



世紀陽光

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

Stock Code 股份代號: 509.HK

A
**BETTER
FUTURE**
成就未來

INTERIM REPORT
2017 中期報告



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公司資料

Corporate Information

董事會

執行董事

池文富(主席)
沈世捷
池碧芬

非執行董事

郭孟勇

獨立非執行董事

鄭炳文
盛洪
劉智傑

公司秘書

陸世煒

委員會

審核委員會

鄭炳文(委員會主席)
盛洪
劉智傑

提名委員會

池文富(委員會主席)
鄭炳文
盛洪

薪酬委員會

鄭炳文(委員會主席)
沈世捷
盛洪
劉智傑

總辦事處

香港
灣仔港灣道25號
海港中心26樓2605室
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*)
Shum Sai Chit
Chi Bi Fen

Non-executive Director

Guo Mengyong

Independent Non-executive Directors

Kwong Ping Man
Sheng Hong
Lau Chi Kit

Company Secretary

Luk Sai Wai, Simon

Committees

Audit Committee

Kwong Ping Man (*Committee Chairman*)
Sheng Hong
Lau Chi Kit

Nomination Committee

Chi Wen Fu (*Committee Chairman*)
Kwong Ping Man
Sheng Hong

Remuneration Committee

Kwong Ping Man (*Committee Chairman*)
Shum Sai Chit
Sheng Hong
Lau Chi Kit

Head Office

Unit 2605, 26th Floor, Harbour Centre
25 Harbour Road, Wanchai
Hong Kong
Telephone: (852) 2802 2165
Fax: (852) 2802 2697
E-mail: ir@centurysunshine.com.hk
Website: www.centurysunshine.com.hk

上市資料

上市地點：香港聯合交易所有限公司
 主板
股份代號：509

股份資料

本公司每股面值0.02港元之
已發行股份(「股/股份」)
(2017年6月30日)：4,597,976,843股
市值(2017年6月30日)：1,089,720,511港元
每手買賣單位：5,000股

股份過戶登記處**股份過戶登記總處：**

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處：

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22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: 509

Share Information

Company's shares of HK\$0.02 each
(the "Shares") in issue
(30 June 2017): 4,597,976,843 Shares
Market capitalisation
(30 June 2017): HK\$1,089,720,511
Board lot size: 5,000 Shares

Share Registrar and Transfer Offices**Principal:**

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

Hong Kong:

Tricor Investor Services Limited
Level 22, 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

(i) 財務摘要

Financial Summary

		截至6月30日止六個月		增加 Increased (未經審核) (unaudited) 百份比 %
		Six months ended 30 June		
		2017 (未經審核) (unaudited) 千港元 HK\$'000	2016 (未經審核) (unaudited) 千港元 HK\$'000	
收入	Revenue			
• 農業肥料業務	• Fertiliser business	855,064	681,960	25.4
• 金屬鎂產品業務	• Magnesium product business	503,035	424,385	18.5
• 煉鋼熔劑業務	• Metallurgical flux business	21,293	18,919	12.5
• 電子產品業務	• Electronic product business	142,793	110,878	28.8
		1,522,185	1,236,142	23.1
本公司擁有人應佔溢利	Profit attributable to owners of the Company	127,515	117,717	8.3
每股基本盈利	Basic earnings per share	2.77 仙 cents	2.56 仙 cents	8.2
股息	Dividend	-	-	-
		於2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (經審核) (audited) 千港元 HK\$'000	增加/(減少) Increased/ (Decrease) (未經審核) (unaudited) 百份比 %
資產總值	Total assets	6,579,322	5,246,469	25.4
資產淨值	Net assets	3,330,962	3,054,466	9.1
銀行及現金結餘	Bank and cash balances	902,799	932,785	(3.2)
總借貸	Total borrowings	1,821,026	1,540,626	18.2
股東權益	Shareholders' equity	2,968,450	2,712,701	9.4

(ii) 財務比率

Financial Ratio

		截至6月30日止六個月 Six months ended 30 June					
		附註 notes	2017	2016	2015	2014	2013
股東權益回報率	Return on shareholders' equity	1	4.3%	4.2%	6.2%	5.3%	4.7%
總資產回報率	Return on total assets	2	2.0%	2.3%	3.8%	4.2%	4.0%
盈利對利息倍數	Interest coverage	3	3x倍	4x倍	8x倍	25x倍	14x倍

		附註 notes	於 2017年 6月30日 As at 30 June 2017	於12月31日 As at 31 December			
		附註 notes	2017	2016	2015	2014	2013
負債比率	Gearing ratio	4	27.7%	29.4%	25.7%	23.4%	10.6%
流動比率	Liquidity	5	1x倍	3x倍	3x倍	2x倍	2x倍

附註：

1. 本公司擁有人應佔期內溢利／股東權益
2. 期內溢利／資產總值
3. 除所得稅及利息開支前溢利／利息開支
4. 總借貸／資產總值
5. 流動資產／流動負債

notes:

1. Profit for the period attributable to owners of the Company/ Shareholders' equity
2. Profit for the period/Total assets
3. Profit before income tax and interest expense/Interest expense
4. Total borrowings/Total assets
5. Current assets/Current liabilities

管理層討論及分析

業務回顧

2017年上半年，全球發達經濟體分化加劇，新興經濟體亦在艱難前行。其中，主要經濟體經貿活動回暖，美聯儲兩次加息，日本經濟持續復甦；局部金融市場波動依然較大，法國和英國大選擾動歐洲市場。中國整體經濟發展平穩，國內生產總值保持平穩增速，但產業結構逐步調整，第二產業的比重下降。面對國內外的挑戰，世紀陽光集團控股有限公司（「世紀陽光」或「本公司」，連同其附屬公司，統稱「本集團」）迎難而上，積極擴張發展業務，2017年4月中國馳名複合肥製造商山東紅日化工股份有限公司（「山東紅日」）正式併入本集團，使農業肥料業務的銷售量較去年同期大幅增長，擴大了肥料業務方面的市場覆蓋並帶動整體收入。

截至2017年6月30日止六個月（「期內」），本集團整體收入上升23.1%至1,522,185,000港元（2016年：1,236,142,000港元），整體毛利率錄得24.5%（2016年：30.0%）。金屬鎂產品業務之期內收入為503,035,000港元（2016年：424,385,000港元），同比增長18.5%，佔本集團總收入33.0%（2016年：34.3%）；農業肥料業務之期內收入為855,064,000港元（2016年：681,960,000港元），同比上升25.4%，佔本集團總收入56.2%（2016年：55.2%）。期內，受到商品價格波動、人民幣匯率貶值和產品結構調節的影響，毛利率輕微下調，但本集團整體表現仍在合理區間運行，當中肥料業務產能迅速增長，同時金屬鎂業務銷售表現提升，顯示集團差異化產品競爭策略有利於集團整體發展。

農業肥料業務

本集團從事研發、生產和銷售生態農業肥料十多年，建立及擁有「樂呵呵」、「豐收」、「湛藍」、「豔陽天」及「東方紅」等多個馳名品牌。農業肥料產品主要包括複合（混）肥料及生物有機肥料兩大系列。期內，農業肥料業務為本集團貢獻收入約855,064,000港元（2016年：約681,960,000港元），平均毛利率約23.0%（2016年：27.6%）。銷售量同比大幅上升28.9%至414,841噸（2016年：321,847噸），其中，自2017年4月山東紅日併入集團後，其銷售量貢獻達約97,250噸及收入貢獻約197,040,000港元，拉動整個業務板塊營運表現。

目前，本集團農業肥料業務三個生產基地，分別位於江蘇、江西及山東。在全國複合肥及有機肥市場擁有極高品牌知名度。期內，為了把握國家政策帶來的機遇，本集團主要聚焦於全面釋放產能，以搶佔市場份額，並加速業務發展。集團位於江西瑞昌市正在興建的生產基地，預計第一期工程將於2017年第三季度內完成，目標年產能達550,000噸；第二期工程預計將於2019年內完成，目標年產能為850,000噸；整體項目1,400,000噸肥料生產線全部建成後，集團肥料年總產能將突破3,000,000噸，進入中國複合肥料行業前列。

集團江蘇和山東生產基地經營歷史悠久，銷售網路健全，佈局合理，銷售市場覆蓋除西藏以外的中國北部、中部及南部省市區域。江西新建生產基地的產品投放市場後，集團的生態肥料產品系列更加豐富，進一步完善肥料產品供應鏈，既彌補了江蘇和山東兩個生產基地產品銷售南方市場運距較遠的弱勢，同時，江西的新型肥料產品也填補了兩個生產基地供應北部與中部市場新產品的空缺。隨著本集團產能釋放和品牌效應，銷售量將得到更大的提升，將為本集團帶來持續的增長動力。

山東紅日歷經50多年發展史，擁有「氯化鉀低溫轉化法」等多項肥料生產專利技術，開創了中國硫酸鉀型複合肥國產化道路，是中國硫酸鉀複合肥技術領先一代的標誌性企業。山東紅日作為中國硫基複合肥技術發明者，素有中國硫基複合肥之父殊榮，是中國化工行業首家「全國名優產品售後服務行業十佳單位」，和山東省第一家國家級「全國化工農化服務中心」及山東省認定的省級「企業開發中心」，並於2016年榮登中國化工500強以及中國化肥企業100強。其具有行業影響力、行業知名度和美譽度的「豔陽天」品牌，榮獲「中國名牌」、「中國馳名商標」等榮譽稱號，更入選「2016農民信賴的肥料品牌五十強」，是中國硫複肥品牌的領導者，深受消費者的喜愛。山東紅日併入世紀陽光後，不僅迅速提升集團於行業內的市場地位，而且快速實現集團肥料產能翻一番。

目前，受惠於國家的農業及有機肥政策，國內有機肥及其他複合肥的使用率正處於增長期，逐步減低單一化肥的使用，以加快推進綠色農業發展。國家農業部在2015年印發《到2020年化肥施用量零增長行動方案》，更於2017年印發《開展果菜茶有機肥替代化肥行動方案》，目標到2020年，果菜茶優勢產區化肥施用量減少超過20%，核心產區和知名品牌生產基地化肥施用量減少超過50%。農業部表示2017年安排中央財政資金人民幣10億元，選擇100個縣(市)開展有機肥替代化肥示範，增施有機肥，實現化肥減量。本集團相信，隨著國家推動減少使用單一化肥農藥，使用複合肥及有機肥為大勢所趨，業務發展將可乘國策之勢而上。加上集團從事生態肥料十幾年來始終秉持測土配方、均衡施肥和環保、綠色、生態、可持續的發展理念，完全符合國家良好的產業政策導向，市場前景廣闊，發展空間巨大。作為生態農業肥料行業領先企業，我們將致力搶佔複合肥及有機肥市場份額。

管理層討論及分析

金屬鎂產品業務

本集團金屬鎂產品業務主要包括基礎鎂產品及稀土鎂合金產品。期內，金屬鎂產品業務為本集團貢獻收入503,035,000港元(2016年：424,385,000港元)，銷售量為22,238噸(2016年：16,013噸)，整體金屬鎂產品銷售量同比增加38.9%，主要由於期內新疆生產基地貢獻鎂產品銷售比去年同期有顯著增長。期內，新疆生產基地產量進一步增加，但由於其主要銷售基礎鎂產品之故，本集團整體金屬鎂產品業務平均銷售價較去年同期攤薄，平均售價下降約12.4%，而本集團高端的稀土鎂合金產品銷售量與去年同期相若達6,011噸。由此可見，本集團在繼續推動擴充金屬鎂產能的同時，高端稀土鎂產品業務並未有受到影響。

本集團於吉林省白山市擁有品質優良、儲量豐富的白雲石礦產資源，並建成了設備先進的原鎂及鎂合金生產基地，完全實現了上游資源自主供應與下游生產能力相互配套的鏈結鏈，以及充分利用集團擁有多項高性能鎂合金生產工藝和製備方法技術專利，為本集團鎂業務發展提供了良好的條件和動力。

本集團附屬公司權智(國際)有限公司(「權智國際」，股份編號：601)擁有位於新疆的鎂製品生產基地(「新疆基地」)於期內繼續為本集團金屬鎂業務業績帶來貢獻。權智國際之新疆基地獲政府批准鎂合金建設產能規模100,000噸，現時產能15,000噸已建成及生產，另外新增30,000噸年產能生產線已正式啟動建設，預計2018年將陸續釋放。新疆基地整體擴建項目全部完成後，連同現有產能，本集團未來鎂合金總產能規模將突破170,000噸，使本集團進入中國金屬鎂行業第一方陣。

鎂合金被認為是最具發展潛力的綠色輕合金金屬結構材料，對綠色產品開發和設計極具重要性。隨著科學技術的不斷進步，鎂產品在現代交通、通訊、軍事、航空、航太、建材、醫療等諸多領域將得到更廣泛應用。受益於下游需求的快速增長，鎂合金行業在中國經濟中的地位將顯著提升。中國擁有豐富的鎂資源儲量，其金屬鎂產量和金屬鎂出口量均為全球第一，可見鎂業務的巨大發展潛力。本集團憑藉豐富的行業經驗、多項的專利技術，以及於鎂合金項目投入的資源，將抓緊行業的發展機遇，積極推進金屬鎂業務。

於2017年4月18日，本集團與權智國際發表聯合公告，就可能出售世紀陽光持有中國稀鎂科技控股有限公司及其金屬鎂業務之權益予權智國際，簽訂不具法律約束力之諒解備忘錄。該可能交易將轉移世紀陽光於金屬鎂業務之權益予權智國際。世紀陽光將就任何發展及／或簽訂具法律約束力之協議適時作出相關公告。

其他業務

本集團的其他業務包括煉鋼熔劑及電子產品業務。本集團擁有的優質蛇紋石礦產資源既是硅鎂肥產品的重要生產原料，也是冶煉鋼鐵不可或缺的輔助材料。在確保硅鎂肥生產原料供應充足穩定的前提下，本集團適當銷售部份蛇紋石予國內大型鋼鐵企業以獲得持續穩定的收入。

展望

2017年上半年中國經濟運行持續企穩向好。本集團預計，下半年中國經濟將繼續保持平穩增長，政策整體基調以穩為主，而結構性改革的步伐則有望加快推進，工業和製造業平穩運行，低端產品可能持續受壓，儘管如此，本集團實行差異化產品競爭策略，相信受影響程度不大。

國家積極推動農業現代化和新材料應用的有利政策。工業和信息化部(工信部)發佈的《推進化肥行業轉型發展的指導意見》提出，中國爭取將新型肥料的施用量佔比從目前的不到10%提升到2020年的30%，將為本集團綠色、生態的新型肥料贏得巨大市場空間。另一方面，工信部發佈的《有色金屬工業發展規劃(2016-2020年)》(簡稱「有色十三五規劃」)、《中國製造2025》、《一帶一路》等國家戰略深入實施，帶動有色金屬市場需求潛力和發展空間。其中，有色十三五規劃指出，2020年主要有色金屬消費需求及產量預測，鎂被列入了五大主要品種，年均增長率為7.1%，為年均增長率最高的金屬品種，預計2020年鎂產量將達到1,300,000噸。該規劃更鼓勵和支持包括鎂合金材料在內的有色金屬的廣泛應用，以技術創新為驅動力，加快產業轉型升級，拓展行業發展新空間。

管理層討論及分析

本集團相信，隨著國家產業政策逐步落實，以及市場對新型肥料和鎂合金新材料的認識日漸提高，市場對本集團的產品需求將持續增加，成為本集團業務增長的推動力。因此，本集團將繼續實行產品差異化市場策略，致力擴充肥料業務及金屬鎂產能，以進一步進佔行業前列地位，並研發更多滿足市場需求的高性能高附加值產品以迎合市場需求，努力為股東創造更好的回報。

主要營運數據

截至2017年6月30日止六個月之未經審核主要營運數據與2016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營業額超過89%。

(a) 主要產品之銷售量：

	2017年 噸	2016年 噸	增加 %
農業肥料業務	414,841	321,847	28.9
金屬鎂產品業務	22,238	16,013	38.9

(b) 主要產品之平均售價：

	2017年 港元／噸	2016年 港元／噸	減少 %
農業肥料業務	2,061	2,119	(2.7)
金屬鎂產品業務	22,349	25,510	(12.4)

(c) 毛利率：

	2017年 %	2016年 %	減少 百分點
農業肥料業務	23.0	27.6	(4.6)
金屬鎂產品業務	25.0	30.7	(5.7)
本集團之整體毛利率	24.5	30.0	(5.5)

財務回顧

營運收入及毛利

期內，本集團錄得收入約1,522,185,000港元，同比上升23.1%。集團兩項主營業務：肥料業務及鎂業務，收入分別提升25.4%及18.5%。

肥料業務本期收入約為855,064,000港元，銷量為414,841噸，同比分別上升了約25.4%及28.9%。國內馳名複合肥製造商山東紅日自2017年4月1日起，正式併入本集團，大幅提升本集團的銷量及收入。期內，山東紅日為本集團帶來了約97,250噸銷量及約197,040,000港元收入。期內，集團江蘇其中一條生產線進行了新產品技術測試，因此影響了來自江蘇生產期內產銷量，另亦因為人民幣同比貶值約5%，因此來自江蘇生產收入同比減少約4%。由於複合肥的毛利較有機肥及硅鎂肥低，因此併入山東紅日而所大幅提升複合肥銷量，產品結構拉低了集團整肥料毛利率約4.6個百分點，至23.0%。

鎂業務期內收入約為503,035,000港元，銷量為22,238噸，同比各自上升了約18.5%及38.9%。銷量提升主要來自基礎鎂產品之銷售提升，包括權智國際新疆基地之鎂錠銷售同比上升約4,560噸。另外，集團亦開了鎂產品貿易業務，為本集團帶來額外銷量。由於基礎鎂產品之銷售提升，鎂業務之產品結構改變，令整體毛利率下跌約5.7個百分點。本集團之稀土鎂合金產品銷量和毛利都和去年同期相若。

其他收益或虧損淨額

其他收益或虧損淨額約為32,396,000港元，同比減少約4.8%，主要包括利息收入及廢料銷售，分別約為6,829,000港元(2016年：12,827,000港元)及4,479,000港元(2016年：7,898,000港元)。

行政開支

本期之行政開支約為81,834,000港元，同比增加約11.9%。行政開支的增加主要來併入山東紅日，當中開支主要包括員工薪酬、折舊及攤銷、項目收購之審核及專業費用、研究及開發和租賃等費用。

管理層討論及分析

財務費用

財務費用約為69,593,000港元，同比增加約16.9%。2017年6月，本集團重整了新加坡上市後償票據之組成，發行了面值101,750,000新加坡元票息7.0厘之新後償票據，並贖回了面值125,000,000新加坡元票息7.2厘之將於2018年6月到期的舊後償票據(其中面值38,250,000新加坡元舊票據持有者選擇了以舊票據轉換新票據)，改善了本集團短期債務情況。由於有約一個月之新舊票據重疊期，及提早贖回舊票據加速了實際利息之攤銷，因此，同比相關利息增加約7,000,000港元。另外，2017年4月山東紅日集團正式併入本集團，其所產生之利息約為4,300,000港元。

利潤

截至2017年6月30日止六個月，本集團的稅後利潤約為129,695,000港元，同比上升約0.9%。本集團致力維持高毛利產品的銷售，同時亦開拓低毛利產品市場的覆蓋率，以求增加收入及整體利潤。

流動資金、負債及財務資源

本集團的流動資金主要來自經營活動所產生的現金。於2017年6月30日，本集團之現金及銀行結餘合共約902,799,000港元(於2016年12月31日：約932,785,000港元)。

相比2016年12月31日，本集團於2017年6月30日之總借貸增加了約18.2%。而本集團於2017年6月30日之負債比率(總借貸除總資產)約為27.7%(於2016年12月31日：29.4%)。

本集團現有之現金資源連同經營活動產生之穩定現金流量足以應付其業務需要。

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、以及外國經營的投資淨額。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。

資產抵押

於2017年6月30日，本集團之物業、廠房及設備、土地使用權和銀行存款已抵押予銀行以取得借貸，已抵押資產的賬面值分別約為393,699,000港元、182,371,000港元和179,985,000港元(於2016年12月31日：分別約為163,650,000港元、103,855,000港元和56,703,000港元)。

重大交易

- (i) 於2016年8月3日(交易時段後)，本公司之直接全資附屬公司Long Xiang Enterprises Limited(作為買方)與興富控股有限公司(一所由本公司前執行董事楊玉川先生間接持有之公司)(作為賣方)及Acronagrotrans Ltd(作為目標公司，其直接持有山東紅日之50.5%權益)訂立收購協議，據此，買方有條件同意購買而賣方有條件同意出售於目標公司之全部權益，現金代價為1美元(相當於約7.76港元)，須根據收購協議之條款及條件於完成時支付。詳情請參閱本集團於2016年8月4日於港交所及本公司網站刊發之相關公告。

該交易已完成而山東紅日自2017年4月1日起於本集團中綜合入賬。

- (ii) 於2017年6月5日，本公司發行了面值101,750,000新加坡元之7.0厘後償票據(根據多種幣值中期票據計劃)。該等票據於新加坡交易所上市，並將於2020年7月3日到期。

同日，本公司以轉換新7.0厘後償票據形式贖回了面值38,250,000新加坡元之2015年發行的7.2厘後償票據。剩餘之面值86,750,000新加坡元2015年發行的後償票據，已於2017年6月30日全數贖回。

或然負債

於2017年6月30日，本集團並無任何重大或然負債。

資本結構

於2017年6月30日及2016年12月31日，本公司已發行股本為91,959,537港元，分為4,597,976,843股，每股面值0.02港元。

人力資源

於2017年6月30日，本集團所僱用之員工數目約為4,580名(於2016年12月31日：2,610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勞資糾紛或僱員數目重大改變。董事們認為本集團與僱員關係良好。

管理層討論及分析

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2017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。本集團與以往披露估算假設相比無重大變更。該資源量及儲量由本集團之內部地質專家審核。截至2017年6月30日止六個月，白雲石開採量為252,686噸(2016年：250,190噸)。與2016年12月31日相比，白雲石礦的資源量及礦石儲量並無重大變動。

截至2017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，並已計入銷售成本及於未經審核簡明綜合損益及其他全面收益表內扣除。

截至2017年6月30日止六個月，白雲石礦因開採活動產生之支出約為8,998,000港元，而勘探及開發活動之支出則皆為零港元。

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。

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準則將資源／儲量分類。截至2017年6月30日的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。本集團與以往披露估算假設相比無重大變更。該資源量及儲量由本集團之內部地質專家審核。截至2017年6月30日止六個月，蛇紋石開採量為290,857噸(2016年：258,845噸)。與2016年12月31日相比，蛇紋石礦的資源量及礦石儲量並無重大變動。

截至2017年6月30日止六個月之開發活動開支主要為建設道路、排水系統、綠化及設備安裝，並已予資本化並計入未經審核簡明綜合財務狀況表內。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及其他全面收益表內扣除。

截至2017年6月30日止六個月，蛇紋石礦因開採活動產生之支出約為14,463,000港元，而勘探及開發活動之支出則皆為零港元。

Management Discussion and Analysis

Business Review

In the first half of 2017, the global economy was still unstable, emerging economies rebounded slowly and disputes between developed economies were intensified. The trade momentum with major economies resumed, U.S. Federal Reserve raised interest rates twice. Japanese economy continued to recover while the volatility in regional financial market was reflected by the European markets were disrupted by the French and British elections. The Chinese economy was stable with moderate GDP growth, and industrial structure underwent gradual adjustment and the share of the secondary sector declined. Despite both domestic and international challenges, Century Sunshine Group Holdings Limited (“Century Sunshine” or the “Company”, together with its subsidiaries, the “Group”) overcome the difficult situation and continued with its business expansion. In April 2017, Shandong Hongri Chemical Joint Stock Company, Ltd. (“Shandong Hongri”), a well-known compound fertiliser enterprise in China, was formally integrated into the Group, bringing along a significant increase in sales volume, revenue and market share in fertiliser business.

For the six months ended 30 June 2017 (the “Period”), the Group recorded an increase in revenue by 23.1% to HK\$1,522,185,000 (2016: HK\$1,236,142,000), with gross profit margin recorded at 24.5% (2016: 30.0%). Revenue from the magnesium product business for the Period was HK\$503,035,000 (2016: HK\$424,385,000), representing a year-on-year increase of 18.5%, and accounted for 33.0% of the total revenue of the Group (2016: 34.3%); revenue from the fertiliser business for the Period amounted to HK\$855,064,000 (2016: HK\$681,960,000), representing an increase of 25.4% year-on-year, and accounted for 56.2% (2016: 55.2%) of the Group’s total revenue. During the Period, the Group recorded a slight decrease in the gross profit margin mainly due to the fluctuated commodity price, the depreciation of RMB and the change of product structure. Nevertheless, the Group delivered stable business performance with a rapid growth in fertiliser production capacity and an improvement in the magnesium business. The Group’s strategy of products differentiation is the primary driver for the Group’s overall development.

Fertiliser Business

With more than 10 years of experience in research and development, manufacturing and sales of ecological agricultural fertilisers, the Group has established and held several well-known brands, including “Le He He (樂呵呵)”, “Feng Shou (豐收)”, “Zhan Lan (湛藍)”, “Yanyangtian (艷陽天)” and “Dongfanghong (東方紅)”. Compound fertilisers and organic fertilisers are the two major categories amongst products. During the Period, the fertiliser business contributed approximately HK\$855,064,000 to the Group’s revenue (2016: approximately HK\$681,960,000), with an average gross profit margin of approximately 23.0% (2016: 27.6%). Sales volume recorded a significant increase of 28.9% to 414,841 tonnes (2016: 321,847 tonnes). In particular, with the merger of Shandong Hongri into the Group in April 2017, the sales volume from Shandong Hongri amounted to approximately 97,250 tonnes and revenue reached HK\$197,040,000, lifting the overall performance of the segment.

Currently, the three production bases of the Group locate at Jiangsu, Jiangxi and Shandong respectively, with strong national brand recognition in the compound and organic fertilisers. In order to capture the opportunities brought along by national policies, the Group has been focusing on fully releasing production capacity to take up market share and accelerate market penetration during the Period. The Jiangxi production base is under construction. The phase one construction is expected to be completed in the third quarter of 2017, with an annual production capacity of 550,000 tonnes; while the remaining production capacity of 850,000 tonnes is expected to be in place in 2019. Upon the completion of the entire project of 1,400,000 tonne production lines, the Group will assume a leading position in the compound fertiliser industry, with an annual fertiliser production capacity of over 3,000,000 tonnes.

Management Discussion and Analysis

With a long operating history, the Group's production bases in Jiangsu and Shandong have a well-established sales network covering the northern, central and southern provinces except Tibet. Upon launching the products from the newly-built production bases in Jiangxi into the market, the Group will enrich its portfolio of organic fertiliser and further improve the supply chain of overall fertiliser products. The southern part of the country which is remote from the other two production bases in Jiangsu and Shandong will be then well covered. At the same time, the new fertiliser products from Jiangxi will fill the market gap in northern and central regions, now served by the other two production bases. With the release of additional production capacity and strong brand recognition, the sales volume is expected to rise significantly and this will become a sustainable driving force for the Group.

Shandong Hongri has been established for more than 50 years. It owns several patented technologies such as "Method of low temperature conversion of potassium sulfate by potassium chloride". As the pioneer of China's domestic production of potassium sulfate compound fertiliser, Shandong Hongri is recognised as the leading enterprise in China's potassium sulfate compound fertiliser technology. Being the inventor of sulphur-based compound fertiliser, Shandong Hongri is well-known as the "father of sulphur-based compound fertiliser" of China. It is the first chemical enterprise in China to be named as the "Top Ten Outstanding After-sales Service Provider of National Famous Brands" (全國名優產品售後服務行業十佳單位) and the first Stated-level "National Chemistry Agricultural Services Centre" (全國化工農化服務中心) in Shandong Province, as well as the recognized provincial "Enterprise Development Centre"(企業開發中心) in Shandong Province. In 2016, it was honoured as one of the Top 500 Chemical Enterprises of China and one of the Top 100 Chemical Fertiliser Enterprises in China. Its brand "Yanyangtian" (豔陽天) is prominent and very reputable, and was rewarded the title "China's brand" (中國名牌) and "China's Reputable Trademark" (中國馳名商標), and being selected as "2016 Top 50 Brands of Farmer's Most Trusted Fertilisers" (2016 農民信賴的肥料品牌五十強). As the leading brand of sulphur compound fertiliser, Shandong Hongri is popular among the consumers. The consolidation of Shandong Hongri into the Group not only doubles our production capacity, but also enhances the reputation of the Group in the market.

Benefiting from the favourable national policies on agriculture and organic fertiliser, the utilisation rate of both organic and compound fertilisers is on the rise in China, while the utilisation rate of single chemical fertiliser gradually decreases. This speeds up the pace of green agriculture. According to the "Action Plan to Reduce the Use of Chemical Fertiliser to Zero-growth by 2020" (《到2020年化肥施用量零增長行動方案》) and the "Proposal on Substitution of Chemical Fertiliser with Organic Fertiliser Used on Fruit, Vegetables and Tea" (《開展果菜茶有機肥替代化肥行動方案》) issued by Ministry of Agriculture of People's Republic of China in 2015 and 2017 respectively, it is expected to reduce the chemical fertilisers use by over 20% in key growing areas for fruit, vegetables and tea; and by over 50% in core agricultural areas and production bases for well-known brands by 2020. The Ministry of Agriculture announced a subsidy of RMB1 billion in 2017 to replace chemical fertilisers with organic alternatives in 100 counties (cities) in order to promote organic fertilisers and cut down the use of chemical fertiliser. The Group believes that, with the national policies to promote the reduction of single chemical fertilisers, the application of compound and organic fertilisers will be a trend. This further benefits the Group's development. Adhering to the principle of "soil testing and prescribed fertilisation" for decades, the Group has built a green and ecologically sustainable business, in line with the direction of the national policies. The business opportunities for us are immense. As a leader of ecological fertiliser, the Group is steadfast to seize greater market share of compound fertilisers and organic fertilisers.

Management Discussion and Analysis

Magnesium Product Business

The magnesium products of the Group are broadly classified as basic magnesium products and rare earth magnesium alloys. The magnesium product business contributed a revenue of HK\$503,035,000 (2016: HK\$424,385,000) to the Group for the Period. During the Period, sales volume reached 22,238 tonnes (2016: 16,013 tonnes), while the overall sales volume of magnesium product increased 38.9% year-on-year, mainly due to the significant growth in sales volume of magnesium products from the Xinjiang production base. Since the sale increment is mainly from Xinjiang production base which principally sells basic magnesium product, the average selling price of magnesium business was diluted by 12.4% year-on-year, while the sales volume of high-end rare earth magnesium alloy product reached 6,011 tonnes which is compatible to that of last year. This shows that the Group can effectively expand the production capacity of magnesium products while keeping high-end rare earth magnesium product business intact.

The Group holds a rich and high-quality reserve of dolomite mineral resource in Baishan City, Jilin Province, and has constructed the basic magnesium and magnesium alloy production base with advanced technology. With an array of patents in high performance magnesium alloy, the Group has achieved a seamless integration of the supply of raw material and production capacity. This, together with our patented technologies, provides a very favorable condition and strong driving force for the development of magnesium business.

Group Sense (international) Limited ("GSIL", stock code: 601), a subsidiary of the Company, owns a magnesium production base in Xinjiang, the PRC (the "Xinjiang Base"). The Xinjiang Base continued to contribute to the financial results of the Group's magnesium product business during the Period. The government approved production capacity of the Xinjiang Base is 100,000 tonnes of magnesium alloy, of which production facilities of 15,000 tonnes have been built and utilised for the existing productions. Additional capacity of 30,000 tonnes is currently under construction and expected to be gradually released in 2018. It is expected that the overall production capacity of the Group's magnesium product business will reach 170,000 tonnes upon completion of the expansion project in the Xinjiang Base, positioning the Group as one of the leaders in the magnesium industry.

Magnesium alloy is considered to be the green, lightweight, structural material with a great potential. It is significant to green products development and design. With continuous technological advancement, magnesium products have been widely used in fields like transportation, communications, military, aviation, aeronautics, construction and healthcare. Because of the rapid growth of downstream demand, magnesium alloy industry will become more and more important in China. With a rich reserve of magnesium resource, China is ranked the first in the world in terms of production volume and export volume for magnesium, indicating the enormous growth potential of the business. With extensive industry experience, patented technologies and planned expansion of capacity, the Group is well-positioned to capture the development opportunities and strive for advancement.

Management Discussion and Analysis

On 18 April 2017, the Group has announced a non-legally binding memorandum of understanding between the Group and GSIL regarding a possible disposal of Century Sunshine's interests in its magnesium business held by China Race Earth Magnesium Technology Holdings Limited to GSIL. The possible transaction will then transfer Century Sunshine's interests in the magnesium business to GSIL. Century Sunshine shall make an announcement(s), as appropriate, in the event when any material development and/or that a definitive legally binding agreement is entered into.

Other Businesses

Other businesses of the Group include metallurgical flux and electronic products. The Group owns quality serpentine reserves which is not only a key raw material to produce Si-Mg fertilisers, but is also an indispensable source of auxiliary material for iron and steel smelting. The Group also sells serpentine to major domestic steel enterprises to generate a stable income, after the requirement for the production of Si-Mg fertilisers is fulfilled.

Prospect

The Chinese economy is held steady with some positive signals in the first half of 2017. The Group forecasts that, with central government's focus on maintaining stability, the Chinese economy will grow moderately in the second half. The structural reform is expected to accelerate. Industrial and the manufacturing sector are to remain stable while low-end products may come under pressure. After all, the Group believes that its product differentiation strategy will help the Group stand out in the market.

The central government continues to promote the policies on modernisation of agriculture and application of new material. As set out in the "Guidance on Prompting the Restructuring and Development of Fertiliser Industry (推進化肥行業轉型發展的指導意見)" issued by the Ministry of Industry and Information Technology (MIIT), the utilisation of the new type of fertiliser in China will increase from less than 10% at present to 30% by 2020, creating a massive market space for new ecological fertilisers of the Group. Meanwhile, the "Development Plan of the Nonferrous Metal Industry (2016-2020) (有色金屬工業發展規劃 (2016-2020年))" (the "Nonferrous Metal 13th Five Year Plan"), "Made in China 2025" and "Belt and Road" initiatives issued by the MIIT will open up potential demands and development in nonferrous metal market. In particular, under the Nonferrous Metal 13th Five Year Plan, magnesium is listed as one of the top five metals with the highest compound annual growth rate of 7.1% based on the 2020 key nonferrous metal consumption and production forecast. The production volume of magnesium is expected to reach 1,300,000 tonnes by 2020. The initiative encourages and supports the extensive application of nonferrous metals, including the magnesium, leveraging on technologies as driving forces to speed up the industry transformation and upgrading for further development.

Management Discussion and Analysis

The Group believes that, with the gradual implementation of the national industrial policies, along with a better understanding on our new fertilisers and new magnesium alloy, demand of our products will continue to grow and help driving the business of the Group. As such, the Group will continue with product differentiation strategy and to enhance our production capacity to become a leader in both industries. The Group will also research into more high end, high value-added products to cope with demands. We will strive a more promising return for our shareholders.

Key Operational Data

Unaudited key operational data for the six months ended 30 June 2017, together with the comparative figures for the corresponding period in 2016, are as follows. Main businesses listed below contributed over 89% of the Group's total turnover for the Period.

(a) Sales volume of major products:

	2017 Tonnes	2016 Tonnes	Increase %
Fertiliser business	414,841	321,847	28.9
Magnesium product business	22,238	16,013	38.9

(b) Average selling price of major products:

	2017 HK\$/Tonne	2016 HK\$/Tonne	Decrease %
Fertiliser business	2,061	2,119	(2.7)
Magnesium product business	22,349	25,510	(12.4)

(c) Gross profit margin:

	2017 %	2016 %	Decrease Percentage points
Fertiliser business	23.0	27.6	(4.6)
Magnesium product business	25.0	30.7	(5.7)
The Group's overall gross profit margin	24.5	30.0	(5.5)

Management Discussion and Analysis

FINANCIAL REVIEW

Operating income and gross profit

The Group recorded a revenue of approximately HK\$1,522,185,000 for the Period, representing a year-on-year growth of 23.1%. The revenue from two of the major businesses of the Group, namely fertiliser business and magnesium business, increased by 25.4% and 18.5% respectively.

The revenue of the fertiliser business for the Period was approximately HK\$855,064,000 with a sales volume of 414,841 tonnes, representing a year-on-year growth of 25.4% and 28.9% respectively. Shandong Hongri, the well-known compound fertiliser enterprise in China, was formally integrated into the Group since 1 April, 2017, bringing a significant increase in both sales volume and revenue to the Group. Shandong Hongri contributed a sales volume of approximately 97,250 tonnes and a revenue of approximately HK\$197,040,000 for the Group during the Period. Revenue generated from Jiangsu production decreased by approximately 4% year-on-year, due to the production volume from Jiangsu was affected by the technical test on new products, occupying one of the production lines of the Group in Jiangsu during the Period, as well as the year-on-year depreciation of RMB by approximately 5%. With the lower gross profit of compound fertiliser compared to that of organic fertiliser and silicon magnesium fertiliser, the overall gross profit margin of fertilisers of the Group decreased by approximately 4.6 percentage points to 23.0%, due to the product structure influenced by the soaring sales volume of compound fertiliser resulted from the integration of Shandong Hongri into the Group.

The revenue and sales volume of the magnesium business were approximately HK\$503,035,000 and 22,238 tonnes for the Period, representing respective year-on-year growth of approximately 18.5% and 38.9%. The uplifted sales volume was mainly attributable to the increase of sales volume in basic magnesium products, including a year-on-year growth of the sales volume of approximately 4,560 tonnes of magnesium ingot from GSIL's production base in Xinjiang. Besides, the commencement of the magnesium products trading business of the Group also led to additional sales volume. As the product structure of magnesium business was modified by the increased sales volume of basic magnesium products, the overall gross profit margin dropped by approximately 5.7 percentage points. The sales volume and gross profit of rare earth magnesium alloy products of the Group was similar to that of the corresponding period last year.

Other gain or loss, net

Other gain or loss, net was approximately HK\$32,396,000, representing a year-on-year decline of approximately 4.8%, mainly comprised of interest income of approximately HK\$6,829,000 (2016: HK\$12,827,000) and sales of wastes of approximately HK\$4,479,000 (2016: HK\$7,898,000).

Administrative expense

The administrative expense for the Period was approximately HK\$81,834,000, representing a year-on-year growth of approximately 11.9%. The increment of administrative expense was mainly due to the merge of Shandong Hongri. The fees were mainly comprised of remuneration of employees, depreciation and amortization, audit and professional fees for project acquisition, research and development and leases.

Management Discussion and Analysis

Finance cost

Finance cost was approximately HK\$69,593,000, representing a year-on-year growth of approximately 16.9%. In June 2017, the Group reformed the composition of our Singapore listed subordinated notes through the issue of new 7.0% subordinated notes with face value of SGD101.75 million and the redemption of old 7.2% subordinated notes with the face value of SGD125 million due in June 2018 (of which the holders of old subordinated notes with face value of SGD38.25 million opted for an exchange of new notes with old notes). As a result, the short-term debt of the Group has been improved. The relevant interests increased by approximately HK\$7,000,000 year-on-year due to an approximately 1-month overlapping period of the old and new notes, and the acceleration of amortization of actual interests by the early redemption of old notes. Besides, the formal merge of Shandong Hongri into the Group in April 2017 generated an interest of approximately HK\$4,300,000.

Margin

For the six months ended 30 June 2017, the profit after tax of the Group was approximately HK\$129,695,000, representing a year-on-year growth of approximately 0.9%. In order to enhance our revenue and the overall profit, the Group strived to maintain the sales of products with high gross profit, and develop market shares for products with low gross profit.

Liquidity, liabilities and financial resources

The Group's liquidity was mainly derived from cash generated from operating activities. As at 30 June 2017, total amount of cash and bank balances of the Group was approximately HK\$902,799,000 (as at 31 December 2016: approximately HK\$932,785,000).

As at 30 June 2017, the Group's total borrowings increased by approximately 18.2% as compared to that as at 31 December 2016. The Group's gearing ratio (calculated by total borrowings over total assets) was approximately 27.7% as at 30 June 2017 (as at 31 December 2016: 29.4%).

The Group's existing cash resources together with the steady cash flows generated from operating activities are sufficient to meet its business needs.

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.

Management Discussion and Analysis

Pledge of Assets

As at 30 June 2017, the Group had pledged its property, plant and equipment, land use rights and deposits with banks with carrying amount of approximately HK\$393,699,000, HK\$182,371,000 and HK\$179,985,000 respectively (as at 31 December 2016: approximately HK\$163,650,000, HK\$103,855,000 and HK\$56,703,000 respectively) to secure borrowings.

Significant transactions

- (i) On 3 August 2016 (after trading hours), Long Xiang Enterprises Limited (a direct wholly-owned subsidiary of the Company, as the Purchaser), entered into an acquisition agreement with Prosperous Rich Holdings Limited (a company indirectly held by the Company's former executive director, Mr. Yang Yuchuan, as the Vendor) and Acronagrotrans Ltd (as the Target Company, which directly holds 50.5% interests in Shandong Hongri), pursuant to which, the Purchaser conditionally agreed to buy, and the Vendor conditionally agreed to sell the entire equity interest in the Target Company, at the cash consideration of US\$1 (equivalent to approximately HK\$7.76), which is payable in accordance with the terms and conditions thereto at Completion. Details of which, please refer to the relevant announcement on the HKEX and the company's website made on 4 August 2016.

The transaction was completed and Shandong Hongri was consolidated into the Group with effect from 1 April 2017.

- (ii) On 5 June 2017, the Company issued 7.0% subordinated notes with the face value of SGD101.75 million (under the Multicurrency Medium Term Note Programme). The notes are listed on the Singapore Stock Exchange and will mature on 3 July 2020.

On the same date, the Company redeemed the face value of SGD38.25 million the 7.2% subordinated notes issued in 2015 by exchange for the new 7.0% subordinated notes. The remaining subordinated notes issued in 2015 of the face value of SGD86.75 million were fully redeemed on 30 June 2017.

Contingent liabilities

As at 30 June 2017, the Company did not have any significant contingent liabilities.

Capital Structure

As at 30 June 2017 and 31 December 2016, the issued share capital of the Company were HK\$91,959,537, divided into 4,597,976,843 shares of HK\$0.02 each.

Human resources

The number of employees of the Group was approximately 4,580 as at 30 June 2017 (as at 31 December 2016: 2,610). 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.

Management Discussion and Analysis

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 2017, 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 2017, the Group completed a dolomite output of 252,686 tonnes (2016: 250,190 tonnes). As compared with the status as at 31 December 2016, there was no material change in the resource estimate and ore reserve of the dolomite mine.

For the six months ended 30 June 2017, the expenditures incurred 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 other comprehensive income.

The expenditure incurred in mining activities of the dolomite mine for the six months ended 30 June 2017 were approximately HK\$8,998,000 while the expenditure incurred in exploration and development was HK\$Nil.

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.

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 2017, 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 was reviewed by the Group's internal geological experts. For the six months ended 30 June 2017, the Group completed a serpentine output of 290,857 tonnes (2016: 258,845 tonnes). As compared with the status as at 31 December 2016, there was no material change in the resource estimate and ore reserve of the serpentine mine.

Management Discussion and Analysis

The expenditures incurred for the six months ended 30 June 2017 in development activities were mainly for the construction of road, drainage system, greening and installation of equipment. Such expenditures have been capitalised and included in the unaudited condensed consolidated statement of financial position. The expenditures incurred 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 other comprehensive income.

The expenditure incurred in mining production activities of serpentine for the six months ended 30 June 2017 was approximately HK\$14,463,000 while the expenditure incurred in exploration and development was HK\$Nil.

未經審核簡明綜合損益及其他全面收益表

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至2017年6月30日止六個月
For the six months ended 30 June 2017

		附註 Notes	2017 (未經審核) (unaudited) 千港元 HK\$'000	2016 (未經審核) (unaudited) 千港元 HK\$'000
收入	Revenue	4	1,522,185	1,236,142
銷售成本	Cost of sales		(1,148,557)	(864,939)
毛利	Gross profit		373,628	371,203
其他收益或虧損淨額	Other gains or losses, net		32,396	34,031
議價收購收益	Gain on bargain purchase		41,004	-
銷售及市場推廣費用	Selling and marketing costs		(60,032)	(40,605)
行政開支	Administrative expenses		(81,834)	(73,141)
已變現及未變現匯兌 淨差額	Net realised and unrealised exchange differences		(33,708)	(37,853)
持作買賣投資的已變現 及未變現收益淨額	Net realised and unrealised gain on investments held for trading		96	8,918
應佔合資公司(虧損)/溢利	Share of (loss)/profit of joint ventures		(30)	699
財務費用	Finance costs	6	(69,593)	(59,508)
除所得稅前溢利	Profit before income tax		201,927	203,744
所得稅開支	Income tax expense	7	(72,232)	(75,196)
期內溢利	Profit for the period	8	129,695	128,548
其他全面收入/(開支)， 扣除所得稅：	Other comprehensive income/ (expenses), net of income tax:			
其後可能重新分類至 損益之項目：	Items that may be reclassified subsequently to profit or loss:			
重估可供出售投資 產生之收益/(虧損) 淨額	Net gain/(loss) arising on revaluation of available-for-sale investment		3,202	(6,950)
期內出售可供出售 投資之重新分類調整	Reclassification adjustments relating to disposal of available-for-sale investments during the period		(487)	-
換算海外業務所產生 之匯兌差額	Exchange differences arising from translation of foreign operations		134,608	(76,513)
期內其他全面收入/ (開支)，(扣除所得稅)	Other comprehensive income/ (expenses) for the period (net of income tax)		137,323	(83,463)
期內全面收入總額	Total comprehensive income for the period		267,018	45,085

未經審核簡明綜合損益及其他全面收益表

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至2017年6月30日止六個月
For the six months ended 30 June 2017

		附註 Notes	2017 (未經審核) (unaudited) 千港元 HK\$'000	2016 (未經審核) (unaudited) 千港元 HK\$'000
下列人士應佔期內溢利：	Profit for the period attributable to:			
本公司擁有人	Owners of the Company		127,515	117,717
非控股權益	Non-controlling interests		2,180	10,831
			129,695	128,548
下列人士應佔期內全面收入總額：	Total comprehensive income for the period attributable to:			
本公司擁有人	Owners of the Company		263,518	42,190
非控股權益	Non-controlling interests		3,500	2,895
			267,018	45,085
每股盈利：	Earnings per share:			
— 基本	— basic	9(a)	2.77 仙 cents	2.56 仙 cents
— 攤薄	— diluted	9(b)	2.77 仙 cents	2.55 仙 cents

未經審核簡明綜合財務狀況表

Unaudited Condensed Consolidated Statement of Financial Position

			於2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (經審核) (audited) 千港元 HK\$'000
	附註 Notes			
非流動資產		Non-current assets		
土地使用權		Land use rights	297,446	206,746
物業、廠房及設備	11	Property, plant and equipment	2,917,740	2,093,569
投資物業		Investment properties	115,887	114,001
商譽		Goodwill	197,375	197,368
無形資產		Intangible assets	378,683	717
採礦權		Mining rights	474,321	466,741
支付專利對價款項		Payment for acquisition of patents	-	50,049
購買物業、廠房及設備的按金		Deposits for acquisition of property, plant and equipment	17	372
於合資公司之投資		Investments in joint ventures	5,349	5,362
於一間聯營公司之投資		Investment in an associate	17	17
可供出售投資		Available-for-sale investments	6,840	6,840
已抵押銀行存款		Pledged bank deposits	24,978	31,587
			4,418,653	3,173,369
流動資產		Current assets		
可供出售投資		Available-for-sale investments	5,537	70,632
存貨		Inventories	493,405	227,387
土地使用權		Land use rights	14,703	4,723
貿易及其他應收款項、預付款項及按金	12	Trade and other receivables, prepayments and deposits	767,317	856,906
可退回所得稅		Income tax recoverable	1,757	1,706
持作買賣投資		Investments held for trading	-	10,415
應收一間合資公司款項		Amount due from a joint venture	129	133
銀行及現金結餘		Bank and cash balances	877,821	901,198
			2,160,669	2,073,100
減：流動負債		Less: Current liabilities		
貿易及其他應付款項	13	Trade and other payables	945,379	294,447
應付所得稅		Income tax payable	50,455	31,075
借貸	15	Borrowings	712,979	320,665
衍生金融負債		Derivative financial liabilities	32,600	32,600
			1,741,413	678,787
流動資產淨值		Net current assets	419,256	1,394,313
資產總值減流動負債		Total assets less current liabilities	4,837,909	4,567,682

未經審核簡明綜合財務狀況表

Unaudited Condensed Consolidated Statement of Financial Position

		於2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (經審核) (audited) 千港元 HK\$'000
	附註 Notes		
減：非流動負債	Less: Non-current liabilities		
遞延收入	Deferred revenue	68,175	66,176
其他應付款項	Other payable	190,966	121,000
可轉換債券	Exchangeable bonds	217,747	208,504
借貸	Borrowings	890,300	1,011,457
遞延稅項負債	Deferred tax liabilities	139,759	106,079
		1,506,947	1,513,216
資產淨值	Net assets	3,330,962	3,054,466
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	101,756	101,756
儲備	Reserves	2,866,694	2,610,945
		2,968,450	2,712,701
非控股權益	Non-controlling interests	362,512	341,765
權益總額	Total equity	3,330,962	3,054,466

未經審核簡明綜合權益變動表

Unaudited Condensed Consolidated Statement of Changes in Equity

截至2017年6月30日止六個月
For the six months ended 30 June 2017

		本公司擁有人應佔 Attributable to owners of the Company														
		股本	股份溢價	庫存股份	資本贖回儲備	重估儲備	資本儲備	法定儲備	購股權儲備	外幣換算儲備	可換取債券權益儲備	其他儲備	保留盈利	小計	非控股權益	總額
		Share capital (unaudited)	Share premium (unaudited)	Treasury shares (unaudited)	Capital redemption reserve (unaudited)	Revaluation reserve (unaudited)	Capital reserve (unaudited)	Statutory reserve (unaudited)	Share option reserve (unaudited)	Translation reserve (unaudited)	Convertible bonds equity reserve (unaudited)	Other reserve (unaudited)	Retained earnings (unaudited)	Sub-total (unaudited)	Non-controlling interests (unaudited)	Total (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	千港元	千港元	千港元	千港元
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
於2016年1月1日 (經審核)	As at 1 January 2016 (audited)	101,986	1,420,855	-	3,959	5,647	13,666	153,141	4,863	(25,748)	12,443	(44,161)	1,300,665	2,947,306	396,032	3,343,338
期內溢利	Profit for the period	-	-	-	-	-	-	-	-	-	-	-	117,717	117,717	10,831	128,548
期內其他全面開支 (扣除所得稅)：	Other comprehensive expenses for the period (net of income tax)：	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
重估可供出售投資產生之虧損淨額	Net loss arising on revaluation of available-for-sale investment	-	-	-	-	(6,374)	-	-	-	-	-	-	-	(6,374)	(576)	(6,950)
換算海外業務所產生之匯兌差額	Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	-	-	(69,153)	-	-	-	(69,153)	(7,360)	(76,513)
期內全面(虧損)/收入總額	Total comprehensive (loss)/income for the period	-	-	-	-	(6,374)	-	-	-	(69,153)	-	-	117,717	42,190	2,895	45,085
註銷已發行股份	Cancellation of issued shares	(230)	(3,981)	-	230	-	-	-	-	-	-	-	(230)	(4,211)	-	(4,211)
股權結算股份付款之交易	Equity settled share-based transactions	-	-	-	-	-	-	666	-	-	-	-	-	666	-	666
儲備轉撥	Reserve transfer	-	-	-	-	-	604	-	-	-	-	(604)	-	-	-	-
已付末期股息	Final dividend paid	-	(59,774)	-	-	-	-	-	-	-	-	-	(59,774)	-	-	(59,774)
贖回可換取債券	Redemption of convertible bonds	-	-	-	-	-	-	-	-	(12,443)	-	-	12,443	-	-	-
於附屬公司之擁有權權益變動	Change in ownership interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	(109,150)	-	(109,150)	(64,645)	(173,795)
於2016年6月30日 (未經審核)	As at 30 June 2016 (unaudited)	101,756	1,367,100	-	4,189	(727)	13,666	153,745	5,539	(94,901)	-	(153,311)	1,429,991	2,817,047	334,282	3,151,329
於2017年1月1日 (經審核)	As at 1 January 2017 (audited)	101,756	1,367,100	-	4,189	1,407	13,666	188,786	4,214	(278,934)	-	(271,754)	1,592,271	2,712,701	341,765	3,054,466
期內溢利	Profit for the period	-	-	-	-	-	-	-	-	-	-	-	127,515	127,515	2,180	129,695
期內其他全面收入/(開支) (扣除所得稅)：	Other comprehensive income/(expenses) for the period (net of income tax)：	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
重估可供出售投資產生之收益/(虧損)淨額	Net gain/(loss) arising on revaluation of available-for-sale investment	-	-	-	-	3,210	-	-	-	-	-	-	-	3,210	(8)	3,202
期內出售可供出售投資之重新分類調整	Reclassification adjustments relating to disposal of available-for-sale investments during the period	-	-	-	-	(487)	-	-	-	-	-	-	-	(487)	-	(487)
換算海外業務所產生之匯兌差額	Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	-	-	133,280	-	-	-	133,280	1,328	134,608
期內全面收入總額	Total comprehensive income for the period	-	-	-	-	2,723	-	-	-	133,280	-	-	-	263,518	3,500	267,018
回購已發行股份	Repurchase of issued shares	-	-	(1,546)	-	-	-	-	-	-	-	-	-	(1,546)	-	(1,546)
股權結算股份付款之交易	Equity settled share-based transactions	-	-	-	-	-	-	142	-	-	-	-	-	142	-	142
儲備轉撥	Reserve transfer	-	-	-	-	-	80	-	-	-	-	(80)	-	-	-	-
於附屬公司之擁有權權益變動	Change in ownership interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	(6,365)	-	(6,365)	(22,945)	(29,310)
收購附屬公司	Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	40,192	40,192
於2017年6月30日 (未經審核)	As at 30 June 2017 (unaudited)	101,756	1,367,100	(1,546)	4,189	4,130	13,666	188,866	4,356	(145,654)	-	(278,119)	1,719,706	2,988,450	362,512	3,330,962

未經審核簡明綜合現金流量表

Unaudited Condensed Consolidated Statement of Cash Flows

截至2017年6月30日止六個月
For the six months ended 30 June 2017

		2017 (未經審核) (unaudited) 千港元 HK\$'000	2016 (未經審核) (unaudited) 千港元 HK\$'000
經營活動所產生的現金淨額	Net cash generated from operating activities	198,311	397,346
投資活動所動用的現金淨額	Net cash used in investing activities	(14,826)	(230,013)
融資活動所(動用)/產生的現金淨額	Net cash (used in)/generated from financing activities	(193,846)	71,582
現金及等同現金項目(減少)/增加淨額	Net (decrease)/increase in cash and cash equivalents	(10,361)	238,915
期初的現金及等同現金項目	Cash and cash equivalents at the beginning of the period	709,310	1,189,255
外幣匯率變動的影響	Effect of foreign exchange rate changes	23,865	(11,468)
期末的現金及等同現金項目	Cash and cash equivalents at the end of the period	722,814	1,416,702
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	877,821	1,803,651
抵押為貸款擔保之已抵押銀行存款	Pledged deposits with banks pledged as security for borrowings	(155,007)	(58,620)
獲收購時原到期日超過三個月之無抵押銀行存款	Non-pledged deposits with bank with original maturity of more than three months when acquired	—	(328,329)
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	722,814	1,416,702

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2017年6月30日止六個月
For the six months ended 30 June 2017

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、金屬鎂產品業務、煉鋼熔劑業務及電子產品業務。

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」)創業板上市, 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」)為單位, 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2017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2017年8月31日批准刊發。

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, metallurgical flux business and electronic product 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 of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the Company’s shares have been listed on the Main Board of the Stock Exchange since 1 August 2008.

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 2017 were approved for issue by the Board on 31 August 2017.

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2017年6月30日止六個月
For the six months ended 30 June 2017

2. 編製基準

截至2017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2016年12月31日止年度之綜合財務報表一併閱讀。

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。

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2016年12月31日止年度之綜合財務報表所應用者相同。

3. 主要會計政策

本集團已就本期之未經審核中期簡明綜合財務報告首次採納下列經修訂之香港財務報告準則。

香港會計準則第7號修訂	披露計劃
香港會計準則第12號修訂	就未變現虧損確認遞延稅項資產

採納該等經修訂香港財務報告準則並無對該等未經審核中期簡明綜合財務報表產生重大財務影響，而未經審核中期簡明綜合財務報表之會計政策亦無重大變動。

2. Basis of Preparation

The unaudited condensed consolidated interim financial statements for the six months ended 30 June 2017 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 2016, which has been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”).

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.

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 2016.

3. Significant Accounting Policies

The Group has adopted the following revised HKFRSs for the first time for the current period’s unaudited interim condensed consolidated financial statements.

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses

The adoption of these revised HKFRSs has had no significant financial effect on these unaudited interim condensed consolidated financial statements and there has been no significant changes to the accounting policies in the unaudited interim condensed consolidated 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2017年6月30日止六個月
For the six months ended 30 June 2017

本集團並無於該等未經審核中期簡明綜合財務報告內應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these unaudited interim condensed consolidated financial statements.

香港財務報告準則第2號修訂	以股份付款交易之分類及計量 ¹	Amendments to HKFRS 2	<i>Classifications and Measurement of Share-based Payment Transactions¹</i>
香港財務報告準則第4號修訂	應用香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合同 ¹	Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts¹</i>
香港財務報告準則第9號	金融工具 ¹	HKFRS 9	<i>Financial Instruments¹</i>
香港財務報告準則第10號及香港會計準則第28號(2011年)修訂	投資者與其聯營及合營公司之間資產出售或注資 ³	Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
香港財務報告準則第15號	來自客戶合同之收入 ¹	HKFRS 15	<i>Revenue from Contracts with Customers¹</i>
香港財務報告準則第15號修訂	釐清香港財務報告準則第15號來自客戶合同之收入 ¹	Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers¹</i>
香港財務報告準則第16號	租賃 ²	HKFRS 16	<i>Leases²</i>
香港會計準則第40號修訂	投資物業轉讓 ¹	Amendments to HKAS 40	<i>Transfers to Investment Property¹</i>
香港(國際財務報告詮釋委員會) – 詮釋第22號	外匯交易及預付代價 ¹	HK(IFRIC) – Int 22	<i>Foreign Currency Transactions and Advance Consideration¹</i>

¹ 於2018年1月1日或之後開始之年度期間生效

² 於2019年1月1日或之後開始之年度期間生效

³ 尚未釐定強制生效日期，但可予採納

⁴ 於2018年1月1日或之後開始之年度期間生效，允許提前應用

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for annual periods beginning on or after 1 January 2019

³ No mandatory effective date yet determined but available for adoption

⁴ Effective for annual periods beginning on or after 1 January 2018, with early application permitted

本集團正在評估初次應用該等新訂及經修訂香港財務報告準則之影響。迄今為止，本集團認為採納該等新訂及經修訂香港財務報告準則不大可能對本集團之經營業績及財務狀況產生重大影響。

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, the Group considers that these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

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2017年6月30日止六個月
For the six months ended 30 June 2017

4. 收入

4. Revenue

		截至6月30日止六個月 Six months ended 30 June	
		2017 (未經審核) (unaudited) 千港元 HK\$'000	2016 (未經審核) (unaudited) 千港元 HK\$'000
銷售農業肥料產品	Sales of fertiliser products	855,064	681,960
銷售金屬鎂產品	Sales of magnesium products	503,035	424,385
銷售煉鋼熔劑產品	Sales of metallurgical flux products	21,293	18,919
銷售電子產品	Sales of electronic products	142,793	110,878
		1,522,185	1,236,142

5. 分部資料

5. Segment Information

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
- 金屬鎂產品業務
- 煉鋼熔劑業務
- 電子產品業務

有關本集團之可報告分部資料於下文呈報。

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
- Electronic product 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2017年6月30日止六個月
For the six months ended 30 June 2017

(a) 分部收入及業績

截至2017年6月30日止六個月

(a) Segment Revenue and Results

Six months ended 30 June 2017

		農業肥料 業務	金屬鎂產品 業務	煉鋼熔劑 業務	電子產品 業務	合計
		Fertiliser business	Magnesium product business	Metallurgical flux business	Electronic product business	Total
		(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)
		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
分部收入	Segment revenue	855,064	518,130	28,947	142,793	1,544,934
分部間收入	Inter-segment revenue	—	(15,095)	(7,654)	—	(22,749)
來自外部客戶的收入	Revenue from external customers	855,064	503,035	21,293	142,793	1,522,185
分部業績	Segment results	161,118	120,860	12,209	580	294,767
議價收購收益	Gain on bargain purchase					41,004
其他收入及收益	Other income and gains					25,134
中央行政費用	Central administrative costs					(55,647)
已變現及未變現 匯兌淨差額	Net realised and unrealised exchange differences					(33,708)
應佔合資公司溢利	Share of profit of joint ventures					(30)
財務費用	Finance costs					(69,593)
除所得稅前溢利	Profit before income tax					201,927

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2017年6月30日止六個月
For the six months ended 30 June 2017

截至2016年6月30日止六個月

Six months ended 30 June 2016

		農業肥料 業務	金屬鎂產品 業務	煉鋼熔劑 業務	電子產品 業務	合計
		Fertiliser business (未經審核) (unaudited) 千港元 HK\$'000	Magnesium product business (未經審核) (unaudited) 千港元 HK\$'000	Metallurgical flux business (未經審核) (unaudited) 千港元 HK\$'000	Electronic product business (未經審核) (unaudited) 千港元 HK\$'000	Total (未經審核) (unaudited) 千港元 HK\$'000
分部收入	Segment revenue	681,960	424,385	27,269	110,878	1,244,492
分部間收入	Inter-segment revenue	—	—	(8,350)	—	(8,350)
來自外部客戶的收入	Revenue from external customers	681,960	424,385	18,919	110,878	1,236,142
分部業績	Segment results	166,760	133,619	11,535	840	312,754
其他收入及收益	Other income and gains					36,277
中央行政費用	Central administrative costs					(48,625)
已變現及未變現 匯兌淨差額	Net realised and unrealised exchange differences					(37,853)
應佔合資公司溢利	Share of profit of joint ventures					699
財務費用	Finance costs					(59,508)
除所得稅前溢利	Profit before income tax					203,744

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。

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)、議價收購收益、已變現及未變現匯兌淨差額、其他收入及收益、應佔合資公司溢利/(虧損)、財務費用及所得稅開支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。

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

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, gain on bargain purchase, net realised and unrealised exchange differences, other income and gains, share of profit/(loss) of joint ventures, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

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2017年6月30日止六個月
For the six months ended 30 June 2017

(b) 分部資產

(b) Segment Assets

		於2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (經審核) (audited) 千港元 HK\$'000
農業肥料業務	Fertiliser business	2,554,486	1,331,615
金屬鎂產品業務	Magnesium product business	2,099,184	1,899,550
煉鋼熔劑業務	Metallurgical flux business	649,889	645,179
電子產品業務	Electronic product business	193,968	198,233
		5,497,527	4,074,577
未分配	Unallocated	1,081,795	1,171,892
		6,579,322	5,246,469

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6. 財務費用

6. Finance Costs

		截至6月30日止六個月 Six months ended 30 June	
		2017 (未經審核) (unaudited) 千港元 HK\$'000	2016 (未經審核) (unaudited) 千港元 HK\$'000
可換股債券之利息	Interest on convertible bonds	—	13,408
上市後償票據之利息	Interest on listed subordinated notes	34,878	27,874
可轉換債券之利息	Interest on exchangeable bonds	18,447	4,525
須於5年內全數償還之借貸 的利息	Interest on borrowings wholly repayable within five years	16,268	9,879
須於5年後全數償還之借貸 的利息	Interest on borrowings wholly repayable after five years	3,912	8,688
借貸成本總額	Total borrowing costs	73,505	64,374
減：已於合資格資產成本 資本化之金額	Less: Amount capitalised in the cost of qualifying assets	(3,912)	(4,866)
		69,593	59,508

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7. 所得稅開支

於未經審核簡明綜合損益及其他全面收益表內扣除／(計入)的所得稅開支數額指：

7. Income Tax Expense

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

		截至6月30日止六個月 Six months ended 30 June	
		2017 (未經審核) (unaudited) 千港元 HK\$'000	2016 (未經審核) (unaudited) 千港元 HK\$'000
即期稅：	Current tax:		
— 中國企業所得稅	— PRC Enterprises Income Tax	72,270	76,495
— 其他	— Others	—	12
		72,270	76,507
遞延稅項	Deferred taxation	(38)	(1,311)
		72,232	75,196

8. 期內溢利

期內溢利已扣除／(計入)下列費用：

8. Profit for the Period

Profit for the period has been arrived at after charging/(crediting):

		截至6月30日止六個月 Six months ended 30 June	
		2017 (未經審核) (unaudited) 千港元 HK\$'000	2016 (未經審核) (unaudited) 千港元 HK\$'000
存貨撥備	Provision for inventories	1,460	716
撥回其他應收賬款 減值	Reversal of impairment of other receivables	—	(5,905)
折舊及攤銷	Depreciation and amortisation	75,359	61,153

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9. 每股盈利

(a) 基本

每股基本盈利是根據本公司擁有人應佔期內溢利，除以期內已發行普通股加權平均數計算。

9. Earnings Per Share

(a) Basic

Basic earnings per share is calculated by dividing the profit 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	
		2017 (未經審核) (unaudited)	2016 (未經審核) (unaudited)
本公司擁有人應佔期內溢利 (千港元)	Profit for the period attributable to owners of the Company (HK\$'000)	127,515	117,717
已發行普通股加權平均數 (千股)	Weighted average number of ordinary shares in issue (thousand shares)	4,597,977	4,601,518
每股基本盈利 (每股港仙)	Basic earnings per share (HK cents per share)	2.77	2.56

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(b) 攤薄

每股攤薄盈利是假設轉換所有攤薄性潛在普通股，以調整已發行普通股加權平均數計算。本公司有兩類攤薄性潛在普通股：購股權及可轉換債券(2016年：購股權、可轉換債券及可換股債券)。

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，計算若按公平值(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一比較。

由於購股權行使價高於截至2017年6月30日止期間的股份平均市價，故計算每股攤薄盈利時並無假設行使本公司的購股權。

就可轉換債券(2016年：及可換股債券)而言，由於其具反攤薄效應(2016年：及可換股債券已於2016年內全數贖回)，故並未獲計入每股攤薄盈利的計算中。

(b) Diluted

Diluted earnings 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 two categories of dilutive potential ordinary shares: share options and exchangeable bonds (2016: Share options, exchanged bonds and convertible bonds).

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 earnings 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 2017.

For the exchangeable bonds (2016: and convertible bonds), the effect of which was anti-dilutive (2016: and the convertible bonds were fully redeemed during the year 2016), they were not included in the calculation of diluted earnings per share.

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		截至6月30日止六個月 Six months ended 30 June	
		2017 (未經審核) (unaudited)	2016 (未經審核) (unaudited)
本公司擁有人應佔期內溢利(千港元)	Profit for the period attributable to owners of the Company (HK\$'000)	127,515	117,717
已發行普通股加權平均數(千股)	Weighted average number of ordinary shares in issue (thousand shares)	4,597,977	4,601,518
就購股權作出調整(千股)	Adjustment for share option (thousand shares)	—	8,256
每股攤薄盈利的普通股加權平均數(千股)	Weighted average number of ordinary shares for diluted earnings per share (thousand shares)	4,597,977	4,609,774
每股攤薄盈利(每股港仙)	Diluted earnings per share (HK cents per share)	2.77	2.55

10. 股息

本公司董事不建議就截至2017年6月30日止六個月派付任何股息(2016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 2017 (2016: HK\$Nil).

11. 物業、廠房及設備

期內，本集團購置了約346,937,000港元(2016年：40,038,000港元)的物業、廠房及設備。

11. Property, Plant and Equipment

During the Period, the Group had acquired property, plant and equipment amounting to approximately HK\$346,937,000 (2016: HK\$40,038,000).

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12. 貿易及其他應收款項、預付款項及按金

12. Trade and Other Receivables, Prepayments and Deposits

		於2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (經審核) (audited) 千港元 HK\$'000
應收貿易款項	Trade receivables	515,340	447,708
應收票據	Bills receivable	4,991	8,673
預付款項及按金	Prepayments and deposits	134,233	149,196
其他應收款項	Other receivables	110,095	250,002
存放於財務機構之存款	Deposits placed with financial institutions	2,658	1,327
		767,317	856,906

於報告日期，本集團應收貿易款項按發票日期呈列的賬齡分析如下：

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

		於2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (經審核) (audited) 千港元 HK\$'000
30日以內	Within 30 days	291,595	168,567
31至60日	31 to 60 days	125,614	174,199
61至90日	61 to 90 days	62,771	84,808
超過90日	Over 90 days	35,360	20,134
		515,340	447,708

本集團給予貿易客戶之信貸期一般不超過180日(2016年：不超過180日)。

The Group allows a credit period normally not more than 180 days (2016: not more than 180 days) to its trade customers.

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13. 貿易及其他應付款項

13. Trade and Other Payables

		於2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (經審核) (audited) 千港元 HK\$'000
應付貿易款項	Trade payables	388,276	83,230
應付票據	Bills payable	121,799	–
預收款項	Receipts in advance	164,586	56,829
撥備	Provision	988	933
應計款項及其他應付款項	Accruals and other payables	269,730	153,455
		945,379	294,447

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於報告日期，本集團應付貿易款項按發票日期呈列之賬齡分析如下：

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2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (經審核) (audited) 千港元 HK\$'000
30日以內	Within 30 days	166,208	44,527
31至60日	31 to 60 days	79,399	17,716
61至90日	61 to 90 days	26,701	5,084
超過90日	Over 90 days	115,968	15,903
		388,276	83,230

14. 可轉換債券

14. Exchangeable bonds

可轉換債券(「可轉換債券」)負債部分的賬面值如下：

The carrying values of the liability component of the exchangeable bonds ("EBs") are as follows:

		千港元 HK\$'000
於2016年1月1日	As at 1 January 2016	-
發行可轉換債券	Issue of exchangeable bonds	197,383
已扣除估算利息開支	Imputed interest expense charged	23,375
已付及應付利息開支	Interest expense paid and payable	(12,254)
於2016年12月31日及 2017年1月1日	As at 31 December 2016 and 1 January 2017	208,504
已扣除估算利息開支	Imputed interest expense charged	18,447
已付及應付利息開支	Interest expense paid and payable	(9,204)
於2017年6月30日	As at 30 June 2017	217,747

附註：

於2016年5月5日，本公司發行本金金額為232,000,000港元之可轉換債券以換取現金。可轉換債券自發行日期起計按8厘之年利率計息，須每六個月支付一次。可轉換債券持有人有權將可轉換債券轉換為中國稀鎂科技控股有限公司(「中國稀鎂」)股份。可轉換予可轉換債券持有人的股份數目由可轉換債券工具所述的公式釐定。

note:

On 5 May 2016, the Company issued EBs with the principal amount of HK\$232,000,000 for cash. The EBs bear an interest of 8% per annum payable in arrear every six calendar months from the issue date. The EBs entitle the holder to convert to the shares of China Rare Earth Magnesium Technology Holdings Limited ("China Rare Earth"). The number of share transferrable to the holders of EBs shall be determined by the formula described in EBs instrument.

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可轉換債券持有人有權根據可轉換債券工具的條款及條件於轉換期內隨時轉換全部或任何部分可轉換債券本金額。可轉換債券到期日為自可轉換債券發行日期起計三年(「期限」)，而其可於發出事先通知後延長一個曆年(「延長期限」)。附於可轉換債券的轉換權利可因應可轉換債券持有人的選擇，在發行日期截至以下日期(包括當日)隨時及不時行使：(A)到期日(如可轉換債券持有人在緊接到期日前最少30個曆日發出可轉換通知)或(B)在緊隨本公司向可轉換債券持有人發出提交通知或協議通知之日期後的第30個曆日(以較早者為準)。

可轉換債券包含兩個部分：衍生金融負債部分及負債部分。負債部分列作非流動負債，並用實際利息法按攤銷成本列賬。提早轉換選擇權列作衍生金融負債。

負債部分在首次確認時的實際年利率為18.04厘。

詳情請參考本公司日期為2016年4月26日之公佈。

The holders of EBs have the right to exchange all or any part of the principal amount of the EBs at any time during the exchange period as pursuant to the terms and conditions of the EBs instrument. The maturity date of the EBs is three years commencing from the date of issue of the EBs (the "Term") and upon prior notice, it can be extended for another 1 calendar year (the "Extended Term"). The right to exchange attaching to the EBs may be exercised, at the option of the holder thereof, at any time and from time to time during the period from the issue date up to and including the earlier of (A) the maturity date, if the holders of EBs delivers an exchangeable notice at least 30 calendar days immediately before the maturity date, or (B) the 30th calendar day immediately following the date of delivery of a submission notice or an agreement notice by the Company to the holders of EBs.

The EBs contain two components: derivative financial liability component and liability component. The liability component is classified as non-current liabilities and carried at amortised costs using effective interest method. The conversion option is classified as derivative financial liabilities.

The effective interest rate of the liability component on initial recognition is 18.04% per annum.

For details, please refer to the announcement of the Company dated on 26 April 2016.

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15. 借貸

15. Borrowings

		於2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (經審核) (audited) 千港元 HK\$'000
銀行借貸	Bank borrowings	900,266	484,416
其他借貸	Other borrowings	169,041	189,027
上市後償票據(附註a)	Listed subordinated notes (note a)	—	658,679
上市後償票據(附註b)	Listed subordinated notes (note b)	533,972	—
		1,603,279	1,332,122
借貸：	Borrowings:		
一年以內	Within one year	712,979	320,665
一年以上但不超過五年	More than one year but not exceeding five years	869,499	983,874
超過五年	More than five years	20,801	27,583
		1,603,279	1,332,122
減：列作流動負債之款項	Less: Amounts shown under current liabilities	(712,979)	(320,665)
		890,300	1,011,457
借貸：	Borrowings:		
有抵押	Secured	807,059	658,443
無抵押	Unsecured	796,220	673,679
		1,603,279	1,332,122

附註：

- (a) 計入無抵押借貸的約658,679,000港元指本公司於2015年6月4日及2015年8月3日發行面值為75,000,000新加坡元及50,000,000新加坡元之第一批及第二批7.2厘後償票據(屬多種幣種中期票據計劃項下)之賬面值。該等票據於新加坡交易所上市，並將於2018年6月4日到期。上市後償票據之加權平均實際利率為7.22厘。上市後償票據由本公司多間附屬公司擔保。

該批7.2厘後償票據已於到期前之2017年6月被全數贖回。

note:

- (a) Included in unsecured borrowings, approximately HK\$658,679,000 represents the carrying amount of the first tranche and second tranche of 7.2% subordinated notes with the face value of SGD75 million and SGD50 million (under the Multicurrency Medium Term Note Programme) which was issued on 4 June 2015 and 3 August 2015 by the Company. The notes are listed on the Singapore Stock Exchange and will mature on 4 June 2018. The weighted average effective interest rate of listed subordinated notes is 7.22%. The listed subordinated notes are guaranteed by various subsidiaries of the Company.

The 7.2% subordinated notes were fully redeemed in June 2017 before maturity.

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(b) 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厘後償票據(屬多種幣種中期票據計劃項下)之賬面值。該等票據於新加坡交易所上市，並將於2020年7月3日到期。

(b) This represents the carrying amount of the 7.0% subordinated notes with the face value of SGD101.75 million (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 will mature on 3 July 2020.

16. 股本

16. Share Capital

		股份數目 Number of shares	股本 Share capital
		千股 '000	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2016年1月1日、 2016年12月31日、 2017年1月1日及 2017年6月30日	As at 1 January 2016, 31 December 2016, 1 January 2017 and 30 June 2017	10,000,000	200,000
已發行及繳足：	Issued and fully paid:		
於2016年1月1日	As at 1 January 2016	4,609,487	101,986
註銷已發行股份	Cancellation of issued shares	(11,510)	(230)
於2016年12月31日、 2017年1月1日及 2017年6月30日	As at 31 December 2016, 1 January 2017 and 30 June 2017	4,597,977	101,756

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17. 收購附屬公司

於2016年8月3日，本集團全資附屬公司 Long Xiang Enterprises Limited 訂立了一份買賣協議，以收購 Acronagrotrans Ltd 之全部權益（其直接持有山東紅日化工股份有限公司（「山東紅日」）之50.5%權益），代價為1美元（相當於7.76港元）。該交易已完成而山東紅日自2017年4月1日起於本集團綜合入賬。本集團於完成交易後獲得山東紅日之50.5%實質有效控股權益。

17. Acquisition of subsidiaries

On 3 August 2016, Long Xiang Enterprises Limited, a wholly owned subsidiary of the Group, entered into a sale and purchase agreement for the acquisition of the entire interests in Acronagrotrans Ltd, which directly holds 50.5% interests in Shandong Hongri Chemical Joint Stock Company, Ltd. ("Shandong Hongri"), at the consideration of US\$1 (equivalent to HK\$7.76). The transaction was completed and Shandong Hongri was consolidated into the Group with effect from 1 April 2017. The Group gained 50.5% effective controlling interest in Shandong Hongri after the completion of the transaction.

		可識別淨資產及 負債之公平值 Fair value of net identifiable assets and liabilities 千港元 HK\$'000
物業、廠房及設備	Property, plant and equipment	499,735
土地使用權	Land use rights	96,352
無形資產	Intangible assets	338,424
存貨	Inventories	246,424
貿易及其他應收款項、 預付款項及按金	Trade and other receivables, prepayment and deposit	333,404
銀行及現金結餘	Bank and cash balances	202,166
貿易及其他應付款項	Trade and other payables	(1,234,545)
遞延稅項負債	Deferred tax liabilities	(31,709)
借貸	Borrowings	(369,055)
非控股權益	Non-controlling interests	(40,192)
可識別資產淨值之公平值總額	Total identifiable net assets at fair value	41,004
於截至2017年6月30日 止期間之未經審核簡明 綜合損益及其他全面 收益表確認的議價收購收益	Gain on bargain purchase recognised in the unaudited condensed consolidated statement of profit or loss and other comprehensive income for the period ended 30 June 2017	41,004
總代價	Total consideration	—
以下列方式償付代價： 現金	Consideration satisfied by: Cash	—
收購事項所產生之現金流入： 所付現金代價	Cash inflow arising on acquisition: Cash consideration paid	—
所收購之銀行及現金結餘	Bank and cash balances acquired	202,166
		202,166

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2017年6月30日止六個月
For the six months ended 30 June 2017

18. 附屬公司所有權權益變動

截至2017年6月30日止期間，本集團向非控股股東收購了數間附屬公司之額外股本權益。由於上述交易，本集團分別確認減少非控股權益約22,945,000港元和減少其他儲備約6,365,000港元。

18. Change in Ownership Interest in Subsidiaries

During the period ended 30 June 2017, the Group purchased additional interests in several subsidiaries from non-controlling shareholders. As a result, the Group recognised a decrease in non-controlling interests of approximately HK\$22,945,000 and a decrease in other reserve of approximately HK\$6,365,000.

19. 資本承擔**19. Capital Commitments**

	於2017年 6月30日 As at 30 June 2017 (未經審核) (unaudited) 千港元 HK\$'000	於2016年 12月31日 As at 31 December 2016 (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 267,549	281,399

20. 訴訟與或然負債

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。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。首智待收到該法律文件後，將就有關追討尋求法律意見及就此應予採取的必要行動。董事會認為，該追討不會對本集團業務、營運及財務情況構成重大不利影響。

20. Litigations and Contingent Liabilities

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.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

截至2017年6月30日止六個月
For the six months ended 30 June 2017

21. 關連人士交易

除未經審核簡明綜合中期財務報表另有披露外，期內本集團進行以下主要關連人士交易。

21. 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.

		截至6月30日止六個月 Six months ended 30 June	
		2017 (未經審核) (unaudited) 千港元 HK\$'000	2016 (未經審核) (unaudited) 千港元 HK\$'000
(a)	主要管理人員酬金	(a)	Key management compensation
	- 董事		- Directors
	- 其他主要管理人員： 薪金及其他短期 僱員福利		- Other key management personnel: Salaries and other short-term employee benefits
		1,773	2,065
		1,347	845
		3,120	2,910

(b) 池文富先生已承諾維持持有本公司股權之最低水平。此承諾為本集團部份借貸及本公司之可轉換債券之部份抵押品。

(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.

(c) 於截至2017年6月30日止六個月期間，向一間合資公司銷售貨品之收入為929,000港元(2016年：823,000港元)。

(c) During the six months ended 30 June 2017, the sales of products to a joint venture amounts to HK\$929,000 (2016: HK\$823,000).

22. 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。

22. 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

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人士，本公司於2008年12月3日採納一項購股權計劃（「計劃」）。合資格人士主要為本集團僱員、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。除非計劃被取消或修訂，否則將自成立日期起10年內有效。計劃之餘下年期約為1.5年（於2018年12月3日屆滿）。

Share Option Scheme

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 3 December 2008 (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. The Scheme, unless otherwise cancelled or amended, will remain in force for 10 years since its establishing date. The remaining life of the Scheme is approximately 1.5 years (expiry on 3 December 2018).

於2017年6月30日，計劃項下尚未行使之購股權合共可認購132,679,714股股份（「購股權」）。

As at 30 June 2017, options to subscribe for a total of 132,679,714 Shares were outstanding under the Scheme (the "Options").

	於2017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2017年 6月30日持有	行使價 港元
	Held at 1 January 2017	Options granted during the period	Options exercised during the period	Options lapsed during the period	Held at 30 June 2017	Exercise price HK\$
(A) 僱員						
Employees	29,286,521	-	-	-	29,286,521	0.39129
	14,545,079	-	-	-	14,545,079	0.62606
	12,400,545	-	-	-	12,400,545	0.78258
(B) 董事						
Directors						
池文富	25,556,580	-	-	-	25,556,580	0.39129
Chi Wen Fu						
沈世捷	11,500,461	-	-	-	11,500,461	0.39129
Shum Sai Chit						
池碧芬	19,167,435	-	-	-	19,167,435	0.39129
Chi Bi Fen						
郭孟勇	3,833,487	-	-	-	3,833,487	0.39129
Guo Mengyong						
鄭炳文	6,389,145	-	-	-	6,389,145	0.39129
Kwong Ping Man						
盛洪	3,611,316	-	-	-	3,611,316	0.39129
Sheng Hong						
劉智傑	6,389,145	-	-	-	6,389,145	0.78258
Lau Chi Kit						
	99,344,945	-	-	-	99,344,945	0.39129
	14,545,079	-	-	-	14,545,079	0.62606
	18,789,690	-	-	-	18,789,690	0.78258
	132,679,714	-	-	-	132,679,714	

其他資料
Other Information

於報告期末，上述尚未行使購股權有以下屆滿日期、行使期及行使價。

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

頒授日期 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 Share options
2011年12月30日 30 December 2011	2017年12月30日 30 December 2017	自2012年11月1日起至 2017年12月30日 From 1 November 2012 to 30 December 2017	0.39129	91,677,971
2011年12月30日 30 December 2011	2017年12月30日 30 December 2017	自2016年11月1日起至 2017年12月30日 From 1 November 2016 to 30 December 2017	0.39129	7,666,974
2013年3月19日 19 March 2013	2018年12月31日 31 December 2018	自2013年11月1日起至 2018年12月31日 From 1 November 2013 to 31 December 2018	0.62606	14,545,079
2015年1月6日 06 January 2015	2018年10月31日 31 October 2018	自2015年11月1日起至 2018年10月31日 From 1 November 2015 to 31 October 2018	0.78258	3,833,486
2015年1月6日 06 January 2015	2020年10月31日 31 October 2020	自2015年11月1日起至 2020年10月31日 From 1 November 2015 to 31 October 2020	0.78258	14,956,204
				132,679,714

於2017中期報告日期，該計劃項下可供發行之本公司股份總數(包括上述尚未行使購股權)為354,324,047股，相當於本公司當日已發行股本約7.73%。該計劃之餘下年期約為1.5年，並將於2018年12月3日屆滿。

As at the date of the 2017 Interim Report, the total number of Shares of the Company available for issue under the Scheme (including the above share options outstanding not yet exercised) was 354,324,047, representing approximately 7.73% of the issued share capital of the Company as of the date thereof. The remaining life of the Scheme is approximately 1.5 years and to be expired on 3 December 2018.

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、相關股份及債券之權益

於2017年6月30日，根據證券及期貨條例第352條規定本公司存置之登記冊的紀錄，又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」）向本公司及香港聯合交易所有限公司（「聯交所」）發出的通知，本公司各董事及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、相關股份及債券中之相關權益及短倉如下：

Directors' and Chief Executive's Interest in the Shares, Underlying Shares and Debentures of the Company and Any Associated Corporation

As at 30 June 2017, 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) 股份及購股權長倉

(1) Long positions in Shares and Share Options

董事姓名 Name of director	持有股份數目 Number of Shares held				合計 Total	持有購股權數目 (附註2) Number of options held (note 2)	佔本公司於 2017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 2017
	個人權益 Personal interests	配偶權益 Spouse interests	公司權益 Corporate interests				
池文富（「池先生」） Chi Wen Fu ("Mr. Chi")	222,240,548	—	1,341,871,364 (附註1)(note 1)	1,564,111,912		34.02%	
沈世捷 Shum Sai Chit	14,666,305	—	—	14,666,305	11,500,461	0.32%	
池碧芬 Chi Bi Fen	12,352,499	—	—	12,352,499	19,167,435	0.25%	
郭孟勇 Guo Mengyong	2,625,000	—	—	2,625,000	3,833,487	0.27%	
鄭炳文 Kwong Ping Man	—	—	—	—	6,389,145	0.42%	
盛洪 Sheng Hong	1,775,000	—	—	1,775,000	3,611,316	0.08%	
劉智傑 Lau Chi Kit	—	—	—	—	6,389,145	0.04%	
						0.08%	
						—	
						0.14%	

附註：

1. 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日簽署的貸款協議向國際金融公司償還貸款之抵押品。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。

2. 持有之購股權之詳情載列於上文「購股權計劃」一節。

notes:

1. 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.

2. Details of options held are set out in the above section headed "Share Options Scheme".

(2) 債券長倉**(2) Long positions in debentures**

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

除上文所披露者外，於2017年6月30日，本公司各董事或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、相關股份或債券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相關權益及短倉。

Save as disclosed above, as at 30 June 2017, 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.

其他資料 Other Information

董事購買股份或債券之權利

除上文所披露者外，於本期間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券而獲得利益的權利，彼等亦無行使任何該等權利；本公司或任何其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。

主要股東於本公司股份及相關股份之權益及短倉

就本公司任何董事或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2017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：

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.

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 2017, 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	持倉性質	股份數目	購股權數目	佔本公司於 2017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 2017
Name of Shareholder	Nature	Number of Shares	Number of options	
池文富 Chi Wen Fu	長倉 Long position	1,564,111,912 (附註1)(note 1)		34.02%
	長倉 Long position		25,556,580 (附註2)(note 2)	0.56%
冠華 Alpha Sino	長倉 Long position	1,341,871,364 (附註5)(note 5)		29.18%
楊玉川 Yang Yuchuan	長倉 Long position	346,844,434 (附註3)(note 3)		7.54%
Best Equity	長倉 Long position	309,914,999		6.74%
鄧勵 Zou Li	長倉 Long position	309,914,999 (附註4)(note 4)		6.74%
國際金融公司 International Finance Corporation	長倉 Long position	793,526,275 (附註5)(note 5)		17.26%

附註：

1. 池文富先生於本公司合共1,564,111,912股股份中擁有權益，當中(a) 222,240,548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%，據此賦予其權力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。
2. 持有之購股權之詳情載列於上文「購股權計劃」一節。
3. 楊玉川先生於本公司合共346,844,434股股份中擁有權益，當中(a) 36,929,435股股份乃由其配偶勞敏女士實益擁有，並以其名義登記；及(b) 309,914,999股股份乃基於其持有Best Equity已發行股本47.17%，據此賦予其權力可於Best Equity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。
4. 該等股份乃基於其持有Best Equity已發行股本52.83%，據此賦予其權力可於Best Equity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。
5. 國際金融公司於合共793,526,275股股份中擁有權益，當中(a) 244,246,275股股份乃由其實益擁有，並以其名義登記；及(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日簽署的貸款協議向國際金融公司償還貸款之抵押品。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。

notes:

1. Mr. Chi Wen Fu has interest in an aggregate of 1,564,111,912 Shares of which (a) 222,240,548 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.
2. Details of options held are set out in the above section headed "Share Option Scheme".
3. Mr. Yang Yuchuan has interest in an aggregate of 346,844,434 Shares of which (a) 36,929,435 Shares are beneficially owned by his spouse, Ms. Lao Min, and registered in her name; and (b) 309,914,999 Shares are deemed corporate interests by virtue of his holding of 47.17% of the issued share capital of Best Equity which entitled him to exercise or control the exercise of one-third or more of the voting power at general meeting of Best Equity.
4. These Shares are deemed corporate interests by virtue of her holding of 52.83% of the issued share capital of Best Equity which entitled her to exercise or control the exercise of one-third or more of the voting power at general meeting of Best Equity.
5. IFC has interest in an aggregate of 793,526,275 Shares of which (a) 244,246,275 Shares are beneficially owned by it and registered in its name; and (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.

其他資料 Other Information

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。

購買、出售或贖回本公司上市證券

於期內，本公司以總代價1,545,690港元(未計費用)按每股介乎0.223港元至0.235港元之價格於聯交所購回6,900,000股本公司每股面值0.02港元之普通股。購回之股份直至2017年7月29日方作註銷。

於報告日期後及截至本年期報告發佈日期，本公司以總代價2,535,965港元(未計費用)按每股介乎0.240港元至0.265港元之價格於聯交所購回9,960,000股本公司每股面值0.02港元之普通股。購回之股份已於2017年7月29日註銷。

因此，本公司之已發行股本已相應按該等股份之面值予以削減。購回股份應付之溢價已於本公司股份溢價帳支銷。上述購回為董事會根據股東授權而進行，藉以提高本公司之每股資產淨值及每股盈利，使股東整體受惠。

除上文所披露者外，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。

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.

Purchase, Sale or Redemption of The Company's Listed Securities

During the Period, the Company repurchased 6,900,000 ordinary shares of HK\$0.02 each of the Company at an aggregate consideration of HK\$1,545,690 before expenses at prices ranging from HK\$0.223 to HK\$0.235 per share on the Stock Exchange. The repurchased shares were yet cancelled until on 29 July 2017.

Subsequent to the reporting date and up to the date of the interim report, the Company repurchased 9,960,000 ordinary shares of HK\$0.02 each of the Company at an aggregate consideration of HK\$2,535,965 before expenses at prices ranging from HK\$0.240 to HK\$0.265 per share on the Stock Exchange. The repurchased shares were cancelled on 29 July 2017.

Accordingly, the issued share capital of the Company was reduced by the nominal value thereof. The premium payable on repurchase was charged against the share premium account of the Company. The repurchases were effected by the Board pursuant to the mandate from shareholders, with a view to benefit shareholders as a whole in enhancing the net assets and earnings per share of the Company.

Save as disclosed above, 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

於整個期內，本公司已遵守載於上市規則附錄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2017年5月26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) 根據守則條文第A.6.7條，獨立非執行董事及其他非執行董事須出席股東大會，並對股東之意見有公正的瞭解。非執行董事郭孟勇先生及獨立非執行董事鄭炳文先生及盛洪先生因公出差而無法出席於2017年5月26日舉行的股東週年大會。

董事進行證券交易行為守則

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。

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 26 May 2017 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) Under code provision A.6.7, independent non-executive directors and other non-executive directors should also attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Guo Mengyong (being a non-executive Director), Mr. Kwong Ping Man and Mr. Sheng Hong (being independent non-executive Directors) were unable to attend the annual general meeting held on 26 May 2017 as they were obliged to be away for business trips.

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.

其他資料 Other Information

審核委員會

審核委員會於2004年1月成立。於2017年6月30日，審核委員會有三名成員，分別為鄺炳文先生、盛洪先生及劉智傑先生。鄺炳文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用，並向董事會提供建議。截至2017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2017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會計準則，並已作出足夠披露。

薪酬委員會

薪酬委員會現時由四名成員組成，分別為鄺炳文先生、沈世捷先生、盛洪先生及劉智傑先生，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，以制定本集團董事及高級管理層的薪酬和福利政策。

承董事會命
沈世捷
執行董事

香港，2017年8月31日

Audit Committee

The Audit Committee was established in January 2004. As at 30 June 2017, the Audit Committee has three members, namely Mr. Kwong Ping Man, Mr. Sheng Hong and Mr. Lau Chi Kit. Mr. Kwong Ping Man 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 2017, 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 2017 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.

Remuneration Committee

The Remuneration Committee currently comprises four members, namely Mr. Kwong Ping Man, Mr. Shum Sai Chit, Mr. Sheng Hong and Mr. Lau Chi Kit, 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.

By Order of the Board
Shum Sai Chit
Executive Director

Hong Kong, 31 August 2017



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 股份代號 : 509.HK

Website 網址 : www.centurysunshine.com.hk