



中國疏浚環保控股有限公司

China Dredging Environment Protection Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：871

Interim Report 中期報告 2020





目錄 Contents

- 2 Corporate Information
公司資料
- 4 Definition
釋義
- 6 Group Chart
集團架構
- 7 Management Discussion and Analysis
管理層討論及分析
- 15 Disclosure of Interests and Other Information
權益披露及其他資料
- 22 Condensed Consolidated Statement of Profit
or Loss and Other Comprehensive Income
簡明綜合損益及其他全面收益表
- 23 Condensed Consolidated Statement of
Financial Position
簡明綜合財務狀況表
- 25 Condensed Consolidated Statement of
Changes in Equity
簡明綜合權益變動表
- 26 Condensed Consolidated Statement of
Cash Flows
簡明綜合現金流量表
- 28 Notes to the Condensed Consolidated
Financial Statements
簡明綜合財務報表附註

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors:

Mr. Liu Kaijin (*Chairman*)
 Mr. Wu Bin (*Vice Chairman*) (resigned on
 31 March 2020)
 Mr. Wu Xuze (*Chief Executive Officer*)
 Ms. Zhou Shuhua

Independent Non-Executive Directors:

Mr. Huan Xuedong
 Mr. Chan Ming Sun Jonathan
 Mr. Liang Zequan

AUDIT COMMITTEE

Mr. Chan Ming Sun Jonathan (*Chairman*)
 Mr. Huan Xuedong
 Mr. Liang Zequan

REMUNERATION COMMITTEE

Mr. Liang Zequan (*Chairman*)
 Mr. Huan Xuedong
 Mr. Chan Ming Sun Jonathan

NOMINATION COMMITTEE

Mr. Liu Kaijin (*Chairman*)
 Mr. Chan Ming Sun Jonathan
 Mr. Liang Zequan

AUTHORISED REPRESENTATIVES

Mr. Liu Kaijin
 Ms. Wong Kwan Lai

COMPANY SECRETARY

Ms. Wong Kwan Lai

LEGAL ADVISORS

Chungs Lawyers (as to Hong Kong Law)
 Zhong Lun Law Firm (as to PRC Law)

董事會

執行董事：

劉開進先生(主席)
 伍斌先生(副主席)(於二零二零年
 三月三十一日辭任)
 吳旭澤先生(行政總裁)
 周淑華女士

獨立非執行董事：

還學東先生
 陳銘樂先生
 梁澤泉先生

審核委員會

陳銘樂先生(主席)
 還學東先生
 梁澤泉先生

薪酬委員會

梁澤泉先生(主席)
 還學東先生
 陳銘樂先生

提名委員會

劉開進先生(主席)
 陳銘樂先生
 梁澤泉先生

授權代表

劉開進先生
 黃君麗女士

公司秘書

黃君麗女士

法律顧問

鍾氏律師事務所(香港法律顧問)
 中倫律師事務所(中國法律顧問)

Corporate Information 公司資料

AUDITOR

Moore Stephens CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditors

PRINCIPAL BANKERS

Bank of Jiangsu Co., Ltd. Yancheng Branch
Agricultural Bank of China Limited, Yancheng Branch
China Construction Bank (Asia) Corporation Limited

REGISTERED ADDRESS

Cricket Square, Hutchins Drive,
P.O. Box 2681, Grand Cayman KY1-1111,
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS

The People's Republic of China:
7/F, Shengzhou Tower, 39 Xindu West Road,
Yandu District, Yancheng City,
Jiangsu Province, the PRC

Hong Kong:
Rooms 1501-2, 15/F,
Siu On Plaza,
482 Jaffe Road,
Causeway Bay, Hong Kong

PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited

BRANCH SHARE REGISTRAR

Tricor Investor Services Limited

STOCK CODE

871

WEBSITE

www.cdep.com.hk

核數師

大華馬施雲會計師事務所有限公司
註冊會計師
註冊公眾利益實體核數師

主要往來銀行

江蘇銀行股份有限公司鹽城分行
中國農業銀行股份有限公司鹽城分行
中國建設銀行(亞洲)股份有限公司

註冊地址

Cricket Square, Hutchins Drive,
P.O. Box 2681, Grand Cayman KY1-1111,
Cayman Islands

總部及主要營業地點

中華人民共和國：
中國江蘇省
鹽城市鹽都區
新都西路39號盛州大廈七樓

香港：
香港銅鑼灣
謝斐道482號
兆安廣場
15樓1501-2室

主要股份登記處

Conyers Trust Company (Cayman) Limited

股份登記分處

卓佳證券登記有限公司

股份代號

871

網站

www.cdep.com.hk

Definition

釋義

<p>“Audit Committee” 「審核委員會」</p>	<p>the audit committee of the Company 本公司審核委員會</p>
<p>“Board” 「董事會」</p>	<p>the board of Directors 董事會</p>
<p>“CG Code” 「企業管治守則」</p>	<p>the code provisions as contained in “Corporate Governance Code and Corporate Governance Report” set out in Appendix 14 to the Listing Rules (as amended from time to time), which are adopted (with modification) by the Board as its corporate governance code 上市規則附錄十四所載的「企業管治守則及企業管治報告」中所列的守則條文(經不時修訂), 董事會已附加修訂採用作為其企業管治守則</p>
<p>“Company”/“China Dredging ENV” 「本公司」/「中國疏浚環保」</p>	<p>China Dredging Environment Protection Holdings Limited 中國疏浚環保控股有限公司</p>
<p>“Contractual Arrangements” 「合約安排」</p>	<p>a series of contracts, pursuant to which all economic benefits and risks arising from the business of Jiangsu Xingyu are transferred to Xiangyu PRC, details of which were set out in the prospectus of the Company dated 8 June 2011 一系列合約, 據此江蘇興宇的業務中產生的一切經濟利益及風險均轉撥至翔宇中國, 詳情載於本公司日期為二零一一年六月八日的招股章程</p>
<p>“Director(s)” 「董事」</p>	<p>director(s) of the Company 本公司董事</p>
<p>“Group” 「本集團」</p>	<p>the Company and its subsidiaries 本公司及其附屬公司</p>
<p>“HK\$” 「港元」</p>	<p>Hong Kong dollars, the lawful currency of Hong Kong 港元, 香港法定貨幣</p>
<p>“Jiangsu Xingyu”/ “PRC Operational Entity” 「江蘇興宇」/「中國經營實體」</p>	<p>Jiangsu Xingyu Holdings Group Limited* (formerly known as Jiangsu Xingyu Port Construction Company Limited*), a wholly-owned subsidiary of the Company 江蘇興宇控股集團有限公司(前稱江蘇興宇港建有限公司), 本公司一間全資附屬公司</p>
<p>“Listing Rules” 「上市規則」</p>	<p>Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) 聯交所證券上市規則(經不時修訂)</p>
<p>“Model Code” 「標準守則」</p>	<p>Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (as amended from time to time) 上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(經不時修訂)</p>

Definition 釋義

“Mr. Liu” 「劉先生」	Mr. Liu Kaijin, chairman and an executive Director (who is the spouse of Ms. Zhou) 主席兼執行董事劉開進先生(為周女士之配偶)
“Ms. Zhou” 「周女士」	Ms. Zhou Shuhua, an executive Director (who is the spouse of Mr. Liu) 執行董事周淑華女士(為劉先生之配偶)
“Nomination Committee” 「提名委員會」	the nomination committee of the Company 本公司提名委員會
“PRC” 「中國」	the People’s Republic of China 中華人民共和國
“Remuneration Committee” 「薪酬委員會」	the remuneration committee of the Company 本公司薪酬委員會
“Reporting Period” 「報告期間」	the six months ended 30 June 2020 截至二零二零年六月三十日止六個月
“RMB” 「人民幣」	Renminbi, the lawful currency of the PRC 人民幣·中國法定貨幣
“SFO” 「證券及期貨條例」	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) (as amended from time to time) 香港法例第571章證券及期貨條例(經不時修訂)
“Shareholder(s)” 「股東」	shareholder(s) of the Company 本公司股東
“Share(s)” 「股份」	ordinary share(s) of the Company 本公司之普通股
“Share Option Scheme” 「購股權計劃」	the share option scheme approved by Shareholders on 24 May 2011 股東於二零一一年五月二十四日批准之購股權計劃
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Xiangyu PRC” 「翔宇中國」	Jiangsu Xiangyu Port Constructing Project Administration Co. Ltd.*, a wholly-owned subsidiary of the Company 江蘇翔宇港建工程管理有限公司·本公司一間全資附屬公司

* For identification purpose only
僅供識別

Management Discussion and Analysis

管理層討論及分析

OVERVIEW

The Group is primarily engaged in dredging business, which can be divided into three main operating and reportable segments, namely, (i) capital and reclamation dredging business (“CRD Business”); (ii) environmental protection dredging and water management business (“EPD and Water Management Business”); and (iii) other works operated in marine sites (“Other Marine Business”). In addition, the Group has set up property management business in respect of the management of Xingyu International Houseware Plaza* (興宇國際家居廣場) (formerly known as Easyhome Yancheng Shopping Mall* 居然之家鹽城店) (the “Property Management Business”).

During the Reporting Period, the Group recorded a net loss of approximately RMB73.7 million, as compared to a net loss of approximately RMB25.3 million for the first half of the year 2019. The Company recorded a loss attributable to its shareholders of approximately RMB74.1 million for the Reporting Period.

BUSINESS REVIEW

The CRD Business is the Group’s core business. During the Reporting Period, the Group continuously explored overseas markets and actively undertook several dredging projects in Bangladesh, Cambodia and Thailand. The decrease in revenue generated by such business segment was due to: (1) for the domestic construction projects, the outbreak of the COVID-19 in mainland China since January 2020, which directly led to the operation of the construction projects being completely halted; and (2) for the overseas construction projects, apart for the pandemic’s impact on mainland China, including the restriction on the movements of personnel and supplies which resulted in multiple interruptions and long-term suspension of construction, the key operation and maintenance personnel for the overseas projects, who were sent from mainland China, being restricted from travelling due to the pandemic. Further, when the outbreak in mainland China came under control, the pandemic in overseas began to grow, resulting in the restriction on the personnel from China to come to the overseas construction sites and the restriction on supplies, as well as the various control and restrictions imposed by the governments of the countries and districts in which the projects are situated.

The EPD and Water Management Business segment is a business that the Group proactively expands and develops. The Group recorded a decrease in revenue during the Reporting Period, which was due to the slow progress in implementing certain environmental protection dredging projects.

概覽

本集團主要致力於疏浚業務，相關的業務可分為三個主要營運及呈報分部，即(i)基建及填海疏浚業務(「基建及填海疏浚業務」)；(ii)環保疏浚及水務管理業務(「環保疏浚及水務管理業務」)；及(iii)海上操作的其他工程(「其他海事業務」)。此外，本集團就管理興宇國際家居廣場(前稱居然之家鹽城店)而設立的物業管理業務(「物業管理業務」)。

於報告期間，本集團錄得淨虧損約人民幣73,700,000元，而二零一九年上半年則錄得淨虧損約人民幣25,300,000。本公司於報告期間錄得股東應佔虧損約人民幣74,100,000元。

業務回顧

基建及填海疏浚業務為本集團的核心業務。於報告期間，本集團繼續拓展海外市場，積極於孟加拉、柬埔寨及泰國開展多個疏浚項目。該業務分部所產生之收益下降，此乃由於：(一)國內工程，直接受制於國內自二零二零年一月起二零一九年冠狀病毒疾病爆發，令工程項目全面停頓；(二)海外工程，既受制於國內疫情影響，具體包括人員流動和物資流動受限均已導致工程多次中斷和長期停工，由於海外項目部的施工骨幹和故障維修人員均由國內派遣，國內疫情爆發，該等人員出入境受限；又受制於國內疫情控制後的海外疫情爆發，包括國內人員進入海外工地的限制和物資流通的限制，以及項目所在國家和地區政府諸多管控措施。

環保疏浚及水務管理業務分部為本集團積極開拓發展的業務。由於若干環保疏浚項目推進進度放緩，以致本集團於報告期間收益減少。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Other Marine Business refers to services including installation of wind power generation equipment, bulk material hoisting and installation in dock and bridge construction, underwater pipeline installation and other engineering services. Due to the rapid development of the marine wind power constructions in mainland China, the Group will build a 2,300-tonned self-propelled fixed-crane vessel with a total investment cost of RMB230 million, which is expected to be delivered by the end of April next year, in order to grasp more such business opportunities.

The name of Easyhome Yancheng Shopping Mall was changed to Xingyu International Houseware Plaza in April this year. The plaza is located in the core area of Yancheng National High-tech Industrial Development Zone of the government administration centre of Yandu District, Yancheng City, Jiangsu Province, the PRC with a gross floor area of 75,600 square meters and used for commercial leasing under the Property Management business, is a large scale shopping centre themed on home building materials which mainly provides customers with “one-stop” services for items such as furniture, household products and furnishing and decoration materials. Currently, Xingyu International Houseware Plaza has approximately 47 tenants, including renowned home furnishing brands M&Z Furniture (掌上明珠), Landbond Minim (聯邦米尼), Arrow Dingzhi (箭牌定制), Huashifu (華師傅) and Telonang (泰隆祥). Although the revenue of dredging businesses was seriously affected by the COVID-19, the impact on the rental income of the plaza was minimal.

In addition to the operation and lease of the houseware plaza, the Group also commenced to construct a hotel with a gross floor area of 20,000 square metres located at the west of Caihong Road, Yancheng City, Jiangsu Province. The related construction work of the hotel has not yet completed because of the funding issue of the Group.

業務回顧(續)

其他海事業務，即包括海上風電設備的安裝、港口碼頭和橋梁建設大件吊裝、水下管線鋪設及其他工程服務。由於目前國內海上風電建設發展迅速，為了在風電建設市場抓住更多商機，本集團透過融資方案打造一艘2,300噸固定臂式自航起重船，總投資人民幣2.3億元，預期於明年四月底交付。

居然之家鹽城店於今年4月份改名為興宇國際家居廣場，該廣場位於中國江蘇省鹽城市鹽都區行政中心和鹽城國家高新技術產業開發區核心地段，總建築面積達7.56萬平方米，用於物業管理業務之商業租賃，主要為顧客提供傢俱、家居用品及裝潢裝飾材料等「一站式」服務的大型家居建材主題購物中心。目前，興宇國際家居廣場約有47個租戶，其中包括著名家居品牌商戶掌上明珠、聯邦米尼、箭牌定制、華師傅及泰隆祥等。雖然疏浚業務受二零一九年冠狀病毒疾病疫情影響嚴重，但對家居廣場的租務則影響輕微。

除經營商場租務外，本集團於江蘇省鹽城市彩虹路西側區建設一家總建築面積約2萬平方米的酒店，因本集團資金原因相關建造目前仍未完成。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue

During the Reporting Period, the Group recorded a revenue of approximately RMB119.9 million, representing a decrease of 55.7% as compared with approximately RMB270.4 million in the corresponding period of 2019.

Regarding the CRD Business segment, the revenue generated during the Reporting Period was approximately RMB29.0 million which represented a decrease of 64.0% from the corresponding segment's revenue in the corresponding period of 2019. The decrease in revenue for the CRD Business segment was primarily due to the successive outbreak of the COVID-19 in mainland China and overseas, which led to the operation of the construction projects being slowed down or even halted, and resulted in the decrease in the revenue.

Regarding the EPD and Water Management Business segment, the revenue generated during the Reporting Period was approximately RMB3.3 million which represented a decrease of 88.8% as compared with the corresponding segment's revenue in the same period of 2019. The decrease in revenue for the Reporting Period was due to the slow progress of certain environmental protection dredging projects resulting from the outbreak of the COVID-19.

Other Marine Business contributed a revenue of approximately RMB83.4 million to the Group for the Reporting Period, which represented a decrease of 46.4% as compared with the corresponding segment's revenue in the same period of 2019. The decrease in revenue was mainly due to the outbreak of the COVID-19.

The revenue of the Property Management Business for the Reporting Period was approximately RMB4.1 million, which represented a decrease of 9.4% as compared with approximately RMB4.6 million in the corresponding period of 2019.

Operating costs and gross profit

The Group's operating costs decreased by 43.9% from approximately RMB240.0 million for the six months ended 30 June 2019 to approximately RMB134.5 million for the Reporting Period. Such decrease was mainly due to the decrease in business volume.

The Group recorded a gross loss of approximately RMB14.6 million for the Reporting Period as compared with a gross profit of RMB30.5 million for the six months ended 30 June 2019.

財務回顧

收益

於報告期間，本集團錄得收益約人民幣119,900,000元，較二零一九年同期約人民幣270,400,000元下降55.7%。

於報告期間，基建及填海疏浚業務分部錄得收益約人民幣29,000,000元，較二零一九年同期相應分部收益減少64.0%。基建及填海疏浚業務分部收益減少乃主要由於二零一九年冠狀病毒疾病疫情在國內和國外相繼爆發帶來的連續影響，令相關工程項目相繼減慢進度或甚至停頓，進而導致收入減少。

於報告期間，環保疏浚及水務管理業務分部錄得收益約人民幣3,300,000元，較二零一九年同期相應分部收益減少88.8%，收益減少乃由於某些環保疏浚項目因受二零一九年冠狀病毒疾病影響而令推進進度受阻所致。

其他海事業務於報告期間錄得收益約人民幣83,400,000元，較二零一九年同期減少46.4%，收益減少乃主要由於因受二零一九年冠狀病毒疾病影響，導致營業收入減少。

於報告期間的物業管理業務收入約人民幣4,100,000元，較二零一九年同期約人民幣4,600,000元減少9.4%。

營運成本及毛利

本集團營運成本由截至二零一九年六月三十日止六個月約人民幣240,000,000元減少至報告期間約人民幣134,500,000元，減幅達43.9%，主要由於業務量減少所致。

本集團於報告期間錄得毛損約人民幣14,600,000元，而截至二零一九年六月三十日止六個月則錄得毛利約人民幣30,500,000元。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Operating costs and gross profit (Continued)

The segment gross loss margin of CRD Business increased from 1.3% for the six months ended 30 June 2019 to 115.1% for the Reporting Period, which was mainly due to the successive outbreak of the COVID-19 in mainland China and overseas, which has caused the operation of the construction projects being slowed down or even halted, resulting in the decline in the revenue and gross profit margin for this business segment.

The segment gross profit margin of EPD and Water Management Business for the Reporting Period was 23.5% which was lower than 34.7% for the corresponding period last year.

The segment gross profit margin of Other Marine Business decreased from 4.1% for the six months ended 30 June 2019 to 2.1% for the Reporting Period, which was due to the outbreak of the COVID-19 during the Reporting Period.

The segment gross profit margin of the Property Business increased from 31.4% for the six months ended 30 June 2019 to 38.7% for the Reporting Period.

As a result, the overall gross profit margin of the Group turned from 11.3% for the six months ended 30 June 2019 to the overall gross loss margin of 12.1% for the Reporting Period.

Other income

Other income decreased from approximately RMB1.2 million for the six months ended 30 June 2019 to approximately RMB0.1 million for the Reporting Period, which was mainly due to the decrease in the bank interest income for the Reporting Period.

Marketing and promotion expenses

Marketing and promotion expenses for the Reporting Period was approximately RMB2.6 million, which is nearly the same as that for the corresponding period last year.

Administrative expenses

Administrative expenses of the Group for the Reporting Period amounted to approximately RMB27.5 million, representing an increase of 5.0% from approximately RMB26.2 million for the six months ended 30 June 2019.

財務回顧(續)

營運成本及毛利(續)

報告期間的基建及填海疏浚業務的分部毛損率由截至二零一九年六月三十日止六個月的1.3%上升至115.1%，此乃主要由於二零一九年冠狀病毒疾病疫情在國內和國外相繼爆發帶來的連續影響，令相關工程項目收入較大幅度減少，導致該業務分部收入和毛利率均下降。

報告期間的環保疏浚及水務管理業務的分部毛利率為23.5%，較去年同期的34.7%有所下跌。

報告期間的其他海事業務的分部毛利率由截至二零一九年六月三十日止六個月的4.1%下降至2.1%，主要由於受二零一九年冠狀病毒疾病影響，導致該業務分部的毛利率下降所致。

報告期間的物業管理業務的分部毛利率為38.7%，較去年同期的31.4%有所上升。

因此，本集團的整體毛利率由截至二零一九年六月三十日止六個月的毛利率11.3%轉為報告期間的毛損率12.1%。

其他收入

報告期間，其他收入由截至二零一九年六月三十日止六個月的約人民幣1,200,000元減少至約人民幣100,000元，主要是由於報告期間的銀行利息收入減少。

市場推廣及宣傳開支

於報告期間的市場推廣及宣傳開支約為人民幣2,600,000元，與去年同期相若。

行政開支

本集團的行政開支由截至二零一九年六月三十日止六個月的約人民幣26,200,000元增加5.0%至報告期間的約人民幣27,500,000元。

Management Discussion and Analysis 管理層討論及分析

FINANCIAL REVIEW (Continued)

Finance costs

Finance costs was approximately RMB25.9 million for the Reporting Period, which is nearly the same as that for the corresponding period last year.

Income tax expense

Income tax expense decreased from approximately RMB2.1 million for the corresponding period in 2019 to approximately RMB0.5 million for the Reporting Period.

Loss for the period

As a combined effect of the above, the loss for the Reporting Period was approximately RMB73.7 million, representing an increase of 191.8% as compared with a loss of approximately RMB25.3 million for the same period in 2019.

Loss per share

Loss per share for the Reporting Period was about RMB0.042 per share (2019: about RMB0.015).

Financial position

As at 30 June 2020, total equity of the Group amounted to approximately RMB1,484.0 million (31 December 2019: approximately RMB1,563.2 million).

The Group's net current liabilities as at 30 June 2020 amounted to approximately RMB352.0 million (31 December 2019: approximately RMB283.2 million). The current ratio, which is calculated by dividing current assets by current liabilities as at 30 June 2020 was 0.70 (31 December 2019: 0.76).

Liquidity and financial resources

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and improve the usage efficiency of funds, the Group's treasury activities are centralised and cash is generally deposited with banks and denominated mostly in Renminbi and Hong Kong dollars.

Included in net current assets were cash and various bank deposits totaling approximately RMB26.0 million as at 30 June 2020 (31 December 2019: RMB12.6 million).

財務回顧 (續)

融資成本

報告期間的融資成本約人民幣25,900,000元，與去年同期相若。

所得稅開支

所得稅開支由二零一九年同期約人民幣2,100,000元減少至報告期間約人民幣500,000元。

期內虧損

由於以上因素的綜合影響，期內錄得虧損約人民幣73,700,000元，較二零一九年同期虧損約人民幣25,300,000元增加約191.8%。

每股虧損

報告期間每股基本虧損為每股人民幣0.042元（二零一九年：約人民幣0.015元）。

財務狀況

於二零二零年六月三十日，本集團的權益總額約為人民幣1,484,000,000元（二零一九年十二月三十一日：約人民幣1,563,200,000元）。

本集團於二零二零年六月三十日的流動負債淨值約為人民幣352,000,000元（二零一九年十二月三十一日：約人民幣283,200,000元）。於二零二零年六月三十日的流動比率（按流動資產除以流動負債計算）為0.70（二零一九年十二月三十一日：0.76）。

流動資金及財務資源

本集團採取審慎的現金及財務管理政策。為求能夠更好控制成本及提高資金使用效率，本集團的財資活動均為集中管理，而現金一般會存放於銀行，大部分以人民幣及港元計值。

於二零二零年六月三十日，流動資產淨值中包括現金及多項銀行存款共約人民幣26,000,000元（二零一九年十二月三十一日：人民幣12,600,000元）。

Management Discussion and Analysis 管理層討論及分析

FINANCIAL REVIEW (Continued)

Liquidity and financial resources (Continued)

The Group's trade receivables as at 30 June 2020 decreased by 9.9% from approximately RMB777.6 million as at 31 December 2019 to approximately RMB700.4 million.

As at 30 June 2020, total liabilities of the Group was approximately RMB1,261.1 million, representing a decrease of about 1.8% as compared with that for the corresponding period last year. The Group's gearing ratio (calculated by interest bearing instruments (including bank borrowings, other borrowings and bonds payable) divided by total equity) was 45.8% (31 December 2019: 43.2%).

Capital structure of the Group

The capital structure of the Group consists of debts, which include amounts due to non-controlling interests of a subsidiary, bank borrowings, other borrowings, the bonds payable and equity reserves attributable to owners of the Company, comprising issued share capital and various reserves.

The Directors review the capital structure on a semi-annual basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the Directors, the Group will balance its overall capital structure through new share issues and share buy-backs as well as the issue of new debts or the redemption of existing debts.

Risk management policies

The Group in its ordinary course of business is exposed to market risks such as currency risk and interest rate risk. The Group's risk management strategy aims to minimise the adverse effects of these risks on its financial performance.

As most of the Group's trading transactions, monetary assets and liabilities were denominated mainly in Renminbi, which was the Group's functional and reporting currencies, and save for the Bonds and certain bank borrowings and balances denominated in United States dollars and Hong Kong dollars, the foreign exchange loss recognised for the Reporting Period was approximately RMB6.2 million (30 June 2019: approximately RMB0.8 million). The Group is giving full attention to respond to the related foreign exchange rate risks.

As current interest rates stay at relatively low levels, the Group has not entered into any interest rate hedging contracts or any other interest rate related derivative financial instrument. However, the Group continues to monitor its related interest rate exposure closely.

財務回顧(續)

流動資金及財務資源(續)

本集團於二零二零年六月三十日的應收款項由二零一九年十二月三十一日約人民幣777,600,000元減少9.9%至約人民幣700,400,000元。

於二零二零年六月三十日，本集團的總負債約為人民幣1,261,100,000元，較去年同期減少約1.8%。本集團的資產負債比率(以計息工具(包括銀行借貸、其他借貸及應付債券)除以權益總額計算)為45.8%(二零一九年十二月三十一日：43.2%)。

本集團的資本結構

本集團的資本結構由債務(包括應付一間附屬公司非控股權益的款項、銀行借貸、其他借貸、應付債券)及本公司所有人應佔權益儲備(包括已發行股本及各種儲備)。

董事每半年檢討資本結構一次。作為檢討的一部分，董事考慮資本成本及每一類資本附帶的風險。根據董事的建議，本集團將透過發行新股及購回股份以及發行新債或贖回現行債務平衡其整體資本結構。

風險管理政策

本集團於其一般業務過程中面臨市場風險(例如貨幣風險及利率風險)。本集團的風險管理策略旨在將該等風險對其財務表現的不利影響降至最低。

由於本集團的大部分買賣交易、貨幣資產及負債主要以人民幣(本集團的功能及呈報貨幣)計值，惟債券及若干銀行貸款及結餘以美元及港元計值，於報告期確認匯兌虧損約人民幣6,200,000元(二零一九年六月三十日：約人民幣800,000元)，本集團正密切應對相關匯率風險。

由於現行利率處於相對較低水平，故本集團並無訂立任何利率對沖合約或任何其他利率相關衍生金融工具。然而，本集團將繼續密切監察其所面對的相關利率風險。

Management Discussion and Analysis 管理層討論及分析

FINANCIAL REVIEW (Continued)

Charge over assets of the Group

As at 30 June 2020, the Group's bank borrowings were secured by charges over certain dredgers and land owned by the Group, a property owned by a company which Mr. Liu has beneficial interest, and personal guarantees by Mr. Liu and Ms. Zhou. There were also intra-group charges between two of the Company's wholly-owned subsidiaries as a result of the Contractual Arrangements, pursuant to which all economic benefits and risks arising from the business of Jiangsu Xingyu have been transferred to Xiangyu PRC. The Group also pledged over a dredger, an industrial premises located in Jiangsu Province, the PRC and a residential property located in Shandong Province, the PRC in favour of CITIC (as defined in note 2 to the financial statements) and/or its affiliate.

Material acquisitions and disposals

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

Capital commitments and contingent liabilities

As at 30 June 2020, the Group had capital commitments of approximately RMB277.5 million (31 December 2019: approximately RMB66.2 million) which mainly included the construction cost of a 2300-tonned self-propelled fixed-crane vessel.

As at 30 June 2020, the Group did not have any material contingent liability (31 December 2019: nil).

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2020, the Group had a workforce of 449 employees (31 December 2019: 519). Total staff cost for the Reporting Period was approximately RMB15.7 million (30 June 2019: approximately RMB19.8 million). The Group's remuneration policy is basically determined by the Directors, based on the performance of individual employees and the market conditions. In addition to salaries and discretionary bonuses, employee benefits included pension contributions and options which may be granted under the share option scheme.

財務回顧(續)

本集團資產抵押

於二零二零年六月三十日，本集團的銀行借貸乃以本集團所持有的若干挖泥船及土地、劉先生擁有實益權益的一家公司所持有的一處物業以及劉先生及周女士的個人擔保作抵押。本公司兩間全資附屬公司間因合約安排（據此由江蘇興宇的業務中產生的一切經濟利益及風險均轉撥至翔宇中國）而產生集團內抵押。本集團已向CITIC（定義見財務報表附註2）及／或其聯屬人士抵押一艘挖泥船、位於中國江蘇省的一所工業物業及位於中國山東省的一處住宅物業作為擔保。

重大收購事項及出售事項

於本報告期間，本公司及其附屬公司概無購買、出售或贖回任何本公司證券。

資本承擔及或然負債

於二零二零年六月三十日，本集團的資本承擔約為人民幣277,500,000元（二零一九年十二月三十一日：約人民幣66,200,000元），當中主要包括打造一艘固定臂式自航起重船的投資。

於二零二零年六月三十日，本集團並無任何重大或然負債（二零一九年十二月三十一日：無）。

僱員及薪酬政策

於二零二零年六月三十日，本集團擁有449名（二零一九年十二月三十一日：519名）員工。於報告期間之總員工成本約為人民幣15,700,000元（二零一九年六月三十日：人民幣19,800,000元）。本集團之薪酬政策乃基本上由董事基於個別僱員表現及市場狀況而釐訂。除薪金及酌情花紅外，員工福利包括退休金供款及根據購股權計劃可能授出之購股權。

Management Discussion and Analysis

管理層討論及分析

PROSPECTS

In view of the COVID-19 outbreak since January 2020 and the uncertain macroeconomic environment, the Group's business and performance will further be affected this year. The degree of impact on the Group's operation depends on the duration of the COVID-19 outbreak, the effectiveness of the preventive measures and the implementation of regulatory policies. The Group will closely monitor the situation and the Group's exposure to the related risks and uncertainties, and will also assess and react proactively to its impacts on the financial position and results of the Group. The Group continuously adopts a robust and prudent operating strategy to ensure an effective control of various possible operational risks as well as to speed up the collection of receivables.

For capital operation, based on the progress of its substantial construction projects including the operating progress of the overseas projects, the Group will actively identify and materialise healthy and feasible financial plans, such as strengthening the collection of the receivables and enhancing the capital structure of the Group, so as to satisfy, support and meet the Group's business development. Meanwhile, the Company will continue to seek opportunities to raise additional funds to redeem the relevant Bonds (as defined in note 20 to the financial statements). When there is any material development made, the Company will timely inform the Shareholders and potential investors.

未來展望

鑒於自二零二零年一月起爆發二零一九年冠狀病毒疾病以及不明朗的宏觀經濟環境，導致本集團今年業務及表現進一步受創。二零一九年冠狀病毒疾病疫情對本集團營運的影響程度將取決於其持續時間、預防措施的效果及監管政策的實施，因此本集團將密切監察所面對的相關風險及不確定因素，並積極評估及應對其對本集團財務狀況及業績的影響。本集團將繼續對新工程項目的承接採取比較審慎的經營策略，以確保對可能出現的各種風險進行有效控制，以及加速資金回籠。

至於資本運營方面，本集團將按重大工程項目運營的進度，包括海外項目的運營進度，積極尋找落實穩健及可行的融資方案，進一步加大應收賬款催收力度，優化的資本結構，以滿足、支援、配合本集團業務發展。同時，本公司亦繼續尋找籌集額外資金之機會以贖回有關債券（定義見財務報表附註20）。當有任何進一步重大進展時，本公司將適時知會股東及潛在投資者。

Disclosure of Interests and Other Information 權益披露及其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2020, the Directors and the Company's chief executive, and their respective associates had the following interests in the Shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code, or were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO:

Interests in the Shares

Name of Director 董事姓名	Capacity 身份	Notes 附註	Long position 好倉	
			Number of ordinary Shares 普通股數目	Approximate percentage of shareholding 佔股權的概約百分比
Mr. Liu Kaijin 劉開進先生	Interest in controlled corporation 於受控法團的權益 Beneficial owner 實益擁有人	1	351,600,000	17.81%
			35,559,000	1.80%
Ms. Zhou Shuhua 周淑華女士	Interest in spouse 配偶權益	2	387,159,000	19.61%

Notes:

- Mr. Liu is the sole beneficial owner of Wangji Limited ("Wangji"), a company incorporated in the British Virgin Islands with limited liability, which is the direct owner of the 351,600,000 Shares. Further, Mr. Liu is the beneficial owner of 35,559,000 Shares.
- Ms. Zhou is the spouse of Mr. Liu who is also a Director. By virtue of the SFO, Ms. Zhou is deemed to be interested in all interests of Mr. Liu in the Company including long position and short position.

董事及主要行政人員於股份及相關股份的權益及淡倉

於二零二零年六月三十日，董事及本公司主要行政人員及彼等各自的聯繫人士於本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份及相關股份中，擁有根據證券及期貨條例第XV部第7及8分部（包括彼等根據證券及期貨條例的該等條文被當作或視為擁有的權益及淡倉）或根據標準守則須知會本公司及聯交所，或根據證券及期貨條例第352條須記錄於本公司所存置的登記冊的權益如下：

於股份的權益

附註：

- 劉先生為旺基有限公司（「旺基」）（一間於英屬處女群島註冊成立的有限公司）的唯一實益擁有人，而旺基為351,600,000股股份的直接擁有人。此外，劉先生為35,559,000股股份的實益擁有人。
- 周女士為劉先生的配偶，彼亦為一名董事。根據證券及期貨條例，周女士被視為於劉先生持有的所有本公司權益（包括好倉及淡倉）中擁有權益。

Disclosure of Interests and Other Information 權益披露及其他資料

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

董事及主要行政人員於股份及相關股份的權益及淡倉(續)

Interests in associated corporations

於相聯法團的權益

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity 身份	Notes 附註	Long position 好倉	Approximate percentage of total number of shareholding 佔總股權的概約百分比
				Share capital 股本	
Mr. Liu Kaijin 劉開進先生	Wangji 旺基	Beneficial owner 實益擁有人		200 ordinary shares 200股普通股	100%
	Jiangsu Xingyu 江蘇興宇	Beneficial owner 實益擁有人	1	Register capital of RMB39,315,800 註冊資本人民幣39,315,800元	100%
Ms. Zhou Shuhua 周淑華女士	Wangji 旺基	Interest in spouse 配偶權益	2	200 ordinary shares 200股普通股	100%
	Jiangsu Xingyu 江蘇興宇	Interest in spouse 配偶權益	2	Register capital of RMB39,315,800 註冊資本人民幣39,315,800元	100%

Notes:

- Mr. Liu is the sole beneficial owner of the entire registered capital of Jiangsu Xingyu. Mr. Liu and Ms. Zhou are the registered holders of 98.47% and 1.53% respectively in the registered capital in Jiangsu Xingyu. The 1.53% interest in the registered capital of Jiangsu Xingyu were held on trust by Ms. Zhou for Mr. Liu pursuant to a shareholding confirmation dated 12 July 2010.
- Ms. Zhou is the spouse of Mr. Liu who is a Director. By virtue of the SFO, Ms. Zhou is deemed to be interested in all interests of Mr. Liu in the associated corporations including long position and short position.

附註:

- 劉先生為江蘇興宇的全部註冊資本的唯一實益擁有人。劉先生及周女士分別為江蘇興宇98.47%及1.53%註冊資本的登記持有人。根據二零一零年七月十二日訂立的一項股權確認，周女士以信託方式代劉先生持有江蘇興宇註冊資本的1.53%權益。
- 周女士為劉先生的配偶，彼為一名董事。根據證券及期貨條例，周女士被視為於劉先生持有的所有相聯法團權益(包括好倉及淡倉)中擁有權益。

Saved as disclosed above, none of the Directors and chief executive of the Company or any of their associates had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporation as at 30 June 2020 (within the meaning of Part XV of the SFO), which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors or chief executive of the Company were deemed or taken to have under such provisions of the SFO) or as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零二零年六月三十日，董事及本公司主要行政人員或彼等的任何聯繫人士概無於本公司或任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉(包括董事或本公司主要行政人員根據證券及期貨條例的該等條文被視為或當作擁有的權益及淡倉)或根據證券及期貨條例第352條須記錄於本公司須予存置的登記冊的任何權益或淡倉，或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

Disclosure of Interests and Other Information 權益披露及其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2020, other than the Directors' and the chief executive's interests and short positions in the Shares and underlying Shares as recorded in the register required to be kept under Section 336 of the SFO, to the best of the knowledge and belief of the Directors, the following substantial Shareholders had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO or otherwise notified to the Company and the Stock Exchange:

Long positions in Shares

Name of Shareholder 股東名稱	Capacity 身份	Note 附註	Number of Shares 股份數目	Approximate percentage of holding 概約股權百分比
Wangji 旺基	Beneficial owner 實益擁有人		351,600,000	17.81%
Yuan Xiangbing 袁響兵	Beneficial Owner 實益擁有人		191,917,000	9.72%
Jiangsu Baisite Environment Engineering Co., Ltd 江蘇百斯特環境工程有限公司	Beneficial Owner 實益擁有人	1	148,180,000	7.51%

Note:

- Luck Morgan Investment Limited acts as nominee for Jiangsu Baisite Environment Engineering Co., Ltd* to hold 148,180,000 Shares.

Saved as disclosed above, as at 30 June 2020, no person (other than Directors and the Company's chief executive whose interests are set out in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above) had interest or short position in the Shares or underlying shares of the Company and associated corporations that was required to be recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO or which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO.

主要股東於股份及相關股份中的權益及淡倉

於二零二零年六月三十日，除根據證券及期貨條例第336條須予存置的登記冊中所記錄的董事及主要行政人員於股份及相關股份的權益及淡倉外，就董事所深知及深信，以下主要股東於股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露或根據證券及期貨條例第336條須記錄於本公司須予存置的登記冊，或已知會本公司及聯交所的權益或淡倉：

股份好倉

附註：

- Luck Morgan Investment Limited 以江蘇百斯特環境工程有限公司的提名人身份持有 148,180,000 股股份。

除上文所披露者外，於二零二零年六月三十日，概無任何人士（董事及本公司主要行政人員（彼等的權益乃載列於上文「董事及主要行政人員於股份及相關股份的權益及淡倉」一節）除外）於本公司及相聯法團的股份或相關股份中擁有根據證券及期貨條例第336條須記錄於本公司須予備存的權益登記冊的權益或淡倉，或根據證券及期貨條例第XV部第2及3分部須向本公司及聯交所披露的權益或淡倉。

Disclosure of Interests and Other Information 權益披露及其他資料

SHARE OPTION SCHEME

The Company has adopted the Share Option Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The Directors consider the Share Option Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group.

As the Company has refreshed the 10% general limit in the annual general meeting of the Company held on 29 May 2019, the maximum number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme shall not exceed 177,366,400 Shares, being 10% of the Shares in issue as at the date of passing the relevant resolution on 29 May 2019.

During the Reporting Period, 17,000,000 share options were granted under the Share Options Scheme and such share options were not exercised, cancelled or lapsed.

The movements of the share options granted under the Share Option Scheme during the Reporting Period are as follows:

Name or category of participant 參與者姓名或類別	Number of share options 購股權數目					Date of grant 購股權 授出日期	Exercise price 行使價 (HK\$ per Share) (每股港元)	Closing price immediately before the date of the grant 緊接授出 日期前的 收市價 (HK\$ per Share) (每股港元)	Exercise period 行使期
	Outstanding at 1 January 2020 於二零二零年 一月一日 尚未行使	Granted during the period 於期內 授出	Exercised during the period 於期內 行使	Lapsed/ cancelled during the period 於期內 失效/註銷	Outstanding as at 30 June 2020 於二零二零年 六月三十日 尚未行使				
Employees in aggregate 僱員合計	—	17,000,000	—	—	17,000,000	20/1/2020	0.10	0.071	20/1/2020–19/1/2021
Total 總計	—	17,000,000	—	—	17,000,000				

購股權計劃

本公司已採納購股權計劃，以嘉許及獎勵為本集團成功營運作出貢獻的合資格參與者。董事認為，購股權計劃（參與基準有所放寬）使得本集團能夠就僱員、董事及其他選定參與者為本集團所作貢獻對彼等作出獎勵。

由於本公司於二零一九年五月二十九日舉行的本公司股東週年大會上更新10%一般限額，以使根據購股權計劃將予授出的全部購股權獲行使後可予發行的最高股份數目，不得超過177,366,400股股份，即於二零一九年五月二十九日通過相關決議案當日已發行股份的10%。

於報告期間，根據購股權計劃授出17,000,000份購股權，而該等購股權仍尚未獲行使、註銷或失效。

於報告期間，根據購股權計劃授出之購股權變動如下：

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to high standards of corporate governance. The Directors believe that the Company has complied with all the applicable code provisions of the CG Code contained in Appendix 14 of the Listing Rules for the Reporting Period and there was no material deviation from the CG Code.

遵守企業管治守則

本公司致力達致高水平的企業管治。董事認為，本公司於報告期間內一直遵守上市規則附錄十四所載企業管治守則的所有適用守則條文，且與企業管治守則並無任何重大偏離。

Disclosure of Interests and Other Information 權益披露及其他資料

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

The changes of the information of the Directors since the publication of the annual report of the Company for the year ended 31 December 2019 are set out below:

Mr. Liu voluntarily reduced his salary of an executive Director from RMB1,200,000 to RMB100,000 per annum with effect from 1 June 2020. On the same day, he was appointed as the general manager of a subsidiary of the Company with annual salary of RMB380,000.

Ms. Zhou voluntarily reduced her salary of an executive Director from RMB600,000 to RMB100,000 per annum with effect from 1 June 2020. On the same day, she was appointed as the deputy general manager of a subsidiary of the Company with annual salary of RMB260,000.

Save as disclosed above, the Company is not aware of any information required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

AUDIT COMMITTEE AND REVIEW OF UNAUDITED FINANCIAL STATEMENTS

The Audit Committee has been set up in accordance with the Listing Rules. Members of the Audit Committee as at 30 June 2020 comprised Mr. Chan Ming Sun Jonathan (chairman), Mr. Huan Xuedong and Mr. Liang Zequan, all of whom are independent non-executive Directors.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group, financial reporting matters including a review of the unaudited consolidated results for the Reporting Period prior to recommending them to the Board for approval.

根據上市規則第13.51B(1)條 規定所披露董事資料

自本公司截至二零一九年十二月三十一日止年度之年報刊發以來之董事資料變動如下：

劉先生自願自二零二零年六月一日起將其執行董事的年薪從人民幣1,200,000元減至人民幣100,000元。彼於同一天獲委任為本公司一家附屬公司的董事總經理，年薪為人民幣380,000元。

周女士自願自二零二零年六月一日起將彼執行董事的年薪從人民幣600,000元減至人民幣100,000元。彼於同一天獲委任為本公司一家附屬公司的副董事總經理，年薪為人民幣260,000元。

除上文披露者外，本公司並不知悉須根據上市規則第13.51B(1)條規定須披露的其他資料。

審核委員會及未經審核財務 報表的審閱

本公司已根據上市規則成立審核委員會。於二零二零年六月三十日，審核委員會的成員包括陳銘樂先生(主席)、還學東先生及梁澤泉先生，彼等均為獨立非執行董事。

審核委員會於提出建議供董事會批准前，已與管理層審閱本集團採納的會計準則及慣例及財務報告事項(包括審閱報告期間的未經審核綜合業績)。

Disclosure of Interests and Other Information 權益披露及其他資料

REMUNERATION COMMITTEE

The Remuneration Committee has been set up in accordance with Appendix 14 to the Listing Rules with written terms of reference.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Group's policy and structure for all remuneration of Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

As at 30 June 2020, the Remuneration Committee comprised of Mr. Liang Zequan (chairman), Mr. Chan Ming Sun Jonathan and Mr. Huan Xuedong, all of whom are independent non-executive Directors.

NOMINATION COMMITTEE

The Nomination Committee has been set up in accordance with Appendix 14 to the Listing Rules with written terms of reference.

The principal responsibilities of the Nomination Committee include making recommendations to the Board on nomination and appointment of Directors and Board succession, reviewing the size, structure and composition of the Board, as well as assessing the independence of the independent non-executive Directors.

As at 30 June 2020, the Nomination Committee comprised of Mr. Liu Kaijin (chairman), an executive Director, Mr. Chan Ming Sun Jonathan and Mr. Liang Zequan, both of whom are independent non-executive Directors.

INTERIM DIVIDEND

The Directors have determined that no dividend will be paid in respect of the Reporting Period (six months ended 30 June 2019: Nil).

薪酬委員會

本公司已根據上市規則附錄十四成立薪酬委員會，並制定書面職權範圍。

薪酬委員會的主要職責包括就本集團董事及高級管理層的全體薪酬政策及架構向董事會提出建議，及因應董事會不時所訂的企業方針及目標而檢討全體執行董事及高級管理層的特定薪酬待遇。

於二零二零年六月三十日，薪酬委員會成員包括梁澤泉先生(主席)、陳銘樂先生及還學東先生，彼等均為獨立非執行董事。

提名委員會

本公司已根據上市規則附錄十四成立提名委員會，並制定書面職權範圍。

提名委員會的主要職責包括就董事的提名及委任及董事繼任向董事會提出建議、審閱董事會的規模、架構及組成，並評估獨立非執行董事的獨立性。

於二零二零年六月三十日，提名委員會成員包括執行董事劉開進先生(主席)，以及獨立非執行董事陳銘樂先生及梁澤泉先生。

中期股息

董事已決定將不會支付有關報告期間之任何股息(截至二零一九年六月三十日止六個月：無)。

Disclosure of Interests and Other Information 權益披露及其他資料

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

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

DIRECTORS' COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conducts regarding Directors' securities dealings. Specific enquiries had been made to all Directors, who confirmed that they had complied with the required standard set out in the Model Code during the Reporting Period.

購買、出售或贖回本公司的上市證券

於報告期間，本公司及其任何附屬公司概無購買、出售或贖回本公司的任何證券。

董事遵守標準守則

本公司已採納上市規則附錄十所載的標準守則，作為董事進行證券交易的操守守則。本公司已向全體董事作出特定查詢，而全體董事已確認，彼等於報告期間一直遵守標準守則所載的規定準則。

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月		
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)	
	Notes 附註			
Revenue	收益	5	119,935	270,433
Operating costs	營運成本		(134,506)	(239,952)
Gross (loss)/profit	毛(損)/利		(14,571)	30,481
Other income	其他收入	7	106	1,192
Other gains and losses, net	其他收益及虧損淨額	8	(2,838)	(709)
Marketing and promotion expenses	市場推廣及宣傳開支		(2,556)	(2,628)
Administrative expenses	行政開支		(27,466)	(26,168)
Finance costs	融資成本	9	(25,862)	(25,311)
Loss before tax	除稅前虧損		(73,187)	(23,143)
Income tax expense	所得稅開支	10	(490)	(2,110)
Loss and total comprehensive expense for the period	期內虧損及全面開支總額	11	(73,677)	(25,253)
Loss and total comprehensive expense for the period attributable to:	下列人士應佔期內虧損及全面開支總額：			
Owners of the Company	本公司擁有人		(74,083)	(27,030)
Non-controlling interests	非控股權益		406	1,777
			(73,677)	(25,253)
Loss per share	每股虧損	12		
— basic (RMB cents)	— 基本(人民幣分)		(4.16)	(1.5)
— diluted (RMB cents)	— 攤薄(人民幣分)		(4.16)	(1.5)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2020 於二零二零年六月三十日

			At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	1,333,033	1,385,482
Right-of-use assets	使用權資產		92,568	94,591
Investment properties	投資物業		464,500	464,500
Goodwill	商譽		201	201
Other intangible assets	其他無形資產		3,583	3,750
Deposit paid for acquisition of property, plant and equipment	已付收購物業、廠房及設備 的按金		28,329	8,421
Trade and other receivables due after one year	一年後到期的應收賬款及 其他應收款	15	2,394	2,338
Contract assets	合約資產	16	12,616	11,613
			1,937,224	1,970,896
Current assets	流動資產			
Trade and other receivables	應收賬款及其他應收款	15	781,653	863,660
Contract assets	合約資產		245	—
Bank balances and cash	銀行結餘及現金		25,968	12,612
			807,866	876,272
Current liabilities	流動負債			
Trade and other payables	應付賬款及其他應付款	17	331,806	377,939
Amounts due to directors of the Company	應付本公司董事款項	18	28,600	11,334
Amounts due to non-controlling interests of a subsidiary	應付一間附屬公司非控股 權益款項		3,440	3,060
Tax payable	應付稅項		101,745	105,952
Bank borrowings	銀行借貸	19	295,000	297,000
Other borrowings	其他借貸		51,200	54,090
Bonds payable	應付債券	20	309,739	286,804
Contract liabilities	合約負債		37,029	22,010
Lease liabilities	租賃負債		1,295	1,263
			1,159,854	1,159,452
Net current liabilities	流動負債淨值		(351,988)	(283,180)
Total assets less current liabilities	總資產減流動負債		1,585,236	1,687,716

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2020 於二零二零年六月三十日

			At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
		Note 附註		
Capital and reserves	資本及儲備			
Share capital	股本	21	150,365	150,365
Reserves	儲備		1,192,713	1,266,504
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,343,078	1,416,869
Non-controlling interests	非控股權益		140,918	146,305
Total equity	權益總額		1,483,996	1,563,174
Non-current liabilities	非流動負債			
Amounts due to non-controlling interests of a subsidiary	應付一間附屬公司非控股權益款項		60,287	68,502
Deferred tax liabilities	遞延稅項負債		16,461	17,256
Other borrowings	其他借貸		24,277	37,915
Lease liabilities	租賃負債		215	869
			101,240	124,542
			1,585,236	1,687,716

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests		Total
		Share capital	Share premium	PRC statutory reserve	Other reserve	Share options reserve	Retained profits	Total		Total	
		股本	股份溢價	中國法定儲備	其他儲備	購股權儲備	留存溢利	總計	非控股權益	總計	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
				(note i) (附註i)	(note ii) (附註ii)						
At 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	149,577	928,198	19,658	204,554	2,752	628,684	1,933,423	155,203	2,088,626	
(Loss)/profit and total comprehensive (expense)/income for the period	期內(虧損)/溢利及全面(開支)/收益總額	—	—	—	—	—	(27,030)	(27,030)	1,777	(25,253)	
Dividends paid to non-controlling interest	支付予非控股權益的股息	—	—	—	—	—	—	—	(4,457)	(4,457)	
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	149,577	928,198	19,658	204,554	2,752	601,654	1,906,393	152,523	2,058,916	
At 1 January 2020 (audited)	於二零二零年一月一日 (經審核)	150,365	928,721	19,658	204,554	—	113,571	1,416,869	146,305	1,563,174	
(Loss)/profit and total comprehensive (expense)/income for the period	期內(虧損)/溢利及全面(開支)/收益總額	—	—	—	—	—	(74,083)	(74,083)	406	(73,677)	
Dividends paid to non-controlling interest	支付予非控股權益的股息	—	—	—	—	—	—	—	(5,793)	(5,793)	
Equity-settled share-based payments	以權益結算的股份付款	—	—	—	—	292	—	292	—	292	
At 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	150,365	928,721	19,658	204,554	292	39,488	1,343,078	140,918	1,483,996	

Notes:

- (i) According to the Articles of Association of subsidiaries established in the People's Republic of China ("PRC"), a portion of the profit after taxation of the PRC subsidiaries of China Dredging Environment Protection Holdings Limited (the "Company") is required to be transferred to a PRC statutory reserve before distribution of a dividend to their equity owners. The transfer can cease when the balance of the reserve reaches 50% of the registered capital of the respective subsidiaries. The statutory reserve can be applied either to set off accumulated losses or to increase capital of the respective subsidiaries.
- (ii) The other reserve of the Company and its subsidiaries (the "Group") represents the difference between the nominal amount of the share capital issued by the Company in exchange for the nominal amount of the share capital and share premium of its subsidiaries pursuant to the Group reorganisation in 2011.

附註：

- (i) 根據中華人民共和國(「中國」)成立的附屬公司的組織章程細則，中國疏浚環保控股有限公司(「本公司」)的中國附屬公司須將部分除稅後溢利在向權益擁有人分派股息之前轉撥至中國法定儲備。當儲備結餘達至相關附屬公司註冊資本的50%時可終止轉撥。該法定儲備可用於抵銷累計虧損或相關附屬公司增加資本。
- (ii) 本公司及其附屬公司(「本集團」)的其他儲備指本公司用作交換股本面值而發行的股本面值與因二零一一年本集團重組而產生的其附屬公司股份溢價兩者的差額。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

Six months ended 30 June
截至六月三十日止六個月

		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Operating activities	經營活動		
Operating cash flows before movements in working capital	營運資金變動前營運現金流量	10,112	57,933
Decrease/(increase) in trade and other receivables	應收賬款及其他應收款減少/(增加)	80,852	(40,136)
Increase in contract assets	合約資產增加	(1,248)	(3,639)
Decrease in trade and other payables	應付賬款及其他應付款減少	(46,133)	(7,331)
Increase in contract liabilities	合約負債增加	15,019	2,249
Cash generated from operations	營運所得的現金	58,602	9,076
PRC income tax paid	已付中國所得稅	(5,492)	(3,991)
Net cash generated from operating activities	經營活動所得現金淨額	53,110	5,085
Investing activities	投資活動		
Interest received	已收利息	38	70
Purchase of property, plant and equipment	購買物業、廠房及設備	(6,407)	(11,269)
Deposit paid for acquisition of property, plant and equipment	就收購物業、廠房及設備支付的按金	(19,908)	(273)
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備所得款項	10,032	52
Net cash used in investing activities	投資活動所用現金淨額	(16,245)	(11,420)

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

Six months ended 30 June
截至六月三十日止六個月

		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Financing activities	融資活動		
New bank borrowings raised	新增銀行借貸	208,000	349,000
New other borrowings raised	新增其他借貸	334,000	13,800
Advance from directors of the Company	來自本公司董事的墊支款項	40,494	48,961
Repayment of bank borrowings	償還銀行借貸	(210,000)	(361,000)
Repayment of other borrowings	償還其他借貸	(350,528)	(8,805)
Repayment to non-controlling interests of a subsidiary	向一間附屬公司的非控股權益償還款項	(8,215)	(4,187)
Repayment to directors of the Company	償還本公司董事款項	(23,228)	(43,808)
Repayment of bonds	償還債券	—	(5,922)
Repayment of lease liabilities	償還租賃負債	(675)	(654)
Interest paid	已付利息	(7,564)	(9,359)
Dividend payment to non-controlling interests of a subsidiary	向一間附屬公司的非控股權益支付股息	(5,793)	(4,457)
Net cash used in financing activities	融資活動所用現金淨值	(23,509)	(26,431)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值物增加/(減少)淨值	13,356	(32,766)
Cash and cash equivalents at beginning of the period	期初的現金及現金等值物	12,612	48,435
Cash and cash equivalents at end of the period, represented by bank balances and cash	期末的現金及現金等值物，即銀行結餘及現金	25,968	15,669

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

1. BASIS OF PREPARATION

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

The condensed consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

Significant events in the current reporting period

Substantially all of the Group’s business segments are based in the People’s Republic of China (“PRC”). In view of the outbreak of Coronavirus Disease 2019 (the “COVID-19 outbreak”) in early 2020, a series of precautionary and control measures have been and continued to be implemented across China, including extension of the Chinese New Year holiday nationwide, postponement of work resumption after the Chinese New Year holiday in some regions, certain level of restrictions and controls over the travelling of people and traffic arrangements. Therefore, the overall financial performance of the Group for the period ended 30 June 2020 was materially affected accordingly.

Given the uncertainties as to the development of the COVID-19 outbreak at present, it is difficult to predict how long these conditions will persist and the extent to which the business of the Group may be affected for the year ending 31 December 2020. The Group will pay close attention to the development of the epidemic and evaluate its impact on the operation and financial position and results of the Group.

1. 編製基準

簡明綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒佈的香港會計準則（「香港會計準則」）第34號《中期財務報告》以及聯交所證券上市規則（「上市規則」）附錄十六的適用披露規定編製。

簡明綜合財務報表以人民幣（「人民幣」），亦為本公司的功能貨幣）呈列。

本報告期間內的重大事項

本集團的絕大部分業務分部乃位於中華人民共和國（「中國」）。鑒於二零二零年初爆發二零一九年冠狀病毒疾病（「COVID-19爆發」），中國採取並持續執行一系列防控措施，包括延長全國農曆新年假期、部分地區於農曆新年假期後延期復工、某程度上限制及控制人員出行及交通安排等。因此，本集團於截至二零二零年六月三十日止期間的整體財務表現因而受到重大影響。

考慮到目前COVID-19爆發發展的不確定性，故難以預測該等狀況將持續的時間及本集團業務於截至二零二零年十二月三十一日止年度受有關狀況影響的程度。本集團將密切關注疫情的發展狀況，並評估對本集團營運以及財務狀況及業績的影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

2. GOING CONCERN BASIS OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

During the current interim period, the Company had not settled the Bonds as defined in Note 20 when they became due in accordance with the sixth amendment agreement (the “Sixth Amendment Agreement”) signed between the Company and CITIC Capital China Access Fund Limited (the “Bondholder” or “CITIC”) on 15 March 2019.

Under the Sixth Amendment Agreement, the Company needs to repay the principal amount of the Bonds of approximately HK\$319,483,000 (equivalent to approximately RMB285,890,000) together with the accrued interest on 20 December 2019 (the “Maturity Date”). As at 30 June 2020, the total amount remained unsettled, including the accrued interest, amounting to approximately HK\$339,521,000 (equivalent to approximately RMB309,739,000).

Up to the date when the condensed consolidated financial statements are authorised for issue, the Company had not settled the Bonds and accrued interest when the Bonds fell due for repayment on the Maturity Date and remained overdue for repayment.

Up to the date when the condensed consolidated financial statements are authorised for issue, the Group is taking steps to discuss with the holder of the Bond about the redemption arrangement.

The Group had net current liabilities of approximately RMB351,988,000 at 30 June 2020 and incurred a loss of approximately RMB73,677,000 for the period then ended. In preparing the condensed consolidated financial statements, the directors of the Company (the “Directors”) have given careful consideration to the future liquidity of the Group.

2. 簡明綜合財務報表之持續經營基準

於本中期期間，根據本公司與CITIC Capital China Access Fund Limited（「債券持有人」或「CITIC」）於二零一九年三月十五日訂立之第六份修訂協議（「第六份修訂協議」），本公司尚未結算到期債券（定義見附註20）。

根據第六份修訂協議，本公司須於二零一九年十二月二十日（「到期日」）償付債券本金額約319,483,000港元（相當於約人民幣285,890,000元）連同應計利息。於二零二零年六月三十日，未償付總金額（包括應計利息）約339,521,000港元（相當於約人民幣309,739,000元）。

截止簡明綜合財務報表獲授權刊發日期，當債券於到期日到期須償還及仍逾期未還時，本公司並未結算債券及應計利息。

截止簡明綜合財務報表獲授權刊發日期，本集團正採取措施，與債券持有人商討贖回的安排。

本集團於二零二零年六月三十日擁有流動負債淨值約人民幣351,988,000元及截至當日止期間的應計虧損約人民幣73,677,000元。在編製簡明綜合財務報表時，本公司董事（「董事」）審慎考慮本集團的未來流動資金。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

2. GOING CONCERN BASIS OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The conditions described above indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and hence, its ability to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, the condensed consolidated financial statements were prepared based on the assumption that the Group can be operated as a going concern as the Directors are of the view that the Group will have sufficient working capital to finance its operations in the next twelve months from 30 June 2020, after taking into consideration of the following:

- (1) The Group continues to generate cash inflows from its operating activities by implementing measures to tighten cost controls over various operating expenses in order to improve its cash flows position and to generate greater positive cash inflows from its operations in the future;
- (2) Since most of the bank borrowings as at 30 June 2020 of RMB295,000,000 were secured by the Group's assets, the Directors believe that it is highly probable that they can be renewed in the next twelve months;
- (3) As at 30 June 2020, the Group has unutilised banking facilities of RMB5,000,000 which will be available for use by the Group in the next twelve months; and
- (4) The Company will exercise its endeavour to reach an acceptable redemption arrangement with the Bondholder. Up to the date when the condensed consolidated financial statements are authorised for issue, the Bondholder has not taken any action against the Group to request immediate repayment and the Company has continued discussions with the Bondholder in relation to settlement or any another arrangement concerning the Bonds.

On the basis of the above considerations, the Directors believe that the Group can satisfy its financial obligations in the foreseeable future and accordingly, the condensed consolidated financial statements have been prepared on a going concern basis.

2. 簡明綜合財務報表之持續經營基準(續)

上文所述狀況顯示存在重大不明朗因素，可能對本集團繼續按持續經營基準的能力及其後對其於一般業務過程中變現其資產及償還負債的能力產生重大疑問。然而，於考慮下列各項後，簡明綜合財務報表乃按本集團可以持續經營的假設而編製，因董事認為本集團有足夠營運資金應付自二零二零年六月三十日起計未來十二個月的經營所需：

- (1) 本集團繼續通過實施收緊對各項經營開支的成本控制措施，產生來自其經營活動的現金流入，從而改善其日後現金流量狀況及產生更大的經營正現金流入；
- (2) 由於於二零二零年六月三十日的人民幣295,000,000元銀行借貸大部分為由本集團資產作抵押，董事相信，未來十二個月被續貸的可能性較大；
- (3) 本集團於二零二零年六月三十日的尚未動用銀行融資額度為人民幣5,000,000元(於未來十二個月將可供本集團使用)；及
- (4) 本公司將竭力與債券持有人達成可行的贖回安排。截止簡明綜合財務報表獲授權刊發日期，債券持有人並無向本集團採取任何行動要求即時償還，而本公司已繼續就有關債券的償付或任何其他安排與債券持有人進行磋商。

根據上述因素，董事相信本集團於可預見未來可應付其財務責任，因此簡明綜合財務報表乃以持續經營基準編製。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and investment properties that are measured at fair values, as appropriate.

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2020 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2019.

Application amendments to HKFRSs

In the current interim period, the Group has applied the Amendments to References to the Conceptual Framework in HKFRS Standards and the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 1 and HKAS 8	Prepayment Features with Negative Compensation
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

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 these condensed consolidated financial statements.

3. 主要會計政策

簡明綜合財務報表乃按歷史成本基準編製，惟若干金融工具及投資物業乃按公平值計量（倘適用）除外。

除應用經修訂香港財務報告準則（「香港財務報告準則」）導致之其他會計政策外，於截至二零二零年六月三十日止六個月之簡明綜合財務報表所採用的會計政策及計算方法，與本集團截至二零一九年十二月三十一日止年度的年度財務報表所呈列者相同。

應用經修訂香港財務報告準則

於本中期期間，本集團首次應用對香港財務報告準則標準中對概念框架的引用的修訂及下列由香港會計師公會頒佈之經修訂香港財務報告準則。就編製本集團之簡明綜合財務報表而言，該等準則乃於二零二零年一月一日或之後開始之年度期間強制生效：

香港會計準則第1號及香港會計準則第8號（修訂本）	帶有負補償的預付款功能
香港財務報告準則第3號（修訂本）	企業定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號（修訂本）	利率基準改革

於本期間應用該等新訂及經修訂香港財務報告準則對本集團本期間及過往期間的財務表現及狀況及／或此等簡明綜合財務報表所載的披露並無任何重大影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(Continued)

3.1 Impacts of application on Amendments to HKAS 1 and HKAS 8 “Definition of Material”

The amendments provide a new definition of material that states “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments also clarify that materiality depends on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements taken as a whole.

The application of the amendments in the current period had no impact on the condensed consolidated financial statements.

3.2 Impacts and accounting policies on application of Amendments to HKFRS 3 “Definition of a Business”

3.2.1 Accounting policies

Business combinations

Effective from 1 January 2020, the Group can elect to apply an optional concentration test, on a transaction- by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

3.2.2 Transition and summary of effect

The amendments had no impact on the condensed consolidated financial statements of the Group.

3. 主要會計政策 (續)

3.1 應用香港會計準則第1號及香港會計準則第8號 (修訂本)「重大性定義」的影響

該等修訂本訂明重大性之新定義，即「倘可合理預期資料遺漏、錯誤陳述或不明陳述會影響一般用途財務報表之主要使用者基於提供特定報告實體財務資料的該等財務報表作出之決策，則有關資料屬重大」。該等修訂本亦釐清，重大性取決於資料(單獨或連同其他資料)對財務報表整體而言的性質或大小。

於本期間應用該等修訂本並無對簡明綜合財務報表造成任何影響。

3.2 應用香港財務報告準則第3號 (修訂本)「業務定義」的影響及會計政策

3.2.1 會計政策

業務合併

自二零二零年一月一日起，本集團可選擇在逐筆交易的基礎上實施選擇性集中度測試，簡化所收購的一組活動及資產是否屬於業務的評估。如所收購總資產之公平值基本上都集中於單一可識別資產或一組相似的可識別資產中，則滿足集中度測試。評估總資產不包括現金及現金等值物、遞延稅項資產以及由遞延稅項負債的影響所產生的商譽。若滿足集中度測試，則該組活動及資產不是一項業務，因此無需進行進一步評估。

3.2.2 過渡及影響概要

該等修訂不會對本集團簡明綜合財務報表造成影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3 to the condensed consolidated financial statements, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

4. 估計不明朗因素的主要 來源

於應用本集團的會計政策(載述於簡明綜合財務報表附註3)時，董事須作出有關未能從其他來源直接獲得的資產及負債賬面金額的判斷、估計及假設。估計及相關假設乃基於過往經驗及被認為有關的其他因素作出。實際結果可能有別於該等估計。

估計及相關假設乃按持續經營基準予以檢討。倘會計估計的修訂僅影響估計獲修訂的期間，則會計估計的修訂於該期間予以確認，倘若修訂影響現時及未來期間，則會計估計的修訂於修訂期間及未來期間內予以確認。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

5. REVENUE

Disaggregation of revenue from contracts with customers

5. 收益

來自客戶合約的收益細分

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Segments	分部		
Capital and Reclamation Dredging Business	基建及填海疏浚業務	29,035	80,695
Environment Protection Dredging and Water Management Business	環保疏浚及水務管理業務	3,304	29,550
Other Marine Business	其他海事業務	83,447	155,610
Property Management Business	物業管理業務	4,149	4,578
		119,935	270,433
Timing of revenue recognition	收益確認的時間		
At point in time	於某一時間點	—	—
Over time	隨時間	119,935	270,433
Total	總計	119,935	270,433

Geographical information

The Group's operations are located in the PRC. All provisions of services are carried out in the PRC.

地區資料

本集團的業務均位於中國。提供的所有服務均於中國進行。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

6. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the executive directors of the Company, who are also the chief operating decision makers of the Group (“CODM”), that are used to make strategic decisions. Information reported to the CODM is based on the different nature of projects carried out by the Group. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Details of the Group’s four reportable segments are as follows:

- (i) Capital and Reclamation Dredging Business refers to the capital and reclamation dredging services and related consultation services provided by the Group;
- (ii) Environmental Protection Dredging and Water Management Business refers to dredging or water management services or constructions for promoting environmental interests and water quality mainly for inland rivers provided by the Group;
- (iii) Other Marine Business mainly comprises marine hoisting, installation, salvaging, vessel chartering and other engineering services provided by the Group; and
- (iv) Property Management Business refers to the management of leasing of a shopping mall and the construction of a hotel by the Group.

6. 分部資料

本集團基於本公司執行董事（亦為制定戰略決定的本集團主要運營決策者（「主要運營決策者」））審閱的報告釐定其營運分部。向主要運營決策者呈報的資料乃基於本集團運營項目的不同性質而編製。於達致本集團之可呈報分部時概無匯集由主要運營決策者識別之經營分部。

本集團四個可呈報分部的詳情載列如下：

- (i) 基建及填海疏浚業務指本集團提供的基建及填海疏浚服務及相關顧問服務；
- (ii) 環保疏浚及水務管理業務指本集團主要就提升內河的環保效益及水質而提供的疏浚或水務管理服務或工程；
- (iii) 其他海事業務主要包括本集團提供的海上吊裝、安裝、打撈、船舶包租及其他工程服務；及
- (iv) 物業管理業務指本集團商場的租賃管理及酒店建設。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

6. SEGMENT INFORMATION (Continued)

Segment results

An analysis of the Group's reportable segment revenue and segment results is as below.

6. 分部資料(續)

分部業績

本集團之可呈報分部收益及分部業績分析如下。

		Capital and reclamation dredging business	Environmental protection dredging and water management business	Other marine business	Property management business	Total
		基建及填海 疏浚業務	環保疏浚及 水務管理業務	其他 海事業務	物業 管理業務	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Six months ended 30 June 2020	截至二零二零年 六月三十日止六個月					
Segment revenue	分部收益	29,035	3,304	83,447	4,149	119,935
Segment results	分部業績	(33,425)	778	1,735	1,605	(29,307)
Unallocated other income	未分配其他收入					46
Unallocated other gains and losses, net	未分配其他收益及虧損淨額					(2,838)
Unallocated corporate expenses	未分配企業開支					(19,224)
Unallocated finance costs	未分配融資成本					(21,864)
Loss before tax	除稅前虧損					(73,187)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

6. SEGMENT INFORMATION (Continued)

Segment results (Continued)

		Capital and reclamation dredging business 基建及填海 疏浚業務 RMB'000 人民幣千元 (Unaudited) (未經審核)	Environmental protection dredging and water management business 環保疏浚及 水務管理業務 RMB'000 人民幣千元 (Unaudited) (未經審核)	Other marine business 其他 海事業務 RMB'000 人民幣千元 (Unaudited) (未經審核)	Property management business 物業 管理業務 RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 總計 RMB'000 人民幣千元 (Unaudited) (未經審核)
Six months ended 30 June 2019	截至二零一九年 六月三十日止六個月					
Segment revenue	分部收益	80,695	29,550	155,610	4,578	270,433
Segment results	分部業績	(1,067)	10,247	6,401	1,438	17,019
Unallocated other income	未分配其他收入					74
Unallocated other gains and losses	未分配其他收益及虧損					(826)
Unallocated corporate expenses	未分配企業開支					(18,064)
Unallocated finance costs	未分配融資成本					(21,346)
Loss before tax	除稅前虧損					(23,143)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3 to the condensed consolidated financial statements.

Segment results represent profit earned by each segment, without allocation of central administrative expenses, other gains and losses, certain other income and certain finance costs. This is the measure reported to the executive directors for the purposes of resource allocation and performance assessment.

可呈報分部的會計政策與簡明綜合財務報表附註3所載本集團的會計政策相同。

分部業績為各分部所賺取的溢利(未分配中央行政開支、其他收益及虧損、若干其他收入及若干融資成本)。此乃向執行董事報告資源分配及業績評估的工具。

6. 分部資料(續)

分部業績(續)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

6. SEGMENT INFORMATION (Continued)

Segment assets

	Capital and reclamation dredging business 基建及填海 疏浚業務 RMB'000 人民幣千元 (Unaudited) (未經審核)	Environmental protection dredging and water management business 環保疏浚及 水務管理業務 RMB'000 人民幣千元 (Unaudited) (未經審核)	Other marine business 其他海事業務 RMB'000 人民幣千元 (Unaudited) (未經審核)	Property management business 物業管理業務 RMB'000 人民幣千元 (Unaudited) (未經審核)	Total 總計 RMB'000 人民幣千元 (Unaudited) (未經審核)
--	--	--	---	---	--

Six months ended
30 June 2020

截至二零二零年
六月三十日止六個月

Segment assets	分部資產	1,192,470	380,375	459,028	642,842	2,674,715
----------------	------	-----------	---------	---------	---------	-----------

At 31 December 2019

於二零一九年
十二月三十一日

Segment assets	分部資產	1,247,701	403,635	520,469	632,844	2,804,649
----------------	------	-----------	---------	---------	---------	-----------

6. 分部資料 (續)

分部資產

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

7. OTHER INCOME

7. 其他收入

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Bank interest income	銀行利息收入	38	70
Sundry income	雜項收入	68	1,122
		106	1,192

8. OTHER GAINS AND LOSSES, NET

8. 其他收益及虧損淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	3,330	19
Reversal of impairment loss under expected credit losses ("ECL")	預期信貸虧損(「預期信貸虧損」)項下的減值虧損撥回	—	98
Exchange loss	匯兌虧損	(6,168)	(826)
		(2,838)	(709)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

9. FINANCE COSTS

9. 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Interest expenses on:	下列各項利息開支：		
Bank borrowings	銀行借貸	9,167	9,652
The Bonds, as defined in Note 20	債券(定義見附註20)	17,378	15,869
Lease liability	租賃負債	52	83
Others	其他	3,401	3,234
Total borrowing costs	總借貸成本	29,998	28,838
Less: amounts capitalised in the cost of qualifying assets	減：合資格資產成本資本化金額	(4,136)	(3,527)
		25,862	25,311

Borrowing cost capitalised during the six months ended 30 June 2020 of RMB4,136,000 (six months ended 30 June 2019: RMB3,527,000) arose on the general borrowing pool calculated by applying a capitalisation rate of 4.60% (2019: 3.88%) per annum. Borrowing cost was capitalised as part of the construction in progress in respect of the hotel under construction included in property, plant and equipment.

截至二零二零年六月三十日止六個月，資本化之借貸成本人民幣4,136,000元(截至二零一九年六月三十日止六個月：人民幣3,527,000元)乃由一般借貸組合按資本化比率每年4.60%(二零一九年：3.88%)計算產生。借貸成本資本化為物業、廠房及設備所包含的有關在建酒店的在建工程的一部分。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

10. INCOME TAX EXPENSE

10. 所得稅開支

Six months ended 30 June

截至六月三十日止六個月

		2020	2019
		二零二零年	二零一九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
The charge comprises:	支出包括：		
Current tax	即期稅項		
PRC Enterprise Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)	1,285	2,920
Deferred taxation	遞延稅項	(795)	(810)
		490	2,110

(i) PRC EIT

PRC EIT is calculated at the statutory rate of 25% of the assessable profits for both periods.

(ii) Hong Kong Profits Tax

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both periods, if any.

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as the Group had no assessable profits arising in or derived from Hong Kong for both periods.

(i) 中國企業所得稅

於兩個期間，中國企業所得稅乃按應課稅溢利的法定稅率25%計算。

(ii) 香港利得稅

於兩個期間，香港利得稅乃按估計應課稅溢利(如有)以稅率16.5%計算。

由於本集團於兩個期間內並無於香港產生或源自香港之應課稅溢利，故簡明綜合財務報表內並無就香港利得稅作出撥備。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

11. LOSS FOR THE PERIOD

11. 期內虧損

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Loss for the period has been arrived at after charging (crediting):	期內虧損已經扣除(計入)下列各項：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	52,154	53,069
Depreciation of right-of-use assets	使用權資產折舊	2,023	2,003
Amortisation of other intangible assets	其他無形資產攤銷	167	167
Sub-contracting charges included in operating costs	計入運營成本的分包費用	36,562	137,718
Gross rental income from investment properties	投資物業租金收入總額	(4,149)	(4,578)
Less: Direct operating expenses incurred for investment properties that generated rental income during the year	減：年內投資物業錄得租金收入產生的直接營運開支	169	272
Direct operating expenses incurred for investment properties that did not generate rental income during the year	年內投資物業未錄得租金收入產生的直接營運開支	39	68
		(3,941)	(4,238)

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

12. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

12. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃按下列數據計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Earnings	盈利		
Loss for the period attributable to owners of the Company for the purposes of basic and diluted loss per share	就計算每股基本及攤薄虧損而言的本公司擁有人應佔期內虧損	(74,083)	(27,030)
		'000 千股	'000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	就計算每股基本及攤薄盈利而言的普通股加權平均數	1,782,366	1,773,664

The weighted average number of shares for the purposes of basic earnings per share for both periods were calculated based on the weighted average number of shares in issue during both periods. The computation of diluted loss per share for the period ended 30 June 2020 does not assume the exercise of share options since the assumed exercise would result in a decrease in loss per share.

用作計算兩個期間的每股基本盈利的股份加權平均數乃根據兩個期間的已發行股份加權平均數計算得出。計算截至二零二零年六月三十日止期間每股攤薄虧損時假設購股權未獲行使，原因是該假設行使將引致每股虧損減少。

13. DIVIDENDS

No dividends were paid, declared or proposed during both periods. The directors have determined that no dividend will be paid in respect of the current interim period (six months ended 30 June 2019: nil).

13. 股息

於兩個期間概無支付、宣派或建議派付任何股息。董事已決定將不會支付有關本中期期間之任何股息(截至二零一九年六月三十日止六個月：無)。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

14. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group disposed of certain plant and equipment with an aggregate carrying amount of RMB6,702,000 for cash proceeds of RMB10,032,000, resulting in a gain on disposal of RMB3,330,000.

During the current interim period, the Group made additions to property, plant and equipment of RMB6,407,000 (six months ended 30 June 2019: RMB11,269,000).

14. 物業、廠房及設備變動

於本中期期間，本集團出售若干合共賬面值人民幣6,702,000元的廠房及設備，現金所得款項人民幣10,032,000元，導致出售收益人民幣3,330,000元。

於本中期期間，本集團添置物業、廠房及設備人民幣6,407,000元（截至二零一九年六月三十日止六個月：人民幣11,269,000元）。

15. TRADE AND OTHER RECEIVABLES

15. 應收賬款及其他應收款

		At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) RMB'000 人民幣千元	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) RMB'000 人民幣千元
Non-current:	非即期：		
Value-added tax recoverable	可收回增值稅	2,394	2,338
Current:	即期：		
Trade receivables	應收賬款	1,689,556	1,766,712
Less: Allowance for credit losses	減：信貸虧損撥備	(989,153)	(989,153)
Trade receivable, net of ECL (notes (i))	應收賬款，扣除預期信貸虧損(附註(i))	700,403	777,559
Bills receivable (note (iii))	應收票據(附註(iii))	3,890	7,472
Government financial incentive receivables	應收政府財政獎勵	4,671	14,636
Deposits and prepayments	按金及預付款項	64,579	55,343
Others	其他	8,110	8,650
		781,653	863,660
		784,047	865,998

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

15. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (i) Before accepting any new customer, the Group assesses the potential customer's credit quality and defines its credit limits based on reputation of the customers within the industry.

The Group prepares an aged analysis for its trade receivables based on the dates when the Group and the customers agreed on the quantum of the services rendered, as evidenced by progress certificates. Periodical statements are issued and agreed by the customers for the services rendered for the customers. Most of the contracts require the customers to make monthly progress payments with reference to the quantum of the services completed (typically 95% of the quantum of the services completed in the previous month) within thirty days to ninety days after the issuance of the progress certificate. According to these contracts, the remaining balance (5% of the quantum of the services completed) is kept as retention money and is paid by the customers within thirty to sixty days after (i) the project is completed and accepted by the customers and (ii) the customers.

The aged analysis of the Group's trade receivables, prepared based on the dates of certification of work done, which approximate the respective revenue recognition dates (net of credit losses for trade receivables), at the end of each reporting period is as follows:

Aged analysis of the Group's trade receivables

		At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
0-30 days	0至30天	51,002	62,555
31-60 days	31至60天	19,447	45,113
61-90 days	61至90天	14,339	4,110
91-180 days	91至180天	28,948	23,492
181-365 days	181至365天	60,266	123,490
1 year-2 years	1年至2年	135,409	224,859
Over 2 years	超過2年	390,992	293,940
		700,403	777,559

15. 應收賬款及其他應收款(續)

附註：

- (i) 於接納任何新客戶前，本集團基於客戶於行業內的聲譽評估該潛在客戶的信貨質素及設定其信貸限額。

本集團基於本集團與客戶協定就所提供服務量的日期(由進度證書證明)編製其應收賬款的賬齡分析。期間報表經客戶同意就向客戶提供的服務而由客戶發出。大部分合同需客戶於發出進度證書後三十日至九十日內參考完成服務量(通常為上月完成服務量的95%)支付月度進度付款。根據該等合同，餘額(為完成服務量的5%)作為留存款項保留，由客戶於(i)項目完成及(ii)客戶接納後三十至六十日內支付。

於各報告期末，根據工程完成後通過核證的日期(接近於相關收益的確認日期)而編製的本集團應收賬款(扣除應收賬款信貸虧損)的賬齡分析如下：

本集團應收賬款賬齡分析

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

15. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (ii) Included in trade receivables as at 30 June 2020 was a gross carrying amount of approximately RMB48,803,000 (31 December 2019: RMB48,803,000) due from a customer of which the related dredging project has been suspended since January 2014 due to change in use of relevant reclaimed areas by the Government. The customer has signed an agreement with the Group to repay RMB40,000,000 before 31 December 2016 but failed to fulfil the payment. During the current interim period, an amount of nil (31 December 2019: nil) was received. Accordingly, allowance of credit losses of RMB48,803,000 (31 December 2019: RMB48,803,000) were recognised as at the end of reporting period.

Included in trade receivables as at 30 June 2020 was a gross carrying amount of approximately RMB23,087,000 (31 December 2019: RMB23,087,000) due from a customer which the dredging project was started since 2016 and is still in progress as at 30 June 2020 while the repayment of progress billings fell behind schedule. During the current interim period, an amount of nil (31 December 2019: RMB1,048,000) was received. Considering the payment pattern, the progress of the project and the creditability of the customer, allowance of credit losses of RMB17,092,000 (31 December 2019: RMB17,092,000) was recognised as at the end of reporting period, no additional credit losses (31 December 2019: RMB3,904,000) were recognised for the period ended 30 June 2020.

Included in trade receivables as at 30 June 2020 was a carrying amount of approximately RMB334,367,000 (31 December 2019: RMB338,992,000) due from customers who are large state-owned enterprise or local governments which the respective projects were already completed for more than one year. During the current interim period, an amount of RMB7,442,000 (31 December 2019: RMB18,227,000) was received. Considering the payment pattern and the credibility of respective customers, allowance of credit losses of RMB242,574,000 (31 December 2019: RMB242,574,000) was recognised at the end of reporting period, no additional credit losses (31 December 2019: RMB64,180,000) were recognised for the period ended 30 June 2020.

15. 應收賬款及其他應收款(續)

附註：(續)

- (ii) 於二零二零年六月三十日的應收賬款包括應收一名客戶(其相關疏浚項目自二零一四年一月起因政府更改相關填海區的用途而暫停)的款項總賬面值約人民幣48,803,000元(二零一九年十二月三十一日：人民幣48,803,000元)。該客戶與本集團已簽訂協議，以於二零一六年十二月三十一日前償還人民幣40,000,000元，但並未實現付款。於本中期期間，已收取人民幣零元(二零一九年十二月三十一日：人民幣零元)的款項。因此，信貸虧損撥備人民幣48,803,000元(二零一九年十二月三十一日：人民幣48,803,000元)已於報告期末確認。

於二零二零年六月三十日的應收賬款包括應收一名客戶(其疏浚項目於二零一六年開始及於二零二零年六月三十日仍在進行，而進度款償還落後於進度)的款項總賬面值約人民幣23,087,000元(二零一九年十二月三十一日：人民幣23,087,000元)。於本中期期間，已收取人民幣零元(二零一九年十二月三十一日：人民幣1,048,000元)的款項。考慮到付款模式、項目進度及有關客戶的可信度，於報告期末已確認信貸虧損撥備人民幣17,092,000元(二零一九年十二月三十一日：人民幣17,092,000元)，截至二零二零年六月三十日止期間並無確認任何新增信貸虧損(二零一九年十二月三十一日：人民幣3,904,000元)。

於二零二零年六月三十日的應收賬款包括應收客戶(為大型國有企業或地方政府，於一年以上其各自的項目已完工)的賬面值約人民幣334,367,000元(二零一九年十二月三十一日：人民幣338,992,000元)。於本中期期間，已收取人民幣7,442,000元(二零一九年十二月三十一日：人民幣18,227,000元)的款項。考慮到有關客戶的付款模式及信譽，於報告期末已確認信貸虧損撥備人民幣242,574,000元(二零一九年十二月三十一日：人民幣242,574,000元)，截至二零二零年六月三十日止期間並無確認任何新增信貸虧損(二零一九年十二月三十一日：人民幣64,180,000元)。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

15. TRADE AND OTHER RECEIVABLES (Continued) 15. 應收賬款及其他應收款 (續)

Notes: (Continued)

附註：(續)

(ii) (Continued)

(ii) (續)

Movement in ECL/allowance of doubtful debts

預期信貸虧損/呆賬撥備變動

		RMB'000 人民幣千元
At 1 January 2019 (audited)	於二零一九年一月一日(經審核)	683,832
Charged to profit and loss	扣除自損益	
— Trade receivables	— 應收賬款	308,306
— Contract assets	— 合約資產	178
— Other receivables and prepayments	— 其他應收款及預付款	28,186
Reversal of impairment losses	減值虧損撥回	
— Trade receivables	— 應收賬款	(112)
— Contract assets	— 合約資產	(2,873)
At 31 December 2019 (audited), 1 January 2020 and 30 June 2020 (unaudited)	於二零一九年十二月三十一日(經審核)、二零二零年一月一日及二零二零年六月三十日(未經審核)	1,017,517

(iii) The aged analysis of the Group's bills receivable, presented based on the relevant dates of certification of work, at the end of each reporting period is as follows:

(iii) 於各報告期末，基於竣工證書之相關日期所呈列之本集團應收票據的賬齡分析如下：

Aged analysis of the Group's bills receivable

本集團應收票據賬齡分析

		At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
0-30 days	0至30天	—	590
31-60 days	31至60天	—	2,150
61-90 days	61至90天	150	—
91-180 days	91至180天	3,740	4,030
Over 180 days	超過180天	—	702
		3,890	7,472

(iv) Value-added tax paid of RMB2,394,000 (31 December 2019: RMB2,338,000) by the Group in connection with its construction in-progress could be set-off against future value added tax payable generated from the Group. As the amount is not expected to be recovered within one year from the end of reporting period and is accordingly is classified as non-current.

(iv) 本集團就其在建工程所支付的增值稅人民幣2,394,000元(二零一九年十二月三十一日：人民幣2,338,000元)可用於抵銷本集團將來產生的應付增值稅。由於預期該筆款項不可於報告期末起計一年內收回，故分類為非流動。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

16. CONTRACT ASSETS

16. 合約資產

		At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Dredging contracts	疏浚合約	12,861	11,613
Current	流動	245	—
Non-current	非流動	12,616	11,613
		12,861	11,613

17. TRADE AND OTHER PAYABLES

17. 應付賬款及其他應付款

		At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Trade payables	應付賬款		
Sub-contracting charge	分包費用	92,001	124,581
Fuel cost	燃料成本	2,586	2,757
Repair and maintenance	維修及保養	13,578	16,869
Others	其他	17,017	7,933
		125,182	152,140
Other payables	其他應付款		
Payable for construction cost of investment properties	投資物業建設成本應付款項	73,945	82,640
Accrued for other taxes	應計其他稅項	60,874	60,339
Accrued for staff salaries and welfare	應計員工薪金及福利	34,438	40,807
Payable for share placings (Note)	股份配售應付款項(附註)	6,984	—
Others	其他	30,383	42,013
		206,624	225,799
		331,806	377,939

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

17. TRADE AND OTHER PAYABLES (Continued)

The aged analysis of the Group's trade payables presented based on the invoice dates, except for sub-contracting charge which is presented based on dates of the progress certificates, as at the end of each reporting period is as follows:

		At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
0-30 days	0至30天	4,943	6,100
31-60 days	31至60天	1,160	4,528
61-90 days	61至90天	2,009	586
91-180 days	91至180天	15,990	8,993
Over 180 days	超過180天	101,080	131,933
		125,182	152,140

Note: Payable for share placings amounted to RMB6,984,000 is the net proceeds received from a subscriber, an independent third party of the Company, in relation to the Company's announcements dated on 7 April 2020 and 24 April 2020 for subscription of shares and completion of the subscription of shares respectively.

附註：股份配售應付款項人民幣6,984,000元為自認購人(本公司的獨立第三方)收取的所得款項淨額，內容有關本公司分別就認購股份及完成認購股份而於二零二零年四月七日及二零二零年四月二十四日刊發的公告。

18. AMOUNTS DUE TO DIRECTORS OF THE COMPANY

The balance represented advances from and emolument payable to certain directors of the Company of approximately RMB3,782,000 (31 December 2019: RMB3,900,000) and an amount due to Mr. Liu Kaijin ("Mr. Liu"), the director and the Chairman of the Company, of approximately RMB24,818,000 (31 December 2019: RMB7,434,000).

The amounts are unsecured, interest-free, repayable on demand and non-trade in nature.

18. 應付本公司董事款項

結餘指來自及應付本公司若干董事的墊款及酬金約人民幣3,782,000元(二零一九年十二月三十一日：人民幣3,900,000元)及應付本公司董事兼主席劉開進先生(「劉先生」)的款項約人民幣24,818,000元(二零一九年十二月三十一日：人民幣7,434,000元)。

該等款項均為無抵押、免息、須應要求償還及非貿易性質。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

19. BANK BORROWINGS

During the current interim period, the Group raised bank loans of RMB208,000,000 (31 December 2019: RMB418,000,000) and repaid bank loans of RMB210,000,000 (31 December 2019: RMB445,670,000). As at 30 June 2020, the effective interest rates of the bank borrowings ranged from 4.71% to 8.05% (31 December 2019: 4.57% to 7.61%) per annum.

20. BONDS PAYABLE

The Company issued unsecured convertible bonds (the “Bonds”) to CITIC at a total nominal value of HK\$243,000,000 (equivalent to RMB191,970,000) on 8 November 2013, carrying an interest rate of 3% per annum with the maturity date of 7 November 2016 (the “Original Maturity Date”). The Bondholder had the option to either convert them into the Company’s ordinary shares at a conversion price of HK\$2.7 per share, subject to anti-dilutive adjustments, at any time after six months from the date of issue and up to the Original Maturity Date, or to require the Company to redeem them at 133.792% of the nominal value of the Bonds, which amounted to HK\$325,115,000 (equivalent to RMB290,818,000) (the “Original Redemption Amount”), upon maturity. The Company had no right to early redeem the Bonds.

At the time when the Bonds were issued, the Bonds were analysed by the management of the Group to contain two components, the host debt component and the conversion option. The Bonds are denominated in Hong Kong Dollar (“HK\$”), which is a currency other than the Company’s functional currency. Therefore, the conversion option in the Bonds would not result in an exchange of a fixed number of the Company’s own equity instrument for a fixed amount of cash in the functional currency of the Company. Accordingly, the conversion option was accounted for separately as a derivative liability, which was not closely related to the host debt component. The fair values of the debt component and the derivative component were determined at the date of issue. Subsequent to initial recognition, the debt component was carried at amortised cost while the derivative component was measured at fair value, with changes in fair value recognised in profit or loss. The effective interest rate of the debt component was 16.9%.

19. 銀行借貸

於本中期期間，本集團借入銀行貸款人民幣208,000,000元（二零一九年十二月三十一日：人民幣418,000,000元）並償還銀行貸款人民幣210,000,000元（二零一九年十二月三十一日：人民幣445,670,000元）。於二零二零年六月三十日，銀行借貸的實際年利率介乎4.71%至8.05%（二零一九年十二月三十一日：4.57%至7.61%）之間。

20. 應付債券

本公司於二零一三年十一月八日向CITIC發行總面值243,000,000港元（等於人民幣191,970,000元）的無抵押可換股債券（「債券」），利息為每年3%，於二零一六年十一月七日（「原到期日」）到期。債券持有人可於發行日期後六個月至原到期日的任何時間選擇以兌換價每股2.7港元（可就反攤薄事件作出調整）將彼等兌換成本公司的普通股，或於到期後要求本公司按債券的面值的133.792%贖回，即325,115,000港元（相當於人民幣290,818,000元）（「原贖金」）。本公司無權提早贖回該等債券。

在發行債券時，本集團管理層分析債券以包含兩個部分，即主債務部分及換股權。債券乃以港元（「港元」）計值，而港元為本公司功能貨幣以外的貨幣。因此，債券的換股權將不會導致以固定數量的本公司自身權益工具交換固定金額現金（以本公司功能貨幣計值）。因此，換股權分開入賬列為衍生負債，這與主債務部分並非密切相關。債務部分及衍生工具部分的公平值於發行日期釐定。初步確認後，債務部分按攤薄成本計算，衍生工具部分則按公平值計算，公平值的變動於損益內確認。債務部分的實際利率為16.9%。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

20. BONDS PAYABLE (Continued)

The Group had not paid the Original Redemption Amount and the last interest payment on the Original Maturity Date to CITIC. Overdue interest of HK\$945,000 (equivalent to RMB840,000) was incurred. During the year ended 31 December 2016, the Company and CITIC entered into a framework agreement on 14 November 2016 and a standstill and amended agreement and supplemental deed to the original deed poll regarding the Bonds (the "Amendment Agreement") on 15 December 2016, pursuant to which CITIC agreed to a) extend the maturity from the Original Maturity Date to 14 March 2017 and b) reduce the principal amount of Original Redemption Amount to HK\$275,415,000 (equivalent to RMB246,381,000), subject to certain conditions as stated in the Amendment Agreement.

Furthermore, the conversion option under the Bonds was removed under the Amendment Agreement. Accordingly, no embedded derivative was recognised at 31 December 2016 and at the end of subsequent accounting periods.

On 21 March 2017, 5 June 2017, 21 September 2017, 23 January 2018 and 15 March 2019, the Company and CITIC had entered into the second amendment agreement, the third amendment agreement, the fourth amendment agreement, the fifth amendment agreement and the Sixth Amendment Agreement. On 15 March 2019, the Company and CITIC entered into the Sixth Amendment Agreement to amend the original maturity date to 20 December 2019. During the current interim period, the Group has settled nil (31 December 2019: HK\$6,838,000 (equivalent to RMB6,030,000)) to CITIC.

Based on the Sixth Amendment Agreement, the Company needed to repay the Bonds of approximately HK\$319,483,000 (equivalent to approximately RMB285,890,000) together with the interest due by 20 December 2019 with interest rate at an amended rate of 13% per annum.

20. 應付債券(續)

於原到期日，本集團尚未向CITIC支付原贖金及最後一筆利息，產生逾期利息945,000港元(相當於人民幣840,000元)。截至二零一六年十二月三十一日止年度，本公司於二零一六年十一月十四日與CITIC訂立框架協議，並於二零一六年十二月十五日與CITIC訂立有關債券的暫緩還款及修訂協議，以及原平邊契據補充契據(「修訂協議」)，據此，CITIC同意a)將屆滿時間自原到期日延長至二零一七年三月十四日；及b)減少原贖金本金額至275,415,000港元(相當於人民幣246,381,000元)，惟受限於修訂協議所述若干條件。

此外，債券的轉換權根據修訂協議移除。因此，於二零一六年十二月三十一日及隨後的會計期間末，並無嵌入式衍生工具獲確認。

於二零一七年三月二十一日、二零一七年六月五日、二零一七年九月二十一日、二零一八年一月二十三日及二零一九年三月十五日，本公司與CITIC訂立第二份修訂協議、第三份修訂協議、第四份修訂協議、第五份修訂協議及第六份修訂協議。於二零一九年三月十五日，本公司與CITIC訂立第六份修訂協議，將原到期日改為二零一九年十二月二十日。於本中期期間，本集團尚未向CITIC作出償還(二零一九年十二月三十一日：6,838,000港元(相當於人民幣6,030,000元))。

根據第六份修訂協議，本公司最遲須於二零一九年十二月二十日償付債券約319,483,000港元(相當於約人民幣285,890,000元)連同到期的利息，利率按經修訂年利率13%計。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

20. BONDS PAYABLE (Continued)

The Company had not repaid the abovementioned amounts in full on 20 December 2019, at which date the total amount outstanding, including the accrued interest amounted to approximately HK\$319,483,000 (equivalent to approximately RMB285,890,000). As at 30 June 2020, the total amount outstanding, including the accrued interest rate at 13% per annum amounted to approximately HK\$339,521,000 (equivalent to approximately RMB309,739,000).

During the period ended 30 June 2020 and up to the date when the condensed consolidated financial statements are authorised for issue, the Company had not settled the Bonds when the Bonds fell due for repayment on the Maturity Date and remained overdue for repayment.

Up to the date when the condensed consolidated financial statements are authorised for issue, the Bondholder has not taken any action against the Group to request immediate repayment and the Company has continued discussions with the Bondholder in relation to settlement or any another arrangement concerning the Bonds. All operations of the Group remain normal.

Details of each of the agreements are set out in the announcements of the Company dated 7 November 2016, 15 November 2016, 16 November 2016, 16 December 2016, 22 March 2017, 5 June 2017, 22 September 2017, 1 December 2017, 23 January 2018 and 15 March 2019.

Based on the revised agreements, interest rates are as follows:

Period 期間		Interest rate per annum 年利率
From 15 November 2016 and up to 14 December 2016	二零一六年十一月十五日至二零一六年十二月十四日	13%
From 15 December 2016 and up to 14 March 2017	二零一六年十二月十五日至二零一七年三月十四日	15%
From 15 March 2017 and up to 4 June 2017	二零一七年三月十五日至二零一七年六月四日	18%
From 5 June 2017 and up to 21 June 2017	二零一七年六月五日至二零一七年六月二十一日	13%
From 22 June 2017 and up to 21 September 2017	二零一七年六月二十二日至二零一七年九月二十一日	18%
From 22 September 2017 and up to 15 November 2017	二零一七年九月二十二日至二零一七年十一月十五日	13%
From 16 November 2017 and up to 22 January 2018	二零一七年十一月十六日至二零一八年一月二十二日	13%
From 23 January 2018 and up to 21 June 2018	二零一八年一月二十三日至二零一八年六月二十一日	13%
From 22 June 2018 and up to 20 December 2019	二零一八年六月二十二日至二零一九年十二月二十日	13%

Note: The above interest shall accrue on a day to day basis and be calculated on the basis of a 365-day calendar year on revised principal amounts and compounded on a monthly basis.

20. 應付債券(續)

本公司未能於二零一九年十二月二十日悉數償還上述金額，於該日尚未償還的總金額(包括應計利息)約為319,483,000港元(相當於約人民幣285,890,000元)。於二零二零年六月三十日，未償還總金額(包括應計年利率13%)約為339,521,000港元(相當於約人民幣309,739,000元)。

於截至二零二零年六月三十日止期間及截止簡明綜合財務報表獲授權刊發日期，當債券於到期日到期須償還及仍逾期未還時，本公司並未結算債券。

截止簡明綜合財務報表獲授權刊發日期，債券持有人並無向本集團採取任何行動要求即時償還，而本公司已繼續就有關債券的償付或任何其他安排與債券持有人進行討論。本集團一切業務營運維持正常。

各項協議的詳情載於本公司日期為二零一六年十一月七日、二零一六年十一月十五日、二零一六年十一月十六日、二零一六年十二月十六日、二零一七年三月二十二日、二零一七年六月五日、二零一七年九月二十二日、二零一七年十二月一日、二零一八年一月二十三日及二零一九年三月十五日之公告。

根據經修訂的各份協議，利率如下：

附註：上述修訂本金的利息將按每曆年365日為基準每日累計且按月計算複利。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

20. BONDS PAYABLE (Continued)

Under the abovementioned agreements entered into the Company and CITIC, the Bonds are personal guaranteed by Mr. Liu and his spouse Ms. Zhou Shuhua (“Ms. Zhou”), who are the directors of the Company, and equity interests in certain subsidiaries of the company are pledged in favour of CITIC, a dredger and an industrial premises and a residential property owned by the Group included in property, plant and equipment and investment properties with carrying value of RMB237,755,000.

The Bonds recognised in the condensed consolidated statement of financial position are calculated as follows:

20. 應付債券(續)

根據上述本公司與CITIC訂立之協議，該債券由劉先生及其配偶周淑華女士（「周女士」）（彼等為本公司董事）個人擔保，及本公司若干附屬公司股權以CITIC為受益人，抵押由本集團擁有之一艘挖泥船，及一處工業樓宇及一處住宅物業，並以賬面值人民幣237,755,000元列入物業、廠房及設備以及投資物業。

於簡明綜合財務狀況表確認之債券計算如下：

		Total 總計 RMB'000 人民幣千元
At 1 January 2019 (audited)	於二零一九年一月一日(經審核)	254,916
Interest	利息	32,714
Settlement	償付	(6,030)
Exchange realignment	匯兌調整	5,204
At 31 December 2019 (audited)	於二零一九年十二月三十一日(經審核)	286,804
Interest	利息	17,378
Settlement	償付	—
Exchange realignment	匯兌調整	5,557
At 30 June 2020 (unaudited)	於二零二零年六月三十日(未經審核)	309,739

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

21. SHARE CAPITAL

21. 股本

		Number of shares	Amount	RMB equivalent amount
		股份數目	金額	人民幣 等同金額
		'000 千股	HK\$'000 千港元	RMB'000 人民幣千元
Ordinary shares of HK\$0.10 each	每股面值0.10港元的普通股			
Authorised	法定			
At 1 January 2019, 30 June 2019, 31 December 2019 and 30 June 2020	於二零一九年一月一日、 二零一九年六月三十日、 二零一九年十二月三十一日 及二零二零年六月三十日	10,000,000	1,000,000	N/A 不適用
Issued and fully paid	已發行及繳足			
At 1 January 2019 and 30 June 2019	於二零一九年一月一日 及二零一九年六月三十日	1,773,664	177,366	149,577
Exercise of share options	行使購股權	8,702	870	788
At 31 December 2019, 1 January 2020 and 30 June 2020	於二零一九年十二月三十一日、 二零二零年一月一日 及二零二零年六月三十日	1,782,366	178,236	150,365

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

22. CAPITAL COMMITMENTS

22. 資本承擔

		At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Capital commitments contracted but not provided for relating to the following:	已訂約但並未就有關以下各項計提撥備的資本承擔：		
— Acquisition of property, plant and equipment (Note (ii))	— 收購物業、廠房及設備 (附註(ii))	270,370	59,122
— Investment in conducting capital financing business (Note (i))	— 投資進行資本金融業務 (附註(i))	7,122	7,122

Notes:

- (i) Pursuant to an investment agreement to set up a company which principally conducts capital financing business, the proposed registered capital of US\$20 million will be contributed in proportion to the respective equity holdings of the Company and two other investors of US\$16 million, US\$2 million and US\$2 million respectively. At the end of the reporting period, capital of US\$14.9 million was injected by the Group whilst the other two investors are still in progress in obtaining approval from regulators for capital injection.
- (ii) The addition of capital commitments related to an acquisition agreement which the Group has entered into with a contractor on 11 June 2020 to construct a dredger amounted to approximately RMB109 million and dredging equipment amounted to approximately RMB117 million. At the end of the reporting period, the Group has paid approximately RMB15 million to the contractor.

附註：

- (i) 根據設立主要進行資本金融業務公司的投資協議，建議註冊資本20,000,000美元將由本公司及另外兩名投資者按各自的股權分別出資16,000,000美元、2,000,000美元及2,000,000美元。於報告期末，本集團已注入14,900,000美元，而另外兩名投資者仍在就注資取得監管部門的批准。
- (ii) 新增資本承擔與本集團於二零二零年六月十一日與承包人訂立收購協議以建造金額為約人民幣109,000,000元的挖泥船及金額為約人民幣117,000,000元的疏浚設備有關。於報告期末，本集團已向承包人支付約人民幣15,000,000元。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

23. PLEDGE OF ASSETS

At the end of the reporting period, the following assets of the Group were pledged to secure the bank borrowings, bonds payable and credit facilities granted to the Group:

23. 資產抵押

於報告期末，本集團已將以下資產作為授予本集團的銀行借貸、應付債券及信貸額的抵押：

		At 30 June 2020 於二零二零年 六月三十日 RMB'000 人民幣千元 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 RMB'000 人民幣千元 (Audited) (經審核)
Dredgers included in property, plant and equipment	挖泥船(列入物業、廠房及設備)	575,725	613,390
Properties included in property, plant and equipment	物業(列入物業、廠房及設備)	30,062	34,513
Investment properties	投資物業	16,573	16,573
		622,360	664,476

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

24. RELATED PARTY DISCLOSURES

(i) Related party transactions

In addition, the Group received other advances from, and made repayments to Mr. Liu during the six months ended 30 June 2020 and 2019. As at 30 June 2020, the amount due to Mr. Liu was RMB24,818,000 (31 December 2019: RMB7,434,000).

(ii) Pledge of assets and guarantees in support of the Group's borrowings

As at 30 June 2020 and 31 December 2019, other than pledge of assets of the Group, the Group's bank borrowings and bonds payable were also supported by:

- (a) corporate guarantee given by Jiangsu Xingyu Holdings Group Limited which is a subsidiary of the Company;
- (b) personal guarantees provided by Mr. Liu and Ms. Zhou; and
- (c) two properties owned by certain non-controlling shareholders of the Company's subsidiary.

In addition, as at 30 June 2020, the Group's bank borrowings to the extent of RMB81 million (31 December 2019: RMB82 million) was secured by a property owned by a company, which is owned by Mr. Liu.

24. 關連方披露

(i) 關連方交易

此外，截至二零二零年及二零一九年六月三十日止六個月，本集團接獲來自劉先生之其他墊款且已向劉先生作出償還。於二零二零年六月三十日，應付劉先生款項為人民幣24,818,000元（二零一九年十二月三十一日：人民幣7,434,000元）。

(ii) 為支持本集團借貸作出的資產抵押及擔保

於二零二零年六月三十日及二零一九年十二月三十一日，除本集團已抵押資產以外，本集團銀行借貸及應付債券亦由下列各項支持：

- (a) 本公司附屬公司江蘇興宇控股集團有限公司作出的公司擔保；
- (b) 劉先生及周女士提供的個人擔保；及
- (c) 本公司附屬公司若干非控股股東擁有的兩項物業。

此外，於二零二零年六月三十日，本集團銀行借貸人民幣81,000,000元（二零一九年十二月三十一日：人民幣82,000,000元）乃由劉先生擁有的一間公司擁有的一項物業提供擔保。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

24. RELATED PARTY DISCLOSURES (Continued)

(iii) Compensation of key management personnel

Details of the emoluments paid or payable to the directors and the chief executive of the Group during the current and previous interim period are as follows:

24. 關連方披露 (續)

(iii) 主要管理層成員薪酬

於本中期及上個中期期間，已付或應付董事及本集團主要行政人員的酬金詳情如下：

Six months ended 30 June
截至六月三十日止六個月

		2020 二零二零年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 二零一九年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Short-term benefits	短期福利	950	984
Post-employment benefits	離職後福利	—	—
		950	984

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

25. SHARE-BASED PAYMENT TRANSACTION 25. 股份支付交易

Pursuant to the written resolution of the shareholders of the Company dated 24 May 2011, the share option scheme (the "Scheme") was approved and adopted. The Scheme was established for the purpose of providing incentives or rewards for the contribution of directors and eligible persons. The Scheme will remain in force for a period of ten years from adoption of the Scheme. The Scheme will expire on 23 May 2021.

Movements of share options outstanding and their weighted average exercise prices are as follows:

根據日期為二零一一年五月二十四日的本公司股東書面決議案，購股權計劃（「計劃」）獲批准及採納。設立計劃旨在就董事及合資格人士的貢獻給予鼓勵或獎勵。計劃自其獲採納起計十年內持續有效。計劃將於二零二一年五月二十三日屆滿。

未行使的購股權及其加權平均行使價的變動如下：

		Weighted average exercise price per share 每股加權平均行使價 HK\$ 港元	Number of shares options 購股權數目
At 1 January 2020	於二零二零年一月一日	N/A 不適用	—
Granted	已授出	0.0238	17,000,000
Lapsed	已失效	N/A 不適用	—
At 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	0.0238	17,000,000

The closing price of the Company's shares immediately before 20 January 2020, the date of grant, was HK\$0.072.

During the current interim period, share options were granted on 20 January 2020. The fair value of the options determined at the date of grant using the Binominal Valuation Model was HK\$330,755.

緊接二零二零年一月二十日（授出日期）前本公司股份的收市價為0.072港元。

於本中期期間內，購股權乃於二零二零年一月二十日獲授出。購股權公平值於授出日期採用二項式估值模式釐定為330,755港元。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月

25. SHARE-BASED PAYMENT TRANSACTION 25. 股份支付交易 (續)

(Continued)

The fair values of options granted determined were as follow:

按有關方式計算的已授出購股權的公平價值如下：

		20 January 2020 二零二零年 一月二十日
Option value (at grant date)	購股權價值(於授出日期)	HK\$330,755 330,755港元
Fair value per option (at grant date)	每份購股權公平值(於授出日期)	HK\$0.0238 0.0238港元
Significant inputs into the valuation model:	估值模式的主要輸入項目：	
Exercise price at grant date	授出日期的行使價	HK\$0.1 0.1港元
Share price at grant date	授出日期的股價	HK\$0.072 0.072港元
Expected volatility (note)	預期波幅(附註)	108.690%
Risk-free interest rate	無風險利率	1.8000%
Life of options	購股權年期	1 year 1年
Expected dividend yield	預期股息率	0%
Valuation model applied	所用估值模式	Binomial 二項式

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the valuer's best estimate.

二項式模式乃用於估計購股權公平值。計算購股權公平值所用的變量及假設乃基於估值師的最佳估計作出。



中國疏浚環保控股有限公司

China Dredging Environment Protection Holdings Limited

(Incorporated in the Cayman Islands with limited liability) (於開曼群島註冊成立的有限公司)

Stock Code 股份代號：871



Design And Produced By: EDICO Financial Press Services Limited
設計及製作：鉅京財經印刷服務有限公司

