



世纪阳光

世紀陽光集團控股有限公司
Century Sunshine Group Holdings Limited

Stock Code 股票代號: 00509.HK

Create a
Better Living
創造美好生活



2021
INTERIM REPORT
中期報告

目錄

Contents

2	公司資料	Corporate Information
4	財務概要	Financial Highlights
5	管理層討論及分析	Management Discussion and Analysis
16	未經審核簡明綜合損益表	Unaudited Condensed Consolidated Statement of Profit or Loss
17	未經審核簡明綜合全面收益表	Unaudited Condensed Consolidated Statement of Comprehensive Income
18	未經審核簡明綜合財務狀況表	Unaudited Condensed Consolidated Statement of Financial Position
20	未經審核簡明綜合權益變動表	Unaudited Condensed Consolidated Statement of Changes in Equity
21	未經審核簡明綜合現金流量表	Unaudited Condensed Consolidated Statement of Cash Flows
22	未經審核簡明綜合中期財務報表附註	Notes to the Unaudited Condensed Consolidated Interim Financial Statements
44	其他資料	Other Information

公司資料

Corporate Information

董事會

執行董事

池文富(主席)
池靜超

非執行董事

郭孟勇

獨立非執行董事

張省本
盛洪

公司秘書

陸世煒

委員會

審核委員會

張省本(委員會主席)
盛洪

提名委員會

池文富(委員會主席)
張省本
盛洪

薪酬委員會

張省本(委員會主席)
池靜超
盛洪

總辦事處

香港
九龍
尖沙咀
廣東道9號
港威大廈第5座16樓
電話：(852) 2802 2165
傳真：(852) 2802 2697
電郵：ir@centurysunshine.com.hk
網址：www.centurysunshine.com.hk

BOARD OF DIRECTORS

Executive Directors

Chi Wen Fu (*Chairman*)
Chi Jing Chao

Non-executive Director

Guo Mengyong

Independent Non-executive Directors

Cheung Sound Poon
Sheng Hong

Company Secretary

Luk Sai Wai, Simon

COMMITTEES

Audit Committee

Cheung Sound Poon (*Committee Chairman*)
Sheng Hong

Nomination Committee

Chi Wen Fu (*Committee Chairman*)
Cheung Sound Poon
Sheng Hong

Remuneration Committee

Cheung Sound Poon (*Committee Chairman*)
Chi Jing Chao
Sheng Hong

HEAD OFFICE

16th Floor, Tower 5, The Gateway
9 Canton Road
Tsim Sha Tsui
Kowloon
Hong Kong
Telephone : (852) 2802 2165
Fax : (852) 2802 2697
E-mail : ir@centurysunshine.com.hk
Website : www.centurysunshine.com.hk

公司資料 Corporate Information

上市資料

上市地點 : 香港聯合交易所
有限公司主板
股票代號 : 00509

股份資料

本公司每股面值 : 4,581,116,843股
0.02港元之已發行
股份(「股/股份」)
(2021年6月30日)
市值 : 215,312,491港元
(2021年6月30日)
每手買賣單位 : 5,000股

股份登記及過戶處

總處:

Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay
Grand Cayman KY1-1110
Cayman Islands

香港分處:

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

註冊辦事處

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

LISTING INFORMATION

Listing : Main Board of The Stock Exchange
of Hong Kong Limited
Stock code : 00509

SHARE INFORMATION

Company's shares of : 4,581,116,843 Shares
HK\$0.02 each (the
"Shares") in issue
(30 June 2021)
Market capitalisation : HK\$215,312,491
(30 June 2021)
Board lot size : 5,000 Shares

SHARE REGISTRAR AND TRANSFER OFFICES

Principal:

Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay
Grand Cayman KY1-1110
Cayman Islands

Hong Kong:

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

REGISTERED OFFICE

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

財務概要

Financial Highlights

		截至6月30日止六個月 Six months ended 30 June		
		2021 (未經審核) (unaudited) 千港元 HK\$'000	2020 (未經審核) (unaudited) 千港元 HK\$'000	增加/(減少) Increase/ (Decrease) (未經審核) (unaudited) 百分比 %
收入	Revenue			
• 農業肥料業務	• Fertiliser business	628,274	721,446	(12.9)
• 鎂產品業務	• Magnesium product business	182,632	368,178	(50.4)
• 煉鋼熔劑業務	• Metallurgical flux business	6,162	16,951	(63.6)
		817,068	1,106,575	(26.2)
本公司擁有人應佔虧損	Loss attributable to owners of the Company	(133,578)	(6,708)	1,891.3
每股基本虧損	Basic loss per share	(2.92)港仙HK cents	(0.15)港仙HK cents	1,846.7
股息	Dividend	—	—	—
		於2021年 6月30日 As at 30 June 2021 (未經審核) (unaudited) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) (audited) 千港元 HK\$'000	減少 Decrease (未經審核) (unaudited) 百分比 %
資產總值	Total assets	6,811,014	6,934,475	(1.8)
資產淨值	Net assets	3,466,642	3,586,998	(3.4)
總借貸	Total borrowings	2,134,968	2,140,789	(0.3)
股東權益	Shareholders' equity	3,266,414	3,361,287	(2.8)

管理層討論及分析

Management Discussion and Analysis

業務回顧

截至2021年6月30日止六個月(「期內」)，本集團整體收入達約817,068,000港元(2020年：1,106,575,000港元)，同比下降約26.2%。整體毛利率錄得8.0%(2020年：17.2%)，稅後虧損約為166,836,000港元(2020年：17,658,000港元)。其中，農業肥料業務期內收入約為628,274,000港元(2020年：721,446,000港元)，同比下降約12.9%。自2020年7月以來，本集團生產基地的生產運營大致正常，但是受到境外債務重組的影響，加之，近期原材料成本價格波動上漲，使得本集團未能取得較好的經營效益。

本集團附屬公司山東紅日化工股份有限公司(「山東紅日」)響應和配合臨沂市羅莊區政府(「地方政府」)關於企業「退城入園」(「項目」)的要求，並與地方政府簽訂了相關協議。2020年廠房拆遷工作都已全部完成，現在山東紅日正積極推動地方政府落實協議內容。根據山東紅日與職工簽訂的安置協議，山東紅日應於2021年7月支付安置補償金。目前地方政府已預先支付項目的部分土地收儲補償款，用於支付職工的安置補償金。

本集團附屬公司稀鎂科技集團控股有限公司(「稀鎂科技」)受到境外債務重組以及海外疫情反覆的影響。鎂產業鏈整體受到負面傳導作用，使得鎂產品的市場需求尚未全面復蘇。稀鎂科技期內收入約182,632,000港元(2020年：368,178,000港元)，同比下降50.4%。平均毛利率約11.5%。

BUSINESS REVIEW

For the six months ended 30 June 2021 (the "Period"), the Group recorded an overall revenue of approximately HK\$817,068,000 (2020: HK\$1,106,575,000), representing a year-on-year decrease of approximately 26.2%, with an overall gross profit margin of 8.0% (2020: 17.2%). The loss after tax was approximately HK\$166,836,000 (2020: HK\$17,658,000). Among them, the revenue from the fertiliser business during the Period was approximately HK\$628,274,000 (2020: HK\$721,446,000), representing a year-on-year decrease of approximately 12.9%. Since July 2020, the production and operation at the production bases of the Group have been generally normal. However, due to the offshore debt restructuring, and the recent increased and fluctuated cost of raw materials, the Group was unable to achieve relatively good management efficiency.

Shandong Hongri Chemical Joint Stock Company Limited ("Shandong Hongri"), a subsidiary of the Group, has cooperated with Luozhuang District Government of Linyi City ("Local Government") to respond to the requirements of "Relocation of Industries from City Urban Area to Industrial Parks" ("the Plan"). Shandong Hongri has entered into the relevant agreement with the Local Government. The demolition of plants was completed in 2020. Currently, Shandong Hongri is actively seeking the Local Government's implementation of the agreement. Under the resettlement agreement between Shandong Hongri and its staffs, Shandong Hongri shall pay the resettlement compensation in July 2021. Until now, the Local Government has paid part of the Plan's compensation for land purchasing and storage in advance to cover the staffs' resettlement compensation.

Rare Earth Magnesium Technology Group Holdings Limited ("REMT"), a subsidiary of the Group, was impacted by the influence of its offshore debt restructuring and the overseas pandemic resurgence. It negatively affects the magnesium industry chain as a whole. Thus the market demand for magnesium products has not yet fully recovered. The revenue of REMT in the Period was approximately HK\$182,632,000 (2020: HK\$368,178,000), representing a year-on-year decrease of 50.4%. The average gross profit margin was approximately 11.5%.

管理層討論及分析

Management Discussion and Analysis

展望

肥料在農業生產中的剛需地位和中國政府的政策支持、以及本集團深耕二十餘年的差異化優勢產品綠色生態肥料，都是我們砥礪奮進、迎難而上的堅實底氣。新冠肺炎疫情的不斷反覆，導致很多國家出現食品短缺，一些糧食出口國，開始限制糧食出口。在當前及未來，和糧食相關的農資市場將面臨著巨大的發展機遇。確保糧食穩產和高產都離不開肥料，肥料對糧食產量的貢獻率高達50%以上。本集團自成立以來研發生產的綠色生態肥料，具有改善土壤狀況和提高肥料利用率，促進作物增產增收及改良作物品質等功能。我們相信在後疫情時代，人們對健康食品需求的不斷增加，也將促進綠色生態肥料的市場需求，「讓作物更高產，讓土壤更肥沃」，始終是我們永恆的使命。做大肥料產業，引領生態肥料行業發展，始終是我們世紀陽光人不懈的追求。

主要營運數據

截至2021年6月30日止六個月之未經審核主要營運數據與2020年同期數據比較如下。下表所列的主要業務佔本集團於期內的總收入超過99% (2020年：超過98%)。

(a) 主要產品之銷售量：

		2021 噸 Tonnes	2020 噸 Tonnes	減少 Decrease %
農業肥料業務	Fertiliser business	240,347	328,791	(26.9)
鎂產品業務	Magnesium product business	9,353	18,674	(49.9)

PROSPECT

We have the confidence to forge ahead and overcome difficulties because of the rigid demand of fertilisers in agricultural production, the policy support from the Chinese Government, and the Group's differentiated superior products, the green ecological fertilisers, which we have been exploring for more than 20 years. The repeated outbreak of COVID-19 has caused food shortages in many countries. Some food-exporting countries have begun to restrict food exports. At present and in the future, the market for agricultural materials related to the grain will face great development opportunities. Fertilisers, which have a high contribution rate of over 50% to the grain production, are indispensable for the stable production and high yield of grain. The green ecological fertiliser developed and produced by the Group since its establishment helps improve soil conditions and fertiliser utilisation rate, and enhance crop yield and quality. We believe that in the post-epidemic era, people's increasing demand for healthy food will also promote the market demand for green ecological fertilisers. "Enhancing Crop Productivity and Soil Fertility" is always our eternal mission. To expand the fertiliser industry, leading the development of green fertiliser, is the unremitting pursuit of Century Sunshine.

KEY OPERATIONAL DATA

Unaudited key operational data for the six months ended 30 June 2021, together with the comparative figures for the corresponding period in 2020, are as follows. Main businesses listed below contributed over 99% (2020: over 98%) of the Group's total revenue for the Period.

(a) Sales volume of major products:

管理層討論及分析
Management Discussion and Analysis

(b) 主要產品之平均售價：

(b) Average selling price of major products:

		2021	2020	增加／ (減少) Increase/ (Decrease) %
		港元／噸 HK\$/ Tonnes	港元／噸 HK\$/ Tonnes	
農業肥料業務	Fertiliser business	2,614	2,194	19.1
鎂產品業務	Magnesium product business	19,454	19,716	(1.3)

(c) 毛利率：

(c) Gross profit margin:

		2021	2020	減少 百分點 Decrease Percentage points
		%	%	
農業肥料業務	Fertiliser business	7.4	15.4	(8.0)
鎂產品業務	Magnesium product business	11.5	20.5	(9.0)
本集團之整體	The Group's overall	8.0	17.2	(9.2)

財務回顧

FINANCIAL REVIEW

營運收入及毛利

Operating income and gross profit

本集團兩項主營業務：農業肥料業務及鎂產品業務的收入佔比分別為76.9%及22.4% (2020年：65.2%及33.3%)。

Contribution of revenue by our Group's dual core businesses: fertiliser business and magnesium product business accounted for 76.9% and 22.4% (2020: 65.2% and 33.3%) respectively.

期內，農業肥料業務收入約為628,274,000港元(2020年：721,446,000港元)，同比減少約12.9%。本集團正在進行境外債務重組，資金較為緊張，本集團營運規模因而受到了影響。另近期原材料價格波動上漲，進一步使得本集團沒能取得較好的經營效益。因此期內肥料總銷量約240,347噸，同比下降約26.9%。整體毛利率減少8.0個百分點至7.4%。

During the Period, the revenue of fertiliser business was approximately HK\$628,274,000 (2020: HK\$721,446,000), being a year-on-year decrease of approximately 12.9%. Since the Group is under offshore debt restructuring and fundings are tight, the Group's operating scale has been affected. Besides, the recent increased and fluctuated raw material cost further setback the Group from achieving relatively good management efficiency. As such, the total sales volume of our fertiliser was approximately 240,347 tonnes for the Period, being a year-on-year decrease of approximately 26.9%, the gross profit margin decreased by 8.0 percentage points to 7.4%.

管理層討論及分析

Management Discussion and Analysis

期內，鎂產品業務收入約為182,632,000港元(2020年：368,178,000港元)，同比減少約50.4%。這主要受到本集團境外債務重組以及海外疫情反覆的影響。鎂產業鏈整體受到負面傳導作用，使得鎂產品的市場需求尚未全面復蘇。鎂產品業務期內的總銷量約9,353噸，同比下降約49.9%。整體毛利率約為11.5%，同比減少9.0個百分點。

其他收益或虧損淨額

其他收益或虧損淨額約為38,260,000港元(2020年：24,161,000港元)，同比增加約58.4%，約14,099,000港元。增加主要來自一項現金結算權於期內到期及失效的公允值減值，其衍生金融負債約11,923,000港元因此於期內確認為其他收益。

銷售及市場推廣費用

銷售及市場推廣費用約為21,393,000港元(2020年：27,662,000港元)，佔收入約2.6%(2020年：2.5%)，主要包括市場業務費用、銷售人員工資及銷售運輸費用。

行政開支

行政開支主要包括員工薪酬、折舊及攤銷及專業費用。期內之行政開支約為99,574,000港元(2020年：123,142,000港元)，同比減少約19.1%，約23,568,000港元。本集團正進行境外債務重組，因此致力減省費用。

財務費用

財務費用約為100,751,000港元，同比增加約34.9%，增加是由於本集團自2020年7月起若干債務發生交叉違約後確認違約利息。

During the Period, the revenue of magnesium product business was approximately HK\$182,632,000 (2020: HK\$368,178,000), being a year-on-year decrease of approximately 50.4%. It was mainly attributable to the influence of the Group's offshore debt restructuring and the overseas pandemic resurgence. It negatively affects the magnesium industry chain as a whole. Thus the market demand for magnesium products has not yet fully recovered. The total sales volume of our magnesium product business for the Period was approximately 9,353 tonnes, being a year-on-year decrease of approximately 49.9%. The gross profit margin was approximately 11.5%, being a year-on-year decrease of 9.0 percentage points.

Other net gains or losses

Other net gains or losses were approximately HK\$38,260,000 (2020: HK\$24,161,000), an increase of approximately 58.4% or HK\$14,099,000 year-on-year. The increase was mainly due to decline in fair value on a cash settlement right expired and lapsed during the Period. Its derivative financial liabilities of approximately HK\$11,923,000 was therefore recognised as other gains during the Period.

Selling and marketing expenses

Selling and marketing expenses of approximately HK\$21,393,000 (2020: HK\$27,662,000), accounted for approximately 2.6% (2020: 2.5%) of revenue, which mainly consisted of market operating expenses and sales staff salaries, and sales and distribution expenses.

Administrative expenses

Administrative expenses mainly included staff compensation, depreciation and amortisation and professional expenses. Administrative expenses for the Period were approximately HK\$99,574,000 (2020: HK\$123,142,000), being a decrease of approximately 19.1% or HK\$23,568,000. The Group is undergoing offshore debt restructuring and is therefore striving to reduce expenses.

Finance costs

Finance costs were approximately HK\$100,751,000, representing an increase of approximately 34.9% year-on-year. The increase was due to default interests recognised subsequent to the cross default of certain debts of the Group since July 2020.

管理層討論及分析 Management Discussion and Analysis

所得稅開支

期內之所得稅開支約為7,661,000港元(2020年: 26,107,000港元), 同比減少約70.7%, 主要由於收入減少。

貿易應收款項預期信貸虧損撥備

受到2020年發生的新冠肺炎疫情影響, 本集團應收款項收款嚴重推遲, 相關情況尚待改善。期末, 本集團重新評估貿易應收款項之預期信貸虧損, 並於期內計提撥備約18,103,000港元。誠如2020年年報所述, 這並非指該等虧損實際已經發生, 亦非指在未來年度該等虧損會發生。而是基於報告日期可獲取之信息所作之預期信貸虧損反映。

利潤

期內, 本集團的稅後虧損約166,836,000港元(2020年: 17,658,000港元), 同比增加約845%。若扣除貿易應收款項預期信貸虧損撥備淨額、財務擔保負債公允值變動及匯兌差額淨值共虧損約41,312,000港元(2020年: 收益約20,024,000港元), 經營性之稅後虧損約為125,524,000港元(2020年: 37,682,000港元), 增加約233%。此主要因為境外債務重組、原材料價格上漲及疫情反覆對產業鏈的需求端和供給端造成衝擊。因此, 本集團整體業務表現受到明顯影響。

Income tax expense

The income tax expense for the Period was approximately HK\$7,661,000 (2020: HK\$26,107,000), representing a decrease of approximately 70.7% year-on-year, which mainly due to the decrease in revenue.

Allowance for expected credit losses on trade receivables

Affected by the COVID-19 epidemic in 2020, the Group's receivables collection was significantly delayed and such situation has yet been improved. As at the end of the Period, the Group reassessed the expected credit loss of trade receivables and an allowance of approximately HK\$18,103,000 were made for the Period. As stated in the 2020 annual report, this does not mean that such losses have actually occurred, nor does it mean that such losses will occur in future years. Rather, expected credit losses reflect the information available at the reporting date.

Margin

During the Period, the Group's after-tax loss was approximately HK\$166,836,000 (2020: HK\$17,658,000), being an increase of approximately 845% year-on-year. If excluding net allowances on expected credit loss on trade receivables, change in fair value of financial guarantee liabilities and net exchange difference totally loss of approximately HK\$41,312,000 (2020: gain of approximately HK\$20,024,000), the after-tax loss from operations was approximately HK\$125,524,000 (2020: HK\$37,682,000), being an increase of approximately 233%. It was mainly due to the offshore debt restructuring, rise in raw material price and hit on the demand and supply sides of the industrial chain as driven by the combined effect of the epidemic, resulting in a significant impact on the business performance of the Group.

管理層討論及分析

Management Discussion and Analysis

可能的債務重組及就重組用途委任共同臨時清盤人

由於2020年初的新冠肺炎疫情持續蔓延及中美關係緊張升級，對本公司為票據和其他借款進行再融資的能力產生不利影響，導致本公司於2020年7月3日到期的本金總金額為101,750,000新加坡元之後償票據出現贖回違約。

為促進其債務重組從而取得法定延緩以禁止未經法庭准許下對本公司展開或持續進行任何訴訟，於2020年7月2日(開曼群島時間)本公司已向開曼群島大法院(「大法院」)申請就重組用途委任安永企業財務服務有限公司的閻正為先生及蘇潔儀女士、Ernst & Young Ltd的Roy Bailey先生以及EY Cayman Ltd的Tammy Karina Fu女士(統稱為「共同臨時清盤人」)為本公司「非強制」共同臨時清盤人，並授予其共同及個別之權力。本公司之附屬公司稀鎂科技亦已就同一目的向百慕達最高法院作出類似申請。

「非強制」原則行事，即董事會仍將繼續管理本公司及維持集團日常運作，而共同臨時清盤人會與本公司管理層一起致力於監督、督導和監察集團整體進行全面及經協調的債務和負債重組，包括維持本公司在聯交所的上市。

共同臨時清盤人的申請已於2020年7月14日(開曼群島時間)於大法院進行聆訊。大法院頒佈一項命令，委任共同臨時清盤人並即時生效。

Possible Debt Restructuring and the Appointment of Joint Provisional Liquidators for Restructuring Purposes

At the beginning of 2020, the spread of the epidemic and the rising tensions between the United States of America and mainland China have adversely affected the Company's ability to refinance the Notes and other borrowings, leading to the default in the Company's redemption of its subordinated notes in aggregate principal amount of SGD101,750,000 that matured on 3 July 2020.

In order to facilitate a restructuring of its debts with the benefit of a statutory moratorium prohibiting the commencement or continuance of any proceedings against the Company without the leave of court, the Company has applied on 2 July 2020 (Cayman Islands time) to the Grand Court of the Cayman Islands (the "Grand Court") for the appointment of Mr. Yen Ching Wai David and Ms. So Kit Yee Anita of Ernst & Young Transactions Limited, Mr. Roy Bailey of Ernst & Young Ltd, and Ms. Tammy Karina Fu of EY Cayman Ltd. (collectively, the "JPLs") as the "light-touch" joint provisional liquidators of the Company for restructuring purposes, with the power to act jointly and severally. REMT, the subsidiary of the Company, has also made a similar application to the Supreme Court of Bermuda for the same purpose.

A "light touch" basis is that the Board will retain management of the Company and maintain the operation of the Group, while the JPLs will work alongside the Company's management to monitor, supervise, and oversee the implementation of a group-wide holistic and coordinated restructuring of its debts and liabilities including to maintain the listing of the Company on the Stock Exchange.

The JPL Application was heard before the Grand Court on 14 July 2020 (Cayman Islands time). The Grand Court granted an order that the JPLs have been appointed with immediate effect.

管理層討論及分析 Management Discussion and Analysis

於2020年8月18日，大法院向香港高等法院發出請求書（「請求書」），要求在香港承認共同臨時清盤人的任命和權力，以（其中包括）制定並提出重組計劃，致使本公司能夠繼續持續經營。大法院亦於當日接受其中一位共同臨時清盤人閻正為先生之辭任。而有關Roy Bailey先生、Tammy Karina Fu女士及蘇潔儀女士作為共同臨時清盤人的委任令則維持生效。共同臨時清盤人於2020年8月26日向香港高等法院提出申請，要求頒令認可共同臨時清盤人的任命，及獲得根據該請求書所給予的共同臨時清盤人權利。於2020年8月28日，香港高等法院已批准該申請。

共同臨時清盤人於2020年10月28日向新加坡共和國高等法院（「新加坡高等法院」）提出申請，要求頒令認可共同臨時清盤人的任命，及獲得根據該請求書所給予的共同臨時清盤人權利。於2020年11月30日，新加坡高等法院已批准該申請。

於2020年12月23日，新加坡債券持有人成立了非正式指導委員會（「非正式指導委員會」）。於2021年3月7日，非正式指導委員會委任了一家獨立財務顧問（「獨立財務顧問」），與其共同列席債權人委員會，並推進後續相關工作。

於2021年4月19日（開曼群島時間），經共同臨時清盤人申請，大法院進一步命令，呈請將延後至2021年10月20日（星期三）（開曼群島時間）進行聆訊。

於2021年5月、7月及8月期間，共同臨時清盤人多次舉行債權人委員會會議，討論臨時清盤與重組計劃的進展。任何該計劃的制定以及實施須受債權人會議上大多數債權人協定以及大法院及香港高等法院授出的命令限制。

On 18 August 2020, the Grand Court issued a letter of request (“LOR”) to the High Court of Hong Kong for the recognition of the appointment and powers of the JPLs in Hong Kong to, inter alia, develop and propose a restructuring plan to allow the Company to continue as a going concern. The Grand Court also accepted the resignation of one of the JPLs, Mr. Yen Ching Wai David on the same day. The JPLs appointment order remains in force in respect of Mr. Roy Bailey, Ms. Tammy Karina Fu and Ms. So Kit Yee Anita as JPLs. An application has been filed by the JPLs to the High Court of Hong Kong on 26 August 2020 for the recognition of the appointment and powers of the JPLs pursuant to the LOR. On 28 August 2020, the High Court of Hong Kong has approved the said application.

An application has been filed by the JPLs to the High Court of the Republic of Singapore (the “Singapore High Court”) on 28 October 2020 for the recognition of the appointment and powers of the JPLs pursuant to the LOR. On 30 November 2020, the Singapore High Court has approved the said application.

On 23 December 2020, the Singapore Noteholders have established the informal steering committee (the “ISC”). On 7 March 2021, the ISC has appointed an independent financial advisor (the “IFA”), who sits on the creditors’ committee, together with the ISC, to proceed the follow-up work.

On 19 April 2021 (Cayman Islands time), after the application of JPLs, the Grand Court has further ordered that the hearing of the Petition be adjourned to be heard on Wednesday, 20 October 2021 (Cayman Islands time).

During May, July and August 2021, the JPLs have held several creditors’ committee’s meeting to discuss the development of the provisional liquidation and restructuring plan. Any determination and implementation of such plan shall be subject to the agreement of the majority of creditors at the meeting and the orders granted by the Grand Court and the High Court of Hong Kong.

管理層討論及分析

Management Discussion and Analysis

本公司亦正在採取若干措施改善及加強本集團之運營管理。當中包括(i)內部資本及債務重組，以及尋求潛在投資者參與籌資計劃；及／或(ii)對資本投資及運營採取進一步之成本控制措施，以降低本集團之整體運營成本。本公司將繼續致力於爭取債權人的積極反饋，以支持計劃。

重組計劃進程如有重大進展，本公司將另行刊登公佈。

流動資金、負債及財務資源

於2021年6月30日，本集團之銀行及現金結餘合共約81,168,000港元(於2020年12月31日：約173,654,000港元)。

相比2020年12月31日，本集團於2021年6月30日之總借貸減少約0.3%。而本集團於2021年6月30日之負債比率(總借貸除以總資產)約為31.3%(於2020年12月31日：約30.9%)。

本集團持續的業務營運及資本開支將由經營所產生的內部現金流、可動用之信貸額度及股本／債務融資應付。

匯率風險管理

本集團主要在中華人民共和國(「中國」)及香港經營業務，故此承受外匯風險，主要涉及港元、人民幣、美元、新加坡元及澳元。外匯風險源於未來商業交易、已確認資產及負債、以及海外業務的投資淨額。本集團現時並無對沖外匯風險。本集團將定期檢討以港元以外之貨幣持有之流動資產及負債以評估外匯風險，並於必要時考慮使用對沖工具。

The Company is also taking various measures to improve and strengthen the operation and management of the Group. These measures include (i) restructuring internal capital and debt, and seeking potential investors to participate in fundraising plans; and/or (ii) taking further cost control measures on capital investment and operation to reduce the overall operating costs of the Group. The Company is committed to continuing seeking positive feedbacks from creditors to support the plan.

The Company will make further announcements in respect of any substantial development of the restructuring plan.

Liquidity, liabilities and financial resources

As at 30 June 2021, total amount of bank and cash balances of the Group was approximately HK\$81,168,000 (as at 31 December 2020: approximately HK\$173,654,000).

As at 30 June 2021, the Group's total borrowings decreased by approximately 0.3% as compared to that as at 31 December 2020. The Group's gearing ratio (calculated by total borrowings over total assets) was approximately 31.3% as at 30 June 2021 (as at 31 December 2020: approximately 30.9%).

The Group's ongoing business operations and capital expenditure will be funded by internal cash flows generated from operations, available credit facilities and equity/debt financings.

Exchange Rate Risk Management

The Group mainly operates in the People's Republic of China (the "PRC") and Hong Kong and is exposed to foreign exchange risk primarily with respect to HK\$, Renminbi, US\$, Singapore dollars and Australian dollars. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities, and net investments in foreign operations. The Group does not presently hedge the foreign exchange risks. The Group will periodically review liquid assets and liabilities held in currencies other than HK\$ to evaluate its foreign exchange risk exposure and consider the usage of hedging instruments when necessary.

管理層討論及分析 Management Discussion and Analysis

資產抵押

於2021年6月30日，本集團之物業、廠房及設備、使用權資產和銀行存款已抵押以取得借貸及應付票據融資，已抵押資產的賬面值分別約為1,009,198,000港元、187,016,000港元和10,363,000港元（於2020年12月31日：分別約為458,604,000港元、228,771,000港元和16,178,000港元）。

或然負債

於2021年6月30日，本集團並無任何重大或然負債，惟於未經審核簡明綜合中期財務報表附註18所披露者除外。

資本結構

於2021年6月30日及2020年12月31日，本公司已發行股本為91,622,337港元，分為4,581,116,843股，每股面值0.02港元。

人力資源

於2021年6月30日，本集團所僱用之員工數目約為1,520名（於2020年12月31日：約1,670名）。本集團根據員工之表現、工作經驗和現時市場情況訂定彼等之薪酬。員工福利包括醫療保障、界定供款退休計劃、酌情花紅和僱員購股權計劃。本集團並無發生任何導致正常業務運作受影響之重大勞資糾紛或僱員數目重大改變。董事認為本集團與僱員關係良好。

Pledge of Assets

As at 30 June 2021, the Group had pledged its property, plant and equipment, right-of-use assets and bank deposits with carrying amount of approximately HK\$1,009,198,000, HK\$187,016,000 and HK\$10,363,000 respectively (as at 31 December 2020: approximately HK\$458,604,000, HK\$228,771,000 and HK\$16,178,000 respectively) to secure borrowings and bills payables.

Contingent liabilities

As at 30 June 2021, other than those disclosed in Note 18 to the unaudited condensed consolidated interim financial statements, the Group did not have any significant contingent liabilities.

Capital Structure

As at 30 June 2021 and 31 December 2020, the issued share capital of the Company were HK\$91,622,337, divided into 4,581,116,843 shares of HK\$0.02 each.

Human resources

The number of employees of the Group was approximately 1,520 as at 30 June 2021 (as at 31 December 2020: approximately 1,670). The remuneration of employees was determined by the Group with reference to their performance, work experience and current market conditions. Employee benefits include medical insurance, defined contribution retirement plans, discretionary bonus and employee share option scheme. There has been no labour dispute or significant change in the number of employees that affect the normal operations of the Group. The Directors believe that the Group maintains admirable relations with its employees.

管理層討論及分析

Management Discussion and Analysis

項目概覽

白雲石礦

本集團之白雲石礦，位於中國吉林省白山市。該礦場以露天開採方式操作，不涉及也不需要額外勘探工程，開發活動僅涉及露天開採時的簡易基建工程，並沒有涉及任何地下鑽挖以及結構工程。已開採之白雲石為本集團生產金屬鎂產品之原材料。礦場的位置鄰近本集團生產基地，原料的運輸成本亦相對很低。

誠如本公司於2010年年報內披露，本集團之白雲石礦乃按中國資源／儲量分類。截至2021年6月30日的估計資源量和儲量，按已開採量逐年核減，得出剩餘資源量及儲量。本集團的估算假設與以往所披露者相比無重大變更。該資源量及儲量由本集團之內部地質專家審核。截至2021年6月30日止六個月，概無任何白雲石礦產出量*。與2020年12月31日相比，白雲石礦的估計資源量及礦石儲量並無重大變動。

截至2021年6月30日止六個月，開採活動、勘探活動及開發活動概無任何開支。

蛇紋石礦

本集團之蛇紋石礦，位於中國江蘇省東海縣。該礦場以露天開採方式操作，不涉及也不需要額外勘探工程，開發活動僅涉及露天開採時的簡易基建工程，並沒有涉及任何地下鑽挖以及結構工程。已開採之蛇紋石直接作為鋼鐵冶煉的輔助材料出售和作為本集團生產硅鎂肥之原材料。礦場的位置鄰近本集團生產基地，原料的運輸成本亦相對很低。

PROJECT OVERVIEW

Dolomite Mine

The Group's dolomite mine is situated in Baishan City, Jilin Province, the PRC. The mine is operated by open-pit method, and therefore no additional exploration works are involved or required. Only simple infrastructure works for open-pit mining are involved in the development activities, and no underground drilling or structural works are involved. The dolomite mined is the raw material for producing magnesium products of the Group. The transportation cost for the raw material is relatively low due to the close proximity of the mine to the production base of the Group.

As disclosed in the 2010 annual report of the Company, the dolomite mine of the Group was reported under the Chinese resource/reserve categories. As at 30 June 2021, the anticipated resource and reserve volumes were determined based on the yearly reduction of quantity mined to calculate the remaining resource and reserve volumes. There is no material change in the assumptions of estimation by the Group as compared with those previously disclosed. The resource and reserve volumes was reviewed by the Group's internal geological experts. For the six months ended 30 June 2021, there were no dolomite output*. As compared with the status as at 31 December 2020, there was no material change in the resource estimate and ore reserve of the dolomite mine.

For the six months ended 30 June 2021, there were no expenditures incurred in mining activities, exploration activities and development activities.

Serpentine Mine

The Group's serpentine mine is situated in Donghai County, Jiangsu Province, the PRC. The mine is operated by open-pit method, and therefore no additional exploration works are involved or required. Only simple infrastructure works for open-pit mining are involved in the development activities, and no underground drilling or structural works are involved. The serpentine mined is sold directly as metallurgical flux for iron and steel smelting and is the raw material for producing silicon magnesium fertilisers of the Group. The transportation cost for the raw material is relatively low due to the close proximity of the mine to the production base of the Group.

管理層討論及分析 Management Discussion and Analysis

誠如本公司於2010年年報內披露，本集團之蛇紋石礦於2010年購入時，乃按JORC準則呈報資源／儲量分類。截至2021年6月30日，估計資源量和儲量乃根據購入時的數量，按已開採量逐年核減，得出剩餘資源量及儲量。本集團的估算假設與以往所披露者相比無重大變更。該資源量及儲量由本集團之內部地質專家審核。截至2021年6月30日止六個月，蛇紋石礦產出量為52,138*噸。與2020年12月31日相比，蛇紋石礦的估計資源量及礦石儲量並無重大變動。

截至2021年6月30日止六個月之開採活動開支主要用於直接工資、材料、能源、運輸及折舊攤銷費用等，並已計入銷售成本於未經審核簡明綜合損益表及未經審核簡明綜合全面收益表內扣除。

截至2021年6月30日止六個月，蛇紋石礦開採活動產生之支出約為9,220,000港元，而開發活動及勘探活動之支出則為零港元。

* 產出量為白雲石／蛇紋石礦之入庫量，包括期內採礦石量。

As disclosed in the 2010 annual report of the Company, the resource/reserve of the Serpentine Mine was reported under the JORC system when it was acquired in 2010. As at 30 June 2021, the anticipated resource and reserve volumes were determined based on the volume at the time of acquisition with the yearly reduction of quantity mined to calculate the remaining resource and reserve volumes. There is no material change in the assumptions of estimation by the Group as compared with those previously disclosed. The resource and reserve volumes were reviewed by the Group's internal geological experts. For the six months ended 30 June 2021, the Group completed a serpentine output of 52,138* tonnes. As compared with the status as at 31 December 2020, there was no material change in the resource estimate and ore reserve of the serpentine mine.

The expenditures incurred for the six months ended 30 June 2021 in mining activities were mainly for direct wages, materials, energy, transportation, depreciation and amortisation, etc. Such expenditures have been included in cost of sales and charged to the unaudited condensed consolidated statement of profit or loss and the unaudited condensed consolidated statement of comprehensive income.

The expenditure incurred in mining production activities of serpentine for the six months ended 30 June 2021 was approximately HK\$9,220,000 while the expenditure incurred in development activities and exploration activities was HK\$Nil.

* Output is the stock-in-quantity from Dolomite/Serpentine mines, including mine extraction for the Period.

未經審核簡明綜合損益表

Unaudited Condensed Consolidated Statement of Profit or Loss

截至2021年6月30日止六個月
For the six months ended 30 June 2021

			2021 (未經審核) (unaudited) 千港元 HK\$'000	2020 (未經審核) (unaudited) 千港元 HK\$'000
收入	Revenue	4	817,068	1,106,575
銷售成本	Cost of sales		(751,473)	(916,796)
毛利	Gross profit		65,595	189,779
其他收益或虧損淨額	Other gains or losses, net		38,260	24,161
銷售及市場推廣費用	Selling and marketing costs		(21,393)	(27,662)
行政開支	Administrative expenses		(99,574)	(123,142)
貿易應收款項預期信貸虧損撥備淨額	Net allowances on expected credit loss on trade receivables		(18,103)	—
財務擔保負債公允值變動	Change in fair value of financial guarantee liabilities		(32,045)	—
匯兌差額淨值	Exchange differences, net		8,836	20,024
財務費用	Finance costs	6	(100,751)	(74,711)
除所得稅前(虧損)/溢利	(Loss)/Profit before income tax		(159,175)	8,449
所得稅開支	Income tax expense	7	(7,661)	(26,107)
期內虧損	Loss for the period	8	(166,836)	(17,658)
下列人士應佔期內虧損：	Loss for the period attributable to:			
本公司擁有人	Owners of the Company		(133,578)	(6,708)
非控股權益	Non-controlling interests		(33,258)	(10,950)
			(166,836)	(17,658)
每股虧損：	Loss per share:			
— 基本	— basic	9(a)	(2.92)港仙HK cents	(0.15)港仙HK cents
— 攤薄	— diluted	9(b)	(2.92)港仙HK cents	(0.15)港仙HK cents

未經審核簡明綜合全面收益表

Unaudited Condensed Consolidated Statement of Comprehensive Income

截至2021年6月30日止六個月
For the six months ended 30 June 2021

		2021 (未經審核) (unaudited) 千港元 HK\$'000	2020 (未經審核) (unaudited) 千港元 HK\$'000
期內虧損	Loss for the period	(166,836)	(17,658)
其他全面收益／(支出)， 扣除所得稅： 其後可能重新分類至損益之 項目： 換算海外業務所產生之 匯兌差額	Other comprehensive income/ (expenses), net of income tax: Items that may be reclassified subsequently to profit or loss: Exchange differences arising from translation of foreign operations	42,915	(95,651)
期內其他全面收益／(支出) (扣除所得稅)	Other comprehensive income/ (expenses) for the period (net of income tax)	42,915	(95,651)
期內全面支出總額	Total comprehensive expenses for the period	(123,921)	(113,309)
下列人士應佔期內全面支出 總額：	Total comprehensive expenses for the period attributable to:		
本公司擁有人	Owners of the Company	(98,438)	(87,445)
非控股權益	Non-controlling interests	(25,483)	(25,864)
		(123,921)	(113,309)

未經審核簡明綜合財務狀況表

Unaudited Condensed Consolidated Statement of Financial Position

			於2021年 6月30日 As at 30 June 2021 (未經審核) (unaudited) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) (audited) 千港元 HK\$'000
		附註 Notes		
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	11	3,743,132	3,693,366
投資物業	Investment properties		105,003	104,896
使用權資產	Right-of-use assets	11	293,062	296,330
商譽	Goodwill		151,116	151,116
無形資產	Intangible assets		367,791	366,511
採礦權	Mining rights		452,894	449,642
長期銀行存款	Long term bank deposits		—	59
			5,112,998	5,061,920
流動資產	Current assets			
按公允值計入損益之 股本工具	Equity instruments at fair value through profit or loss		5,083	8,737
存貨	Inventories		505,148	583,002
貿易應收款項及應收票據	Trade and bills receivables	12	511,294	526,093
預付款項、按金及其他 應收款項	Prepayment, deposits and other receivables		595,323	581,128
銀行及現金結餘	Bank and cash balances		81,168	173,595
			1,698,016	1,872,555
流動負債	Current liabilities			
貿易應付款項及應付票據	Trade and bills payables	13	288,289	250,061
應計費用及其他應付款項	Accruals and other payables		393,565	290,206
合約負債	Contract liabilities		202,718	337,126
租賃負債	Lease liabilities		482	514
應付所得稅	Income tax payable		4,925	11,724
借貸	Borrowings	14	2,134,968	2,065,408
			3,024,947	2,955,039
流動負債淨值	Net current liabilities		(1,326,931)	(1,082,484)
資產總值減流動負債	Total assets less current liabilities		3,786,067	3,979,436

未經審核簡明綜合財務狀況表
Unaudited Condensed Consolidated Statement of Financial Position

		於2021年 6月30日 As at 30 June 2021 (未經審核) (unaudited) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) (audited) 千港元 HK\$'000
非流動負債	Non-current liabilities		
遞延收入	Deferred revenue	73,585	72,834
其他應付款項	Other payables	48,041	47,907
租賃負債	Lease liabilities	5,878	6,034
借貸	Borrowings	—	75,381
遞延稅項負債	Deferred tax liabilities	191,921	190,282
		319,425	392,438
資產淨值	Net assets	3,466,642	3,586,998
本公司擁有人應佔股本及 儲備	Capital and reserves attributable to owners of the Company		
股本	Share capital	101,419	101,419
儲備	Reserves	3,164,995	3,259,868
		3,266,414	3,361,287
非控股權益	Non-controlling interests	200,228	225,711
權益總額	Total equity	3,466,642	3,586,998

未經審核簡明綜合權益變動表

Unaudited Condensed Consolidated Statement of Changes in Equity

截至2021年6月30日止六個月

For the six months ended 30 June 2021

		本公司擁有人應佔										非控股權益		總計
		Attributable to Owners of the Company										Non-controlling interests		Total
		股本	股份溢價	資本贖回儲備	資本儲備	法定儲備	購股權儲備	換算儲備	其他儲備	保留盈利	小計			
		Share capital	Share premium	Capital redemption reserve	Capital reserve	Statutory reserve	Share option reserve	Translation reserve	Other reserve	Retained earnings	Sub-total			
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)			(未經審核)
		(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)	(unaudited)			(unaudited)
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元			千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			HK\$'000
於2020年1月1日 (經審核)	As at 1 January 2020 (audited)	101,419	1,353,356	4,526	13,666	275,051	32,594	(347,598)	(221,707)	2,617,516	3,828,823	441,088		4,269,911
期內溢利	Profit for the period	-	-	-	-	-	-	-	-	(6,708)	(6,708)	(10,950)		(17,658)
期內其他全面開支 (扣除所得稅)：	Other comprehensive expenses for the period (net of income tax):													
換算海外業務所產生之匯兌差額	Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	(80,737)	-	-	(80,737)	(14,914)		(95,651)
期內全面開支總額	Total comprehensive expense for the period	-	-	-	-	-	-	(80,737)	-	(6,708)	(87,445)	(25,864)		(113,309)
儲備轉撥	Transfer of reserve	-	-	-	-	271	-	-	-	(271)	-	-		-
附屬公司所有權權益變動	Change in ownership interest in subsidiaries	-	-	-	-	-	(726)	-	2,175	-	1,449	1,551		3,000
股權結算股份付款之交易	Equity settled share-based transactions	-	-	-	-	-	6,005	-	-	-	6,005	-		6,005
於2020年6月30日 (未經審核)	As at 30 June 2020 (unaudited)	101,419	1,353,356	4,526	13,666	275,322	37,873	(428,335)	(219,532)	2,610,537	3,748,832	416,775		4,165,607
於2021年1月1日 (經審核)	As at 1 January 2021 (audited)	101,419	1,353,356	4,526	13,666	280,200	39,813	(82,769)	(219,701)	1,870,777	3,361,287	225,711		3,586,998
期內溢利	Profit for the period	-	-	-	-	-	-	-	-	(133,578)	(133,578)	(33,258)		(166,836)
期內其他全面開支 (扣除所得稅)：	Other comprehensive expenses for the period (net of income tax):													
換算海外業務所產生之匯兌差額	Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	35,140	-	-	35,140	7,775		42,915
期內全面收入/(開支)總額	Total comprehensive income/(expenses) for the period	-	-	-	-	-	-	35,140	-	(133,578)	(98,438)	(25,483)		(123,921)
儲備轉撥	Transfer of reserve	-	-	-	-	(84)	-	-	-	84	-	-		-
股權結算股份付款之交易	Equity settled share-based transactions	-	-	-	-	-	3,565	-	-	-	3,565	-		3,565
於2021年6月30日 (未經審核)	As at 30 June 2021 (unaudited)	101,419	1,353,356	4,526	13,666	280,116	43,378	(47,629)	(219,701)	1,737,283	3,266,414	200,228		3,466,642

未經審核簡明綜合現金流量表

Unaudited Condensed Consolidated Statement of Cash Flows

截至2021年6月30日止六個月
For the six months ended 30 June 2021

		2021 (未經審核) (unaudited) 千港元 HK\$'000	2020 (未經審核) (unaudited) 千港元 HK\$'000
經營活動所產生／(動用)的現金淨額	Net cash generated/(used in) from operating activities	58,007	(245,962)
投資活動所動用的現金淨額	Net cash used in investing activities	(122,698)	(228,214)
融資活動所動用的現金淨額	Net cash used in financing activities	(24,046)	(172,972)
現金及等同現金項目減少淨額	Net decrease in cash and cash equivalents	(88,737)	(647,148)
期初的現金及等同現金項目	Cash and cash equivalents at the beginning of the period	157,417	785,157
外幣匯率變動的影響	Effect of foreign exchange rate changes	2,125	(21,859)
期末的現金及等同現金項目	Cash and cash equivalents at the end of the period	70,805	116,150
現金及等同現金項目結餘分析	Analysis of balances of cash and cash equivalents		
於未經審核簡明綜合財務狀況表列賬的銀行及現金結餘	Bank and cash balances as stated in the unaudited condensed consolidated statement of financial position	81,168	303,371
為借貸及應付票據作抵押擔保之銀行存款	Deposits with banks pledged as security for borrowings and bills payables	(10,363)	(187,166)
收購時原到期日超過三個月之非抵押銀行存款	Non-pledged deposits with bank with original maturity of more than three months when acquired	—	(55)
於未經審核簡明綜合現金流量表列賬的現金及等同現金項目	Cash and cash equivalents as stated in the unaudited condensed consolidated statement of cash flows	70,805	116,150

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月

For the six months ended 30 June 2021

1. 一般資料

世紀陽光集團控股有限公司(「本公司」)與其附屬公司(統稱「本集團」)主要從事農業肥料業務、鎂產品業務及煉鋼熔劑業務。

本公司乃於2003年1月21日根據開曼群島公司法第22章(1961年法律3，經綜合及修訂)在開曼群島註冊成立的獲豁免有限公司。本公司的股份於2004年2月17日於香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市，並於2008年7月31日撤銷其於創業板上市地位。自2008年8月1日起，本公司的股份於聯交所主板上市。

未經審核簡明綜合中期財務報表均以港元(「港元」)呈列，除非另有說明，否則所有金額均以最接近千位(千港元)計值。

截至2021年6月30日止六個月之未經審核簡明綜合中期財務報表已獲董事會於2021年8月31日批准刊發。

2. 編製基準

截至2021年6月30日止六個月之未經審核簡明綜合中期財務報表乃遵照香港會計準則(「香港會計準則」)第34號「中期財務報告」及聯交所主板上市之證券上市規則(「上市規則」)附錄16之適用披露要求而編製。

未經審核簡明綜合中期財務報表須與根據香港財務報告準則(「香港財務報告準則」)編製之截至2020年12月31日止年度之綜合財務報表一併閱讀。

1. GENERAL INFORMATION

Century Sunshine Group Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in fertiliser business, magnesium product business and metallurgical flux business.

The Company was incorporated in the Cayman Islands on 21 January 2003 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. On 17 February 2004, the Company’s shares were listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and were withdrawn from the GEM Board on 31 July 2008. Since 1 August 2008, the Company’s shares have been listed on the Main Board of the Stock Exchange.

The unaudited condensed consolidated interim financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2021 were approved for issue by the Board on 31 August 2021.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” and the applicable disclosure requirements of Appendix 16 to the Main Board Listing Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The unaudited condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2020, which has been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”).

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

於編製未經審核簡明綜合中期財務報表時，管理層須作出會影響會計政策應用以及資產負債與收支呈報金額之判斷、估計及假設。實際結果可能有別於該等估計。

The preparation of the unaudited condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

除因應用經修訂香港財務報告準則而導致的會計政策變動外，於編製該等未經審核簡明綜合中期財務報表時，管理層於應用本集團會計政策時作出之重大判斷，以及估計不明朗因素之主要來源，與截至2020年12月31日止年度之綜合財務報表所應用者相同。

Other than the changes in accounting policies resulting from application of amendments to HKFRSs, in preparing these unaudited condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimate uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2020.

清盤呈請及委任臨時清盤人

於2020年7月3日，本公司公佈(i)本公司違約贖回於2020年7月3日到期之本金金額為101,750,000新加坡元之上市後償票據(「票據」)(「付款違約」)；(ii)一份清盤呈請連同委任共同臨時清盤人(「共同臨時清盤人」)之申請已代表本公司於2020年7月2日(開曼群島時間)向開曼群島大法院(「大法院」)提交，其為按「非強制」原則行事，即本公司董事會(「董事會」)仍將管理本公司，而共同臨時清盤人會與本公司管理層一起致力於(其中包括)監督、督導和監察對整個集團進行全面及經協調的債務和負債重組(「建議重組計劃」)，包括維持本公司在香港聯合交易所有限公司的上市。

Winding-up petitions and appointment of provisional liquidators

On 3 July 2020, the Company announced (i) the Company defaulted on the redemption of the SGD 101.75 million in principal amount of the listed subordinated notes (the “Notes”) on their maturity on 3 July 2020 (the “Payment Default”); (ii) a winding-up petition has been filed on 2 July 2020 (Cayman Islands time) to the Grand Court of the Cayman Islands (the “Grand Court”) on behalf of the Company together with an application for the appointment of joint provisional liquidators (“JPLs”) on a “light touch” basis that the board of directors of the Company (the “Board”) will retain management of the Company while the JPLs will work alongside the Company's management to, amongst other things, monitor, supervise and oversee the implementation of a group-wide holistic and coordinated restructuring of its debts and liabilities (the “Proposed Restructuring Plan”) including to maintain the listing of the Company on The Stock Exchange of the Hong Kong Limited.

於2020年7月14日(開曼群島時間)，開曼群島大法院已頒佈命令，委任安永企業財務服務有限公司的閻正為先生及蘇潔儀女士、Ernst & Young Ltd的Roy Bailey先生以及EY Cayman Ltd的Tammy Karina Fu女士為本公司共同臨時清盤人，並授予其共同及個別之權力。

On 14 July 2020 (Cayman Islands time), an order was granted by the Grand Court for the appointment of Mr. Yen Ching Wai David and Ms. So Kit Yee Anita of Ernst & Young Transactions Limited, Mr. Roy Bailey of Ernst & Young Ltd, and Ms. Tammy Karina Fu of EY Cayman Ltd. as the JPLs of the Company with the power to act jointly and severally.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

於2020年8月18日，大法院向香港高等法院發出請求書(「請求書」)，要求在香港承認共同臨時清盤人的任命和權力，以(其中包括)制定並提出重組計劃，致使本公司能夠繼續持續經營。大法院亦於當日接受其中一位共同臨時清盤人閻正為先生之辭任。而有關Roy Bailey先生、Tammy Karina Fu女士及蘇潔儀女士作為共同臨時清盤人的委任令則維持生效。共同臨時清盤人於2020年8月26日向香港高等法院提出申請，要求頒令認可共同臨時清盤人的任命，及獲得根據該請求書所給予的共同臨時清盤人權利。於2020年8月28日，香港高等法院已批准該申請。

共同臨時清盤人於2020年10月28日向新加坡共和國高等法院(「新加坡高等法院」)提出申請，要求頒令認可共同臨時清盤人的任命，及獲得根據該請求書所給予的共同臨時清盤人權利。於2020年11月30日，新加坡高等法院已批准該申請。

於2020年12月23日，新加坡債券持有人成立了非正式指導委員會(「非正式指導委員會」)。於2021年3月7日，非正式指導委員會委任了一家獨立財務顧問(「獨立財務顧問」)，與其共同列席債權人委員會，並推後後續相關工作。

於2021年4月19日(開曼群島時間)，經共同臨時清盤人申請，大法院進一步命令，呈請將延後至2021年10月20日(星期三)(開曼群島時間)進行聆訊。

於2021年5月、7月及8月期間，共同臨時清盤人多次舉行債權人委員會會議，討論臨時清盤與重組計劃的進展。任何該計劃的制定以及實施須受債權人會議上大多數債權人協定以及大法院及香港高等法院授出的命令限制。

On 18 August 2020, the Grand Court issued a letter of request (“LOR”) to the High Court of Hong Kong for the recognition of the appointment and powers of the JPLs in Hong Kong to, inter alia, develop and propose a restructuring plan to allow the Company to continue as a going concern. The Grand Court also accepted the resignation of one of the JPLs, Mr. Yen Ching Wai David on the same day. The JPLs appointment order remains in force in respect of Mr. Roy Bailey, Ms. Tammy Karina Fu and Ms. So Kit Yee Anita as JPLs. An application has been filed by the JPLs to the High Court of Hong Kong on 26 August 2020 for the recognition of the appointment and powers of the JPLs pursuant to the LOR. On 28 August 2020, the High Court of Hong Kong has approved the said application.

An application has been filed by the JPLs to the High Court of the Republic of Singapore (the “Singapore High Court”) on 28 October 2020 for the recognition of the appointment and powers of the JPLs pursuant to the LOR. On 30 November 2020, the Singapore High Court has approved the said application.

On 23 December 2020, the Singapore Noteholders have established the informal steering committee (the “ISC”). On 7 March 2021, the ISC has appointed an independent financial advisor (the “IFA”), who sits on the creditors’ committee, together with the ISC, to proceed the follow-up work.

On 19 April 2021 (Cayman Islands time), after the application of JPLs, the Grand Court has further ordered that the hearing of the Petition be adjourned to be heard on Wednesday, 20 October 2021 (Cayman Islands time).

During May, July and August 2021, the JPLs have held several creditors’ committee’s meeting to discuss the development of the provisional liquidation and restructuring plan. Any determination and implementation of such plan shall be subject to the agreement of the majority of creditors at the meeting and the orders granted by the Grand Court and the High Court of Hong Kong.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

持續經營基準

截至2021年6月30日止期間，本集團產生虧損約166,836,000港元，而於該日，本集團之流動負債超過其流動資產約1,326,931,000港元。此外，於2021年6月30日，本集團之流動負債內的借款約為2,134,968,000港元，而本集團維持其現金及等同現金項目僅約70,805,000港元。誠如上述，本公司違約償還其本金為101,750,000新加坡元(相當於約584,981,000港元)之票據加其於2020年7月3日到期之應計利息，並獲悉若干債權人要求本集團償還借款。截至2021年6月30日本集團未能履行金額約1,920,865,000港元之若干借款之若干契約，有關金額須按要求償還並在未經審核簡明綜合財務狀況表中呈列為流動負債。此外，就計入本集團截至2021年6月30日的借貸中約267,126,000港元借貸的貸款人已對本集團發起訴訟，要求償還未償付結餘。

上述狀況表示存在對本集團之持續經營能力構成疑慮之重大不明朗因素。因此，本集團可能無法於日常業務過程中變現其資產及解除債務。

Going Concern Basis

During the period ended 30 June 2021, the Group recorded loss of approximately HK\$166,836,000, and, as at that date, the Group's current liabilities exceeded its current assets by approximately HK\$1,326,931,000. Further, as at 30 June 2021, the Group's borrowings within current liabilities amounted to approximately HK\$2,134,968,000, while its cash and cash equivalents only amounted to approximately HK\$70,805,000. As stated in above, the Company had defaulted in repayment of its Notes of principal amount of SGD101.75 million (equivalent to approximately HK\$584,981,000) plus interests accrued when they fell due on their maturity date on 3 July 2020 and had received demands from several creditors for repayment of the borrowings of the Group. The Group could not fulfil certain covenants of certain borrowings amounting to approximately HK\$1,920,865,000 as at 30 June 2021, which have become repayable on demand and are presented as current liabilities in the unaudited condensed consolidated statement of financial position. Further, included in the borrowings of the Group as at 30 June 2021 were borrowings of approximately HK\$267,126,000 which the lenders have commenced litigations against the Group to repay the outstanding balances.

The conditions described above indicate the existence of a material uncertainty that cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

本公司正積極探索本集團債務重組之方案，藉開曼群島大法院監督臨時清盤制度（通常稱為「非強制」臨時清盤）下執行管理層領導之重組，從而取得法定延緩以禁止未經大法院准許下對本公司展開或持續進行任何訴訟。本公司正在積極努力地考慮制定切實可行之建議重組計劃，包括但不限於以下部分或全部事項：

1. 進行股權重組以便本公司透過發行股權自第三方投資者籌集現金；
2. 進行可能涉及再融資及／或本集團債務及負債和解或安排之債務重組；
3. 可能由一個或以上的第三方投資者投資於本公司，借此為本公司籌集現金，以及可能出售本集團之非核心業務及非營運性固定資產。

建議之建議重組計劃將通過安排計劃（「計劃」）方式與包括本公司在內之公司之債權人執行。計劃很可能會受到大法院、英屬處女群島法院（有關臨時清盤中之於英屬處女群島註冊成立之附屬公司）、香港高等法院及新加坡高等法院裁決。

此外，本公司計劃對資本投資、生產及行政運營採取進一步之成本控制措施，以降低本集團之整體運營成本。

The Company is actively exploring options to restructure debts of the Group and intends to implement a management led restructuring by taking advantage of the court-supervised provisional liquidation regime in the Cayman Islands, commonly known as a “light touch” provisional liquidation, which gives the Company the benefit of a statutory moratorium prohibiting the commencement or continuance of any proceedings against the Company without the leave of the Grand Court. The Company is actively considering to develop a viable proposed restructuring plan, including but not limited to some or all of the followings:

1. equity restructuring to facilitate the raising of cash for the Company from third party investors through equity issue;
2. a debt restructuring that may involve refinancing and/or a compromise or arrangement of the debts and liabilities of the Group;
3. potential investment in the Company from one or more third party investor(s) to facilitate raising of cash for the Company and potential disposal of non-core business and non-operating fixed assets of the Group.

It is proposed that the proposed restructuring plan will be implemented by way of schemes of arrangement (the “Schemes”) with the creditors of the companies, including the Company. The Schemes are likely subject to the sanction of the Grand Court, the BVI Court (in respect of the subsidiaries in provisional liquidation which are incorporated in the BVI), High Court of Hong Kong and the Singapore High Court.

In addition, the Company plans to implement further cost control measures on capital investments, production and administrative operations to reduce overall operating costs of the Group.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

本公司董事認為，按持續經營基準編製未經審核簡明綜合中期財務報表乃合宜之舉。該等未經審核簡明綜合中期財務報表乃按持續經營基準編製，其有效程度視乎本集團能否與債權人順利磋商，並同意重續或延長現有借款，或完成債務融資以為本集團提供資金以滿足到期之債務。這進而取決於(i)在向本集團一般債權人之債權人委員會、票據之票據持有人之非正式指導委員會及獲委聘代表非正式指導委員會之獨立財務顧問協商後，共同臨時清盤人及本公司能夠落實建議重組計劃；及(ii)為執行已敲定之建議重組計劃，將成功地從上述相關法院取得對計劃之批准。

截至批准刊發未經審核簡明綜合中期財務報表之日，建議重組計劃尚未制定且建議重組計劃之最終結果無法合理確定。因此，截至批准刊發未經審核簡明綜合中期財務報表之日，存在對本集團之持續經營能力構成疑慮之重大不明朗因素。倘本集團無法持續經營，則須於未經審核簡明綜合中期財務報表作出調整以將本集團之資產價值撇減至可收回金額，以為可能進一步產生之負債作出撥備，並將非流動資產及非流動負債分別重新分類至流動資產及流動負債。此等調整之影響尚未反映於未經審核簡明綜合中期財務報表內。

The directors of the Company are of the opinion that it is appropriate to prepare the unaudited condensed consolidated interim financial statements on a going concern basis. These unaudited condensed consolidated interim financial statements have been prepared on a going concern basis, the validity of which depends upon the Group being able to successfully negotiate and agree with the creditors to renew or extend the existing borrowings or complete debt financing to provide funds for the Group to meet its liabilities as they fall due. This in turn is dependent upon (i) the JPLs and the Company being able to finalise the proposed restructuring plan after consultations with the creditors' committee of the general creditors of the Group, the ISC of the noteholders of the Notes and the IFA engaged to represent the ISC; and (ii) the sanctions of the Schemes will be successfully obtained from the relevant courts referred to above for the implementation of the finalised Proposed Restructuring Plan.

As at the date of approval for issuance of the unaudited condensed consolidated interim financial statements, the proposed restructuring plan has not been formulated yet and the eventual outcome of the proposed restructuring plan cannot be determined with reasonable certainty. Accordingly, the material uncertainty that cast significant doubt on the Group's ability to continue as a going concern remains in existence as at the date of approval for issuance of the unaudited condensed consolidated interim financial statements. Should the Group be unable to continue as a going concern, adjustments would have to be made to the unaudited condensed consolidated interim financial statements to write down the carrying values of the Group's assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the unaudited condensed consolidated interim financial statements.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

3. 主要會計政策

應用香港財務報告準則之修訂

於本中期期間，本集團已就編製本集團未經審核簡明綜合中期財務報表首次採用以下由香港會計師公會頒佈並於2021年1月1日或之後開始之年度期間強制生效之香港財務報告準則之修訂：

香港財務報告準則第16號的修訂	與新冠肺炎相關的租金寬免
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號的修訂	利率基準改革—第2階段

於本中期期間應用香港財務報告準則的修訂並無對本集團於本期間及過往期間的財務狀況及表現及／或於該等未經審核簡明綜合中期財務報表所載的披露構成重大影響。

3. SIGNIFICANT ACCOUNTING POLICIES

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2021 for the preparation of the Group's unaudited condensed consolidated interim financial statements:

Amendment to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform—Phase 2

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these unaudited condensed consolidated interim financial statements.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

4. 收入

4. REVENUE

		截至6月30日止六個月	
		Six months ended 30 June	
		2021	2020
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
銷售農業肥料產品	Sales of fertiliser products	628,274	721,446
銷售鎂產品	Sales of magnesium products	182,632	368,178
銷售煉鋼熔劑產品	Sales of metallurgical flux products	6,162	16,951
		817,068	1,106,575
確認收入的時間： 於時間點發生	Timing of revenue recognition: A point in time	817,068	1,106,575

5. 分部資料

就資源調配及分部表現評估向本公司行政總裁(主要營運決策者)報告之資料側重於經營類別。本集團根據香港財務報告準則第8號經營及申報的分部如下：

- 農業肥料業務
- 鎂產品業務
- 煉鋼熔劑業務

有關本集團之可報告分部資料於下文呈報。

5. SEGMENT INFORMATION

Information reported to the Company's Chief Executive Officer, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on the operating divisions. The Group's operating and reportable segments under HKFRS 8 are therefore as follows:

- Fertiliser business
- Magnesium product business
- Metallurgical flux business

Information regarding the Group's reportable segments is presented below.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

(a) 分部收入及業績

截至2021年6月30日止六個月

		農業肥料業務 Fertiliser business (未經審核) (unaudited) 千港元 HK\$'000	鎂產品業務 Magnesium product business (未經審核) (unaudited) 千港元 HK\$'000	煉鋼熔劑業務 Metallurgical flux business (未經審核) (unaudited) 千港元 HK\$'000	合計 Total (未經審核) (unaudited) 千港元 HK\$'000
分部收入	Segment revenue	628,274	182,632	6,162	817,068
分部間收入	Intersegment revenue	—	—	—	—
來自外部客戶的收入	Revenue from external customers	628,274	182,632	6,162	817,068
分部業績	Segment results	(13,120)	(19,407)	8,287	(24,240)
其他收益或虧損淨額	Other gain or losses, net				17,717
財務擔保負債公允價值變動	Change in fair value of financial guarantee liabilities				(32,045)
中央行政費用	Central administrative costs				(19,856)
財務費用	Finance costs				(100,751)
除所得稅前虧損	Loss before income tax				(159,175)

(a) Segment Revenue and Results

For six months ended 30 June 2021

截至2020年6月30日止六個月

For six months ended 30 June 2020

		農業肥料業務 Fertiliser business (未經審核) (unaudited) 千港元 HK\$'000	鎂產品業務 Magnesium product business (未經審核) (unaudited) 千港元 HK\$'000	煉鋼熔劑業務 Metallurgical flux business (未經審核) (unaudited) 千港元 HK\$'000	合計 Total (未經審核) (unaudited) 千港元 HK\$'000
分部收入	Segment revenue	721,446	368,178	16,951	1,106,575
分部間收入	Intersegment revenue	—	—	—	—
來自外部客戶的收入	Revenue from external customers	721,446	368,178	16,951	1,106,575
分部業績	Segment results	63,341	43,573	7,323	114,237
其他收益或虧損淨額	Other gain or losses, net				19,113
中央行政費用	Central administrative costs				(50,190)
財務費用	Finance costs				(74,711)
除所得稅前溢利	Profit before income tax				8,449

未經審核簡明綜合中期財務報表附註
Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

上文呈列之分部收入，乃代表外部客戶所產生之收入。本期間及以前期間之分部間收入已對銷。分部間交易均按公平基準訂立。

Segment revenue reported above represents revenue generated from external customers. Intersegment revenue has been eliminated in current and last periods. Intersegment transactions are entered into at arm's length.

可報告分部之會計政策與本集團會計政策相同。分部業績指於並無分配中央行政費用(包括董事薪酬)、若干其他淨收益或虧損、財務擔保負債公允值變動及財務費用情況下各分部之業績。此為向主要營運決策者報告以供其調配資源及評估分部表現之方式。

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represent the results from each segment without allocation of central administrative costs including directors' emoluments, certain net other gains or losses, change in fair value of financial guarantee liabilities and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

(b) 分部資產

(b) Segment Assets

		於2021年 6月30日 As at 30 June 2021 (未經審核) (unaudited) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) (audited) 千港元 HK\$'000
農業肥料業務	Fertiliser business	3,219,456	3,304,296
鎂產品業務	Magnesium product business	2,657,283	2,661,659
煉鋼熔劑業務	Metallurgical flux business	627,595	626,426
		6,504,334	6,592,381
未分配	Unallocated	306,680	342,094
		6,811,014	6,934,475

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

6. 財務費用

6. FINANCE COSTS

		截至6月30日止六個月	
		Six months ended 30 June	
		2021	2020
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
上市後償票據之利息	Interest on listed subordinated notes	25,563	19,657
可轉換債券之利息	Interest on exchangeable bonds	10,768	5,679
須於5年內全數償還之 借貸之利息	Interest on borrowings wholly repayable within five years	64,199	49,139
租賃負債之利息	Interest on lease liabilities	221	236
		100,751	74,711

7. 所得稅開支

7. INCOME TAX EXPENSE

於未經審核簡明綜合損益表內扣除／(計入)的所得稅開支數額指：

The amount of income tax expense charged/(credited) to the unaudited condensed consolidated statement of profit or loss represents:

		截至6月30日止六個月	
		Six months ended 30 June	
		2021	2020
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
即期稅項：	Current tax:		
— 中國企業所得稅	— PRC Enterprises Income Tax	8,227	26,906
遞延稅項	Deferred taxation	(566)	(799)
		7,661	26,107

未經審核簡明綜合中期財務報表附註
Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

8. 期內虧損

8. LOSS FOR THE PERIOD

期內虧損由扣除下列各項後達致：

Loss for the period has been arrived at after charging:

		截至6月30日止六個月 Six months ended 30 June	
		2021	2020
		(未經審核) (unaudited)	(未經審核) (unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
折舊及攤銷	Depreciation and amortisation	117,441	101,736

9. 每股虧損

9. LOSS PER SHARE

(a) 基本

計算每股基本虧損是根據本公司擁有人應佔期內虧損除以期內已發行普通股加權平均數。

(a) Basic

Basic loss per share is calculated by dividing the loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

		截至6月30日止六個月 Six months ended 30 June	
		2021	2020
		(未經審核) (unaudited)	(未經審核) (unaudited)
虧損	Loss		
計算每股基本虧損之 母公司普通股權益 持有人應佔虧損 (千港元)	Loss attributable to ordinary equity holders of the parent, used in the basic loss per share calculation (HK\$'000)	(133,578)	(6,708)
已發行普通股加權平均數 (千股)	Weighted average number of ordinary shares in issue (thousand shares)	4,581,117	4,581,117
每股基本虧損(港仙)	Basic loss per share (HK cents)	(2.92)	(0.15)

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

(b) 攤薄

計算每股攤薄虧損是假設轉換所有具攤薄性的潛在普通股，以調整已發行普通股加權平均數。本公司有一類具攤薄性的潛在普通股：購股權。

就購股權而言，本公司按尚未行使購股權所附之認購權貨幣值，計算若按公允值(以本公司期內之股份平均市場價值釐定)能購入的股份數目。按上文所述計算的股份數目，與假設行使購股權後所發行的股份數目作比較。

由於購股權行使價高於截至2021年及2020年6月30日止期間的股份平均市價，故計算每股攤薄虧損時並不假設行使本公司的購股權。

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options.

For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares during the Period) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

The computation of diluted loss per share does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price of shares for the period ended 30 June 2021 and 2020.

10. 股息

本公司董事不建議就截至2021年6月30日止六個月派付任何股息(2020年：零港元)。

10. DIVIDEND

The directors of the Company do not recommend the payment of any dividend in respect of the six months ended 30 June 2021 (2020: HK\$Nil).

11. 物業、廠房及設備及使用權資產

於截至2021年6月30日止六個月，本集團增加了約137,477,000港元(2020年：90,568,000港元)的物業、廠房及設備。

於截至2021年6月30日止六個月，本集團出售了賬面值約2,306,000港元的物業、廠房及設備，所得款項約7,172,000港元。於截至2020年6月30日止六個月並無出售任何物業、廠房及設備。

於截至2021及2020年6月30日止六個月，本集團並沒有訂立任何新租賃協議。

11. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2021, the Group had additions of property, plant and equipment amounting to approximately HK\$137,477,000 (2020: HK\$90,568,000).

During the six months ended 30 June 2021, the Group disposed of property, plant and equipment with a carrying amount of approximately HK\$2,306,000 for the proceeds of approximately HK\$7,172,000. No disposal of property, plant and equipment was incurred during the six months ended 30 June 2020.

During the six months ended 30 June 2021 and 2020, the Group has not entered into any new lease agreement.

未經審核簡明綜合中期財務報表附註
Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

12. 貿易應收款項及應收票據

12. TRADE AND BILLS RECEIVABLES

		於2021年 6月30日 As at 30 June 2021 (未經審核) (unaudited) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) (audited) 千港元 HK\$'000
貿易應收款項	Trade receivables	700,671	690,958
預期信貸虧損撥備	Allowance for expected credit losses	(192,428)	(172,620)
		508,243	518,338
應收票據	Bills receivables	3,051	7,755
		511,294	526,093

於報告日期，本集團貿易應收款項按發票日期呈列及扣除呆賬撥備的賬齡分析如下：

As at the reporting date, the ageing analysis of the trade receivables of the Group presented based on the invoice date and net of allowance for doubtful debts was as follows:

		於2021年 6月30日 As at 30 June 2021 (未經審核) (unaudited) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) (audited) 千港元 HK\$'000
30日以內	Within 30 days	40,541	126,010
31至60日	31 to 60 days	32,548	76,043
61至90日	61 to 90 days	45,359	87,497
超過90日	Over 90 days	389,795	228,788
		508,243	518,338

本集團給予貿易客戶之信貸期一般不超過180日(2020年：不超過180日)。

The Group allows a credit period normally not more than 180 days (2020: not more than 180 days) to its trade customers.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

13. 貿易應付款項及應付票據

13. TRADE AND BILLS PAYABLES

		於2021年 6月30日 As at 30 June 2021 (未經審核) (unaudited) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) (audited) 千港元 HK\$'000
貿易應付款項	Trade payables	252,313	232,568
應付票據	Bills payable	35,976	17,493
		288,289	250,061

於報告日期，本集團按發票日期呈列之貿易應付款項賬齡分析如下：

As at the reporting date, the ageing analysis of the trade payables of the Group presented based on the invoice date was as follows:

		於2021年 6月30日 As at 30 June 2021 (未經審核) (unaudited) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) (audited) 千港元 HK\$'000
30日以內	Within 30 days	47,932	170,580
31至60日	31 to 60 days	25,780	11,923
61至90日	61 to 90 days	122,233	3,510
超過90日	Over 90 days	56,368	46,555
		252,313	232,568

未經審核簡明綜合中期財務報表附註
Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

14. 借貸

14. BORROWINGS

		於2021年 6月30日 As at 30 June 2021 (未經審核) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) 千港元 HK\$'000
銀行借貸	Bank borrowings	927,318	924,553
其他借貸	Other borrowings	622,669	622,454
上市後償票據(附註(i))	Listed subordinated notes (note (i))	584,981	593,782
		2,134,968	2,140,789
不含按要求償還條款之借貸之賬面值應於以下期限內償還：			
一年內	Carrying amounts of borrowings that do not contain repayable on demand clause and repayable: Within one year	1,890,785	1,822,408
一年以上但不超過兩年期間內	Within a period of more than one year but not exceeding two years	—	75,381
兩年以上但不超過五年期間內	Within a period of more than two years but not exceeding five years	—	—
小計	Sub-total	1,890,785	1,897,789
含按要求償還條款之借貸之賬面值應於以下期限內償還：			
一年內	Carrying amounts of borrowings that contain a repayment on demand clause and repayable: Within one year	244,183	243,000
一年以上但不超過兩年期間內	Within a period of more than one year but not exceeding two years	—	—
兩年以上但不超過五年期間內	Within a period of more than two years but not exceeding five years	—	—
小計	Sub-total	244,183	243,000
合計	Total	2,134,968	2,140,789
減：列作非流動負債之款項	Less: Amounts shown under non-current liabilities	—	(75,381)
列作流動負債之款項	Amounts shown under current liabilities	2,134,968	2,065,408
由於違反貸款契諾而須按要求償還之借貸之賬面值(列作流動負債)	The carrying amount of borrowings that are repayable on demand due to breach of loan covenants (shown under current liabilities)	(1,920,865)	(1,900,268)
未違反貸款契諾的借貸列作流動負債之款項	Amounts shown under current liabilities for the borrowings without breach of loan covenants	214,103	165,140
借貸：	Borrowings:		
有抵押	Secured	953,198	872,215
無抵押	Unsecured	1,181,770	1,268,574
		2,134,968	2,140,789

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

附註：

(i) 此指本公司於2017年6月5日發行之面值為101,750,000新加坡元之7.0%後償票據(屬多種幣種中期票據計劃項下)之賬面值。該等票據於新加坡證券交易所上市，並已於2020年7月3日到期及發生違約。

note:

(i) This represents the carrying amount of the 7.0% subordinated notes with the face value of SGD101,750,000 (under the Multicurrency Medium Term Note Programme) issued by the Company on 5 June 2017. The notes are listed on the Singapore Stock Exchange and was matured and defaulted on 3 July 2020.

15. 股本

15. SHARE CAPITAL

		股份數目 Number of shares 千股 '000	股本 Share capital 千港元 HK\$'000
法定：	Authorised:		
每股面值0.02港元之普通股	Ordinary shares of HK\$0.02 each		
於2020年1月1日、2020年 12月31日、2021年1月1日 及2021年6月30日	As at 1 January 2020, 31 December 2020, 1 January 2021 and 30 June 2021	10,000,000	200,000
已發行及繳足：	Issued and fully paid:		
於2020年1月1日、2020年 12月31日、2021年1月1日 及2021年6月30日	As at 1 January 2020, 31 December 2020, 1 January 2021 and 30 June 2021	4,581,117	101,419

16. 資本承擔

16. CAPITAL COMMITMENTS

		於2021年 6月30日 As at 30 June 2021 (未經審核) (unaudited) 千港元 HK\$'000	於2020年 12月31日 As at 31 December 2020 (經審核) (audited) 千港元 HK\$'000
已訂約但尚未於未經審核簡 明綜合中期財務報表／經 審核綜合財務報表撥備之 有關收購物業、廠房及設 備之資本支出	Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the unaudited condensed consolidated interim financial statements/audited consolidated financial statements	275,268	285,688

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

17. 訴訟

- (a) 茲提述本公司日期為2014年10月9日有關對首智投資有限公司(「首智」)之民事追討之公告。截至本未經審核簡明綜合中期財務報表日期，據本公司所知悉，有關訴訟的傳訊令狀尚未送達首智。首智待接獲該法律文件後，將就有關追討及就此應予採取的必要行動尋求法律意見，且將就追討極力抗辯。本公司董事會認為，該追討不會對本集團業務、營運及財務情況造成重大不利影響。
- (b) 參考附註2中的披露，鑑於付款違約、交叉違約和債務重組，已包括在借貸內約267,126,000港元，貸款人已啟動對若干附屬公司提出立即還款的訴訟。

由於該等訴訟涉及相關未能履行義務的負債，並已在未經審核簡明綜合中期財務報表中確認，本集團正積極與貸款人溝通，爭取通過協議和解方式解決訴訟。

此外，本公司將就該等訴訟尋求法律意見，並將根據該等法律意見採取必要行動，以維護本集團的整體利益。本公司將另行刊發公告，以向本公司股東及投資者通報有關建議債務重組及該等訴訟的任何重大進展。

17. LITIGATIONS

- (a) Reference was made to the announcement of the Company dated 9 October 2014 regarding a civil claim against Capital Idea Investments Limited (“Capital Idea”). As of the date of this unaudited condensed consolidated interim financial statement, to the best knowledge of the Company, the writ of summons of the litigation has not yet been served on Capital Idea. Upon receiving this legal document, Capital Idea will seek legal advice in relation to the claim and the necessary actions to be taken in this respect and will vigorously defend against the claim. The Board of the Company is of the view that this claim will not have a material adverse impact on the business, operation and financial position of the Group.
- (b) Reference is made to the disclosure in Note 2, in view of payment default, cross default and debt restructuring, included in the borrowings of approximately HK\$267,126,000 which lenders have commenced litigations against certain subsidiaries for immediate repayments.

As such litigations were in relation to failure to perform the obligation of the related liabilities already recognised in the unaudited condensed consolidated interim financial statements, the Group is proactively communicating with the lenders, striving to solve the litigations through settlement by agreement.

Also, the Company will seek legal advices on the litigations and will take necessary actions based on such legal advices for the entire interests of the Group. Further announcements will be made by the Company to update the shareholders and investors of the Company in relation to any material development on the proposed debt restructuring and litigations.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

18. 或然負債

於2021年6月30日，山東紅日就一名獨立第三方(於2020年12月31日：一名獨立第三方)所獲授信貸融資約人民幣181,000,000元(於2020年12月31日：人民幣181,000,000元)向若干銀行提供財務擔保，而倘擔保被要求悉數履行，本集團可能須支付有關金額。

於2021年6月30日，該等公司擔保之公允值約為36,302,000港元(於2020年12月31日：4,287,000港元)。

於截至2021年6月30日止六個月，財務擔保負債公允值變動虧損約32,045,000港元(2020年：零港元)已於未經審核簡明綜合損益表內確認。

有關公司擔保之更多詳情請參閱日期為2016年9月27日之公佈。

18. CONTINGENT LIABILITIES

As at 30 June 2021, Shandong Hongri has executed financial guarantees to certain banks for credit facilities granted to an independent third party (31 December 2020: an independent third party), for approximately RMB181,000,000 (31 December 2020: RMB181,000,000) which would be required to be paid if the guarantees were called upon in entirety.

As at 30 June 2021, the fair value of these corporate guarantees was approximately HK\$36,302,000 (31 December 2020: HK\$4,287,000).

During the six months period ended 30 June 2021, loss on change in fair value of financial guarantee liabilities of approximately HK\$32,045,000 (2020: HK\$Nil) has been recognised in the unaudited condensed consolidated statement of profit or loss.

For more detail of the corporate guarantees please refer to announcement date 27 September 2016.

未經審核簡明綜合中期財務報表附註
Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

19. 重大關聯方交易

除未經審核簡明綜合中期財務報表另行披露外，期內本集團進行以下重大關聯方交易。

(a) 主要管理人員酬金

		截至6月30日止六個月	
		Six months ended 30 June	
		2021	2020
		(未經審核)	(未經審核)
		(unaudited)	(unaudited)
		千港元	千港元
		HK\$'000	HK\$'000
董事	Directors	2,447	2,789
其他主要管理人員：	Other key management personnel:		
薪金及其他短期	Salaries and other short-term		
僱員福利	employee benefits	1,285	2,077
		3,732	4,866

(b) 池文富先生已承諾維持持有本公司股權之最低水平。此承諾構成本集團若干借貸及本公司發行之可轉換債券之部份抵押品。

根據香港聯合交易所有限公司證券有限公司(「上市規則」)第14A.72條，董事認為以上所披露之重大關連人士交易，概不符合上市規則第14A章所定義的關連交易或持續關連交易。

19. MATERIAL RELATED PARTY TRANSACTIONS

Except as disclosed elsewhere in the unaudited condensed consolidated interim financial statements, the Group entered into the following significant related party transactions during the period.

(a) Key management compensation

(b) Mr. Chi Wen Fu has undertaken to maintain a minimum level of shareholding in the Company. The undertaking form part of the collateral of certain borrowings by the Group and exchangeable bond issued by the Company.

Pursuant to Rule 14A.72 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Directors consider that none of the material related party transactions disclosed above falls under the definition of connected transaction or continuing connected transaction as defined in Chapter 14A of the Listing Rules.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

20. 報告期後事項

茲提述本公司日期為2021年8月1日之公告，本公司收到臨沂市中級人民法院（「臨沂法院」）有關一間中國的銀行申請強制執行該銀行向山東紅日（為本集團間接非全資附屬公司）授出的金額為人民幣124,960,000元的貸款擔保的書面裁定（「裁定」），有關擔保乃由本集團若干附屬公司及池碧芬女士（彼為山東紅日的前任法定代表人）提供。

該裁定表明本集團若干附屬公司及池碧芬女士總金額約人民幣125,000,000元的銀行存款或等值資產可能被凍結最多一年（如為現金）、兩年（如為動產）及三年（如為不動產或其他類型資產）的期限。根據裁定，該銀行申請凍結山東紅日擁有的13幅土地。於2021年7月26日，山東紅日收到臨沂法院向臨沂市不動產登記中心（「登記處」）發出的日期為2021年7月21日的協助執行通知書副本，要求登記處協助強制執行裁定，於2021年7月21日至2024年7月20日期間「凍結」山東紅日擁有的三幅土地（「凍結資產」）。

20. EVENTS AFTER THE REPORTING PERIOD

Reference was made to the announcement of the Company dated 1 August 2021, the Company received a written ruling (the "Ruling") from Linyi Intermediate People's Court ("Linyi Court") regarding a PRC bank's application to enforce guarantees of loans amounting to RMB124.96 million granted to Shandong Hongri (an indirect non-wholly owned subsidiary of the Group) by the bank that have been provided by certain subsidiaries of the Group and Ms. Chi Bi Fen, the former legal representative of Shandong Hongri.

The Ruling stated that bank deposits of the certain subsidiaries of the Group and Ms. Chi Bi Fen in total sum of approximately RMB125 million or assets of equivalent value may be frozen for periods of up to one year (if cash), two years (if moveable assets) and three years (if immovable property or other types of assets). The Bank applied for 13 plots of land owned by Shandong Hongri to be frozen pursuant to the Ruling. On 26 July 2021, Shandong Hongri received a copy of a notice for assistance for enforcement (協助執行通知書) dated 21 July 2021 from Linyi Court to Linyi Immovable Assets Registration Centre (the "Registry") requiring the assistance of the Registry in order to enforce the ruling by "freezing" three plots of land owned by Shandong Hongri (the "Frozen Assets") for the period between 21 July 2021 and 20 July 2024.

未經審核簡明綜合中期財務報表附註

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2021年6月30日止六個月
For the six months ended 30 June 2021

誠如本公司的中國法律顧問所告知，於決定是否下達任何有關命令及有關命令的範圍時，臨沂法院須考慮以下要求：(i)就裁定所涉及的付款義務而言，除非資產不可分割且無足夠價值的替代資產，將予「凍結」的相關資產的價值不得過高履行該付款義務；及(ii)倘有多項資產可供「凍結」，則命令應適用於在被凍結後對當事人生產活動影響最小的資產。經考慮(i)就本公司所深知，凍結資產的總價值(經計及土地於變更用途後的價值及凍結資產擔保的其他負債)不低於人民幣125,000,000元；及(ii)臨沂法院已下令凍結3幅土地，而非凍結銀行申請的13幅土地，本公司認為現階段被下達進一步凍結令的風險較低。鑒於上述及由山東紅日擁有的凍結資產並無經營業務，且在並無發生不可預見之情況下，本公司預計裁定將不會因其須受裁定所規限而對本集團的業務營運產生重大不利影響。

As advised by PRC counsels of the Company that, in deciding whether or not to grant any such order and the scope of such order, the Lingyi Court is required to have regard to the following requirements: (i) the value of the relevant asset that is to be “frozen” must not be excessive in the context of the payment obligations to which the ruling relates, unless the asset is indivisible and there are no alternative assets of sufficient value to satisfy such payment obligations; and (ii) if multiple assets are available for “freezing”, the order should apply to those assets which if frozen would least impact the production activities of the party concerned. Having considered, (i) to the best knowledge of the Company, the aggregate value of the Frozen Assets (after taking account the value of the Land after its change of use and other liabilities that were secured by the Frozen Assets) is not less than RMB125 million; and (ii) the Linyi Court has ordered the freezing of 3 plots of land, instead of 13 plots of land that were the subject of the bank’s application, the Company believes that there is low risk of further freezing orders at this stage. In view of the foregoing and the fact that the Frozen Assets belong to Shandong Hongri which has no operations and absent unforeseen circumstances, the Company did not expect the ruling to have a material adverse impact on the business operations of the Group that are subject to the Ruling.

21. 比較數字

若干比較數字已重新分類，以符合本期間之呈報方式。

21. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to current period’s presentation.

其他資料

Other Information

購股權計劃

(1) 本公司之購股權計劃

為吸引及挽留最優秀之員工以發展本集團業務，以及提供額外鼓勵或獎勵予獲選之合資格參與者，本公司於2019年6月26日採納一項購股權計劃（「該計劃」）。合資格參與者主要為本集團僱員、董事及對本集團有所貢獻之本集團承包商、供應商或服務供應商。除非另行註銷或修訂，否則該計劃將自成立日期起10年內有效。該計劃之餘下年期約為8年（於2029年6月26日屆滿）。

於2021年6月30日，該計劃項下尚未行使之購股權（「購股權」）合共可認購289,900,000股股份。

SHARE OPTION SCHEMES

(1) Share option scheme of the Company

In order to attract and retain the best quality employees for the development of the Group's businesses and to provide additional incentives or rewards to selected qualifying participants, the Company adopted a share option scheme on 26 June 2019 (the "Scheme"). The qualifying participants mainly include employees of the Group, Directors and contractors, suppliers or service providers of the Group who have contribution to the Group. Unless otherwise cancelled or amended, the scheme will remain in force for 10 years since its establishing date. The remaining life of the scheme is approximately 8 years (expiry on 26 June 2029).

As at 30 June 2021, options to subscribe for a total of 289,900,000 Shares were outstanding under the Scheme (the "Options").

	於2021年 1月1日持有	期內授出之 購股權	期內行使之 購股權	期內失效之 購股權	於2021年 6月30日持有	行使價 港元
	Held at 1 January 2021	Options granted during the period	Options exercised during the period	Options lapsed during the period	Held at 30 June 2021	Exercise price HK\$
(A) 僱員						
Employees	121,900,000	—	—	(10,000,000)	111,900,000	0.3
(B) 顧問(附註a)						
Consultants (note a)	110,000,000	—	—	—	110,000,000	0.3
(C) 董事						
Directors						
池文富	20,000,000	—	—	—	20,000,000	0.3
Chi Wen Fu						
沈世捷 ⁽²⁾	20,000,000	—	—	—	20,000,000	0.3
Shum Sai Chit ⁽²⁾						
池靜超	8,000,000	—	—	—	8,000,000	0.3
Chi Jing Chao						
郭孟勇	5,000,000	—	—	—	5,000,000	0.3
Guo Mengyong						
張省本	5,000,000	—	—	—	5,000,000	0.3
Cheung Sound Poon						
盛洪	5,000,000	—	—	—	5,000,000	0.3
Sheng Hong						
劉智傑 ⁽¹⁾	5,000,000	—	—	—	5,000,000	0.3
Lau Chi Kit ⁽¹⁾						
	299,900,000	—	—	(10,000,000)	289,900,000	0.3

⁽¹⁾ 已於2021年6月30日退任本公司董事。

⁽¹⁾ Retired from Director of the Company on 30 June 2021.

⁽²⁾ 已於2021年7月30日辭任本公司董事。

⁽²⁾ Resigned from Director of the Company on 30 July 2021.

其他資料
Other Information

附註：

- (a) 於2019年7月25日，3名顧問各自分別獲授45,000,000份、25,000,000份及40,000,000份購股權。彼等為法團及本集團的獨立第三方，並提供有關(包括但不限於)協助進行各種融資活動、進行投資者推介、及其他合適及所能提供的金融服務等。

本公司認為，鑒於本集團資源有限且為維持長期增長，向顧問授出購股權有助挽留及激勵該等非僱員促進公司價值增長。購股權乃為授予該等顧問以為本集團提供持續服務及與彼等維持長遠關係的獎勵，本集團因而可維持精簡且穩定的營運。除授出的購股權外，本公司並無就本中報向該等顧問提供任何其他報酬。

於2021年6月30日，該計劃項下尚未行使之購股權合共可認購289,900,000股股份，相當於本公司於本中期報告日期已發行股本約6.33%。

於報告期末，尚未行使購股權之屆滿日期、行使期及行使價如下。

note:

- (a) On 25 July 2019, 3 consultants were granted each with 45,000,000, 25,000,000 and 40,000,000 Share Options respectively. They are body incorporated and independent third parties to the Group who are rendering, including but not limited to, services in relation to assisting of all types of financing arrangement, introducing of investors, and other financial services if appropriate and available, etc.

The Company consider that in view of the limited resources of the Group and to maintain a long term growth, the Share Options granted to the consultants can help to retain and motivates these non-employees to generate growth in company value. The Share Options was granted as incentive for these consultants to provide ongoing service to the Group and to maintain a long-term relationship with them so that the Group can maintain a streamline operation with stability. Apart from the Share Options granted, the Company has not provided any other remuneration to these consultants for this interim report.

As at 30 June 2021, Options to subscribe for a total of 289,900,000 Shares were outstanding under the Scheme, representing approximately 6.33% of the issued share capital of the Company as at the date of this Interim Report.

The Options outstanding at the end of the reporting period have the following expiry date, exercise period and exercise prices.

授出日期 Grant date	屆滿日期 Expiry date	行使期 Exercise period	每股行使價 Exercise prices per Share 港元 HK\$	購股權數目 Number of Options
該計劃				
The Scheme				
2019年7月25日	2025年12月30日	自2020年11月1日至2025年12月30日	0.3	289,900,000
25 July 2019	30 December 2025	From 1 November 2020 to 30 December 2025		

於本中期報告日期，該計劃項下可供發行之本公司股份總數(包括該計劃項下上述尚未行使之購股權)為443,111,684股，相當於本公司於本中期報告日期已發行股本約9.67%。該計劃將於2029年6月26日屆滿。

As at the date of the this interim report, the total number of shares of the Company available for issue under the Scheme (including the above Options under the Scheme outstanding not yet exercised) was 443,111,684, representing approximately 9.67% of the issued share capital of the Company as at the date of this interim report. The Scheme will be expired on 26 June 2029.

其他資料

Other Information

(2) 附屬公司之購股權計劃
稀鎂科技集團控股有限公司
(「稀鎂科技」)

為吸引及挽留最優秀員工發展稀鎂科技集團的業務，並向經選定合資格參與者提供額外獎勵或回報，稀鎂科技於2017年12月4日採納購股權計劃(「稀鎂科技計劃」)。合資格參與者主要包括僱員、董事、承包商、供應商或服務供應商。彼等皆曾為稀鎂科技作出貢獻。除非另行註銷或修訂，稀鎂科技計劃自其成立日期起十年內有效。稀鎂科技計劃餘下年期約為6.5年(於2027年12月4日屆滿)。

於2021年6月30日，稀鎂科技計劃項下尚未行使購股權(「稀鎂科技購股權」)可認購合共351,400,000股股份。

(2) Share option scheme of the subsidiary
Rare Earth Magnesium Technology Group
Holdings Limited (“REMT”)

In order to attract and retain the best quality employees for the development of the Group of REMT’s businesses and to provide additional incentives or rewards to selected qualifying participants, REMT adopted a share option scheme on 4 December 2017 (the “REMT Scheme”). The qualifying participants mainly include employees, directors, contractors, suppliers or service providers who have contribution to REMT. The REMT Scheme, unless otherwise cancelled or amended, will remain in force for 10 years since its establishing date. The remaining life of the REMT Scheme is approximately 6.5 years (expiry on 4 December 2027).

As at 30 June 2021, options to subscribe for a total of 351,400,000 Shares were outstanding under the REMT Scheme (the “REMT Options”).

	於2021年 1月1日持有	期內授出之 稀鎂科技購股權	期內行使之 稀鎂科技購股權	期內失效之 稀鎂科技購股權	於2021年 6月30日持有	行使價 港元
	REMT Options Held at 1 January 2021	REMT Options granted during the period	REMT Options exercised during the period	REMT Options lapsed during the period	REMT Options Held at 30 June 2021	Exercise price HK\$
(A) 僱員						
Employees	163,400,000	—	—	—	163,400,000	0.4
	140,000,000	—	—	—	140,000,000	0.3
(B) 董事						
Directors						
沈世捷	30,000,000	—	—	—	30,000,000	0.4
Shum Sai Chit						
池靜超	3,000,000	—	—	—	3,000,000	0.4
Chi Jing Chao						
張省本	5,000,000	—	—	—	5,000,000	0.4
Cheung Sound Poon						
稀鎂科技其他董事	15,000,000	—	—	(5,000,000)	10,000,000	0.4
Other directors of REMT						
	216,400,000	—	—	(5,000,000)	211,400,000	0.4
	140,000,000	—	—	—	140,000,000	0.3
	356,400,000	—	—	(5,000,000)	351,400,000	

其他資料
Other Information

於報告期末，上述尚未行使稀鎂科技購股權有以下屆滿日期、行使期及行使價。

The above REMT Options outstanding at the end of the reporting period have the following expiry date, exercise period and exercise prices.

授出日期	屆滿日期	行使期	每股稀鎂科技 股份行使價 Exercise price per REMT share 港元 HK\$	稀鎂科技 購股權數目 Number of REMT Options
Grant date	Expiry date	Exercise period		
2018年4月25日	2023年12月29日	自2018年11月1日起至 2023年12月29日	0.4	211,400,000
25 April 2018	29 December 2023	From 1 November 2018 to 29 December 2023		
2019年7月25日	2022年8月31日	自2019年9月1日起至 2022年8月31日	0.3	140,000,000
25 July 2019	31 August 2022	From 1 September 2019 to 31 August 2022		
				351,400,000

於本中期報告日期，稀鎂科技計劃項下可供發行之稀鎂科技股份總數(包括上述已發行尚未行使稀鎂科技購股權)為805,839,005股，相當於稀鎂科技當日已發行股本約12.24%。該計劃之餘下年期約為6.5年，並將於2027年12月4日屆滿。

As at the date of this Interim Report, the total number of shares of REMT available for issue under the REMT Scheme (including the above REMT Options outstanding not yet exercised) was 805,839,005, representing approximately 12.24% of the issued share capital of REMT as of the date thereof. The remaining life of the Scheme is approximately 6.5 years and to be expired on 4 December 2027.

其他資料

Other Information

董事及主要行政人員於本公司及任何相聯法團之股份、相關股份及債權證之權益

於2021年6月30日，董事及本公司主要行政人員於本公司及任何其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債權證中擁有之須記錄於根據證券及期貨條例第352條由本公司存置之登記冊或根據上市規則附錄十之上市發行人董事進行證券交易的標準守則(「標準守則」)須另行通知本公司及香港聯合交易所有限公司(「聯交所」)之權益及短倉如下：

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ANY ASSOCIATED CORPORATION

As at 30 June 2021, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules (the "Model Code"), were as follows:

(1) 本公司之股份及購股權長倉

(1) Long positions in shares and share options of the Company

董事姓名 Name of Director	持有股份數目 Number of Shares held				持有購股權 數目 (附註b) Number of Options held (note b)	佔本公司 於2021年6月30日 已發行股本之百分比 Percentage of issued share capital of the Company as at 30 June 2021
	個人權益 Personal interests	配偶權益 Spouse interests	公司權益 Corporate interests	合計 Total		
池文富(「池先生」) Chi Wen Fu ("Mr. Chi")	249,970,548	—	1,341,871,364 (附註a) (note a)	1,591,841,912	20,000,000	34.75% 0.44%
沈世捷 ⁽²⁾ Shum Sai Chit ⁽²⁾	14,666,305	—	—	14,666,305	20,000,000	0.32% 0.44%
池靜超 Chi Jing Chao	1,633,998	—	—	1,633,998	8,000,000	0.04% 0.17%
郭孟勇 Guo Mengyong	2,625,000	—	—	2,625,000	5,000,000	0.06% 0.11%
張省本 Cheung Sound Poon	—	—	—	—	5,000,000	— 0.11%
盛洪 Sheng Hong	1,775,000	—	—	1,775,000	5,000,000	0.04% 0.11%
劉智傑 ⁽¹⁾ Lau Chi Kit ⁽¹⁾	2,000,000	—	—	2,000,000	5,000,000	0.04% 0.11%

⁽¹⁾ 已於2021年6月30日退任本公司董事。

⁽¹⁾ Retired from Director of the Company on 30 June 2021.

⁽²⁾ 已於2021年7月30日辭任本公司董事。

⁽²⁾ Resigned from Director of the Company on 30 July 2021.

其他資料
Other Information

(2) 本公司之債權證長倉

(2) Long positions in debentures of the Company

董事姓名 Name of director	身份／權益性質 Capacity/Nature of interest	所持債權證金額 Amount of debentures held 新加坡元 SGD
池先生 Mr. Chi	個人權益 Personal interest	2,500,000

(3) 於本公司之相聯法團之股份、相關股份及債權證之權益

(3) Interests in the shares, underlying shares and debenture of associated corporation of the Company

稀鎂科技

REMT

董事姓名 Name of director	擁有權益或被視為擁有權益之普通股數目 Number of ordinary shares interested or deemed to be interested			持有稀鎂科技 購股權數目 (附註b) Number of REMT Options held (note b)	佔稀鎂科技 於2021年6月30日 已發行股本之百分比 Percentage of issued share capital of REMT as at 30 June 2021
	個人權益 Personal interests	公司權益 Corporate interests	合計 Total		
長倉 Long position					
沈世捷 Shum Sai Chit	—	—	—	30,000,000	0.46%
池靜超 Chi Jing Chao	—	—	—	3,000,000	0.05%
張省本 Cheung Sound Poon	—	—	—	5,000,000	0.08%

其他資料 Other Information

附註：

- (a) 該等股份由冠華國際有限公司(「冠華」)持有。鑒於池先生持有冠華已發行股本83.74%，據此賦予彼於冠華股東大會上行使或控制行使三分之一或以上之投票權，因此被視為公司權益。

按照日期為2014年7月10日之股份抵押，作為本公司主要股東的冠華，將549,280,000股股份(相當於2015年6月30日本公司已發行股本約12%)抵押給國際金融公司(「國際金融公司」)，作為保證根據2014年5月30日簽署的貸款協議償還國際金融公司貸款之抵押品。該項貸款協議由國際金融公司和白山市天安金屬鎂礦業有限公司簽署。

- (b) 持有之購股權之詳情載列於上文「購股權計劃」一節。

除上文所披露者外，於2021年6月30日，董事或本公司主要行政人員或彼等各自之聯繫人士概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證中擁有記錄於本公司根據證券及期貨條例第352條存置之登記冊內之權益及短倉。

董事購買股份或債權證之權利

除上文所披露者外，於期內任何時間概無授予任何董事、其各自之配偶或十八歲以下子女任何可透過購入本公司股份或債權證而獲得利益的權利，彼等亦無行使任何該等權利；本公司或其任何附屬公司亦無參與訂立任何安排致使各董事獲得於任何其他法人團體之該等權利。

notes:

- (a) These Shares are held by Alpha Sino International Limited ("Alpha Sino") and are deemed corporate interests by virtue of Mr. Chi's holding of 83.74% of the issued share capital of Alpha Sino which entitled him to exercise or control the exercise of one-third or more of the voting power at general meeting of Alpha Sino.

As pursuant to a share mortgage dated 10 July 2014, Alpha Sino, being the substantial shareholder of the Company, had mortgaged 549,280,000 Shares (representing approximately 12% of the issued share capital of the Company as at 30 June 2015) to International Finance Corporation ("IFC") to secure repayment of the IFC Loan under a loan agreement dated 30 May 2014 entered into between IFC and Baishan City Tianan Magnesium Resources Co. Ltd.

- (b) Details of options held are set out in the above section headed "Share Option Schemes".

Save as disclosed above, as at 30 June 2021, none of the Directors or chief executive of the Company or their respective associates had interests and short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register to be kept by the Company under Section 352 of SFO.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the Period were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

其他資料 Other Information

主要股東於本公司股份及相關股份之權益及短倉

就任何董事或本公司主要行政人員所知悉，根據證券及期貨條例第336條規定須保存的登記冊所示，於2021年6月30日，於本公司股份或股票衍生工具的相關股份擁有權益或短倉的人士如下：

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to any Director or chief executive of the Company, as at 30 June 2021, persons who had interests or short positions in the Shares or underlying shares of equity derivatives of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

股東姓名／名稱 Name of shareholder	持倉性質 Nature	持有股份數目 Number of Shares held	持有購股權數目 Number of Options held	佔本公司於2021年6月30日已發行股本之百分比 Percentage of issued share capital of the Company as at 30 June 2021
池文富 Chi Wen Fu	長倉 Long position	1,591,841,912 (附註a) (note a)		34.75%
	長倉 Long position		20,000,000 (附註c) (note c)	0.44%
冠華 Alpha Sino	長倉 Long position	1,341,871,364 (附註b) (note b)		29.29%

其他資料

Other Information

附註：

- (a) 池文富先生於合共1,591,841,912股股份中擁有權益，當中(a)249,970,548股股份乃由其實益擁有，並以其名義登記；及(b)1,341,871,364股股份乃基於其持有冠華已發行股本83.74%，據此賦予其權利可於冠華股東大會上行使或控制行使三分之一或以上之投票權而被視為公司權益。
- (b) 根據日期為2014年7月10日之股份抵押，作為本公司主要股東的冠華，將549,280,000股股份（相當於2015年6月30日本公司已發行股本約12%）抵押給國際金融公司（「國際金融公司」），作為保證根據2014年5月30日簽署的貸款協議償還國際金融公司貸款之抵押品。該項貸款協議由國際金融公司和白山市天安金屬鎂礦業有限公司簽署。
- (c) 持有之購股權之詳情載列於上文「購股權計劃」一節。

notes:

- (a) Mr. Chi Wen Fu has interest in an aggregate of 1,591,841,912 Shares of which (a) 249,970,548 Shares are beneficially owned by him and registered in his name; and (b) 1,341,871,364 Shares are deemed corporate interests by virtue of his holding of 83.74% of the issued share capital of Alpha Sino which entitled him to exercise or control the exercise of one-third or more of the voting power at general meeting of Alpha Sino.
- (b) Pursuant to a share mortgage dated 10 July 2014, Alpha Sino, being the substantial shareholder of the Company, had mortgaged 549,280,000 Shares (representing approximately 12% of the issued share capital of the Company as at 30 June 2015) to International Finance Corporation ("IFC") to secure repayment of the IFC Loan under a loan agreement dated 30 May 2014 entered into between IFC and Baishan City Tianan Magnesium Resources Co. Ltd.
- (c) Details of options held are set out in the above section headed "Share Option Schemes".

董事於競爭業務之權益

於回顧期內，董事或本公司管理層股東或彼等各自之聯繫人士（定義見香港聯合交易所有限公司證券上市規則（「上市規則」）），概無於任何與本集團業務構成或可能構成競爭之業務中擁有任何權益。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the period under review, none of the Directors nor the management shareholders of the Company or their respective associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")) had any interest in a business that competed or might compete with the business of the Group.

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司並無於期內購買、出售或贖回本公司任何上市證券。

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

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

企業管治常規守則

於整個期間內，本公司已遵守上市規則附錄14之企業管治守則所載守則條文，惟以下偏離情況除外：

- (a) 根據守則條文第E.1.2條，董事會主席須出席股東週年大會。由於董事會主席於2021年6月30日因公出差，故彼無法出席於該日舉行之股東週年大會。本公司之執行董事沈世捷先生已出席上述股東週年大會以回答股東提問。
- (b) 劉智傑先生(「劉先生」)已於2021年6月30日退任本公司獨立非執行董事、審核委員會成員及薪酬委員會成員。於劉先生退任後，本公司有兩名獨立非執行董事兼審核委員會成員，因此分別未能符合上市規則第3.10(1)及3.21條規定之最少須有三名獨立非執行董事兼審核委員會成員之要求。

根據上市規則第3.11及3.23條，本公司須於未能符合規定後三個月內委任其他獨立非執行董事及適當成員加入審核委員會。本公司仍致力於物色合適人選以在切實可行情況下盡快填補空缺。

對持續經營不發表意見

在本公司及其附屬公司(統稱「本集團」)截至2020年12月31日止年度之綜合財務報表(「2020年年報」)中，本公司核數師就與持續經營基準有關之重大不明朗因素出具不發表意見聲明(「不發表意見聲明」)，因為彼等未能取得充足適當審核憑證以就管理層以持續經營為基準編製綜合財務報表之適當性作出結論，這是由於管理層有關其持續經營評估之未來行動(「行動計劃」)尚未落實，因此彼等就本集團綜合財務報表之結果出具不發表意見聲明。

CODE OF CORPORATE GOVERNANCE PRACTICES

Throughout the Period, the Company has complied with the code provisions as set out in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, with the following deviations:

- (a) Under the code provision E.1.2, the chairman of the Board should attend the annual general meeting. The chairman of the Board was unable to attend the annual general meeting held on 30 June 2021 as he was obliged to be away for a business trip on that date. Mr. Shum Sai Chit, executive Director of the Company, attended the said annual general meeting to answer questions from shareholders.
- (b) Mr. Lau Chi Kit (“Mr. Lau”) had retired as an independent non-executive director, a member of audit committee and a member of remuneration committee of the Company on 30 June 2021. Following the retirement of Mr. Lau, the Company has two independent non-executive directors and audit committee members, which therefore fell below the minimum requirements of three under Rules 3.10(1) and 3.21 of the Listing Rules respectively.

Pursuant to Rule 3.11 and 3.23 of the Listing Rules, the Company should appoint additional independent non-executive Directors and appropriate members to the Audit Committee within three months after failing to meet the requirements. The Company still endeavoring to identify suitable candidates to fill the vacancy as soon as practicable.

DISCLAIMER OPINION RELATING GOING CONCERN

In the consolidated financial statements of the Company and its subsidiaries (together as the “Group”) for the year ended 31 December 2020 (the “2020 AR”), the Company’s auditors issued disclaimer of opinion on the material uncertainties relating to the going concern basis (“Disclaimer of Opinion”), in which they were unable to obtain sufficient appropriate audit evidence to conclude on the appropriateness of management to use the going concern basis of accounting in the preparation of the consolidated financial statements because management’s plans for future actions (the “Action Plan”) in relation to its going concern assessment could not be finalised yet and therefore issued a disclaimer of opinion on the results of the Group’s consolidated financial statements.

其他資料

Other Information

管理層正竭盡全力於2021年協定並執行行動計劃。經考慮建議重組之成功及持續實施，管理層及董事均信納本集團將有足夠的營運資金來履行其在可預見的未來到期的財務義務，因此，按持續經營基準編製本集團綜合財務報表乃合宜之舉。根據不發表意見聲明，管理層估計本集團之財務狀況不會受到重大影響，原因是持續經營事宜可透過所制定之行動計劃解決。

董事會與審核委員會對不發表意見聲明沒有意見分歧，認為該等綜合財務報表乃由管理層按持續經營基準編製，其有效程度視乎管理層假設下之措施結果而定，惟受若干不明朗因素所限。核數師認為，在所有其他方面，該等綜合財務報表已根據香港公司條例的披露規定妥為編製。

審核委員會與董事會觀點一致，並同意管理層基於上述原因就持續經營問題及不發表意見聲明所作出之立場。

管理層之立場及持續經營假設之基準

誠如未經審核簡明綜合中期財務報表附註2之詳述，截至2021年6月30日之情況表明存在重大不明朗因素，可能會對本集團之持續經營能力構成重大疑慮。誠如探討之可行方案中，本公司管理層正在就通過安排計劃之債務重組積極與共同臨時清盤人及債權人展開協商，其中包括延長還款期以及透過出售本集團非核心資產之所得款項淨額還款。

The management is taking the best efforts to agree on and execute the Action Plan in 2021. Taking into account the successful and continued implementation of the proposed restructuring, the management and also the Directors are satisfied that the Group will have sufficient working capital to meet its financial obligation as and when they fall due in the foreseeable future, and hence it is appropriate to prepare the Group's consolidated financial statements on a going concern basis. The management assessed that there is no material impact on the Group's financial position in light of the Disclaimer of Opinion, as the going concern issue could be resolved by the Action Plan devised.

There was no disagreement between the Board and the Auditors regarding the Disclaimer of Opinion, considering that the consolidated financial statements have been prepared by the management on a going concern basis, the validity of which depends on the outcome of the measures under management's assumptions, which are subject to multiple uncertainties. In all other respects, in the opinion of the Auditors, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

The Audit Committee takes the same view as the Board and agreed with the management's position concerning the going concern issue and Disclaimer of Opinion based on the reasons above.

MANAGEMENT'S POSITION AND BASIS ON THE GOING CONCERN ASSUMPTION

As detailed in Note 2 to the unaudited condensed consolidated interim financial statements, conditions existed as at 30 June 2021 indicating the existence of material uncertainties which may cast significant doubt regarding the Group's ability to continue as a going concern. Among all viable options as discussed, the management of the Company is actively negotiating with the JPLs and the creditors on debt restructuring by way of scheme of arrangement, tentatively involving, among others, extension of repayment period and repayment by ways of net proceeds from disposals of non-core assets of the Group.

其他資料 Other Information

於批准刊發未經審核簡明綜合中期財務報表之日，重組計劃尚未制定，重組計劃的最終結果無法合理確定。假設建議重組計劃成功實施，董事會認為本集團將有足夠的營運資金來履行其在可預見的未來到期的財務義務。因此，未經審核簡明綜合中期財務報表乃按持續經營基準編製。

倘發生任何重大進展，本公司將以公告形式知會股東。

董事進行證券交易之行為守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則作為本公司董事進行證券交易之行為守則。本公司已向全體董事作出特別查詢，而彼等亦已書面確認，彼等於期內已遵守行為守則所載之規定標準。

中期股息

董事會不建議派付截至2021年6月30日止六個月之中期股息。

薪酬委員會

薪酬委員會現時由三名成員組成，分別為張省本先生、池靜超先生及盛洪先生，大部分為獨立非執行董事。薪酬委員會之職能為制訂一套具透明度的程序，以制定董事及本集團高級管理層的薪酬政策及待遇。

As at the date of approval for issuance of the unaudited condensed consolidated interim financial statements, the Proposed Restructuring Plan has not been formulated yet and the eventual outcome of the Proposed Restructuring Plan cannot be determined with reasonable certainty. Assuming the successful implementation of the proposed restructuring plan, the Board is of the opinion that the Group will have sufficient working capital to meet its financial obligation as and when they fall due in the foreseeable future. Accordingly, the unaudited condensed consolidation interim financial statements have been prepared on a going concern basis.

The Company will update the shareholders by way of announcement(s) when there is any material development.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules as the code of conduct of the Company regarding Directors' securities transactions. The Company made specific enquiries to all Directors and all Directors have confirmed in writing that they have complied with the required standards set out in the code of conduct during the Period.

INTERIM DIVIDEND

The Board did not recommend a payment of interim dividend for the six months ended 30 June 2021.

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises three members, namely Mr. Cheung Sound Poon, Mr. Chi Jing Chao and Mr. Sheng Hong, the majority of whom are independent non-executive Directors. The functions of the Remuneration Committee are to formulate transparent procedures for set up remuneration policies and packages for Directors and the senior management of the Group.

其他資料

Other Information

審核委員會

審核委員會於2004年1月成立。於2021年6月30日，審核委員會有兩名成員，分別為張省本先生及盛洪先生。張省本先生為審核委員會主席。

審核委員會旨在審閱本集團之財務報告、內外審計以及內部監控之效力，並向董事會提供建議。截至2021年6月30日止六個月，審核委員會舉行兩次會議，以審閱本公司報告及賬目，並向董事會提出意見及建議。

本集團截至2021年6月30日止六個月之未經審核簡明綜合中期財務報表已由審核委員會審閱，而審核委員會認為，編製該等財務報表的方法符合適用之會計準則，並已作出足夠披露。

承董事會命
世紀陽光集團控股有限公司
池文富
主席

香港，2021年8月31日

AUDIT COMMITTEE

The Audit Committee was established in January 2004. As at 30 June 2021, the Audit Committee has two members, namely Mr. Cheung Sound Poon and Mr. Sheng Hong. Mr. Cheung Sound Poon is the chairman of the Audit Committee.

The Audit Committee is to review the Group's financial reporting, the effectiveness of both the internal and external audit and internal controls and to make recommendations to the Board. During the six months ended 30 June 2021, the Audit Committee held two meetings for the purpose of reviewing the Company's reports and accounts, and providing advices and recommendations to the Board.

The Group's unaudited condensed consolidated interim financial statements for the six months ended 30 June 2021 has been reviewed by the Audit Committee, which was of the opinion that the preparation of such financial statements were complied with the applicable accounting standards and adequate disclosures had been made.

By Order of the Board
Century Sunshine Group Holdings Limited
Chi Wen Fu
Chairman

Hong Kong, 31 August 2021



世紀陽光

世紀陽光集團控股有限公司

Century Sunshine Group Holdings Limited

Incorporated in the Cayman Islands with limited liability

於開曼群島註冊成立之有限公司

Stock Code 股票代號: 00509.HK

Website 網址 : www.centurysunshine.com.hk