



比速科技集團國際有限公司
Bisu Technology Group International Limited

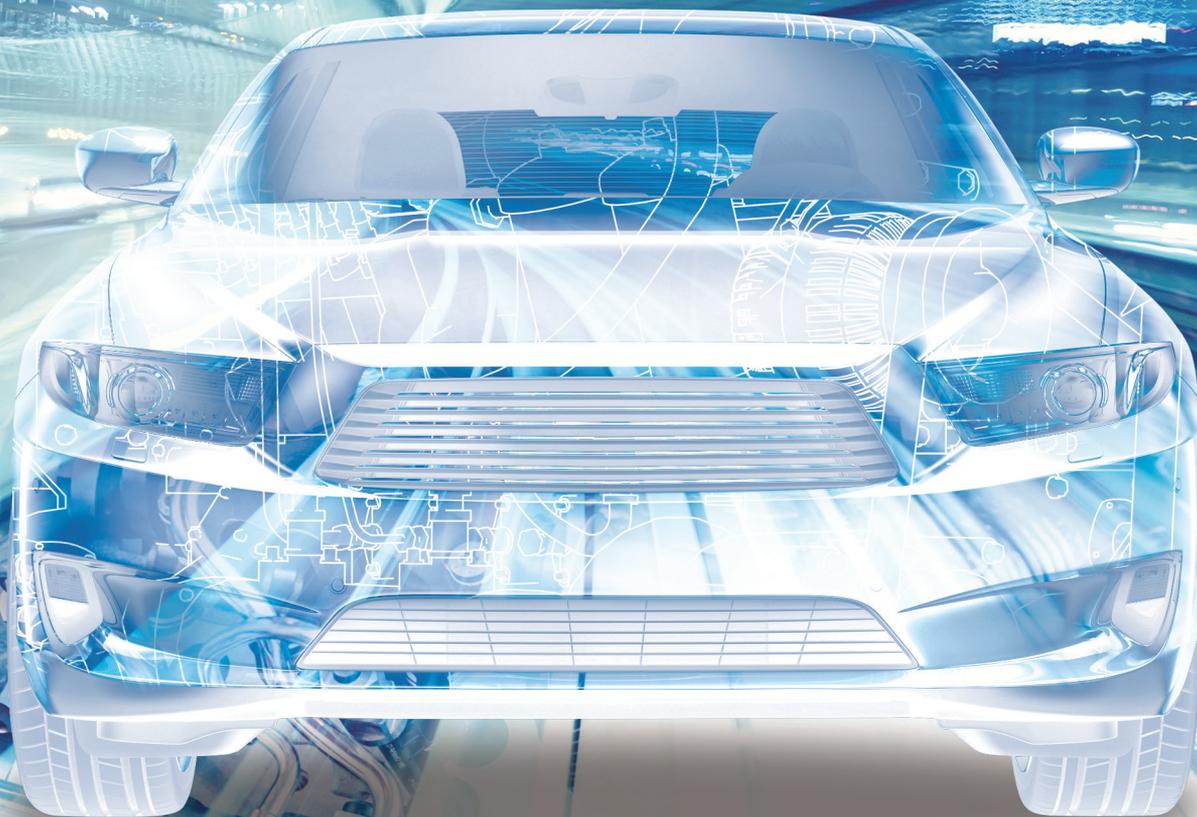
(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號：1372

2019

Interim Report 中期報告



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收入表

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

The board (the “Board”) of directors (the “Directors”) of Bisu Technology Group International Limited (the “Company”) announce the unaudited condensed consolidated interim results and financial position of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2019 (the “period”) with comparative figures for the corresponding period in the previous year as follows. This condensed consolidated interim financial information has not been audited, but has been reviewed by the audit committee of the Company (the “Audit Committee”):

比速科技集團國際有限公司(「本公司」)之董事(「董事」)會(「董事會」)公佈本公司及其附屬公司(統稱「本集團」)截至二零一九年六月三十日止六個月(「本期間」)之未經審核簡明綜合中期業績及財務狀況，連同於去年同期之比較數字如下。此簡明綜合中期財務資料未經審核，惟已由本公司之審核委員會(「審核委員會」)審閱：

		Notes 附註	Unaudited 未經審核 Six months ended 30 June 2019 截至二零一九年 六月三十日 止六個月 HK\$'000 千港元	Unaudited 未經審核 Six months ended 30 June 2018 截至二零一八年 六月三十日 止六個月 HK\$'000 千港元
REVENUE	收益	5	246,196	498,258
Cost of sales	銷售成本	7	(270,876)	(489,031)
Gross (loss)/profit	(毛損)／毛利		(24,680)	9,227
Other income and gains	其他收入及收益	5	454	3,171
Gain on disposal of subsidiaries	出售附屬公司之收益		1,682	—
Gain on extinguishment of convertible bonds	註銷可換股債券之收益		—	80,212
Administrative and selling expenses	行政及銷售開支		(162,486)	(29,313)
Finance costs	財務費用	6	(37,944)	(33,139)
Impairment of goodwill	商譽減值	12	—	(174,933)
Impairment of intangible assets	無形資產減值	13	(50,701)	—
Loss before tax	除稅前虧損	7	(273,675)	(144,775)
Income tax credit	所得稅抵免	8	9,407	186
Loss for the period	期間虧損		(264,268)	(144,589)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收入表

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

	Notes 附註	Unaudited 未經審核 Six months ended 30 June 2019 截至二零一九年 六月三十日 止六個月 HK\$'000 千港元	Unaudited 未經審核 Six months ended 30 June 2018 截至二零一八年 六月三十日 止六個月 HK\$'000 千港元
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收入／(虧損)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	於後續期間可能重新分類至損益的其他全面收入／(虧損)：		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	1,770	(19,308)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	期內其他全面收入／(虧損)	1,770	(19,308)
TOTAL COMPREHENSIVE LOSS	全面虧損總額	(262,498)	(163,897)
Loss for the period attributable to:	以下人士應佔期內虧損：		
Owners of the parent	母公司擁有人	(263,446)	(144,589)
Non-controlling interest	非控股權益	(822)	—
Total comprehensive loss attributable to:	以下人士應佔全面虧損總額：		
Owners of the parent	母公司擁有人	(261,676)	(163,897)
Non-controlling interest	非控股權益	(822)	—
Loss per share attributable to owners of the parent	母公司擁有人應佔每股虧損		
Basic (HK cents)	基本(港仙)	10	(72.3)
Diluted (HK cents)	攤薄(港仙)	10	(72.3)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

30 June 2019

二零一九年六月三十日

		Notes 附註	Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機器及設備	11	35,589	38,592
Right-of-use assets	使用權資產		4,839	—
Goodwill	商譽	12	296,971	297,552
Intangible assets	無形資產	13	38,181	88,618
Accounts and bills receivables	應收賬款及應收票據	14	—	256,395
Total non-current assets	非流動資產總值		375,580	681,157
CURRENT ASSETS	流動資產			
Inventories	存貨		24,349	106,804
Contract assets	合約資產		144,714	197,521
Accounts and bills receivables	應收賬款及應收票據	14	425,962	260,859
Prepayments, deposits and other receivables	預付款項、按金及其他應收款		32,105	34,078
Cash and cash equivalents	現金及現金等價物		51,689	26,971
Total current assets	流動資產總值		678,819	626,233
CURRENT LIABILITIES	流動負債			
Accounts payable	應付賬款	15	282,577	340,760
Tax payable	應付稅項		3,372	2,776
Other payables and accruals	其他應付款及預提費用		86,692	87,728
Interest-bearing bank and other borrowings	計息銀行及其他借款	16	9,080	64,255
Convertible bonds	可換股債券	17	366,437	—
Promissory notes	承兌票據	18	532,779	—
Total current liabilities	流動負債總額		1,280,937	495,519

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

30 June 2019

二零一九年六月三十日

		Notes 附註	Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
NET CURRENT (LIABILITIES)/ ASSETS	流動(負債)/資產淨值		(602,118)	130,714
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		(226,538)	811,871
NON-CURRENT LIABILITIES	非流動負債			
Lease liabilities	租賃負債		4,918	—
Interest-bearing other borrowings	計息借款	16	50,100	6,000
Other payables and accruals	其他應付款及預提費用		25,943	7,944
Convertible bonds	可換股債券	17	—	352,411
Promissory notes	承兌票據	18	—	512,387
Deferred tax liabilities	遞延稅項負債		18,415	26,088
Total non-current liabilities	非流動負債總額		99,376	904,830
Net liabilities	負債淨值		(325,914)	(92,959)
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	19	2,000	2,000
Equity component of convertible bonds	可換股債券之權益部分	17	375,576	375,576
Reserves	儲備		(703,490)	(470,535)
Deficiency in assets	資產虧絀		(325,914)	(92,959)

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

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 parent 母公司擁有人應佔									
		Share capital	Share premium	Statutory reserve	Exchange fluctuation reserve	Equity component of convertible bonds	Share option reserve	(Accumulated loss)/ profits	Subtotal	Non-controlling interest	(Deficiency in assets)/ total equity
		股本	溢價	法定盈餘	外匯波動	可換股債券之權益部分	購股權儲備	(累計虧損) / 保留溢利	小計	非控股權益	(資產虧絀) / 總權益
		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
At 1 January 2019 (Audited)	於二零一九年一月一日 (經審核)	2,000	45,486	1,085	(22,065)	375,576	—	(495,041)	(92,959)	—	(92,959)
Acquisition of subsidiaries	收購附屬公司	—	—	—	—	—	—	—	—	8,375	8,375
Injection of capital by non-controlling shareholders of subsidiaries	附屬公司非控股股東注資	—	—	—	—	—	—	—	—	4,545	4,545
Loss for the period	期間虧損	—	—	—	—	—	—	(263,446)	(263,446)	(822)	(264,268)
Other comprehensive income for the period:	期間其他全面收入:										
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	—	—	—	1,770	—	—	—	1,770	—	1,770
Disposal of subsidiaries	出售附屬公司	—	—	—	—	—	—	—	—	(12,098)	(12,098)
Equity-settled share option arrangements	以股權結自之購股權安排	—	—	—	—	—	28,721	—	28,721	—	28,721
Transfer of share option reserve upon the cancellation of share options	取消購股權後轉讓購股權儲備	—	—	—	—	—	(28,721)	28,721	—	—	—
At 30 June 2019 (Unaudited)	於二零一九年六月三十日 (未經審核)	2,000	45,486	1,085	(20,295)	375,576	—	(729,766)	(325,914)	—	(325,914)
At 1 January 2018 (Audited)	於二零一八年一月一日 (經審核)	2,000	45,486	34,863	34,634	390,716	—	194,915	702,614	—	702,614
Effect of adoption HKFRS 9	採納香港財務報告準則第9號的影響	—	—	—	—	—	—	(19,967)	(19,967)	—	(19,967)
At 1 January 2018 (restated)	於二零一八年一月一日 (經重列)	2,000	45,486	34,863	34,634	390,716	—	174,948	682,647	—	682,647
Loss for the period	期間虧損	—	—	—	—	—	—	(144,589)	(144,589)	—	(144,589)
Other comprehensive loss for the period:	期間其他全面虧損:										
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	—	—	—	(19,308)	—	—	—	(19,308)	—	(19,308)
Extinguishment of convertible bonds	註銷可換股債券	—	—	—	—	(15,140)	—	—	(15,140)	—	(15,140)
At 30 June 2018 (Unaudited)	於二零一八年六月三十日 (未經審核)	2,000	45,486	34,863	15,326	375,576	—	30,359	503,610	—	503,610

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

		Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Unaudited 未經審核 30 June 2018 二零一八年 六月三十日 HK\$'000 千港元
Net cash flows generated from/(used in) operating activities	經營業務產生/(使用)的現金流量淨額	29,954	(48,621)
Investing activities	投資業務		
Additions of items of property, plant and equipment	添置物業、機器及設備項目	(15,844)	(6,014)
Proceeds from disposal of items of property, plant and equipment	出售物業、機器及設備項目所得款項	119	1,069
Acquisition of subsidiaries, cash received	收購附屬公司的已收現金	596	—
Disposal of subsidiaries, cash paid	出售附屬公司的已付現金	(1,055)	—
Net cash flows used in investing activities	投資業務使用的現金流量淨額	(16,184)	(4,945)
Financing activities	融資業務		
Repayment of interest-bearing other borrowings	償還計息其他借款	(5,810)	13,507
Non-controlling interests arising from additional capital injection	額外注資產生的非控股權益	4,545	—
Advances from a shareholder	預收一名股東的墊款	15,828	—
Net cash flows generated from financing activities	融資業務產生的現金流量淨額	14,563	13,507
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	28,333	(40,059)
Cash and cash equivalents at beginning of period	期初的現金及現金等價物	21,706	68,623
Effect of foreign exchange rate changes, net	外匯匯率變動影響淨額	1,650	366
Cash and cash equivalents at end of period	期末的現金及現金等價物	51,689	28,930
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘	51,689	28,930

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

1. CORPORATE INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The registered office address of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at Room 1001, 10/F, Wing On Centre, 111 Connaught Road Central, Hong Kong.

During the six months ended 30 June 2019, the Group was principally engaged in the following principal activities:

- Development, production and sale of automotive engines (the “Automotive Engines Business”)
- Civil engineering works and building construction and maintenance works (the “Civil Engineering and Construction Business”)

In the opinion of the directors, the immediate holding company and the ultimate holding company is Youth Force Asia Ltd., a company incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This unaudited condensed consolidated interim financial information for the six months ended 30 June 2019 has been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure requirements set out in Appendix 16 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

1. 公司資料

本公司為一間在開曼群島註冊成立的獲豁免有限公司。本公司的註冊辦事處地址位於Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的主要營業地點位於香港干諾道中111號永安中心10樓1001室。

於截至二零一九年六月三十日止六個月，本集團主要從事下列主要活動：

- 開發、生產及銷售汽車發動機（「汽車發動機業務」）
- 土木工程項目以及樓宇建造及保養業務（「土木工程及建造業務」）

董事認為，直接控股公司及最終控股公司為Youth Force Asia Ltd.（一間於英屬處女群島註冊成立之公司）。

2. 編製基準及會計政策

此截至二零一九年六月三十日止六個月之未經審核簡明綜合中期財務資料乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號「中期財務報告」及香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄16載列之適用披露規定而編製。



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

Going concern

Despite the Group incurred a net loss of HK\$264,268,000 for the six months ended 30 June 2019 (the "Period"); and the Group has net current liabilities of HK\$602,118,000 and net liabilities of HK\$325,914,000 as at 30 June 2019, in the opinion of the directors, the Group will have sufficient working capital to finance its operation and to meet its financial obligations as and when they fall due in the foreseeable future, based on the cash flow projections of the Group and after taking into consideration the following:

- (i) the holder of convertible bonds ("CB"), with an aggregate principal amount of HK\$390,000,000 and promissory notes ("PN"), with a carrying amount of HK\$532,779,000 has agreed to extend the maturity date of the existing CB and PN (which are both currently due on 20 February 2020), upon the request by the Company;
- (ii) a major shareholder of the Company has agreed to provide continuous financial support to the Group as and when required, and not to demand for repayment of the amount due by the Group until it is in the position to repay without impairing its liquidity and financial position; and
- (iii) various cost control measures have been taken by the Group to tighten the costs of operations and various general and administrative expense.

After taking into account the above measures, the directors of the Company consider that the Group will have sufficient working capital to finance its operations and financial obligations as and when they fall due, and accordingly, are satisfied that it is appropriate to prepare the condensed consolidated financial statements for the Period on a going concern basis.

2. 編製基準及會計政策(續)

持續經營關注

儘管本集團於截至二零一九年六月三十日止六個月(「期間」)產生虧損淨額264,268,000港元;及本集團於二零一九年六月三十日擁有流動負債淨額602,118,000港元及負債淨額325,914,000港元,董事認為,根據本集團之現金流量預測及經考慮以下各項,本集團擁有充足營運資金以撥付其營運所需及應對其不久將來到期應付之財務責任:

- (i) 可換股債券(「可換股債券」)(本金總額達390,000,000港元及承兌票據(「承兌票據」)賬面值為532,779,000港元)持有人同意按本公司要求將現有可換股債券及承兌票據(兩者均於二零二零年二月二十日到期)的到期日延長;
- (ii) 本公司一名主要股東已同意其將繼續適時提供財務支援予本集團,且其在能夠不影響其流動資金及財務狀況的情況下償還應付彼等的款項之前,不會要求本集團償還到期款項;及
- (iii) 本集團已採取各種成本控制措施以收緊營運成本及各種一般及行政開支。

經考慮上述措施,本公司董事認為本集團將有足夠營運資金以撥付其營運及到期之財務責任,故信納以持續經營基準編製本期間之簡明綜合財務報表之做法為恰當的。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

The accounting policies and the basis of preparation adopted in the preparation of this condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2018, except for the adoption of new and revised standard with effect from 1 January 2019 as detailed below.

The Group has adopted the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA for the first time for these Financial Statements.

Amendments to HKFRS 9	<i>Payments features with Negative compensation</i>
HKFRS 16	<i>Leases</i>
Amendments to HKAS 19	<i>Plan amendment, curtailment or Settlement</i>
Amendments to HKAS 28	<i>Long-term Interests in associates and Joint ventures</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i>
Annual Improvements 2015-2017 Cycle	<i>Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23</i>

Other than as explained below regarding the impact of HKFRS 16 Leases, the new and revised standards are not relevant to the preparation of the Group's interim condensed consolidated financial information.

2. 編製基準及會計政策(續)

除採納二零一九年一月一日生效的新訂和經條訂準則(詳情載於下文)外,編製此簡明綜合中期財務資料時所採納之會計政策及編製基準,與編製本集團截至二零一八年十二月三十一日止年度的年度財務報表所採用者一致。

本集團已就此等財務報表採納下列由香港會計師公會頒佈的新訂和經修訂香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則和詮釋)。

香港財務報告準則第9號(修訂本)	具有負補償的提前還款特性
香港財務報告準則第16號	租賃
香港會計準則第19號(修訂本)	計劃修訂、縮減或支付
香港會計準則第28號(修訂本)	聯營公司及合營企業的長期權益
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理方法的不確定性
二零一五年至二零一七年年度的改進	對香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號的修訂

除下文所述有關香港財務報告準則第16號租賃,新訂及經修訂準則與編製本集團的中期簡明綜合財務資料並無關聯。



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

In the current period, the Group has adopted HKFRS 16 "Leases". HKFRS 16 is effective for the accounting periods beginning on or after 1st January, 2019. The Group has applied HKFRS 16 using the modified retrospective approach without restating comparative information retrospectively. HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees.

Prior to 1st January, 2019, lease contracts were classified as operating leases or finance leases. From 1st January, 2019 onwards, HKFRS 16 distinguishes lease contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low-value assets. For short-term leases and leases of low-value assets, the Group recognises lease expense on a straight-line basis as permitted by HKFRS 16. This expense is presented within operating costs in the consolidated income statement.

Right-of-use assets are initially measured at cost and subsequently carried at cost less accumulated depreciation and impairment losses. Lease liabilities are initially measured at the present value of the remaining lease payments discounted using the incremental borrowing rate of the lessee. Subsequently, lease liabilities are adjusted by interest accretion and lease payments. Lease payments are separated into principal portion and interest portion and presented within financing activities in the consolidated statement of cash flows.

2. 編製基準及會計政策(續)

本集團於本期間已採納於二零一九年一月一日或以後會計期間開始生效之香港財務報告準則第16號「租賃」。本集團採用經修改追溯法採納香港財務報告準則第16號，無須重列比較資料。香港財務報告準則第16號提供一套全面模式以鑒別出租人及承租人的租賃安排及會計處理方法。

於二零一九年一月一日前，租賃合約分類為經營租賃或融資租賃。自二零一九年一月一日起，香港財務報告準則第16號根據識別資產是否由顧客控制為基礎來區分租賃合約。承租人的會計法將不再有經營租賃及融資租賃的區別，承租人必須確認所有租賃的使用權資產和有關負債，除短期租賃及低價值資產租賃外。就短期租賃及低價值資產租賃而言，本集團按香港財務報告準則第16號規定，以直線法確認租賃開支。該等開支在綜合收益表內以經營成本呈列。

使用權資產最初按成本計量，其後以成本減累計折舊及減值虧損計量。租賃負債最初按承租人的增量貸款利率折現之剩餘租金的現值計量。其後，租賃負債根據利息增長及租賃款項進行調整。租金款項則分為本金及利息，在綜合現金流量表的融資活動中呈列。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

At the date of initial application of HKFRS 16, the reconciliation from the operating lease commitments to the lease liabilities recognised is as follows:

2. 編製基準及會計政策(續)

於首次應用香港財務報告準則第16號當日，經營租賃之承擔與確認之租賃負債的對賬如下：

		HK\$'000 千港元 (unaudited) (未經審核)
Operating lease commitments at 31 December 2018 as disclosed in the consolidated financial statements	於二零一八年十二月三十一日在綜合財務報表披露之經營租賃承擔	4,326
Operating lease commitments at 31 December 2018, discounted using the incremental borrowing rate at 1 January 2019	於二零一八年十二月三十一日之經營租賃承擔(按二零一九年一月一日之增量貸款利率折現)	3,882
Lease liabilities as at 1 January 2019	於二零一九年一月一日之租賃負債	3,882

3. ESTIMATES

The preparation of this condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements of the Group as at and for the year ended 31 December 2018.

3. 估計

編製此簡明綜合中期財務資料要求管理層作出影響會計政策應用及所報告資產及負債、收入及開支數額的判斷、估計及假設。實際結果或有別於有關估計。

於編製此簡明綜合中期財務資料時，管理層就應用本集團之會計政策而作出之重大判斷以及估計不穩定因素的主要來源，與截至二零一八年十二月三十一日止年度的本集團綜合財務報表內所採用的一致。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

4. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and service and has two reportable operating segments as follows:

- Automotive engines segment — development, production and sales of automotive engines
- Civil engineering and construction segment — civil engineering works and building construction and maintenance works

Management monitors the results of the Group's operating segments separately for the purpose of making decision about resources allocations and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that finance costs, gain on disposal of subsidiaries, gain on extinguishment of convertible bonds as well as head office and corporate expenses are excluded from such measurement.

Segment revenue and results

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

2019

		Unaudited 未經審核		
		For the six months ended 30 June 截至六月三十日止六個月		
		Automotive engines 汽車發動機 HK\$'000 千港元	Civil engineering and construction 土木工程及建造 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	69,952	176,244	246,196
Segment results	分部業績	(194,436)	(7,480)	(201,916)
Gain on disposal of subsidiaries	出售附屬公司之收益			1,682
Corporate and unallocated expenses	企業及未分配開支			(35,497)
Finance costs	財務費用			(37,944)
Loss before tax	除稅前虧損			(273,675)

4. 分部資料

就管理而言，本集團按照其產品及服務被歸為業務單位，並有下列兩個可報告經營分部：

- 汽車發動機分部 — 開發、生產及銷售汽車發動機
- 土木工程及建造分部 — 土木工程項目以及樓宇建造及保養業務

就作出有關資源分配及表現評估的決策而言，管理層獨立監控本集團經營分部的業績。分部表現按可報告分部損益（即經調整除稅前損益）評核。經調整除稅前損益之計量與本集團之除稅前損益一致，惟有關計量不包括財務費用、出售附屬公司之收益、註銷可換股債券之收益以及總辦事處及企業開支。

分部收益及業績

下列為按可報告經營分部劃分之本集團收益及業績分析：

二零一九年

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

4. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

2018

4. 分部資料(續)

分部收益及業績(續)

二零一八年

		Unaudited 未經審核		
		For the six months ended 30 June 截至六月三十日止六個月		
		Automotive engines 汽車發動機 HK\$'000 千港元	Civil engineering and construction 土木工程及建造 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	272,357	225,901	498,258
Segment results	分部業績	(174,940)	(7,049)	(181,989)
Gain on extinguishment of convertible bonds	註銷可換股債券之收益			80,212
Corporate and unallocated expenses	企業及未分配開支			(9,859)
Finance costs	財務費用			(33,139)
Loss before tax	除稅前虧損			(144,775)

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

5. REVENUE, OTHER INCOME AND GAINS

5. 收益、其他收入及收益

		Unaudited 未經審核 Six months ended 30 June 2019 截至二零一九年 六月三十日 止六個月 HK\$'000 千港元	Unaudited 未經審核 Six months ended 30 June 2018 截至二零一八年 六月三十日 止六個月 HK\$'000 千港元
Revenue	收益		
Sales of goods	銷售貨物	69,952	272,357
Contract revenue	合約收益	176,244	225,901
		246,196	498,258
Other income and gains	其他收入及收益		
Interest income	利息收入	2	5
Consultancy fee income	顧問費收入	240	740
Management fee income	管理費收入	—	1,231
Government subsidies*	政府補助*	109	702
Sundry income	雜項收入	103	493
		454	3,171

* Subsidies have been received from the Hong Kong Vocational Training Council, an institution established by the Government of the Hong Kong Special Administrative Region (the "Government"), for providing on-the-job training to graduate engineers. There are no unfulfilled conditions or contingencies relating to these subsidies.

* 向已畢業的工程師提供在職培訓取得香港職業訓練局(香港特別行政區政府(「政府」)設立的機構)的補助。並無有關該等補助的未履行條件或或然事件。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

6. FINANCE COSTS

6. 財務費用

		Unaudited 未經審核 Six months ended 30 June 2019 截至二零一九年 六月三十日 止六個月 HK\$'000 千港元	Unaudited 未經審核 Six months ended 30 June 2018 截至二零一八年 六月三十日 止六個月 HK\$'000 千港元
Interest on lease liabilities	租賃負債利息	215	—
Interest on bank and other borrowings	銀行及其他借款利息	3,311	2,871
Interest on promissory notes	承兌票據利息	20,392	18,858
Imputed interest on convertible bonds	可換股債券之推算利息	14,026	11,410
		37,944	33,139

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

7. LOSS BEFORE TAX

7. 除稅前虧損

		Unaudited 未經審核 Six months ended 30 June 2019 截至二零一九年 六月三十日 止六個月 HK\$'000 千港元	Unaudited 未經審核 Six months ended 30 June 2018 截至二零一八年 六月三十日 止六個月 HK\$'000 千港元
The Group's loss before tax is arrived at after charging:	本集團之除稅前虧損已扣除下列各項：		
Cost of sales	銷售成本		
Cost of inventories sold	已售存貨成本	70,978	239,026
Provision for inventories	存貨撥備	24,782	—
Amortisation of intangible assets	無形資產攤銷	456	27,715
Cost of services provided	已提供服務成本	174,660	222,290
		270,876	489,031
Impairment of accounts and bills receivables, net	應收賬款及應收票據減值淨額	112,942	—
Impairment of contract assets	合約資產減值	601	—
Depreciation	折舊	3,221	2,973
Depreciation of right-of-use assets	使用權資產折舊	1,594	—
Directors' remuneration	董事酬金	2,454	4,981
— Share-based payment expense	— 以股份為基礎支付的開支	1,352	—
Employee benefits expenses (exclusive of directors' remuneration)	員工福利開支(不包括董事酬金)	14,340	13,822
— Share-based payment expenses	— 以股份為基礎支付的開支	4,284	—

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

8. INCOME TAX CREDIT

Pursuant to the rules 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 has been made for the six months ended 30 June 2019 and 2018 as there was no assessable profits generated on the estimated assessable profits arising in Hong Kong for the period.

Chongqing Bisu Yunbo Motor Technology Limited, a wholly-owned subsidiary of the Group in the PRC, is subject to a preferential corporate income tax ("CIT") rate of 15% (2018: 15%).

8. 所得稅抵免

根據開曼群島及英屬處女群島(「英屬處女群島」)的法例及規例，本集團毋須繳付開曼群島及英屬處女群島的任何所得稅。截至二零一九年及二零一八年六月三十日止六個月，由於概無應課稅溢利產生，因此概無就期內自香港產生之估計應課稅溢利計提香港利得稅撥備。

本集團之中國全資附屬公司重慶比速雲博動力科技有限公司按優惠企業所得稅(「企業所得稅」)稅率15%(二零一八年：15%)繳稅。

		Unaudited 未經審核 Six months ended 30 June 2019 截至二零一九年 六月三十日 止六個月 HK\$'000 千港元	Unaudited 未經審核 Six months ended 30 June 2018 截至二零一八年 六月三十日 止六個月 HK\$'000 千港元
Current (credit)/charge for the period	期間即期(抵免)/費用		
— PRC CIT	— 中國企業所得稅	(1,734)	3,972
— Deferred	— 遞延	(7,673)	(4,158)
Total tax credit for the period	期間稅項抵免總額	(9,407)	(186)



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

9. DIVIDEND

The Board does not recommend payment of any interim dividend for the six months ended 30 June 2019 (six months ended 30 June 2018: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

The calculation of the basic loss per share amounts for the six months ended 30 June 2019 and 2018 are based on the consolidated loss for the period attributable to owners of the Company of HK\$263,446,000 (2018: loss of HK\$144,589,000) and the weighted average number of 200,000,000 (2018: 200,000,000) ordinary shares in issue during the period.

No adjustment has been made to the basic loss per share amount presented for the six months ended 30 June 2019 and 2018 in respect of a dilution as the impact of the convertible bonds outstanding during the period had an anti-dilutive effect on the basic loss per share amount presented.

9. 股息

董事會不建議派付截至二零一九年六月三十日止六個月之任何中期股息(二零一八年六月三十日止六個月：無)。

10. 母公司擁有人應佔每股虧損

於計算截至二零一九年及二零一八年六月三十日止六個月的每股基本虧損金額時，乃根據本公司擁有人應佔期內綜合虧損263,446,000港元(二零一八年：虧損144,589,000港元)及期內已發行普通股的加權平均數200,000,000股(二零一八年：200,000,000股)計算。

由於期間內尚未行使可換股債券之影響對呈列之每股基本虧損金額具有反攤薄作用，故並無就截至二零一九年及二零一八年六月三十日止六個月呈列之每股基本虧損金額作出攤薄調整。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

11. PROPERTY, PLANT AND EQUIPMENT

11. 物業、機器及設備

		HK\$'000 千港元
Six months ended 30 June 2019		
截至二零一九年六月三十日止六個月		
Net carrying amount at 1 January 2019 (Audited)	於二零一九年一月一日之賬面淨值 (經審核)	38,592
Additions	添置	15,844
Acquisition of subsidiaries	收購附屬公司	1,681
Disposal	出售	(16)
Disposal of subsidiaries	出售附屬公司	(17,270)
Depreciation	折舊	(3,221)
Exchange realignment	匯兌調整	(21)
Net carrying amount at 30 June 2019 (Unaudited)	於二零一九年六月三十日之 賬面淨值(未經審核)	35,589
		HK\$'000 千港元
Six months ended 30 June 2018		
截至二零一八年六月三十日止六個月		
Net carrying amount at 1 January 2018 (Audited)	於二零一八年一月一日之賬面淨值 (經審核)	44,816
Additions	添置	5,163
Disposal	出售	(218)
Depreciation	折舊	(2,973)
Exchange realignment	匯兌調整	(636)
Net carrying amount at 30 June 2018 (Unaudited)	於二零一八年六月三十日之 賬面淨值(未經審核)	46,152

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

12. GOODWILL

12. 商譽

		HK\$'000 千港元
Six months ended 30 June 2019	截至二零一九年六月三十日止六個月	
Net carrying amount:	賬面淨值：	
At 1 January 2019 (Audited)	於二零一九年一月一日(經審核)	297,552
Acquisition of subsidiaries	收購附屬公司	419
Disposal of subsidiaries	出售附屬公司	(419)
Exchange realignment	匯兌調整	(581)
At 30 June 2019 (Unaudited)	於二零一九年六月三十日(未經審核)	296,971
At 30 June 2019:	於二零一九年六月三十日：	
Cost	成本	471,904
Accumulated impairment	累計減值	(174,933)
Net carrying amount	賬面淨值	296,971

		HK\$'000 千港元
Six months ended 30 June 2018	截至二零一八年六月三十日止六個月	
Net carrying amount:	賬面淨值：	
At 1 January 2018 (Audited)	於二零一八年一月一日(經審核)	498,343
Impairment charged for the period	期內減值	(174,933)
Exchange realignment	匯兌調整	(6,450)
At 30 June 2018 (Unaudited)	於二零一八年六月三十日(未經審核)	316,960

Goodwill acquired through a business combination is allocated to the cash-generating unit of the Automotive Engines Business (the "Automotive Engines CGU") for impairment testing.

透過業務合併所收購的商譽被分配至汽車發動機業務之現金產生單位(「汽車發動機現金產生單位」)以作減值測試。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

12. GOODWILL (Continued)

Impairment test of goodwill

The recoverable amount of the Automotive Engines CGU was determined based on a value in use calculation in accordance with HKAS 36 with reference to a valuation performed by Moore Stephens Advisory Services Limited (“Moore Stephens”) as at 15 June 2019 using cash flow projections of financial budgets covering a five-year period approved by management. Moore Stephens’ valuation for the impairment assessment as at 15 June 2019 was based on the following key assumptions and input:

- (i) the projected cashflow from 31 December 2019 to 31 December 2024 (the “Forecast Period”) on the management expectation of future business performance and prospect of the CGU;
- (ii) the revenue for the Forecast Period projected by the management of the Company based on the purchasing plan of the major customers of the CGU with the downward adjustments made by the management considering the historical difference between the actual purchase from the major customers and the past purchase plans;
- (iii) the net profit margin for the Forecast Period projected by the management based on the historical net profit margin with downward adjustments considering higher marketing expenses in the future;
- (iv) the post-tax discount rate of 18.72% based on the weighted average cost of capital representing the weighted average return attributable to all of the operating assets of the CGU; and the pre-tax discount rate of 20.99% determined by an iterative computation so that the value in use determined by the pre-tax cash flows and a pre-tax discount rate equals value in use determined by the post-tax cash flows and a post-tax discount rate; and
- (v) the growth rate beyond the Forecast Period was 2.5% which did not exceed the long term average growth rate of the industry.

12. 商譽(續)

商譽之減值測試

汽車發動機現金產生單位的可收回金額，乃使用經管理層經批准的五年期財務預算的現金流量預測，並基於根據香港會計準則第36號及參考馬施雲諮詢有限公司(「馬施雲」)於二零一九年六月十五日進行的估值的價值計算而釐定。馬施雲於二零一九年六月十五日就減值評估所作的估值報告，乃基於以下關鍵假設及輸入數據：

- (i) 根據管理層對現金產生單位未來業務表現及前景的預期而得出的由二零一九年十二月三十一日至二零二四年十二月三十一日(「預測期間」)的估計現金流；
- (ii) 本公司管理層根據現金產生單位主要客戶的採購計劃而估計的預測期間收益，管理層已考慮主要客戶的實際採購量與過往採購計劃的歷史差額而作出下調；
- (iii) 管理層根據過往純利率估計的預測期間的純利，並考慮到日後營銷開支較高而作出下調；
- (iv) 基於加權平均資本成本的18.72%的稅後貼現率，即現金產生單位所有營運資產應佔加權平均回報；及以迭代計算釐定的20.99%的稅前貼現率，以便使用稅前現金流及稅前貼現率釐定的使用價值等於使用稅後現金流及稅後貼現率釐定的使用價值；及
- (v) 預測期間之外的增長率為2.5%，並未超出行業長期平均增長率。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

13. INTANGIBLE ASSETS

13. 無形資產

		Customer contracts 客戶合約 HK\$'000 千港元
Six months ended 30 June 2019		
截至二零一九年六月三十日止六個月		
Net carrying amount:	賬面淨值：	
At 1 January 2019 (Audited)	於二零一九年一月一日(經審核)	88,618
Amortisation provided during the period	期內已撥備的攤銷	(456)
Impairment charged for the period	期內減值	(50,701)
Exchange realignment	匯兌調整	720
At 30 June 2019 (Unaudited)	於二零一九年六月三十日(未經審核)	38,181
At 30 June 2019:	於二零一九年六月三十日：	
Cost	成本	670,461
Accumulated amortisation and impairment	累計攤銷及減值	(632,280)
Net carrying amount	賬面淨值	38,181
		Customer contracts 客戶合約 HK\$'000 千港元
Six months ended 30 June 2018		
截至二零一八年六月三十日止六個月		
Net carrying amount:	賬面淨值：	
At 1 January 2018 (Audited)	於二零一八年一月一日(經審核)	556,230
Amortisation provided during the period	期內已撥備的攤銷	(27,715)
Exchange realignment	匯兌調整	(6,166)
At 30 June 2018 (Unaudited)	於二零一八年六月三十日(未經審核)	522,349
At 30 June 2018:	於二零一八年六月三十日：	
Cost	成本	697,251
Accumulated amortisation	累計攤銷	(174,902)
Net carrying amount	賬面淨值	522,349

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

13. INTANGIBLE ASSETS (Continued)

Customer contracts represent certain automotive engine sales framework agreements (the “Automotive Engine Sales Framework Agreements”) entered into by the Automotive Engines CGU in 2015 and pursuant to which the related customers agreed to procure pre-agreed quantities of engines from the Automotive Engines CGU from 2016 to 2020. In February 2018, the Automotive Engines CGU entered into certain supplemental Automotive Engine Sales Framework Agreements (the “Supplemental Agreements”) with the related customers, pursuant to which the customer contract period was extended to 2022, and the pre-agreed quantities of engines were adjusted based on the customers’ latest production needs. The customer contracts are amortised to profit or loss under the unit of production method over the relevant contract periods.

The recoverable amounts of the intangible assets were determined based on value in use calculation using cashflow projections of financial budgets covering to the customer contract period of the Automotive Engines Agreements and Supplemental Agreements extended to 2022 approved by management. Details of the assumption of impairment test of intangible assets are similar to the impairment test of goodwill which detailed in note 12 above.

13. 無形資產(續)

客戶合約指由汽車發動機現金產生單位於二零一五年簽訂的若干汽車發動機銷售框架協議(「汽車發動機銷售框架協議」)，據此，相關客戶同意自二零一六年至二零二零年從汽車發動機現金產生單位採購先前約定數量的發動機。於二零一八年二月，汽車發動機現金產生單位已與相關客戶訂立若干汽車發動機銷售框架協議補充文件(「補充協議」)，據此客戶合約期間已延長至二零二二年，及先前約定的發動機數量已根據客戶最近生產需要作出調整。客戶合約於相關合約期間根據生產單位法攤銷至損益。

無形資產的可收回金額乃使用經管理層批准涵蓋汽車發動機協議及補充協議(延長至二零二二年)客戶合約期的財政預算內現金流量預測計算的使用價值為基礎而釐定。無形資產減值測試的詳情類似商譽的減值測試，詳情載於上文附註12。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

14. ACCOUNTS AND BILLS RECEIVABLES

Accounts and bills receivables represented receivables for contract work and sale of automotive engines. The payment terms of contract work receivables are stipulated in the relevant contracts and the credit period is generally one month. The payment terms for receivables arising from sales of automotive engines are mainly on credit and the credit period is generally three months. The payment terms of bills receivable are stipulated in the relevant bills receivable from bank and its maturity period is ranging from 90 to 180 days. The carrying amounts of accounts and bills receivables approximate to their fair values.

14. 應收賬款及應收票據

應收賬款及應收票據指合約工程及銷售汽車發動機應收款。合約工程應收款的付款期於有關合約中訂明，而信貸期一般為一個月。來自銷售汽車發動機的應收款項的付款期以信貸為主，而信貸期一般為三個月。應收票據的付款期於銀行相關應收票據內訂明，其到期時間介乎90至180日。應收賬款及應收票據的賬面值與其公允價值相若。

		Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
Accounts receivable	應收賬款	198,560	178,221
Bills receivable	應收票據	482,541	483,485
		681,101	661,706
Impairment	減值	(255,139)	(144,452)
		425,962	517,254

In 2018, the Group has re-negotiated with the customers of the Automotive Engines Business (the "Automotive Engines Business Customers") in the repayment terms of the outstanding accounts and bills receivables amounted to HK\$592,615,000, in which those customers have agreed to repay their outstanding amounts by 12 monthly instalments basis commencing from July 2019.

於二零一八年，本集團已與汽車發動機業務客戶（「汽車發動機業務客戶」）重新磋商未償還應收賬款及應收票據592,615,000港元的還款，當中，該等客戶同意於二零一九年七月起按12個月分期付款償還其未付款項。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

14. ACCOUNTS AND BILLS RECEIVABLES (Continued)

The ageing analysis of the accounts receivable as at the end of the reporting period, based on the invoice date and net of loss allowance, as follows:

		Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
1 to 3 months	一至三個月	35,375	146,768
4 to 6 months	四至六個月	147	2,390
Over 6 months	六個月以上	98,980	2,272
		134,502	151,430

The maturity profile of bills receivable, based on the issue date and net of loss allowance, is as follows:

		Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
Up to 3 months	最多三個月	—	—
4 to 6 months	四至六個月	—	184,936
Over 6 months	六個月以上	291,460	180,888
		291,460	365,824

14. 應收賬款及應收票據(續)

於報告期末按發票日期及扣除虧損撥備後應收賬款的賬齡分析如下：

應收票據根據發行日期及扣除虧損撥備後的到期組合列載如下：

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

14. ACCOUNTS AND BILLS RECEIVABLES (Continued)

The movements in the loss allowance for impairment of accounts and bills receivables are as follows:

14. 應收賬款及應收票據(續)

應收賬款及應收票據減值虧損撥備變動如下：

		Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
At the beginning of period	期初	144,452	—
Effect of adoption of HKFRS 9	採納香港財務報告準則 第9號之影響	—	19,322
At the beginning of period (restated)	期初(經重列)	144,452	19,322
Impairment losses, net	減值虧損淨額	112,942	125,130
Exchange realignment	匯兌調整	(2,255)	—
At the end of period	期末	255,139	144,452

The basis of determining the inputs and assumption and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2018.

於截至二零一九年六月三十日止六個月的簡明綜合財務報表釐定輸入數據及假設的基礎及所用估計技術乃與編製本集團截至二零一八年十二月三十一日止年度財務報表所遵循者相同。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

15. ACCOUNTS PAYABLE

An ageing analysis of accounts payable at the end of each reporting period, based on the invoice date, is as follows:

		Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
Current to three months	即期至三個月	35,490	101,069
Four to six months	四至六個月	440	28,187
Over six months	超過六個月	246,647	211,504
		282,577	340,760

As at 30 June 2019, retentions payable included in accounts payable amounted to HK\$13,278,000 (31 December 2018: HK\$13,348,000), which are normally settled on terms ranging from two to three years. The carrying amounts of accounts payable approximate to their fair values.

Accounts payable are non-interest bearing and are normally settled on terms ranging from 7 to 120 days. The payment terms are stipulated in the relevant contracts.

15. 應付賬款

下列為按發票日期於各報告期末應付賬款之賬齡分析：

於二零一九年六月三十日，應付賬款中包含的應付保留款項為13,278,000港元(二零一八年十二月三十一日：13,348,000港元)，一般於兩至三年內結算。應付賬款的賬面值與其公允價值相若。

應付賬款為免計利息，一般於7至120日內結算。支付條款於有關合約中訂明。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

16. 銀行及其他計息借款

		Unaudited 未經審核 30 June 2019 二零一九年六月三十日			Audited 經審核 31 December 2018 二零一八年十二月三十一日		
		per annum 合約年利率 (%)	Maturity 到期日	HK\$'000 千港元	per annum 合約年利率 (%)	Maturity 到期日	HK\$'000 千港元
Current	流動						
Bank overdrafts — unsecured	銀行透支 — 無抵押	The Hong Kong dollar prime rate -1% or HIBOR +1%	On demand 按要求	—	The Hong Kong dollar prime rate -1% or HIBOR +1%	On demand 按要求	5,265
Bank loans — unsecured	銀行貸款 — 無抵押	銀行港元最優 惠利率 -1%或 香港銀行 同業拆息 +1% HIBOR +1.75% to 2.5%	2019 二零一九年	4,080	銀行港元最優 惠利率 -1%或 香港銀行 同業拆息 +1% HIBOR +1.75% to 2.5%	2019 二零一九年	7,490
Other loans — unsecured	其他貸款 — 無抵押	香港銀行 同業拆息 +1.75%至2.5% 10%	2019 二零一九年	5,000	香港銀行 同業拆息 +1.75%至2.5% 10%–12%	2019 二零一九年	51,500
				9,080			64,255
Non-current	非流動						
Other loans — unsecured	其他貸款 — 無抵押	5%–12%	2020–2021 二零二零年至 二零二一年	50,100	5%	2020 二零二零年	6,000
				59,180			70,255

Notes:

- (a) The Group's overdraft facilities amounting to HK\$6,000,000 (2018: HK\$6,000,000), of which Nil (2018: HK\$5,265,000) had been utilised as at the end of the reporting period.
- (b) The Group's interest-bearing bank and other borrowings are repayable within one to three years.
- (c) A corporate guarantee was given by the Company for the outstanding balance of bank loans of HK\$4,080,000 (2018: HK\$12,755,000) as at 30 June 2019.
- (d) All borrowings are in Hong Kong dollars.

附註：

- (a) 本集團的透支融資額度為6,000,000港元(二零一八年：6,000,000港元)，於報告期末，已使用零元(二零一八年：5,265,000港元)。
- (b) 本集團的銀行及其他計息借款須於一至三年內償還。
- (c) 本公司就於二零一九年六月三十日尚未償還銀行貸款結餘4,080,000港元(二零一八年：12,755,000港元)提供企業擔保。
- (d) 所有借款以港元計值。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

17. CONVERTIBLE BONDS

The convertible bonds recognised in the consolidated statement of financial position are bifurcated into two components for accounting purpose, namely the liability component and the equity component, and the movements of these components during the reporting period are as follows:

17. 可換股債券

於綜合財務狀況表確認的可換股債券就會計用途而分為兩個部分，分別為負債部分及權益部分，而該等部分於報告期內的變動如下：

		Liability component 負債部分 HK\$'000 千港元	Equity component 權益部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2017 and 1 January 2018 (Audited)	於二零一七年 十二月三十一日及 二零一八年一月一日 (經審核)	387,665	390,716	778,381
Interest expense	利息開支	30,363	—	30,363
Gain on extinguishment of convertible bonds	註銷可換股債券之收益	(65,617)	(15,140)	(80,757)
At 31 December 2018 and 1 January 2019 (Audited)	於二零一八年 十二月三十一日及 二零一九年一月一日 (經審核)	352,411	375,576	727,987
Interest expense	利息開支	14,026	—	14,026
At 30 June 2019 (Unaudited)	於二零一九年六月三十日 (未經審核)	366,437	375,576	742,013



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

17. CONVERTIBLE BONDS (Continued)

On 4 February 2016, the Company issued zero coupon convertible bonds with an aggregate principal amount of HK\$390,000,000 to Power Expert Global Limited (“Power Expert”) as part of the consideration for the acquisition of the Automotive Engines Business. The maturity date of the convertible bonds is on the second anniversary of the date of issuance (i.e. 4 February 2018). The convertible bonds bear no interest on the principal amount. No security or guarantee is granted in respect of the convertible bonds. The convertible bonds can be converted into 195,000,000 ordinary shares in the Company at the initial conversion price of HK\$2.00 per conversion share (subject to adjustment pursuant to the terms of the convertible bonds). The Company may at any time before the maturity date by written notice redeem the convertible bonds at 100% of the principal amount. Any amount of the convertible bonds which is redeemed by the Company will forthwith be cancelled.

On 13 March 2018, the Company has executed the extension of the maturity date of the convertible bonds for 2 years from 4 February 2018 to 4 February 2020 (the “CB Extension”). As a result of CB Extension, the liability and equity component was extinguished by approximately HK\$65,072,000 and HK\$15,140,000 respectively based on revaluation upon the date of execution, i.e. 13 March 2018. The revaluation was carried out by Moore Stephens, an independent qualified professional valuer. On the other hand, the carrying amount has been charged with imputed interest. At 30 June 2019 and 31 December 2018, no convertible bonds were converted and the outstanding principal amount of the convertible bonds was HK\$390,000,000.

17. 可換股債券(續)

於二零一六年二月四日，本公司向巧能環球有限公司(「巧能環球」)發行本金總額為390,000,000港元的零息可換股債券，以作為收購汽車發動機業務的部分代價。可換股債券的到期日為發行日期的第二個週年(即二零一八年二月四日)。可換股債券的本金額並不計息。概無就可換股債券授出抵押或擔保。可換股債券可按初步換股價每股換股股份2.00港元(可根據可換股債券的條款調整)兌換為本公司的195,000,000股普通股。本公司可於到期日前隨時透過書面通知按本金額的100%贖回可換股債券。本公司所贖回的任何金額可換股債券將立即被註銷。

於二零一八年三月十三日，本公司將可換股債券之到期日由二零一八年二月四日延長兩年至二零二零年二月四日(「可換股債券延長」)。由於可換股債券延長，根據二零一八年三月十三日(簽立日期)之重新估值，負債及權益部份分別註銷約65,072,000港元及15,140,000港元。該重估乃由馬施雲，一名獨立合資格專業估值師且與本集團並無關連)進行。另一方面，賬面值已扣除應計利息。於二零一九年六月三十日及二零一八年十二月三十一日，概無可換股債券獲轉換，而可換股債券的未償還本金額為390,000,000港元。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

18. PROMISSORY NOTES

18. 承兌票據

		Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元
First Note	第一票據	225,952	216,908
Second Note	第二票據	306,827	295,479
		532,779	512,387

On 4 February 2016, the Company issued two promissory notes with face values of HK\$174,250,000 (the "First Note") and HK\$235,750,000 (the "Second Note") in favour of Power Expert as part of the consideration for the Engines Acquisition. Both the First Note and Second Note carry interest at a rate of 10% per annum. The outstanding principal amounts plus any accrued interest will be repayable on the maturity date falling on the second anniversary of the date of the First Note and Second Note, i.e. 3 February 2018.

On 31 December 2017, the Company had extended the maturity date of the First Note and Second Note for 2 years from 4 February 2018 to 4 February 2020 and the interest rate was adjusted downwards from 10% to 8% per annum, all accrued and outstanding interest shall be repaid on the extended maturity date of 4 February 2020.

The carrying amounts of the First Note and Second Note at year end were computed by discounting the face values of the notes by the effective interest rate and the outstanding interest payable.

於二零一六年二月四日，本公司向巧能環球發行兩批承兌票據，面值分別為174,250,000港元（「第一票據」）及235,750,000港元（「第二票據」），以作為發動機收購事項的部分代價。第一票據及第二票據均按年利率10%計息。未償還本金額連同任何累計利息將須於第一票據及第二票據的第二週年當日（即二零一八年二月三日）的到期日償還。

於二零一七年十二月三十一日，本公司已將第一票據及第二票據之到期日由二零一八年二月四日延長兩年至二零二零年二月四日，而年利率已由10%調整降至8%，所有應計款項及尚未償還利息須於二零二零年二月四日經延長到期日償還。

第一票據及第二票據於年末的賬面值已按實際利率及尚未償還應付利息將票據的面值貼現計算。



Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

19. SHARE CAPITAL

19. 股本

		Unaudited 未經審核 30 June 2019 二零一九年 六月三十日 HK\$'000 千港元	Audited 經審核 30 December 2018 二零一八年 十二月三十日 HK\$'000 千港元
Authorised:	法定股本：		
500,000,000 (31 December 2018: 500,000,000) ordinary shares of HK\$0.01 each	500,000,000股(二零一八年十二月三十一日：500,000,000股)每股面值0.01港元的普通股	5,000	5,000
Issued and fully paid:	已發行及繳足：		
200,000,000 (31 December 2018: 200,000,000) ordinary shares of HK\$0.01 each	200,000,000股(二零一八年十二月三十一日：200,000,000股)每股面值0.01港元的普通股	2,000	2,000

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

20. RELATED PARTY TRANSACTIONS

(a) Related party transactions

During the period and in the ordinary course of its business, the Group had transactions with related parties as follows:

20. 關連方交易

(a) 關連方交易

本集團於本期間在其日常業務運作過程中與關連方進行下列交易：

	Unaudited 未經審核 Six months ended 30 June 2019 截至 二零一九年 六月三十日 止六個月 HK\$'000 千港元	Unaudited 未經審核 Six months ended 30 June 2018 截至 二零一八年 六月三十日 止六個月 HK\$'000 千港元	
Corporate service fee paid to a related party which is controlled by a former director of the Company	支付予由本公司一名前董事所控制的關連方的企業服務費	242	366

The above transactions were conducted on terms and conditions mutually agreed between the relevant parties. The Directors are of the opinion that these related party transactions were conducted in the ordinary course of business of the Group.

上述交易乃按有關各方相互協定的條款及條件進行。董事認為，該等關連方交易乃於本集團的日常業務過程中進行。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019

截至二零一九年六月三十日止六個月

20. RELATED PARTY TRANSACTIONS (Continued)

(b) Acquisition of subsidiaries from a shareholder

		Unaudited 未經審核 Six months ended 30 June 2019 截至二零一九年 六月三十日 止六個月 HK\$'000 千港元	Unaudited 未經審核 Six months ended 30 June 2018 截至二零一八年 六月三十日 止六個月 HK\$'000 千港元
Mr. Jiang Jianhui	姜建輝先生	697	—

(c) Due to a shareholder

		Unaudited 未經審核 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
Mr. Jiang Jianhui	姜建輝先生	23,328	7,500

The amount was unsecured, interest-free and repayable within three years.

金額為無抵押、免息及須於三年內償還。

(d) Compensation of key management personnel of the Group

Further details of the compensation of key management personnel of the Group representing the Directors are included in note 7 to the financial statements.

(d) 本集團主要管理人員的報酬

有關本集團主要管理人員(即本公司董事)報酬的進一步詳情載於財務報表附註7。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2019
截至二零一九年六月三十日止六個月

21. CONTINGENT LIABILITIES

As of 30 June 2019, the Group had the following contingent liabilities:

- (a) The guarantees given by the Group to certain banks in respect of performance bonds in favour of certain contract customers amounted to HK\$9,253,000 (31 December 2018: HK\$15,044,000).
- (b) In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the Group's sub-contractors in accidents arising out of and in the course of their employment. The directors are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

22. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

This unaudited condensed consolidated interim financial information was approved and authorised for issue by the Board on 28 August 2019.

21. 或然負債

截至二零一九年六月三十日，本集團有以下或然負債：

- (a) 本集團就給予若干合約客戶之履約保證金而向若干銀行提供的擔保為9,253,000港元（二零一八年十二月三十一日：15,044,000港元）。
- (b) 在本集團建造業務的日常過程中，本集團或本集團分包商的僱員因為在受僱期間發生意外導致人身傷害而向本集團提出若干索賠。董事認為，有關索賠屬於保險的承保範圍，不會對本集團的財務狀況或業績及經營構成任何重大不利影響。

22. 批准未經審核簡明綜合中期財務資料

此未經審核簡明綜合中期財務資料已獲董事會於二零一九年八月二十八日批准及授權刊發。



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND FINANCIAL REVIEW

During the period under review, the Group has engaged in two business segments, which are (i) the Automotive Engines Business; and (ii) the Civil Engineering and Construction Business.

For the six months ended 30 June 2019, the Group recorded a consolidated revenue of approximately HK\$246.2 million (six months ended 30 June 2018: approximately HK\$498.3 million). The Group recorded a loss attributable to owners of the parent of approximately HK\$263.4 million for the six months ended 30 June 2019 as compared to a loss of approximately HK\$144.6 million for the six months ended 30 June 2018. Such result was primarily attributable to the following factors:

- 1) The gross loss of approximately HK\$24.7 million was recorded for the six months ended 30 June 2019 as compared to the gross profit of approximately HK\$9.2 million for the six months ended 30 June 2018, which was due to i) a decline of approximately 50.6% in revenue. This is primarily resulted from the decrease in the sales of engines by the Group to the Automotive Engines Business Customers of the Group due to the further delay in their full resumption of production as they have shortage in supply due to the suppliers' concern on their payment ability; and ii) a provision of impairment loss of approximately HK\$24.8 million for the Group's inventory of the Automotive Engines Business. Such impairment loss is primarily attributable to the increased uncertainty on the realizability of the inventory due to the further delay in the full resumption of production of the Automobile Engines Business Customers;
- 2) The impairment loss in the fair value of the intangible assets of approximately HK\$50.7 million in relation to the acquisition of the Automotive Engines Business. Such impairment loss is primarily attributable to the further delay in the full resumption of production of the Automotive Engines Business Customers as abovementioned;

業務回顧及財務回顧

於回顧期間內，本集團從事兩個業務分部，即(i)汽車發動機業務；及(ii)土木工程及建造業務。

截至二零一九年六月三十日止六個月，本集團錄得綜合收益約為246,200,000港元（截至二零一八年六月三十日止六個月：約498,300,000港元）。本集團於截至二零一九年六月三十日止六個月錄得母公司擁有人應佔虧損約263,400,000港元，而於截至二零一八年六月三十日止六個月則為錄得虧損約144,600,000港元。該業績結果乃主要由於下列因素：

- 1) 截至二零一九年六月三十日止六個月錄得毛損約24,700,000港元，而截至二零一八年六月三十日止六個月則為毛利約9,200,000港元，此乃由於i)收入減少約50.6%所致，主因是本集團對本集團汽車發動機業務客戶的發動機銷售減少，因為供應商憂慮其付款能力導致其供應短缺，致使其再度延後全面恢復生產；及ii)本集團汽車發動機業務的存貨減值虧損撥備約24,800,000港元。有關減值虧損主要源於汽車發動機業務客戶再度延後全面恢復生產，致使能否變現存貨的不穩定因素增加；
- 2) 收購汽車發動機業務相關的無形資產公允價值的減值虧損約50,700,000港元。該減值虧損乃主要由於上述汽車發動機業務客戶再度延後全面恢復生產；

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

- 3) Additional expected credit loss of approximately HK\$113.1 million was made to the accounts and bills receivables due from the Automotive Engines Business Customers for the six months ended 30 June 2019, which is attributable to the increased uncertainty on the repayment of the accounts and bills receivables due to the further delay in the full resumption of production of the Automobile Engines Business Customers as abovementioned; and
- 4) The increase in administrative expenses in respect of the equity-settled share option expense (which was non-cash in nature) of approximately HK\$28.7 million being recognized for the six months ended 30 June 2019.

Basic and diluted loss per share for the six months ended 30 June 2019 were approximately HK\$131.7 cents (six months ended 30 June 2018: basic and diluted loss per share of approximately HK\$72.3 cents).

Automotive Engines Business

During the period ended 30 June 2019, revenue generated from the Automotive Engines Business decreased 74.3% to approximately HK\$70.0 million (six months ended 30 June 2018: approximately HK\$272.4 million), represented approximately 28.4% (six months ended 30 June 2018: approximately 54.7%) of the total revenue of the Group.

In the first half of 2019, the negotiations of the resumption arrangement of the Automobile Engines Business Customers with all of their suppliers along the supply chain are still ongoing as some suppliers have concern over the payment ability of the Automotive Engines Business Customers. Thus, the plan for full resumption of production of the Automotive Engines Business Customers has been affected due to the shortage in the supply of automotive parts. The Automotive Engines Business Customers may undergo certain shareholding restructuring to address the suppliers' concern. The delay in the full resumption of production of the Automotive Engines Business Customers caused our revenue in the six months ended 30 June 2019 decreased significantly.

業務回顧及財務回顧(續)

- 3) 截至二零一九年六月三十日止六個月，額外預期信貸虧損約113,100,000港元計入汽車發動機業務客戶結欠的應收賬款及應收票據，此乃由於上述汽車發動機業務客戶再度延後全面恢復生產，致使應收賬款及應收票據還款的不穩定因素增加；及
- 4) 有關股權結算購股權開支的行政開支(屬非現金性質)增加約28,700,000港元，已於截至二零一九年六月三十日止六個月確認。

截至二零一九年六月三十日止六個月，每股基本及攤薄虧損為約131.7港仙(截至二零一八年六月三十日止六個月：每股基本及攤薄虧損約72.3港仙)。

汽車發動機業務

截至二零一九年六月三十日止期間，汽車發動機業務產生之收入減少74.3%至約70,000,000港元(截至二零一八年六月三十日止六個月：約272,400,000港元)，佔本集團總收入約28.4%(截至二零一八年六月三十日止六個月：約54.7%)。

於二零一九年上半年，汽車發動機業務客戶與其供應鏈上所有供應商仍在磋商恢復安排，因為部分供應商憂慮汽車發動機業務客戶的付款能力。因此，汽車發動機業務客戶的全面恢復生產計劃因汽車零件供應短缺而受到影響。汽車發動機業務客戶可能進行若干持股重組以回應供應商的憂慮。汽車發動機業務客戶全面恢復生產延期導致截至二零一九年六月三十日止六個月的收益大幅下跌。



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

Automotive Engines Business (Continued)

Excluding the provision for impairment loss for inventory amounting to approximately HK\$24.8 million (six months ended 30 June 2018: Nil) and the amortization of intangible assets amounting to approximately HK\$0.5 million (six months ended 30 June 2018: HK\$27.7 million), the gross profit margin of the Automotive Engines Business decreased from approximately 12.2% for the six months ended 30 June 2018 to approximately (1.5)% for the six months ended 30 June 2019. The decline in gross profit margin was a result of the significant drop of sales volume in automotive engines which adversely affected the economies of scale.

Civil Engineering and Construction Business

All of the Group's contracts undertaken for both civil engineering construction business and building construction and maintenance business were for customers which are independent third parties including certain departments of the Government of Hong Kong, public utilities companies and private organisations in Hong Kong.

During the six months ended 30 June 2019, the revenue of Group's civil engineering works and building construction and maintenance works were approximately HK\$176.2 million (six months ended 30 June 2018: approximately HK\$225.9 million). For the period under review, included in the turnover was: (i) revenue from civil engineering works of approximately HK\$145.3 million (six months ended 30 June 2018: approximately HK\$218.1 million); and (ii) revenue from building construction and maintenance works of approximately HK\$30.9 million (six months ended 30 June 2018: approximately HK\$7.8 million).

The overall gross profit margin of this segment for the six months ended 30 June 2019 was 0.9% (six months ended 30 June 2018: 1.6%). As of 30 June 2019, the Group had 11 significant projects in progress. Three of them were building construction and maintenance projects while the remaining were civil engineering construction projects.

As of 30 June 2019, the total contract sum and the total outstanding values of the Group's substantial projects in progress were approximately HK\$474.3 million and HK\$266.1 million respectively.

業務回顧及財務回顧(續)

汽車發動機業務(續)

撇除存貨減值虧損撥備約24,800,000港元(截至二零一八年六月三十日止六個月:零)及無形資產攤銷約500,000港元(截至二零一八年六月三十日止六個月:27,700,000港元),汽車發動機業務的毛利率由截至二零一八年六月三十日止六個月的約12.2%減少至截至二零一九年六月三十日止六個月的約(1.5)%。毛利率降低乃由於汽車發動機銷量大幅下滑,其對經濟規模構成不利影響。

土木工程及建造業務

本集團承辦的所有土木工程建造業務及樓宇建造及保養業務合約均來自獨立第三方客戶,包括香港政府的若干部門、香港公用事業公司以及私營組織。

於截至二零一九年六月三十日止六個月,本集團土木工程及樓宇建造及保養工程的收益約為176,200,000港元(截至二零一八年六月三十日止六個月:約225,900,000港元)。於回顧期內,收益包括:(i)來自土木工程的收益約為145,300,000港元(截至二零一八年六月三十日止六個月:約218,100,000港元);及(ii)來自樓宇建造及保養工程的收益約為30,900,000港元(截至二零一八年六月三十日止六個月:約7,800,000港元)。

截至二零一九年六月三十日止六個月,此分部的總毛利率為0.9%(截至二零一八年六月三十日止六個月:1.6%)。截至二零一九年六月三十日,本集團有11個重大在建項目。其中三個是樓宇建造及保養項目,其餘則是土木工程建造項目。

截至二零一九年六月三十日,本集團的重大在建項目的合約總金額及未完成工程合約總金額分別約為474,300,000港元及266,100,000港元。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

Civil Engineering and Construction Business (Continued)

During the six months ended 30 June 2019, the Group was awarded with the following new substantial contract:

- Provision of external cable construction works and outside telecommunications plant maintenance services.

Other Businesses

During the six months ended 30 June 2019, the Group has been actively looking for opportunities which can provide sound diversification prospects. With an optimistic view for the prospect of the industrial hemp sector, the Board has decided to invest in the industrial hemp planting and processing business through the acquisition of 70% of the shares of Yunnan Tairui Biotechnology Co., Ltd. (“Yunnan Tairui”) and 60% of the shares of Qiubei Woma Agricultural Development Co., Ltd. (“Qiubei Woma”) to capture the potential growth of the industry during the period. In order to seize the first-mover advantage in the industrial hemp sector, the minority shareholders of Yunnan Tairui and Qiubei Woma (the “Other Shareholders”) have put forward a tight project timeline for the development plan of the industrial hemp business.

However, due to the reduced optimism for the outlook of the global economic and business environment, the Company would require more time to obtain sufficient financing to support the Group’s development plan in respect of the industrial hemp business. After considering the differences with respect to the expected project timeline between the Group and the Other Shareholders and the change in market sentiment, and after further discussion with the Other Shareholders, who have a strong desire to implement the development plan soonest possible, the Group has subsequently disposed of Yunnan Tairui and Qiubei Woma. No material gain or loss was incurred for the Group in the acquisition and disposal of Yunnan Tairui and Qiubei Woma.

業務回顧及財務回顧(續)

土木工程及建造業務(續)

於截至二零一九年六月三十日止六個月，本集團獲授以下新重大合約：

- 提供戶外電纜建設及電訊站維修保養服務。

其他業務

於截至二零一九年六月三十日止六個月，本集團積極尋找可帶來穩健的多元化發展前景的機會。由於看好工業大麻行業的前景，董事會於期內決定投資工業大麻種植及加工業務，透過收購雲南太瑞生物科技有限公司(「雲南太瑞」)70%股份及丘北沃麻農業開發有限公司(「丘北沃麻」)60%股份，捕捉行業潛在增長。為了把握在工業大麻行業早著先機的優勢，雲南太瑞及丘北沃麻之少數權益股東(「其他股東」)已為工業大麻業務的發展計劃提出緊迫的項目時間表。

然而，由於略為看淡全球經濟及營商環境的前景，本公司或需更多時間取得足夠融資以支持本集團工業大麻業務的發展計劃。經考慮本集團與其他股東對預期項目時間表之落差以及市場氣氛轉變，加上與其他股東的進一步磋商後明白彼等強烈希望盡快落實發展計劃，本集團其後出售雲南太瑞及丘北沃麻。本集團收購及出售雲南太瑞及丘北沃麻並無產生重大收益或虧損。



Management Discussion and Analysis

管理層討論及分析

PROSPECTS

The outlook of the automobile market in China continues to be not optimistic. According to the China Association of Automobile Manufacturers (CAAM), in the first half of 2019, domestic passenger vehicle sales recorded 10.13 million units, representing a year-on-year decrease of 14% respectively. At the same time, the Association recently lowered its forecast for auto sales in 2019, to approximately 26.68 million units now, down 5% year-on-year respectively. The reduction of the forecast for the vehicle sales was due to the poor sales situation in the first half of the year. The CAAM expects that passenger vehicles are expected to sell 22.24 million units this year, down 5.4% year-on-year respectively. As for passenger vehicles, sedan sales decreased by 12.9% year-on-year, SUV sales decreased by 13.4% year-on-year, MPV sales decreased by 24% year-on-year.

The Board are cautious about the further delay in the resumption of normal operation of the Automotive Engines Business Customer and will closely monitor the progress of their restructuring and consider necessary action or measure to protect the interest of our shareholders.

In the business of civil engineering and construction, the operating environment is expected to remain tough in the coming years. As labor costs and construction materials costs continue to rise, the shortage of skilled labor has put pressure on the entire construction industry. However, given that the Group has extensive experience in construction projects and that there is an upward trend in demand of construction projects in Hong Kong in the next few years, the Board is confident that the Group would be capable of securing promising business opportunities in the future and would adopt a prudent strategy to prevent unfavorable factors in the industry. In addition, the Group will continue to improve its service quality and actively communicate with government departments to find more new projects to ensure the growth of the Group's business.

前景

中國的汽車市場前景仍然不樂觀。根據中國汽車工業協會的資料，二零一九年上半年，國內乘用車銷量錄得1,013萬輛，同比下降14%。同時，協會近日下調二零一九年全年汽車銷量預測至約2,668萬輛，按年減少5%。下調汽車銷量預測是由於上半年汽車銷售形勢較差。中汽協預期，今年乘用車預計銷售2,224萬輛左右，按年下滑5.4%。乘用車中，轎車銷量同比下降12.9%，SUV銷量同比下降13.4%，MPV銷量同比下降24%。

董事會謹慎處理有關汽車發動機業務客戶恢復正常營運進一步延遲的事宜，並將密切監控彼等的重組過程及考慮保障股東權益的必要行動或措施。

在土木工程及建造業務方面，經營環境預期不利情況將會持續數年，在人力成本和建築材料成本不斷上升的同時，技術勞工短缺問題使得整個建造行業都承受壓力。但鑒於本集團於處理各類建造工程方面擁有豐富經驗，並且未來數年香港土木工程建造項目有上升之趨勢，董事會相信未來能把握蓬勃的商機，同時採取審慎策略防止行業不利因素帶來的影響。此外，本集團會繼續提高其服務品質政府各個部門積極溝通，尋找到更多新的專案從而保證本集團的業務增長。

Management Discussion and Analysis

管理層討論及分析

PROSPECTS (Continued)

Looking ahead, the Directors are cautious about the prospect of the Group's operations and business in the second half of 2019 but will actively pursue cost control of the Group's operations. The Board will continue to do its utmost to seek new business opportunities to enhance the Group's ability of resisting risks and enrich the Group's business types, with an aim to improve our performance and maximize the interest of our shareholders.

CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING RATIO

As at 30 June 2019, the Group had cash and cash equivalents of approximately HK\$51.7 million, representing an increase of approximately 91.5% from approximately HK\$27.0 million as at 31 December 2018. The increase was mainly attributable to the increase of net cash flows from operating activities and financing activities.

The Group's cash and cash equivalents were denominated in HK\$ and RMB.

As at 30 June 2019, the total assets were approximately HK\$1,054.4 million, representing a decrease of approximately 19.4% from approximately HK\$1,307.4 million as at 31 December 2018. The decrease was mainly due to (i) the decrease in inventories, contract assets and accounts and bills receivables in aggregate of approximately HK\$226.6 million; and (ii) the impairment of intangible assets of approximately HK\$50.7 million as abovementioned.

As at 30 June 2019, the total liabilities were approximately HK\$1,380.3 million, representing a decrease of approximately 1.4% from approximately HK\$1,400.3 million as at 31 December 2018.

前景(續)

展望未來，董事對本集團營運及業務於二零一九年下半年的前景感到審慎，同時積極地進行集團營運的成本控制。董事會將繼續盡全力尋找新的業務機會來提高集團抗風險能力及豐富集團業務類型，以期改善表現及爭取最大股東利益。

資本結構、財務資源、流動資金及資產負債比率

於二零一九年六月三十日，本集團的現金及現金等價物約為51,700,000港元，較於二零一八年十二月三十一日的約27,000,000港元增加約91.5%。該增加主要由於經營活動及融資活動所得的現金流量淨額增加。

本集團之現金及現金等價物以港元及人民幣計值。

於二零一九年六月三十日，總資產約為1,054,400,000港元，較於二零一八年十二月三十一日的約1,307,400,000港元減少約19.4%。該減少主要由於(i)存貨、合約資產和應收賬款及票據總計減少約226,600,000港元；及(ii)無形資產減值約50,700,000港元(如上文所述)。

於二零一九年六月三十日，總負債約為1,380,300,000港元，較於二零一八年十二月三十一日的約1,400,300,000港元減少約1.4%。



Management Discussion and Analysis

管理層討論及分析

CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING RATIO (Continued)

As at 30 June 2019, the net current liabilities were approximately HK\$602.1 million. (31 December 2018: net current assets of approximately HK\$130.7 million) and the current ratio was approximately 0.5. (31 December 2018: approximately 1.3). The significant net current liabilities were attributable to the classification of the convertible bonds (“CB”) and promissory notes (“PN”) as current liabilities since they will be fall due on 4 February 2020. The holder of the CB and PN has agreed to extend the maturity date of the existing convertible bonds and promissory notes upon the request by the Company. Excluding the CB and PN, the net current assets of the Group was approximately HK\$297.1 million and current ratio was approximately 1.8 as at 30 June 2019. Current ratio is calculated by dividing current assets by current liabilities.

Gearing ratio is calculated based on the amount of net cash and bank balances (interest-bearing borrowings, liability component of the convertible bonds and promissory notes less cash and cash equivalent) divided by the total equity. The gearing ratio as at 30 June 2019 and 31 December 2018 are not available because the Group reported a negative equity attributable to owners of the parent as at 30 June 2019 and 31 December 2018.

As at 30 June 2019, the Group had banking facilities of HK\$52.8 million (31 December 2018: HK\$52.8 million) which HK\$43.5 million (2018: HK\$25.0 million) was not utilised and was secured by corporate guarantees.

CONTINGENT LIABILITIES

Details of the Group’s and the Company’s contingent liabilities are set out in note 21 to the condensed consolidated interim financial information.

資本結構、財務資源、流動資金及資產負債比率(續)

於二零一九年六月三十日，流動負債淨額為約602,100,000港元(二零一八年十二月三十一日：流動資產約130,700,000港元)及流動比率為約0.5(二零一八年十二月三十一日：約1.3)。重大流動負債淨額乃由於可換股債券(「可換股債券」)及承兌票據(「承兌票據」)將於二零二零年二月四日到期後分類為流動負債。可換股債券及承兌票據持有人已同意按本公司要求將現時可換股債券及承兌票據到期日延展。除可換股債券及承兌票據外，本集團於二零一九年六月三十日的流動資產淨值為約297,100,000港元，而流動比率為約1.8。流動比率按流動資產除以流動負債計算。

資產負債比率乃基於現金及銀行結餘淨額(計息借款、可換股債券負債部分及承兌票據減現金及現金等價物)除以權益總額計算。二零一九年六月三十日及二零一八年十二月三十一日的資產負債比率並不適用，因為本集團於二零一九年六月三十日及二零一八年十二月三十一日錄得母公司擁有人應佔權益為負數。

於二零一九年六月三十日，本集團有銀行融資52,800,000港元(二零一八年十二月三十一日：52,800,000港元)，其中43,500,000港元(二零一八年：25,000,000港元)尚未動用。該等融資由企業擔保作出抵押。

或然負債

本集團及本公司之或然負債之詳情載於簡明綜合中期財務資料附註21。

Management Discussion and Analysis

管理層討論及分析

CHANGE OF DIRECTORS AND COMMITTEE MEMBER

With effect from 28 February 2019, Mr. Chan Kai Wing has resigned as an independent non-executive Director and the chairman of each of the Audit Committee and the Nomination Committee and a member of the Remuneration Committee. Mr. Zhang Guozhi has been appointed as an independent non-executive Director and the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee. Mr. Leung Tsz Wing has been appointed as the chairman of the Audit Committee.

With effect from 12 April 2019, Mr. Wong Hin Shek has resigned as a non-executive Director. Mr. Yip Tai Him has resigned as an independent non-executive Director, the chairman of the Remuneration Committee and the member of each of the Audit Committee and the Nomination Committee. Mr. Ip Mei Shun has been appointed as an independent non-executive Director, the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee.

FOREIGN CURRENCY RISK

Most of the Group's assets and liabilities are denominated in Hong Kong dollars and Renminbi, which are the functional currencies of respective group companies. The Group has not entered into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

EVENT AFTER THE REPORTING PERIOD

Save as disclosed above, there was no other significant event after the reporting period and up to the date of this report.

董事及委員會成員變更

自二零一九年二月二十八日起，陳繼榮先生已辭任獨立非執行董事、審核委員會及提名委員會各自之主席及薪酬委員會之成員。張國智先生已獲委任為獨立非執行董事、提名委員會主席及審核委員會及薪酬委員會各自之成員。梁子榮先生已獲委任為審核委員會主席。

自二零一九年四月十二日起，王顯碩先生已辭任非執行董事。葉棣謙先生已辭任獨立非執行董事、薪酬委員會主席及審核委員會及提名委員會各自之成員。葉美順先生已獲委任為獨立非執行董事、薪酬委員會主席及審核委員會及提名委員會各自之成員。

外幣風險

本集團大部份的資產及負債以港元及人民幣計值，該等貨幣為相關集團公司的功能貨幣。本集團並無就外匯風險訂立任何工具。本集團將密切監察匯率變化，並將採取適當行動降低匯率風險。

報告期後事項

除上述所披露者外，報告期後直至本報告日期概無其他重大報告期後事項。



Management Discussion and Analysis

管理層討論及分析

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2019, the Group had approximately 493 employees (31 December 2018: 611) in Hong Kong and the PRC. The Group's remuneration policy is reviewed periodically and determined by reference to market terms, company performance, and individual qualifications and performance. Other staff benefits include bonuses awarded on a discretionary basis, mandatory provident fund scheme for Hong Kong employees, state-sponsored retirement plans for PRC employees.

NO MATERIAL CHANGE

Save as disclosed above, during the six months ended 30 June 2019, there has been no material change in the Group's financial position or business since the publication of the latest annual report of the Company for the year ended 31 December 2018.

INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2019 (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，本集團於香港及中國擁有約493名(二零一八年十二月三十一日：611名)僱員。本集團會定期檢討薪酬政策，並參考市場條款、公司表現、個人資歷及表現而釐定。其他員工福利包括按酌情基準發放的花紅、強制性公積金計劃(對香港僱員而言)及國家資助退休計劃(對中國僱員而言)。

並無重大變動

除上述所披露者外，於截至二零一九年六月三十日止六個月，自刊發本公司截至二零一八年十二月三十一日止年度最新年度報告以來，本集團的財務狀況或業務並無重大變動。

中期股息

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

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2019, other than those disclosed under the section "Share Option Scheme", none of the Directors or chief executive of the Company had registered an interest or a short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities & Futures Ordinance (the "SFO") which were required 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 he was deemed or taken to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2019, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

董事及最高行政人員於股份、相關股份及債權證之權益及淡倉

於二零一九年六月三十日，除已於「購股權計劃」一節披露之詳情外，董事或本公司最高行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條須載入該條文所述登記冊的權益或淡倉，或根據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或淡倉。

主要股東於股份及相關股份中的權益

於二零一九年六月三十日，本公司根據證券及期貨條例第336條存置的權益登記冊所記錄佔本公司已發行股本5%或以上的權益如下：

Other Information 其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Long position in the issued shares/underlying shares of
the Company

主要股東於股份及相關股份中的權 益(續)

於本公司已發行股份／相關股份的好
倉

Name of shareholders	Notes	Nature of interest	Number of ordinary shares/ underlying shares held	Approximate percentage of issued share capital of the Company
股東姓名／名稱	附註	權益性質	所持有普通股／ 相關股份數目	已發行股本 概約百分比
Mr. Jiang Jianhui ("Mr. Jiang") 姜建輝先生(「姜先生」)	(a)	Interest in a controlled corporation 受控法團權益	150,000,000	75.0%
Youth Force Asia Ltd. ("Youth Force")	(a)	Beneficial owner 實益擁有人	150,000,000	75.0%
Mr. Liu Chang ("Mr. Liu") 劉昌先生(「劉先生」)	(b)	Interest in a controlled corporation 受控法團權益	195,000,000	97.5%
Power Expert Global Limited ("Power Expert") 巧能環球有限公司(「巧能環球」)	(b)	Beneficial owner 實益擁有人	195,000,000	97.5%

Notes:

- (a) Youth Force is wholly-owned by Mr. Jiang. As such, Mr. Jiang is deemed to be interested in the 150,000,000 shares owned by Youth Force by virtue of the SFO.
- (b) Power Expert is wholly-owned by Mr. Liu. As such, Mr. Liu is deemed to be interested in the 195,000,000 underlying shares through its interests in the convertible bonds, in the principal amount of HK\$390,000,000 issued by the Company, owned by Power Expert by virtue of the SFO.

附註：

- (a) Youth Force由姜先生全資擁有。因此，姜先生根據證券及期貨條例被視為於Youth Force擁有的150,000,000股股份中擁有權益。
- (b) 巧能環球由劉先生全資擁有。因此，根據證券及期貨條例，劉先生被視為透過其於本公司已發行本金額為390,000,000港元之可換股債券之權益於巧能環球擁有之195,000,000股相關股份中擁有權益。

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Long position in the issued shares/underlying shares of the Company (Continued)

Save as disclosed above, as at 30 June 2019, no person, other than the Directors and chief executive of the Company whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had notified the Company of an interest or short position in the shares or underlying shares of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

CHANGES IN INFORMATION OF THE DIRECTORS

Upon specific enquiry by the Company and following confirmations from the Directors, there was no change in the information of the Directors required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules for the period ended 30 June 2019.

SHARE OPTION SCHEME

At the extraordinary general meeting of the Company held on 24 March 2016, the shareholders of the Company approved the adoption of the share option scheme of the Company (the "Scheme"). The relevant listing approval was granted by the Stock Exchange on 29 March 2016. A summary of the principal terms of the Scheme are as follows:

Purpose

The purpose of the Scheme is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Company.

主要股東於股份及相關股份中的權益(續)

於本公司已發行股份／相關股份的好倉(續)

除上文所披露者外，於二零一九年六月三十日，除本公司董事及最高行政人員(有關權益詳情已載於上文「董事及最高行政人員於股份、相關股份及債權證之權益及淡倉」一節)外，概無人士已知會本公司其於本公司股份或相關股份中擁有須登記於本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉。

董事資料變動

經本公司具體查詢及董事確認後，截至二零一九年六月三十日止期間，任何須根據上市規則第13.51(2)條第(a)至(e)段及第(g)段予以披露的董事資料概無任何變動。

購股權計劃

於二零一六年三月二十四日舉行的本公司股東特別大會上，本公司股東批准採納本公司之購股權計劃(「計劃」)。聯交所已於二零一六年三月二十九日授予相關上市批准。計劃的主要條款概要如下：

目的

計劃之目的為讓本公司向獲選合資格參與者授出購股權，以作為就彼等對本公司所作出之貢獻或潛在貢獻之激勵或獎勵。



Other Information 其他資料

SHARE OPTION SCHEME (Continued)

Participants

The eligible participant(s) of the Scheme is/are full time or part time employees of the Group (including any Directors, whether executive or non-executive and whether independent or not, of the Group); and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group.

Maximum number of shares

The maximum number of shares which may be issued upon exercise of all options which may be granted at any time under the Scheme together with options which may be granted under any other share option schemes for the time being of the Company shall not exceed such number of shares as equals 10 per cent. of the issued share capital of the Company as at the date of approval of the Scheme.

Maximum entitlement of each participant

Unless approved by the shareholders of the Company, the total number of shares issued and to be issued upon exercise of the options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period must not exceed 1 per cent. of the shares in issue.

Option period

The option period of the Scheme, in respect of any particular option, the period to be determined and notified by the Directors to the grantee thereof at the time of making an offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular option but subject to the provisions for early termination thereof contained herein.

購股權計劃(續)

參與者

計劃的合資格參與者為本集團全職或兼職員工(包括本集團任何董事，不論是執行或非執行董事及是否獨立董事)；及本集團任何業務或合營夥伴、承包商、代理或代表、專家顧問、顧問、供應商、生產商或特許發出人、客戶、特許持有人(包括任何再授特許持有人)或分銷商、業主或租戶(包括任何分租戶)或董事會全權酌情認為對本集團作出貢獻或可能對本集團作出貢獻之任何人士。

股份最高數目

於行使根據計劃可能於任何時間授出的所有購股權以及根據本公司當時的任何其他購股權計劃可能授出的購股權而可予發行之股份最高數目不應超過相等於本公司於計劃批准當日的已發行股本之10%的股份數目。

每名參與者之最高權益

除非得到本公司股東批准，否則於任何12個月期間於行使授予各合資格參與者的購股權(包括已行使及尚未行使的購股權)而已發行及將予發行的股份總數不得超過已發行股份的1%。

購股權期間

有關任何特定購股權的計劃購股權期間將由董事於作出要約時釐定及通知其承授人，前提是有關期間不得超過自授出特定購股權當日起計十(10)年，惟須符合計劃所載有關其提早終止的條文。

SHARE OPTION SCHEME (Continued)

Acceptance of offer

Any offer of the option of the Company may be accepted by an eligible participant in the duplicate letter of option grant letter comprising acceptance of the offer duly signed by such eligible participant and received by the Company together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof within twenty-one (21) days from the offer date.

Exercise price

The exercise price shall be determined at the discretion of the Board at its absolute discretion, provided that it shall be not less than the highest of: (a) the closing price of the shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a Business Day; (b) the average of the closing prices of the shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) Business Days immediately preceding the offer date; (c) the nominal value of the share on the offer date.

Remaining life of the Scheme

The Directors shall be entitled at any time within 10 years commencing on 29 March 2016 to offer the grant of an option to any eligible participant. The Scheme will expire on 28 March 2026.

During the six months ended 30 June 2019, the Company granted 12,000,000 share options on 26 April 2019, all of which were subsequently cancelled on 27 June 2019. There is no outstanding share option of the Company as at 30 June 2019.

購股權計劃(續)

接受要約

合資格參與者可於要約日期起計二十一(21)日內透過一式兩份購股權授予函件(包括有關合資格參與者正式簽署接受要約及由本公司收妥), 連同向本公司支付獲授購股權之代價1.00港元接受本公司有關購股權之任何要約。

行使價

行使價將由董事會全權酌情釐定, 惟不得低於以下各項之最高者: (a) 股份於要約日期(必須為營業日)在聯交所每日報價表所示在聯交所的收市價; (b) 股份於緊接要約日期前五(5)個營業日在聯交所每日報價表所示的平均收市價; (c) 股份於要約當日的面值。

計劃之剩餘年期

董事將有權於二零一六年三月二十九日起計10年內隨時向任何合資格參與者授出購股權。計劃將於二零二六年三月二十八日屆滿。

於截至二零一九年六月三十日止六個月內, 本公司於二零一九年四月二十六日授出12,000,000份購股權, 並於二零一九年六月二十七日將其全部註銷。於二零一九年六月三十日, 本公司概無尚未行使之購股權。

Other Information 其他資料

SHARE OPTION SCHEME (Continued)

Remaining life of the Scheme (Continued)

Details of the movements of share options under the Share Option Scheme during the six months ended 30 June 2019 are as follows:

購股權計劃(續)

計劃之剩餘年期(續)

於截至二零一九年六月三十日止六個月內，根據購股權計劃授出之購股權變動詳情如下：

Name or category of participant	As at 1 January 2019 於 二零一九年 一月一日	Number of share options 購股權數目			As at 30 June 2019 於 二零一九年 六月三十日	Date of grant 授出日期	Exercise price HK\$ 行使價 港元	Exercise period 行使期
		Granted 授出	Exercised 已行使	Lapsed/ Cancelled/ Forfeited 已註銷/ 已失效/ 已沒收				
Director 董事								
Mr. Lam Wah 林華先生	—	500,000	—	500,000	— 26 Apr 2019 二零一九年 四月二十六日	7.128	26 Apr 2019– 25 Apr 2024 二零一九年四月二十六日 至二零二四年 四月二十五日	
Others 其他人士	—	11,500,000	—	11,500,000	— 26 Apr 2019 二零一九年 四月二十六日	7.128	26 Apr 2019– 25 Apr 2024 二零一九年四月二十六日 至二零二四年 四月二十五日	

RELATED PARTY TRANSACTIONS

The Group entered into certain transactions with parties regarded as “Related Parties” under applicable accounting principles. These mainly relate to contracts entered into by the Group in the ordinary course of business, contracts of which were negotiated on normal commercial terms and on an arm’s length basis. Further details are set out in note 20 to the condensed consolidated interim financial information.

REVIEWED BY AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, Mr. Leung Tsz Wing (Chairman), Mr. Zhang Guozhi and Mr. Ip Mei Shun, with written terms of reference in accordance with the requirements of the Listing Rules, and reports to the Board. The Audit Committee has reviewed with management the principal accounting policies adopted by the Group and discussed internal controls and financial reporting matters including a review of the Group’s unaudited condensed consolidated interim financial information for the six months ended 30 June 2019.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the period under review.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders of the Company and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “CG Code”) contained in Appendix 14 to the Listing Rules since 11 December 2013, the date on which dealings in its shares first commence on the Stock Exchange. For the six months ended 30 June 2019, the Company has complied with the code provisions set out in the CG Code with the following exception:

關連方交易

本集團與根據適用會計原則被視為「關連方」之人士訂立若干交易。此等交易主要涉及本集團於日常業務過程中按一般商業條款經公平原則磋商而訂立之合約。其他有關詳情載於簡明綜合中期財務資料附註20。

由審核委員會審閱

審核委員會由三名獨立非執行董事：梁子榮先生(主席)，張國智先生及葉美順先生所組成，向董事會匯報，而其書面職權範圍符合上市規則的規定。審核委員會與管理層已檢討本集團採納的主要會計政策，並討論內部監控及財務申報事宜，包括審閱本集團截至二零一九年六月三十日止六個月之未經審核簡明綜合中期財務資料。

購買、出售或贖回股份

在回顧期內，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

遵守企業管治守則

本集團致力維持高水平的企業管治，以保障本公司股東權益及提升企業價值及問責性。本公司自二零一三年十二月十一日(其股份首次開始於聯交所買賣日期)起已採納上市規則附錄14所載企業管治守則(「企業管治守則」)所載的原則。於截至二零一九年六月三十日止六個月，本公司已遵守企業管治守則所載守則條文，惟以下除外：



Other Information 其他資料

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (Continued)

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Following the retirement of Mr. Lo Kin Ching Joseph as the chairman of the Company after the conclusion of the annual general meeting of the Company held on 12 June 2018 and the resignation of Mr. Wong Hin Shek as the chief executive officer of the Company on 28 November 2018, the Company has not appointed the chairman or chief executive officer since then, and the roles and functions of the chairman and chief executive officer have been performed by all the executive Directors collectively. The Company is looking for suitable candidates to fill the vacancies of the chairman and the chief executive officer of the Company, and will issue a further announcement as and when appropriate.

Code provision A.4.1 of the CG Code requires that non-executive directors should be appointed for a specific term, subject to re-election. The independent non-executive Directors have not been appointed for any specific terms as they are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's articles of association.

Code provision E.1.2 of the CG Code requires that the chairman of the Board should attend the annual general meeting of the Company. The Company does not have the title of chairman of the Board since 12 June 2018. Mr. Lam Wah, an executive Director, took the chair of the annual general meeting of the Company held on 12 June 2019 (the "2019 AGM"), and other members of the Board (including the chairman of each of the Audit Committee and the Remuneration Committee and members of the Nomination Committee) attended the 2019 AGM to ensure effective communication with the shareholders of the Company.

The Company regularly reviews its corporate governance practices to ensure they comply with the CG Code and align with the latest developments.

遵守企業管治守則(續)

企業管治守則守則條文第A.2.1訂明，主席及行政總裁的職位應有所區分，且不應由同一人擔任。勞建青先生在本公司於二零一八年六月十二日舉行的股東週年大會結束後退任本公司主席及王顯碩先生於二零一八年十一月二十八日辭任本公司行政總裁，本公司其後並無委任主席及行政總裁，而主席及行政總裁的職責及職能由全體執行董事共同履行。本公司正在尋覓合適人選填補本公司主席及行政總裁的職務空缺，並將於適當時候另行刊發公告。

企業管治守則守則條文第A.4.1規定非執行董事應須有特定任期並應接受重選。獨立非執行董事均並無特定任期，由於彼等須根據本公司組織章程細則在本公司股東週年大會上輪值告退及膺選連任。

企業管治守則守則條文第E.1.2訂明，董事會主席應出席本公司股東週年大會。本公司自二零一八年六月十二日起無董事會主席頭銜。執行董事林華先生主持本公司於二零一九年六月十二日舉行的股東週年大會（「二零一九年股東週年大會」），且其他董事會成員（包括審核委員會及薪酬委員會各自的主席以及提名委員會成員）均有出席二零一九年股東週年大會，確保與本公司股東的有效溝通。

本公司定期審議其企業管治常規，以確保已遵守企業管治守則及緊貼企業管治最新發展。

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' dealings in the Company's securities. Following specific enquiry made to the Directors, each of them has confirmed their compliance with the required standard set out in the Model Code throughout the period from 1 January 2019 to 30 June 2019.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, the Company has maintained the prescribed minimum public float under the Listing Rules.

APPRECIATION

On behalf of the Board, I would like to express my heartfelt gratitude to all of our staff for their hard work and dedication. I would also like to thank our business partners and associates, bankers and auditors for their continued trust, as well as you, our shareholders, for your constant support.

By order of the Board
Bisu Technology Group International Limited
Lam Wah
Executive Director

Hong Kong, 28 August 2019

本公司董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載標準守則，作為其本身就董事買賣本公司證券的行為守則。經向董事作出特定查詢後，彼等各自確認彼等於二零一九年一月一日至二零一九年六月三十日整個期間內一直遵守標準守則所載的規定標準。

足夠公眾持股量

根據可供本公司公眾查閱的資料及據本公司董事於本公告日期所知，本公司已維持上市規則規定的最低公眾持股量。

鳴謝

本人謹代表董事會，對全體員工的努力及貢獻致以衷心謝意，並對業務夥伴及合作夥伴、往來銀行及核數師的長期信賴以及股東的支持深表感謝。

承董事會命
比速科技集團國際有限公司
執行董事
林華

香港，二零一九年八月二十八日



Corporate Information

公司資料

REGISTERED OFFICE

Cricket Square, Hutchins
Drive PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 1001, 10/F., Wing On Centre,
111 Connaught Road Central, Hong Kong

EXECUTIVE DIRECTORS

Mr. Xing Bin
Mr. Lam Wah

NON-EXECUTIVE DIRECTOR

Mr. Wong Hin Shek (*resigned on 12 April 2019*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Tsz Wing
Mr. Zhang Guozhi (*appointed on 28 February 2019*)

Mr. Ip Mei Shun (*appointed on 12 April 2019*)

Mr. Chan Kai Wing (*resigned on 28 February 2019*)

Mr. Yip Tai Him (*resigned on 12 April 2019*)

註冊辦事處

Cricket Square, Hutchins
Drive PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處兼主要營業地點

香港干諾道中111號
永安中心10樓1001室

執行董事

邢濱先生
林華先生

非執行董事

王顯碩先生(於二零一九年四月十二日
辭任)

獨立非執行董事

梁子榮先生
張國智先生(於二零一九年二月二十八日
獲委任)
葉美順先生(於二零一九年四月十二日
獲委任)
陳繼榮先生(於二零一九年二月二十八日
辭任)
葉棣謙先生(於二零一九年四月十二日
辭任)

AUDIT COMMITTEE

Mr. Leung Tsz Wing (*appointed as a chairman on 28 February 2019*) (*Chairman*)

Mr. Yip Tai Him (*resigned on 12 April 2019*)

Mr. Zhang Guozhi (*appointed on 28 February 2019*)

Mr. Ip Mei Shun (*appointed on 12 April 2019*)

Mr. Chan Kai Wing (*resigned on 28 February 2019*)

REMUNERATION COMMITTEE

Mr. Ip Mei Shun (*appointed on 12 April 2019*) (*Chairman*)

Mr. Yip Tai Him (*resigned on 12 April 2019*)

Mr. Leung Tsz Wing

Mr. Zhang Guozhi (*appointed on 28 February 2019*)

Mr. Chan Kai Wing (*resigned on 28 February 2019*)

NOMINATION COMMITTEE

Mr. Zhang Guozhi (*appointed on 28 February 2019*) (*Chairman*)

Mr. Yip Tai Him (*resigned on 12 April 2019*)

Mr. Leung Tsz Wing

Mr. Chan Kai Wing (*resigned on 28 February 2019*)

Mr. Ip Mei Shun (*appointed on 12 April 2019*)

COMPANY SECRETARY

Mr. Lam Wah

審核委員會

梁子榮先生(於二零一九年二月二十八日獲委任為主席)(主席)

葉棣謙先生(於二零一九年四月十二日辭任)

張國智先生(於二零一九年二月二十八日獲委任)

葉美順先生(於二零一九年四月十二日獲委任)

陳繼榮先生(於二零一九年二月二十八日辭任)

薪酬委員會

葉美順先生(於二零一九年四月十二日獲委任)(主席)

葉棣謙先生(於二零一九年四月十二日辭任)

梁子榮先生

張國智先生(於二零一九年二月二十八日獲委任)

陳繼榮先生(於二零一九年二月二十八日辭任)

提名委員會

張國智先生(於二零一九年二月二十八日獲委任)(主席)

葉棣謙先生(於二零一九年四月十二日辭任)

梁子榮先生

陳繼榮先生(於二零一九年二月二十八日辭任)

葉美順先生(於二零一九年四月十二日獲委任)

公司秘書

林華先生



Corporate Information

公司資料

CAYMAN ISLANDS SHARE REGISTRAR

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

AUDITOR

Zenith CPA Limited
Certified Public Accountants
Rooms 2103-05, 21/F Dominion Centre
43-59 Queen's Road East
Wanchai
Hong Kong

SHARE INFORMATION

Ordinary share listing

Place of listing	Main Board of The Stock Exchange of Hong Kong Limited
Stock code	1372
Board lot size	1,000 shares

WEBSITE OF THE COMPANY

www.bisu-tech.com

開曼群島股份過戶登記處

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

核數師

誠豐會計師事務所有限公司
執業會計師
香港
灣仔
皇后大道東43-59號
東美中心21樓2103-05室

股份資料

普通股上市

上市地點	香港聯合交易所有限公司主板
股份代號	1372
每手買賣單位	1,000股

公司網址

www.bisu-tech.com

