。用以貼現預測現金流之比率則為8%。使用中價值乃按預算毛利率計算，而預算毛利率則按該單位之過往表現及管理人員對市場發展之期望而釐定。

18. OTHER INTANGIBLE ASSETS

18. 其他無形資產

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Other intangible assets comprise:			
其他無形資產包括：			
Club membership in Hong Kong, at cost	香港之會所會籍，按成本值	7,000	7,000
Motor vehicles registration marks, at cost	汽車登記號碼，按成本值	240	355
		7,240	7,355

The above intangible assets have indefinite useful lives. The directors are of the opinion that the club membership and motor vehicles registration marks worth at least their carrying amounts by reference to latest market prices.

上述無形資產具不確定的使用壽命。董事認為，會所會籍及汽車登記號碼之價值至少為經參考最新市場價格後之賬面值。

19. INTERESTS IN ASSOCIATES

19. 聯營公司權益

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Cost of unlisted investments in associates	聯營公司非上市證券投資之成本	34,373	34,212
Share of post-acquisition reserves, net of dividends received	攤佔收購後儲備，扣除已收取股息	74,582	5,246
		108,955	39,458

The combined summarised financial information in respect of the Group's associates is set out below:

本集團聯營公司之相關合併財務資料概要列載如下：

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Total assets	總資產	343,070	200,283
Total liabilities	總負債	(94,349)	(90,632)
Net assets	資產淨值	248,721	109,651
Group's share of net assets of associates	本集團攤佔聯營公司資產淨值	108,955	39,458
Turnover	營業額	26,513	35,435
Profit for the year	年度溢利	147,994	6,118
Group's share of profit of associates for the year	本集團攤佔聯營公司之年度溢利	73,832	2,778

Particulars of the Group's principal associates at 31 March 2007 are set out in note 44.

本集團各主要聯營公司於二零零七年三月三十一日之詳情載列於附註44。

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20. INTERESTS IN JOINTLY CONTROLLED ENTITIES

20. 共同控制機構權益

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Cost of unlisted investments in jointly controlled entities	共同控制機構非上市證券投資之成本	-	-
Share of post-acquisition reserves, net of dividends received	攤佔收購後儲備，扣除已收取股息	1,928	2,570
		1,928	2,570

The combined summarised financial information in respect of the Group's jointly controlled entities is set out below:

本集團共同控制機構之相關合併財務資料概要列載如下：

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Total current assets	總流動資產	11,437	9,607
Total current liabilities	總流動負債	(7,580)	(4,466)
Net assets	資產淨值	3,857	5,141
Group's share of net assets of jointly controlled entities	本集團攤佔共同控制機構資產淨值	1,928	2,570
Turnover	營業額	7,798	5,481
(Loss) profit for the year	年度(虧損)溢利	(1,283)	62
Group's share of (loss) profit of jointly controlled entities	本集團攤佔共同控制機構之(虧損)溢利	(642)	26

Particulars of the Group's principal jointly controlled entity at 31 March 2007 are set out in note 44.

本集團各共同控制機構於二零零七年三月三十一日之詳情載列於附註44。

21. AVAILABLE-FOR-SALE INVESTMENTS

21. 可供出售的投資

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Equity securities listed in Hong Kong, at fair value	香港上市之股本證券，按公平值	732	1,064

22. DEFERRED CONSIDERATION RECEIVABLE

As part of the consideration for the disposal of the subsidiaries as set out in note 36, a deferred consideration of HK\$15,000,000 will be settled in cash by the purchaser under four annual installments commencing from 30 October 2006. The fair value of the deferred consideration at date of initial recognition is determined based on the estimated future cash flows discounted at 3% per annum. The amount is unsecured and interest free. The carrying amounts are analysed for reporting purposes as follows:

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Non-current assets	非流動資產	6,597	10,223
Current assets (included in debtors, deposits and prepayments)	流動資產 (已計入應收賬款、訂金及預付款項)	3,932	3,932
		10,529	14,155

22. 應收遞延代價

作為附註36所載出售附屬公司代價之一部份，遞延代價15,000,000港元將由買方自二零零六年十月三十日起按年分四期以現金結清。遞延代價於初步確認日期之公平值按估計未來現金流按年率3%貼現而釐定。有關款項乃為無抵押及免息。就呈報目的而分析之賬面值如下：

23. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONTRACT WORKS

Contracts in progress at the balance sheet date: 於結算日之在建工程：

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Contract costs incurred to date	現時已支出之工程費用	43,566,229	42,500,091
Recognised profits less recognised losses	經確認溢利減經確認虧損	1,217,200	1,052,894
		44,783,429	43,552,985
Less: Progress billings	減：進度付款	(45,598,340)	(43,819,221)
		(814,911)	(266,236)

Represented by: 其中包含：

Amounts due from customers for contract works	應收客戶合約工程款項	223,637	163,379
Amounts due to customers for contract works	應付客戶合約工程款項	(1,038,548)	(429,615)
		(814,911)	(266,236)

23. 應收(付)客戶合約工程款項

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24. DEBTORS, DEPOSITS AND PREPAYMENTS

The Group's credit terms for its contracting business are negotiated at terms determined and agreed with its trade customers.

Included in debtors, deposits and prepayments are trade debtors of approximately HK\$965,269,000 (2006: HK\$572,694,000) and their aged analysis is as follows:

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Within 90 days	90日內	900,749	504,501
More than 90 days and within 180 days	超過90日但於180日內	15,521	13,703
More than 180 days	超過180日	48,999	54,490
		965,269	572,694

At 31 March 2007, retentions held by customers for contract works amounting to approximately HK\$477,403,000 (2006: HK\$396,066,000) were included in debtors, deposits and prepayments, of which approximately HK\$239,707,000 (2006: HK\$151,168,000) are expected to be recovered or settled after more than twelve months from the balance sheet date.

Included in debtors, deposits and prepayments is an amount of approximately HK\$176,753,000 (2006: HK\$148,699,000) which carries interest at 14.4% per annum (2006: 13.6%) and secured by properties interest in the PRC.

24. 應收賬款、訂金及預付款項

本集團合約承包業務之信貸期乃與貿易客戶磋商及訂立。

應收賬款、訂金及預付款項已計入約965,269,000港元(二零零六年: 572,694,000港元)之應收貿易賬款, 而其賬齡分析如下:

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
於二零零七年三月三十一日, 已計入應收賬款、訂金及預付款項內之合約工程客戶持有之保固金約為477,403,000港元(二零零六年: 396,066,000港元), 其中約239,707,000港元(二零零六年: 151,168,000港元)預期將於結算日起超過十二個月後償清或結清。			
計入應收賬款、訂金及預付款項之約176,753,000港元(二零零六年: 148,699,000港元)以年利率14.4%(二零零六年: 13.6%)計息, 並以中國物業權益作抵押。			

25. AMOUNTS DUE FROM (TO) RELATED COMPANIES

Associate of ITC Corporation Limited ("ITC")	德祥企業有限公司(「德祥企業」)之聯營公司	8	331	2,906	-
ITC and its subsidiaries	德祥企業及其附屬公司	318	150	-	-
Associate of PYI	PYI之聯營公司	-	1,515	-	-
Parona Limited	Parona Limited	106	75	-	-
		432	2,071	2,906	-

ITC is a substantial shareholder of PYI. Parona Limited is a shareholder of an associate, in which certain close family members of a director of PYI have an interest.

The amounts are unsecured, interest free and repayable on demand.

25. 應收(付) 關連公司款項

	Due from 應收		Due to 應付	
	2007 HK\$'000 千港元	2006 HK\$'000 千港元	2007 HK\$'000 千港元	2006 HK\$'000 千港元
Associate of ITC Corporation Limited ("ITC")	8	331	2,906	-
ITC and its subsidiaries	318	150	-	-
Associate of PYI	-	1,515	-	-
Parona Limited	106	75	-	-
	432	2,071	2,906	-

德祥企業為PYI之主要股東。Parona Limited為一間聯營公司之股東, 而PYI之一名董事若干近親於該公司擁有權益。

有關款項為無抵押、免息及須於要求時償還。

25. AMOUNTS DUE FROM (TO) RELATED COMPANIES (continued)

The aged analysis is as follows:

		Due from 應收		Due to 應付	
		2007 HK\$'000 千港元	2006 HK\$'000 千港元	2007 HK\$'000 千港元	2006 HK\$'000 千港元
Within 90 days	90日內	18	72	822	–
More than 90 days and within 180 days	超過90日但於 180日內	72	–	289	–
More than 180 days	超過180日	342	1,999	1,795	–
		432	2,071	2,906	–

26. AMOUNTS DUE FROM (TO) ASSOCIATES/JOINTLY CONTROLLED ENTITIES/FELLOW SUBSIDIARIES/MINORITY SHAREHOLDERS

The amounts are unsecured, interest free and repayable on demand.

The aged analysis is as follows:

		Due from 應收		Due to 應付	
		2007 HK\$'000 千港元	2006 HK\$'000 千港元	2007 HK\$'000 千港元	2006 HK\$'000 千港元
Within 90 days	90日內	11,587	12,254	600	18,770
More than 90 days and within 180 days	超過90日但於 180日內	257	23,462	428	–
More than 180 days	超過180日	45,763	9,818	1,414	1,642
		57,607	45,534	2,442	20,412

27. LOAN RECEIVABLE

The amount is receivable from a shareholder of an associate of the Group and is secured by shares in the associate held by the shareholder, interest free and repayable on demand.

28. LOAN TO A RELATED COMPANY

The amount represents loan to Parona Limited. The loan is secured by shares in the associate held by Parona Limited, interest free and repayable on demand.

25. 應收(付) 關連公司款項(續)

賬齡分析如下：

26. 應收(付) 聯營公司／共同控制機構／同系附屬公司／少數股東款項

有關款項為無抵押、免息及須於要求時償還。

賬齡分析如下：

27. 應收貸款

有關款項為應收本集團一間聯營公司某股東之款項，款項以股東於該聯營公司所持有之股份作抵押，為免息並須於要求時償還。

28. 貸予關連公司之貸款

有關款項代表貸予Parona Limited之貸款。有關貸款以Parona Limited於該聯營公司所持有之股份作抵押，為免息並須於要求時償還。

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29. PLEDGED BANK DEPOSITS, SHORT TERM BANK DEPOSITS AND BANK BALANCES

The pledged bank deposits represent deposits pledged to banks to secure general banking facilities granted to the Group with maturity within one year from the balance sheet date and are therefore classified as current assets.

The pledged bank deposits and short term bank deposits with maturity date of less than three months carry floating interest rates ranging from 2.5% to 4.5% (2006: 3.1% to 4.4%) per annum. The bank balances carry prevailing market rate ranging from Nil to 2.75% (2006: Nil to 3.1%) per annum.

30. CREDITORS AND ACCRUED EXPENSES

Included in creditors and accrued expenses are trade creditors of approximately HK\$343,690,000 (2006: HK\$347,160,000) and their aged analysis is as follows:

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Within 90 days	90日內	325,921	312,038
More than 90 days and within 180 days	超過90日但於 180日內	4,184	22,037
More than 180 days	超過180日	13,585	13,085
		343,690	347,160

At 31 March 2007, retentions held by the Group for contract works amounting to approximately HK\$319,098,000 (2006: HK\$297,869,000) were included in creditors and accrued expenses, of which approximately HK\$102,719,000 (2006: HK\$80,174,000) are expected to be paid or settled after more than twelve months from the balance sheet date.

29. 已抵押銀行存款、短期銀行存款及銀行結餘

已抵押銀行存款指為擔保授予本集團之一般銀行信貸而抵押予銀行之存款，到期日為結算日起一年內，因而被列作流動資產。

已抵押銀行存款及到期日少於三個月之短期銀行存款附帶每年由2.5%至4.5% (二零零六年：3.1%至4.4%)之浮動利率。銀行結餘附帶現行市場利率每年由零至2.75% (二零零六年：零至3.1%)。

30. 應付賬款及應計開支

應付賬款及應計開支已計入約343,690,000港元 (二零零六年：347,160,000港元)之應付貿易賬款，而其賬齡分析如下：

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Within 90 days	90日內	325,921	312,038
More than 90 days and within 180 days	超過90日但於 180日內	4,184	22,037
More than 180 days	超過180日	13,585	13,085
		343,690	347,160

於二零零七年三月三十一日，已計入應付賬款及應計開支內本集團所持有之合約工程保固金約為319,098,000港元 (二零零六年：297,869,000港元)，其中約102,719,000港元 (二零零六年：80,174,000港元) 預期將於結算日起計超過十二個月後支付或結清。

31. BANK BORROWINGS

31. 銀行借款

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Bank borrowings comprise:	銀行借款包括：		
Bank loans	銀行貸款	205,473	292,304
Bank overdrafts	銀行透支	20,432	-
		225,905	292,304
Analysed as:	分析為：		
Secured	有抵押	97,493	222,604
Unsecured	無抵押	128,412	69,700
		225,905	292,304

The bank borrowings are repayable as follows:

銀行借款之償還期分別如下：

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Within one year or on demand	一年內到期或按通知償還	174,407	142,304
More than one year, but not exceeding two years	超過一年，但不超過兩年	45,551	22,000
More than two years, but not exceeding five years	超過兩年，但不超過五年	4,654	128,000
More than five years	超過五年	1,293	-
		225,905	292,304
Less: Amount due within one year or on demand shown under current liabilities	減：一年內到期或按通知償還及列作流動負債之款項	(174,407)	(142,304)
Amount due after one year	一年後到期之款項	51,498	150,000

The Group's bank borrowings carry floating-rate interest ranging from 4.67% to 7.75% (2006: 5.02% to 6.56%) per annum.

本集團之銀行借款以浮動利率計息，年息由4.67%至7.75%（二零零六年：5.02%至6.56%）。

The bank loans are secured by the Group's bank deposits of approximately HK\$42,601,000 (2006: HK\$76,122,000), property, plant and equipment with carrying value of approximately HK\$10,411,000 (2006: Nil) and charges over the Group's benefit from certain construction contracts.

銀行貸款乃以本集團之銀行存款42,601,000港元（二零零六年：76,122,000港元）、賬面值約10,411,000港元（二零零六年：無）之物業、機械及設備以及本集團若干建築合約產生之利益作抵押。

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32. DEFERRED TAXATION

The following are the major deferred tax (assets) liabilities recognised and movements thereon during the current and prior years:

		Accelerated tax depreciation 加速 折舊稅務 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Recognition of contracting income 合約工程 收入確認 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2005	於二零零五年四月一日	10,663	(5,035)	(4,317)	1,311
On acquisition of subsidiaries	收購附屬公司	52	(52)	-	-
(Credit) charge to consolidated income statement	於綜合收益表(計入) 扣除	(5,484)	1,712	2,461	(1,311)
On disposal of subsidiaries	出售附屬公司	(1,418)	1,418	-	-
At 31 March 2006	於二零零六年三月三十一日	3,813	(1,957)	(1,856)	-
(Credit) charge to consolidated income statement	於綜合收益表(計入) 扣除	1,377	(2,146)	769	-
At 31 March 2007	於二零零七年三月三十一日	5,190	(4,103)	(1,087)	-

For the purpose of balance sheet presentation, the above deferred tax assets and liabilities have been offset.

At 31 March 2007, the Group had unused tax losses of approximately HK\$601,024,000 (2006: HK\$709,112,000) available for offset against future taxable profits. A deferred tax asset has been recognised in respect of approximately HK\$23,444,000 (2006: HK\$11,182,000) of such losses. No deferred tax asset in respect of the remaining tax losses has been recognised due to the unpredictability of future profit streams. The unused tax losses may be carried forward indefinitely.

32. 遞延稅項

於本年度及以往年度已確認之主要遞延稅項(資產)負債以及相關變動如下:

為方便資產負債表呈列，上述遞延稅項資產及負債已予抵銷。

於二零零七年三月三十一日，本集團有未動用稅務虧損約601,024,000港元(二零零六年：709,112,000港元)可用以抵銷未來應課稅溢利。就上述虧損已確認遞延稅項資產約23,444,000港元(二零零六年：11,182,000港元)。由於未能確定未來溢利來源，故本集團並無就其餘稅務虧損確認遞延稅項資產。未動用稅務虧損可予無限期結轉。

33. SHARE CAPITAL

33. 股本

		Number of shares 股份數目	Amount 款額 HK\$'000 千港元
Ordinary shares of HK\$0.50 each:	每股面值0.50港元之普通股：		
Authorised:	法定：		
At 1 April 2005, 31 March 2006 and 31 March 2007	於二零零五年四月一日、二零零六年三月三十一日及二零零七年三月三十一日	1,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
At 1 April 2005	於二零零五年四月一日	576,699,394	288,350
Issue of new shares pursuant to scrip dividend schemes	根據以股代息計劃發行新股	5,259,385	2,629
At 31 March 2006	於二零零六年三月三十一日	581,958,779	290,979
Issue of new shares pursuant to scrip dividend schemes	根據以股代息計劃發行新股	6,140,330	3,071
Issue of new shares under share option scheme	根據購股權計劃發行新股	1,500,000	750
At 31 March 2007	於二零零七年三月三十一日	589,599,109	294,800

During the year, the following changes in the Company's share capital took place:

年內，本公司股本曾有以下變動：

- (a) Pursuant to the scrip dividend schemes which were announced by the Company on 7 July 2006 and 14 December 2006, the Company issued 746,600 (2006: 3,013,468) and 5,393,730 (2006: 2,245,917) new ordinary shares of HK\$0.50 each in the Company on 16 October 2006 and 6 February 2007 to shareholders who elected to receive scrip dividends in respect of the final dividend for the year ended 31 March 2006 and the interim dividend for the six months ended 30 September 2006, respectively.
- (b) On 29 March 2007, the Company issued 1,500,000 new ordinary shares of HK\$0.50 each in the Company at an exercise price of HK\$1.00 upon the exercise of share options of the Company.

- (a) 根據本公司於二零零六年七月七日及二零零六年十二月十四日公佈之以股代息計劃，本公司分別於二零零六年十月十六日及二零零七年二月六日發行746,600股(二零零六年：3,013,468股)及5,393,730股(二零零六年：2,245,917股)每股面值0.50港元之本公司新普通股予選擇收取股份以代替截至二零零六年三月三十一日止年度末期股息，及截至二零零六年九月三十日止六個月中期股息之股東。

- (b) 二零零七年三月二十九日，本公司因行使本公司購股權而按行使價1.00港元發行1,500,000股每股面值0.50港元之本公司新普通股。

All the new ordinary shares issued by the Company during both years ranked pari passu with the then existing shares of the Company in all respects.

該兩年內本公司發行之所有新普通股在各方面與本公司當時已有股份具相同地位。

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34. SHARE-BASED PAYMENT TRANSACTIONS

(a) Share option scheme of the Company

On 7 September 2005, the Company adopted a share option scheme (the "Scheme") for the purpose of providing incentive or reward to any employees, executives or directors of the Group or any invested entity and any consultant, adviser or agent of any member of the Group or any invested entity, who have contributed or will contribute to the growth and development of the Group or any invested entity ("Eligible Person"). The Scheme will remain in force for a period of ten years from that date.

Under the Scheme, the directors of the Company may at their discretion grant options to any Eligible Person to subscribe for shares in the Company. Consideration to be paid on each grant of option is HK\$1.00. The directors of the Company may at their discretion determine the specific exercise period which should expire in any event no later than ten years from date of adoption of the Scheme. The exercise price is determined by the directors of the Company and will be at least the higher of: (i) the subscription price as is permissible under the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange ("Listing Rules") from time to time; and (ii) the nominal value of the shares of the Company.

The maximum number of shares that may initially be issued upon the exercise of all options to be granted under the Scheme and any other share option scheme(s) adopted by the Company must not in aggregate exceed 10% of the total number of issued shares of the Company as at its adoption date, i.e. 57,669,939 shares of the Company. Subject to the approval of the shareholders of the Company in general meeting, the limit may be refreshed to 10% of the total number of shares of the Company in issue as at the date of approval by the shareholders of the Company in general meeting. Notwithstanding the foregoing, the maximum number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of shares of the Company in issue from time to time. Pursuant to an ordinary resolution passed at the Company's annual general meeting held on 6 September 2006, the 10% scheme limit was refreshed to 58,195,877, representing 10% of the total number of issued shares of the Company as at the date of such meeting.

The maximum number of shares of the Company in respect of which options may be granted to each Eligible Person under the Scheme and any other share option scheme(s) of the Company (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares of the Company in issue from time to time unless such grant has been duly approved by shareholders of the Company in general meeting at which the Eligible Person and his associate (as defined in the Listing Rules) abstained from voting. Options granted to a substantial shareholder and/or an independent non-executive director of the Company or any of their respective associates (as defined in the Listing Rules) in any 12-month period in excess of 0.1% of the total number of shares of the Company in issue and have an aggregate value exceeding HK\$5 million must be approved by the shareholders of the Company in general meeting in advance.

34. 以股份為基礎支付之交易

(a) 本公司之購股權計劃

於二零零五年九月七日，本公司採納一項新購股權計劃（「購股權計劃」），以向對或將會對本集團或任何投資機構作出貢獻之本集團或任何投資機構之任何僱員、行政人員或董事或任何投資機構及本集團任何成員公司或任何投資機構之顧問、諮詢人或代理（「合資格人士」）提供激勵或報酬。購股權計劃將自該日起維持有效十年。

根據購股權計劃，本公司董事可酌情向任何合資格人士授出購股權，每股授納授出之購股權需支付每股1.00港元之代價。本公司董事可酌情釐定行使期限，惟在任何情況下，上述行使期限不得超過自購股權計劃獲採納當日起計十年。行使價由本公司董事以下列較高者而釐定：至少為(i)根據香港聯交所上市規則（「上市規則」）不時允許之認購價；及(ii)本公司股份之面值。

根據購股權計劃及本公司所採納任何其他購股權計劃可予授出之購股權可認購最多之股份總數，合共不得超過本公司於採納日期已發行股份總數之10%，即57,669,939股。如獲得本公司股東在股東大會上批准，該限額可更新為本公司股東在股東大會上批准當日已發行股份總數之10%。儘管如此，已根據購股權計劃或本公司任何其他購股權計劃授出但尚未行使之所有購股權獲行使時可予發行之股份總數，合共最多不得超過不時已發行股份總數之30%。根據二零零六年九月六日舉行之本公司股東週年大會上通過之普通決議案，此10%計劃限額更新為58,195,877股，佔於該大會日期本公司已發行股份總數之10%。

於任何十二個月期間，根據購股權計劃及本公司任何其他購股權計劃可授予任何合資格人士之購股權（包括已行使、已註銷及未行使購股權）所涉及之本公司股份數目，最多不得超過本公司不時已發行股份總數之1%，除非此項批授事宜已在合資格人士及其聯繫人士（定義見上市規則）放棄投票之股東大會上獲得本公司股東正式批准，則不受此限。於任何十二個月期間內向本公司每位主要股東及／或獨立非執行董事或彼等各自之任何聯繫人士（定義見上市規則）授出購股權時，若所授出購股權所涉及之股份超過本公司已發行股份總數之0.1%及總值超過5,000,000港元，則事先必須獲得本公司股東在股東大會上批准。

34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Share option scheme of the Company (continued)

Details of movements in share options of the Company granted under the Scheme during the current and prior years are as follows:

Category	Date of grant	Vesting date	Exercise period	Exercise price per share	Number of shares of the Company to be issued upon exercise of the share options							
					Outstanding at 1.4.2005	Granted during the year	Outstanding at 31.3.2006	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31.3.2007	
類別	批授日期	歸屬日期	行使期	每股行使價 HK\$ 港元	於二零零五年 四月一日 尚未行使	年內授出	於二零零六年 三月三十一日 尚未行使	年內授出	年內行使	年內失效	於二零零七年 三月三十一日 尚未行使	
Type I 第I類	3.2.2006	3.2.2006	3.2.2006-6.9.2015	0.70	-	1,500,000	1,500,000	-	-	-	1,500,000	
Type II 第II類	3.2.2006	1.1.2007	1.1.2007-6.9.2015	0.85	-	1,500,000	1,500,000	-	-	-	1,500,000	
Type III 第III類	3.2.2006	1.1.2008	1.1.2008-6.9.2015	1.00	-	1,500,000	1,500,000	-	-	-	1,500,000	
Type IV 第IV類	9.2.2006	9.2.2008	9.2.2008-8.2.2009	0.90	-	8,000,000	8,000,000	-	-	(2,400,000)	5,600,000	
Type V 第V類	13.7.2006	13.7.2006	13.7.2006-12.7.2008	1.00	-	-	-	3,000,000	(1,500,000)	-	1,500,000	
Type VI 第VI類	13.7.2006	13.7.2007	13.7.2007-12.7.2009	1.00	-	-	-	3,000,000	-	-	3,000,000	
Type VII 第VII類	13.7.2006	13.7.2008	13.7.2008-12.7.2009	1.00	-	-	-	2,000,000	-	-	2,000,000	
						-	12,500,000	12,500,000	8,000,000	(1,500,000)	(2,400,000)	16,600,000
Exercisable at the end of the year				年底時可予行使							4,500,000	

No options were cancelled during the year.

The weighted average exercise price of the above share options is HK\$0.928 (2006: HK\$0.882).

34. 以股份為基礎支付之交易 (續)

(a) 本公司之購股權計劃 (續)

本年及往年，根據購股權計劃授出之本公司購股權變動詳情如下：

Number of shares of the Company to be issued upon exercise of the share options
因購股權獲行使時將予發行之本公司股份數目

Category	Date of grant	Vesting date	Exercise period	Exercise price per share	Number of shares of the Company to be issued upon exercise of the share options							
					Outstanding at 1.4.2005	Granted during the year	Outstanding at 31.3.2006	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31.3.2007	
類別	批授日期	歸屬日期	行使期	每股行使價 HK\$ 港元	於二零零五年 四月一日 尚未行使	年內授出	於二零零六年 三月三十一日 尚未行使	年內授出	年內行使	年內失效	於二零零七年 三月三十一日 尚未行使	
Type I 第I類	3.2.2006	3.2.2006	3.2.2006-6.9.2015	0.70	-	1,500,000	1,500,000	-	-	-	1,500,000	
Type II 第II類	3.2.2006	1.1.2007	1.1.2007-6.9.2015	0.85	-	1,500,000	1,500,000	-	-	-	1,500,000	
Type III 第III類	3.2.2006	1.1.2008	1.1.2008-6.9.2015	1.00	-	1,500,000	1,500,000	-	-	-	1,500,000	
Type IV 第IV類	9.2.2006	9.2.2008	9.2.2008-8.2.2009	0.90	-	8,000,000	8,000,000	-	-	(2,400,000)	5,600,000	
Type V 第V類	13.7.2006	13.7.2006	13.7.2006-12.7.2008	1.00	-	-	-	3,000,000	(1,500,000)	-	1,500,000	
Type VI 第VI類	13.7.2006	13.7.2007	13.7.2007-12.7.2009	1.00	-	-	-	3,000,000	-	-	3,000,000	
Type VII 第VII類	13.7.2006	13.7.2008	13.7.2008-12.7.2009	1.00	-	-	-	2,000,000	-	-	2,000,000	
						-	12,500,000	12,500,000	8,000,000	(1,500,000)	(2,400,000)	16,600,000
Exercisable at the end of the year				年底時可予行使							4,500,000	

年內概無購股權註銷。

上述購股權之加權平均行使價為0.928港元(二零零六年：0.882港元)。

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34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Share option scheme of the Company (continued)

The fair values of the share options granted during the current and prior years were calculated using the Black-Scholes Option Pricing Model (the "Model") carried out by RHL Appraisal Limited, an independent valuer with no connection with the Group. The inputs into the Model and the estimated fair values of the share options granted on 13 July 2006 (2006: 3 February 2006 and 9 February 2006) were summarised as follows:

		2007			2006			
		Type V 第V類	Type VI 第VI類	Type VII 第VII類	Type I 第I類	Type II 第II類	Type III 第III類	Type IV 第IV類
Closing share price at date of grant	於授出日期之股份收市價	HK\$0.98港元	HK\$0.98港元	HK\$0.98港元	HK\$0.70港元	HK\$0.70港元	HK\$0.70港元	HK\$0.87港元
Exercise price	行使價	HK\$1.00港元	HK\$1.00港元	HK\$1.00港元	HK\$0.70港元	HK\$0.85港元	HK\$1.00港元	HK\$0.90港元
Expected volatility	預期波幅	52%	52%	52%	38%	38%	38%	38%
Expected life	預期壽命	0.8 years年	2.0 years年	2.5 years年	2.5 years年	2.9 years年	4 years年	2.5 years年
Risk-free interest rate	無風險利率	4.32%	4.49%	4.53%	3.93%	3.92%	4.06%	4.06%
Expected annual dividend yield	預期年度股息回報率	8.16%	8.16%	8.16%	8.57%	8.57%	8.57%	8.57%
Fair value per share option	每份購股權之公平值	HK\$0.163港元	HK\$0.226港元	HK\$0.239港元	HK\$0.109港元	HK\$0.079港元	HK\$0.067港元	HK\$0.129港元

The Model is one of the commonly used models to estimate the fair value of the option. The value of an option varies with different variables of certain subjective assumptions. Any changes in the variables so adopted may materially affect the estimation of the fair value of an option.

The expected volatility used in the Model was determined by using the annualised standard deviation of the continuously compounded rate of return on the ordinary shares of the Company. The expected life used in the Model has been adjusted, based on Management's best estimate, for the effects of non transferability and behavioural considerations.

The total estimated fair value of approximately HK\$1,088,000 (2006: HK\$137,000) with respect to share options granted to directors and employees of the Group were charged to the consolidated income statement during the year.

34. 以股份為基礎支付之交易(續)

(a) 本公司之購股權計劃(續)

年內授出之購股權之公平值乃按柏力克－舒爾斯期權定價模式(「該模式」)計算，經與本集團概無關連之獨立估值師永利行評值顧問有限公司進行。該模式之輸入值及二零零六年七月十三日(二零零六年：二零零六年二月三日及二零零六年二月九日)授出之購股權之估計公平值概括如下：

該模式為其中一個用以估計購股權公平值之常用模式。購股權之價值因若干主觀假設出現不同變數而各有不同。就變數所採納之任何變動，可能會對就購股權公平值所作出之估計產生重大影響。

預期波幅乃利用本公司普通股之回報之持續合併比率之年度化標準差釐定。由於非透明性質及行為上考慮之影響，該模式所用之預期壽命已根據管理層之推測予以調整。

授予本集團董事及僱員之購股權之估計公平值總額1,088,000港元(二零零六年：137,000港元)已於本年度之綜合收益表之中扣除。

34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Share option scheme of PYI

On 27 August 2002, PYI adopted a share option scheme (the "PYI Scheme") for the purpose of providing incentive or reward to any employees, executives or officers, directors of PYI and its subsidiaries or any invested entity and any celebrity, consultant, adviser or agent of any member of PYI and its subsidiaries or any invested entity, who have contributed or will contribute to the growth and development of PYI and its subsidiaries or any invested entity ("PYI Eligible Person"). The PYI Scheme will remain in force for a period of ten years from that date.

Under the PYI Scheme, the directors of PYI may at their discretion grant options to any PYI Eligible Person to subscribe for shares in PYI without consideration. The directors of PYI may at their discretion determine the specific exercise period which should expire in any event no later than ten years from date of adoption of the PYI Scheme. The exercise price is determined by the directors of PYI and will be at least the higher of: (i) the subscription price as is permissible under the Listing Rules from time to time; and (ii) the nominal value of the shares of PYI.

The maximum number of shares that may initially be issued upon the exercise of all options to be granted under the PYI Scheme and any other share option scheme(s) adopted by PYI must not in aggregate exceed 10% of the total number of issued shares of PYI, i.e. 103,674,492 shares of PYI, as at its adoption date. Subject to the approval of the shareholders of PYI in general meeting, the limit may be refreshed to 10% of the total number of shares of PYI in issue as at the date of approval by the shareholders of PYI in general meeting. Notwithstanding the forgoing, the maximum number of shares of PYI which may be issued upon exercise of all outstanding options granted and yet to be exercised under the PYI Scheme and any other share option scheme(s) of PYI must not in aggregate exceed 30% of the total number of shares of PYI in issue from time to time. Pursuant to ordinary resolutions passed at the annual general meeting of PYI in 2003, 2004 and 2005, the 10% scheme limit was refreshed to 10% of the total number of issued shares of PYI as at the respective date of such meetings. Pursuant to an ordinary resolution passed at the PYI's annual general meeting held on 8 September 2006, the 10% scheme limit was further refreshed to 142,260,991, representing 10% of the total number of issued shares of PYI as at the date of such meeting.

The maximum number of shares of PYI in respect of which options may be granted to each PYI Eligible Person under the PYI Scheme and any other share option scheme(s) of PYI (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares of PYI in issue from time to time unless such grant has been duly approved by shareholders of PYI in general meeting at which the PYI Eligible Person and his associates (as defined in the Listing Rules) abstained from voting. Options granted to a substantial shareholder and/or an independent non-executive director of PYI or any of their respective associates (as defined in the Listing Rules) in any 12-month period in excess of 0.1% of total number of shares of PYI in issue and have an aggregate value exceeding HK\$5 million must be approved by the shareholders of PYI in general meeting in advance.

34. 以股份為基礎支付之交易(續)

(b) PYI購股權計劃

於二零零二年八月二十七日，PYI採納新購股權計劃（「PYI計劃」），以向對或將會對PYI或任何投資機構作出貢獻之PYI及其附屬公司或任何投資機構之任何僱員、行政人員或高級職員、董事或任何投資機構及知名人士、PYI任何成員公司或任何投資機構之諮詢人、顧問或代理（「PYI合資格人士」）提供激勵或報酬。購股權計劃將自該日起維持有效十年。

根據PYI購股權計劃，PYI董事可酌情向任何PYI合資格人士授出購股權，接納授出之購股權毋需支付任何費用。PYI之董事可酌情釐定行使期限，惟在任何情況下，上述行使期限不得超過自PYI購股權計劃獲採納當日起計十年。行使價由PYI之董事以下列較高者而釐定，至少為(i)根據上市規則不時允許之認購價；及(ii) PYI股份之面值。

根據PYI購股權計劃及PYI所採納任何其他購股權計劃可予授出之購股權初時可認購最多之股份總數，合共不得超過PYI於採納日期已發行股份總數之10%，即103,674,492股。如獲得PYI股東在股東大會上批准，該限額可更新為PYI股東在股東大會上批准當日已發行股份總數之10%。儘管如此，已根據PYI購股權計劃或PYI任何其他購股權計劃授出但尚未行使之所有購股權獲行使時可予發行之股份總數，合共最多不得超過PYI不時已發行股份總數之30%。根據PYI二零零三年、二零零四年及二零零五年股東週年大會上通過之普通決議案，10%之計劃限額已於該等會議舉行之相關日期更新為本公司已發行股份總數之10%。根據PYI於二零零六年九月八日舉行之股東週年大會上通過之普通決議案，10%之計劃限額獲進一步更新為142,260,991股，佔PYI於該會議舉行之相關日期已發行股份總數之10%。

於任何十二個月期間，根據PYI購股權計劃及PYI任何其他購股權計劃可授予任何PYI合資格人士之購股權（包括已行使、已註銷及未行使購股權）所涉及之PYI股份數目，最多不得超過PYI不時已發行股份總數之1%，除非此項批授事宜已在PYI合資格人士及其聯繫人士（定義見上市規則）放棄投票之股東大會上獲得PYI股東正式批准，則不受此限。於任何十二個月期間內向PYI每位主要股東及／或獨立非執行董事或彼等各自之任何聯繫人士（定義見上市規則）授出購股權時，若所授出購股權所涉及之股份超過已發行股份總數之0.1%及總值超過5,000,000港元，則事先必須獲得PYI股東在股東大會上批准。

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34. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Share option scheme of PYI (continued)

Details of the share options of PYI held by directors of the Company under the PYI Scheme which are granted for the services provided to PYI and movements in such holdings during the current and prior years are as follows:

Date of grant	Vesting date	Exercise period	Exercise price per share	Number of shares of PYI to be issued upon exercise of the share options			
				Outstanding at 1.4.2005 and 31.3.2006	Granted during the year	Exercised during the year	Outstanding at 31.3.2007
批授日期	歸屬日期	行使期	每股行使價 HK\$ 港元	於二零零五年四月一日及二零零六年三月三十一日 尚未行使	年內授出	年內行使	於二零零七年三月三十一日 尚未行使
28.12.2004	28.12.2004	28.12.2004 – 26.8.2012	1.24*	6,500,000	–	–	6,500,000
28.12.2004	28.12.2004	28.12.2004 – 26.8.2012	1.50*	6,500,000	–	–	6,500,000
8.9.2006	8.9.2006	8.9.2006 – 7.9.2007	2.48	–	5,600,000	(500,000)	5,100,000
8.9.2006	8.9.2007	8.9.2007 – 7.9.2008	2.48	–	4,600,000	–	4,600,000
8.9.2006	8.9.2008	8.9.2008 – 7.9.2009	2.48	–	4,600,000	–	4,600,000
8.9.2006	1.8.2007	1.8.2007 – 31.7.2008	2.43	–	1,500,000	–	1,500,000
8.9.2006	1.8.2008	1.8.2008 – 31.7.2009	2.43	–	1,500,000	–	1,500,000
				13,000,000	17,800,000	(500,000)	30,300,000

* The exercise price per share was after the adjustment made pursuant to the ordinary resolution passed by PYI's shareholders at the special general meeting held on 14 February 2006 whereby PYI repriced the share options by a reduction of the exercise price by HK\$0.70 per share as a result of the payment of a special cash dividend of HK\$0.70 per share during that year.

There were no options granted to any directors and employees of the Group under the PYI Scheme in respect of services provided to the Group in the current and prior years and, therefore, no share-based payment expense is recognised in the Group's consolidated financial statements in relation to the PYI Scheme.

No options granted to directors of the Company were cancelled or lapsed during the year.

34. 以股份為基礎支付之交易 (續)

(b) PYI購股權計劃 (續)

本公司董事因向PYI提供服務而獲根據PYI計劃授出並持有之PYI購股權以及其於本年及往年內之控股變動之詳情如下：

Number of shares of PYI to be issued upon exercise of the share options
因購股權獲行使時將予發行之PYI股份數目

Outstanding at 1.4.2005 and 31.3.2006	Granted during the year	Exercised during the year	Outstanding at 31.3.2007
6,500,000	–	–	6,500,000
6,500,000	–	–	6,500,000
–	5,600,000	(500,000)	5,100,000
–	4,600,000	–	4,600,000
–	4,600,000	–	4,600,000
–	1,500,000	–	1,500,000
–	1,500,000	–	1,500,000
13,000,000	17,800,000	(500,000)	30,300,000

* 根據PYI股東於二零零六年二月十四日舉行之股東特別大會通過之普通決議案，PYI重定購股權之價格，方式為將每股份之行使價下調0.70港元，原因是年內派付特別現金股息每股0.70港元。

本年及往年內概無任何本集團董事及僱員因向本集團提供服務而獲根據PYI計劃獲授購股權，故無於本集團綜合財務報表確認有關PYI計劃之以股份為基礎付款之開支。

年內本公司董事獲授之購股權均無已註銷或已失效。

35. ACQUISITION OF SUBSIDIARIES

During the year ended 31 March 2006, the Group acquired the entire interest in Paul Y. Building Management Limited from PYI at a consideration of HK\$2 and the remaining 50% equity interest in Paul Y. Specialist Limited (formerly known as Paul Y. Sogea Limited) from the remaining shareholder of Paul Y. Specialist Limited at a consideration of HK\$200,000. The acquisition was accounted for using the purchase method of accounting.

35. 收購附屬公司

截至二零零六年三月三十一日止年度內，本集團以2港元代價向PYI收購保華物業管理有限公司全部權益，並以200,000港元代價向Paul Y. Specialist Limited (前稱Paul Y. Sogea Limited)之其餘股東收購Paul Y. Specialist Limited其餘50%股本權益。此項收購已以收購會計法入賬。

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Net assets acquired:	所購入資產淨值：		
Property, plant and equipment	物業、機械及設備	-	111
Debtors, deposits and prepayments	應收賬款、訂金及預付款項	-	419
Bank balances and cash	銀行結餘及現金	-	7
Creditors and accrued expenses	應付賬款及應計開支	-	(341)
		-	196
Reclassification from interests in an associate	聯營公司權益重新分類	-	4
Consideration	代價	-	200
Net cash outflow arising on acquisition of subsidiaries:	收購附屬公司產生之現金流出淨額：		
Bank balances and cash acquired	所購入銀行結餘及現金	-	7
Cash paid	已付現金	-	(200)
		-	(193)

The subsidiaries acquired did not have any significant impact on the Group's results and cash flows for the year ended 31 March 2006.

所收購之附屬公司並未對本集團截至二零零六年三月三十一日止年度之業績及現金流轉造成重大影響。

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36. DISPOSAL OF SUBSIDIARIES

During the year ended 31 March 2006, the Group disposed of two subsidiaries, namely Unicon Concrete Products (HK) Limited and Hamker Concrete Products Limited, which were engaged in the manufacturing and trading of concrete products. The consideration for the disposal was HK\$19,000,000 which will be settled in cash by the purchaser on or before October 2009.

36. 出售附屬公司

截至二零零六年三月三十一日止年度內，本集團出售兩家從事混凝土產品生產及銷售之附屬公司預力剛混凝土製品(香港)有限公司及恆加混凝土制品有限公司。出售之代價為19,000,000港元，並將由買方於二零零九年十月或之前，以現金支付。

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Net assets disposed of:	所出售資產淨值：		
Property, plant and equipment	物業、機械及設備	-	22,436
Loss on disposal of subsidiaries	出售附屬公司虧損	-	(4,456)
Total consideration	總代價	-	17,980
Satisfied by:	支付方式：		
Cash	現金	-	4,000
Deferred consideration (note 22)	遞延代價(附註22)	-	13,980
		-	17,980
Net cash inflow arising on disposal of subsidiaries:	出售附屬公司產生之現金流入淨額：		
Cash received	已收現金	-	4,000

The subsidiaries disposed of contributed HK\$747,000 to the Group's turnover, and a loss of HK\$2,969,000, to the Group's results for the year ended 31 March 2006.

截至二零零六年三月三十一日止年度內出售之附屬公司為本集團營業額帶來747,000港元貢獻，並為年內本集團之業績帶來2,969,000港元虧損。

37. MAJOR NON-CASH TRANSACTIONS

The Group issued additional shares as scrip dividends during both years as set out in note 13.

37. 重大非現金交易

本集團於兩個年度內額外發行股份作為以股代息(如附註13所載)。

38. RETIREMENT BENEFIT SCHEMES

The Group operates defined contribution retirement benefit schemes for qualifying employees. The assets of the schemes are separately held in funds under the control of trustees.

The cost charged to the consolidated income statement represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

At the balance sheet date, there were no material forfeited contributions which arose upon employees leaving the schemes prior to their interests in the Group's contributions becoming fully vested and which are available to reduce the contributions payable by the Group in future years.

With effect from 1 December 2000, the Group has joined a mandatory provident fund scheme ("MPF Scheme"). The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at the rates specified in the rules. The only obligation of the Group with respect to MPF Scheme is to make the required contributions under the MPF Scheme. Under the MPF Scheme, there will not be any forfeited contribution available to reduce the contribution payable by the Group.

The retirement benefit scheme contributions arising from the MPF Scheme charged to the consolidated income statement represent contributions payable to the funds by the Group at the rates specified in the rules of the MPF Scheme.

38. 退休福利計劃

本集團為合資格僱員設有已界定供款退休福利計劃。該等計劃之資產由受託人管理之多項基金獨立持有。

於綜合收益表撥出之費用為本集團按該等計劃之規則所定之比例支付予基金之供款。倘僱員在可享有本集團供款所附全部權益前退出該等計劃，本集團應付供款將可按沒收供款之金額遞減。

於結算日，並無因僱員於彼等可享有本集團供款所附全部權益前退出該等計劃而產生之重大沒收供款及可供本集團於未來年度減少應付供款之重大沒收供款。

由二零零零年十二月一日起，本集團加入強制性公積金計劃（「強積金計劃」）。強積金計劃已根據強制性公積金計劃條例在強制性公積金管理局登記。強積金計劃之資產獨立於本集團之資產，由獨立受託人控制之基金持有。根據強積金計劃之規則，僱主及僱員均須各自按規則訂明之比率向計劃供款。本集團有關強積金計劃之僅有責任為根據計劃作出指定之供款。根據強積金計劃，目前並無已遭沒收供款可供以扣減本集團日後應付供款。

因強積金計劃而作出之退休福利計劃供款自綜合收益表扣除，相當於本集團按計劃規則訂明之比率向基金應付之供款。

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39. CONTINGENT LIABILITIES

Guarantee given to a bank in respect of banking facilities granted to an associate

就授予一聯營公司之銀行信貸
向銀行授出之擔保

2007
HK\$'000
千港元

2006
HK\$'000
千港元

9,454

9,454

40. OPERATING LEASE COMMITMENTS

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

Premises

Within one year

In the second to fifth year inclusive

物業

一年內

第二至第五年(首尾兩年包括在內)

2007
HK\$'000
千港元

2006
HK\$'000
千港元

16,715

14,388

42,468

49,252

59,183

63,640

Leases are negotiated, and monthly rentals are fixed, for terms ranging from two to five years.

租約之商討及每月租金之訂定平均期限為二至五年。

41. POST BALANCE SHEET EVENT

On 13 March 2007, an associate of the Group entered into a conditional agreement regarding the disposal of the associate's property interest in Paul Y. Centre at a consideration of HK\$1,150 million. Details of the transaction were set out in the announcement of the Company dated 14 March 2007. The transaction was completed on 13 June 2007.

41. 結算日後事項

二零零七年三月十三日，本集團一聯營公司訂立有條件協議，內容有關出售該聯營公司於保華企業中心之物業權益，代價為1,150,000,000港元。該項交易詳情載於本公司於二零零七年三月十四日發表之公佈。該項交易已於二零零七年六月十三日完成。

42. RELATED PARTY TRANSACTIONS AND BALANCES

(a) The Group entered into the following transactions with its related parties during the year:

42. 關連人士交易及結餘

(a) 年內，本集團與其關連人士訂立以下交易：

Class of related party 關連人士之類別	Nature of transactions 交易性質	2007 HK\$'000 千港元	2006 HK\$'000 千港元	
Associates of the Group 本集團之聯營公司	Construction works charged by the Group 本集團收取建築工程費	–	383	
	Project management fee charged by the Group 本集團收取項目管理費	1,596	6,044	
	Purchase of concrete products by the Group 本集團購買混凝土產品	35	112	
	Subcontracting fees charged to the Group 本集團支付分包費	–	15	
	Rentals and related building management fee charged to the Group 本集團支付租金及相關物業管理費	18,857	2,672	
	Building manager remuneration charged by the Group 本集團收取物業管理酬金	1,200	248	
	Consultancy fee and carpark rental charged by the Group 本集團收取諮詢費及停車場租金	2,511	–	
	Jointly controlled entities of the Group 本集團之共同控制機構	Project management fee charged by the Group 本集團收取項目管理費	–	825
		Subcontracting fees charged to the Group 本集團支付分包費	7,798	1,015
Service fees charged by the Group 本集團收取服務費		30	65	
Subsidiaries of PYI PYI之附屬公司	Construction works charged by the Group 本集團收取建築工程費	–	283	
	Rentals and related building management fee charged to the Group 本集團支付租金及相關物業管理費	–	9,080	
	Service fees charged by the Group 本集團收取服務費	10	60	
	Building manager remuneration charged by the Group 本集團收取物業管理酬金	350	187	
	Project management fee charged by the Group 本集團收取項目管理費	7,779	–	
	Air-conditioning charged by the Group 本集團收取空調費	117	–	

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42. RELATED PARTY TRANSACTIONS AND BALANCES (continued) 42. 關連人士交易及結餘(續)

Class of related party 關連人士之類別	Nature of transactions 交易性質	2007 HK\$'000 千港元	2006 HK\$'000 千港元
Subsidiaries of ITC 德祥企業之附屬公司	Carpark rental charged by the Group 本集團收取停車場租金	48	–
	Service fees charged by the Group 本集團收取服務費	–	31
	Purchase of building materials by the Group 本集團購買建築材料	40	–
	Motor vehicles rental charged to the Group 本集團支付車租	219	–
Associates of ITC 德祥企業之聯營公司	Service fees charged by the Group 本集團收取服務費	14	–
	Air-conditioning expenses charged by the Group 本集團收取空調費	85	–
	Services fees charged to the Group 本集團支付服務費	401	–
Other related companies 其他關連公司	Interest charged by the Group 本集團收取利息	31	58

(b) The remuneration of directors and other members of key management during the year was as follows:

(b) 年內董事及其他管理層要員之薪酬如下：

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
Short-term benefits	短期福利	10,254	5,687
Post-employment benefits	退休福利	106	129
Share-based payment expenses	以股份為基礎付款之開支	944	81
		11,304	5,897

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

董事及行政要員薪酬乃參考個別人員之表現及市場趨勢而釐定。

Details of the balances with associates, jointly controlled entities and related companies at the balance sheet date are set out in notes 25, 26 and 28 respectively.

於結算日與聯營公司、共同控制機構及關連公司之交易結餘詳情載列於附註25、26及28。

43. BALANCE SHEET OF THE COMPANY

43. 本公司之資產負債表

		2007 HK\$'000 千港元	2006 HK\$'000 千港元
TOTAL ASSETS	總資產		
Investments in subsidiaries	於附屬公司投資	256,523	256,523
Prepayments	預付款項	112	260
Amount due from a subsidiary	應收附屬公司款項	277,644	225,127
Bank balances	銀行結餘	34	74
		534,313	481,984
TOTAL LIABILITIES	總負債		
Creditors and accrued expenses	應付賬款及應計開支	2,374	1,478
Bank borrowings	銀行借款	63,999	22,000
		66,373	23,478
NET ASSETS	資產淨值	467,940	458,506
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	294,800	290,979
Reserves (note)	儲備 (附註)	173,140	167,527
		467,940	458,506

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43. BALANCE SHEET OF THE COMPANY (continued)

Note: Movement of reserves of the Company during the current and prior years are as follows:

43. 本公司之資產負債表(續)

附註：本公司於本年及往年之儲備變動如下：

		Share premium	Special reserve	Share options reserve	Capital redemption reserve	Accumulated profits	Total
		股份溢價	特別儲備	購股權 儲備	資本贖回 儲備	累計溢利	合計
		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
At 1 April 2005	於二零零五年 四月一日	278,434	(150,000)	-	255	45,371	174,060
Profit for the year	年度溢利	-	-	-	-	44,638	44,638
Recognition of equity-settled share-based payment expenses	確認以股份為基礎 付款之開支	-	-	137	-	-	137
Issue of shares under scrip dividend scheme	根據以股代息計劃 發行股份	(2,629)	-	-	-	-	(2,629)
Credit arising on scrip dividends	以股代息產生之進賬	-	-	-	-	3,314	3,314
Dividend paid	已付股息	-	-	-	-	(51,993)	(51,993)
At 31 March 2006	於二零零六年 三月三十一日	275,805	(150,000)	137	255	41,330	167,527
Profit for the year	年度溢利	-	-	-	-	50,867	50,867
Recognition of equity-settled share-based payment expenses	確認以股份為基礎 付款之開支	-	-	1,088	-	-	1,088
Issue of shares under scrip dividend scheme	根據以股代息計劃 發行股份	(3,071)	-	-	-	-	(3,071)
Issue of shares upon exercise of share options	因行使購股權而 發行股份	994	-	(244)	-	-	750
Credit arising on scrip dividends	以股代息產生之進賬	-	-	-	-	5,472	5,472
Dividend paid	已付股息	-	-	-	-	(49,493)	(49,493)
At 31 March 2007	於二零零七年 三月三十一日	273,728	(150,000)	981	255	48,176	173,140

The contributed surplus represents the difference between the consolidated shareholders' funds of the subsidiaries at the date on which they were acquired by the Company, and the nominal amount of the Company's shares issued for the acquisition at the time of the Group reorganisation prior to the listing of the Company's shares in 1996.

實繳盈餘指附屬公司於彼等被本公司收購之日之綜合股東資金，與本公司股份於一九九六年上市前集團重組時為收購而發行之本公司股份面額之差異。

The special reserve of the Company represents the difference between the aggregate of the net asset value of, and shareholder's loan to, PYE Holdings Group amounting to HK\$250,000,000 and the issue value of the shares of HK\$400,000,000 as consideration for the acquisition of PYE Holdings Group in January 2005.

本公司之特別儲備指PYE Holdings集團資產淨值與股東貸款之和250,000,000港元，與作為二零零五年一月收購PYE Holdings集團代價之股份發行價值400,000,000港元之差額。

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY

(a) Particulars of the Company's principal subsidiaries at 31 March 2007 are as follows:

44. 主要附屬公司、聯營公司及共同控制機構資料

(a) 本公司主要附屬公司於二零零七年三月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立／註冊地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本／註冊資本	Percentage of issued share capital/ registered capital		Principal activities 主要業務
			held by the Company/ subsidiaries 本公司／附屬公司 所持有已發行股本／註冊資本 之百分比 %	attributable to the Group 本集團應佔已發行股本／註冊資本 之百分比 %	
Corless Limited	British Virgin Islands 英屬處女群島	US\$2 ordinary shares 2美元 普通股	100	100	Investment holding 投資控股
Paul Y. – CREC(HK) Joint Venture	Hong Kong 香港	– (note (i) below) (下文附註(i))	60	60	Civil engineering 土木工程
Paul Y. (E & M) Contractors Limited 保華機電工程有限公司	Hong Kong 香港	HK\$20,000,000 ordinary shares 20,000,000港元 普通股	99.9998	99.9998	Provision of electrical, mechanical and building services 提供電機及建造服務
Paul Y. Builders Group Limited 保華建造集團有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Investment holding 投資控股
		HK\$1,000,000 non-voting deferred shares (note (ii) below) 1,000,000港元 無投票權遞延股 (下文附註(ii))	–	–	

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44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

(a) Particulars of the Company's principal subsidiaries at 31 March 2007 are as follows: (continued)

44. 主要附屬公司、聯營公司及共同控制機構資料(續)

(a) 本公司主要附屬公司於二零零七年三月三十一日之詳情如下：(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立／註冊地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本／ 註冊資本	Percentage of issued share capital/ registered capital		Principal activities 主要業務
			held by the Company/ subsidiaries 本公司／ 附屬公司 所持有已 發行股本／ 註冊資本 之百分比 %	attributable to the Group 本集團 應佔已 發行股本／ 註冊資本 之百分比 %	
Paul Y. Builders Limited 保華建造有限公司	Hong Kong 香港	HK\$102,000,000 ordinary shares 102,000,000港元 普通股	100	100	Building construction 樓宇建造
Paul Y. Building Materials Company Limited	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Trading and installation of building materials 建築材料貿易及裝嵌
Paul Y. Construction & Engineering Co. Limited 保華建築工程有限公司	Hong Kong 香港	HK\$42,000,000 ordinary shares 42,000,000港元 普通股	100	100	Building construction and civil engineering 樓宇建造及土木工程
Paul Y. Construction Company, Limited 保華建築有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Civil engineering, building construction and investment holding
		HK\$50,000,000 non-voting preferred shares (note (iii) below) 50,000,000港元 無投票權優先股 (下文附註(iii))	—	—	土木工程、樓宇建造 及投資控股

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

(a) Particulars of the Company's principal subsidiaries at 31 March 2007 are as follows: (continued)

44. 主要附屬公司、聯營公司及共同控制機構資料(續)

(a) 本公司主要附屬公司於二零零七年三月三十一日之詳情如下：(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立／註冊地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本／ 註冊資本	Percentage of issued share capital/ registered capital		Principal activities 主要業務
			held by the Company/ subsidiaries 本公司／ 附屬公司 所持有已 發行股本／ 註冊資本 之百分比 %	attributable to the Group 本集團 應佔已 發行股本／ 註冊資本 之百分比 %	
Paul Y. Construction (China) Limited 保華建築(中國)有限公司	PRC 中國	RMB60,000,000 registered capital 人民幣60,000,000元 註冊資本	100	100	Civil engineering and building construction 土木工程及樓宇建造
Paul Y. Facilities Management Co., Limited 保華設施管理有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Facilities management services 設施管理服務
Paul Y. Foundation Holdings Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 1美元 普通股	100	100	Investment holding 投資控股
Paul Y. Foundation Limited 保華地基有限公司	Hong Kong 香港	HK\$10,000,000 ordinary shares 10,000,000港元 普通股	100	100	Civil engineering and foundation works 土木工程及地基工程
Paul Y. General Contractors Limited 保華建築營造有限公司	Hong Kong 香港	HK\$36,000,000 ordinary shares 36,000,000港元 普通股	100	100	Building construction and civil engineering 樓宇建造及土木工程

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44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

(a) Particulars of the Company's principal subsidiaries at 31 March 2007 are as follows: (continued)

44. 主要附屬公司、聯營公司及共同控制機構資料(續)

(a) 本公司主要附屬公司於二零零七年三月三十一日之詳情如下：(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 成立／註冊地點	Issued and fully paid share capital/ registered capital 已發行及 繳足股本／ 註冊資本	Percentage of issued share capital/ registered capital		Principal activities 主要業務
			held by the Company/ subsidiaries 本公司／ 附屬公司 所持有已 發行股本／ 註冊資本 之百分比 %	attributable to the Group 本集團 應佔已 發行股本／ 註冊資本 之百分比 %	
Paul Y. Interior Contractors Limited 保華裝飾工程有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Interior decoration works 室內裝修工程
Paul Y. Management Limited 保華管理有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Management and secretarial services 管理及秘書服務
Paul Y. Plant Hire Limited 保華機械租賃有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Hire of motor vehicles and plant and machinery 汽車、設備及機械租賃
Paul Y. Project Management International Limited 保華國際工程管理 有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Project management services and investment holding 項目管理服務及 投資控股

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

- (a) Particulars of the Company's principal subsidiaries at 31 March 2007 are as follows: (continued)

All of the above subsidiaries operate in Hong Kong except Paul Y. Construction (China) Limited which operates in the PRC.

All of the above subsidiaries are private limited companies except Paul Y. - CREC(HK) Joint Venture which is an unincorporated business.

- (i) No capital has been contributed by the joint venture partners of the joint venture.
- (ii) The holders of the non-voting deferred shares are not entitled to vote, are not entitled to any dividends for any financial year and are, on winding up or otherwise, only entitled out of the surplus assets of the company to a return of the capital after a total sum of HK\$100,000,000,000,000 has been distributed to the holders of the ordinary shares of the company.
- (iii) The holders of the non-voting preferred shares are not entitled to vote, are not entitled to any dividends unless the net profits of the company available for dividend exceed HK\$100,000,000,000 in which case they should be entitled to a fixed non-cumulative dividend at the rate of 5% per annum for any financial year and are, on winding up, only entitled out of the surplus assets of the company to a return of the capital after a total sum of HK\$10,000,000,000 has been distributed to the holders of the ordinary shares of the company.

44. 主要附屬公司、聯營公司及共同控制機構資料(續)

- (a) 本公司主要附屬公司於二零零七年三月三十一日之詳情如下：(續)

上述所有附屬公司均主要在香港營運，惟保華建築(中國)有限公司在中國營運。

上述所有附屬公司均為私人有限公司，惟 Paul Y. - CREC(HK) Joint Venture 為非法人團體。

- (i) 此合營企業之合營各方並無出資。
- (ii) 此等無投票權遞延股持有人無權投票，亦無權獲派任何財政年度之股息，且只有權在該公司清盤時或在其他情況下分派總數100,000,000,000,000港元予該公司普通股持有人後尚有剩餘資產之情況下，獲退還資本。
- (iii) 此等無投票權優先股持有人無權投票，亦無權獲派股息，除非該公司可供派息純利超過100,000,000,000,000港元，在此情況下，彼等有權就任何財政年度獲派一項年息為5%之固定非累積股息，且只有權在該公司清盤時分派總額10,000,000,000,000港元予該公司普通股持有人後尚有剩餘資產之情況下，獲退還資本。

For the year ended 31 March 2007
截至二零零七年三月三十一日止年度

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

(b) Particulars of the Company's principal associates at 31 March 2007 are as follows:

Name of associate	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital 已發行及繳足股本／註冊資本	Percentage of issued share capital/registered capital attributable to the Group 本集團應佔已發行股本／註冊資本之百分比 %	Principal activities
聯營公司名稱	成立／註冊地點			主要業務
CSCEC-Paul Y. Construction Company Limited 中建保華建築有限公司	PRC 中國	US\$10,000,000 registered capital (note below) 10,000,000美元 註冊資本 (下文附註)	31.3	Civil engineering and building construction 土木工程及樓宇建造
Gain Resources Limited	British Virgin Islands 英屬處女群島	US\$100 ordinary shares 100美元 普通股	25	Investment holding 投資控股
Zhong Yu-Paul Y. Project Management Company Limited 北京中宇保華工程項目管理有限公司	PRC 中國	US\$500,000 registered capital (note below) 500,000美元 註冊資本 (下文附註)	40	Project management and consultancy services 項目管理及諮詢服務

All of the above associates are held by the Company indirectly.

Note: The company is a sino-foreign equity joint venture company.

44. 主要附屬公司、聯營公司及共同控制機構資料(續)

(b) 本公司主要聯營公司於二零零七年三月三十一日之詳情如下：

上述所有聯營公司均由本公司間接持有。

附註：此公司乃為中外合資合營公司。

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

(c) Particulars of the Company's principal jointly controlled entity at 31 March 2007 are as follows:

Name of jointly controlled entity	Place of incorporation/ registration	Issued and fully paid share capital	Percentage of issued share capital attributable to the Group	Principal activities
共同控制機構名稱	成立／註冊地點	已發行及繳足股本	本集團應佔已發行股本之百分比 %	主要業務
Paul Y. - Penta-Ocean Joint Venture	Hong Kong 香港	– (note below) (下文附註)	50	Civil engineering 土木工程

Note: No capital has been contributed by the joint venture partners.

The above tables list the subsidiaries, associates and a jointly controlled entity of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries, associates and jointly controlled entities would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

44. 主要附屬公司、聯營公司及共同控制機構資料(續)

(c) 本公司主要共同控制機構於二零零七年三月三十一日之詳情如下：

附註：合營各方並無出資。

上表所列為董事認為主要影響本集團年度業績或組成本集團大部份淨資產之本公司附屬公司、聯營公司及共同控制機構。董事認為，詳列其他附屬公司、聯營公司及共同控制機構之資料將令篇幅冗長。

概無附屬公司於年底或於本年度任何時間擁有尚未行使之任何債務證券。

		For the year ended 31 March 截至三月三十一日止年度					2007
		2003	2004	2005	2006	2007	
		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	
RESULTS	業績						
Turnover	營業額	3,572,496	3,334,023	3,247,683	3,109,876	4,359,329	
Profit (loss) before taxation	除稅前溢利(虧損)	(264,278)	(69,625)	79,559	104,277	109,435	
Taxation	稅項	9,977	7,215	(1,836)	(3,196)	(8,401)	
Profit (loss) for the year	年度溢利(虧損)	(254,301)	(62,410)	77,723	101,081	101,034	
Attributable to:	應佔：						
Equity holders of the Company	本公司權益持有人	(253,803)	(61,671)	80,006	100,902	112,621	
Minority interests	少數股東權益	(498)	(739)	(2,283)	179	(11,587)	
		(254,301)	(62,410)	77,723	101,081	101,034	
		As at 31 March 於三月三十一日					2007
		2003	2004	2005	2006	2007	
		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	
ASSETS, LIABILITIES AND MINORITY INTERESTS	資產、負債及 少數股東權益						
Total assets	總資產	1,991,127	1,701,217	1,676,923	1,937,190	2,561,371	
Total liabilities	總負債	(1,908,825)	(1,685,698)	(1,353,457)	(1,556,946)	(2,106,435)	
Total equity	總權益	82,302	15,519	323,466	380,244	454,936	
Attributable to:	應佔：						
Equity holders of the Company	本公司權益持有人	66,742	5,071	316,101	369,900	442,116	
Minority interests	少數股東權益	15,560	10,448	7,365	10,344	12,820	
		82,302	15,519	323,466	380,244	454,936	

BOARD OF DIRECTORS

James Chiu, OBE, JP	Chairman (Independent Non-Executive Director)
Lau Ko Yuen, Tom	Deputy Chairman (Non-Executive Director)
Mok Yat Fan, Edmond	Executive Director & Chief Executive Officer
Lee Hon Chiu	Executive Director
Lee Chack Fan, SBS, JP	Independent Non-Executive Director
Iain Ferguson Bruce	Independent Non-Executive Director

AUDIT COMMITTEE

James Chiu, OBE, JP (Chairman)
Lee Chack Fan, SBS, JP
Iain Ferguson Bruce

REMUNERATION COMMITTEE

James Chiu, OBE, JP (Chairman)
Mok Yat Fan, Edmond
Lee Chack Fan, SBS, JP

NOMINATION COMMITTEE

Lee Chack Fan, SBS, JP (Chairman)
Lau Ko Yuen, Tom
Iain Ferguson Bruce

FINANCE AND INVESTMENT COMMITTEE

Iain Ferguson Bruce (Chairman)
Mok Yat Fan, Edmond
Lee Hon Chiu

DISCLOSURES COMMITTEE

Iain Ferguson Bruce (Chairman)
Lau Ko Yuen, Tom
Lee Hon Chiu

EXECUTIVE COMMITTEE

Mok Yat Fan, Edmond (Chairman)
Lee Hon Chiu

QUALIFIED ACCOUNTANT

Lee Hon Chiu

COMPANY SECRETARY

Mui Ching Hung, Joanna

SOLICITORS

Richards Butler (Hong Kong)
Conyers Dill & Pearman (Bermuda)

AUDITORS

Deloitte Touche Tohmatsu

董事局

趙雅各, OBE, JP	主席 (獨立非執行董事)
劉高原	副主席 (非執行董事)
莫一帆	執行董事兼行政總裁
李漢潮	執行董事
李焯芬, SBS, JP	獨立非執行董事
Iain Ferguson Bruce	獨立非執行董事

審核委員會

趙雅各, OBE, JP (主席)
李焯芬, SBS, JP
Iain Ferguson Bruce

薪酬委員會

趙雅各, OBE, JP (主席)
莫一帆
李焯芬, SBS, JP

提名委員會

李焯芬, SBS, JP (主席)
劉高原
Iain Ferguson Bruce

財務及投資委員會

Iain Ferguson Bruce (主席)
莫一帆
李漢潮

披露委員會

Iain Ferguson Bruce (主席)
劉高原
李漢潮

執行委員會

莫一帆 (主席)
李漢潮

合資格會計師

李漢潮

公司秘書

梅靜紅

律師

齊伯禮律師行 (香港)
Conyers Dill & Pearman (百慕達)

核數師

德勤 • 關黃陳方會計師行

PRINCIPAL BANKERS

Bank of Beijing Co., Ltd.
 Bank of China (Hong Kong) Limited
 Bank of Communications Co., Ltd. Hong Kong Branch
 China Construction Bank (Asia) Corporation Limited
 CITIC Ka Wah Bank Limited
 BNP Paribas
 DBS Bank (China) Limited, Beijing Branch
 DBS Bank (Hong Kong) Limited
 Fubon Bank (Hong Kong) Limited
 The Bank of East Asia, Limited
 The Hongkong and Shanghai Banking Corporation Limited
 Wing Hang Bank, Limited

PUBLIC RELATIONS CONSULTANT

Strategic Financial Relations Limited

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 2 Church Street
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 Bermuda

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 Bermuda

BRANCH SHARE REGISTRARS AND TRANSFER OFFICE

Standard Registrars Limited
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STOCK CODE

Hong Kong Stock Exchange	577
Reuters	0577.HK
Bloomberg	577 HK

主要往來銀行

北京銀行股份有限公司
 中國銀行(香港)有限公司
 交通銀行股份有限公司香港分行
 中國建設銀行(亞洲)股份有限公司
 中信嘉華銀行有限公司
 法國巴黎銀行
 星展銀行(中國)有限公司, 北京分行
 星展銀行(香港)有限公司
 富邦銀行(香港)有限公司
 東亞銀行有限公司
 香港上海滙豐銀行有限公司
 永亨銀行有限公司

公共關係顧問

縱橫財經公關顧問有限公司

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