



HUSCOKE HOLDINGS LIMITED  
和嘉控股有限公司

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

(Stock Code 股份代號：704)



**2020**

Interim Report  
中期報告



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Zhao Xu Guang  
(Chairman and Chief Executive Officer)  
Mr. Wang Yijun

#### Non-Executive Directors

Mr. Wong Siu Hung, Patrick  
Mr. Huang Man Yem  
Mr. Jiang Jiansheng  
Mr. Li Qinghua<sup>1</sup>

#### Independent Non-Executive Directors

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

### AUDIT COMMITTEE

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

### REMUNERATION COMMITTEE

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

### NOMINATION COMMITTEE

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

### COMPANY SECRETARY

Ms. Au Wing Sze

### LEGAL ADVISER

Fangda Partners

## 公司資料

### 董事會

#### 執行董事

趙旭光先生  
(主席及行政總裁)  
王義軍先生

#### 非執行董事

黃少雄先生  
黃文鑫先生  
姜建生先生  
李清華先生<sup>1</sup>

#### 獨立非執行董事

林開利先生  
杜永添先生  
王維新博士

### 審核委員會

杜永添先生(主席)  
林開利先生  
黃文鑫先生  
王維新博士

### 薪酬委員會

林開利先生(主席)  
杜永添先生  
黃文鑫先生  
王維新博士

### 提名委員會

趙旭光先生(主席)  
林開利先生  
杜永添先生  
王維新博士

### 公司秘書

歐穎詩女仕

### 法律顧問

方達律師事務所

<sup>1</sup> retired on 5 June 2020

<sup>1</sup> 於二零二零年六月五日退任

## CORPORATE INFORMATION

### AUDITORS

BDO Limited

### STOCK CODE

Hong Kong Stock Exchange: 704

### CORPORATE WEBSITE

www.huscoke.com

### PRINCIPAL OFFICE

Room 2301, 23rd Floor  
Tower One, Lippo Centre  
89 Queensway  
Admiralty, Hong Kong

### REGISTERED OFFICE

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

### SHARE REGISTRARS AND TRANSFER OFFICE

#### In Hong Kong

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

#### In Bermuda

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

### PRINCIPAL BANKERS

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

## 公司資料

### 核數師

香港立信德豪會計師事務所有限公司

### 股票代號

香港聯合交易所：704

### 公司網址

www.huscoke.com

### 主要辦事處

香港金鐘  
金鐘道89號  
力寶中心一座  
23樓2301室

### 註冊辦事處

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

### 股份過戶登記處

#### 香港

卓佳秘書商務有限公司  
香港  
皇后大道東183號  
合和中心54樓

#### 百慕達

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

### 主要往來銀行

南洋商業銀行有限公司  
東亞銀行有限公司  
香港上海滙豐銀行有限公司

## INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

The board of directors (the “**Board**”) of Huscoke Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2020 (the “**Reporting Period**”) together with the comparative figures for the corresponding period in 2019 as follows:

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2020

## 截至二零二零年六月三十日止六個月之中期業績

和嘉控股有限公司(「**本公司**」)董事會(「**董事會**」)欣然宣佈本公司及其附屬公司(統稱「**本集團**」)截至二零二零年六月三十日止六個月(「**本報告期間**」)之未經審核簡明綜合中期業績連同二零一九年同期之比較數字如下：

### 簡明綜合全面收益表

截至二零二零年六月三十日止六個月

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
	Notes		
	附註		
<b>Revenue</b>	<b>收入</b>		
Cost of sales	銷售成本	383,947	811,470
		(332,362)	(695,010)
<b>Gross profit</b>	<b>毛利</b>	<b>51,585</b>	<b>116,460</b>
Other income and gains, net	其他收入及收益，淨額	27,017	24,641
Selling and distribution costs	銷售及分銷成本	(9,509)	(60,923)
Administrative expenses	管理費用	(31,696)	(34,629)
Finance costs	財務費用	(10,314)	(496)
<b>Profit before tax</b>	<b>除稅前溢利</b>	<b>27,083</b>	<b>45,053</b>
Income tax expense	所得稅開支	(10,193)	–
<b>Profit for the period</b>	<b>期內溢利</b>	<b>16,890</b>	<b>45,053</b>

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

For the six months ended 30 June 2020

**簡明綜合全面收益表 (續)**

截至二零二零年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月	
		2020 二零二零年 (Unaudited) (未經審核)	2019 二零一九年 (Unaudited) (未經審核)
		HK\$'000 千港元	HK\$'000 千港元
		Notes 附註	
<b>Other comprehensive loss</b>	<b>其他全面虧損</b>		
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:	其後期間將予重新分類至損益之其他全面虧損：		
Exchange differences on translation of foreign operations	海外業務折算產生之兌換差額	(5,628)	(1,144)
<b>Other comprehensive loss for the period, net of tax</b>	<b>本期間其他全面虧損，除稅後</b>	<b>(5,628)</b>	<b>(1,144)</b>
<b>Total comprehensive income for the period</b>	<b>本期間全面收益總額</b>	<b>11,262</b>	<b>43,909</b>
<b>Profit for the period attributable to:</b>	<b>應佔期內溢利：</b>		
Owners of the Company	本公司擁有人	13,487	39,683
Non-controlling interests	非控股權益	3,403	5,370
		<b>16,890</b>	<b>45,053</b>
<b>Total comprehensive income attributable to:</b>	<b>應佔全面收益總額：</b>		
Owners of the Company	本公司擁有人	8,347	38,145
Non-controlling interests	非控股權益	2,915	5,764
		<b>11,262</b>	<b>43,909</b>
<b>Earnings per share attributable to ordinary equity holders of the Company</b>	<b>本公司普通股權益持有人應佔每股盈利</b>		
Basic	基本	9	
– For profit for the period	– 期內溢利	<b>HK0.47 cents</b> 港仙	HK1.45 cents港仙
Diluted	攤薄		
– For profit for the period	– 期內溢利	<b>HK0.47 cents</b> 港仙	HK1.42 cents港仙

**CONDENSED CONSOLIDATED STATEMENT  
OF FINANCIAL POSITION**

At 30 June 2020

**簡明綜合財務狀況報表**

於二零二零年六月三十日

			As at 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
	Notes 附註			
<b>NON-CURRENT ASSETS</b>		<b>非流動資產</b>		
Property, plant and equipment		物業、廠房及設備	618,989	576,422
Financial assets at fair value through profit or loss	10	按公允值計入損益之金融資產	1,508	1,508
<b>Total non-current assets</b>		<b>非流動資產總額</b>	<b>620,497</b>	<b>577,930</b>
<b>CURRENT ASSETS</b>		<b>流動資產</b>		
Inventories		存貨	52,964	43,459
Trade receivables		貿易應收帳款	605,279	643,781
Prepayments, deposits and other receivables		預付款項、按金及其他應收帳款	708,627	770,041
Restricted bank deposits	13	受限制銀行存款	-	5,038
Cash and bank balances		現金及銀行結存	11,769	20,839
<b>Total current assets</b>		<b>流動資產總額</b>	<b>1,378,639</b>	<b>1,483,158</b>
<b>CURRENT LIABILITIES</b>		<b>流動負債</b>		
Trade payables		貿易應付帳款	505,192	476,658
Other payables, accruals and deposits received		其他應付帳款、應計款項及已收 按金	622,298	735,312
Other borrowings	15	其他借貸	18,188	18,188
Lease liabilities	16	租賃負債	4,013	1,134
Tax payable		應付稅項	22,727	16,116
<b>Total current liabilities</b>		<b>流動負債總額</b>	<b>1,172,418</b>	<b>1,247,408</b>
<b>NET CURRENT ASSETS</b>		<b>流動資產淨額</b>	<b>206,221</b>	<b>235,750</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>資產總額減流動負債</b>	<b>826,718</b>	<b>813,680</b>

**CONDENSED CONSOLIDATED STATEMENT  
OF FINANCIAL POSITION** (Continued)

At 30 June 2020

**簡明綜合財務狀況報表(續)**

於二零二零年六月三十日

			As at 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核)	As at 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核)
	Notes 附註		HK\$'000 千港元	HK\$'000 千港元
<b>NON-CURRENT LIABILITIES</b> <b>非流動負債</b>				
Other payables and deferred income		其他應付帳款及遞延收入	15 <b>4,986</b>	5,034
Other borrowings	16	其他借貸	<b>200,000</b>	200,000
Lease liabilities		租賃負債	<b>10,301</b>	8,424
Deferred tax liability		遞延稅項負債	<b>5,540</b>	5,593
<b>Total non-current liabilities</b>		<b>非流動負債總額</b>	<b>220,827</b>	219,051
<b>NET ASSETS</b> <b>資產淨值</b>				
			<b>605,891</b>	594,629
<b>EQUITY</b> <b>股權</b>				
Equity attributable to the owners of the Company		本公司擁有人應佔股權		
Share capital	17	股本	<b>28,707</b>	28,707
Reserves		儲備	<b>521,160</b>	512,813
			<b>549,867</b>	541,520
Non-controlling interests		非控股權益	<b>56,024</b>	53,109
<b>TOTAL EQUITY</b>		<b>股權總額</b>	<b>605,891</b>	594,629



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2020

# 簡明綜合權益變動表

截至二零二零年六月三十日止六個月

		Share Capital	Share Premium	Contributed Surplus	Special Reserve	Other Reserve	Share Option Reserve	Exchange Fluctuation Reserve	Statutory Reserve	Capital Redemption Reserve	Convertible Bonds Reserve	Accumulated Losses	Equity attributable		Total
													to owners of the Company	Non- controlling Interests	
							購股期權	兌換波動	資本贖回	可換股債券	累計虧損	本公司 擁有人	非控股 權益	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2019	於二零一九年 一月一日	27,264	373,819	1,689,847	18,236	(10,354)	2,509	70,143	-	85	368	(1,658,916)	513,001	48,487	561,488
Profit for the period	本期間溢利	-	-	-	-	-	-	-	-	-	-	39,682	39,682	5,370	45,052
Exchange differences	匯兌差額	-	-	-	-	-	-	(1,538)	-	-	-	-	(1,538)	394	(1,144)
Total comprehensive income for the period	本期間全面收益 總額	-	-	-	-	-	-	(1,538)	-	-	-	39,682	38,144	5,764	43,908
Conversion of Convertible Bonds	兌換可換股債券	600	-	17,400	-	-	-	-	-	-	-	-	18,000	-	18,000
At 30 June 2019	於二零一九年 六月三十日	27,864	373,819	1,707,247	18,236	(10,354)	2,509	68,605	-	85	368	(1,619,234)	569,145	54,251	623,396
At 1 January 2020	於二零二零年 一月一日	28,707	346,554	1,731,681	18,236	(10,354)	-	72,530	5,269	85	-	(1,651,188)	541,520	53,109	594,629
Profit for the period	本期間溢利	-	-	-	-	-	-	-	-	-	-	13,487	13,487	3,403	16,890
Exchange differences	匯兌差額	-	-	-	-	-	-	(5,140)	-	-	-	-	(5,140)	(488)	(5,628)
Total comprehensive income for the period	本期間全面收益 總額	-	-	-	-	-	-	(5,140)	-	-	-	13,487	8,347	2,915	11,262
At 30 June 2020	於二零二零年 六月三十日	28,707	346,554	1,731,681	18,236	(10,354)	-	67,390	5,269	85	-	(1,637,701)	549,867	56,024	605,891

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2020

# 簡明綜合現金流量表

截至二零二零年六月三十日止六個月

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Net cash flows used in operating activities	用於經營業務之現金流量淨額	(8,424)	(2,657)
Net cash flows (used in)/from investing activities	(用於)/來自投資業務之現金流量淨額	(5,185)	(441)
Net cash flows used in financing activities	用於融資業務之現金流量淨額	-	-
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(13,609)	(3,098)
Cash and cash equivalents at 1 January	一月一日之現金及現金等價物	25,877	18,894
Effect of foreign currency rate changes, net	匯率變動之影響，淨額	(499)	705
Cash and cash equivalents at 30 June	於六月三十日之現金及現金等價物	11,769	16,501
Analysis of the balances of cash and cash equivalent	現金及現金等價物之結存分析		
Restricted bank deposits	受限制銀行存款	-	-
Cash and bank balances	現金及銀行結存	11,769	16,501

## 1. BASIC OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 June 2020 (the “**Interim Financial Statements**”) have been prepared in accordance with the Hong Kong Accounting Standards 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Interim Financial Statements do not include all of the information required for annual financial statements and thereby should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2019 (the “**2019 Annual Report**”).

The Interim Financial Statements are unaudited, but have been reviewed by the Audit Committee of the Company and were approved for issue on 31 August 2020.

## 1. 編製基準

截至二零二零年六月三十日止六個月未經審核簡明綜合財務報表(「**中期財務報表**」)乃根據香港會計師公會(「**香港會計師公會**」)頒佈之香港會計準則第34號「**中期財務報告**」和香港聯合交易所有限公司(「**聯交所**」)證券上市規則(「**上市規則**」)有關披露規定編製。中期財務報表並不包括年度財務報表規定之所有資料，因此，中期財務報表應與本集團截至二零一九年十二月三十一日止年度之年度財務報表(「**二零一九年年報**」)一併閱讀。

中期財務報表未經審核，但已經由本公司審核委員會審閱並已於二零二零年八月三十一日獲批准刊發。

## 2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing the Interim Financial Statements are consistent with those used in the Group's 2019 Annual Report, except for the new and revised Hong Kong Financial Reporting Standards, amendments and interpretations (collectively "new and revised HKFRSs") issued by HKICPA which have become effective in this Reporting Period as detailed in note 2 of the 2019 Annual Report.

### Application of new and revised to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and revised to HKFRSs issued by the HKICPA that are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 3	Definition of a business
Amendments to HKAS 1 and HKAS 8	Definition of material
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest rate benchmark reform

## 2. 主要會計政策

除香港會計師公會已頒佈且於本報告期間生效之新訂及經修訂香港財務報告準則、修訂及詮釋（統稱「新訂及經修訂香港財務報告準則」）外，編製中期財務報表所採用之會計政策乃與本集團二零一九年年報所採納者一致。該等新訂及經修訂香港財務報告準則已詳列於二零一九年年報附註2。

### 應用新訂及經修訂香港財務報告準則

於本中期期間，本集團已首次應用下列香港會計師公會頒佈之新訂及經修訂香港財務報告準則，而此等新訂及經修訂準則於二零二零年一月一日或之後開始之年度期間強制用於編製本集團簡明綜合財務報表：

香港財務報告準則第3號修訂本	業務之定義
香港會計準則第1號及香港會計準則第8號修訂本	重大的定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號修訂本	利率基準改革

## 2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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

## 3. REVENUE AND SEGMENT INFORMATION

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

### Business segments

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

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

## 2. 主要會計政策(續)

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

## 3. 收入及分類資料

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

### 業務分類

就管理目的而言，本集團根據產品及服務組織業務單位，可呈報經營分類如下：

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



### 3. REVENUE AND SEGMENT INFORMATION

(Continued)

#### Business segments (Continued)

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

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

### 3. 收入及分類資料(續)

#### 業務分類(續)

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

分類間銷售及轉讓乃按成本加一定百分比之加成進行交易。



### 3. REVENUE AND SEGMENT INFORMATION

(Continued)

#### Segment revenue and results

For the six months ended 30 June 2020

### 3. 收入及分類資料(續)

#### 分類收入及業績

截至二零二零年六月三十日止  
六個月

		Coal-related	Coke			
		Coke Trading	Ancillary	Production	Eliminations	Total
		焦炭貿易	煤炭相關附屬	焦炭生產	對銷	總計
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Segment revenue	分類收入					
– external sales	– 對外銷售	5,465	185	378,297	–	383,947
– intersegment sales	– 分類間銷售	–	6,267	–	(6,267)	–
Other income	其他收入	–	–	–	–	–
<b>Total</b>	<b>總計</b>	<b>5,465</b>	<b>6,452</b>	<b>378,297</b>	<b>(6,267)</b>	<b>383,947</b>
Segment results	分類業績	154	(159)	42,081	–	42,076
Interest income and sundry income	利息收入及雜項收入					27,017
Corporate administrative expenses	公司管理費用					(31,696)
Unallocated finance costs	未分配財務費用					(10,314)
Profit before tax	除稅前溢利					27,083
Income tax expense	所得稅開支					(10,193)
Profit for the period	期內溢利					16,890

### 3. REVENUE AND SEGMENT INFORMATION

(Continued)

#### Segment revenue and results (Continued)

For the six months ended 30 June 2019

### 3. 收入及分類資料(續)

#### 分類收入及業績(續)

截至二零一九年六月三十日止  
六個月

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



#### 4. OTHER INCOME AND GAINS, NET

#### 4. 其他收入及收益，淨額

For the six months ended 30 June

截至六月三十日止六個月

		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Interest income	利息收入	2	461
Accrued interest income	應計利息收入	18,072	1,487
Government grant	政府補助金	592	18,113
Compensation income from contract with customer	客戶合約之補償收入	8,351	-
Write back of provision	撥備撥回	-	3,972
Sundry income	雜項收入	-	608
		<b>27,017</b>	<b>24,641</b>

## 5. FINANCE COSTS

An analysis of finance costs are as follows:

## 5. 財務費用

財務費用分拆如下：

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Interest expenses on other borrowings	其他借貸利息開支	9,980	11
Interest expenses on convertible bonds	可換股債券利息開支	-	485
Interest expenses on lease liabilities (Note)	租賃負債利息開支 (附註)	334	-
		<b>10,314</b>	<b>496</b>

Note:

The Group has initially applied HKFRS 16 as at 1 January 2019 using the cumulative effect approach. Under this approach, comparative information is not restated.

附註：

本集團已於二零一九年一月一日首次應用香港財務報告準則第16號之累計影響法。根據此方法，並未重列比較資料。

## 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

## 6. 除稅前溢利

本集團除稅前溢利扣除／（計入）下列各項後得出：

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Cost of inventories sold	銷售存貨成本	332,362	695,010
Depreciation	折舊	16,559	16,003
Operating lease payments in respect of leasehold interests in land and rented properties	土地及租用物業租賃權益之經營租賃款項	-	1,652
Employee benefit expense (including directors' remuneration):	僱員福利開支 (包括董事酬金):		
Wages and salaries	工資及薪金	24,630	24,854
Pension scheme contributions	退休福利計劃供款	152	179

## 7. INCOME TAX EXPENSE

## 7. 所得稅開支

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Current – Hong Kong	即期 – 香港	-	-
Current – PRC	即期 – 中國	10,193	-
		10,193	-

No provision for Hong Kong Profits Tax has been made for the six months ended 30 June 2019 and 2020 as there is no assessable profit for the Reporting Periods.

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

## 8. DIVIDEND

The Directors do not recommend payment of an interim dividend for the six months ended 30 June 2020 (2019: Nil).

由於本報告期間並無應課稅溢利，故於截至二零一九年及二零二零年六月三十日止六個月並無就香港利得稅計提撥備。

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

## 8. 股息

董事不建議派發截至二零二零年六月三十日止六個月之中期股息(二零一九年：無)。

## 9. EARNINGS PER SHARE

### (a) Basic

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

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2020	2019
		二零二零年	二零一九年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利 (千港元)	13,487	39,683
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	2,870,713,497	2,737,727,239
Basic earnings per share	每股基本盈利	HK0.47 cents 港仙	HK1.45 cents 港仙

### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive ordinary shares. The Company's potentially dilutive ordinary shares for the six months ended 30 June 2019 comprised of convertible bonds.

## 9. 每股盈利

### (a) 基本

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

### For the six months ended 30 June

截至六月三十日止六個月

2020

2019

二零二零年

二零一九年

(Unaudited)

(Unaudited)

(未經審核)

(未經審核)

### (b) 攤薄

每股攤薄盈利乃透過調整已發行普通股之加權平均數，以假設所有潛在攤薄普通股獲兌換而計算。截至二零一九年六月三十日止六個月，本公司之潛在攤薄普通股由可換股債券組成。

## 9. EARNINGS PER SHARE (Continued)

## 9. 每股盈利(續)

### (b) Diluted (Continued)

### (b) 攤薄(續)

For the six months  
ended 30 June 2019  
截至二零一九年  
六月三十日止六個月  
(Unaudited)  
(未經審核)

Profit attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利 (千港元)	39,683
Add: Interest expense on convertible bonds (HK\$'000)	加：可換股債券利息開支 (千港元)	485
Profit attributable to equity holders of the Company for diluted earnings per share (HK\$'000)	用作計算每股攤薄溢利之本公司權益持有人應佔溢利 (千港元)	40,168
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	2,737,727,239
Adjustments for convertible bonds	經可換股債券調整	84,256,976
Weighted average number of ordinary shares for diluted earnings per share	用作計算每股攤薄溢利之普通股加權平均數	2,821,984,215
Diluted earnings per share	每股攤薄盈利	HK1.42 cents 港仙

No diluted earnings per share has been presented as there were no potential ordinary shares outstanding for the six months ended 30 June 2020.

截至二零二零年六月三十日止六個月，由於並無尚未行使的潛在普通股，因此並無呈列每股攤薄盈利。

## 10. PROPERTY, PLANT AND EQUIPMENT

## 10. 物業、廠房及設備

		Land and building	Other properties leased for own use carried at cost	Leasehold improvement	Furnaces and infrastructure	Plant and machinery	Computer equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
		土地及樓宇	其他物業	租賃物業改良	熔爐及基建	廠房及機器	電腦設備	傢俬及裝置	汽車	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>COST</b>	<b>成本值</b>										
At 1 January 2020	於二零二零年一月一日	349,942	12,743	1,653	462,492	549,998	70,672	408	43,016	42,765	1,533,689
Additions	添置	-	6,692	-	56,644	1,010	45	-	-	-	64,391
Reclassification	重新分類	-	-	-	2,922	35,522	-	-	-	(38,444)	-
Exchange alignment	匯兌調整	(3,322)	(93)	-	(4,147)	(5,074)	(671)	-	(372)	(563)	(14,242)
At 30 June 2020	於二零二零年六月三十日	346,620	19,342	1,653	517,911	581,456	70,046	408	42,644	3,758	1,583,838
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>	<b>累計折舊及減值</b>										
At 1 January 2020	於二零二零年一月一日	243,970	3,407	1,536	132,519	467,156	66,003	210	37,277	5,169	957,267
Depreciation charge	折舊費用	2,384	1,963	97	10,270	965	178	41	661	-	16,559
Reclassification	重新分類	-	-	-	387	4,712	-	-	-	(5,099)	-
Exchange alignment	匯兌調整	(2,308)	(6)	-	(1,215)	(4,413)	(627)	-	(338)	(70)	(8,977)
At 30 June 2020	於二零二零年六月三十日	244,046	5,364	1,653	141,961	468,420	65,554	251	37,600	-	964,849
<b>NET CARRYING AMOUNTS</b>	<b>賬面淨值</b>										
At 30 June 2020	於二零二零年六月三十日	102,574	13,978	-	375,950	113,036	4,492	157	5,044	3,758	618,989
At 31 December 2019	於二零一九年十二月三十一日	105,972	9,336	97	329,973	82,842	4,669	198	5,739	37,596	576,422

## 11. TRADE RECEIVABLES

## 11. 貿易應收帳款

		At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Trade receivables:	貿易應收帳款：		
– Third parties	– 第三方	361,310	320,159
– Related companies	– 關聯公司	84,149	142,660
– Non-controlling shareholder of a subsidiary	– 一間附屬公司非控股 股東	210,436	233,149
		<b>655,895</b>	695,968
Bill receivables	應收票據	1,076	–
Loss allowance	虧損撥備	(51,692)	(52,187)
		<b>605,279</b>	643,781



## 11. TRADE RECEIVABLES (Continued)

The Group's trading terms with its customers are mainly on credit. The credit period is generally 120 days. Each customer has a maximum credit limit. Advances are required for certain customers. The Directors consider that these arrangements enable the Group to limit its credit risk exposure. As at 30 June 2020, approximately 35% (31 December 2019: 36%) of the Group's trade receivables was due from one customer, and there was a significant concentration of credit risk. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances due from customers other than the non-controlling shareholder (Note 12). Overdue balances are reviewed regularly by senior management.

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

## 11. 貿易應收帳款(續)

本集團與客戶間之貿易條款以信貸為主。信貸期通常為120日。本集團對每位客戶設有最高信用限額，並要求若干客戶墊付款項。董事認為此等安排有助本集團限制其信貸風險。於二零二零年六月三十日，本集團約35%（二零一九年十二月三十一日：36%）之貿易應收帳款乃來自一名客戶，因此存在信貸風險重大集中之情況。本集團一直嚴格控制未收回應收帳款，務求將信貸風險減至最低。本集團並無就其應收非控股股東以外客戶之貿易應收帳款結餘持有任何抵押品或其他信用增強措施(附註12)。高級管理人員定期檢查逾期結餘。

貿易應收帳款及應收票據之賬面值與其公允值相若。



## 11. TRADE RECEIVABLES (Continued)

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

## 11. 貿易應收帳款(續)

於回顧期末，按發票日期計算並已扣減撥備之貿易應收帳款之帳齡分析如下：

		At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Within 3 months	三個月內	231,717	251,163
3 to 4 months	三至四個月	65,999	55,158
Over 4 months	超過四個月	307,563	337,460
		<b>605,279</b>	<b>643,781</b>

## 12. AMOUNT DUE FROM THE NON-CONTROLLING SHAREHOLDER

## 12. 應收非控股股東款項

		At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) Notes 附註	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
<b>Current</b>	<b>即期</b>		
Trade receivables due from the non-controlling shareholder of a subsidiary (Note 11)	應收一間附屬公司非控股股東之貿易應收帳款(附註11)	(i)	210,436 233,149
Other receivables from the non-controlling shareholder of a subsidiary	應收一間附屬公司非控股股東之其他應收帳款	(ii)	246,023 248,377
			<b>456,459</b> 481,526

Notes:

- (i) The balances are trade in nature and interest-bearing. The balances have a credit term of 120 days (2019: 120 days), which are similar to those granted to major trading customers of the Group.
- (ii) The balances are advances to the non-controlling shareholder of a subsidiary, which are interest-bearing and repayable on demand.

附註：

- (i) 結餘屬交易性質和有計利息。信貸期為120日(二零一九年：120日)，與授予本集團主要貿易客戶之期限相若。
- (ii) 結餘乃給予一間附屬公司非控股股東之墊款，乃計利息並須按要求償還。

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

上述結餘之賬面值與其公允值相若。

### 13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 13. 預付款項、按金及其他應收帳款

		At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) Notes 附註	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Other receivables due from the non-controlling shareholder of a subsidiary (Note 12)	應收一間附屬公司非控股股東之其他應收帳款(附註12)	246,023	248,377
Prepayments and other receivables due from related companies (Note 18)	應收關聯公司之預付款項及其他應收帳款(附註18)	122,439	100,533
Prepayments, deposits and other receivables due from other parties	應收其他人士之預付款項、按金及其他應收帳款 (i)	353,723	434,819
Less: Loss Allowance	減：虧損撥備	(13,558)	(13,688)
		<b>708,627</b>	<b>770,041</b>

Note:

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

附註：

- (i) 結餘包括就煤炭相關附屬及焦炭生產業務付予原材料供應商之預付款項，乃無抵押、不計息並以將來的採購為結算。

### 13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

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

As at 30 June 2020, the Group recognised loss allowance of HK\$13,558,000 (31 December 2019: HK\$13,688,000) on the balances. The movement in the loss allowance for the balances during the period is summarised below.

		HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	12,526
Increase in allowance	撥備增加	1,235
Exchange realignment	匯兌調整	(73)
At 31 December 2019	於二零一九年十二月三十一日	13,688
Exchange realignment	匯兌調整	(130)
<b>At 30 June 2020</b>	<b>於二零二零年六月三十日</b>	<b>13,558</b>

### 14. TRADE PAYABLES

### 13. 預付款項、按金及其他應收帳款(續)

按金及其他應收帳款之賬面值與其公允值相若。

於二零二零年六月三十日，本集團就結餘確認虧損撥備13,558,000港元(二零一九年十二月三十一日：13,688,000港元)。期內，結餘之虧損撥備變動概述於下文。

### 14. 貿易應付帳款

		At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Trade payables due to other parties	應付其他方之貿易應付帳款	437,148	366,162
Trade payables due to related companies	應付關聯公司之貿易應付帳款	68,044	110,496
		<b>505,192</b>	<b>476,658</b>

#### 14. TRADE PAYABLES (Continued)

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

		At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Within 3 months	三個月內	208,404	266,073
3 to 4 months	三至四個月	16,846	18,440
Over 4 months	超過四個月	279,942	192,145
		<b>505,192</b>	476,658

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

The carrying amounts of trade payables approximate their fair values.

#### 14. 貿易應付帳款(續)

於回顧期末，按發票日期計算之貿易應付帳款之帳齡分析如下：

貿易應付帳款為不計息及一般於120日內清償。

貿易應付帳款之賬面值與其公允值相若。

15. OTHER PAYABLES, ACCRUALS AND DEPOSIT RECEIVED AND DEFERRED INCOME

15. 其他應付帳款、應計款項、已收按金及遞延收入

		At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Other payables and accrued charges	其他應付帳款及應計款項	315,823	422,073
Contract liabilities	合約負債	306,475	313,239
Deferred income	遞延收入	4,986	5,034
		<b>627,284</b>	740,346
Less: Current portion	減：即期部分	<b>(622,298)</b>	(735,312)
Non-current portion	非即期部分	<b>4,986</b>	5,034

The other payables are non-interest-bearing and expected to be settled not more than 12 months.

其他應付帳款為不計息及預期在不多於12個月內清償。

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

其他應付帳款及應計款項之賬面值與其公允值相若。

## 16. OTHER BORROWINGS

## 16. 其他借貸

		At 30 June 2020			At 31 December 2019		
		於二零二零年六月三十日			於二零一九年十二月三十一日		
		(Unaudited)			(Audited)		
		(未經審核)			(經審核)		
		Effective interest rate			Effective interest rate		
		rate	Maturity	HK\$'000	rate	Maturity	HK\$'000
		實際利率	到期	千港元	實際利率	到期	千港元
Unsecured other borrowings	無抵押其他借貸	0%-10%	2020-2022	218,188	0%-10%	2020-2022	218,188
Analysed into:	分析為：						
Other borrowings repayable	其他借貸						
- Within one year or on demand	— 須於一年內或按要求償還			18,188			18,188
- After one year	— 一年後償還			200,000			200,000
				218,188			218,188



## 17. SHARE CAPITAL

## 17. 股本

		At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Authorised:	法定：		
20,000,000,000	20,000,000,000股		
(2019: 20,000,000,000)	(二零一九年：20,000,000,000股)		
ordinary shares of	每股面值0.01港元		
HK\$0.01 each	(二零一九年：每股面值0.01港元)		
(2019: HK\$0.01 each)	之普通股	<b>200,000</b>	200,000
Issued and fully paid:	已發行及繳足：		
2,870,713,497	2,870,713,497股		
(2019: 2,870,713,497)	(二零一九年：2,870,713,497股)		
ordinary shares	普通股	<b>28,707</b>	28,707

## 18. RELATED PARTY TRANSACTIONS

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

## 18. 與關聯人士之交易

- (a) 除此等財務報表其他地方所詳述之交易及結餘外，本集團於本報告期間與關聯人士有下列交易：

		For the six months ended 30 June 截至六月三十日止六個月		
			2020 二零二零年 (Unaudited) (未經審核)	2019 二零一九年 (Unaudited) (未經審核)
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
With the Non-controlling Shareholder of a subsidiary:	與一間附屬公司非控股股東：			
Rental expense	租金開支	(ii)	552	400
With a related company which is a subsidiary of the Non-controlling Shareholder of a subsidiary:	與關聯公司(為一間附屬公司非控股股東之附屬公司)：			
Transportation income	運輸收入	(i)	-	688
Sales of electricity	出售電力	(i)	-	52
With related companies which are associates of the Non-controlling Shareholder of a subsidiary:	與關聯公司(為一間附屬公司非控股股東之聯營公司)：			
Sales of electricity	出售電力	(i)	-	1,919
With a related company which is held by a close family member of the beneficial owner of the Non-controlling Shareholder of a subsidiary:	與關聯公司(由一間附屬公司非控股股東實益擁有人之直系親屬持有)：			
Sales of coke	出售焦炭	(i)	-	78,275
Sales of by-products	出售副產品	(i)	492	4,649
Sales of raw coal	出售原煤	(i)	3,265	-
Purchases of coke	採購焦炭	(i)	32,072	-

## 18. RELATED PARTY TRANSACTIONS (Continued)

### (a) (Continued)

Notes:

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

## 18. 與關聯人士之交易 (續)

### (a) (續)

附註：

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

18. RELATED PARTY TRANSACTIONS (Continued)

18. 與關聯人士之交易 (續)

(b) Outstanding balances with related parties

- (i) Balances with the Non-controlling Shareholder at the end of the reporting period are set out in note 12 to the financial statements.
- (ii) A summary of the Group's balances with other related companies is set out below:

(b) 與關聯人士之未償還結餘

- (i) 於報告期末與非控股股東之結餘載於財務報表附註12。
- (ii) 本集團與其他關聯公司之結餘之概述載列於下：

			At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核)	At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (經審核)
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Trade receivables from related companies	關聯公司之貿易應收帳款	11	84,149	142,660
Prepayments, deposits and other receivables from related companies	關聯公司之預付款項、按金及其他應收帳款	13	122,439	100,533
Trade payables to related companies	關聯公司之貿易應付帳款	14	(68,044)	(110,496)
			<b>138,544</b>	132,697

## 19. FINANCIAL INSTRUMENTS BY CATEGORY

## 19. 按類別劃分之金融工具

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

於報告期末，各類金融工具之帳面值如下：

As at 30 June 2020 (Unaudited)

於二零二零年六月三十日(未經審核)

Financial assets	金融資產	Financial assets at		Total
		Financial assets at amortised cost	fair value through profit or loss	
		按攤銷成本列帳	按公允值計入	
		之金融資產	損益之金融資產	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產	-	1,508	1,508
Trade receivables	貿易應收帳款	605,279	-	605,279
Deposits and other receivables	按金及其他應收帳款	358,354	-	358,354
Cash and bank balances	現金及銀行結存	11,769	-	11,769
		975,402	1,508	976,910

Financial liabilities	金融負債	Financial liabilities at amortised cost	
		按攤銷成本列帳	之金融負債
		HK\$'000	千港元
Trade payables	貿易應付帳款		505,192
Other payables and accruals	其他應付帳款及應計款項		315,823
Other borrowings	其他借貸		218,188
Lease liabilities	租賃負債		14,314
			1,053,517

19. FINANCIAL INSTRUMENTS BY CATEGORY

19. 按類別劃分之金融工具(續)

(Continued)

As at 31 December 2019 (Audited)

於二零一九年十二月三十一日(經審核)

Financial assets	金融資產	Financial assets	Financial assets at	Total
		at amortised cost	fair value through profit or loss	
		按攤銷成本列帳	按公允值計入	
		之金融資產	損益之金融資產	
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產	-	1,508	1,508
Trade receivables	貿易應收帳款	643,781	-	643,781
Deposits and other receivables	按金及其他應收帳款	353,528	-	353,528
Restricted bank deposits	受限制銀行存款	5,038	-	5,038
Cash and bank balances	現金及銀行結存	20,839	-	20,839
		1,023,186	1,508	1,024,694
Financial liabilities	金融負債			
				Financial liabilities at amortised cost
				按攤銷成本列帳
				之金融負債
				HK\$'000
				千港元
Trade payables	貿易應付帳款			476,658
Other payables and accruals	其他應付帳款及應計款項			422,073
Other borrowings	其他借貸			218,188
Lease liabilities	租賃負債			9,558
				1,126,477

## 20. LITIGATIONS

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

## 20. 訴訟

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



## 20. LITIGATIONS (Continued)

(a) (Continued)

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

## 20. 訴訟(續)

(a) (續)

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





## 20. LITIGATIONS (Continued)

(a) (Continued)

As at 30 June 2020, that the sums owed by GRG Huscoke to Shanxi Logistic amounted to RMB15,878,000 (equivalent to HK\$17,592,000).

The Group has been in negotiation with Shanxi Logistic to re-arrange the payment schedule under the Settlement Agreement. To the best knowledge of the Directors, no further legal action was lodged by Shanxi Logistics up to the approval date of the financial statements. In the opinion of the Directors, appropriate provision has been made in the financial statements as at 30 June 2020 and 31 December 2019.

- (b) During the period from 2011 to 2015, GRG Huscoke signed few purchase contracts with 山西省壽陽縣鄉鎮煤礦運銷公司 (Shanxi Province Shouyang County Township Coal Mine Transportation and Marketing Company) (the “**Shouyang Coal Marketing**”) for purchase of coal from Shouyang Coal Marketing. In June 2019, the Shouyang Coal Marketing confirmed the outstanding balance amount due from GRG Huscoke amounted to RMB23,009,000 (equivalent to HK\$25,738,000) plus accrued interest (“**the Debt**”) with GRG Huscoke. However, GRG Huscoke did not pay the Debt due to the Shouyang Coal Marketing at that moment.

## 20. 訴訟(續)

(a) (續)

於二零二零年六月三十日，金岩和嘉結欠山西物流之款項為人民幣15,878,000元(相當於17,592,000港元)。

本集團一直與山西物流商討有關重新調整和解協議所訂下的付款時間。就董事所知，直至財務報表審批日期，山西物流並無作出進一步法律訴訟。董事認為，於截至二零二零年六月三十日及二零一九年十二月三十一日止的財務報表已作出適當撥備。

- (b) 於二零一一年至二零一五年期間，金岩和嘉與山西省壽陽縣鄉鎮煤礦運銷公司(「**壽陽煤銷**」)簽訂了幾份向壽陽煤銷購買煤炭之採購合同。於二零一九年六月，壽陽煤銷向金岩和嘉確認應收金岩和嘉金額達人民幣23,009,000元(相當於25,738,000港元)之未償還結餘金額另加應計利息(「**債務**」)。然而，金岩和嘉當時未能償還應付壽陽煤銷之債務。



## 20. LITIGATIONS (Continued)

(b) (Continued)

On 7 July 2019, the Shouyang Coal Marketing litigated a court case with GRG Huscoke in 壽陽縣人民法院 (the “**Shouyang Court**”) for request of repayment of the Debt immediately. On 8 October 2019, the Shouyang Court judged GRG Huscoke needed to settle the Debt due to the Shouyang Coal Marketing plus handling fee amounted to RMB184,000 (equivalent to HK\$206,000) by 18 October 2019 in accordance with the civil judgment. However, GRG Huscoke did not settle the Debt and handling fee based on the judgement issued by the Shouyang Court.

On 20 November 2019, the Shouyang Court issued an additional execution notice to request GRG Huscoke to settle the Debt and handling fee forthwith. In addition, the bank accounts of GRG Huscoke amounted to RMB4,504,000 (equivalent to HK\$5,038,000) were frozen by the execution notice at 31 December 2019.

## 20. 訴訟(續)

(b) (續)

於二零一九年七月七日，壽陽煤銷向壽陽縣人民法院(「**壽陽法院**」)提出起訴金岩和嘉之法院訟案，要求立即償還債務。於二零一九年十月八日，壽陽法院判決金岩和嘉須根據民事判決於二零一九年十月十八日之前向壽陽煤銷清償應付債務另加手續費總額為人民幣184,000元(相當於206,000港元)。然而，金岩和嘉並未根據壽陽法院發出之判決清償債務及手續費。

於二零一九年十一月二十日，壽陽法院發出另外一份執行通知，要求金岩和嘉立即清償債務及手續費。此外，於二零一九年十二月三十一日金岩和嘉款額為人民幣4,504,000元(相當於5,038,000港元)之銀行賬戶經執行通知予以凍結。



## 20. LITIGATIONS (Continued)

(b) (Continued)

On 25 April 2020, GRG Huscoke has entered into settlement agreement with the Shouyang Coal Marketing and the controlling owner of the non-controlling shareholder and on 22 May 2020, GRG Huscoke has entered into settlement supplementary agreement with the Shouyang Coal Marketing. GRG Huscoke has agreed to repay the outstanding RMB15,679,000 (equivalent to HK\$17,372,000) to the Shouyang Coal Marketing and the controlling owner of the non-controlling shareholder has made personal guarantee to settle the outstanding amount if GRG Huscoke has failed to repay the outstanding amount. The Shouyang Court has issued the awards on 27 May 2020 that the frozen bank accounts of GRG Huscoke be ordered to be de-frozen.

## 20. 訴訟(續)

(b) (續)

金岩和嘉於二零二零年四月二十五日與壽陽煤銷和非控股股東之控股擁有人達成了和解協議並於二零二零年五月二十二日與壽陽煤銷達成了和解補充協議。金岩和嘉已同意償還未償還的人民幣 15,679,000 元(相當於 17,372,000 港元)予壽陽煤銷，而非控股股東之控股擁有人已作出個人擔保，以保證代金岩和嘉償還未償還的欠款。壽陽法院於二零二零年五月二十七日頒布裁定書，裁定解除凍結金岩和嘉的銀行賬戶。



## 21. SHARE OPTION SCHEMES

### 2013 Scheme

The following share options were outstanding under the 2013 Scheme during the year ended 31 December 2019:

		2019 二零一九年	
		Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股期權數目 '000 千股
At 1 January	於一月一日	0.66	10,400
Lapsed during the year	年內失效	0.66	(10,400)
At 31 December	於十二月三十一日	-	-

During the year ended 31 December 2019, 10,400,000 share options lapsed at the end of the exercise period in accordance with terms of the 2013 Scheme.

During the six months ended 30 June 2020, no share options were granted/cancelled/lapsed/exercised in accordance with terms of the 2013 Scheme. As at 30 June 2020, there is no outstanding share options.

## 21. 購股期權計劃

### 二零一三年計劃

截至二零一九年十二月三十一日止年度，根據二零一三年計劃尚未行使之購股期權如下：

		2019 二零一九年	
		Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股期權數目 '000 千股
At 1 January	於一月一日	0.66	10,400
Lapsed during the year	年內失效	0.66	(10,400)
At 31 December	於十二月三十一日	-	-

截至二零一九年十二月三十一日止年度，10,400,000份購股期權根據二零一三年計劃之條款於行使期末失效。

截至二零二零年六月三十日止六個月，概無購股期權根據二零一三年計劃之條款授出／取消／失效／獲行使。於二零二零年六月三十日，沒有尚未行使之購股期權。

### BUSINESS REVIEW

In the first half of 2020, the Coronavirus Disease (“COVID-19”) hit the economy hard. PRC’s gross domestic product decreased by 6.8% in the first quarter and increased by 3.2% in the second quarter, of which gross industrial production decreased by 8.5% in the first quarter and increased by 4.1% in the second quarter. China’s economic activities were mostly suspended in the first quarter and recorded quarterly negative growth. However, with domestic epidemic prevention measures yielding remarkable results, China actively promoted the resumption of production of enterprises. Since the second quarter, industrial production and demand have both gradually improved, and the economy has recovered in an orderly manner.

In the first half of 2020, coke output throughout the country amounted to 228.69 million tons, representing a decrease of 2.5% from the corresponding period in 2019. The COVID-19 pandemic caused a double blow to coke production and demand. The capacity utilization rate of the coke industry dropped significantly, and the supply and demand of the coke market was weak. Coke price continued to fall between February and April 2020, and the overall price and volume fell together. However, with the easing of the pandemic domestically and the implementation of various economic stabilization policies and countermeasures, industrial production has recovered quite rapidly. Moreover, since there was a significant contraction on the supply side, this led to low coke inventory overall, and coke prices gradually bottomed out in May 2020 and resumed an upward trend.

### 業務回顧

二零二零年上半年，新型冠狀病毒(「**新型冠狀病毒**」)對經濟造成沖擊。中國國內生產總值第一季度下降6.8%，第二季度增長3.2%，其中工業生產總值第一季度下降8.5%，第二季度增長4.1%。中國第一季度經濟活動接近停擺並出現季度負增長，但隨著國內防疫措施成效顯著，中國積極推動企業復工復產，自第二季度起工業生產和需求逐步改善，經濟有序復甦。

二零二零年上半年，全國焦炭產量22,869萬噸，較二零一九年同期下降2.5%。新型冠狀病毒疫情對焦炭生產及需求造成雙重打擊，焦炭行業開工率明顯下滑，焦炭市場供需疲弱，焦炭價格曾於二零二零年二月至四月期間持續下跌，整體呈現價量齊跌。但隨著國內疫情的緩解及在各項經濟穩增長政策措施的實施下，工業生產恢復較快，而由於供應明顯收縮，導致焦炭整體庫存低位，所以焦炭價格自二零二零年五月逐漸見底回升。

## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

## 管理層討論及分析(續)

### BUSINESS REVIEW (Continued)

Notwithstanding this challenging environment caused by the above-mentioned factors, the Group has nevertheless forged ahead in its development. Management has timely taken a series of countermeasures, while at the same time strictly controlled various costs and expenses. Therefore, even the Group's financial performance declined as compared with the same period of last year, the Group still achieved profitability in the first half of 2020, and the overall operating and financial conditions of the Group remained healthy and stable.

### 業務回顧(續)

儘管如此，本集團在上述因素導致嚴峻的經營環境下砥礪前行，管理層及時採取一系列措施，同時嚴格控制各項成本費用，因此即使本集團對比往年同期的業績有所下降，但二零二零年上半年依然實現盈利，本集團的整體經營及財務情況維持穩健。

### PROSPECTS

Looking forward to the second half of 2020, the domestic economy is expected to regain its growth momentum. In this respect, China has launched the "New Infrastructure" plan in order to regain the growth momentum. Local governments have so far launched the "New Infrastructure" construction projects with a total amount of over trillion yuan, including projects such as intercity high-speed railways and urban rail transit, which are expected to stimulate the demand of steel production. The coke supply has tightened significantly, and the overall inventory is at a low level, supporting the expectation of better coke prices. It is expected that the coke supply and demand situation will improve in the second half of 2020, and the bargaining power of coke enterprises will be improved. The profit per ton of coke sold is expected to increase, which is beneficial to the production and operation of coke producing enterprises.

### 展望

展望二零二零年下半年，預期國內經濟重拾增長動力。為此，國家啟動「新基建」計劃，各地政府至今已推出總額上萬億元的「新基建」建設項目，包括城際高速鐵路和城市軌道交通等項目，可望刺激鋼材的生產需求。而焦炭供應端收緊明顯，整體庫存處於低位，支持焦炭價格向好預期。預期二零二零年下半年焦炭供需格局得到改善，焦炭企業議價能力得到提升，每噸焦利潤有望上升，有利焦炭企業生產經營。



**PROSPECTS** (Continued)

As the supply-side reform of the coke industry continues to be implemented, the tightening of environmental protection standards and reduction of production capacity in the coke industry has become a clear domestic policy. The Shanxi Provincial Government has been gradually advancing the coking capacity reduction program through restricting the production scale of smaller coke ovens, and are phasing out coking furnaces with coking chambers that have heights of 4.3 meters and below (which is also the furnace type used by the Group's operations). The Group's coke production business remains normal at present. Management will closely monitor the implementation of relevant policies. The development strategy currently formulated by the Group has taken into account the impact of the above policy factors and the Group will adopt countermeasures, including but not limited to furthering the acquisition and merger of Shanxi Jinyan Energy Technology Company Limited's coke production project with an annual production capacity of 5 million tonnes in a timely manner, further negotiating and improving the coke-related investment and financing plans for the upstream and downstream production and sales with our business partners, and considering cooperating with other investors through the establishment of merger and acquisition funds. The use of such structures may allow the Group to reduce its demand for upfront capital expenditure at the same time. The Group will disclose the progress of relevant transactions in accordance with the requirements under the Listing Rules.

**展望**(續)

焦炭行業供給側改革持續推進，提高焦炭生產環保標準及壓減產能是國內明確的政策。山西省政府逐步推進焦化產能壓減任務、通過限制體積較小焦爐的生產規模以及分批淘汰炭化室高度4.3米及以下焦爐(本集團企業所用之爐型)。目前本集團的焦炭生產業務正常，管理層會密切留意相關政策的落實。本集團目前所制訂的發展策略已考慮到上述政策因素所帶來的影響，並已採取應對方案，包括但不限適時推進對山西金岩能源科技有限公司500萬噸焦炭生產項目的合併收購、與各商業合作方進一步談判及改善與焦炭相關上下游生產和銷售的投資及融資方案，並會考慮通過組建併購基金方式與其他投資者合作，並同時減低本集團對前期資本開支的需要，本集團將按上市規則之要求適時披露相關交易進展。

**PROSPECTS** (Continued)

**展望** (續)

In order to broaden the income sources of the Group, the Group restarted the international coke trading business in the second half of last year. However, due to force majeure factors such as the pandemic, the trading business did not develop as smoothly as planned. When the pandemic factor subsides and export trade returns to normal, the Group will continue to develop the international coke trading business, thereby expanding its income sources and increasing the cash flows of the Group.

為擴寬本集團的收入來源，本集團已於去年下半年重新啟動焦炭國際貿易業務，但受到疫情等不可抗力因素影響，貿易業務未能如期順利開展，待疫情因素消退且出口貿易恢復正常，本集團將繼續推動開展焦炭國際貿易業務，擴闊本集團收入來源以及提高現金流水平。

In addition, the Group is looking into the possibility to use hydrogen-rich gas produced during coking production to tap into the new stream from the hydrogen energy field and thereby actively explore diversification of the business to include new energy sources. The Group originally planned to develop liquefied natural gas, synthetic ammonia, and urea projects through a newly established company, Shanxi Golden Rock Rich Hydrogen Energy Co., Ltd. It is now negotiating with the project partners on the amendments to the project construction plan. The Group will disclose the progress of relevant transactions in due course in accordance with the requirements under the Listing Rules.

另外，本集團計劃利用焦化生產所盛產的富氫氣進軍氫能領域，積極佈局新能源。本集團原計劃以新成立的山西金岩富氫能源有限公司建設液化天然氣、合成氨及尿素生產項目，現與項目合作方商討修訂項目建設計劃，本集團將按上市規則之要求適時披露相關交易進展。

Meanwhile, the Group also actively looks for other suitable investment opportunities, improving the Group's future business development and enhancing its future profitability while bringing long-term stable returns to shareholders.

與此同時，本集團也積極尋找其他合適投資機會，為使本集團未來業務帶來更好發展及提升未來盈利能力，同時為股東帶來長遠穩健回報。





## FINANCIAL REVIEW

### Consolidated Operating Results

#### Revenue

For the Reporting Period, the Group has recorded total revenue of approximately HK\$383,947,000 (2019: HK\$811,470,000).

#### Gross profit and gross profit margin

For the Reporting Period, the Group has recorded gross profit of approximately HK\$51,585,000 (2019: HK\$116,460,000).

The overall gross profit margin was 13.4% (2019: 14.4%).

### Operating Results of Segments

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

## 財務回顧

### 綜合經營業績

#### 收入

於本報告期間，本集團錄得收入總額約383,947,000港元(二零一九年：811,470,000港元)。

#### 毛利及毛利率

於本報告期間，本集團錄得毛利約51,585,000港元(二零一九年：116,460,000港元)。

整體毛利率為13.4%(二零一九年：14.4%)。

### 經營分類業績

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

**FINANCIAL REVIEW** (Continued)

**財務回顧** (續)

**Operating Results of Segments** (Continued)

**經營分類業績** (續)

**Coke Trading Segment**

**焦炭貿易分類**

During the Reporting Period, the Group has generated revenue of approximately HK\$5,465,000 from Coke Trading Segment (2019: HK\$79,089,000), the decrease was mainly attributable to the reduction in trading volume of the Group. During the Reporting Period, the Group had segment results of Coke Trading of approximately HK\$154,000, representing a decrease of approximately HK\$9,620,000 as compared to the corresponding period last year, which mainly resulted from the narrowing of spread between purchase and sales prices of coke.

於本報告期間，本集團的焦炭貿易分類收入約為5,465,000港元(二零一九年：79,089,000港元)，減幅主要由於本集團貿易量下降。於本報告期間，本集團的焦炭貿易分類業績約為154,000港元，較去年同期下降約9,620,000港元，主要由於焦炭採購價及銷售價之間價差收窄。

**Coal-related Ancillary Segment**

**煤炭相關附屬分類**

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

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



**FINANCIAL REVIEW** (Continued)

**財務回顧**(續)

**Operating Results of Segments** (Continued)

**經營分類業績**(續)

**Coal-related Ancillary Segment** (Continued)

**煤炭相關附屬分類**(續)

The external sales mainly represented the revenue from sales of power and heat energy to the community in the Xiaoyi City, Shanxi Province, China. For the Reporting Period, the external sales amounted to approximately HK\$185,000 (2019: HK\$33,895,000). During the Reporting Period, the Group has incurred segment loss of approximately HK\$159,000, compared to segment profit of approximately HK\$7,194,000 in the corresponding period last year. The decrease was mainly due to the strict environmental control measures which temporarily reduced the utilization capacity of coal washing facilities.

外部銷售主要為向中國山西省孝義市之社區銷售電能及熱能產生之收入。於本報告期間，外部銷售約為185,000港元(二零一九年：33,895,000港元)。於本報告期間，本集團產生分類虧損約159,000港元，去年同期則為分類溢利約7,194,000港元。減幅主要由於嚴格的環境保護控制措施令洗煤設施的產能利用率暫時下降。

**Coke Production Segment**

**焦炭生產分類**

For the Reporting Period, the Coke Production Segment's revenue amounted to approximately HK\$378,297,000, as compared to that of approximately HK\$698,486,000 in the corresponding period last year. The Group's segment results from coke production was approximately HK\$42,081,000, as compared to that of approximately HK\$57,142,000 in the corresponding period last year. The impact of COVID-19 crisis occurred within the Reporting Period has hard hit the production and the demand of coke, that brought along with negative effect on the market price of coke and the segment results.

於本報告期間，焦炭生產分類收入約為378,297,000港元，去年同期則約為698,486,000港元。本集團的焦炭生產分類業績約為42,081,000港元，去年同期則約為57,142,000港元。本報告期間內出現新型冠狀病毒的影響對焦炭的生產及需求造成打擊，對焦炭的市價及分類業績構成負面影響。

**FINANCIAL REVIEW** (Continued)

**財務回顧** (續)

**Selling and Distribution Costs**

During the Reporting Period, the Group's sales and distribution costs amounted to approximately HK\$9,509,000, as compared to approximately HK\$60,923,000 in the corresponding period last year. The decrease was mainly due to the change of method of coke transportation that the transportation cost shifted from the Group to most of the customers, resulting in a decrease in such transportation cost, the decrease in sales volume of coke and the implementation of other effective cost measures.

**銷售及分銷成本**

於本報告期間，本集團之銷售及分銷成本約為9,509,000港元，去年同期則約為60,923,000港元。減幅主要由於焦炭運輸方式改變，由本集團轉予大部份客戶承擔運輸成本，以致該運輸成本下降、焦炭銷售量減少以及實施其他有效的成本措施。

**Administrative Expenses**

The Group's administrative expenses were approximately HK\$31,696,000 (2019: HK\$34,629,000) for the six months ended 30 June 2020. The decrease was mainly due to more effective cost control.

**管理費用**

截至二零二零年六月三十日止六個月，本集團之管理費用約為31,696,000港元(二零一九年：34,629,000港元)。減幅主要由於更有效的成本控制。

**Finance Costs**

For the Reporting Period, the finance costs of the Group were approximately HK\$10,314,000 (2019: HK\$496,000). The increase was mainly due to the rise of interest expenses arising from the Group's new borrowing made in July 2019.

**財務費用**

於本報告期間，本集團之財務費用約為10,314,000港元(二零一九年：496,000港元)。增幅主要由於本集團於二零一九年七月新增借貸導致利息開支增加所致。



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

### FINANCIAL REVIEW (Continued)

#### Profit for the Period

For the Reporting Period, the Group has recorded a profit for the period of approximately HK\$16,890,000 (2019: HK\$45,053,000). The decrease was mainly due to the impact of COVID-19 crisis occurred within the Reporting Period, which caused the plummeting of the production and demand of coke. The average selling price of coke dropped accordingly as compared to the same period in 2019, which affected the Group's profit margin during the Reporting Period.

### SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL

There was no significant investment, material acquisition or disposal of the Group for the six months ended 30 June 2020.

### CHARGES OVER ASSETS

The Group had no pledged assets, including pledged deposit, as at 30 June 2020 (31 December 2019: Nil).

### CAPITAL STRUCTURE AND CAPITAL MANAGEMENT

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

## 管理層討論及分析(續)

### 財務回顧(續)

#### 期內溢利

於本報告期間，本集團錄得期內溢利約16,890,000港元(二零一九年：45,053,000港元)。減幅主要由於本報告期間內出現的新型冠狀病毒危機影響導致焦炭的生產及需求驟降。焦炭的平均售價與二零一九年同期相比相應下跌，影響本集團於本報告期間的邊際利潤。

### 重要投資、重大收購及出售

本集團於截至二零二零年六月三十日止六個月並無重要投資、重大收購或出售。

### 資產抵押

本集團於二零二零年六月三十日並無抵押資產(包括抵押按金)(二零一九年十二月三十一日：無)。

### 資本結構及資本管理

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

**CAPITAL STRUCTURE AND CAPITAL MANAGEMENT**  
(Continued)

**資本結構及資本管理** (續)

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to Shareholders, return capital to Shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the Reporting Period as compared with the year ended 31 December 2019.

本集團根據經濟情況之變動及相關資產之風險特質，管理其資本結構並作出調整。為維持或調整資本結構，本集團可能調整向股東派發之股息、向股東派回之資本或發行新股份。與截至二零一九年十二月三十一日止年度比較，於本報告期間並無更改管理資本之目標、政策或程序。

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

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

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The Board reviews and comes to agreement on policies for managing each of these risks in a timely manner.

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



## MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

## 管理層討論及分析(續)

### CAPITAL STRUCTURE AND CAPITAL MANAGEMENT

### 資本結構及資本管理(續)

(Continued)

The Group regularly monitors its capital conditions using the gearing ratio. The gearing ratio as at 30 June 2020 was 69.7% (31 December 2019: 71.1%).

本集團採用資產負債比率定期監察資本狀況。於二零二零年六月三十日之資產負債比率為69.7% (二零一九年十二月三十一日：71.1%)。

As at 30 June 2020, the equity attributable to owners of the parent amounted to approximately HK\$549,867,000 (31 December 2019: HK\$541,520,000). The net assets per share was approximately HK\$0.211 per share as at 30 June 2020 (31 December 2019: HK\$0.214 per share).

於二零二零年六月三十日，母公司擁有人應佔股權達約549,867,000港元(二零一九年十二月三十一日：541,520,000港元)。於二零二零年六月三十日每股資產淨值約為每股股份0.211港元(二零一九年十二月三十一日：每股股份0.214港元)。

### LIQUIDITY AND FINANCIAL RESOURCES

### 流動資金及財政資源

Net current assets and current ratio were HK\$206,221,000 (31 December 2019: HK\$235,750,000) and 1.18 (31 December 2019: 1.19), respectively as at 30 June 2020.

流動資產淨值及流動比率於二零二零年六月三十日分別為206,221,000港元(二零一九年十二月三十一日：235,750,000港元)及1.18(二零一九年十二月三十一日：1.19)。

As at 30 June 2020, the Group's cash and bank balances amounted to HK\$11,769,000 (31 December 2019: HK\$20,839,000). The other borrowings were HK\$218,188,000 (31 December 2019: HK\$218,188,000).

於二零二零年六月三十日，本集團之現金及銀行結存為11,769,000港元(二零一九年十二月三十一日：20,839,000港元)。其他借貸為218,188,000港元(二零一九年十二月三十一日：218,188,000港元)。

As of 30 June 2020 and 31 December 2019, the Group had no bills payable.

於二零二零年六月三十日及二零一九年十二月三十一日，本集團並無應付票據。

### **INTEREST RATE RISK**

The Group's interest rate risk mainly comprises fair value interest risk and cash flow interest rate risk. 1) Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to the changes in market interest rates. The Group's fair value interest rate risk relates primarily to short-term cash and bank balances. 2) Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. The Group is also exposed to cash flow interest rate risk through the impact of interest rate changes on deposits. To minimize as much as possible the fair value interest rate risk, the Group keeps its borrowings with a fixed rate of interest. Management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

### **FOREIGN CURRENCY RISK**

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

### **利率風險**

本集團利率風險主要為公允值利率風險及現金流量利率風險。1) 公允值利率風險為金融工具之價值因應市場利率變動產生波動出現之風險，本集團之公允值利率風險主要涉及短期現金及銀行結餘。2) 現金流量利率風險為金融工具之未來現金流量因應市場利率變動產生波動出現之風險，本集團因存款之利率變動影響而承擔現金流量利率風險。為盡量減低公允值利率風險，本集團將其借貸維持固定利率。管理層監察利率風險並將於有需要時考慮對沖重大利率風險。

### **外幣風險**

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



### CONTINGENT LIABILITIES

As at 30 June 2020, the Group did not have any significant contingent liabilities which have not been provided in the financial statements (31 December 2019: Nil).

### 或然負債

於二零二零年六月三十日，本集團並無未於財務報表中撥備之任何重大或然負債(二零一九年十二月三十一日：無)。

### TREASURY POLICIES

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

### 財資政策

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

### EMPLOYEES AND REMUNERATION

As at 30 June 2020, the Group had approximately 520 employees (31 December 2019: 530 employees). Less than 20 staff are stationed in Hong Kong and the rest are senior management and workers in the PRC. The Group's staff costs amounted to approximately HK\$24,782,000 for the Reporting Period and approximately HK\$25,033,000 was recorded in the corresponding period of 2019.

### 僱員及薪酬

於二零二零年六月三十日，本集團旗下員工約520人(二零一九年十二月三十一日：530人)。駐香港之員工少於20人，其餘均為國內高級管理人員及工人。於本報告期間，本集團之員工成本約為24,782,000港元，而二零一九年同期則錄得約25,033,000港元。

Employees are remunerated according to the nature of the job and market trends, with a built-in merit component incorporated in the annual increment and a year-end performance bonus to reward and motivate individual performance. Up to 23 September 2020 (the “**Latest Practicable Date**”), there are no share options outstanding under the share option scheme.

僱員薪酬乃按工作性質及市場走勢釐定，並於年度增薪評估內設有表現評估部分及年終獎金，以推動及獎勵個人工作表現。直至二零二零年九月二十三日(「**最後實際可行日期**」)，並無根據購股權計劃之未行使購股權。

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

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

**購買、出售或贖回本公司之上市證券**

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

**EVENTS AFTER THE REPORTING PERIOD**

**Entering into of M&A Framework Agreement and termination of a major transaction**

On 16 September 2020, the Company, GRG Huscoke (Shanxi) Limited (an indirectly 90%-owned subsidiary of the Company (“**GRG Huscoke**”) and Shanxi Jinyan Energy Technology Company Limited (“**Energy Technology**”) entered into a merger and acquisition framework agreement (the “**M&A Framework Agreement**”). The Company and/or the Company may, through a direct investment and/or establishment of a merger and acquisition fund (the “**M&A Fund**”), acquire and subscribe for more than 50% of the enlarged share capital of Energy Technology.

**本報告期間後事宜**

**訂立併購框架協議及終止一項主要交易**

於二零二零年九月十六日，本公司、山西金岩和嘉能源有限公司(由本公司間接持有90%權益之附屬公司)(「**金岩和嘉**」)與山西金岩能源科技有限公司(「**能源科技**」)簽訂併購框架協議(「**併購框架協議**」)。本公司及/或本公司擬通過直接投資及/或組建併購基金(「**併購基金**」)，擬收購並認購能源科技經擴大後股本50%以上之控股權。

The possible transactions as contemplated under the M&A Framework Agreement are subject to, among others, the conditions precedent being fulfilled and formal agreement(s) being entered into. At the Latest Practicable Date, no formal agreement has been entered into among the parties. The possible transactions under the M&A Framework Agreement may or may not proceed. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

併購框架協議項下擬進行之交易受限於(其中包括)先決條件的達成及正式協議的訂立。於最後實際可行日期，訂約各方並未訂立正式協議，而根據併購框架協議擬進行之交易，有可能會或可能不會進行。本公司將於適當時候根據上市規則另行刊發公告。

EVENTS AFTER THE REPORTING PERIOD (Continued)

本報告期間後事宜(續)

Entering into of M&A Framework Agreement and  
termination of a major transaction (Continued)

訂立併購框架協議及終止一項主要  
交易(續)

On 31 December 2018, the GRG Huscoke entered into a debt transfer with a conversion right agreement with Energy Technology, 孝義市金岩電力煤化工有限公司 Xiaoyi Jinyan Electricity Coke Chemical Company Limited\*, 孝義市愛路恩濟天然氣製造有限公司 Xiaoyi ILNG Natural Gas Production Company Limited\* and the controlling owner of the non-controlling shareholder. This transaction constituted a major transaction under the Listing Rules (the “Major Transaction”). Due to Phase 1 Project of Energy Technology has been put into production and Phase 2 Project has completed the infrastructure construction, its overall operating capacity and asset value may have increased. It has become necessary for the Company and Energy Technology to re-evaluate Energy Technology and its current state of business and asset value, which may also affect the consideration payable for Energy Technology by the Group and how such consideration will be satisfied. After negotiation, the parties have agreed to terminate the Major Transaction in September 2020.

於二零一八年十二月三十一日，金岩和嘉、能源科技、孝義市金岩電力煤化工有限公司、孝義市愛路恩濟天然氣製造有限公司和非控股股東之控股擁有人簽訂債務轉移及債轉股協議。此交易構成上市規則下的主要交易（「主要交易」）。能源科技的第一期項目經已投產及第二期項目已完成基礎建設部分，其整體經營能力及資產價值有可能增加。本公司及能源科技有必要重新評估能源科技當前的業務狀況及資產價值，此將影響本集團應付能源科技的對價，以及該對價的支付方式。經各方協商後，於二零二零年九月，各訂約方同意終止主要交易。

The Company will expedite transactions contemplated under the M&A Framework Agreement and will disclose the progress of the aforementioned transactions in accordance with the requirements under the Listing Rules when appropriate.

本公司將推進併購框架協議項下交易，並將按上市規則之要求適時披露上述交易進展。

\* For identification purpose only

\* 僅供識別

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

## 董事及最高行政人員之權益

As at 30 June 2020, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, chapter 571 of the laws of Hong Kong as amended from time to time (the "SFO") as recorded in the register as required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules, were as follows:

於二零二零年六月三十日，本公司董事及最高行政人員於本公司或其相聯法團(定義見經不時修訂之香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，擁有已記入本公司根據證券及期貨條例第352條須予存置之登記冊，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)已知會本公司及聯交所之權益及淡倉如下：

## Long positions in shares of the Company

## 於本公司股份之好倉

Name of Director	Nature of interest	Number of shares held	Approximate percentage of issued share capital 佔已發行股本 概約百分比
董事姓名	權益性質	所持股份數目	
Zhao Xu Guang 趙旭光	Interest of a controlled corporation (Note a) 控制法團之權益(附註a)	1,468,419,046	51.15%
To Wing Tim, Paddy 杜永添	Beneficial owner and interest of spouse (Note b) 實益擁有人及配偶權益(附註b)	243,337	0.00%

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

## 董事及最高行政人員之權益(續)

(Continued)

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

## 於本公司股份之好倉(續)

Notes:

附註：

- (a) As at 30 June 2020, Shun Wang Investments Limited is owned as to 100% by Whole Advance Limited, which voting ordinary shares are owned as to 100% by Liberal Expansion Limited, which in turn is owned as to 100% by Mr. Zhao Xu Guang, an executive Director, chairman and chief executive officer of the Company. Accordingly, Mr. Zhao is deemed to be interested in 1,468,419,046 shares of the Company under the Part XV of the SFO.
- (b) As at 30 June 2020, Mr. To Wing Tim, Paddy, an independent non-executive Director of the Company, together with his spouse, respective holding of 62,932 Shares and 180,405 Shares of the Company. Accordingly, Mr. To Wing Tim, Paddy is deemed to have interest in 243,337 Shares of the Company under Part XV of the SFO.

- (a) 於二零二零年六月三十日，合晉有限公司全資擁有順旺投資有限公司的權益，廣弘有限公司全資擁有合晉有限公司之具投票權普通股權益，而本公司執行董事、主席及行政總裁趙旭光先生全資擁有廣弘有限公司的權益。因此，根據證券及期貨條例第XV部，趙先生被視作於1,468,419,046股本公司股份中擁有權益。
- (b) 於二零二零年六月三十日，本公司獨立非執行董事杜永添先生與其配偶分別持有62,932股本公司股份及180,405股本公司股份。因此，根據證券及期貨條例第XV部，杜永添先生被視作於243,337股本公司股份中擁有權益。

Save as disclosed above, as at 30 June 2020, none of the Directors nor the chief executive of the Company had registered an interest or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零二零年六月三十日，各董事及本公司最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中，登記持有根據證券及期貨條例第352條須予記錄之權益或淡倉，或根據標準守則已知會本公司及聯交所之權益或淡倉。

**SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS**

As at 30 June 2020, the interests and short positions of each person, other than a Director or chief executive of the Company, in the shares or underlying shares of the Company which had been notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO), or by which were recorded in the register kept by the Company under section 336 of the SFO, were as follows:

**主要股東及其他人士之權益**

於二零二零年六月三十日，各人士(董事或本公司最高行政人員除外)於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部已知會本公司及聯交所之權益及淡倉(包括彼等根據證券及期貨條例該等條文被當作或視作擁有之權益及淡倉)，或記入本公司根據證券及期貨條例第336條存置之登記冊之權益及淡倉如下：

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

## 主要股東及其他人士之權益(續)

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

## 於本公司股份及相關股份之好倉

Substantial Shareholders	Nature of interest	Number of shares held	Approximate Percentage of issued share capital
主要股東	權益性質	所持股份數目	概約百分比
Shun Wang Investments Limited 順旺投資有限公司	Beneficial owner (Note a) 實益擁有人(附註a)	1,468,419,046	51.15%
Whole Advance Limited 合晉有限公司	Interest of a controlled corporation (Note a) 控制法團之權益(附註a)	1,468,419,046	51.15%
Liberal Expansion Limited 廣弘有限公司	Interest of a controlled corporation (Note a) 控制法團之權益(附註a)	1,468,419,046	51.15%
Zhao Xu Guang 趙旭光	Interest of a controlled corporation (Note a) 控制法團之權益(附註a)	1,468,419,046	51.15%
Rontac Resources Company Limited 融泰資源有限公司	Beneficial owner (Note b) 實益擁有人(附註b)	147,189,220	5.13%
Rontac Investment Company Limited 融泰投資有限公司	Interest of a controlled corporation (Note b) 控制法團之權益(附註b)	147,189,220	5.13%
Li Hongwei 李宏偉	Interest of a controlled corporation (Note b) 控制法團之權益(附註b)	147,189,220	5.13%

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

## 主要股東及其他人士之權益(續)

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

## 於本公司股份及相關股份之好倉(續)

Note:

- (a) As at 30 June 2020, Shun Wang Investments Limited is owned as to 100% by Whole Advance Limited, which voting ordinary shares are owned as to 100% by Liberal Expansion Limited, which in turn is owned as to 100% by Mr. Zhao Xu Guang, an executive Director, chairman and chief executive officer of the Company. Accordingly, Mr. Zhao is deemed to be interested in 1,468,419,046 shares of the Company under the Part XV of the SFO.
- (b) As at 30 June 2020, Rontac Resources Company Limited is wholly owned by Rontac Investment Company Limited, which in turn is owned as to 71% by Mr. Li Hongwei. Accordingly, Mr. Li Hongwei is deemed to be interested in 147,189,220 shares of the Company under the Part XV of the SFO.

Save as disclosed above, as at 30 June 2020 and up to the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no person (other than a Director or chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company which had been notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

附註：

- (a) 於二零二零年六月三十日，合晉有限公司全資擁有順旺投資有限公司的權益，廣弘有限公司全資擁有合晉有限公司之具投票權普通股權益，而本公司執行董事、主席及行政總裁趙旭光先生全資擁有廣弘有限公司的權益。因此，根據證券及期貨條例第XV部，趙先生被視作於1,468,419,046股本公司股份中擁有權益。
- (b) 於二零二零年六月三十日，融泰資源有限公司由融泰投資有限公司全資擁有，李宏偉先生於融泰投資有限公司擁有71%權益。因此，根據證券及期貨條例第XV部，李宏偉先生被視作於147,189,220股本公司股份中擁有權益。

除上文所披露者外，於二零二零年六月三十日及截至最後實際可行日期，就本公司董事或最高行政人員所知，概無人士（董事或本公司主要行政人員除外）於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之條文已知會本公司及聯交所之權益或淡倉。



### SHARE OPTION SCHEME

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

Particulars and details of the movement of the 2013 Scheme are set out in note 21 to the Interim Financial Statements.

During the Reporting Period, there are no share options outstanding under the 2013 Scheme held by the Directors or any eligible participant.

### 購股期權計劃

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

二零一三年計劃之詳細資料及變動詳情載於中期財務報表附註21。

於報告期內，概無董事或任何合資格參與者持有二零一三年計劃下未行使購股期權。

## CORPORATE GOVERNANCE

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

### CORPORATE GOVERNANCE CODE

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

#### Code Provision A.2.1

Code provision A.2.1 of CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Zhao Xu Guang is the Chairman of the Board and also serves as Chief Executive Officer of the Company since 2 May 2017. The deviation is noted by the Board and the Directors consider the dual role is essential as Mr. Zhao provides the Company with strong and consistent leadership and facilitates the implementation and execution of the business strategies while the Group re-builds and develops its business with his leadership in the Board, and thus achieves the Company’s objectives efficiently and effectively in response to the changing environment.

## 企業管治

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

### 企業管治守則

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

#### 守則條文第A.2.1條

企業管治守則之守則條文第A.2.1條規定主席與行政總裁的角色應有區分，並不應由同一人兼任。趙旭光先生為董事會主席並自二零一七年五月二日起兼任本公司行政總裁。董事會已注意到有關偏離，而各董事均認為趙先生身兼二職有其必要，因趙先生為本公司提供強而有力且貫徹一致的領導，有利業務策略的制訂及推行，同時在彼領導下之董事會，本集團得以重建及發展其業務，並因此能在不斷變化的環境中，有效及高效地實現本公司的目標。



The Board considers that the Company has established a strong corporate governance structure in place to ensure effective management. The Board comprises experienced and high-caliber individuals while Mr. Zhao focuses on business strategic development. In addition, the three independent non-executive Directors in the Board which ensure there is a strong independent element on the Board which can effectively exercise independent judgement and oversee the business management in major decision making. The Board shall nevertheless review the structure from time to time in light of prevailing circumstances.

#### Code Provision D.1.4

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

董事會認為，本公司已建立強大的企業管治架構，以確保有效管理。董事會由經驗豐富及具有才幹人士組成，趙先生專注於業務戰略發展。此外，董事會三名獨立非執行董事能確保董事會有強大的獨立性，能在重大決策中有效行使獨立判斷和監督業務管理。儘管如此，董事會將根據當前情況不時檢討架構。

#### 守則條文第D.1.4條

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

## MODEL CODE FOR 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 its own code of conduct regarding securities transaction by the Directors of the Company (the “**Model Code**”).

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

## UPDATES OF DIRECTORS' INFORMATION

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

Name of Director 董事姓名	Detail of Update 更新詳情
Mr. Wong Siu Hung, Patrick 黃少雄先生	<ul style="list-style-type: none"> <li>Appointed as executive director of Daisho Microline Holdings Limited with effect from 3 September 2020, its shares are listed on the Main Board of the Stock Exchange (Stock Code: 567) 自二零二零年九月三日起，獲委任為大昌微綫集團有限公司之執行董事，其股份於聯交所主版上市(股份代號：567)</li> </ul>
Mr. To Wing Tim, Paddy 杜永添先生	<ul style="list-style-type: none"> <li>Has been practicing as a certified public accountant in Hong Kong since 1980, and he ceased his public practice on 31 March 2020 自一九八零年起於香港擔任執業會計師，並於二零二零年三月三十一日終止執業</li> </ul>

## 董事進行證券交易之標準守則

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

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

## 最新董事資料

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

## BOARD OF DIRECTORS

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

## PUBLICATION OF 2020 INTERIM REPORT

The 2020 interim report of the Company is dispatched to the Shareholders of the Company and is published on the HKExnews website of the Stock Exchange (<http://www.hkexnews.hk>) and the website of the Company (<http://www.huscoke.com>).

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

By order of the Board of  
**Huscoke Holdings Limited**  
**Zhao Xu Guang**  
*Chairman and Chief Executive Officer*

Hong Kong, 23 September 2020

## 董事會

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

## 刊發二零二零年中期報告

本公司之二零二零年中期報告已寄發予本公司股東及於聯交所披露易網站 (<http://www.hkexnews.hk>)及本公司網站 (<http://www.huscoke.com>)刊登。

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

承董事會命  
**和嘉控股有限公司**  
主席及行政總裁  
**趙旭光**

香港，二零二零年九月二十三日



HUSCOKE HOLDINGS LIMITED

和嘉控股有限公司