



Sinopharm Tech Holdings Limited 國藥科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8156)

INTERIM REPORT 2021/2022



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INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

RESULTS

The board of Directors of the Company (the “**Board**”) announces that the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the “**Group**”) for the three months and six months ended 31 December 2021 (the “**Period 2021**”), together with the selected comparative unaudited figures for the corresponding period in 2020 (the “**Period 2020**”), are as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and six months ended 31 December 2021

	Notes	(Unaudited)		(Unaudited)	
		Three months ended		Six months ended	
		2021	2020	2021	2020
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	3	10,051	9,146	11,730	55,200
Costs of sales and services		(7,820)	(2,313)	(9,137)	(35,648)
Gross profit		2,231	6,833	2,593	19,552
Other income and gains	3	6,495	600	15,265	2,065
Selling and distribution expenses		(456)	(135)	(620)	(4,666)
Administrative and operating expenses		(11,019)	(14,194)	(24,791)	(25,444)
Share of profits of associates		3,185	2,115	3,247	3,881
Operating profit/(loss)		436	(4,781)	(4,306)	(4,612)
Finance costs	4	(4,439)	(5,351)	(9,071)	(10,015)
Loss before tax	5	(4,003)	(10,132)	(13,377)	(14,627)
Income tax credit	6	—	127	—	—
Loss for the period		(4,003)	(10,005)	(13,377)	(14,627)
Loss for the period attributable to:					
Equity holders of the Company		(4,108)	(9,505)	(13,503)	(14,140)
Non-controlling interests		105	(500)	126	(487)
		(4,003)	(10,005)	(13,377)	(14,627)



INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

	(Unaudited)		(Unaudited)	
	Three months ended		Six months ended	
	31 December		31 December	
Notes	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Other comprehensive (expenses)/				
income for the period, net of tax:				
<i>Items that may be reclassified</i>				
<i>subsequently to profit or loss:</i>				
Exchange differences arising on				
translation of financial statements of				
overseas operations	281	(843)	43	244
Total comprehensive expenses for the				
period	(3,722)	(10,848)	(13,334)	(14,383)
Total comprehensive expenses for the				
period attributable to:				
Equity holders of the Company	(3,974)	(10,640)	(13,607)	(14,253)
Non-controlling interests	252	(208)	273	(130)
	(3,722)	(10,848)	(13,334)	(14,383)
Loss per share attributable to equity				
holders of the Company				
Basic	(HK0.09 cents)	(HK0.22 cents)	(HK0.30 cents)	(HK0.33 cents)
Diluted	N/A	N/A	N/A	N/A

The accompanying notes on pages 7 to 21 form an integral part of this interim financial report.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2021

		(Unaudited) 31 December 2021 HK\$'000	(Audited) 30 June 2021 HK\$'000
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment	8	10,466	17,116
Right-of-use assets		3,920	9,519
Goodwill		12,305	12,305
Intangible assets		321	27
Interests in joint ventures		—	—
Interests in associates		48,910	45,663
Deposits for acquisition of property, plant and equipment		—	1,630
		<u>75,922</u>	<u>86,260</u>
Current assets			
Inventories		5,203	4,745
Trade and other receivables and prepayments	9	59,303	37,416
Bank balances and cash		4,015	7,482
		<u>68,521</u>	<u>49,643</u>
Current liabilities			
Trade payables, accruals and other payables	10	100,301	113,984
Amount due to directors		23,478	54,318
Lease liabilities		1,197	4,150
Convertible bonds	11	89,469	87,041
Other borrowing		—	13,260
Tax liabilities		124	124
		<u>214,569</u>	<u>272,877</u>
Net current liabilities		<u>(146,048)</u>	<u>(223,234)</u>
Total assets less current liabilities		<u>(70,126)</u>	<u>(136,974)</u>



INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2021

		(Unaudited)	(Audited)
		31 December	30 June
		2021	2021
	<i>Notes</i>	HK\$'000	HK\$'000
Non-current liabilities			
Convertible bonds	11	50,253	—
Lease liabilities		478	3,582
		50,731	3,582
Net liabilities		(120,857)	(140,556)
Capital and reserves			
Share capital	12	56,721	55,050
Reserves		(177,463)	(193,930)
Capital deficiency attributable to equity holders of the Company		(120,742)	(138,880)
Non-controlling interests		(115)	(1,676)
Total capital deficiency		(120,857)	(140,556)

The accompanying notes on pages 7 to 21 form an integral part of this interim financial report.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2021

	Attributable to equity holders of the Company											
	Share capital	Share premium	Capital redemption reserve	Share option reserve	Translation reserve	Convertible bonds reserve	Special reserve	Capital reserve	Retained profits/(Accumulated losses)	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 July 2021 (audited)	55,050	2,675,328	1,484	11,290	7,968	4,507	(1)	10,184	(2,904,690)	(138,880)	(1,676)	(140,556)
Loss for the period	—	—	—	—	—	—	—	—	(13,503)	(13,503)	126	(13,377)
Exchange differences arising from translation of financial statements of overseas operations	—	—	—	—	(104)	—	—	—	—	(104)	147	43
Total comprehensive (expenses)/ income for the period	—	—	—	—	(104)	—	—	—	(13,503)	(13,607)	273	(13,334)
Recognition of equity-settled share-based payments	—	—	—	3,394	—	—	—	—	—	3,394	—	3,394
Equity component recognized for convertible bonds	—	—	—	—	—	6	—	—	—	6	—	6
Share issued on loan settlement	1,671	26,674	—	—	—	—	—	—	—	28,345	—	28,345
Release on disposal of subsidiaries	—	—	—	—	—	—	—	—	—	—	1,288	1,288
At 31 December 2021 (unaudited)	56,721	2,702,002	1,484	14,684	7,864	4,513	(1)	10,184	(2,918,193)	(120,742)	(115)	(120,857)

For the six months ended 31 December 2020

	Attributable to equity holders of the Company											
	Share capital	Share premium	Capital redemption reserve	Share option reserve	Translation reserve	Convertible bonds reserve	Special reserve	Capital reserve	Retained profits/(Accumulated losses)	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 July 2020 (audited)	53,621	2,644,794	1,484	8,265	8,194	5,950	(1)	10,184	(2,805,571)	(73,080)	(305)	(73,385)
Loss for the period	—	—	—	—	—	—	—	—	(14,140)	(14,140)	(487)	(14,627)
Exchange differences arising from translation of financial statements of overseas operations	—	—	—	—	(113)	—	—	—	—	(113)	357	244
Total comprehensive (loss)/income for the period	—	—	—	—	(113)	—	—	—	(14,140)	(14,253)	(130)	(14,383)
Recognition of equity-settled share-based payments	—	—	—	2,676	—	—	—	—	—	2,676	—	2,676
Capital injection from non-controlling interests	—	—	—	—	—	—	—	—	—	—	1,470	1,470
At 31 December 2020 (unaudited)	53,621	2,644,794	1,484	10,941	8,081	5,950	(1)	10,184	(2,819,711)	(84,657)	1,035	83,622

The accompanying notes on pages 7 to 21 form an integral part of this interim financial report.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2021

	(Unaudited) Six months ended 31 December 2021 HK\$'000	2020 HK\$'000
Operating activities		
Cash used in operations	(38,720)	(441)
Interest received	3	3
Interest paid	(519)	(5,254)
Net cash used in operating activities	(39,236)	(5,692)
Investing activities		
Additions in property, plant and equipment	(121)	(4,747)
Net cash used in investing activities	(121)	(4,747)
Financing activities		
Repayment of lease liabilities	(436)	(2,830)
Decrease in amount due to directors	(16)	(810)
Additions to other borrowing	—	7,767
Repayment of other borrowing	(13,260)	—
Additions to convertible bonds	50,000	—
Additions to lease liabilities	—	2,640
Net cash flow generated from financing activities	36,288	6,767
Net decrease in cash and cash equivalents	(3,069)	(3,672)
Cash and cash equivalents at the beginning of the period	7,482	6,746
Effects of foreign exchange rate changes	(398)	(401)
Cash and cash equivalents at the end of the period, represented by cash and bank balances	4,015	2,673

The accompanying notes on pages 7 to 21 form an integral part of this interim financial report.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited interim condensed consolidated financial statements for the six months ended 31 December 2021 have been prepared in accordance with Hong Kong Accounting Standards (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of the GEM Listing Rules.

Except as described below, the principal accounting policies and methods of computation used in the preparation of the unaudited interim consolidated financial statements for the six months ended 31 December 2021 are consistent with the financial statements of the Group for the year ended 30 June 2021.

The Group has adopted all of the new and revised standards, amendments and interpretations which are relevant to its operations and effective for the accounting period beginning on 1 July 2021. The adoption of these new and revised standards, amendments and interpretation does not have significant impact on the accounting policies of the Group, and the amounts reported for the current period and prior periods.

The Group has not early applied any new and revised HKFRSs that have been issued but are not yet effective.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

2. SEGMENT INFORMATION

(a) Segment revenue and results

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

Six months ended 31 December 2021 (Unaudited)

	Internet plus			Manufacturing and distribution of personal protective equipment HK\$'000	Others HK\$'000	Total HK\$'000
	Lottery-related services HK\$'000	Solution services (Note) HK\$'000	Supply chain services HK\$'000			
Segment revenue:						
Sales to external customers	832	363	6,090	4,445	—	11,730
Segment results	(136)	(26)	(515)	(731)	—	(1,408)
Unallocated income						15,160
Share of profits of associates						3,247
Unallocated expenses						(21,846)
Finance costs						(8,530)
Loss before tax						(13,377)
Income tax credit						—
Loss for the period						(13,377)
Amounts included in the measure of segment profit or loss or segment assets:						
Depreciation and amortization	9	—	—	191	—	200

Six months ended 31 December 2020 (Unaudited)

	Internet plus			Manufacturing and distribution of personal protective equipment HK\$'000	Others HK\$'000	Total HK\$'000
	Lottery-related services HK\$'000	Solution services HK\$'000	Supply chain services HK\$'000			
Segment revenue:						
Sales to external customers	2,476	—	22,768	29,956	—	55,200
Segment results	(533)	(112)	(2,324)	7,097	—	4,128
Unallocated income						762
Share of profits of associates						3,881
Unallocated expenses						(14,955)
Finance costs						(8,443)
Loss before tax						(14,627)
Income tax credit						—
Loss for the period						(14,627)
Amounts included in the measure of segment profit or loss or segment assets:						
Depreciation and amortization	137	—	3	896	551	1,587



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

2. SEGMENT INFORMATION — CONTINUED

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segments:

As at 31 December 2021 (Unaudited)

	Internet plus		Supply chain services HK\$'000	Manufacturing and distribution of personal protective equipment HK\$'000	Others HK\$'000	Total HK\$'000
	Lottery-related services HK\$'000	Solution services (Note) HK\$'000				
Assets						
Segment assets	4,095	19,347	7,882	45,483	—	76,807
Unallocated assets						67,636
Total assets						144,443
Liabilities						
Segment liabilities	5,865	23,490	40,323	2,991	—	72,669
Unallocated liabilities						192,631
Total liabilities						265,300

As at 30 June 2021 (Audited)

	Internet plus		Supply chain services HK\$'000	Manufacturing and distribution of personal protective equipment HK\$'000	Others HK\$'000	Total HK\$'000
	Lottery-related services HK\$'000	Solution services HK\$'000				
Assets						
Segment assets	12,777	2,000	10,646	41,801	—	67,224
Unallocated assets						68,679
Total assets						135,903
Liabilities						
Segment liabilities	7,999	22,597	49,969	43,865	—	124,430
Unallocated liabilities						152,029
Total liabilities						276,459

Note: Including the anti-counterfeiting solution services provided for the Period 2021



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

3. REVENUE AND OTHER INCOME AND GAINS

The principal activities of the Group are provision of (i) lottery-related services, (ii) internet plus services (solution (*Note a*) and supply chain), (iii) manufacturing and distribution of personal protective equipment and (iv) other services.

Revenue represents income from the following services rendered by the Group, net of returns, discounts allowed or sales taxes:

	(Unaudited)	
	Six months ended	
	31 December	
	2021	2020
	HK\$'000	HK\$'000
Point in time		
Internet plus services (supply chain)		
— Trading of goods	6,090	22,768
Manufacturing and distribution of personal protective equipment	4,445	29,956
	10,535	52,724
Over time		
Lottery-related services	832	2,476
Internet plus services (solution) (<i>Note a</i>)	363	—
	1,195	2,476
	11,730	55,200
Other income		
Interest income	3	—
Government subsidies	—	1,450
Gain on disposal of subsidiaries	8,680	—
Gain on settlement of loans by shares issued (<i>Note b</i>)	6,418	—
Others	164	615
	15,265	2,065

Notes:

- (a) Including the anti-counterfeiting solution services provided for the Period 2021



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

3. REVENUE AND OTHER INCOME AND GAINS — CONTINUED

Note: — Continued

- (b) On 8 June 2021, the Company entered into an agreement with connected persons of the Company, pursuant to which the total outstanding balance of HK\$34,763,312 due by the Company to connected persons was settled which was satisfied by 133,705,046 new ordinary shares issued by the Company on 20 October 2021. The fair value of the shares at the date of issue was estimated to be HK\$28,345,470 by reference to the closing share price of the Company's shares at that date. The gain on settlement, which represents the difference between the outstanding balance settled and the fair value of the new ordinary shares issued, amounted to HK\$6,417,842 which was charged to profit or loss in Period 2021.

4. FINANCE COSTS

	(Unaudited)	
	Six months ended	
	31 December	
	2021	2020
	HK\$'000	HK\$'000
Interest on:		
— Convertible bonds	8,431	8,345
— Other loans	519	1,415
— Finance lease payment	121	255
	<u>9,071</u>	<u>10,015</u>



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

5. LOSS BEFORE TAX

	(Unaudited) Six months ended 31 December	
	2021	2020
	HK\$'000	HK\$'000
Loss before tax has been arrived at after charging/(crediting):		
Cost of services	6,216	1,284
Cost of inventories sold	2,921	34,364
Equity-settled share-based payments	3,394	2,676
Depreciation of property, plant and equipment	668	1,587
Amortization of intangible assets	—	11
Exchange losses, net	7	28

6. INCOME TAX CREDIT

The amount of income tax (expense)/credit to the consolidated statement of profit or loss and other comprehensive income represents:

	(Unaudited) Six months ended 31 December	
	2021	2020
	HK\$'000	HK\$'000
Current year		
— Hong Kong profits tax	—	—
Deferred tax credit	—	—
Income tax (expense)/credit for the period	—	—

For the six months ended 31 December 2021 and 31 December 2020, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

7. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

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

Loss

	(Unaudited)		(Unaudited)	
	Three months ended		Six months ended	
	31 December		31 December	
	2021	2020	2021	2020
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Loss for the period attributable to the equity holders of the Company	(4,108)	(9,505)	(13,503)	(14,140)

Number of shares

	(Unaudited)		(Unaudited)	
	Three months ended		Six months ended	
	31 December		31 December	
	2021	2020	2021	2020
	'000	'000	'000	'000
Weighted average number of ordinary shares for the purposes of basic loss per share	4,403,984	4,289,725	4,457,030	4,289,725
Weighted average number of ordinary shares for the purposes of diluted loss per share	4,403,984	4,289,725	4,457,030	4,289,725

For the three months and six months ended 31 December 2021, outstanding share options and convertible bonds of the Company are anti-dilutive (Three months and six months ended 31 December 2020: anti-dilutive) since their exercise or conversion would result in a decrease in loss per share (Three months and six months ended 31 December 2020: decrease in loss per share).



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

8. PROPERTY, PLANT AND EQUIPMENT

	Furniture, fixtures and equipment	Plant and machinery	Leasehold improvement	Motor vehicles	Computer equipment	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Carrying amount at 1 July 2021, net of accumulated depreciation (audited)	223	8,651	8,043	10	189	17,116
Additional for the period	—	121	—	—	—	121
Depreciation provided for the period	(51)	(388)	(209)	—	(20)	(668)
Elimination on disposals	—	—	(6,225)	—	—	(6,225)
Exchange realignment	2	118	1	—	1	122
At 31 December 2021, net of accumulated depreciation (unaudited)	174	8,502	1,610	10	170	10,466

9. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	(Unaudited) 31 December 2021 HK\$'000	(Audited) 30 June 2021 HK\$'000
Trade receivables	104,711	93,767
Other receivables and prepayments	63,641	56,448
	168,352	150,215
Less: Allowances for doubtful receivables	(109,049)	(112,799)
	59,303	37,416



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

9. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS — CONTINUED

Payment terms with customers are mainly on credit. Invoices are normally payable within 30 to 180 days of issuance.

The following is an aged analysis of trade receivables at the end of the reporting period:

	(Unaudited) 31 December 2021 HK\$'000	(Audited) 30 June 2021 HK\$'000
0 to 30 days	3,725	4,468
31 to 60 days	3,020	822
61 to 180 days	71	34
181 to 365 days	—	594
Over one year	97,895	87,849
	104,711	93,767

10. TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

	(Unaudited) 31 December 2021 HK\$'000	(Audited) 30 June 2021 HK\$'000
Trade payables	39,797	41,513
Accruals and other payables	60,504	72,471
	100,301	113,984



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

10. TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES — CONTINUED

An aged analysis of the Group's trade payables at the end of the reporting period, based on the date of goods and services received, is as follows:

	(Unaudited) 31 December 2021 HK\$'000	(Audited) 30 June 2021 HK\$'000
0–30 days	3,329	67
31–120 days	2,800	12,601
121–180 days	18	20,637
181–365 days	7,280	481
Over one year	26,370	7,727
	39,797	41,513

11. CONVERTIBLE BONDS

	(Unaudited) 31 December 2021 HK\$'000	(Audited) 30 June 2021 HK\$'000
Convertible bonds I ^{(Note (i))} :		
— Liability component	89,469	87,041
— Derivative conversion option component	—	—
Convertible bonds II ^{(Note (ii))} :		
— Liability component	50,253	—
— Derivative conversion option component	—	—
Convertible bonds (I & II):		
— Liability component	139,722	87,041
— Derivative conversion option component	—	—
Classified under current liabilities:		
— Convertible bonds	89,469	87,041
— Derivative financial liabilities	—	—



11. CONVERTIBLE BONDS — CONTINUED

Notes:

(i) Convertible Bonds I

On 17 January 2014, the Company issued the convertible bonds due on 17 January 2017 with a principal amount of HK\$89,625,000, which was interest bearing at a rate of 2% per annum, as a general working capital and repayment of borrowings (the “CBs”). The CBs were convertible into ordinary shares of the Company with a conversion price of HK\$2.39 per share. As a result of the share subdivision implemented on 17 December 2014, the number of the shares to be issued upon full conversion of the CBs was adjusted to 150,000,000 shares at the conversion price of HK\$0.598 per share.

The CBs contain liability and equity components. The effective interest rate of the liability component was 13.89% per annum. The equity component is presented under the equity heading of “convertible bonds reserve”.

The fair value of the liability component of the CBs at the issue date was valued by an independent valuer determined based on the present value of the estimated future cash outflows discounted at the prevailing market rate for an equivalent non-convertible loan.

On 18 January 2017, the Company entered into an amendment agreement with the bondholder to amend certain terms and conditions of the CBs. The conversion price was amended from HK\$0.598 per share to HK\$0.359 per share and it could be converted into for the maximum of 249,651,810 shares. The maturity date was extended to 17 July 2017 and a further six months extension to 17 January 2018 upon a written consent from the bondholder. The interest rate was 8% per annum and paid semi-annually from the date of the amendment agreement.

On 18 January 2018, the Company entered into a second amendment agreement with the bondholder, under which the maturity date of the CBs was extended to 17 July 2018 and a further six months extension to 17 January 2019 upon a written consent from the bondholder. Interest was payable at the interest rate 8% per annum up to the maturity date, with other terms and conditions remained unchanged.



11. CONVERTIBLE BONDS — CONTINUED

Notes: — Continued

(i) Convertible Bonds I — Continued

On 17 January 2019, the Company entered into a third amendment agreement with the bondholder, under which the maturity date of the CBs was extended to 17 July 2019 and a further six months extension to 17 January 2020 upon a written consent from the bondholder. Interest was payable at the interest rate 8% per annum up to the maturity date, with other terms and conditions remained unchanged.

As a result of the adjustments of the CBs on 10 May 2019 upon the allotment and issue of the consideration shares to Sinopharm Traditional Chinese Medicine Overseas Holdings Limited, a maximum number of 263,602,941 shares would be allotted and issued to Integrated Asset upon conversion of the CBs in full. The adjusted conversion price was HK\$0.34 per conversion share subject to further adjustment.

On 7 February 2020, the Company entered into the fourth amendment agreement with the bondholder, under which the maturity date of the CBs was extended to 17 July 2020 and a further six months extension to 17 January 2021 upon a written consent from the bondholder. Interest is payable at the interest rate 8% per annum up to the maturity date, with other terms and conditions remained unchanged.

On 19 January 2021, the Company entered into the fifth amendment agreement with the bondholder to amend some principal terms of the CBs, including to extend the maturity date of the CBs for one year from 17 January 2021 to 17 January 2022. Its conversion price shall be amended from HK\$0.34 to HK\$0.221 per conversion share (subject to adjustment), which can be converted into the maximum number of 405,542,986 shares. The interest rate of the CBs shall be increased to 10% per annum and paid annually (the “**Fifth Amendments**”). Save for the Fifth Amendments, all other terms and conditions of the CBs shall remain unchanged. The fifth amendment agreement and transactions contemplated thereunder are subject to the approval of the independent shareholders at the extraordinary general meeting to be held by the Company, and the Stock Exchange approving the Fifth Amendments and the listing of conversion shares arising from the CBs on the Stock Exchange.



11. CONVERTIBLE BONDS — CONTINUED

Notes: — Continued

(i) Convertible Bonds I — Continued

Detail of principal valuation parameters have been applied in determining the liability component and equity component was summarized as follows:

(a) Principal amount:	HK\$89,625,000
(b) Coupon rate:	8% per annum
(c) Maturity date:	17 January 2021
(d) Adjusted conversion price:	HK\$0.34
(e) Risk-free rate:	1.814%
(f) Expected volatility:	70.13%
(g) Expected dividend yield:	0%

(ii) Convertible Bonds II

On 30 August 2021, the Company issued unlisted convertible bonds to the bondholder due on 21 February 2023 with a principal amount of HK\$50,000,000 at a rate of 7% per annum with interest payable semi-annually in arrears (the “**CBs II**”) for the development and promotion of anti-counterfeiting business of the Group; repayment of loans and other payables; and operating cost and general working capital of the Company. A maximum number of 172,413,793 Shares would be issued by the Company upon full conversion of the CBs II at the initial conversion price of HK\$0.29 per conversion share into fully-paid ordinary shares of the Company.

Detail of principal valuation parameters have been applied in determining the liability component and equity component was summarized as follows:

(a) Principal amount:	HK\$50,000,000
(b) Coupon rate:	7% per annum
(c) Maturity date:	21 February 2023
(d) Conversion price:	HK\$0.29
(e) Risk-free rate:	0.096%
(f) Expected volatility:	73.19%
(g) Expected dividend yield:	0%



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2021

12. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Authorised:		
At 1 July 2021 (audited) and 31 December 2021 (unaudited), ordinary shares of HK\$0.0125 each	16,000,000	200,000
Issued and fully paid:		
At 1 July 2021 (audited)	4,403,984	55,050
Shares issued for settlement of amounts due to directors and subsidiaries director	133,705	1,671
At 31 December 2021 (unaudited)	4,537,689	56,721

13. RELATED PARTY TRANSACTIONS

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the three and six months ended 31 December 2021 was as follows:

	(Unaudited) Three months ended 31 December		(Unaudited) Six months ended 31 December	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
Short-term benefits	2,300	2,253	4,644	5,124
Post-employment benefits	23	158	45	245
	2,323	2,411	4,689	5,369

The remuneration of directors and key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.



13. RELATED PARTY TRANSACTIONS — CONTINUED

Balances with related parties

As at 31 December 2021, amounts due to directors of approximately HK\$23,478,000 (30 June 2021: approximately HK\$54,318,000) are unsecured, interest free and have no fixed repayment term.

As at 31 December 2021, amounts due from related companies of approximately HK\$3,078,000 (30 June 2021: approximately HK\$3,078,000). The amounts are unsecured, interest free and have no fixed repayment terms.

14. EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any material event affecting the Group since the end of the Period 2021 and up to the date of this report.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

The principal activities of the Group are provision of (i) lottery-related services; (ii) Internet Plus services (solution (*Note*) and supply chain); (iii) manufacturing and distribution of personal protective equipment; and (iv) other services.

For the Period 2021, the Group recorded unaudited consolidated revenue of HK\$11.7 million, decreased by 78% against the Period 2020 of HK\$55.2 million. The gross profit ratio decreased to about 22% as compared with 35% for the Period 2020. For the Period 2021, the Group recorded a net loss attributable to the equity holders of HK\$13.5 million, which decreased by 5% from HK\$14.1 million for Period 2020. Loss attributable to equity holders was HK\$4.1 million from the second quarter of the Period 2021, which decreased by 57% from HK\$9.5 million for the Period 2020. Selling and distribution expenses and administrative expenses in the Period 2021 amounted to HK\$25.4 million, which decreased by 16% as compared to HK\$30.1 million in the Period 2020.

SEGMENTAL INFORMATION

Lottery-related services business recorded HK\$0.8 million, representing an decrease of 66% over the same period in 2020. The gross profit recorded HK\$0.7 million with the margin of 92% for the reporting period comparing with 48% for the same period in 2020.

In the Internet Plus services business, the revenue of solutions services and supply chain services recorded HK\$0.4 million and HK\$6.1 million respectively, representing a decrease of 71% over the same period in 2020. The gross profit recorded HK\$0.3 million with the margin of 5% for the reporting period comparing with 22% for the same period in 2020.

Manufacturing and distribution of personal protective equipment business recorded HK\$4.4 million, representing a decrease of 85% over the same period in 2020. The gross profit recorded HK\$1.5 million with the margin of 34% during the reporting period comparing with 45% for the same period in 2020.

Note: Including the anti-counterfeiting solution services provided for the Period 2021



BUSINESS REVIEW

During the period under review, the anti-counterfeiting business of the Group has been progressing smoothly. The products have been delivered and the business has been expanded. The Group successively entered into commercial contracts with a number of corporate users on the provision of Guoke innovative anti-counterfeiting products (“**Guoke Innovative Anti-counterfeiting Products**”), and the cumulative quantity of the commercial contracts exceeded 25 million units per year on average, with the delivery of the first batch of products bringing in revenue of HK\$0.4 million. As the epidemic condition of Covid-19 remains volatile, the personal protective equipment business still made contribution to the revenue of the Group which was driven by a continuous demand for personal protective equipment in the market.

Internet Plus Business

The first batch of Guoke Innovative Anti-counterfeiting Products was delivered in Gansu Province, establishing another milestone for the anti-counterfeiting business. The delivery signifies that the anti-counterfeiting products of the Group have been formally implemented in the market, and the Group recorded revenue of HK\$0.4 million. As such, the Group’s anti-counterfeiting business has completely established a thorough business flow from sales, production to delivery. Following the accumulation of market recognition of Guoke Innovative Anti-counterfeiting Products along with its delivery, the comprehensive and virtuous promotion cycle for Guoke Innovative Anti-counterfeiting Products will bring a sustainable growth for the anti-counterfeiting business of the Group.



Regarding the progress of sales expansion, the Group has entered into commercial contracts with Qinghai Yuteng Trading Co., Ltd. (青海御騰商貿有限責任公司), the general distributor of Anheuser-Busch InBev SA/NV (百威英博啤酒集團) for Qinghai province, Guizhou SME Chamber of Commerce (貴州省中小微企業商會), Qinghai Qinghai-Tibet Bees Thoroughbred Plant (青海青藏蜜蜂良種養殖場), Longnan Biyuchun Trading Co., Ltd. (隴南碧峪春商貿有限責任公司), Xinguo (Shanghai) Information Technology Co., Ltd. (新果(上海)信息科技有限責任公司) and Wenshan Houhong Trading Co., Ltd. (文山厚鴻貿易有限責任公司) etc. during the period under review, and the cumulative quantity of the commercial contracts for Guoke Innovative Anti-counterfeiting Products exceeded 25 million units per year on average. As of today, the corporate users who entered into commercial contracts with the Group have expanded to seven industries, extending from tea leaves, natural food, cosmetics e-commerce platform as of the last financial year to health food, beer, fruit distribution and health supplements. The geographical coverage of the contracted users included five municipality or provinces of Gansu, Zhejiang, Qinghai, Shanghai and Yunnan. The increase of business not only benefitted from the development of business relationship with users from new industries, but also from the continuous exploration of demand from the industries where our existing corporate users were engaged into.

The Group's strategy to implement commercialization of anti-counterfeiting products across different industries and regions is beginning to bear fruit. In view of the replicable business model nature of Guoke Innovative Anti-counterfeiting Products, the Group is confident in continuing to apply and expand the coverage of Guoke Innovative Anti-counterfeiting Products into various consumer product markets. With rich and increasing experience in working with customers from various industries, the Group can categorize the characteristics of the needs of each industry and the pattern of the cooperation models, which lays a solid foundation for achieving commercialization across industries and regions and strengthens our market position.

Guoke Innovative Anti-counterfeiting Products are patent-protected and have four main features, namely, "anti-counterfeit", "credibility", "marketability" and "social responsibility", and adopt a comprehensive chain of anti-counterfeit system which forms the core of Guoke Innovative Anti-counterfeiting Products together with anti-counterfeit packaging and online anti-counterfeit verification platform. Guoke Innovative Anti-counterfeiting Products can also have various functions and properties depending on different application scenarios, redefining the traditional anti-counterfeit technology and attracting consumers to actively participate in the authentication of products. Through the "Trio Code in One" (三碼合一) entrance, consumers could easily enter the online anti-counterfeit verification platform, forming a closed loop of functions, such as authentication of products and interactive marketing, thus creating a unique marketing angle.



Guoke Innovative Anti-counterfeiting Products enable the fulfilment of Corporate Social Responsibility (“CSR”). The Group, through Guoke Innovative Anti-counterfeiting Products, is providing its customers with the tools to achieve a greater level of CSR. Guoke Innovative Anti-counterfeiting Products internalize two of the most important elements of CSR, namely consumer protection and contribution to social welfare and sports development funds. By leveraging the capabilities of the Guoke Innovative Anti-counterfeiting Products regarding brand protection and brand endorsement, it is expected to support the sustainable development of the brand, invigorate the industries with high-quality development and promote rural vitalization. By using Guoke Innovative Anti-counterfeiting Products, the corporate users will be able to achieve CSR in an effective way. The wide and extensive application of Guoke Innovative Anti-counterfeiting Products in consumer products will take attainment of CSR to a new level. The Group will also be able to achieve and enhance the Group’s participation in CSR through supplying Guoke Innovative Anti-counterfeiting Products.

Personal Protective Equipment Business

During the period under review, there is still room for growth with the introduction of new customers. However, as the Group has fulfilled the one-year procurement order of 48 million medical masks under the Local Mask Production Subsidy Scheme launched by the Hong Kong Special Administrative Region Government in the last financial year, personal protective equipment business recorded a temporary decrease in overall revenue during the period under review as a result of this one-off impact.

Lottery-related Business

During the period under review, the Group offered maintenance service for lottery system to customers. At the moment, the traditional lottery business is suffering from contraction.

Future Outlook

The anti-counterfeiting business is the main development direction of the Group. During the period under review, this business made a number of critical progresses, and its products are being sold in western China and the coastal region of Eastern China. Going forward, the Group will further leverage on its existing sales resources, consolidate the customer resources, and leverage the synergy brought by working with cooperation partners, in order to expand its sales network and capture more revenue.



The Group will continue to deploy its existing operating strategy on the personal protective equipment business, focus on cost control, and develop a corresponding promotion plan with an optimistic and prudent attitude under the current stable status of sales.

DIVIDEND

The Board does not recommend the payment of dividend for the six months ended 31 December 2021 (six months ended 31 December 2020: Nil).

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 31 December 2021, the Group's bank balances and cash amounted to HK\$4.0 million (30 June 2021: HK\$7.5 million) which were mainly held in HK\$ and RMB. Current assets amounted to HK\$68.5 million (30 June 2021: HK\$49.6 million), mainly comprising of inventories, trade and other receivables and prepayment, bank balance and cash. Current liabilities amounted to HK\$214.6 million (30 June 2021: HK\$272.9 million), mainly comprising of trade payables, accruals and other payables, amounts due to directors, convertible bonds and other borrowing. As at 31 December 2021, the gearing ratio of the Group was 96% on the basis of the Group's total interest-bearing borrowings divided by total assets (30 June 2021: 74%).

CAPITAL STRUCTURE

During the reporting period, the capital structure of the Group consisted of cash and cash equivalents and equity attributable to holders of the Company, comprising issued share capital and reserves. As at 31 December 2021, the total number of issued shares of the Company was 4,537,688,780 ordinary shares of HK\$0.0125 each (the "Shares(s)").

On 20 October 2021, the Company allotted and issued a total number of 133,705,046 loan capitalisation shares at the issue price of HK\$0.26 per loan capitalisation share under the general mandate granted to the Directors at the annual general meeting of the Company held on 20 November 2020.



CONVERTIBLE BONDS

Convertible Bonds due on 17 January 2022

On 17 January 2014, the Company issued unlisted convertible bonds to the bondholder due on 17 January 2017 with a principal amount of HK\$89,625,000 at a rate of 2% per annum (the “**CBs**”) as general working capital and for the repayment of borrowings. A maximum number of 37,500,000 Shares would be issued by the Company upon full conversion of the CBs at the conversion price of HK\$2.390 per conversion share into fully-paid ordinary shares of the Company. As a result of share subdivision on 17 December 2014, the number of Shares falling to be issued upon full conversion of the CBs was adjusted to 150,000,000 at the conversion price of HK\$0.598 per Share.

On 18 January 2017, the Company entered into the first amendment agreement with the bondholder to amend some principal terms of the CBs, including to extend the maturity date of the CBs for six months from 17 January 2017 to 17 July 2017, and further extend to 17 January 2018 upon a written consent from the bondholder. Its conversion price was amended from HK\$0.598 to HK\$0.359 per conversion share (subject to adjustment), which could be converted into the maximum number of 249,651,810 Shares. The interest rate of the CBs shall be increased to 8% per annum and paid semi-annually (the “**Amendments**”). Save for the Amendments, all other terms and conditions of the CBs shall remain unchanged. The Amendments were approved by way of an ordinary resolution by the shareholders of the Company (the “**Shareholders**”) at the extraordinary general meeting of the Company held on 29 March 2017. On 18 July 2017, the Company received a written consent from the bondholder, pursuant to which the maturity date of the CBs would be extended for further six months to 17 January 2018.

On 18 January 2018, the Company entered into the second amendment agreement with the bondholder to extend the maturity date of the CBs from 17 January 2018 to 17 July 2018, and further extend to 17 January 2019 upon a written consent from the bondholder (the “**Second Amendment**”). The Second Amendment was approved by way of an ordinary resolution by the Shareholders at the extraordinary general meeting of the Company held on 18 April 2018. The Company has received a written consent from the bondholder, pursuant to which the maturity date of the CBs would be extended for the further six months to 17 January 2019.



On 17 January 2019, the Company entered into the third amendment agreement with the bondholder to extend the maturity date of the CBs from 17 January 2019 to 17 July 2019, and further extend to 17 January 2020 upon a written consent from the bondholder (the **“Third Amendment”**). The Third Amendment was approved by way of an ordinary resolution by the Shareholders at the extraordinary general meeting of the Company held on 19 March 2019. The Company has received a written consent from the bondholder, pursuant to which the maturity date of the CBs would be extended for the further six months to 17 January 2020.

As a result of the adjustments of the CBs on 10 May 2019 upon the allotment and issue of the consideration shares to Sinopharm Traditional Chinese Medicine Overseas Holdings Limited, a maximum number of 263,602,941 Shares would be allotted and issued to the bondholder upon conversion of the CBs in full. The adjusted conversion price was HK\$0.34 per conversion share subject to further adjustment.

On 7 February 2020, the Company entered into the fourth amendment agreement with the bondholder to extend the maturity date of the CBs from 17 January 2020 to 17 July 2020, and further extend to 17 January 2021 upon a written consent from the bondholder (the **“Fourth Amendment”**). The Fourth Amendment was approved by way of an ordinary resolution by the Shareholders at the extraordinary general meeting of the Company held on 25 March 2020. The Company has received a written consent from the bondholder, pursuant to which the maturity date of the CBs would be extended for the further six months to 17 January 2021.

On 19 January 2021, the Company entered into the fifth amendment agreement with the bondholder to amend some principal terms of the CBs, including to extend the maturity date of the CBs for one year from 17 January 2021 to 17 January 2022. Its conversion price shall be amended from HK\$0.34 to HK\$0.221 per conversion share (subject to adjustment), which can be converted into the maximum number of 405,542,986 Shares. The interest rate of the CBs shall be increased to 10% per annum and paid annually (the **“Fifth Amendments”**). Save for the Fifth Amendments, all other terms and conditions of the CBs shall remain unchanged. The Fifth Amendments were approved by way of an ordinary resolution by the Shareholders at the extraordinary general meeting of the Company held on 22 March 2021.

As at 31 December 2021, no CBs were converted into Shares by the bondholder or redeemed by the Company.



As at the date of this interim report, the Company has not received any notice of event of default from the bondholder demanding immediate repayment nor notice of exercise of the CBs. The Company will negotiate with the bondholder for the renewal of or further extension on the CBs and disclose further developments on the above matters by way of further announcement(s) in a timely manner in accordance with regulatory requirements.

Convertible Bonds due on 21 February 2023

On 30 August 2021, the Company issued unlisted convertible bonds to the bondholder due on 21 February 2023 with a principal amount of HK\$50,000,000 at a rate of 7% per annum with interest payable semi-annually in arrears (the “**CBs II**”) for the development and promotion of anti-counterfeiting business of the Group; repayment of loans and other payables; and operating cost and general working capital of the Company. A maximum number of 172,413,793 Shares would be issued by the Company upon full conversion of the CBs II at the initial conversion price of HK\$0.29 per conversion share into fully-paid ordinary shares of the Company.

As at 31 December 2021, no CBs II were converted into Shares by the bondholder or redeemed by the Company.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

During the six months ended 31 December 2021, the Group did not make any significant investment or material acquisition or disposal of subsidiaries, associates and joint ventures.

EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2021, the Group had 65 (30 June 2021: 73) employees in Hong Kong and the PRC, including the Directors.

Employees’ remunerations are determined with reference to their performance, qualifications, experience, positions and the market trend. Apart from the basic salary and participation in the mandatory provident fund scheme and staff benefits including medical and training programs, share options may be granted to individual employee based on performance evaluation in order to provide incentives and rewards.



FOREIGN EXCHANGE EXPOSURE

No significant exchange risk is expected as the Group's cash, borrowings, income and expenses are settled in Hong Kong dollars ("HK\$"), Renminbi ("RMB") or United States dollars ("US\$"). The Group's major investment and financing strategies are to invest in domestic projects in the PRC by RMB, HK\$ and US\$ borrowings. As the exchange rate of RMB against HK\$ is relatively stable and the Group's operating income is substantially denominated in RMB, the Group did not perform any foreign currency hedging activities during the period. Nevertheless, the Group will from time to time review and adjust the Group's investment and financing strategies based on the RMB, US\$ and HK\$ exchange rate movement.

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

The Company has no contingent liabilities as at 31 December 2021 (30 June 2021: Nil).

No assets of the Group was pledged as securities to any third parties as at 31 December 2021 (30 June 2021: Nil).

COMMITMENTS

The Group had capital commitments of HK\$Nil and operating lease commitments as lessee of HK\$Nil from operations as at 31 December 2021 (30 June 2021: capital commitments of HK\$Nil and operating lease commitments of HK\$Nil respectively).

ISSUE OF CONVERTIBLE BONDS

On 20 August 2021, the Company and each of the two subscribers, namely Expert Global Enterprises Limited (the "**First Subscriber**") and Japan Equity Value Investment Fund (the "**Second Subscriber**") (collectively, the "**Subscribers**") entered into a subscription agreement (the two agreements were separately referred to as the "**First Subscription Agreement**" and the "**Second Subscription Agreement**" and collectively referred to as the "**Subscription Agreements**") in relation to the issuance of convertible bonds of an aggregate principal amount of HK\$100,000,000 with a term of 18 months (540 days) (the "**Convertible Bonds**") from the issue date. The principal amount of the Convertible Bonds to be issued to each of the two Subscribers was HK\$50,000,000. The Convertible Bonds will bear interest at the rate of 7% per annum, interest is payable semi-annually in arrears.



Assuming full conversion of the Convertible Bonds at the initial conversion price of HK\$0.29 per conversion share, the Convertible Bonds will be convertible into 344,827,586 ordinary Shares (the “**Conversion Share(s)**”) with aggregate nominal value of HK\$4,310,344.83. The closing price per Share as quoted on the Stock Exchange on 20 August 2021, being the date of the Subscription Agreements was HK\$0.26. The Conversion Shares will be allotted and issued by the Company pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 20 November 2020.

The Directors considered that raising funds by issuing Convertible Bonds provided an opportunity for the Company to enhance its working capital and strengthen its capital base and financial position. The Directors considered that the issue of the Convertible Bonds was an appropriate means of raising additional capital for the Company since it will not have an immediate dilution effect on the shareholding of the existing Shareholders.

The aggregate gross proceeds from the issue of the Convertible Bonds will be HK\$100 million. The aggregate net proceeds of approximately HK\$100 million from the issue of the Convertible Bonds was intended to be applied as to (i) approximately HK\$35 million for the development and promotion of anti-counterfeiting business of the Group, including but not limited to (a) costs of anti-counterfeiting device; and (b) improving nationwide sales capability and expanding marketing network; (ii) approximately HK\$20 million for the repayment of loans and other payables; and (iii) the remaining of the net proceeds in the approximate amount of HK\$45 million for the operating cost and general working capital of the Company. The net issue price for each Conversion Share is approximately HK\$0.29.

Completion of the First Subscription Agreement and the Second Subscription Agreement may or may not take place on the same date/time and was not inter-conditional with each other.



All the conditions precedent as set out in the First Subscription Agreement have been fulfilled and the completion took place on 30 August 2021. Upon the completion, the convertible bonds in the aggregate principal amount of HK\$50,000,000 (the “**First Convertible Bonds**”) convertible into 172,413,793 Conversion Shares due on 21 February 2023 were issued to the First Subscriber (the “**First Subscription**”). The net proceeds from the First Subscription, after deduction of expenses, was approximately HK\$50,000,000. The net proceeds has been applied as to (i) approximately HK\$6.4 million for the development and promotion of anti-counterfeiting business of the Group, including but not limited to (a) costs of anti-counterfeiting device; and (b) improving nationwide sales capability and expanding marketing network; (ii) approximately HK\$15 million for the repayment of loans and other payables; and (iii) the remaining of the net proceeds in the approximate amount of HK\$28.6 million for the operating cost and general working capital of the Company.

Details of the above transactions were disclosed in the announcement of the Company dated 20 August 2021, 23 August 2021 and 30 August 2021.

As the conditions precedent for completion of the Second Subscription Agreement have not been fully fulfilled (or as the case may be, waived) on or before the long stop date on 19 October 2021, the subscription of the convertible bonds contemplated under the Second Subscription Agreement have lapsed, determined and been of no further effect. No party shall be liable to the other save and except antecedent breach committed before the termination of the Second Subscription Agreement. Details of the above transactions were disclosed in the announcement of the Company dated 19 October 2021. As at the date of this interim report, no First Convertible Bonds has been converted into the Shares by the First Subscriber or redeemed by the Company.

EVENT AFTER THE REPORTING PERIOD

There has been no important event affecting the Group since the end of the six months ended 31 December 2021.



DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2021, the interests and short positions of the Directors and chief executive in the ordinary share(s) of HK\$0.0125 each of the Company (the "Share(s)"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

Long Positions in the Shares of the Company or Any of Its Associated Corporation

Name of Directors	The Company/ Name of Associated Corporation	Number of Shares Held					Approximate Percentage of Shareholding
		Interest in Controlled Corporation	Personal Interest (ordinary shares)	Personal Interest (underlying shares) (Note 2)	Interest of Spouse	Total Interest	
Madam CHEUNG Kwai Lan ("Madam CHEUNG") (Note 1)	The Company	632,920,856	93,822,585	4,000,000	3,020,000	733,763,441	16.17%
Madam CHEUNG	Best Frontier Investments Limited ("Best Frontier") (Note 1)	—	909	—	1	910	—
Mr. CHAN Ting	The Company	—	23,076,923	4,000,000	—	27,076,923	0.60%
Mr. LIAO Zhe	The Company	—	—	2,300,000	—	2,300,000	0.05%
Mr. CHEUK Ka Chun Kevin	The Company	—	178,000	20,555,000	—	20,733,000	0.46%
Dr. CHENG Yanjie	The Company	—	1,965,000	3,600,000	—	5,565,000	0.12%
Dr. LIU Ta-pei	The Company	—	—	3,600,000	—	3,600,000	0.08%
Mr. CHAU Wai Wah Fred	The Company	—	3,800,000	3,600,000	—	7,400,000	0.16%



Notes:

1. The 632,920,856 Shares were owned by Best Frontier which was owned as to 99.89% and 0.11% by Madam CHEUNG and Mr. CHAN Tung Mei (“**Mr. CHAN**”) respectively. In addition, Madam CHEUNG and Mr. CHAN directly held 93,822,585 Shares and 3,020,000 Shares respectively. Accordingly, Madam CHEUNG is the spouse of Mr. CHAN so both of them were deemed to be interested in the Shares.
2. These share options were granted by the Company on 7 January 2020 under the share option scheme adopted by the Company on 31 January 2013.

Save as disclosed above, as at 31 December 2021, none of the Directors and chief executive of the Company had or was deemed to have any interests or short positions in any Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) that were required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURE

Save as disclosed in the paragraph headed “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any Associated Corporation” above, at no time during the period was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors and chief executive of the Company to acquire benefits by means of acquisition of the Shares in, or debentures of, the Company or any body corporate, and none of the Directors and chief executive or their spouses or children under the age of 18 had any right to subscribe for the securities of the Company, or had exercised any such right during the six months ended 31 December 2021.



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

As at 31 December 2021, according to the register kept by the Company pursuant to Section 336 of the SFO, and so far as was known to any Directors or chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had, or were deemed or taken to have interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, as follows:

Long Positions in the Shares

<u>Name of Shareholders</u>	<u>Capacity</u>	<u>Number of issued Shares Held</u>	<u>Approximate Percentage of the Shareholding</u>
Sinopharm Traditional Chinese Medicine Overseas Holdings Limited	Beneficial Owner	650,000,000	14.32%
Best Frontier & its concert parties (<i>Note 1</i>)	Beneficial Owner	729,763,441	16.08%
Integrated Asset Management (Asia) Limited ("Integrated Asset") & its concert parties (<i>Note 2</i>)	Beneficial Owner	535,253,000	11.80%
Mr. Tse Siu Hoi	Beneficial Owner	310,650,000	6.85%



Notes:

1. 632,920,856 Shares were owned by Best Frontier which was owned as to 99.89% and 0.11% by Madam CHEUNG and Mr. CHAN respectively. In addition, Madam CHEUNG and Mr. CHAN directly held 93,822,585 and 3,020,000 Shares respectively. Madam CHEUNG is the spouse of Mr. CHAN and therefore both of them were deemed to be interested in the Shares. Madam CHEUNG and Mr. CHAN were granted 4,000,000 share options by the Company on 7 January 2020 under the share option scheme adopted by the Company on 31 January 2013.
2. The 535,253,000 Shares were owned by Integrated Asset which was wholly-owned by Mr. YAM Tak Cheung. 8% coupon convertible bonds in aggregate amount of HK\$89,625,000 (the "CBs") for a term of six months maturing on 17 July 2017 were issued to Integrated Asset pursuant to the first amendment agreement dated 18 January 2017 approved by the Shareholders at the extraordinary general meeting of the Company held on 29 March 2017. The Company received a written consent from Integrated Asset, on which the maturity date of the CBs would be extended for further six months to 17 January 2018. A maximum number of 249,651,810 Shares would be allotted and issued to Integrated Asset upon conversion of the CBs in full. The amended conversion price was HK\$0.359 per conversion share subject to adjustment.

Pursuant to the second amendment agreement approved by the Shareholders at the extraordinary general meeting of the Company held on 18 April 2018, the amendments were that the maturity date of the CBs was extended for six months from 17 January 2018 to 17 July 2018, and further extended to 17 January 2019 upon a prior written consent from Integrated Asset. Such written consent from Integrated Asset has been received by the Company. A maximum number of 249,651,810 Shares would be allotted and issued to Integrated Asset upon conversion of the CBs in full.

Pursuant to the third amendment agreement approved by the Shareholders at the extraordinary general meeting of the Company held on 19 March 2019, the amendments were that the maturity date of the CBs was extended for six months from 17 January 2019 to 17 July 2019, and further extended to 17 January 2020 upon a prior written consent from Integrated Asset. Such written consent from Integrated Asset has been received by the Company. A maximum number of 249,651,810 Shares would be allotted and issued to Integrated Asset upon conversion of the CBs in full.



As a result of the adjustments of the CBs on 10 May 2019 upon the allotment and issue of the consideration shares to Sinopharm Traditional Chinese Medicine Overseas Holdings Limited, a maximum number of 263,602,941 Shares would be allotted and issued to Integrated Asset upon conversion of the CBs in full. The adjusted conversion price was HK\$0.34 per conversion share subject to further adjustment.

Pursuant to the fourth amendment agreement approved by the Shareholders at the extraordinary general meeting of the Company held on 25 March 2020, the amendments were that the maturity date of the CBs was extended for six months from 17 January 2020 to 17 July 2020, and further extended to 17 January 2021 upon a prior written consent from Integrated Asset. Such written consent from Integrated Asset has been received by the Company. A maximum number of 263,602,941 Shares would be allotted and issued to Integrated Asset upon conversion of the CBs in full.

Pursuant to the fifth amendment agreement approved by the Shareholders at the extraordinary general meeting of the Company held on 22 March 2021, the Company amended some principal terms of the CBs, including to extend the maturity date of the CBs for one year from 17 January 2021 to 17 January 2022. Its conversion price shall be amended from HK\$0.34 to HK\$0.221 per conversion share (subject to adjustment), which can be converted into the maximum number of 405,542,986 Shares. The interest rate of the CBs shall be increased to 10% per annum and paid annually (the “**Fifth Amendments**”). Save for the Fifth Amendments, all other terms and conditions of the CBs shall remain unchanged.

As at the date of this interim report, the Company has not received any notice of event of default from the bondholder demanding immediate repayment nor notice of exercise of the CBs. The Company will negotiate with the bondholder for the renewal of or further extension on the CBs and disclose further developments on the above matters by way of further announcement(s) in a timely manner in accordance with regulatory requirements.

Save as disclosed above, as at 31 December 2021, the Directors or chief executive of the Company were not aware of any person (other than a Director or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company under Section 336 of the SFO.



SHARE OPTION SCHEME

The Company adopted a share option scheme (the “**Old Share Option Scheme**”) on 31 January 2013 under which the Board may, at its discretion, invite eligible persons to take up share options to subscribe for the Shares. The purpose of the Old Share Option Scheme is to enable the Company to grant share options to selected eligible persons as incentives or rewards for their contribution to the Group. Eligible persons shall include any employee, any Director (including executive, non-executive and independent non-executive Directors) and any consultant of the Company or of any subsidiary of the Company or such other persons who, at the sole determination of the Board, have contributed to the Group at the time when an option is granted to such persons. The Old Share Option Scheme will remain valid for a period of 10 years commencing from the date of its adoption. The Old Share Option Scheme was terminated on 9 June 2021.

The Company adopted a new share option scheme (the “**New Share Option Scheme**”) on 9 June 2021 under which the Board may, at its discretion, invite eligible persons to take up share options to subscribe for the Shares. The purpose of the New Share Option Scheme is to enable the Group to grant the share options to selected eligible persons (the “**Eligible Persons**”) as incentives or rewards for their contribution to the Group. The New Share Option Scheme will provide the Eligible Persons with an opportunity to acquire proprietary interests in the Company with the view to achieving the following principal objectives: (i) motivate the Eligible Persons (in case of the Eligible Employees, as defined below) to optimise their performance and efficiency for the benefit of the Group; (ii) attract and retain or otherwise maintain ongoing business relationship with the Eligible Persons (in case of the Eligible Consultants, as defined below) whose contributions are, will be or are expected to be beneficial to the Group; and (iii) align the interests of the Eligible Persons with the Shareholders. Eligible persons shall include any employee and any Director (including executive, non-executive and independent non-executive Directors) (both collectively, the “**Eligible Employee(s)**”) and any consultant (collectively, the “**Eligible Consultant(s)**”) of the Company or of any subsidiary of the Company or such other persons who, at the sole determination of the Board, have contributed to the Group at the time when an option is granted to such persons. The New Share Option Scheme will remain valid for a period of 10 years commencing from the date of its adoption.



The details of the movements in share options under the Share Option Scheme during the six months ended 31 December 2021 were as follows:

Name/Category of Participants	Grant Date	Exercise Price per Share (HK\$)	Vesting Period	Exercise Period	Number of Share Options				As at 31 December 2021	
					As at 1 July 2021	Granted	Exercised	Cancelled		Lapsed
Directors										
Madam CHEUNG Kwai Lan	07/01/2020	0.33	07/01/2020-31/05/2020	01/06/2020-31/12/2022	1,200,000	—	—	—	—	1,200,000
	07/01/2020	0.33	07/01/2020-28/02/2021	01/03/2021-31/12/2022	1,200,000	—	—	—	—	1,200,000
	07/01/2020	0.33	07/01/2020-30/11/2021	01/12/2021-31/12/2022	1,600,000	—	—	—	—	1,600,000
Mr. CHAN Ting	07/01/2020	0.33	07/01/2020-31/05/2020	01/06/2020-31/12/2022	1,200,000	—	—	—	—	1,200,000
	07/01/2020	0.33	07/01/2020-28/02/2021	01/03/2021-31/12/2022	1,200,000	—	—	—	—	1,200,000
	07/01/2020	0.33	07/01/2020-30/11/2021	01/12/2021-31/12/2022	1,600,000	—	—	—	—	1,600,000
Dr. CHENG Yanjie	07/01/2020	0.33	07/01/2020-31/05/2020	01/06/2020-31/12/2022	1,080,000	—	—	—	—	1,080,000
	07/01/2020	0.33	07/01/2020-28/02/2021	01/03/2021-31/12/2022	1,080,000	—	—	—	—	1,080,000
	07/01/2020	0.33	07/01/2020-30/11/2021	01/12/2021-31/12/2022	1,440,000	—	—	—	—	1,440,000
Dr. LIU Ta-pei	07/01/2020	0.33	07/01/2020-31/05/2020	01/06/2020-31/12/2022	1,080,000	—	—	—	—	1,080,000
	07/01/2020	0.33	07/01/2020-28/02/2021	01/03/2021-31/12/2022	1,080,000	—	—	—	—	1,080,000
	07/01/2020	0.33	07/01/2020-30/11/2021	01/12/2021-31/12/2022	1,440,000	—	—	—	—	1,440,000
Mr. CHAU Wai Wah Fred	07/01/2020	0.33	07/01/2020-31/05/2020	01/06/2020-31/12/2022	1,080,000	—	—	—	—	1,080,000
	07/01/2020	0.33	07/01/2020-28/02/2021	01/03/2021-31/12/2022	1,080,000	—	—	—	—	1,080,000
	07/01/2020	0.33	07/01/2020-30/11/2021	01/12/2021-31/12/2022	1,440,000	—	—	—	—	1,440,000
Directors' Associates										
Ms. CHAN Siu Sarah	07/01/2020	0.33	07/01/2020-31/05/2020	01/06/2020-31/12/2022	1,080,000	—	—	—	—	1,080,000
	07/01/2020	0.33	07/01/2020-28/02/2021	01/03/2021-31/12/2022	1,080,000	—	—	—	—	1,080,000
	07/01/2020	0.33	07/01/2020-30/11/2021	01/12/2021-31/12/2022	1,440,000	—	—	—	—	1,440,000
				Sub-total	22,400,000	—	—	—	—	22,400,000
Employees										
	07/01/2020	0.33	07/01/2020-31/05/2020	01/06/2020-31/12/2022	19,965,000	—	—	—	180,000	19,785,000
	07/01/2020	0.33	07/01/2020-28/02/2021	01/03/2021-31/12/2022	19,965,000	—	—	—	180,000	19,785,000
	07/01/2020	0.33	07/01/2020-30/11/2021	01/12/2021-31/12/2022	26,620,000	—	—	—	240,000	26,380,000
				Sub-total	66,550,000	—	—	—	600,000	65,950,000
Other eligible participants										
<i>(Note)</i>	14/08/2019	0.33	14/08/2019-31/12/2019	01/01/2020-31/12/2022	11,600,000	—	—	—	—	11,600,000
	14/08/2019	0.33	14/08/2019-31/05/2020	01/06/2020-31/12/2022	18,540,000	—	—	—	—	18,540,000
	14/08/2019	0.33	14/08/2019-31/08/2020	01/09/2020-31/12/2022	8,700,000	—	—	—	—	8,700,000
	14/08/2019	0.33	14/08/2019-28/02/2021	01/03/2021-31/12/2022	18,540,000	—	—	—	—	18,540,000
	14/08/2019	0.33	14/08/2019-30/04/2021	01/05/2021-31/12/2022	8,700,000	—	—	—	—	8,700,000
	14/08/2019	0.33	14/08/2019-30/11/2021	01/12/2021-31/12/2022	24,720,000	—	—	—	—	24,720,000
					Sub-total	90,800,000	—	—	—	—
				Total	179,750,000	—	—	—	600,000	179,150,000

Note:

Other eligible participants include certain consultants of the Group.



GENERAL INFORMATION

The details of the movements in share options under the New Share Option Scheme during the six months ended 31 December 2021 were as follows:

Name/Category of Participants	Grant Date	Exercise Price per Share (HK\$)	Vesting Period	Exercise Period	Number of Share Options				As at 31 December 2021	
					As at 1 July 2021	Granted	Exercised	Cancelled		Lapsed
Employees	27/08/2021	0.25	27/08/2021-30/09/2021	01/10/2021-30/09/2024	—	25,200,000	—	—	—	25,200,000
	27/08/2021	0.25	27/08/2021-31/12/2021	01/01/2022-30/09/2024	—	18,900,000	—	—	—	18,900,000
	27/08/2021	0.25	27/08/2021-31/12/2022	01/01/2023-30/09/2024	—	18,900,000	—	—	—	18,900,000
				Sub-total	—	63,000,000	—	—	—	63,000,000
Other eligible participants <i>(Note)</i>	27/08/2021	0.25	27/08/2021-30/09/2021	01/10/2021-30/09/2024	—	5,600,000	—	—	—	5,600,000
	27/08/2021	0.25	27/08/2021-31/12/2021	01/01/2022-30/09/2024	—	4,200,000	—	—	—	4,200,000
	27/08/2021	0.25	27/08/2021-31/12/2022	01/01/2023-30/09/2024	—	4,200,000	—	—	—	4,200,000
				Sub-total	—	14,000,000	—	—	—	14,000,000
				Total	—	77,000,000	—	—	—	77,000,000

Note:

Other eligible participants include certain consultants of the Group.

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

During the six months ended 31 December 2021, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Shares.

LOAN CAPITALISATION INVOLVING ISSUE OF NEW SHARES TO THREE CONNECTED PERSONS UNDER GENERAL MANDATE

As disclosed on P.33 in the annual report 2021, on 8 June 2021 (after trading hours), the Company and each of Mr. CHAN Ting (the **"First Subscriber"**), Madam CHEUNG Kwai Lan (the **"Second Subscriber"**) and Ms. NG Pik Yin (the **"Third Subscriber"**) (the **"Subscriber(s)"**), each a connected person, entered into a loan capitalisation agreement (the three agreements are referred to as the First Loan Capitalisation Agreement, the Second Loan Capitalisation Agreement and the Third Loan Capitalisation Agreement, collectively the Loan Capitalisation Agreements and each a Loan Capitalisation Agreement) pursuant to which they conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue, an aggregate of 133,705,046 Shares (the **"Loan Capitalisation Shares"**) (the First Subscriber: 23,076,923 Loan Capitalisation Shares; the Second Subscriber: 89,166,585 Loan Capitalisation Shares; the Third Subscriber: 21,461,538 Loan Capitalisation Shares) at the subscription price of HK\$0.26 each (the **"LC Subscription Price"**) under the



general mandate (the “**General Mandate**”) granted to the Directors at the annual general meeting of the Company held on 20 November 2020. The subscription amount payable by the First Subscriber, the Second Subscriber and the Third Subscriber under the First Loan Capitalisation Agreement, the Second Loan Capitalisation Agreement and the Third Loan Capitalisation Agreement respectively shall be satisfied by capitalising the outstanding principal amount under the loans owing by the Company to the respective Subscribers (the “**Loan Capitalisation**”).

For each of the First Loan Capitalisation Agreement, the Second Loan Capitalisation Agreement and the Third Loan Capitalisation Agreement, the completion is conditional upon fulfillment of the conditions precedent, including independent Shareholders’ approval on or before 17 September 2021 (the “**Long Stop Date**”) (or such other time and date as the parties shall agree in writing) none of which is waivable. The Long Stop Date was extended to 29 October 2021 by the parties by entering into a supplemental agreement dated 17 September 2021.

On 11 October 2021, the First Loan Capitalisation Agreement, the Second Loan Capitalisation Agreement and the Third Loan Capitalisation Agreement and the subscription contemplated respectively thereunder were approved by the independent Shareholders in the extraordinary general meeting of the Company. Furthermore, all other conditions precedent for completion of the Loan Capitalisation have been fully fulfilled.

On 20 October 2021, the Company allotted and issued a total number of 133,705,046 Loan Capitalisation Shares at the LC Subscription Price of HK\$0.26 per Loan Capitalisation Share to the First Subscriber, the Second Subscriber and the Third Subscriber under the General Mandate pursuant to the First Loan Capitalisation Agreement, the Second Loan Capitalisation Agreement and the Third Loan Capitalisation Agreement respectively. The net proceeds of approximately HK\$34.8 million has been utilized as intended.

Details of the above connected transactions were disclosed in the Company’s announcements dated 8 June 2021, 24 June 2021, 17 September 2021, 11 October 2021 and 20 October 2021 and the circular dated 23 September 2021.



COMPETING INTERESTS

As at 31 December 2021, none of the Directors, the substantial shareholders nor the controlling shareholders of the Company or any of their respective close associates (as defined under the GEM Listing Rules) have any interest in any business which competes or is likely to compete, directly or indirectly, with the business of the Group.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company (the “**Articles of Association**”) or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

UPDATE ON DIRECTORS’ INFORMATION PURSUANT TO RULE 17.50A(1) OF THE GEM LISTING RULES

During the six months ended 31 December 2021, there was no change in information of the Directors required to be disclosed in accordance with Rule 17.50A(1) of the GEM Listing Rules.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted and complied with the applicable code provisions as set out in Appendix 15 to the GEM Listing Rules (the “**CG Code**”) during the six months ended 31 December 2021, except for the following deviation which are summarized below:

Code Provision A.2.1

The chairperson of the Company is responsible for overseeing the functions of the Board and formulating the overall strategies and policies of the Company. The chief executive officer of the Company is responsible for the day-to-day management of the business of the Group, implementing major strategies, making day-to-day decisions and the overall coordination of business operations. For the six months ended 31 December 2021, the roles of the chairperson and chief executive officer have not been separate and have not been exercised by different individuals. The responsibilities of both roles are same as mentioned above. The Board considers that vesting the roles of chairperson and chief executive officer in the same individual is beneficial to the



business prospects and management of the Group. The Board will review the need of appointing suitable candidate to assume the role of the chief executive officer when necessary.

Code provision A.4.1

The non-executive Directors of the Company (the “**NED(s)**”) and the independent non-executive Directors of the Company (the “**INED(s)**”) were not appointed for specific terms but are subject to retirement by rotation and re-election at the annual general meetings of the Company at least once every three years in accordance with the Articles of Association. The Company does not consider that fixed terms on the Directors’ services are appropriate given that the Directors ought to be committed to representing the long-term interests of the Shareholders. The retirement and re-election requirements of the NEDs and INEDs have given the rights to the Shareholders to consider and approve the continuation of the NEDs’ and INEDs’ offices.

The corporate governance practices of the Company will be reviewed and updated from time to time in order to comply with the GEM Listing Rules requirements when the Board considers appropriate.

MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct (the “**Code of Conduct**”) regarding the Directors’ securities transaction in the Shares. Having made specific enquires, the Company has confirmed with all Directors that they have complied with the required standard as set out in the Code of Conduct throughout the period under review.

AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the GEM Listing Rules and the CG Code. The Audit Committee comprises three INEDs, namely Mr. LAU Fai Lawrence, Dr. LIU Ta-pei and Mr. CHAU Wai Wah Fred. Mr. LAU Fai Lawrence has been appointed as the chairperson of the Audit Committee.



The primary duties of the Audit Committee are to review the Company's annual report and accounts, interim report and quarterly reports and to provide advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the Company's financial reporting, risk management and internal control systems.

The Group's unaudited results for the six months ended 31 December 2021 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results has complied with applicable accounting standards and requirements and that adequate disclosures have been made.

By order of the Board
Sinopharm Tech Holdings Limited
國藥科技股份有限公司
CHAN Ting
Chairperson

Hong Kong, 14 February 2022

As at the date of this report, the Board comprises Mr. CHAN Ting, Mr. LIAO Zhe and Mr. CHEUK Ka Chun Kevin as executive Directors, Madam CHEUNG Kwai Lan and Dr. CHENG Yanjie as non-executive Directors, and Mr. LAU Fai Lawrence, Dr. LIU Ta-pei and Mr. CHAU Wai Wah Fred as independent non-executive Directors.

