



China Graphene Group Limited 中國烯谷集團有限公司

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立之有限公司)
(Stock Code 股份代號 : 63)

2018 Interim Report 中期報告

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Chen Meng

Mr. Zhou Chen

Non-executive Director

Mr. Li Feng Mao (*Chairman*)

Independent non-executive Directors

Mr. Wang Song Ling

Mr. Li Jing Bo

Mr. Li Wai Kwan

COMPANY SECRETARY

Mr. Zhou Chen

AUDITOR

RSM Hong Kong

REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

PRINCIPAL OFFICE IN HONG KONG

Rooms 1904-1916, 19th Floor,

Sun Hung Kai Centre

30 Harbour Road, Wanchai

Hong Kong

SHARE REGISTRAR

MUFG Fund Services (Bermuda) Limited

The Belvedere Building

69 Pitts Bay Road

Pembroke HM08

Bermuda

公司資料

董事會

執行董事

陳猛先生

周晨先生

非執行董事

李丰茂先生(*主席*)

獨立非執行董事

王松岭先生

李景波先生

李偉君先生

公司秘書

周晨先生

核數師

中瑞岳華(香港)會計師事務所

註冊辦事處

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

香港主要辦事處

香港

灣仔港灣道30號

新鴻基中心

19樓1904-1916室

股份過戶登記處

MUFG Fund Services (Bermuda) Limited

The Belvedere Building

69 Pitts Bay Road

Pembroke HM08

Bermuda

**BRANCH SHARE REGISTRAR AND
TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

LISTING INFORMATION

Stock Code: 63, Hong Kong

WEBSITE

www.chn-graphene.com

股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17M樓

上市資料

股份代號：63，香港

網站

www.chn-graphene.com

RESULTS

The board of directors (the “Board”) of China Graphene Group Limited (the “Company”) announces that the unaudited consolidated financial results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2018, together with the comparative figures for the six months ended 30 June 2017, are as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2018

業績

中國烯谷集團有限公司(「本公司」)董事會(「董事會」)公佈本公司及其附屬公司(統稱「本集團」)截至二零一八年六月三十日止六個月之未經審核綜合財務業績，連同截至二零一七年六月三十日止六個月的比較數字如下：

簡明綜合損益及其他全面收益表

截至二零一八年六月三十日止六個月

| | | Unaudited six months ended 30 June | |
|---------------------------------------|--------------|------------------------------------|-----------------|
| | | 未經審核 | |
| | | 截至六月三十日止六個月 | |
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Revenue | 收益 | 4 | 4 |
| Cost of sales | 銷售成本 | | |
| | | 8,026 | 2,123 |
| | | (699) | (374) |
| Gross profit | 毛利 | 7,327 | 1,749 |
| Other income | 其他收入 | 5 | 5 |
| Other gains and losses | 其他收益及虧損 | 6 | 6 |
| Operating and administrative expenses | 經營及行政開支 | | |
| | | (28,969) | (33,081) |
| Loss from operations | 經營虧損 | (21,511) | (25,926) |
| Finance costs | 融資成本 | 8 | 8 |
| Share of losses of associates | 應佔聯營公司虧損 | | |
| | | (2,894) | (1,967) |
| | | (255) | (102) |
| Loss before tax | 除稅前虧損 | (24,660) | (27,995) |
| Income tax expense | 所得稅開支 | 9 | 9 |
| | | - | - |
| Loss for the period | 期內虧損 | 10 | 10 |
| | | (24,660) | (27,995) |

**CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

For the six months ended 30 June 2018

**簡明綜合損益及其他全面收
益表**

截至二零一八年六月三十日止六個月

| | | Unaudited six months ended 30 June | |
|----------------------------------------------------------------------------------------------|------------------------------|---------------------------------------|------------------|
| | | 未經審核 | |
| | | 截至六月三十日止六個月 | |
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| Note | | HK\$'000 | HK\$'000 |
| 附註 | | 千港元 | 千港元 |
| Other comprehensive income | 其他全面收益 | | |
| Exchange difference on translating foreign operation | 換算境外業務而 產生的匯兌差額 | 1,340 | - |
| Total comprehensive loss for the period | 期內全面虧損總額 | (23,320) | (27,995) |
| Total comprehensive loss for the period attributable to owners of the Company | 本公司擁有人應佔期內 全面虧損總額 | (23,320) | (27,995) |
| Loss per share | 每股虧損 | | |
| Basic | 基本 | 11 HK cent (0.87)港仙 | HK cent (0.99)港仙 |
| Diluted | 攤薄 | HK cent (0.87)港仙 | HK cent (0.99)港仙 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2018

簡明綜合財務狀況表

二零一八年六月三十日

| | | | Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|----------------------------------------------------------|---------------------|----|------------------------------------------------------------------------|---------------------------------------------------------------------------|
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 13 | 5,808 | 6,700 |
| Investment properties | 投資物業 | | 358,400 | 358,400 |
| Investment in associates | 於聯營公司之投資 | | 12,286 | 12,541 |
| Pledged bank deposits | 已抵押銀行存款 | | 12,185 | 13,769 |
| Prepayment for property, plant and equipment | 物業、廠房及設備之 預付款項 | | 38,265 | 37,442 |
| | | | <hr/> 426,944 | <hr/> 428,852 |
| | | | ----- | ----- |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | 14 | 442 | 462 |
| Trade and other receivables | 貿易及其他應收賬項 | 15 | 27,254 | 7,466 |
| Financial assets at fair value through profit or loss | 透過損益按公平值列賬之 金融資產 | 16 | 703 | 737 |
| Cash and cash equivalents | 現金及現金等價物 | | 13,475 | 57,422 |
| | | | <hr/> 41,874 | <hr/> 66,087 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 貿易及其他應付賬項 | 17 | 7,872 | 10,673 |
| Bank loan | 銀行貸款 | 18 | 200,000 | 200,000 |
| | | | <hr/> 207,872 | <hr/> 210,673 |
| Net current liabilities | 流動負債 | | <hr/> (165,998) | <hr/> (144,586) |
| | | | ----- | ----- |
| NET ASSETS | 資產淨值 | | <hr/> 260,946 | <hr/> 284,266 |
| Capital and reserves | 股本及儲備 | | | |
| Share capital | 股本 | 19 | 140,955 | 140,955 |
| Reserves | 儲備 | | 119,991 | 143,311 |
| TOTAL EQUITY | 權益總額 | | <hr/> 260,946 | <hr/> 284,266 |

The notes on pages 10 to 36 form part of these interim condensed consolidated financial statements.

第10至36頁之附註構成此等中期簡明綜合財務報表之一部分。

**CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
— Unaudited**

For the six months ended 30 June 2018

**簡明綜合權益變動表
— 未經審核**

截至二零一八年六月三十日止六個月

| | | Attributable to equity shareholders of the Company 本公司權益持有人應佔 | | | | | |
|--------------------------------------------|-------------|------------------------------------------------------------------|------------------|----------------------------------|---------------------|---------------------|-----------------|
| | | Share capital | Share premium | Capital redemption reserve | Exchange reserve | Retained profits | Total equity |
| | | 股本 | 股份溢價 | 贖回儲備 | 匯兌儲備 | 保留溢利 | 總權益 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2017 | 於二零一七年一月一日 | 140,955 | 26,770 | 121 | (7,656) | 71,363 | 231,553 |
| Total comprehensive loss for the period | 期內全面虧損總額 | - | - | - | 923 | (27,995) | (27,072) |
| At 30 June 2017 | 於二零一七年六月三十日 | 140,955 | 26,770 | 121 | (6,733) | 43,368 | 204,481 |
| At 1 January 2018 | 於二零一八年一月一日 | 140,955 | 26,770 | 121 | (6,841) | 123,261 | 284,266 |
| Total comprehensive loss for the period | 期內全面虧損總額 | - | - | - | 1,340 | (24,660) | (23,320) |
| At 30 June 2018 | 於二零一八年六月三十日 | 140,955 | 26,770 | 121 | (5,501) | 98,601 | 260,946 |

The notes on pages 10 to 36 form part of these interim condensed consolidated financial statements.

第10至36頁之附註構成此等中期簡明綜合財務報表之一部分。

**CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS**
— Unaudited

For the six months ended 30 June 2018

簡明綜合現金流量表
— 未經審核

截至二零一八年六月三十日止六個月

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|-------------------------------------------------------------------|------------------------------|-----------------------------------------|----------------------------------|
| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
| Cash flows from operating activities | 經營業務所得現金流量 | | |
| Loss before tax | 除稅前虧損 | (24,660) | (27,995) |
| Adjustments for: | 經以下調整： | | |
| Share of result of an associate | 應佔聯營公司業績 | 255 | 102 |
| Amortisation of leasehold land | 租賃土地攤銷 | 2 | 7 |
| Depreciation of other property, plant and equipment | 其他物業、廠房及 設備折舊 | 1,114 | 888 |
| Interest expense | 利息開支 | 2,894 | 1,967 |
| Fair value gain on financial assets at fair value | 透過損益按公平值列賬之 金融資產 | 33 | (54) |
| Foreign exchange difference | 外匯匯兌差額 | 247 | 173 |
| Changes in working capital: | 營運資金變動： | | |
| Decrease in inventories | 存貨減少 | 20 | 60 |
| Increase in trade and other receivables | 貿易及其他應收賬項增加 | (19,788) | (2,869) |
| Decrease in loan receivables | 應收貸款減少 | - | 1,480 |
| (Decrease)/increase in trade and other payables | 貿易及其他應付賬項 (減少)/增加 | (2,801) | 4,852 |
| Cash used in operations | 經營所使用之現金 | (42,684) | (21,389) |
| Hong Kong profits tax paid | 已付香港利得稅 | - | - |
| Net cash used in operating activities | 經營業務所使用之 現金淨額 | (42,684) | (21,389) |
| Cash flow from investing activities | 投資活動所得現金流量 | | |
| Payment for purchase of property, plant and equipment | 購入物業、廠房及 設備之付款 | (137) | (1,362) |
| Deposit paid for purchase of property, plant and equipment | 購入物業、廠房及 設備之已付按金 | - | (37,530) |
| Acquisition of interest in an associate | 收購聯營公司之權益 | - | (12,764) |
| Decrease/(increase) in pledged bank deposits | 已抵押銀行存款減少/ (增加) | 1,584 | (3,090) |
| Net cash generated from/(used in) investing activities | 投資活動所得/(使用)之 現金淨額 | 1,447 | (54,746) |

**CONDENSED CONSOLIDATED
STATEMENT OF CASH FLOWS
— Unaudited**

For the six months ended 30 June 2018

**簡明綜合現金流量表
— 未經審核**

截至二零一八年六月三十日止六個月

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---------------------------------------------------------------|---------------------------|-----------------------------------------|----------------------------------|
| | | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
| Cash flow from financing activities | 融資活動所得現金流量 | | |
| Proceeds from bank loan | 銀行貸款所得款項 | - | 80,000 |
| Interest paid | 已付利息 | (2,736) | (1,841) |
| Net cash (used in)/generated from financing activities | 融資活動(所用)/產生之現金淨額 | (2,736) | 78,159 |
| Net (decrease)/increase in cash and cash equivalents | 現金及現金等價物之(減少)/增加淨額 | (43,973) | 2,024 |
| Effect of foreign exchange rate changes | 匯率變動之影響 | 26 | 62 |
| Cash and cash equivalents at the beginning of the year | 於年初之現金及現金等價物 | 57,422 | 75,587 |
| Cash and cash equivalents at the end of the year | 於年底之現金及現金等價物 | 13,475 | 77,673 |

The notes on pages 10 to 36 form part of these interim condensed consolidated financial statements.

第10至36頁之附註構成此等中期簡明綜合財務報表之一部分。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

1. COMPANY INFORMATION

China Graphene Group Limited (the "Company") was incorporated in Bermuda with limited liability. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The address of its principal place of business is Rooms 1904–1916, 19/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its subsidiaries are property investment, property development, property management, provision of horticultural services, money lending, trading of securities, and manufacturing and sale of graphene and graphene-related products.

In the opinion of the Directors of the Company, HK Guoxin Investment Group Limited ("HK Guoxin"), a company incorporated in Hong Kong, is the immediate parent and Mr. Li Feng Mao, the sole beneficial owner of HK Guoxin and the director of the Company, is the ultimate controlling party of the Company.

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

1. 公司資料

中國烯谷集團有限公司(「本公司」)為於百慕達註冊成立的有限公司。註冊辦事處地址為 Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。主要營業地點則為香港灣仔港灣道30號新鴻基中心19樓1904–1916室。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司為一間投資控股公司，其附屬公司之主要業務為物業投資、物業發展、物業管理、提供園藝服務、借貸業務、證券交易、以及生產及銷售石墨烯及石墨烯相關產品。

本公司董事認為，香港國信興業投資集團有限公司(「香港國信」，一間於香港註冊成立之公司)為直接母公司，而李丰茂先生(香港國信之唯一實益擁有人兼本公司董事)為本公司最終控制方。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

2. BASIS OF PREPARATION

The interim condensed consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The interim condensed consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in the interim condensed consolidated financial statements.

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

2. 編製基準

中期簡明綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）編製。香港財務報告準則包括香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）及詮釋。該等中期簡明綜合財務報表亦已符合聯交所證券上市規則之適用披露規定，並已遵守香港公司條例第622章之披露規定。下文披露本集團所採納之主要會計政策。

香港會計師公會已頒佈若干於本集團本會計期間首次生效或可供提早採納之新增及經修訂之香港財務報告準則。附註3載列於中期簡明綜合財務報表反映有關本集團現在及過往會計期間因初步應用該等發展而導致會計政策之任何變動資料。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

2. BASIS OF PREPARATION (Continued)

Going concern basis

The Group had net current liabilities of HK\$165,998,000 as at 31 December 2017 and had net cash outflow from operating activities of HK\$43,973,000 during the year. Notwithstanding this fact, the Directors consider it is appropriate to prepare the consolidated financial statements on a going concern basis as the Group is expected to have sufficient financial resources to meet its obligation as they fall due for at least the next twelve months based on its projected cash flow forecasts. The Group's management has reviewed the financial position of the Group as at 30 June 2018, including its working capital and bank and cash balances, together with the projected cash flow forecasts for the next twelve months and the Directors consider that the Group is financially viable to continue as a going concern.

Should the Group be unable to continue as a going concern, adjustments would have to be made to the interim condensed consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets as current assets. The effects of these potential adjustments have not been reflected in the interim condensed consolidated financial statements.

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

2. 編製基準(續)

持續經營基準

本集團於二零一七年十二月三十一日錄得流動負債淨值165,998,000港元及年內產生自經營業務之現金流出淨值43,973,000港元。儘管如此，董事認為以持續經營基準編製綜合財務報表屬恰當，原因為基於本集團之預計現金流量預測，預期本集團將擁有充足財務資源以應付未來最少十二個月到期之責任。本集團之管理層已審閱本集團於二零一八年六月三十日之財務狀況，包括其營運資金以及銀行及現金結餘連同未來十二個月之預計現金流量預測，且董事認為本集團在財務上能夠按持續經營基準繼續營運。

倘本集團未能持續經營，將須對中期簡明綜合財務報表作出調整，以將本集團資產價值調整至其可收回金額，就任何日後可能產生之更多負債計提撥備，以及將非流動資產重新分類為流動資產。該等潛在調整之影響並無於中期簡明綜合財務報表內反映。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The HKICPA has issued a number of new and revised HKFRSs that are first effective for annual periods beginning on or after 1 January 2018.

HKFRS 9

Financial Instruments

HKFRS 15

Revenue from Contracts with Customers and
the related Amendments

Amendments to HKFRS 2

Classification and Measurement of Share-based
Payment Transactions

Amendments to HKFRS 4

Applying HKFRS 9 Financial Instruments with
HKFRS 4 Insurance Contracts

Amendments to HKFRSs

Annual Improvements to HKFRSs 2014–2016 Cycle

Amendments to HKAS 40

Transfer of Investment Property

HK(IFRIC) – Int 22

Foreign Currency Transactions and Advance
consideration

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

3. 採納新訂及經修訂香港財 務報告準則

香港會計師公會已頒佈多項於二零一八年一月一日或之後開始的年度期間首次生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第9號
金融工具

香港財務報告準則第15號
來自客戶之合約收益及
相關修訂

香港財務報告準則第2號之修訂
以股份為基礎的付款交易之
分類及計量

香港財務報告準則第4號之修訂
應用香港財務報告準則
第9號金融工具及香港財務
報告準則第4號保險合約

香港財務報告準則之修訂
香港財務報告準則
二零一四年至二零一六年
週期年度改進

香港會計準則第40號之修訂
轉讓投資物業

香港(國際財務報告詮釋
委員會)第22號
外幣交易及預付代價

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The adoption of these new and revised HKFRSs and amendments has had no significant impact on the results and financial position of the Group.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. REVENUE

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

| | |
|---------------------------------------------------------|-------------|
| Rental income | 租金收入 |
| Sales of plants and provision of horticultural services | 銷售植物及提供園藝服務 |
| Provision of property management services | 提供物業管理服務 |
| Sale of graphene | 銷售石墨烯 |
| Loan interest income | 貸款利息收入 |

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

3. 採納新訂及經修訂香港財務報告準則(續)

採納該等新訂及經修訂香港財務報告準則及修訂對本集團的業績及財務狀況並無重大影響。

本集團尚未應用任何於本會計期間尚未生效的新準則或詮釋。

4. 收益

本集團期內收益之分析如下：

| Unaudited six months ended 30 June | |
|------------------------------------|--------------|
| 未經審核 | |
| 截至六月三十日止六個月 | |
| 2018 | 2017 |
| 二零一八年 | 二零一七年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |
| 5,404 | – |
| 2,412 | 1,991 |
| 136 | 75 |
| 74 | – |
| – | 57 |
| 8,026 | 2,123 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

5. OTHER INCOME

| | |
|-----------------------------------------|-------------|
| Dividend income from equity investments | 股本投資所得之股息收入 |
| Rental income | 租金收入 |
| Others | 其他 |

| Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月 | |
|--------------------------------------------------------------|----------|
| 2018 | 2017 |
| 二零一八年 | 二零一七年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |

| | |
|------------|--------------|
| 4 | 3 |
| – | 5,180 |
| 160 | 169 |
| <hr/> | |
| 164 | 5,352 |

6. OTHER GAINS AND LOSSES

| | |
|---------------------------------------------------------------------------------|---------------------------|
| Fair value gain/(loss) on financial assets at fair value through profit or loss | 透過損益按公平值列賬之金融資產公平值收益/(虧損) |
|---------------------------------------------------------------------------------|---------------------------|

| Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月 | |
|--------------------------------------------------------------|----------|
| 2018 | 2017 |
| 二零一八年 | 二零一七年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |

| | |
|-------------|-----------|
| (33) | 54 |
| <hr/> | |

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

5. 其他收入

6. 其他收益及虧損

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

7. SEGMENT REPORTING

The Group has seven operating segments as follows:

- Property development – develops and sells properties
- Property investment – engages in leasing out residential properties
- Money lending – provides loan financing to corporate entities and individuals
- Horticultural services – provides horticultural services
- Graphene manufacturing and sales – manufactures and sells graphene and graphene-related products
- Property management and other related services – provides building management services
- Securities trading – engages in trading of securities

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 2 to the interim condensed consolidated financial statements. Segment profits or losses do not include unallocated administrative expenses, share of losses of associates, other income, other gains and losses, finance costs and income tax expense. Segment assets do not include pledged bank deposits, interests in associates and unallocated corporate assets. Segment liabilities do not include bank borrowings and unallocated corporate liabilities.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

7. 分類報告

本集團有七個經營分類如下：

- 物業發展 – 物業發展及銷售
- 物業投資 – 從事住宅物業出租
- 借貸 – 向公司實體及個人提供貸款融資
- 園藝服務 – 提供園藝服務
- 石墨烯生產及銷售 – 生產及銷售石墨烯及石墨烯相關產品
- 物業管理及其他相關服務 – 提供樓宇管理服務
- 證券交易 – 從事證券交易

本集團報告分類指提供不同產品及服務之策略性業務單位，並由於各業務所需之技術及營銷策略有別，故有關業務會分開管理。

經營分類之會計政策與中期簡明綜合財務報表附註2所述者相同。分類溢利或虧損並不包括未分配行政開支、應佔聯營公司虧損、其他收入、其他收益及虧損、融資成本以及所得稅開支。分類資產並不包括已抵押銀行存款、於聯營公司之權益及未分配公司資產。分類負債並不包括銀行借貸及未分配公司負債。

本集團將分類間銷售及轉讓列賬，猶如有關銷售及轉讓乃向第三方（即按現時市價）作出。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

7. SEGMENT REPORTING (Continued)

7. 分類報告(續)

(a) Information about operating segment profit or loss, assets and liabilities

(a) 有關經營分類損益、資產及負債之資料

| | | Property development | Property investment | Money lending | Horticultural services | Graphene manufacturing and sales | Property management and other related services | Securities trading | Total |
|-----------------------------------------|------------------|-------------------------|-------------------------|-----------------------|-------------------------|----------------------------------|------------------------------------------------|-------------------------|-----------------------|
| | | 物業發展 HK\$'000 千港元 | 物業投資 HK\$'000 千港元 | 借貸 HK\$'000 千港元 | 園藝服務 HK\$'000 千港元 | 石墨烯 生產及銷售 HK\$'000 千港元 | 物業管理 及其他相關服務 HK\$'000 千港元 | 證券交易 HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| For the six months ended 30 June 2018 | 截至二零一八年六月三十日止六個月 | | | | | | | | |
| Revenue from external customers | 來自對外客戶之收益 | - | 5,404 | - | 2,412 | 74 | 136 | - | 8,026 |
| Intersegment revenue | 分類間收益 | - | - | - | 54 | - | - | - | 54 |
| Segment profit/(loss) | 分類溢利/(虧損) | (1,298) | (3,420) | - | (944) | (7,849) | 104 | (33) | (13,440) |
| Depreciation | 折舊 | - | - | - | - | 567 | - | - | 567 |
| Additions to segment non-current assets | 添置分類非流動資產 | - | - | - | - | 95 | - | - | 95 |
| As at 30 June 2018 | 於二零一八年六月三十日 | | | | | | | | |
| Segment assets | 分類資產 | 103 | 359,737 | - | 2,806 | 60,369 | 667 | 737 | 424,419 |
| Segment liabilities | 分類負債 | 2,434 | 1,790 | - | 354 | 1,490 | - | - | 6,068 |
| | | | | | | | | | |
| | | Property development | Property investment | Money lending | Horticultural services | Graphene manufacturing and sales | Property management and other related services | Securities trading | Total |
| | | 物業發展 HK\$'000 千港元 | 物業投資 HK\$'000 千港元 | 借貸 HK\$'000 千港元 | 園藝服務 HK\$'000 千港元 | 石墨烯 生產及銷售 HK\$'000 千港元 | 物業管理 及其他相關服務 HK\$'000 千港元 | 證券交易 HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| For the six months ended 30 June 2017 | 截至二零一七年六月三十日止六個月 | | | | | | | | |
| Revenue from external customers | 來自對外客戶之收益 | - | - | 57 | 1,991 | - | 75 | - | 2,123 |
| Intersegment revenue | 分類間收益 | - | - | - | 68 | - | - | - | 68 |
| Segment profit/(loss) | 分類溢利/(虧損) | (9,770) | - | (5) | (1,207) | (7,237) | 64 | 54 | (18,101) |
| Depreciation | 折舊 | - | - | - | - | 945 | - | - | 945 |
| Additions to segment non-current assets | 添置分類非流動資產 | - | - | - | - | 2,275 | - | - | 2,275 |
| As at 31 December 2017 | 於二零一七年十二月三十一日 | | | | | | | | |
| Segment assets | 分類資產 | 9,031 | 358,400 | - | 2,584 | 62,526 | 876 | 737 | 434,154 |
| Segment liabilities | 分類負債 | 4,745 | - | - | 527 | 2,055 | 43 | - | 7,370 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

7. SEGMENT REPORTING (Continued)

(a) Information about operating segment profit or loss, assets and liabilities (continued)

For the six months ended 30 June 2018, revenue of approximately HK\$1,920,000 was derived from a single external customer who contributed more than 10% of total revenue of the Group. This revenue was attributable to the property investment segment.

For the six months ended 30 June 2017, revenue of approximately HK\$311,000 was derived from a single external customer who contributed more than 10% of total revenue of the Group. This revenue was attributable to the horticultural services segment.

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

7. 分類報告(續)

(a) 有關經營分類損益、資產及負債之資料(續)

截至二零一八年六月三十日止六個月，約1,920,000港元之收益產生自一名單一對外客戶，其貢獻佔本集團之總收益逾10%。該收益來自物業投資分類。

截至二零一七年六月三十日止六個月，約311,000港元之收益產生自一名單一對外客戶，其貢獻佔本集團之總收益逾10%。該收益來自園藝服務分類。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

7. SEGMENT REPORTING (Continued)

7. 分類報告(續)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

(b) 報告分類收益、損益、資產及負債之對賬

| | | Unaudited six months ended 30 June | |
|---------------------------------------------|-----------|------------------------------------|----------|
| | | 未經審核 | |
| | | 截至六月三十日止六個月 | |
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Revenue | 收益 | | |
| Total revenue of reportable segments | 報告分類總收益 | 8,080 | 2,191 |
| Elimination of inter-segment revenue | 抵銷分類間收益 | (54) | (68) |
| Consolidated revenue | 綜合收益 | 8,026 | 2,123 |
| Profit or loss | 損益 | | |
| Total profit or loss of reportable segments | 報告分類之損益總額 | (13,440) | (18,101) |
| Elimination of inter-segment profit | 抵銷分類間溢利 | (54) | (68) |
| Share of losses of associates | 應佔聯營公司虧損 | (255) | (102) |
| Unallocated amounts: | 未分配款項： | | |
| – Other gain or loss | – 其他收益或虧損 | 164 | 172 |
| – Depreciation and amortisation | – 折舊及攤銷 | (549) | (895) |
| – Finance cost | – 融資成本 | (2,894) | (1,967) |
| – Unallocated corporate expenses | – 未分配公司開支 | (7,632) | (7,034) |
| Consolidated loss before tax | 除稅前綜合虧損 | (24,660) | (27,995) |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

7. SEGMENT REPORTING (Continued)

7. 分類報告(續)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities (continued)

(b) 報告分類收益、損益、資產及負債之對賬(續)

| | | Unaudited 30 June 2018 未經審核 二零一八年 六月三十日 HK\$'000 千港元 | Audited 31 December 2017 經審核 二零一七年 十二月三十一日 HK\$'000 千港元 |
|------------------------------------------|------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Assets | 資產 | | |
| Total assets of reportable segments | 報告分類之總資產 | 424,419 | 434,154 |
| Investment in associates | 於聯營公司之投資 | 12,286 | 12,541 |
| Unallocated corporate assets | 未分配公司資產 | | |
| – Pledged bank deposits | – 已抵押銀行存款 | 12,185 | 13,769 |
| – Cash and cash equivalent | – 現金及現金等價物 | 10,519 | 31,185 |
| – Other assets | – 其他資產 | 9,409 | 3,290 |
| Consolidated total assets | 綜合資產總額 | 468,818 | 494,939 |
| Liabilities | 負債 | | |
| Total liabilities of reportable segments | 報告分類之總負債 | 6,068 | 7,370 |
| Unallocated corporate liabilities | 未分配公司負債 | | |
| – Bank borrowings | – 銀行借貸 | 200,000 | 200,000 |
| – Other liabilities | – 其他負債 | 1,804 | 3,303 |
| Consolidated total liabilities | 綜合負債總額 | 207,872 | 210,673 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

7. SEGMENT REPORTING (Continued)

7. 分類報告(續)

(c) Geographic information

The geographical location of customers is based on the location at which the services were provided or the goods were delivered. The geographical location of the specified non-current assets is based on the physical location of the asset.

(c) 地區資料

客戶的地區乃以提供服務或交付貨品的所在地為基準。指定非流動資產的地區乃以資產的實際地點為基準。

| | | Revenue | | Non-current assets | |
|-----------|----|------------------------------------|--------------|--------------------|------------------|
| | | 收益 | | 非流動資產 | |
| | | Unaudited six months ended 30 June | | Unaudited | Audited |
| | | 2018 | 2017 | 30 June 2018 | 31 December 2017 |
| | | 未經審核 | | 未經審核 | 經審核 |
| | | 截至六月三十日止六個月 | | 二零一八年六月三十日 | 二零一七年十二月三十一日 |
| | | 二零一八年 | 二零一七年 | 二零一八年六月三十日 | 二零一七年十二月三十一日 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Hong Kong | 香港 | 7,952 | 2,123 | 360,819 | 361,326 |
| Japan | 日本 | 74 | - | 41,654 | 41,216 |
| | | 8,026 | 2,123 | 402,473 | 402,542 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

8. FINANCE COSTS

Interest on bank borrowings 銀行借貸利息

9. INCOME TAX

No Hong Kong Profits Tax for the six months ended 30 June 2018 and 2017 has been provided for as the Group has no estimated assessable profits arising in Hong Kong.

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

8. 融資成本

| Unaudited six months ended 30 June 未經審核 截至六月三十日止六個月 | |
|--------------------------------------------------------------|----------|
| 2018 | 2017 |
| 二零一八年 | 二零一七年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |
| 2,894 | 1,967 |

9. 所得稅

由於本集團於香港並無產生估計應課稅溢利，故於截至二零一八年及二零一七年六月三十日止六個月，並無作出香港利得稅撥備。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

10. LOSS FOR THE PERIOD

Loss for the period is stated at after charging the following:

| | |
|--------------------------------|----------|
| Depreciation and amortisation | 折舊及攤銷 |
| Cost of inventories | 存貨成本 |
| Operating lease charge | 經營租賃開支 |
| – Land and building | – 土地及樓宇 |
| Allowance for trade receivable | 貿易應收賬款撥備 |

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

10. 期內虧損

期內虧損乃經扣除下列項目之後列賬：

Unaudited six months
ended 30 June

未經審核

截至六月三十日止六個月

| 2018 | 2017 |
|----------|----------|
| 二零一八年 | 二零一七年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |

| | |
|-------|-------|
| 1,116 | 895 |
| 699 | 374 |
| 2,986 | 2,498 |
| 27 | – |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to equity shareholders of the Company of HK\$24,660,000 (2017: HK\$27,995,000) for the period and the weighted average number of approximately 2,819,102,000 (2017: 2,819,102,000) ordinary shares in issue during the period.

(b) Diluted loss per share

Diluted loss per share is the same as basic loss per share as the Company does not have dilutive potential ordinary shares for the six months ended 30 June 2018 and 2017.

12. INTERIM DIVIDEND

The directors of the Company do not recommend the payment of any interim dividend for the six months ended 30 June 2018 (2017: Nil).

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

11. 每股虧損

(a) 每股基本虧損

每股基本虧損乃根據期內本公司權益持有人應佔虧損 24,660,000 港元（二零一七年：27,995,000 港元）及期內已發行普通股之加權平均數約 2,819,102,000 股（二零一七年：2,819,102,000 股）計算。

(b) 每股攤薄虧損

每股攤薄虧損與每股基本虧損相同，此乃由於截至二零一八年及二零一七年六月三十日止六個月本公司概無具攤薄潛力之普通股。

12. 中期股息

本公司董事並不建議就截至二零一八年六月三十日止六個月派付任何中期股息（二零一七年：無）。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

13. PROPERTY, PLANT AND EQUIPMENT — Unaudited

13. 物業、廠房及設備 — 未經審核

| | | Interests in leasehold land held for own use under finance leases | Buildings held for own use carried at fair value | Furniture, equipment and other fixed assets | Leasehold improvements | Motor vehicles | Total |
|----------------------------------|-------------|-------------------------------------------------------------------------------|-----------------------------------------------------------|------------------------------------------------------|---------------------------|-------------------|----------|
| | | 根據融資 租約持作 自用租賃 土地之權益 | 按公平值 列賬之持 作自用樓宇 | 傢俬、設備 及其他 固定資產 | 租賃裝修 | 汽車 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 January 2018 | 於二零一八年一月一日 | 333 | 90 | 1,384 | 2,258 | 2,635 | 6,700 |
| Additions | 添置 | - | - | 71 | - | 66 | 137 |
| Amortisation and depreciation | 攤銷及折舊 | (7) | (2) | (230) | (273) | (604) | (1,116) |
| Exchange alignment | 匯兌調整 | - | - | 4 | 42 | 41 | 87 |
| At 30 June 2018 | 於二零一八年六月三十日 | 326 | 88 | 1,229 | 2,027 | 2,138 | 5,808 |

14. INVENTORIES

14. 存貨

| | | Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|----------------------|------|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Horticultural plants | 園藝植物 | 442 | 462 |

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For the six months ended 30 June 2018

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

15. TRADE AND OTHER RECEIVABLES

15. 貿易及其他應收賬項

| | | Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|--------------------------------------------------|-------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Trade receivables | 貿易應收賬款 | 1,901 | 958 |
| Allowance for doubtful debt | 呆賬撥備 | (27) | (191) |
| | | 1,874 | 767 |
| Prepayments for property, plant and equipment | 物業、廠房及設備之 預付款項 | 38,265 | 37,442 |
| Other prepayments | 其他預付款項 | 2,271 | 2,426 |
| Rental and other deposits | 租金及其他按金 | 2,436 | 2,386 |
| Other receivables | 其他應收賬項 | 20,673 | 1,887 |
| | | 65,519 | 44,908 |
| Analysed as: | 按下列各項分析： | | |
| Current assets | 流動資產 | 27,254 | 7,466 |
| Non-current assets | 非流動資產 | 38,265 | 37,442 |
| | | 65,519 | 44,908 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

15. TRADE AND OTHER RECEIVABLES (Continued)

The Group's trade receivables are due within 30 days from the date of billing.

The aging analysis of trade receivables on invoice date, and net of allowance as follows:

| | |
|-----------------|----------|
| 0 to 90 days | 0至90日 |
| 91 to 180 days | 91至180日 |
| 181 to 365 days | 181至365日 |

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

15. 貿易及其他應收賬項(續)

本集團之貿易應收賬項自發票日期起計30日內到期。

按發票日期計算之貿易應收賬款(扣除撥備)之賬齡分析如下:

| Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| 657 | 705 |
| 1,213 | 60 |
| 4 | 2 |
| 1,874 | 767 |

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Listed securities at fair value
— Listed in Hong Kong

上市證券·按公平值
— 香港上市

16. 按公平值計入損益之金融資產

| Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| 703 | 737 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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截至二零一八年六月三十日止六個月

17. TRADE AND OTHER PAYABLES

17. 貿易及其他應付賬項

| | | Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|------------------------------------|-------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Trade payables | 貿易應付賬項 | 58 | 150 |
| Other payables and accrued charges | 其他應付賬項及應計開支 | 7,571 | 8,618 |
| Amount due to a director | 應付一名董事款項 | - | 1,664 |
| Receipt-in-advance | 預取收益 | 243 | 241 |
| | | 7,872 | 10,673 |

The ageing analysis of trade payables, based on the date of receipt of goods, is as follows:

基於接收貨品日期應付貿易賬項之賬齡分析如下：

| | | Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|--------------|-------|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| 0 to 90 days | 0至90日 | 58 | 150 |

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截至二零一八年六月三十日止六個月

18. BANK LOAN

18. 銀行貸款

| | Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|-----------------------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Bank loan repayable | | |
| — Within one year or on demand | 200,000 | 120,000 |
| — After 1 year but within 2 years | — | 80,000 |
| | 200,000 | 200,000 |

19. SHARE CAPITAL

19. 股本

| | Unaudited 未經審核 30 June 2018 二零一八年六月三十日 | Audited 經審核 31 December 2017 二零一七年十二月三十一日 | | |
|----------------------------------------|-------------------------------------------------|----------------------------------------------------|-----------------------------------|-------------------------------------|
| | Number of shares '000 千股 | Nominal value HK\$'000 千港元 | Number of shares '000 千股 | Nominal value HK\$'000 千港元 |
| Ordinary shares, Issue and fully paid: | 2,819,102 | 140,955 | 2,819,102 | 140,955 |

Share options

Details of the Company's share option schemes and the share options issued under the schemes are included in the general information to this interim report.

購股權

有關本公司購股權計劃及根據該計劃已發行的購股權詳情載於本中期報告一般資料內。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

20. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

20. 公平值計量

公平值乃指市場參與者之間於計量日期進行的有序交易中出售一項資產所收取的價格或轉移一項負債所支付的價格。以下為使用公平值層級之公平值計量披露，有關層級將用以計量公平值之估值方法之輸入數據分為三個層級：

第一級輸入數據：本集團於計量日期可取得相同資產或負債於活躍市場之報價（未經調整）。

第二級輸入數據：資產或負債之直接或間接可觀察輸入數據（第一級包括的報價除外）。

第三級輸入數據：資產或負債之不可觀察輸入數據。

本集團之政策為於導致轉撥之事件或情況出現變動當日確認自三個層級中的任何一個層級之轉入及轉出。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

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截至二零一八年六月三十日止六個月

20. FAIR VALUE MEASUREMENT (Continued)

20. 公平值計量(續)

(a) Disclosures of level in fair value hierarchy:

(a) 公平值層級水平披露：

At 30 June 2018

於二零一八年六月三十日

| Description 項目 | Fair value measurements using: 公平值計量採用之層級： | | | Total 總計 |
|-------------------------------------------------------|-----------------------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| | Level 1 第一級 HK\$'000 千港元 | Level 2 第二級 HK\$'000 千港元 | Level 3 第三級 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
| Recurring fair value measurements: | 經常性公平值計量： | | | |
| Financial assets at fair value through profit or loss | 透過損益按公平值列賬之金融資產 | | | |
| – Listed equity securities | 703 | - | - | 703 |
| Property, plant and equipment | 物業、廠房及設備 | | | |
| Building held for own use | 持作自用之樓宇 | | | |
| – Hong Kong | - | - | 88 | 88 |
| Investment properties | 投資物業 | | | |
| Residential units | 住宅單位 | | | |
| – Hong Kong | - | 358,400 | - | 358,400 |
| Total | 703 | 358,400 | 88 | 359,191 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

20. FAIR VALUE MEASUREMENT (Continued)

20. 公平值計量(續)

(a) Disclosures of level in fair value hierarchy: (continued)

(a) 公平值層級水平披露： (續)

At 31 December 2017
於二零一七年十二月三十一日

| Description 項目 | Fair value measurements using: 公平值計量採用之層級： | | | Total 總計 |
|--------------------------------------------------------------|-----------------------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| | Level 1 第一級 HK\$'000 千港元 | Level 2 第二級 HK\$'000 千港元 | Level 3 第三級 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 |
| Recurring fair value measurements: | 經常性公平值計量： | | | |
| Financial assets at fair value through profit or loss | 透過損益按公平值列賬之金融資產 | | | |
| – Listed equity securities | – 上市股本證券 | 737 | – | – |
| Property, plant and equipment | 物業、廠房及設備 | | | |
| Building held for own use | 持作自用之樓宇 | | | |
| – Hong Kong | – 香港 | – | 90 | 90 |
| Investment properties | 投資物業 | | | |
| Residential units | 住宅單位 | | | |
| – Hong Kong | – 香港 | – | 358,400 | – |
| Total | 總計 | 737 | 358,400 | 90 |
| | | | | 359,227 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

21. LEASE COMMITMENTS

- (a) The Group is the lessee in respect of a number of properties held under operating leases. The leases typically run for an initial period of one to three years, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

As at 30 June 2018, the total future minimum lease payments under non-cancellable operating leases in respect of properties are payable as follows:

The Group as lessee

| | |
|---------------------------------|-----------|
| Within 1 year | 一年以內 |
| After 1 year but within 5 years | 一年後但不超過五年 |

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

21. 租約承擔

- (a) 本集團為數項根據經營租約持有之物業之承租人。租約一般初步為期一至三年，可選擇續訂租約，屆時所有條款將予重新磋商。租約均不包括或然租金。

於二零一八年六月三十日，有關物業之不可撤銷經營租約項下之未來應付最低租金總額如下：

本集團作為承租人

| Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| 2,190 | 4,589 |
| - | - |
| 2,190 | 4,589 |

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

21. LEASE COMMITMENTS (Continued)

- (b) As at 30 June 2018, the Group contracted with tenants for the following total future minimum lease receivables:

The Group as lessor

| | |
|---------------------------------|------------|
| Within 1 year | 一年以內 |
| After 1 year but within 5 years | 一年以後但不超過五年 |

21. 租約承擔(續)

- (b) 於二零一八年六月三十日，本集團與租戶之間訂約的未來應收最低租金總額如下：

本集團作為出租人

| Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元 | Audited 經審核 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元 |
|---------------------------------------------------------------------------|------------------------------------------------------------------------------|
| 3,817 | 6,760 |
| 262 | 111 |
| 4,079 | 6,871 |

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For the six months ended 30 June 2018

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

22. MATERIAL RELATED PARTY TRANSACTIONS

22. 重要關連人士交易

Key management personnel remuneration

主要管理人員薪酬

- (a) Remuneration for key management personnel, including amounts paid to the directors is as follows:

- (a) 主要管理人員薪酬，包括支付予董事之金額如下：

| | | Unaudited six months ended 30 June | |
|------------------------------------------|----------|------------------------------------|---------------|
| | | 未經審核 | |
| | | 截至六月三十日止六個月 | |
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Basic salaries and allowances | 基本薪金及津貼 | 9,746 | 12,213 |
| Retirement benefits scheme contributions | 退休福利計劃供款 | 32 | 35 |
| | | 9,778 | 12,248 |

- (b) The Group had the following material balances with related parties:

- (b) 本集團與關連人士擁有下列重大結餘：

| | | Unaudited | Audited |
|----------------------------------------|--------------|-----------|-------------|
| | | 未經審核 | 經審核 |
| | | 30 June | 31 December |
| | | 2018 | 2017 |
| | | 二零一八年 | 二零一七年 |
| | | 六月三十日 | 十二月三十一日 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Name of related party | 關連人士名稱 | | |
| Amount due to a director – Li Feng Mao | 應付董事款項 – 李丰茂 | - | 1,664 |

Note: The amount represented accrued director's remuneration paid to Mr. Li Feng Mao as disclosed in note 17. The amount is unsecured, interest free and repayable on demand.

附註：該款項指向李丰茂先生支付的累計董事薪酬，並在附註17披露。該款項為無抵押，免息及須按的要求償還。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

23. CONTINGENT LIABILITY

In previous years, a subsidiary of the Group sold a property to a buyer. The buyer alleged that the subsidiary made certain representations in selling of the property. The buyer filed a claim with the High Court in Hong Kong claiming the repayment of consideration of approximately HK\$9.8 million paid in purchasing the property and rescission of the contract together with related costs, interests and damages. The subsidiary filed a defense against the claim. The directors of the Company are of the view that the buyer's claim is based on unreasonable and invalid grounds and therefore unfounded. In view of the inherent uncertainties of the legal proceedings, the outcome of which cannot be estimated reliably at this stage, the directors of the Company considered that no specific provision should be made in the financial statements.

簡明綜合財務報表附註

截至二零一八年六月三十日止六個月

23. 或然負債

過往年度，本集團一間附屬公司出售一間物業予買方。買方聲稱附屬公司於出售物業時作出若干聲明。買方入稟香港高等法院，要求償還購買該物業所付約9,800,000港元之代價，及取消合約並支付相關成本、利息及損失。該附屬公司提交答辯書應對申索。本公司董事認為買方申索乃基於不合理及無效理據且因此無事實依據。鑒於法律訴訟之內在不確定性，訴訟結果於本階段無法可靠預計，本公司董事認為不應於財務報表中作出具體撥備。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW AND PROSPECTS

業務回顧及前景

During the period, the Group continued to engage in property related businesses (including property investment, property management and other related services), provision of horticultural services, money lending business, securities trading business, manufacturing and trading of graphene and graphene-related products. The Group's revenue of the year was mainly derived from rental income from investment properties and from horticultural services.

期內，本集團繼續從事與物業相關之業務（包括物業投資、物業管理及其他相關服務）、提供園藝服務、借貸業務、證券交易業務、生產及銷售石墨烯及石墨烯相關產品。本集團年度收益主要來自投資物業的租金收入及園藝服務。

The Group recorded a net loss for the period of approximately HK\$24,660,000, representing a decrease in loss of 12% when compared to the net loss of approximately HK\$27,995,000 for the corresponding period last year. Such decrease is mainly attributable to measures taken to reduce costs during the period.

本集團錄得期內淨虧損約24,660,000港元，較去年同期的淨虧損約27,995,000港元下跌虧損12%。該下跌主要由於期內所採取的減少成本的舉措。

For property related business, the Group generated increment of rental income and property management services income from its investment properties to approximately HK\$5,404,000 by around 4.3% (2017: HK\$5,180,000 recorded as other income) and HK\$136,000 by around 81.3% (2017: HK\$75,000) during the period respectively. Such increase was resulted from improvement of occupancy rate and increment of rental during the period. The Group targets to rent out all of the remaining units to maximize the rental income and to maximize the management services and related income by providing more value-added services to the tenants. This business segment is expected to provide stable income stream to the Group.

就物業相關業務而言，本集團於期內來自投資物業的租金收入及物業管理服務收入分別增加約4.3%至約5,404,000港元（二零一七年：5,180,000港元，以其他收入入賬）及約81.3%至136,000港元（二零一七年：75,000港元）。有關增幅乃因期內入住率改善及租金上升所導致。本集團的目標為租出餘下所有單位，以透過向租戶提供更多增值服務將管理服務及相關收入最大化。此業務分類預期將為本集團提供穩定收入來源。

The Group operates horticultural services business under the brand "Cheung Kee Garden", which has over forty years' history and sound reputation in the local market. During the period, the Group recorded increment of revenue from sales of plants and provision of horticultural service to approximately HK\$2,412,000 (2017: HK\$1,991,000) by around 21.1%. Increase of revenue was resulted from increasing of number of customers and diversify of horticultural services. This business segment has a long established customer base and remained a stable income source of the Group. The Group intends to strengthen its products and service range, and expose new customer continuously in order to broaden its revenue base in this segment.

本集團經營以「張記花園」作品牌之園藝服務業務，該品牌已有四十多年歷史且於本地市場享有良好聲譽。期內，本集團自銷售植物及提供園藝服務的收益增加約21.1%至約2,412,000港元（二零一七年：1,991,000港元）。收益增加乃由於客戶數目增加及園藝服務多元化發展。此業務分類已建立長久的客戶基礎，並為本集團的穩定收入來源。本集團擬增強其產品及服務範圍以及持續物色新客戶，以擴闊此分類的收益基礎。

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS (Continued)

The Group started the new segment of graphene manufacturing and sales in by setting up a joint venture (named WI Graphene Co., Ltd. (“WIG”) in 2016. WIG had been actively seeking for suitable location for production base and had identified a suitable location for renting a factory for manufacturing and sales of graphene and related products in Japan. It is expected that formal tenancy agreement for the production base will be entered into by December 2018, the Directors expect that the production line will start from the first quarter of 2019. During the period, the Group purchased certain graphene product according to a customer’s request and the sale of graphene was amounted to approximately HK\$74,000.

The net asset value of the Group per share as at 30 June 2018 was approximately HK\$0.09 (2017: HK\$0.10) based on the 2,819,102,084 (2017: 2,819,102,084) shares issued.

LIQUIDITY AND FINANCIAL RESOURCES

All the Group’s funding and treasury activities are centrally managed and controlled at the corporate level. There is no significant change in respect of treasury and financing policies from the information disclosed in the Company’s latest annual report. The Group’s monetary assets and liabilities are denominated and the Group conducts its business transactions principally in Hong Kong dollars. In view of the business segment in Japan, the Group manages its foreign currency risk by closely reviewing the movement of the foreign currency rate and considers hedging significant foreign currency exposure should the need arise.

As at 30 June 2018, there was HK\$200,000,000 bank loans outstanding (2017: HK\$200,000,000). The Group’s working capital requirements are funded by bank loans.

管理層討論及分析

業務回顧及前景(續)

本集團於二零一六年透過成立名為 WI Graphene Co., Ltd. (「WIG」) 的合營企業開始生產及銷售石墨烯之新分類。WIG 一直積極地物色適合用作生產基地的地點，並已於日本物色到合適位置，以租賃用作生產及銷售石墨烯及石墨烯相關產品之工廠。預期生產基地之正式租賃協議將於二零一八年十二月前訂立，董事預計生產線將於二零一九年第一季展開。期內，本集團按一名客戶的要求採購若干石墨烯產品，而石墨烯的銷售達約 74,000 港元。

根據已發行股份 2,819,102,084 股 (二零一七年：2,819,102,084 股) 計算，本集團於二零一八年六月三十日之每股資產淨值約為 0.09 港元 (二零一七年：0.10 港元)。

流動資金及財務資源

本集團所有融資和財資活動均在企業層面由中央管理及控制。財資及融資政策與本公司最近期之年報所披露之資料並無重大變動。本集團主要以港元作為貨幣性資產及負債之結算單位及進行業務交易。鑒於本集團在日本設有業務分部，本集團透過緊密監察匯率變動以管理其外匯風險及考慮於有需要時對沖外匯風險。

於二零一八年六月三十日，有 200,000,000 港元之未償還銀行貸款 (二零一七年：200,000,000 港元)。本集團之營運資金需求以銀行貸款撥付。

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2018, the Group had a total of 37 employees (2017: 39).

Employees (including directors) are remunerated according to their duties and responsibilities, market conditions and performance of the Group. On top of basic salaries, discretionary bonus and share options may be granted to eligible employee by reference to the individual's performance. In addition, the Company also provides social security benefits to its staff such as mandatory provident fund scheme in Hong Kong.

管理層討論及分析

僱員和薪酬政策

於二零一八年六月三十日，本集團合共有37名僱員(二零一七年：39名)。

僱員(包括董事)之薪酬乃按照彼等的職務及責任、市況及本集團的表現釐定。於基本薪金以外，亦可能會根據僱員個人表現，向合資格之僱員授出酌情花紅和購股權。此外，本公司亦為僱員提供社會保障福利，例如香港之強制性公積金計劃。

GENERAL INFORMATION

DIRECTORS' INTEREST IN SHARES

As at 30 June 2018, the interests or short positions of the Directors and chief executives of the Company and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to 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 (the "Model Code") were as follows:

Long Positions in Shares and Underlying Shares of the Company:

| Name of director 董事姓名 | Nature of interest 權益性質 | Number and class of shares held 所持股份數目及類別 | Percentage 百分比 |
|--------------------------|--------------------------------------------------|-------------------------------------------------|-------------------|
| Li Feng Mao 李丰茂 | Interest of controlled corporation 受控制法團權益 | 2,112,395,735 ordinary shares 普通股 | 74.93% |

Note:

Mr. Li Feng Mao ("Mr. Li") was deemed to have 2,112,395,735 shares held by HK Guoxin Investment Group Limited by virtue of it being wholly-owned by Mr. Li.

Save as disclosed above, as at 30 June 2018, none of the directors and the chief executive of the Company were, under Divisions 7 and 8 of Part XV of the SFO, taken to be interested or deemed to have any other interests or short positions in the shares, underlying shares or debentures of the Company, that were required to be entered into the register kept by the Company pursuant to section 352 of the SFO or were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

一般資料

董事之股份權益

於二零一八年六月三十日，本公司董事及最高行政人員以及彼等之聯繫人於本公司及其相聯法團（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，擁有本公司根據證券及期貨條例第352條須存置之登記冊所記錄之權益或淡倉，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須另行知會本公司及香港聯合交易所有限公司（「聯交所」）之權益或淡倉如下：

於本公司股份及相關股份之好倉：

附註：

李丰茂先生（「李先生」）被視為持有由香港國信興業投資集團有限公司的2,112,395,735股股份，乃由於該公司由李先生全資擁有。

除上文所披露者外，於二零一八年六月三十日，根據證券及期貨條例第XV部第7及8分部，概無本公司之董事及主要行政人員被當作或視作於本公司之股份、相關股份或債券中，擁有須於本公司根據證券及期貨條例第352條所存置之登記冊中記錄或根據標準守則須知會本公司及聯交所之任何其他權益或淡倉。

GENERAL INFORMATION

SHARE OPTION SCHEME

Purpose of the Scheme

The existing share option scheme (the “Scheme”) of the Company was adopted on 25 June 2013 for the purposes of enabling the Group to provide incentives or rewards to eligible participants for their contribution to, and continuing efforts to promote the interests of the Group and to enable the Group to recruit and/or to retain high-calibre employees and attract human resources that are valuable to the Group.

Participants of the Scheme

The directors of the Company are authorised, at their discretion, to invite eligible participants, including the directors or any employee (whether full time or part time) of the Group or an affiliate, and any consultant, agent, or advisor of the Group or an affiliate, to take up options (the “Option(s)”) to subscribe for shares of the Company under the Scheme.

Total number of shares available for issue

On the adoption date of 25 June 2013, the total number of shares of the Company (the “Shares”) available for issue under the Scheme were 263,165,208, representing 10% of the issued Shares of the Company as at the date of adoption of the Scheme.

On 27 May 2016, the ordinary resolution of refreshment of the Scheme limit was approved by shareholders at the annual general meeting of the Company. As at 30 June 2018, total number of Share available for further issue under the Scheme was 281,910,208, representing 10% of the issued shares of the Company.

During the period of six months ended 30 June 2018, no Option had been granted, exercised, lapsed, or was cancelled under the Scheme.

一般資料

購股權計劃

計劃之目的

本公司現有購股權計劃(「計劃」)乃於二零一三年六月二十五日採納，旨在令本集團鼓勵或嘉獎合資格參與者對本集團利益作出的貢獻及為此繼續努力及使本集團可招聘及／或挽留高才幹僱員，並吸引對本集團有所裨益之人才。

計劃之參與者

本公司董事獲授權酌情邀請合資格參與者，包括本集團或聯屬公司之董事或任何僱員(不論全職或兼職)及任何本集團或聯屬公司之諮詢人、代理人或顧問根據計劃承購購股權(「購股權」)認購本公司股份。

可供發行之股份總數

於採納日期(二零一三年六月二十五日)，本公司根據計劃可供發行的股份(「股份」)總數為263,165,208股，佔本公司於採納計劃當日已發行股份10%。

於二零一六年五月二十七日，一項更新計劃上限之普通決議案獲股東在本公司股東週年大會上批准。於二零一八年六月三十日，根據計劃可供進一步發行的股份總數為281,910,208股，佔本公司已發行股份10%。

於截至二零一八年六月三十日止六個月期間，概無根據計劃授出、行使、失效或註銷之購股權。

GENERAL INFORMATION

SHARE OPTION SCHEME (Continued)

Maximum entitlement of each participant

The maximum number of Shares in respect of which the Options may be granted to any one participant in any twelve-month period shall not exceed 1% of the total number of shares in issue from time to time.

Time of exercise of option

The Options may be exercised in accordance with the terms of the Scheme at any time during a period as determined by the directors of the Company and not exceeding ten years from the date of the grant. There is no minimum period for which an option must be held before it can be exercised.

Acceptance of offer

The offer of a grant of share options may be accepted within twenty-one days from the date of offer upon an initial payment of HK\$1 in total for each acceptance.

Basis of determining the exercise price

The exercise price of the Options is determined by the Board in its absolute discretion and shall not be less than whichever is the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of the grant, which must be a business day;
- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of the grant; and
- (c) the nominal value of a Share.

一般資料

購股權計劃(續)

各參與者之最高配額

於任何十二個月期內可授予任何一名參與者之購股權所涉及最高數目股份不得超過不時發行之股份總數1%。

行使購股權之時間

購股權可於本公司董事釐定之期間根據計劃之條款隨時行使，但不得超過自授出日期起計十年。並無訂明行使購股權前須持有之最短期限。

接納要約

授出購股權之要約可自要約日期後二十一日內於就每次接納初次支付合共1港元後獲接納。

釐定行使價之基準

購股權之行使價由董事會全權酌情釐定且不得低於以下最高者：

- (a) 於授出日期(必須為營業日)聯交所每日報價表所列股份之收市價；
- (b) 緊接授出日期前五個交易日聯交所每日報價表所列股份之平均收市價；及
- (c) 股份之賬面值。

GENERAL INFORMATION

SHARE OPTION SCHEME (Continued)

Remaining life of the Scheme

The Scheme became effective on 25 June 2013 and will remain in force for a period of 10 years from that date.

DISCLOSURE OF INFORMATION ON DIRECTORS

Pursuant to rule 13.51B(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the changes of information on Directors are as follows:

1. Mr. Li Wai Kwan ("Mr. Li") has been appointed as an independent non-executive director of TL Natural Gas Holdings Limited (Stock code: 8536) and China Greenfresh Group Company Limited (Stock code: 6183) with effect from 18 May 2018 and 20 July 2018 respectively.
2. Mr. Li was admitted as a fellow chartered accountant of the Institute of Chartered Accountant in England & Wales in June 2018.
3. Mr. Zhou Chen has been appointed as an Authorized Representative of Wuzhou International Holdings Limited (Stock code: 1369) with effect from 30 June 2018, and then has been re-designed from an Independent non-executive director to an executive director of that company with effect from 7 August 2018.

一般資料

購股權計劃(續)

計劃之餘下年期

計劃於二零一三年六月二十五日生效及將於該日起十年期間內維持有效。

董事資料披露

根據聯交所證券上市規則(「上市規則」)第13.51B(1)條，董事資料變動如下：

1. 李偉君先生(「李先生」)獲委任為TL Natural Gas Holdings Limited(股份代號：8536)及中國綠寶集團有限公司(股份代號：6183)獨立非執行董事，分別自二零一八年五月十八日及二零一八年七月二十日起生效。
2. 李先生於二零一八年六月獲英格蘭及威爾斯特許會計師公會認可為資深特許會計師。
3. 周晨先生獲委任為五洲國際控股有限公司(股份代號：1369)授權代表，自二零一八年六月三十日起生效，其後由該公司獨立非執行董事調任為執行董事，自二零一八年八月七日起生效。

GENERAL INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTEREST IN SHARES

As at 30 June 2018, the interests or short positions of the following substantial shareholders (other than persons who were directors and chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Long positions in shares and underlying shares of the Company:

一般資料

主要股東之股份權益

於二零一八年六月三十日，下列主要股東(本公司董事及主要行政人員除外)於本公司之股份及相關股份，擁有本公司根據證券及期貨條例第336條之規定須存置之登記冊所記錄之權益或淡倉如下：

於本公司股份及相關股份之好倉：

| Name of shareholders 股東名稱 | Nature of interest 權益性質 | Number and class of shares held 所持股份數目及類別 | Percentage 百分比 |
|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------|-------------------|
| HK Guoxin Investment Group Limited ("HK Guoxin") (Note 1) 香港國信興業投資集團有限公司 (「香港國信」)(附註1) | Beneficial owner 實益擁有人 | 2,112,395,735 ordinary shares 普通股 | 74.93% |
| Clever Robust Limited ("Clever Robust") (Note 2) Clever Robust Limited (「Clever Robust」)(附註2) | Person having a security interest in shares 於股份擁有證券權益的人士 | 2,112,395,735 ordinary shares 普通股 | 74.93% |
| Huarong Investment Stock Corporation Limited ("Huarong Inv. Stock") (Note 2) 華融投資股份有限公司 (「華融投資股份」)(附註2) | Interest of a controlled corporation 受控制法團權益 | 2,112,395,735 ordinary shares 普通股 | 74.93% |
| Right Select International Limited ("Right Select") (Note 2) Right Select International Limited (「Right Select」)(附註2) | Interest of a controlled corporation 受控制法團權益 | 2,112,395,735 ordinary shares 普通股 | 74.93% |

GENERAL INFORMATION

一般資料

SUBSTANTIAL SHAREHOLDERS' INTEREST IN SHARES (Continued)

主要股東之股份權益(續)

Long positions in shares and underlying shares of the Company: (continued)

於本公司股份及相關股份之好倉：
(續)

| Name of shareholders 股東名稱 | Nature of interest 權益性質 | Number and class of shares held 所持股份數目及類別 | Percentage 百分比 |
|--------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------|
| China Huarong International Holdings Limited ("China Huarong Int'l") ^(Note 2) 中國華融國際控股有限公司 (「中國華融國際」) ^(附註2) | Interest of a controlled corporation 受控制法團權益 | 2,112,395,735 ordinary shares 普通股 | 74.93% |
| 中國華融資產管理股份有限公司 ("中國華融資產") ^(Note 2) 中國華融資產管理股份有限公司 (「中國華融資產」) ^(附註2) | Interest of a controlled corporation 受控制法團權益 | 2,112,395,735 ordinary shares 普通股 | 74.93% |

Notes:

附註：

- (1) The entire issued shares of HK Guoxin were owned by Mr. Li Feng Mao.
- (2) On 14 December 2017, the Company was notified by DION system, five DI notices were filed with the Stock Exchange pursuant to section 324 of Part XV of the Securities and Futures Ordinance from Clever Robust, Huarong Inv. Stock, Right Select, China Huarong Int'l and 中國華融資產. According to these notices, Clever Robust became having securities interest in 2,112,395,735 shares of the Company (the "Shares") which beneficially owned by HK Guoxin, the Shares were charged to Clever Robust on 11 December 2017, while Huarong Inv. Stock, Right Select, China Huarong Int'l and 中國華融資產 own corporate interests of the Shares through its interest in Clever Robust.

- (1) 香港國信全部已發行股份由李丰茂先生擁有。
- (2) 於二零一七年十二月十四日，本公司獲線上權益披露系統通知，Clever Robust、華融投資股份、Right Select、中國華融國際及中國華融資產根據證券及期貨條例第XV部第324條向聯交所提交五份權益披露通知書。根據該等權益披露通知書，Clever Robust已於2,112,395,735股由香港國信實益擁有之本公司股份(「股份」)中擁有證券權益，有關股份於二零一七年十二月十一日質押予Clever Robust，而華融投資股份、Right Select、中國華融國際及中國華融資產則透過其於Clever Robust之權益擁有股份之法團權益。

GENERAL INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTEREST IN SHARES (Continued)

Save as disclosed above, as at 30 June 2018, the Company had not been notified of any other persons (other than persons who were directors and chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

LOAN AGREEMENT WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDER

On 12 August 2016, the Company accepted a facility letter relating to a two-year term loan facility in an aggregate amount of HK\$200,000,000 (the "Facility") (the "Facility Letter") offered by a licensed bank in Hong Kong (the "Bank").

As one of the undertakings requested by the Bank in the Facility Letter, Mr. Li Feng Mao (the ultimate controlling shareholder of the Company), shall hold, directly or indirectly, over 50% controlling shares of the Company during the Facility period. A breach of the aforesaid undertaking may constitute an event of default and all amounts (including principal and interest) due or owing by the Company to the Bank shall become immediately due and payable by the Company.

一般資料

主要股東之股份權益(續)

除上文所披露者外，於二零一八年六月三十日，本公司不知悉任何其他人士(本公司董事及主要行政人員除外)按照本公司根據證券及期貨條例第336條之規定所存置之登記冊所記錄於本公司之股份及相關股份擁有權益或淡倉。

附帶控股股東特定表現契約之貸款協議

於二零一六年八月十二日，本公司接納由一家香港持牌銀行(「該銀行」)授出，總額為200,000,000港元之兩年期定期貸款(「貸款」)之貸款協議(「貸款協議」)。

該銀行於貸款協議列出所要求之其中一項保證，是李丰茂先生(本公司之最終控股股東)須於貸款期間內直接或間接持續持有本公司超過50%的控制性股權。違反前述保證可構成一項違約事件，本公司可被要求即時償還本公司應付或結欠該銀行的所有尚未償還金額(包括本金及利息)。

GENERAL INFORMATION

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2018.

CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2018, the Company had applied the principles of the Corporate Governance Code (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and complied with all the applicable code provisions of the Code, except that the chairman of the Board and, of the nomination committee and of the remuneration committee were absent from the annual general meeting of the Company due to other important engagement at the relevant time.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding directors' securities transactions as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix 10 of the Listing Rules. Following specific enquiry by the Company, all directors confirmed that they have complied with the required standards as set out in the Model Code during the six months ended 30 June 2018.

一般資料

購買、出售或贖回本公司上市證券

截至二零一八年六月三十日止六個月，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

企業管治守則

於截至二零一八年六月三十日止六個月，本公司已採用聯交所證券上市規則（「上市規則」）附錄14所載之企業管治守則（「該守則」）之原則，並遵守該守則所載之所有適用守則條文，惟董事會、提名委員會及薪酬委員會主席因在相關時間需處理其他重要事務而缺席本公司股東週年大會除外。

董事證券交易

本公司已採納上市規則附錄10上市發行人董事進行證券交易的標準守則（「標準守則」）所載有關董事進行證券交易之操守守則。本公司經作出具體查詢後，所有董事確認，彼等於截至二零一八年六月三十日止六個月一直遵守標準守則所載規定準則。

GENERAL INFORMATION

REVIEW OF AUDIT COMMITTEE

The audit committee of the Company is responsible for reviewing and monitoring the financial reporting process, risk management and internal control systems of the Group. The audit committee has reviewed unaudited consolidated financial results of the Company for the six months ended 30 June 2018.

By order of the Board of
China Graphene Group Limited
Zhou Chen
Executive Director

Hong Kong, 31 August 2018

一般資料

審核委員會審閱

本公司審核委員會負責審閱及監管本集團的財務申報過程、風險管理及內部監控系統。審核委員會已審閱本公司截至二零一八年六月三十日止六個月的未經審核綜合財務業績。

承董事會命
中國烯谷集團有限公司
周晨
執行董事

香港，二零一八年八月三十一日

