



Interim Report
中期報告 2019



Macrolink Capital Holdings Limited
新華聯資本有限公司

(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 : 758)

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公司資料

CORPORATE INFORMATION

董事會

執行董事

傅軍先生(主席)
張建先生
張必書先生
劉靜女士
陳躍先生
周建人先生

獨立非執行董事

林聞深先生
曹貺予先生
張嘉偉先生

審核委員會

林聞深先生(主席)
曹貺予先生
張嘉偉先生

薪酬委員會

張嘉偉先生(主席)
林聞深先生
曹貺予先生

提名委員會

傅軍先生(主席)
張建先生
林聞深先生
曹貺予先生
張嘉偉先生

股份過戶登記處

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4/F., North Cedar House
41 Cedar Avenue
Hamilton HM 12, Bermuda

BOARD OF DIRECTORS

Executive Directors

Mr. Fu Kwan (*Chairman*)
Mr. Zhang Jian
Mr. Zhang Bishu
Ms. Liu Jing
Mr. Chan Yeuk
Mr. Zhou Jianren

Independent Non-Executive Directors

Mr. Lam Man Sum, Albert
Mr. Cao Kuangyu
Mr. Cheung Ka Wai

AUDIT COMMITTEE

Mr. Lam Man Sum, Albert (*Chairman*)
Mr. Cao Kuangyu
Mr. Cheung Ka Wai

REMUNERATION COMMITTEE

Mr. Cheung Ka Wai (*Chairman*)
Mr. Lam Man Sum, Albert
Mr. Cao Kuangyu

NOMINATION COMMITTEE

Mr. Fu Kwan (*Chairman*)
Mr. Zhang Jian
Mr. Lam Man Sum, Albert
Mr. Cao Kuangyu
Mr. Cheung Ka Wai

SHARE REGISTRARS AND TRANSFER OFFICE

Principal Registrar

MUFG Fund Services (Bermuda) Limited
4/F., North Cedar House
41 Cedar Avenue
Hamilton HM 12, Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港皇后大道東183號
合和中心54樓

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

總辦事處暨香港主要營業地點

香港
銅鑼灣
告士打道262號
中糧大廈15樓

公司秘書

吳國才先生

核數師

國衛會計師事務所有限公司
執業會計師
香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

股份代號

758

網站

<http://macrolinkcapital.etnet.com.hk>

Hong Kong Branch Registrar

Tricor Tengis Limited
Level 54, Hopewell Centre
183 Queen's Road East, Hong Kong

REGISTERED OFFICE

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

15/F., COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong

COMPANY SECRETARY

Mr. Ng Kwok Choi

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
31/F., Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

STOCK CODE

758

WEBSITE

<http://macrolinkcapital.etnet.com.hk>

簡明綜合損益表

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

截至二零一九年六月三十日止六個月

For the six months ended 30 June 2019

新華聯資本有限公司(「本公司」)董事會(「董事會」)欣然提呈本公司及其附屬公司(「本集團」)截至二零一九年六月三十日止六個月之未經審核綜合中期業績連同二零一八年同期之比較數字，已經本公司之審核委員會(「審核委員會」)審閱。

The board of directors (the “Board”) of Macrolink Capital Holdings Limited (the “Company”) is pleased to present the unaudited consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2019 together with the comparative figures for corresponding period in 2018, which have been reviewed by the Company’s audit committee (the “Audit Committee”).

		截至六月三十日止六個月		
		Six months ended 30 June		
		二零一九年	二零一八年	
		2019	2018	
		(未經審核)	(未經審核)	
		(Unaudited)	(Unaudited)	
		千港元	千港元	
		HK\$'000	HK\$'000	
	附註			
	Note			
收入	Revenue	5	201,152	20,553
銷售及服務成本	Cost of sales and services		(195,951)	(16,058)
毛利	Gross profit		5,201	4,495
其他收入及收益	Other income and gains	5	11,474	217
行政費用	Administrative expenses		(23,887)	(25,174)
其他經營支出一淨額	Other operating expenses - net		(1,734)	(9,351)
投資物業公平值收益	Fair value gains on investment properties		162	1,158
經營業務虧損	Operating loss	6	(8,784)	(28,655)
財務成本	Finance costs	7	(2,115)	(2,392)
除稅前虧損	Loss before tax		(10,899)	(31,047)
所得稅抵免/(開支)	Income tax credit/(expense)	8	5,382	(404)
期內虧損	Loss for the period		(5,517)	(31,451)
應佔：	Attributable to:			
本公司擁有人	Owners of the Company		(2,734)	(26,319)
非控股權益	Non-controlling interests		(2,783)	(5,132)
			(5,517)	(31,451)
本公司擁有人應佔每股虧損	Loss per share attributable to owners of the Company	9		
基本及攤薄(每股港仙)	Basic and diluted (HK cents per share)		(0.23)	(2.52)

簡明綜合全面收益表

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

截至二零一九年六月三十日止六個月
For the six months ended 30 June 2019

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
期內虧損	Loss for the period	(5,517)	(31,451)
其他全面開支，扣除稅項 不會重新分類至損益賬之項目：	Other comprehensive expense, net of tax Item that will not be reclassified to profit or loss:		
按公平值計入其他全面 收益之股本投資之公平值變動	Change in fair value of equity investments at fair value through other comprehensive income	(340)	(999)
		(340)	(999)
其後可能重新分類至損益賬之項目：	<i>Item that may be reclassified subsequently to profit or loss:</i>		
換算海外業務產生之匯兌差額	Exchange differences on translation of foreign operations	(3,766)	(1,656)
		(3,766)	(1,656)
期內其他全面開支，扣除稅項	Other comprehensive expense for the period, net of tax	(4,106)	(2,655)
期內全面開支總額	Total comprehensive expense for the period	(9,623)	(34,106)
應佔：	Attributable to:		
本公司擁有人	Owners of the Company	(6,849)	(27,751)
非控股權益	Non-controlling interests	(2,774)	(6,355)
		(9,623)	(34,106)

簡明綜合財務狀況表

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零一九年六月三十日

At 30 June 2019

			二零一九年 六月三十日 30 June 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) (Audited) 千港元 HK\$'000
	附註 Note			
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	11	118,172	122,045
投資物業	Investment properties	12	74,490	74,367
使用權資產	Right-of-use assets		17,721	–
預付土地租賃款項	Prepaid land lease payments		–	17,963
其他無形資產	Other intangible assets	11	21,515	21,171
按公平值計入其他全面 收益之股本投資	Equity investments at fair value through other comprehensive income	13	168	508
遞延稅項資產	Deferred tax assets		354	349
非流動資產總值	Total non-current assets		232,420	236,403
流動資產	Current assets			
物業存貨	Stock of properties	14	1,866	3,411
存貨	Inventories		41,776	15,794
應收賬款	Accounts receivable	15	1,464	1,300
預付款項、按金及其他應收款項	Prepayments, deposits and other receivables		31,526	22,929
應收關連公司款項	Amounts due from related companies		12,848	12,656
現金及銀行結餘	Cash and bank balances		58,556	100,901
流動資產總值	Total current assets		148,036	156,991
流動負債	Current liabilities			
應付賬款	Accounts payable	16	4,797	7,028
按公平值計入損益之金融負債	Financial liabilities at fair value through profit or loss		727	–
其他應付款項及應計負債	Other payables and accruals		44,011	45,969
計息銀行及其他借貸	Interest-bearing bank and other borrowings	17	34,431	34,469
應付關連公司款項	Amounts due to related companies		11,429	3,780
應付稅項	Tax payable		889	6,562
流動負債總值	Total current liabilities		96,284	97,808
流動資產淨值	Net current assets		51,752	59,183
資產總值減流動負債	Total assets less current liabilities		284,172	295,586

簡明綜合財務狀況表(續)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

於二零一九年六月三十日

At 30 June 2019

			二零一九年 六月三十日 30 June 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) (Audited) 千港元 HK\$'000
	附註 Note			
非流動負債		Non-current liabilities		
計息銀行及其他借貸		Interest-bearing bank and other borrowings	17	623
遞延稅項負債		Deferred tax liabilities		2,512
				33,305
非流動負債總值		Total non-current liabilities		33,928
				35,719
資產淨值		Net assets		250,244
				259,867
權益		Equity		
本公司擁有人應佔權益		Equity attributable to owners of the Company		
股本		Share capital	18	120,625
儲備		Reserves		102,210
				222,835
非控股權益		Non-controlling interests		27,409
				229,684
總權益		Total equity		250,244
				259,867

簡明綜合權益變動表

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零一九年六月三十日止六個月

For the six months ended 30 June 2019

		本公司擁有人應佔 Attributable to owners of the Company										
		股本	股份溢價	法定盈餘儲備	購股權儲備	按公平值 計入其他全面 收益之儲備	物業 重估儲備	匯兌 波動儲備	保留溢利/ (累計虧損)	總計	非控股權益	總權益
		Share capital (未經審核) (Unaudited)	Share premium account (未經審核) (Unaudited)	Statutory surplus reserve (未經審核) (Unaudited)	Share option reserve (未經審核) (Unaudited)	Fair value through other comprehensive income reserve (未經審核) (Unaudited)	Property revaluation reserve (未經審核) (Unaudited)	Exchange fluctuation reserve (未經審核) (Unaudited)	Retained profits/ (accumulated losses) (未經審核) (Unaudited)	Total (未經審核) (Unaudited)	Non- controlling interests (未經審核) (Unaudited)	Total equity (未經審核) (Unaudited)
		千港元 HK\$'000 (附註18) (Note 18)	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 HK\$'000	千港元 HK\$'000
於二零一九年一月一日	At 1 January 2019	120,625	163,910	18,380	-	(361)	1,132	6,589	(80,591)	229,684	30,183	259,867
溢利或虧損	Profit or loss	-	-	-	-	-	-	-	(2,734)	(2,734)	(2,783)	(5,517)
其他全面開支	Other comprehensive expense											
按公平值計入其他全面收益 之股本投資之公平值變動	Change in fair value of equity investments at fair value through other comprehensive income	-	-	-	-	(340)	-	-	-	(340)	-	(340)
換算海外業務產生之匯兌差額	Exchange differences on translation of foreign operations	-	-	-	-	-	-	(3,775)	-	(3,775)	9	(3,766)
期內全面開支總額	Total comprehensive expense for the period	-	-	-	-	(340)	-	(3,775)	(2,734)	(6,849)	(2,774)	(9,623)
於二零一九年六月三十日	At 30 June 2019	120,625	163,910	18,380	-	(701)	1,132	2,814	(83,325)	222,835	27,409	250,244
於二零一八年一月一日	At 1 January 2018	104,540	78,399	18,380	1,673	1,195	1,132	6,517	30,000	241,836	52,812	294,648
溢利或虧損	Profit or loss	-	-	-	-	-	-	-	(26,319)	(26,319)	(5,132)	(31,451)
其他全面開支	Other comprehensive expense											
按公平值計入其他全面收益 之股本投資之公平值變動	Change in fair value of equity investments at fair value through other comprehensive income	-	-	-	-	(999)	-	-	-	(999)	-	(999)
換算海外業務產生之匯兌差額	Exchange differences on translation of foreign operations	-	-	-	-	-	-	(433)	-	(433)	(1,223)	(1,656)
期內全面開支總額	Total comprehensive expense for the period	-	-	-	-	(999)	-	(433)	(26,319)	(27,751)	(6,355)	(34,106)
於二零一八年六月三十日	At 30 June 2018	104,540	78,399	18,380	1,673	196	1,132	6,084	3,661	214,085	46,457	260,542

簡明綜合現金流量表

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

截至二零一九年六月三十日止六個月
For the six months ended 30 June 2019

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
經營活動現金流量	CASH FLOWS FROM OPERATING ACTIVITIES		
經營業務所用現金	Cash used in operations	(34,925)	(15,477)
已收銀行利息	Bank interest received	797	8
已付海外稅項	Overseas tax paid	(181)	(45)
經營活動所用現金流量淨額	Net cash flows used in operating activities	(34,309)	(15,514)
投資活動現金流量	CASH FLOWS FROM INVESTING ACTIVITIES		
已收其他利息	Other interest received	35	1
已收回之應收貸款	Receipt of loan receivable	-	397
受限制現金減少／(增加)	Decrease/(increase) of restricted cash	79	(3)
購買物業、廠房及設備項目	Purchases of items of property, plant and equipment	(59)	(25)
添置其他無形資產	Additions to other intangible assets	(16)	(2,872)
出售物業、廠房及設備所得款項	Proceeds from disposal of property, plant and equipment	703	-
投資活動所得／(所用) 現金流量淨額	Net cash flows from/(used in) investing activities	742	(2,502)
融資活動現金流量	CASH FLOWS FROM FINANCING ACTIVITIES		
已付利息	Interest paid	(1,220)	(1,353)
已付貸款安排費用	Loan arrangement fee paid	(625)	(1,500)
償還銀行貸款	Repayment of bank loan	(2,006)	(1,802)
應付最終控股公司款項減少	Decrease in amount due to the ultimate holding company	-	(29)
融資活動所用之現金流量淨額	Net cash flows used in financing activities	(3,851)	(4,684)

簡明綜合現金流量表（續）

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

截至二零一九年六月三十日止六個月
For the six months ended 30 June 2019

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
現金及現金等價物減少淨額	NET DECREASE IN CASH AND CASH EQUIVALENTS	(37,418)	(22,700)
期初現金及現金等價物	Cash and cash equivalents at beginning of the period	100,822	34,201
外幣匯率變動之影響，淨額	Effect of foreign exchange rate changes, net	(4,848)	1,828
期末現金及現金等價物	CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	58,556	13,329
現金及現金等價物結餘分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
現金及銀行結餘	Cash and bank balances	58,556	13,421
減：受限制現金	Less: Restricted cash	-	(92)
列賬於簡明綜合現金流量表內之現金及現金等價物	Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	58,556	13,329

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. 一般資料

新華聯資本有限公司(「本公司」)乃一間於百慕達註冊成立之有限公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處及香港主要營業地點之地址於本中期報告第3頁「公司資料」一節中披露。

截至二零一九年六月三十日止六個月，本公司及其附屬公司(統稱「本集團」)主要從事下列主要業務：

- 物業投資及發展；
- 製造及銷售建築材料；
- 證券投資；
- 精礦貿易；
- 煤炭開採；及
- 銷售採礦設備零部件。

本公司董事認為，本公司之直接控股公司及最終控股公司為新華聯集團有限公司(前稱新華聯國際控股有限公司)及Truly Industry Investment Company Limited，兩者分別於開曼群島及英屬處女群島註冊成立，其最終控股方為傅軍先生，彼於二零一八年八月一日獲委任為本公司主席及執行董事。

1. GENERAL INFORMATION

Macrolink Capital Holdings Limited (the “Company”) is incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business in Hong Kong of the Company are disclosed in the “Corporate Information” section on page 3 of this interim report.

During the six months ended 30 June 2019, the Company and its subsidiaries (collectively referred to as the “Group”) principally engaged in the following principal activities:

- property investment and development;
- manufacture and sale of construction materials;
- securities investments;
- trading of mineral concentrates;
- coal mining; and
- sale of parts of mining equipment.

In the opinion of the directors of the Company, the immediate holding company and the ultimate holding company of the Company are Macrolink Group Limited (formerly known as Macrolink International Holdings Limited) and Truly Industry Investment Company Limited, which are incorporated in Cayman Islands and the British Virgin Islands respectively and its ultimate controlling party is Mr. Fu Kwan, the chairman and an executive director of the Company who was appointed on 1 August 2018.

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. 編製基準

未經審核簡明綜合財務報表乃根據聯交所證券上市規則(「上市規則」)附錄十六之適用披露規定,以及遵照由香港會計師公會頒佈之香港會計準則(「香港會計準則」)第34號中期財務報告而編製。

未經審核簡明綜合財務報表並未包括就全年財務報表所需之所有資料及披露,且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一併閱讀。

3. 主要會計政策

除投資物業、股本投資及若干金融負債以公平值計量外,未經審核簡明綜合財務報表乃按歷史成本慣例編製。財務報表以港元呈列,除另有說明外,所有金額均調整至以千元為單位。

編製未經審核簡明綜合財務報表所採納之會計政策與編製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所採用者一致,惟採納以下於二零一九年一月一日生效之新準則及修訂除外。

本集團已於該等未經審核簡明綜合財務報表中首次採納下列新訂及修訂香港財務報告準則(「香港財務報告準則」):

香港財務報告準則第9號之修訂	具有負補償的提前償付特徵
香港財務報告準則第16號	租賃
香港會計準則第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益
香港(國際財務報告詮釋委員會)一詮釋第23號	所得稅處理之不確定性
香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年週期之年度改進

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange and with Hong Kong Accounting Standard ("HKAS") 34, *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants.

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2018.

3. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention, except for investment properties, equity investments, and certain financial liabilities which have been measured at fair value. The financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

The accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2018, except for the adoption of new standards and amendments effective as of 1 January 2019 below.

The Group has adopted the following new and amendments to Hong Kong Financial Reporting Standards ("HKFRSs") for the first time in the unaudited condensed consolidated financial statements:

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. 主要會計政策(續)

除下文所述者外，於本期內應用新訂及修訂香港財務報告準則對本集團於本期內及過往期內的財務表現及狀況及／或簡明綜合財務報表之披露並無重大影響。

應用香港財務報告準則第16號租賃的會計政策影響及變動

本集團於本中期期間已首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號租賃(「香港會計準則第17號」)及其相關詮釋。

本集團已根據香港財務報告準則第16號的過渡條文應用下列會計政策。

租賃的定義

倘合約獲給予控制權於某一段時間內使用可識別資產以換取代價，則該合約屬租賃或包含租賃。

就於首次應用當日或之後簽訂或修訂的合約而言，本集團於開始或修訂日期根據香港財務報告準則第16號項下的定義評估合約是否屬租賃或包含租賃。除非該合約中的條款及條件隨後出現變動，否則不會對該合約進行重新評估。

作為承租人

將代價分配至合約組成部分

就包含租賃組成部分以及一項或多項額外租賃或非租賃組成部分的合約而言，本集團根據租賃組成部分的相對獨立價格及非租賃組成部分的合計獨立價格基準將合約代價分配至各項租賃組成部分。

短期租賃及低價值資產租賃

本集團對於租期自開始日起計為十二個月或以下的租賃應用短期租賃確認豁免。彼亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租金付款使用直線法於租期內確認為開支。

3. PRINCIPAL ACCOUNTING POLICIES (continued)

Except as described below, the application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in the condensed consolidated financial statements.

Impacts and changes in accounting policies of application of HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 Leases ("HKAS 17"), and the related interpretations.

The Group applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

As a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight line basis over the lease term.

3. 主要會計政策(續)

應用香港財務報告準則第16號租賃的會計政策影響及變動(續)

作為承租人(續)

使用權資產

除短期租賃及低價值資產租賃外，本集團於租賃開始日期(即相關資產可供使用的日期)確認使用權資產。使用權資產按成本計量，減去任何累計折舊及減值虧損，並就租賃負債的任何重新計量作出調整。

使用權資產的成本包括：

- 租賃負債之初始計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團於拆除及拆遷相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況時估計產生的成本。

本集團已合理地確定可於租期結束時取得相關租賃資產所有權的使用權資產由開始日期起至可使用年期結束止計提折舊。在其他情況下，使用權資產按直線法於其估計可使用年期及租期(以較短者為準)內計提折舊。

本集團於簡明綜合財務狀況表內將使用權資產呈列為獨立項目。

可退回租賃按金

已付可退回租賃按金乃根據香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)入賬，初步按公平值計量。首次確認時對公平值作出的調整被視為額外租賃付款且計入使用權資產成本。

3. PRINCIPAL ACCOUNTING POLICIES (continued)

Impacts and changes in accounting policies of application of HKFRS 16 Leases (continued)

As a lessee (continued)

Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the condensed consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 *Financial Instruments* ("HKFRS 9") and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. 主要會計政策(續)

應用香港財務報告準則第16號租賃的會計政策影響及變動(續)

作為承租人(續)

租賃負債

於租賃開始日期，本集團以於該日期尚未支付的租賃付款的現值確認並計量租賃負債。倘租賃隱含的利率不易釐定，則本集團會使用於租賃開始日期的遞增借款利率計算租賃付款現值。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 取決於指數或利率的可變租賃付款；
- 剩餘價值擔保下的預期獲支付款項；
- 能合理確定將由本集團行使的購買權行使價；及
- 為終止租賃而支付的罰款(倘租賃期反映本集團正行使終止權)。

於開始日期後，租賃負債透過增加利息及租賃付款作出調整。

本集團於以下情況重新計量租賃負債(並就有關使用權資產作相應調整)：

- 租期有變或有關行使購買權的評估有變，於此情況下，相關租賃負債透過(按於重新評估日期的經修訂貼現率)貼現經修訂租賃付款而重新計量。

3. PRINCIPAL ACCOUNTING POLICIES (continued)

Impacts and changes in accounting policies of application of HKFRS 16 Leases (continued)

As a lessee (continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.

3. 主要會計政策(續)

應用香港財務報告準則第16號租賃的會計政策影響及變動(續)

作為承租人(續)

租賃修改

倘出現以下情況，本集團將租賃修改作為獨立租賃入賬：

- 修改透過加入使用一項或以上相關資產之權利擴大租賃範圍；及
- 租賃代價增加，增加之金額相當於範圍擴大對應之單獨價格及為反映特定合約之實際情況而對該單獨價格進行之任何適當調整。就未作為單獨租賃入賬之租賃修改而言，本集團按透過使用修改生效日期之經修訂貼現率貼現經修訂租賃付款之經修改租賃之租期重新計量租賃負債。

就未作為單獨租賃入賬之租賃修改而言，本集團按透過使用修改生效日期之經修訂貼現率貼現經修訂租賃付款之經修改租賃之租期重新計量租賃負債。

稅項

就計量本集團確認使用權資產及相關租賃負債之租賃交易之遞延稅項而言，本集團首先釐定稅項扣除是否歸屬於使用權資產或租賃負債。

就租賃扣除歸屬於租賃負債之租賃交易而言，本集團分別向使用權資產及租賃負債應用香港會計準則第12號所得稅之規定。與使用權資產及租賃負債有關之暫時性差異按淨額進行計量。使用權資產計提的折舊超逾本年支付的租賃負債本金部分產生了可抵扣暫時性差異。

3. PRINCIPAL ACCOUNTING POLICIES (continued)

Impacts and changes in accounting policies of application of HKFRS 16 Leases (continued)

As a lessee (continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract. For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. 主要會計政策(續)

首次應用香港財務報告準則第16號的過渡及產生之影響概要

租賃定義

本集團已選擇實際可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號釐定安排是否包含租賃識別為租賃的合約應用香港財務報告準則第16號，而並無就先前並未識別為包含租賃的合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在的合約。

就於二零一九年一月一日或之後訂立或修改的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃定義。應用新的租賃定義對本公司並無影響。

作為承租人

本集團已追溯應用香港財務報告準則第16號，並將累計影響於二零一九年一月一日首次應用當日確認。於首次應用日期的任何差額於期初累計虧損確認，且並無重列比較資料。

於過渡時應用香港財務報告準則第16號項下的經修訂追溯方法時，本集團按逐項租賃基準就與相關租賃合約範圍內對先前根據香港會計準則第17號分類為經營租賃的租賃應用以下實際可行權宜方法：

- 透過應用香港會計準則第37號撥備、或然負債及或然資產作為減值審核的替代方案，評估租賃是否繁苛；
- 選擇不就租期於首次應用日期起計十二個月內結束的租賃確認使用權資產及租賃負債；
- 於首次應用日期計量使用權資產時撇除初始直接成本；
- 根據於首次應用日期的事實及情況於事後釐定本集團帶有選擇續租及終止權利的租賃的租期。

3. PRINCIPAL ACCOUNTING POLICIES (continued)

Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement Contains a Lease* and not apply these standards to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease. The application of new definition of a lease has no impact to the Company.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening accumulated loss and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- relied on the assessment of whether leases are onerous by applying HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as an alternative of impairment review;
- elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. 主要會計政策(續)

首次應用香港財務報告準則第16號的過渡及產生之影響概要(續)

作為承租人(續)

3. PRINCIPAL ACCOUNTING POLICIES (continued)

Transition and summary of effects arising from initial application of HKFRS 16 (continued)

As a lessee (continued)

		於二零一九年 一月一日 At 1 January 2019 千港元 HK\$'000
於二零一八年十二月三十一日 已披露的經營租賃承擔	Operating lease commitments disclosed as at 31 December 2018	156
減：確認豁免－短期租賃	Less: Recognition exemption – short-term leases	(156)
於二零一九年一月一日應用香港財務 報告準則第16號確認的租賃負債	Lease liabilities upon application of HKFRS16 as at 1 January 2019	–

使用權資產於二零一九年一月一日的賬面值包括下列各項：

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

		使用權資產 Right-of-use assets 千港元 HK\$'000
於應用香港財務報告準則第16號 確認的經營租賃相關的使用權資產	Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	–
從預付土地租賃款項中重新分類(附註)	Reclassified from prepaid land lease payments (Note)	17,963
		17,963
按類別： 租賃土地	By class: Leasehold land	17,963

附註：

中華人民共和國(「中國」)租賃土地的預付款項於二零一八年十二月三十一日分類為預付租賃款項。於應用香港財務報告準則第16號後，預付土地租賃款項約17,963,000港元已重新分類至使用權資產。根據土地租賃條款並無持續付款責任，因此於首次應用香港財務報告準則第16號當日概無確認任何租賃負債。

Note:

Upfront payments for leasehold land in the People's Republic of China (the "PRC") were classified as prepaid land lease payments as at 31 December 2018. Upon application of HKFRS 16, the prepaid land lease payments amounting to approximately HK\$17,963,000 was reclassified to right-of-use assets. There were no ongoing payment obligations under the terms of the land lease, therefore, no lease liabilities were recognised at the date of initial application of HKFRS 16.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. 主要會計政策(續)

首次應用香港財務報告準則第16號的過渡及產生之影響概要(續)

作為承租人(續)

於二零一九年一月一日於簡明綜合財務狀況表確認的金額已作出以下調整。未受變動影響的項目未有包括在內。

3. PRINCIPAL ACCOUNTING POLICIES (continued)

Transition and summary of effects arising from initial application of HKFRS 16 (continued)

As a lessee (continued)

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

		先前 於二零一八年 十二月三十一日 呈報的賬面值 Carrying amounts previously reported at 31 December 2018 千港元 HK\$'000	調整 Adjustment 千港元 HK\$'000	於二零一九年 一月一日 於香港財務 報告準則 第16號項下 的賬面值 Carrying amounts under HKFRS 16 at 1 January 2019 千港元 HK\$'000
非流動資產	Non-current asset			
預付土地租賃款項	Prepaid land lease payments	17,963	(17,963)	-
使用權資產	Right-of-use assets	-	17,963	17,963

4. 分部資料

就管理目的而言，本集團按業務單位之產品及服務分為下列六個呈報經營分部：

- (a) 物業投資及發展分部，從事出租及銷售物業；
- (b) 製造及銷售建築材料分部，從事製造及銷售礦渣粉；
- (c) 證券投資分部，從事上市證券投資；
- (d) 精礦貿易分部，從事精礦貿易；
- (e) 煤炭開採分部，從事煤礦特許權之勘探及開發以及開採及銷售煤炭；及
- (f) 其他分部，從事採礦設備零部件銷售。

4. SEGMENT INFORMATION

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

- (a) the property investment and development segment engages in leasing and sale of properties;
- (b) the manufacture and sale of construction materials segment engages in the manufacture and sale of slag powder;
- (c) the securities investments segment engages in investing in listed securities;
- (d) the trading of mineral concentrates segment engages in the trading of mineral concentrates;
- (e) the coal mining segment engages in the exploration and development of coal mine concessions and mining for sale of coal; and
- (f) the others segment engages in the sale of parts of mining equipment.

4. 分部資料(續)

管理層獨立監察本集團之經營分部業績，以便作出有關資源分配及表現評估之決策。分部表現乃根據呈報分部溢利／虧損評估，而呈報分部溢利／虧損則以經調整除稅前溢利／虧損計量。經調整除稅前溢利／虧損之計量方式與本集團之除稅前虧損計量方式一致，惟有關計量並不計入銀行利息收入及其他未分配收入及收益、財務成本及其他未分配總辦事處及企業開支。

分部資產不包括遞延稅項資產、現金及現金等價物、應收關連公司款項以及其他未分配總辦事處及企業資產，因為該等資產乃按集團層面管理。

分部負債不包括計息銀行及其他借貸、應付最終控股公司款項、應付關連公司款項以及其他未分配總辦事處及企業負債，因為該等負債乃按集團層面管理。

4. SEGMENT INFORMATION (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 loss before tax except that bank interest income and other unallocated income and gains, finance costs and other unallocated head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, cash and cash equivalents, amounts due from related companies and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, amount due to the ultimate holding company, amounts due to related companies and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. 分部資料(續)

分部業績

本集團按呈報分部劃分之分部業績分析如下：

截至二零一九年六月三十日止六個月

4. SEGMENT INFORMATION (continued)

Segment results

An analysis of the Group's segment results by reportable segment is as follows:

For the six months ended 30 June 2019

		物業投資 及發展 Property investment and development (未經審核) (Unaudited) 千港元 HK\$'000	證券投資 Securities investments (未經審核) (Unaudited) 千港元 HK\$'000	製造及銷售 建築材料 Manufacture and sale of construction materials (未經審核) (Unaudited) 千港元 HK\$'000	精礦貿易 Trading of mineral concentrates (未經審核) (Unaudited) 千港元 HK\$'000	煤炭開採 Coal mining (未經審核) (Unaudited) 千港元 HK\$'000	其他 Others (未經審核) (Unaudited) 千港元 HK\$'000	總計 Total (未經審核) (Unaudited) 千港元 HK\$'000
分部收入：	Segment revenue:							
外界客戶之銷售／收入*	Sales to/revenue from external customers*	4,751	-	-	191,432	1,469	3,500	201,152
收入總額	Total revenue	4,751	-	-	191,432	1,469	3,500	201,152
分部業績	Segment results	1,749	(2)	(6,817)	(306)	(729)	(929)	(7,034)
銀行利息收入及其他 未分配收入及收益	Bank interest income and other unallocated income and gains							7,863
企業及其他未分配開支	Corporate and other unallocated expenses							(9,613)
未分配財務成本	Unallocated finance costs							(2,115)
除稅前虧損	Loss before tax							(10,899)

* 由於分部間之銷售額微不足道，故並無作出對賬。

* Since the amount of intersegment sales is insignificant, no reconciliation has been made.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. 分部資料(續)

分部資產及負債

本集團按呈報分部劃分之分部資產及負債分析如下：

於二零一九年六月三十日

4. SEGMENT INFORMATION (continued)

Segment assets and liabilities

An analysis of the Group's segment assets and liabilities by reportable segment is as follows:

As at 30 June 2019

		物業投資 及發展 Property investment and development (未經審核) (Unaudited) 千港元 HK\$'000	證券投資 Securities investments (未經審核) (Unaudited) 千港元 HK\$'000	製造及銷售 建築材料 Manufacture and sale of construction materials (未經審核) (Unaudited) 千港元 HK\$'000	精礦貿易 Trading of mineral concentrates (未經審核) (Unaudited) 千港元 HK\$'000	煤炭開採 Coal mining (未經審核) (Unaudited) 千港元 HK\$'000	其他 Others (未經審核) (Unaudited) 千港元 HK\$'000	總計 Total (未經審核) (Unaudited) 千港元 HK\$'000
資產及負債：	Assets and liabilities:							
分部資產	Segment assets	86,465	168	81,630	37,457	31,678	5,812	243,210
企業及其他未分配資產	Corporate and other unallocated assets							137,246
總資產	Total assets							380,456
分部負債	Segment liabilities	43,222	-	15,516	2,516	712	2,484	64,450
企業及其他未分配負債	Corporate and other unallocated liabilities							65,762
總負債	Total liabilities							130,212

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. 分部資料(續)

分部資產及負債(續)

於二零一八年十二月三十一日

4. SEGMENT INFORMATION (continued)

Segment assets and liabilities (continued)

As at 31 December 2018

	物業投資 及發展 Property investment and development (經審核) (Audited) 千港元 HK\$'000	證券投資 Securities investments (經審核) (Audited) 千港元 HK\$'000	製造及銷售 建築材料 Manufacture and sale of construction materials (經審核) (Audited) 千港元 HK\$'000	精礦貿易 Trading of mineral concentrates (經審核) (Audited) 千港元 HK\$'000	煤炭開採 Coal mining (經審核) (Audited) 千港元 HK\$'000	其他 Others (經審核) (Audited) 千港元 HK\$'000	總計 Total (經審核) (Audited) 千港元 HK\$'000	
資產及負債：	Assets and liabilities:							
分部資產	Segment assets	87,534	508	84,682	11,333	33,040	6,382	223,479
企業及其他未分配資產	Corporate and other unallocated assets							169,915
總資產	Total assets							393,394
分部負債	Segment liabilities	43,277	-	14,772	11,150	692	4,034	73,925
企業集團及其他未分配負債	Corporate and other unallocated liabilities							59,602
總負債	Total liabilities							133,527

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. 分部資料(續)

地區資料

(a) 外界客戶之收入

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
中國	The PRC	193,776	17,489
秘魯	Peru	7,376	3,026
香港	Hong Kong	-	38
		201,152	20,553

上述收入資料乃按客戶所在地分類。

The revenue information above is based on the location of the customers.

(b) 非流動資產

		二零一九年 六月三十日 30 June 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) (Audited) 千港元 HK\$'000
中國	The PRC	154,033	157,013
秘魯	Peru	77,792	78,280
澳洲	Australia	168	508
香港	Hong Kong	102	213
厄瓜多爾	Ecuador	314	376
哥倫比亞	Colombia	11	13
		232,420	236,403

上述非流動資產資料乃按資產所在地分類。

The non-current assets information above is based on the location of assets.

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. 分部資料(續)

有關主要客戶之資料

於相關期間來自客戶之收入超過本集團總收入10%之資料如下：

4. SEGMENT INFORMATION (continued)

Information about major customer

Revenue from customers of corresponding period contributing over 10% of total revenue of the Group is as follows:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
客戶A(應佔精礦貿易分部)	Customer A (attributable to trading of mineral concentrates segment)	不適用N/A ¹	15,792
客戶B(應佔精礦貿易分部)	Customer B (attributable to trading of mineral concentrates segment)	54,975	-
客戶C(應佔精礦貿易分部)	Customer C (attributable to trading of mineral concentrates segment)	54,914	-
客戶D(應佔精礦貿易分部)	Customer D (attributable to trading of mineral concentrates segment)	30,618	-
客戶E(應佔精礦貿易分部)	Customer E (attributable to trading of mineral concentrates segment)	22,404	-
客戶F(應佔精礦貿易分部)	Customer F (attributable to trading of mineral concentrates segment)	20,849	-

¹ 其相應收入不超過本集團總收入10%。

¹ The corresponding revenue did not contribute over 10% of the Group's total revenue.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. 收入及其他收入及收益

本集團之收入分析如下：

5. REVENUE AND OTHER INCOME AND GAINS

An analysis of the Group's revenue is as follows:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
收入	Revenue		
香港財務報告準則第15號範圍內之 客戶合約收入	Revenue from contracts with customers within the scope of HKFRS 15		
銷售精礦	Sale of mineral concentrates	191,432	15,792
銷售採礦設備零部件	Sale of parts of mining equipment	3,500	3,026
銷售物業	Sale of properties	2,407	–
銷售煤炭	Sale of coal	1,469	–
來自其他來源收入	Revenue from other sources		
租金收入總額	Gross rental income	2,344	1,697
公平值收益淨額：	Fair value gains, net:		
按公平值計入損益之 股本投資－持作買賣	Equity investments at fair value through profit or loss – held for trading	–	38
		201,152	20,553

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. 收入及其他收入及收益(續)

客戶合約收入的分解

截至二零一九年六月三十日止六個月

5. REVENUE AND OTHER INCOME AND GAINS (continued)

Disaggregation of revenue from contracts with customers

Six months ended 30 June 2019

分部	Segment	物業投資 及發展 Property investment and development (未經審核) (Unaudited) 千港元 HK\$'000	精礦貿易 Trading of mineral concentrates (未經審核) (Unaudited) 千港元 HK\$'000	煤炭開採 Coal mining (未經審核) (Unaudited) 千港元 HK\$'000	其他 Others (未經審核) (Unaudited) 千港元 HK\$'000	總計 Total (未經審核) (Unaudited) 千港元 HK\$'000
貨品及服務種類	Types of goods and services					
銷售精礦	Sale of mineral concentrates	-	191,432	-	-	191,432
銷售採礦設備零部件	Sale of parts of mining equipment	-	-	-	3,500	3,500
銷售物業	Sale of properties	2,407	-	-	-	2,407
銷售煤炭	Sale of coal	-	-	1,469	-	1,469
客戶合約收入總額	Total revenue from contracts with customers	2,407	191,432	1,469	3,500	198,808
地區市場	Geographical markets					
中國	The PRC	-	191,432	-	-	191,432
秘魯	Peru	2,407	-	1,469	3,500	7,376
客戶合約收入總額	Total revenue from contracts with customers	2,407	191,432	1,469	3,500	198,808
收入確認時間	Timing of revenue recognition					
在某一時點	At a point in time	2,407	191,432	1,469	3,500	198,808
在一段時間內	Over time	-	-	-	-	-
客戶合約收入總額	Total revenue from contracts with customers	2,407	191,432	1,469	3,500	198,808

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. 收入及其他收入及收益(續)

客戶合約收入的分解(續)

截至二零一八年六月三十日止六個月

5. REVENUE AND OTHER INCOME AND GAINS (continued)

Disaggregation of revenue from contracts with customers (continued)

Six months ended 30 June 2018

分部	Segment	精礦貿易 Trading of mineral concentrates (未經審核) (Unaudited) 千港元 HK\$'000	其他 Others (未經審核) (Unaudited) 千港元 HK\$'000	總計 Total (未經審核) (Unaudited) 千港元 HK\$'000
貨品及服務種類	Types of goods and services			
銷售精礦	Sale of mineral concentrates	15,792	–	15,792
銷售採礦設備零部件	Sale of parts of mining equipment	–	3,026	3,026
客戶合約收入總額	Total revenue from contracts with customers	15,792	3,026	18,818
地區市場	Geographical markets			
中國	The PRC	15,792	–	15,792
秘魯	Peru	–	3,026	3,026
客戶合約收入總額	Total revenue from contracts with customers	15,792	3,026	18,818
收入確認時間	Timing of revenue recognition			
在某一時點	At a point in time	15,792	3,026	18,818
在一段時間內	Over time	–	–	–
客戶合約收入總額	Total revenue from contracts with customers	15,792	3,026	18,818

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. 收入及其他收入及收益(續)

本集團之其他收入及收益分析如下：

5. REVENUE AND OTHER INCOME AND GAINS (continued)

An analysis of the Group's other income and gains is as follows:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
其他收入及收益	Other income and gains		
銀行利息收入	Bank interest income	797	8
其他利息收入	Other interest income	35	1
匯兌收益淨額	Net foreign exchange gains	4,403	—
管理費收入	Management fee income	1,201	—
出售物業、廠房及設備收益	Gain on disposal of property, plant and equipment	703	—
因按公平值計入損益之金融工具變動而產生的收益	Gain arising on change in financial instruments at fair value through profit or loss	4,285	—
其他	Others	50	208
		11,474	217

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. 經營業務虧損

本集團之經營業務虧損已經扣除／(計入)：

6. OPERATING LOSS

The Group's operating loss is arrived at after charging/(crediting):

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
		附註 Note	
僱員福利開支 (包括董事酬金)	Employee benefits expense (including directors' remuneration)	(i)	
薪金、工資及其他實物福利	Salaries, wages and other benefits in kind		12,587
退休福利計劃供款	Contributions to retirement benefits schemes		1,161
			13,748
其他無形資產攤銷	Amortisation of other intangible assets		
— 供應商合約	— supplier contract	(ii)	—
預付土地租賃款項攤銷	Amortisation of prepaid land lease payments		3,251
採礦權攤銷(計入銷售及 服務成本)	Amortisation of mining rights (included in cost of sales and services)		236
撥回預付款項、按金及其他 應收款項減值虧損	Reversal of impairment loss on prepayments, deposits and other receivables	(ii)	9
存貨成本確認為開支	Cost of inventories recognised as an expense		(883)
物業、廠房及設備之折舊	Depreciation of property, plant and equipment	(iii)	195,405
使用權資產之折舊	Depreciation of right-of-use assets		4,786
匯兌虧損淨額	Net foreign exchange losses		223
有關以下各項 之租賃開支：	Leases expense in respect of:		—
— 土地及樓宇	— Land and buildings		1,868
			143
投資物業租金收入總額	Gross rental income from investment properties		(2,344)
減：	Less:		(1,697)
期內帶來租金收入之投資物業 產生之直接經營開支	Direct operating expenses incurred for investment properties that generated rental income during the period		—
期內並無帶來租金收入之投資 物業產生之直接經營開支	Direct operating expenses incurred for investment properties that did not generate rental income during the period		—
			(2,344)
			(1,697)

附註：

- (i) 有關款項不包括為零港元(截至二零一八年六月三十日止六個月：2,023,000港元)之勘探及評估資產之資本化開支。僱員福利開支約562,000港元(截至二零一八年六月三十日止六個月：零港元)及13,186,000港元(截至二零一八年六月三十日止六個月：11,860,000港元)已分別計入銷售及服務成本以及行政費用。
- (ii) 該款項計入簡明綜合損益表之「其他經營支出—淨額」內。
- (iii) 有關款項不包括為零港元(截至二零一八年六月三十日止六個月：335,000港元)之勘探及評估資產之資本化開支。折舊約54,000港元(截至二零一八年六月三十日止六個月：零港元)、2,115,000港元(截至二零一八年六月三十日止六個月：3,332,000港元)及2,617,000港元(截至二零一八年六月三十日止六個月：6,100,000港元)已分別計入存貨成本、行政費用及其他經營支出—淨額。

Notes:

- (i) Amounts excluded expenses capitalised in exploration and evaluation assets of nil (six months ended 30 June 2018: HK\$2,023,000). Employee benefits expense of approximately HK\$562,000 (six months ended 30 June 2018: nil) and HK\$13,186,000 (six months ended 30 June 2018: HK\$11,860,000) were charged to cost of sales and services and administrative expenses respectively.
- (ii) Amounts are included in "Other operating expenses - net" in the condensed consolidated statement of profit or loss.
- (iii) Amounts excluded expenses capitalised in exploration and evaluation assets of nil (six months ended 30 June 2018: HK\$335,000). Depreciation of approximately HK\$54,000 (six months ended 30 June 2018: nil), HK\$2,115,000 (six months ended 30 June 2018: HK\$3,332,000) and HK\$2,617,000 (six months ended 30 June 2018: HK\$6,100,000) were charged to cost of inventories, administrative expenses and other operating expenses - net respectively.

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. 財務成本

財務成本分析如下：

7. FINANCE COSTS

An analysis of finance costs is as follows:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
須於五年內悉數償還之銀行及其他借貸利息	Interest on bank and other borrowings wholly repayable within five years	1,490	1,642
其他貸款之貸款安排費用	Loan arrangement fee for other loan	625	750
		2,115	2,392

8. 所得稅(抵免)／開支

香港利得稅乃根據期內於香港產生之估計應課稅溢利按16.5%(截至二零一八年六月三十日止六個月：16.5%)之稅率計提撥備。其他地區應課稅溢利之稅項乃按本集團經營業務所在司法權區之現行稅率計算。

8. INCOME TAX (CREDIT)/EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
即時－香港 期內開支	Current – Hong Kong Charge for the period	–	150
過往期間撥備過多	Over-provision in prior period	(6,531)	–
即時－其他地區 期內開支	Current – Elsewhere Charge for the period	1,039	–
過往期間撥備不足	Under-provision in prior period	–	88
遞延稅項開支	Deferred tax charge	110	166
期內稅項總(抵免)／開支	Total tax (credit)/expense for the period	(5,382)	404

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. 本公司擁有人應佔每股虧損

每股基本及攤薄虧損乃根據本公司擁有人應佔期內虧損及期內已發行普通股之加權平均數1,206,249,251股(截至二零一八年六月三十日止六個月: 1,045,399,967股)計算。

按以下各項計算每股基本及攤薄虧損:

9. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic and diluted loss per share is based on the loss for the period attributable to owners of the Company and the weighted average number of ordinary shares of 1,206,249,251 (six months ended 30 June 2018: 1,045,399,967) in issue during the period.

The calculations of basic and diluted loss per share are based on:

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
虧損	Loss		
用於計算每股基本及攤薄虧損之 本公司擁有人應佔虧損	Loss attributable to owners of the Company, used in the basic and diluted loss per share calculation	(2,734)	(26,319)
		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited)	二零一八年 2018 (未經審核) (Unaudited)
股份數目	Number of shares		
用於計算每股基本及攤薄虧損之 期內已發行普通股之加權平均數	Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculation	1,206,249,251	1,045,399,967

計算截至二零一八年六月三十日止六個月之每股攤薄虧損並無假設行使根據本公司之購股權計劃所授出之購股權有關的本公司潛在普通股，原因為其假設行使將具有反攤薄影響。本公司已於二零一八年八月註銷所有尚未行使購股權。

於二零一九年六月三十日，本公司並無任何潛在普通股。

The computation of diluted loss per share for the six months ended 30 June 2018 did not assume the exercise of the Company's potential ordinary shares relating to share options granted under the Company's share option scheme since their assumed exercise would have an anti-dilutive effect. The Company cancelled all outstanding share options in August 2018.

The Company had no potential ordinary shares in issue as at 30 June 2019.

10. 股息

董事不建議就截至二零一九年六月三十日止六個月派付中期股息(截至二零一八年六月三十日止六個月：無)。

11. 物業、廠房及設備及其他無形資產

截至二零一九年六月三十日止六個月，本集團購入物業、廠房及設備約59,000港元(截至二零一八年六月三十日止六個月：25,000港元)。賬面淨值為零港元之若干物業、廠房及設備項目已於截至二零一九年六月三十日止六個月以代價約703,000港元出售，導致收益約703,000港元。於二零一九年六月三十日，本集團賬面值約44,035,000港元(二零一八年十二月三十一日：44,178,000港元)之物業、廠房及設備已抵押作本集團銀行及一般融資之擔保，詳情載於簡明綜合財務報表附註17。

此外，截至二零一九年六月三十日止六個月，本集團添置其他無形資產約16,000港元(截至二零一八年六月三十日止六個月：3,207,000港元)。截至二零一九年及二零一八年六月三十日止六個月，概無出售其他無形資產。

10. DIVIDENDS

The directors do not recommend the payment of an interim dividend in respect of the six months ended 30 June 2019 (six months ended 30 June 2018: nil).

11. PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

During the six months ended 30 June 2019, the Group acquired property, plant and equipment amounting to approximately HK\$59,000 (six months ended 30 June 2018: HK\$25,000). Items of property, plant and equipment with net book value of nil were disposed of at consideration of approximately HK\$703,000 during the six months ended 30 June 2019, resulting in a gain of approximately HK\$703,000. As at 30 June 2019, the Group had property, plant and equipment with carrying amount of approximately HK\$44,035,000 (31 December 2018: HK\$44,178,000) pledged to secure banking and general facilities to the Group, details of which are included in note 17 to the condensed consolidated financial statements.

In addition, the Group had additions to other intangible assets amounting to approximately HK\$16,000 (six months ended 30 June 2018: HK\$3,207,000) during the six months ended 30 June 2019. No other intangible asset was disposed of for the six months ended 30 June 2019 and 2018.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. 投資物業

12. INVESTMENT PROPERTIES

		二零一九年 六月三十日 30 June 2019 (未經審核) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) 千港元 HK\$'000
於期／年初之賬面值	Carrying amount, beginning of the period/year	74,367	75,105
公平值調整產生的收益淨額	Net gain from fair value adjustment	162	885
匯兌調整	Exchange realignment	(39)	(1,623)
於期／年末之賬面值	Carrying amount, end of the period/year	74,490	74,367

於二零一九年六月三十日，本集團之投資物業經參考由獨立專業合資格估值師永利行評值顧問有限公司，按公開市場價值基準以直接比較法計算以及按樓面面積每單位市場價格之主要輸入數據進行的估值作出重新估值。

於二零一九年六月三十日，本集團賬面值為約39,187,000港元(二零一八年十二月三十一日：39,065,000港元)之若干投資物業已抵押作本集團獲授一般融資之擔保，詳情載於簡明綜合財務報表附註17。

The Group's investment properties were revalued on 30 June 2019 with reference to a valuation performed by RHL Appraisal Limited, an independent professional qualified valuer, on an open market value basis by direct comparison method with the major input being the market price per unit on floor area.

As at 30 June 2019, certain of the Group's investment properties with carrying amount of approximately HK\$39,187,000 (31 December 2018: HK\$39,065,000) were pledged to secure general facilities granted to the Group, details of which are included in note 17 to the condensed consolidated financial statements.

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

13. 按公平值計入其他全面收益之股本投資

13. EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

		二零一九年 六月三十日 30 June 2019 (未經審核) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) 千港元 HK\$'000
按公平值計量之上市股本投資 — 其他地區	Listed equity investment, at fair value – Elsewhere	168	508

該上市股本投資指於Latin Resources Limited (「LRS」，一間於澳洲證券交易所有限公司上市之公司)之股權。於二零一九年六月三十日，本集團持有LRS約30,699,000股(二零一八年十二月三十一日：30,699,000股)繳足普通股，相當於其已發行股本約1%(二零一八年十二月三十一日：1%)。

The listed equity investment represented equity interest in Latin Resources Limited (“LRS”, a company listed on Australian Securities Exchange Limited). As at 30 June 2019, the Group held approximately 30,699,000 (31 December 2018: 30,699,000) fully paid ordinary shares of LRS, representing approximately 1% (31 December 2018: 1%) of its issued share capital.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. 物業存貨

14. STOCK OF PROPERTIES

		二零一九年 六月三十日 30 June 2019 (未經審核) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) 千港元 HK\$'000
待售已完工物業	Completed properties for sale	1,866	3,411

15. 應收賬款

15. ACCOUNTS RECEIVABLE

		二零一九年 六月三十日 30 June 2019 (未經審核) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) 千港元 HK\$'000
應收賬款	Accounts receivable	2,692	2,524
減值	Impairment	(1,228)	(1,224)
		1,464	1,300

應收賬款一般於發票當日即時到期。一般而言需預先作出付款，惟信貸期一般為一個月，而來自本集團煤炭開採業務之若干客戶最多可延長至兩個月。本集團盡力維持對尚未收取之應收賬款及過期結餘嚴謹監控，並由高級管理層定期對其作出檢討，以減低信貸風險。應收賬款為不計息及主要以人民幣(「人民幣」)及秘魯索爾(「索爾」)計值。

Accounts receivable are usually due immediately from the date of billing. Payment in advance is normally required except the credit period is generally 1 month extending up to 2 months for certain customers from coal mining business of the Group. The Group seeks to maintain strict control over its outstanding receivables and overdue balances which are reviewed regularly by senior management to minimise credit risk. Accounts receivable are non-interest-bearing and mainly denominated in Renminbi ("RMB") and Peruvian Soles ("Soles").

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

15. 應收賬款(續)

於報告期末，按發票日期計算並扣除撥備之本集團應收賬款之賬齡分析如下：

		二零一九年 六月三十日 30 June 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) (Audited) 千港元 HK\$'000
一個月以內	Within 1 month	579	541
一至三個月	1 to 3 months	651	759
超過三個月	Over 3 months	234	-
		1,464	1,300

15. ACCOUNTS RECEIVABLE (continued)

An aged analysis of the Group's accounts receivable as at the end of the reporting period, based on invoice date and net of provisions, is as follows:

16. 應付賬款

於報告期末，按發票日期計算之本集團應付賬款之賬齡分析如下：

		二零一九年 六月三十日 30 June 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) (Audited) 千港元 HK\$'000
一個月以內	Within 1 month	47	1,340
一至三個月	1 to 3 months	1,503	679
超過三個月	Over 3 months	3,247	5,009
		4,797	7,028

16. ACCOUNTS PAYABLE

The following is an aged analysis of the Group's accounts payable as at the end of the reporting period, based on invoice date:

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. 計息銀行及其他借貸

17. INTEREST-BEARING BANK AND OTHER BORROWINGS

			二零一九年 六月三十日 30 June 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) (Audited) 千港元 HK\$'000
		附註 Note		
即期	Current			
銀行貸款—有抵押	Bank loan – secured	(i)	3,737	3,768
其他貸款—有抵押	Other loan – secured	(ii)	25,000	25,000
其他貸款—無抵押	Other loan – unsecured	(iii)	5,694	5,701
			34,431	34,469
非即期	Non-current			
銀行貸款—有抵押	Bank loan – secured	(ii)	623	2,512
			623	2,512
合計	Total		35,054	36,981
			二零一九年 六月三十日 30 June 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) (Audited) 千港元 HK\$'000
分析為：	Analysed into:			
須償還之銀行及其他借貸：	Bank and other borrowings repayable:			
– 一年內或按要求償還	– Within one year or on demand		34,431	34,469
– 第二年	– In the second year		623	2,512
			35,054	36,981

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. 計息銀行及其他借貸(續)

附註：

- (i) 於二零一九年六月三十日，本集團自秘魯當地銀行取得銀行貸款約558,000美元(「美元」)(或相等於約4,360,000港元)(二零一八年十二月三十一日：798,000美元(或相等於約6,280,000港元))，以為秘魯採礦項目撥資。該貸款以美元計值，按一年期倫敦銀行同業拆息加6.4厘(二零一八年十二月三十一日：一年期倫敦銀行同業拆息加6.4厘)之年利率計息及將於二零二零年八月屆滿。

該銀行貸款以本集團位於秘魯之若干物業、廠房及設備作抵押，其於二零一九年六月三十日之賬面總值約為44,035,000港元(二零一八年十二月三十一日：44,178,000港元)。

- (ii) 有抵押其他貸款乃為補充本集團之一般營運資金需求。有抵押其他貸款乃以港元計值，按每年8厘計息並須於二零二零年一月償還。

該貸款以本集團於二零一九年六月三十日賬面值約39,187,000港元(二零一八年十二月三十一日：39,065,000港元)之若干投資物業作抵押。

- (iii) 該無抵押其他貸款以人民幣計值，按年利率9.5厘計息並須按要求償還。

17. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

Notes:

- (i) As at 30 June 2019, the Group had a bank loan of approximately United States dollars ("USD") 558,000 or equivalent to approximately HK\$4,360,000 (31 December 2018: USD798,000 or equivalent to approximately HK\$6,280,000) from a local bank in Peru for financing its mining projects in Peru. The loan is denominated in USD, interest-bearing at annual rate of London Interbank Offered Rate ("LIBOR") plus 6.4% per annum (31 December 2018: annual rate of LIBOR plus 6.4% per annum) and will be expired in August 2020.

The bank loan is secured by certain of the Group's property, plant and equipment situated in Peru with aggregate carrying value of approximately HK\$44,035,000 (31 December 2018: HK\$44,178,000) as at 30 June 2019.

- (ii) The secured other loan is for facilitating the general working capital needs of the Group. The secured other loan is denominated in HK\$, interest-bearing at 8% per annum and will be repayable in January 2020.

The loan is secured by certain of the Group's investment properties with carrying value of approximately HK\$39,187,000 as at 30 June 2019 (31 December 2018: HK\$39,065,000).

- (iii) The unsecured other loan is denominated in RMB, bears interest at a rate of 9.5% per annum and repayable on demand.

18. 股本

18. SHARE CAPITAL

		股份數目		股本	
		Number of shares		Share capital	
		二零一九年 六月三十日 30 June 2019 (未經審核) (Unaudited)	二零一八年 十二月三十一日 31 December 2018 (經審核) (Audited)	二零一九年 六月三十日 30 June 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 十二月三十一日 31 December 2018 (經審核) (Audited) 千港元 HK\$'000
每股面值0.10港元之普通股	Ordinary shares of HK\$0.10 each				
法定	Authorised	25,000,000,000	25,000,000,000	2,500,000	2,500,000
已發行及繳足	Issued and fully paid	1,206,249,251	1,206,249,251	120,625	120,625

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

19. 未決訴訟

- 於二零一七年五月，本公司全資附屬公司莊勝(建材)有限公司(「莊勝(建材)」)向中國國際經濟貿易仲裁委員會(「仲裁委員會」)提出仲裁申請，就湖南泰基建材有限公司(本集團間接擁有60%權益之附屬公司，「湖南泰基」)之少數股東漣源鋼鐵集團有限公司(「漣源鋼鐵」)因自二零一三年九月一日起至二零一六年八月三十一日止期間用於生產的水渣供應(「水渣供應」)短缺導致溢利減少提出申索，(其中包括)未有根據湖南泰基之合營協議採購要求數額之水渣供應索取賠償約人民幣71,485,000元。

於二零一九年五月，莊勝(建材)收到仲裁委員會作出之裁決書(「裁決書」)，據此，(其中包括)漣源鋼鐵應向莊勝(建材)支付由二零一四年一月一日至二零一六年八月三十一日期間因供應不足之賠償人民幣30,097,000元(相當於約35,213,000港元)(「該賠償」)。然而，漣源鋼鐵未能根據裁決書於二零一九年六月九日前支付該賠償。莊勝(建材)向中國湖南省婁底市中級人民法院(「婁底市中級法院」)提交強制執行申請，該申請已於二零一九年七月二十九日獲法院接受。其後，漣源鋼鐵於二零一九年八月五日向北京市第四中級人民法院(「北京市中級法院」)提出要求撤回裁決書之申請。本集團已於二零一九年八月二十一日收到北京市中級法院之應訴通知書，據此，漣源鋼鐵作為原告要求撤回裁決書，而莊勝(建材)應承擔此次申請所產生之相關費用。

截至本中期報告日期，並無有關強制執行及撤回裁決書之進一步更新。與此同時，莊勝(建材)現正就自二零一六年九月一日起因供應不足所引起之可能賠償對漣源鋼鐵採取進一步行動尋求法律意見。

19. OUTSTANDING LITIGATION

- In May 2017, Junefield (Building Material) Limited (“JBM”), a wholly-owned subsidiary of the Company, filed an arbitral application with the China International Economics and Trade Arbitration Commission (“Arbitration Commission”) for claiming against 漣源鋼鐵集團有限公司(Lianyuan Steel Group Limited, “Lianyuan Steel”), the minority shareholder of Hunan Taiji Construction Material Co., Ltd. (the Group’s indirect 60%-owned subsidiary, “Hunan Taiji”), on the decrease of the profits due to the shortage of supply of granulated steel slag for production (“Steel Slag Supply”) for the period from 1 September 2013 to 31 August 2016 for compensation of approximately RMB71,485,000 on, inter alia, failing to procure the requested amount of Steel Slag Supply under Hunan Taiji’s joint venture agreement.

In May 2019, JBM received the arbitral award (“Arbitral Award”) made by the Arbitration Commission, pursuant to which, among others, Lianyuan Steel is liable to pay JBM a compensation for the supply shortfall for the period from 1 January 2014 to 31 August 2016 amounting to approximately RMB30,097,000 (equivalent to approximately HK\$35,213,000) (“Compensation”). However, Lianyuan Steel failed to pay the Compensation before 9 June 2019 pursuant to the Arbitral Award. JBM filed an application for mandatory execution with the Intermediate People’s Court of Loudi City, Hunan Province, the PRC (中國湖南省婁底市中級人民法院) (“Loudi Intermediate Court”) which was accepted on 29 July 2019. Subsequently, Lianyuan Steel lodged an application for requesting withdrawal of the Arbitral Award with the Fourth Intermediate People’s Court of Beijing, the PRC (北京市第四中級人民法院) (the “Beijing Intermediate Court”) on 5 August 2019. The Group received a notice of response to action (應訴通知書) from the Beijing Intermediate Court on 21 August 2019, pursuant to which Lianyuan Steel as the plaintiff requesting to withdraw the Arbitral Award and JBM shall bear the related costs arising from this application.

Up to the date of this interim report, there is no further update on the mandatory execution and the withdrawal of the Arbitral Award. Meanwhile, JBM is in the course of seeking legal advice on further action on possible compensation on the supply shortfall commenced from 1 September 2016 onward against Lianyuan Steel.

19. 未決訴訟(續)

2. 於二零一八年八月二十七日，本公司接獲北京市中級法院發出之應訴通知書，據此，原告(為擁有北京城建德信裝飾工程有限公司(「北京城建德信」)49%股權之股東)(其中包括)就二零一五年於中國強制解散北京城建德信(「強制解散」)的過程中償還若干債權人產生之經濟損失約人民幣4,400,000元及相關費用提出索賠。北京城建德信早前為本公司間接擁有51%股權之附屬公司，其業務為在中國提供裝修服務及進行機電工程。本公司於二零零九年十一月出售於華廈建築系統有限公司(「華廈建築系統」)之全部股權連同其於北京城建德信之51%股權。

在此情況下，原告對(1)華廈建築系統(作為第一被告)；(2)劉忠生先生(作為第二被告，為北京城建德信之法人代表及本公司前董事，其已於二零一五年三月辭任)；及(3)本公司(作為第三被告)索賠，彼等應共同及各別承擔責任。

根據於中國之法律顧問之意見，本公司及劉忠生先生(分別為華廈建築系統當時之最終實益擁有人及北京城建德信其中一名前董事)應無須就強制解散造成之不利後果承擔法律責任。根據上述法律意見，本公司將繼續對此案件進行抗辯，且本公司董事認為，索償可成功駁回。

截至本中期報告日期，尚未作出裁決。

3. 於二零一九年二月二十二日，莊勝(建材)獲湖南泰基告知接獲婁底市中級法院發出日期為二零一九年二月十二日之應訴通知書，據此，漣源鋼鐵(作為原告人)要求法院裁決，由於股東之長期糾紛，於湖南泰基合營協議終止前解散湖南泰基。

本案件已排期於二零一九年九月二十五日開庭進行聆訊。根據中國法律顧問之法律意見，本公司董事認為，該宗訴訟的裁決結果存在不明朗因素及不能合理肯定地估計。

19. OUTSTANDING LITIGATION (continued)

2. On 27 August 2018, the Company received a notice of response to action (應訴通知書) issued by the Beijing Intermediate Court, pursuant to which the plaintiff, being a 49%-equity owned shareholder of 北京城建德信裝飾工程有限公司 (Beijing Urban Construction Hudson Decoration Engineering Company Limited, "BJUC"), inter alia, claimed an economic loss of approximately RMB4,400,000 and the related costs arising from repayments to certain creditors during the process of mandatory dissolution of BJUC in the PRC in 2015 ("Mandatory Dissolution"). BJUC is a former indirectly 51%-owned subsidiary of the Company which engaged in the provision of decoration services, electrical and mechanical work in the PRC. The Company disposed the entire equity interests in Huaxia Construction Limited ("HCL") together with its 51% equity interest in BJUC in November 2009.

In this case, the plaintiff claimed against (1) HCL as the first defendant, (2) Mr. Liu Zhongsheng as the second defendant, being the legal representative of BJUC and a former director of the Company who resigned in March 2015; and (3) the Company as the third defendant with joint and several liabilities.

Based on the advice from the legal advisors in the PRC, both the Company and Mr. Liu Zhongsheng, being the then ultimate beneficial owner of HCL and one of the former directors of BJUC respectively, should not be liable to the adverse consequences caused by the Mandatory Dissolution. Subject to the aforesaid legal advice, the Company will proceed to oppose the case and the directors of the Company are of the opinion that the claim could be successfully declined.

Up to the date of this interim report, the ruling has not been given yet.

3. On 22 February 2019, JBM was informed by Hunan Taiji that a notice of response to action (應訴通知書) dated 12 February 2019 from the Loudi Intermediate Court was received, pursuant to which Lianyuan Steel, as plaintiff, requesting a court judgement to dissolve Hunan Taiji prior to the termination of Hunan Taiji's joint venture agreement due to the prolonged shareholders' disputes.

The court hearing of this case has been scheduled to be held on 25 September 2019. Based on the legal opinion of the legal advisors in the PRC, the directors of the Company are of the opinion that the outcome of the ruling of this litigation is uncertain and cannot be estimated with reasonable certainty.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

20. 資本承擔

於二零一九年六月三十日，本集團並無重大資本承擔(二零一八年十二月三十一日：無)。

21. 資產抵押

於二零一九年六月三十日，本集團已將賬面值分別為約44,035,000港元(二零一八年十二月三十一日：44,178,000港元)及39,187,000港元(二零一八年十二月三十一日：39,065,000港元)之若干物業、廠房及設備及投資物業抵押予銀行及其他放貸人以取得信貸。有關本集團計息銀行及其他借貸之詳情，載於簡明綜合財務報表附註17。

22. 關連方交易

除簡明綜合財務報表其他部份所披露者外，本集團於期內與關連方進行以下重大交易：

(a) 與關連方進行之重大交易

20. CAPITAL COMMITMENTS

As at 30 June 2019, the Group had no significant capital commitments (31 December 2018: nil).

21. CHARGE OF ASSETS

As at 30 June 2019, certain of the Group's property, plant and equipment and investment properties with carrying amounts of approximately HK\$44,035,000 (31 December 2018: HK\$44,178,000) and HK\$39,187,000 (31 December 2018: HK\$39,065,000) respectively have been pledged to bank and other lender to secure loan facilities. Details of the Group's interest-bearing bank and other borrowings are included in note 17 to the condensed consolidated financial statements.

22. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the condensed consolidated financial statements, the Group had the following material transactions with related parties during the period:

(a) Significant transactions with related parties

			截至六月三十日止六個月 Six months ended 30 June	
			二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
		附註 Note		
Ecuamining Mineral S.A. (「Ecuamining Mineral」)收取之佣金	Commission charged by Ecuamining Mineral S.A. ("Ecuamining Mineral")	(i)	-	118
向莊勝(集團)有限公司 (「莊勝(集團)」)支付之管理費	Management fees paid to Junefield (Holdings) Limited ("JHL")	(ii)	540	540
向新絲路文旅有限公司 (「新絲路」)支付之管理費	Management fees paid to New Silkroad Culturaltainment Limited ("New Silkroad")	(iii)	708	-
向新華聯國際投資有限公司 (「新華聯國際投資」)收取之管理費收入	Management fees income from Macrolink International Investment Co. Ltd. ("Macrolink International Investment")	(iii)	1,201	-
向新華聯南方控股有限公司 (「新華聯南方控股」)支付租金開支	Rental expenses paid to Macrolink Southern Holdings Limited ("Macrolink Southern Holdings")	(iii)	63	-

22. 關連方交易(續)

(a) 與關連方進行之重大交易(續)

附註：

- (i) 龍拓有限公司(「龍拓」)(本公司之間接全資附屬公司)與Ecuamining Mineral訂立採購代理協議。據此，龍拓同意委任及Ecuamining Mineral同意擔任其於厄瓜多爾之採購代理以促使供應精礦或其相關產品，為期兩年。採購協議已於二零一九年一月屆滿。Ecuamining Mineral為於厄瓜多爾註冊成立之公司並由周建和先生(「周先生」，本公司一位執行董事周建人先生之近親)最終全資擁有。周先生亦為本公司之前任主席及執行董事，於二零一八年八月二十二日辭任。
- (ii) 莊勝(集團)於二零一八年七月二十六日前為本公司之最終控股公司。自二零一八年七月二十六日起，莊勝(集團)成為本集團之關連公司。周先生實益擁有莊勝(集團)。每月之管理費由訂約雙方共同協定。
- (iii) 傅軍先生(本公司之主席及執行董事)於新絲路、新華聯國際投資及新華聯南方控股持有實益權益。管理費、管理費收入及租金支出由訂約雙方共同協定。

上述關連方交易根據上市規則第14A.76條被視為符合最低豁免水平的交易。

(b) 給予本集團之主要管理人員之補償

22. RELATED PARTY TRANSACTIONS (continued)

(a) Significant transactions with related parties (continued)

Notes:

- (i) Like Top Corporation Limited ("Like Top"), an indirect wholly-owned subsidiary of the Company, entered into the sourcing agent agreement with Ecuamining Mineral, pursuant to which Like Top agreed to appoint and Ecuamining Mineral agreed to act as sourcing agent of Like Top to procure the supply of the mineral concentrates or its related products in Ecuador for a term of two years. The sourcing agreement expired in January 2019. Ecuamining Mineral is a company incorporated in Ecuador and is ultimately wholly-owned by Mr. Zhou Chu Jian He ("Mr. Zhou"), a close family member of Mr. Zhou Jianren (an executive director of the Company). Mr. Zhou is also the former chairman and executive director of the Company who resigned on 22 August 2018.
- (ii) JHL was the ultimate holding company of the Company prior to 26 July 2018. Since 26 July 2018, JHL has become a related company to the Group. Mr. Zhou has beneficial interest in JHL. The monthly management fees were mutually agreed between the contracting parties.
- (iii) Mr. Fu Kwan, the chairman and an executive director of the Company, has beneficial interest in New Silkroad, Macrolink International Investment and Macrolink Southern Holdings. The management fees, the management fees income and the rental expenses were mutually agreed between the contracting parties.

The above related party transactions were regarded as de minimis transactions under Rule 14A.76 of the Listing Rules.

(b) Compensation of key management personnel of the Group

		截至六月三十日止六個月 Six months ended 30 June	
		二零一九年 2019 (未經審核) (Unaudited) 千港元 HK\$'000	二零一八年 2018 (未經審核) (Unaudited) 千港元 HK\$'000
短期僱員福利	Short term employee benefits	1,866	1,320
離職福利	Post-employment benefits	52	9
已付主要管理人員之補償總額	Total compensation paid to key management personnel	1,918	1,329

上述關連方交易並無構成上市規則第14A章項下之關連交易或持續關連交易。

The above related party transactions do not constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

23. 金融工具之公平值計量

管理層評估，現金及現金結餘、應收賬款、包括在預付款項、按金及其他應收款項的金融資產、應收關連公司款項、應付賬款、包括在其他應付款項及應計負債之金融負債、計息銀行及其他借貸及應付關連公司款項之公平值與其賬面值相若，主要由於該等工具之到期日較短。

金融資產及負債之公平值按當前交易中雙方自願進行交換有關工具之金額入賬，強制或清盤出售除外。用於估計公平值之方法及假設如下：

按公平值計入其他全面收益(「按公平值計入其他全面收益」)之金融資產及按公平值計入損益(「按公平值計入損益」)之金融負債乃以市場報價為基礎。本公司之董事認為估值方法所得之估計公平值(記入簡明綜合財務狀況表)及相關公平值變動(記入簡明綜合其他全面收益表作為按公平值計入其他全面收益之股本投資及記入簡明綜合損益表作為按公平值計入損益之金融負債)屬合理，並認為有關價值為報告期末最合適之價值。

其公平值於簡明綜合財務報表計量或披露之資產及負債均按對其公平值計量整體而言屬重大之最低層輸入參數按公平值等級(見以下描述)分類：

- 第一級 - 根據相同資產或負債於活躍市場的報價(未調整)
- 第二級 - 根據對公平值計量而言屬重大之可觀察(直接或間接)最低層輸入參數之估值方法
- 第三級 - 根據對公平值計量而言屬重大之不可觀察最低層輸入參數之估值方法

23. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash balances, accounts receivable, financial assets included in prepayments, deposits and other receivables, amounts due from related companies, accounts payable, financial liabilities included in other payables and accruals, interest-bearing bank and other borrowings and amounts due to related companies approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The financial assets at fair value through other comprehensive income ("FVTOCI") and financial liabilities at fair value through profit or loss ("FVTPL") are based on quoted market prices. The directors of the Company believe that the estimated fair values resulting from the valuation technique, which are recorded in the condensed consolidated statement of financial position, and the related changes in fair values, which are recorded in condensed consolidated statement of other comprehensive income for equity investments at FVTOCI and in condensed consolidated statement of profit or loss for financial liabilities at FVTPL are reasonable, and that they were the most appropriate values at the end of the reporting period.

All assets and liabilities for which fair value is measured or disclosed in the condensed consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 - based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

簡明綜合財務報表附註(續)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

23. 金融工具之公平值計量(續)

公平值分級

下表列示本集團金融工具之公平值計量分級。

按公平值計量之資產

	第一級 Level 1 千港元 HK\$'000	第二級 Level 2 千港元 HK\$'000	第三級 Level 3 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零一九年六月三十日： As at 30 June 2019:				
按公平值計入其他全面收益 之股本投資－上市股本投資	168	–	–	168
Equity investments at FVTOCI – Listed equity investment				
	第一級 Level 1 千港元 HK\$'000	第二級 Level 2 千港元 HK\$'000	第三級 Level 3 千港元 HK\$'000	總計 Total 千港元 HK\$'000

於二零一八年十二月三十一日 As at 31 December 2018 (audited):
(經審核)：

按公平值計入其他全面收益 之股本投資－上市股本投資	508	–	–	508
Equity investments at FVTOCI – Listed equity investment				

按公平值計量之負債

Liabilities measured at fair value

	第一級 Level 1 千港元 HK\$'000	第二級 Level 2 千港元 HK\$'000	第三級 Level 3 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零一九年六月三十日： As at 30 June 2019:				
按公平值計入損益之金融負債 －衍生品投資	727	–	–	727
Financial liabilities at FVTPL – Derivative investments				

截至二零一九年六月三十日止六個月及截至二零一八年十二月三十一日止年度，並無第一級與第二級間之公平值計量轉撥，亦無轉入或轉出第三級。

During the six months ended 30 June 2019 and the year ended 31 December 2018, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

24. 批准未經審核簡明綜合財務報表

未經審核簡明綜合財務報表已於二零一九年八月二十九日獲董事會批准及授權刊發。

24. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed consolidated financial statements were approved and authorised for issue by the Board on 29 August 2019.

財務回顧

截至二零一九年六月三十日止六個月，本集團錄得收入約201,152,000港元，較去年同期之20,553,000港元大幅增加878.69%。收入增加主要由於持續擴充含電解鎳精礦貿易業務之業務規模所致。於回顧期內，本集團之毛利為5,201,000港元（截至二零一八年六月三十日止六個月：4,495,000港元）。本公司擁有人應佔綜合虧損約為2,734,000港元（截至二零一八年六月三十日止六個月：26,319,000港元），較去年同期大幅減少約89.61%，主要由於(a)本集團於回顧期內確認其他收入及收益約11,474,000港元（截至二零一八年六月三十日止六個月：217,000港元）、(b)本集團於回顧期內就本公司間接擁有之附屬公司湖南泰基之物業、廠房及設備錄得折舊開支約2,789,000港元（截至二零一八年六月三十日止六個月：6,328,000港元），及(c)撥回所得稅撥備6,531,000港元（截至二零一八年六月三十日止六個月：無）。每股基本及攤薄虧損為0.23港仙（截至二零一八年六月三十日止六個月：2.52港仙）。

業務回顧

精礦貿易業務

由二零一八年下半年起，精礦貿易業務分部主要經營兩大方面：(1)自厄瓜多爾及秘魯採購精礦（主要為黃金及銅精礦）並將其出口至中國客戶；及(2)在俄羅斯採購精礦（品牌電解鎳），並將其出口至中國客戶。

憑藉管理層的業務關係及背景，本集團透過抓緊鎳產品之潛力，得以擴展其精礦業務之規模。於本回顧期內，本集團就鎳之貿易總量約超過1,800噸，本集團確認有關收入約為183,759,000港元（截至二零一八年六月三十日止六個月：無）。此新收入流讓本集團可透過該業務分部多元化發展至其他礦產品，加強其收入基礎。

FINANCIAL REVIEW

During the six months period ended 30 June 2019, the Group recorded revenue of approximately HK\$201,152,000, representing a significant increase of 878.69% over HK\$20,553,000 of the corresponding period last year. The increase in revenue was mainly attributable to the continued expansion in business scale of the mineral concentrates trading business with nickel cathodes. The Group's gross profit during the period under review was HK\$5,201,000 (six months ended 30 June 2018: HK\$4,495,000). The consolidated loss attributable to owners of the Company was approximately HK\$2,734,000 (six months ended 30 June 2018: HK\$26,319,000), representing a significant decrease of 89.61% over the same period last year, which was primarily attributable to (a) the Group recognized other income and gains of approximately HK\$11,474,000 during the current period under review (six months ended 30 June 2018: HK\$217,000), (b) the Group recorded depreciation charge of approximately HK\$2,789,000 relating to property, plant and equipment of the Company's indirectly-owned subsidiary, Hunan Taiji, during the period under review (six months ended 30 June 2018: HK\$6,328,000) and (c) there was a reversal of provision of income tax of HK\$6,531,000 (six months ended 30 June 2018: nil); Basic and diluted loss per share were HK cents 0.23 (six months ended 30 June 2018: HK cents 2.52).

OPERATION REVIEW

Trading of mineral concentrates business

Starting from the second half of 2018, the trading of mineral concentrates business segment principally operates in two main aspects: (1) sourcing mineral concentrates (mainly gold and copper concentrates) from Ecuador and Peru and exporting them to the customers in the PRC and (2) sourcing mineral concentrates (branded electrolytic nickel cathodes) from Russia and exporting them to the customers in the PRC.

Leveraging on the business relationship and background of the management, the Group achieved to continue expanding its mineral concentrates business scale by exploring the potential in nickel products. During the current period under review, the Group was able to trade an aggregate volume of approximately more than 1,800 tons of nickel, with a revenue of approximately HK\$183,759,000 (six months ended 30 June 2018: nil) being recognized by the Group. This new revenue stream enables the Group to strengthen its revenue base with diversification into other mineral products in this business segment.

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另一方面，於回顧期內，精礦貿易業務分部之其他產品表現未如理想，主要由於自採購協議於二零一九年一月屆滿後，厄瓜多爾唯一採購代理不再向本集團提供採購服務所致。同時，因該地區採購業競爭持續激烈，導致在秘魯精礦市場之採購極為欠佳。於回顧期內，本集團僅能錄得收入約7,673,000港元（截至二零一八年六月三十日止六個月：15,792,000港元），較去年同期大幅下跌51.41%。於回顧期內，精礦貿易業務錄得分部虧損約306,000港元（截至二零一八年六月三十日止六個月：利潤約309,000港元）。

證券投資

於回顧期內，香港及中國證券市場仍然存在高度不明朗因素及波動。因此，本集團管理層議決採納保守方向，不就該業務分部作出任何新投資。

建築材料業務

湖南泰基於中國從事製造及銷售礦渣粉業務，於其唯一供應商於二零一六年三月發出書面通知暫停水渣供應後，自二零一六年八月起暫停生產及自二零一六年八月起並無錄得任何營業額。於回顧期內，本集團確認分部虧損約6,817,000港元（截至二零一八年六月三十日止六個月：13,644,000港元），較去年同期減少50.04%。為了本集團、湖南泰基及其少數股東之最佳利益，本集團爭取與湖南泰基少數股東磋商，以尋求恢復湖南泰基生產之可能性，並不時尋求任何可行的解決方案。有鑑於唯一供應商為湖南泰基之少數股東的關連方，本集團認為，由於原材料於可見將來仍然暫停供應，故湖南泰基會否恢復生產仍屬未知之數。應湖南泰基之少數股東的要求，中國湖南省婁底市中級人民法院（「婁底市中級法院」）於二零一九年二月向湖南泰基發出應訴通知書，由於兩個合營方之間長期發生糾紛，要求在湖南泰基合營協議於二零二一年終止前解散湖南泰基。

On the other hand, during the period under review, the trading of mineral concentrates business segment in other products performed unsatisfactorily, since the sole sourcing agent in Ecuador no longer provided sourcing services to the Group with the expiry of the sourcing agreement in January 2019. Meanwhile, the sourcing of mineral concentrates market in Peru is far from satisfactory due to the continued keen competition in sourcing in this region. During the period under review, the Group was only able to record the revenue of approximately HK\$7,673,000 (six months ended 30 June 2018: HK\$15,792,000), representing a significant decrease of 51.41% compared to the same period last year. During the current period under review, the business of trading mineral concentrates recorded a segment loss of approximately HK\$306,000 (six months ended 30 June 2018: gain of approximately HK\$309,000).

Securities investments

During the current period under review, the securities markets in Hong Kong and the PRC are still vulnerable to a high level of uncertainty and volatility. As such, the management of the Group resolved to adopt a conservative approach and did not make any new investments in this business segment.

Construction material business

Hunan Taiji, engaging in manufacture and sale of slag powder business in the PRC, has being in suspension of production since August 2016 after its sole supplier served a written notice to suspend the Steel Slag Supply in March 2016. There was no turnover generated since August 2016. During the period under review, the Group recognized a segment loss of approximately HK\$6,817,000 (six months ended 30 June 2018: HK\$13,644,000), representing a decrease of 50.04% compared to the same period last year. For the best interests of the Group, Hunan Taiji and its minority shareholder, the Group has been pursuing on the negotiations with the minority shareholder of Hunan Taiji on the possibility for the resumption of Hunan Taiji's production and seeking out any feasible solution from time to time. In view of the sole supplier is a related party of the minority shareholder of Hunan Taiji, the Group believes that the resumption of production of Hunan Taiji remains uncertain due to the suspension of the supply of raw materials in the foreseeable future. In February 2019, at the request of the minority shareholder of Hunan Taiji, a notice of response to action (應訴通知書) was served to Hunan Taiji from the Intermediate People's Court of Loudi City, Hunan Province, the PRC (中國湖南省婁底市中級人民法院) ("Loudi Intermediate Court") requesting to dissolve Hunan Taiji prior to the termination of the joint venture agreement of Hunan Taiji in 2021 due to the prolonged disputes between the two joint venturers.

於二零一九年五月，本集團收到由仲裁委員會作出之裁決書，據此，湖南泰基之少數股東應於二零一九年六月九日前向本集團支付由二零一四年一月一日至二零一六年八月三十一日期間因供應不足之該賠償約人民幣30,097,000元（相當於約35,213,000港元）。然而，湖南泰基之少數股東並無按裁決書支付該賠償，故本集團向婁底市中級法院提出申請強制執行，並已於二零一九年七月二十九日獲接納。於二零一九年五月作出裁決書後，湖南泰基之少數股東於二零一九年八月五日向北京市中級法院提出要求撤回裁決書之申請。本集團已於二零一九年八月二十一日收到北京市中級法院之應訴通知書。

煤炭開採業務

本集團現時於秘魯擁有兩個煤礦，其中一個已於二零一八年八月起正式投產（「新煤礦」），而另一個現時已停產（「停產煤礦」）。於回顧期內，該業務分部錄得收入約1,469,000港元（截至二零一八年六月三十日止六個月：無），亦錄得分部虧損約729,000港元（截至二零一八年六月三十日止六個月：1,975,000港元），較去年同期下降約63.09%。

由於新煤礦之產量落後於初期規劃，而所產生之收入不足以支持其營運成本，因此，本集團預期，其於二零一九年下半年將會繼續發生虧損。儘管如此，一旦新煤礦有利可圖或產生正現金流量，本集團將會考慮恢復停產煤礦之營運及發展其他煤礦。

物業投資及發展

於北京之投資物業

於回顧期內，來自出租中國北京物業之租金收入約為2,344,000港元（截至二零一八年六月三十日止六個月：1,697,000港元），較去年同期上升38.13%。該等位於北京之投資物業亦就重估錄得公平值收益約162,000港元（截至二零一八年六月三十日止六個月：1,158,000港元）。本集團預期現時持有之該等位於北京之投資物業將繼續產生穩定之租金收入及可把握其升值潛力。

於秘魯之物業發展

於回顧期內，因售出秘魯餘下兩個物業其中的一個，本集團錄得營業額約2,407,000港元（截至二零一八年六月三十日止六個月：無）。本集團將致力於二零一九年下半年出售餘下的一項物業。

In May 2019, the Group received the Arbitral Award made by the Arbitration Commission, pursuant to which the minority shareholder of Hunan Taiji is liable to pay the Compensation for the supply shortfall for the period from 1 January 2014 to 31 August 2016 amounting to approximately RMB30,097,000 (equivalent to approximately HK\$35,213,000) to the Group before 9 June 2019. However, the minority shareholder of Hunan Taiji failed to pay the Compensation according to the Arbitral Award and then the Group filed an application for mandatory execution with the Loudi Intermediate Court which was accepted on 29 July 2019. After the Arbitral Award being granted in May 2019, the minority shareholder of Hunan Taiji lodged an application for requesting withdrawal of the Arbitral Award with the Beijing Intermediate Court on 5 August 2019. The Group received a notice of response to action from the Beijing Intermediate Court on 21 August 2019.

Coal mining business

Currently, there are two coal mines in Peru with one of them being under progress for formal production starting from August 2018 (the "New Coal Mine") and another one is currently under suspension (the "Suspended Coal Mine"). During the period under review, this business segment recorded revenue of approximately HK\$1,469,000 (six months ended 30 June 2018: nil) and a segment loss of approximately HK\$729,000 (six months ended 30 June 2018: HK\$1,975,000), representing a decrease of approximately 63.09% as compared to the same period last year.

Since the production volume of the New Coal Mine is lagged behind from the initial planning and the revenue generated is unable to support its operating costs, the Group expects that it will continue to incur loss in the second half of 2019. Nevertheless, the Group will consider to resume production for the Suspended Coal Mine and the development of other mines once the New Coal Mine would be profitable or generates positive cash flow.

Property investment and development

Investment properties in Beijing

During the period under review, the rental income from property leasing in Beijing, the PRC was approximately HK\$2,344,000 (six months ended 30 June 2018: HK\$1,697,000), representing an increase of 38.13% compared to the same period last year. These investment properties in Beijing also recorded fair value gains of approximately HK\$162,000 (six months ended 30 June 2018: HK\$1,158,000) in respect of the revaluation. The Group expects these investment properties in Beijing currently held on hand will keep generating a stable rental income stream and capture potential appreciation.

Property development in Peru

During the period under review, thanks to the sale of one of the remaining two property units in Peru, the Group recorded turnover of approximately HK\$2,407,000 (six months ended 30 June 2018: nil). The Group will strive to sell the remaining property unit in the second half of 2019.

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展望

本集團將持續鞏固與供應商之合作，發展鎳及其他潛在產品貿易以鞏固我們的核心業務，擴大業務領域並擴闊收入基礎。本集團也將於出現商機時拓展中國境內貿易業務，以加強全方位的業務定位。

此外，持續秉承價值投資的理念，董事會亦將進一步謹慎並周全地關注及發展本集團在國內及海外的投資及其他業務拓展機會，善用資金擴展業務領域。配合本集團的投資戰略，憑藉本公司控股股東的營商經驗及支援，管理層矢志把握及創造貿易、證券及其他潛在業務的商機，為股東及本集團帶來長遠而可觀的回報。

流動資金及財務資源

本集團的財務狀況穩健，擁有雄厚的權益及營運資金基礎。於二零一九年六月三十日，本集團之總權益約為250,244,000港元（二零一八年十二月三十一日：259,867,000港元），較二零一八年十二月三十一日輕微下降3.70%。於二零一九年六月三十日，本集團之流動比率為1.54（二零一八年十二月三十一日：1.61）。本集團於二零一九年六月三十日之資產負債比率（總計息銀行及其他借貸與總資產之比率）為0.09（二零一八年十二月三十一日：0.09）。

本集團之借貸並無特定季節性模式。於二零一九年六月三十日，本集團之有抵押銀行貸款、有抵押其他貸款及無抵押其他貸款分別為4,360,000港元（二零一八年十二月三十一日：6,280,000港元）、25,000,000港元（二零一八年十二月三十一日：25,000,000港元）及5,694,000港元（二零一八年十二月三十一日：5,701,000港元）。有抵押銀行貸款乃以美元（「美元」）計值，按一年期倫敦銀行同業拆息加6.4厘之年利率計息及將於二零二零年八月屆滿。有抵押其他貸款乃以港元計值及按每年8厘計息，其償還日期為二零二零年一月三日。無抵押其他貸款以人民幣計值及按每年9.5厘計息，並須按要求償還。

於二零一九年六月三十日，本集團主要以港元、美元、人民幣及索爾計值之現金及銀行結餘合共約為58,556,000港元（二零一八年十二月三十一日：100,901,000港元）。

OUTLOOK

The Group will continue to foster its cooperation with supplier to develop the trading of nickel and other potential products so as to strengthen our core businesses, expand our business scope, and broaden our revenue base. The Group will also develop trading business in China to strengthen its all-round business positioning once business opportunities arise.

In addition, by continuing to adhere to the principle of investing in value, the Board will further cautiously and carefully focus on and develop the Group's investments and other business development opportunities at home and abroad, and make good use of funds to expand its business scope. In line with the Group's investment strategy and leveraging on the business experience and support from the Company's controlling shareholder, the management is committed to grasping and creating business opportunities in the trading, securities and other potential businesses with a view to bringing long-term and substantial returns to the shareholders and the Group.

LIQUIDITY AND FINANCIAL RESOURCES

The financial position of the Group is sound with strong equity and working capital bases. As at 30 June 2019, the Group's total equity amounted to approximately HK\$250,244,000 (31 December 2018: HK\$259,867,000), representing a slight decrease of 3.70% compared with that as at 31 December 2018. The Group's current ratio as at 30 June 2019 was 1.54 (31 December 2018: 1.61). The Group's gearing ratio, expressed as a ratio of total interest-bearing bank and other borrowings to total assets as at 30 June 2019, was 0.09 (31 December 2018: 0.09).

The Group had no particular seasonal pattern of borrowing. As at 30 June 2019, the Group had secured bank loan, secured other loan and unsecured other loan amounting to HK\$4,360,000 (31 December 2018: HK\$6,280,000), HK\$25,000,000 (31 December 2018: HK\$25,000,000) and HK\$5,694,000 (31 December 2018: HK\$5,701,000), respectively. The secured bank loan is denominated in United States dollars ("USD"), interest-bearing at an annual rate of London Interbank Offered Rate plus 6.4% per annum and will expire in August 2020. The secured other loan is denominated in HK\$, interest-bearing at 8% per annum and its repayment date is 3 January 2020. The unsecured other loan is denominated in RMB and interest-bearing at 9.5% per annum and repayable on demand.

As at 30 June 2019, the Group's cash and bank balances totaled approximately HK\$58,556,000 (31 December 2018: HK\$100,901,000), which were mainly denominated in HK\$, USD, RMB and Soles.

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於二零一九年六月三十日，本集團擁有銀行及其他融資合共約34,040,000港元（二零一八年十二月三十一日：35,948,000港元），並擁有可供提取而尚未動用之銀行及其他融資約4,680,000港元（二零一八年十二月三十一日：4,668,000港元）。

經考慮以上各項，管理層有信心，本集團將有足夠資源於債務到期時償還有關債務，以及為其日常營運及資本開支提供資金。然而，本集團於其流動資金管理方面仍將審慎行事。

資本及集團結構

於當前回顧期間內，本公司之已發行股本及本集團之結構並無任何變動。於二零一九年六月三十日，本公司之已發行普通股數目為1,206,249,251股。

資本及租賃承擔

於二零一九年六月三十日，本集團並無重大資本承擔（二零一八年十二月三十一日：無）。有關一年內不可撤銷租賃之租金付款約為140,000港元（二零一八年十二月三十一日：156,000港元）。

財資政策

本集團繼續對其財資政策採取保守態度，並專注於風險管理及與本集團相關業務有直接關係的交易。於回顧期間內，本集團之業務活動主要以港元、美元、人民幣及索爾計值。本集團並無採納任何貨幣對沖政策或訂立任何外匯衍生工具產品。然而，董事會及管理層將會繼續監察外匯風險，並考慮在有需要時就貨幣風險採取若干對沖措施。

資產抵押

於二零一九年六月三十日，本集團已將賬面值分別約44,035,000港元（二零一八年十二月三十一日：44,178,000港元）及39,187,000港元（二零一八年十二月三十一日：39,065,000港元）之若干物業、廠房及設備及投資物業抵押予銀行及其他貸款人以取得銀行及貸款融資。

As at 30 June 2019, the Group had aggregate banking and other facilities of approximately HK\$34,040,000 (31 December 2018: HK\$35,948,000) and had unutilised banking and other facilities of approximately HK\$4,680,000 (31 December 2018: HK\$4,668,000) available for drawdown.

Taking into above into account, the management is confident that the Group will have adequate resources to settle its debt as they fall due and finance its daily operational and capital expenditures. However, the Group will remain cautious in its liquidity management.

CAPITAL AND GROUP STRUCTURE

During the current period under review, there have been no change in the issued share capital of the Company and in the structure of the Group. As at 30 June 2019, the Company's number of issued ordinary shares was 1,206,249,251.

CAPITAL AND LEASE COMMITMENTS

As at 30 June 2019, the Group had no significant capital commitments (31 December 2018: nil). Rental payment under non-cancellable lease amounted to approximately HK\$140,000 within one year (31 December 2018: HK\$156,000).

TREASURY POLICIES

The Group continued to adopt a conservative approach with respect to treasure and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group. During the period under review, the business activities of the Group were mainly denominated in HK\$, USD, RMB and Soles. The Group has not adopted any currency hedging policy and entered into any currency derivative products. However, the Board and the management will continue to monitor the foreign currency exchange exposure and will consider adopting certain hedging measures against currency risk when necessary.

CHARGE OF ASSETS

As at 30 June 2019, certain of the Group's property, plant and equipment and investment properties with carrying amount of approximately HK\$44,035,000 (31 December 2018: HK\$44,178,000) and HK\$39,187,000 (31 December 2018: HK\$39,065,000) respectively have been pledged to bank and other lender to secure bank and loan facilities.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

員工及薪酬

於二零一九年六月三十日，本集團合共有約144名僱員(二零一八年十二月三十一日：180名)，其中大部份為香港、中國及秘魯僱員。本集團聘用之僱員數目不定，視乎行業需要而定，而彼等之薪酬乃根據按照業內慣例而制定之聘用條款釐定。本集團實行其薪酬政策，並根據本集團及其僱員之表現獎勵酌情花紅。本集團提供社會及醫療保險以及退休金等福利以確保其具有競爭力。

發行可換股債券之所得款項用途

發行可換股債券之實際所得款項淨額(經扣除相關開支約1,250,000港元)約為98,750,000港元。下表載列於二零一八年七月二十六日發行可換股債券之所得款項淨額擬定用途以及截至二零一九年六月三十日為止之使用情況：

STAFF AND REMUNERATION

The Group had 144 employees in total as at 30 June 2019 (31 December 2018: 180) mainly in Hong Kong, the PRC and Peru. The number of workers employed by the Group varies from time to time depending on the industry need and they are remunerated under the employment terms which are based on industry practice. The Group implemented its remuneration policy and discretionary bonus based on the performance of the Group and its employees. The Group provides benefits such as social and medical insurance and pensions to ensure its competitiveness.

USE OF PROCEEDS FROM ISSUE OF CONVERTIBLE BONDS

The actual net proceeds from the issue of convertible bonds, after deduction of related expenses of approximately HK\$1,250,000, amounted to approximately HK\$98,750,000. The below table sets out proposed application of net proceeds from the issue of the convertible bonds on 26 July 2018, and usage up to 30 June 2019:

		所得款項淨額 的建議用途 Proposed application of net proceeds 百萬港元 HK\$ million	截至二零一九年 六月三十日為止 之實際使用情況 Actual usage up to 30 June 2019 百萬港元 HK\$ million
維持證券投資業務	Maintaining the securities investments business	41.5	–
維持精礦貿易業務	Maintaining the trading of mineral concentrates business	32.5	30.7
償還借款(附註1)	Repayment of borrowings (Note 1)	14.8	–
一般營運資金	General working capital	9.9	9.9
總計(附註2)	Total (Note 2)	98.7	40.6

附註：

1. 誠如本公司日期為二零一八年六月二十九日之通函內董事會函件「發行可換股債券之所得款項用途以及理由及裨益」一節所述，本集團擬將發行可換股債券之所得款項淨額之約15%用於償還本集團借款。

為充分利用現有貸款融資及更加善用本集團財政資源，以促進本集團未來的長遠發展，董事會已調整其財務策略。因此，原先計劃用於償還本集團借款的14,800,000港元已全數撥至用於其他潛在投資機會(包括鎳期貨交易)。

2. 於二零一九年六月三十日，所得款項淨額中有待用於具體用途之未動用金額合共58,100,000港元。本公司擬於二零二零年底前全數動用餘下之該等所得款項淨額。

Notes:

1. As set out in the section headed “Use of proceeds and reasons for and benefits of the issue of the convertible bonds” in the letter from the Board for the circular of the Company dated 29 June 2018, the Group intended to use approximately 15% of the net proceeds from the issue of the convertible bonds, for the repayment of borrowings of the Group.

In order to make use of the existing loan facilities and better utilize its financial resources of the Group for the purpose of enhancing future development of the Group in a long-run, the Board has adjusted its financial strategy. As such, the HK\$14.8 million originally planned for the repayment of the Group’s borrowings has been wholly re-allocated to amount set aside for the other potential investment opportunities, including trading of nickel futures.

2. The unutilized amount of net proceeds set aside for the purposes specified totalled HK\$58.1 million as at 30 June 2019. The Company intends to fully utilize such remaining net proceeds by the end of 2020.

未決訴訟

未決訴訟之詳情載於簡明綜合財務報表附註19。

OUTSTANDING LITIGATION

Details of outstanding litigation are set out in note 19 to the condensed consolidated financial statements.

董事及主要行政人員於證券之權益

於二零一九年六月三十日，本公司董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第352條須記錄在本公司保存之登記冊或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須通知本公司與聯交所之權益及淡倉如下：

好倉－本公司每股面值0.10港元之普通股

董事姓名	個人權益	法團權益	總權益	佔本公司已發行股本百分比 Percentage of the Company's issued share capital
Name of directors	Personal interest	Corporate interest	Total interests	
傅軍先生 Mr. Fu Kwan	4,500,000	870,145,473 (附註1) (Note 1)	874,645,473	72.51%
陳躍先生 Mr. Chan Yeuk	100,000	—	100,000	0.01%

附註1：該870,145,473股股份乃由新華聯集團有限公司持有，新華聯集團有限公司由君立實業投資有限公司擁有42.05%。傅軍先生擁有君立實業投資有限公司已發行股本之70%權益。

Note 1: These 870,145,473 shares are held by Macrolink Group Limited which is owned as to 42.05% by Truly Industry Investment Company Limited. Mr. Fu Kwan owns 70% of the issued share capital of Truly Industry Investment Company Limited.

附註2：於二零一九年六月三十日，本公司之已發行股本為1,206,249,251股股份。

Note 2: As at 30 June 2019, the issued share capital of the Company is 1,206,249,251 shares.

除上文所披露者外，於二零一九年六月三十日，就本公司董事及主要行政人員所知，概無任何其他人士於本公司及其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券擁有根據證券及期貨條例第352條記錄在本公司保存之登記冊或根據標準守則須通知本公司與聯交所之權益及淡倉。

Save as disclosed above, as at 30 June 2019, so far as is known to the directors and chief executives of the Company, no other person had interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were recorded in the register as required to be kept by the Company under section 352 of the SFO or as otherwise pursuant to the Model Code, notified to the Company and the Stock Exchange.

購股權計劃

一項購股權計劃(「購股權計劃」)已根據本公司股東於二零零九年六月二十九日通過之書面決議案而採納。

於二零一八年八月，因接納所作出之強制性現金要約而註銷購股權計劃下之全部尚未行使購股權。購股權計劃已於二零一九年六月二十九日屆滿。

董事購入股份或債券之權利

於本回顧期間內任何時間，任何董事或彼等各自之配偶或十八歲以下子女概無獲授任何權利，可藉收購本公司股份或債券而獲取利益，而彼等亦無行使任何該等權利。本公司或其任何控股公司及附屬公司概無訂立任何安排，致使董事可在任何其他法人團體獲取上述權利。

董事

於本回顧期間直至本中期報告之日止之本公司董事如下：

執行董事

傅軍先生(主席)
張建先生
張必書先生
劉靜女士
陳躍先生
周建人先生

獨立非執行董事

林聞深先生
曹貺予先生
張嘉偉先生

SHARE OPTION SCHEME

A share option scheme (the “Share Option Scheme”) was adopted pursuant to the resolution passed by the shareholders of the Company on 29 June 2009.

In August 2018, all the outstanding share options under the Share Option Scheme were cancelled as a result of the acceptance of mandatory cash offer made. The Share Option Scheme expired on 29 June 2019.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the current period under review were rights to acquire benefits by means of the acquisition of shares or debentures of the Company granted to any director or their respective spouse or children under age of 18, or were any such rights exercised by them, or was the Company, or any of its holding companies and subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

DIRECTORS

The directors of the Company during the current period under review and up to the date of this interim report were:

Executive Directors

Mr. Fu Kwan (*Chairman*)
Mr. Zhang Jian
Mr. Zhang Bishu
Ms. Liu Jing
Mr. Chan Yeuk
Mr. Zhou Jianren

Independent Non-executive Directors

Mr. Lam Man Sum, Albert
Mr. Cao Kuangyu
Mr. Cheung Ka Wai

中期股息

董事會並不建議派付截至二零一九年六月三十日止六個月之中期股息(截至二零一八年六月三十日止六個月：無)。

審核委員會

審核委員會由三名本公司獨立非執行董事組成，已於二零一九年八月二十九日與本公司管理層討論本集團採納之會計原則及常規、內部監控、風險管理及財務報告事宜。審核委員會亦已審閱並與管理層討論本集團截至二零一九年六月三十日止六個月之未經審核簡明綜合財務報表。

薪酬委員會

薪酬委員會於二零零五年七月十五日成立，由三名本公司獨立非執行董事張嘉偉先生(薪酬委員會主席)、林聞深先生及曹貺予先生組成。

提名委員會

提名委員會於二零一三年三月二十九日成立，由兩名本公司執行董事傅軍先生(提名委員會主席)，張建先生及三名本公司獨立非執行董事林聞深先生、曹貺予先生及張嘉偉先生組成。

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2019 (six months ended 30 June 2018: nil).

AUDIT COMMITTEE

The Audit Committee, which comprises three independent non-executive directors of the Company, has discussed with the management of the Company on the accounting principles and practices adopted by the Group, internal controls, risk management and financial reporting matters on 29 August 2019. The Audit Committee has also reviewed and discussed with the management about the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2019.

REMUNERATION COMMITTEE

The Remuneration Committee was established on 15 July 2005, which currently comprises three independent non-executive directors of the Company, namely Mr. Cheung Ka Wai (chairman of the Remuneration Committee), Mr. Lam Man Sum, Albert and Mr. Cao Kuangyu.

NOMINATION COMMITTEE

The Nomination Committee was established on 29 March 2013, which currently comprises two executive directors of the Company, namely Mr. Fu Kwan (chairman of the Nomination Committee), Mr. Zhang Jian and three independent non-executive directors of the Company, namely Mr. Lam Man Sum, Albert, Mr. Cao Kuangyu and Mr. Cheung Ka Wai.

企業管治守則

董事認為，於截至二零一九年六月三十日止六個月，本公司一直遵守上市規則附錄十四所載的企業管治守則（「企業管治守則」）內的守則條文，惟以下偏離守則條文第E.1.2條及A.6.7條除外並解釋如下：

- 根據企業管治守則守則條文第E.1.2條規定，董事會主席應出席股東週年大會。董事會主席因其他業務安排並未能出席本公司於二零一九年六月十一日舉行之股東週年大會（「股東週年大會」）。審核委員會主席、薪酬委員會主席及提名委員會之若干委員均出席股東週年大會，以回答股東問題。
- 根據企業管治守則守則條文第A.6.7條，獨立非執行董事應出席股東大會，對股東的意見有公正的了解。於本期間內，獨立非執行董事並無全部出席股東週年大會。本公司日後將會儘早訂定股東大會日期並給予通知，以確保獨立非執行董事於未來能夠出席股東大會。

董事進行證券交易

本公司已採納標準守則作為董事進行證券交易之自身操守守則。本公司已就所有董事是否一直遵守標準守則作出具體查詢，而所有董事確認彼等於截至二零一九年六月三十日止六個月一直遵守標準守則所載之規定標準。

購買、出售或贖回本公司上市證券

於回顧期內，本公司並無贖回其任何股份，而本公司及其任何附屬公司概無購買或出售本公司任何股份。

承董事會命
主席
傅軍

香港，二零一九年八月二十九日

CORPORATE GOVERNANCE CODE

In the opinion of the directors, the Company had complied with the code provisions set out in the Corporate Governance Code (“CG Code”) as contained in Appendix 14 to the Listing Rules during the six months ended 30 June 2019, save as the deviation from code provisions, E.1.2 and A.6.7 which is explained as follows:

- Under code provision E.1.2 of the CG Code, the Chairman of the Board should attend the annual general meeting. The Chairman of the Board did not attend the annual general meeting of the Company held on 11 June 2019 (“AGM”) due to other business engagement. The chairman of the Audit Committee, the chairman of the Remuneration Committee and certain members of the Nomination Committee were present at the AGM to answer the shareholders’ questions.
- Under code provision A.6.7 of the CG Code, independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. During the current period, not all the independent non-executive directors attend the AGM. The Company will finalize and inform the dates of the general meetings as earliest as possible to make sure that the independent non-executive directors can attend the general meetings in future.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding the directors’ securities transactions. The Company has made specific enquiry of all directors whether they have complied with the Model Code and all directors confirmed that they have complied with the required standard set out in the Model Code for the six months ended 30 June 2019.

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

During the period under review, the Company has not redeemed any of its shares and neither the Company nor any of its subsidiaries has purchased or sold any of the Company’s shares.

By Order of the Board
Fu Kwan
Chairman

Hong Kong, 29 August 2019



Macrolink Capital Holdings Limited
新華聯資本有限公司