



ELL Environmental Holdings Limited
强泰环保控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Contents 目錄

	Page 頁次
Corporate Information 公司資料	2
Chairman's Statement 主席報告	5
Management Discussion and Analysis 管理層討論與分析	7
Corporate Governance and Other Information 企業管治及其他資料	14
Financial Information 財務資料	20



Corporate Information 公司資料

DIRECTORS

EXECUTIVE DIRECTORS

CHAU On Ta Yuen *BBS, SBS (Chairman)*
CHAN Kwan *(Chief Executive Officer)*
Rajiv SUHENDRA
CHAU Chi Yan Benny

NON-EXECUTIVE DIRECTOR

CHAN Pak Lam Brian

INDEPENDENT NON-EXECUTIVE DIRECTORS

NG Chung Yan Linda
NG Man Kung

BOARD COMMITTEES

AUDIT COMMITTEE

NG Chung Yan Linda *(Chairlady)*
NG Man Kung

NOMINATION COMMITTEE

CHAU On Ta Yuen *(Chairman)*
CHAN Kwan
NG Chung Yan Linda
NG Man Kung

REMUNERATION COMMITTEE

NG Man Kung *(Chairman)*
CHAN Pak Lam Brian
NG Chung Yan Linda

REGISTERED OFFICE

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

董事

執行董事

周安達源 *BBS, SBS (主席)*
陳昆 *(行政總裁)*
蘇堅人
周致人

非執行董事

陳栢林

獨立非執行董事

伍頌恩
吳文拱

董事委員會

審核委員會

伍頌恩 *(主席)*
吳文拱

提名委員會

周安達源 *(主席)*
陳昆
伍頌恩
吳文拱

薪酬委員會

吳文拱 *(主席)*
陳栢林
伍頌恩

註冊辦事處

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

HEADQUARTERS IN THE PEOPLE'S REPUBLIC OF CHINA (THE "PRC" OR "CHINA")

Rugao Hengfa Municipal and Industrial Wastewater Treatment Facility
North of Huimin Road
Rugao Economic and Technological Development Zone
Jiangsu Province
The PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Units 1-3, 11th Floor, Westlands Centre
20 Westlands Road
Hong Kong

AUTHORISED REPRESENTATIVES

CHAN Kwan
KWOK Siu Man *KR*

COMPANY SECRETARY

KWOK Siu Man *KR*

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Boardroom Share Registrars (HK) Limited
Room 2103B, 21st Floor
148 Electric Road
North Point
Hong Kong

PRINCIPAL BANKERS

Chiyu Banking Corporation Limited
The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited

於中華人民共和國(「中國」)的總部

如皋恒發市政及工業污水處理設施
中國
江蘇省
如皋經濟技術開發區
惠民路北側

香港主要營業地點

香港
華蘭路20號
華蘭中心11樓1-3室

授權代表

陳昆
郭兆文 黎利騎士

公司秘書

郭兆文 黎利騎士

開曼群島主要股份過戶登記處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman KY1-1111
Cayman Islands

香港證券登記分處

寶德隆證券登記有限公司
香港
北角
電氣道148號
21樓2103B室

主要來往銀行

集友銀行有限公司
香港上海滙豐銀行有限公司
中國銀行(香港)有限公司



Corporate Information 公司資料

INDEPENDENT AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

LEGAL ADVISORS

AS TO HONG KONG LAW:

H.M. Chan & Co
in association with Taylor Wessing

AS TO PRC LAW:

King & Wood Mallesons

WEBSITE

www.ellhk.com

LISTING INFORMATION

PLACE OF LISTING

Main Board of The Stock Exchange of Hong Kong Limited

BOARD LOT

5,000 Shares

STOCK CODE

1395

獨立核數師

德勤•關黃陳方會計師行
執業會計師
香港

法律顧問

有關香港法律：

陳浩銘律師事務所
與泰樂信聯盟

有關中國法律：

金杜律師事務所

公司網站

www.ellhk.com

上市資料

上市地點

香港聯合交易所有限公司主板

買賣單位

5,000 股股份

股份代號

1395

Dear Shareholders,

On behalf of the board (the “Board”) of directors (the “Directors”) of ELL Environmental Holdings Limited (“ELL Environmental” or the “Company”, together with its subsidiaries, the “Group”), I present the interim report of the Company for the six months ended 30 June 2019 (the “Period”).

According to the data from China's National Bureau of Statistics, China's gross domestic product (GDP) reached RMB21 trillion in the first quarter of 2019, registering a 6.4% growth in the first quarter of 2019 over the same period last year. The overall Chinese economy continued to maintain its steady growth with an optimistic outlook and the main economic indicators were in line with market expectations. Since the fourth quarter of 2018, the Chinese government has progressively implemented a series of “Six Stabilities” policies, boosted efficient investment and spending by residents, enhanced market stability, coordination and sustainability, and has promoted and achieved the stable and healthy development of various sectors. At the same time, countless challenges were posed to the Chinese economy due to the increasing uncertainty of the external environment as trade protectionism reared its head globally.

The issue of environmental protection has become a global concern in recent years and the Chinese government has repeatedly voiced its support for the water treatment industry. Following the introduction of the Action Plan for Prevention and Control of Water Pollution (《水污染防治行動計劃》, also referred to as “10 Regulations on Water Pollution”) on 16 April 2015, and the implementation of the newly revised Law of the People's Republic of China on Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》) on 1 January 2018, the Ministry of Finance of China released the “Notice of the Ministry of Finance on the Fund Budget for Prevention and Control of Water Pollution of 2019” (《財政部關於下達2019年度水污染防治資金預算的通知》) in the first quarter of 2019, directly allocating special funds of RMB19.0 billion to supporting water pollution prevention and control, as well as water ecosystem protection. Meanwhile, the report to the 19th National Congress of the Communist Party of China highlighted the Chinese government's commitment to preventing and controlling pollution before 2020, and to achieving a fundamental improvement to the ecological environment by 2035. The Chinese water treatment and control industry is expected to benefit from the abovementioned national policies in the upcoming years.

Operating in the robust environmental protection industry, ELL Environmental has kept abreast of the market dynamics and steadily expanded its business in accordance with its prudent and stable operation strategies. Despite our outstanding and professional wastewater treatment services, which we have leveraged to build a solid presence in China, the Group has been confronted with a host of challenges with the development of economic globalisation, coupled with the intensifying

致各位股東：

本人謹代表強泰環保控股有限公司（「強泰環保」或「本公司」），連同其附屬公司，統稱「本集團」董事（「董事」）會（「董事會」）呈報截至二零一九年六月三十日止六個月（「本期間」）的本公司中期報告。

根據中國國家統計局數據顯示，二零一九年第一季度，國內生產總值為人民幣21萬億元，比去年同期增長6.4%。中國經濟總體繼續保持穩中向好的態勢，主要經濟指標符合市場預期。自二零一八年第四季度起，中國政府逐步推出一系列「六穩」政策，擴大有效投資及居民消費，提升市場穩定性、協調性和可持續性，推動並實現各行業平穩健康發展。同時，外部環境不確定性增加，國際上出現了貿易保護主義傾向，中國經濟仍面臨不少挑戰。

近年來，環保議題受到全球關注，中國政府多番表示支持水治理行業。繼二零一五年四月十六日推出的《水污染防治行動計劃》（亦稱「水十條」）、二零一八年一月一日實施新修訂的《中華人民共和國水污染防治法》後，中國財政部於二零一九年第一季發佈了《財政部關於下達2019年度水污染防治資金預算的通知》，下發人民幣一百九十億元專項資金直接用於支持水污染防治和水生態環境保護。同時，中國共產黨第十九次全國代表大會的報告提出二零二零年前要堅決打好污染防治的攻堅戰，並定下二零三五年生態環境根本好轉的目標。預期未來數年中國水治理行業將持續受惠於上述國家政策。

強泰環保身處發展蓬勃的環保行業中，一直密切關注市場動向，持守著審慎穩健的原則，穩步擴張業務。儘管我們憑著優秀專業的污水處理服務，在中國打下了堅實的業務基礎，然而隨著全球經濟一體化，加上國內市場競爭加劇，本集團正面對各項挑戰。為開展新的業務

competition in the domestic market. To tap into new business areas and expand its business scope, the Group acquired Weal Union Limited (“Weal Union”) and its subsidiary in the Republic of Indonesia (“Indonesia”), which are engaged in the biomass power generation business in Jambi, Indonesia, in 2016. Since the completion of the acquisition, however, the market consumption of electricity in the region has been lower than expected, resulting in a lower-than-expected power plant utilisation rate. In view of the mounting instability in the operation of the project, the Group reduced the operation level of the power plant in the first half of 2019. It is expected that operation of the plant will return to normal in the third quarter of 2019 when the production and sale of biofuel pellets in Indonesia commences. We believe that resumption of the plant operation will bring about a growth in the revenue of the Group. Meanwhile, we are actively exploring opportunities to cooperate with other power plants with a desire to create new opportunities for the business.

For the six months ended 30 June 2019, ELL Environmental recorded a revenue of approximately HK\$24.4 million with a year-on-year decrease of 41.4%. The gross profit was HK\$2.4 million, representing a year-on-year decrease of 64.8%. The net loss was HK\$11.0 million, including a HK\$2.3 million loss for the biomass power generation project in Indonesia.

Looking forward, driven by national policies, we anticipate that the environmental protection industry will benefit from the rapid progress of urbanisation and the Chinese government's supportive policies for the water industry, which provide the industry with a favorable macro environment. ELL Environmental will adopt and adhere to a prudent and solid approach to financial and operational management and further strengthen its internal controls to embrace a brand-new stage of development in steady steps.

Here, I would like to express my gratitude to my fellow Directors, shareholders, staff and stakeholders. We are well aware that our staff, customers and partners are the keys to our sustained and stable development. I would also like to express my deep appreciation and gratitude to our customers and business partners for their long-time support, and to our staff for their invaluable contributions. I sincerely hope that everyone will be able to join hands to work and progress with the Group in the future.

Chau On Ta Yuen
Chairman

Hong Kong, 21 August 2019

發展方向及拓展業務版圖，本集團於二零一六年收購旭衡有限公司（「旭衡」）及其印度尼西亞共和國（「印尼」）附屬公司，該公司在印尼占碑省從事生物質發電業務。惟自完成收購該公司後以來，區內市場耗電量比預期低，導致發電廠的利用率低於預期。由於項目的營運不穩定性提高，本集團已於二零一九年上半年調低發電廠的營運水平。二零一九年第三季印尼生物燃料球團生產全面投產，預期屆時發電廠將恢復正常營運，我們相信，恢復發電廠營運預期將為本集團實現收入增長。同時，我們正積極尋求與其他企業合作的機會，期望能為該業務帶來新機遇。

截至二零一九年六月三十日止六個月，強泰環保錄得營業收入約24.4百萬港元，按年減少41.4%。毛利為2.4百萬港元，按年下跌64.8%。淨虧損為11.0百萬港元，當中包括2.3百萬港元的印尼生物質發電項目的虧損。

展望未來，我們預期環保產業將在國家政策帶動下，從急速推進的城鎮化進程以及中國政府對水務行業的政策支持中獲益，行業宏觀環境理想。強泰環保將秉持審慎穩健的財務及運營管理，進一步加強其內部監管，穩步邁向嶄新的階段。

在此本人向董事、股東、員工及各持份者致以衷心感謝。我們深明員工、顧客和合作夥伴是持續穩定發展的關鍵，亦衷心感謝顧客和合作夥伴在過去的支持，同時亦感謝各位員工所作出的寶貴貢獻。期望各位在未來的日子能繼續與本集團並肩攜手，共同進步。

主席
周安達源

香港，二零一九年八月二十一日

BUSINESS REVIEW

In the first half of 2019, driven by a series of “Six Stabilities” policies implemented by the Chinese government to ensure “stability in employment, stability in financial operations, stability in foreign trade, stability in foreign investment, stability in domestic investment and stability in expectations”, the pace of economic growth in the PRC returned to a stable level and continued to develop with overall social stability. China, which posted a 6.4% growth in gross domestic product (GDP) in the first quarter of 2019, remains a powerhouse of global economic growth. Meanwhile, as water pollution is one of the major constraints on China’s economic and social development, water pollution treatment has been listed by the Chinese government as a part of its long-term strategic development plan. In recent years, the Chinese government has made overarching plans and deployments around the water treatment industry and has emphasised the need to promote the development of the industry to achieve full collection and treatment of wastewater in built-up areas of cities, and to accelerate the progress of comprehensive rural environment management in 130,000 administrative villages as a part of its “13th Five-Year Plan” for Nationwide Integrated Treatment of Rural Environment (全國農村環境綜合整治「十三五」規劃). In addition, the “Notice of the Ministry of Finance on the Fund Budget for Prevention and Control of Water Pollution of 2019” (《財政部關於下達2019年度水污染防治資金預算的通知》) released by the Chinese government in the first quarter of 2019 further reflects the determination of the Chinese government to alleviate the problem of water pollution in China, and to promote the environmental protection industry.

Despite the fact that the Chinese government had injected more resources into environmental protection, intensifying competition in the domestic environmental protection industry made it increasingly difficult for enterprises to maintain their stable growth and profitability. Thus, in view of the level of risk and instability in the market, the Group adopted a practical and prudent approach to business expansion in the first half of 2019. At present, ELL Environmental owns two wastewater treatment facilities in Jiangsu Province, China, respectively operated by Haiyan Hengfa Wastewater Treatment Company Limited, a 70%-owned subsidiary of the Company (“Haiyan Hengfa”) and Rugao Hengfa Water Treatment Company Limited (“Rugao Hengfa”), a wholly-owned subsidiary of the Company. The Group has been cooperating and negotiating with the local authorities to raise the tariffs for the wastewater treatment facilities. In fact, our management had reached an agreement with the relevant authorities to increase water tariffs for Haiyan Hengfa’s wastewater treatment operations from RMB0.91 per tonne to RMB1.14 per tonne retrospectively from 2010 onwards, and expects to be able to reach a consensus on a tariff raise for Rugao Hengfa by the end of this year. The tariff adjustments are expected to not only make up for the price difference in the previous decade, but will also raise the current tariff to a reasonable level. Upon the gradual implementation of the tariff adjustment by the end of this year, it is expected that the Group will see an increase in its revenue and gross profit in the coming years, which will in turn stabilise its financial position.

業務回顧

二零一九年上半年，在中國政府一系列「六穩」政策，即「穩就業、穩金融、穩外貿、穩外資、穩投資、穩預期政策」的提振作用下，中國經濟增長步伐回復穩定，延續發展和社會大局穩定。二零一九年第一季度，中國的國內生產總值增長達6.4%，穩守著全球經濟發展引擎的重要角色。同時，由於水污染問題是中國經濟社會發展的重要制約因素之一，水污染治理被中國政府列入長期戰略發展規劃。中國政府近年在水治理行業方面進行了總體規劃和部署，強調大力推動行業發展，以實現城市建成區污水全收集全處理，加快《全國農村環境綜合整治「十三五」規劃》中十三萬個建制村環境綜合整治目標任務之進度。而二零一九年第一季中國政府發布的《財政部關於下達2019年度水污染防治資金預算的通知》更加反映出中國政府對改善中國的水污染問題及推動環保產業的決心。

儘管中國政府在環境保護方面投入了更多的資源，但國內環保行業競爭加劇，令企業保持穩定增長及維持盈利能力的難度加大。鑑於市場仍存在一定風險及不穩定性，本集團在二零一九年上半年以務實及審慎的態度拓展業務。目前，強泰環保擁有兩座位於中國江蘇省的污水處理設施，分別由海安恆發污水處理有限公司（「海安恆發」）（本公司擁有70%的附屬公司）及如皋恆發水處理有限公司（「如皋恆發」）（本公司全資附屬公司）營運。本集團正積極配合當地政府就調高污水處理廠的有關水價商討細節。事實上，我們的管理層已與有關當局達成協議將海安恆發污水處理業務的水價自二零一零年起由每噸人民幣0.91元增加至每噸人民幣1.14元，預期可於本年底前就提升如皋恆發的水價達成共識。水價調整預期將會補回過去十數年間的差價，同時亦將現行水價提升至合理水準。水價調整於本年底前逐步實施後，預期本集團之收入及毛利將於未來幾年有所提升，繼而令財政狀況更為穩健。



Management Discussion and Analysis 管理層討論與分析

In addition, in the fourth quarter of 2016, the Group acquired Weal Union and its subsidiary in Indonesia, PT Rimba Palma Sejahtera Lestari (“RPSL”) (collectively known as “Weal Union Group”) to expand to new business areas. Weal Union is engaged in the biomass power generation business in Jambi, Indonesia. RPSL’s power plant has two generating units, which mainly powers its palm kernel oil production facility and also meets unsatisfied local electricity demand. Indonesia is the largest economy in the Association of Southeast Asian Nations (ASEAN) and has maintained an annual economic growth of over 5% in recent years. Its soaring electricity demand, driven by the country’s rapid urbanisation and coupled with the local government’s environmental drive in recent years, was expected to create opportunities for the renewable energy industry. However, the biomass power plant of the Group in Indonesia has failed to reach its expected utilisation rate since the acquisition of Weal Union Group. In the first half of 2019, revenue from RPSL’s power plant continued to be less than satisfactory, with the Indonesian subsidiary RPSL recording a net loss of approximately HK\$2.3 million. This was mainly attributable to (i) low electricity consumption by local end-users in the vicinity of the power plant; (ii) increased competition with other local coal power plants; (iii) continuing delay in the progress of certain government projects, which resulted in slower growth in the market and economy, and hence energy consumption in the vicinity of such operations; and (iv) continuing delay in the construction of power lines and other infrastructure by the government to connect the South of Sumatra, Indonesia, where the biomass power plant is located, to the North of Sumatra, where the energy demand is much higher.

Some improvement in the local economy and the addition of new infrastructure facilitating the operation of the power plant still failed to promote revenue growth effectively. Therefore, the Group reduced the level of operation of the power plant in the first half of 2019 in order to minimise its loss. We expect that normal operation of the power plant will resume with the commencement of our biofuel pellets production business, which will enable the self-consumption of power generated by the power plant, thus increasing the utilisation rate of the plant. We are optimistic that the production of biofuel pellets will commence this year. Moreover, the Group is actively exploring opportunities to cooperate with other power plants in order to promote the development of its biofuel pellets business. The Group’s management believes that the biomass power generation business and biofuel pellets business will bring new growth momentum for the Group and facilitate its expansion into other environmental business areas and its strategic diversification in the future.

另外，於二零一六年第四季，本集團收購了由旭衡及其印尼附屬公司PT Rimba Palma Sejahtera Lestari（「RPSL」）（統稱「旭衡集團」），以開拓新的業務發展方向。旭衡集團在印尼占碑省從事生物質發電業務。RPSL的發電廠擁有兩台發電機組，主要支持其棕櫚仁榨油廠的運營，並補足當地電力需求的缺口。印尼是東南亞國家聯盟中最大的經濟體，經濟發展速度近年來每年保持在5%以上。印尼急速的城市發展令電力需求急劇上漲，加上當地政府近年積極推動環保事業，預期將為可再生能源行業帶來良好機遇。然而，自完成收購旭衡集團以來，本集團的印尼的生物質發電廠尚未達到其預期利用率。在二零一九年上半年間，來自RPSL的發電廠的收益仍未如理想，印尼附屬公司RPSL錄得約2.3百萬港元淨虧損，此乃主要由於(i)發電廠附近的當地終端用戶的耗電量低；(ii)來自本地其他燃煤電廠的競爭加劇；(iii)若干政府項目持續延期進行，導致市場及經濟增長率較低，從而導致該業務所在地區能源消耗量下降；及(iv)政府建設連接印尼蘇門答臘島南部（該生物質發電廠所在區域）及蘇門答臘島北部（能源需求更高的地區）的輸電線及其他基礎設施工程持續延期。

儘管當地經濟有所改善及新增了有利於發電廠營運的新基礎設施，該等因素仍未能有效推動收入增長。因此，本集團決定於二零一九年上半年調低發電廠的營運水平以減低虧損。我們預期發電廠將於開展我們的生物燃料球團業務時恢復正常營運，而這有助自耗發電廠產生的電力，繼而提高其使用率。我們有信心生物燃料團的生產將於本年度展開。另外，本集團亦正積極探索與其他發電廠合作的機會，以推動其生物燃料球團業務的發展。本集團管理層相信生物質發電業務及生物燃料球團業務將為本集團帶來新的增長動力，有利於未來向其他環保業務擴張及多元佈局的戰略發展。

OUTLOOK

Confronted with increasing challenges and opportunities in the market, the Group plans to implement sound business strategies and maintain a prudent approach in devising risk-oriented development strategies. Meanwhile, the Group will also solidify its strong foundation in China's wastewater treatment market, maintain strong business performance and competitiveness, and capitalise on its rich experience and extensive expertise in order to vigorously develop environmental protection-related industrial chain projects. In terms of corporate governance, the Group will strengthen its internal controls to ensure the efficiency of its operations and full regulatory compliance, striving to maintain a healthy cash flow and embrace a brand-new stage of development in steady steps.

FINANCIAL REVIEW

REVENUE

Our total revenue decreased by HK\$17.2 million or 41.4% to HK\$24.4 million for the Period from HK\$41.6 million for the six months ended 30 June 2018 (the "Last Corresponding Period"), of which the revenue excluding the imputed interest income decreased by HK\$17.9 million or 51.1% to HK\$17.2 million for the Period from HK\$35.1 million for the Last Corresponding Period. Such decrease was primarily attributable to (i) the decrease of construction revenue arising from the upgrade works of the wastewater treatment facility operated by Rugao Hengfa (the "Rugao Hengfa Facility") during the Period by HK\$7.9 million as compared to the Last Corresponding Period, and (ii) the decrease in sales of electricity generated from biomass power plants by HK\$10.6 million during the Period. Our revenue from the operations in the PRC segment decreased by HK\$6.6 million or 22.2% to HK\$23.1 million for the Period from HK\$29.7 million for the Last Corresponding Period, while our revenue from our operations in the Indonesia segment decreased by HK\$10.6 million or 89.7% to HK\$1.2 million for the Period from HK\$11.9 million for the Last Corresponding Period.

COST OF SALES

Our total cost of sales decreased by HK\$12.9 million or 36.9% to HK\$22.0 million for the Period from HK\$34.9 million for the Last Corresponding Period, primarily due to (i) the decrease in construction costs during the Period for the aforementioned upgrade works of Rugao Hengfa Facility by HK\$4.4 million as compared to the Last Corresponding Period, (ii) the decrease in cost of power plant operation by HK\$8.0 million as compared to the Last Corresponding Period due to the reduction in power generated during the Period, and (iii) the offsetting effect from the increase in cost of sales of the wastewater treatment facilities operation services rendered by HK\$4.2 million as compared to the Last Corresponding Period.

未來展望

面對挑戰與機遇均日益增加的市場環境，本集團將貫徹穩健的經營方針，保持謹慎，以風險為導向制訂發展策略。同時，本集團亦會堅守在中國污水處理市場的穩固根基，維持優良的業務表現及競爭力，以及利用其已建立的豐富經驗及知識基礎，大力發展環保相關產業鏈的項目。在企業管治方面，本集團將加強內部監管，確保運作順暢及遵守各項規管，致力保持穩定的現金流狀況，穩步邁向嶄新的階段。

財務回顧

營業收入

我們的營業收入總額由截至二零一八年六月三十日止六個月（「去年同期」）41.6百萬元減少17.2百萬元或41.4%至本期間24.4百萬元，其中扣除推算利息收入的營業收入由去年同期35.1百萬元減少17.9百萬元或51.1%至本期間17.2百萬元。有關減少主要由於(i)本期間如皋恆發營運的污水處理設施（「如皋恆發設施」）的升級工程導致建築營業收入較去年同期減少7.9百萬元；及(ii)本期間銷售生物質發電廠產生的電力減少10.6百萬元。我們來自中國分部業務的營業收入由去年同期29.7百萬元減少6.6百萬元或22.2%至本期間23.1百萬元，而我們來自印尼分部業務的營業收入由去年同期11.9百萬元減少10.6百萬元或89.7%至本期間1.2百萬元。

銷售成本

我們的銷售成本總額由去年同期34.9百萬元減少12.9百萬元或36.9%至本期間22.0百萬元，主要由於(i)本期間如皋恆發設施上述升級工程產生建設成本較去年同期減少4.4百萬元；(ii)由於本期間所產生電力減少，發電廠營運成本較去年同期減少8.0百萬元；及(iii)提供污水處理設施營運服務的銷售成本較去年同期增加4.2百萬元之抵銷影響。



Management Discussion and Analysis

管理層討論與分析

GROSS PROFIT AND GROSS PROFIT MARGIN

Our gross profit decreased by HK\$4.4 million or 64.8% to HK\$2.4 million for the Period from HK\$6.7 million for the Last Corresponding Period, primarily due to the aforementioned factors. Our gross profit margin decreased to 9.7% for the Period from 16.1% for the Last Corresponding Period.

OTHER INCOME, GAINS AND LOSSES

Our other income and gains remained at HK\$3.0 million for the Period as compared to HK\$3.3 million for the Last Corresponding Period. Such gains comprised mainly the refund of tax and sewage expenses paid for the Period.

ADMINISTRATIVE EXPENSES

Our administrative expenses decreased by HK\$2.6 million or 15.9% to HK\$13.6 million for the Period from HK\$16.2 million for the Last Corresponding Period, primary due to a decrease in salary expenses of our Indonesia subsidiaries as a result of the reduction of the number of staff as compared with the Last Corresponding Period.

FINANCE COSTS

Our finance costs remained at HK\$0.8 million for the Period, which were approximately the same as those for the Last Corresponding Period. The finance costs mainly comprised the interest expenses from the Group's bank borrowings.

LOSS BEFORE TAX

Loss before tax decreased by HK\$36.4 million or 80.1% to HK\$9.0 million for the Period from HK\$45.5 million for the Last Corresponding Period, primarily due to the factors mentioned above.

INCOME TAX EXPENSE

Our income tax expense recognised remained stable at HK\$2.0 million for the Period, which was approximately the same as that for the Last Corresponding Period. Such income tax expense was recognised primarily in relation to our PRC wastewater treatment operations, which remained profitable during the Period. The effective tax rate was -22.0% for the Period as compared with -4.4% for the Last Corresponding Period due to the fact that the major component of the loss, being the impairment loss recognised in respect of goodwill, for the Last Corresponding Period was not tax deductible.

LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY

Loss attributable to owners of the Company decreased by HK\$35.9 million or 76.7% to HK\$10.9 million for the Period from HK\$46.9 million for the Last Corresponding Period, primarily due to the factors mentioned above.

毛利及毛利率

我們的毛利由去年同期6.7百萬港元減少4.4百萬港元或64.8%至本期間2.4百萬港元，主要是由於上述因素所致。我們的毛利率由去年同期16.1%減少至本期間9.7%。

其他收入、收益及虧損

我們的其他收入及收益於本期間維持3.0百萬港元，而去年同期則為3.3百萬港元，有關收益主要包括本期間的退稅及已付污水處理費用。

行政開支

我們的行政開支由去年同期16.2百萬港元減少2.6百萬港元或15.9%至本期間13.6百萬港元。有關減少主要是由於我們的印尼附屬公司薪金開支減少，原因為員工數目較去年同期有所減少。

融資成本

本期間我們的融資成本維持0.8百萬港元，與去年同期相若。融資成本主要包括本集團銀行借款的利息開支。

除稅前虧損

除稅前虧損由去年同期45.5百萬港元減少36.4百萬港元或80.1%至本期間9.0百萬港元，主要是由於上述因素所致。

所得稅開支

本期間確認的所得稅開支穩定維持2.0百萬港元，與去年同期相若。有關所得稅開支確認主要與中國污水處理業務有關，其於本期間仍在盈利。由於去年同期虧損的主要部分（即就商譽確認的減值虧損）不可扣稅，本期間的實際稅率為-22.0%，而去年同期則為-4.4%。

本公司擁有人應佔期內虧損

本公司擁有人應佔虧損由去年同期46.9百萬港元減少35.9百萬港元或76.7%至本期間10.9百萬港元，主要是由於上述因素所致。

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Our principal liquidity and capital requirements primarily relate to investments in our projects, construction and upgrading of our wastewater treatment facilities, purchases of equipment as well as costs and expenses related to the operation and maintenance of our wastewater treatment and electricity generating facilities. As at 30 June 2019, the carrying amount of the Group's bank balances and cash was HK\$37.7 million, representing a decrease of 15.0% as compared with that of HK\$44.3 million as at 31 December 2018.

As at 30 June 2019, the Group's bank balances and cash of HK\$19.7 million, HK\$0.7 million, HK\$1.3 million and HK\$16.0 million were denominated in Renminbi ("RMB"), Hong Kong Dollars ("HK\$"), Indonesian Rupiah ("IDR") and United States Dollars ("US\$"), respectively (31 December 2018: HK\$16.7 million, HK\$2.3 million, HK\$1.7 million and HK\$23.6 million were denominated in RMB, HK\$, IDR and US\$, respectively).

BANK BORROWINGS

As at 30 June 2019, the total amount of our utilised bank borrowings was HK\$37.0 million, of which approximately HK\$32.5 million was repayable within one year and approximately HK\$4.5 million was repayable after one year but within five years. Approximately HK\$28.0 million, HK\$6.7 million and HK\$2.3 million of the outstanding bank borrowings were denominated in HK\$, US\$ and RMB, respectively (31 December 2018: HK\$28.0 million, HK\$9.0 million and HK\$2.3 million were denominated in HK\$, US\$ and RMB, respectively).

HK\$28.0 million bore a floating interest rate of 1.4% over the Hong Kong Interbank Offered Rate per annum. HK\$6.7 million bore a floating interest rate of 1.4% over London Interbank Offered Rate per annum. HK\$2.3 million bore a fixed interest rate of 5.1% per annum. We had no unutilised banking facilities as at 30 June 2019 (31 December 2018: nil).

GEARING RATIO

Gearing ratio is calculated by dividing total debt by total equity, and total debt is the interest-bearing bank borrowings. Our gearing ratio was kept stable, being 0.1 both as at 30 June 2019 and 31 December 2018.

流動資金、財務及資本資源

我們主要的流動資金及資本需求主要涉及我們的項目投資、建設及升級污水處理設施、購買設備以及與經營及維護污水處理及發電設施有關的成本及開支。於二零一九年六月三十日，本集團銀行結餘及現金的賬面值為37.7百萬港元，較二零一八年十二月三十一日的44.3百萬港元減少15.0%。

於二零一九年六月三十日，本集團的銀行結餘及現金19.7百萬港元、0.7百萬港元、1.3百萬港元及16.0百萬港元分別以人民幣（「人民幣」）、港元（「港元」）、印尼盾（「印尼盾」）及美元（「美元」）計值（二零一八年十二月三十一日：16.7百萬港元、2.3百萬港元、1.7百萬港元及23.6百萬港元分別以人民幣、港元、印尼盾及美元計值）。

銀行借款

於二零一九年六月三十日，我們已動用的銀行借款總額為37.0百萬港元，當中約32.5百萬港元為於一年內償還，約4.5百萬港元為於一年後但於五年內償還。未償還銀行借款約28.0百萬港元、6.7百萬港元及2.3百萬港元分別以港元、美元及人民幣計值（二零一八年十二月三十一日：28.0百萬港元、9.0百萬港元及2.3百萬港元分別以港元、美元及人民幣計值）。

28.0百萬港元按浮動利率香港銀行同業拆借年利率加1.4%計息，6.7百萬港元按浮動利率倫敦銀行同業拆借年利率加1.4%計息以及2.3百萬港元則按固定年利率5.1%計息。我們於二零一九年六月三十日並無未動用銀行融資（二零一八年十二月三十一日：無）。

資產負債比率

資產負債比率按債務總額除以權益總額計算，而債務總額指計息銀行借款。我們的資產負債比率維持穩定，於二零一九年六月三十日及二零一八年十二月三十一日均為0.1。



Management Discussion and Analysis 管理層討論與分析

CHARGE ON ASSETS

As at 30 June 2019, the Group's receivables under service concession arrangements amounting to HK\$8.2 million (31 December 2018: HK\$11.4 million) was used to secure a bank facility of HK\$2.3 million (31 December 2018: HK\$2.3 million).

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus, maintained a healthy liquidity position throughout the Period. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. Surplus cash will be invested appropriately so that the Group's cash requirements for the Group's strategy or direction from time to time can be met.

CAPITAL EXPENDITURES

Our capital expenditures consist primarily of expenditures for construction and acquisition of machinery and equipment for our plant of Rugao Hengfa and for the biofuel pellet business in Indonesia. For the Period, our capital expenditures amounted to HK\$8.5 million, which were funded by funds generated from our financing activities.

FOREIGN EXCHANGE RISK

Individual member companies in Mainland China and Indonesia within our Group have limited foreign currency risk as most of the transactions are denominated in the same currency as the functional currency of the operations in which they relate. However, as these principal subsidiaries mainly carried assets and liabilities in RMB and IDR, any appreciation or depreciation of HK\$ against RMB and IDR will affect the Group's consolidated financial position which is presented in HK\$, and will be reflected in the exchange fluctuation reserve.

The Group does not have a foreign currency hedging policy. The Group minimises the foreign exchange exposure by converting the cash and cash equivalents in other currencies generated from the operation of its foreign operating subsidiaries to HK\$.

CONTINGENT LIABILITIES

As at 30 June 2019, the Group had no contingent liabilities (31 December 2018: nil).

資產抵押

於二零一九年六月三十日，本集團服務特許權安排下的應收款項共8.2百萬港元（二零一八年十二月三十一日：11.4百萬港元）用於取得一筆2.3百萬港元的銀行融資（二零一八年十二月三十一日：2.3百萬港元）。

庫務政策

本集團已對其庫務政策採取審慎的財務管理方法，故在本期間一直維持穩健的流動資金狀況。董事會緊密監察本集團的流動資金狀況以確保本集團的資產、負債及其他承擔的流動資金結構可應付其不時的資金需求。本集團將適當地投資盈餘現金，以致可不時滿足本集團策略或方針的現金需求。

資本開支

我們的資本開支主要包括如皋恆發廠及印尼生物燃料球團業務的機械及設備的建設及購置開支。本期間，我們的資本開支達到8.5百萬港元，其由我們的融資活動所得資金撥付。

外匯風險

由於本集團內中國內地及印尼各成員公司大部份交易採用的貨幣與其業務有關功能貨幣相同，因此此等公司僅承受有限的外幣風險。但是，由於此等主要附屬公司的資產及負債主要以人民幣及印尼盾記賬，港元兌人民幣及印尼盾的任何升值或貶值將對本集團的綜合財務狀況（其以港元呈列）產生影響並反映於匯兌波動儲備。

本集團並無外幣對沖政策。本集團透過將其海外營運附屬公司的營運產生的其他貨幣的現金及現金等價物轉換為港元，以盡量減低外匯風險。

或然負債

於二零一九年六月三十日，本集團並無或然負債（二零一八年十二月三十一日：無）。

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2019, the Group had 120 employees (31 December 2018: 227 employees). Employee costs, including Directors' emoluments, amounted to approximately HK\$8.9 million for the Period (six months ended 30 June 2018: HK\$10.0 million). The remuneration policy for our Directors, senior management members and general staff is based on their experience and level of responsibility and the general market conditions. Any discretionary bonus and other merit payments are linked to the profit performance of our Group and the individual performance of our Directors, senior management members and general staff. The Group encourages self-development of its employees and provides on-the-job training where appropriate.

The Company adopted a share option scheme on 5 September 2014 for the purpose of providing incentives and rewards to eligible directors and employees of the Group.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

As at 30 June 2019, debt instruments at fair value through other comprehensive income classified as current assets in the amount of approximately HK\$18.6 million mainly comprise debt instruments held by the Group (31 December 2018: HK\$23.1 million). The decrease in amount was primarily as a result of certain listed bonds reaching maturity during the Period. The fair value change on debt instruments at fair value through other comprehensive income decreased from approximately HK\$0.2 million to approximately HK\$0.1 million. For detail, please refer to note 16 to the condensed interim financial information in this report. It is expected that the Group will hold the remaining debt instruments till maturity which will be repaid at par.

Save as disclosed in this report, the Group did not have any significant investments, material acquisitions or disposals of assets, subsidiaries, associates or joint ventures during the Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this report, the Group has no plan authorised by the Board for other material investments or additions of capital assets as at the date of this report.

EVENTS AFTER THE REPORTING DATE

The Group has no material event subsequent to the end of the Period and up to the date of this report.

INTERIM DIVIDEND

During its meeting held on 21 August 2019, the Board has resolved not to declare the payment of any interim dividend for the Period (six months ended 30 June 2018: nil).

僱員及薪酬政策

於二零一九年六月三十日，本集團共有120名（二零一八年十二月三十一日：227名）僱員。本期間的僱員成本（包括董事酬金）約為8.9百萬港元（截至二零一八年六月三十日止六個月：10.0百萬港元）。我們的董事、高級管理層成員以及一般員工的薪酬政策乃根據彼等的經驗、所負責任及一般市場情況釐定。任何酌情花紅及其他獎勵金均與本集團溢利表現及董事、高級管理層成員以及一般員工的個人表現掛鈎。本集團鼓勵其僱員自我發展，並提供適當的在職培訓。

本公司已於二零一四年九月五日採納一項購股權計劃，以激勵及回報本集團合資格董事及僱員。

重要投資、重大收購及出售事項

於二零一九年六月三十日，為數約18.6百萬港元分類為流動資產按公允值計入其他全面收益之債務工具，主要組成本集團持有之債務工具（二零一八年十二月三十一日：23.1百萬港元）。金額減少乃主要由於若干上市債券於本期間到期。按公允值計入其他全面收益之債務工具之公允值變動由約0.2百萬港元減少至約0.1百萬港元。有關詳情，請參閱本報告簡明中期財務資料附註16。預期本集團將持有餘下債務工具直至到期為止，而其將按面值償還。

除本報告所披露外，於本期間，本集團並無任何重要投資、重大資產、附屬公司、聯營公司或合營企業收購或出售事項。

重大投資或資本資產的未來計劃

除本報告所披露者外，於本報告日期，本集團並無已獲董事會批准有關其他重大投資或增添資本資產的計劃。

報告日期後事項

本集團於本期間結束後至本報告日期並無重大事項。

中期股息

於二零一九年八月二十一日舉行的董事會會議上，董事會決議不就本期間宣派任何中期股息（截至二零一八年六月三十日止六個月：無）。

SHARE OPTION SCHEME

On 5 September 2014, the Company adopted a share option scheme (the “Share Option Scheme”) to enable the Company to grant options to the eligible participants as incentives or rewards for their contribution or potential contribution to the Group. The principal terms of the Share Option Scheme are set out in the section headed “Share Option Scheme” in the Directors’ Report of the 2018 Annual Report.

The Share Option Scheme took effect on 26 September 2014. During the Period, no options had been granted, exercised, cancelled or lapsed.

Details of the options outstanding during the Period under the Share Option Scheme are set out as follows:

Name of option holder 購股權持有人名稱	Position held in the Group 於本集團擔任的職位	Date of Grant 授予日期	Number of Shares represented by options outstanding as at 1 January 2019 於二零一九年一月一日未行使購股權涉及的股份數目	Granted during the Period 期內授出	Exercised during the Period 期內已行使	Lapsed/cancelled during the Period 期內已失效/註銷	Number of Shares represented by options outstanding as at 30 June 2019 於二零一九年六月三十日尚未行使購股權涉及的股份數目	Exercise price per Share 每股份行使價 港元	Exercise Period 行使期
Mr. Fan Chi Chiu ("Mr. Fan") 范智超先生 (「范先生」)	Chief financial officer 財務總監	14 April 2016 二零一六年 四月十四日	500,000	—	—	—	500,000	0.52	14 April 2017 to 13 April 2026 (Note) 二零一七年 四月十四日 至二零二六年 四月十三日 (附註)

Note:

The options granted to Mr. Fan shall vest over a period of three years commencing on the date of grant, of which: (i) 165,000 options, representing 33% of the options granted, shall vest on 14 April 2017; (ii) 165,000 options, representing 33% of the options granted, shall vest on 14 April 2018; and (iii) 170,000 options, representing 34% of the options granted, shall vest on 14 April 2019. The closing price of the shares immediately before the date of grant was HK\$0.50 per share, as stated in the daily quotation sheet issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

購股權計劃

於二零一四年九月五日，本公司採納一項購股權計劃（「購股權計劃」），令本公司能夠向合資格參與者授予購股權作為彼等對本集團作出貢獻或潛在貢獻的激勵或獎勵。購股權計劃的主要條款載於二零一八年年報董事會報告「購股權計劃」一節。

購股權計劃於二零一四年九月二十六日生效。於本期間，概無購股權獲授出、獲行使、註銷或失效。

於本期間，購股權計劃項下未行使購股權之詳情載列如下：

附註：

授予范先生的購股權將於授出日期起三年期間內歸屬，其中：(i) 165,000份購股權（佔所授予購股權的33%）應於二零一七年四月十四日歸屬；(ii) 165,000份購股權（佔所授予購股權的33%）應於二零一八年四月十四日歸屬；及(iii) 170,000份購股權（佔所授予購股權的34%）應於二零一九年四月十四日歸屬。緊接授出日期之前的股份收市價為每股0.50港元（香港聯合交易所有限公司（「聯交所」）每日報價表所示）。

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

As at 30 June 2019, the interests and short positions of the Directors and the chief executive of the Company in 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, Chapter 571 of the Laws of Hong Kong (the “SFO”), which were required: (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein (the “Register”); or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules” and the “Model Code”, respectively), were as follows:

INTEREST IN THE COMPANY'S ORDINARY SHARES OF HK\$0.0001 EACH (THE “SHARES”)

Name of Directors/Chief Executive 董事／最高行政人員姓名	Capacity/Nature of Interest 身份／權益性質	Number of Shares Held 所持股份數目	Approximate Percentage of Shareholding Interest in the Company 佔本公司股權概約百分比
Mr. Chau On Ta Yuen (“Mr. Chau”) 周安達源先生(「周先生」)	Interest in a controlled corporation 受控法團權益	225,000,000 ⁽¹⁾	20.32%
Mr. Chan Kwan (“Mr. Chan”) 陳昆先生(「陳先生」)	Interest in controlled corporations 受控法團權益	390,700,000 ⁽²⁾	35.28%

Notes:

- Wealthy Sea Holdings Limited (“Wealthy Sea”) which held 225,000,000 Shares is owned as to 90% and 10% by Mr. Chau, an executive Director and the chairman of the Board (the “Chairman”), and Ms. Wong Mei Ling, the wife of Mr. Chau, respectively. Mr. Chau is a director of Wealthy Sea.
- Everbest Environmental Investment Limited (“Everbest Environmental”) which held 375,000,000 Shares is owned as to 50%, 30% and 20% by Ms. Wong Shu Ying (“Ms. Wong”), Ms. Judy Chan and Mr. Chan, an executive Director and the chief executive officer of the Company, respectively. Mr. Chan is the sole director of Everbest Environmental. Ms. Wong is the mother of all of Ms. Judy Chan, Mr. Chan and Mr. Chan Pak Lam Brian, the non-executive Director. Mr. Chan also owns 25% of the issued shares in Kingdrive Limited which in turn owns 100% of the issued shares in Carlton Asia Limited (“Carlton Asia”). Carlton Asia held 15,700,000 Shares and is accustomed to act in accordance with the directions of Mr. Chan.
- All the above Shares were held in long position.

本公司董事及最高行政人員於本公司及其相聯法團的股份、相關股份及債權證中的權益及淡倉

於二零一九年六月三十日，本公司董事及最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債權證中擁有：(i) 根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉（包括彼等根據證券及期貨條例的該等條文被當作或視為擁有的權益及淡倉）；或(ii) 根據證券及期貨條例第352條須登記於該條所指登記冊（「登記冊」）的權益及淡倉；或(iii) 根據聯交所證券上市規則（「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」）須知會本公司及聯交所的權益及淡倉如下：

於本公司每股面值0.0001港元的普通股股份（「股份」）之權益

附註：

- 潤海集團有限公司（「潤海」）持有 225,000,000 股股份，並由執行董事兼董事會主席（「主席」）周先生及王美玲女士（周先生的妻子）分別擁有 90% 及 10%。周先生為潤海的董事。
- Everbest Environmental Investment Limited（「Everbest Environmental」）持有 375,000,000 股股份並由王穗英女士（「王女士」）、陳芳女士及本公司執行董事兼行政總裁陳先生分別擁有 50%、30% 及 20%。陳先生為 Everbest Environmental 的唯一董事。王女士為陳芳女士、陳先生及非執行董事陳栢林先生的母親。陳先生亦持有 Kingdrive Limited 25% 的已發行股份，而該公司擁有 Carlton Asia Limited（「Carlton Asia」）100% 已發行股份。Carlton Asia 於 15,700,000 股股份中擁有權益並慣於按照陳先生的指示行事。
- 上述所有股份均以好倉持有。

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

Save as disclosed above, as at 30 June 2019, none of the Directors or the chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which had been notified to the Company and the Stock Exchange or recorded in the Register or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 30 June 2019, the following entities or persons (other than the Directors or the chief executive of the Company) had or were deemed or taken to have interests and short positions in the Shares and underlying Shares as recorded in the register of interests and short positions of the substantial shareholders (the "Register of Substantial Shareholders") required to be kept by the Company under section 336 of the SFO:

INTEREST IN THE COMPANY'S SHARES

除上文所披露者外，於二零一九年六月三十日，概無本公司董事或最高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第XV部）的任何股份、相關股份或債權證中擁有已知會本公司及聯交所或記錄於登記冊內或根據標準守則須知會本公司及聯交所的權益或淡倉。

主要股東及其他人士於本公司股份及相關股份中的權益及淡倉

於二零一九年六月三十日，下列實體或人士（本公司董事或最高行政人員除外）擁有或被視作或當作於股份及相關股份中擁有記錄於本公司根據證券及期貨條例第336條須存置的主要股東之權益及淡倉之登記冊（「主要股東登記冊」）內的權益及淡倉：

於本公司股份之權益

Name of Shareholders 股東姓名／名稱	Capacity/Nature of Interest 身份／權益性質	Number of Shares Held 所持股份數目	Approximate Percentage of Shareholding Interest in the Company 佔本公司股權 概約百分比
Everbest Environmental	Beneficial interest 實益權益	375,000,000 ⁽¹⁾	33.87%
Ms. Wong 王女士	Interest in controlled corporations 受控法團權益	380,790,000 ^{(1) & (2)}	34.39%
Mr. Chan Chun Keung 陳進強先生	Interest in a controlled corporation and interest held by spouse 受控法團權益及配偶所持權益	380,790,000 ^{(1) & (2)}	34.39%
Wealthy Sea 潤海	Beneficial interest 實益權益	225,000,000 ⁽³⁾	20.32%
Ms. Wong Mei Ling 王美玲女士	Interest held by spouse 配偶所持權益	225,000,000 ⁽³⁾	20.32%
Morgan Top Trading Co., Ltd.	Beneficial interest 實益權益	143,300,000	12.94%

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

Notes:

- (1) Each of Everbest Environmental and Hightop Investment Limited (“Hightop”) is owned as to 50% by Ms. Wong and, therefore, Ms. Wong is deemed to be interested in the 375,000,000 Shares and 5,790,000 Shares held by Everbest Environmental and Hightop respectively pursuant to the SFO.
- (2) Hightop is also owned as to 50% by Mr. Chan Chun Keung, the husband of Ms. Wong. Therefore, Mr. Chan Chun Keung is deemed to be interested in the 5,790,000 Shares held by Hightop and 375,000,000 Shares deemed to be held by Ms. Wong pursuant to the SFO.
- (3) Wealthy Sea is owned as to 90% and 10% by Mr. Chau, an executive Director and the Chairman, and Ms. Wong Mei Ling, the wife of Mr. Chau, respectively. Ms. Wong Mei Ling is, therefore, deemed to be interested in the 225,000,000 Shares held by Wealthy Sea controlled by Mr. Chau pursuant to the SFO.
- (4) All of the above Shares were held in long position.

Save as disclosed above, as at 30 June 2019, the Directors were not aware of any entities or persons (other than a Director or the chief executive of the Company) which/who had or were deemed or taken to have interests or short positions in the Shares or the underlying Shares, which were required to be recorded in the Register of Substantial Shareholders under section 336 of the SFO.

CORPORATE GOVERNANCE

The Company strives to maintain a high standard of corporate governance, and has applied the principles and complied with all applicable code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules (the “CG Code”) except for deviation from code provision A.5.1 of the CG Code, throughout the Period and up to the date of this report.

附註：

- (1) Everbest Environmental 及高峻投資有限公司(「高峻」)各由王女士擁有50%，因此，根據證券及期貨條例，王女士被視為分別於Everbest Environmental 及高峻所持有的375,000,000股及5,790,000股股份中擁有權益。
- (2) 高峻亦由陳進強先生擁有50%(王女士的丈夫)。因此，根據證券及期貨條例，陳進強先生被視為於高峻所持有的5,790,000股股份及視為王女士所持有的375,000,000股股份中擁有權益。
- (3) 潤海由執行董事兼主席周先生及王美玲女士(周先生的妻子)分別擁有90%及10%。因此，根據證券及期貨條例，王美玲女士被視為於周先生控制的潤海所持有的225,000,000股股份中擁有權益。
- (4) 上述所有股份均以好倉持有。

除上文所披露者外，於二零一九年六月三十日，董事並不知悉有任何實體或人士(董事或本公司最高行政人員除外)，於股份或相關股份中擁有或被視為或視作擁有根據證券及期貨條例第336條須記錄於主要股東登記冊內的權益或淡倉。

企業管治

本公司致力維持高標準的企業管治，並於本期間及截至本報告日期一直應用原則及遵守上市規則附錄十四所載企業管治守則(「企業管治守則」)的所有適用守則條文，惟偏離企業管治守則守則條文A.5.1條除外。



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

Mr. Sze Yeuk Lung Benedict (“Mr. Sze”) resigned as an independent non-executive Director (“INED”), and ceased to be a member of each of the Board’s audit committee (the “Audit Committee”), nomination committee (the “Nomination Committee”) and remuneration committee (the “Remuneration Committee”), all with effect from 17 July 2019. Following Mr. Sze’s resignation and cessation, (i) the Company fails to meet the requirement of establishing a Nomination Committee comprising a majority of INEDs under code provision A.5.1 of the CG Code; and (ii) the number of INEDs and the number of members of the Audit Committee falls below the minimum number required under Rules 3.10(1), 3.10A and 3.21 of the Listing Rules, respectively.

The Company will use its reasonable endeavours to identify a suitable candidate to fill the vacancy of the third INED and fulfil the composition requirement of each of the Nomination Committee and the Audit Committee within three months from the effective date of Mr. Sze’s resignation and cessation, in order to meet the relevant code provision of the CG Code and the requirements under the Listing Rules. The Company will make further announcement as and when appropriate.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct governing the securities transactions by the Directors. Following specific enquiries made by the Company with all the Directors, all of them have confirmed that they had complied with the required standard set out in the Model Code throughout the Period.

PURCHASE, SALE OR REDEMPTION OF SHARES

In January 2019, the Company repurchased 700,000 Shares on the Stock Exchange at a price of HK\$0.14 per share, amounting to an aggregate consideration of HK\$98,000 excluding transaction costs. All the repurchased Shares had been cancelled on 10 May 2019.

Save as disclosed above, the Company did not redeem its Shares listed on the Main Board of the Stock Exchange, nor did the Company or any of its subsidiaries purchase or sell any of such Shares during the Period.

施若龍先生(「施先生」)已辭任獨立非執行董事(「獨立非執行董事」)職務，並已不再擔任董事會的審核委員會(「審核委員會」)、提名委員會(「提名委員會」)及薪酬委員會(「薪酬委員會」)各自的成員，均自二零一九年七月十七日起生效。施先生辭任及退任後，(i)本公司未能符合企業管治守則的守則條文第A.5.1條所規定的成立提名委員會須以獨立非執行董事佔大多數組成的要求；及(ii)獨立非執行董事人數及審核委員會成員人數均分別低於上市規則第3.10(1)、3.10A及3.21條規定的最低人數。

本公司將竭盡全力，於施先生辭任及退任生效日期起計三個月內物色適合人選以填補第三名獨立非執行董事的空缺，並符合提名委員會及審核委員會各自的組成規定，以符合企業管治守則的相關守則條文及上市規則的規定。本公司將於適當時候作進一步公告。

董事進行證券交易

本公司已採納標準守則，作為各董事進行證券交易之操守準則。經本公司向全體董事作出具體查詢後，彼等確認彼等於本期間內一直遵守標準守則所規定之準則。

買賣或贖回股份

於二零一九年一月，本公司按每股0.14港元的價格於聯交所購回700,000股股份，總代價金額為98,000港元(不包括交易成本)。所有購回之股份於二零一九年五月十日已被註銷。

除上文所披露者外，於本期間，本公司概無贖回其於聯交所主板上市的股份，本公司或其任何附屬公司亦無買賣任何有關股份。

REVIEW BY AUDIT COMMITTEE

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the CG Code for the purpose of reviewing and providing supervision over the Group's financial reporting process, risk management and internal controls. The Audit Committee comprises two members, namely Ms. Ng Chung Yan Linda (who is also the chairlady of the Audit Committee) and Mr. Ng Man Kung, both being INEDs. The Audit Committee has reviewed with the Company's management the accounting principles and practices adopted by the Group, the unaudited interim results of the Group for the Period and this interim report.

UPDATE ON THE DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in Directors' information since the date of the 2018 Annual Report are set out below:

Mr. Chau Chi Yan Benny was re-designated from a non-executive Director to an executive Director upon his appointment as the deputy general manager of the Group and stepped down as a member of the Audit Committee, all with effect from 1 April 2019.

Mr. Sze resigned as an INED and ceased to be a member of each of the Audit Committee, Nomination Committee and Remuneration Committee, all with effect from 17 July 2019.

Save as disclosed above, pursuant to Rule 13.51B(1) of the Listing Rules, the Company is not aware of other changes in the Directors' information.

由審核委員會審閱

本公司已遵照上市規則第3.21條及企業管治守則第C.3段成立審核委員會，旨在審閱及監督本集團的財務申報程序、風險管理及內部控制。審核委員會包括兩名成員，即獨立非執行董事伍頌恩女士（彼亦為審核委員會主席）及吳文拱先生。審核委員會已與本公司管理層審閱於本期間本集團所採納的會計原則及慣例、本集團的未經審核中期業績及本中期報告。

根據上市規則第13.51B(1)條更新董事資料

根據上市規則第13.51B(1)條，自二零一八年年報日期後的董事資料變動載列如下：

周致人先生在彼獲委任為本集團副總經理後，已由非執行董事調任為執行董事，並退任審核委員會成員，均自二零一九年四月一日起生效。

施先生已辭任獨立非執行董事，並不再擔任審核委員會、提名委員會及薪酬委員會各自的成員，均自二零一九年七月十七日起生效。

除上文所披露者外，根據上市規則第13.51B(1)條，本公司並不知悉董事資料的其他變動。

Condensed Consolidated Statement of Profit or Loss

簡明綜合損益表

For the six months ended 30 June 2019

截至二零一九年六月三十日止六個月

Six months ended 30 June

截至六月三十日止六個月

		Notes 附註	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	營業收入	4		
Construction services	建設服務		4,468	12,352
Wastewater treatment facility operation services	污水處理設施營運 服務		11,488	10,874
Sales of electricity generated from biomass power plants	銷售生物質發電廠生產 的電力		1,223	11,872
Imputed interest income on receivables under service concession arrangements	服務特許權安排下 應收款項的推算 利息收入		7,183	6,499
			24,362	41,597
Cost of sales	銷售成本		(21,996)	(34,881)
Gross profit	毛利		2,366	6,716
Other income, gains and losses	其他收入、收益及虧損	6	3,038	3,347
Impairment loss recognised in respect of goodwill	就商譽確認的減值虧損	15	—	(38,536)
Administrative expenses	行政開支		(13,610)	(16,190)
Finance costs	融資成本	7	(838)	(821)
Loss before tax	除稅前虧損	8	(9,044)	(45,484)
Income tax expense	所得稅開支	9	(1,986)	(1,995)
Loss for the period	期內虧損		(11,030)	(47,479)
Loss for the period attributable to:	以下各方應佔期內虧損：			
Owners of the Company	本公司擁有人		(10,930)	(46,865)
Non-controlling interests	非控股權益		(100)	(614)
			(11,030)	(47,479)
			HK cent 港仙	HK cents 港仙
Loss per share	每股虧損	11		
— Basic	— 基本		(1.00)	(4.22)
— Diluted	— 攤薄		(1.00)	(4.22)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended 30 June 2019

截至二零一九年六月三十日止六個月

Six months ended 30 June

截至六月三十日止六個月

		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Loss for the period	期內虧損	(11,030)	(47,479)
OTHER COMPREHENSIVE (EXPENSE) INCOME	其他全面(開支)收入		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>隨後可能重新分類至損益的 項目：</i>		
Exchange difference arising on translation of foreign operations	換算海外業務產生 之匯兌差額	(130)	1,542
Fair value change on debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值 計量的債務工具之公允值變動	93	180
Investment revaluation reserve released upon disposal of debt instruments at fair value through other comprehensive income	出售透過其他全面收益按公允值 計量的債務工具後解除的 投資重估儲備	76	—
TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD	期內全面開支總額	(10,991)	(45,757)
Total comprehensive expense for the period attributable to:	以下各方應佔期內全面開支 總額：		
Owners of the Company	本公司擁有人	(10,870)	(45,686)
Non-controlling interests	非控股權益	(121)	(71)
		(10,991)	(45,757)



Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2019

於二零一九年六月三十日

		Notes 附註	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
NON-CURRENT ASSETS 非流動資產				
Property, plant and equipment	物業、廠房及設備	12	61,307	54,493
Deposits paid for purchase of property, plant and equipment	購買物業、廠房及設備之已付按金		1,400	2,661
Receivables under service concession arrangements	服務特許權安排下的應收款項	13	282,798	285,230
Goodwill	商譽	14	—	—
Debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值計量的債務工具	16	8,193	8,193
Restricted bank deposits	受限制銀行存款		5,975	5,882
			359,673	356,459
CURRENT ASSETS 流動資產				
Inventories	存貨		706	728
Receivables under service concession arrangements	服務特許權安排下的應收款項	13	30,332	29,109
Trade receivables	貿易應收款項	17	—	8,018
Prepayments and other receivables	預付款項及其他應收款項	18	5,873	7,385
Income tax recoverable	可收回所得稅		765	930
Debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值計量的債務工具	16	18,550	23,060
Restricted bank deposits	受限制銀行存款		5,975	5,882
Bank balances and cash	銀行結餘及現金		37,654	44,317
			99,855	119,429
CURRENT LIABILITIES 流動負債				
Trade payables	貿易應付款項	19	3,369	4,971
Other payables and accruals	其他應付款項及應計費用		5,189	7,682
Amounts due to related parties	應付關聯方款項		2,404	3,424
Bank borrowings — due within one year	銀行借款 — 一年內到期	20	32,513	32,517
Income tax payables	應付所得稅		56	164
			43,531	48,758
NET CURRENT ASSETS	流動資產淨值		56,324	70,671
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		415,997	427,130

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2019
於二零一九年六月三十日

		Notes	30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
		附註		
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	21	111	111
Reserves	儲備		339,428	350,392
Equity attributable to owners of the Company	本公司擁有人應佔權益		339,539	350,503
Non-controlling interests	非控股權益		23,752	23,873
TOTAL EQUITY	權益總額		363,291	374,376
NON-CURRENT LIABILITIES	非流動負債			
Bank borrowings — due after one year	銀行借款 — 一年後到期	20	4,480	6,720
Deferred tax liabilities	遞延稅項負債		35,659	34,186
Provision for major overhauls	重大檢修撥備		12,196	11,040
Retirement benefit obligations	退休福利責任		371	808
			52,706	52,754
			415,997	427,130

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2019

截至二零一九年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔										
		Issued capital	Share premium	Share option reserve	Other reserve	Exchange reserve	General reserve	Investment revaluation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total
		已發行股本	股份溢價	購股權儲備	其他儲備	匯兌儲備	一般儲備	投資重估儲備	累計虧損	小計	非控股權益	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	111	408,558	121	(31,476)	(6,209)	21,710	(16)	(42,296)	350,503	23,873	374,376
Exchange difference arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	(109)	-	-	-	(109)	(21)	(130)
Fair value change on debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值計量的債務工具之公允值變動	-	-	-	-	-	-	93	-	93	-	93
Investment revaluation reserve released upon disposal of debt instruments at fair value through other comprehensive income	出售透過其他全面收益按公允值計量的債務工具後解除的投資重估儲備	-	-	-	-	-	-	76	-	76	-	76
Loss for the period	期內虧損	-	-	-	-	-	-	-	(10,930)	(10,930)	(100)	(11,030)
Total comprehensive (expense)/income for the period	期內全面(開支)/收入總額	-	-	-	-	(109)	-	169	(10,930)	(10,870)	(121)	(10,991)
Repurchase of ordinary shares (note 21)	普通股回購(附註21)	-	(98)	-	-	-	-	-	-	(98)	-	(98)
Recognition of equity-settled share-based payments	確認以權益結算基於股份的付款	-	-	4	-	-	-	-	-	4	-	4
Transfer to general reserve	轉撥至一般儲備	-	-	-	-	-	9	-	(9)	-	-	-
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	111	408,460	125	(31,476)	(6,318)	21,719	153	(53,235)	339,539	23,752	363,291

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2019

截至二零一九年六月三十日止六個月

Attributable to owners of the Company

本公司擁有人應佔

		Issued capital	Share premium	Share option reserve	Other reserve	Exchange reserve	General reserve	Investment revaluation reserve	Retained earnings	Sub-total	Non-controlling interests	Total
		已發行股本	股份溢價	購股權儲備	其他儲備	匯兌儲備	一般儲備	投資重估儲備	保留盈利	小計	非控股權益	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2018 (audited)	於二零一八年一月一日 (經審核)	111	409,031	100	(31,476)	(3,843)	21,005	(292)	98,162	492,798	29,024	521,822
Exchange difference arising on translation of foreign operations	換算海外業務產生之匯兌差額	—	—	—	—	1,003	—	—	—	1,003	544	1,547
Fair value change on available-for-sale investments	可供出售投資之公允值變動	—	—	—	—	—	—	180	—	180	—	180
Loss for the period	期內虧損	—	—	—	—	—	—	—	(46,865)	(46,865)	(614)	(47,479)
Total comprehensive income/(expense) for the period	期內全面收入/(開支)總額	—	—	—	—	1,003	—	180	(46,865)	(45,682)	(70)	(45,752)
Transfer to general reserve	轉撥至一般儲備	—	—	—	—	—	924	—	(924)	—	—	—
At 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	111	409,031	100	(31,476)	(2,840)	21,929	(112)	50,373	447,116	28,954	476,070

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2019

截至二零一九年六月三十日止六個月

Six months ended 30 June
截至六月三十日止六個月

		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
OPERATING ACTIVITIES	經營活動		
Cash (used in)/generated from operations	經營(所用)/所得的現金	(1,848)	94
Income tax paid	已付所得稅	(1,486)	(3,939)
Net cash flows used in operating activities	經營活動所用的 現金流量淨額	(3,334)	(3,845)
INVESTING ACTIVITIES	投資活動		
Purchase of debt instruments through other comprehensive income	購買透過其他全面收益 列賬的債務工具	(10,240)	—
Purchases of items of property, plant and equipment	購買物業、廠房及 設備項目	(7,221)	(680)
Proceeds on disposal of debt instruments through other comprehensive income	出售透過其他全面收益列賬 的債務工具的所得款項	14,843	7,612
Bank interest received	已收銀行利息	702	417
Interest received from debt instruments through other comprehensive income	已收透過其他全面收益列賬 的債務工具的利息	696	209
Proceeds from disposal of property, plant and equipment	出售物業、廠房及 設備的所得款項	—	19
Net cash flows (used in)/from investing activities	投資活動(所用)/所得的 現金流量淨額	(1,220)	7,577
FINANCING ACTIVITIES	融資活動		
Repayments of bank borrowings	償還銀行借款	(2,240)	(2,240)
Repayment to a related party	償還一名關聯方款項	(1,020)	—
Interest paid	已付利息	(506)	(585)
Payment on repurchase of shares	回購股份的付款	(98)	—
Net cash flows used in financing activities	融資活動所用 現金流量淨額	(3,864)	(2,825)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加 淨額	(8,418)	907
Cash and cash equivalents at beginning of period	期初現金及現金等價物	44,317	35,515
Effect of foreign exchange rate changes, net	外匯匯率變動的影響，淨額	1,755	164
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	37,654	36,586
Represented by:	指：		
Bank balances and cash	銀行結餘及現金	37,654	36,586

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

1. CORPORATION AND GROUP INFORMATION

ELL Environmental Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business of the Company is Units 1-3, 11th Floor, Westlands Centre, 20 Westlands Road, Hong Kong.

The condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company. The Company acts as an investment holding company. The principal activities of its principal subsidiaries are engaged in the construction and operation of wastewater treatment facilities and generation of electricity.

2. BASIS OF PREPARATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited condensed interim financial information of the Group for the Period (the “Unaudited Condensed Interim Financial Information”) has been prepared in accordance with Hong Kong Accounting Standard (the “HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Companies Ordinance.

The Unaudited Condensed Interim Financial Information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2018.

This Unaudited Condensed Interim Financial Information is presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (“HK\$’000”) except when otherwise indicated. This Unaudited Condensed Interim Financial Information has not been audited or reviewed by the Company’s external auditor, but has been reviewed by the Company’s audit committee.

1. 公司及集團資料

強泰環保控股有限公司(「本公司」)為一間在開曼群島註冊成立的獲豁免有限責任公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，本公司的主要營業地點位於香港華蘭路20號華蘭中心11樓1-3室。

簡明綜合財務報表以港元(「港元」)列值，港元亦為本公司功能貨幣。本公司為投資控股公司。其主要附屬公司的主要活動為從事污水處理設施的建造及營運以及發電。

2. 簡明綜合財務報表編製基準

本集團於本期間的未經審核簡明中期財務資料(「未經審核簡明中期財務資料」)乃根據香港會計師公會(「香港會計師公會」)頒佈的香港會計準則(「香港會計準則」)第34號「中期財務報告」及聯交所證券上市規則附錄十六的適用披露規定及香港公司條例編製。

未經審核簡明中期財務資料並不包括年度綜合財務報表規定的所有資料及披露，且應與本集團截至二零一八年十二月三十一日止年度的年度綜合財務報表一併閱讀。

本未經審核簡明中期財務資料以港元(「港元」)呈列，而除另有指明外，所有數值已約整至最接近的千位數(「千港元」)。本未經審核簡明中期財務資料未經本公司外部核數師審核或審閱，惟已由本公司審核委員會審閱。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values at the end of each reporting period, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2018.

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA, which are mandatorily effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group’s condensed consolidated financial statements:

HKFRS 16	Leases
HK(IFRIC) — Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 — 2017 Cycle

Except as described below, the application of the new and amendments to HKFRSs in the current period has had no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. 主要會計政策

除若干金融工具於各報告期末按公允值計量外(倘合適)，本簡明綜合財務報表按歷史成本基準編製。

除因應用新訂香港財務報告準則(「香港財務報告準則」)及經修訂香港財務報告準則所導致的會計政策變動外，截至二零一九年六月三十日止六個月之簡明綜合財務報表所採用之會計政策及計算方法與本集團截至二零一八年十二月三十一日止年度之年度綜合財務報表所呈列者一致。

應用新訂及經修訂香港財務報告準則

於本中期期間，本集團首次應用下列由香港會計師公會頒佈之新訂及經修訂香港財務報告準則(其於二零一九年一月一日或之後開始的年度期間強制生效)，以編製本集團的簡明綜合財務報表：

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會) — 詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號(修訂本)	反向補償提前還款特徵
香港會計準則第19號(修訂本)	計劃修訂、縮減或結算
香港會計準則第28號(修訂本)	於聯營公司及合營公司之長期權益
香港財務報告準則(修訂本)	香港財務報告準則二零一五年至二零一七年週期之年度改進

除下述者外，於本期間應用新訂及經修訂香港財務報告準則對本集團本期間及過往期間的財務表現及狀況及／或此等簡明綜合財務報表所載的披露並無重大影響。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

3. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Cont'd)

IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 16 "LEASES"

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 "Leases" ("HKAS 17"), and the related interpretations.

The Group applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

As a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the financial statements would not differ materially from individual leases within the portfolio.

3. 主要會計政策(續)

應用新訂及經修訂香港財務報告 準則(續)

應用香港財務報告準則第16號「租賃」之會計政策影響及變動

本集團於本中期期間已首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」(「香港會計準則第17號」)及相關詮釋。

本集團根據香港財務報告準則第16號的過渡條文應用以下會計政策。

租賃的定義

倘合約為換取代價而給予可在一段時間內控制使用已識別資產的權利，則該合約屬於或包含租賃。

就於首次應用日期或之後訂立或修改的合約而言，本集團根據香港財務報告準則第16號的定義於開始或修改日期評估該合約是否屬於或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約不予重新評估。

作為承租人

將代價分配至合約部分

就包含租賃部分以及一個或多個額外租賃或非租賃部分的合約而言，本集團根據租賃部分的相對獨立價格及非租賃部分總獨立價格，將合約中的代價分配至各租賃部分。

作為權宜方案，當本集團合理預期對財務報表之影響將不會與組合內之個別租賃有重大差別時，類似性質的租賃乃按組合基準入賬。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

3. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Cont'd)

IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 16 "LEASES" (Cont'd)

As a lessee (Cont'd)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Right-of-use assets

Except for short-term leases and leases of low-value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

3. 主要會計政策(續)

應用新訂及經修訂香港財務報告 準則(續)

應用香港財務報告準則第16號「租賃」之會計政策影響及變動(續)

作為承租人(續)

短期租賃及低價值資產租賃

本集團就租期自開始日期起計為12個月或以下且並無包括購買權的租賃應用短期租賃確認豁免。其同時就低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃的租賃付款以直線法於租期內確認為開支。

使用權資產

除短期租賃及低價值資產租賃外，本集團於租賃開始日期(即相關資產可供使用的日期)確認使用權資產。使用權資產按成本計量，減去任何累計折舊及減值虧損，並就租賃負債的任何重新計量作出調整。

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減去任何已收租賃優惠；
- 本集團產生的任何初步直接成本；及
- 本集團於拆卸及移除相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定狀況時將產生的成本估計。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

3. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Cont'd)

IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 16 "LEASES" (Cont'd)

As a lessee (Cont'd)

Right-of-use assets (Cont'd)

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets in "property, plant and equipment", the same line item as that within which the corresponding underlying assets would be presented if they were owned.

Leasehold land and building

For payments of a property interest which includes both leasehold land and building elements, the entire property is presented as property, plant and equipment of the Group when the payments cannot be allocated reliably between the leasehold land and building elements.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 "Financial Instruments" and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

3. 主要會計政策(續)

應用新訂及經修訂香港財務報告 準則(續)

應用香港財務報告準則第16號「租賃」之會計政策影響及變動(續)

作為承租人(續)

使用權資產(續)

本集團合理確定將於租期結束時獲取相關租賃資產所有權的使用權資產，自開始日期起至可使用年期結束期間折舊。在其他情況下，使用權資產以直線法於其估計可使用年期及租期(以較短者為準)內折舊。

本集團於「物業、廠房及設備」呈列使用權資產，即呈列相應相關資產(倘被擁有)的同一分列項目內。

租賃土地及樓宇

就同時包含租賃土地及樓宇元素的物業權益付款而言，倘有關款項無法於租賃土地與樓宇元素之間可靠分配，則整項物業呈列為本集團的物業、廠房及設備。

可退回之租賃按金

已付可退回租賃按金根據香港財務報告準則第9號「金融工具」入賬並以公允值初步計量。就初步確認公允值所作之調整乃視為額外租賃付款，並計入使用權資產成本內。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

3. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Cont'd)

IMPACTS AND CHANGES IN ACCOUNTING POLICIES OF APPLICATION ON HKFRS 16 "LEASES" (Cont'd)

As a lessee (Cont'd)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 "Income Taxes" requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

3. 主要會計政策(續)

應用新訂及經修訂香港財務報告 準則(續)

應用香港財務報告準則第16號「租賃」之會計政策影響及變動(續)

作為承租人(續)

租賃的修改

倘出現以下情況，本集團將租賃的修改作為獨立租賃入賬：

- 該項修改通過增加使用一項或多項相關資產的權利擴大租賃範圍；及
- 租賃代價的增加金額相當於範圍擴大對應的獨立價格及為反映特定合約情況而對獨立價格進行的任何適當調整。

就未作為一項獨立租賃入賬的租賃修改而言，本集團透過使用修改生效日期的經修訂貼現率貼現經修訂租賃付款，按經修訂租賃的租期重新計量租賃負債。

稅項

計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項時，本集團首先釐定稅項扣減乃歸屬於使用權資產或租賃負債。

就稅項扣減歸屬於租賃負債的租賃交易而言，本集團對使用權資產及租賃負債分開應用香港會計準則第12號「所得稅」的規定。由於應用初步確認豁免，使用權資產及租賃負債相關的暫時差額於初步確認時及租約期內並未確認。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

3. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Cont'd)

TRANSITION AND SUMMARY OF EFFECTS ARISING FROM INITIAL APPLICATION OF HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 "Determining whether an Arrangement contains a Lease" and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening accumulated losses, if any, and comparative information has not been restated.

3. 主要會計政策(續)

應用新訂及經修訂香港財務報告 準則(續)

首次應用香港財務報告準則第16 號產生之過渡及影響概要

租賃的定義

本集團選用權宜方案，對過往應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「釐定一項安排是否包含租賃」識別為租賃的合約應用香港財務報告準則第16號，對過往並非識別為包含租賃的合約則未有應用此準則。因此，本集團並無重新評估在首次應用日期之前已經存在的合約。

就於二零一九年一月一日或之後訂立或修改的合約，本集團按照香港財務報告準則第16號所載規定應用租賃定義以評估合約是否包含租賃。

作為承租人

本集團已追溯應用香港財務報告準則第16號，並於首次應用日期即二零一九年一月一日確認累計影響。於首次應用日期的任何差額於期初累計虧損確認(如有)，且並無重列比較數字。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

3. PRINCIPAL ACCOUNTING POLICIES (Cont'd)

APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Cont'd)

TRANSITION AND SUMMARY OF EFFECTS ARISING FROM INITIAL APPLICATION OF HKFRS 16 (Cont'd)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on a lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (a) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application; and
- (b) excluded initial direct costs from measuring the right-of-use assets at the date of initial application.

On transition, the Group has made the following adjustments upon application of HKFRS 16:

The Group recognised right-of-use assets of HK\$2,644,000 as at 1 January 2019 which comprises land rights previously under finance leases which were included in property, plant and equipment under HKAS 17. The Group recategorised the carrying amounts of the land rights which were still under lease as at 1 January 2019 as right-of-use assets.

3. 主要會計政策(續)

應用新訂及經修訂香港財務報告 準則(續)

首次應用香港財務報告準則第16 號產生之過渡及影響概要(續)

於過渡時根據香港財務報告準則第16號應用經修訂追溯方法時，本集團對過往根據香港會計準則第17號分類為經營租賃的租賃，按個別租賃基準，於各自租賃合約相關範圍內應用以下權宜方案：

- (a) 選擇不對租期於首次應用日期12個月內完結的租賃確認使用權資產及租賃負債；及
- (b) 於首次應用日期計量使用權資產時撇除初始直接成本。

於過渡時，本集團就應用香港財務報告準則第16號而作出以下調整：

本集團確認於二零一九年一月一日2,644,000港元的使用權資產，當中包括過往根據香港會計準則第17號計入物業、廠房及設備的融資租賃的土地使用權。本集團將於二零一九年一月一日仍於租賃項下的土地使用權的賬面值重新分類為使用權資產。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019
二零一九年六月三十日

4. REVENUE

4. 營業收入

Six months ended 30 June
截至六月三十日止六個月

		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Types of goods and services	商品及服務類別		
Construction services	建設服務	4,468	12,352
Wastewater treatment facility operation services	污水處理設施營運服務	11,488	10,874
Sales of electricity generated from biomass power plants	銷售生物質發電廠產生的電力	1,223	11,872
Revenue from goods and services	商品及服務營業收入	17,179	35,098
Imputed interest income on receivables under service concession arrangements	服務特許權安排下應收款項的推算利息收入	7,183	6,499
		24,362	41,597

Six months ended 30 June
截至六月三十日止六個月

		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Timing of revenue recognition	收入確認時點		
A point in time	於某一時間點	12,711	22,746
Over time	隨時間	4,468	12,352
Revenue from goods and services	商品及服務營業收入	17,179	35,098

The contracts for construction services, wastewater treatment facility operation services and sales of electricity generated from biomass power plants are for periods of one year or less. As permitted under HKFRS 15 "Revenue from Contracts with Customers", the transaction price allocated to these unsatisfied contracts is not disclosed.

建設服務、污水處理設施營運服務及銷售生物質發電廠產生的電力合約期限均為一年或以下。如香港財務報告準則第15號「來自客戶合約收入」所批准，並無披露分配至該等未履行合約的交易價。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

5. SEGMENT INFORMATION

The Group is engaged in the construction and operation of wastewater treatment facilities and biomass power generation business. Information reported to the Group's chief operating decision maker (i.e. the executive directors of the Company) for the purposes of resource allocation and assessment of performance is focused on geographical locations of its manpower and customers, including Hong Kong, the People's Republic of China (the "PRC") and the Republic of Indonesia ("Indonesia").

SEGMENT REVENUE AND RESULTS

The following is an analysis of the Group's revenue and results by reportable and operating segments:

Six months ended 30 June 2019 (unaudited)

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Indonesia 印尼 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Results	業績				
Segment revenue	分部收入	—	23,139	1,223	24,362
Segment (loss) profit	分部(虧損)溢利	(5,932)	2,407	(5,505)	(9,030)
Unallocated expenses	未分配開支				
Administrative expenses	行政開支				(14)
Loss before tax	除稅前虧損				(9,044)

5. 分部資料

本集團從事建設及營運污水處理設施以及生物質發電業務。呈報予本集團主要營運決策人(即本公司執行董事)，以作為資源分配及表現評估之用的資料集中在其人力資源及客戶的地理位置，包括香港、中華人民共和國(「中國」)及印度尼西亞共和國(「印尼」)。

分部收入及業績

本集團按可呈報及經營分部劃分之收入及業績分析如下：

截至二零一九年六月三十日止六個月(未經審核)

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019
二零一九年六月三十日

5. SEGMENT INFORMATION (Cont'd)

SEGMENT REVENUE AND RESULTS (Cont'd)

Six months ended 30 June 2018 (unaudited)

		Hong Kong 香港 HK\$'000 千港元	PRC 中國 HK\$'000 千港元	Indonesia 印尼 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Results	業績				
Segment revenue	分部收入	—	29,725	11,872	41,597
Segment (loss) profit	分部(虧損)溢利	(6,724)	9,565	(9,777)	(6,936)
Unallocated expenses	未分配開支				
Administrative expenses	行政開支				(12)
Impairment loss recognised in respect of goodwill	就商譽確認 的減值虧損				(38,536)
Loss before tax	除稅前虧損				(45,484)

There were no inter-segment sales for both periods.

All of the segment revenue reported above was generated from external customers.

Revenues from customers contributing over 10% of the Group's revenue for the six months ended 30 June 2019 and 2018 are as follows:

5. 分部資料(續)

分部收入及業績(續)

截至二零一八年六月三十日止六個月(未經審核)

兩個期間均無分部間銷售。

上述呈報的所有分部收入均產生自外部客戶。

截至二零一九年及二零一八年六月三十日止六個月，佔本集團收入10%以上的客戶收入如下：

Six months ended 30 June 截至六月三十日止六個月

		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Customer A from the PRC segment	中國分部客戶A	5,266	5,025
Customer B from the PRC segment	中國分部客戶B	17,873	24,700
Customer C from the Indonesia segment	印尼分部客戶C	N/A (note) 不適用(附註)	11,872

Note: The corresponding revenue from the customer did not contribute over 10% of the total revenue of the Group for the six months ended 30 June 2019.

附註：截至二零一九年六月三十日止六個月，來自該客戶的相應收入佔本集團的總收入不超過10%。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

6. OTHER INCOME, GAINS AND LOSSES

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Bank interest income	銀行利息收入	702	417
Interest income from debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值計量的債務工具的利息收入	797	209
Loss on disposal of debt instruments at fair value through other comprehensive income	出售透過其他全面收益按公允值計量的債務工具的虧損	(76)	—
Foreign exchange gain, net	外匯收益淨額	269	—
Refund of value-added tax	增值稅退稅	1,335	1,289
Government grant (note)	政府補助(附註)	—	1,416
Others	其他	11	16
		3,038	3,347

Note: Government grants have been received from local governments in Jiangsu Province for the purpose of carrying out environmental protection works. There were no unfulfilled conditions or contingencies relating to these grants as at 30 June 2018.

附註：就實施環保工程得到江蘇省地方政府的補助。於二零一八年六月三十日概無有關該等補助的未完成條件或或然事件。

7. FINANCE COSTS

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest on bank borrowings	銀行借款的利息	505	585
Increase in discounted amounts of provision for major overhauls arising from the passage of time	由於時間流逝而產生的重大檢修撥備的貼現金額增加	333	236
		838	821

7. 融資成本

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019
二零一九年六月三十日

8. LOSS BEFORE TAX

8. 除稅前虧損

Six months ended 30 June
截至六月三十日止六個月

		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Loss before tax has been arrived at after charging (crediting):	除稅前虧損 已扣除(計入):		
Employee benefit expense (including Directors' remuneration):	僱員福利開支 (包括董事酬金):		
Salaries and other benefits	薪金及其他福利	8,029	9,019
Pension scheme contributions (note)	退休金計劃供款(附註)	851	967
Share-based payments	基於股份的付款	4	—
		8,884	9,986
Cost of construction services	建築服務成本	3,556	7,986
Cost of wastewater treatment facilities operation services rendered	所提供污水處理設施 營運服務成本	12,843	8,637
Cost of power plant operation	發電廠營運成本	983	8,971
Cost of inventories recognised as expenses	確認為開支的存貨成本	4,614	9,287
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,089	6,145
Foreign exchange (gain) loss, net	匯兌(收益)虧損, 淨額	(269)	4,388
Provision for major overhauls	重大檢修撥備	861	1,694

Note: As at 30 June 2019, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (six months ended 30 June 2018: nil).

附註：於二零一九年六月三十日，本集團概無可供減少未來年度的退休金計劃供款之沒收供款(截至二零一八年六月三十日止六個月：無)。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

9. INCOME TAX EXPENSE

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Current — PRC	即期 — 中國		
— Charge for the period	— 期內支出	1,558	1,556
Deferred tax	遞延稅項	428	439
Total tax charge for the period	期內稅項支出總額	1,986	1,995

Pursuant to the laws and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the Cayman Islands and the BVI.

No provision for Hong Kong profits tax had been made as the Group did not generate any assessable profits arising in Hong Kong during the Period (six months ended 30 June 2018: nil).

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to these condensed consolidated financial statements.

9. 所得稅開支

Six months ended 30 June
截至六月三十日止六個月

		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Current — PRC	即期 — 中國		
— Charge for the period	— 期內支出	1,558	1,556
Deferred tax	遞延稅項	428	439
Total tax charge for the period	期內稅項支出總額	1,986	1,995

根據開曼群島及英屬處女群島（「英屬處女群島」）的法律及法規，本集團毋須於開曼群島及英屬處女群島繳納任何所得稅。

由於本集團本期間並無於香港產生任何可評稅溢利，故概無計提香港利得稅撥備（截至二零一八年六月三十日止六個月：無）。

於二零一八年三月二十一日，香港立法會通過《2017年稅務（修訂）（第7號）條例草案》（「**條例草案**」），引入兩級制利得稅率制度。條例草案於二零一八年三月二十八日簽署成為法律並於翌日刊憲。根據兩級制利得稅率制度，合資格集團實體的首2百萬港元利潤將按8.25%稅率徵稅，而超過2百萬港元利潤將按16.5%稅率徵稅。不符合兩級制利得稅率制度的集團實體的利潤將繼續按16.5%的統一稅率徵稅。本公司董事認為，於實施兩級制利得稅率制度後涉及的金額就該等簡明綜合財務報表而言並不重大。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019
二零一九年六月三十日

9. INCOME TAX EXPENSE (Cont'd)

Withholding tax is calculated at 5% of the dividend income received from a subsidiary in the PRC.

No provision for Indonesian income tax had been made as the Group did not generate any assessable profits arising in Indonesia during the Period (six months ended 30 June 2018: nil).

The provision for the PRC income tax is based on the respective corporate income tax rates applicable to the subsidiaries of the Company located in the PRC as determined in accordance with the relevant income tax laws and regulations of the PRC.

10. DIVIDEND

No interim dividend in respect of the six months ended 30 June 2019 has been proposed by the Board (six months ended 30 June 2018: nil).

11. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the shareholders of the Company is based on the following data:

9. 所得稅開支(續)

自一間中國附屬公司收到的股息收益按5%計算預扣稅。

由於本集團本期間並無於印尼產生任何可評稅溢利，故概無計提印尼所得稅撥備(截至二零一八年六月三十日止六個月：無)。

中國所得稅撥備是根據本公司位於中國的附屬公司所適用並按中國相關所得稅法律及規例所釐定的各企業所得稅率而作出。

10. 股息

董事會不建議就截至二零一九年六月三十日止六個月派付中期股息(截至二零一八年六月三十日止六個月：無)。

11. 每股虧損

本公司股東應佔每股基本及攤薄虧損的計算基於下列數據：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Loss for the purposes of basic and diluted loss per share, being loss for the period attributable to owners of the Company	就每股基本及攤薄虧損而言之虧損，即本公司擁有人應佔期內虧損	(10,930)	(46,865)

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

11. LOSS PER SHARE (Cont'd)

		Number of shares 股份數目	
		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 '000 千股 (Unaudited) (未經審核)	2018 二零一八年 '000 千股 (Unaudited) (未經審核)
Weighted average number of ordinary shares for the purpose of calculating loss per share	就計算每股虧損而言之 加權平均普通股數目	1,107,374	1,111,000

For the six months ended 30 June 2019 and 2018, the computation of diluted loss per share does not assume the exercise of the Company's outstanding share options since their exercise would result in a decrease in loss per share.

截至二零一九年及二零一八年六月三十日止六個月，因行使本公司購股權會導致每股虧損減少，故計算每股攤薄虧損時並未假設行使本公司未行使的購股權。

12. PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group incurred HK\$8,482,000 (six months ended 30 June 2018: HK\$680,000) on the acquisition of items of property, plant and equipment.

12. 物業、廠房及設備

於本期間，本集團因購買物業、廠房及設備項目耗資8,482,000港元（截至二零一八年六月三十日止六個月：680,000港元）。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019
二零一九年六月三十日

13. RECEIVABLES UNDER SERVICE CONCESSION ARRANGEMENTS

13. 服務特許權安排下的應收款項

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Unaudited) (未經審核)
Receivables under service concession arrangements	服務特許權安排下的應收款項	313,130	314,339
Portion classified as current assets	分類為流動資產的部份	(30,332)	(29,109)
Portion classified as non-current assets	分類為非流動資產的部份	282,798	285,230

The following is an ageing analysis of receivables under service concession arrangements, presented based on the invoice date at the end of the reporting period:

於報告期末按發票日期呈列服務特許權安排下的應收款項的賬齡分析如下：

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Billed:	已開具發票：		
Within 3 months	3個月內	13,291	12,113
4 to 6 months	4至6個月	6,942	7,268
Not yet billed	尚未開具發票	20,233 292,897	19,381 294,958
		313,130	314,339

Notes to the Condensed Interim Financial Information

簡明中期財務資料附註

30 June 2019
二零一九年六月三十日

14. GOODWILL

14. 商譽

		HK\$'000 千港元
<hr/>		
COST	成本	
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	85,998
Exchange adjustments	匯兌調整	(4,591)
<hr/>		
At 31 December 2018 and 30 June 2019	於二零一八年十二月三十一日及 二零一九年六月三十日	81,407
<hr/>		
IMPAIRMENT	減值	
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	43,756
Impairment loss recognised	已確認之減值虧損	39,889
Exchange adjustments	匯兌調整	(2,238)
<hr/>		
At 31 December 2018 and 30 June 2019	於二零一八年十二月三十一日及 二零一九年六月三十日	81,407
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CARRYING VALUES	賬面值	
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	—
<hr/>		
At 31 December 2018 (audited)	於二零一八年十二月三十一日 (經審核)	—
<hr/>		

Particulars regarding impairment testing on goodwill are disclosed in note 15.

The amount represents goodwill arising on the acquisition of Weal Union Limited and its subsidiary (the "Weal Union Group") on 21 October 2016. As at 30 June 2019, the goodwill arising on acquisition of Weal Union Group had been fully impaired. Details are disclosed in the Group's consolidated financial statements for the year ended 31 December 2018.

有關商譽減值測試的詳情於附註15披露。

金額表示於二零一六年十月二十一日收購旭衡有限公司及其附屬公司(「旭衡集團」)產生的商譽。於二零一九年六月三十日，收購旭衡集團產生的商譽已悉數減值。有關詳情已在本集團截至二零一八年十二月三十一日止年度的綜合財務報表中披露。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

15. IMPAIRMENT TESTING ON GOODWILL

For the purposes of impairment testing, goodwill arising on acquisition of Weal Union Group has been allocated to only one cash generating unit (“CGU”), comprising one subsidiary in the investment holding and one subsidiary in the biomass power generation business.

During the six months ended 30 June 2018, the Group recognised an impairment loss of HK\$38,536,000 in respect of goodwill arising on acquisition of Weal Union Group.

Taking into consideration that (i) the electricity grid construction by the government to connect the South Sumatra region, where the biomass power plant of the Group in Indonesia (“Biomass Plant”) was located, and the North Sumatra region, where the demand of electricity is higher, had been aborted, and (ii) the 10-year forecast of electricity growth rate in Sumatra, Indonesia, where the Biomass Plant is located, as published by the Ministry of Energy and Mineral Resources in the first quarter of 2018 had dropped to 9.1% from 11.2% as published in the first quarter of 2017, it is expected that the future electricity unit price will drop and the growth of electricity demand will slow down. Therefore, the expected utilisation growth rate of the Biomass Plant in near term is lowered. There is also no clarity as to when or whether the aforesaid infrastructure will resume and when the local economy will start to improve. Accordingly, the valuation of Weal Union Group, and hence the recoverable amount of the goodwill, is impaired due to the lower growth rate and delay in the realisation of the expected return.

15. 商譽減值測試

為進行減值測試，收購旭衡集團產生的商譽已分配至唯一一個現金產生單位（「現金產生單位」），包含投資控股的一間附屬公司及生物質發電業務的一間附屬公司。

截至二零一八年六月三十日止六個月，本集團就收購旭衡集團產生的商譽確認減值虧損38,536,000港元。

考慮到(i)由政府建設、將蘇門答臘島南部(本集團於印尼的生物質發電廠(「生物質發電廠」)所在地區)與蘇門答臘島北部(該地區有較高電力需求)連接的電網建設已被中止；及(ii)能源及礦產資源部於二零一八年第一季度公佈之印尼蘇門答臘島(生物質發電廠所在地區)的電力增長率10年期預測從二零一七年第一季度公佈的11.2%降至9.1%，預期未來電價將下降及電力需求增長將會減緩。因此，短期內生物質發電廠的預期利用增長率已下降。目前亦不清楚上述基礎設施工程何時或是否會恢復建設以及當地經濟何時會開始好轉。因此，旭衡集團的估值及商譽的可收回金額因較低增長率及預期回報延遲實現而減值。

15. IMPAIRMENT TESTING ON GOODWILL (Cont'd)

The recoverable amount of Weal Union Group has been determined on the basis of value in use calculations which use cash flow projections based on financial budgets approved by the management. According to HKAS 36, the recoverable amount is defined as the higher of an asset's or CGU's fair value less costs of disposal and its value in use. When there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions, value in use approach is a possible way to estimate the recoverable amount. Given that there is no or limited recent transaction with similar business as Weal Union Group observed, the management believes that it is more appropriate to adopt value in use approach for calculating the recoverable amount of Weal Union Group for the impairment test. In view of the above, when preparing the cash flow projects for the impairment assessment of goodwill for the six months ended 30 June 2018, certain assumptions in the cash flow projections (such as utilisation rate and unit price) during the budget period are adjusted. Expected cash inflows/outflows have been adjusted based on the performance of the biomass power plants for the period ended 30 June 2018 and the management's expectations for the market development. The financial budgets were approved by the management, covering a 5-year period, and a discount rate of 18.4%. Cash flows at Weal Union Group beyond the 5-year period are extrapolated using a growth rate of 5%. The long term growth rate was estimated based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry.

15. 商譽減值測試(續)

旭衡集團的可收回金額乃以使用價值的計算為基準釐定，該項計算使用了基於管理層所批准之財務預算的現金流量預測。根據香港會計準則第36號，可收回金額定義為資產或現金產生單位的公允值減出售成本與其使用價值兩者中之較高者。倘並無基準能夠可靠估計市場參與者在現行市況下於計量日期進行有序交易以出售資產的價格，則使用價值法是估計可回收金額的可行方式。鑑於近期完全沒有或較少可觀察到的涉及類似於旭衡集團之業務的交易，管理層認為就減值測試採用使用價值法計算旭衡集團的可收回金額較為適當。鑑於以上所述，編製用於截至二零一八年六月三十日止六個月商譽減值評估的現金流量預測時，預算期間現金流量預測的若干假設（例如利用率及單位價格）已予調整。預期現金流入／流出乃根據生物質發電廠截至二零一八年六月三十日期間的表現及管理層對市場發展之預期進行調整。已獲管理層批准之財務預算週期為五年，貼現率為18.4%。旭衡集團超過五年期間之現金流量乃採用5%的增長率推算。該長期增長率乃基於相關行業的增長預測估計，且不超過相關行業的平均長期增長率。

Notes to the Condensed Interim Financial Information
簡明中期財務資料附註

30 June 2019
二零一九年六月三十日

16. DEBT INSTRUMENTS AT FAIR VALUE THROUGH
OTHER COMPREHENSIVE INCOME

16. 透過其他全面收益按公允
計量的債務工具

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Non-current	非即期		
Listed debt securities classified as debt instruments at fair value through other comprehensive income	分類為透過其他全面收益 按公允計量的債務工具 的上市債務證券	26,743	31,253
Analysed as:	分析為：		
Non-current	非流動	8,193	8,193
Current	流動	18,550	23,060
		26,743	31,253

During the Period, the fair value gain in respect of the Group's listed debt securities classified as debt instruments at fair value through other comprehensive income recognised in other comprehensive income amounted to approximately HK\$93,000 (six months ended 30 June 2018: approximately HK\$180,000), and a loss of HK\$76,000 (six months ended 30 June 2018: nil) was released to profit or loss during the Period upon disposal.

於本期間，本集團於其他全面收益內確認的分類為透過其他全面收益按公允計量的債務工具的上市債務證券的公允價值收益約為93,000港元(截至二零一八年六月三十日止六個月：約180,000港元)，以及於本期間出售後解除76,000港元(截至二零一八年六月三十日止六個月：零)的虧損至損益。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

17. TRADE RECEIVABLES

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Trade receivables	貿易應收款項	—	8,018

Trade receivables mainly arise from sales of electricity and management services fee of wastewater facilities. The Company's credit terms are negotiated at terms determined and agreed with its trade customers. The credit periods are ranging from 30 to 60 days.

The following is an ageing analysis of trade receivables, presented based on the invoice date at the end of the reporting period:

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
0-30 days	0至30日	—	5,088
31-60 days	31至60日	—	2,930
		—	8,018

The Company maintains a defined credit policy to assess the credit quality of the trade customers. The collection is closely monitored to minimise any credit risk associated with these trade receivables. There is no allowance for doubtful debts for both periods. None of the above trade receivables is either past due or impaired. The Group has assessed the creditworthiness, past payment history and subsequent settlement, and considered that the amounts are still recoverable. The Group does not hold any collateral over these balances.

17. 貿易應收款項

貿易應收款項主要因售電及污水設施管理服務費用產生。本公司之信貸期乃按與其貿易客戶磋商及協定的條款而訂立。信貸期為30至60日。

於報告期末按發票日期呈列貿易應收款項的賬齡分析如下：

本公司設有清晰之信貸政策，以評核各貿易客戶之信貸質素。密切注視收款情況，以將該等貿易應收款項之任何相關信貸風險減至最低。兩個期間均無呆賬撥備。上述貿易應收款項概無逾期或減值。本集團已對其信譽、過往還款記錄及其後之結賬作出評估，並認為該等數額仍可收回。本集團並無就該等結餘持有任何抵押品。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019
二零一九年六月三十日

18. PREPAYMENTS AND OTHER RECEIVABLES

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Other receivables	其他應收款項	3,205	3,085
Other debtors, deposits and prepayments	其他應收賬項、 按金及預付款項	2,668	4,300
		5,873	7,385

19. TRADE PAYABLES

The following is an ageing analysis of the trade payables, presented based on the invoice date at the end of the reporting period:

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
0-60 days	0至60日	1,173	2,790
61-90 days	61至90日	—	504
Over 90 days	超過90日	2,196	1,677
		3,369	4,971

Included in the Group's trade payables are construction retention payables of HK\$75,000 (31 December 2018: HK\$75,000).

18. 預付款項及其他應收款項

19. 貿易應付款項

於報告期末按發票日期呈列貿易應付款項的賬齡分析如下：

本集團貿易應付款項包括工程應付保留金75,000港元(二零一八年十二月三十一日：75,000港元)。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

20. BANK BORROWINGS

20. 銀行借款

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
On demand or within one year	按要求或一年內	32,513	32,517
In the second year	第二年	2,240	2,240
In the third to fifth years inclusive	第三年至第五年 (包括首尾兩年)	2,240	4,480
		36,993	39,237
Less: Amount due within one year shown under current liabilities	減：一年內到期並列作 流動負債之款項	(32,513)	(32,517)
Amount due after one year	一年後到期款項	4,480	6,720
Current-secured	即期 — 有抵押	2,273	2,277
Current-unsecured	即期 — 無抵押	30,240	30,240
Non-current-unsecured	非即期 — 無抵押	4,480	6,720
		36,993	39,237

Notes to the Condensed Interim Financial Information
簡明中期財務資料附註

30 June 2019
二零一九年六月三十日

20. BANK BORROWINGS (Cont'd)

20. 銀行借款(續)

		Carrying amount 賬面值		
		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)	
	Effective interest rate 實際利率			
Fixed-rate borrowing: Secured RMB bank borrowing	固定利率借款： 有抵押人民幣 銀行借款	5.10%	2,273	2,277
Floating-rate borrowings: Unsecured HK\$ bank borrowing	浮動利率借款： 無抵押港元 銀行借款	2.33%	28,000	28,000
Unsecured US\$ bank borrowing	無抵押美元 銀行借款	1.54%	6,720	8,960
Total bank borrowings	銀行借款總額	36,993	39,237	

21. SHARE CAPITAL

21. 股本

		30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Authorised: 3,800,000,000 ordinary shares of HK\$0.0001 each	法定： 3,800,000,000 股每股面值 0.0001 港元的普通股	380	380
Issued and fully paid: 1,107,300,000 (31 December 2018: 1,108,000,000) ordinary shares of HK\$0.0001 each	已發行及繳足： 1,107,300,000 股 (二零一八年 十二月三十一日： 1,108,000,000 股) 每股面值 0.0001 港元 的普通股	111	111

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

21. SHARE CAPITAL (Cont'd)

A summary of movements in the Company's issued capital is as follows:

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	1,111,000,000	111
Shares repurchased and cancelled	回購及註銷股份	(3,000,000)	N/A 不適用*
At 31 December 2018	於二零一八年十二月三十一日	1,108,000,000	111
Shares repurchased and cancelled	回購及註銷股份	(700,000)	N/A 不適用*
At 30 June 2019	二零一九年六月三十日	1,107,300,000	111

* Amount less than HK\$1,000.

* 金額少於1,000港元。

During the Period, the Company repurchased its own ordinary shares on the Stock Exchange as follows:

於本期間，本公司於聯交所回購其本身的普通股，詳情如下：

Month of repurchase 回購月份	No. of ordinary shares 普通股股份數目	Price per share 每股價格		Aggregate consideration paid 已付總代價 HK\$'000 千港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
January 2019 二零一九年一月	700,000	0.140	0.140	98

The above ordinary shares were cancelled on 10 May 2019.

上述普通股已於二零一九年五月十日註銷。

None of the Company's subsidiaries purchased or sold any of the Company's listed securities during the Period.

本公司附屬公司於本期間概無購買或出售任何本公司的上市證券。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

22. RELATED PARTY TRANSACTIONS

- (a) The Group has sub-leased the commercial premises located at Units 1-3, 11th Floor, Westlands Centre, 20 Westlands Road, Hong Kong (the “Office Premises”) for use as offices from Dragonfield Management Limited (“Dragonfield”), a company controlled by close family members of a director of the Company. On 5 September 2014, the Group entered into a commercial premises sublease agreement with Dragonfield for the continuing use and occupation of the Office Premises after the listing, retrospectively, effective from 27 August 2014 to 26 August 2016 at a rent of HK\$276,000 per annum (the “Sublease Agreement”). On 25 August 2016, the Group entered into a sub-lease agreement with Dragonfield to renew the sub-lease of the Office Premises for a term of three years, effective from 27 August 2016 to 26 August 2019.

On 11 December 2015, the Group entered into an administrative services sharing agreement with Dragonfield in connection with the sharing of administrative services, retrospectively, effective from 1 July 2015 to 30 June 2018. Upon expiry, the agreement was automatically renewed for a term of the three years from 1 July 2018 to 30 June 2021. The Group was charged for the shared administrative services including office utilities, overhead, accounting resources, human resources and management services.

The total amount of rental and shared administrative service expenses charged to profit or loss during the six months ended 30 June 2019 was HK\$1,608,000 (six months ended 30 June 2018: HK\$1,459,000).

There is no amount due to Dragonfield at the end of the reporting period.

22. 關聯方交易

- (a) 本集團向龍田管理有限公司(「龍田」)(由本公司一名董事近親控制的公司)分租位於香港華蘭路20號華蘭中心11樓1-3室的商用物業(「辦公室物業」)用作辦公室。於二零一四年九月五日,本集團與龍田訂立商用物業分租協議,以於上市後持續使用及佔用辦公室物業,並追溯生效,自二零一四年八月二十七日起至二零一六年八月二十六日止,年租金為276,000港元(「分租協議」)。於二零一六年八月二十五日,本集團與龍田訂立分租協議,以重續分租辦公室物業,為期三年,自二零一六年八月二十七日起至二零一九年八月二十六日止期間生效。

於二零一五年十二月十一日,本集團已就共享行政服務與龍田訂立行政服務共享協議,追溯生效,自二零一五年七月一日起至二零一八年六月三十日止。於到期後,該協議將自動重續三年,自二零一八年七月一日起至二零二一年六月三十日止。本集團須支付共享行政服務,其中包括辦公室設施、經常性開支、會計資源、人力資源及管理服務。

截至二零一九年六月三十日止六個月計入損益的租賃及共享行政服務開支總額為1,608,000港元(截至二零一八年六月三十日止六個月:1,459,000港元)。

於報告期末並無應付龍田之款項。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

22. RELATED PARTY TRANSACTIONS (Cont'd)

- (b) During the six months ended 30 June 2019, HK\$388,000 (six months ended 30 June 2018: HK\$309,000) services fee and rental expenses were paid to related companies over which a Director has significant influence to operate, monitor and maintain the two power plants of the Group.

- (c) Compensation of key management personnel

The remuneration of directors and other members of key management during the Period was as follows:

22. 關聯方交易(續)

- (b) 於截至二零一九年六月三十日止六個月，已支付388,000港元(截至二零一八年六月三十日止六個月：309,000港元)服務費用及租金開支予關聯公司以營運、監督及維護本集團兩座發電廠，而一名董事對該等關聯公司擁有重大影響力。

- (c) 主要管理層人員的薪酬

本期間董事及主要管理層其他人員的薪酬如下：

Six months ended 30 June 截至六月三十日止六個月

	2019 二零一九年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 二零一八年 HK\$'000 千港元 (Unaudited) (未經審核)
Short-term employee benefits 短期僱員福利	3,005	2,809
Post-employment benefits 離職後福利	59	39
	3,064	2,848

The remuneration of directors and key executives is determined by the board of directors on the recommendation of the remuneration committee having regard to the performance of individuals and market trends.

董事及主要行政人員之薪酬由董事會因應薪酬委員會的推薦建議經考慮個人表現及市場趨勢後釐定。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

23. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

FAIR VALUE OF THE GROUP'S FINANCIAL ASSETS AND FINANCIAL LIABILITIES THAT ARE MEASURED AT FAIR VALUE ON A RECURRING BASIS

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used).

23. 金融工具的公允值計量

公允值計量根據公允值計量之輸入數據可觀察程度及輸入數據對公允值計量之整體重要性分類為第一級、第二級或第三級，載述如下：

- 第一級輸入數據為實體於計量日期可以取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據為就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據為資產或負債的不可觀察輸入數據。

按經常基準以公允值計量的本集團金融資產及金融負債的公允值

本集團若干金融資產於各報告期末以公允值計量。下表載列有關如何釐定該等金融資產的公允值的資料(特別是所使用的估值技術及輸入數據)。

Notes to the Condensed Interim Financial Information 簡明中期財務資料附註

30 June 2019

二零一九年六月三十日

23. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Cont'd)

FAIR VALUE OF THE GROUP'S FINANCIAL ASSETS AND FINANCIAL LIABILITIES THAT ARE MEASURED AT FAIR VALUE ON A RECURRING BASIS (Cont'd)

Financial assets/financial liabilities 金融資產 / 金融負債	Fair value as at 於以下日期之公允值		Fair value Hierarchy 公允值層級	Valuation techniques and key inputs 估值技術及主要輸入數據
	30.06.2019 二零一九年 六月三十日	31.12.2018 二零一八年 十二月三十一日		
Listed debt securities classified as financial assets at fair value through other comprehensive income 分類為透過其他全面收益按公允值計量的金融資產的上市債務證券	Asset — HK\$26,743,000 資產 — 26,743,000 港元	Asset — HK\$31,253,000 資產 — 31,253,000 港元	Level 1 第一級	Quoted market price 市場報價

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

There were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3 during the Period.

23. 金融工具的公允值計量(續)

按經常基準以公允值計量的本集團金融資產及金融負債的公允值(續)

董事認為，於簡明綜合財務報表按攤銷成本入賬的金融資產及金融負債的賬面值與其公允值相若。

本期間第一級與第二級之間概無轉移且概無轉入或轉出第三級。

24. CAPITAL COMMITMENT

Capital expenditure in respect of service concession arrangements contracted for but not provided in the consolidated financial statements	有關已訂約但未於綜合財務報表作出撥備的服務特許權安排的資本開支		
		—	1,312

24. 資本承擔

30 June 2019 二零一九年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
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25. APPROVAL OF THE CONDENSED INTERIM FINANCIAL INFORMATION

The unaudited condensed interim financial information was approved by the Board on 21 August 2019.

25. 簡明中期財務資料的批准

未經審核簡明中期財務資料已於二零一九年八月二十一日獲董事會批准。



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