



SILVER GRANT INTERNATIONAL INDUSTRIES LIMITED

銀建國際實業有限公司

股份代號 Stock code: 171



2017

中期財務報告
Interim Financial Report

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FINANCIAL HIGHLIGHTS 財務摘要

Six months ended 30 Jun

截止6月30日止6個月

		2017	2016	Changes
		HK\$'m	HK\$'m	變動
		百萬港元	百萬港元	%
				百分比
Profit for the period	期內溢利	151	9	1,578%
Profit for the period attributable to Owners of the Company	本公司擁有人應佔期內溢利	113	47	140%
Total Assets	資產總值	10,696	11,496	(7%)
Equity Attributable to Owners of the Company	本公司擁有人應佔股本	6,488	6,842	(5%)
Pledged Bank Deposits, Bank Balances and Cash	抵押銀行存款、銀行結餘及現金	204	824	(75%)

				Changes
		HK\$	HK\$	變動
		港元	港元	%
				百分比
Key Performance and Liquidity Indicators:	主要營運表現及財務狀況指標：			
Basic Earnings Per Share	每股基本盈利	0.049	0.020	145%
Net Assets Per Share (Note 1)	每股資產淨值(附註1)	2.81	2.97	(5%)
Projected P/E Ratio (Note 1)	預期市盈率(附註1)	12.0x	20.6x	(42%)
Return on Capital Employed (Note 2)	股本回報率(附註2)	3.5%	1.4%	150%
Return on Total Assets (Note 3)	總資產回報率(附註3)	2.1%	0.8%	163%
Gearing Ratio (Note 4)	借貸比率(附註4)	47.9%	47.7%	1%
Adjusted Gearing Ratio (Note 5)	經調整借貸比率(附註5)	44.8%	35.6%	26%
Current Ratio (Note 6)	流動比率(附註6)	1.3x	1.7x	(24%)
Interest Coverage (Note 7)	利息償付比率(附註7)	5.5x	2.4x	129%

Notes:

1. Based on 2,304,849,611 shares issued and fully paid as at 30 June 2017 (2016: 2,304,849,611 shares) and the market closing price of HK\$1.18 (2016: HK\$0.84) per share.
2. Calculated as profit for the period attributable to owners of the Company times two over equity attributable to owners of the Company.
3. Calculated as profit for the period attributable to owners of the Company times two over total assets.
4. Calculated as total borrowings over equity attributable to owners of the Company.
5. Calculated as net borrowings over equity attributable to owners of the Company.
6. Calculated as current assets over current liabilities.
7. Calculated as profit for the period before finance costs and taxation over finance costs.

附註：

1. 基於2017年6月30日已發行及已繳足股份2,304,849,611股(2016年：2,304,849,611股)及收市價每股1.18港元(2016年：0.84港元)計算所得。
2. 以本公司擁有人應佔期內溢利乘以二除以本公司擁有人應佔股本計算所得。
3. 以本公司擁有人應佔期內溢利乘以二除以資產總值計算所得。
4. 以借貸總額除以本公司擁有人應佔股本計算所得。
5. 以借貸淨額除以本公司擁有人應佔股本計算所得。
6. 以流動資產除以流動負債計算所得。
7. 以扣除財務費用及稅項前之期內溢利除以財務費用計算所得。

BOARD OF DIRECTORS

The board of directors (the "Board") of Silver Grant International Industries Limited (the "Company") during the period and as at the date of this interim financial report are set out below:

Executive directors

Gao Jian Min (*Managing Director*)
Liu Tianni (*Deputy Managing Director*)
Ma Yilin (appointed on 20 January 2017)
Gu Jianguo (resigned on 20 January 2017)

Non-executive directors

Luo Zhenhong (*Chairman*) (appointed on 28 August 2017)
Wu Songyun (*Chairman*) (appointed on 20 January 2017 and resigned on 28 August 2017)
Chen Xiaozhou (*Chairman*) (resigned on 20 January 2017)
Hui Xiao Bing (*Vice Chairman*)
Chen Qiming (*Vice Chairman*)

Independent non-executive directors

Liang Qing
Zhang Lu
Hung Muk Ming

AUDIT COMMITTEE

Hung Muk Ming (*Committee Chairman*)
Liang Qing
Zhang Lu

REMUNERATION COMMITTEE

Zhang Lu (*Committee Chairman*)
Liang Qing

NOMINATION COMMITTEE

Luo Zhenhong (*Committee Chairman*) (appointed on 28 August 2017)
Wu Songyun (*Committee Chairman*) (appointed on 20 January 2017 and resigned on 28 August 2017)
Chen Xiaozhou (*Committee Chairman*) (resigned on 20 January 2017)
Zhang Lu
Hung Muk Ming

董事會

於本期間以及本中期財務報告日的銀建國際實業有限公司(「本公司」)董事會(「董事會」)呈列如下：

執行董事

高建民(*董事總經理*)
劉天倪(*副董事總經理*)
馬澤林(於2017年1月20日獲委任)
顧建國(於2017年1月20日辭任)

非執行董事

羅振宏(*主席*)(於2017年8月28日獲委任)
吳松雲(*主席*)(於2017年1月20日獲委任並於2017年8月28日辭任)
陳孝周(*主席*)(於2017年1月20日辭任)
惠小兵(*副主席*)
陳啓明(*副主席*)

獨立非執行董事

梁青
張璐
洪木明

審核委員會

洪木明(*委員會主席*)
梁青
張璐

薪酬委員會

張璐(*委員會主席*)
梁青

提名委員會

羅振宏(*委員會主席*)(於2017年8月28日獲委任)
吳松雲(*委員會主席*)(於2017年1月20日獲委任並於2017年8月28日辭任)
陳孝周(*委員會主席*)(於2017年1月20日辭任)
張璐
洪木明

COMPANY SECRETARY

Chow Kwok Wai

COMPANY LAWYER

Tung & Co. Solicitors

LEGAL COUNSELOR

Tung Tat Chiu, Michael

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Nanyang Commercial Bank, Limited
The Hongkong and Shanghai Banking Corporation Limited
China Citic Bank International Limited

SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
Level 22, Hopewell Centre,
183 Queen's Road East,
Hong Kong
(Tel: 29801888 Fax:28610285)

REGISTERED OFFICE

Suite 4901, 49th Floor,
Office Tower, Convention Plaza,
1 Harbour Road, Wanchai, Hong Kong
(Tel: 28770030 Fax: 28029506)

COMPANY WEBSITE

<http://www.silvergrant.com.hk>

STOCK CODE

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公司秘書

周國偉

公司律師

佟達釗律師行

法律顧問

佟達釗

核數師

德勤 • 關黃陳方會計師行
執業會計師

主要往來銀行

中國銀行(香港)有限公司
南洋商業銀行有限公司
香港上海匯豐銀行有限公司
中信銀行(國際)有限公司

股份登記及過戶處

卓佳秘書商務有限公司
香港
皇后大道東 183 號
合和中心 22 樓
(電話：29801888 傳真：28610285)

註冊辦事處

香港灣仔港灣道 1 號
會展廣場辦公大樓
49 樓 4901 室
(電話：28770030 傳真：28029506)

公司網址

<http://www.silvergrant.com.hk>

股份代號

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REVIEW OF RESULTS

Profit for the period attributable to owners of the Company increased by approximately HK\$66.1 million to approximately HK\$113.1 million (2016: HK\$46.9 million), representing an increment of 141%. Basic earnings per share also increased proportionately by 145% to approximately HK\$0.049 (2016: HK\$0.020).

Increase in profit was mainly attributable to the significant improvement in operating results achieved by the subsidiary Tai Zhou United East Petrochemical Company Limited ("TZ United East") and the associate Zhong Hai You Qi (Taizhou) Petrochemical Company Limited ("Zhong Hai You Qi") during the current period.

In the first half of 2017, the global economy recovered moderately. The global crude oil supply gradually tends to be balanced, the international crude oil price increased prominently as compared with the corresponding period of last year. As a result, the overall selling prices of petrochemical products in Mainland China recorded a moderate increase. In additions, as production efficiency and effectiveness was enhanced under the joint production arrangements, the operating results of TZ United East and Zhong Hai You Qi during the current period have recorded significant improvement. The net loss of TZ United East reduced significantly by HK\$39.3 million to approximately HK\$50.1 million in the current period (2016: HK\$89.4 million). Share of results of associates from Zhong Hai You Qi improved significantly from loss of approximately HK\$0.9 million in the previous period to profit of approximately HK\$164.6 million in the current period. Profit contribution from the petrochemical products businesses, having taken into account the effect of the one-off gain on early redemption of loan receivable with embedded derivative of approximately HK\$75.8 million in the previous period, has made great contribution to the improvement and increase in the net profit in the current period.

業績回顧

本公司擁有人應佔期內溢利增加約66,100,000港元至約113,100,000港元(2016年:46,900,000港元),增幅141%。每股基本盈利同時按相同比例增加145%至約0.049港元(2016年:0.020港元)。

溢利增加的原因乃主要是附屬公司泰州東聯化工有限公司(「泰州東聯化工」)及聯營公司中海油氣(泰州)石化有限公司(「中海油氣」)於本期間之經營業績取得大幅改善所致。

於2017年上半年,全球經濟溫和復蘇。全球原油供應趨向平衡,國際原油價格較去年同期明顯上升。因此,中國國內的石油化工產品售價也普遍地錄得上升。加上於本期間通過聯合生產安排下,促進並提高生產效率及效益,泰州東聯化工及中海油氣於本期間之經營業績均錄得大幅改善。泰州東聯化工於本期間之淨虧損大幅減少約39,300,000港元至約50,100,000港元(2016年:89,400,000港元)。攤佔聯營公司中海油氣之業績也從去年同期虧損約900,000港元大幅改善至本期間錄得溢利約164,600,000港元。來自石油化工產品業務的溢利,經計及去年同期來自提前贖回附有嵌入式衍生工具之應收貸款的一次性收益約75,800,000港元的影響後,仍然為本期間的淨溢利之改善及增加作出重大的貢獻。

REVIEW OF RESULTS (Continued)

Changes in Consolidated Statement of Profit or Loss Items:

Rental income

The decrease was mainly due to the recognition of under accrued rental income in previous years amounting to approximately HK\$12.4 million in the previous period following an extensive review by the Group carried on rental operations to cope with the replacement of business tax by value-added tax which was effective from 1 May 2016.

Sales of petrochemical products/Cost of sales and services

Increase in both items are mainly attributable to the increase in direct selling of raw materials by TZ United East in the current period. The raw materials were those acquired through previously contracted supply contracts.

Administrative expenses and other expenses

Comparing the aggregated amount of the two categories of expenses, the decrease was mainly due to most of the administrative expenses of TZ United East was absorbed by the associate, Zhong Hai You Qi under the joint production arrangements in the current period.

Change in fair value of loan receivable with embedded derivative

Loan receivable with embedded derivative represent the exchangeable bond issued by China Uranium Development Company Limited ("CUDC") to the Company on 1 June 2012 with a term of five years and coupon interest at 5% per annum and is exchangeable into certain quantities of the listed shares of CGN Mining Company Limited (Stock code: 1164) upon fulfillment of certain conditions (the "Bond"). CUDC early redeemed all the principal amount outstanding under the Bond on 6 May 2016 in cash. Accordingly, a one-off gain was recognised upon the redemption of the Bond in the previous period only.

業績回顧(續)

綜合損益表科目之變動：

租金收入

減少主要是由於於去年期間就應對2016年5月1日起生效的營業稅改徵增值稅政策，經本集團全面檢視其租務運作後。並就以往年度確認少計提租金約12,400,000港元所致。

石油化工產品銷售／銷售及服務成本

兩個項目的增加的主要原因都是由於泰州東聯化工於本期間增加直接出售原材料所致。該等原材料乃是根據以前年度已簽訂的供應合同項下購入的原材料。

行政費用及其他費用

比較兩項費用類別的總額，減少主要是由於泰州東聯化工於本期間的大部份行政費用在聯合生產安排下，由聯營公司中海油氣吸納承擔所致。

附有嵌入式衍生工具之應收貸款公允值變動

附有嵌入式衍生工具之應收貸款代表由中國鈾業發展有限公司(「中國鈾業」)於2012年6月1日發行予本公司之五年期及票面利息為年利率5%並且在符合若干條件的情況下可置換為若干中廣核礦業有限公司(股份代號：1164)之上市股份之可換股債券(「債券」)。中國鈾業於2016年5月6日以現金提前贖回債券之全部未償還本金額。因此，只於去年同期於贖回該債券時確認一筆一次性收益。

REVIEW OF RESULTS (Continued)

Changes in Consolidated Statement of Profit or Loss Items: (Continued)

Finance costs

Decrease was mainly due to most of the finance costs of TZ United East was absorbed by the associate, Zhong Hai You Qi under the joint production arrangements in the current period.

Share of results of associates

The amount in the current period principally represent the share of profits of Zhong Hai You Qi amounting to approximately HK\$164.6 million. The increase was also attributable to the significant improvement in the operation results of Zhong Hai You Qi.

Non-controlling interests

The amount in the current period mainly represent the minority interests' share of the profit of Tai Zhou Dong Thai Petrochemical Company Limited ("TZ Dong Thai") whereas the amount in the previous period mainly represent the minority interests' share of the loss of TZ United East. TZ Dong Thai is the immediate holding company of Zhong Hai You Qi and thus benefited from the significant improvement in operating results of the same.

BUSINESS REVIEW & PROSPECTS

Properties leasing

Rental income for the current period amounted to approximately HK\$47.1 million (2016: HK\$56.2 million), decreased by approximately 16%. Decrease in rental income was mainly due to the recognition of under accrued rental income in previous years amounting to approximately HK\$12.4 million in the previous period following an extensive review carried on rental operations to cope with the replacement of business tax by value-added tax which was effective from 1 May 2016.

業績回顧(續)

綜合損益表科目之變動：(續)

財務費用

減少主要是由於泰州東聯化工於本期間的大部份財務費用在聯合生產安排下，由聯營公司中海油氣吸納承擔所致。

攤佔聯營公司業績

本期間之金額主要為攤佔中海油氣溢利約164,600,000港元。增加同時亦為中海油氣經營業績取得大幅改善所致。

非控制權益

本期間之金額主要為少數股東攤佔泰州東泰石化有限公司(「泰州東泰」)之溢利，而去年同期之金額則主要是少數股東攤佔泰州東聯化工之虧損。泰州東泰為中海油氣之直接控股公司，並因此受惠於後者大幅改善的經營業績。

業務回顧及展望

物業租賃

本期間之租金收入金額約為47,100,000港元(2016年：56,200,000港元)，減少約16%。租金收入減少主要是於去年期間就應對2016年5月1日起生效的營業稅改徵增值稅政策，經本集團全面檢視其租務運作後，就以往年度確認少計提租金約12,400,000港元所致。

BUSINESS REVIEW & PROSPECTS (Continued)

Properties leasing (Continued)

The occupation rates of the commercial portion and the residential portion of East Gate Plaza in the current period was approximately 96% and 92% respectively (2016: 91% and 97% respectively). The property leasing segment recorded a profit of approximately HK\$47.6 million (2016: HK\$69.7 million) for the current period. Segment profit decreased further was a direct result of the decrease in fair value gain upon revaluation of investment properties. Fair value gain for the current period was approximately HK\$26.5 million (2016: HK\$32.5 million).

On 30 June 2017, the Company completed the disposal of its entire interest in Straight View Investment Limited ("Straight View") at a cash consideration of HK\$31.7 million in aggregate. Straight View is an investment vehicle of the Company to hold the Group's 90% interest in Beijing Yinda Property Management Limited ("Yinda"). Yinda is a company established in the PRC whose principal business is the provision of property management services in Beijing. Even though the property management business of Yinda remained stable in terms of number of projects and gross floor area managed for the last five years, the results recorded by Yinda in the property management segment in the corresponding period could not keep up with the growing trend in its total revenue. In anticipation of continuing growth in labour cost in the PRC whilst it is doubtful as to whether Yinda could secure new projects or could increase management fees to keep up with the increasing labour cost, the Board expects that the operating results of the property management segment will continue to be volatile and is likely to incur loss in the foreseeable future.

Having considered that the property management business operated by Yinda is not able to contribute a stable profit to the Group, is a labour intensive business and will not be able to solicit any significant business opportunities in the foreseeable future, the Board is of the view that the property management business simply cannot meet the Board's expectation and thus decided to cease investing in such business segment.

業務回顧及展望(續)

物業租賃(續)

東環廣場本期間之商業部份及住宅部份的出租率分別約為96%及92% (2016年：分別為91%及97%)。物業租賃分部於本期間錄得溢利約47,600,000港元(2016年：69,700,000港元)。分部溢利進一步減少之直接原因是重估投資物業產生之公允值收益減少所致。本期間之公允值收益約26,500,000港元(2016年：32,500,000港元)。

本公司於2017年6月30日完成以現金代價總額31,700,000港元出售藝景投資有限公司(「藝景」)全部權益。藝景為本公司藉以持有本集團於北京銀達物業管理有限責任公司(「銀達」)90%權益之投資載體。銀達為一家於中國成立之公司，其主要業務為於北京提供物業管理服務。儘管銀達之物業管理業務於過去五年內之項目數目及所管理的樓面總面積維持穩定，銀達物業管理分部於同期錄得之業績未能追上其收入總額之增長趨勢。鑒於預期中國勞動力成本將持續增加，而銀達能否取得新項目或提高管理費以追上提高之勞動力成本仍存疑，董事會預期物業管理分部之經營業績於可預見之未來將持續波動及可能招致虧損。

考慮到銀達所經營之物業管理業務未能為本集團貢獻穩定溢利，銀達為一項勞動力密集型業務及在可預見之將來無法取得任何重大商機，董事會認為物業管理業務根本無法滿足董事會之期望，故決定終止投資於該業務分部。

BUSINESS REVIEW & PROSPECTS (Continued)

Properties leasing (Continued)

While executing the business plans and strategy of the Group for 2017 and onward, the Board has also decided to cease investing in distressed assets business and sales of properties business as there is no actual operating activity for the last five years in respect of these two business segments.

Petrochemical Products

In light of the fact that there are complementary advantages in the raw materials structure, the manufacturing processes and the common engineering systems employed in production by TZ United East and Zhong Hai You Qi, TZ United East and Zhong Hai You Qi has reached a joint production arrangements in 2017 for the purpose of enhancing production effectiveness and efficiency of each other. Under the joint production arrangements, Zhong Hai You Qi will provide the critical raw material including crude oil and fuel oil and appoint TZ United East to carry out the production processes as a subcontractor. Consequently, Zhong Hai You Qi will oversee sales on a group basis. Through joint production arrangements, the purpose of centralizing the processing of resources, reducing logistic costs, consolidating complimentary advantages and enhancing the economics of scale and synergy effect is achieved.

業務回顧及展望(續)

物業租賃(續)

於執行本集團2017年起之業務計劃及策略時，董事會同時亦決定停止投資不良資產業務及物業銷售業務，原因為此兩項業務分部於過去的五載概無實質經營活動。

石油化工產品

鑒於泰州東聯化工和中海油氣在原料結構、生產工序及公用工程系統等方面存在互補性的優點，泰州東聯化工與中海油氣協定於2017年通過聯合生產安排方式提高彼此的生產效率和效益。在聯合生產安排下，中海油氣將提供包括原油及燃料油等關鍵生產原材料並委託泰州東聯化工以承包方式進行生產加工，接著再由中海油氣統一進行銷售。通過聯合生產安排實現了資源集中加工、降低物流成本、促進優勢互補、充份發揮經濟規模效益和協同效益之目的。

BUSINESS REVIEW & PROSPECTS (Continued)

業務回顧及展望(續)

TZ United East

泰州東聯化工

The operating results of TZ United East are summarized below:

泰州東聯化工的經營業績摘要如下：

		2017 Tons 噸	2016 Tons 噸	Changes 變動 %
Raw materials processed	原材料加工	562,800	—	N/A 不適用
Raw materials sold	原材料銷售	22,618	6,032	275%

		HK\$'m 百萬港元	HK\$'m 百萬港元	Changes 變動 %
Revenue	收入	152.9	11.2	1,265%
Net loss	淨虧損	50.1	89.4	(44%)

Revenue for both periods represented revenue received from the direct selling of the raw materials acquired through previously contracted supply contracts. As the revenue from sale of raw materials is limited which is not capable of covering all the operating expenses during the period. Therefore, TZ United East incurred a net loss for both periods. However, net loss for the current period reduced significantly as a result of the joint production arrangements which benefited TZ United East by way of recovering certain direct production costs like direct labour costs, consumables, interest expenses and depreciation, etc.

兩個期間錄得的收入乃是根據以前年度已簽訂的供應合同項下購入的原材料轉為直接出售所得。由於期內原材料銷售收入有限，不足以抵銷期內的所有經營開支。因此，泰州東聯化工於兩個期間內錄得淨虧損。然而，本期間之虧損淨額大幅減少，原因是泰州東聯化工在聯合生產安排下受惠於收回如直接員工成本、消耗品、利息支出及折舊等若干直接生產成本。

BUSINESS REVIEW & PROSPECTS (Continued)

業務回顧及展望(續)

Zhong Hai You Qi

中海油氣

The operating results of Zhong Hai You Qi are summarized below:

中海油氣的經營業績摘要如下：

		2017 Tons 噸	2016 Tons 噸	Changes 變動 %
Annual production capacity	年產能	4,500,000	1,500,000	200%
Crude oil processed	原油加工	2,245,800	498,500	351%

		HK\$'m 百萬港元	HK\$'m 百萬港元	Changes 變動 %
Revenue	收入	9,862.6	1,183.9	733%
Net profit (loss)	淨溢利(虧損)	498.9	(2.8)	17,918%

After the completion of the Integration Project in September 2016, the annual production capacity of Zhong Hai You Qi was increased to 4,500,000 tons.

在一體化項目建設工程於2016年9月完工後，中海油氣之年產能已經增加至4,500,000噸。

In the first half of 2017, the global economy recovered moderately. The global crude oil supply gradually tends to be balanced, the international crude oil price increased prominently as compared with the corresponding period of last year. As a result, the overall selling prices of petrochemical products in Mainland China recorded a moderate increase. In additions, as production efficiency and effectiveness was enhanced under the joint production arrangements, the operating results of Zhong Hai You Qi during the current period have recorded significant improvement and contributed profit of approximately HK\$164.6 million (2016: loss of approximately HK\$0.9 million) to the Group.

2017年上半年，全球經濟溫和復蘇。全球原油供應趨向平衡，國際原油價格較去年同期明顯上升。因此，中國國內的石油化工產品售價也普遍地錄得上升。加上於本期間通過聯合生產安排下，促進並提高生產效率及效益，中海油氣於本期間之經營業績錄得大幅改善並為本集團貢獻溢利約164,600,000港元(2016年：虧損約900,000港元)。

BUSINESS REVIEW & PROSPECTS (Continued)

業務回顧及展望(續)

Financial Investments

金融投資

The carrying values of the Group's strategic investments as at 30 June 2017 amounted to approximately HK\$288.9 million in aggregate (31 December 2016: HK\$288.9 million) with individual allocation detailed below:

本集團所持之策略投資於2017年6月30日之賬面值總額約為288,900,000港元(2016年12月31日: 288,900,000港元), 其各自的份額詳列如下:

		Unaudited 未經審核 At 30 June 6月30日 2017 <i>HK\$'m</i> 百萬港元	Audited 經審核 At 31 December 12月31日 2016 <i>HK\$'m</i> 百萬港元
JC International	江銅國際	124.6	124.6
Beijing TeraSolar	兆陽光熱	64.7	64.7
CUP	中國銀聯	50.3	50.3
Kema Yinxiang	科馬印象	21.2	21.2
Hejing Zhongdao	合敬中道	22.5	22.5
Others	其他	5.6	5.6
		288.9	288.9

There is no change in the Group's strategic investments during the period.

本集團之策略性投資組合於本期間內並無發生變動。

GROWTH STRATEGIES & PROSPECT

To expand its existing investments in power and petrochemical products production remain the growth strategy of the Group. The Group is also actively searching and identifying investment and/or merger and acquisition opportunities which is capable of generating enormous profit and ample cash flows to the Group. The Board remains to focus on executing its business plan and strategy in 2017. The Board believes that these growth strategies will eventually result in extending the sources of recurring income and expanding the magnitude of recurring income.

The joint production arrangements carried out by TZ United East and Zhong Hai You Qi have indicated that profitability of both companies were enhanced and improved interim operating results as a whole. The Board anticipates that full year results of the petrochemical products businesses will also mark significant improvement under the joint production arrangements.

Nevertheless, the Board is currently investigating the feasibility of a collective capital restructure of the Group's petrochemical investments located in Tai Zhou for the purpose of achieving a more efficient and effective operation model in the long run.

FINANCIAL REVIEW

Exchange Exposure

The Group's principal assets, liabilities, revenue and payments are denominated in HKD and RMB. Moreover, the Board is capable of maintaining a net monetary asset position denominated in RMB for the Group. Therefore, the Board is confident that the Group's exposure to exchange rate fluctuations in respect of RMB will not have material adverse effect on the financial position of the Group given that the RMB to HKD exchange rate is maintained at a relatively stable range. In additions, the Board does not anticipate that there is any material exchange exposure in respect of other currencies.

發展策略及前景

本集團維持透過擴大於電力及石油化工產品生產方面的現有投資規模作為增長策略。本集團亦正積極尋找及物色可為本集團帶來龐大盈利及充足現金流的投資及／或併購機會。董事會於2017年內將繼續專注於執行其業務計劃及策略。董事會相信此等增長策略最終可延展經常性收入的來源及擴大經常性收入的金額。

泰州東聯化工及中海油氣共同執行的聯合生產安排顯示兩家公司的盈利能力均獲提高，並使中期經營業績整體取得大幅改善。董事會預期在聯合生產安排下，石油化工產品業務的全年度業績，亦將可取得大幅改善。

縱使如此，董事會現正就本集團於泰州的全部石油化工投資，進行整體性股本重組的可行性展開研究，期望長遠能達至更有效率和效益的營運模式。

財務回顧

匯兌風險

本集團的主要資產、負債、收入及支出都是以港元及人民幣為主。此外，董事會能夠為本集團維持一個人民幣金融性資產淨額的水平。董事會有信心，在人民幣兌港元匯率維持在相對穩定的區間的前題下，源自人民幣兌港元匯率變動所產生的匯兌風險將不會對本集團之財務狀況構成重大的負面影響。此外，就其他外幣而言，董事會並不預期將會出現任何重大的匯兌風險。

FINANCIAL REVIEW (Continued)

Exchange Exposure (Continued)

In the opinion of the Board, RMB will remain a regulated currency in the foreseeable future. Although the market is generally anticipating a wider RMB exchange rate fluctuation limits, the Board does not anticipate any material adverse effect on the financial position of the Group. However, the Board will closely monitor the future development of the RMB exchange rate and will take appropriate correction actions as necessary.

At the end of the reporting period, the Group has no material liability denominated in other foreign currencies other than RMB. There was also no hedging transaction contracted for by the Group during the current period.

Working Capital & Borrowings

As at 30 June 2017, the Group's total borrowings amounted to approximately HK\$3,109.3 million in aggregate. The composition of borrowings is summarized below:

		HK\$'m 百萬港元	Percentage 百分比
Short term borrowings	短期借貸	1,905.6	61%
Long term borrowings	長期借貸	1,203.7	39%
Total	總額	3,109.3	100%

Interests for all borrowings were charged at fixed and floating rates ranging from 2.3% per annum to 7.2% per annum.

As at 30 June 2017, the Group's cash and bank balances was approximately HK\$204.1 million in aggregate. The Group had net borrowing of approximately HK\$2,905.2 million. The Group had net current assets of approximately HK\$659.6 million. Based on the foregoing, the Board is confident that the Group has adequate working capital to meet daily operations and to finance future expansion.

財務回顧(續)

滙兌風險(續)

董事會意見認為，於可預見未來人民幣仍然將會是受管制之貨幣。雖然市場普遍預期人民幣將會擴寬滙率變動區間，然而董事會並不預期此舉將會對本集團之財務狀況構成重大的負面影響。唯董事會將會密切關注人民幣滙率的長期走勢，並且在有需要時制訂適當的應對措施。

於本報告期末，除人民幣外，本集團並無以其他外幣單位記賬之重大負債。同時，本集團於本期間內並無簽訂任何合同形式的對沖交易。

營運資金及借貸

於2017年6月30日，本集團之借貸總額約為3,109,300,000港元。借貸的組成摘要如下：

所有借貸之利息均是以固定及浮動利率計算，利率區間由年利率2.3%至年利率7.2%。

於2017年6月30日，本集團之現金及銀行結餘總額約為204,100,000港元。本集團之借貸淨額約為2,905,200,000港元。本集團擁有淨流動資產約659,600,000港元。基於以上，董事會對本集團擁有足夠的流動資金應付日常營運所需以及支持未來擴展具有信心。

FINANCIAL REVIEW (Continued)

Working Capital & Borrowings (Continued)

As at 30 June 2017, the Gearing Ratio (calculated as total borrowings over equity attributable to owners of the Company) and Current Ratio (calculated as current assets over current liabilities) of the Group were 47.9% (2016: 47.7%) and 1.3x (2016: 1.7x) respectively.

PLEDGE OF ASSETS

As at 30 June 2017, the Group pledged certain investment properties, leasehold land and buildings, land use rights and factory, plant and machinery with an aggregate carrying value at the end of the reporting period of approximately HK\$2,228.8 million (31 December 2016: HK\$2,205.2 million), HK\$217.5 million (31 December 2016: HK\$200.5 million), HK\$180.5 million (31 December 2016: HK\$182.5 million) and HK\$702.7 million (31 December 2016: HK\$719.8 million) respectively to secure general banking facilities granted to the Group, other loans and other payable to an independent third party.

As at 30 June 2017, the Group also pledged approximately HK\$0.8 million (31 December 2016: HK\$1.7 million) bank deposits to secure settlements for certain of Group's purchase of raw materials.

Changes in Items on Consolidated Statement of Financial Position:

Goodwill

Decrease was due to derecognition of the goodwill associated with the discontinued operation.

Interests in associates

Increase was mainly attributable to the share of results of associates for the current period amounting to approximately HK\$157.2 million.

財務回顧(續)

營運資金及借貸(續)

於2017年6月30日，本集團之借貸比率(即借貸總額除以本公司擁有人應佔股本計算所得)及流動比率(即流動資產除以流動負債計算所得)分別為47.9%(2016年：47.7%)及1.3x(2016年：1.7x)。

資產抵押

於2017年6月30日，本集團已將其於本報告期末累計賬面總額分別約為2,228,800,000港元(2016年12月31日：2,205,200,000港元)、217,500,000港元(2016年12月31日：200,500,000港元)、180,500,000港元(2016年12月31日：182,500,000港元)及702,700,000港元(2016年12月31日：719,800,000港元)之若干投資物業、租賃土地及樓宇、土地使用權及工廠、廠房及機器抵押作為本集團獲授予一般性銀行融資的條件、其他貸款及一名獨立第三方的其他應付款。

於2017年6月30日，本集團亦將其約800,000港元(2016年12月31日：1,700,000港元)之銀行存款抵押以擔保本集團購入若干原材料之還款。

綜合財務狀況表科目之變動：

商譽

減少是因為停止確認與已終止經營業務相關的商譽所致。

聯營公司權益

增加主要由於本期間攤佔聯營公司業績總額約157,200,000港元所致。

FINANCIAL REVIEW (Continued)

Changes in Items on Consolidated Statement of Financial Position: (Continued)

Amount due from associates

Increase was mainly attributable to the direct manufacturing expenses amounting to approximately HK\$278.2 million incurred by TZ United East during the current period, which will be recovered from the associate, Zhong Hai You Qi under the joint production arrangements.

Bank balances and cash

Decrease was mainly due to use of funds to finance the operations of TZ United East and the exclusion of the corresponding balances of Yinda with a carrying balance amounting to approximately HK\$163.1 million in aggregate as at 31 December 2016.

Deposits, prepayments and other receivables

Increase was mainly due to the cash consideration receivable from the disposal of Straight View and Yinda amounting to HK\$31.7 million and the dividend receivables from Straight View and Jiangxi Copper International Trading Co., Ltd. ("JC International") amounting to approximately HK\$25.6 million and approximately HK\$17.9 million respectively.

Trade and bills payables

Decrease was mainly attributable to due to the cessation of the property management business which has a carrying balance amounting to approximately HK\$65.1 million as at 31 December 2016.

Accrued charges, rental deposits and other payables

Decrease was mainly attributable to the cessation of the property management business which has carrying balance amounting to approximately HK\$79.8 million as at 31 December 2016 and the recognition of sales deposit received to sales in respect of the products sold in the current period amounting to approximately HK\$84.2 million.

財務回顧(續)

綜合財務狀況表科目之變動：(續)

應收聯營公司款

增加主要是泰州東聯化工於本期間根據聯合生產安排可向聯營公司中海油氣收回總額約278,200,000港元直接生產費用之應收款項所致。

銀行結餘及現金

減少主要是把資金用於泰州東聯化工營運所需以及不計算銀達的對應現金結餘其於2016年12月31日之賬面結餘金額為約163,100,000港元所致。

按金、預付款及其他應收款

增加主要是應收出售藝景及銀達之現金代價款項31,700,000港元以及應收藝景及江銅國際貿易有限公司(「江銅國際」)股息款項分別約25,600,000港元及約17,900,000港元所致。

應付賬款及票據

減少主要是由於停止經營物業管理業務其於2016年12月31日之賬面結餘約65,100,000港元所致。

應計費用、租務按金及其他應付款

減少主要是由於停止經營物業管理業務其於2016年12月31日之賬面結餘約79,800,000港元以及就於本期間內銷售該產品相關的已收取銷售按金確認為銷售之金額約84,200,000港元所致。

FINANCIAL REVIEW (Continued)

財務回顧(續)

Changes in Items on Consolidated Statement of Financial Position: (Continued) 綜合財務狀況表科目之變動：(續)

Borrowings

借貸

		Unaudited 未經審核 At 30 June 6月30日 2017 HK\$'000 千港元	Audited 經審核 At 31 December 12月31日 2016 HK\$'000 千港元
Carrying balances under non-current liabilities	非流動負債項下賬面結餘	1,203,693	1,487,075
Carrying balances under current liabilities	流動負債項下賬面結餘	1,905,630	1,621,026
Total	總額	3,109,323	3,108,101

There is no material change in total borrowings since 31 December 2016 except the re-allocation between non-current liabilities and current liabilities in accordance with the maturity dates of individual bank loans.

自2016年12月31日起借貸總額並無重大變化，唯根據個別銀行貸款之到期日重新分配及呈報非流動負債和流動負債結餘除外。

CAPITAL STRUCTURE

股本結構

As at 30 June 2017, the shareholders' fund of the Group was approximately HK\$6,487.8 million and is approximately HK\$130.7 million more than that as at 31 December 2016. The increase was mainly attributable to the retained profit of the period amounting to approximately HK\$113.1 million.

於2017年6月30日，本集團之股東資金約為6,487,800,000港元，較2016年12月31日的數額多出約130,700,000港元。增加主要來自本期間滾存溢利約113,100,000港元所致。

HUMAN RESOURCES

As at 30 June 2017, the Group employed 543 (31 December 2016: 1,453) employees in Hong Kong and in the PRC. The total number of employees decreased significantly was due to the cessation of the property management business which is a labour intensive business and hired 909 employees as at 31 December 2016. The Group offers its employees competitive remuneration packages, which are consistent with the prevailing market practices. The Group's remuneration policies remain unchanged during the current period. Total staff costs from continuing operations for the current period was approximately HK\$26.1 million (2016: HK\$54.7 million). The decrease was mainly due to absorption of most of the staff costs of TZ United East by the associate, Zhong Hai You Qi under the joint production arrangements during the period.

INTERIM DIVIDEND

The Board has resolved not declare an interim dividend for the six months ended 30 June 2017 (2016: nil).

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

During the six months ended 30 June 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities.

人力資源

於2017年6月30日，本集團於香港及中國共聘用543名(2016年12月31日：1,453名)僱員。僱員人數大幅減少是由於終止了人力密集型業務並且於2016年12月31日僱用909名僱員的物業管理業務所致。本集團為其僱員提供一套符合市場慣例且具有競爭性的薪酬制度。本集團的薪酬政策於本期間內維持不變。本期間之員工支出總額約為26,100,000港元(2016年：54,700,000港元)。員工支出減少主要是由於本期間泰州東聯化工的大部份員工支出由聯營公司中海油氣根據聯合生產安排吸納承擔所致。

中期股息

董事會議決不宣派截至2017年6月30日止6個月的中期股息(2016年：無)。

購回、出售或贖回本公司的上市證券

於截至2017年6月30日止6個月內，本公司或其任何附屬公司概無購回、出售或贖回任何其上市證券。

APPRECIATION

On behalf of the Board, I would like to express my appreciation and gratitude to our shareholders for their support and all the Group's employees for their hard work and dedication in carrying out their duties and in achieving the Group's business goal.

On behalf of the Board, I would like to express my appreciation and gratitude to Mr. Chen, Mr. Gu and Mr. Wu for their contributions and services to the Group during their tenure. The Board also give its warmest welcome to Mr. Luo and Mr. Ma in joining the Company.

By order of the Board of

Silver Grant International Industries Limited

Gao Jian Min

Executive Director and Managing Director

Hong Kong, 28 August 2017

致謝

本集團有賴各股東的鼎力支持和全體員工努力不懈的竭誠服務以達至本集團的業務目標，本人謹代表董事會向彼等致以深切謝意。

本人謹代表董事會藉此機會，向陳先生、顧先生及吳先生於任期內對本集團作出之貢獻及服務，致以衷心謝意。董事會同時熱烈歡迎羅先生及馬先生加盟本公司。

承董事會命

銀建國際實業有限公司

執行董事兼董事總經理

高建民

香港，2017年8月28日

CORPORATE GOVERNANCE

The Company is committed to ensure high standards of corporate governance in the interests of shareholders.

The Board acknowledges their responsibilities for preparing the consolidated financial statements, which give a true and fair view of the state of affairs of the Company and of the Group on a going concern basis. In preparing the consolidated financial statements for the six months ended 30 June 2017, the Board has selected suitable accounting policies and applied them consistently and made judgments and estimates that are prudent and reasonable.

The Company has complied with all code provisions set out in the Corporate Governance Code (the "Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the accounting period covered by the interim financial report.

The Company has adopted codes of conduct regarding securities transactions by directors and by relevant employees (as defined in the Code) on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules.

On specific enquiries made, all directors have confirmed that, in respect of the accounting period covered by the interim financial report, they have complied with the required standards set out in the Model Code and the Company's code of conduct regarding directors' securities transactions.

The condensed consolidated financial statements for the six months ended 30 June 2017 were unaudited but has been reviewed by the Audit Committee on 28 August 2017.

企業管治

為符合股東利益，本公司致力實行高水平的企業管治。

董事會確認按持續經營標準編制能真實及公平地反映本公司及本集團財務狀況的綜合財務報表乃屬其責任。在編制截至2017年6月30日止6個月之綜合財務報表時，董事會採用了合適的會計政策並持續應用該等會計政策，同時亦以保守及合理的態度作出判斷及估計。

在本中期財務報告所涵蓋的會計期間內，本公司有遵守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14所載之《企業管治守則》（「守則」）內的所有守則條文。

本公司就董事及有關僱員（定義見守則）進行的證券交易，已採納不遜於上市規則附錄10所載《上市發行人董事進行證券交易的標準守則》（「標準守則」）所訂的標準。

在回覆特定查詢時，所有董事均已確認就本中期財務報告所涵蓋的會計期間內有遵守標準守則及公司有關董事證券交易行為守則所訂的標準。

截至2017年6月30日止6個月的簡明綜合財務報表為未經審核，但已獲審核委員會於2017年8月28日審閱。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the period was the Company or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debenture of, the Company or any other body corporate, and neither the directors nor the chief executive nor any of their spouse or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

DIRECTORS' INTEREST IN SHARES

As at 30 June 2017, none of the directors and the chief executive of the Company nor any of its associates had any interests or short positions in any 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 ("SFO")) as recorded in the register as required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Company. None of the directors or their spouses or children under the age of 18, had been granted any right to subscribe for the equity or debt securities of the Company or any of its associated corporation, or had exercised any such right during the period.

購買股份或債權證的安排

本公司或其任何附屬公司概無於期內的任何時間以訂約一方身分訂立任何安排以促使本公司的董事可籍購入本公司或任何其他法人實體的股份或債權證以得益，及亦無董事或行政總裁或任何彼等配偶或18歲以下子女，擁有任何權利可認購本公司證券或曾行使任何該等權利。

董事之股份權益

於2017年6月30日，本公司董事及最高行政人員及其任何關聯人士概無於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第352條須存置於本公司的登記冊或根據上市發行人董事進行證券交易的標準守則須以其他方式知會本公司及聯交所的權益或淡倉。概無董事或彼等的配偶或18歲以下的子女獲授任何權利以認購本公司或其任何相聯法團的股本或債券，或於期內已行使任何上述權利。

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2017, persons other than a director or chief executive of the Company having interest in 5% or more of the issued share capital of the Company as recorded in the register required to be kept by the Company under Section 336 of SFO were as follows:

Long positions in shares and underlying shares of the Company as at 30 June 2017 are set out below:

主要股東

於2017年6月30日，於本公司根據證券及期貨條例第336條規定須予存置的登記冊記錄所顯示，除本公司董事或最高行政人員以外，擁有佔本公司已發行股本5%或以上權益的人士如下：

於2017年6月30日，於本公司股份及相關股份的好倉載列如下：

Name of substantial shareholder 主要股東名稱	Capacity 身份	Number of ordinary shares 普通股股份數目	Total interests 權益總額	Percentage of the total issued share capital 佔全部已發行 股本百分比
China Cinda Asset Management Co., Ltd. 中國信達資產管理股份有限公司	Interest of controlled corporation 受控制法團權益	438,056,000	438,056,000 (Note i) (附註 i)	19.01%
China General Nuclear Power Corporation (formerly known as China Guangdong Nuclear Power Holding Co., Ltd.) 中國廣核集團有限公司(前稱為 中國廣東核電集團有限公司)	Interest of controlled corporation 受控制法團權益	364,140,000	364,140,000 (Note ii) (附註 ii)	15.80%
Silver Grant Group Limited 銀建集團有限公司	Beneficial owner 實益擁有人	277,114,022	277,114,022 (Note iii) (附註 iii)	12.02%

SUBSTANTIAL SHAREHOLDERS (Continued)

主要股東(續)

Notes:

附註:

- i. The following is a breakdown of the interests in shares of the Company held by China Cinda Asset Management Co., Ltd.:

- i. 以下為中國信達資產管理股份有限公司所持有本公司之股份權益細節:

Name of controlled corporation 受控法團名稱	Name of controlling shareholder 控權股東名稱	Percentage of control 控制百分率	Total interest in shares 股份權益總數	
			Direct interest 直接權益	Indirect interest 間接權益
Well Kent International Investment Company Limited 華建國際投資有限公司	China Cinda Asset Management Co., Ltd. 中國信達資產管理股份有限公司	100%	—	438,056,000
Regent Star International Limited 星耀國際有限公司	Well Kent International Investment Company Limited 華建國際投資有限公司	100%	438,056,000	—

- ii. The following is a breakdown of the interests in shares of the Company held by China General Nuclear Power Corporation:

- ii. 以下為中國廣核集團有限公司所持有本公司之股份權益細節:

Name of controlled corporation 受控法團名稱	Name of controlling shareholder 控權股東名稱	Percentage of control 控制百分率	Total interest in shares 股份權益總數	
			Direct interest 直接權益	Indirect interest 間接權益
CGNPC International Limited 中廣核國際有限公司	China General Nuclear Power Corporation (formerly known as China Guangdong Nuclear Power Holding Co., Ltd.) 中國廣核集團有限公司(前稱為中國廣東核電集團有限公司)	100%	364,140,000	—

- iii. Messrs. Gao Jian Min and Liu Tianni, both of whom are directors of the Company, each has a 30% interest in Silver Grant Group Limited as at 30 June 2017.

- iii. 高建民先生及劉天倪先生，彼等均為本公司董事，於2017年6月30日各自擁有銀建集團有限公司30%權益。

Other than as disclosed above, the register required to be kept under Section 336 of the SFO showed that the Company had not been notified of any other interest or short position in the shares and underlying shares of the Company as at 30 June 2017.

除上文所披露者外，根據證券及期貨條例第336條規定須予存置的登記冊所顯示，本公司並無接獲有關於2017年6月30日在本公司股份及相關股份中擁有任何其他權益或淡倉的申報。

CHANGE IN BOARD MEMEBERS

Mr. Chen Xiaozhou (“Mr. Chen”) resigned as a non-executive director of the Company and the chairman of the Board of the Company with effect from 20 January 2017 in order to pursue more commitments on the strategic development of China Cinda Asset Management Co., Ltd. (“China Cinda”).

Mr. Gu Jianguo (“Mr. Gu”) resigned as an executive director of the Company with effect from 20 January 2017 due to change in his employment and ceased to be employed by China Cinda.

Mr. Wu Songyun (“Mr. Wu”) was appointed as a non-executive director of the Company and elected chairman of the Board of the Company with effect from 20 January 2017. Mr. Wu subsequently resigned as a non-executive director of the Company and the chairman of the Board of the Company with effect from 28 August 2017 due to change in his employment and ceased to be employed by China Cinda.

Mr. Ma Yilin (“Mr. Ma”) was appointed as an executive director of the Company with effect from 20 January 2017.

Mr. Luo Zhenhong (“Mr. Luo”) was appointed as a non-executive director of the Company and elected chairman of the Board of the Company with effect from 28 August 2017.

CHANGE IN DIRECTORS' INFORMATION

Subsequent to the approval date of the Annual Report 2016, there was no change in information of directors of the Company required to be disclosed pursuant to Rule 13.51(2) and Rule 13.51B(1) of the Listing Rules.

CHANGE SINCE 31 DECEMBER 2016

Save as disclosed and updated in this report, there were no other significant changes in the Group's financial position and from the information disclosed under the Managing Director's Statements in the annual report for the year ended 31 December 2016.

董事會成員之變動

陳孝周先生(「陳先生」)因彼需要專注於中國信達資產管理股份有限公司(「中國信達」)的策略發展，故自2017年1月20日起辭任本公司非執行董事及本公司董事會主席職務。

顧建國先生(「顧先生」)因彼之職務調動而不再受僱於中國信達，故自2017年1月20日起辭任本公司執行董事職務。

吳松雲先生(「吳先生」)獲委任為本公司非執行董事及本公司董事會主席，從2017年1月20日起生效。吳先生其後因彼之職務調動而不再受僱於中國信達，故自2017年8月28日起辭任本公司執行董事及董事會主席職務。

馬懌林先生(「馬先生」)獲委任為本公司執行董事，從2017年1月20日起生效。

羅振宏先生(「羅先生」)獲委任為本公司非執行董事及本公司董事會主席，從2017年8月28日起生效。

董事資料變動

隨2016年年報批准日期之後，並沒有根據上市規則第13.51(2)及13.51B(1)條須予披露的本公司董事變動資料。

2016年12月31日後之變動

除於本報告內所披露及更新外，本集團的財務狀況與截至2016年12月31日止年度的報告內的財務狀況與「董事總經理報告」一節所披露的資料並無其他重大轉變。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS 綜合損益表

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

		Six months ended 30 June 截至6月30日止6個月		
		Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元 Restated 經重列
Rental income	租金收入	4	47,139	56,222
Sales of petrochemical products	石油化工產品銷售	4	152,859	11,152
			199,998	67,374
Cost of sales and services	銷售及服務成本		(159,402)	(16,408)
			40,596	50,966
Dividend income from listed and unlisted securities	上市及非上市證券股息收入	4	21,756	3,305
Other income, gains and losses	其他收入、收益及虧損	5	38,451	43,738
Change in fair value of held-for-trading investments	持作買賣投資公允值變動		6,434	(10,887)
Administrative expenses	行政費用		(105,358)	(93,850)
Other expenses	其他費用	8	—	(39,652)
Change in fair value of investment properties	投資物業之公允值變動	11	26,496	32,497
Loss on disposal of subsidiaries	出售附屬公司虧損	3	(1,113)	—
Change in fair value of loan receivable with embedded derivative	附有嵌入式衍生工具之應收貸款之公允值變動		—	75,778
Finance costs	財務費用	6	(27,065)	(39,010)
Change in fair value of structured finance securities	結構性金融證券之公允值變動		194	416
Share of results of associates	攤佔聯營公司業績		157,189	(8,987)
Profit before taxation	除稅前溢利		157,580	14,314
Taxation	稅項	7	(8,087)	(8,136)
Profit for the period from continuing operations	期內來自持續經營業務溢利		149,493	6,178
Profit for the period from discontinued operation	期內來自已終止經營業務溢利	3	1,761	2,515
Profit for the period	期內溢利	8	151,254	8,693
Profit for the period attributable to:	期內溢利應佔：			
Owners of the Company:	本公司擁有人：			
Continuing operations	持續經營業務		111,578	44,692
Discontinued operation	已終止經營業務		1,480	2,242
			113,058	46,934
Non-controlling interests:	非控制權益：			
Continuing operations	持續經營業務		37,915	(38,514)
Discontinued operation	已終止經營業務		281	273
			38,196	(38,241)
			151,254	8,693

CONSOLIDATED STATEMENT OF PROFIT OR LOSS 綜合損益表

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

		Six months ended 30 June 截至6月30日止6個月		
		Notes 附註	2017 HK\$'000 千港元	2016 HK\$'000 千港元 Restated 經重列
Earnings per share (in HK dollar)	每股盈利(以港元列示)			
— Basic	— 基本	9		
Continuing operations	持續經營業務		0.048	0.019
Discontinued operation	已終止經營業務		0.001	0.001
			0.049	0.020

Note: The comparative figures for the six months ended 30 June 2016 has been restated to reflect the discontinued operation.

附註：截至2016年6月30日止6個月期間之比較數字已就終止經營業務之影響作出重列。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 綜合損益表及其他全面收益表

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

		Six months ended 30 June 截至6月30日止6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Profit for the period	期內溢利	151,254	8,693
Other comprehensive (expense) income	其他全面(支出)收益		
<i>Items that will not be reclassified to profit or loss:</i>	<i>將不可轉入損益表之項目：</i>		
Disposal of subsidiaries	出售附屬公司	(4,676)	—
Gain (loss) arising on revaluation of leasehold properties	重估租賃物業產生之收益(虧損)	22,785	(230)
Income tax related to items that will not be reclassified	不可重列項目之相關所得稅	(3,371)	638
		14,738	408
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>可於期後轉入損益表之項目：</i>		
Fair value gain arising on revaluation of available-for-sale investments	可供出售投資重估產生之公允值收益	—	4,388
Other comprehensive income for the period (net of tax)	期內其他全面收益(除稅後)	14,738	4,796
Total comprehensive income for the period	期內全面收益總額	165,992	13,489
Total comprehensive income (expense) attributable to:	全面收益(支出)總額應佔：		
Owners of the Company	本公司擁有人	130,696	51,730
Non-controlling interests	非控制權益	35,296	(38,241)
		165,992	13,489

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

As at 30 June 2017

於2017年6月30日

			Unaudited 未經審核 At 30 June 於6月30日 2017 HK\$'000 千港元	Audited 經審核 At 31 December 於12月31日 2016 HK\$'000 千港元
		Notes 附註		
ASSETS	資產			
Non-current assets	非流動資產			
Investment properties	投資物業	11	2,382,115	2,355,619
Property, plant and equipment	物業、廠房及設備	12	3,657,103	3,744,918
Land use rights	土地使用權		180,461	182,465
Goodwill	商譽		39,463	46,463
Interests in associates	聯營公司權益		1,044,324	865,037
Structured finance securities	結構性金融證券		7,025	6,831
Available-for-sale investments	可供出售投資		288,903	288,903
			7,599,394	7,490,236
Current assets	流動資產			
Inventories	存貨		57,749	98,928
Held-for-trading investments	持作買賣投資		153,102	146,668
Trade receivables	應收賬款	13	5,698	18,886
Deposits, prepayments and other receivables	按金、預付款及其他應收款		789,592	697,014
Amounts due from associates	應收聯營公司款		1,422,914	1,140,253
Loan receivables	應收貸款		463,486	407,682
Pledged bank deposits	抵押銀行存款		790	1,730
Bank balances and cash	銀行結餘及現金		203,347	734,988
			3,096,678	3,246,149
TOTAL ASSETS	資產總值		10,696,072	10,736,385

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

As at 30 June 2017
於2017年6月30日

		Notes 附註	Unaudited 未經審核 At 30 June 於6月30日 2017 HK\$'000 千港元	Audited 經審核 At 31 December 於12月31日 2016 HK\$'000 千港元
EQUITY	股本			
Capital and reserves	資本及儲備			
Share capital	股本	14	3,626,781	3,626,781
Reserves	儲備		2,861,009	2,730,313
Equity attributable to owners of the Company	本公司擁有人 應佔股本		6,487,790	6,357,094
Non-controlling interests	非控制權益		343,760	233,711
TOTAL EQUITY	股本總值		6,831,550	6,590,805
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Borrowings	借貸	16	1,203,693	1,487,075
Deferred tax liabilities	遞延稅項負債	18	223,782	214,412
			1,427,475	1,701,487
Current liabilities	流動負債			
Trade and bills payables	應付賬款及票據	15	6,891	76,571
Accrued charges, rental deposits and other payables	應計費用、租務按金 及其他應付款		502,349	717,056
Borrowings	借貸	16	1,905,630	1,621,026
Taxation payable	應付稅項		22,177	29,440
			2,437,047	2,444,093
TOTAL LIABILITIES	負債總值		3,864,522	4,145,580
TOTAL EQUITY AND LIABILITIES	股本及負債總值		10,696,072	10,736,385
Net current assets	淨流動資產		659,631	802,056
Total assets less current liabilities	資產總值減流動負債		8,259,025	8,292,292

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動報表

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

		Equity attributable to owners of the Company 本公司擁有人應佔股本							
		Share capital 股本 HK\$'000 千港元	Asset revaluation reserve 資產重估儲備 HK\$'000 千港元	Investment revaluation reserve 投資重估儲備 HK\$'000 千港元	Translation reserve 滙兌儲備 HK\$'000 千港元	Retained profits 保留盈利 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Non-controlling interests 非控制權益 HK\$'000 千港元	Total equity 股本總值 HK\$'000 千港元
At 1 January 2017	於2017年1月1日	3,626,781	230,159	—	79,193	2,420,961	6,357,094	233,711	6,590,805
Profit for the period	期內溢利	—	—	—	—	113,058	113,058	38,196	151,254
Other comprehensive income (expense) for the period	期內其他全面收益(支出)	—	19,414	—	(1,776)	—	17,638	(2,900)	14,738
Total comprehensive income (expense) for the period	期內全面收益(支出)總額	—	19,414	—	(1,776)	113,058	130,696	35,296	165,992
Dividend paid to non-controlling interests of a subsidiary	支付股息予一家附屬公司的非控制權益	—	—	—	—	—	—	(3,120)	(3,120)
Capital injected from non-controlling interests of a subsidiary	一家附屬公司的非控制權益的資本投入	—	—	—	—	—	—	77,873	77,873
At 30 June 2017	於2017年6月30日	3,626,781	249,573	—	77,417	2,534,019	6,487,790	343,760	6,831,550
At 1 January 2016	於2016年1月1日	3,626,781	216,983	17	490,314	2,456,083	6,790,178	370,889	7,161,067
Profit for the period	期內溢利	—	—	—	—	46,934	46,934	(38,241)	8,693
Other comprehensive income for the period	期內其他全面收益	—	408	4,388	—	—	4,796	—	4,796
Total comprehensive income (expense) for the period	期內全面收益(支出)總額	—	408	4,388	—	46,934	51,730	(38,241)	13,489
Dividend paid to non-controlling interests of a subsidiary	支付股息予一家附屬公司的非控股權益	—	—	—	—	—	—	(72,210)	(72,210)
Capital injected from non-controlling interests of a subsidiary	一家附屬公司的非控制權益的資本投入	—	—	—	—	—	—	68,599	68,599
At 30 June 2016	於2016年6月30日	3,626,781	217,391	4,405	490,314	2,503,017	6,841,908	329,037	7,170,945

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS 簡明綜合現金流量表

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

		Six months ended 30 June 截至6月30日6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Net cash used in operating activities	經營業務所用之淨現金	(101,037)	(952,512)
Net cash (used in) from investing activities	投資業務(所用)所得之淨現金	(428,706)	664,041
Net cash (used in) from financing activities	融資業務(所用)所得之淨現金	(1,898)	653,012
Net (decrease) increase in cash and cash equivalents	現金及現金等值(減少)增加淨額	(531,641)	364,541
Cash and cash equivalents at the beginning of the period	現金及現金等值期初數額	734,988	459,665
Cash and cash equivalents at the end of the period	現金及現金等值期末數額	203,347	824,206
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值結餘分析		
Bank balances and cash	銀行結餘及現金	203,347	824,206

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

1. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“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 of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”). These condensed consolidated financial statements were unaudited and should be read in conjunction with the audited financial statements for the year ended 31 December 2016.

The financial information relating to the year ended 31 December 2016 that is included in this interim financial report as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows: The Company has delivered the financial statements for the year ended 31 December 2016 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance. The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

1. 編制賬目的基準

此等簡明綜合財務報表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》以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的適用披露規定而編制。此等簡明綜合財務報表乃未經審核並且應與截至2016年12月31日止年度經審核財務報表一併閱讀。

載列於本中期財務報告截至2016年12月31日止年度之財務資料謹作為比較資料，並且不構成本公司於該年度的法定綜合財務報表，但有關資料乃摘錄自該等財務報表。根據香港公司條例第436條須就該等法定財務報表進一步披露的資料如下：本公司已按照香港公司條例第662(3)條，附表6第3部，遞交截至2016年12月31日止年度之財務報表予公司註冊處。本公司之核數師已就該財務報表發出報告書，該核數師報告書並無保留意見；或提出重點事項，亦未有就香港公司條例第406(2)、407(2)或407(3)條提出其他意見。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for properties and certain financial instruments, which are measured at fair values or revalued amounts, as appropriate.

Except as described below, the accounting policies applied in preparing the condensed consolidated financial statements are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2016.

In the current period, the Group has applied, for the first time, the following revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 7	Disclosure initiative
Amendments to HKAS 12	Recognition of deferred tax assets for unrealized losses
Amendments to HKFRS 12	Disclosure of interest in other entities

The application of the revised HKFRSs has no material impact on the Group's financial performance and positions for the current period and prior period and/or on the disclosures set out in these condensed consolidated financial statements.

2. 主要會計政策

除物業及若干金融工具按適用情況以公允值或重估值計算外，本簡明綜合財務報表是按歷史成本為編制基準。

除下文所述者外，編制此等簡明綜合財務報表所採用的會計政策與編制截至2016年12月31日止年度之本集團年度財務報表及其所採用者一致。

於本期間，本集團已首次採用下列由香港會計師公會頒佈並適用於編制本集團之簡明綜合財務報表的經修訂之香港財務報告準則（「香港財務報告準則」）：

香港會計準則第7號 之修訂本	披露倡議
香港會計準則第12號 之修訂本	就未變現虧損確認 遞延稅項資產
香港財務報告準則 第12號之修訂本	於其他實體的權益披露

應用上述經修訂之香港財務報告準則對本集團於本期間及過往期間之簡明綜合財務報表的財務表現及狀況及／或簡明綜合財務報表的披露內容並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

3. DISCONTINUED OPERATION

On 30 June 2017, the Company completed the disposal of its entire interest in Straight View Investment Limited (“Straight View”) at a cash consideration of HK\$31.7 million in aggregate. Straight View is an investment vehicle of the Company for holding the Group’s 90% interest in Beijing Yinda Property Management Limited (“Yinda”). Yinda is a company established in the PRC whose principal business is provision of property management services in Beijing. The consolidated results of Straight View and Yinda are presented in this condensed consolidated financial statement as a discontinued operation.

The results of the discontinued operation during the current and preceding interim periods are set out below:

3. 已終止經營業務

本公司於2017年6月30日完成以總額31,700,000港元現金代價出售藝景投資有限公司(「藝景」)全部權益。藝景為本公司藉以持有本集團於北京銀達物業管理有限責任公司(「銀達」)90%權益之投資載體。銀達為一家於中國成立之公司，其主要業務為於北京提供物業管理服務。藝景及銀達之綜合業績於本簡明綜合財務報表以已終止經營業務方式列賬。

已終止經營業務於本期間及去年中期之業績載列如下：

		Unaudited 未經審核	Unaudited 未經審核
		Six months ended 30 June 截至6月30日止6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Property management fee income	物業管理費收入	103,245	95,107
Cost of sales and services	銷售及服務成本	(69,538)	(63,545)
Other income	其他收入	2,048	2,176
Administrative expenses	行政費用	(32,275)	(31,157)
Profit before taxation	除稅前溢利	3,480	2,581
Taxation	稅項	(1,719)	(66)
Profit for the period	期內溢利	1,761	2,515
Attributable to:	應佔：		
Owners of the Company	本公司擁有人	1,480	2,242
Non-controlling interests	非控制權益	281	273
Profit for the period	期內溢利	1,761	2,515

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

3. DISCONTINUED OPERATION (Continued)

The net assets of the subsidiaries disposed of were as follows:

3. 已終止經營業務(續)

已出售附屬公司之淨資產載列如下：

		HK\$'000 千港元
Non-current assets	非流動資產	12,279
Current assets	流動資產	74,815
Bank balances and cash	銀行結餘及現金	111,550
Current liabilities	流動負債	(168,155)
Non-current liabilities	非流動負債	(8,521)
Net assets disposed of	已出售之淨資產	21,968
Non-controlling interests	非控制權益	(2,900)
Assignment of loans to purchasers	由買方承接之借款	8,521
Attributable goodwill	歸屬商譽	7,000
Translation reserve realised	匯兌儲備撥回	(1,776)
Loss on disposal	出售之虧損	(1,113)
Cash consideration	現金代價	31,700
Net cash outflow arising on disposal:	出售產生的淨現金流出：	
Cash consideration	現金代價	31,700
Assignment of loans to purchasers	由買方承接之借款	(8,521)
Bank balances and cash disposed of	出售之銀行結餘及現金	(111,550)
		(88,371)

During the current period, the Board also decided to cease investing in distressed assets business and sales of properties business as there is no actual operating activity for the last five years in respect of these two business segments.

As there were no actual operating activity for these two business segments, no financial information relating to these two segments are presented.

於本期間，董事會同時亦決定停止投資不良資產業務及物業銷售業務，因為此兩個業務分部於過去的五年概無實質經營活動。

鑒於該兩個業務分部沒有實質經營活動，因此並無就該兩個分部呈報任何財務資訊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

4. REVENUE AND SEGMENT INFORMATION

Revenue from major products, investments and services from continuing operations is analysed as follows:

4. 收入及分部資料

由主要產品、投資及服務等來自持續經營業務的收入分析如下：

		Six months ended 30 June 截至6月30日止6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元 Restated 經重列
Rental income	租金收入	47,139	56,222
Dividend income from listed and unlisted securities	上市及非上市證券股息收入	21,756	3,305
Sales of petrochemical products	石油化工產品銷售	152,859	11,152
		221,754	70,679

The Group is currently organised into three operating divisions: investments (including the results from held-for-trading investments, available-for-sale investments, structured finance securities, loan receivable with embedded derivative and loan receivables), property leasing and production and trading of petrochemical products. These operating divisions are the basis of the internal reports about components of the Group that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker, in order to allocate resources to segments and to assess their performance. No operating segments were identified by the chief operating decision maker has been aggregated in arriving at the reportable segments of the Group.

本集團現時由三個營運部門組成：投資（包括持作買賣投資、可供出售投資、結構性金融證券、附有嵌入式衍生工具之應收貸款及應收貸款之業績）、物業租賃及石油化工產品生產及銷售。此等營運部門是由本公司之執行董事，即主要營運決策者在決定分部資源分配及評估其表現上所定期審閱本集團各個組成部份之內部報告作為識別經營分部之基礎。在設定本集團之報告分部時，主要營運決策者所識別的經營分部概未彙集計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

4. REVENUE AND SEGMENT INFORMATION (Continued)

4. 收入及分部資料(續)

Segment revenues and results from continuing operations:

來自持續經營業務分部收入及業績：

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

以下是本集團收入及業績按經營及報告分部之分析：

		Segment revenue 分部收入		Segment profit (loss) 分部溢利(虧損)	
		Six months ended 30 June 截至6月30日止6個月		Six months ended 30 June 截至6月30日止6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元 Restated 經重列	2017 HK\$'000 千港元	2016 HK\$'000 千港元 Restated 經重列
Investments	投資	21,756	3,305	61,300	76,032
Property leasing	物業租賃	47,139	56,222	47,630	69,736
Production and trading of petrochemical products	石油化工產品生產 及銷售	152,859	11,152	(54,404)	(86,349)
		221,754	70,679	54,526	59,419
Other allocated income, gains and losses	其他未分配收入、 收益及虧損			4,726	33,464
Corporate expenses	公司費用			(30,683)	(30,572)
Finance costs	財務費用			(27,065)	(39,010)
Loss on disposal of subsidiaries	出售附屬公司 虧損			(1,113)	—
Share of results of associates	攤佔聯營公司業績			157,189	(8,987)
Profit before taxation	除稅前溢利			157,580	14,314

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

5. OTHER INCOME, GAINS AND LOSSES

Continuing operations:

		Six months ended 30 June 截至6月30日止6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元 Restated 經重列
Interest income	利息收入		
— bank deposits	— 銀行存款	507	4,173
— amount due from an associate	— 應收一家聯營公司款	24,690	31,751
— loan receivables	— 應收貸款	8,228	7,422
— others	— 其他	3,459	—
Net foreign exchange gain (loss)	滙兌收益(虧損)淨額	619	(2,476)
Net loss on disposal of property, plant and equipment	出售物業、廠房及設備之 虧損淨額	(88)	—
Government grant	政府補貼	807	2,851
Others	其他	229	17
		38,451	43,738

5. 其他收入、收益及虧損

持續經營業務：

6. FINANCE COSTS

Continuing operations:

		Six months ended 30 June 截至6月30日止6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元
Interest on bank loans wholly repayable within five years	須於五年內悉數償還的 銀行借貸利息	20,597	67,760
Interest on other loans wholly repayable within five years	須於五年內悉數償還的 其他借貸利息	6,468	12,243
Total	總額	27,065	80,003
Less: Amount capitalised in the cost of qualifying assets	減：資本化為合資格資產 成本金額	—	(40,993)
		27,065	39,010

6. 財務費用

持續經營業務：

Borrowing costs capitalised for the period ended 30 June 2016 was specifically related to expenditures on qualifying assets.

截至2016年6月30日止期間資本化之借貸成本與合資格資產之特定開支有關。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

7. TAXATION

7. 稅項

Continuing operations:

持續經營業務：

		Six months ended 30 June 截至6月30日止6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元 Restated 經重列
Tax charge comprises:	稅項支出包括：		
PRC Enterprise Income Tax — current tax	中國企業所得稅 — 即期	1,786	—
PRC Enterprise Income Tax — underprovision in prior periods	中國企業所得稅 — 前期度 提撥不足	302	12
		2,088	12
Deferred taxation: (Note 18)	遞延稅項：(附註18)		
— current period	— 本期間	5,999	8,124
Tax charge attributable to the Company and its subsidiaries	本公司及其附屬公司應佔 稅項支出	8,087	8,136

7. TAXATION (Continued)

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for both periods. No provision for Hong Kong Profits Tax has been made as the Company and its subsidiaries in Hong Kong incurred tax losses for both periods.

The taxation charge of the PRC Enterprise Income Tax for both periods has been made based on the Group's estimated assessable profits calculated in accordance with the relevant income tax laws applicable to the subsidiaries in the PRC.

The withholding tax arising from dividend income received from PRC investment is calculated at 10%.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of PRC subsidiaries is 25% from 1 January 2008 onwards.

7. 稅項(續)

兩個期間之香港利得稅乃以預計應課稅溢利按16.5%計提。由於本公司及其於香港之附屬公司於兩個期間錄得稅務虧損，故並沒有提撥香港利得稅。

本期間及去年同期之中國企業所得稅乃本集團於中國之附屬公司以估計的應課稅溢利按適用的所得稅法例計算所得之稅項支出。

源自收取一項由國內投資之股息收入之預扣稅乃按照10%稅率計提。

根據中華人民共和國企業所得稅法(「所得稅法」)及所得稅法的實施細則，從2008年1月1日起，於中國之附屬公司適用之稅率為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

8. PROFIT FOR THE PERIOD

Profit for the period from continuing operations has been arrived at after charging (crediting):

8. 期內溢利

期內來自持續經營業務取得之溢利經已扣除(計入)：

		Six months ended 30 June 截至6月30日止6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元 Restated 經重列
Auditor's remuneration	核數師酬金	1,400	1,400
Cost of inventories recognised as an expense	存貨成本計入費用	154,677	13,237
Depreciation for property, plant and equipment	物業、廠房及設備之折舊	16,415	17,597
Release of land use rights	土地使用權攤銷	—	2,144
Operating lease rentals in respect of land and buildings	土地及樓宇之營運租約租金	19	—
Staff costs including directors' and chief executive's remuneration	員工費用包括董事及行政總裁酬金	26,118	54,673
Rental income under operating leases for investment properties, less outgoings of HK\$4,726,000 (2016: HK\$3,172,000)	投資物業項下之營運租約之租金收入，扣除開支4,726,000港元(2016年：3,172,000港元)	(42,413)	(53,050)

Other expenses

Starting from the second half of year ended 31 December 2013, the Group's subsidiary TZ United East voluntarily suspended production due to shortage of raw materials. Direct costs, such as wages, depreciation expenses, consumables and other direct attributable costs incurred by TZ United East during the suspension periods were recognised to profit or loss as other expenses for the period ended 30 June 2016.

其他費用

於2013年12月31日止年度的下半年開始，本集團之附屬公司泰州東聯化工因原材料短缺而自願暫停生產。於截至2016年6月30日止期間泰州東聯化工於暫停生產期間發生的直接成本如薪金、折舊支出、消耗品及其他直接相關成本於損益表確認為其他費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

9. EARNINGS PER SHARE

From continuing and discontinued operations:

The calculation of the basic earnings per share attributable to owners of the Company is based on the following data:

9. 每股盈利

來自持續及已終止經營業務：

本公司擁有人應佔的每股基本盈利乃根據下列數據計算所得：

		Six months ended 30 June 截至6月30日止6個月	
		2017 HK\$'000 千港元	2016 HK\$'000 千港元 Restated 經重列
Earnings:	盈利：		
Earnings for the purpose of basic earnings per share (profit for the period attributable to owners of the Company):	用以計算每股基本盈利之盈利(本公司擁有人應佔期內溢利)：		
From continuing operations	來自持續經營業務	111,578	44,692
From discontinued operation	來自已終止經營業務	1,480	2,242
		113,058	46,934
		2017 In thousand 千股	2016 In thousand 千股
Number of shares:	股份數目：		
Weighted average number of shares for the purpose of basic earnings per share	用以計算每股基本盈利之加權平均股份數目	2,304,850	2,304,850

The Company has no potential ordinary shares for the six months ended 30 June 2017 and 2016.

於截至2017年及2016年6月30日止6個月，本公並無潛在普通股股份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

10. DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company during 2017, nor has any dividend proposed since the end of the reporting period of 2017 (2016: nil).

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2017 (2016: nil).

11. INVESTMENT PROPERTIES

During the six months ended 30 June 2017, the Group did not make any material additions or disposals of investment properties.

The fair values of the investment properties of the Group as at 30 June 2017 and 31 December 2016 were arrived at on the basis of a valuation carried out on respective dates by Vigers Appraisal & Consulting Limited ("Vigers"), an independent qualified professional valuer not connected with the Group. Vigers are members of the Institute of Valuers. The valuation of the carrying value of the Group's investment properties was arrived at using direct comparison method by reference to sales evidence as available on the market.

The increase in fair value of investment properties of approximately HK\$26,496,000 (2016: HK\$32,497,000) has been recognised directly in the consolidated statement of profit or loss.

All the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

10. 股息

於2017年內並無派付或建議派付股息予本公司普通股股東，同時於2017報告期末後亦無建議宣派任何股息(2016年：無)。

董事會議決不宣派任何截至2017年6月30日止6個月之中期股息(2016年：無)。

11. 投資物業

於截至2017年6月30日止6個月內，本集團並無進行任何重大購置或出售投資物業。

本集團的投資物業於2017年6月30日及2016年12月31日之公允值乃基於威格斯資產評估顧問有限公司(「威格斯」)，一間與本集團並無關連的獨立合資格專業估值師，就該日的價值進行評估所得。威格斯是估值師學會成員。本集團之投資物業賬面值之評估乃使用直接比較法經參照於合適的市場可取得的銷售證據而釐定。

投資物業之公允值增加數額約26,496,000港元(2016年：32,497,000港元)已直接於綜合損益表確認。

所有本集團以營運租約方式持有作收租或資本增值用途的物業權益均以公允值模式計量，並歸類及列賬為投資物業。

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2017, the Group acquired property, plant and equipment of approximately HK\$17,700,000 (2016: HK\$10,861,000).

The fair values of the Group's leasehold land and buildings at 30 June 2017 and 31 December 2016 have been arrived at on the basis of valuations carried out on the respective dates by Vigers and A-Plus Surveyors Limited ("A-Plus"). The valuations were arrived at using direct comparison method by reference to sales evidence as available on the market. The revaluation surplus on revaluation of the leasehold land and buildings amounted to approximately HK\$22,785,000 (2016: deficit of HK\$230,000) was credited (2016: charged) to the asset revaluation reserve.

Certain leasehold interest in land cannot be allocated reliably between the land and buildings elements, the leasehold interest in land continues to be accounted for as property, plant and equipment.

12. 物業、廠房及設備

於截至2017年6月30日止6個月期間，本集團購置物業、廠房及設備約17,700,000港元(2016年：10,861,000港元)。

於2017年6月30日及2016年12月31日本集團的租賃土地及樓宇之公允值乃基於威格斯及恆信測量師行有限公司(「恆信」)就該日所作出之價值評估所得。評估值乃使用直接比較法經參照合適的市場可取得的銷售證據而釐定。租賃土地及樓宇重估收益金額約為22,785,000港元(2016年：虧損230,000港元)已計入(2016年：扣除)資產重估儲備。

若干租賃土地之權益無法可靠地分配至土地及樓宇部份，則土地之租賃權益將繼續列賬為物業、廠房及設備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

13. TRADE RECEIVABLES

The Group allows a credit period of 30 to 60 days to its trade customers.

The following is an aged analysis of trade receivables presented based on the invoice dates at the end of the reporting periods, which approximated the respective revenue recognition dates:

13. 應收賬款

本集團給予貿易客戶30至60日信用期。

下列是按發票日為基準之應收賬款與相對之收入確認日期相約之應收賬款於各報告期末之賬齡分析：

		Unaudited 未經審核 At 30 June 於6月30日 2017 HK\$'000 千港元	Audited 經審核 At 31 December 於12月31日 2016 HK\$'000 千港元
0 to 30 days	0至30日	5,698	12,074
31 to 90 days	31日至90日	—	2,432
91 to 180 days	91日至180日	—	1,412
181 to 360 days	181日至360日	—	1,403
Over 360 days	超過360日	—	1,565
		5,698	18,886

14. SHARE CAPITAL

Issued and fully paid:

At 1 January 2016,
31 December 2016 and
30 June 2017

已發行及已繳足股本：

於2016年1月1日，
2016年12月31日及
2017年6月30日

14. 股本

		Number of shares 股份數目 In thousand 千股	Nominal value 票面值 HK\$'000 千港元
		2,304,850	3,626,781

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

15. TRADE AND BILLS PAYABLES

The following is an aged analysis of trade and bills payables presented based on the invoice dates at the end of the reporting periods:

15. 應付賬款及票據

下述是按發票日為基準之應付賬款及票據於各報告期末之賬齡分析：

		Unaudited 未經審核 At 30 June 於6月30日 2017 HK\$'000 千港元	Audited 經審核 At 31 December 於12月31日 2016 HK\$'000 千港元
0 to 30 days	0至30日	2,880	23,998
31 to 90 days	31日至90日	—	13,424
91 to 180 days	91日至180日	—	2,772
181 to 360 days	181日至360日	4,011	2,816
Over 360 days	超過360日	—	33,561
		6,891	76,571

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

16. BORROWINGS

Borrowings carry interest at commercial rates and are secured by certain investment properties, leasehold land and buildings, land use rights and factory, plant and machinery of the Group. Details are disclosed in note 17.

16. 借貸

借貸按商業利率計算利息，並以本集團若干投資物業、租賃土地及樓宇、土地使用權及工廠、廠房及機器作抵押。詳情載列於附註17。

		Unaudited 未經審核 At 30 June 於6月30日 2017 HK\$'000 千港元	Audited 經審核 At 31 December 於12月31日 2016 HK\$'000 千港元
Bank loans — secured	銀行貸款 — 有抵押	2,079,041	2,034,867
Other loan — secured	其他貸款 — 有抵押	581,839	664,329
Other loans — unsecured	其他貸款 — 無抵押	448,443	408,905
		3,109,323	3,108,101
Carrying amount repayable:	應償還之賬面金額：		
Within one year	一年之內	1,662,526	1,416,515
More than one year, but not exceeding two years	一年以上但不超過二年	545,211	566,763
More than two years, but not more than five years	二年以上但不超過五年	167,411	406,919
Over five years	超過五年	491,071	513,393
		2,866,219	2,903,590
Add: Carrying amount of bank loans containing a repayment on demand clause (shown under current liabilities) with scheduled repayment set out in loan agreements due:	加：包含按要還款條文並於貸款協議所載之預定還款之銀行貸款之賬面金額(列為流動負債)：		
— within one year	— 一年之內	242,861	202,830
— more than one year, but not exceeding two years	— 一年以上但不超過二年	243	1,681
		243,104	204,511
Less: Amounts due within one year shown under current liabilities	減：於一年之內到期並列為流動負債之金額	(1,905,630)	(1,621,026)
Amounts shown under non-current liabilities	列為非流動負債之金額	1,203,693	1,487,075

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

17. PLEDGE OF ASSETS

As at 30 June 2017, the Group pledged certain of its assets to secure general banking facilities granted to the Group. The aggregate carrying values of the assets pledged are:

17. 資產抵押

於2017年6月30日，本集團已將其若干資產抵押作為本集團獲授予一般性銀行融資之條件。該等抵押資產的累計賬面總額為：

		Unaudited 未經審核 At 30 June 於6月30日 2017 HK\$'000 千港元	Audited 經審核 At 31 December 於12月31日 2016 HK\$'000 千港元
Investment properties	投資物業	2,228,795	2,205,246
Leasehold land and buildings	租賃土地及樓宇	217,500	200,500
Land use rights	土地使用權	180,461	182,465
Factory, plant and machinery	工廠、廠房及機器	702,728	719,823
		3,329,484	3,308,034

As at 30 June 2017, the Group also pledged approximately HK\$800,000 (31 December 2016: HK\$1,730,000) bank deposits to secure settlements for certain Group's purchase of raw materials.

於2017年6月30日，本集團亦將其約800,000港元(2016年12月31日：1,730,000港元)之銀行存款抵押以擔保本集團購入若干原材料之付款責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

18. DEFERRED TAXATION

The followings are the major deferred tax assets and liabilities recognised and movements thereon during the current period and prior year:

18. 遞延稅項

以下為於本期間及往年度已確認的主要遞延稅項資產與負債及其於本期間及往年度之變動：

		Accelerated tax depreciation 加速稅務折舊 HK\$'000 千港元	Revaluation of properties 物業重估 HK\$'000 千港元	Tax losses 稅務虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2016	於2016年1月1日	(55)	(197,881)	1,808	(196,128)
Charge to profit or loss for the year	於本年度損益表扣除	—	(16,852)	—	(16,852)
Charge to other comprehensive income for the year	於本年度其他全面收益扣除	—	(1,432)	—	(1,432)
At 31 December 2016 (Audited)	於2016年12月31日 (經審核)	(55)	(216,165)	1,808	(214,412)
Charge to profit or loss for the period (Note 7)	於本期間損益表扣除 (附註7)	—	(5,999)	—	(5,999)
Charge to other comprehensive income for the period	於本期間其他全面收益扣除	—	(3,371)	—	(3,371)
At 30 June 2017 (Unaudited)	於2017年6月30日 (未經審核)	(55)	(225,535)	1,808	(223,782)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the six months ended 30 June 2017 (Unaudited)

截至2017年6月30日止6個月(未經審核)

19. INTEREST IN COMPETITORS

During the six months ended 30 June 2017, none of the directors or the management shareholders of the Company or their respective associates had an interest in a business, which competes or may compete with the business of the Group.

20. RELATED PARTY TRANSACTIONS

During the current and prior period, the Group entered into the following transactions with related parties:

19. 於競爭對手之權益

於截至2017年6月30日止6個月內，概無任何本公司之董事或管理層股東或各自之聯繫人士與本集團之業務構成競爭或可能構成競爭的其他業務擁有權益。

20. 關聯方交易

於本期間及去年同期內，本集團與關聯方進行下述交易：

		Six months ended 30 June	
		截至6月30日止6個月	
		2017	2016
		HK\$'000	HK\$'000
		千港元	千港元
Interest income from an associate	一家聯營公司的利息收入	24,690	31,751
Interest expense to non-controlling shareholders of a subsidiary	附屬公司之非控制股東的利息支出	3,559	3,831
Interest expense to a substantial shareholder	一家主要股東利息支出	454	2,483
Raw materials sold to an associate	銷售原材料予一家聯營公司	78,348	—

Details of balances with related companies and other transactions with related parties are set out in the consolidated statement of financial position.

與關聯公司結餘及與關聯方之其他交易詳情已載列於綜合財務狀況表。

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For the six months ended 30 June 2017 (Unaudited)
截至2017年6月30日止6個月(未經審核)

21. CAPITAL COMMITMENTS

21. 資本承擔

		Unaudited 未經審核 At 30 June 於6月30日 2017 HK\$'000 千港元	Audited 經審核 At 31 December 於12月31日 2016 HK\$'000 千港元
Capital commitments in respect of property, plant and equipment:	關於物業、廠房及設備之資本承擔：		
— contracted for but not provided in the consolidated financial statements	— 已落實但並未於綜合財務報表中反映	69,998	20,409
Capital commitments in respect of unlisted equity securities:	關於非上市股本證券之資本承擔：		
— contracted for but not provided in the consolidated financial statements	— 已落實但並未於綜合財務報表中反映	232,143	232,143
Capital commitments in respect of an associate	關於一家聯營公司之資本承擔	22,321	22,321



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