



Win Win Way Construction Holdings Ltd.
恆誠建築控股有限公司

(Incorporated in Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：994

Interim Report

中期報告

2018

Contents

目錄

	Page 頁次
Corporate Information 公司資料	2
Highlights 摘要	4
Management Discussion and Analysis 管理層討論與分析	5
Disclosure of Interests 權益披露	15
Corporate Governance and Other Information 企業管治及其他資料	21
Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表	28
Consolidated Statement of Financial Position 綜合財務狀況表	29
Consolidated Statement of Changes in Equity 綜合權益變動表	31
Condensed Consolidated Cash Flow Statement 簡明綜合現金流量表	32
Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註	33

Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Lee Kai Lun (*Chairman*)
Kan Hou Sek, Jim
Lee Sai Man
Wong Siu Kwai
Kwong Po Lam
Guo Jianfeng (appointed on 6 July 2018)

Independent Non-Executive Directors

Fan Siu Kay
Leung William Wai Kai
Lo Chi Leung

AUDIT COMMITTEE

Lo Chi Leung (*Chairman*)
Fan Siu Kay
Leung William Wai Kai

REMUNERATION COMMITTEE

Fan Siu Kay (*Chairman*)
Lee Kai Lun
Leung William Wai Kai

NOMINATION COMMITTEE

Lee Kai Lun (*Chairman*)
Kan Hou Sek, Jim
Fan Siu Kay
Leung William Wai Kai
Lo Chi Leung

AUTHORISED REPRESENTATIVES

Kan Hou Sek, Jim
Cheng Wai Hei

COMPANY SECRETARY

Cheng Wai Hei

AUDITOR

KPMG

董事會

執行董事

利啟麟 (*主席*)
簡厚錫
李世民
黃紹桂
鄭保林
敦劍峰 (於2018年7月6日獲委任)

獨立非執行董事

樊紹基
梁煒佳
盧志良

審核委員會

盧志良 (*主席*)
樊紹基
梁煒佳

薪酬委員會

樊紹基 (*主席*)
利啟麟
梁煒佳

提名委員會

利啟麟 (*主席*)
簡厚錫
樊紹基
梁煒佳
盧志良

授權代表

簡厚錫
鄭偉禧

公司秘書

鄭偉禧

核數師

畢馬威會計師事務所

Corporate Information 公司資料

COMPLIANCE ADVISER

KGI Capital Asia Limited

PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited
DBS Bank Limited

REGISTERED OFFICE

Clifton House, 75 Fort Street, PO Box 1350
Grand Cayman KY1-1108, Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 902-3, 9/F., Nan Fung Commercial Centre
19 Lam Lok Street, Kowloon Bay, Kowloon, Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited

WEBSITE

www.winwinway.com.hk

STOCK CODE

994

合規顧問

凱基金融亞洲有限公司

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司
星展銀行有限公司

註冊辦事處

Clifton House, 75 Fort Street, PO Box 1350
Grand Cayman KY1-1108, Cayman Islands

總部及香港主要營業地點

香港九龍九龍灣臨樂街19號
南豐商業中心9樓902-3室

香港股份過戶登記分處

寶德隆證券登記有限公司

開曼群島股份過戶登記總處

Estera Trust (Cayman) Limited

網站

www.winwinway.com.hk

股份代號

994

Highlights 摘要

- Revenue for the six months ended 30 June 2018 amounted to approximately HK\$325.2 million (2017: HK\$412.2 million), representing a decrease of approximately 21.1% as compared to amount in the corresponding period in 2017.
- Profit for the period amounted to approximately HK\$16.1 million for the six months ended 30 June 2018 (2017: HK\$16.9 million). Excluding the non-recurring listing related expenses, the adjusted profit for the six months ended 30 June 2017 amounted to approximately HK\$28.7 million.
- Basic earnings per share amounted to HK3.09 cents for the six months ended 30 June 2018 (2017: HK4.40 cents).
- The Board did not recommend the payment of a dividend for the six months ended 30 June 2018 (2017: \$Nil).
- 截至2018年6月30日止六個月的收益約為325.2百萬港元(2017年: 412.2百萬港元), 較2017年同期下跌約21.1%。
- 截至2018年6月30日止六個月的期內溢利約為16.1百萬港元(2017年: 16.9百萬港元)。撇除非經常性上市相關開支, 截至2017年6月30日止六個月的經調整溢利約為28.7百萬港元。
- 截至2018年6月30日止六個月, 基本每股盈利為3.09港仙(2017年: 4.40港仙)。
- 董事會不建議就截至2018年6月30日止六個月派付股息(2017年: 零元)。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

The principal activities of the Group are the provision of construction services which mainly include foundation works and ancillary services and general building works, and sales of piles. The Group mainly serves customers in Hong Kong from the private sector but also serves customers from the public sector.

In October 2014, the Group entered into a construction contract in Saipan as main contractor, providing foundation works and ancillary services and general building works ("Saipan Project"), which is a construction project of a resort hotel located at San Antonio, Saipan, Commonwealth of the Northern Mariana Islands ("CNMI"). The foundation works lasted from May 2015 to October 2015. The general building works commenced in May 2016 and was preliminarily expected to complete in or around February 2018. However, due to (i) the inclement weather; (ii) change of policy on worker visa application, such that a substantial amount of workers could not obtain the necessary work permit carry out the work in Saipan; and (iii) change in design as instructed by the customer, and permit for this work not having been obtained, the progress of the Saipan Project was hindered. Since the delay was not due to factors attributable to the fault of our Group, we have applied for extension of time with the customer. On 19 March 2018, the customer has issued a letter to us indicating its agreement to our application for extension of time and the completion date of the Saipan Project was extended to February 2019. During the six months ended 30 June 2018 and up to the date of this interim report, the aforementioned factors (ii) and (iii) are still affecting the progress of Saipan Project. The Board will continuously review the expected completion date, closely monitor the progress of the Saipan Project and apply for further extension of time with the customer if necessary.

Construction services

As at 30 June 2018, the Group had a total of 12 contracts on hand (including contracts in progress and contracts yet to be commenced) and the relevant awarded contract sum of these contracts on hand amounted to approximately HK\$1,700.9 million (31 December 2017: HK\$1,943.4 million). The amount of contract sum yet to be recognised as at 30 June 2018 amounted to approximately HK\$476.5 million (31 December 2017: HK\$708.8 million).

業務回顧

本集團的主要業務為提供建築服務，主要包括地基工程及配套服務與一般建築工程，以及銷售樁柱。本集團主要服務來自私營機構的香港客戶，亦服務來自公營機構的客戶。

於2014年10月，本集團在塞班訂立建築合約，作為總承建商為一個位於北馬里亞納群島自由邦（「北馬里亞納群島自由邦」）塞班聖安東尼奧的度假酒店建築項目（「塞班項目」）提供地基工程及配套服務與一般建築工程。地基工程從2015年5月持續至2015年10月。一般建築工程於2016年5月施工，初步預期於2018年2月或前後竣工。然而，由於(i)惡劣天氣；(ii)工人簽證申請政策變動，令大量工人無法取得於塞班工作所需的簽證；(iii)按客戶指示更改設計，但仍未就是項工程取得許可，塞班項目的進度因而受阻。由於出現延誤並非本集團的過失導致的因素所造成，我們已向客戶申請延長工程時間。於2018年3月19日，客戶向我們發出函件，表示其同意延長工程時間的申請，而塞班項目的完工日期已延後至2019年2月。截至2018年6月30日止六個月及直至本中期報告日期，上述因素(ii)及(iii)依然影響著塞班項目的進度。董事會將不斷檢討預計完工日期，密切監察塞班項目的進度，如有必要則向客戶申請進一步延長工程時間。

建築服務

於2018年6月30日，本集團擁有合共12份手頭合約（包括在建合約及尚未開始的合約），而該等手頭合約的相關批出合約金額約為1,700.9百萬港元（2017年12月31日：1,943.4百萬港元）。於2018年6月30日尚未確認的合約金額約為476.5百萬港元（2017年12月31日：708.8百萬港元）。

Management Discussion and Analysis

管理層討論與分析

Foundation Works and Ancillary Services

Foundation works mainly include mini-piling, percussive piling, rock socketed in steel H-pile and bored pile, together with pile cap. Ancillary services mainly include site formation and demolition works, for example, clearance of the site, excavation, demolition of a building or any substantial part of a building.

During the six months ended 30 June 2018, there were 14 (2017: 35) foundation works and ancillary services projects contributing revenue of HK\$36.4 million (2017: HK\$79.1 million) to this business segment. The decrease was mainly due to 8 foundation works and ancillary services projects completed and only 3 new projects awarded during the six months ended 30 June 2018.

General Buildings Works

General building works mainly include structural alteration and additional works, development of superstructures such as entire dwelling, office buildings, stores, public utility buildings, farm buildings, etc.

During the six months ended 30 June 2018, there were 9 (2017: 9) general building works projects contributing revenue of HK\$235.3 million (2017: HK\$304.9 million) to this business segment. The decrease was mainly due to 1 general building work project completed and no new project awarded during the six months ended 30 June 2018.

Trading of Piles

The piles are manufactured and supplied by 廣州羊城管樁有限公司 (“GZYC”), the related party of the Company. Win Win Way Materials Supply Limited (“WWW Materials”), the indirect wholly owned subsidiary of the Company, has been granted the exclusive distribution right by GZYC for its pile products in Hong Kong from August 2010 to July 2020. The piles sourced from GZYC are “YANGCHENG” precast prestressed concrete piles (the “PHC Piles”).

地基工程及配套服務

地基工程主要包括微型打樁、撞擊式打樁、嵌岩式鋼工字樁及鑽孔樁，連同樁帽工程。配套服務主要包括地盤平整及拆卸工程，例如清理地盤、挖掘、拆卸樓宇或樓宇的任何主要部分。

截至2018年6月30日止六個月，共有14個（2017年：35個）地基工程及配套服務項目，為本業務分部帶來收益36.4百萬港元（2017年：79.1百萬港元）。收益減少主要由於截至2018年6月30日止六個月已完成8個地基工程及配套服務項目以及僅獲授3個新項目。

一般建築工程

一般建築工程主要包括結構上的改動及加建工程、開發整個住宅、寫字樓物業、店舖、公共設施建築、農場建築物等。

截至2018年6月30日止六個月，共有9個（2017年：9個）一般建築工程項目，為本業務分部帶來收益235.3百萬港元（2017年：304.9百萬港元）。收益減少主要由於截至2018年6月30日止六個月已完成1個一般建築工程項目以及並無獲授任何新項目。

樁柱買賣

樁柱是由本公司的關聯方廣州羊城管樁有限公司（「廣州羊城」）製造及供應。本公司間接持有的全資附屬公司恆誠物料有限公司（「恆誠物料」）已獲廣州羊城授予獨家經銷權，自2010年8月至2020年7月在香港獨家經銷其樁柱產品。向廣州羊城採購的樁柱為「羊城」預製預應力混凝土樁柱（「PHC樁柱」）。

Management Discussion and Analysis

管理層討論與分析

On 1 March 2017 and 24 June 2017, WWW Materials entered into a purchase agreement and a supplemental purchase agreement, respectively (collectively, the “2017 PHC Pile Purchase Agreement”), with GZYC pursuant to which the WWW Materials agreed to make a one-off purchase of a total of 164,000 meters of PHC Piles of four different specifications and 4,500 units of steel cross shoes from GZYC to satisfy our Hong Kong customers’ demand. In light of the delays in certain projects of the Group’s customers, WWW Material and GZYC have agreed to extend the expiry date of the 2017 PHC Piles Purchase Agreement from 31 December 2017 to 30 June 2018 by the supplemental agreement to the PHC Piles Purchase Agreement dated 15 November 2017.

On 15 November 2017 and 8 December 2017, WWW Materials entered into a purchase agreement and a supplemental agreement, respectively with GZYC (collectively, the “2018 PHC Piles Purchase Agreement”) pursuant to which WWW Materials has conditionally agreed to make a one-off purchase of a total of 106,000 meters of PHC Piles of four different specifications and 3,600 units of steel cross shoes from GZYC.

During the six months ended 30 June 2018, trading of piles contributed HK\$53.5 million (2017: HK\$28.2 million) revenue to the Group.

於2017年3月1日及2017年6月24日，恆誠物料與廣州羊城分別訂立採購協議及補充採購協議（統稱為「2017年PHC樁柱採購協議」），據此，恆誠物料同意向廣州羊城一次過購買共164,000米、四種不同規格的PHC樁柱及4,500個單位的交叉鋼頭鞋，以滿足我們香港客戶的需求。由於本集團客戶的若干項目延期，恆誠物料及廣州羊城同意訂立日期為2017年11月15日的PHC樁柱採購協議之補充協議，以將2017年PHC樁柱採購協議的到期日由2017年12月31日延遲至2018年6月30日。

於2017年11月15日及2017年12月8日，恆誠物料與廣州羊城分別訂立了採購協議及補充協議（統稱為「2018年PHC樁柱採購協議」），據此，恆誠物料已有條件同意向廣州羊城一次性採購合共106,000米四種不同規格的PHC樁柱及3,600個單位的交叉鋼頭鞋。

截至2018年6月30日止六個月，樁柱買賣為本集團帶來收益53.5百萬港元（2017年：28.2百萬港元）。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

For the six months ended 30 June 2018, the Group's unaudited consolidated revenue amounted to approximately HK\$325.2 million (2017: HK\$412.2 million). The decrease was mainly attributable to (i) the number of projects on hand decreased to 12 as at 30 June 2018 (31 December 2017: 18); and (ii) only 3 foundation work and ancillary services projects awarded during the six months ended 30 June 2018.

For the six months ended 30 June 2018, the overall gross profit was HK\$49.4 million (2017: HK\$61.9 million), while the overall gross profit margin was 15.2% (2017: 15.0%). The gross profit and gross profit margin of the projects are affected by a number of factors, including scope of work, technical complexity, geological conditions of the work sites, variation orders and/or work programme, and therefore varies from project to project. Foundation work projects undertaken by the Group generally had a higher gross profit margin compared with general building work projects. During the six months ended 30 June 2018, there are 86.6% (2017: 79.4%) revenue of construction contract segment contributed from general building work projects.

General and administrative expenses (the "G&A Expenses") primarily comprise staff costs, business development expenses, transportation expenses, depreciation, bank charges, office expenses and professional charges. The G&A Expenses for the period decreased by HK\$10.4 million to approximately HK\$28.3 million, compared with approximately HK\$38.7 million of the corresponding period in 2017, which was mainly the listing expenses of approximately HK\$11.8 million incurred in last period.

As a result, profit for the period decreased to approximately HK\$16.1 million, representing a decrease of 4.7% over the corresponding period of approximately HK\$16.9 million in 2017. Excluding the non-recurring listing related expenses, the adjusted profit for the six months ended 30 June 2017 amounted to approximately HK\$28.7 million.

財務回顧

截至2018年6月30日止六個月，本集團的未經審核綜合收益約為325.2百萬港元（2017年：412.2百萬港元）。收益減少主要由於(i)手頭項目的數目於2018年6月30日減少至12個（2017年12月31日：18個）；及(ii)於截至2018年6月30日止六個月僅獲授3個地基工程及配套服務項目。

截至2018年6月30日止六個月，整體毛利為49.4百萬港元（2017年：61.9百萬港元），整體毛利率則為15.2%（2017年：15.0%）。項目的毛利及毛利率受多項因素影響，包括工程範圍、技術複雜性、地盤的地質條件、更改指令及／或工程計劃，因此，各項目的毛利及毛利率會有所不同。本集團所承接地基工程項目的毛利率普遍較一般建築工程項目高。截至2018年6月30日止六個月，建築合約分部中86.6%（2017年：79.4%）的收益乃由一般建築工程項目所貢獻。

一般及行政開支主要包括員工成本、業務發展費用、交通開支、折舊、銀行費用、辦公室開支及專業費用。期內一般及行政開支較2017年同期約38.7百萬港元減少10.4百萬港元至約28.3百萬港元，主要為對上期間產生的上市開支約11.8百萬港元。

因此，期內溢利減少至約16.1百萬港元，較2017年同期約16.9百萬港元減少4.7%。撇除非經常性上市相關開支，截至2017年6月30日止六個月的經調整溢利約為28.7百萬港元。

Management Discussion and Analysis

管理層討論與分析

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

流動資金、財務資源及股本架構

		As at 30 June 2018 於2018年 6月30日	As at 31 December 2017 於2017年 12月31日
Current ratio ¹	流動比率 ¹	2.7	2.1
Gearing ratio (%) ²	槓桿比率(%) ²	21.5	25.1
Net debt to equity ratio (%) ³	淨債務權益比率(%) ³	N/A 不適用	1.7

Notes:

1. Current ratio based on the total current assets divided by the total current liabilities.
2. Gearing ratio based on the total debt (which includes bank loans and obligations under finance leases) divided by total equity and multiplied by 100%.
3. Net debt to equity ratios based on net debts (which include bank loans and obligations under finance leases less cash and cash equivalents) divided by total equity and multiplied by 100%.

Current ratio increased from 2.1 as at 31 December 2017 to 2.7 as at 30 June 2018, mainly due to increase in cash and bank balances. Gearing ratio decreased from 25.1% as at 31 December 2017 to 21.5% as at 30 June 2018, mainly due to the addition in equity after new shares issued under the general mandate. Net debt to equity ratio is not applicable as at 30 June 2018 due to the cash and cash equivalents larger than the total of bank loans and obligations under finance leases at that date.

附註：

1. 流動比率根據流動資產總值除以流動負債總額計算。
2. 槓桿比率根據負債總額（包括銀行貸款及融資租賃承擔）除以權益總額乘以100%計算。
3. 淨債務權益比率根據負債淨額（包括銀行貸款及融資租賃承擔減現金及現金等價物）除以權益總額乘以100%計算。

流動比率由2017年12月31日的2.1上升至2018年6月30日的2.7，主要由於現金及銀行結餘上升。槓桿比率由2017年12月31日的25.1%下降至2018年6月30日的21.5%，主要由於根據一般授權發行新股份後錄得權益增加。淨債務權益比率於2018年6月30日並不適用，原因為於當日現金及現金等價物大於銀行貸款及融資租賃承擔合計。

Management Discussion and Analysis

管理層討論與分析

As at 30 June 2018, the Group had cash and bank balances of approximately HK\$157.7 million (31 December 2017: HK\$56.1 million).

The capital structure of the Group consisted of equity of HK\$341.2 million (31 December 2017: HK\$239.6 million) and debts (bank loans and obligations under finance leases) of HK\$73.5 million (31 December 2017: HK\$60.1 million) as at 30 June 2018. The details of bank loans of the Group is set out in note 15 to this unaudited interim financial report.

The Group adopts a prudent approach in cash management. Apart from certain debts including bank loans and obligations under finance leases, the Group did not have any material outstanding debts as at 30 June 2018. In any case, the Group may utilise its banking facilities of HK\$160.0 million, of which HK\$47.9 million remain unused as at 30 June 2018.

USE OF NET PROCEEDS

Net proceeds from the listing

Following the listing, in response to the growth in the construction industry and the strong prospects for both public and private development projects, the Board resolved to revise its proposed use of proceeds from the listing. Please refer to the announcement of the Company dated 10 April 2018 for details. The table below sets out the proposed applications of the net proceeds and actual usage up to 30 June 2018:

於2018年6月30日，本集團有現金及銀行結餘約157.7百萬港元（2017年12月31日：56.1百萬港元）。

於2018年6月30日，本集團的股本架構包括權益341.2百萬港元（2017年12月31日：239.6百萬港元）及債項（銀行貸款及融資租賃承擔）73.5百萬港元（2017年12月31日：60.1百萬港元）。本集團銀行貸款的詳情載於本未經審核中期財務報告附註15。

本集團在現金管理方面採取審慎政策。除若干債項（包括銀行貸款及融資租賃承擔）外，於2018年6月30日，本集團並無任何重大未償還債項。本集團可在任何情況下動用其銀行融資160.0百萬港元，於2018年6月30日，當中尚有47.9百萬港元未曾動用。

所得款項淨額用途

上市所得款項淨額

於上市後，為了回應建築行業的增長以及公共及私人發展項目的強勁前景，董事會議決修訂上市所得款項的擬定用途，有關詳情請參與本公司日期為2018年4月10日的公告。下表載列所得款項淨額的擬定應用，以及直至2018年6月30日止的實際運用。

		Proposed application	Actual usage up to 30 June 2018
		擬定應用	止實際運用
		HK\$'million	HK\$'million
		百萬港元	百萬港元
Strengthen our Hong Kong market position to capture profitable projects	加強我們於香港的市場地位以把握獲利項目	39.8	39.8
General working capital	一般營運資金	7.3	7.3
		47.1	47.1

Management Discussion and Analysis

管理層討論與分析

Net proceeds from the placing under general mandate

On 23 May 2018, the Company and the placing agent entered into the placing agreement, pursuant to which the Company has appointed the placing agent to procure, on a best effort basis, the places to subscribe for the placing shares at a price of HK\$0.84 per share.

On 13 June 2018, all the conditions set out in the placing agreement have been fulfilled and the placing has become unconditional. On 15 June 2018, 100,000,000 shares were issued at subscription price of HK\$0.84 each and the Company received net proceeds of approximately HK\$81.3 million (after deducting issuing expenses). The table below sets out the proposed applications of the net proceeds and actual usage up to 30 June 2018:

根據一般授權配售所得款項淨額

於2018年5月23日，本公司與配售代理訂立配售協議，據此，本公司已委任配售代理按竭誠盡力基準促使承配人按每股0.84港元之價格認購配售股份。

於2018年6月13日，配售協議內所有條件均已達成，而配售事項已成為無條件。於2018年6月15日，本公司按每股0.84港元之認購價發行100,000,000股股份，而本公司收取配售所得款項淨額約為81.3百萬港元（扣除發行開支後）。下表載列所得款項淨額的擬定應用，以及直至2018年6月30日止的實際運用。

		Proposed application	Actual usage up to 30 June 2018
		擬定應用	止實際運用
		HK\$'million	HK\$'million
		百萬港元	百萬港元
Settlement of consideration of the potential acquisition	結清潛在收購事項之代價	20.0	4.0
General working capital	一般營運資金	61.3	-
		81.3	4.0

EMPLOYEES

The Group had 305 employees (31 December 2017: 353 employees) as at 30 June 2018. The Group offers competitive remuneration package that is based on overall market rates and employee performance, as well as performance of the Group. Remuneration package is comprised of salary, performance-based bonus, and other benefits including training and provident funds.

僱員

於2018年6月30日，本集團有305名僱員（2017年12月31日：353名僱員）。本集團根據整體市場水平、僱員表現及本集團的業績表現提供具競爭力的薪酬組合。薪酬組合包括薪金、表現掛鉤獎金及其他福利，包括培訓及公積金。

Management Discussion and Analysis

管理層討論與分析

CAPITAL COMMITMENTS

The Group had no capital commitments as at 30 June 2018.

CHARGES ON GROUP ASSETS

As at 30 June 2018, the Group had obligation under finance leases of approximately HK\$5.6 million (31 December 2017: HK\$9.1 million). The Group had no obligation under finance leases secured by the lessors' charge over the leased assets with net book values of HK\$Nil (31 December 2017: HK\$0.1 million) as at 30 June 2018. In addition, as at 30 June 2018, bank deposits of HK\$70.1 million (31 December 2017: HK\$36.3 million) were pledged to secure the banking facilities granted to the Group.

CONTINGENT LIABILITIES

Save as disclosed in note 18 to the unaudited interim financial report, the Group had no other contingent liabilities and claims as at 30 June 2018.

FOREIGN CURRENCY EXCHANGE RISK

The Group has no significant exposure to foreign currency risk as substantially all of the Group's transactions are denominated in Hong Kong dollars and United States dollars. As the Hong Kong dollars is pegged to the United States dollars, the Group considers the risk of movements in exchange rates between the Hong Kong dollars and the United States dollars to be insignificant.

As at 30 June 2018, the Group does not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider using hedging instruments in respect of significant foreign currency exposure as and when appropriate.

資本承擔

於2018年6月30日，本集團並無任何資本承擔。

集團資產押記

於2018年6月30日，本集團有融資租賃承擔約5.6百萬港元（2017年12月31日：9.1百萬港元）。於2018年6月30日，本集團並無融資租賃承擔由出租人的出租資產押記所抵押，該等出租資產的賬面淨值為零港元（2017年12月31日：0.1百萬港元）。此外，於2018年6月30日，銀行存款70.1百萬港元（2017年12月31日：36.3百萬港元）已予抵押，作為本集團所獲授銀行信貸的抵押品。

或然負債

除未經審核中期財務報告附註18所披露者外，於2018年6月30日，本集團並無其他或然負債及索償。

外幣匯兌風險

本集團並無承受重大外幣風險，乃因為本集團絕大部分交易以港元及美元計值。由於港元與美元掛鈎，故本集團認為港元兌美元的匯率變動風險甚微。

於2018年6月30日，本集團並無就其外幣資產及負債制定外幣對沖政策。本集團將密切監察其外幣風險，並將於適當時候考慮運用對沖工具應付重大外幣風險。

Management Discussion and Analysis

管理層討論與分析

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Acquisition of TIEN New Energy Development Limited (“TIEN New Energy”) and its subsidiaries (collectively, “TIEN New Energy Group”)

Reference is made to the announcements of the Company dated 23 May 2018 (the “Announcement”), 6 June 2018 and 12 June 2018. Unless otherwise defined, terms used herein still have the same meanings as those defined in the Announcement.

On 23 May 2018, the Vendor and the Company entered into a non-legal binding MOU in relation to the Potential Acquisition. The MOU is subject to, among others, the execution of the Formal Agreement.

The Vendor and the Purchaser entered into the Formal Agreement on 20 June 2018. Subsequent to the end of the six months ended 30 June 2018, all the conditions precedent under the Formal Agreement have been fulfilled and completed and the Formal Agreement was taken place on 6 July 2018. Upon completion, TIEN New Energy has become an indirect wholly-owned subsidiary of the Company. The TIEN New Energy Group is principally engaged in engineering development and qualified for main engineering, procurement and construction (“EPC”) in electric power projects in the PRC with a focus in application of renewable energy in the construction sector of the PRC.

Save for the aforementioned, there were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies during the six months ended 30 June 2018.

持有重大投資、重大收購或出售附屬公司及聯屬公司，以及有關重大投資或資本資產的計劃

收購忠天新能源開發有限公司（「忠天新能源」）及其附屬公司（統稱為「忠天新能源集團」）

茲提述本公司日期為2018年5月23日（「該公告」）、2018年6月6日及2018年6月12日之公告。除文義另有定義者外，本公告所用詞語與該公告所界定者具有相同涵義。

於2018年5月23日，賣方與買方就潛在收購事項訂立不具法律約束力之諒解備忘錄。諒解備忘錄須待（其中包括）簽署正式協議後方告作實。

賣方與買方於2018年6月20日訂立正式協議。於截至2018年6月30日止六個月完結後，正式協議項下之所有先決條件均已獲達成，且正式協議已於2018年7月6日完成。於完成後，忠天新能源已成為本公司之間接全資附屬公司。忠天新能源集團主要從事工程開發，並合資格從事中國電力行業項目的主體工程、採購及建築（「工程、採購及建築」），專注於在中國建築行業應用可再生能源。

除上文所述者外，截至2018年6月30日止六個月，概無持有重大投資、重大收購或出售附屬公司及聯屬公司。

Management Discussion and Analysis

管理層討論與分析

FUTURE PROSPECTS

Taking into account the Government of the Hong Kong Special Administrative Region's policy in increasing land supply and commitment to infrastructure investment, the Group expects a steady growth in Hong Kong's construction industry in the long run. In view of the growth prospects for both public and private development projects, the Group intends to (i) expand the business capacity and scale to strengthen the market position in Hong Kong to capture more sizeable and profitable projects; and (ii) further diversify the customer base by bidding works from more private residential developers.

On 6 July 2018, the acquisition of TIEN New Energy Group (the "Acquisition") was completed. The Board believes that the Acquisition will extend the business of the Group. Both the Group and TIEN New Energy Group can take up cross border construction projects giving the close connection and increasing cross border investments between Hong Kong and the PRC companies. The Board also believes that the Acquisition will be beneficial to the Group in the long run.

未來前景

經計及香港特別行政區政府增加土地供應的政策，並且承諾作出基建投資，本集團預期香港建築行業就長遠而言將可穩步增長。鑒於公共及私人發展項目的增長前景，本集團計劃(i)擴大業務能力及規模，以加強其在香港的市場地位，爭取更大規模並可產生更高盈利的項目；及(ii)透過競投更多私人住宅發展商的工程，使客戶基礎更多元化。

於2018年7月6日，本公司完成收購忠天新能源集團（「收購事項」）。董事會認為，收購事項將會擴展本集團之業務。鑒於中港兩地之公司緊密連繫且跨境投資正在增加，本集團及忠天新能源集團均可承接跨境建築項目。董事會亦相信，就長遠而言，收購事項將有利於本集團。

Disclosure of Interests

權益披露

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST IN SECURITIES

As at the date of the interim report, the interests and short positions of the directors of the Company (the "Directors") and the chief executives of the Company in the shares ("Shares"), underlying shares or debentures of the Company and its associated corporations, within the meaning of the Securities and Futures Ordinance (the "SFO"), which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities of the Stock Exchange (the "Listing Rules"), were as follows:

(a) Long positions in the shares:

Name of shareholders	Capacity/Nature of interest	Number of Shares held	Percentage of shareholding in the Company
股東姓名	身分／權益性質	所持股份數目	佔本公司股權百分比
Dr. Kan Hou Sek, Jim ("Dr. Kan") ¹ 簡厚錫博士(「簡博士」) ¹	Interest in a controlled corporation 受控制法團權益	384,000,000	62.75%
Mr. Lee Sai Man ("Mr. Lee") ² 李世民先生(「李先生」) ²	Interest in a controlled corporation 受控制法團權益	384,000,000	62.75%
Mr. Wong Siu Kwai ("Mr. Wong") ³ 黃紹桂先生(「黃先生」) ³	Interest in a controlled corporation 受控制法團權益	384,000,000	62.75%

董事及最高行政人員於證券的權益

於中期報告日期，本公司董事(「董事」)及本公司最高行政人員於本公司及其相聯法團(定義見證券及期貨條例)的股份(「股份」)、相關股份或債權證中擁有(a)根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉(包括根據證券及期貨條例相關條文被當作或視為擁有的權益及淡倉);或(b)根據證券及期貨條例第352條須於該條所指登記冊登記的權益及淡倉;或(c)根據載於聯交所證券上市規則(「上市規則」)附錄十上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下:

(a) 於股份之好倉:

Disclosure of Interests

權益披露

Notes:

1. Dr. Kan beneficially owns approximately 33.33% of issued share capital of Condover Assets Limited ("Condover Assets"). Therefore, Dr. Kan is deemed, or taken to be, interested in all the Shares held by Condover Assets for the purpose of the SFO.
2. Mr. Lee beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. Lee is deemed, or taken to be, interested in all the Shares held by Condover Assets for the purpose of the SFO.
3. Mr. Wong beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. Wong is deemed, or taken to be, interested in all the Shares held by Condover Assets for the purpose of the SFO.

附註：

1. 簡博士實益擁有Condover Assets Limited (「Condover Assets」)約33.33%已發行股本。因此，根據證券及期貨條例，簡博士被視為或當作於Condover Assets持有的所有股份中擁有權益。
2. 李先生實益擁有Condover Assets約33.33%已發行股本。因此，根據證券及期貨條例，李先生被視為或當作於Condover Assets持有的所有股份中擁有權益。
3. 黃先生實益擁有Condover Assets約33.33%已發行股本。因此，根據證券及期貨條例，黃先生被視為或當作於Condover Assets持有的所有股份中擁有權益。

Disclosure of Interests 權益披露

(b) Long positions in the ordinary shares of associated corporation of the Company

(b) 於本公司相聯法團之普通股之好倉

Name of shareholders	Capacity/Nature of interest	Number of Shares held	Percentage of shareholding in the Company
股東姓名	身分／權益性質	所持股份數目	佔本公司股權百分比
Dr. Kan ¹ 簡博士 ¹	Interest in a controlled corporation 受控制法團權益	384,000,000	62.75%
Mr. Lee ² 李先生 ²	Interest in a controlled corporation 受控制法團權益	384,000,000	62.75%
Mr. Wong ³ 黃先生 ³	Interest in a controlled corporation 受控制法團權益	384,000,000	62.75%
Ms. Poon Man Yee ⁴ 潘敏兒女士 ⁴	Interest of spouse 配偶權益	384,000,000	62.75%
Ms. Sheba Kishinchand Daswani ⁵ Sheba Kishinchand Daswani女士 ⁵	Interest of spouse 配偶權益	384,000,000	62.75%
Ms. Ho Lai Kuen ⁶ 何麗娟女士 ⁶	Interest of spouse 配偶權益	384,000,000	62.75%

Disclosure of Interests

權益披露

Notes:

1. Dr. Kan beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Dr. Kan is deemed, or taken to be, interested in all the Shares held by Condover Assets for the purpose of the SFO.
2. Mr. Lee beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. Lee is deemed, or taken to be, interested in all the Shares held by Condover Assets for the purpose of the SFO.
3. Mr. Wong beneficially owns approximately 33.33% of issued share capital of Condover Assets. Therefore, Mr. Wong is deemed, or taken to be, interested in all the Shares held by Condover Assets for the purpose of the SFO.
4. Ms. Pong Man Yee is the spouse of Dr. Kan. Accordingly Ms. Poon Man Yee is deemed, or taken to be, interested in all the Shares in which Dr. Kan is interested for the purpose of the SFO.
5. Ms. Sheba Kishinchand Daswani is the spouse of Mr. Lee. Accordingly Ms. Sheba Kishinchand Daswani is deemed, or taken to be, interested in all the Shares in which Mr. Lee is interested for the purpose of the SFO.
6. Ms. Ho Lai Kuen is the spouse of Mr. Wong. Accordingly Ms. Ho Lai Kuen is deemed, or taken to be, interested in all the Shares in which Mr. Wong is interested for the purpose of the SFO.

附註：

1. 簡博士實益擁有Condover Assets約33.33%已發行股本。因此，根據證券及期貨條例，簡博士被視為或當作於Condover Assets持有的所有股份中擁有權益。
2. 李先生實益擁有Condover Assets約33.33%已發行股本。因此，根據證券及期貨條例，李先生被視為或當作於Condover Assets持有的所有股份中擁有權益。
3. 黃先生實益擁有Condover Assets約33.33%已發行股本。因此，根據證券及期貨條例，黃先生被視為或當作於Condover Assets持有的所有股份中擁有權益。
4. 潘敏兒女士為簡博士的配偶。因此，根據證券及期貨條例，潘敏兒女士被視為或當作於簡博士擁有權益的所有股份中擁有權益。
5. Sheba Kishinchand Daswani女士為李先生的配偶。因此，根據證券及期貨條例，Sheba Kishinchand Daswani女士被視為或當作於李先生擁有權益的所有股份中擁有權益。
6. 何麗娟女士為黃先生的配偶。因此，根據證券及期貨條例，何麗娟女士被視為或當作於黃先生擁有權益的所有股份中擁有權益。

Disclosure of Interests 權益披露

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

So far as was known to the Directors, as at the date of this interim report, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares which would fail to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

主要股東於證券的權益

就董事所知，於本中期報告日期，以下人士（並非董事或本公司最高行政人員）於股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露之權益或淡倉，或於附帶權利可於所有情況下在本集團任何成員公司之股東大會上投票之任何類別股本面值10%或以上中擁有直接或間接權益：

Name of shareholders	Capacity/Nature of interest	Number of Shares held	Percentage of shareholding in the Company 佔本公司 股權百分比
股東名稱／姓名	身分／權益性質	所持股份數目	股權百分比
Condovert Assets Condovert Assets	Beneficial interest 實益權益	384,000,000	62.75%
Dr. Kan ¹ 簡博士 ¹	Interest in a controlled corporation 受控制法團權益	384,000,000	62.75%
Mr. Lee ² 李先生 ²	Interest in a controlled corporation 受控制法團權益	384,000,000	62.75%
Mr. Wong ³ 黃先生 ³	Interest in a controlled corporation 受控制法團權益	384,000,000	62.75%
Ms. Poon Man Yee ⁴ 潘敏兒女士 ⁴	Interest of spouse 配偶權益	384,000,000	62.75%
Ms. Sheba Kishinchand Daswani ⁵ Sheba Kishinchand Daswani女士 ⁵	Interest of spouse 配偶權益	384,000,000	62.75%
Ms. Ho Lai Kuen ⁶ 何麗娟女士 ⁶	Interest of spouse 配偶權益	384,000,000	62.75%

Disclosure of Interests

權益披露

Notes:

1. Dr. Kan beneficially owns approximately 33.33% of issued share capital of Condovert Assets. Therefore, Dr. Kan is deemed, or taken to be, interested in all the Shares held by Condovert Assets for the purpose of the SFO.
2. Mr. Lee beneficially owns approximately 33.33% of issued share capital of Condovert Assets. Therefore, Mr. Lee is deemed, or taken to be, interested in all the Shares held by Condovert Assets for the purpose of the SFO.
3. Mr. Wong beneficially owns approximately 33.33% of issued share capital of Condovert Assets. Therefore, Mr. Wong is deemed, or taken to be, interested in all the Shares held by Condovert Assets for the purpose of the SFO.
4. Ms. Pong Man Yee is the spouse of Dr. Kan. Accordingly Ms. Poon Man Yee is deemed, or taken to be, interested in all the Shares in which Dr. Kan is interested for the purpose of the SFO.
5. Ms. Sheba Kishinchand Daswani is the spouse of Mr. Lee. Accordingly Ms. Sheba Kishinchand Daswani is deemed, or taken to be, interested in all the Shares in which Mr. Lee is interested for the purpose of the SFO.
6. Ms. Ho Lai Kuen is the spouse of Mr. Wong. Accordingly Ms. Ho Lai Kuen is deemed, or taken to be, interested in all the Shares in which Mr. Wong is interested for the purpose of the SFO.

Save as disclosed above, as at the date of this interim report, the Directors were not aware of any other person (other than the Directors) who had, or was deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

附註：

1. 簡博士實益擁有Condovert Assets約33.33%已發行股本。因此，根據證券及期貨條例，簡博士被視為或當作於Condovert Assets持有的所有股份中擁有權益。
2. 李先生實益擁有Condovert Assets約33.33%已發行股本。因此，根據證券及期貨條例，李先生被視為或當作於Condovert Assets持有的所有股份中擁有權益。
3. 黃先生實益擁有Condovert Assets約33.33%已發行股本。因此，根據證券及期貨條例，黃先生被視為或當作於Condovert Assets持有的所有股份中擁有權益。
4. 潘敏兒女士為簡博士的配偶。因此，根據證券及期貨條例，潘敏兒女士被視為或當作於簡博士擁有權益的所有股份中擁有權益。
5. Sheba Kishinchand Daswani女士為李先生的配偶。因此，根據證券及期貨條例，Sheba Kishinchand Daswani女士被視為或當作於李先生擁有權益的所有股份中擁有權益。
6. 何麗娟女士為黃先生的配偶。因此，根據證券及期貨條例，何麗娟女士被視為或當作於黃先生擁有權益的所有股份中擁有權益。

除上文所披露者外，於本中期報告日期，董事並不知悉有任何其他人士（並非董事）於股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司及聯交所披露之權益或淡倉，或於附帶權利可於所有情況下在本集團任何成員公司之股東大會上投票之任何類別股本面值10%或以上中擁有直接或間接權益。

Corporate Governance and Other Information

企業管治及其他資料

DIVIDEND

The Directors did not recommend the payment of a dividend for the six months ended 30 June 2018 (2017: \$Nil).

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

Neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the period.

RELATED PARTY TRANSACTIONS

The material related party transactions entered into by the Group during the six months ended 30 June 2018 is set out in note 19 to the interim financial report.

Save as disclosed in the section headed "Connected Transactions" in this report, none of the related party transactions constitute a connected transaction (as defined in the Listing Rules) that is required to be disclosed.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

The Group has entered into certain agreements with the Company's connected persons (as defined under Chapter 14A of the Listing Rules) constitute connected transactions and continuing connected transactions of the Company under Chapter 14A of the Listing Rules. The independent non-executive Directors of the Company confirmed that the continuing connected transactions for the six months ended 30 June 2018 and that they were entered into:

1. in the ordinary course of the business of the Group;
2. on normal commercial terms or better; and
3. in accordance with the relevant written agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

股息

董事不建議就截至2018年6月30日止六個月派付股息(2017年:零元)。

購買、出售或贖回本公司的上市證券

期內,本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

關聯方交易

本集團於截至2018年6月30日止六個月訂立的重重大關聯方交易載於中期財務報告附註19。

除本報告「關連交易」一節所披露外,概無關聯方交易構成關連交易(定義見上市規則)而須予以披露。

關連交易及持續關連交易

本集團已與本公司關連人士(定義見上市規則第十四A章)訂立若干協議,根據上市規則第十四A章,此等協議構成關連交易及持續關連交易。本公司獨立非執行董事確認,截至2018年6月30日止六個月之持續關連交易乃:

1. 在本集團日常業務過程中訂立;
2. 按一般商業條款或更優惠條款訂立;及
3. 根據規管該等交易之相關書面協議訂立,而該等協議之條款屬公平合理,並符合本公司股東的整體利益。

Corporate Governance and Other Information

企業管治及其他資料

Details of the connected and continuing connected transactions of the Company for the six months ended 30 June 2018 are as follows:

Connected Transactions – Purchase of materials from GZYC

Connected person

GZYC is a 30%-controlled company held indirectly by Dr. Kan, Poon Man Yee (Dr. Kan's spouse) on behalf of Dr. Kan, Mr. Lee and Mr. Wong, and is therefore an associate of Dr. Kan, Mr. Lee and Mr. Wong and a connected person of the Company under the Listing Rules.

Description of the transactions

2017 PHC Pile Purchase Agreement

On 1 March 2017, 24 June 2017 and 15 November 2017, WWW Materials entered into a purchase agreement, a supplemental purchase agreement and second supplemental purchase agreement, respectively, with GZYC (collectively, the "2017 PHC Piles Purchase Agreement") pursuant to which WWW Materials has agreed to make a one-off purchase of a total of 164,000 meters of PHC Piles of four different specifications and 4,500 units of steel cross shoes from GZYC. In light of the delays in certain projects of the Group's customers, WWW Material and GZYC have agreed to extend the expiry date of the 2017 PHC Piles Purchase Agreement from 31 December 2017 to 30 June 2018 by the supplemental agreement to the PHC Piles Purchase Agreement dated 15 November 2017.

2018 PHC Pile Purchase Agreement

On 15 November 2017 and 8 December 2017, WWW Materials entered into a purchase agreement and a supplemental purchase agreement, respectively, with GZYC (collectively, the "2018 PHC Piles Purchase Agreement") pursuant to which WWW Materials has conditionally agreed to make a one-off purchase of a total of 106,000 meters of PHC Piles of four different specifications and 3,600 units of steel cross shoes from GZYC.

On 29 December 2017, the Company obtained independent shareholders' approval at the extraordinary general meeting in accordance with the Listing Rules.

During the six months ended 30 June 2018, the total purchase from GZYC amounted to approximately HK\$32.3 million.

本公司於截至2018年6月30日止六個月進行的關連交易及持續關連交易之詳情載列如下：

關連交易 – 向廣州羊城採購材料

關連人士

廣州羊城為由簡博士、潘敏兒女士（簡博士之配偶）代表簡博士、李先生及黃先生間接持有30%權益之受控制公司，因此，根據上市規則，廣州羊城為簡博士、李先生及黃先生之聯繫人以及本公司之關連人士。

交易詳情

2017年PHC樁柱採購協議

於2017年3月1日、2017年6月24日及2017年11月15日，恆誠物料與廣州羊城分別訂立採購協議、補充採購協議及第二份補充採購協議（統稱為「2017年PHC樁柱採購協議」），據此，恆誠物料已同意向廣州羊城一次性採購合共164,000米四種不同規格的PHC樁柱及4,500個單位的交叉鋼頭鞋。由於本集團客戶的若干項目延期，恆誠物料及廣州羊城同意訂立日期為2017年11月15日的PHC樁柱採購協議之補充協議，以將2017年PHC樁柱採購協議的到期日由2017年12月31日延遲至2018年6月30日。

2018年PHC樁柱採購協議

於2017年11月15日及2017年12月8日，恆誠物料與廣州羊城分別訂立了採購協議及補充採購協議（統稱為「2018年PHC樁柱採購協議」），據此，恆誠物料已有條件同意向廣州羊城一次性採購合共106,000米四種不同規格的PHC樁柱及3,600個單位的交叉鋼頭鞋。

於2017年12月29日，本公司已根據上市規則於股東特別大會上取得獨立股東之批准。

截至2018年6月30日止六個月，向廣州羊城作出的總採購額約為32.3百萬港元。

Corporate Governance and Other Information

企業管治及其他資料

Details of the above-mentioned transactions were disclosed in the prospectus dated 30 June 2017; announcements dated 15 November 2017 and 8 December 2017; and circular dated 12 December 2017 of the Company.

Exempt continuing connected transaction – Provision of consultancy services by Wong & Cheng Consulting Engineers Limited (“Wong & Cheng”)

Connected person

Wong & Cheng is owned by Mr. Kwong Po Lam (“Mr. Kwong”), the executive Director of the Company, as to approximately 32% and by an independent third party as to 68%. Wong & Cheng is an associate of Mr. Kwong, and is therefore a connected person of the company under Listing Rules.

Description of the transaction

The Company engaged Wong & Cheng for the provision of consultancy services relating to submission of works such as piling foundation, ELS and hoarding amendment to the relevant government departments, including the Buildings Department for approval on an ad-hoc basis (“W&C Consultancy Services”). On 23 June 2017, Win Win Way Construction Co., Limited (“WWW Construction”), the indirect wholly-owned subsidiary of the Company, entered into a framework consultancy agreement (the “W&C Framework Consultancy Agreement”) with Wong & Cheng pursuant to which Wong & Cheng shall provide W&C Consultancy Services to the WWW Construction from time to time.

Listing Rules implications

Since each of the relevant percentage ratio under the Listing Rules in respect of the total annual consideration of the transactions under the W&C Framework Consultancy Agreement is expected to be less than 5% and the total annual consideration is expected to be less than HK\$3 million, the transaction constitutes de minimis transaction under Rule 14A.76(1) which is fully exempt from the shareholders’ approval, annual review and all disclosure requirements.

上述交易詳情已於本公司日期為2017年6月30日之招股章程；日期為2017年11月15日及2017年12月8日之公告；及日期為2017年12月12日之通函披露。

豁免持續關連交易 – 黃鄭顧問工程師有限公司（「黃鄭」）提供諮詢服務

關連人士

黃鄭由本公司執行董事鄭保林先生（「鄭先生」）擁有約32%及一名獨立第三方擁有68%。黃鄭乃鄭先生的聯繫人，因此根據上市規則亦為本公司的關連人士。

交易詳情

本公司聘請黃鄭就特殊情況下向相關政府部門（包括屋宇署）呈交工程審批（例如地基打樁、ELS及圍板修護等工程）提供有關諮詢服務（「黃鄭諮詢服務」）。於2017年6月23日，本公司間接持有的全資附屬公司恆誠建築工程有限公司（「恆誠建築」）與黃鄭簽訂諮詢框架協議（「黃鄭諮詢框架協議」），據此，黃鄭須不時向恆誠建築提供黃鄭諮詢服務。

上市規則涵義

由於黃鄭諮詢框架協議項下交易的年度總代價根據上市規則的各相關百分比率預期將低於5%，而且年度總代價預期將少於3百萬港元，因此根據上市規則第14A.76(1)條的規定，該項交易構成最低豁免交易，故獲全面豁免遵守關於股東批准、年度審閱及所有披露的規定。

Corporate Governance and Other Information

企業管治及其他資料

During the six months ended 30 June 2018, the total consultancy fee paid to Wong & Cheng amounted to approximately HK\$62,000.

Non-exempt continuing connected transactions – Provision of consultancy services by Paul Tong & Associates Consulting Engineers Limited (“Paul Tong”)

Connected person

Paul Tong is a Hong Kong incorporated private company principal engaged in the provision of general construction consulting services and certification of piles manufactured by GZYC. It is held as to 75% by Dr. Kan and as to 25% by Mr. Yeung Nai Cheong, a senior management of the Company, and is therefore an associate of Dr. Kan and a connected person of the Company under the Listing Rules. Paul Tong obtained the Building Department’s approval for the use of PHC Piles in 2006 subject to certain conditions and requirements being met, rendering Paul Tong’s certification necessary for use of the PHC Piles in Hong Kong.

Description of the transactions

2017 Paul Tong Framework Consultancy Agreement

On 2 May 2017, WWW Materials entered into a consultancy agreement (the “2017 Paul Tong Framework Consultancy Agreement”) with Paul Tong pursuant to which Paul Tong will provide PHC Piles Consultancy Services to the Group from time to time during the term of that agreement.

2018 Paul Tong Framework Consultancy Agreement

On 15 November 2017, WWW Materials entered into a consultancy agreement (the “2018 Paul Tong Framework Consultancy Agreement”) with Paul Tong pursuant to which Paul Tong will provide PHC Piles Consultancy Services to the Group from time to time during the term of that agreement.

截至2018年6月30日止六個月，向黃鄭支付的總顧問費約為62,000港元。

不獲豁免持續關連交易－由唐玉麟工程顧問有限公司（「唐玉麟」）提供諮詢服務

關連人士

唐玉麟為在香港註冊成立的私人公司，主要從事提供一般建築諮詢服務及認證廣州羊城製造的樁柱。該公司由簡博士及本公司的高級管理人員楊乃昌先生分別持有75%及25%，因此根據上市規則為簡博士的聯繫人及本公司的關連人士。唐玉麟於2006年獲屋宇署批准使用PHC樁柱，但須符合若干條件及規定。因此，在香港使用PHC樁柱須獲得唐玉麟認證。

交易詳情

2017年唐玉麟框架諮詢協議

於2017年5月2日，恆誠物料與唐玉麟訂立諮詢協議（「2017年唐玉麟框架諮詢協議」），據此，唐玉麟將於該協議期限內不時向本集團提供PHC樁柱諮詢服務。

2018年唐玉麟框架諮詢協議

於2017年11月15日，恆誠物料與唐玉麟訂立諮詢協議（「2018年唐玉麟框架諮詢協議」），據此，唐玉麟將於該協議期限內不時向本集團提供PHC樁柱諮詢服務。

Corporate Governance and Other Information

企業管治及其他資料

Listing Rules implications

As Paul Tong is a connected person of the Company and in light of the view of the Directors (including the independent non-executive Directors) as described below, the transactions as contemplated under the 2017 Paul Tong Framework Consultancy Agreement and the 2018 Paul Tong Framework Consultancy Agreement (collectively, the "Paul Tong Framework Consultancy Agreements") constitute continuing connected transactions of the Company and are subject to the reporting, annual review and announcement requirements, but are exempt from the independent shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules.

The transaction amounts for the six months ended 30 June 2018 and the annual cap for the year ending 31 December 2018 under the Paul Tong Framework Consultancy Agreements was as follows:

上市規則涵義

由於唐玉麟為本公司的關連人士，並鑒於下述董事（包括獨立非執行董事）的意見，根據上市規則第十四A章，2017年唐玉麟框架諮詢協議及2018年唐玉麟框架諮詢協議（統稱為「該等唐玉麟框架諮詢協議」）項下擬進行的交易構成本公司的持續關連交易，並須遵守申報、年度審閱及公告規定，但獲豁免遵守獨立股東批准的規定。

該等唐玉麟框架諮詢協議項下截至2018年6月30日止六個月的交易金額及截至2018年12月31日止年度的年度上限載列如下：

Agreement	協議	Transaction amount for the six months ended 30 June 2018	Annual Cap for the year ending 31 December 2018
		截至2018年6月30日止六個月交易金額	截至2018年12月31日止年度年度上限
		HK\$'000 千港元	HK\$'000 千港元
Paul Tong Framework Consultancy Agreement	該等唐玉麟框架諮詢協議	4,525	7,309

Details of the above-mentioned transactions were disclosed in the prospectus dated 30 June 2017 and announcements dated 15 November 2017 of the Company.

上述交易詳情已於本公司日期為2017年6月30日之招股章程及日期為2017年11月15日之公告披露。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules from the Listing Date and up to the date of this interim report.

足夠公眾持股量

根據本公司所得的公開資料及據董事所知，本公司於上市日期及截至本中期報告日期一直維持上市規則項下指定的公眾持股量。

Corporate Governance and Other Information

企業管治及其他資料

CORPORATE GOVERNANCE

During the six months ended 30 June 2018, the Company has complied with all the code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules, except for the followings:

- (a) Code provision E.1.2 stipulates that the chairman of the board should attend the annual general meeting. The chairman should also invite the chairman of the audit, remuneration, nomination and any other committees to attend.

The chairman absence in annual general meeting, he has appointed and authorised Dr. Kan, an executive Director, to act on behalf on himself at the annual general meeting.

- (b) Under Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company did not officially have chief executive. The role and function of chief executive have been performed by all the executive Directors collectively. The Board believes that the present arrangement is adequate to ensure an effective management and control of the Group's business operations. The Board will continue to review the effectiveness of the Group's structure as business continues to grow and develop in order to assess whether any changes, including the appointment of chief executive officer, is necessary.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers contained in Appendix 10 to the Listing Rules as its own code of conduct of dealings in securities of the Company by Directors (the "Model Code"). Upon specific enquires of all the Directors, each of them confirmed that they have complied with the required standards set out in the Model Code during the period.

企業管治

截至2018年6月30日止六個月，本公司一直遵守上市規則附錄十四企業管治守則（「企業管治守則」）所載之全部守則條文，惟下列除外：

- (a) 守則條文第E.1.2條規定，董事會主席應出席股東週年大會，亦須邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會的主席出席股東週年大會。

主席缺席股東週年大會，彼已委任並授權執行董事簡博士代其於股東週年大會上行事。

- (b) 根據企業管治守則守則條文第A.2.1條，主席及行政總裁的角色應有所區分，且不應由同一人士擔任。本公司並無正式的行政總裁。行政總裁的角色及職能由全體執行董事共同履行。董事會相信，目前的安排足以確保本集團的業務營運得到有效的管理及控制。隨著業務持續增長及發展，董事會將繼續檢討本集團架構的成效，以評估是否有必要作出任何變動，包括委任行政總裁。

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則，作為董事買賣本公司證券的操守準則（「標準守則」）。經向全體董事作出具體查詢後，各董事均確認彼等於期內已遵守標準守則所載的規定標準。

Corporate Governance and Other Information 企業管治及其他資料

EVENT AFTER THE REPORTING PERIOD

Save as those disclosed in note 20 to the unaudited interim financial report, there is no other material subsequent event undertaken by the Company or the Group after 30 June 2018 and up to the date of this interim report.

DISCLOSURE OF INFORMATION ON DIRECTORS PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors subsequent to the date of the 2017 Annual Report of the Company is set out below:

<u>Name of Director</u>	<u>Details of change</u>
Mr. Guo Jianfeng <i>Executive Director</i>	Appointed as an executive Director with effect from 6 July 2018

AUDIT COMMITTEE

An Audit Committee was established by the Board with written terms of reference which are consistent with the provisions as set out in the CG Code. The Audit Committee comprises three independence non-executive Directors, namely, Mr. Lo Chi Leung (chairman of the Audit Committee), Mr. Fan Siu Kay and Mr. Leung William Wai Kai.

The Audit Committee is principally responsible for reviewing with the management of the Company the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the Group's unaudited interim financial report for the six months ended 30 June 2018.

By order of the Board

Lee Kai Lun
Chairman

Hong Kong, 24 August 2018

報告期後事項

除未經審核中期財務報告附註20所披露者外，於2018年6月30日後直至本中期報告日期止，本公司或本集團概無進行其他重大的期後事項。

根據上市規則第13.51B(1)條披露董事資料

根據上市規則第13.51B(1)條，本公司2017年報刊發日期後，董事資料變動如下：

<u>董事姓名</u>	<u>變動詳情</u>
郭劍峰先生 <i>執行董事</i>	自2018年7月6日起獲委任為執行董事

審核委員會

董事會已設立審核委員會，並訂定與企業管治守則相關條文所載者一致之書面職權範圍。審核委員會由三名獨立非執行董事，分別為盧志良先生（審核委員會主席）、樊紹基先生及梁煒佳先生組成。

審核委員會主要負責與本公司管理層審閱本集團採納的會計原則與慣例，並商討審計、內部監控及財務報告事項，包括審閱本集團截至2018年6月30日止六個月的未經審核中期財務報告。

承董事會命

主席
利啟麟

香港，2018年8月24日

Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表

For the six months ended 30 June 2018 – Unaudited 截至2018年6月30日止六個月—未經審核

(Expressed in Hong Kong dollars) (以港元列示)

		Six months ended 30 June 截至6月30日止六個月	
		2018 \$'000 千元	2017 \$'000 千元
		Note 附註	
Revenue	收益	4	325,215
Direct costs	直接成本		(275,766)
Gross profit	毛利		49,449
Other income	其他收入	5	185
General and administrative expenses	一般及行政開支		(28,260)
Profit from operations	經營溢利		21,374
Finance costs	財務成本	6(a)	(1,448)
Profit before taxation	除稅前溢利	6	19,926
Income tax	所得稅	7	(3,816)
Profit for the period	期內溢利		16,110
Other comprehensive income for the period	期內其他全面收益		16,908
Item that may be reclassified subsequently to profit or loss:	其後可重新分類至損益的項目：		
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表的匯兌差額		1
			(2)
Profit and total comprehensive income for the period	期內溢利及全面收益總額		16,111
			16,906
Earnings per share (Hong Kong cents)	每股盈利(港仙)		
Basic and diluted	基本及攤薄	8	3.09
			4.40

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於2018年1月1日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，並無重列比較資料。見附註3。

The notes on pages 33 to 72 from part of the interim financial report.

第33頁至第72頁的附註構成中期財務報告一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 30 June 2018 於2018年6月30日

(Expressed in Hong Kong dollars) (以港元列示)

		Note	As at 30 June 2018 於2018年 6月30日 (unaudited) (未經審核)	As at 31 December 2017 於2017年 12月31日 (audited) (經審核)
		附註	\$'000 千元	\$'000 千元
Non-current assets	流動資產淨值			
Property, plant and equipment	物業、廠房及設備	9	2,951	5,267
Deferred tax assets	遞延稅項資產		482	648
			3,433	5,915
Current assets	流動資產			
Contract assets	合約資產	13	280,212	–
Gross amounts due from customers for contract work	應收客戶合約工程款項 總額	12	–	215,927
Trade and other receivables	貿易及其他應收款項	10	98,714	171,774
Cash and bank balances	現金及銀行結餘	11	157,704	56,051
			536,630	443,752
Current liabilities	流動負債			
Contract liabilities	合約負債	13	9,913	–
Gross amounts due to customers for contract work	應付客戶合約工程 款項總額	12	–	11,597
Trade and other payables	貿易及其他應付款項	14	107,617	130,709
Amounts due to related parties	應付關聯方款項		–	4,345
Obligations under finance leases	融資租賃承擔		5,181	6,674
Bank loans	銀行貸款	15	67,889	50,996
Tax payable	應繳稅項		7,801	3,310
			198,401	207,631

Consolidated Statement of Financial Position

綜合財務狀況表

As at 30 June 2018 於2018年6月30日

(Expressed in Hong Kong dollars) (以港元列示)

	Note	As at 30 June 2018 於2018年 6月30日 (unaudited) (未經審核) \$'000 千元	As at 31 December 2017 於2017年 12月31日 (audited) (經審核) \$'000 千元
Net current assets		338,229	236,121
Total assets less current liabilities		341,662	242,036
Non-current liability			
Obligations under finance leases		419	2,461
		419	2,461
NET ASSETS		341,243	239,575
CAPITAL AND RESERVES			
Share capital	16(b)	6,120	5,120
Reserves		335,123	234,455
TOTAL EQUITY		341,243	239,575

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於2018年1月1日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，並無重列比較資料。見附註3。

The notes on pages 33 to 72 form part of the interim financial report.

第33頁至第72頁的附註構成中期財務報告一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the six months ended 30 June 2018 – Unaudited 截至2018年6月30日止六個月－未經審核

(Expressed in Hong Kong dollars) (以港元列示)

			Share capital 股本	Share premium 股份溢價	Other reserve 其他儲備	Exchange reserve 匯兌儲備	Retained profits 保留溢利	Total equity 權益總額
	Note 附註	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
As at 1 January 2017	於2017年1月1日		234	-	41,656	(9)	83,983	125,864
Changes in equity for the six months ended 30 June 2017	截至2017年6月30日止 六個月權益變動							
Profit for the period	期內溢利		-	-	-	-	16,908	16,908
Other comprehensive income for the period	期內其他全面收益		-	-	-	(2)	-	(2)
Total comprehensive income for the period	期內全面收益總額		-	-	-	(2)	16,908	16,906
Issuance of new shares	發行新股份	16(b)(ii)	234	-	-	-	-	234
Reorganisation	重組	16(b)(ii)	(234)	-	-	-	-	(234)
As at 30 June 2017	於2017年6月30日		234	-	41,656	(11)	100,891	142,770
As at 31 December 2017	於2017年12月31日		5,120	85,939	41,656	(10)	106,870	239,575
Impact on initial application of HKFRS 9	首次應用香港財務報告 準則第9號的影響	3(b)	-	-	-	-	(2,030)	(2,030)
Impact on initial application of HKFRS 15	首次應用香港財務報告 準則第15號的影響	3(c)	-	-	-	-	6,287	6,287
Adjusted balance as at 1 January 2018	於2018年1月1日 經調整結餘		5,120	85,939	41,656	(10)	111,127	243,832
Changes in equity for the six months ended 30 June 2018	截至2018年6月30日止 六個月權益變動							
Profit for the period	期內溢利		-	-	-	-	16,110	16,110
Other comprehensive income for the period	期內其他全面收益		-	-	-	1	-	1
Total comprehensive income for the period	期內全面收益總額		-	-	-	1	16,110	16,111
Placing of new shares, net of issuing expenses	配售新股份， 扣除發行開支	16(b)(v)	1,000	80,300	-	-	-	81,300
As at 30 June 2018	於2018年6月30日		6,120	166,239	41,656	(9)	127,237	341,243

The notes on pages 33 to 72 from past of the interim financial report. 第33頁至第72頁的附註構成中期財務報告一部分。

Condensed Consolidated Cash Flow Statement

簡明綜合現金流量表

For the six months ended 30 June 2018 – Unaudited 截至2018年6月30日止六個月－未經審核

(Expressed in Hong Kong dollars) (以港元列示)

		Six months ended 30 June 截至6月30日止六個月	
		2018 \$'000 千元	2017 \$'000 千元
		Note 附註	
Operating activities	經營活動		
Cash generated from operations	經營產生現金		39,096
Net cash generated from operating activities	經營活動所得現金淨額		7,087
Investing activities	投資活動		
Increase in pledged bank deposits	已抵押銀行存款增加		–
Purchase of property, plant and equipment	購買物業、廠房及設備		–
Other cash flows arising from investing activities	投資活動產生的其他現金流		(854)
Net cash used in investing activities	投資活動所用現金淨額		(33,865)
Financing activities	融資活動		
Net proceeds from placing of new shares	配售新股份所得款項淨額		–
Capital element of finance lease rentals paid	已付融資租賃租金的資本部分		(3,941)
Repayments of bank loans	償還銀行貸款		(9,463)
Proceeds from new bank loans	新造銀行貸款所得款項		–
Other cash flows arising from financing activities	融資活動產生的其他現金流		(870)
Net cash generated from/(used in) financing activities	融資活動所得／(所用)現金淨額		94,658
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		67,880
Cash and cash equivalents at the beginning of the period	期初現金及現金等價物		19,501
Cash and cash equivalents at the end of the period	期末現金及現金等價物	11	87,616

The notes on pages 33 to 72 form part of the interim financial report.

第33頁至第72頁的附註構成中期財務報告一部分。

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

1. GENERAL INFORMATION

Win Win Way Construction Holdings Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the provision of construction and related services, which mainly included foundation works and ancillary services and general building works, and sales of piles. The Company was incorporated in the Cayman Islands on 5 October 2015 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law of 1961, as consolidated and revised) of the Cayman Islands. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 17 July 2017 (the “Listing”).

2. BASIS OF PREPARATION AND PRESENTATION

Pursuant to a group reorganisation completed on 23 June 2017 (the Reorganisation”), the Company became the holding company of the companies now comprising the Group. Details of the Reorganisation are set out in the prospectus of the Company dated 30 June 2017 (the “Prospectus”).

The Group’s businesses were conducted principally through Win Win Way Construction Co., Limited (“WWWC”), Smart City Engineering Limited (“SCE”), Win Win Way Materials Supply Limited (“WWWM”) and Win Win Way Construction Co., (Saipan) Inc. (“WWWC (Saipan)”). Prior to the Reorganisation, WWWC and WWWM were wholly-owned by Win Win Way Holdings Limited (“WWWH”) and WWWC (Saipan) was wholly-owned by Moral Grace Investment Limited (“MGIL”). WWWH and SCE were owned as to 33.33% by Mr. Kan Hou Sek, Jim (“Mr. Kan”), 33.33% by Mr. Lee Sai Man (“Mr. Lee”) and 33.33% by Mr. Wong Siu Kwai (“Mr. Wong”) and MGIL was held by Cheung Yuk Kwan on trust which was owned as to 33.33% by Mr. Kan, 33.33% by Mr. Lee and 33.33% by Mr. Wong. Mr. Kan, Mr. Lee and Mr. Wong are collectively the “Controlling Shareholders” and were acting in concert during the current and prior periods.

1. 一般資料

恆誠建築控股有限公司（「本公司」）及其附屬公司（統稱為「本集團」）主要從事提供建築及相關服務，主要包括地基工程及配套服務與一般建築工程，以及銷售樁柱。本公司於2015年10月5日根據開曼群島公司法第22章（1961年法例，經綜合及修訂）在開曼群島註冊成立為獲豁免有限公司。本公司股份於2017年7月17日在香港聯合交易所有限公司（「聯交所」）主板上市（「上市」）。

2. 編製及呈列基準

根據於2017年6月23日完成的集團重組（「重組」），本公司已成為本集團現時旗下各公司的控股公司。重組的詳情載於本公司日期為2017年6月30日的招股章程（「招股章程」）。

本集團主要透過恆誠建築工程有限公司（「恆誠建築」）、駿城工程有限公司（「駿城工程」）、恆誠物料有限公司（「恆誠物料」）及Win Win Way Construction Co., (Saipan) Inc.（「WWWC (Saipan)」）進行業務。於重組前，恆誠建築及恆誠物料由恆誠控股有限公司（「恆誠控股」）全資擁有，而WWWC (Saipan) 由彩賢投資有限公司（「彩賢投資」）全資擁有。恆誠控股及駿城工程分別由簡厚錫先生（「簡先生」）、李世民先生（「李先生」）及黃紹桂先生（「黃先生」）擁有33.33%、33.33%及33.33%，而彩賢投資由Cheung Yuk Kwan受託持有，分別由簡先生、李先生及黃先生擁有33.33%、33.33%及33.33%。於本期間及過往期間，簡先生、李先生及黃先生合稱為「控股股東」，並一致行動。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

2. BASIS OF PREPARATION AND PRESENTATION *(continued)*

The companies that took part in the Reorganisation were controlled by the Controlling Shareholders before and after the Reorganisation. As the control is not transitory and, consequently, there was a continuation of risks and benefits to the Controlling Shareholders, the Reorganisation is considered to be a restructuring of entities under common control. The financial information for the six months ended 30 June 2017 has been prepared using the merger basis of accounting as if the Group has always been in existence. The net assets of the companies taking part in the Reorganisation are combined using the book values from the Controlling Shareholders' perspective.

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 24 August 2018.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2017 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2018 annual financial statements. Details of any changes in accounting policies are set out in note 3.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

2. 編製及呈列基準 (續)

於重組前後，參與重組的公司由控股股東控制。控制權並非過渡性質，故控股股東持續承擔風險及享有利益。因此，重組被視為受共同控制實體之重整。截至2017年6月30日止六個月的財務資料已按合併會計法編製，猶如本集團一直存在。參與重組之公司的資產淨值按從控股股東角度計算的賬面值合併入賬。

本中期財務報告已按照聯交所證券上市規則的適用披露條文編製，並符合香港會計師公會（「香港會計師公會」）頒佈的香港會計準則（「香港會計準則」）第34號*中期財務報告*的規定。其於2018年8月24日獲授權刊發。

中期財務報告已按照2017年年度財務報表所採用的相同會計政策編製，惟預期將於2018年年度財務報表反映的會計政策變動除外。有關任何會計政策變動的詳情載於附註3。

管理層在編製符合香港會計準則第34號規定的中期財務報告時所作的判斷、估計及假設，會影響會計政策的應用及按年初至今情況為基準計算的經匯報資產與負債、收入及開支的金額。實際業績可能有別於該等估計。

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

2. BASIS OF PREPARATION AND PRESENTATION (continued)

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2017 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

3. CHANGE IN ACCOUNTING POLICIES

(a) Overview

The HKICPA has issued a number of new HKFRSs and amendments to HKFRSs that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- HKFRS 9, *Financial instruments*
- HKFRS 15, *Revenue from contracts with customers*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

The Group has been impacted by HKFRS 9 in relation to classification of financial assets and measurement of credit losses, and impacted by HKFRS 15 in relation to timing of recognition of contract costs and presentation of contract assets and contract liabilities. Details of the changes in accounting policies are discussed in note 3(b) for HKFRS 9 and note 3(c) for HKFRS 15.

2. 編製及呈列基準 (續)

本中期財務報告載有簡明綜合財務報表及經選定解釋附註。該等附註包括對於了解自2017年年度財務報表以來，對本集團財務狀況及表現之變動屬重大性質的事件及交易之解釋。簡明綜合中期財務報表及其附註並無包括按照香港財務報告準則（「香港財務報告準則」）規定編製完整財務報表所需的全部資料。

3. 會計政策變動

(a) 概覽

香港會計師公會已頒佈多項於本集團本會計期間首次生效的新訂香港財務報告準則及香港財務報告準則修訂本，當中以下變化與本集團的財務報表相關：

- 香港財務報告準則第9號，*金融工具*
- 香港財務報告準則第15號，*來自與客戶合約的收益*

本集團並無應用於本會計期間尚未生效的任何新準則或詮釋。

本集團的金融資產分類及信貸虧損計量已受香港財務報告準則第9號所影響，而確認合約成本的時間以及合約資產及合約負債的呈列已受香港財務報告準則第15號所影響。有關會計政策變動的詳情，香港財務報告準則第9號的討論載於附註3(b)，而香港財務報告準則第15號的討論載於附註3(c)。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(a) Overview (continued)

Under the transition methods chosen, the Group recognises cumulative effect of the initial application of HKFRS 9 and HKFRS 15 as an adjustment to the opening balance of equity at 1 January 2018. Comparative information is not restated. The following table gives a summary of the opening balance adjustments recognised for each line item in the consolidated statement of financial position that has been impacted by HKFRS 9 and/or HKFRS 15:

		At 31 December 2017 於2017年 12月31日	Impact on initial application of HKFRS 9 首次應用 香港財務 報告準則 第9號的影響 (Note 3(b)) (附註3(b))	Impact on initial application of HKFRS 15 首次應用 香港財務 報告準則 第15號的影響 (Note 3(c)) (附註3(c))	At 1 January 2018 於2018年 1月1日
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Deferred tax assets	遞延稅項資產	648	401	-	1,049
Total non-current assets	非流動資產總值	5,915	401	-	6,316
Gross amounts due from customers for contract work	應收客戶合約工程款項總額	215,927	-	(215,927)	-
Contract assets	合約資產	-	(626)	295,254	294,628
Trade and other receivables	貿易及其他應收款項	171,774	(1,805)	(71,280)	98,689
Total current assets	流動資產總值	443,752	(2,431)	8,047	449,368
Gross amounts due to customers for contract work	應付客戶合約工程款項總額	11,597	-	(11,597)	-
Contract liabilities	合約負債	-	-	12,115	12,115
Tax payable	應繳稅項	3,310	-	1,242	4,552
Total current liabilities	流動負債總額	207,631	-	1,760	209,391

3. 會計政策變動 (續)

(a) 概覽 (續)

根據所選擇的過渡方式，本集團於2018年1月1日調整期初權益結餘，以確認首次應用香港財務報告準則第9號及香港財務報告準則第15號的累計影響。比較資料不予重列。下表概述綜合財務狀況表中各項目受香港財務報告準則第9號及／或香港財務報告準則第15號影響而所確認的期初結餘調整：

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(a) Overview (continued)

		At 31 December 2017 於2017年 12月31日	Impact on initial application of HKFRS 9 首次應用 香港財務 報告準則 第9號的影響 (Note 3(b)) (附註3(b))	Impact on initial application of HKFRS 15 首次應用 香港財務 報告準則 第15號的影響 (Note 3(c)) (附註3(c))	At 1 January 2018 於2018年 1月1日
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Net current assets	流動資產淨值	236,121	(2,431)	6,287	239,977
Total assets less current liabilities	總資產減流動負債	242,036	(2,030)	6,287	246,293
Net assets	資產淨值	239,575	(2,030)	6,287	243,832
Reserves	儲備	234,455	(2,030)	6,287	238,712
Total equity	權益總額	239,575	(2,030)	6,287	243,832

Further details of these changes are set out in sub-sections (b) and (c) of this note.

該等變動的進一步詳情載於本附註(b)及(c)分節。

3. 會計政策變動 (續)

(a) 概覽 (續)

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(b) HKFRS 9, *Financial instruments*

HKFRS 9 replaces HKAS 39, *Financial instruments: recognition and measurement*. It sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 January 2018 in accordance with the transition requirements. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 January 2018. Therefore, comparative information continues to be reported under HKAS 39.

The following table summarises the impact of transition to HKFRS 9 on retained profits and the related tax impact at 1 January 2018.

3. 會計政策變動 (續)

(b) 香港財務報告準則第9號，金融工具

香港財務報告準則第9號取代香港會計準則第39號，*金融工具：確認及計量*。此準則載列確認及計量金融資產、金融負債及買賣非金融項目之若干合約的規定。

本集團根據過渡規定對於2018年1月1日已存在的項目追溯應用香港財務報告準則第9號。本集團將首次應用此準則的累計影響確認為對於2018年1月1日期初權益的調整。因此，可比資料將繼續根據香港會計準則第39號報告。

下表概述過渡至香港財務報告準則第9號對於2018年1月1日的保留溢利的影響以及有關稅務影響。

		\$'000 千元
Retained profits	保留溢利	
Recognition of additional expected credit losses on:	就下列項目確認的額外預期信貸虧損：	
– financial assets measured at amortised cost	– 按攤銷成本計量的金融資產	(1,805)
– contract assets	– 合約資產	(626)
Related tax	有關稅項	401
Net decrease in retained profits at 1 January 2018	於2018年1月1日保留溢利減少淨額	(2,030)

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(b) HKFRS 9, *Financial instruments* (continued)

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

(i) **Classification of financial assets and financial liabilities**

Under HKFRS 9, the classification for all the Group's financial assets and financial liabilities measured at amortised cost remain the same. The carrying amounts for all financial liabilities at 1 January 2018 have not been impacted by the initial application of HKFRS 9.

(ii) **Credit losses**

HKFRS 9 replaces the "incurred loss" model in HKAS 39 with the expected credit loss ("ECL") model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the "incurred loss" accounting model in HKAS 39.

The Group applies the new ECL model to the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables); and
- contract assets as defined in HKFRS 15 (see note 3(c)).

3. 會計政策變動 (續)

(b) 香港財務報告準則第9號，*金融工具* (續)

有關過往會計政策變動的性質及影響以及過渡方式之進一步詳情載列如下：

(i) **金融資產及金融負債的分類**

根據香港財務報告準則第9號，本集團所有按攤銷成本計量的金融資產及金融負債之分類維持不變。所有金融資產於2018年1月1日的賬面值並無因首次應用香港財務報告準則第9號而受到影響。

(ii) **信貸虧損**

香港財務報告準則第9號以預期信貸虧損（「預期信貸虧損」）模式取代香港會計準則第39號的「已產生虧損」模式。預期信貸虧損模式規定須持續計量與金融資產有關的信貸風險，故預期信貸虧損的確認時間較根據香港會計準則第39號「已產生虧損」會計模式的確認時間為早。

本集團對以下各項目應用新預期信貸虧損模式：

- 按攤銷成本計量的金融資產（包括現金及現金等價物以及貿易及其他應收款項）；及
- 香港財務報告準則第15號界定的合約資產（見附註3(c)）。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(b) HKFRS 9, *Financial instruments* (continued)

(ii) *Credit losses* (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

Loss allowances for trade receivables, retentions receivable and contract assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

3. 會計政策變動 (續)

(b) 香港財務報告準則第9號，*金融工具* (續)

(ii) *信貸虧損* (續)

預期信貸虧損的計量

預期信貸虧損是以概率加權估計的信貸虧損。信貸虧損按所有預期現金差額（即根據本集團的合約應付現金流與本集團預期收取現金流之間的差額）的現值計量。

於估計預期信貸虧損時考慮的最長期間為本集團承受信貸風險的最長合約期間。

在計量預期信貸虧損時，本集團考慮合理及有理據而無需付出過多的成本或努力獲得的資料，包括過往事件、當前狀況及未來經濟狀況預測等資料。

貿易應收款項、應收保留金及合約資產的虧損撥備是利用基於本集團過往信貸虧損經驗的撥備矩陣進行估算，並按在報告日期債務人的特定因素及對當前和預測整體經濟狀況的評估予以調整。

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(b) HKFRS 9, *Financial instruments* (continued)

(ii) *Credit losses* (continued)

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Opening balance adjustment

As a result of this change in accounting policy, the Group has recognised additional ECLs amounting to \$2,431,000, which decreased retained profits by \$2,030,000 and increased gross deferred tax assets by \$401,000 at 1 January 2018.

3. 會計政策變動 (續)

(b) 香港財務報告準則第9號·金融工具 (續)

(ii) 信貸虧損 (續)

撤銷政策

倘並無實際可收回的前景，金融資產或合約資產的賬面總額（部分或全部）會被撤銷。此乃本集團認為債務人並無資產或收入來源可產生足夠的現金流以償還將予撤銷的款項之一般情況。

倘過往已撤銷的資產於其後收回，則於收回期間於損益確認為減值撥回。

期初結餘調整

由於本文所述的會計政策變動，本集團於2018年1月1日確認額外預期信貸虧損2,431,000元，令保留溢利減少2,030,000元，以及遞延稅項資產總值增加401,000元。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(b) HKFRS 9, *Financial instruments* (continued)

(ii) *Credit losses* (continued)

Opening balance adjustment (continued)

The following table reconciles the closing loss allowance determined in accordance with HKAS 39 as at 31 December 2017 with the opening loss allowance determined in accordance with HKFRS 9 as at 1 January 2018.

		\$'000 千元
Loss allowance at 31 December 2017 under HKAS 39	根據會計準則第39號於2017年12月31日的虧損撥備	-
Additional credit loss recognised at 1 January 2018 on:	就下列項目於2018年1月1日確認的額外信貸虧損：	
– Trade and other receivables	– 貿易及其他應收款項	1,805
– Contract assets recognised on adoption of HKFRS 15	– 採納香港財務報告準則第15號時確認合約資產	626
Loss allowance at 1 January 2018 under HKFRS 9	根據香港財務報告準則第9號於2018年1月1日的虧損撥備	2,431

3. 會計政策變動 (續)

(b) 香港財務報告準則第9號，金融工具 (續)

(ii) 信貸虧損 (續)

期初結餘調整 (續)

下表為根據會計準則第39號釐定於2017年12月31日的期末虧損撥備與根據香港財務報告準則第9號釐定於2018年1月1日的期初虧損撥備之間的對賬。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(b) HKFRS 9, *Financial instruments* (continued)

(iii) *Transition*

Changes in accounting policies resulting from the adoption of HKFRS 9 have been applied retrospectively, except information relating to comparative periods has not been restated. Differences in the carrying amounts of financial assets resulting from the adoption of HKFRS 9 are recognised in retained earnings as at 1 January 2018. Accordingly, the information presented for 2017 continues to be reported under HKAS 39 and thus may not be comparable with the current period.

(c) HKFRS 15, *Revenue from contracts with customers*

HKFRS 15 establishes a comprehensive framework for recognising revenue and some costs from contracts with customers. HKFRS 15 replaces HKAS 18, *Revenue*, which covered revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specified the accounting for construction contracts.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2018. Therefore, comparative information has not been restated and continues to be reported under HKAS 11 and HKAS 18. As allowed by HKFRS 15, the Group has applied the new requirements only to contracts that were not completed before 1 January 2018.

3. 會計政策變動 (續)

(b) 香港財務報告準則第9號，*金融工具* (續)

(iii) *過渡*

因採納香港財務報告準則第9號而引致的會計政策變動已追溯應用，惟有關比較期間的資料並無重列除外。於2018年1月1日，因採納香港財務報告準則第9號而引致的金融資產賬面值差額，於保留溢利確認。因此，已呈列的2017年資料繼續根據香港會計準則第39號呈報，未必可與本期間的資料比較。

(c) 香港財務報告準則第15號，*來自與客戶合約的收益*

香港財務報告準則第15號建立了確認來自與客戶合約的收益及若干成本的完善框架。香港財務報告準則第15號取代香港會計準則第18號，*收益*（其覆蓋銷售貨物及提供服務所產生的收益）及香港會計準則第11號，*建築合約*（其訂明建築合約的會計處理方式）。

於2018年1月1日，本集團已選擇應用累計影響過渡法，並調整期初權益結餘以確認首次應用此準則的累計影響。因此，可比較資料並無重列，並繼續根據香港會計準則第11號及香港會計準則第18號呈報。如香港財務報告準則第15號所允許，本集團僅對於2018年1月1日前尚未完成的合約應用新規定。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(c) HKFRS 15, Revenue from contracts with customers (continued)

The following table summarises the impact of transition to HKFRS 15 on retained profits and the related tax impact at 1 January 2018:

		\$'000 千元
Retained profits	保留溢利	
Change in timing of contract costs recognition for construction contracts	建築合約合約成本確認時間的變動	7,529
Related tax	有關稅項	(1,242)
Net increase in retained profits at 1 January 2018	於2018年1月1日保留溢利增加淨額	6,287

Further details of the nature and effect of the changes on previous accounting policies are set out below:

(i) Timing of revenue recognition

Previously, revenue arising from construction contracts was recognised over time, whereas revenue from sale of goods was generally recognised at a point in time when the risks and rewards of ownership of the goods had passed to the customers.

3. 會計政策變動 (續)

(c) 香港財務報告準則第15號，來自與客戶合約的收益 (續)

下表概述過渡至香港財務報告準則第15號對於2018年1月1日的保留溢利的影響以及有關稅務影響：

有關過往會計政策變動的性質及影響之進一步詳情載列如下：

(i) 收益確認的時間

過往，建築合約所得收益隨時間確認；而銷售貨物所得收益通常於貨物所有權風險及回報轉移予客戶當時確認。

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(c) HKFRS 15, Revenue from contracts with customers (continued)

(i) Timing of revenue recognition (continued)

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised good or service is regarded as being transferred over time:

- A. When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- B. When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- C. When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

3. 會計政策變動 (續)

(c) 香港財務報告準則第15號，來自與客戶合約的收益 (續)

(i) 收益確認的時間 (續)

根據香港財務報告準則第15號，收益於客戶獲得合約中的已承諾貨物或服務之控制權時確認。此可能在某一時間點或一段時間內。香港財務報告準則第15號確認三個已承諾貨物或服務的控制權隨時間而轉移的情況：

- A. 當客戶於實體履約時同時收到及享用實體履約所提供的利益時；
- B. 當實體履約創造或增強一項於創造或增強時由客戶控制的資產（如在建工程）時；
- C. 當實體的履約並無創造對實體而言具替代用途的資產，且該實體對迄今完成的履約的付款有強制執行的權利時。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(c) HKFRS 15, Revenue from contracts with customers (continued)

(i) Timing of revenue recognition (continued)

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on when the Group recognises revenue from construction contracts and sales of piles.

(ii) Timing of recognition of contract costs

Under HKFRS 15, if the costs incurred in fulfilling a contract with a customer are not within the scope of another standard, assets shall only be recognised if the costs incurred (i) relate directly to a contract or an anticipated contract that can be specifically identified; (ii) generate or enhance resources of the entity that will be used in satisfying performance obligations in the future; and (iii) are expected to be recovered. Costs that relate to satisfied performance obligations (or partially satisfied performance obligations) in the contracts and costs for which an entity cannot distinguish whether the costs relate to unsatisfied performance obligations or to satisfied performance obligations shall be expensed as incurred under HKFRS 15.

3. 會計政策變動 (續)

(c) 香港財務報告準則第15號，來自與客戶合約的收益 (續)

(i) 收益確認的時間 (續)

倘合約條款及實體活動並不屬於任何該等三種情況，則根據香港財務報告準則第15號，實體於某一指定時間點（即控制權轉移時）確認銷售貨物或服務的收益。所有權風險及回報的轉移僅為釐定控制權轉移發生時所考慮的其中一項指標。

採納香港財務報告準則第15號對本集團確認來自建符合約及銷售樁柱的收益之時間並無重大影響。

(ii) 確認合約成本的時間

根據香港財務報告準則第15號，倘履行與一名客戶所訂立的合約所產生的成本不屬於另一準則的範圍內，則僅會於所產生的成本屬以下情況下方會確認資產：(i) 與一項可明確識別的合約或預期合約直接相關；(ii) 產生或提升實體將於未來用作履行履約責任的資源；及(iii) 預期將會收回。與合約中的特定履約責任（或部分已履行的履約責任）相關的成本，以及實體無法分辨是否與未履行的履約責任或已履行的履約責任相關的成本，將根據香港財務報告準則第15號於產生時支銷。

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(c) HKFRS 15, Revenue from contracts with customers (continued)

(ii) Timing of recognition of contract costs (continued)

Previously, contract costs of the Group were recognised by reference to the stage of completion of the contract, which was measured with reference to the progress certificates issued by the customers or the progress payment applications submitted to the customers. Contract costs were deferred or accrued to report a consistent margin percentage over the term of a contract. Under HKFRS 15, contract costs that related to satisfied performance obligations are expensed as incurred.

As a result of this change in accounting policy, the Group had made adjustments to opening balances at 1 January 2018 which increased retained profits by \$6,287,000, increased contract assets by \$8,047,000, increased contract liabilities by \$518,000 and increased tax payable by \$1,242,000.

3. 會計政策變動 (續)

(c) 香港財務報告準則第15號，來自與客戶合約的收益 (續)

(ii) 確認合約成本的時間 (續)

過往，本集團的合約成本乃參考合約的完成階段確認，完成階段則參考客戶所發出的進度證明或向客戶提交的進度付款申請計量。合約成本乃遞延或應計以呈報於合約年期內一致的利潤百分比。根據香港財務報告準則第15號，由於與已履行的履約責任相關的合約成本乃於產生時支銷。

由於本文所述的會計政策變動，本集團對於2018年1月1日的期初結餘作出調整，令保留溢利增加6,287,000元、合約資產增加8,047,000元、合約負債增加518,000元，以及應繳稅項增加1,242,000元。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(c) HKFRS 15, Revenue from contracts with customers (continued)

(iii) Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Previously, contract balances relating to construction contracts in progress were presented in the statement of financial position under "gross amounts due from customers for contract work" or "gross amounts due to customers for contract work" respectively. Receivables for which the Group's entitlement to the consideration was conditional on achieving certain milestones or satisfactory completion of the retention period were presented in the statement of financial position as "retentions receivable" under "trade and other receivables".

3. 會計政策變動 (續)

(c) 香港財務報告準則第15號，來自與客戶合約的收益 (續)

(iii) 合約資產及負債的呈列

根據香港財務報告準則第15號，僅在本集團擁有無條件權利收取代價時，方會確認應收款項。倘本集團於可無條件收取合約已承諾貨物及服務的代價前確認有關收益，則該代價分類為合約資產。同樣，在本集團確認相關收益前，當客戶支付代價或按合約規定支付代價且款項已到期時，該代價將確認為合約負債而非應付款項。就與客戶訂立的單一合約而言，僅呈列淨合約資產或淨合約負債。就多份合約而言，無關係合約的合約資產及合約負債不會以淨額為基礎呈列。

過往，有關在建工程合約的合約結餘於財務狀況表分別呈列為「應收客戶合約工程款項總額」及「應付客戶合約工程款項總額」。本集團就代價有權收取的應收款項須待達到若干里程碑或完成保存期以達至滿意後方可作實，並於財務狀況表內呈列為「貿易及其他應收款項」項下的「應收保留金」。

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

3. CHANGE IN ACCOUNTING POLICIES

(continued)

(c) HKFRS 15, Revenue from contracts with customers (continued)

(iii) Presentation of contract assets and liabilities (continued)

To reflect these changes in presentation, the Group has made the following adjustments at 1 January 2018, as a result of the adoption of HKFRS 15:

- a. "Gross amounts due from customers for contract work" and "retentions receivable" under "trade and other receivables" amounting to \$215,927,000 and \$71,280,000 respectively, are now included under contract assets;
- b. "Gross amounts due to customers for contract work" amounting to \$11,597,000 is now included under contract liabilities; and
- c. As explained in (ii) above, adjustments to opening balances have been made to increase contract assets by \$8,047,000 and increase contract liabilities by \$518,000.

3. 會計政策變動 (續)

(c) 香港財務報告準則第15號，來自與客戶合約的收益 (續)

(iii) 合約資產及負債的呈列 (續)

因採納香港財務報告準則第15號，為了反映該等呈列變動，本集團於2018年1月1日作出如下調整：

- a. 「應收客戶合約工程款項總額」及「貿易及其他應收款項」項下的「應收保留金」分別為215,927,000元及71,280,000元現已計入合約資產項下；
- b. 「應付客戶合約工程款項總額」11,597,000元現已計入合約負債項下；及
- c. 誠如上文(ii)所解釋，已作出期初調整令合約資產增加8,047,000元，以及合約負債增加518,000元。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

4. REVENUE AND SEGMENT INFORMATION

(a) Revenue

Revenue represents revenue from construction contracts earned and sales of piles during the current and prior periods.

		Six months ended 30 June (unaudited) 截至6月30日止六個月(未經審核)	
		2018 \$'000 千元	2017 \$'000 千元
Revenue from construction contracts	來自建築合約的收益	271,720	383,998
Sales of piles	銷售樁柱	53,495	28,224
		325,215	412,222

(b) Segment Information

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Construction contracts: this segment provides foundation and general building works to customers in Hong Kong and Saipan.
- Sales of piles: this segment covers sales of piles to customers in Hong Kong.

4. 收益及分部資料

(a) 收益

收益指於本期間及過往期間來自建築合約賺取及銷售樁柱的收益。

(b) 分部資料

本集團按業務的分部管理其業務。本集團已按照為方便分配資源及評估表現而向本集團最高級行政管理人員內部呈報資料的一致方式，呈報下列兩個可呈報分部。並無經營分部匯總組成以下可呈報分部。

- 建築合約：本分部向香港及塞班客戶提供地基及一般建築工程服務。
- 銷售樁柱：本分部涵蓋向香港客戶銷售樁柱。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

4. REVENUE AND SEGMENT INFORMATION

(continued)

(b) Segment Information (continued)

(i) Segment results, assets and liabilities

For the purpose of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all current and non-current assets with the exception of deferred tax assets (if any) and other corporate assets. Segment liabilities include all current and non-current liabilities with the exception of deferred tax liabilities (if any) and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments. The measure used for reporting segment profit is profit before taxation except that unallocated corporate expenses are excluded from this measurement.

4. 收益及分部資料 (續)

(b) 分部資料 (續)

(i) 分部業績、資產及負債

就評估分部表現及分配分部之間的資源而言，本集團最高級行政管理人員按以下基準監察各可呈報分部應佔的業績、資產及負債：

分部資產包括所有流動及非流動資產，惟不包括遞延稅項資產（如有）及其他公司資產。分部負債包括所有流動及非流動負債，惟不包括遞延稅項負債（如有）及其他公司負債。

收益及開支參考該等分部產生的收益及開支，以及該等分部應佔資產折舊所產生的收益及開支分配至可呈報分部。報告分部溢利所用的計量為除稅前溢利，惟未分配公司開支不撥入此項計算。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

4. REVENUE AND SEGMENT INFORMATION

(continued)

(b) Segment Information (continued)

(i) Segment results, assets and liabilities (continued)

Information regarding the Group's reportable segment as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below:

4. 收益及分部資料 (續)

(b) 分部資料 (續)

(i) 分部業績、資產及負債 (續)

為期內的資源分配及分部表現評估而提供予本集團最高級行政管理人員有關本集團可呈報分部的資料列示如下：

		Six months ended 30 June 2018 (unaudited) 截至2018年6月30日止六個月 (未經審核)		
		Construction contracts 建築合約 \$'000 千元	Sales of piles 銷售樁柱 \$'000 千元	Total 總計 \$'000 千元
Revenue from external customers	外部客戶收益	271,720	53,495	325,215
Reportable segment revenue	可呈報分部收益	271,720	53,495	325,215
Reportable segment profit	可呈報分部溢利	13,231	9,955	23,186
Interest expenses	利息開支	1,448	-	1,448
Depreciation for the period	期內折舊	393	-	393
Additions to non-current segment assets during the period	期內向非流動分部資產添置	92	-	92

		At 30 June 2018 (unaudited) 於2018年6月30日 (未經審核)		
		Construction contracts 建築合約 \$'000 千元	Sales of piles 銷售樁柱 \$'000 千元	Total 總計 \$'000 千元
Reportable segment assets	可呈報分部資產	522,546	34,865	557,411
Reportable segment liabilities	可呈報分部負債	197,363	22,266	219,629

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

4. REVENUE AND SEGMENT INFORMATION

(continued)

(b) Segment Information (continued)

(i) Segment results, assets and liabilities (continued)

		Six months ended 30 June 2017 (unaudited) 截至2017年6月30日止六個月(未經審核)		
		Construction contracts 建築合約 \$'000 千元	Sales of piles 銷售樁柱 \$'000 千元	Total 總計 \$'000 千元
Revenue from external customers	外部客戶收益	383,998	28,224	412,222
Reportable segment revenue	可呈報分部收益	383,998	28,224	412,222
Reportable segment profit	可呈報分部溢利	36,866	2,787	39,653
Interest expenses	利息開支	870	–	870
Depreciation for the period	期內折舊	331	–	331
Additions to non-current segment assets during the period	期內向非流動分部資產添置	854	–	854

		At 31 December 2017 (audited) 於2017年12月31日(經審核)		
		Construction contracts 建築合約 \$'000 千元	Sales of piles 銷售樁柱 \$'000 千元	Total 總計 \$'000 千元
Reportable segment assets	可呈報分部資產	448,883	6,984	455,867
Reportable segment liabilities	可呈報分部負債	213,236	2,698	215,934

4. 收益及分部資料 (續)

(b) 分部資料 (續)

(i) 分部業績·資產及負債 (續)

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

4. REVENUE AND SEGMENT INFORMATION

(continued)

(b) Segment Information (continued)

(ii) Reconciliations of reportable segment profit

		Six months ended 30 June (unaudited) 截至6月30日止六個月(未經審核)	
		2018 \$'000 千元	2017 \$'000 千元
Reportable segment profit	可呈報分部溢利	23,186	39,653
Unallocated corporate expenses	未分配公司開支	(3,260)	(17,013)
Consolidated profit before taxation	稅前綜合溢利	19,926	22,640

4. 收益及分部資料 (續)

(b) 分部資料 (續)

(ii) 可呈報分部溢利的對賬

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

4. REVENUE AND SEGMENT INFORMATION

(continued)

(b) Segment Information (continued)

(iii) Geographic information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customers is based on the location at which the services were provided or the goods delivered.

		Six months ended 30 June (unaudited) 截至6月30日止六個月(未經審核)	
		2018 \$'000 千元	2017 \$'000 千元
Hong Kong (place of domicile)	香港(營運地點)	255,881	333,253
Saipan	塞班	69,334	78,969
		325,215	412,222

5. OTHER INCOME

4. 收益及分部資料(續)

(b) 分部資料(續)

(iii) 地區資料

下表載列有關本集團外部客戶收益的地理位置資料。客戶地理位置是基於提供服務或交付貨物的位置而定。

5. 其他收入

		Six months ended 30 June (unaudited) 截至6月30日止六個月(未經審核)	
		2018 \$'000 千元	2017 \$'000 千元
Rental income from lease of machinery	出租機械的租金收入	108	180
Others	其他	77	138
		185	318

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

6. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

6. 除稅前溢利

除稅前溢利乃經扣除／（計入）下列各項後達致：

		Six months ended 30 June (unaudited) 截至6月30日止六個月（未經審核）	
		2018 \$'000 千元	2017 \$'000 千元
(a) Finance costs	(a) 財務成本		
Interest on bank overdrafts	銀行透支利息	24	3
Interest on bank loans	銀行貸款利息	1,245	505
Finance charges on obligation under finance leases	融資租賃承擔的財務費用	179	362
		1,448	870
(b) Staff costs (including directors' remuneration)	(b) 員工成本（包括董事酬金）		
Contribution to defined contribution retirement plans	定額供款退休計劃的供款	1,417	1,840
Salaries, wages and other benefits	薪金、工資及其他福利	49,281	55,433
		50,698	57,273
Less: Amount included in construction contracts in progress	減：計入在建建築合約的款項	(40,173)	(46,313)
		10,525	10,960

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

6. PROFIT BEFORE TAXATION (continued)

6. 除稅前溢利 (續)

		Six months ended 30 June (unaudited) 截至6月30日止六個月(未經審核)	
		2018 \$'000 千元	2017 \$'000 千元
(c) Other items	(c) 其他項目		
Depreciation	折舊	2,408	7,547
Less: Amount included in construction contracts in progress	減：計入在建建築合約的款項	(2,015)	(7,216)
		393	331
Operating lease charges: minimum lease payments in respect of leasing of properties	經營租賃支出：租賃物業的最低租金款項	2,576	2,052
Less: Amount included in construction contracts in progress	減：計入在建建築合約的款項	(269)	(304)
		2,307	1,748
Cost of goods sold	已售貨物成本	42,840	25,416
Impairment losses for trade and other receivables and contract assets	貿易及其他應收款項及合約資產的減值虧損	1,227	-
Listing expenses	上市開支	-	11,771

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

7. INCOME TAX

Income tax in the consolidated statement of profit or loss and other comprehensive income represents:

7. 所得稅

綜合損益及其他全面收益表中的所得稅指：

		Six months ended 30 June (unaudited) 截至6月30日止六個月(未經審核)	
		2018 \$'000 千元	2017 \$'000 千元
Current tax – Hong Kong Profits Tax	即期稅項 – 香港利得稅		
Provision for the period	期內撥備	3,249	5,839
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差額的產生及撥回	567	(107)
		3,816	5,732

Notes:

- (i) Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and British Virgin Islands.
- (ii) The provision for Hong Kong Profits Tax is calculated at 16.5% (2017: 16.5%) of the estimated assessable profits for the six months ended 30 June 2018. No provision for overseas taxation as the Group's overseas subsidiaries either did not have assessable profits or have tax credits in excess of assessable profits during the period in the relevant jurisdiction.

附註：

- (i) 根據開曼群島及英屬處女群島的規則及規例，本集團毋須繳納開曼群島及英屬處女群島任何所得稅。
- (ii) 香港利得稅撥備乃按截至2018年6月30日止六個月的估計應課稅溢利之16.5%（2017年：16.5%）計算。由於期內本集團海外附屬公司並無於相關司法權區產生應課稅溢利或有超出應課稅溢利的稅項抵免，故並無就海外稅項作出撥備。

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

8. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per shares is calculated based on the profit for the period of \$16,110,000 (2017: \$16,908,000) and the weighted average of 520,839,779 ordinary shares (2017: 384,000,000 ordinary shares) for the six months ended 30 June 2018.

(b) Diluted earnings per share

There were no potential dilutive shares in existence during the six months ended 30 June 2018 and 2017 and, therefore, diluted earnings per share are the same as the basic earnings per share.

9. PROPERTY, PLANT AND EQUIPMENT

(a) Acquisition

During the six months ended 30 June 2018, the Group incurred expenditure on additions of property, plant and equipment with total costs of approximately \$92,000 (2017: approximately \$854,000).

(b) Assets held under finance leases

Certain machinery and motor vehicles with net book value of \$Nil (31 December 2017: \$111,000) at 30 June 2018 were held under finance leases.

8. 每股盈利

(a) 基本每股盈利

基本每股盈利是按照截至2018年6月30日止六個月的期內溢利16,110,000元(2017年: 16,908,000元)及加權平均股數為520,839,779股普通股(2017年: 384,000,000股普通股)計算。

(b) 攤薄每股盈利

截至2018年及2017年6月30日止六個月,並不存在具潛在攤薄效應的股份,故攤薄每股盈利與基本每股盈利相同。

9. 物業、廠房及設備

(a) 收購

截至2018年6月30日止六個月,本集團添置物業、廠房及設備開支的總成本約92,000元(2017年: 約854,000元)。

(b) 根據融資租賃持有的資產

根據融資租賃持有若干機械及汽車,於2018年6月30日賬面值為零元(2017年12月31日: 111,000元)。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

10. TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade debtors, based on the invoice date and net of loss allowance, is as follows:

10. 貿易及其他應收款項

於報告期末，按發票日期及扣除虧損撥備的應收貿易賬款賬齡分析如下：

		At 30 June 2018 於2018年 6月30日 (unaudited) (未經審核) \$'000 千元	At 31 December 2017 於2017年 12月31日 (audited) (經審核) \$'000 千元
Within 1 month	1個月內	16,501	10,605
1 to 2 months	1至2個月	2,934	2,200
2 to 3 months	2至3個月	–	–
Over 3 months	3個月以上	4,628	46,296
Trade debtors, net of loss allowance	應收貿易賬款，扣除虧損撥備	24,063	59,101
Deposits, prepayments and other receivables (note (i))	按金、預付款項及其他應收款項(附註(i))	50,508	13,858
Retentions receivable, net of loss allowance (note (ii))	應收保留金，扣除虧損撥備(附註(ii))	20,143	98,815
Deposit paid for acquisition of subsidiaries (note (iii))	收購附屬公司已付按金(附註(iii))	4,000	–
		98,714	171,774

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

10. TRADE AND OTHER RECEIVABLES (continued)

Notes:

- (i) As at 30 June 2018, except for the amount of \$639,000 (31 December 2017: \$715,000) which was expected to be recovered or recognised as expense after one year, all of the remaining balances were expected to be recovered or recognised as expense within one year.
- (ii) As at 30 June 2018, all the retentions receivable was expected to be recovered within one year (31 December 2017: except for the amount of \$71,744,000 was expected to be recovered after one year, all of the remaining balances were expected to be recovered within one year).
- (iii) As at 30 June 2018, the Group has paid \$4,000,000 as the deposit for the acquisition of TIEN New Energy Development Limited (see note 20).

In respect of trade and other receivables, individual credit evaluations are performed as part of the acceptance procedures for new contracts. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables from both of construction contracts business and sales of piles business are due within 0-60 days from the date of billing.

10. 貿易及其他應收款項 (續)

附註：

- (i) 於2018年6月30日，除639,000元（2017年12月31日：715,000元）預期將於一年後收回或確認為開支外，所有餘額預期將於一年內收回或確認為開支。
- (ii) 於2018年6月30日，所有應收保留金預期將於一年內收回（2017年12月31日：除71,744,000元預期將於一年後收回外，所有餘額預期將於一年內收回）。
- (iii) 於2018年6月30日，本集團已支付4,000,000元作為收購忠天新能源開發有限公司的按金（見附註20）。

就貿易及其他應收款項而言，本集團會進行個別的信貸評核作為新合約接納程序一部分。此等評核集中於客戶過往支付到期款項的記錄及現時的付款能力，並考慮客戶的特定資料及客戶經營所在經濟環境的情況。來自建築合約業務及銷售樁柱業務的貿易應收款項均於發票日期起計0至60日內到期。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

11. CASH AND BANK BALANCES

11. 現金及銀行結餘

		At 30 June 2018 於2018年 6月30日 (unaudited) (未經審核) \$'000 千元	At 31 December 2017 於2017年 12月31日 (audited) (經審核) \$'000 千元
Pledged bank deposits (note 15)	已抵押銀行存款 (附註15)	70,088	36,315
Cash at bank and in hand	銀行及手頭現金	87,616	19,736
Cash and bank balances in the consolidated statement of financial position	綜合財務狀況表的 現金及銀行結餘	157,704	56,051
Less: Pledged bank deposits	減：已抵押銀行存款	(70,088)	(36,315)
Cash and cash equivalents in the condensed consolidated cash flow statement	簡明綜合現金流量表的 現金及現金等價物	87,616	19,736

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

12. GROSS AMOUNTS DUE FROM/TO CUSTOMERS FOR CONTRACT WORK

12. 應收／應付客戶合約工程款項總額

		At 30 June 2018 於2018年 6月30日 (unaudited) (未經審核) \$'000 千元	At 31 December 2017 於2017年 12月31日 (audited) (經審核) \$'000 千元
Gross amounts due from customers for contract work	應收客戶合約工程款項總額		
Contract costs incurred plus recognised profits less recognised losses	已產生合約成本加已確認溢利減已確認虧損	-	2,100,257
Less: Progress billings received and receivable	減：已收及應收進度付款	-	(1,884,330)
		-	215,927
Gross amounts due to customers for contract work	應付客戶合約工程款項總額		
Progress billings received and receivable	已收及應收進度付款	-	37,629
Less: Contract costs incurred plus recognised profits less recognised losses	減：已產生合約成本加已確認溢利減已確認虧損	-	(26,032)
		-	11,597

Note:

Upon the adoption of HKFRS 15, gross amounts due from/to customers for contract work are included in contract assets and contract liabilities respectively (see note 3(c)).

附註：

於採納香港財務報告準則第15號後，應收／應付客戶合約工程款項總額乃分別計入合約資產及合約負債（見附註3(c)）。

13. CONTRACT ASSETS AND CONTRACT LIABILITIES

13. 合約資產及合約負債

As at the end of reporting period, all contract assets and contract liabilities are arising from performance under construction contracts and billing in advance of performance under construction contracts respectively.

於報告期末，所有合約資產及合約負債分別產生自履行建築合約及履行建築合約之預收賬款。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

14. TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade creditors, based on the invoice date, is as follows:

		At 30 June 2018 於2018年 6月30日 (unaudited) (未經審核) \$'000 千元	At 31 December 2017 於2017年 12月31日 (audited) (經審核) \$'000 千元
Within 1 month	1個月內	34,673	43,991
1 to 2 months	1至2個月	17,663	14,137
2 to 3 months	2至3個月	2,213	7,228
Over 3 months	3個月以上	12,510	21,536
Trade creditors	應付貿易賬款	67,059	86,892
Other payables and accruals	其他應付款項及應計費用	16,908	22,744
Retentions payable	應付保留金	23,650	21,073
		107,617	130,709

Note:

As at 30 June 2018, except for the amount of \$17,018,000 (31 December 2017: \$17,856,000) which was expected to be settled after one year, all of the remaining balances were expected to be settled within one year.

14. 貿易及其他應付款項

於報告期末，按發票日期的應付貿易賬款賬齡分析如下：

		At 30 June 2018 於2018年 6月30日 (unaudited) (未經審核) \$'000 千元	At 31 December 2017 於2017年 12月31日 (audited) (經審核) \$'000 千元
Within 1 month	1個月內	34,673	43,991
1 to 2 months	1至2個月	17,663	14,137
2 to 3 months	2至3個月	2,213	7,228
Over 3 months	3個月以上	12,510	21,536
Trade creditors	應付貿易賬款	67,059	86,892
Other payables and accruals	其他應付款項及應計費用	16,908	22,744
Retentions payable	應付保留金	23,650	21,073
		107,617	130,709

附註：

於2018年6月30日，除17,018,000元（2017年12月31日：17,856,000元）預期於一年後償還外，所有餘額預期將於一年內償清。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

15. BANK LOANS

The bank loans were repayable as follows:

		As at 30 June 2018 於2018年 6月30日 (unaudited) (未經審核) \$'000 千元	As at 31 December 2017 於2017年 12月31日 (audited) (經審核) \$'000 千元
Within 1 year or on demand	1年內或按要求償還	67,889	50,996

As at 30 June 2018 and 31 December 2017, the Group's banking facilities were secured and guaranteed by counter-indemnity provided by a subsidiary for the issuance of guarantee or performance bond.

Bank deposits of \$70,088,000 (31 December 2017: \$36,315,000) were also pledged to secure the banking facilities granted to the Group as at 30 June 2018. In addition, it was provided in the agreement with a bank for banking facilities that if the Controlling Shareholders hold less than 51% interests in the Company, then the bank is entitled to request immediate repayment of any outstanding loans and accrued interest.

For the six months ended 30 June 2018, the bank loans bear interest ranging from 3.75% to 5% per annum (2017: 3.25% to 5% per annum).

The bank loans are classified by the Group as current liabilities as they are repayable within one year or the lender possesses unconditional right to call the loan at any time on demand.

All of the Group's banking facilities are subject to the fulfilment of covenants as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 30 June 2018, none of the covenants relating to drawn down facilities had been breached.

15. 銀行貸款

銀行貸款須按下列期限償還：

		As at 30 June 2018 於2018年 6月30日 (unaudited) (未經審核) \$'000 千元	As at 31 December 2017 於2017年 12月31日 (audited) (經審核) \$'000 千元
Within 1 year or on demand	1年內或按要求償還	67,889	50,996

於2018年6月30日及2017年12月31日，本集團銀行融資以由一間附屬公司就出具擔保或履約保證而提供的反彌償作抵押及擔保。

於2018年6月30日，銀行存款70,088,000元（2017年12月31日：36,315,000元）亦已予抵押，作為本集團所獲授銀行信貸的抵押品。此外，就銀行信貸與一間銀行所訂立的協議中訂明，倘控股股東於本公司所持有的權益低於51%，則該銀行有權要求即時償還任何未償還的貸款及應計利息。

截至2018年6月30日止六個月，銀行貸款按介乎3.75%至5%的年利率（2017年：3.25%至5%的年利率）計息。

本集團將銀行貸款分類為流動負債，乃由於其可於一年內償還，或貸款人擁有無條件權利可隨時要求償還貸款。

本集團所有銀行融資均須履行常見於與財務機構訂立的借貸安排的契諾。倘本集團違反契諾，已提取的融資將成為應要求償還。本集團定期監察履行該等契諾的情況。於2018年6月30日，概無有關已提取融資的契諾已遭違反。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

16. CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

The Directors did not recommend the payment of a dividend by the Company for the six months ended 30 June 2018 (2017: \$Nil).

(b) Share capital

The Company		本公司		At 30 June 2018 (unaudited) 於2018年6月30日 (未經審核)		At 31 December 2017 (audited) 於2017年12月31日 (經審核)	
		Par value 面值 \$ 元	No. of shares 股份數目	Amount 金額 \$'000 千元	No. of shares 股份數目	Amount 金額 \$'000 千元	
Authorised ordinary shares:	法定股本:						
At the beginning of the reporting period	於報告期初	0.01	1,000,000,000	10,000	38,000,000	380	
Increase in authorised ordinary shares (note (i))	法定普通股增加 (附註(i))	0.01	-	-	962,000,000	9,620	
At the end of the reporting period	於報告期末		1,000,000,000	10,000	1,000,000,000	10,000	
Issued and fully paid ordinary shares:	已發行及繳足普通股:						
At the beginning of the reporting period	於報告期初	0.01	512,000,000	5,120	30,000	-*	
Issuance of new shares under the reorganisation (note (ii))	根據重組發行新股份 (附註(ii))	0.01	-	-	23,400,000	234	
Issuance of new shares under IPO, net of issuing expenses (note (iii))	根據首次公開發售發行新股份, 扣除發行開支 (附註(iii))	0.01	-	-	128,000,000	1,280	
Capitalisation issue (note (iv))	資本化發行 (附註(iv))	0.01	-	-	360,570,000	3,606	
Placing of new shares (note (v))	配售新股份 (附註(v))	0.01	100,000,000	1,000	-	-	
At the end of the reporting period	於報告期末		612,000,000	6,120	512,000,000	5,120	

* The balance represents an amount of less than \$1,000.

* 該餘額代表少於1,000元的金額。

16. 股本、儲備及股息

(a) 股息

董事不建議本公司就截至2018年6月30日止六個月派付股息(2017年:零元)。

(b) 股本

Notes to the Unaudited Interim Financial Report 未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

16. CAPITAL, RESERVES AND DIVIDENDS

(continued)

(b) Share capital (continued)

Notes:

- (i) On 23 June 2017, the authorised share capital of the Company was increased from \$380,000 divided into 38,000,000 ordinary shares of par value of \$0.01 each to \$10,000,000 divided into 1,000,000,000 ordinary shares of par value of \$0.01 each by the creation of an additional 962,000,000 ordinary shares of par value of \$0.01 each.
- (ii) On 23 June 2017, Mr. Kan, Mr. Lee and Mr. Wong (as vendors) and the Company (as purchaser) entered into a sales and purchase agreement, pursuant to which the Company acquired the entire issued share capital of Win Win Way Investment Holdings Limited held by Mr. Kan, Mr. Lee and Mr. Wong (the "Transfer"). In consideration of the Transfer, the Company issued a total of 23,400,000 ordinary shares to Condover Assets Limited ("Condover Assets") at the direction of Mr. Kan, Mr. Lee and Mr. Wong.
- (iii) On 17 July 2017, the Company was successfully listed on the Stock Exchange following the completion of its share offer of 128,000,000 shares issued at a price of \$0.86 per share. The Company received net proceeds of approximately \$90,825,000 (after deducting listing expenses) in respect of the Listing.
- (iv) On 17 July 2017, a total of 360,570,000 shares were allotted and issued, credited as fully paid at par, to Condover Assets by way of capitalisation of a sum of \$3,606,000 standing to the credit of the share premium account of the Company (the "Capitalisation Issue").
- (v) On 15 June 2018, a total of 100,000,000 shares were allotted and issued at a price of \$0.84 per share. The Company received net proceeds of approximately \$81,300,000 (after deducting issuing expenses) in respect of the placing of new shares under general mandate.

16. 股本、儲備及股息 (續)

(b) 股本 (續)

附註：

- (i) 於2017年6月23日，本公司透過增設額外962,000,000股每股面值0.01元的普通股，將其法定股本由380,000元，分為38,000,000股每股面值0.01元的普通股，增至10,000,000元，分為1,000,000,000股每股面值0.01元的普通股。
- (ii) 於2017年6月23日，簡先生、李先生及黃先生（作為賣方）與本公司（作為買方）訂立買賣協議，據此，本公司收購簡先生、李先生及黃先生於Win Win Way Investment Holdings Limited持有的全部已發行股本（「轉讓」）。作為轉讓的代價，本公司按簡先生、李先生及黃先生的指示向Condover Assets Limited（「Condover Assets」）發行合共23,400,000股普通股。
- (iii) 於2017年7月17日，本公司按每股0.86元的價格發行128,000,000股股份完成其股份發售後，已成功在聯交所上市。本公司就上市收到的所得款項淨額約為90,825,000元（扣除上市開支後）。
- (iv) 於2017年7月17日，本公司透過將其股份溢價賬內的進賬金額3,606,000元撥充資本，向Condover Assets配發及發行合共360,570,000股按面值入賬列為繳足的股份（「資本化發行」）。
- (v) 於2018年6月15日，本公司按每股0.84元的價格配發及發行合共100,000,000股股份。本公司就根據一般授權配售新股份收到的所得款項淨額約為81,300,000元（扣除發行開支後）。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

17. COMMITMENTS

At 30 June 2018, the Group's total future minimum lease payments under non-cancellable operating leases were payable as follows:

		At 30 June 2018 於2018年 6月30日 (unaudited) (未經審核) \$'000 千元	At 31 December 2017 於2017年 12月31日 (audited) (經審核) \$'000 千元
Within 1 year	1年內	2,477	2,984
After 1 year but within 3 years	1年以上但3年內	2,411	3,700
		4,888	6,684

The Group is the lessee in respect of a number of properties held under operating leases. The leases typically run for an initial period of 1 to 3 years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

17. 承擔

於2018年6月30日，本集團根據不可撤銷經營租賃應付的未來最低租金付款總額如下：

本集團為以經營租賃形式租用多項物業的承租人。首段租賃期一般為1至3年，並有權重新磋商所有條款重續租約。該等租賃不包括或然租金。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

18. CONTINGENT LIABILITIES AND CLAIMS

- (a) At 30 June 2018, the Group had contingent liabilities in respect of performance bonds to guarantee the due and proper performance of the obligation undertaken by the Group's subsidiaries for projects amounting to \$59,427,500 (31 December 2017: \$64,667,500).
- (b) In 2012, Win Win Way Construction Co., Limited ("WWW Construction"), one of the subsidiaries of the Company, set up an arrangement with a third party to jointly undertaken a construction project with a contract sum of \$270,000,000. Pursuant to the requirements of the construction contract (the "Contract"), WWW Construction and the third party entered into an agreement with the customer to jointly and severally guarantee the due and proper performance of the Contract and thus the Group had contingent liabilities in this respect as at 30 June 2018. Given the defect liability period for the Contract had expired in October 2015 and no claims were received from the customer up to the date of this interim report, the directors do not consider it is probable that a claim would be made against the Group and no provision has been made in the financial statements.
- (c) The Group initiated legal proceedings in December 2015 and filed a statement of claims in January 2016 against a subcontractor and its director for their breach of a sub-contracting agreement in relation to a project (the "Project") and claimed an amount of approximately \$9,914,000, representing the Group's direct payments to other subcontractors in relation to the Project which were made on behalf of the subcontractor. In May 2016, the subcontractor filed a defence and made passing reference to a counterclaim of approximately \$41,328,000. However, no counterclaim is formulated and presented in the defence by the subcontractor. Based on the opinion of the Group's legal adviser, the directors are of the view that the claim from the subcontractor is invalid with little prospect of success and accordingly no provision has been made in the financial statements.

18. 或然負債及索償

- (a) 於2018年6月30日，本集團就擔保本集團附屬公司適當地履行就項目所承諾責任而出具履約保證涉及的或然負債為59,427,500元（2017年12月31日：64,667,500元）。
- (b) 於2012年，本公司其中一間附屬公司恆誠建築工程有限公司（「恆誠建築」）與一名第三方訂立安排，共同承接一項合約總額為270,000,000元的建築項目。根據建築合約（「該合約」）的要求，恆誠建築及該第三方與客戶訂立一項協議，共同及個別地擔保適當地履行該合約，因此本集團於2018年6月30日就此存在或然負債。鑒於該合約的保養責任期已於2015年10月到期，且直至本中期報告日期並無收到客戶提出的索賠，董事認為並無可能出現針對本集團的索償，而在財務報表並無作出撥備。
- (c) 本集團於2015年12月對一個分包商及其董事就彼等違反有關一個項目（「該項目」）的分包協議提起法律訴訟，並於2016年1月提出約9,914,000元的索償，相當於本集團代表該分包商就該項目向其他分包商直接支付的款項。於2016年5月，該分包商作出抗辯，並提出反訴，索償約41,328,000元。然而，分包商的抗辯中並無構成及載列反訴。根據本集團法律顧問的意見，董事認為分包商索賠無效，成功可能性微乎其微，因此並無在財務報表作出撥備。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

18. CONTINGENT LIABILITIES AND CLAIMS

(continued)

(c) (continued)

Having considered the pending determination of the final account of the Project between the Group and the customer, the Group took out a stay summons on 7 August 2017 and a discontinuance summons on 16 August 2017 on its legal proceedings against the subcontractor so as to consolidate the claim of \$9,914,000 against the subcontractor with the determination of final account of the Project. In September 2017, the High Court of the Hong Kong Special Administrative Region granted leave to the Group to withdraw the stay summons and to discontinue the legal proceedings.

Regarding the aforesaid Project, there was a delay in its completion by the Group. The architect appointed by the customer indicated that the customer was entitled to deduct a sum of approximately \$21,125,000 for liquidated damages ("LD Claim"), in addition to the liquidated damages of approximately \$1,950,000 already deducted by the customer. The Group has engaged an external contract consultant to assess the exposure of the potential LD Claim. Based on the opinion of the contract consultant, the Directors consider that the likelihood of the Group being liable to such LD Claim is highly unlikely and hence no provision has been made in the financial statements.

The final account of the Project had been recently issued by the customer with no negative cash flow effect to the Group. The Group will now proceed to issue its sub-contract final account to the subcontractor for its approval and payment.

18. 或然負債及索償 (續)

(c) (續)

考慮到本集團與客戶一直未能確定該項目的最終金額，本集團已就針對分包商提出的法律程序於2017年8月7日發出暫緩聆訊的傳票，以及於2017年8月16日發出中止法律程序的傳票，以將向分包商申索的9,914,000元與確定該項目的最終金額合併處理。於2017年9月，香港特別行政區最高法院頒令許可本集團撤回暫緩聆訊傳票，並中止法律行動。

就上文所述的該項目而言，本集團出現延誤完工情況。客戶指定的建築師指出，除客戶已扣減的違約賠償金約1,950,000元外，客戶有權扣減金額約21,125,000元作為違約賠償金（「違約賠償金申索」）。本集團已委聘一名外部合約顧問，以評估潛在違約賠償金申索的風險。根據合約顧問的意見，董事認為本集團須就違約賠償金申索負責的可能性極小，因此並無在財務報表作出撥備。

客戶最近已發佈該項目的最終金額，並無對本集團產生負現金流影響。本集團現將向分包商發佈其分包最終金額，以供其審批及支付。

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

19. MATERIAL RELATED PARTY TRANSACTIONS 19. 重大關聯方交易

In addition to the transactions disclosed elsewhere in this interim report, the Group entered into the following material related party transactions during the period:

除本中期報告其他部分披露的交易外，本集團於期內已訂立下列重大關聯方交易：

		Six months ended 30 June (unaudited) 截至6月30日止六個月(未經審核)	
		2018 \$'000 千元	2017 \$'000 千元
Consultancy fee paid to Wong & Cheng Consulting Engineers Limited	已付黃鄭顧問工程師有限公司顧問費	62	1,406
Consultancy fee paid to Paul Tong & Associates Consulting Engineers Limited	已付唐玉麟工程顧問有限公司顧問費	4,525	2,543
Purchase of goods from Guangzhou Yangcheng Pile Co. Ltd	向廣州羊城管樁有限公司購買貨品	32,262	17,298
Remuneration of key management personnel	主要管理人員薪酬	3,234	2,874

Notes to the Unaudited Interim Financial Report

未經審核中期財務報告附註

(Expressed in Hong Kong dollars) (以港元列示)

20. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

On 20 June 2018, the Group entered into a sales and purchase agreement ("Agreement") with the vendor to acquire 100% of the issued share capital of TIEN New Energy Development Limited ("Target Company") at a consideration of \$24,000,000. All the conditions precedent under the Agreement have fulfilled and the acquisition was completed on 6 July 2018 ("Completion"). Upon the Completion, the Target Company became an indirect wholly-owned subsidiary of the Company and its result and financial position will be consolidated into the financial statements of the Group.

21. COMPARATIVE FIGURES

The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 3.

22. REVIEW OF INTERIM FINANCIAL REPORT

The unaudited interim financial report for the six months ended 30 June 2018 has been reviewed by the Audit Committee with no disagreement.

20. 報告期後的不作調整事項

於2018年6月20日，本集團與買方訂立買賣協議（「該協議」），以收購忠天新能源開發有限公司（「目標公司」）100%已發行股本，代價為24,000,000元。該協議項下之所有先決條件均已獲達成，且收購已於2018年7月6日完成（「完成」）。於完成後，目標公司成為本公司之間接全資附屬公司，而其業績及財務狀況將綜合計入本集團之財務報表。

21. 比較數字

本集團於2018年1月1日首次應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，並無重列比較資料。有關會計政策變動之進一步詳情於附註3披露。

22. 審閱中期財務報告

截至2018年6月30日止六個月的未經審核中期財務報告已經由審核委員會審閱，且並無異議。

