



齐合环保

CHIHO

CHIHO ENVIRONMENTAL GROUP LIMITED

齊合環保集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：976

The background of the cover features a semi-transparent image of an industrial facility with various structures and pipes, overlaid with a complex geometric pattern of blue and white triangles. In the foreground, there are large, curved, metallic-looking structures that appear to be part of a water filtration or treatment system.

INTERIM REPORT
中期報告 **2021**

VISION

Becoming a global circular economy solution partner.

願景

成為全球循環經濟解決方案合作夥伴。

MISSION

To be a global market leader in resources recycling and environmental protection, earning a quality return to shareholders through the provision of quality products and services, by a group of motivated and diversified staff force.

使命

我們高效多樣的團隊通過提供優質產品及服務，致力成為全球再生資源及環保行業的市場領導者，並為股東獲取理想回報。

CULTURE

We are committed to building a long-term and win-win partnership with our customers including suppliers.

We provide a safe workplace and career development opportunities for our employees.

We are devoted to achieving a quality, stable and continuous return for our shareholders.

We meet our corporate social responsibility by making continuous contributions to social well-being and environmental protection.

文化

我們重視與客戶包括供應商建立長期合作關係並共同成長。

我們重視為員工提供安全的工作環境並創造職業增長空間。

我們重視為股東取得合理、穩定和持久的回報。

我們重視企業社會責任，為社區福祉及環境保護不斷作出貢獻。

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Our Worldwide Operations

我們的全球業務

Chiho Environmental Group Limited (the “Company”, and together with its subsidiaries, the “Group” or “Chiho”) is the only listed metal recycling corporation with major operating bases covering three continents including Asia, Europe and North America in the world.

齊合環保集團有限公司(「本公司」，連同其子公司統稱「本集團」或「齊合」)是全球唯一一家主要營運基地遍佈亞、歐及北美三大洲的再生金屬上市企業。



NORTH AMERICA AND MEXICO

16 yards situated in:

- **USA**, its business model includes brokerage and yard business
- In **Mexico**, joint venture with strong presence in northern part of the country with strong industrial supplier base

北美及墨西哥

16個工場位於：

- **美國**，業務模式包括貿易及工場業務
- **墨西哥**，透過合營企業運作，北部的市場佔有率強勁，並具有穩健的工業供應商基礎

EUROPE

Over 180 yards situated in:

- **Germany**, covering full scope of collection, sorting and processing with all types of equipment including the most advanced post-shredder material recovery technology
- **Poland**, covering full scope of collection, sorting and processing with all types of equipment
- **Austria**, joint venture being the market leader for ferrous scrap trading in the country and with strong track record in project business
- **Czech Republic**, with a very strong market share in ferrous market covering both old scrap and new scrap market
- **Slovenia**, well equipped with yard network, transportation assets and processing capabilities to cover all suppliers, with footprint in paper and plastic recycling
- **Romania**, joint ventures with strong supply from industry and has high non-metals share of sales, including significant portion of paper and plastics

歐洲

超過180個工場位於：

- **德國**，設備齊全(包括最先進的破碎後物料回收技術)，涵蓋全面的收集、分類及處理服務
- **波蘭**，設備齊全，營運範圍涵蓋全面的收集、分類及處理服務
- **奧地利**，透過合營企業運作，乃當地再生黑色金屬買賣的市場領軍者，在項目業務表現出眾
- **捷克共和國**，於黑色金屬市場所佔市場份額獨佔鰲頭，涵蓋舊廢料及新廢料市場
- **斯洛文尼亞**，配備良好的工場網絡、運輸配套及加工設施以覆蓋全部供應商，涉足紙張及塑膠回收方面
- **羅馬尼亞**，透過合營企業運作，具有龐大的工業供應及非金屬(包括大量紙張及塑膠)的銷售額佔比高

Our Worldwide Operations 我們的全球業務



SOUTHEAST ASIA

3 yards situated in:

- **Malaysia, India and Thailand**, joint ventures engaging in the dismantling of scrap motors and other mixed scrap metal

東南亞

3個工場位於：

- **馬來西亞、印度及泰國**，透過合營企業運作，從事廢舊電機及其他廢舊混合金屬拆解

CHINA

5 yards and 3 offices situated in:

- **Hong Kong**, the Group's headquarters and one of the few operations in the area recycling materials within a closed-loop system
- **Beijing**, head office of the Greater China operations
- **Taizhou**, a major metal importer and domestic metal trader
- **Yantai**, engaging in metal recycling and waste-lubricant oil recycling operations
- **Binzhou**, joint venture engaging in end-of-life vehicles dismantling, mixed scrap metals recycling, secondary aluminium production and electric vehicle batteries recycling
- **Shanghai**, trading hub with focus on import of recycled metals

中國

5個工場及3個辦事處位於：

- **香港**，本集團的總部及該地區為數不多、能於一個閉環式供應鏈中回收並利用物料的營運商之一
- **北京**，大中華地區業務總辦事處
- **台州**，主要金屬進口商及國內金屬貿易商
- **煙台**，從事金屬回收及廢油回收業務
- **濱州**，透過合營企業運作，從事報廢汽車拆卸、混合廢金屬回收，再生鋁生產及電動汽車鋰電池回收
- **上海**，專注於再生金屬進口的交易中心

Financial Highlights

財務摘要

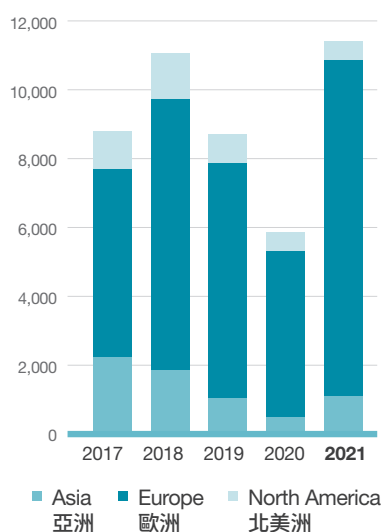
		Six months ended 30 June		
		截至六月三十日止六個月		
		2021	2020	Increase/ (Decrease)
		二零二一年	二零二零年	增加/ (減少)
		(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	
Operating results (HK\$M)	經營業績 (百萬港元)			
Segment revenue	分部收益			
Asia	亞洲	1,150.8	534.3	115.4%
Europe	歐洲	9,719.1	4,818.7	101.7%
North America	北美洲	527.6	537.4	(1.8%)
Inter-segment sales	分部間銷售	(235.3)	(46.7)	403.9%
Revenue	收益	11,162.2	5,843.7	91.0%
Gross profit	毛利	1,005.9	314.4	219.9%
Segment profit/(loss)	分部溢利／(虧損)			
Asia	亞洲	4.3	(95.3)	104.5%
Europe	歐洲	530.2	42.2	1,156.4%
North America	北美洲	72.1	(8.9)	910.1%
Unallocated	未分配	(106.5)	(113.8)	(6.4%)
Profit/(Loss) before interest and tax (EBIT)	除利息及稅項前溢利／(虧損)	500.1	(175.8)	384.5%
Finance costs, net	財務成本淨額	(173.4)	(112.8)	53.7%
Profit/(Loss) before income tax	除所得稅前溢利／(虧損)	326.7	(288.6)	213.2%
Income tax (expense)/credit	所得稅(開支)／抵免	(100.8)	0.7	14,500.0%
Profit/(Loss) for the period	期內溢利／(虧損)	225.9	(287.9)	178.5%
Earnings/(Loss) per share attributable to shareholders of the Company (HK\$)	本公司股東應佔每股盈利／(虧損)(港元)	0.14	(0.17)	182.4%
Cash generated from operations before changes in working capital	營運資金變動前經營業務所得現金	658.6	133.4	393.7%
Key ratios (%)	主要財務比率(%)			
Gross profit margin	毛利率	9.0	5.4	3.6%
Net profit/(loss) margin ¹	淨溢利／(虧損)率 ¹	2.0	(4.8)	6.8%
EBIT/Revenue	除利息及稅項前溢利／收益	4.5	(3.0)	7.5%
Return on shareholders' funds ²	股東資金回報率 ²	4.9	(6.2)	11.1%

Financial Highlights 財務摘要

		At 30 June 2021 於二零二一年 六月三十日 (Unaudited) (未經審核)	At 31 December 2020 於二零二零年 十二月三十一日 (Audited) (經審核)	Increase/ (Decrease) 增加/ (減少)
Financial position (HK\$M)	財務狀況 (百萬港元)			
Total assets	總資產	10,560.8	9,872.9	7.0%
Cash and pledged bank deposits	現金及已抵押銀行存款	483.1	1,036.5	(53.4%)
Equity attributable to shareholders of the Company	本公司股東應佔權益	4,580.2	4,477.6	2.3%
Shareholders' funds per share (HK\$)	每股股東資金 (港元)	2.85	2.79	2.2%

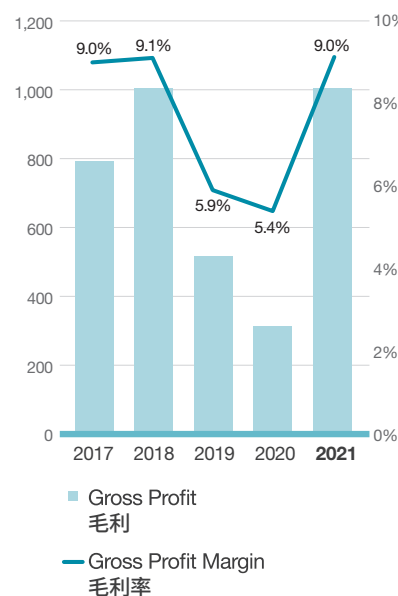
Revenue (First 6 months) 收益 (首6個月)

HK\$M
百萬港元



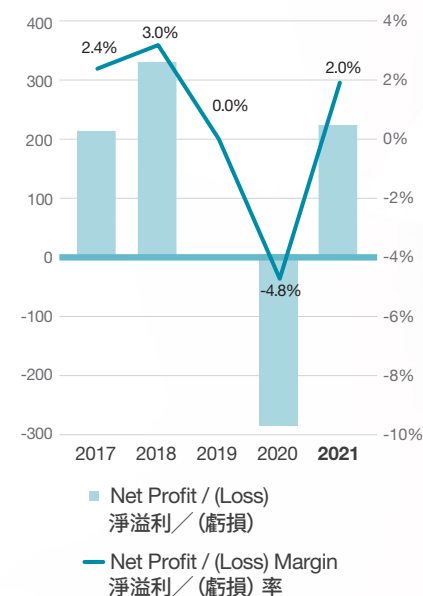
Gross Profit and Gross Profit Margin (First 6 months)³ 毛利及毛利率 (首6個月)³

HK\$M
百萬港元



Net Profit/(Loss) and Net Profit/ (Loss) Margin (First 6 months)¹ 淨溢利/(虧損)及淨溢利/(虧損)率 (首6個月)¹

HK\$M
百萬港元



¹ Net profit/(loss) margin is calculated as profit/(loss) attributable to shareholders of the Company as a percentage of revenue.

² Return on shareholders' funds is calculated based on the profit/(loss) attributable to shareholders of the Company as a percentage of average shareholders' funds.

³ These figures illustrate the impact after the adoption of HKFRS 15 Revenue and HKFRS 16 Lease for comparison purposes only.

¹ 淨溢利/(虧損)率是根據本公司股東應佔溢利/(虧損)佔收益的百分比計算。

² 股東資金回報率是根據本公司股東應佔溢利/(虧損)佔平均股東資金的百分比計算。

³ 此等數據闡述採納香港財務報告準則第15號收益及香港財務報告準則第16號租賃之影響，僅作比較用途。

Chief Executive Officer's Statement

行政總裁報告

As the world gradually bounces back from the pandemic, our business also marks a significant growth this year. We are pleased to announce that Chiho recorded a very strong mid-year performance and has made a turnaround in both topline and bottom line in the first half of 2021. Demand for metals has picked up as factories reopened and constructions restarted. Our staff has returned safely to work as most countries began to roll out vaccination programs to contain the pandemic. Our operations in Europe, North America and Asia have all resumed to close-to-normal level in 2021 as countries started to ease lockdown restrictions. While our business activities have resumed profit-making, the Group has also made some structural changes to its business model and operation to cushion loss and enhance efficiency. Our Northeastern US business is being divested as part of a business transformation process and at the same time, we rolled out a new strategy to strengthen our existing business while capturing new growth opportunities arising from the global pursuit to achieve zero carbon. As a leader in the recycling business, Chiho has already made a head start by collaborating with China Hongqiao Ltd. ("Hongqiao") to establish a new industrial recycling facility in Binzhou, China. With all the new projects underway, the Group has reported a net profit of HK\$225.9 million in the first half of this year, a significant increase of 178.5% over the same period.

REVIEW OF OPERATIONS

The Group's total tonnage and revenue in the first half of 2021 is 2.3 million tonnes and HK\$11,162.2 million respectively, an increase of 16.2% and 91.0% compared to the same period in 2020. As mentioned above, the growth is largely attributed to the economic recovery as well as a global trend in shifting towards to a more sustainable development pathway.

The European operations continue to remain our core business and have performed consistently well. Leveraging our century-old roots in Europe, the Group has maintained good relationships with our established local customer base, and the European subsidiary alone continues to represent more than 80% of our global operation. While our one-stop-shop recycling service covers both ferrous and non-ferrous materials, ferrous products account for the bulk of our sales within the region. The tonnage and revenue generated saw an increase of 22.2% and 101.7% for Europe over the same period.

隨著全球經濟從疫情中復甦，本集團的業務在今年實現大幅增長。我們欣然宣佈，齊合中期業績表現亮麗，二零二一年上半年營收及淨溢利均錄得顯著的升幅。隨著工廠復工復產表現、建築活動重啟、金屬需求回升、加上多國亦已開展疫苗接種計劃以控制疫情，齊合的員工已恢復工作。各國亦逐步放鬆封鎖限制，本集團於歐洲、北美洲及亞洲的業務在二零二一年期間均已恢復至接近疫情前的水平。在業務恢復盈利的同時，本集團亦對相關業務模式及營運做出若干結構性調整，包括正在剝離其美國東北部業務，旨在減少虧損並提升整體效率。與此同時，齊合制訂了新業務發展戰略以加強現有業務，及把握全球零碳倡議所帶來的新增長機遇。作為回收業的領導者，齊合率先與中國宏橋有限公司（「宏橋」）合作，在中國濱州建立新的循環科技產業園。隨著所有新項目的落實和推進，本集團本年度上半年的淨溢利為225.9百萬港元，同比大幅增長178.5%。

營運回顧

本集團於二零二一年上半年的總銷量及收益分別為2.3百萬噸及11,162.2百萬港元，較二零二零年同期增長16.2%及91.0%。該增長主要歸因於經濟復甦以及全球倡議可持續發展的趨勢所帶來的正面影響。

歐洲業務表現良好，繼續為齊合的核心業務，佔本集團全球業務的80%以上。我們於歐洲逾百年的根基使本集團能與當地現有客戶群保持良好及穩定的業務關係。齊合於歐洲提供一站式回收服務，涵蓋黑色和有色金屬材料，於區內的銷售則以黑色金屬產品為主。回顧期內，歐洲業務的銷量及收益分別同比增加了22.2%及101.7%。

Chief Executive Officer's Statement 行政總裁報告

In North America, the Group has undergone a restructuring by selling the loss-making facilities. Resources will be diverted to support our North American brokage and Mexican yard businesses. As such, the tonnage and revenue generated in the North America saw a temporary drop of 41.5% and 1.8%, over the same period. However, gross profit and gross profit margin improved to HK\$100.0 million and 19.0%, an increase of 103.7% and 9.9% compared to the same period in 2020. Furthermore, the North America segment has made a turnaround in net profit in the first half of 2021.

Our Asian operations have shown great improvement compared to the same period of last year as most countries across the globe began to recover from the pandemic. Overall, the Southeast Asian market maintained stable growth as we ramped up operations in Malaysia, India and Thailand by sending skilled supervisors and personnel to these markets from February 2021 onwards. The region's operations continue to put emphasis on the profitable e-motor recycling business since we shifted the operations from China to Southeast Asia in 2019. As a whole, tonnage and revenue in Asia have increased 29.4% and 115.4% respectively.

In particular, our China business has seen tremendous growth this year in terms of both tonnage and revenue as the country emerged strongly from the pandemic and with its new and ambitious sustainability goals. China has highlighted in its 14th Five-Year Plan this year that circular economy would be a priority in the country's future development. Furthermore, more construction activities are set to take place, on the back of an increase in infrastructure spending by the government post-COVID. China also currently has the largest number of new energy vehicles on the road, and this number is expected to accelerate to approximately 7 million by end of 2021. All of them contain lithium-ion batteries that need proper recycling to ensure a closed-loop system. The abovementioned opportunities present huge immediate and long term growth potential for Chiho and the overall recycling industry.

To tap the tremendous opportunities in China, the Group established a joint venture with Hongqiao, China's biggest aluminum producer, to build a flagship recycling park in Binzhou, China with a capacity of processing up to 100,000 tonnes of end-of-life vehicle ("ELV") and mixed metals, as well as 500,000 tonnes of secondary aluminum production per annum in late 2020. The project has kicked off construction in February 2021 and is expected to start its first phase operation by the end of 2021 and achieve full capacity of first phase in the second quarter 2022. The project has recently been further extended to include the construction of a recycling facility for electric vehicle lithium-ion batteries.

在北美洲，本集團重組當地的業務，並出售了虧損的資產。有關資源將轉至支持我們的北美洲貿易業務和墨西哥工場。因此，北美洲業務的銷量及收益同比短暫下滑41.5%及1.8%。然而，毛利和毛利率則有所改善，分別提高至100.0百萬港元及19.0%，與二零二零年同期相比分別增長103.7%和9.9%。此外，北美洲分部淨溢利在二零二一年上半年實現扭虧為盈。

全球大多數國家從疫情中逐漸恢復過來，我們的亞洲業務較去年同期獲顯著改善。我們於二零二一年二月起派遣技術主管和人員到東南亞工場，以擴大馬來西亞、印度和泰國的營運，東南亞市場得以維持穩定增長。自我們於二零一九年將部分業務由中國轉移至東南亞以來，該區域的營運一直專注於發展電機回收業務。期內，亞洲的銷量及收益分別增加了29.4%及115.4%。

隨著中國從疫情中強勢復甦，並推出了新的可持續發展長遠目標，我們的中國區業務在銷量及收益方面的增長尤其強勁。中國在今年發佈的「十四五」規劃中著力強調，循環經濟將會是國家未來發展的重點方向。此外，在疫情後，政府將加大基礎建設支出，預計會有更多建築活動進行。目前，中國行駛中的新能源汽車數量為世界第一，預計到二零二一年底將增至約7百萬輛。這些汽車均有安裝鋰離子電池，需要進行妥善回收以確保實現閉環經濟。上述機遇將為齊合以及整個回收行業帶來巨大的即時和長期增長潛力。

為把握中國的巨大機遇，本集團於二零二零年底與中國最大的鋁業生產商宏橋成立一間合營企業，在中國濱州市打造一個頂級循環產業園，每年可處理最多100,000噸報廢汽車及混合金屬，及生產500,000噸再生鋁。該項目於二零二一年二月破土動工，預計可於二零二一年底啟動第一期項目的營運，並於二零二二年第二季度實現第一期項目的全產能運作。近期，該項目得到進一步擴展，將會加建電動汽車鋰離子電池回收設施。

Chief Executive Officer's Statement 行政總裁報告

PROSPECT

Moving forward, Chiho is optimistic about the prospect of our recycling business and confident that we are well-equipped to capture the deep pool of opportunities brought about by a post-COVID economic reset and a global shift in focus towards sustainability and recycling. At the same time, fueled by a transformation process that is currently underway, Chiho is fully positioning itself for new growth. With a vision to become a first-class global circular economy solution partner in the long term, and to further its commitment to the responsible management and sustainability of the environment, the Group has devised a three-pillar strategy which focuses on strengthening our core competencies and businesses, concentrating on high margin businesses and tapping into fast growing markets. This strategy will keep the momentum going as we ride the wave of post-COVID economic growth and the race to sustainability.

First of all, we will continue to strengthen our core business in Europe where we have always had a strong presence. Our Germany branch will stay as the research and development hub to support other operations across regions with expertise in recycling technology. The operation in North America will be leaner and more focused on achieving higher overall efficiency.

Meanwhile, Chiho will gravitate towards the Chinese market where we are seeing a boom in demand for recycled metal. China aims to reach carbon neutrality by 2060 according to its 14th Five-Year Plan and has already set out a substantial plan to pave the way for low carbon economy. The demand for scrap steel will double as more infrastructure projects are in place, and the recycling rate of aluminum will also double from 15% to 30% in the coming five to ten years as the primary production of aluminum grows tighter. The Chiho-Hongqiao joint venture in Binzhou, China, will play a major role in minimising emissions compared to the primary raw material route, converting thousands of tonnes of scrap into high quality recycled metals on its two-shredder processing lines. Since China has relaxed import restrictions on non-ferrous metal last year, the Group is also expected to increase our sourcing ability within China and across the region.

展望

展望未來，齊合看好回收業的前景，並深信本集團能抓緊疫情後經濟復甦及全球焦點轉向可持續發展和循環利用所帶來的龐大機遇。同時，通過目前正在進行的轉型過程，齊合為迎接未來新增長作好充分準備。為實現「成為全球循環經濟解決方案合作夥伴」這一長遠目標，以及進一步履行對環境可持續性的承諾，本集團已制定三大發展戰略，以專注於加強我們的核心競爭力和業務，並繼續深耕高利潤業務及拓展快速增長的市場。此戰略將使齊合能夠在疫情後經濟增長浪潮及可持續發展競賽中保持增長勢頭。

首先，我們將繼續強化及鞏固我們於歐洲的核心業務。我們於該市場擁有強大的影響力。德國分公司將繼續作為研發中心，並透過其回收技術方面的專業知識支持其他地區的業務。北美洲的業務將更為精簡，注重實現較高的整體效益。

同時，齊合亦會將重心轉向對再生金屬需求激增的中國市場。根據「十四五」規劃，中國力爭到二零六零年實現碳中和，並已制定邁向低碳經濟的重大計劃。隨著更多基礎建設項目到位，市場對再生鋼的需求將翻倍。此外，原生產鋁的生產漸趨緊張，鋁的回收率在未來五至十年內亦將翻倍，由15%增至30%。位於中國濱州的齊合與宏橋的合營企業可利用其雙破碎機加工線將數千噸廢料轉化為高質量的再生金屬，與直接利用原材料相比，將在碳減排方面發揮重要作用。中國去年放寬對有色金屬的進口限制，本集團亦將提高在中國及鄰近地區的採購能力。

Chief Executive Officer's Statement 行政總裁報告

The new recycling park will also provide strong forward momentum for our third pillar, which is expanding our suite of offerings and venturing into higher margin businesses that include electric vehicle (“EV”) batteries recycling and plastic recycling. The Chinese market, in particular, presents huge potential as the country owns 44% of all the electric vehicles in the world. It also envisions 20% of new cars on the road to be EVs by 2025. Furthermore, the strict carbon emission policies in place, the growing demand for EVs, and the lack of a structured recycling system for retired batteries in China will further boost our high-margin business. Our Binzhou, China, facility will dedicate a processing line to ELV recycling with the capacity to handle up to 50,000 EV lithium batteries per annum. In Europe, as the demand for safe and comprehensive lithium-ion batteries recycling continues to increase, Chiho will further strengthen its technology and capacity to fulfill market needs.

Our operations in Southeast Asia will continue to expand and play a more important role in supporting our Chinese business. As countries open up ports and borders, logistics will improve and the trade volume is expected to rise. Local partners will remain as part of our wider network in sourcing and trading ferrous metals, while local facilities will ensure a stable supply of non-ferrous recycled materials exporting to China.

Last but not least, I would like to extend my heart-felt gratitude to the members of the board of directors of the Company (the “Board”) and all our staff worldwide for their loyalty, dedication, efforts and valuable contributions, and also to our customers and partners for their unwavering support and trust. Keep safe and stay healthy.

Rafael Heinrich Suchan
Chief Executive Officer
行政總裁

Hong Kong, 26 August 2021
香港，二零二一年八月二十六日

循環科技產業園亦將為我們的第三個發展戰略提供強勁的前進動力。該發展戰略目標為擴大我們的產品組合及積極拓展高利潤業務，包括電動汽車鋰電池回收及塑膠回收。中國擁有的電動汽車佔世界全部電動汽車的44%，市場潛力巨大。我們預期，到二零二五年路面上20%的新汽車將會是電動汽車。另外，中國的嚴格碳排放政策、對電動汽車不斷上升的需求，以及缺乏退役電池系統化回收等現狀，將進一步推動我們的高利潤業務。我們位於中國濱州的工廠將開設一條報廢汽車回收加工線，每年能處理多達50,000顆電動汽車鋰電池包。在歐洲，對安全、全面的鋰離子電池回收的需求持續增加，齊合將進一步加強其技術和能力，以滿足市場需求。

我們的東南亞業務將持續擴展，並會在支持我們的中國業務方面發揮更重大的作用。隨著多個國家開通港口和邊境，物流將會進一步改善，貿易量亦預期上升。各地的合作夥伴依然是我們獲取及交易黑色金屬的廣泛網絡中的一部分，而我們在當地的工廠將確保為出口至中國的有色再生材料提供穩定供應。

最後，本人謹向本公司董事會（「董事會」）同仁及全球所有員工之忠誠勤勉、專業精神與寶貴貢獻；以及客戶及其他合作夥伴對本集團堅定不移的支持與信任，致以衷心的感謝。祝大家身心安康！

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue

The Group sold 2.3 million tonnes of recycled products for the six months ended 30 June 2021, an increment of 16.2% as compared to 2.0 million tonnes sold in the same period in 2020. Revenue for the period was HK\$11,162.2 million, an increase of 91.0% as compared to HK\$5,843.7 million for the same period last year.

The strong rebound in sales is largely attributed from economy recovery as the global economy adopts to the new norm with the COVID-19 pandemic. Strong demand for metals started in the second half of 2020 and the momentum carried into the first half of 2021. The Group's trading volume started to benefit from the ease of restrictions over import of recycled metals into China with reinstated new standards for imports of both ferrous and non-ferrous scrap metals.

The Europe segment continues to be the key contributor in terms of revenue. The contribution from the North America segment has dropped relatively as businesses in the US are under the divestment process, reflecting the continuous restructuring of the Group's businesses for more efficient use of our resources.

財務回顧

收益

本集團於截至二零二一年六月三十日止六個月售出2.3百萬噸再生產品，較二零二零年同期的銷量2.0百萬噸增加16.2%。期內收益為11,162.2百萬港元，較去年同期的5,843.7百萬港元增加91.0%。

新型冠狀病毒疫情底下，全球經濟進入新常態，經濟復甦帶動銷量強勢反彈。自二零二零年下半年開始，金屬需求持續回升，此升勢一直延續到二零二一年上半年。受惠於中國放寬對再生金屬的進口限制並重新制訂再生黑色和有色金屬的進口新標準，本集團的銷量逐漸提升。

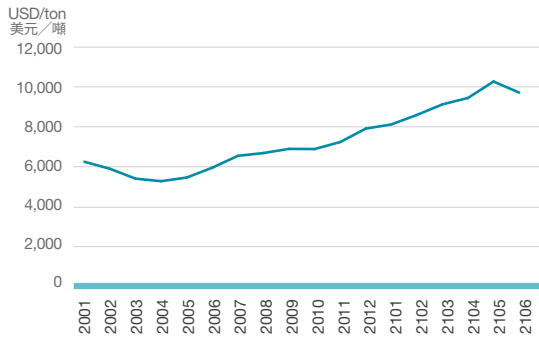
歐洲分部仍然是本集團收益的主要來源，而北美洲分部的貢獻相對下降，原因是本集團正在分拆出售部分美國業務，反映了本集團不斷進行業務調整以更有效地利用資源。

		Six months ended 30 June 截至六月三十日止六個月			
		2021 二零二一年		2020 二零二零年	
		HK\$M 百萬港元	As a percentage of total segment revenue 佔分部收益 總額的百分比	HK\$M 百萬港元	As a percentage of total segment revenue 佔分部收益 總額的百分比
Asia	亞洲	1,150.8	10.1%	534.3	9.1%
Europe	歐洲	9,719.1	85.3%	4,818.7	81.8%
North America	北美洲	527.6	4.6%	537.4	9.1%
Total segment revenue	分部收益總額	11,397.5	100%	5,890.4	100%
Inter-segment sales	分部間銷售	(235.3)		(46.7)	
Revenue	收益	11,162.2		5,843.7	

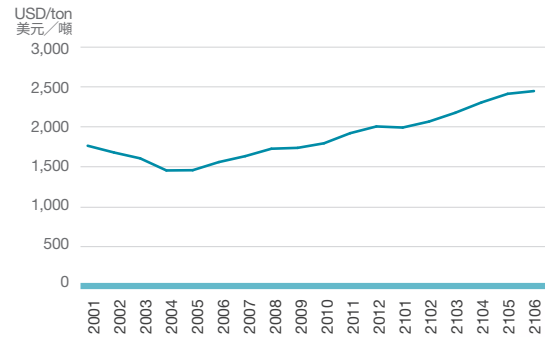
FINANCIAL REVIEW (continued)

財務回顧(續)

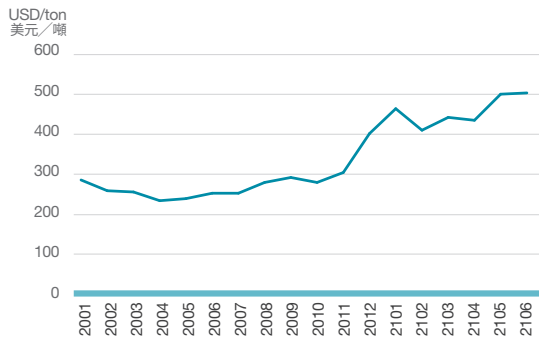
LME Copper
LME銅



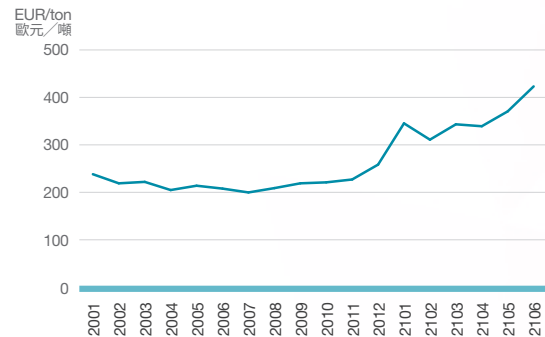
LME Aluminum
LME鋁



LME Steel Scrap
LME廢鋼



Germany BDSV (Steel Scrap)
德國BDSV (廢鋼)



Gross Profit/Margin

Gross profit for first half of 2021 was HK\$1,005.9 million, a more than 3-fold increase as compared to the same period previous year with a gross profit margin of 9.0% (2020: 5.4%). The improvement in the gross profit margin is a result of margin management in a time of rising scrap prices, focusing on high margin businesses and the continuing portfolio review and clean up.

毛利/毛利率

二零二一年上半年的毛利為1,005.9百萬港元，較去年同期增加逾3倍，及毛利率為9.0%（二零二零年：5.4%）。本集團在再生金屬價格上升時進行利潤管理，專注於高利潤業務，以及不斷審視及梳理業務組合，使毛利率得以提升。

Management Discussion and Analysis 管理層討論及分析

FINANCIAL REVIEW (continued)

Operating Expenses

Total operating expenses for the period were HK\$654.9 million, an increase of 20.7% over the same period last year, but as a percentage of revenue, it has decreased to 5.9% (2020: 9.3%). The transformation initiatives and optimisation programs implemented last year are bearing fruit in allowing the Group become leaner and more efficient. Current period's administrative expenses were influenced by costs related to refinancing activities.

財務回顧 (續)

經營費用

期內經營費用總額為654.9百萬港元，較去年同期增加20.7%，但其佔收益的百分比減少至5.9%（二零二零年：9.3%）。去年實施的轉型計劃及優化方案已見成效，使本集團變得更加精簡，實現較高的效益。期內的行政開支受到再融資活動相關費用的影響。

		Six months ended 30 June 截至六月三十日止六個月			
		2021 二零二一年		2020 二零二零年	
		HK\$M 百萬港元	As a percentage of revenue 佔收益的百分比	HK\$M 百萬港元	As a percentage of revenue 佔收益的百分比
Distribution and selling expenses	分銷及銷售開支	28.4	0.3%	23.6	0.4%
Administrative expenses	行政開支	626.5	5.6%	518.8	8.9%
Total	總計	654.9	5.9%	542.4	9.3%

FINANCIAL REVIEW (continued)

Profit/(Loss) Attributable to Shareholders and Earnings/ (Loss) Per Share

Profit attributable to shareholders of the Company for the six months ended 30 June 2021 was HK\$226.3 million, as compared to a loss of HK\$278.7 million for the same period last year.

Basic earnings per share for the first half of 2021 was HK\$0.14 as compared to loss per share of HK\$0.17 in the previous financial period.

Analysis of Cash Flow from Operations

The Group's cash generated from operations before changes in working capital for the period was HK\$658.6 million, more than 4.5-fold increase as compared to same period last year as operating profit increased. The Group has been carefully managing the working capital in response to the uncertainties in the market conditions due to the pandemic. Increasing prices and higher volumes added to the overall demand for working capital for the current period.

Liquidity and Financial Resources

Shareholders' funds as at 30 June 2021 were HK\$4,580.2 million, an increase of 2.3% from 31 December 2020, and included foreign exchange losses from the depreciation of foreign currencies, namely Euro, against Hong Kong dollar over the current period. Shareholders' funds per share increased from HK\$2.79 as at 31 December 2020 to HK\$2.85 as at 30 June 2021.

The Group's financial resources remain steady. As at 30 June 2021, the Group had cash, various bank balances and pledged bank deposits amounting to HK\$483.1 million (31 December 2020: HK\$1,036.5 million), used mainly for working capital for the expansion of business operations and the reduction of external borrowings.

The current ratio as at 30 June 2021 was 1.04 (31 December 2020: 1.03). Certain long-term borrowings were classified as current liabilities as they will be maturing within the next twelve months. Management is in active discussions with potential lenders to refinance the maturing borrowings.

財務回顧 (續)

股東應佔溢利／(虧損) 及每股盈利／(虧損)

截至二零二一年六月三十日止六個月，本公司股東應佔溢利為226.3百萬港元，而去年同期虧損為278.7百萬港元。

二零二一年上半年的每股基本盈利為0.14港元，而上一財政期間則為每股虧損0.17港元。

經營業務產生的現金流量分析

期內本集團營運資金變動前經營業務產生的現金為658.6百萬港元，較去年同期增加逾4.5倍，此乃由於經營溢利增加所致。本集團一直審慎管理營運資金，以應對疫情引致的市況不確定性。價格上升及銷量增加使期內對營運資金的整體需求增加。

流動資金與財務資源

於二零二一年六月三十日，股東資金為4,580.2百萬港元，較二零二零年十二月三十一日上升2.3%，當中包括本期間外幣（主要為歐元）兌港元貶值產生的外匯虧損。每股股東資金由二零二零年十二月三十一日的2.79港元升至二零二一年六月三十日的2.85港元。

本集團的財務資源保持穩健。於二零二一年六月三十日，本集團持有的現金、多項銀行結餘及已抵押銀行存款總額為483.1百萬港元（二零二零年十二月三十一日：1,036.5百萬港元），主要用於業務營運擴張的營運資金以及減少外部借貸。

於二零二一年六月三十日，流動比率為1.04（二零二零年十二月三十一日：1.03）。部分長期借款將於未來十二個月內到期，因而被分類為流動負債。管理層正積極與潛在貸款人商討，為即將到期的借款進行再融資。

Management Discussion and Analysis 管理層討論及分析

FINANCIAL REVIEW (continued)

Liquidity and Financial Resources (continued)

Total external borrowings as at 30 June 2021 were HK\$1,862.7 million, a reduction of HK\$435.7 million as compared to 31 December 2020. Such borrowings were mainly utilised for the purchase of mixed recycle metal and working capital, and denominated in Euro, US Dollar and Renminbi. Approximately HK\$1,604.7 million (31 December 2020: HK\$1,928.2 million) of borrowings are at fixed interest rates.

The gearing ratio of the Group as at 30 June 2021 was 17.6% (31 December 2020: 23.3%) which is calculated based on the total borrowings divided by our total assets.

Working Capital Change

Overall, our net operating cycle has improved significantly in the current period, showing our commitment to improve operating efficiencies.

Inventories as at 30 June 2021 were HK\$1,533.3 million (31 December 2020: HK\$1,169.3 million) due to the change in the scrap price and higher business volume. The inventory turnover days for the period was 24 days (2020: 46 days) as business activities resumed to close-to-normal level during the period.

Provision for inventories as at 30 June 2021 were HK\$71.4 million (31 December 2020: HK\$14.0 million).

財務回顧 (續)

流動資金與財務資源 (續)

於二零二一年六月三十日，外部借款總額為1,862.7百萬港元，較二零二零年十二月三十一日減少435.7百萬港元。該等借款主要用於購買混合再生金屬及營運資金，並以歐元、美元及人民幣計值。約1,604.7百萬港元（二零二零年十二月三十一日：1,928.2百萬港元）的借款乃按固定利率計息。

於二零二一年六月三十日，本集團的資產負債比率為17.6%（二零二零年十二月三十一日：23.3%），此乃根據借款總額除以資產總值計算。

營運資金變動

整體而言，我們的淨經營週期於本期內已經顯著改善，體現了我們提升經營效益的努力和決心。

於二零二一年六月三十日，存貨為1,533.3百萬港元（二零二零年十二月三十一日：1,169.3百萬港元），原因是再生金屬價格變動及銷量增加。期內存貨週轉日數為24天（二零二零年：46天），期內業務活動恢復至接近疫情前水平。

於二零二一年六月三十日，存貨撥備為71.4百萬港元（二零二零年十二月三十一日：14.0百萬港元）。

		At 30 June 2021 於二零二一年 六月三十日	At 31 December 2020 於二零二零年 十二月三十一日
Inventories (HK\$M)	存貨 (百萬港元)	1,533.3	1,169.3
Average inventories as a percentage of revenue (annualised)	平均存貨佔收益百分比 (年化)	6.1%	10.0%

Management Discussion and Analysis 管理層討論及分析

FINANCIAL REVIEW (continued) Working Capital Change (continued)

財務回顧 (續) 營運資金變動 (續)

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年	2020 二零二零年
Turnover days	週轉日數	24	46

Net trade and bills receivables as at 30 June 2021 were HK\$2,451.7 million, increased from HK\$1,302.0 million as at 31 December 2020. Debtor turnover days for the period remained comparable as same period last year at 31 days.

淨貿易及票據應收款項由二零二零年十二月三十一日的1,302.0百萬港元增加至二零二一年六月三十日的2,451.7百萬港元。期內應收賬款週轉日數與去年同期相若，為31天。

		At 30 June 2021 於二零二一年 六月三十日	At 31 December 2020 於二零二零年 十二月三十一日
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Trade and bills receivables, net (HK\$M)	淨貿易及票據應收款項 (百萬港元)	2,451.7	1,302.0
Average receivables as a percentage of revenue (annualised)	平均應收款項佔收益百分比 (年化)	8.4%	8.5%

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年	2020 二零二零年
Turnover days	週轉日數	31	32

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (continued)

Working Capital Change (continued)

Trade and bills payables as at 30 June 2021 were HK\$2,293.9 million (31 December 2020: HK\$1,377.2 million), following the higher inventory balance. Creditor turnover days for the period were 33 days (2020: 23 days), reflecting our strengthened controls over preserving our cash resources.

財務回顧 (續)

營運資金變動 (續)

貿易及票據應付款項於二零二一年六月三十日為2,293.9百萬港元(二零二零年十二月三十一日：1,377.2百萬港元)，跟隨存貨結餘增加。期內應付賬款週轉日數為33天(二零二零年：23天)，反映了我們在留存現金資源上加強了控制。

		At 30 June 2021 於二零二一年 六月三十日	At 31 December 2020 於二零二零年 十二月三十一日
Trade and bills payables (HK\$M)	貿易及票據應付款項 (百萬港元)	2,293.9	1,377.2
		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年	2020 二零二零年
Turnover days	週轉日數	33	23

Treasury Policies

The Group's treasury policies are designed to mitigate the impact of fluctuations in commodity prices and foreign currency exchange rates arising from the Group's global operations. The Group principally uses future contracts to hedge the commodity risks, and forward foreign exchange contracts to hedge the foreign exchange risks in the ordinary course of business. It is the Group's policy not to enter into derivative transactions for speculative purposes.

財政政策

本集團的財政政策旨在紓緩本集團環球營運所造成的商品價格及外幣匯率波動影響。於日常業務過程中，本集團主要以期貨合約對沖商品風險及以外匯遠期合約對沖外匯風險。本集團的政策是不參與投機性的衍生交易。

Capital Expenditure

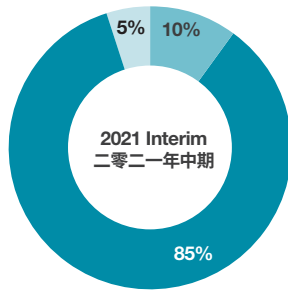
For the six months ended 30 June 2021, the Group invested HK\$108.4 million in tangible assets including machinery and equipment, leasehold improvements, office equipment for improving production efficiency (2020: HK\$153.0 million). These capital expenditures were financed through internal resources and lease arrangements.

資本開支

截至二零二一年六月三十日止六個月，本集團投資108.4百萬港元於有形資產，包括機器及設備、租賃物業裝修、辦公室設備以提高生產效率(二零二零年：153.0百萬港元)。該等資本開支均以內部資源及租賃安排提供資金。

BUSINESS REVIEW

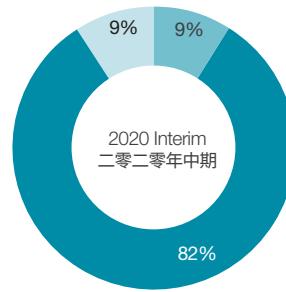
Revenue by Regions



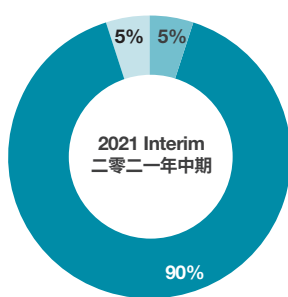
Asia 亞洲 Europe 歐洲 North America 北美洲

業務回顧

按地區劃分的收益

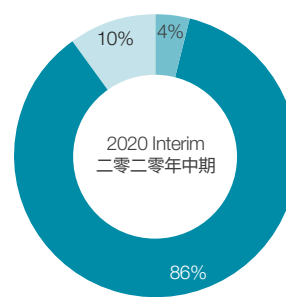


Sales Quantity by Regions

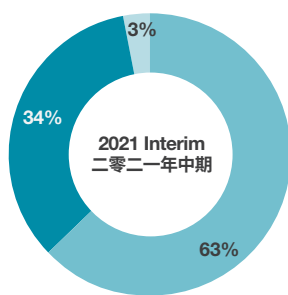


Asia 亞洲 Europe 歐洲 North America 北美洲

按地區劃分的銷售量

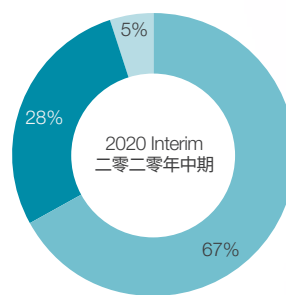


Revenue by Products

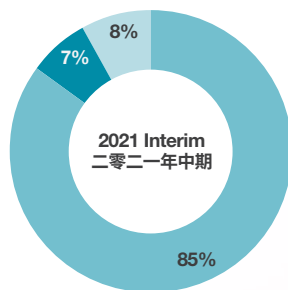


Ferrous 黑色金屬 Non-ferrous 有色金屬 Others 其他

按產品劃分的收益

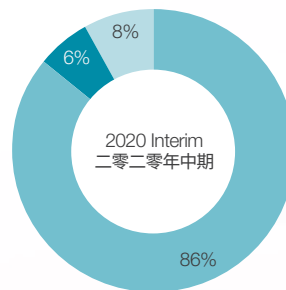


Sales Quantity by Products



Ferrous 黑色金屬 Non-ferrous 有色金屬 Others 其他

按產品劃分的銷售量



Management Discussion and Analysis 管理層討論及分析

BUSINESS REVIEW (continued)

Operational Performance

The Group continued to operate in our long established markets and expanded into new markets in South/Southeast Asia. Through the geographic diversification, we are in a good position to mitigate the risks of depending overly on a single market. We are among the processing and technology leaders in ferrous and non-ferrous metal recycling worldwide, and own many advanced processing technologies in scrap metal shredding and post-shredding processing.

Europe

The Europe segment sold 2.11 million tonnes of recycled products for the six months ended 30 June 2021, an increase of 22.2% compared to same period last year of 1.72 million tonnes. Segment revenue increased two-fold to HK\$9,719.1 million as compared to same period in 2020, as strong growth is seen in the core businesses in Europe. Demand for metals were strong as industrial activities resumed from the COVID-19 impact and more global infrastructure spending to revive the economy. Such strong demand drove the scrap prices higher. With China's ease on the restrictions over the import of recycled ferrous and non-ferrous, the European segment also benefited with higher volume sold.

Through the economic recovery and the improved margin management, Europe segment's gross profit for the period reached HK\$882.4 million, more than 2.5-fold increase as compared to the same period last year, and gross profit margin for the period also increased from 6.7% in 2020 to 9.1% in the current period.

Segment profit for the period was HK\$530.2 million (2020: HK\$42.2 million), more than 10-fold increase as compared to same period last year. Apart from the improved business environment, various operational efficiency incentives implemented last year materialised and further increase Europe segment's profitability.

業務回顧 (續)

營運表現

本集團繼續於紮基多年的市場營運，同時在南亞／東南亞等地拓展新市場。透過地域多元化，有利本集團減輕過度依賴單一市場的風險。我們是全球黑色及有色金屬回收處理及技術領導者之一，擁有多項先進的再生金屬破碎和破碎後處理技術。

歐洲

截至二零二一年六月三十日止六個月，歐洲分部售出2.11百萬噸再生產品，較去年同期的1.72百萬噸上升22.2%。分部收益為9,719.1百萬港元，為二零二零年同期的兩倍，原因是歐洲的核心業務增長強勁。由於工業活動從新型冠狀病毒疫情的影響中恢復，及全球基礎建設支出增加以刺激經濟復甦，金屬需求強勁。該強勁需求已推動再生金屬價格走高。受惠於中國放寬對再生黑色和有色金屬的進口限制，歐洲分部亦錄得較高銷量。

由於經濟復甦及集團加強了對利潤的管理，歐洲分部的期內毛利達882.4百萬港元，為去年同期的逾2.5倍，及期內毛利率亦由二零二零年的6.7%增加至本期間的9.1%。

期內分部溢利為530.2百萬港元（二零二零年：42.2百萬港元），較去年同期增加逾10倍。除營商環境改善外，去年實施的多項改善營運效率的措施已見成效，進一步提升歐洲分部的利潤。

BUSINESS REVIEW (continued)

North America

The North America segment has undergone a business transformation process beginning from last year to sell non-performing assets to better allocate resources to more profitable businesses. The disposal of Northeastern US businesses is being completed during the period, and the sale of the Southwestern US locations is expected to be completed by end of 2021. The North America segment, therefore, reported 0.11 million tonnes of recycled products sold for the six months ended 30 June 2021 (2020: 0.19 million tonnes), and a segment revenue of HK\$527.6 million (2020: HK\$537.4 million).

Segment gross profit for the period was HK\$100.0 million (2020: HK\$49.1 million) and gross profit margin was at 19.0% (2020: 9.1%), as loss-making businesses were disposed of during the period. As such, the North America segment has turned from a loss of HK\$8.9 million in 2020 to a profit of HK\$72.1 million in the current period.

Asia

The sales tonnage for the Asia segment increased 29.4% from 0.09 million tonnes in 2020 to 0.11 million tonnes in the current period, and segment revenue for the period was HK\$1,150.8 million, more than 2-fold increase as compared to 2020, from changes in the sales mix with more focus on non-ferrous sales. Such strong momentum is contributed by the maturing e-motor recycling business in Southeast Asia, as well as benefited from the restrictions eased on the import of recycled ferrous and non-ferrous into China.

The Asian scrap prices followed the global upward trend as demand boosted from government measures are in place to revive the economy. With higher contribution from the Southeast Asia operations, segment gross profit and gross profit margin for the period was HK\$24.6 million and 2.1%, respectively, a turnaround from a gross loss of HK\$47.1 million and gross loss margin of 8.8% in 2020. Furthermore, our joint venture operation in India is maturing and its profitability improved. Hence, the Asia segment has turned from a loss of HK\$95.3 million in 2020 to a profit of HK\$4.3 million in 2021.

業務回顧 (續)

北美洲

本集團自去年開始對北美洲分部進行業務轉型，出售不良資產，以集中資源予有盈利的業務。期內正在完成出售美國東北部業務，而美國西南部地區的出售預期將於二零二一年底前完成。因此，截至二零二一年六月三十日止六個月，北美洲分部錄得再生產品銷量0.11百萬噸（二零二零年：0.19百萬噸），而分部收益為527.6百萬港元（二零二零年：537.4百萬港元）。

由於虧損業務已於期內出售，期內錄得分部毛利100.0百萬港元（二零二零年：49.1百萬港元），及毛利率19.0%（二零二零年：9.1%）。因此，北美洲分部已由二零二零年的虧損8.9百萬港元扭轉為期內溢利72.1百萬港元。

亞洲

亞洲分部的銷量由二零二零年的0.09百萬噸增加29.4%至本期間的0.11百萬噸。此外，由於有色金屬銷售佔比增加，期內分部收益為1,150.8百萬港元，為二零二零年的逾兩倍。此強勁勢頭乃受惠於東南亞的電機回收業務逐漸成熟發展，以及中國放寬對再生黑色和有色金屬的進口限制。

由於政府採取措施刺激經濟復甦，從而提振了需求，刺激再生金屬價格上漲，亞洲再生金屬價格亦跟隨全球趨勢上漲。東南亞業務的貢獻增加，期內分部毛利及毛利率分別為24.6百萬港元及2.1%，較二零二零年的毛損47.1百萬港元及毛損率8.8%實現扭虧為盈。此外，我們於印度的合營企業業務日趨成熟及其利潤率已提升。因此，亞洲分部已由二零二零年的虧損95.3百萬港元扭轉為二零二一年的溢利4.3百萬港元。

Management Discussion and Analysis 管理層討論及分析

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2021, the Group had pledged certain property, plants and equipment, right-of-use assets, investment properties, inventories, trade receivables, assets held for sale and bank deposits with an aggregate carrying value of approximately HK\$5,324.6 million (31 December 2020: approximately HK\$4,337.0 million) to secure certain borrowings and general banking facilities granted to the Group.

As at 30 June 2021, the Group had capital commitments in respect of acquisition of property, plant and equipment and additions in construction in progress which are contracted, but not provided for in the amount of HK\$86.3 million (31 December 2020: HK\$16.5 million).

As at the date of this report, save as disclosed below, the Board is not aware of any material contingent liabilities.

The Group has provided financial guarantees to certain related parties and joint ventures of HK\$20.4 million and HK\$55.2 million (31 December 2020: HK\$14.9 million and HK\$38.0 million), respectively. As the risk of default is very remote and there is no history of default, no financial guarantee liability was recognised.

A writ of summons was issued by Delco Participation B.V. ("Delco"), as plaintiff, on 21 December 2015 in the High Court of Hong Kong (the "Court") (High Court Action No. 3040 of 2015, "HCA 3040/2015"), followed by an amended writ on 5 December 2016, against the Company and Mr. Fang Ankong ("Mr. Fang") as defendants for a sum of HK\$57.8 million together with interest and costs. The claim relates to an alleged nonpayment of a portion of the loans advanced by Delco Asia Company Limited ("Delco Asia") to subsidiaries of the Company in accordance with the terms of a shareholders' loan assignment dated 24 June 2010 between, amongst others, Delco Asia and the Company. The Company filed its defence on 23 September 2016. An amended writ of summons was filed by Delco on 5 December 2016, adding Mr. Fang as a defendant to the proceedings. The parties subsequently filed amended pleadings. On Delco's application, the Court granted leave to Delco to discontinue its claim against the Company for the HK\$57.8 million, with certain issues still to be decided by the Court.

資本承擔及或然負債

於二零二一年六月三十日，本集團抵押賬面總值約5,324.6百萬港元（二零二零年十二月三十一日：約4,337.0百萬港元）的若干物業、廠房及設備、使用權資產、投資物業、存貨、貿易應收款項、持作出售資產及銀行存款，為授予本集團之若干借款及一般銀行融資作擔保。

於二零二一年六月三十日，本集團有關收購物業、廠房及設備及添置在建工程的已訂約但未撥備的資本承擔金額為86.3百萬港元（二零二零年十二月三十一日：16.5百萬港元）。

於本報告日期，除下文所披露者外，董事會概無知悉有任何重大或然負債。

本集團已分別向若干關聯方及合營企業提供金融擔保20.4百萬港元及55.2百萬港元（二零二零年十二月三十一日：14.9百萬港元及38.0百萬港元）。由於違約風險極小且無違約歷史，因此並無確認任何金融擔保負債。

Delco Participation B.V.（「Delco」）作為原告於二零一五年十二月二十一日以本公司及方安空先生（「方先生」）作為被告索償利息及成本57.8百萬港元向香港高等法院（「法院」）提交訴狀（高院案例二零一五年第3040號，「HCA 3040/2015」），並於二零一六年十二月五日提交修訂傳票。該索償聲稱未根據（其中包括）Delco Asia Company Limited（「Delco Asia」）與本公司於二零一零年六月二十四日訂立的股東貸款轉讓條款支付Delco Asia向本公司子公司墊付貸款的部分款項。本公司已於二零一六年九月二十三日提出抗辯。Delco於二零一六年十二月五日提交修訂訴狀，加入方先生為法律程序之被告。當事各方隨後提交經修訂訴狀。根據Delco的申請，法院准許Delco終止向本公司索償57.8百萬港元，若干事宜仍有待法院作定奪。

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES (continued)

Each of Mr. Fang, a former director of the Company, and HWH Holdings Limited (“HWH”), undertook to the Company to indemnify and hold harmless on demand (on an after-tax basis) the Company against all losses arising out of, inter alia, HCA 3040/2015 in accordance with the terms of a letter of indemnity signed by Mr. Fang and HWH in favour of the Company on 17 December 2015. The exact scope of the indemnity is yet to be determined.

A writ of summons was issued by Delco as plaintiff on 10 November 2016 in the Court (High Court Action No. 2939 of 2016, “HCA 2939/2016”) against the Company as the 1st defendant, Chiho-Tiande (HK) Limited (“CTHK”), a wholly-owned subsidiary of the Company, as the 2nd defendant, HWH as the 3rd defendant, and Mr. Fang as the 4th defendant. Delco claimed against the Company for damages for an alleged breach of a letter of undertaking dated 3 March 2015 in relation to a convertible bond issued by the Company and subscribed for by Delco on 1 March 2012. Delco further claimed against CTHK for a sum of US\$1.0 million, allegedly advanced by Delco Asia to CTHK on or around 16 April 2009. Delco further claims interests, costs and further or other relief. The Company and CTHK filed their defence on 24 March 2017 and the plaintiff filed its reply to the Company and CTHK’s defence on 20 June 2017. The parties subsequently filed amended pleadings and gave evidence at the trial in July 2021. The case is still in progress, with further evidence to be given in the Netherlands, and the parties to make closing submissions.

Whilst the Board does not consider HCA 3040/2015 and HCA 2939/2016 to be claims of material importance for the reason set out above, details of HCA 3040/2015 and HCA 2939/2016 are disclosed herein for the sake of completeness.

資本承擔及或然負債 (續)

方先生 (本公司前任董事) 及HWH Holdings Limited (「HWH」) 各自向本公司承諾，根據方先生與HWH以本公司為受益人於二零一五年十二月十七日簽署的彌償函件的條款，彌償本公司因 (其中包括) HCA 3040/2015產生的所有損失及使本公司免受損失 (按除稅後基準)。彌償的具體範圍尚未確定。

Delco作為原告於二零一六年十一月十日以本公司作為第一被告；本公司的全資子公司齊合天地 (香港) 有限公司 (「齊合天地香港」) 作為第二被告；HWH作為第三被告；及方先生作為第四被告向法院提交訴狀 (高院案例二零一六年第2939號，「HCA 2939/2016」)。Delco就指稱違反日期為二零一五年三月三日的承諾函 (內容關於二零一二年三月一日本公司發行及Delco認購可換股債券) 的損害向本公司索償。Delco進一步向齊合天地香港索償1.0百萬美元，其指稱由Delco Asia於二零零九年四月十六日或前後向齊合天地香港墊付該款項。Delco進一步索償利息、訟費及進一步或其他寬免。本公司及齊合天地香港於二零一七年三月二十四日提出抗辯，而原告於二零一七年六月二十日就本公司及齊合天地香港的抗辯提交答辯。當事各方隨後提交經修訂訴狀並於二零二一年七月之庭審上作證。案件仍在進行中，並將於荷蘭提供進一步證據，及當事各方將作出結案陳詞。

董事會因上文所載理由認為HCA 3040/2015及HCA 2939/2016並非重大申索，於本報告中披露HCA 3040/2015及HCA 2939/2016的詳情僅為保持完整性。

Management Discussion and Analysis 管理層討論及分析

RISK MANAGEMENT

The Group in its ordinary course of business is exposed to market risks such as commodity price risk, foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's risk management strategy is to mitigate the adverse effects of these risks on its financial performance.

In 2010, the Group adopted a commodity price risk hedging policy which has been subsequently updated to cater for the changing operating conditions of the Group. The latest commodity price risk hedging policy is available on the Company's website, www.chihogroup.com.

As part of its foreign currency hedging strategy, the Board closely monitors the Group's foreign currency borrowings in view of the volatile exchange rate of Euro, Renminbi and other relevant currencies to US Dollar and considers various measures to minimise foreign currency risk.

Regarding credit risk, the Group continues to follow the best practices of cash collection for sales of most recycled products in order to minimise the carrying amounts of the financial assets in the Group's financial statements. In addition, the Group continues monitoring closely its trade debtors to minimise potential impairment losses.

Regarding liquidity risk, the Group continues maintaining a balance between the continuity of funding and flexibility through the use of bank borrowings.

風險管理

在日常業務過程中，本集團面對的市場風險包括商品價格風險、外幣風險、利率風險、信貸風險及流動資金風險等。本集團的風險管理策略旨在減低該等風險對本集團財務表現的不利影響。

於二零一零年，本集團採納商品價格風險對沖政策，該政策其後已進行更新以迎合本集團不斷變化的營運狀況。最新的商品價格風險對沖政策已發佈於本公司網站 www.chihogroup.com。

作為本集團的外幣對沖策略的一部分，鑒於歐元、人民幣及其他有關貨幣兌美元匯率波動，因此董事會將密切監察本集團的外幣借款，並考慮多項措施以減少外幣風險。

信貸風險方面，本集團就其大多數再生產品銷售繼續奉行貨到付現的最佳慣例，旨在減低本集團財務報表中的金融資產賬面值。此外，本集團繼續密切監察貿易應收賬情況，以減低潛在減值虧損。

至於流動資金風險方面，本集團繼續透過利用銀行借款，在持續獲取資金與保持靈活程度之間維持平衡。

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2021, the Group had a workforce of 3,024 (31 December 2020: 2,832) employees. In addition, we engaged approximately 92 (31 December 2020: 270) workers and office staff through local contractors. We have not experienced any strikes, work suspension or significant labor disputes which have affected our operations in the past. We have not experienced any significant difficulties in recruiting and retaining qualified staff. We continue to maintain good relationships with our employees.

The Group's total staff costs for the current interim period were approximately HK\$545.1 million (2020: HK\$497.3 million). The remuneration package of staff consists of basic salary, mandatory provident fund, insurances and other benefits as considered appropriate. Remuneration of the employees of the Group is determined by reference to market standards, individual performance and their respective contribution to the Group.

The emoluments of the directors of the Company (the "Directors") are subject to the recommendations of the remuneration committee of the Company and the Board's approval. Other emoluments including discretionary bonuses, are determined by the Board with reference to the Directors' duties, abilities, reputation and performance.

INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

For the Group, maintaining trusting relationships with investors has always been paramount. The Board accordingly continues to engage with them regularly and to keep them apprised of its latest corporate and business developments in a timely manner.

Looking to the future, the Group will be taking steps to increase transparency with both investors and shareholders to strengthen its corporate governance in line with their best interests. As part of this initiative, additional visibility will be provided around strategic plans and approaches, with the aim of eliciting feedback and reaffirming the collective understanding of the Group's business, market activities and growth opportunities.

僱員及薪酬政策

於二零二一年六月三十日，本集團共有3,024名（二零二零年十二月三十一日：2,832名）僱員。此外，我們透過當地承包商僱用約92名（二零二零年十二月三十一日：270名）工人以及辦公人員。我們過去並無經歷任何影響經營的罷工、停工或重大勞資糾紛。我們在招聘及挽留合資格僱員方面亦無遇到任何重大困難。我們與僱員一直維持良好的關係。

本集團的本中期期間員工成本總額為約545.1百萬港元（二零二零年：497.3百萬港元）。員工薪酬組合包括基本薪金、強制性公積金、保險及其他合適福利。本集團僱員的薪酬乃參考市場標準、個人表現及其各自對本集團貢獻而定。

本公司董事（「董事」）酬金由本公司薪酬委員會推薦建議及須經董事會批准。其他酬金（包括酌情花紅）由董事會參考董事的職務、能力、名聲及表現釐定。

投資者關係及與股東的溝通

對本集團而言，與投資者保持信任關係一直至關重要。因此，董事會將繼續定期與投資者接觸，並及時向彼等通報其最新的公司及業務發展情況。

展望未來，本集團將採取措施增加本公司與投資者和股東之間的透明度，加強企業管治，以符合彼等最大利益。作為該計劃的一部分，我們將圍繞策略計劃和方針提供更多可視性資料，以期獲得反饋並加強對本集團業務、市場活動及增長機會的共同了解。

Disclosure of Interests 權益披露

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 June 2021, the interests or short positions of the Directors and Chief Executives of the Company in the shares (the "Shares"), underlying Shares and debentures of the Company or any of 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") as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"), were as follows:

董事及主要行政人員於本公司及其 相聯法團的股份、相關股份及債券 的權益及淡倉

於二零二一年六月三十日，董事及本公司主要行政人員於本公司或其任何相聯法團（定義見《證券及期貨條例》（「證券及期貨條例」）第XV部）的股份（「股份」）、相關股份及債券中擁有本公司須根據證券及期貨條例第352條須予存置的登記冊中所記錄的權益或淡倉；或根據香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十所載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」）的權益或淡倉如下：

Name of Director 董事姓名	Capacity/Nature of Interest 身份／權益性質	Long position (L)/ Short position (S) 好倉(L)/淡倉(S)	Total number of Shares interested 持有權益的股份總數	Approximate percentage of shareholding in the Company (Note 1) 佔本公司股權 概約百分比 (附註1)
Mr. Tu Jianhua 涂建華先生	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%

Notes:

- (1) As at 30 June 2021, the total number of issued Shares of the Company was 1,605,152,291 Shares.
- (2) The 978,383,181 Shares were held by the USUM Investment Group Hong Kong Limited ("USUMHK"), a company in which Mr. Tu Jianhua ("Mr. Tu") was indirectly interested. USUMHK is directly wholly owned by USUM Investment Group Limited ("USUM Group"), a limited liability company incorporated in the People's Republic of China ("PRC"). The single largest shareholder of USUM Group is Loncin Holdings Co., Ltd. ("Loncin Holdings"), with an equity interest in USUM Group of 53.29%. The remaining equity interests in USUM Group are held by 13 individuals and 27 companies, all of whom are independent third parties of Loncin Holdings and Mr. Tu, and they each hold between 0.29% to 10% equity interests in USUM Group. Loncin Holdings is 98% owned by Loncin Group Co., Ltd. ("Loncin Group") and 2% owned by Mr. Tu. Loncin Group is 98% owned by Mr. Tu; 1% owned by Ms. Tu Jianmin and 1% owned by Ms. Tu Jianrong, both being sisters of Mr. Tu. USUMHK held 978,383,181 Shares as at 30 June 2021. Therefore, Mr. Tu was deemed to be interested in the Shares held by USUMHK pursuant to the SFO.

附註：

- (1) 於二零二一年六月三十日，本公司已發行股份的總數為1,605,152,291股股份。
- (2) 978,383,181股股份乃由滙商投資集團（香港）有限公司（「滙商香港」）持有，滙商香港為一間涂建華先生（「涂先生」）間接擁有權益的公司。滙商香港由滙商投資集團股份有限公司（「滙商集團」）直接全資擁有，滙商集團為一間於中華人民共和國（「中國」）註冊成立之有限公司。滙商集團的最大單一股東為隆鑫控股有限公司（「隆鑫控股」），其於滙商集團的股本權益為53.29%。滙商集團的餘下股本權益由13名個人及27間公司持有，該等個人及公司均為隆鑫控股及涂先生的獨立第三方，並分別持有滙商集團0.29%至10%之股權。隆鑫控股分別由隆鑫集團有限公司（「隆鑫集團」）擁有98%及涂先生擁有2%。隆鑫集團由涂先生擁有98%；由涂建敏女士及涂建容女士（均為涂先生的姊妹）分別擁有1%。於二零二一年六月三十日，滙商香港持有978,383,181股股份。因此，根據證券及期貨條例，涂先生被視為於滙商香港持有的股份中擁有權益。

Disclosure of Interests 權益披露

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION (continued)

Save as disclosed above, as at 30 June 2021, none of the Directors and Chief Executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債券的權益及淡倉 (續)

除上文所披露者外，於二零二一年六月三十日，董事及本公司主要行政人員概無於本公司或其任何相聯法團之股份、相關股份或債券中擁有須根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉（包括根據證券及期貨條例有關條文規定，彼等被當作或視作擁有之權益或淡倉）；或本公司根據證券及期貨條例第352條須予存置之登記冊中所記錄之任何權益或淡倉；或根據標準守則須予知會本公司及聯交所之任何權益或淡倉。

Disclosure of Interests 權益披露

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

As at 30 June 2021, the interests and short positions of the persons, other than the Directors and Chief Executives of the Company, in the Shares and underlying Shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

主要股東於本公司的股份及相關股份的權益及淡倉

於二零二一年六月三十日，除董事及本公司主要行政人員外，以下人士於本公司股份及相關股份中擁有根據證券及期貨條例第336條須予存置之登記冊中所記錄的權益及淡倉如下：

Name of Substantial Shareholder 主要股東名稱/姓名	Capacity/Nature of Interest 身份/權益性質	Long position (L)/ Short position (S) 好倉(L)/淡倉(S)	Total number of Shares interested 持有權益的股份總數	Approximate percentage of Shareholding in the Company (Note 1) 佔本公司股權 概約百分比 (附註1)
USUM Investment Group Hong Kong Limited 渝商投資集團(香港)有限公司	Beneficial owner 實益擁有人	L	978,383,181 (Note 2) (附註2)	60.95%
USUM Investment Group Limited 渝商投資集團股份有限公司	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%
Loncin Holdings Co., Ltd. 隆鑫控股有限公司	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%
Loncin Group Co., Ltd. 隆鑫集團有限公司	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%
Mr. Tu Jianhua 涂建華先生	Interest in controlled corporations 於受控制法團之權益	L	978,383,181 (Note 2) (附註2)	60.95%
Tai Security Holding Limited Tai Security Holding Limited	Beneficial owner 實益擁有人	L	98,773,990 (Note 3) (附註3)	6.15%
Good Union Hong Kong Investment Limited 星滙香港投資有限公司	Beneficial owner 實益擁有人	L	44,700,000 (Note 4) (附註4)	2.78%
Mr. Zhang Mingjie 張明杰先生	Interest in controlled corporations 於受控制法團之權益	L	143,473,990 (Notes 3 & 4) (附註3及4)	8.94%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (continued)

Notes:

- (1) As at 30 June 2021, the total number of issued Shares of the Company was 1,605,152,291 Shares.
- (2) The 978,383,181 Shares were held by the USUMHK, a company in which Mr. Tu was indirectly interested. USUMHK is directly wholly owned by USUM Group, a limited liability company incorporated in the PRC. The single largest shareholder of USUM Group is Loncin Holdings, with an equity interest in USUM Group of 53.29%. The remaining equity interests in USUM Group are held by 13 individuals and 27 companies, all of whom are independent third parties of Loncin Holdings and Mr. Tu, and they each hold between 0.29% to 10% equity interests in USUM Group. Loncin Holdings is 98% owned by Loncin Group and 2% owned by Mr. Tu. Loncin Group is 98% owned by Mr. Tu; 1% owned by Ms. Tu Jianmin and 1% owned by Ms. Tu Jianrong, both being sisters of Mr. Tu. USUMHK held 978,383,181 Shares as at 30 June 2021. Therefore, Mr. Tu was deemed to be interested in the Shares held by USUMHK pursuant to the SFO.
- (3) The 98,773,990 Shares were held by Tai Security Holding Limited ("Tai Security") as beneficial owner and Tai Security is directly wholly-owned by Mr. Zhang Mingjie ("Mr. Zhang") as at 30 June 2021. Therefore, Mr. Zhang was deemed to be interested in the same number of Shares as held by Tai Security pursuant to the SFO.
- (4) The 44,700,000 Shares were held by Good Union Hong Kong Investment Limited ("Good Union") as beneficial owner and Good Union is directly wholly-owned by Mr. Zhang as at the 30 June 2021. Therefore, Mr. Zhang was deemed to be interested in the same number of Shares as held by Good Union pursuant to the SFO.

Save as disclosed above, as at 30 June 2021, the Company had not been notified by any persons (other than the Directors and Chief Executives of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

主要股東於本公司的股份及相關股份的權益及淡倉 (續)

附註：

- (1) 於二零二一年六月三十日，本公司已發行股份的總數為1,605,152,291股股份。
- (2) 978,383,181股股份乃由渝商香港持有，渝商香港為一間由涂先生間接擁有權益的公司。渝商香港由渝商集團直接全資擁有，渝商集團為一間於中國註冊成立之有限公司。渝商集團的最大單一股東為隆鑫控股，其於渝商集團的股本權益為53.29%。渝商集團的餘下股本權益由13名個人及27間公司持有，該等個人及公司均為隆鑫控股及涂先生的獨立第三方，並分別持有渝商集團0.29%至10%之股權。隆鑫控股分別由隆鑫集團擁有98%及涂先生擁有2%。隆鑫集團由涂先生擁有98%；由涂建敏女士及涂建容女士（均為涂先生的姊妹）分別擁有1%。於二零二一年六月三十日，渝商香港持有978,383,181股股份。因此，根據證券及期貨條例，涂先生被視為於渝商香港持有的股份中擁有權益。
- (3) 於二零二一年六月三十日，Tai Security Holding Limited (「Tai Security」) 作為實益擁有人持有98,773,990股股份，而Tai Security由張明杰先生（「張先生」）直接全資擁有。因此，根據證券及期貨條例，張先生被視為於Tai Security持有的相同數目股份中擁有權益。
- (4) 於二零二一年六月三十日，星滙香港投資有限公司（「星滙」）作為實益擁有人持有44,700,000股股份，而星滙由張先生直接全資擁有。因此，根據證券及期貨條例，張先生被視為於星滙持有的相同數目股份中擁有權益。

除上文所披露外，於二零二一年六月三十日，本公司並不知悉任何人士（董事及本公司主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文規定須向本公司披露或本公司根據證券及期貨條例第336條須予存置的登記冊所記錄的權益或淡倉。

Corporate Governance and Other Information 企業管治及其他資料

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company recognises the importance of corporate transparency and accountability and is committed to achieving a high standard of corporate governance. Throughout the six months ended 30 June 2021, the Company has complied with all the applicable code provisions of the Corporate Governance Code (the “CG Code”) and Corporate Governance Report, contained in Appendix 14 to the Listing Rules, save and except as explained below:

Pursuant to code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Chen Chunguo (“Mr. Chen”) tendered his resignation as the chairman of the Board (“Chairman”) and an executive director of the Company with effect from 3 March 2021. Since then, Mr. Rafael Heinrich Suchan (“Mr. Suchan”), the chief executive officer of the Company (“CEO”), has been the acting Chairman and taking up all the responsibilities of the Chairman. The Board believed that vesting the roles of both acting Chairman and CEO in the same person provided the Company with strong and consistent leadership and allowed for effective and efficient planning and implementation of business decisions and strategies. Accordingly, the Directors considered that the deviation from provision A.2.1 of the Code was appropriate in such circumstance.

The Company will, from time to time, review the effectiveness of the Group’s corporate governance structure and consider whether any changes are necessary.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding directors’ securities transactions by Directors. All Directors have confirmed the specific enquiries made by the Company, that they have complied with the required standard set out in the Model Code during the six months ended 30 June 2021.

遵守企業管治守則

本公司深知企業透明度及問責制之重要性，並致力於實現高標準企業管治。截至二零二一年六月三十日止六個月，本公司已遵守上市規則附錄十四所載《企業管治守則》（「企業管治守則」）及《企業管治報告》的所有適用的守則條文，惟以下所述者除外：

根據企業管治守則之守則條文第A.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。陳春國先生（「陳先生」）已提呈辭任本公司董事會主席（「主席」）及執行董事，自二零二一年三月三日起生效。自此，本公司行政總裁（「行政總裁」）Rafael Heinrich Suchan先生（「Suchan先生」）一直擔任代理主席並承擔主席的所有職責。董事會認為，由一人同時擔任主席及行政總裁，可為本公司提供強大而貫徹的領導，並有效及高效地規劃及執行業務決定及策略。因此，董事認為在此情況下偏離守則條文第A.2.1條屬恰當。

本公司將不時審閱本集團企業管治架構之效能及考慮是否需要作出任何修改。

遵守上市發行人董事進行證券交易 之標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則（「標準守則」）作為本公司董事進行證券交易之行為守則。經本公司作出特定查詢後，所有董事已確認，於截至二零二一年六月三十日止六個月內彼等均一直遵守標準守則所載之規定準則。

Corporate Governance and Other Information 企業管治及其他資料

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2021.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2021.

SIGNIFICANT EVENTS

The Company and any of its subsidiaries did not have any significant events after 30 June 2021.

REVIEW OF INTERIM REPORT

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed the financial matters and internal control systems, including reviewed and approved of the Group's unaudited condensed consolidated results for the six months ended 30 June 2021 and this interim report.

CHANGES OF INFORMATION IN RESPECT OF DIRECTORS

In accordance with Rule 13.51B(1) of the Listing Rules, the changes in information required to be disclosed by Directors pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules after the publication of the Annual Report 2020 of the Company are set out below:

Experience including other directorships

- (a) **Dr. Loke Yu Alias Loke Hoi Lam (陸海林)**, an independent non-executive Director, has resigned as an independent non-executive director of Zhong An Group Limited (Stock Code: 0672) with effect from 10 June 2021.

購買、出售或贖回本公司上市證券

於截至二零二一年六月三十日止六個月內本公司及其任何子公司均無購買、出售或贖回任何本公司的上市證券。

中期股息

董事不建議派付截至二零二一年六月三十日止六個月的中期股息。

重大事件

本公司及其任何子公司於二零二一年六月三十日後並無發生任何重大事件。

中期報告審閱

審核委員會已審閱本集團採納之會計原則及慣例，並討論財務申報事宜及內部監控系統，包括審閱及通過本集團截至二零二一年六月三十日止六個月之未經審核簡明綜合業績及本中期報告。

有關董事資料的變動

根據上市規則第13.51B(1)條，本公司二零二零年年報刊登後，董事根據上市規則第13.51(2)條第(a)至(e)段及第(g)段須予披露的資料變動載列如下：

經驗(包括其他董事職務)

- (a) **陸海林博士**，獨立非執行董事，已辭任眾安集團有限公司(股份代號：0672)獨立非執行董事，自二零二一年六月十日起生效。

Condensed Consolidated Statement of Profit or Loss

簡明綜合損益表

		Six months ended 30 June 截至六月三十日止六個月		
		Notes 附註	2021 二零二一年 HK\$M 百萬港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$M 百萬港元 (Unaudited) (未經審核)
Revenue	收益	6	11,162.2	5,843.7
Cost of sales	銷售成本		(10,156.3)	(5,529.3)
Gross profit	毛利		1,005.9	314.4
Other income	其他收入		42.9	76.9
Other (losses)/gains, net	其他(虧損)/收益淨額	7	(4.5)	7.3
Impairments on non-financial assets (Impairments)/Net reversal of impairments on financial assets	非金融資產減值 金融資產(減值)/減值撥回淨額	7	(10.7)	(62.7)
Distribution and selling expenses	分銷及銷售開支		(28.4)	(23.6)
Administrative expenses	行政開支		(626.5)	(518.8)
			346.5	(206.3)
Finance income	財務收入	8	3.7	6.3
Finance costs	財務成本	8	(177.1)	(119.1)
Finance costs, net	財務成本淨額		(173.4)	(112.8)
Share of post-tax profits of an associate	應佔聯營公司除稅後溢利		0.5	-
Share of post-tax profits of joint ventures	應佔合營企業除稅後溢利		153.1	30.5
Profit/(Loss) before income tax	除所得稅前溢利/(虧損)		326.7	(288.6)
Income tax (expense)/credit	所得稅(開支)/抵免	10	(100.8)	0.7
Profit/(Loss) for the period	期內溢利/(虧損)	9	225.9	(287.9)
Profit/(Loss) attributable to: Shareholders of the Company	以下各方應佔溢利/(虧損): 本公司股東		226.3	(278.7)
Non-controlling interests	非控股權益		(0.4)	(9.2)
			225.9	(287.9)
Earnings/(Loss) per share attributable to shareholders of the Company for the period (expressed in HK\$ per share)	本公司股東應佔期內每股盈利/(虧損)(以每股港元列示)			
Basic earnings/(loss) per share	每股基本盈利/(虧損)	12	0.14	(0.17)
Diluted earnings/(loss) per share	每股攤薄盈利/(虧損)	12	0.14	(0.17)

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

上述簡明綜合損益表應與隨附的附註一併閱讀。

Condensed Consolidated Statement of Comprehensive Income 簡明綜合全面收益表

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$M 百萬港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$M 百萬港元 (Unaudited) (未經審核)
Profit/(Loss) for the period	期內溢利／(虧損)	225.9	(287.9)
Other comprehensive loss	其他全面虧損		
<i>Item that may be reclassified to profit or loss:</i>	<i>可能重新分類至損益之項目：</i>		
Currency translation differences	匯兌差額	(122.4)	(147.4)
<i>Items that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益之項目：</i>		
Remeasurements of post-employment benefit obligations	重新計量僱員結束服務後之福利責任	-	(0.2)
Share of other comprehensive loss of joint ventures	應佔合營企業之其他全面虧損	(0.1)	(0.5)
Other comprehensive loss for the period	期內其他全面虧損	(122.5)	(148.1)
Total comprehensive profit/(loss) for the period	期內全面溢利／(虧損) 總額	103.4	(436.0)
Total comprehensive profit/(loss) for the period attributable to:	以下各方應佔期內全面溢利／(虧損) 總額：		
Shareholders of the Company	本公司股東	102.6	(424.8)
Non-controlling interests	非控股權益	0.8	(11.2)
		103.4	(436.0)

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

上述簡明綜合全面收益表應與隨附的附註一併閱讀。

Condensed Consolidated Balance Sheet

簡明綜合資產負債表

			At 30 June 2021 於二零二一年 六月三十日	At 31 December 2020 於二零二零年 十二月三十一日
		Notes 附註	HK\$M 百萬港元 (Unaudited) (未經審核)	HK\$M 百萬港元 (Audited) (經審核)
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	2,448.2	2,623.9
Right-of-use assets	使用權資產		734.0	844.5
Investment properties	投資物業		20.2	20.7
Intangible assets	無形資產		909.5	957.2
Investments accounted for using the equity method	使用權益法入賬之投資		808.8	696.4
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產		0.9	0.9
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產		102.6	104.6
Other non-current assets	其他非流動資產	14	6.6	4.2
Deferred income tax assets	遞延所得稅資產		82.5	110.4
			5,113.3	5,362.8
Current assets	流動資產			
Inventories	存貨		1,533.3	1,169.3
Trade, bills and other receivables	貿易、票據及其他應收款項	14	2,956.1	1,709.0
Amounts due from related parties	應收關聯方款項	20	109.8	129.3
Derivative financial instruments	衍生金融工具		41.7	14.3
Tax recoverable	可退回稅項		18.9	23.0
Pledged bank deposits	已抵押銀行存款		126.2	122.7
Cash and cash equivalents	現金及現金等值項目		356.9	913.8
			5,142.9	4,081.4
Assets held for sale	持作出售資產	21	304.6	428.7
			5,447.5	4,510.1
Total assets	資產總值		10,560.8	9,872.9

Condensed Consolidated Balance Sheet 簡明綜合資產負債表

		Notes 附註	At 30 June 2021 於二零二一年 六月三十日 HK\$M 百萬元 (Unaudited) (未經審核)	At 31 December 2020 於二零二零年 十二月三十一日 HK\$M 百萬元 (Audited) (經審核)
EQUITY AND LIABILITIES	權益及負債			
Equity attributable to shareholders of the Company	本公司股東應佔權益			
Share capital	股本	15	16.1	16.1
Other reserves	其他儲備		6,886.1	7,009.8
Accumulated losses	累計虧損		(2,322.0)	(2,548.3)
			4,580.2	4,477.6
Non-controlling interests	非控股權益		(8.5)	(13.4)
Total equity	總權益		4,571.7	4,464.2
Non-current liabilities	非流動負債			
Borrowings	借款	16	57.9	178.3
Lease liabilities	租賃負債		235.2	342.3
Retirement benefit obligations	退休福利責任		28.8	29.7
Other payables	其他應付款項	17	98.0	102.6
Deferred income tax liabilities	遞延所得稅負債		341.4	363.8
			761.3	1,016.7
Current liabilities	流動負債			
Trade, bills and other payables	貿易、票據及其他應付款項	17	2,858.1	1,689.5
Current income tax liabilities	即期所得稅負債		160.4	93.7
Borrowings	借款	16	1,804.8	2,120.1
Lease liabilities	租賃負債		175.2	202.2
Amounts due to related parties	應付關聯方款項	20	111.1	63.4
Derivative financial instruments	衍生金融工具		48.3	59.7
			5,157.9	4,228.6
Liabilities directly associated with assets held for sale	與持作出售資產直接相關的負債	21	69.9	163.4
			5,227.8	4,392.0
Total liabilities	負債總額		5,989.1	5,408.7
Total equity and liabilities	權益及負債總額		10,560.8	9,872.9

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

上述簡明綜合資產負債表應與隨附的附註一併閱讀。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

Unaudited
未經審核

Attributable to shareholders of the Company
本公司股東應佔

		Share capital	Share premium	Capital redemption reserve	Capital reserve	Statutory general reserve	Enterprise expansion fund	Re-measurement of pension plans	Re-measurement on financial assets	Foreign currency translation reserve	Accumulated losses	Sub-total	Non-controlling interest	Total equity
		股本	股份溢價	股本贖回儲備	股本儲備	法定一般儲備	企業擴充基金	重新計量退休金計劃	重新計量金融資產	外幣匯兌儲備	累計虧損	小計	非控股權益	總權益
		HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
					(Note i) (附註i)	(Note ii) (附註ii)	(Note ii) (附註ii)							
At 1 January 2020	於二零二零年一月一日	16.1	5,911.9	0.3	210.9	107.1	107.1	(6.1)	(6.1)	289.8	(1,689.7)	4,941.3	(10.3)	4,931.0
Comprehensive loss for the period	全面虧損 期內虧損	-	-	-	-	-	-	-	-	-	(278.7)	(278.7)	(9.2)	(287.9)
Total other comprehensive loss for the period, net of tax	期內其他全面虧損 總額，扣除稅項	-	-	-	-	-	-	-	-	(145.4)	-	(145.4)	(2.0)	(147.4)
Currency translation differences	匯兌差額	-	-	-	-	-	-	-	-	(145.4)	-	(145.4)	(2.0)	(147.4)
Remeasurements of post-employment benefit obligations	重新計量僱員結束服務後之福利責任	-	-	-	-	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Share of other comprehensive loss of joint ventures	應佔合營企業之其他全面虧損	-	-	-	-	-	-	(0.5)	-	-	-	(0.5)	-	(0.5)
		-	-	-	-	-	-	(0.7)	-	(145.4)	-	(146.1)	(2.0)	(148.1)
Total comprehensive loss for the period, net of tax	期內全面虧損 總額，扣除稅項	-	-	-	-	-	-	(0.7)	-	(145.4)	(278.7)	(424.8)	(11.2)	(436.0)
Transaction with shareholders in their capacity as shareholders	與股東(以股東身份)進行之交易	-	-	-	-	-	-	-	-	-	-	-	0.9	0.9
Contribution from non-controlling interests	非控股權益之注資	-	-	-	-	-	-	-	-	-	-	-	0.9	0.9
Total transaction with shareholders in their capacity as shareholders	與股東(以股東身份)進行之交易總額	-	-	-	-	-	-	-	-	-	-	-	0.9	0.9
At 30 June 2020 (unaudited)	於二零二零年六月三十日 (未經審核)	16.1	5,911.9	0.3	210.9	107.1	107.1	(6.8)	(6.1)	144.4	(1,968.4)	4,516.5	(20.6)	4,495.9

Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表

Unaudited
未經審核

		Attributable to shareholders of the Company 本公司股東應佔												
		Share capital	Share premium	Capital redemption reserve	Capital reserve	Statutory general reserve	Enterprise expansion fund	Re-measurement of financial assets	Re-measurement of pension plans	Foreign currency translation reserve	Accumulated losses	Sub-total	Non-controlling interest	Total equity
		HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M	HK\$M
		百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元	百萬港元
					(附註 i)	(附註 ii)	(附註 ii)							
At 1 January 2021	於二零二一年一月一日	16.1	5,911.9	0.3	221.4	107.1	107.1	(7.0)	(8.2)	677.2	(2,548.3)	4,477.6	(13.4)	4,464.2
Comprehensive income/(loss) Profit/(Loss) for the period	全面收益/(虧損) 期內溢利/(虧損)	-	-	-	-	-	-	-	-	-	226.3	226.3	(0.4)	225.9
Total other comprehensive (loss)/ income for the period, net of tax	期內其他全面(虧損)/收益總額，扣除稅項	-	-	-	-	-	-	-	-	(123.6)	-	(123.6)	1.2	(122.4)
Currency translation differences	匯兌差額	-	-	-	-	-	-	-	-	-	-	(0.1)	-	(0.1)
Share of other comprehensive loss of joint ventures	應佔合營企業其他全面虧損	-	-	-	-	-	-	-	(0.1)	-	-	(0.1)	-	(0.1)
Total comprehensive (loss)/income for the period, net of tax	期內全面(虧損)/收益總額，扣除稅項	-	-	-	-	-	-	-	(0.1)	(123.6)	226.3	102.6	0.8	103.4
Transactions with shareholders in their capacity as shareholders	與股東(以股東身份)進行之交易	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	-	-	-	4.1	4.1
At 30 June 2021 (unaudited)	於二零二一年六月三十日(未經審核)	16.1	5,911.9	0.3	221.4	107.1	107.1	(7.0)	(8.3)	553.6	(2,322.0)	4,580.2	(8.5)	4,571.7

Notes:

- (i) Capital reserve represents the sum of (a) the difference between the nominal value of the aggregate share capital and share premium of the subsidiaries acquired by the Company upon a group reorganisation in 2008 and the nominal value of the Company's shares issued in exchange and (b) a capitalisation of shareholders' loans in 2010.
- (ii) Statutory general reserve and enterprise expansion fund represent the appropriation of 10% of profit after tax determined based on the relevant accounting rules and regulations of the PRC as required by the Articles of Association of the Company's PRC subsidiaries. The appropriation may cease to apply if the balance of the statutory general reserve and enterprise expansion fund has reached 50% of the PRC subsidiaries' registered capital. The statutory general reserve and enterprise expansion fund can be used to make up prior year losses or to increase share capital.

附註：

- (i) 股本儲備指(a)本公司於二零零八年集團重組時所收購子公司股本及股份溢價總額之面值與本公司交換股權所發行股份之面值的差額及(b)二零一零年資本化股東貸款。
- (ii) 本公司中國子公司的組織章程細則規定，須根據中國相關會計規則及法規釐定將除稅後溢利10%撥入法定一般儲備及企業擴充基金。倘法定一般儲備及企業擴充基金餘額達中國子公司註冊資本的50%，則可終止撥備。法定一般儲備及企業擴充基金可用於彌補過往年度虧損或增加股本。

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述簡明綜合權益變動表應與隨附的附註一併閱讀。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

Six months ended 30 June
截至六月三十日止六個月

		2021 二零二一年 HK\$M 百萬港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$M 百萬港元 (Unaudited) (未經審核)
Cash flows from operating activities	經營活動所得現金流		
Cash generated from operations before changes in working capital	經營所得現金 (營運資金變動前)	658.6	133.4
Changes in working capital	營運資金變動	(703.0)	173.9
Cash (used in)/generated from operations	經營 (所用) / 所得現金	(44.4)	307.3
Interest paid	已付利息	(140.9)	(117.0)
Tax paid, net	已支付稅項淨額	(18.3)	(24.3)
Net cash (used in)/generated from operating activities	經營活動 (所用) / 所得現金淨額	(203.6)	166.0
Cash flows from investing activities	投資活動所得現金流		
Purchases of property, plant and equipment and intangible assets	購置物業、廠房及設備以及無形資產	(87.1)	(104.3)
Investment in financial assets at fair value through other comprehensive income	投資按公平值計入其他全面收益之金融資產	(1.0)	–
Proceeds from disposals of property, plant and equipment, right-of-use assets and intangible assets	出售物業、廠房及設備、使用權資產以及無形資產之所得款項	49.6	23.6
Placement of pledged bank deposits	存入已抵押銀行存款	(22.6)	(23.9)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	20.1	69.2
Redemption of fixed return investment	贖回固定回報投資	–	90.6
Investment in a joint venture	投資一間合營企業	(14.9)	(7.9)
Proceed from disposal of a joint venture	出售一間合營企業之所得款項	7.0	–
Dividend received from joint ventures	已收合營企業股息	39.2	1.9
Proceeds from disposals of assets held for sale	出售持作出售資產之所得款項	71.0	–
Receipt in advance for disposals of assets held for sale	出售持作出售資產之預收款項	116.4	–
Settlement of remaining consideration payable for previous acquisition of business	就先前業務收購償付餘下應付代價	–	(3.0)
Interest received	已收利息	2.1	2.7
Net cash generated from investing activities	投資活動所得現金淨額	179.8	48.9

Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$M 百萬港元 (Unaudited) (未經審核)	2020 二零二零年 HK\$M 百萬港元 (Unaudited) (未經審核)
Cash flows from financing activities	融資活動所得現金流		
Proceeds from bank borrowings	銀行借款之所得款項	246.7	135.1
Repayments of bank borrowings	償還銀行借款	(408.8)	(411.8)
Change in short-term other borrowings, net	短期其他借款變動淨額	(0.8)	(8.7)
Repayments of other borrowings	償還其他借款	(271.6)	(38.8)
Repayment of lease liabilities	償還租賃負債	(106.5)	(90.5)
Contributions from non-controlling interests	非控股權益注資	4.1	0.9
Net cash used in financing activities	融資活動所用現金淨額	(536.9)	(413.8)
Cash and cash equivalents at beginning of the period	期初之現金及現金等值項目	913.8	784.8
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(560.7)	(198.9)
Exchange differences on cash and cash equivalents	現金及現金等值項目之匯兌差額	3.8	(12.6)
Cash and cash equivalents at end of the period	期末之現金及現金等值項目	356.9	573.3

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述簡明綜合現金流量表應與隨附的附註一併閱讀。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

1 GENERAL INFORMATION

Chiho Environmental Group Limited (“the Company”) is an investment holding company. The Company and its subsidiaries (together “the Group”) are mainly engaged in the principal business of resources recycling, involving recycling of mixed metal, end-of-life vehicle (“ELV”), waste electrical and electronic equipment (“WEEE”), wasted oil and zorba in Asia, Europe and North America.

The Company is incorporated and registered as an exempted company in the Cayman Islands under the Companies Law of the Cayman Islands with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in Hong Kong Dollar (“HK\$”), unless otherwise stated.

Significant events and transactions incurred in the current interim period has been disclosed in the Management Discussion and Analysis section in the Interim Report 2021.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2021 has been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”), ‘Interim Financial Reporting’ issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2020, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

1 一般資料

齊合環保集團有限公司(「本公司」)為投資控股公司。本公司及其子公司(統稱「本集團」)主要於亞洲、歐洲及北美洲從事資源再生業務，涉及回收混合金屬、報廢汽車(「報廢汽車」)、廢棄電力及電子設備(「廢棄電力及電子設備」)、廢油及破碎鋁料(zorba)。

本公司根據開曼群島公司法於開曼群島註冊成立及註冊為獲豁免有限公司。其註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司以香港聯合交易所有限公司為第一上市地。

除另有所指外，本簡明綜合中期財務資料以港元(「港元」)呈列。

本中期期間發生的重大事項及交易已於二零二一年中期報告的管理層討論及分析一節披露。

2 編製基準

截至二零二一年六月三十日止六個月的本簡明綜合中期財務資料乃按照香港會計師公會(「香港會計師公會」)頒佈之香港會計準則第34號(「香港會計準則第34號」)「中期財務報告」而編製。簡明綜合中期財務資料應與根據香港財務報告準則(「香港財務報告準則」)編製的截至二零二零年十二月三十一日止年度的年度綜合財務報表一併閱讀。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

2 BASIS OF PREPARATION (continued)

2.1.1 Going concern basis

The Group reported a net profit of HK\$225.9 million for the six months ended 30 June 2021. As at 30 June 2021, the Group had net current assets of HK\$219.7 million. As at the same date, it had borrowings of HK\$1,862.7 million, of which HK\$1,804.8 million are current borrowings due within twelve months from 30 June 2021, while its cash and cash equivalents amounted to HK\$356.9 million.

Included in current borrowings as at 30 June 2021 was a syndicated term loan (the "Syndicated Term Loan") with an outstanding principal amount of HK\$1,241.2 million, to be fully repayable on 3 January 2022.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt about the ability of the Group to continue as a going concern.

2 編製基準 (續)

2.1.1 持續經營基準

截至二零二一年六月三十日止六個月，本集團錄得溢利淨額225.9百萬港元。於二零二一年六月三十日，本集團擁有流動資產淨值219.7百萬港元。於同日，其借款為1,862.7百萬港元，其中1,804.8百萬港元為自二零二一年六月三十日起計十二個月內到期之流動借款，而其現金及現金等值項目為356.9百萬港元。

於二零二一年六月三十日之流動借款包括尚未償還之本金為1,241.2百萬港元之銀團定期貸款（「銀團定期貸款」），將於二零二二年一月三日悉數償還。

上述條件表明存在重大不確定性，可能使本集團持續營運的能力產生重大疑問。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

2 BASIS OF PREPARATION (continued)

2.1.1 Going concern basis (continued)

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group, taking into account the potential impact arising from the COVID-19 pandemic if any, and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain plans and measures have been taken to mitigate the liquidity pressure and to improve its financial position which include, but not limited to, the following:

- (i) The Group has successfully extended the maturity date of the Syndicated Term Loan to January 2022 with a partial repayment instalment of HK\$155.3 million on or before end of September 2021. The Group will continue to monitor its compliance with the restrictive financial and non-financial undertaking requirements and the Directors expect the Group would be in compliance throughout the remaining term of the Syndicated Term Loan.
- (ii) The Group is in advance negotiations with various financial institutions in Europe and Asia for a new secured long-term borrowing with a principal amount of no less than HK\$1,200.0 million. The Group received proposed term sheets but has not entered into any binding agreement with the financial institutions to date. Management is confident that the new long-term borrowing will be obtained in due course.

2 編製基準 (續)

2.1.1 持續經營基準 (續)

鑒於此類情況，在評估本集團是否將有足夠的財務資源進行持續經營時，董事已仔細考慮本集團的未來流動資金和業績，並計及新型冠狀病毒疫情所產生的潛在影響（如有）及其可用的資金來源。現已採取若干計劃和措施以減輕流動性壓力並改善其財務狀況，包括但不限於以下各項：

- (i) 本集團已成功將銀團定期貸款的到期日延遲至二零二二年一月，其中須於二零二一年九月底或之前償還155.3百萬港元的部分分期付款。本集團將繼續監察其對限制性財務和非財務承擔要求的遵守情況，董事預計，本集團將在銀團定期貸款的剩餘期限內保持遵守狀態。
- (ii) 本集團正與歐洲及亞洲多家金融機構就本金不少於1,200.0百萬港元的新增有抵押長期借款預先進行磋商。本集團已收到擬議的條款清單，但迄今為止尚未與金融機構訂立任何有約束力的協議。管理層有信心將會適時獲得新增長期借款。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

2 BASIS OF PREPARATION (continued)

2.1.1 Going concern basis (continued)

- (iii) The Group is pursuing the disposals of certain idle and non-performing land and buildings in specific regions to raise additional cash to finance the repayment of borrowings.
- (iv) The Group maintains continuous communication with all financial institutions working with the Group and believes that the existing other banking facilities available to the Group will be successfully renewed when their current terms expire given the long standing relationship the Group has with the relevant banks and the fact that majority of these facilities are secured by the Group's properties and other assets.
- (v) The Group continues its efforts to ramp up the production capability of the new recycling facilities in Asia by deploying sufficient additional working capital, implement measures in Europe and North America to generate cash flow from operations, and further control capital and operating expenditures to strengthen its working capital and mitigate the potential negative impact of COVID-19 pandemic.
- (vi) The Group is actively looking for other sources of financing including other debt or equity financing to enhance the capital structure and reduce the overall financing expenses.

The Directors have assessed the Group's cash flow projection covering a period of not less than twelve months from 30 June 2021. They are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the date of the condensed consolidated balance sheet. Accordingly, the Directors are satisfied that it is appropriate to prepare the Group's condensed consolidated interim financial information on a going concern basis.

2 編製基準 (續)

2.1.1 持續經營基準 (續)

- (iii) 本集團正在尋求出售特定地區的若干閒置和不良土地及樓宇，以籌集更多現金用於償還借款。
- (iv) 本集團與本集團共事的所有金融機構持續保持溝通，並認為鑒於本集團與相關銀行的長期關係以及事實上該等融資中大多數乃由本集團的物業及其他資產作抵押，本集團相信現有其他銀行融資將在其現有期限到期時予以成功續期。
- (v) 本集團繼續通過部署足夠的額外營運資金、在歐洲和北美洲實施措施以從營運中產生現金流來提高亞洲新回收設施的生產能力，以及進一步控制資本和營運開支以加強其營運資金並減輕新型冠狀病毒疫情的潛在負面影響。
- (vi) 本集團正在積極尋求其他融資來源，包括其他債務或股權融資，以改善資本結構並減少整體融資費用。

董事已評估本集團自二零二一年六月三十日起不少於十二個月期間之現金流量預測。彼等認為，自簡明綜合資產負債表日起未來十二個月內，本集團將有足夠的營運資金來為其營運提供資金及履行其到期財務責任。因此，董事信納按持續經營基準編製本集團之簡明綜合中期財務資料乃屬適當。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 December 2020, as described in those annual consolidated financial statements, except for the adoption of hedge accounting, the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of amendments to HKFRSs effective for the financial year ending 31 December 2021. Amendments to HKFRSs effective for the financial year ending 31 December 2021 do not have a material impact on the Group.

The Group adopted hedge accounting for derivative financial instruments for the financial year beginning on 1 January 2021. The new accounting policy related to derivatives and hedging activities are as follows:

Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the fair values of the hedging instruments are expected to offset changes in the fair value of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in Note 5.3. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

3 會計政策

採用的會計政策與截至二零二零年十二月三十一日止年度的年度綜合財務報表（如該等年度綜合財務報表所述）的會計政策一致，惟採納對沖會計、使用適用於預期年度總盈利的稅率估算所得稅以及採納截至二零二一年十二月三十一日止財政年度生效的香港財務報告準則的修訂除外。於截至二零二一年十二月三十一日止財政年度生效之香港財務報告準則之修訂並無對本集團造成重大影響。

本集團於二零二一年一月一日開始的財政年度就衍生金融工具採用對沖會計。該新會計政策與下列衍生工具及對沖活動有關：

衍生工具及對沖活動

衍生工具於衍生工具合約訂立當日按公平值初始確認，其後於各報告期末按公平值重新計量。公平值後續變動的會計處理取決於衍生工具是否被指定為對沖工具及如有，則取決於被對沖項目的性質。本集團指定若干衍生工具為已確認資產或負債或一項公司承擔的公平值對沖（公平值對沖）。

於訂立對沖關係時，本集團記錄對沖工具與被對沖項目之間的經濟關係，包括是否預期以對沖工具的公平值變動抵銷被對沖項目的公平值變動。本集團記錄其進行對沖交易的風險管理目標及策略。

於對沖關係被指定的衍生金融工具的公平值於附註5.3內披露。倘被對沖項目的剩餘期限超過12個月，對沖衍生工具的全數公平值會分類為非流動資產或負債；倘被對沖項目的剩餘期限少於12個月，則會分類為流動資產或負債。交易衍生工具分類為流動資產或負債。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

3 ACCOUNTING POLICIES (continued)

Derivatives and hedging activities (continued)

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the ineffective portion is recognised in profit or loss within other (losses)/gains, net.

4 ESTIMATES

The preparation of interim financial information requires management to make judgements, 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 this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 December 2020.

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2020.

There have been no changes in the risk management policies since year ended 31 December 2020.

3 會計政策 (續)

衍生工具及對沖活動 (續)

公平值對沖

指定及合資格作為公平值對沖之衍生工具之公平值變動連同對沖風險相關的獲對沖資產或負債之任何公平值變動於損益內確認。與無效部份有關的收益或虧損則在損益中其他 (虧損) / 收益淨額內確認。

4 估計

管理層須於編製中期財務資料時作出影響會計政策之應用以及資產及負債、收入及支出之呈報金額之判斷、估計及假設。實際結果可能有別於該等估計。

管理層於編製此簡明綜合中期財務資料時就應用本集團之會計政策所作出重大判斷以及估計不明朗因素之主要來源，與截至二零二零年十二月三十一日止年度之年度綜合財務報表所應用者相同。

5 金融風險管理及金融工具

5.1 金融風險因素

本集團的業務使本集團面對不同金融風險：市場風險 (包括外匯風險、利率風險及價格風險)、信貸風險及流動資金風險。

中期簡明綜合財務資料並不包括年度綜合財務報表規定的所有金融風險管理資料及披露，並應與本集團於二零二零年十二月三十一日的年度綜合財務報表一併閱讀。

風險管理政策自截至二零二零年十二月三十一日止年度起並無變動。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.2 Liquidity risk

Compared to year ended 31 December 2020, there was no material change in the contractual undiscounted cash outflows for financial liabilities except for the full repayment of bank loans of HK\$125.2 million which was classified as repayable on demand as at 31 December 2020 and the partial repayment of HK\$271.6 million of the Syndicated Term Loan.

5.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 30 June 2021 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

5 金融風險管理及金融工具 (續)

5.2 流動資金風險

與截至二零二零年十二月三十一日止年度相比，金融負債之合約未貼現現金流出並無重大變動，惟已悉數償還銀行貸款125.2百萬港元（該貸款於二零二零年十二月三十一日分類為按要求償還）以及部分償還銀團定期貸款271.6百萬港元。

5.3 公平值估計

下表分析本集團於二零二一年六月三十日按公平值列賬之金融工具，透過計量公平值所用之估計方法之輸入數據層級劃分。有關輸入數據在公平值層級內分為以下三級別：

- 活躍市場上相同資產或負債的報價（未經調整）（第一級）。
- 除第一級所包括的報價外，資產或負債的可直接（即價格）或間接（即從價格得出）觀察所得輸入值（第二級）。
- 並非根據可觀察市場數據釐定的資產或負債輸入值（即不可觀察輸入值）（第三級）。

Notes to the Condensed Consolidated Financial Information
簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5 金融風險管理及金融工具 (續)

5.3 Fair value estimation (continued)

5.3 公平值估計 (續)

Financial assets/(liabilities) 金融資產/(負債)	Fair value as at 於以下日期的公平值		Fair value hierarchy 公平值層級
	30 June 2021 二零二一年 六月三十日 HK\$M 百萬港元	31 December 2020 二零二零年 十二月三十一日 HK\$M 百萬港元	
1) Publicly traded metal commodities future contracts classified as derivative financial instruments in the condensed consolidated balance sheet 於簡明綜合資產負債表中分類為衍生金融工具之公開交易金屬商品期貨合約	4.4	(6.3)	Level 1 第一級
2) Metal commodities future contracts classified as derivative financial instruments in the condensed consolidated balance sheet 於簡明綜合資產負債表中分類為衍生金融工具之金屬商品期貨合約	37.2 (44.8)	9.9 (53.1)	Level 2 第二級
3) Foreign currency forward contracts classified as derivative financial instruments in the condensed consolidated balance sheet 於簡明綜合資產負債表中分類為衍生金融工具之外幣遠期合約	0.1 (3.5)	4.4 (0.3)	Level 2 第二級
4) Financial assets at fair value through profit or loss 按公平值計入損益之金融資產	0.9	0.9	Level 3 第三級
5) Financial assets at fair value through other comprehensive income 按公平值計入其他全面收益之金融資產	102.6	104.6	Level 3 第三級

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.3 Fair value estimation (continued)

Financial instruments in level 1

The fair value of derivative financial instruments publicly traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the quoted bid commodity future price. These instruments are included in level 1 and comprise primarily metal commodities future contracts publicly traded in London Metal Exchange.

Financial instruments in level 2

The Group's metal commodities future contracts represented the Group's derivative financial instruments which are included in level 2. The basis of fair value measurement and valuation technique of such derivative financial instruments are par method and taking actively traded future prices into account.

The Group's foreign currency forward contracts represented the Group's derivative financial instruments which are included in level 2. The basis of fair value measurement and valuation technique of such derivative financial instruments are discount cash flow method and present value of the future cash flows estimated based on forward exchange rates. The unobservable input is expected future cash flow, therefore lower cash flow results in lower present value.

Financial instruments in level 3

The Group's equity interests in unlisted entities represented the Group's financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss which are included in level 3. The basis of fair value measurement and valuation technique of such financial assets are discount cash flow method and present value of the estimated future cash flows of the investee entities. The unobservable input is expected future cash flow, therefore lower cash flow results in lower present value.

5 金融風險管理及金融工具 (續)

5.3 公平值估計 (續)

第一級金融工具

於活躍市場公開交易的衍生金融工具的公平值以資產負債表日期的市場報價為基礎。若可以從交易所、交易商、經紀人、行業團體、定價服務或監管機構隨時獲得定期報價，則該市場被認為活躍市場，且有關價格代表了公平交易的實際和定期發生的市場交易。本集團持有的金融資產所使用的市場報價為投標商品期貨的報價。該等工具屬於第一級，主要包括在倫敦金屬交易所公開交易的金屬商品期貨合約。

第二級金融工具

本集團的金屬商品期貨合約代表本集團的衍生金融工具，屬於第二級。此類衍生金融工具的公平值計量和估值技術的基準為面值法，並考慮活躍交易的未來價格。

本集團的外幣遠期合約代表本集團的衍生金融工具，屬於第二級。此類衍生金融工具的公平值計量和估值技術的基準為折現現金流量法及根據遠期匯率估計的未來現金流的現值。不可觀察輸入值為預期未來現金流，因此現金流量減少會導致現值降低。

第三級金融工具

本集團於非上市實體中的股權代表本集團按公平值計入其他全面收益之金融資產及按公平值計入損益之金融資產，屬於第三級。此類金融資產的公平值計量和估值技術的基準為折現現金流量法及被投資實體估計未來現金流的現值。不可觀察輸入值為預期未來現金流，因此現金流量減少會導致現值降低。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.3 Fair value estimation (continued)

Fair value measurements recognised in the condensed consolidated balance sheet:

5 金融風險管理及金融工具 (續)

5.3 公平值估計 (續)

於簡明綜合資產負債表確認的公平值計量：

		Level 1 第一級 HK\$M 百萬港元	Level 2 第二級 HK\$M 百萬港元	Level 3 第三級 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
As at 30 June 2021	於二零二一年六月三十日				
Assets	資產				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	-	0.9	0.9
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	-	-	102.6	102.6
Hedging derivatives	對沖衍生工具				
– metal commodities futures	– 金屬商品期貨	4.4	37.2	-	41.6
Trading derivatives	交易衍生工具				
– foreign currency	– 外幣	-	0.1	-	0.1
Liabilities	負債				
Hedging derivatives	對沖衍生工具				
– metal commodities futures	– 金屬商品期貨	-	(44.8)	-	(44.8)
Trading derivatives	交易衍生工具				
– foreign currency	– 外幣	-	(3.5)	-	(3.5)
As at 31 December 2020	於二零二零年十二月三十一日				
Assets	資產				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	-	-	0.9	0.9
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產	-	-	104.6	104.6
Trading derivative	交易衍生工具				
– metal commodities futures	– 金屬商品期貨	-	9.9	-	9.9
– foreign currency	– 外幣	-	4.4	-	4.4
Liabilities	負債				
Trading derivative	交易衍生工具				
– metal commodities futures	– 金屬商品期貨	(6.3)	(53.1)	-	(59.4)
– foreign currency	– 外幣	-	(0.3)	-	(0.3)

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (continued)

5.3 Fair value estimation (continued)

The following table presents the changes in level 3 instruments for the period ended 30 June 2021:

		Financial assets at fair value through profit or loss 按公平值計入損益之金融資產 HK\$M 百萬港元	Financial assets at fair value through other comprehensive income 按公平值計入其他全面收益之金融資產 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
At 1 January 2021	於二零二一年一月一日	0.9	104.6	105.5
Additions	添置	–	1.0	1.0
Currency translation differences	匯兌差額	–	(3.0)	(3.0)
At 30 June 2021	於二零二一年六月三十日	0.9	102.6	103.5

There were no transfers between the three levels during the period ended 30 June 2021. There were also no changes made to any of the valuation techniques applied as at 31 December 2020.

The management considers that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the condensed consolidated financial information approximate their fair values.

5 金融風險管理及金融工具 (續)

5.3 公平值估計 (續)

下表載列截至二零二一年六月三十日止期間第三級工具的變動：

截至二零二一年六月三十日止期間，三個層級之間並無轉移。於二零二零年十二月三十一日所應用的估值技術亦無任何變動。

管理層認為，於簡明綜合財務資料內按攤銷成本計量的金融資產及金融負債的賬面值與其公平值相若。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

6 SEGMENT INFORMATION

The Group's revenue mainly represents the amounts received or receivable for the sales of recycled scraps, net of sales related taxes, during the period. The Group derives revenue mainly from transfer of these goods at a point in time.

The Group's Chief Operating Decision Maker ("CODM"), which has been identified as the Executive Committee that makes strategic decisions, assesses the Group's performance from geographic perspective and has identified three reportable segments of its business: Asia, Europe and North America. The operating segments are assessed based on the measure of segment profit. This measurement basis excludes the effects of non-operating gains/losses, such as impairments on non-financial assets and gain/loss on disposals of assets held for sale and joint ventures. The measure also excludes centralised costs such as the Group's key managements' remunerations and other central administrative expenses. Finance income, finance costs, income tax expenses and those unallocated income and expenses are not included in the result for each operating segment that is reviewed by the Group's CODM. Inter-segment sales are charged at prevailing market price.

Total segment assets exclude deferred income tax assets, tax recoverable, derivative financial instruments and cash and cash equivalents which are managed centrally. Information relating to segment liabilities is not disclosed as such information is not regularly reported to the CODM.

6 分部資料

本集團收益主要指期內銷售再生金屬之已收或應收款項，扣除銷售相關稅項。本集團主要於轉讓該等貨物的時間點產生收益。

本集團的主要營運決策者（「主要營運決策者」）（其已識別為作出戰略性決定之執行委員會）根據地理角度評估本集團的表現，並已確定三個可呈報分部業務：亞洲、歐洲及北美洲。經營分部根據分部溢利的計量方法作評估。此計量基礎不包括非經營收益／虧損的影響，例如非金融資產減值及出售持作出售資產或合營企業的收益／虧損。計量亦不包括中央成本，例如本集團主要管理層的薪酬及其他中央行政開支。財務收入、財務成本、所得稅開支及該等未分配收入及開支並不包括在本集團的主要營運決策者所審閱的各個經營分部的業績中。分部間銷售按當前市價收費。

總分部資產不包括集中管理的遞延所得稅資產、可退回稅項、衍生金融工具以及現金及現金等值項目。由於該等資料並非定期向主要營運決策者報告，有關分部負債的資料並無披露。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

6 SEGMENT INFORMATION (continued)

The following table presents revenue and segment profit information regarding the Group's reportable segments for the six months ended 30 June 2021 and 2020, respectively:

6 分部資料 (續)

下表分別載列有關本集團截至二零二一年及二零二零年六月三十日止六個月可呈報分部的收益及分部溢利的資料：

		For the six months ended 截至以下日期止六個月									
		30 June 2021 二零二一年六月三十日					30 June 2020 二零二零年六月三十日				
		Asia 亞洲 HK\$M 百萬港元	Europe 歐洲 HK\$M 百萬港元	North America 北美洲 HK\$M 百萬港元	Unallocated 未分配 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元	Asia 亞洲 HK\$M 百萬港元 (Restated) (經重列)	Europe 歐洲 HK\$M 百萬港元	North America 北美洲 HK\$M 百萬港元	Unallocated 未分配 HK\$M 百萬港元 (Restated) (經重列)	Total 總計 HK\$M 百萬港元
Revenue	收益										
Total segment revenue	分部收益總額	1,150.8	9,719.1	527.6	-	11,397.5	534.3	4,818.7	537.4	5,890.4	
Inter-segment sales	分部間銷售	-	(235.3)	-	-	(235.3)	-	(41.0)	(5.7)	(46.7)	
External sales	外部銷售	1,150.8	9,483.8	527.6	-	11,162.2	534.3	4,777.7	531.7	5,843.7	
Segment profit/(loss) (Note (i))	分部溢利/(虧損) (附註(i))	4.3	530.2	72.1	(106.5)	500.1	(95.3)	42.2	(8.9)	(175.8)	
Finance income	財務收入					3.7				6.3	
Finance costs	財務成本					(177.1)				(119.1)	
Profit/(Loss) before income tax	除所得稅前溢利/(虧損)					326.7				(288.6)	
Income tax (expense)/credit	所得稅(開支)/抵免					(100.8)				0.7	
Profit/(Loss) for the period	期內溢利/(虧損)					225.9				(287.9)	
Depreciation and amortisation expenses	折舊及攤銷開支	(34.8)	(148.3)	(8.7)	(9.3)	(201.1)	(41.8)	(157.4)	(22.9)	(231.8)	
Fair value (loss)/gain on derivative financial instruments (Note (ii))	衍生金融工具之公平值(虧損)/收益(附註(ii))	-	-	-	(49.5)	(49.5)	-	-	-	1.6	
Fair value loss on financial assets through profit or loss	計入損益之金融資產之公平值虧損	-	-	-	(0.4)	(0.4)	-	-	-	(2.5)	
(Loss)/Gain on disposals of property, plant and equipment, right-of-use assets and intangible assets	出售物業、廠房及設備、使用權資產及無形資產之(虧損)/收益	-	-	-	(7.0)	(7.0)	-	-	-	3.1	
Gain on disposal of a joint venture	出售一間合營企業之收益	-	-	-	7.0	7.0	-	-	-	-	
Gain on disposals of assets held for sale	出售持作出售資產之收益	-	-	-	33.7	33.7	-	-	-	-	
Provision for impairments on property, plant and equipment (Note 7)	物業、廠房及設備之減值撥備(附註7)	-	-	-	(0.7)	(0.7)	-	-	-	(62.7)	
Impairment on intangible assets (Note 7)	無形資產減值(附註7)	-	-	-	(10.0)	(10.0)	-	-	-	-	

Note:

- (i) During the second half year of 2020, the Group's CODM had changed their perspective on the unallocated segment and certain administrative expenses were reclassified from the Asia segment to the unallocated segment for the year ended 31 December 2020. Therefore, the segment loss for the Asia segment and unallocated segment loss for the period ended 30 June 2020 were restated from HK\$114.1 million and HK\$95.0 million to HK\$95.3 million and HK\$113.8 million, respectively, to conform to new presentation.
- (ii) The fair value loss on derivative financial instruments for the period ended 30 June 2021 represented the fair value loss related to those derivative financial instruments that are not qualified for hedge accounting.

附註：

- (i) 於二零二零年下半年，本集團的主要營運決策者改變其對未分配分部的看法，並將截至二零二零年十二月三十一日止年度的若干行政開支從亞洲分部重新分類至未分配分部。因此，截至二零二零年六月三十日止期間的亞洲分部的分部虧損及未分配分部的分部虧損分別由114.1百萬港元及95.0百萬港元重列至95.3百萬港元及113.8百萬港元，以符合新的呈列方式。
- (ii) 截至二零二一年六月三十日止期間的衍生金融工具之公平值虧損指不符合資格進行對沖會計處理的該等衍生金融工具有關的公平值虧損。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

6 SEGMENT INFORMATION (continued)

Segment assets

Reconciliation of segment assets to total assets as at 30 June 2021 and 31 December 2020 are provided as follows:

		30 June 2021 二零二一年六月三十日				31 December 2020 二零二零年十二月三十一日			
		Asia 亞洲 HK\$M 百萬港元	Europe 歐洲 HK\$M 百萬港元	North America 北美洲 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元	Asia 亞洲 HK\$M 百萬港元	Europe 歐洲 HK\$M 百萬港元	North America 北美洲 HK\$M 百萬港元	Total 總計 HK\$M 百萬港元
Segment assets	分部資產	1,884.5	7,725.6	450.7	10,060.8	1,541.4	6,772.4	497.6	8,811.4
Deferred income tax assets	遞延所得稅資產				82.5				110.4
Tax recoverable	可退回稅項				18.9				23.0
Derivative financial instruments	衍生金融工具				41.7				14.3
Cash and cash equivalents	現金及現金等值項目				356.9				913.8
Total assets	資產總值				10,560.8				9,872.9

6 分部資料 (續)

分部資產

於二零二一年六月三十日及二零二零年十二月三十一日分部資產與資產總值的對賬如下：

7 OTHER (LOSSES)/GAINS, NET

7 其他(虧損)／收益淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$M 百萬港元	2020 二零二零年 HK\$M 百萬港元
(Loss)/Gain on fair value change of:	公平值變動(虧損)／收益：		
– derivative financial instruments	– 衍生金融工具	(49.5)	1.6
– financial assets at fair value through profit or loss	– 按公平值計入損益之金融資產	(0.4)	(2.5)
Foreign exchange gain, net	匯兌收益淨額	10.3	3.0
(Loss)/Gain on disposals of property, plant and equipment, right-of-use assets and intangible assets	出售物業、廠房及設備、使用權資產及無形資產之(虧損)／收益	(7.0)	3.1
Gain on disposal of a joint venture	出售一間合營企業之收益	7.0	–
Gain on disposals of assets held for sale	出售持作出售資產之收益	33.7	–
Others	其他	1.4	2.1
Impairments on non-financial assets	非金融資產減值		
– provision for impairments on property, plant and equipment (Note (i))	– 物業、廠房及設備之減值撥備(附註(i))	(0.7)	(62.7)
– impairment on intangible assets (Note (ii))	– 無形資產減值(附註(ii))	(10.0)	–
		(15.2)	(55.4)

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

7 OTHER (LOSSES)/GAINS, NET (continued)

Notes

- (i) For the six months ended 30 June 2021, the Group recognised a provision for impairments on property, plant and equipment of HK\$0.7 million (2020: HK\$62.7 million) which was related to idle assets in Europe (2020: Asia and Europe).
- (ii) The North America region is undergoing business transformation and has divested or in the process of divesting part of its operations in the United States ("US"), resulting in an impairment on brand name which was related to the US operations and classified as intangible assets with indefinite useful lives of HK\$10.0 million for the six months ended 30 June 2021.

8 FINANCE COSTS, NET

7 其他(虧損)/收益淨額(續)

附註

- (i) 於截至二零二一年六月三十日止六個月，本集團就物業、廠房及設備確認減值撥備0.7百萬港元(二零二零年：62.7百萬港元)，與歐洲(二零二零年：亞洲及歐洲)的閑置資產有關。
- (ii) 於截至二零二一年六月三十日止六個月，北美地區正進行業務轉型，並已出售或正在出售美國的部分業務，導致與美國業務相關的品牌名稱(分類為具無限可使用年期之無形資產)減值10.0百萬港元。

8 財務成本淨額

Six months ended 30 June 截至六月三十日止六個月

		2021 二零二一年 HK\$M 百萬港元	2020 二零二零年 HK\$M 百萬港元
Interest income from bank deposits	銀行存款之利息收入	2.8	3.5
Interest income from joint ventures (Note 20(a))	來自合營企業之利息收入 (附註20(a))	0.4	0.4
Interest income from related parties (Note 20(a))	來自關聯方之利息收入 (附註20(a))	0.5	0.2
Interest income from fixed return investment	固定回報投資之利息收入	-	2.2
Finance income	財務收入	3.7	6.3
Interest expense on bank loans, overdrafts, bills payable and factoring arrangement	銀行貸款、透支、 票據應付款項及 保理安排之利息開支	(54.2)	(26.3)
Interest expense on other borrowings	其他借款之利息開支	(112.9)	(79.5)
Interest expense on lease liabilities	租賃負債之利息開支	(9.7)	(13.0)
Interest expense on loan from related parties (Note 20(a))	來自關聯方的貸款之 利息開支(附註20(a))	(0.3)	(0.3)
Finance costs	財務成本	(177.1)	(119.1)
Finance costs, net	財務成本淨額	(173.4)	(112.8)

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

9 PROFIT/(LOSS) FOR THE PERIOD

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

9 期內溢利／（虧損）

（計入）／扣除下列各項後達致之期內溢利／（虧損）：

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$M 百萬港元	2020 二零二零年 HK\$M 百萬港元
Changes in inventories of work-in-progress and finished goods	在製品及製成品存貨之變動	(73.3)	175.0
Raw materials and consumables used	所用原料及消耗品	8,851.0	4,206.7
Provision for inventories, net	存貨撥備淨額	58.2	50.5
Employee benefit expenses	僱員福利開支	545.1	497.3
Depreciation and amortisation expenses	折舊及攤銷開支	201.1	231.8
Legal and professional expenses	法律及專業開支	75.0	15.9

10 INCOME TAX (EXPENSE)/CREDIT

Hong Kong profits tax has been provided at the rate of 16.5% (2020: 16.5%) on the estimated assessable profit for the period.

Under the law of the PRC on Enterprise Income Tax ("EIT") and the relevant EIT Implementation Regulations, the tax rate of PRC EIT has been provided at the rate of 25% (2020: 25%) on the estimated assessable profit for the period.

Germany and US income taxes have been provided at the rate of approximately 30% (2020: 30%) and 26% (2020: 26%), respectively, on the estimated assessable profit for the period.

Taxation on profits from other jurisdictions has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates. Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the period.

10 所得稅（開支）／抵免

香港利得稅乃根據期內估計應課稅溢利按稅率16.5%（二零二零年：16.5%）計提撥備。

根據中國企業所得稅（「企業所得稅」）法及相關企業所得稅實施條例，中國企業所得稅乃根據期內估計應課稅溢利按稅率25%（二零二零年：25%）計提撥備。

德國及美國所得稅乃根據期內估計應課稅溢利分別按稅率約30%（二零二零年：30%）及26%（二零二零年：26%）計提撥備。

來自其他司法權區溢利之稅項乃根據期內估計應課稅溢利按本集團經營所在國家之現行稅率計算。所得稅開支乃根據管理層對期內預期的加權平均年度所得稅稅率的估計確認。

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簡明綜合財務資料附註

10 INCOME TAX (EXPENSE)/CREDIT (continued)

10 所得稅(開支)／抵免(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$M 百萬港元	2020 二零二零年 HK\$M 百萬港元
Current income tax (expense)/credit:	即期所得稅(開支)／抵免：		
Germany	德國	(69.3)	(2.4)
US	美國	(2.4)	–
PRC EIT	中國企業所得稅	(0.5)	(0.9)
Hong Kong profits tax	香港利得稅	(2.2)	–
Other jurisdictions	其他司法權區	(20.3)	0.5
		(94.7)	(2.8)
Deferred income tax (expense)/credit	遞延所得稅(開支)／抵免	(6.1)	3.5
Income tax (expense)/credit	所得稅(開支)／抵免	(100.8)	0.7

11 DIVIDEND

No dividend was paid or proposed during current and previous interim periods, nor has any dividend been proposed by the Company since the end of the reporting period in respect of the period ended 30 June 2021 and 2020.

11 股息

本公司於本中期期間及過往中期期間均無派付或建議派付任何股息，自截至二零二一年及二零二零年六月三十日止期間的報告期末起亦無建議派付任何股息。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

12 EARNINGS/(LOSS) PER SHARE

(a) Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) for the period attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

12 每股盈利／（虧損）

(a) 基本

每股基本盈利／（虧損）乃按本公司股東應佔期內溢利／（虧損）除以期內已發行普通股加權平均數目計算得出。

Six months ended 30 June
截至六月三十日止六個月

		2021 二零二一年 HK\$M 百萬港元	2020 二零二零年 HK\$M 百萬港元
Profit/(Loss)	溢利／（虧損）		
Profit/(Loss) for the period attributable to shareholders of the Company	本公司股東應佔期內溢利／（虧損）	226.3	(278.7)
Number of shares	股份數目		
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均數目（千股）	1,605,153	1,605,153
Basic earnings/(loss) per share (expressed in HK\$)	每股基本盈利／（虧損）（以港元列示）	0.14	(0.17)

(b) Diluted

The Group has no potentially dilutive shares outstanding during the interim periods ended 30 June 2021 and 2020.

(b) 攤薄

截至二零二一年及二零二零年六月三十日止中期期間本集團並無已發行潛在攤薄股份。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

13 PROPERTY, PLANT AND EQUIPMENT

For the six months ended 30 June 2021, the Group acquired property, plant and equipment of HK\$83.1 million (2020: HK\$102.4 million) and disposed of property, plant and equipment with a net book value of HK\$25.1 million (2020: HK\$23.5 million).

For the six months ended 30 June 2021, the Group recognised a provision for impairments on property, plant and equipment of HK\$0.7 million (2020: HK\$62.7 million) which was related to idle assets in Europe (2020: Asia and Europe).

For the six months ended 30 June 2021, properties, plant and equipment with net book values of HK\$75.5 million (2020: Nil) were transferred to assets held sales.

For the six months ended 30 June 2020, property, plant and equipment with net book values of HK\$30.9 million were transferred to investment properties.

14 TRADE, BILLS AND OTHER RECEIVABLES

13 物業、廠房及設備

截至二零二一年六月三十日止六個月，本集團購入物業、廠房及設備83.1百萬港元（二零二零年：102.4百萬港元）及出售賬面淨值為25.1百萬港元（二零二零年：23.5百萬港元）的物業、廠房及設備。

截至二零二一年六月三十日止六個月，本集團就物業、廠房及設備確認減值撥備0.7百萬港元（二零二零年：62.7百萬港元），與歐洲（二零二零年：亞洲及歐洲）的閑置資產有關。

截至二零二一年六月三十日止六個月，賬面淨值為75.5百萬港元（二零二零年：零）的物業、廠房及設備已轉撥至持作出售資產。

截至二零二零年六月三十日止六個月，賬面淨值為30.9百萬港元的物業、廠房及設備已轉撥至投資物業。

14 貿易、票據及其他應收款項

		At 30 June 2021 於二零二一年 六月三十日 HK\$M 百萬港元	At 31 December 2020 於二零二零年 十二月三十一日 HK\$M 百萬港元
Trade receivables	貿易應收款項	2,503.0	1,336.6
Less: loss allowance	減：虧損撥備	(77.3)	(50.0)
Trade receivables, net	貿易應收款項淨額	2,425.7	1,286.6
Bills receivables	票據應收款項	26.0	15.4
Deposits and prepayments	按金及預付款項	191.0	165.8
Deposits paid for purchase of raw materials	購買原料之已付按金	92.5	40.6
VAT recoverable	可退回增值稅	119.8	99.4
Other receivables (Note)	其他應收款項 (附註)	107.7	105.4
		2,962.7	1,713.2
Less: non-current portion	減：非流動部分		
Other deposits	其他按金	(6.6)	(4.2)
		2,956.1	1,709.0

Note: As at 30 June 2021, the balance included a receivable of HK\$45.7 million (31 December 2020: HK\$45.2 million) from a government authority in the PRC.

附註：於二零二一年六月三十日，結餘包括來自中國政府當局之應收款項45.7百萬港元（二零二零年十二月三十一日：45.2百萬港元）。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

14 TRADE, BILLS AND OTHER RECEIVABLES (continued)

At 30 June 2021 and 31 December 2020, the aging analysis of the trade receivables based on invoice date was as follows:

		At 30 June 2021 於二零二一年 六月三十日 HK\$M 百萬港元	At 31 December 2020 於二零二零年 十二月三十一日 HK\$M 百萬港元
0 – 90 days	0至90日	2,353.2	1,230.7
91 – 180 days	91至180日	63.1	41.7
Over 180 days	超過180日	86.7	64.2
		2,503.0	1,336.6

14 貿易、票據及其他應收款項 (續)

於二零二一年六月三十日及二零二零年十二月三十一日，貿易應收款項按發票日期的賬齡分析如下：

15 SHARE CAPITAL

Authorised share capital

15 股本

法定股本

		Numbers of shares 股份數目 (Thousands) (千股)	Share capital 股本 HK\$M 百萬港元
Ordinary shares of HK\$0.01 each at 1 January 2020, 31 December 2020, 1 January 2021 and 30 June 2021	於二零二零年一月一日、 二零二零年十二月三十一日、 二零二一年一月一日及 二零二一年六月三十日 每股面值0.01港元之普通股	5,000,000	50.0
Issued and fully paid	已發行及繳足		
At 1 January 2020, 31 December 2020, 1 January 2021 and 30 June 2021	於二零二零年一月一日、 二零二零年十二月三十一日、 二零二一年一月一日及 二零二一年六月三十日	1,605,153	16.1

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

16 BORROWINGS

16 借款

		At 30 June 2021	At 31 December 2020
		於二零二一年 六月三十日	於二零二零年 十二月三十一日
		HK\$M	HK\$M
		百萬港元	百萬港元
Non-current	非流動		
Bank borrowings	銀行借款	57.9	178.3
Current	流動		
Bank borrowings	銀行借款	557.9	604.8
Other borrowings (Note)	其他借款 (附註)	1,246.9	1,515.3
		1,804.8	2,120.1
Total borrowings	總借款	1,862.7	2,298.4

Note: As at 30 June 2021, the balance included the Syndicated Term Loan of US\$160.0 million (31 December 2020: US\$195.0 million) maturing in January 2022.

附註：於二零二一年六月三十日，該結餘包括銀團定期貸款160.0百萬美元（二零二零年十二月三十一日：195.0百萬美元），其於二零二二年一月到期。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

17 TRADE, BILLS AND OTHER PAYABLES

17 貿易、票據及其他應付款項

		At 30 June 2021 於二零二一年 六月三十日 HK\$M 百萬港元	At 31 December 2020 於二零二零年 十二月三十一日 HK\$M 百萬港元
Trade payables	貿易應付款項	2,293.9	1,377.2
Contract liabilities	合約負債	75.9	18.1
Other tax payable	其他應付稅項	44.6	49.0
Accrued salaries and employee benefits	應計薪金及僱員福利	113.9	125.9
Provision for claims and contingencies	索償及或然事項撥備	12.7	12.1
Accrued professional expenses	應計專業開支	21.9	20.6
Asset retirement obligations	資產報廢責任	76.6	79.7
Other payables and accruals (Note)	其他應付款項及應計費用 (附註)	316.6	109.5
		2,956.1	1,792.1
Less: non-current portion	減：非流動部分		
Asset retirement obligations	資產報廢責任	(76.6)	(79.7)
Other payables	其他應付款項	(21.4)	(22.9)
		2,858.1	1,689.5

Note: As at 30 June 2021, the balance included receipt in advance for sales of assets held for sale of HK\$116.4 million (31 December 2020: Nil).

附註：於二零二一年六月三十日，結餘包括有關出售持作出售資產的預收款項116.4百萬港元(二零二零年十二月三十一日：零)。

The aging analysis of the trade payables based on invoice date was as follows:

貿易應付款項根據發票日期之賬齡分析如下：

		At 30 June 2021 於二零二一年 六月三十日 HK\$M 百萬港元	At 31 December 2020 於二零二零年 十二月三十一日 HK\$M 百萬港元
0 – 90 days	0至90日	2,214.3	1,351.7
91 – 180 days	91至180日	43.0	4.9
Over 180 days	超過180日	36.6	20.6
		2,293.9	1,377.2

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

18 PLEDGE OF ASSETS

As at 30 June 2021 and 31 December 2020, the Group has pledged the following assets to banks to secure certain borrowings and general banking facilities granted to the Group:

18 資產抵押

於二零二一年六月三十日及二零二零年十二月三十一日，本集團已向銀行抵押以下資產，以擔保授予本集團之若干借款及一般銀行信貸：

		At 30 June 2021	At 31 December 2020
		於二零二一年 六月三十日	於二零二零年 十二月三十一日
		HK\$M	HK\$M
		百萬港元	百萬港元
Property, plant and equipment	物業、廠房及設備	1,661.7	1,888.2
Right-of-use assets	使用權資產	159.0	187.1
Investment properties	投資物業	10.1	20.7
Inventories	存貨	955.6	837.4
Trade receivables	貿易應收款項	2,412.0	1,277.9
Assets held for sale	持作出售資產	–	3.0
Pledged bank deposits	已抵押銀行存款	126.2	122.7
		5,324.6	4,337.0

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

19 CAPITAL COMMITMENTS

As at 30 June 2021 and 31 December 2020, significant capital expenditure contracted for but not yet incurred is as follows:

		At 30 June 2021 於二零二一年 六月三十日 HK\$M 百萬港元	At 31 December 2020 於二零二零年 十二月三十一日 HK\$M 百萬港元
Capital expenditure contracted for but not provided in the condensed consolidated financial information in respect of:	已訂約但未於簡明綜合財務資料中撥備的資本開支：		
– acquisition of property, plant and equipment	– 收購物業、廠房及設備	77.6	14.7
– additions in construction in progress	– 添置在建工程	8.7	1.8
		86.3	16.5

20 RELATED PARTIES TRANSACTIONS

The Group is controlled by USUMHK which owns 60.95% of the Company's shares. The remaining 39.05% of the shares are widely held. The ultimate holding company of the Group is Loncin Group Co., Ltd which is incorporated in the PRC. The ultimate controlling party of the Group is Mr. Tu Jianhua.

(a) Transactions

In addition to those disclosed elsewhere in the condensed consolidated financial information, the Group had the following transactions with its related parties for the six months ended 30 June 2021 and 2020.

19 資本承擔

於二零二一年六月三十日及二零二零年十二月三十一日，已訂約但未產生之重大資本開支如下：

20 關聯方交易

本集團由渝商香港控制，渝商香港擁有本公司60.95%股份。其餘39.05%股份由廣泛持有人持有。本集團最終控股公司為隆鑫集團有限公司（該公司於中國註冊成立）。本集團最終控制方為涂建華先生。

(a) 交易

除已在簡明綜合財務資料其他部分披露者外，本集團於截至二零二一年及二零二零年六月三十日止六個月曾與其關聯方進行以下交易。

Notes to the Condensed Consolidated Financial Information

簡明綜合財務資料附註

20 RELATED PARTIES TRANSACTIONS (continued)

(a) Transactions (continued)

All of the transactions were carried out in the normal course of the Group's business and on terms as agreed between the transacting parties. They are summarised as follows:

20 關聯方交易 (續)

(a) 交易 (續)

所有交易均於本集團日常業務過程中按交易雙方所協定的條款進行，概述如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$M 百萬港元	2020 二零二零年 HK\$M 百萬港元
Sales of goods to	向以下各方銷售商品		
– Joint ventures	– 合營企業	222.5	142.9
– Related parties	– 關聯方	62.2	156.8
Purchases of goods from	從以下各方採購商品		
– An associate	– 聯營公司	–	(9.9)
– Joint ventures	– 合營企業	(274.5)	(90.0)
– Related parties	– 關聯方	(94.1)	(38.1)
Interest income from	來自以下各方之利息收入		
– Joint ventures	– 合營企業	0.4	0.4
– Related parties	– 關聯方	0.5	0.2
Interest expense to	支付予以下各方之利息開支		
– Related parties	– 關聯方	(0.3)	(0.3)
Other income from (Note (i))	來自以下各方之其他收入 (附註(i))		
– Joint ventures	– 合營企業	1.1	2.0
– Related parties	– 關聯方	2.0	1.8
Administrative expenses to (Note (ii))	支付予以下各方之行政開支 (附註(ii))		
– Related parties	– 關聯方	(1.2)	(1.1)

Notes:

- (i) Other income mainly comprised management fee income, rental income and commission income.
- (ii) Administrative expenses mainly comprised management fee, lease expense and service fee.

附註：

- (i) 其他收入主要包括管理費收入、租金收入及佣金收入。
- (ii) 行政開支主要包括管理費、租金開支及服務費。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

20 RELATED PARTIES TRANSACTIONS (continued)

(b) Key management compensation

Key management includes all directors, chief executive officer, chief financial officer, chief operating officer and chief investment officer. The compensation paid or payable to key management for employee services is shown below:

20 關聯方交易 (續)

(b) 主要管理層薪酬

主要管理層包括全體董事、行政總裁、首席財務官、首席營運官及首席投資官。就提供僱員服務而已付或應付主要管理層的薪酬列示如下：

Six months ended 30 June
截至六月三十日止六個月

		2021 二零二一年 HK\$M 百萬港元	2020 二零二零年 HK\$M 百萬港元
Wages and salaries, including restructuring costs and other termination benefits	工資及薪金，包括重組成本及其他終止僱傭福利	20.5	12.6
Pension costs – defined contribution plans	退休金成本—界定供款計劃	-	-
Other employee benefits	其他僱員福利	-	-
Total	總計	20.5	12.6

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

20 RELATED PARTIES TRANSACTIONS (continued)

(c) Period-end balances

20 關聯方交易 (續)

(c) 期末結餘

		At 30 June 2021	At 31 December 2020
		於二零二一年 六月三十日	於二零二零年 十二月三十一日
		HK\$M	HK\$M
		百萬港元	百萬港元
Receivables from:	應收以下各方款項：		
– Joint ventures (Note (i))	– 合營企業 (附註(i))	88.5	100.5
– Related parties (Note (i))	– 關聯方 (附註(i))	21.3	28.8
		109.8	129.3
Payables to:	應付以下各方款項：		
– Joint ventures (Note (ii))	– 合營企業 (附註(ii))	(65.6)	(28.6)
– Related parties (Note (ii))	– 關聯方 (附註(ii))	(45.5)	(34.8)
		(111.1)	(63.4)

Notes:

- (i) The receivables from joint ventures and related parties include trade receivables and other receivables. Trade receivables are repayable within 60 days, and other receivables are repayable on demand. Both of them are unsecured and non-interest bearing.
- (ii) The payables to joint ventures and related parties include trade payables and other payables. Trade payables are repayable within 60 days, and other payable are repayable on demand. Both of them are unsecured and non-interest bearing.

附註：

- (i) 應收合營企業及關聯方款項包括貿易應收款項及其他應收款項。貿易應收款項須於60日內償還，其他應收款項則須按要求償還。該兩類款項均為無抵押及不計息。
- (ii) 應付合營企業及關聯方款項包括貿易應付款項及其他應付款項。貿易應付款項須於60日內償還，其他應付款項則須按要求償還。該兩類款項均為無抵押及不計息。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

21 ASSETS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS HELD FOR SALE

21 持作出售資產及與持作出售資產直接相關的負債

		At 30 June 2021 於二零二一年 六月三十日 HK\$M 百萬港元	At 31 December 2020 於二零二零年 十二月三十一日 HK\$M 百萬港元
Property, plant and equipment (Note (i))	物業、廠房及設備 (附註(i))	83.2	168.2
Right-of-use assets (Note (ii))	使用權資產 (附註(ii))	58.0	62.0
Investment properties	投資物業	20.0	19.8
Disposal yards in US (Note (iii))	出售美國工場 (附註(iii))	73.5	1.0
Disposal yards in Europe (Note (iv))	出售歐洲工場 (附註(iv))	-	14.3
		234.7	265.3
Representing:	指：		
Assets held for sale	持作出售資產	304.6	428.7
Liabilities directly associated with assets held for sale	與持作出售資產直接相關的負債	(69.9)	(163.4)
		234.7	265.3

Notes:

- (i) During the six months ended 30 June 2021, the Group disposed of certain land, building, plant and equipment located in Asia and Europe with a net book value of HK\$1.8 million and HK\$82.5 million respectively and a gain on disposal of HK\$25.9 million was included in other (losses)/gains, net.
- (ii) During the six months ended 30 June 2021, the Group disposed of certain leased lands located in Asia with a net book value of HK\$4.8 million and a gain on disposal of HK\$2.7 million was included in other (losses)/gains, net.
- (iii) During the six months ended 30 June 2021, the Group further reclassified certain yards located in the US as assets and liabilities held for sale. On 25 June 2021, the Group signed an asset purchase agreement and several real estate purchase agreements with the buyers to disposed of these disposal yards. These transactions are expected to complete in the second half of 2021.
- (iv) During the six months ended 30 June 2021, the Group sold the disposal yards located in the Europe and a gain on disposal of HK\$5.1 million was included in other (losses)/gains, net.

附註：

- (i) 截至二零二一年六月三十日止六個月，本集團已出售位於亞洲及歐洲的若干土地、樓宇、廠房及設備，賬面淨值分別為1.8百萬港元及82.5百萬港元，及出售收益25.9百萬港元已計入其他(虧損)/收益淨額。
- (ii) 截至二零二一年六月三十日止六個月，本集團已出售位於亞洲的若干租賃土地，賬面淨值為4.8百萬港元，及出售收益2.7百萬港元已計入其他(虧損)/收益淨額。
- (iii) 截至二零二一年六月三十日止六個月，本集團進一步將位於美國的若干工場重新分類為持作出售資產及負債。於二零二一年六月二十五日，本集團與買方簽訂一份資產購買協議及數份房地產購買協議，以出售該等出售工場。預期該等交易將於二零二一年下半年完成。
- (iv) 截至二零二一年六月三十日止六個月，本集團已出售位於歐洲的出售工場，及出售收益5.1百萬港元已計入其他(虧損)/收益淨額。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

22 CONTINGENCIES

- (a) The Company is one of the defendants to a legal claim by Delco Participation B.V. (“Delco”) regarding an alleged non-payment of a portion of the loans advanced by Delco Asia Company Limited (“Delco Asia”) to subsidiaries of the Company, amounting to approximately HK\$57.8 million together with interest and costs. Delco alleged that it acquired the assets and liabilities of Delco Asia in 2011. Delco Asia was dissolved by deregistration in 2012. Each of Mr. Fang Ankong (“Mr. Fang”), a former director of the Company, and HWH Holdings Limited (“HWH”) undertook to the Company to indemnify and hold the Company harmless on demand against all losses arising out of, inter alia, this claim in accordance with the terms of a letter of indemnity signed by Mr. Fang and HWH in favour of the Company on 17 December 2015 (the “Indemnity”). The exact scope of the indemnity is yet to be determined.

The court case is still in progress, with the parties filing amended pleadings and evidence. On Delco’s application, the Court granted leave to Delco to discontinue its claim against the Company for the HK\$57.8 million, with certain issues still to be decided by the High Court of Hong Kong. The directors of the Company, after taking legal advice from its legal advisers and in review of the Indemnity, are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle this claim. Accordingly, no provision for this claim has been made.

22 或然事項

- (a) 本公司為Delco Participation B.V. (「Delco」) 就聲稱未償還Delco Asia Company Limited (「Delco Asia」) 墊付予本公司子公司的部份貸款金額約57.8百萬港元連同利息及相關費用而提起的法律索賠的被告人之一。Delco聲稱其已於二零一一年收購Delco Asia的資產及負債。於二零一二年，Delco Asia以撤銷註冊方式解散。本公司前董事方安空先生(「方先生」)及HWH Holdings Limited (「HWH」)各自向本公司承諾，根據方先生與HWH以本公司為受益人於二零一五年十二月十七日簽署的彌償函件的條款，彌償本公司因(其中包括)此索賠產生的所有損失及使本公司不受到損失(「彌償」)。彌償的具體範圍尚未確定。

訴訟現正在進行中，當事各方已提交經修訂訴狀和證據。根據Delco的申請，法院准許Delco終止向本公司索償57.8百萬港元，若干事宜仍有待香港高等法院作定奪。經考慮本公司法律顧問的法律意見及審閱彌償後，本公司董事認為清償此索賠不可能導致經濟利益的流出。因此，並無就此索賠作出撥備。

Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註

22 CONTINGENCIES (continued)

- (b) The Company and Chiho-Tiande (HK) Limited (“CTHK”), a wholly-owned subsidiary of the Company, are two of the defendants to another legal claim by Delco regarding an alleged breach of a letter of undertaking in relation to a convertible bond issued by the Company and subscribed for by Delco. Delco further claimed against CTHK for a sum of US\$1.0 million, allegedly advanced by Delco Asia to CTHK. Delco further claimed interests, costs and further or other relief of approximately HK\$6.3 million.

The court case is still in progress. The parties subsequently filed amended pleadings and gave evidence at the trial in July 2021. The case is still in progress, with further evidence to be given in the Netherlands, and the parties to make closing submissions. The directors of the Company, after taking legal advice from its legal advisers, are of the opinion that it is not probable that an outflow of resources embodying economic benefits will be required to settle this claim. Accordingly, no provision for this claim has been made.

- (c) The Group has provided financial guarantees to certain related parties and joint ventures of HK\$20.4 million and HK\$55.2 million (31 December 2020: HK\$14.9 million and HK\$38.0 million), respectively. As the risk of default is very remote and there is no history of default, no financial guarantee liability was recognised.

22 或然事項 (續)

- (b) 本公司及本公司之全資子公司齊合天地(香港)有限公司(「齊合香港」)為Delco就聲稱違反本公司所發行及Delco所認購之可換股債券所涉及之承諾函件而提起的另一宗法律索賠的其中兩名被告人。Delco進一步向齊合香港申索金額1.0百萬美元，該款項聲稱是由Delco Asia墊付予齊合香港。Delco再申索利息、訟費及進一步或其他寬免，涉及金額約6.3百萬港元。

訴訟現正在進行中。當事各方隨後提交經修訂訴狀並於二零二一年七月之庭審上作證。案件仍在進行中，並將於荷蘭提供進一步證據，及當事各方將作出結案陳詞。經考慮本公司法律顧問的法律意見後，本公司董事認為清償此索賠不可能導致經濟利益的流出。因此，並無就此索賠作出撥備。

- (c) 本集團已分別向若干關聯方及合營企業提供金融擔保20.4百萬港元及55.2百萬港元(二零二零年十二月三十一日：14.9百萬港元及38.0百萬港元)。由於違約風險極小且無違約歷史，因此並無確認任何金融擔保負債。

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Tu Jianhua
Mr. Rafael Heinrich Suchan* (*Chief Executive Officer*)
Mr. Martin Simon (*Chief Financial Officer*)
Mr. Miao Yu
Mr. Chen Chunguo
(*resigned on 3 March 2021*)
Mr. Ding Zhiyi
(*resigned on 5 March 2021*)

Independent Non-Executive Directors

Dr. Loke Yu
Mr. Ko Frankie Andrew
(*appointed on 5 March 2021*)
Prof. Li Zhiguo
(*appointed on 24 May 2021*)
Ms. Yang Yali
(*resigned on 5 March 2021*)
Mr. Wang Qiwei
(*resigned on 5 March 2021*)

EXECUTIVE COMMITTEE

Mr. Tu Jianhua
Mr. Rafael Heinrich Suchan* (*Chief Executive Officer*)
Mr. Martin Simon (*Chief Financial Officer*)
Mr. Miao Yu
Mr. Chen Chunguo
(*resigned on 3 March 2021*)
Mr. Ding Zhiyi
(*resigned on 5 March 2021*)

AUDIT COMMITTEE

Dr. Loke Yu (*Chairman*)
Mr. Ko Frankie Andrew
(*appointed on 5 March 2021*)
Prof. Li Zhiguo
(*appointed on 24 May 2021*)
Ms. Yang Yali
(*resigned on 5 March 2021*)
Mr. Wang Qiwei
(*resigned on 5 March 2021*)

* Acting Chairman

董事會

執行董事

涂建華先生
Rafael Heinrich Suchan先生* (*行政總裁*)
Martin Simon先生 (*首席財務官*)
苗雨先生
陳春國先生
(*於二零二一年三月三日辭任*)
丁志懿先生
(*於二零二一年三月五日辭任*)

獨立非執行董事

陸海林博士
高瑞強先生
(*於二零二一年三月五日獲委任*)
李志國教授
(*於二零二一年五月二十四日獲委任*)
楊雅麗女士
(*於二零二一年三月五日辭任*)
王奇偉先生
(*於二零二一年三月五日辭任*)

執行委員會

涂建華先生
Rafael Heinrich Suchan先生* (*行政總裁*)
Martin Simon先生 (*首席財務官*)
苗雨先生
陳春國先生
(*於二零二一年三月三日辭任*)
丁志懿先生
(*於二零二一年三月五日辭任*)

審核委員會

陸海林博士 (*主席*)
高瑞強先生
(*於二零二一年三月五日獲委任*)
李志國教授
(*於二零二一年五月二十四日獲委任*)
楊雅麗女士
(*於二零二一年三月五日辭任*)
王奇偉先生
(*於二零二一年三月五日辭任*)

* 署理主席

NOMINATION COMMITTEE

Dr. Loke Yu*
Mr. Ko Frankie Andrew
(appointed on 5 March 2021)
Prof. Li Zhiguo
(appointed on 24 May 2021)
Mr. Chen Chunguo
(resigned on 3 March 2021)
Ms. Yang Yali
(resigned on 5 March 2021)
Mr. Wang Qiwei
(resigned on 5 March 2021)

REMUNERATION COMMITTEE

Mr. Ko Frankie Andrew (Chairman)
(appointed on 5 March 2021)
Dr. Loke Yu
Prof. Li Zhiguo
(appointed on 24 May 2021)
Ms. Yang Yali
(resigned on 5 March 2021)
Mr. Wang Qiwei
(resigned on 5 March 2021)

STRATEGY AND INVESTMENT COMMITTEE

Mr. Tu Jianhua
Mr. Rafael Heinrich Suchan*
Mr. Martin Simon
Mr. Miao Yu
Mr. Ko Frankie Andrew
(appointed on 5 March 2021)
Mr. Chen Chunguo
(resigned on 3 March 2021)
Mr. Ding Zhiyi
(resigned on 5 March 2021)
Mr. Goh Kian Guan
(resigned on 30 April 2021)

* Acting Chairman

提名委員會

陸海林博士*
高瑞強先生
(於二零二一年三月五日獲委任)
李志國教授
(於二零二一年五月二十四日獲委任)
陳春國先生
(於二零二一年三月三日辭任)
楊雅麗女士
(於二零二一年三月五日辭任)
王奇偉先生
(於二零二一年三月五日辭任)

薪酬委員會

高瑞強先生 (主席)
(於二零二一年三月五日獲委任)
陸海林博士
李志國教授
(於二零二一年五月二十四日獲委任)
楊雅麗女士
(於二零二一年三月五日辭任)
王奇偉先生
(於二零二一年三月五日辭任)

戰略與投資委員會

涂建華先生
Rafael Heinrich Suchan先生*
Martin Simon先生
苗雨先生
高瑞強先生
(於二零二一年三月五日獲委任)
陳春國先生
(於二零二一年三月三日辭任)
丁志懿先生
(於二零二一年三月五日辭任)
吳健源先生
(於二零二一年四月三十日辭任)

* 署理主席

Corporate Information 公司資料

PRICING COMMITTEE

Mr. Rafael Heinrich Suchan*
Mr. Martin Simon
Mr. Miao Yu
Mr. Marc Breidenbach
Mr. Udo Langhans
Mr. Huang Ting
(appointed on 30 April 2021)
Mr. Chen Chunguo
(resigned on 3 March 2021)
Mr. Ding Zhiyi
(resigned on 5 March 2021)
Mr. Goh Kian Guan
(resigned on 30 April 2021)
Dr. Haehne Gerd
(resigned on 31 May 2021)
Mr. Maier Tobias
(appointed on 1 January 2021 and resigned on 31 May 2021)

AUTHORISED REPRESENTATIVES

Mr. Tu Jianhua
Ms. So Shuk Yi Betty
(appointed on 5 March 2021)
Ms. Lam Pui Sea
(resigned on 5 March 2021)

CHIEF FINANCIAL OFFICER

Mr. Martin Simon

COMPANY SECRETARY

Ms. So Shuk Yi Betty
(appointed on 5 March 2021)
Ms. Lam Pui Sea
(resigned on 5 March 2021)

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

* Acting Chairman

定價委員會

Rafael Heinrich Suchan先生*
Martin Simon先生
苗雨先生
Marc Breidenbach先生
Udo Langhans先生
黃頌先生
(於二零二一年四月三十日獲委任)
陳春国先生
(於二零二一年三月三日辭任)
丁志懿先生
(於二零二一年三月五日辭任)
吳健源先生
(於二零二一年四月三十日辭任)
Haehne Gerd博士
(於二零二一年五月三十一日辭任)
Maier Tobias先生
(於二零二一年一月一日獲委任及
於二零二一年五月三十一日辭任)

授權代表

涂建華先生
蘇淑儀女士
(於二零二一年三月五日獲委任)
林霽詩女士
(於二零二一年三月五日辭任)

首席財務官

Martin Simon先生

公司秘書

蘇淑儀女士
(於二零二一年三月五日獲委任)
林霽詩女士
(於二零二一年三月五日辭任)

核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師

* 署理主席

LEGAL ADVISORS

Conyers Dill & Pearman (Cayman Islands)
DLA Piper (Hong Kong)
Deacons (Hong Kong)
LC Lawyers LLP (Hong Kong)
Aber-Law (Thailand)
Latham & Watkins LLP (Germany)
CMS Hasche Sigle (Germany)
Menold Bezler (Germany)
Acuminis (US)
Withers Worldwide

PRINCIPAL BANKERS

Agricultural Bank of China
Bank of China
KeyBank National Association
Landesbank Baden-Württemberg (LBBW)
Standard Chartered Bank (Hong Kong) Limited
Targo Bank
The Hongkong and Shanghai Banking Corporation Limited

REGISTERED OFFICE IN CAYMAN ISLANDS

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Latham & Watkins LLP (德國)
CMS Hasche Sigle (德國)
Menold Bezler (德國)
Acuminis (美國)
Withers Worldwide

主要往來銀行

中國農業銀行
中國銀行
KeyBank National Association
Landesbank Baden-Württemberg (LBBW)
渣打銀行 (香港) 有限公司
Targo Bank
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Corporate Information 公司資料

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* 請參閱本公司網站以獲取本集團其他主要營運基地之營業地址。

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股份代號

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