

Notes

1. **Basis of preparation**

The unaudited condensed financial statements of the Group have been prepared in accordance with Statement of Standard Accounting Practice No. 25 “Interim Financial Reporting” issued by the Hong Kong Society of Accountants except that, in this first year of implementation of the Standard, as permitted by the Hong Kong Stock Exchange Listing Rules, no comparative figures have been presented for either the condensed consolidated statement of recognised gains and losses or the condensed consolidated cash flow statement. The accounting policies and basis of preparation are the same as those used in the audited financial statements for the year ended 31st March 2000.

2. **Segmental information**

	Turnover		Contribution to profit from operating activities	
	Six months ended		Six months ended	
	30th September		30th September	
	2000	1999	2000	1999
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
By activity:				
Foundation piling	260,000	406,408	17,710	23,647
Machinery leasing and trading	19,774	16,363	(3,541)	(5,238)
E&M engineering and building construction	61,105	65,135	12,236	4,998
Property investment and management	47,850	56,890	22,424	24,180
Property development	57,959	—	9,889	—
	<u>446,688</u>	<u>544,796</u>	<u>58,718</u>	<u>47,587</u>
Administrative expenses			<u>(14,812)</u>	<u>(14,966)</u>
			<u>43,906</u>	<u>32,621</u>
By geographical location:				
People's Republic of China				
Hong Kong	342,471	489,624	26,327	22,291
Elsewhere	104,217	55,172	32,391	25,296
	<u>446,688</u>	<u>544,796</u>	<u>58,718</u>	<u>47,587</u>
Administrative expenses			<u>(14,812)</u>	<u>(14,966)</u>
			<u>43,906</u>	<u>32,621</u>

3. Profit before tax

The Group's profit before tax is arrived at after charging:

	Six months ended	
	30th September,	
	2000	1999
	<i>Unaudited</i>	<i>Unaudited</i>
	HK\$'000	HK\$'000
Amortisation of goodwill	1,124	1,124
Depreciation on owned assets	38,279	39,744
Depreciation on assets held under finance leases	3,617	5,915
	<u>41,896</u>	<u>45,659</u>
Interest expenses	18,440	19,464
Less: Amount capitalised in property under development	—	(1,591)
	<u>18,440</u>	<u>17,873</u>

4. Tax

	Six months ended	
	30th September,	
	2000	1999
	<i>Unaudited</i>	<i>Unaudited</i>
	HK\$'000	HK\$'000
Provision for tax in respect of profit for the period:		
The People's Republic of China:		
Hong Kong	2,017	—
Elsewhere	3,751	2,928
Rebate on Hong Kong tax paid in prior year	—	(59)
Overprovision in prior year:		
Hong Kong	(15)	(87)
	<u>5,753</u>	<u>2,782</u>

Hong Kong profits tax has been provided at the rate of 16% (1999: 16%) on the estimated assessable profits arising in Hong Kong during the period. Taxes elsewhere in the People's Republic of China have been calculated at the tax rates prevailing in the areas in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

5. Earnings per share

The calculation of basic earnings per share is based on the Group's net profit from ordinary activities attributable to shareholders of HK\$8,521,000 (1999: HK\$5,342,000) and on the weighted average number of 731,865,903 (1999: 731,865,903) ordinary shares in issue during the period.

Diluted earnings per share has not been shown for either period as the share options and convertible notes outstanding during the periods had an anti-dilutive effect on the basic earnings per share for both periods.

6. Trade receivables

	As at 30th September, 2000 <i>Unaudited</i> HK\$'000	As at 31st March, 2000 <i>Unaudited</i> HK\$'000
The Group's credit terms for contracting business are negotiated with and entered into under normal commercial terms with its trade customers		
Trade receivables with ageing analysis:		
Current to 90 days	218,093	181,180
91 to 180 days	2,079	1,724
181 to 360 days	366	412
Over 360 days	26	73
	220,564	183,389
Retentions receivable	66,676	58,139
	287,240	241,528

7. Trade payable and accruals

	As at 30th September, 2000	As at 31st March, 2000
	<i>Unaudited</i>	<i>Unaudited</i>
	HK\$'000	HK\$'000
Trade payables with ageing analysis:		
Within 30 days	114,120	55,394
31 to 90 days	6,026	9,569
91 to 180 days	328	986
Over 180 days	564	1,301
	<hr/> 121,038	<hr/> 67,250
Retentions payable	14,776	14,887
Accruals	53,032	61,880
	<hr/> 188,846	<hr/> 144,017
	<hr/> 188,846	<hr/> 144,017

8. Reserves

	Accumulated Losses	Share premium Account	Capital Reserve	Exchange Statutory Reserves	Exchange Fluctuation Reserve	Total
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 31st March, 2000	(11,594)	508,577	92,953	3,158	3,691	596,785
Profit for the period	8,521	—	—	—	—	8,521
Exchange realignment	—	—	—	—	(344)	(344)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30th September, 2000	(3,073)	508,577	92,953	3,158	3,347	604,962
	<hr/> (3,073)	<hr/> 508,577	<hr/> 92,953	<hr/> 3,158	<hr/> 3,347	<hr/> 604,962

9. Contingencies and commitments

	As at 30th September 2000 <i>Unaudited</i> HK\$'000	As at 31st March 2000 <i>Audited</i> HK\$'000
(a) Contingencies		
Long service payments	7,035	5,617
Guarantees in respect of performance bonds	46,713	30,260
	<u>53,748</u>	<u>35,877</u>
(b) Future capital expenditure		
Contracted for but not provided in the financial statements	43,519	45,784
Authorised but not contracted for	—	6,012
	<u>43,519</u>	<u>51,796</u>

10. Comparative figures

Certain comparative figures have been reclassified to conform with the current presentation as required under SSAP 1 (revised) "Presentation of financial statements".