



HUSCOKE HOLDINGS LIMITED  
和嘉控股有限公司

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)

(Stock Code 股份代號：704)



中期報告  
Interim Report  
2019



## CONTENTS

### 目錄

Corporate Information 公司資料	2
Condensed Consolidated Statement of Comprehensive Income 簡明綜合全面收益表	4
Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表	6
Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表	8
Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表	9
Notes to the Condensed Consolidated Interim Financial Statements 簡明綜合中期財務報表附註	10
Management Discussion and Analysis 管理層討論及分析	56
Disclosure of Interests 權益披露	77
Share Option Scheme 購股期權計劃	83
Corporate Governance 企業管治	85



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Zhao Xu Guang  
*(Chairman and Chief Executive Officer)*  
Mr. Li Qinghua  
Mr. So Chiu Fung  
Mr. Wang Yijun

#### Non-Executive Directors

Mr. Wong Siu Hung, Patrick  
Mr. Huang Man Yem

#### Independent Non-Executive Directors

Mr. Lam Hoy Lee, Laurie  
Mr. To Wing Tim, Paddy  
Dr. Wang Wei Hsin

### AUDIT COMMITTEE

Mr. To Wing Tim, Paddy *(Chairman)*  
Mr. Lam Hoy Lee, Laurie  
Mr. Huang Man Yem  
Dr. Wang Wei Hsin

### REMUNERATION COMMITTEE

Mr. Lam Hoy Lee, Laurie *(Chairman)*  
Mr. To Wing Tim, Paddy  
Mr. Huang Man Yem  
Dr. Wang Wei Hsin

### NOMINATION COMMITTEE

Mr. Zhao Xu Guang *(Chairman)*  
Mr. Lam Hoy Lee, Laurie  
Mr. To Wing Tim, Paddy  
Dr. Wang Wei Hsin

### COMPANY SECRETARY

Mr. Li Chi Chung

### LEGAL ADVISER

Michael Li & Co.

## 公司資料

### 董事會

#### 執行董事

趙旭光先生  
*(主席兼行政總裁)*  
李清華先生  
蘇晁鋒先生  
王義軍先生

#### 非執行董事

黃少雄先生  
黃文鑫先生

#### 獨立非執行董事

林開利先生  
杜永添先生  
王維新博士

### 審核委員會

杜永添先生 *(主席)*  
林開利先生  
黃文鑫先生  
王維新博士

### 薪酬委員會

林開利先生 *(主席)*  
杜永添先生  
黃文鑫先生  
王維新博士

### 提名委員會

趙旭光先生 *(主席)*  
林開利先生  
杜永添先生  
王維新博士

### 公司秘書

李智聰先生

### 法律顧問

李智聰律師事務所

**AUDITORS**

BDO Limited

**核數師**

香港立信德豪會計師事務所  
有限公司

**STOCK CODE**

Hong Kong Stock Exchange: 704

**股票代號**

香港聯合交易所：704

**CORPORATE WEBSITE**

www.huscoke.com

**公司網址**

www.huscoke.com

**PRINCIPAL OFFICE**

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89 Queensway  
Admiralty, Hong Kong

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金鐘道89號  
力寶中心一座  
23樓2301室

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Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

**註冊辦事處**

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

**SHARE REGISTRARS AND TRANSFER OFFICE****In Hong Kong**

Tricor Secretaries Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Wan Chai, Hong Kong

**股份過戶登記處****香港**

卓佳秘書商務有限公司  
香港灣仔  
皇后大道東183號  
合和中心54樓

**In Bermuda**

MUFG Fund Services (Bermuda) Limited  
4th Floor North  
Cedar House  
41 Cedar Avenue  
Hamilton HM 12  
Bermuda

**百慕達**

MUFG Fund Services (Bermuda) Limited  
4th Floor North  
Cedar House  
41 Cedar Avenue  
Hamilton HM 12  
Bermuda

**PRINCIPAL BANKERS**

Nanyang Commercial Bank, Limited  
The Bank of East Asia Limited  
The Hongkong and Shanghai Banking  
Corporation Limited

**主要往來銀行**

南洋商業銀行有限公司  
東亞銀行有限公司  
香港上海滙豐銀行有限公司



## INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

The board of directors (the “**Board**”) of Huscoke Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2019 (the “**Reporting Period**”) together with the comparative figures for the corresponding period in 2018 as follows:

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2019

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
	Notes 附註		
<b>Revenue</b>			
Cost of sales	3	811,470 (695,010)	744,128 (619,183)
<b>Gross profit</b>		<b>116,460</b>	124,945
Other income and gains, net		24,641	23,213
Selling and distribution costs	4	(60,923)	(71,089)
Administrative expenses		(34,629)	(39,146)
Finance costs	5	(496)	(586)
<b>Profit before tax</b>		<b>45,053</b>	37,337
Income tax expense	7	-	-
<b>Profit for the period</b>		<b>45,053</b>	37,337

## 截至二零一九年六月三十日止

### 六個月之中期業績

和嘉控股有限公司(「本公司」)董事會(「董事會」)欣然宣佈本公司及其附屬公司(統稱「本集團」)截至二零一九年六月三十日止六個月(「本報告期間」)之未經審核簡明綜合中期業績連同二零一八年同期之比較數字如下:

## 簡明綜合全面收益表

截至二零一九年六月三十日止六個月



**CONDENSED CONSOLIDATED STATEMENT  
OF COMPREHENSIVE INCOME** (Continued)

For the six months ended 30 June 2019

**簡明綜合全面收益表(續)**

截至二零一九年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核)	2018 二零一八年 (Unaudited) (未經審核)
		HK\$'000 千港元	HK\$'000 千港元
		Notes 附註	
<b>Other comprehensive loss</b>	<b>其他全面虧損</b>		
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:	其後期間將予重新分類至損益之其他全面虧損：		
Exchange differences on translation of foreign operations	海外業務折算產生之匯兌差額	(1,144)	(117)
<b>Other comprehensive loss for the period, net of tax</b>	<b>本期間其他全面虧損，除稅後</b>	(1,144)	(117)
<b>Total comprehensive income for the period</b>	<b>本期間全面收益總額</b>	<b>43,909</b>	<b>37,220</b>
<b>Profit for the period attributable to:</b>	<b>應佔期內溢利：</b>		
Owners of the Company	本公司擁有人	39,683	30,230
Non-controlling interests	非控股權益	5,370	7,107
		<b>45,053</b>	<b>37,337</b>
<b>Total comprehensive income attributable to:</b>	<b>應佔全面收益總額：</b>		
Owners of the Company	本公司擁有人	38,145	30,124
Non-controlling interests	非控股權益	5,764	7,096
		<b>43,909</b>	<b>37,220</b>
<b>Earnings per share attributable to ordinary equity holders of the Company</b>	<b>本公司普通股權益持有人應佔每股盈利</b>		
Basic	基本		
- For profit for the period	一期內溢利	<b>HK1.45 cents 港仙</b>	<b>HK1.16 cents 港仙</b>
Diluted	攤薄		
- For profit for the period	一期內溢利	<b>HK1.42 cents 港仙</b>	<b>HK1.12 cents 港仙</b>



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2019

## 簡明綜合財務狀況表

於二零一九年六月三十日

		As at 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核)
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		555,375	570,644
Interest in an associate	10	-	101,804
Financial assets at fair value through profit or loss	11	1,508	1,508
Total non-current assets		<b>556,883</b>	673,956
<b>CURRENT ASSETS</b>			
Inventories		46,732	85,377
Trade receivables	12	411,627	367,083
Prepayments, deposits and other receivables	14	591,536	365,808
Cash and bank balances		16,501	18,894
Total current assets		<b>1,066,396</b>	837,162
<b>CURRENT LIABILITIES</b>			
Trade payables	15	269,192	237,326
Other payables, accruals and deposits received	16	670,788	625,982
Convertible bonds	17	25,526	43,526
Tax payable		-	5,150
Total current liabilities		<b>965,506</b>	911,984



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

At 30 June 2019

## 簡明綜合財務狀況表(續)

於二零一九年六月三十日

		As at 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核)	As at 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核)
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
<b>NET CURRENT ASSETS/ LIABILITIES</b>	<b>流動資產/(負債)淨額</b>	<b>100,890</b>	(74,822)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>資產總額減流動負債</b>	<b>657,773</b>	599,134
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>		
Other payables and deferred income	其他應付帳款及遞延收入 16	5,024	8,205
Other borrowings	其他借貸 18	18,188	18,188
Deferred tax liability	遞延稅項負債	11,165	11,253
Total non-current liabilities	非流動負債總額	<b>34,377</b>	37,646
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>623,396</b>	561,488
<b>EQUITY</b>	<b>股權</b>		
Equity attributable to the owners of the Company	本公司擁有人應佔股權		
Share capital	股本 19	27,864	27,264
Reserves	儲備	541,281	485,737
		<b>569,145</b>	513,001
Non-controlling interests	非控股權益	54,251	48,487
<b>TOTAL EQUITY</b>	<b>股權總額</b>	<b>623,396</b>	561,488





## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2019

## 簡明綜合權益變動表

截至二零一九年六月三十日止六個月

		Issued Share Capital	Share Premium	Contributed Surplus	Special Reserve	Other Reserve	Share Option Reserve	Exchange Fluctuation Reserve	Capital Redemption Reserve	Convertible Bonds Reserve	Accumulated Losses	Non- controlling Interests	Total	
		已發行股本	股份溢價	撥入盈餘	特別儲備	其他儲備	購股期權 儲備	兌換波動 儲備	資本贖回 儲備	可換股債券 儲備	累計虧損	總計 非控股權益	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 January 2018	於二零一八年一月一日	25,966	341,361	1,689,847	18,236	(10,354)	2,509	96,157	85	368	(1,787,307)	376,868	39,101	415,969
Profit for the period	本期間溢利	-	-	-	-	-	-	-	-	-	30,230	30,230	7,107	37,337
Exchange differences	匯兌差額	-	-	-	-	-	-	(106)	-	-	-	(106)	(11)	(117)
Total comprehensive income for the period	本期間全面收益總額	-	-	-	-	-	-	(106)	-	-	30,230	30,124	7,096	37,220
Acquisition of non-controlling interest	收購非控股權益	-	-	-	-	-	-	64	-	-	-	64	(265)	(201)
At 30 June 2018	於二零一八年 六月三十日	25,966	341,361	1,689,847	18,236	(10,354)	2,509	96,115	85	368	(1,757,077)	407,056	45,932	452,988
At 1 January 2019	於二零一九年一月一日	27,264	373,819	1,689,847	18,236	(10,354)	2,509	70,143	85	368	(1,658,916)	513,001	48,487	561,488
Profit for the period	本期間溢利	-	-	-	-	-	-	-	-	-	39,682	39,682	5,370	45,052
Exchange differences	匯兌差額	-	-	-	-	-	-	(1,538)	-	-	-	(1,538)	394	(1,144)
Total comprehensive income for the period	本期間全面收益 總額	-	-	-	-	-	-	(1,538)	-	-	39,682	38,144	5,764	43,908
Conversion of Convertible Bonds	兌換可換股債券	600	-	17,400	-	-	-	-	-	-	-	18,000	-	18,000
At 30 June 2019	於二零一九年 六月三十日	27,864	373,819	1,707,247	18,236	(10,354)	2,509	68,605	85	368	(1,619,234)	569,145	54,251	623,396



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2019

## 簡明綜合現金流量表

截至二零一九年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Net cash flows used in operating activities	用於經營業務之現金流量淨額	(2,657)	(16,782)
Net cash flows (used in)/from investing activities	(用於)／來自投資業務之現金流量淨額	(441)	4,780
Net cash flows used in financing activities	用於融資業務之現金流量淨額	-	-
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(3,098)	(12,002)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物	18,894	69,655
Effect of foreign currency rate changes, net	匯率變動之影響，淨額	705	(1,593)
Cash and cash equivalents at 30 June	於六月三十日之現金及現金等價物	16,501	56,060
Analysis of the balances of cash and cash equivalent	現金及現金等價物之結存分析		
Cash and bank balances	現金及銀行結存	16,501	56,060



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## 簡明綜合中期財務報表附註

### 1. BASIC OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 June 2019 (the “**Interim Financial Statements**”) have been prepared in accordance with the Hong Kong Accounting Standards 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Interim Financial Statements do not include all of the information required for annual financial statements and thereby should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2018 (the “**2018 Annual Report**”).

The Interim Financial Statements are unaudited, but have been reviewed by the Audit Committee of the Company and were approved for issue on 30 August 2019.

### 1. 編製基準

截至二零一九年六月三十日止六個月未經審核簡明綜合財務報表(「**中期財務報表**」)乃根據香港會計師公會(「**香港會計師公會**」)頒佈之香港會計準則第34號「**中期財務報告**」和香港聯合交易所有限公司(「**聯交所**」)證券上市規則(「**上市規則**」)有關披露規定編製。中期財務報表並不包括年度財務報表規定之所有資料，因此，中期財務報表應與本集團截至二零一八年十二月三十一日止年度之年度財務報表(「**二零一八年年報**」)一併閱讀。

中期財務報表未經審核，但已經由本公司審核委員會審閱並已於二零一九年八月三十日獲批准刊發。



## 2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing the Interim Financial Statements are consistent with those used in the Group's 2018 Annual Report, except for the new and revised Hong Kong Financial Reporting Standards, amendments and interpretations (collectively "new and revised HKFRSs") issued by HKICPA which have become effective in this Reporting Period as detailed in note 2 of the 2018 Annual Report.

### Application of new and revised HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and revised HKFRSs issued by the HKICPA that are mandatorily effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group's condensed consolidated financial statements:

Annual Improvements to HKFRS	Annual Improvements 2015-2017 Cycle
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments

The adoption of these new/revised HKFRSs has no significant impact on the Group's unaudited interim condensed consolidated financial statements.

## 2. 主要會計政策

除香港會計師公會已頒佈且於本報告期間生效之新訂及經修訂香港財務報告準則、修訂及詮釋(統稱「新訂及經修訂香港財務報告準則」)外，編製中期財務報表所採用之會計政策乃與本集團二零一八年年報所採納者一致。該等新訂及經修訂香港財務報告準則已詳列於二零一八年年報附註2。

### 應用新訂及經修訂香港財務報告準則

於本中期間，本集團已首次應用下列香港會計師公會頒佈之新訂及經修訂香港財務報告準則，而此等新訂及經修訂準則於二零一九年一月一日或之後開始之年度期間強制用於編製本集團簡明綜合財務報表：

香港財務報告準則之年度改進	二零一五年至二零一七年度之年度改進
香港會計準則第19號之修訂	計劃修訂、縮減或清償
香港會計準則第28號之修訂	於聯營公司及合營企業的長期權益
香港財務報告準則第9號之修訂	負補償之預付特點
香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不確定性

採納該等新訂／經修訂香港財務報告準則對本集團未經審核中期簡明綜合財務報表並無任何重大影響。



### 3. REVENUE AND SEGMENT INFORMATION

The Revenue represents the net amounts received and receivables for goods sold by the Group to outside customers, less returns and allowance for the Reporting Period.

#### Business segments

For management purposes, the Group is organised into business units based on their products and services and has the following reportable operating segments:

- (a) the coke trading segment – purchases and sales of coke and coal;
- (b) the coal-related ancillary segment – washing of raw coal into refined coal for sale and for further processing, and sale of electricity and heat which are generated as the by-products during the washing of raw coal; and
- (c) the coke production segment – processing of refined coal into coke for sales, and sale of coke by-products that are generated during coke production.

### 3. 收入及分類資料

收入指於本報告期間本集團對外部客戶銷售貨物之已收及應收帳款減去退貨及撥備之淨值。

#### 業務分類

就管理目的而言，本集團根據產品及服務組織業務單位，可呈報經營分類如下：

- (a) 焦炭貿易分類—買賣焦炭及煤炭；
- (b) 煤炭相關附屬分類—洗原煤以產生作銷售用途及進一步加工之精煤，以及銷售電及熱(作為洗原煤過程所產生的副產品)；及
- (c) 焦炭生產分類—加工精煤以產生作銷售用途之焦炭，以及銷售焦炭生產過程產生之焦炭副產品。



### 3. REVENUE AND SEGMENT INFORMATION

*(Continued)*

#### **Business segments** *(Continued)*

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that interest income and sundry income, corporate administrative expenses, unallocated other operating income, unallocated finance costs and income tax expense are excluded from such measurement.

Intersegment sales and transfers are transacted at cost plus a certain percentage of mark-up.

### 3. 收入及分類資料(續)

#### **業務分類(續)**

管理層獨立監察本集團經營分類之業績，以作出有關資源分配及表現評估之決策。分類表現乃根據可呈報分類溢利／(虧損)(其為經調整除稅前溢利／(虧損)之計量基準)予以評估。經調整除稅前溢利／(虧損)與本集團之除稅前溢利／(虧損)採用一致方法進行計量，惟利息收入及雜項收入、公司管理費用、未分配其他經營收入、未分配財務費用及所得稅開支不計入於該計量。

分類間銷售及轉讓乃按成本加一定百分比之加成進行交易。



### 3. REVENUE AND SEGMENT INFORMATION

(Continued)

#### Segment revenue and results

For the six months ended 30 June 2019

### 3. 收入及分類資料(續)

#### 分類收入及業績

截至二零一九年六月三十日止六個月

		Coke Trading	Coal-related Ancillary	Coke Production	Eliminations	Total
		焦炭貿易	附屬分類	焦炭生產	對銷	總計
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment revenue	分類收入					
- external sales	— 對外銷售	79,089	33,895	698,486	-	811,470
- intersegment sales	— 分類間銷售	-	68,128	-	(68,128)	-
Other income	其他收入	-	18,113	-	-	18,113
<b>Total</b>	<b>總計</b>	<b>79,089</b>	<b>120,136</b>	<b>698,486</b>	<b>(68,128)</b>	<b>829,583</b>
Segment results	分類業績	9,620	7,194	57,142	(306)	73,650
Interest income and sundry income	利息收入及雜項收入					6,528
Corporate administrative expenses	公司管理費用					(34,629)
Unallocated other operating income	未分配其他經營收入					-
Unallocated finance costs	未分配財務費用					(496)
Profit before tax	除稅前溢利					45,053
Income tax expense	所得稅開支					-
Profit for the period	期內溢利					45,053



### 3. REVENUE AND SEGMENT INFORMATION

(Continued)

#### Segment revenue and results (Continued)

For the six months ended 30 June 2018

### 3. 收入及分類資料(續)

#### 分類收入及業績(續)

截至二零一八年六月三十日止六個月

		Coke Trading	Coal-related Ancillary 煤炭相關 附屬分類	Coke Production	Eliminations	Total
		焦炭貿易 (Unaudited) (未經審核) HK\$'000 千港元	附屬分類 (Unaudited) (未經審核) HK\$'000 千港元	焦炭生產 (Unaudited) (未經審核) HK\$'000 千港元	對銷 (Unaudited) (未經審核) HK\$'000 千港元	總計 (Unaudited) (未經審核) HK\$'000 千港元
Segment revenue	分類收入					
- external sales	— 對外銷售	13,507	92,107	638,514	-	744,128
- intersegment sales	— 分類間銷售	-	156,808	-	(156,808)	-
Other income	其他收入	-	22,763	-	-	22,763
<b>Total</b>	<b>總計</b>	<b>13,507</b>	<b>271,678</b>	<b>638,514</b>	<b>(156,808)</b>	<b>766,891</b>
Segment results	分類業績	175	17,171	59,978	(706)	76,618
Interest income and sundry income	利息收入及雜項 收入					7
Corporate administrative expenses	公司管理費用					(39,146)
Unallocated other operating income	未分配其他經營 收入					444
Unallocated finance costs	未分配財務 費用					(586)
Profit before tax	除稅前溢利					37,337
Income tax expense	所得稅開支					-
Profit for the period	期內溢利					37,337





4. OTHER INCOME AND GAINS

4. 其他收入及收益

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Interest income	利息收入	461	5
Accrued interest income	應計利息收入	1,487	-
Government grant	政府補助金	18,113	22,763
Write back of provision	撥備撥回	3,972	-
Sundry income	雜項收入	608	445
		24,641	23,213
		24,641	23,213



5. FINANCE COSTS

An analysis of finance cost is as follows:

5. 財務費用

財務費用分析如下：

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Interest expenses on other borrowings	其他借貸利息開支	11	49
Interest expenses on convertible bonds	可換股債券利息開支	485	537
		<b>496</b>	<b>586</b>



## 6. PROFIT BEFORE TAX

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

## 6. 除稅前溢利

本集團除稅前溢利扣除下列各項後得出：

		<b>For the six months ended 30 June</b>	
		<b>截至六月三十日止六個月</b>	
		<b>2019</b>	<b>2018</b>
		<b>二零一九年</b>	<b>二零一八年</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
		<b>(未經審核)</b>	<b>(未經審核)</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>
Cost of inventories sold	銷售存貨成本	<b>695,010</b>	619,183
Depreciation	折舊	<b>16,003</b>	25,232
Operating lease payments in respect of leasehold interests in land and rented properties	土地及租用物業租賃權益之經營租賃款項	<b>1,652</b>	1,648
Employee benefit expense (including directors' remuneration):	僱員福利開支(包括董事酬金)：		
Wages and salaries	工資及薪金	<b>24,854</b>	38,803
Pension scheme contributions	退休福利計劃供款	<b>179</b>	235



## 7. INCOME TAX EXPENSE

## 7. 所得稅開支

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Current – Hong Kong	即期 — 香港	-	-
Current – PRC	即期 — 中國	-	-
		-	-
		-	-

No provision for Hong Kong Profits Tax has been made for the six months ended 30 June 2018 and 2019 as there is no assessable profit for the Reporting Periods.

由於本報告期間並無應課稅溢利，故於截至二零一八年及二零一九年六月三十日止六個月並無就香港利得稅計提撥備。

Taxation arising in other jurisdictions is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

其他司法權區產生之稅項乃根據管理層對整個財政年度之預期加權平均年度所得稅率之最佳估算予以確認。

## 8. DIVIDEND

The Directors do not recommend payment of an interim dividend for the six months ended 30 June 2019 (2018: Nil).

## 8. 股息

董事不建議派發截至二零一九年六月三十日止六個月之中期股息(二零一八年：無)。



## 9. EARNINGS PER SHARE

### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the Reporting Period.

## 9. 每股盈利

### (a) 基本

每股基本盈利乃按本公司權益持有人應佔溢利除以本報告期間已發行普通股之加權平均數計算。

		For the six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核)	2018 二零一八年 (Unaudited) (未經審核)
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利(千港元)	<b>39,683</b>	30,230
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	<b>2,737,727,239</b>	2,596,625,258
Basic earnings per share	每股基本盈利	<b>HK1.45 cents 港仙</b> <b>HK1.16 cents 港仙</b>	



9. EARNINGS PER SHARE (Continued)

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive ordinary shares. The Company's potentially dilutive ordinary shares comprised of convertible bonds.

9. 每股盈利(續)

(b) 攤薄

每股攤薄盈利乃透過調整已發行普通股之加權平均數，以假設所有潛在攤薄普通股獲兌換而計算。本公司之潛在攤薄普通股由可換股債券組成。

For the six months  
ended 30 June  
截至六月三十日止六個月

		2019 二零一九年 (Unaudited) (未經審核)	2018 二零一八年 (Unaudited) (未經審核)
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利(千港元)	39,683	30,230
Add: Interest expense on convertible bonds (HK\$'000)	加：可換股債券利息開支(千港元)	485	537
Profit attributable to equity holders of the Company for diluted earnings per share (HK\$'000)	用作計算每股攤薄盈利之本公司權益持有人應佔溢利(千港元)	<b>40,168</b>	30,767
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	<b>2,737,727,239</b>	2,596,625,258
Adjustments for convertible bonds	經可換股債券調整	<b>84,256,976</b>	144,256,976
Weighted average number of ordinary shares for diluted earnings per share	用作計算每股攤薄盈利之普通股加權平均數	<b>2,821,984,215</b>	2,740,882,234
Diluted earnings per share	每股攤薄盈利	<b>HK1.42 cents 港仙</b>	HK1.12 cents 港仙



## 10. PROPERTY, PLANT AND EQUIPMENT

## 10. 物業、廠房及設備

		Land and building 土地及樓宇	Leasehold improvements 租賃物業改良	Furnaces and infrastructure 熔爐及基建	Plant and machinery 廠房及機器	Computer equipment 電腦設備	Furniture and fixtures 傢俬及裝置	Motor vehicles 汽車	Construction in progress 在建工程	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>COST</b>	<b>成本值</b>									
At 1 January 2019	於二零一九年一月一日	352,007	1,653	465,221	548,604	71,089	375	49,810	30,289	1,519,048
Additions	添置	-	-	-	471	266	15	150	-	902
Exchange realignment	匯兌調整	(2,722)	-	(5,906)	(4,192)	(506)	-	(356)	6,242	(7,440)
At 30 June 2019	於二零一九年六月三十日	349,285	1,653	459,315	544,883	70,849	390	49,604	36,531	1,512,510
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>	<b>累計折舊及減值</b>									
At 1 January 2019	於二零一九年一月一日	241,206	1,004	123,016	468,889	66,216	132	42,741	5,200	948,404
Provided for the period	期內撥備	4,591	275	9,134	1,028	187	38	750	-	16,003
Exchange realignment	匯兌調整	(1,865)	-	(951)	(3,624)	(468)	-	(324)	(40)	(7,272)
At 30 June 2019	於二零一九年六月三十日	243,932	1,279	131,199	466,293	65,935	170	43,167	5,160	957,135
<b>NET CARRYING AMOUNTS</b>	<b>帳面淨值</b>									
At 30 June 2019	於二零一九年六月三十日	105,353	374	328,116	78,590	4,914	220	6,437	31,371	555,375
At 31 December 2018	於二零一八年十二月三十一日	110,801	649	342,205	79,715	4,873	243	7,069	25,089	570,644



## 11. INTEREST IN AN ASSOCIATE

## 11. 於一間聯營公司之權益

		As at 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Unlisted shares, at cost	非上市股份，按成本	-	101,804

Note:

*As disclosed in the announcement of the Group dated 27 June 2019, the Group had issued written notifications to both parties in relation to its investment in EDB Holding Limited ("EDB") to exercise its repurchase right. As a result, EDB ceased to be an associate of the Group with effect from 27 June 2019.*

附註：

誠如本集團日期為二零一九年六月二十七日之公告所披露，本集團已就其於EDB Holding Limited (「EDB」)之投資向雙方發出書面通知以分別行使其購回權利，故於二零一九年六月二十七日起，EDB已不再為本集團之聯營公司。





## 12. TRADE RECEIVABLES

## 12. 貿易應收帳款

		At 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Trade receivables:	貿易應收帳款：		
- Third parties	- 第三方	210,446	159,262
- Related companies (Note 21)	- 關連公司 (附註21)	81,939	86,683
- Non-controlling Shareholder (Note 13)	- 非控股股東 (附註13)	171,685	170,076
		<b>464,070</b>	416,021
Bill receivables	應收票據	433	3,938
Loss allowance	虧損撥備	(52,876)	(52,876)
		<b>411,627</b>	367,083



## 12. TRADE RECEIVABLES (Continued)

Group's trading terms with its customers are mainly on credit. The credit period is generally 120 days. Each customer has a maximum credit limit. Advances are required for certain customers. The Directors consider that these arrangements enable the Group to limit its credit risk exposure. As at 30 June 2019, approximately 42% (31 December 2018: 46%) of the Group's trade receivables was due from one customer, and there was a significant concentration of credit risk. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances due from customers other than the Non-controlling Shareholder (Note 13). Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

The carrying amounts of trade and bill receivables approximate their fair values.

## 12. 貿易應收帳款(續)

本集團與客戶間之貿易條款以信貸為主。信貸期通常為120日。本集團對每位客戶設有最高信用限額，並要求若干客戶墊付款項。董事認為此等安排有助本集團限制其信貸風險。於二零一九年六月三十日，本集團約42%（二零一八年十二月三十一日：46%）之貿易應收帳款乃來自一名客戶，因此存在信貸風險重大集中之情況。本集團一直嚴格控制未收回應收帳款，務求將信貸風險減至最低。本集團並無就其應收非控股股東以外客戶之貿易應收帳款結餘持有任何抵押品或其他信用增強措施（附註13）。高級管理人員定期檢查逾期結餘。貿易應收帳款並不計息。

貿易應收帳款及應收票據之帳面值與其公允值相若。



**12. TRADE RECEIVABLES** *(Continued)*

An aged analysis of the trade receivables as at the end of the reviewing period, based on the invoice date and net of provisions, is as follows:

Within 3 months	三個月內
3 to 4 months	三至四個月
Over 4 months	超過四個月

**12. 貿易應收帳款(續)**

於回顧期末，按發票日期計算並已扣減撥備之貿易應收帳款之帳齡分析如下：

	At 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
	99,163	171,992
	39,919	-
	272,545	195,091
	<b>411,627</b>	<b>367,083</b>



13. AMOUNT DUE FROM THE NON-CONTROLLING SHAREHOLDER

13. 應收非控股股東款項

			At 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核)
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
<b>Current</b>	<b>即期</b>			
Trade receivables due from the Non-controlling Shareholder (Note 12)	應收非控股股東之貿易應收帳款 (附註12)	(i)	171,685	170,076
Other receivables from the Non-controlling Shareholder (Note 14)	應收非控股股東之其他應收帳款 (附註14)	(ii)	271,254	273,368

Notes:

- (i) The balances are trade in nature, non-interest-bearing and have a credit term of 120 days (2018: 120 days), which are similar to those granted to major trading customers of the Group.
- (ii) The balances are advances to the Non-controlling Shareholder, which are non-interest-bearing and repayable on demand.

The carrying amounts of the above balances approximate their fair values.

附註：

- (i) 結餘屬交易性質、不計息及信貸期為120日(二零一八年：120日)，與授予本集團主要貿易客戶之期限相若。
- (ii) 結餘乃給予非控股股東之墊款，乃不計息並須按要求償還。

上述結餘之帳面值與其公允值相若。



14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

14. 預付款項、按金及其他應收帳款

		At 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核)
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
Other receivables due from the Non-controlling Shareholder (Note 13)	應收非控股股東之其他應收帳款 (附註13)	271,254	273,368
Prepayments and other receivables due from related companies (Note 21)	應收關連公司之預付款項及其他應收帳款 (附註21)	11,375	11,464
Prepayments, deposits and other receivables due from other parties	應收其他人士之預付款項、按金及其他應收帳款	321,336	93,502
Less: Loss Allowance	減：虧損撥備	(12,429)	(12,526)
		<b>591,536</b>	365,808
Less: Current portion	減：即期部分	<b>(591,536)</b>	(365,808)
Non-current portion – prepayments	非即期部分 – 預付款項	-	-

Note:

(i) The balance included prepayments to suppliers of raw materials for the coal-related ancillary and the coke production business which are unsecured, non-interest-bearing and are to be settled with future purchases.

附註：

(i) 結餘包括就煤炭相關附屬及焦炭生產業務付予原材料供應商之預付款項，乃無抵押、不計息並以未來購買支付。



**14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES** *(Continued)*

The carrying amounts of deposits and other receivables approximate their fair values.

As at 30 June 2019, the Group recognised loss allowance of HK\$12,429,000 (31 December 2018: HK\$12,526,000) on the balances. The movement in the loss allowance for the balances during the period is summarised below.

**14. 預付款項、按金及其他應收帳款** *(續)*

按金及其他應收帳款之帳面值與其公允值相若。

於二零一九年六月三十日，本集團就結餘確認虧損撥備12,429,000港元(二零一八年十二月三十一日：12,526,000港元)。期內，結餘之虧損撥備變動概述於下文。

		<i>HK\$'000</i> 千港元
At 1 January 2018	於二零一八年一月一日	13,144
Exchange realignment	匯兌調整	(618)
		<hr/>
At 31 December 2018	於二零一八年十二月三十一日	12,526
Exchange realignment	匯兌調整	(97)
		<hr/>
<b>At 30 June 2019</b>	<b>於二零一九年六月三十日</b>	<b>12,429</b>
		<hr/> <hr/>



15. TRADE PAYABLES

15. 貿易應付帳款

		At 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Trade payables due to other parties	應付其他人士之貿易應付帳款	263,801	231,893
Trade payables due to related companies	應付關連公司之貿易應付帳款	5,391	5,433
		<b>269,192</b>	<b>237,326</b>



**15. TRADE PAYABLES (Continued)**

An aged analysis of the trade payables as at the end of the reviewing period, based on the invoice date, is as follows:

Within 3 months	三個月內
3 to 4 months	三至四個月
Over 4 months	超過四個月

The trade payables are non-interest-bearing and are normally settled on 120-day terms.

The carrying amounts of trade payables approximate their fair values.

**15. 貿易應付帳款(續)**

於回顧期末，按發票日期計算之貿易應付帳款之帳齡分析如下：

At 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
148,396	152,193
24,602	1,582
96,194	83,551
<b>269,192</b>	<b>237,326</b>

貿易應付帳款為不計息及一般於120日內清償。

貿易應付帳款之帳面值與其公允值相若。





**16. OTHER PAYABLES, ACCRUALS AND DEPOSIT RECEIVED AND DEFERRED INCOME**

**16. 其他應付帳款、應計款項、已收按金及遞延收入**

		At 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Other payables and accrued charges	其他應付帳款及應計款項	317,842	369,416
Amount due to an associate	應付一間聯營公司款項	-	45,008
Contract liabilities	合約負債	352,946	214,700
Deferred income	遞延收入	5,024	5,063
		<b>675,812</b>	634,187
Less: Current portion	減：即期部分	<b>(670,788)</b>	(625,982)
Non-current portion	非即期部分	<b>5,024</b>	8,205

The other payables are non-interest-bearing and have an average credit term of 120 days.

其他應付帳款為不計息及平均信貸期為120日。

The carrying amounts of the other payables and accrued charges approximate their fair values.

其他應付帳款及應計款項之帳面值與其公允值相若。



## 17. CONVERTIBLE BONDS

Pursuant to a subscription agreement entered into between Kailuan (Hong Kong) International Co., Limited and the Company on 13 April 2016, the Company issued convertible bonds with a principal amount of HK\$43,277,000 (the 2016 Convertible Bonds) to Kailuan (Hong Kong) International Co., Limited on 2 November 2016. The 2016 Convertible Bonds bear interest at 2.5% per annum, mature 1 year from the issue date and are extendable for one additional year subject to the agreement between the Company and the bondholder. The 2016 Convertible Bonds carry a conversion right entitling the holder to subscribe for the Company's shares at a conversion price of HK\$0.06 per share.

The 2016 Convertible Bonds are convertible at the option of the holder into the Company's ordinary shares during the period commencing from the seventh business day prior to the maturity date and expiring on the date immediately before the maturity date, provided that the conversion does not trigger off a mandatory offer obligation under Rule 26 of the Hong Kong Code on Takeovers and Mergers and the public float of the Company's shares shall not be less than 25% of total issued shares of the Company, in which:

- (i) The bondholder has a right to convert up to 50% of the principal amount of the 2016 Convertible Bonds into the Company's shares at any time throughout the conversion period at its sole and absolute discretion; and

## 17. 可換股債券

根據開灝(香港)國際有限公司與本公司於二零一六年四月十三日訂立之認購協議，本公司於二零一六年十一月二日發行本金額為43,277,000港元之可換股債券(二零一六年可換股債券)予開灝(香港)國際有限公司。二零一六年可換股債券之票息率為每年2.5%，自發行日期起一年後到期，可經本公司與債券持有人協定後額外延長一年。二零一六年可換股債券附帶之兌換權令持有人有權按兌換價每股0.06港元認購本公司股份。

二零一六年可換股債券可自到期日前第七個營業日開始至緊接到期日前一日屆滿之期間，按照持有人之意願兌換為本公司普通股，惟兌換須並無觸發香港公司收購及合併守則之規則26項下強制性要約責任及本公司股份之公眾持股量不得低於本公司全部已發行股份之25%，其中：

- (i) 債券持有人有權於整個兌換期間內隨時全權酌情將二零一六年可換股債券本金額最多50%兌換為本公司股份；及



**17. CONVERTIBLE BONDS (Continued)**

- (ii) The bondholder has a right to convert the remaining 50% of the principal amount of the 2016 Convertible Bonds subject to the consent of the Company.

The Company has a right to redeem the whole or part of the outstanding 2016 Convertible Bonds at 100% of the principal amount and accrued interest at any time before the maturity date by giving the bondholder not less than 14 days prior notice during the outstanding period.

On the maturity date, any of the 2016 Convertible Bonds not converted or redeemed during the tenure will be redeemed at 100% of the principal amount with accrued interest.

As a result of the share consolidation in May 2016, the conversion price of the 2016 Convertible Bonds was adjusted from HK\$0.06 per share to HK\$0.3 per New Share pursuant to the terms and conditions of the 2016 Convertible Bonds. The number of shares upon conversion would be adjusted in accordance with the adjusted conversion price.

The fair value of the 2016 Convertible Bonds as a whole was HK\$38,340,000 on the issue date of which the fair value of the liability portion of the 2016 Convertible Bonds was HK\$38,190,000 and the equity portion was HK\$150,000.

**17. 可換股債券(續)**

- (ii) 債券持有人有權兌換二零一六年可換股債券本金額之餘下50%，惟須待本公司同意。

本公司有權於到期日之前隨時按100%本金額及應計利息贖回全部或部分尚未償還二零一六年可換股債券，惟須於債券尚未償還期間向債券持有人發出不少於14日之事先通知。

於到期日，任何於保有期內未兌換或贖回之二零一六年可換股債券將按本金額之100%（連同應計利息）贖回。

由於二零一六年五月進行股份合併，二零一六年可換股債券之兌換價根據二零一六年可換股債券之條款及條件由每股0.06港元調整至每股新股份0.3港元。兌換後之股份數目將按照經調整兌換價進行調整。

二零一六年可換股債券於發行日期之整體公允值為38,340,000港元，其中二零一六年可換股債券負債部分之公允值為38,190,000港元及權益部分為150,000港元。



17. **CONVERTIBLE BONDS** (Continued)

On 30 December 2016 (the “**2016 Amendment Date**”), the Company and Kailuan (Hong Kong) International Co., Limited entered into an agreement whereby the maturity date of the 2016 Convertible Bonds was extended to 2 May 2018 (the “**2016 Amendment**”). Other than the maturity date, all terms of the 2016 Convertible Bonds remain unchanged. In light of the terms of the 2016 Amendment, the Company reassessed the fair values of the 2016 Convertible Bonds at the 2016 Amendment Date. The values of the liability component and the equity components at the 2016 Amendment Date were determined at HK\$36,835,000 and HK\$150,000, respectively. The effect of the 2016 Amendment was a gain of HK\$2,303,000 which was recognised in the consolidated profit or loss for the year ended 31 December 2016.

The fair values of the liability component of the 2016 Convertible Bonds at the issue date and the 2016 Amendment Date were estimated using an equivalent market interest rate for a similar note without a conversion option. The respective residual amounts are assigned as the equity components and included in the convertible bonds reserve.

17. **可換股債券(續)**

於二零一六年十二月三十日(「二零一六年修訂日期」)，本公司與開灤(香港)國際有限公司訂立協議，其中將二零一六年可換股債券之到期日延長至二零一八年五月二日(「二零一六年修訂」)。除到期日外，二零一六年可換股債券之所有條款維持不變。鑑於二零一六年修訂之條款，本公司重新評估二零一六年可換股債券於二零一六年修訂日期之公允值。負債部分及權益部分於二零一六年修訂日期之價值分別釐定為36,835,000港元及150,000港元。二零一六年修訂之影響為收益2,303,000港元，乃於截至二零一六年十二月三十一日止年度之綜合損益內確認。

於發行日期及二零一六年修訂日期，二零一六年可換股債券負債部分之公允值乃採用無兌換權之類似票據之等值市場利率估計。各自餘下部分指定為權益部分，並計入可換股債券儲備。



**17. CONVERTIBLE BONDS** *(Continued)*

On 22 December 2017 (the “**2017 Amendment Date**”), the Company and Kailuan (Hong Kong) International Co., Limited entered into an agreement to vary certain terms and conditions of the 2016 Convertible Bonds (the “**2017 Amendments**”). The amendments included but were not limited to the following:

- (i) the maturity date of 2 May 2018 was extended to 31 August 2019;
- (ii) the conversion period was changed to the period commencing from fulfilment of conditions precedent of the 2017 Amendments up to 31 August 2019; and
- (iii) the holder of the 2016 Convertible Bonds will have the right to convert 100% of the principal amount of the 2016 Convertible Bonds at any time during the conversion period.

Further details of the 2017 Amendments are set out in the Company’s announcement and the circular dated 22 December 2017 and 15 January 2018, respectively.

The 2017 Amendments were approved at the special general meeting held on 5 February 2018 and other conditions were fulfilled on 5 February 2018.

**17. 可換股債券(續)**

於二零一七年十二月二十二日(「**二零一七年修訂日期**」), 本公司與開灤(香港)國際有限公司訂立協議, 以修改二零一六年可換股債券若干條款及條件(「**二零一七年修訂**」)。有關修訂包括但不限於以下:

- (i) 到期日由二零一八年五月二日延長至二零一九年八月三十一日;
- (ii) 兌換期間改為自二零一七年修訂之先決條件獲達成起至二零一九年八月三十一日期間; 及
- (iii) 二零一六年可換股債券持有人將有權於兌換期間內隨時兌換二零一六年可換股債券本金額之100%。

二零一七年修訂之進一步詳情載於本公司日期為二零一七年十二月二十二日之公告及二零一八年一月十五日之通函。

二零一七年修訂於二零一八年二月五日舉行之股東特別大會獲得批准, 而其他條件亦於二零一八年二月五日獲達成。



## 17. CONVERTIBLE BONDS (Continued)

The 2017 Amendments constituted a significant modification and was accounted for as an extinguishment of the 2016 Convertible Bonds and an issue of new convertible bonds (the “**2017 Convertible Bonds**”). In light of the terms of the 2017 Amendments set out above, the Company reassessed, as at the 2017 Amendments Date, the fair values of the 2016 Convertible Bonds and the 2017 Convertible Bonds. The net effect of the 2017 Amendments is the recognition of a loss of HK\$188,000 charged to profit or loss.

The carrying amount of the liability component of the 2017 Convertible Bonds as at 31 December 2018 was HK\$43,526,000 (2017: HK\$41,427,000). The fair value of the liability component of the 2017 Convertible Bonds as at 31 December 2017 of HK\$41,427,000, was calculated by discounting the future cash flows at the prevailing market interest rate at the end of respective reporting periods which conducted by an independent professional qualified valuer, Ascent Partners Valuation Service Limited, by using Black-Scholes Partial Differential Equations.

On 8 March 2018, Kailuan (Hong Kong) International Co. Limited transferred the 2017 Convertible Bonds to its immediate holding company, Rontac Resources Company Limited, with all terms remained unchanged.

The extension of maturity date of 2017 Convertible Bonds to 31 August 2020 were approved at the Special General Meeting held on 9 April 2019.

## 17. 可換股債券(續)

二零一七年修訂屬於一項重大修改，其入帳列作已消除之二零一六年可換股債券及發行新可換股債券(「二零一七年可換股債券」)。鑑於上文所載之二零一七年修訂之條款，本公司於二零一七年修訂日期重新評估二零一六年可換股債券及二零一七年可換股債券之公允值。二零一七年修訂之影響淨額為確認虧損188,000港元，乃於損益內扣除。

二零一七年可換股債券之負債部分於二零一八年十二月三十一日之帳面值為43,526,000港元(二零一七年：41,427,000港元)。二零一七年可換股債券之負債部分於二零一七年十二月三十一日之公允值41,427,000港元按於相關報告期末之現行市場利率貼現未來現金流量計算。有關計算由獨立專業合資格估值師艾升評值諮詢有限公司進行，並使用柏力克-舒爾斯偏微分方程計算。

於二零一八年三月八日，開灤(香港)國際有限公司將其持有之二零一七年可換股債券轉讓予其直接控股公司融泰資源有限公司，所有條款維持不變。

經二零一九年四月九日舉行之股東特別大會通過延長二零一七年可換股債券之到期日至二零二零年八月三十一日。



**17. CONVERTIBLE BONDS (Continued)**

On 27 May 2019, 60,000,000 Shares of the 2017 Convertible Bonds were converted.

An analysis of the liability and equity components of the 2016 and the 2017 Convertible Bonds on the issue date and the movements during the period ended 30 June 2019 is as follows:

**17. 可換股債券(續)**

於二零一九年五月二十七日，二零一七年可換股債券有60,000,000股股份被兌換。

二零一六年及二零一七年可換股債券於發行日期之負債及權益部分之分析及截至二零一九年六月三十日止期間之變動如下：

		<b>Liability component 負債部分</b>	<b>Equity component 權益部分</b>	<b>Total 總計</b>
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
As at 1 January 2018	於二零一八年一月一日	41,427	368	41,795
Interest expenses of the 2017 Convertible Bonds	二零一七年可換股債券之利息開支	2,099	-	2,099
As at 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	43,526	368	43,894
Exercise of conversion right of 2017 Convertible Bonds	行使二零一七年可換股債券之兌換權	(18,000)	-	(18,000)
Transfer of interest expense to other payable	利息開支轉撥至其他應付帳款	(485)	-	(485)
Interest expense for the period	期內利息開支	485	-	485
As at 30 June 2019	於二零一九年六月三十日	25,526	368	25,894



## 18. OTHER BORROWINGS

## 18. 其他借貸

		At 30 June 2019			At 31 December 2018		
		於二零一九年六月三十日			於二零一八年十二月三十一日		
		Effective interest			Effective interest		
		rate	Maturity	HK\$'000	rate	Maturity	HK\$'000
		實際利率	到期	千港元	實際利率	到期	千港元
<b>Non-current</b>	<b>非即期</b>						
Unsecured other borrowings	無抵押其他借貸	3.51% p.a. 年息3.51%	2020	18,188	3.51% p.a. 年息3.51%	2020	18,188
				<u>18,188</u>			<u>18,188</u>
Analysed into:	分析為：						
Other borrowings repayable	其他借貸						
- Within one year or on demand	— 須於一年內或按 要求償還			-			-
- In the second year	— 須第二年 償還			18,188			18,188
				<u>18,188</u>			<u>18,188</u>





## 19. SHARE CAPITAL

## 19. 股本

	At <b>30 June</b> <b>2019</b> 於二零一九年 六月三十日 <b>(Unaudited)</b> <b>(未經審核)</b> <i>HK\$'000</i> 千港元	At 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核) <i>HK\$'000</i> 千港元
Authorised:		
20,000,000,000 (2018: 20,000,000,000) ordinary shares of HK\$0.01 each (2018: HK\$0.01 each)	法定： 20,000,000,000股 (二零一八年： 20,000,000,000股) 每股面值0.01 港元(二零一八年： 每股面值0.01 港元)之普通股	200,000      200,000
Issued and fully paid:		
2,786,456,521 (2018: 2,726,456,521) ordinary shares	已發行及繳足： 2,786,456,521股 (二零一八年： 2,726,456,521股) 普通股	27,864      27,264



## 20. SHARE OPTION SCHEME

### 2013 Scheme

The following share options were outstanding under the 2013 Scheme during the period/year:

## 20. 購股期權計劃

### 二零一三年計劃

期／年內，根據二零一三年計劃尚未行使之購股期權如下：

		2019 二零一九年	
		Weighted average exercise price 加權平均行使價 <i>HK\$ per share</i> 每股港元	Number of options 購股期權數目 <i>'000</i> 千股
At 1 January	於一月一日	0.66	10,400
Cancelled during the period <sup>‡</sup>	期內註銷 <sup>‡</sup>	0.66	4,000
At 30 June	於六月三十日	0.66	<u>6,400</u>

<sup>‡</sup> During the period ended 30 June 2019, 4,000,000 share options cancelled upon the cessation of employment of participants in accordance with terms of the 2013 Scheme.

<sup>‡</sup> 截至二零一九年六月三十日止期間，4,000,000份購股期權根據二零一三年計劃之條款於停止僱用參與者後註銷。



20. SHARE OPTION SCHEME (Continued)  
2013 Scheme (Continued)

20. 購股期權計劃(續)  
二零一三年計劃(續)

		2018 二零一八年	
		Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股期權數目 '000 千股
At 1 January	於一月一日	0.66	10,400
Lapsed during the year**	年內失效**	-	-
At 31 December	於十二月三十一日	0.66	10,400

\*\* During the year ended 31 December 2018, no share options were lapsed/ exercised in accordance with terms of the 2013 Scheme.

\*\* 截至二零一八年十二月三十一日止年度，概無購股期權根據二零一三年計劃之條款失效／獲行使。



20. SHARE OPTION SCHEME (Continued)

2013 Scheme (Continued)

The exercise prices and exercise periods of the share options outstanding as at the end of the respective reporting periods are as follows:

Number of options 購股期權數目 '000 千股
6,400
<u>6,400</u>

30 June 2019 二零一九年六月三十日
Exercise price* 行使價* HK\$ per share 每股港元
0.66

Exercise period 行使期
6 September 2014 to 5 September 2019 二零一四年九月六日至 二零一九年九月五日

Number of options 購股期權數目 '000 千股
10,400
<u>10,400</u>

31 December 2018 二零一八年十二月三十一日
Exercise price* 行使價* HK\$ per share 每股港元
0.66

Exercise period 行使期
6 September 2014 to 5 September 2019 二零一四年九月六日至 二零一九年九月五日

\* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

No share option expense was recognised for the period/year ended 30 June 2019 and 31 December 2018.

20. 購股期權計劃(續)

二零一三年計劃(續)

於相關報告期末尚未行使購股期權之行使價及行使期如下：

Exercise period 行使期
6 September 2014 to 5 September 2019 二零一四年九月六日至 二零一九年九月五日

Exercise period 行使期
6 September 2014 to 5 September 2019 二零一四年九月六日至 二零一九年九月五日

\* 購股期權之行使價可因應供股或紅股發行或本公司股本之其他類似變動而予以調整。

截至二零一九年六月三十日止期間及截至二零一八年十二月三十一日止年度概無確認購股期權開支。



## 21. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

## 21. 與關連人士之交易

- (a) 除此等財務報表其他地方所詳述之交易及結餘外，本集團於年內與關連人士有下列交易：

		For the six months ended 30 June 截至六月三十日止六個月		
		2019 二零一九年 (Unaudited) (未經審核)		2018 二零一八年 (Unaudited) (未經審核)
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
With the Non-controlling Shareholder:	與非控股股東：			
Rental expense	租金開支	(ii)	400	593
With a related company which is a subsidiary of the Non-controlling Shareholder:	與關連公司(為非控股股東之附屬公司)：			
Transportation income	運輸收入	(i)	688	-
Sales of electricity	出售電力	(i)	52	1,375
With related companies which are associates of the Non-controlling Shareholder:	與關連公司(為非控股股東之聯營公司)：			
Sales of electricity	出售電力	(i)	1,919	-
Transportation income	運輸收入	(i)	-	6,326
Purchases of raw coal	採購原煤	(i)	-	53,893
With a related company which is held by a close family member of the beneficial owner of the Non-controlling Shareholder:	與關連公司(由非控股股東實益擁有人之直系親屬持有)：			
Sales of coke	出售焦炭	(i)	78,275	-
Sales of by-products	出售副產品	(i)	4,649	-
Sales of raw coal	出售原煤	(i)	-	8,952
Purchases of refined coal	採購精煤	(i)	-	14,568



## 21. RELATED PARTY TRANSACTIONS

(Continued)

### (a) (Continued)

Notes:

- (i) *The transactions were conducted on bases mutually agreed by the respective parties, with reference to prevailing market rates or prices similar to those transacted with the Group's third party customers/suppliers.*
  
- (ii) *The rental expense was charged based on terms mutually agreed between the contractual parties.*

## 21. 與關連人士之交易(續)

### (a) (續)

附註：

- (i) 交易乃按有關訂約方共同協定之基礎進行，並經參考當時市場利率或與本集團第三方客戶／供應商之交易之相若價格而定。
  
- (ii) 租金開支乃按訂約方共同協定之條款收取。



## 21. RELATED PARTY TRANSACTIONS

(Continued)

### (b) Outstanding balances with related parties

- (i) balances with the Non-controlling Shareholder at the end of the reporting period are set out in note 13 to the financial statements.
- (ii) A summary of the Group's balances with other related companies is set out below:

## 21. 與關連人士之交易 (續)

### (b) 與關連人士之未償還結餘

- (i) 於報告期末與非控股股東之結餘載於財務報表附註13。
- (ii) 本集團與其他關連公司之結餘之概述載列於下：

		At 30 June 2019 於二零一九年 六月三十日 (Unaudited) (未經審核)	At 31 December 2018 於二零一八年 十二月三十一日 (Audited) (經審核)	
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元	
Trade receivables from related companies	關連公司之貿易應收帳款	12	81,939	86,683
Prepayments, deposits and other receivables from related companies	關連公司之預付款項、按金及其他應收帳款	14	11,375	11,464
			<b>93,314</b>	98,147



**22. FINANCIAL INSTRUMENTS BY CATEGORY**

The carrying amounts of each of the categories of financial instruments as at the end of the reporting periods are as follows:

**30 June 2019 (Unaudited)**

**Financial assets**

**22. 按類別劃分之金融工具**

於報告期末，各類金融工具之帳面值如下：

**二零一九年六月三十日(未經審核)**

**金融資產**

		<b>Financial assets at amortised cost 按攤銷 成本列帳之 金融資產 HK\$'000 千港元</b>	<b>Financial assets at FVPL 按公允值 計入損益之 金融資產 HK\$'000 千港元</b>	<b>Total 總計 HK\$'000 千港元</b>
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產	-	1,508	1,508
Trade receivables	貿易應收帳款	411,627	-	411,627
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收帳款之金融資產	280,940	-	280,940
Cash and bank balances	現金及銀行結存	16,501	-	16,501
		<b>709,068</b>	<b>1,508</b>	<b>710,576</b>





22. FINANCIAL INSTRUMENTS BY CATEGORY

(Continued)

30 June 2019 (Unaudited) (Continued)

Financial liabilities

22. 按類別劃分之金融工具(續)

二零一九年六月三十日(未經審核)  
(續)

金融負債

		Financial liabilities at amortised cost 按攤銷成本列帳之金融負債 HK\$'000 千港元
Trade payables	貿易應付帳款	269,192
Financial liabilities included in other payables and accruals	計入其他應付帳款及應計款項之金融負債	354,529
Other borrowings	其他借貸	18,188
Convertible bonds	可換股債券	25,526
		<hr/>
		<b>667,435</b>



22. FINANCIAL INSTRUMENTS BY CATEGORY

(Continued)

31 December 2018 (Audited)

22. 按類別劃分之金融工具(續)

二零一八年十二月三十一日

(經審核)

Financial assets

金融資產

		Financial assets at amortised cost 按攤銷 成本列帳之 金融資產 HK\$'000 千港元	Financial assets at FVPL 按公允值 計入損益之 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets at fair value through profit or loss	按公允值計入損益 之金融資產	-	1,508	1,508
Trade receivables	貿易應收帳款	367,083	-	367,083
Financial assets included in prepayments, deposits and other receivables	計入預付款項、 按金及其他應收 帳款之金融資產	283,101	-	283,101
Cash and bank balances	現金及銀行結存	18,894	-	18,894
		<u>669,078</u>	<u>1,508</u>	<u>670,586</u>



22. FINANCIAL INSTRUMENTS BY CATEGORY

(Continued)

31 December 2018 (Continued)

Financial liabilities (Audited)

22. 按類別劃分之金融工具(續)

二零一八年十二月三十一日(續)

金融負債(經審核)

		Financial liabilities at amortised cost 按攤銷成本列帳之金融負債 HK\$'000 千港元
Trade payables	貿易應付帳款	237,326
Financial liabilities included in other payables and accruals	計入其他應付帳款及應計款項之金融負債	339,795
Other borrowings	其他借貸	18,188
Convertible bonds	可換股債券	43,526
		<hr/>
		638,835
		<hr/> <hr/>



## 23. LITIGATIONS

- (a) On 25 September 2015, 杭州熱聯集團股份有限公司 (Hangzhou Relian Group Holding Limited) (“**Hangzhou Relian**”) issued a writ of summons against (i) 張家港保稅區康輝國際貿易有限公司 (Zhangjiagang Kanghui International Trading Limited) (“**Kanghui International**”) and (ii) GRG Huscoke in relation to an alleged breach by Kanghui International of an agency agreement (as amended and supplemented by the supplemental agreement dated 5 May 2014) (the “**Agency Agreements**”) entered into on 30 December 2013 among Hangzhou Relian as the agent, Kanghui International as the principal and GRG Huscoke as the supplier and guarantor in relation to the supply of coke by GRG Huscoke to Kanghui International through Hangzhou Relian. According to the writ of summons, Hangzhou Relian claimed against Kanghui International and GRG Huscoke, for a sum of RMB4,318,000 (equivalent to HK\$5,098,000), being the outstanding sum payable by Kanghui International to Hangzhou Relian under the Agency Agreements.

## 23. 訴訟

- (a) 於二零一五年九月二十五日，杭州熱聯集團股份有限公司（「**杭州熱聯**」）向(i)張家港保稅區康輝國際貿易有限公司（「**康輝國際**」）及(ii)金岩和嘉發出傳訊令狀，就有關康輝國際違反杭州熱聯（作為代理人）、康輝國際（作為主事人）及金岩和嘉（作為供應商及擔保人）於二零一三年十二月三十日所訂立之代理協議（經日期為二零一四年五月五日之補充協議修訂及補充，「**代理協議**」）作出指控，協議內容有關金岩和嘉透過杭州熱聯向康輝國際供應焦炭。根據該傳訊令狀，杭州熱聯向康輝國際及金岩和嘉要求賠償代理協議項下康輝國際應付杭州熱聯的未付金額人民幣4,318,000元（相等於5,098,000港元）。



## 23. LITIGATIONS (Continued)

### (a) (Continued)

During the year ended 31 December 2017, 浙江省杭州市江干區人民法院 has issued 民事判決書, pursuant to which, Kanghui International and GRG Huscoke were liable to pay Hangzhou Relian a sum of RMB4,350,000 (equivalent to HK\$5,136,000). There was no settlement on such balance for the Reporting Period and the year ended 31 December 2018. In the opinion of the Directors, adequate provision has been made in the interim financial statements for the Reporting Period. To the best knowledge of the Directors, no further legal action has been lodged by Hangzhou Relian up to the approval date of the interim financial statements.

## 23. 訴訟(續)

### (a) (續)

於截至二零一七年十二月三十一日止年度, 浙江省杭州市江干區人民法院發出了民事判決書, 據此, 康輝國際及金岩和嘉須向杭州熱聯繳付人民幣4,350,000元(相等於5,136,000港元)。於本報告期間及截至二零一八年十二月三十一日止年度, 沒有結清相關結欠。董事認為, 於本報告期間之中期財務報表已作出足夠撥備。就董事所知, 直至中期財務報表審批日期, 杭州熱聯並無作出進一步法律訴訟。



## 23. LITIGATIONS (Continued)

- (b) The Group received notification issued by 山西省太原市中級人民法院 (Shanxi Province Taiyuan City Intermediate People's Court) (the "Court") dated 20 May 2016 in which 山西國際物流有限公司 (Shanxi International Logistic Co., Ltd.) ("Shanxi Logistic") commenced legal action against GRG Huscoke. Pursuant to the statement of claim, GRG Huscoke failed to deliver goods and failed to repay the prepayment of RMB50,000,000 (equivalent to HK\$59,035,000) received from Shanxi Logistic in accordance with the cooperation agreements entered into by Shanxi Logistic and GRG Huscoke in March 2013, on 1 April 2014 and 1 May 2015 respectively. As a result, Shanxi Logistic demanded GRG Huscoke to repay RMB50,000,000 (equivalent to HK\$59,035,000) plus profits forgone of RMB14,894,000 (equivalent to HK\$17,410,000) and related legal expense of RMB183,000 (equivalent to HK\$214,000) up to 29 February 2016 as a result of the non-delivery of goods by GRG Huscoke.

## 23. 訴訟(續)

- (b) 本集團接獲山西省太原市中級人民法院(「法院」)於二零一六年五月二十日發出之通知，山西國際物流有限公司(「山西物流」)對金岩和嘉展開法律訴訟。根據起訴書，金岩和嘉未能根據山西物流與金岩和嘉分別於二零一三年三月、二零一四年四月一日及二零一五年五月一日訂立之合作協議交付貨品及償還已收取山西物流之預付款項人民幣50,000,000元(相等於59,035,000港元)。因此，山西物流要求金岩和嘉償還人民幣50,000,000元(相等於59,035,000港元)加因金岩和嘉未能交付貨品而導致截至二零一六年二月二十九日止之已失去溢利人民幣14,894,000元(相等於17,410,000港元)及相關法律開支人民幣183,000元(相等於214,000港元)。



## 23. LITIGATIONS (Continued)

### (b) (Continued)

During the year ended 31 December 2016, a civil mediation agreement (the “**Civil Mediation Agreement**”) was entered into to confirm, among others, that the sums owed by GRG Huscoke to Shanxi Logistic amounted to RMB65,077,000 (equivalent to HK\$76,659,000) as of 11 April 2016 and such sums should be repaid on or before 30 May 2016. Subsequently, GRG Huscoke, Shanxi Logistic, the non-controlling shareholder and the controlling owner of the non-controlling shareholder (collectively, as the Guarantors of GRG Huscoke) entered into a settlement agreement (the “**Settlement Agreement**”) regarding the execution of the Civil Mediation Agreement. Pursuant to the Settlement Agreement, GRG Huscoke shall settle RMB31,000,000 (equivalent to HK\$36,500,000) by instalments by 31 December 2016, and monthly instalments of RMB6,000,000 (equivalent to HK\$7,100,000) from January 2017 onwards until the full settlement of the outstanding sums (including interest accrued and to be accrued thereon).

## 23. 訴訟(續)

### (b) (續)

於截至二零一六年十二月三十一日止年度，一份民事調解協議(「**民事調解協議**」)已予訂立，以確認(其中包括)截至二零一六年四月十一日金岩和嘉結欠山西物流之總額為人民幣65,077,000元(相等於76,659,000港元)及有關總額須於二零一六年五月三十日或之前償還。其後，金岩和嘉、山西物流、非控股股東及非控股股東之控股擁有人(統稱金岩和嘉之擔保人)訂立還款協議(「**還款協議**」)，內容有關執行民事調解協議。根據還款協議，金岩和嘉須於二零一六年十二月三十一日前分期償還人民幣31,000,000元(相等於36,500,000港元)，並自二零一七年一月起分期每月償還人民幣6,000,000元(相等於7,100,000港元)，直至全數償還未償還金額為止(包括應計及其後累計利息)。



**23. LITIGATIONS** *(Continued)*

**(b)** *(Continued)*

As at 30 June 2019, that the sums owed by GRG Huscoke to Shanxi Logistic amounted to RMB57,877,000 (equivalent to HK\$64,620,000).

The Group has been in negotiation with Shanxi Logistic to rearrange the payment schedule under the Settlement Agreement. To the best knowledge of the Directors, no further legal action was lodged by Shanxi Logistics up to the approval date of the financial statements. In the opinion of the Directors, appropriate provision has been made in the interim financial statements as at 30 June 2019.

**23. 訴訟(續)**

**(b)** *(續)*

於二零一九年六月三十日，金岩和嘉結欠山西物流之總額為人民幣57,877,000元（相等於64,620,000港元）。

本集團一直與山西物流商討有關重新調整還款協議之付款時間。就董事所知，直至財務報表審批日期，山西物流並無作出進一步法律訴訟。董事認為，於二零一九年六月三十日之中期財務報表已作出適當撥備。





## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

In the first half of 2019, China's coke industry experienced steady growth with an overall increase in both production output and sales price. The Group's main product – metallurgical coke is the raw material for steelmaking. According to the report released by China Iron and Steel Industry Association, the national crude steel output for the first half of the year grew by approximately 9.9% year-on-year to 490 million tons, while the coke output for the first half of the year increased by approximately 6.7% year-on-year to 230 million tons. As the crude steel output grew at a faster pace than that of the coke output, the metallurgical coke still fell short of supply. Meanwhile, benefiting from the proactive fiscal policy and relatively accommodative monetary policy implemented by the PRC government in 2019, the PRC economy maintained a steady growth momentum. It is expected that the favourable market environment will continue to bolster the development of the steel industry, providing support for the demands and price of metallurgical coke.

## 管理層討論及分析

### 業務回顧

二零一九年上半年，中國焦化行業總體量價齊增，穩步上揚。本集團之主要產品為冶金焦炭，其為煉鋼之原材料。根據中國鋼鐵工業協會報告，本年度上半年全國粗鋼產量為4.9億噸，同比增長約9.9%，而本年度上半年焦炭產量為2.3億噸，同比增長約6.7%，顯示粗鋼產量增速比焦炭產量增速快，冶金焦炭仍處於供不應求。同時，2019年中國財政政策積極，貨幣政策相對寬鬆，經濟穩步上揚。面對良好的市場環境，預期鋼鐵行業得以持續發展，支持冶金焦炭的需求和價格。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### BUSINESS REVIEW (Continued)

Driven by the coke and steel markets, the coke price hovered at high level in the first half of the year. According to the statistic data from China Coking Industry Association, the average price of second grade metallurgical coke in the first half of the year was approximately RMB1,987 per ton, representing a year-on-year increase of approximately 4.1%. As a result, the overall sales of the Group increased by approximately 9.0% to approximately HK\$811,470,000 from approximately HK\$744,128,000 for the corresponding period of 2018.

The coke price continued to be supported by the strong demands from the steel plants and certain objective factors such as decrease in coke supply due to increased efforts in de-capacity by the government. Under such market conditions, the Group recorded net profit of approximately HK\$45,053,000, representing an increase of approximately 20.7% as compared with net profit of approximately HK\$37,337,000 for the corresponding period of 2018.

## 管理層討論及分析(續)

### 業務回顧(續)

受焦炭及鋼材市場帶動，本年度上半年焦炭價格在高位徘徊。據中國煉焦行業協會統計，二級冶金焦炭本年度上半年平均價格約為每噸人民幣1,987元，同比增長約4.1%，帶動本集團整體銷售額達至約811,470,000港元，較二零一八年同期約744,128,000港元增長約9.0%。

鑒於鋼廠需求強勁，隨著國家去產能力度增大引致焦炭行業供應下降等客觀因素，焦炭價格得到持續支持。此市場環境下，本集團錄得淨溢利約45,053,000港元，較二零一八年同期淨溢利約37,337,000港元增加約20.7%。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### PROSPECTS

Looking forward to the second half of 2019, the increased efforts in de-capacity of the coke industry by the government has led to the phase-out of some coke enterprises that failed to meet the environmental protection requirements, which will result in a decrease in coke supply. Meanwhile, given the increasing demand for metallurgical coke driven by the expectation of continuous increase in production output of the steel plants, the coke price is expected to stay on the upward track in the second half of the year. As an enterprise that strictly complies with the national environmental protection standard, the Group will continue to keep a close watch on the development in the environmental protection policies, improve its equipment and keep abreast with the supply-side reform. Furthermore, the Group will continue to implement stringent control over various costs and strengthen risk control. The Group expects the coke production business performance to continue to grow in the second half of the year.

The Group intends to expand its coke trading business in the second half of the year by exploring new trading channels to promote its international coke trading business and increase its cash flow, with an aim to improve the overall business profit of the Group.

## 管理層討論及分析(續)

### 展望

展望本年度下半年，國家對焦化行業去產能力度加大，以致部分不符合環保政策要求的焦化企業相繼被淘汰，將導致市場焦炭供應量下降。同時，預期鋼廠產量將持續增長，因此對冶金焦炭需求擴大，預計下半年焦炭價格將保持上行。本集團作為嚴格遵守國家環保標準的企業，將繼續關注環保政策，完善設備，配合供給側結構性改革，本集團將繼續嚴格控制各類成本，加強風險監控。本集團預期焦炭業務業績下半年將持續增長。

本集團有意於本年度下半年擴大焦炭貿易業務規模，通過新增貿易渠道，激活本集團焦炭國際貿易業務及增加現金流，從而提高本集團整體業務之利潤。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### PROSPECTS (Continued)

The Group will continue to pay attention to the changes in the market, and promote industrial upgrading through relevant industrial consolidation. As disclosed in the announcement of the Group dated 18 March 2019 in relation to, among others, the entering of non-legally binding framework agreement with Shanxi Jinyan Energy Technology Company Limited (“**Energy Technology**”), the Group intends to gradually invest in Energy Technology through a series of acquisitions or subscriptions such that the Group will be interested in not less than 51% of the enlarged share capital of Energy Technology or having significant control of Energy Technology. Energy Technology is committed to a coke project located in Xiaoyi City, Shanxi Province of the PRC with a production capacity of 5 million tons annual production. Further announcement(s) will be made by the Company as and when appropriate in relation to the progress of the acquisition.

The Group has been actively exploring collaborative opportunities relating to its existing businesses, and will integrate upstream and downstream resources that provide synergies to the current coke production business, with an aim to create greater value for our Shareholders and stakeholders in return for their support.

## 管理層討論及分析(續)

### 展望(續)

本集團將繼續關注市場變化，通過整合相關產業，推進產業的升級換代。誠如本集團於二零一九年三月十八日刊發之公告所披露，內容有關(其中包括)與山西金岩能源科技有限公司(「**能源科技**」)訂立不具法律約束力的框架協議，本集團有意逐步通過一系列收購或認購以投資能源科技，旨在持有能源科技經擴大後股本不少於51%之權益或持有能源科技之重大控制權。能源科技為位於中國山西省孝義市的五百萬噸級年焦化項目的項目承載主體。本次收購進程本公司將於適當時候另行刊發公告。

本集團一直致力探索與現存業務相關的合作機會，通過整合產業鏈上下游資源，發揮與焦炭生產業務的協同作用，創造更大價值以回饋股東及持份者的支持。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### MAJOR EVENTS

- (1) In February 2019, the Group and Rontac Resources Company Limited (“**Rontac**”) (as the holder of the convertible bonds with a principal amount of HK\$43,277,093) entered into a conditional extension letter. Pursuant to which, the maturity date of the 2016 Convertible Bonds will be further extended for one year to 31 August 2020. The extension was approved by the shareholders of the Company (“**Shareholder**”) at a special general meeting held on 9 April 2019.
- (2) On 4 June 2019, the Company entered into the conditional subscription agreement with Rontac for cash subscription of a 3-year convertible bonds with an aggregate principal amount of HK\$98,800,000 bearing an annual interest rate at 5%, and the initial conversion price is HK\$0.26. On the assumption that the conversion rights attached to the convertible bonds are exercised in full, the Company will allot and issue up to 380,000,000 conversion shares, representing approximately 13.64% of the entire issued share capital of the Company and approximately 12% of the issued share capital of the Company as to be enlarged by the allotment and issue of the conversion shares. The net proceeds of the subscription will be approximately HK\$97,000,000, which will be used for the general working capital of the Group, including but not limited to provide not less than HK\$80,000,000 funding for coke and coal trading business. The subscriber informed the Company that it is in the process of arranging the subscription, the above transaction is being gradually implemented in accordance with the terms of the agreement and it is expected that the completion will take place by end of September 2019.

## 管理層討論及分析(續)

### 重大事項

- (1) 於二零一九年二月，本集團與融泰資源有限公司(「**融泰**」)(作為本金額43,277,093港元之可換股債券持有人)訂立有條件延長函件。根據延長函件，二零一六年可換股債券之到期日將進一步延長一年至二零二零年八月三十一日。延長已於二零一九年四月九日舉行之股東特別大會上獲本公司股東(「**股東**」)批准作實。
- (2) 於二零一九年六月四日，本公司與融泰訂立一份有條件認購協議，以現金認購本金總額98,800,000港元、三年期，年利率5%及初步兌換價為0.26港元之可換股債券。倘根據可換股債券所附帶兌換權獲悉數行使，將最多配發及發行380,000,000股兌換股份，佔公司全部發行股本約13.64%及經配發及發行兌換股份而擴大後的已發行股本約12%。認購所得款項淨額約97,000,000港元，將用於本集團一般營運資金，包括但不限於為焦炭和煤炭貿易業務提供不少於80,000,000港元資金。認購方向本公司表示正在安排完成認購協議，上述交易正在按照協議條款逐步履行，並預期將於二零一九年九月底前完成。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### MAJOR EVENTS (Continued)

- (3) On 27 June 2019, the Company entered into a non-legally binding memorandum of understanding (the “MOU”) with China Cinda (HK) Asset Management Co., Limited (“Cinda Hong Kong”). Cinda Hong Kong is intended to procure a wholly-owned subsidiary to subscribe the convertible bonds to be issued by the Company in the principal amount of HK\$300,000,000 subject to the terms and conditions of a formal agreement. The proposed subscription is expected to be conditional upon the approval by relevant regulatory authorities of Hong Kong and the Shareholders meeting of the Company. Further announcement(s) will be made by the Group as and when appropriate in compliance with the Listing Rules of the Stock Exchange.
- (4) As disclosed in the announcement of the Company dated 27 June 2019, based on the audited consolidated financial statements of EDB, the aggregate audited consolidated after-tax net profits of EDB attributable to its shareholders for the year ended 31 December 2017 and the year ended 31 December 2018 had not been reached. As such, on 27 June 2019, the Group issued written notifications to the vendor and guarantor to exercise its repurchase right under the sale and purchase agreement and the subscription agreement respectively. EDB ceased to be an associate of the Group with effect from the date of the notifications.

## 管理層討論及分析(續)

### 重大事項(續)

- (3) 於二零一九年六月二十七日，本公司與中國信達(香港)資產管理有限公司(「信達香港」)，訂立了一份不具法律約束力的諒解備忘錄(「諒解備忘錄」)。信達香港有意根據正式協議的條款促使其全資附屬公司認購本公司擬發行之本金額為300,000,000港元之可換股債券。可能認購事項須待獲香港監管部門及公司股東大會批准後方可作實。本集團將適時遵照聯交所上市規則作出進一步公佈。
- (4) 誠如本公司二零一九年六月二十七日公告所披露，根據EDB之經審核綜合財務報表，EDB未能達到截至二零一七年十二月三十一日止年度及截至二零一八年十二月三十一日止年度之約定經審核股東應佔綜合除稅後純利。故本集團已於二零一九年六月二十七日向賣方及擔保人發出書面通知以分別行使其買賣協議及認購協議下之購回權利。由通知發出日起，EDB已不再成為本集團之聯營公司。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL REVIEW

#### Consolidated Operating Results

##### Revenue

For the Reporting Period, the Group recorded total revenue of approximately HK\$811,470,000 (2018: HK\$744,128,000), representing an increase of approximately HK\$67,342,000 or 9.0%. The increase was mainly due to the increase in average selling price of the Group's major product – metallurgical coke and attributed to the growth in the trading of coke.

##### Gross profit and gross profit margin

For the Reporting Period, the Group recorded gross profit of approximately HK\$116,460,000 (2018: HK\$124,945,000), representing a decrease of approximately HK\$8,485,000 or 6.8%. The overall gross profit margin was around 14.4% (2018: 16.8%). The decrease was mainly due to increase in the price of coal which serves as the raw material.

## 管理層討論及分析(續)

### 財務回顧

#### 綜合經營業績

##### 收入

於本報告期間，本集團錄得收入總額約811,470,000港元(二零一八年：744,128,000港元)，增加約67,342,000港元或9.0%。該增幅主要由於本集團主要產品——冶金焦炭之平均售價增加以及受惠於焦炭貿易的增加。

##### 毛利及毛利率

於本報告期間，本集團錄得毛利約116,460,000港元(二零一八年：124,945,000港元)，減少約8,485,000港元或6.8%。整體毛利率為約14.4%(二零一八年：16.8%)。該減幅主要因為原料煤炭價格上漲。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL REVIEW (Continued)

#### Operating Results of Segments

The Group is principally engaged in three business segments, namely: (i) trading of coke (the “**Coke Trading Segment**”); (ii) washing of raw coal into refined coal for sale and for further processing, and the sale of electricity and heat which are generated with by-products produced during washing of raw coal (the “**Coal-related Ancillary Segment**”); and (iii) processing of refined coal into coke for sale, and sale of coke by-products that are generated during coke production (the “**Coke Production Segment**”).

#### *Coke Trading Segment*

During the Reporting Period, the Group generated revenue of approximately HK\$79,089,000 from Coke Trading Segment (2018: approximately HK\$13,507,000). The Group will conduct and continue to explore the direct coal and coke trading business opportunity in the second half of the year, with an aim to expand our coke trading business.

The segment results increased from approximately HK\$175,000 for the six months ended 30 June 2018 to approximately HK\$9,620,000 during the Reporting Period.

### 管理層討論及分析(續)

#### 財務回顧(續)

#### 經營分類業績

本集團主要從事三個業務分類，即(i)焦炭貿易(「**焦炭貿易分類**」)；(ii)洗原煤以產生銷售用途及進一步加工之精煤，以及銷售電能及熱能(洗原煤過程之副產品)(「**煤炭相關附屬分類**」)；及(iii)加工精煤以產生作銷售用途之焦炭，以及銷售於焦炭生產過程所產生之焦炭副產品(「**焦炭生產分類**」)。

#### 焦炭貿易分類

於本報告期間，本集團於焦炭貿易分類收入約79,089,000港元(二零一八年：約13,507,000港元)。本集團將於下半年開展並持續探索煤炭及焦炭的直接貿易機會，並擴大焦炭貿易分類規模。

分類業績自截至二零一八年六月三十日止六個月約175,000港元上升至本報告期間約9,620,000港元。





## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL REVIEW (Continued)

#### Operating Results of Segments (Continued)

##### **Coal-related Ancillary Segment**

The Coal-related Ancillary Segment is related to the washing of raw coal into refined coal for sales and for further processing, and the sale of electricity and heat which are generated as the by-products during washing of raw coal process.

The external sales mainly represented the revenue from sales of power and heat energy to the community in the Xiaoyi City, Shanxi Province, China. For the Reporting Period, the external sales amounted to approximately HK\$33,895,000 (2018: approximately HK\$92,107,000). The decrease mainly due to the strict environmental control which reduced the capacity utilization of coal washing facilities.

##### **Coke Production Segment**

For the Reporting Period, the Coke Production Segment's revenue increased from approximately HK\$638,514,000 for the six months ended 30 June 2018 to approximately HK\$698,486,000. The segment result slightly decreased from approximately HK\$59,978,000 for the six months ended 30 June 2018 to approximately HK\$57,142,000. The decrease was mainly due to the increase in production costs as a result of a year-on-year increase in the price of coking coal which serves as the production raw material for metallurgical coke during the Reporting Period.

## 管理層討論及分析(續)

### 財務回顧(續)

#### 經營分類業績(續)

##### **煤炭相關附屬分類**

煤炭相關附屬分類涉及於洗原煤過程產生精煤作銷售用途及進一步加工之用，以及銷售電能及熱能(洗原煤過程之副產品)。

外部銷售主要為向中國山西省孝義市之社區銷售電能及熱能產生之收入。於本報告期間，外部銷售約為33,895,000港元(二零一八年：約92,107,000港元)。減少的主因是緊縮的環境保護控制令洗煤設施的產能利用率下降。

##### **焦炭生產分類**

於本報告期間，焦炭生產分類收入自截至二零一八年六月三十日止六個月約638,514,000港元增加至約698,486,000港元。分類業績自截至二零一八年六月三十日止六個月約59,978,000港元小幅減少至約57,142,000港元。該等減少主要由於本報告期間冶金焦炭之生產原料煉焦煤價格同比上漲致使生產成本增加。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL REVIEW (Continued)

#### Selling and Distribution Costs

During the Reporting Period, the Group's sales and distribution costs decreased from approximately HK\$71,089,000 for the six months ended 30 June 2018 to approximately HK\$60,923,000, representing a year-on-year decrease of approximately 14.3%. The decrease in sales and distribution costs was mainly due to the decrease in freight costs and the change of the implementation of other cost control measures. Compared ratio to sales was around 7.5% (2018: 9.6%), showing remarkable improvement in control over selling and distribution costs as compared with the same period of last year. The main reasons for the decrease were (i) the stamp duty, property tax and land use tax were included in the item of "tax and surcharges" in accordance with the new accounting standard adopted for the Reporting Period; (ii) the pollutant discharge fees were replaced with environmental protection tax which was included in the item of "tax and surcharges"; (iii) other expenditures and operation cost of vehicle fleet expenses decreased significantly during the Reporting Period.

## 管理層討論及分析(續)

### 財務回顧(續)

#### 銷售及分銷成本

於本報告期間，本集團之銷售及分銷成本自截至二零一八年六月三十日止六個月約71,089,000港元下降至約60,923,000港元，同期比較減幅約14.3%。銷售及分銷成本下降主要是因為運費成本下降及其他成本控制方式改變。對比銷售比率約為7.5%（二零一八年：9.6%），與去年同期相比在銷售及分銷成本控制上效果顯著。該減幅主要由於(i)印花稅、房產稅及土地使用稅根據本報告期間新會計準則規定計入「稅金及附加」科目；(ii)排污費改為環境保護稅，計入了「稅金及附加」科目；(iii)本報告期間其他支出和車隊費用的營運成本大幅下降。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL REVIEW (Continued)

#### Administrative Expenses

The Group's management expenses were approximately HK\$34,629,000 (2018: approximately HK\$39,146,000) for the six months ended 30 June 2019, representing a year-on-year decrease of approximately 11.5%. The decrease was mainly due to the control over staff salaries and the decrease in maintenance costs for production equipment.

#### Finance Costs

For the Reporting Period, the finance costs of the Group were approximately HK\$496,000 (2018: approximately HK\$586,000). Such costs for the two periods were similar and there were no major changes.

#### Profit for the Period

For the Reporting Period, the Group recorded a profit for the period of approximately HK\$45,053,000 (2018: approximately HK\$37,337,000), representing a year-on-year increase of approximately 20.7%.

### SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL

Save for the cessation of interest in an associate (please refer to the Major Event), there was no significant investment, material acquisition or disposal of the Group for the six months ended 30 June 2019.

### 管理層討論及分析(續)

#### 財務回顧(續)

##### 管理費用

截至二零一九年六月三十日止六個月，本集團之管理費用約34,629,000港元(二零一八年：約39,146,000港元)，同比減幅約11.5%。該減幅主要由於員工工資控制及生產設備修理費下降。

##### 財務費用

於本報告期間，本集團之財務費用約496,000港元(二零一八年：約586,000港元)，兩期期內財務費用相近，無重大變動。

##### 期內溢利

於本報告期間，本集團錄得期內溢利約45,053,000港元(二零一八年：約37,337,000港元)，同比增幅約20.7%。

#### 重大投資、收購及出售

除中止於一聯營公司之權益外(請參閱重大事項)，本集團於截至二零一九年六月三十日止六個月並無重大投資、收購及出售。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### CHARGES OVER ASSETS

The Group had no pledged assets, including pledged deposit, as at 30 June 2019 (31 December 2018: Nil).

### CAPITAL STRUCTURE AND CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize Shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to Shareholders, return capital to Shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the Reporting Period as compared with the year ended 31 December 2018.

## 管理層討論及分析(續)

### 資產抵押

本集團於二零一九年六月三十日並無抵押資產(包括抵押按金)(二零一八年十二月三十一日:無)。

### 資本結構及資本管理

本集團資本管理之首要目標為確保本集團具備持續經營之能力,且維持穩健之資本比率,以支持其業務運作,爭取最大之股東價值。

本集團根據經濟情況之變動及相關資產之風險特質,管理其資本結構並作出調整。為維持或調整資本結構,本集團可能調整向股東派發之股息、向股東派回之資本或發行新股份。與截至二零一八年十二月三十一日止年度比較,於本報告期間並無更改管理資本之目標、政策或程序。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### CAPITAL STRUCTURE AND CAPITAL MANAGEMENT (Continued)

The Group's principal financial instruments comprise convertible bonds and other borrowings. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables, deposits and other receivables, amounts due from the Non-controlling Shareholder, cash and bank balances, trade payables, and other payables and accruals, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarized below.

The Group regularly monitors capital using a gearing ratio, which is net debt divided by the adjusted capital plus net debt. Net debt includes trade payables, other payables, accruals and deposits received, other borrowings and convertible bonds, net of cash and bank balances. Capital includes the convertible bonds issued in 2016 and equity attributable to owners of the Company. The gearing ratio as at 30 June 2019 was approximately 63% (31 December 2018: approximately 64%).

## 管理層討論及分析(續)

### 資本結構及資本管理(續)

本集團之主要金融工具包括可換股債券及其他借貸。該等金融工具之主要目的為籌集資金作本集團經營所需。本集團有若干其他不同金融資產及負債，例如貿易應收帳款、按金及其他應收帳款、應收非控股股東款項、現金及銀行結存、貿易應付帳款，以及其他應付帳款及應計款項，均直接來自其經營業務。

本集團金融工具之主要風險為外幣風險、信貸風險及流動資金風險。董事會檢討及協定管理各項有關風險之政策，並概述如下。

本集團採用資產負債比率定期監察資本狀況，計算方法為債務淨額除以經調整資金加債務淨額。債務淨額包括貿易應付帳款、其他應付帳款、應計款項及已收按金、其他借貸以及可換股債券，扣除現金及銀行結存。資金包括於二零一六年發行之可換股債券及本公司擁有人應佔股權。於二零一九年六月三十日之資產負債比率為約63% (二零一八年十二月三十一日：約64%)。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### CAPITAL STRUCTURE AND CAPITAL MANAGEMENT (Continued)

As at 30 June 2019, the equity attributable to owners of the Company amounted to approximately HK\$569,145,000 (31 December 2018: HK\$513,001,000). The equity attributable to owners of the Company was approximately HK\$0.21 per share for the Reporting Period (31 December 2018: HK\$0.19 per share).

### LIQUIDITY AND FINANCIAL RESOURCES

Net current assets and current ratio were approximately HK\$100,890,000 (31 December 2018: net current liabilities of HK\$74,822,000) and 1.10 (31 December 2018: 0.92), respectively as at 30 June 2019.

As at 30 June 2019, the Group's cash and bank balances amounted to approximately HK\$16,501,000 (31 December 2018: HK\$18,894,000). The Group's total other borrowings and convertible bonds were approximately HK\$18,188,000 (31 December 2018: HK\$18,188,000) and approximately HK\$25,526,000 (31 December 2018: HK\$43,526,000) respectively.

As of 30 June 2019 and 31 December 2018, the Group had no bills payable.

## 管理層討論及分析(續)

### 資本結構及資本管理(續)

於二零一九年六月三十日，本公司擁有人應佔股權達約569,145,000港元(二零一八年十二月三十一日：513,001,000港元)。本公司擁有人於本報告期間應佔股權約為每股股份0.21港元(二零一八年十二月三十一日：每股股份0.19港元)。

### 流動資金及財政資源

流動資產淨值及流動比率於二零一九年六月三十日分別為約100,890,000港元(二零一八年十二月三十一日：流動負債淨額74,822,000港元)及1.10(二零一八年十二月三十一日：0.92)。

於二零一九年六月三十日，本集團之現金及銀行結存為約16,501,000港元(二零一八年十二月三十一日：18,894,000港元)。本集團其他借貸總額為約18,188,000港元(二零一八年十二月三十一日：18,188,000港元)，可換股債券總額約25,526,000港元(二零一八年十二月三十一日：43,526,000港元)。

於二零一九年六月三十日與二零一八年十二月三十一日，本集團並無應付票據。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### INTEREST RATE RISK

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's fair value interest rate risk relates primarily to short term cash and bank balances. The Group is also exposed to cash flow interest rate risk through the impact of interest rate changes on deposits. To minimize the fair value interest rate risk, the Group keeps its borrowings with a fixed rate of interest. The management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

### FOREIGN CURRENCY RISK

The Group's monetary assets, liabilities and transactions are principally denominated in Renminbi ("RMB"), United States dollars ("USD") and Hong Kong dollars ("HK\$"). The Group is exposed to foreign currency risk arising from the monetary assets and liabilities that are denominated in currencies other than functional currencies of the respective group entities. The Group does not have any hedging instruments outstanding. The Group will constantly review the economic situation and its foreign currency risk profile, and will consider appropriate hedging measures in the future as may be necessary.

## 管理層討論及分析(續)

### 利率風險

公允價值利率風險是指金融工具之價值基於市場利率有變而產生波動之風險。現金流量利率風險是指金融工具之未來現金流量基於市場利率有變而產生波動之風險。

本集團之公允價值利率風險主要涉及短期現金及銀行結存。本集團亦因存款之利率變動影響而承擔現金流量利率風險。為盡量減低公允價值利率風險，本集團維持固定利率借貸。管理層監察利率風險並將考慮於有需要時對沖重大利率風險。

### 外幣風險

本集團之貨幣資產、負債及交易均主要以人民幣(「人民幣」)、美元(「美元」)及港元(「港元」)計值。本集團因貨幣資產及負債以相關集團實體之功能貨幣以外貨幣計值而承受外幣風險。本集團並無任何未行使對沖工具。本集團將持續觀察經濟情況及其外匯風險組合，並於日後有需要時考慮採取適當之對沖措施。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### CONTINGENT LIABILITIES

As at 30 June 2019, the Group did not have any significant contingent liabilities which have not been provided in the financial statements (31 December 2018: Nil).

### TREASURY POLICIES

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

### EMPLOYEES AND REMUNERATION

As at 30 June 2019, the Group have approximately 1,300 employees (31 December 2018: approximately 1,400 employees). Less than 20 staff are stationed in Hong Kong and the rest are senior management and workers in the PRC. The Group's staff costs amounted to approximately HK\$25,033,000 for the Reporting Period and approximately HK\$39,038,000 was recorded in the corresponding period of 2018.

Employees are remunerated according to the nature of the job and market trends, with a built-in merit component incorporated in the annual increment and a year-end performance bonus to reward and motivate individual performance. Up to 19 September 2019 (the "Latest Practicable Date"), there are 6,400,000 share options outstanding under the share option scheme.

## 管理層討論及分析(續)

### 或然負債

於二零一九年六月三十日，本集團並無未於財務報表中撥備之任何重大或然負債(二零一八年十二月三十一日：無)。

### 財資政策

本集團對財資及融資政策取態審慎，集中於風險管理及與本集團相關業務有直接關係之交易。

### 僱員及薪酬

於二零一九年六月三十日，本集團旗下員工約1,300人(二零一八年十二月三十一日：約1,400人)。駐香港之員工少於20人，其餘均為國內高級管理人員及工人。於本報告期間，本集團之員工成本約達25,033,000港元，而二零一八年同期所錄得之員工成本約為39,038,000港元。

僱員薪酬乃按工作性質及市場走勢釐定，並於年度增薪評估內設有表現評估部分及年終獎金，以推動及獎勵個人工作表現。截至二零一九年九月十九日(「最後實際可行日期」)，根據購股期權計劃之未行使購股期權為6,400,000份。





## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### PURCHASE, SALE OR REDEMPTION OF OWN LISTED SECURITIES

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

### EVENTS AFTER THE REPORTING PERIOD Possible acquisition of equity interests of a company

On 18 March 2019, the Company entered into a framework agreement with Energy Technology, pursuant to which the Company, a subsidiary in which the Company indirectly held 90% equity interests and the designated company within the Group intend to gradually invest in Energy Technology through a series of acquisitions or subscriptions such that the Company will be interested in not less than 51% of the enlarged share capital of Energy Technology or having significant control of Energy Technology. As at the Latest Practicable Date, the terms of the formal agreement have not yet been finalized. Further announcement(s) will be made by the Company in due course.

## 管理層討論及分析(續)

### 購買、出售或贖回本公司之上市證券

於本報告期間，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

### 本報告期間後事項 可能併購一間公司股權

於二零一九年三月十八日，本公司與能源科技訂立了一份框架協議，內容有關本公司、本公司間接擁有90%權益之附屬公司及本集團內之指定公司有意逐步通過一系列收購或認購以投資能源科技，使本公司將擁有能源科技經擴大後股本不少於51%之權益或擁有能源科技之重大控制權。於最後實際可行日期，正式協議之條款尚未確定。本公司將於適當時候另行刊發公告。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### EVENTS AFTER THE REPORTING PERIOD (Continued)

#### Possible issuance of convertible bonds – Rontac

Pursuant to the subscription agreement entered into between the Company as the issuer and Rontac as the subscriber on 4 June 2019, the subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to issue the convertible bonds. The subscriber informed the Company that it is in the process of arranging the subscription, as at the Latest Practicable Date, the above transaction is being gradually implemented in accordance with the terms of the agreement and it is expected that completion will take place by end of September 2019.

#### Possible issuance of convertible bonds – Cinda Hong Kong

Pursuant to the MOU entered into between the Company and Cinda Hong Kong on 27 June 2019, subject to the entering of a formal agreement, Cinda Hong Kong is intended to procure a wholly-owned subsidiary to subscribe the convertible bonds to be issued by the Company in the principal amount of HK\$300,000,000 in accordance with the terms and conditions of the formal agreement.

Further announcement(s) will be made by the Company as and when appropriate in relation to the proposed subscription.

## 管理層討論及分析(續)

### 本報告期間後事項(續)

#### 可能發行可換股債券 – 融泰

根據本公司(作為發行人)與融泰(作為認購方)於二零一九年六月四日訂立之認購協議，認購方已有條件同意認購而本公司已有條件同意發行可換股債券。認購方向本公司表示正在安排完成認購事項，於最後實際可行日期，上述交易正在按照協議條款逐步履行，並預期將於二零一九年九月底前完成。

#### 可能發行可換股債券 – 信達香港

根據本公司於二零一九年六月二十七日與信達香港訂立的諒解備忘錄，信達香港有意於訂立正式協議後，根據其條款及條件促使其全資附屬公司認購本公司擬發行之本金額為300,000,000港元之可換股債券。

本公司將適時就該可能認購事項作出進一步公佈。



## MANAGEMENT DISCUSSION AND ANALYSIS *(Continued)*

### EVENTS AFTER THE REPORTING PERIOD *(Continued)*

#### Investment in EDB

As disclosed in the announcement of the Company dated 27 June 2019, based on the audited consolidated financial statements of the target company, the aggregate audited consolidated after-tax net profits of the target company attributable to its shareholders for the year ended 31 December 2017 and the year ended 31 December 2018 had not been reached. As such, the Group had issued written notifications to the vendor and guarantor to exercise its repurchase right under the sale and purchase agreement and the subscription agreement respectively.

### 管理層討論及分析 *(續)*

#### 本報告期間後事項 *(續)*

#### 於EDB之投資

誠如本公司於二零一九年六月二十七日之公告所披露，根據目標公司之經審核綜合財務報表，目標公司未能達到截至二零一七年十二月三十一日止年度及截至二零一八年十二月三十一日止年度之約定經審核股東應佔綜合除稅後純利。故本集團已向賣方及擔保人發出書面通知以分別行使其買賣協議及認購協議下之購回權利。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### EVENTS AFTER THE REPORTING PERIOD (Continued)

#### Investment in EDB (Continued)

As disclosed in the announcement of the Company dated 6 September 2019, the purchaser entered into the settlement agreement with the vendor, the guarantors and the target company in relation to the repurchase of the sale shares and the subscription shares and the distribution of the consideration shares. The Company and the vendor will enter into an escrow agreement with the escrow agent who will be an independent third party independent of and not connected with the vendor, the Company and its connected persons for the distribution of the consideration shares to the qualifying shareholders on a pro-rata basis (subject further assessment to regulatory requirements of relevant jurisdictions and practicability).

Further announcement(s) will be made by the Company as and when appropriate in relation to the distribution of the consideration shares.

#### Formation of a joint venture company

On 12 September 2019, the shareholders agreement was entered into between a wholly-owned subsidiary of the Company (“**Hong Kong Subsidiary**”) and a PRC company (“**JV Partner**”), pursuant to which a joint venture company will be established in Shanxi Province, the PRC (“**Shanxi JV**”).

## 管理層討論及分析(續)

### 本報告期間後事項(續)

#### 於EDB之投資(續)

誠如本公司於二零一九年九月六日之公告所披露，買方與賣方、該等擔保人及目標公司訂立和解協議，內容有關購回待售股份和認購股份及分配代價股份。本公司及賣方將與託管代理人訂立託管協議，該託管代理人將為賣方、本公司及其關連人士並無關連的獨立第三方，以根據相關司法管轄區監管要求和實用性的進一步評估，按比例分配代價股份予合資格股東。

本公司將適時就分配代價股份作出進一步公佈。

#### 成立合資企業

於二零一九年九月十二日，本公司之全資附屬公司(「**香港附屬公司**」)與一中國公司(「**合資夥伴**」)訂立股東協議。據此，合資企業將於中國山西省成立(「**山西合資企業**」)。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### EVENTS AFTER THE REPORTING PERIOD (Continued)

#### Formation of a joint venture company (Continued)

The Shanxi JV will be engaged principally in project(s) of utilization of coke oven gas transforming into and producing LNG, methanol and ethylene glycol and related products, as well as the development of clean energy business including hydrogen. The Shanxi JV will be owned beneficially as to 90% by the Hong Kong Subsidiary and as to the balance of 10% by the JV Partner. Upon establishment, the Shanxi JV will become a 90% owned subsidiary of the Company.

A circular containing, among others, further details of the shareholders agreement and the transactions contemplated thereunder and notice of special general meeting is expected to be despatched to the Shareholders on or before 31 October 2019.

#### REVIEW OF INTERIM REPORT BY AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, namely, Mr. To Wing Tim, Paddy who also acts as chairman of the committee, Mr. Lam Hoy Lee, Laurie and Dr. Wang Wei Hsin, and one non-executive Director, Mr. Huang Man Yem.

The unaudited condensed consolidated interim report of the Group for the Reporting Period have been reviewed by the Audit Committee.

#### 管理層討論及分析(續)

#### 本報告期間後事項(續)

#### 成立合資企業(續)

山西合資企業將主要從事焦爐煤氣綜合利用、轉化生產為LNG、甲醇、乙二醇及相關產品，以及發展氫能等清潔能源業務項目。山西合資企業的90%權益將由香港附屬公司實益擁有，餘下10%權益將由合資夥伴實益擁有。山西合資企業成立後，將成為本公司擁有90%權益的附屬公司。

載有(其中包括)有關股東協議及其項下擬進行之交易之詳情及股東特別大會通告之通函預期將於二零一九年十月三十一日或之前寄發予股東。

#### 經審核委員會審閱中期報告

審核委員會由三名獨立非執行董事杜永添先生(委員會主席)、林開利先生及王維新博士以及一名非執行董事黃文鑫先生組成。

本集團於本報告期間之未經審核簡明綜合中期報告已由審核委員會審閱。



## DISCLOSURE OF INTERESTS

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 30 June 2019, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, chapter 571 of the laws of Hong Kong as amended from time to time (the SFO)) as recorded in the register as required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix 10 of the Listing Rules, were as follows:

## 權益披露

### 董事及主要行政人員之權益

於二零一九年六月三十日，各董事及本公司主要行政人員於本公司或其相聯法團（定義見經不時修訂之香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中，擁有已記入本公司根據證券及期貨條例第352條須予存置之登記冊，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）已知會本公司及聯交所之權益及淡倉如下：



## DISCLOSURE OF INTERESTS (Continued)

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS (Continued)

#### Long positions in shares of the Company

## 權益披露(續)

### 董事及主要行政人員之權益(續)

#### 於本公司股份之好倉

Name of Director	Nature of interest	Number of shares held	Approximate percentage of issued share capital
董事姓名	權益性質	所持股份數目	佔已發行股本概約百分比
Zhao Xu Guang 趙旭光	Interest of a controlled corporation (Note (a)) 控制法團之權益(附註(a))	1,400,000,000	50.24%
To Wing Tim, Paddy 杜永添	Beneficial owner and Interest of spouse (Note (b)) 實益擁有人及配偶權益(附註(b))	232,000	0.01%

Notes:

(a) As at 30 June 2019, Shun Wang Investments Limited is wholly-owned by Whole Advance Limited. Mr. Zhao Xu Guang, an executive Director and chairman of the Company, is the ultimate sole holder of the voting ordinary shares of Whole Advance Limited, which in turn holds the entire issued share capital of Shun Wang Investments Limited. Accordingly, Mr. Zhao is deemed to be interested in 1,400,000,000 shares of the Company under the Part XV of the SFO.

附註：

(a) 於二零一九年六月三十日，順旺投資有限公司由合晉有限公司全資擁有。本公司執行董事兼主席趙旭光先生為合晉有限公司之具投票權普通股之最終唯一擁有人，而合晉有限公司持有順旺投資有限公司全部已發行股本。因此，根據證券及期貨條例第XV部，趙先生被視作於1,400,000,000股本公司股份中擁有權益。



## DISCLOSURE OF INTERESTS (Continued)

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS (Continued)

#### Long positions in shares of the Company (Continued)

Notes: (Continued)

(b) As at 30 June 2019, Mr. To Wing Tim, Paddy, an independent non-executive Director of the Company, together with his spouse, respective holding of 60,000 shares of the Company and 172,000 shares of the Company. Accordingly, Mr. To is deemed to be interested in 232,000 shares of the Company under Part XV of the SFO.

Save as disclosed above, as at 30 June 2019, none of the Directors nor the chief executive of the Company had registered an interest or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## 權益披露(續)

### 董事及主要行政人員之權益(續)

#### 於本公司股份之好倉(續)

附註：(續)

(b) 於二零一九年六月三十日，本公司獨立非執行董事杜永添先生與其配偶分別持有60,000股本公司股份及172,000股本公司股份。因此，根據證券及期貨條例第XV部，杜先生被視作於232,000股本公司股份中擁有權益。

除上文所披露者外，於二零一九年六月三十日，各董事及本公司主要行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中，登記持有根據證券及期貨條例第352條須予記錄之權益或淡倉，或根據標準守則已知會本公司及聯交所之權益或淡倉。





## **DISCLOSURE OF INTERESTS** *(Continued)*

### **SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS**

As at 30 June 2019, the interests and short positions of each person, other than a Director or chief executive of the Company, in the shares or underlying shares of the Company which had been notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO), or by which were recorded in the register kept by the Company under section 336 of the SFO, were as follows:

## **權益披露(續)**

### **主要股東及其他人士之權益**

於二零一九年六月三十日，各人士(董事或本公司主要行政人員除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部已知會本公司及聯交所之權益及淡倉(包括彼等根據證券及期貨條例該等條文被當作或視作擁有之權益及淡倉)，或記入本公司根據證券及期貨條例第336條存置之登記冊之權益及淡倉如下：



## DISCLOSURE OF INTERESTS (Continued)

## 權益披露(續)

### SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS (Continued)

### 主要股東及其他人士之權益(續)

#### Long positions in shares and underlying shares of the Company

#### 於本公司股份及相關股份之好倉

Name of Shareholder	Nature of interest	Number of shares and underlying shares held	Approximate Percentage of issued share capital
股東姓名／名稱	權益性質	所持股份及相關股份數目	佔已發行股本概約百分比
<b>Substantial Shareholder:</b>			
<b>主要股東：</b>			
Shun Wang Investments Limited 順旺投資有限公司	Beneficial owner (Note a) 實益擁有人(附註a)	1,400,000,000	50.24%
Whole Advance Limited 合晉有限公司	Interest of a controlled corporation (Note a) 控制法團之權益(附註a)	1,400,000,000	50.24%
Liberal Expansion Limited 廣弘有限公司	Interest of a controlled corporation (Note a) 控制法團之權益(附註a)	1,400,000,000	50.24%
Zhao Xu Guang 趙旭光	Interest of a controlled corporation (Note a) 控制法團之權益(附註a)	1,400,000,000	50.24%
Rontac Investment Company Limited	Interest of a controlled corporation (Note b) 控制法團之權益(附註b)	144,256,976	5.18%
Rontac Resources Company Limited 融泰資源有限公司	Beneficial owner (Note b) 實益擁有人(附註b)	144,256,976	5.18%



## DISCLOSURE OF INTERESTS (Continued)

### SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS (Continued)

#### Long positions in shares and underlying shares of the Company (Continued)

Note:

(a) As at 30 June 2019, Shun Wang Investments Limited is owned as to 100% by Whole Advance Limited, which voting ordinary shares are owned as to 100% by Liberal Expansion Limited, which in turn is owned as to 100% by Mr. Zhao Xu Guang, an executive Director and chairman of the Company. Accordingly, Mr. Zhao is deemed to be interested in 1,400,000,000 shares of the Company under the Part XV of the SFO.

(b) On 8 March 2018, the 2017 Convertible Bonds in aggregate principle amount of HK\$43,277,000 were transferred from Kailuan (Hong Kong) International Co., Limited to Rontac Resources Company Limited and the extension of maturity date of 2017 Convertible Bonds to 31 August 2020 were approved at the special general meeting held on 9 April 2019.

On 27 May 2019, Rontac Resources Company Limited exercised of conversion right of convertible bonds to subscribe 60,000,000 ordinary shares of the Company. As at 30 June 2019, pursuant to the terms and conditions of the convertible bonds, the current conversion price of HK\$0.3 per ordinary share, Rontac Resources Company Limited is still entitled to subscribe for 84,256,976 ordinary shares of the Company upon exercise of conversion right in full.

## 權益披露(續)

### 主要股東及其他人士之權益(續)

#### 於本公司股份及相關股份之好倉(續)

附註：

(a) 於二零一九年六月三十日，合晉有限公司全資擁有順旺投資有限公司的權益，廣弘有限公司全資擁有合晉有限公司之具投票權普通股權益，而本公司執行董事兼主席趙旭光先生全資擁有廣弘有限公司的權益。因此，根據證券及期貨條例第XV部，趙先生被視作於1,400,000,000股本公司股份中擁有權益。

(b) 於二零一八年三月八日，本金總額為43,277,000港元之二零一七年可換股債券由開樂(香港)國際有限公司轉讓予融泰資源有限公司，及二零一九年四月九日舉行之股東特別大會批准將二零一七年可換股債券之到期日延長至二零二零年八月三十一日。

於二零一九年五月二十七日，融泰資源有限公司行使可換股債券之兌換權以認購本公司60,000,000股普通股。於二零一九年六月三十日，根據可換股債券之條款及條件，融泰資源有限公司仍有權全數行使兌換權並按現行兌換價每股普通股0.3港元認購本公司84,256,976股普通股。



## DISCLOSURE OF INTERESTS (Continued)

### SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS (Continued)

#### Long positions in shares and underlying shares of the Company (Continued)

Note: (Continued)

(b) (Continued)

At as 30 June 2019, Rontac Resources Company Limited is wholly owned by Rontac Investment Company Limited. Accordingly, Rontac Resources Company Limited and Rontac Investment Company Limited is deemed to be interested in 144,256,976 shares and underlying shares of the Company under the Part XV of the SFO.

Save as disclosed above, as at 30 June 2019 and up to the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no person (other than a Director or chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company which had been notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

## SHARE OPTION SCHEME

The Company adopted a share option scheme on 28 March 2013 (the “Share Option Scheme”) for providing incentives to Directors and eligible participants to recognise and acknowledge their contributions made or may make to the Group. The Share Option Scheme lasts for a period of ten years and will expire on 27 March 2023.

## 權益披露(續)

### 主要股東及其他人士之權益(續)

#### 於本公司股份及相關股份之好倉(續)

附註：(續)

(b) (續)

於二零一九年六月三十日，融泰資源有限公司由Rontac Investment Company Limited全資擁有。因此，根據證券及期貨條例第XV部，融泰資源有限公司及Rontac Investment Company Limited被視作於144,256,976股本公司股份及相關股份中擁有權益。

除上文所披露者外，於二零一九年六月三十日及截至最後實際可行日期，就董事或本公司主要行政人員所知，概無人士(董事或本公司主要行政人員除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之條文已知會本公司及聯交所之權益或淡倉。

## 購股期權計劃

本公司於二零一三年三月二十八日採納購股期權計劃(「購股期權計劃」)，旨在向董事及合資格參與者提供獎勵，以肯定及認可彼等對本集團所作或可能作出之貢獻。購股期權計劃為期十年，並將於二零二三年三月二十七日屆滿。



## SHARE OPTION SCHEME (Continued)

Particulars and details of the movement of the Share Option Scheme are set out in note 20 to the Interim Financial Statements.

During six months ended 30 June 2019, the movement of share options granted to certain Directors and eligible participants are set out below:

## 購股期權計劃(續)

購股期權計劃之詳細資料及變動詳情載於中期財務報表附註20。

於截至二零一九年六月三十日止六個月期間，若干董事及合資格參與者獲授予之購股期權變動詳情載列如下：

	Date of grant of share options	Number of share options				Exercise period of share options	Exercise Price on share options HK\$ per share
		At 1 January 2019	Exercised during the period	Lapsed during the period	At 30 June 2019		
承授人	購股期權授出日期	於二零一九年一月一日	期內行使	期內失效	於二零一九年六月三十日	購股期權行使期	每股港元
Li Baoqi	5 September 2014	4,000,000	—	4,000,000	—	6 September 2014 – 5 September 2019	0.66
李寶琦	二零一四年九月五日					二零一四年九月六日至二零一九年九月五日	
		4,000,000	—	4,000,000	—		
Other employees	5 September 2014	6,400,000	—	—	6,400,000	6 September 2014 – 5 September 2019	0.66
其他僱員	二零一四年九月五日					二零一四年九月六日至二零一九年九月五日	
		6,400,000	—	—	6,400,000		
		10,400,000	—	4,000,000	6,400,000		



## CORPORATE GOVERNANCE

The Board is committed to upholding high standard of corporate governance. The Directors believe that effective corporate governance practices emphasised on accountability and transparency is the key to protect the interest of our Shareholders, investors and other stakeholders, enhance the confidences in the Group business and fulfil its social responsibility.

### CORPORATE GOVERNANCE CODE

Save and except as disclosed below, the Company has complied with the Code on Corporate Governance Practices (the “CG Code”) as set out in Appendix 14 of the Listing Rules during the Reporting Period.

#### Code Provision A.2.1

Code provision A.2.1 of CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Zhao Xu Guang is the Chairman of the Board and also serves as Chief Executive Officer. The deviation is noted by the Board and the Directors consider the dual role is essential as Mr. Zhao provides the Company with strong and consistent leadership and facilitates the implementation and execution of the business strategies while the Group re-build and develop its business with his leadership in Board, and thus achieves the Company’s objectives efficiently and effectively in response to the changing environment. The Board shall nevertheless review the structure from time to time in light of prevailing circumstances.

## 企業管治

董事會致力持守高水平之企業管治。董事相信，強調問責性及透明度之企業管治常規尚行之有效，其將在保障股東、投資者及其他權益人之利益、加強對本集團業務之信心及履行社會責任上發揮關鍵作用。

### 企業管治守則

除下文所披露者外，於本報告期間，本公司已遵守上市規則附錄14所載之企業管治常規守則（「企業管治守則」）。

#### 守則條文第A.2.1條

企業管治守則之守則條文第A.2.1條規定主席與行政總裁的角色應有區分，並不應由同一人兼任。趙旭光先生為董事會主席並兼任行政總裁。董事會已知悉有關偏離，而各董事均認為趙先生身兼二職有其必要，因趙先生為本公司提供強而有力且貫徹一致的領導，有利業務策略的制訂及推行，同時在彼領導下之董事會，本集團得以重建及發展其業務，並因此能在不斷變化的環境中，有效及高效地實現本公司的目標。儘管如此，董事會將根據當前情況不時檢討架構。



## **CORPORATE GOVERNANCE** *(Continued)*

### **CORPORATE GOVERNANCE CODE**

*(Continued)*

#### **Code Provision D.1.4**

Pursuant to code provision D.1.4, issuers should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. As disclosed and explained in respective appointment announcement published, there are no service contract nor letter of appointment of directors entered into between the Group and most of the directors. This constitutes a deviation from code provision D.1.4 of the CG Code. The Board will nevertheless review the need to have the formal letter and service contract from time to time.

#### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transaction by the Directors of the Company.

Having made specific enquiry of the Directors of the Company, all Directors of the Company confirmed that they had complied with the required standard as set out in the Model Code during the Reporting Period.

## **企業管治** *(續)*

### **企業管治守則** *(續)*

#### **守則條文第D.1.4條**

根據守則條文第D.1.4條，發行人應有正式的董事委任函，訂明董事委任之主要條款及條件。誠如各份已刊發之委任公告所披露及闡釋，本集團與大部分董事並無訂立任何服務合約或董事委任函。此偏離了企業管治守則之守則條文第D.1.4條。儘管如此，董事會將不時檢討是否需要訂立正式委任函及服務合約。

#### **董事進行證券交易之標準守則**

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則，作為本公司董事進行證券交易之行為守則。

經向本公司董事作出特定查詢後，本公司全體董事已確認，彼等於本報告期間內已遵守標準守則所規定之標準。



## **CORPORATE GOVERNANCE** *(Continued)*

### **UPDATES OF DIRECTORS' INFORMATION**

Pursuant to Rule 13.51B (1) of the Listing Rules and the Companies (Directors' Report) Regulation, Chapter 622D of Hong Kong Laws, the updates of information of the Directors during the Reporting Period and up to the Latest Practicable Date are set out below:

## **企業管治** *(續)*

### **最新董事資料**

根據上市規則第13.51B(1)條及香港法例第622D章《公司(董事報告)規例》所提供，於本報告期間及截至最後實際可行日期之最新董事資料載列如下：

<b>Name of Director</b> <b>董事姓名</b>	<b>Detail of Update</b> <b>更新詳情</b>
Mr. Li Qinghua 李清華先生	<ul style="list-style-type: none"><li>Appointed as executive Director on 10 June 2019 and entitled to receive a monthly director fee of HK\$200,000 於二零一九年六月十日獲委任為執行董事並有權收取董事袍金每月200,000港元</li></ul>
Mr. Wang Yijun 王義軍先生	<ul style="list-style-type: none"><li>Appointed as executive Director on 10 July 2019 and entitled to receive a monthly director fee of HK\$82,000 於二零一九年七月十日獲委任為執行董事並有權收取董事袍金每月82,000港元</li></ul>
Mr. Wong Siu Hung, Patrick 黃少雄先生	<ul style="list-style-type: none"><li>Appointed as executive director of Winto Group (Holdings) Limited, its shares are listed on the GEM of the Stock Exchange (Stock Code: 8238) since 15 April 2019 自二零一九年四月十五日獲惠陶集團(控股)有限公司(其股份於聯交所GEM上市(股份代號: 8238))委任為其執行董事</li></ul>





## **CORPORATE GOVERNANCE** *(Continued)*

### **BOARD OF DIRECTORS**

As at the Latest Practicable Date, the executive Directors of the Company are Mr. Zhao Xu Guang, Mr. Li Qinghua, Mr. So Chiu Fung and Mr. Wang Yijun, the non-executive Directors are Mr. Wong Siu Hung, Patrick and Mr. Huang Man Yem, and the independent non-executive Directors are Mr. Lam Hoy Lee, Laurie, Mr. To Wing Tim, Paddy and Dr. Wang Wei Hsin.

### **PUBLICATION OF 2019 INTERIM REPORT**

This 2019 interim report of the Company is dispatched to the Shareholders and is published on the HKExnews website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.huscoke.com>).

In response to environmental protection, Shareholders are encouraged to elect to receive Shareholders documents electronically. You may at any time send written notice to the Hong Kong branch share registrar of the Company, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong specifying your name, address and request to change your choice of language or means of receipt of all Shareholders documents from now on.

By Order of the Board

**Zhao Xu Guang**

*Chairman and Chief Executive Officer*

Hong Kong, 19 September 2019

## **企業管治** *(續)*

### **董事會**

於最後實際可行日期，本公司執行董事為趙旭光先生、李清華先生、蘇晁鋒先生及王義軍先生；非執行董事為黃少雄先生及黃文鑫先生；獨立非執行董事為林開利先生、杜永添先生及王維新博士。

### **刊發二零一九年中期報告**

本公司此二零一九年中期報告已寄發予股東及於聯交所披露易網站 (<http://www.hkexnews.hk>)及本公司網站 (<http://www.huscoke.com>)刊登。

為響應環保，本公司鼓勵股東選擇以電子方式接收股東文件。閣下可隨時寄送書面通知予本公司之香港股份過戶登記分處卓佳秘書商務有限公司(地址為香港皇后大道東183號合和中心54樓)，通知內註明閣下之姓名、地址，及要求從現在起更改收取所有股東文件之語言或收取方式。

承董事會命  
主席兼行政總裁  
**趙旭光**

香港，二零一九年九月十九日



HUSCOKE HOLDINGS LIMITED

和嘉控股有限公司

