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F A R N O V A

## **FARNOVA GROUP HOLDINGS LIMITED**

**法諾集團控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 8153)**

### **ANNOUNCEMENT OF THIRD QUARTERLY RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2021**

The board of directors (the “**Board**”) of Farnova Group Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) hereby announces the unaudited third quarterly results of the Group for the nine months ended 31 December 2021. This announcement containing the full text of the 2021 Third Quarterly Report of the Company (the “**2021 Third Quarterly Report**”), complies with the relevant requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “**GEM Listing Rules**”). Printed version of the 2021 Third Quarterly Report containing the information required by the GEM Listing Rules will be despatched to the shareholders of the Company in due course.

By Order of the Board of  
**Farnova Group Holdings Limited**  
**Guo Gelin**  
*Chairman*

Hong Kong, 14 February 2022

*As of the date of this announcement, the executive Directors are Mr. Guo Gelin, Mr. Mou Zhongwei and Mr. Deng Li; the non-executive Directors are Mr. Wang Qiang, Mr. Kuang Quanzhuang, Mr. Li Guangying and Mr. Wang Hanjing; and the independent non-executive Directors are Mr. Luo Ji, Ms. Wu Hong, Mr. Li Jianxing and Dr. Wu Bin.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website <http://www.hkgem.com> for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at <http://farnov.ocoplus.com>.*

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*This report, for which the directors (the “Director(s)”) of Farnova Group Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.*

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# MANAGEMENT DISCUSSION AND ANALYSIS

## Business and Financial Review

### Overview

The Group derives its revenue mainly from (i) the provision of advertising services and (ii) sales of new energy electric vehicles. For the nine months ended 31 December 2021 (the "Period"), the Group's revenue increased to approximately HK\$60.9 million representing an increase of approximately 62.4% when compared to the corresponding period last year, which was solely driven by its advertising services business. No revenue was recorded from the sales of new energy electric vehicles during the Period.

### Advertising

The Group continued to strengthen its sales and marketing team and had hired additional employees for this business segment. These new employees had previously worked in other advertising enterprises and possess an extensive clientele network and are also experienced in advertisement design and planning.

Due to the continuous expansion of the Group's sales and marketing team, revenue from the Group's advertising services business achieved outstanding growth and increased to approximately HK\$60.9 million, representing an increase of approximately 62.4% when compared to the corresponding period last year. The Group's gross profit margin in respect of its provision of advertising services for the Period similarly achieved outstanding performance and had improved to approximately 38.6% when compared to the Group's gross profit margin of approximately 24.7% during the corresponding period last year.

## 管理層討論及分析

### 業務及財務回顧

#### 概覽

本集團之收入主要來自(i)提供廣告服務及(ii)銷售新能源電動汽車。截至二零二一年十二月三十一日止九個月(「本期間」)，本集團僅由其廣告服務業務驅動的收入增至約60.9百萬港元，較去年同期增加約62.4%。於本期間銷售新能源電動汽車概無錄得收入。

#### 廣告

本集團繼續加強其銷售及營銷團隊，並已為該業務分部聘請額外僱員。該等新僱員之前曾在其他廣告企業工作，擁有廣泛的客戶網絡，亦擁有廣告設計及策劃方面的經驗。

由於持續擴大本集團的銷售及營銷團隊，本集團廣告服務業務的收入取得顯著增長，增加至約60.9百萬港元，較去年同期增加約62.4%。本集團於本期間提供廣告服務的毛利率同樣取得優異表現，較去年同期本集團的毛利率約24.7%提高至約38.6%。

The Group's spectacular results in respect of its provision of advertising services in Hong Kong and the People's Republic of China (the "PRC") were primarily achieved through the expansion of its clientele and the strength of its in-house production team in providing the Group's clients with practical and effective marketing and advertising strategies. At the same time, the Group's operating efficiency also improved due to its increased scale of operations and in particular, the establishment of in-house production team. With the establishment of its in-house production team, the Group was able to better manage and reduce its production costs which resulted in the improvement in its gross profit margin. Simultaneously, it also enabled the Group to execute and realize its own marketing and advertising strategies in a more accurate and cost-effective way.

During the Period, the Group also improved upon its value-added services by offering to its clients annual advertising solutions on various media platforms such as advertising on mass transportation and social media, which has enabled it successfully retain existing clients while expanding its client base. The Group will continue exploring suitable opportunities to collaborate with different media platforms in order to further diversify its clientele and enhance its brand value.

Aside from focusing on the developing of its provision of advertising services in Hong Kong, the Group has also sought to capitalize upon the growing demand for the provision of advertising services in the PRC. The Group has taken this approach not only in light of the strong demand for advertising services in the PRC but due to the relatively mild effects of COVID-19 in effecting PRC business sentiments. On 24 December 2021, the Group entered into an agreement to acquire 51% of the equity interests in Beijing Creative Communication International Culture Media Co., Ltd., which is principally engaged in the advertising business. Through the acquisition, the Group can further expand its client base in the PRC and diversify its clientele. Furthermore, as the acquired company has significant experience in product promotion and event marketing which can serve to promote the Group's launch of new energy electric vehicles in the PRC.

本集團在香港及中華人民共和國（「中國」）提供廣告服務方面取得的驕人業績主要是通過擴大其客戶群及憑藉其內部製作團隊的實力為本集團的客戶提供切實可行及有效的營銷及廣告策略而取得。同時，隨著本集團經營規模的擴大，特別是建立內部製作團隊，其經營效率亦有所提高。隨著建立內部製作團隊，本集團能夠更好地管理及降低製作成本，從而提高毛利率。同時，亦使本集團能夠以更精準和更具成本效益的方式執行和實現自己的營銷及廣告策略。

於本期間，本集團亦通過於大眾交通及社交媒體上的廣告等各種媒體平台上向客戶提供年度廣告解決方案來提升增值服務，使其在擴大客戶基礎的同時成功留住現有客戶。本集團將繼續探索與不同媒體平台合作的合適機會，以進一步實現客戶群多元化並提升其品牌價值。

除了專注於發展在香港提供廣告服務外，本集團亦尋求利用對在中國提供廣告服務日益增長的需求。本集團採取此方法不僅是因為中國對廣告服務的強勁需求，亦因為2019冠狀病毒病對中國業務氣氛的影響相對溫和。於二零二一年十二月二十四日，本集團訂立協議以收購北京創意樂喜國際文化傳媒有限公司（主要從事廣告業務）的51%股權。通過是次收購，本集團可進一步擴大其位於中國的客戶基礎並使其客戶多樣化。此外，由於被收購公司在產品推廣及活動營銷方面擁有豐富經驗，可促進本集團在中國推出新能源電動汽車。

## New energy electric vehicles

During the Period under review, no revenue was recorded from the sales of new energy electric vehicles. The Group had previously entered into agreements for the sales of new energy electric vehicles which included pick-up trucks and sport cars, however they were not scheduled for delivery during the Period under review. Notwithstanding the aforesaid, the Group has since devoted greater efforts towards developing its own production capacity in order to streamline production and to shorten production lead times. As such the Group will be able to enhance its revenue and profitability in this business segment while reducing its reliance on third party manufacturers. The Group has also during the Period under review developed the second generation of Farnova Othello electric super car, which has generated favourable reviews in both the PRC and overseas new energy electric vehicle markets.

As part of its strategy to develop its own production capacity, the Group has also sought to cooperate with other players in the industry in order to diversify its lineup of new energy vehicles. On 29 April 2021, the Group entered into a strategic cooperation agreement (the “Strategic Cooperation Agreement”) with the People’s Government of Kundulun District of the PRC (the “Government of Kundulun District”). Pursuant to the Strategic Cooperation Agreement, the Group and the Government of Kundulun District would co-invest in the development of a new energy research and development facility as well as manufacturing facilities for the production of lightweight new energy vehicles in Kundulun District, Baotau City, the PRC.

## 新能源電動汽車

於回顧期內，銷售新能源電動汽車概無錄得任何收入。本集團此前已訂立銷售新能源電動汽車的協議，其中包括皮卡及跑車，惟並非於回顧期內安排交付。儘管如此，本集團此後已加大力度發展自身產能，以精簡生產及縮短生產交貨期。因此，本集團將能夠提高其在該業務分部的收入和盈利能力，同時減少對第三方製造商的依賴。本集團亦於回顧期內研發了第二代法諾奧賽羅超級電動車，這款電動車在中國境內外新能源電動車市場廣受好評。

作為自身產能提升戰略的一部分，本集團亦尋求與業內其他參與者合作，以豐富其新能源汽車產品線。於二零二一年四月二十九日，本集團與中國昆都侖區人民政府（「昆都侖區政府」）訂立一份戰略合作協議（「戰略合作協議」）。根據戰略合作協議，本集團與昆都侖區政府將共同投資於中國包頭市昆都侖區開發新能源研發工廠以及生產輕量化新能源汽車的製造工廠。

On 28 June 2021, the Group engaged an agent, on its behalf, to conduct due diligence for the purposes of acquiring a majority interest in a company which is a world-renowned automotive manufacturer based in Italy which is principally engaged in the design, manufacture and sales and marketing of new energy electric vehicles. The possible acquisition, if materialises, will enable the Group to expand its reach to overseas markets and serve to enhance the Group's technical abilities as well as develop its overseas manufacturing capabilities.

On 9 August 2021, the Group entered into a memorandum of understanding with Guizhou Hankais Intelligent Technology Company Limited\* (貴州翰凱斯智能技術有限公司) whereby the parties would carry out strategic cooperation for the potential procurement of modular autonomous chassis to be used in the manufacture of self-driving electric vehicles.

Furthermore, on 7 December 2021, the Group entered into an agreement to acquire 7.0% of the equity interest in Guangxi Huao Automobile Manufacturing Co. Ltd. ("Guangxi Huao") which is a company principally engaged in manufacturing and sales of road vehicles and new energy vehicles. The Group intends to take advantages of the strength of Guangxi Huao in relation to its research and development of new energy commercial vehicle products and its comprehensive manufacturing platform which when combined with those of the Group, being the design of new energy vehicles, application of carbon fiber new material technology and its sales network in the PRC and abroad, will enable the Group to develop the electric vehicle markets in the PRC, the ASEAN countries, U.S. and Europe.

於二零二一年六月二十八日，本集團委聘代理人代表本集團就收購一間公司的大部分股權開展盡職調查，該公司為一間意大利世界知名汽車製造商，主要從事新能源電動汽車之設計、製造以及銷售與營銷。潛在收購倘獲成功將有助本集團拓展海外市場、提升本集團的技術能力以及發展其海外製造能力。

二零二一年八月九日，本集團與貴州翰凱斯智能技術有限公司訂立一項諒解備忘錄，據此雙方將就對於製造自動駕駛電動汽車的模塊化自動駕駛底盤的潛在採購開展戰略合作。

此外，於二零二一年十二月七日，本集團訂立協議以收購廣西華奧汽車製造有限公司（「廣西華奧」，一間主要從事製造及銷售道路機動車及新能源汽車的公司）的7.0%股權。本集團打算利用廣西華奧在新能源商用汽車產品研發和綜合製造平台方面的優勢，與本集團的新能源汽車設計、碳纖維新材料技術、國內外銷售網絡等優勢相結合，將讓本集團能夠開發中國、東盟國家、美國和歐洲的電動汽車市場。

In addition, on 9 December 2021, the Group entered into a cooperation framework agreement with Corun Chs Technology Co., Ltd. ("Corun"). Corun is a research and development company specializing in hybrid and transmission system integration technology and mainly produces hybrid and transmission system integration and supporting products. Hybrid and transmission system integration technologies have broad applications in deep hybrid vehicles, plug-in hybrid vehicles, commercial vehicles, etc. Corun is committed to building an ecological system for the hybrid vehicle industry chain and becoming an operating service provider for the end-to-end ecological system platform for automobiles. Pursuant to the agreement, the Group and Corun will form a joint venture to focus on research and development, design and production-manufacturing of energy-saving and new energy vehicles, to forge an industry benchmark and improve corporate competitiveness in the market.

Aside from developing the Group's production capabilities, the Group has also devoted extensive efforts towards seeking skilled individuals who are experienced in the new energy vehicle industry to enable the Group to properly utilize its capabilities. On 6 August 2021 and 13 September 2021, respectively, the Group appointed Mr. Zhang Jian Hua ("Mr. Zhang") as the Group's Technical Director of Electric Vehicle Engineering and Mr. Chen Jianxiong ("Mr. Chen") as the Group's Production Director of Electric Vehicle Engineering. Mr. Zhang had previously served as the head of the Electric Vehicle Task Force at BYD Auto Co., Ltd. and has over 15 years of experience in the electric vehicle industry. As for Mr. Chen, he had previously worked as a general manager for Shenzhen Wuzhoulong Motors Co., Ltd. and has approximately 20 years of experience in the electric vehicle industry.

此外，於二零二一年十二月九日，本集團與科力遠混合動力技術有限公司（「科力遠」）訂立一份合作框架協議。科力遠是一家專注於混合動力及傳動系統總成技術研發公司，主要生產混合動力及傳動系統總成及配套產品。混合動力及傳動系統總成技術在深度混合動力汽車、插電式混合動力汽車、商用汽車等領域應用廣泛。科力遠致力於構建混合動力汽車產業鏈生態體系，成為汽車端到端生態體系平台的運營服務提供商。根據協議，本集團與科力遠將成立一間合資公司，專注於節能與新能源車型產品研發、設計、生產製造，打造為業內標杆，提升企業的市場競爭力。

除發展本集團的生產能力外，本集團亦付出大量精力尋求在新能源汽車行業經驗豐富的技術人才使本集團能夠適當地發揮其能力。本集團分別於二零二一年八月六日及二零二一年九月十三日委任張建華先生（「張先生」）為本集團電動車工程技術總監以及陳健雄先生（「陳先生」）為本集團電動車工程生產總監。張先生曾擔任比亞迪汽車有限公司電動汽車專案組負責人，並於電動汽車行業擁有逾15年經驗。至於陳先生，彼曾擔任深圳市五洲龍汽車股份有限公司總經理，並於電動汽車行業擁有約20年經驗。

To increase the competitiveness of the Group, the Group will continue to devote a significant amount of in-house effort towards, among others, research and development, engineering, design, quality control as well as sales and marketing of new energy electric vehicles. The Group will also strive to bring together top international automotive technology resources and introduce world class personnel and autonomous driving technology.

Notwithstanding the Group's focus on developing its own core capabilities in the new energy electric vehicle industry, the Group has also sought to nurture and assist in the development of companies in the new energy electric vehicles industry. Through the incubation, the Group can aid in the development of the industry as a whole and may be able to capitalize upon emerging technologies in the future. In this connection, the Group had on 15 June 2021 entered into a framework cooperation agreement with Shenzhen Cheyun Digital Technology Co., Ltd.\* (深圳市車云數字技術科技有限公司) and Shenzhen Xingchenhai Fund Management Co., Ltd.\* (深圳星辰海基金管理有限公司) to, amongst others, jointly establish and manage a new energy vehicle industry fund. Furthermore, as announced on 4 November 2021, the Group also entered into a strategic cooperation agreement with Shenzhen Qianhai Guangdong-Hong Kong Capital Investment Management Co., Ltd.\* (深圳前海粵港資本投資管理有限公司) and Guangdong Guanghao Investment Consulting Co., Ltd.\* (廣東省光浩投資諮詢有限公司), pursuant to which the parties intend to jointly form and manage a fund which shall focus on investing in emerging technologies relating to new energy vehicles and related core components, new energy power batteries and related materials as well as digital new infrastructure fields such as businesses related to the internet of intelligent vehicles.

為提高本集團的競爭力，本集團將繼續在內部投入大量精力，其中包括研發、工程、設計、質量控制以及新能源電動車的銷售及營銷。本集團亦將努力匯聚頂尖國際汽車技術資源並引入世界級人才及自動駕駛技術。

本集團在專注於發展自身在新能源電動汽車行業的核心能力的同時，亦尋求培育和助力新能源電動汽車行業企業的發展。通過孵化發育，本集團可以協助整個行業的發展，並可能日後利用新興技術。就此，本集團於二零二一年六月十五日與深圳市車云數字技術科技有限公司及深圳星辰海基金管理有限公司訂立一份框架合作協議，以(其中包括)共同發起設立及管理新能源汽車產業基金。此外，誠如二零二一年十一月四日所公佈，本集團亦與深圳前海粵港資本投資管理有限公司及廣東省光浩投資諮詢有限公司訂立戰略合作協議，據此，訂約各方擬共同設立並管理基金，重點投資新能源汽車及相關核心零部件、新能源動力電池及相關材料相關新興技術，以及智能車聯網相關業務等數字化新基建領域。

## Administrative expenses

During the Period under review, the Group's administrative expenses increased by approximately 75.9% to approximately HK\$12.2 million, as compared to the corresponding period last year. The increase in the Group's administrative expenses was primarily attributable to the increase in the number of staff, as the Group had hired additional personnel in order to cope with the expansion of the Group's advertising and new energy electric vehicle business. Additional depreciation in respect of right-of-use assets arising from a new lease agreement for the office in Hong Kong also contributed to the increase in administrative expenses during the Period. Further, the Group also incurred additional depreciation from property, plant and equipment and amortisation from other intangible assets resulting from the development of the new energy electric vehicle business during the Period under review.

## Finance costs

The Group's finance costs decreased by approximately 72.2% to approximately HK\$1.4 million, as compared to the same period last year. This substantial decrease was mainly attributable to the decrease in interest on Company's convertible bonds. Convertible bonds issued by the Company were fully converted into the Company's shares during the year ended 31 March 2021.

## 行政開支

於回顧期內，本集團的行政開支較去年同期增加約75.9%至約12.2百萬港元。本集團行政開支增加的主要原因是員工人數增加，因為本集團已聘請額外人員以應對本集團擴大廣告及新能源電動汽車業務。香港辦公室的新租賃協議產生的使用權資產的額外折舊亦導致行政開支於本期間內有所增加。此外，本集團於回顧期內亦因開發新能源電動汽車業務產生額外物業、機器及設備折舊以及其他無形資產攤銷。

## 融資成本

本集團的融資成本較去年同期減少約72.2%至約1.4百萬港元。該大幅減少主要因為本公司可換股債券利息減少。本公司發行的可換股債券已於截至二零二一年三月三十一日止年度悉數轉換為本公司股份。

## EXPOSURE TO FLUCTUATION IN EXCHANGE RATE AND TREASURY POLICIES

The majority of the transactions, assets and liabilities of the Group was denominated in Renminbi and Hong Kong dollars. During the Period under review, no financial instruments were used for hedging purpose, and the Group did not commit to any financial instruments to hedge its exposure to exchange rate risk, as the expected exchange rate risk is not significant. The senior management will continue to monitor the foreign exchange exposure and will consider applicable derivatives when necessary. The Group did not have any derivatives for hedging against the foreign exchange rate risk as at 31 December 2021.

## PROSPECTS

As the global economy has gradually recovered from the effects of COVID-19, it is expected that market sentiments will improve, accordingly, it is also expected that while companies may have previously taken a conservative approach in spending upon advertising and marketing activities, this trend will begin to change. Meanwhile, as travel restrictions are still in place in many countries of the world, it is expected that there will be a greater emphasis on localized marketing and advertising solutions which will require the skills and know-how of marketing enterprises who understand local needs and demands.

## 匯率波動風險及財資政策

本集團大多數交易、資產及負債以人民幣及港元計值。於回顧期內，並無就對沖目的使用金融工具，且本集團並無承諾使用任何金融工具對沖匯率風險，因為預期匯率風險並不重大。高級管理層將繼續監控外匯風險，並在必要時考慮適用的衍生工具。於二零二一年十二月三十一日，本集團並無持有任何衍生工具以對沖匯率風險。

## 前景

由於全球經濟逐漸自2019冠狀病毒病的影響中復甦，預期市場氣氛將有所改善，因此，亦預期雖然公司之前可能在廣告及營銷活動的支出上採取了保守方式，但這種趨勢將開始改變。與此同時，由於全球許多國家仍然設置旅行限制，預期將更加重視本地化營銷及廣告解決方案，這將需要了解當地需要及需求的營銷企業的技能及專業知識。

The Group intends to continue its efforts in developing and retaining its clientele in order to take advantage of this change in market sentiments through utilizing its sales and marketing team to promote brand awareness and to display the technical skills of the Group. Furthermore, the Group intends to place greater emphasis on showcasing its value-added services, such as providing annual advertising solutions pursuant to which the Group would offer services such as social media marketing as well as showcasing the skills of its in-house production team which can provide its clientele with cost effective marketing and advertising solutions.

Additionally, as the Group had previously developed an in-house production team, the Group also intends to further develop its in-house production team in order to streamline production and reduce its costs.

Having said the above, the Group expects to continue its existing successful efforts and strategies in regards to developing its provision of advertising services in Hong Kong and the PRC.

In recent years, there has been a significant increase in the awareness of the effects of global climate change and the need to reduce carbon emissions. A number of countries have issued timetables for the elimination of fossil fuel vehicles or have drastically increased the number and breadth of government initiatives towards the promotion of electric or alternative fuel source vehicles. The PRC government has also issued various statements to the effect that they envision that by 2025, 20% of all vehicles sold in the PRC will be new energy electric vehicles and it is also expected that by 2030 40% of all vehicles sold in the PRC will be new energy electric vehicles. Against this background and given that China is the largest market for automobiles and electric vehicles in the world, the Group believes that the demand for new energy electric vehicles in the PRC and the world will continue to expand.

本集團擬繼續努力發展及挽留客戶，通過利用其銷售及營銷團隊提升品牌知名度並展示本集團的技術能力來把握市場氣氛的這一轉變。此外，本集團擬更加重視展示其增值服務，如提供年度廣告解決方案，據此本集團將提供社交媒體營銷等服務以及展示其內部製作團隊的技能，從而可為其客戶提供具成本效益的營銷及廣告解決方案。

另外，由於本集團先前已發展內部製作團隊，本集團亦擬進一步發展其內部製作團隊以精簡生產及降低成本。

綜上所述，本集團預期將繼續有關於香港及中國發展提供廣告服務的現有成功努力及策略。

近年來，人們對全球氣候變化的影響和減少碳排放的必要性的認識顯著提高。若干國家已發佈淘汰化石燃料汽車的時間表，或大幅加大加深對推廣電動或替代燃料來源汽車的政府舉措。中國政府亦已發佈各種聲明，大意是彼等預計到二零二五年，在中國銷售的所有汽車中的20%將為新能源電動汽車，並且預期到二零三零年，在中國銷售的所有汽車中的40%將為新能源電動汽車。在此背景下及鑑於中國為全球最大的汽車及電動汽車市場，本集團相信中國及全球對新能源電動汽車的需求將持續擴大。

The Group expects to continue to devote significant effort towards the production and promotion of its new energy electric vehicles in order to capitalize upon the expected demand. In furtherance of this strategy, the Group has plans to develop its own production facilities and to cooperate with other leading players in the market in order to further streamline production and to reduce its reliance on third parties to manufacture its vehicles. Furthermore, in addition to the continued emphasis on its existing lineup of new energy electric vehicles, the Group also intends to develop a wide range of new energy electric vehicles in order to cater to the different segments of the market.

Aside from broadening its vehicle lineup, the Group plans to further develop and expand its research and development capabilities in order to capitalize on emerging technologies that may be applicable for new energy electric vehicles. The Group envisions that the emerging technologies in the new energy electric vehicles industry will enable it to increase its production capacity and capabilities while increasing the efficiency of its new energy electric vehicles and enhance its competitiveness in the market.

Given the Group's focus, the Group also intends to seek out talented individuals to enhance all aspects of its business in this segment, including the hiring of additional research and development staff as well as design and engineering teams.

## CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31 December 2021.

## HUMAN RESOURCES

As at 31 December 2021, the Group had about 43 employees in total, stationed mainly in the PRC and Hong Kong. The total staff costs, including key management's remuneration, amounted to approximately HK\$5.4 million (nine month ended 31 December 2020: HK\$4.0 million). The Group's emolument policies, which are reviewed periodically, are linked to the performance of individual employees and are based on the salary trends prevailing in the aforesaid regions.

本集團預期將繼續投入大量精力生產及推廣新能源電動汽車，以把握預期需求。為推進這一策略，本集團計劃開發自有生產工廠並與市場上的其他領先企業合作，以進一步精簡生產並減少對第三方製造汽車的依賴。此外，除繼續重視現有新能源電動汽車產品線外，本集團亦擬開發種類繁多的新能源電動汽車以迎合不同的市場分部。

除擴大其汽車產品線外，本集團計劃進一步發展和擴大其研發能力以利用可能適用於新能源電動汽車的新興技術。本集團預計，新能源電動汽車行業的新興技術將提高其生產能力及產能，同時提升其新能源電動汽車的能效，增強其市場競爭力。

鑑於本集團的重點，本集團亦擬物色人才以提升其在該分部業務的所有方面，包括聘用額外的研發人員以及設計及工程團隊。

## 或然負債

於二零二一年十二月三十一日，本集團並無任何重大或然負債。

## 人力資源

於二零二一年十二月三十一日，本集團合共有大約43名僱員，主要派駐於中國及香港。包括主要管理層薪酬在內的員工成本總額約為5.4百萬港元（截至二零二零年十二月三十一日止九個月：4.0百萬港元）。本集團的薪酬政策與個別僱員的表現掛鉤，並根據上述地區普遍的薪酬趨勢而定期檢討。

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2021, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance ("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 recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

### Long positions in the Shares

Name of Director and chief executive 董事及最高行政人員姓名	Capacity 身份	Number of Shares held 持有股份數目	Approximate percentage of shareholding 概約持股百分比
Guo Gelin 郭格林	Beneficial owner 實益擁有人	408,065,752	5.71%
Wang Hanjing 王漢景	Beneficial owner 實益擁有人	74,055,000	1.04%
Mou Zhongwei 牟忠緯	Beneficial owner 實益擁有人	15,000,000	0.21%

Save as disclosed above, as at 31 December 2021, none of the Directors and chief executives of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

## 董事及最高行政人員於股份、相關股份及債權證的權益及淡倉

於二零二一年十二月三十一日，董事及本公司最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債權證中，擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的權益或淡倉)，或根據證券及期貨條例第352條記錄於本公司須予存置的登記冊內的權益及淡倉，或根據GEM上市規則第5.46至5.67條須知會本公司及聯交所的權益及淡倉如下：

### 於股份之好倉

除上文所披露者外，於二零二一年十二月三十一日，概無董事及本公司最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的任何權益或淡倉(包括根據證券及期貨條例有關條文彼等被當作或被視為擁有的權益或淡倉)，或根據證券及期貨條例第352條記錄於本公司須予存置的登記冊內任何權益或淡倉，或根據GEM上市規則第5.46至5.67條須知會本公司及聯交所的任何權益或淡倉。

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

So far as known to the Directors or chief executives of the Company, as at 31 December 2021, the following persons/entities (other than the Directors and chief executives of the Company) had or were deemed to have an interest or a short position in the shares or the underlying shares which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

### Long positions in the Shares and underlying shares

Name of Shareholders	Capacity and nature of interests	Number of Shares held/ interested 所持／擁有 股份數目	Number of underlying Shares held/ interested 所持／擁有 相關股份數目	Approximate percentage of shareholding 概約 持股百分比
Song Wenxia 宋文霞	Beneficial owner 實益擁有人	364,200,547	-	5.10%

Save as disclosed above, as at 31 December 2021, there was no person or corporation, other than the Directors and chief executives of the Company whose interests are set out in the section "Directors' and chief executives' interests and short position in shares, underlying shares and debentures" above, had any interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

## 主要股東及其他人士於本公司股份及相關股份的權益及淡倉

據董事或本公司最高行政人員所知，於二零二一年十二月三十一日，以下人士／實體（董事及本公司最高行政人員除外）於股份或相關股份中擁有或被視作擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司及聯交所披露之權益或淡倉，或記錄於本公司根據證券及期貨條例第336條須予存置之登記冊內之權益或淡倉，或直接或間接擁有附帶權利可於所有情況下於本公司或本集團任何其他成員公司之股東大會上投票之任何類別股本面值5%或以上權益：

### 於股份及相關股份之好倉

除上文所披露者外，於二零二一年十二月三十一日，概無人士或法團（董事及本公司最高行政人員除外，其權益載於上文「董事及最高行政人員於股份、相關股份及債權證的權益及淡倉」一節）於本公司股份或相關股份中擁有記錄於本公司根據證券及期貨條例第336條須予存置之登記冊內之任何權益或淡倉。

## DIRECTORS' INTERESTS IN CONTRACTS

No Director had any material interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the nine months ended 31 December 2021.

## COMPETITION INTEREST

None of the Directors, the controlling Shareholders (as defined in the GEM Listing Rules) or any of its respective close associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, or has or may have any other conflict of interests with Group during the nine months ended 31 December 2021.

## PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the nine months ended 31 December 2021.

## SHARE OPTION SCHEME

A share option scheme was adopted by the Shareholders and became effective on 27 March 2020 and shall remain in force for a period of 10 years from that date. The share option scheme mandate limit was refreshed to 10% of the number of the issued Shares at the date of annual general meeting of the Company (the "AGM") held on 9 August 2021. The granting of 90,000,000 share options on 9 September 2020 and 363,000,000 share options on 30 November 2020 were not validly accepted by the grantees, therefore no share option has been granted by the Company.

## 董事於合約之權益

於截至二零二一年十二月三十一日止九個月，概無董事於本公司或其任何子公司所訂立而對本集團業務屬重大之任何合約中擁有任何重大權益。

## 競爭權益

截至二零二一年十二月三十一日止九個月，董事、控股股東(定義見GEM上市規則)或彼等各自的任何緊密聯繫人概無進行與本集團業務(不論直接或間接)構成競爭或可能構成競爭的任何業務或與或可能與本集團產生任何其他利益衝突。

## 購買、出售或贖回上市證券

於截至二零二一年十二月三十一日止九個月，本公司或其任何子公司概無購買、贖回或出售任何本公司之上市證券。

## 購股權計劃

股東已採納一項購股權計劃，計劃自二零二零年三月二十七日起生效，且於自當日起計10年期內持續生效。購股權計劃授權限額於本公司二零二一年八月九日舉行之股東週年大會(「股東週年大會」)上獲更新至當日已發行股份數目的10%。於二零二零年九月九日授出的90,000,000份購股權及於二零二零年十一月三十日授出的363,000,000份購股權並無獲承授人有效接納，因此本公司概無授出任何購股權。

## CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 15 to the GEM Listing Rules for the nine months ended 31 December 2021, save and except for the following:

1. Code provision A.1.3 requires that notice of at least 14 days should be given of a regular board meeting to give all directors an opportunity to attend. For all other board meetings, reasonable notice should be given. Due to the practical reasons, 14 days' advanced notifications have not been given to all meetings of the Board. Reasons have been given in the notifications in respect of those meetings of the Board where it is not practical to give 14 days' advanced notification. The Board will use its best endeavor to give 14 days' advanced notifications of Board meeting to the extent practicable.

## CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the Period under review, the Company continued to adopt a code of conduct regarding Director's securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct regarding securities transactions by the Directors for the nine months ended 31 December 2021.

## 企業管治常規

董事會認為，本公司於截至二零二一年十二月三十一日止九個月已遵守GEM上市規則附錄十五所載企業管治守則及企業管治報告之全部守則條文，惟下文所述者除外：

1. 守則條文A.1.3條規定，召開董事會定期會議應向全體董事發出至少14天通知，令彼等得以抽空出席。就召開所有其他董事會會議而言，應發出合理通知。基於實際原因，本公司並無就所有董事會會議發出14天之事先通知。本公司已在有關董事會會議通知內說明基於實際原因未能發出14天事先通知之原因。董事會將在實際可行之情況下盡力就董事會會議發出14天事先通知。

## 董事進行證券交易之行為守則

於回顧期間，本公司繼續採納董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載交易之規定準則。經向全體董事作出具體查詢後，董事於截至二零二一年十二月三十一日止九個月已遵守有關董事進行證券交易之行為守則。

## AUDIT COMMITTEE

The primary duties of the Audit Committee are to review the Group's annual report and accounts, half-year report and quarterly reports and to provide advice and comments thereon to the Board and to review and to provide the oversight of the financial reporting system, risk management and internal control system of the Group.

The Audit Committee consists of one non-executive director and four independent non-executive Directors, namely Mr. Li Jianxing ("Mr. Li"), Mr. Kuang Quanzhuang, Mr. Luo Ji, Ms. Wu Hong and Dr. Wu Bin. Mr. Li is the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited third quarterly results for the nine months ended 31 December 2021, and was of opinion that the preparation of such report and results complied with applicable accounting standards and the GEM Listing Rules and that adequate disclosure had been made.

By order of the Board  
**Farnova Group Holdings Limited**  
**Guo Gelin**  
Chairman

Hong Kong, 14 February 2022

*As of the date of this report, the executive Directors are Mr. Guo Gelin, Mr. Mou Zhongwei and Mr. Deng Li; the non-executive Directors are Mr. Wang Qiang, Mr. Kuang Quanzhuang, Mr. Li Guangying and Mr. Wang Hanjing; and the independent non-executive Directors are Mr. Luo Ji, Ms. Wu Hong, Mr. Li Jianxing and Dr Wu Bin.*

## 審核委員會

審核委員會之主要職責為審閱本集團之年報及賬目、半年度報告及季度報告，並就此向董事會提供意見及建議，以及審閱及監督本集團之財務申報系統、風險管理及內部監控系統。

審核委員會由一名非執行董事及四名獨立非執行董事組成，即李建行先生（「李先生」）、鄺權壯先生、羅輯先生、吳紅女士及吳濱博士。李先生為審核委員會主席。

審核委員會已審閱截至二零二一年十二月三十一日止九個月之未經審核第三季度業績，並認為有關報告及業績於編製時已遵照適用會計準則及GEM上市規則，並已作出充分披露。

承董事會命  
**法諾集團控股有限公司**  
主席  
**郭格林**

香港，二零二二年二月十四日

於本報告日期，執行董事為郭格林先生、牟忠緯先生及鄧里先生；非執行董事為王強先生、鄺權壯先生、李光營先生及王漢景先生；及獨立非執行董事則為羅輯先生、吳紅女士、李建行先生及吳濱博士。

### THIRD QUARTERLY RESULTS (UNAUDITED)

The board of Directors (the "Board") hereby presents the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the nine months ended 31 December 2021 (the "Period"), together with the unaudited comparative figures for the corresponding period in 2020 as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the nine months ended 31 December 2021

### 第三季度業績(未經審核)

董事會(「董事會」)謹此呈列本公司及其子公司(統稱「本集團」)截至二零二一年十二月三十一日止九個月(「本期間」)之未經審核綜合業績，連同二零二零年同期之未經審核比較數字如下：

### 簡明綜合損益及其他全面收益表(未經審核)

截至二零二一年十二月三十一日止九個月

	Notes 附註	Three months ended 31 December 截至十二月三十一日止三個月		Nine months ended 31 December 截至十二月三十一日止九個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列) (Note 8) (附註8)	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列) (Note 8) (附註8)
<b>Continuing operations</b>					
Revenue	3	21,300	26,412	60,900	37,512
Cost of services		(12,780)	(18,496)	(37,386)	(28,261)
<b>Gross profit</b>		<b>8,520</b>	<b>7,916</b>	<b>23,514</b>	<b>9,251</b>
Other income	4	1	-	25	-
Administrative expenses		(4,238)	(2,280)	(12,195)	(6,935)
Net fair value gain on financial assets at fair value through profit or loss		-	-	-	1
Provision for allowance for expected credit loss on trade and other receivables		(2,896)	-	(4,797)	(260)
Finance costs, net	5	(515)	(561)	(1,437)	(5,165)
Share of loss of an associate		(157)	-	(482)	-
<b>Profit/(loss) before income tax from continuing operations</b>		<b>715</b>	<b>5,075</b>	<b>4,628</b>	<b>(3,108)</b>
Income tax credit	6 7	2,105	-	-	-
<b>Profit/(loss) for the period from continuing operations</b>		<b>2,820</b>	<b>5,075</b>	<b>4,628</b>	<b>(3,108)</b>
<b>Discontinued operations</b>					
Profit for the period from discontinued operations	8	-	143	-	423
<b>Profit/(loss) for the period</b>		<b>2,820</b>	<b>5,218</b>	<b>4,628</b>	<b>(2,685)</b>
<b>Profit/(loss) attributable to:</b>					
- Owners of the Company		2,820	5,218	4,628	(2,685)
- Non-controlling interests		-	-	-	-
<b>Earning/(loss) per share</b>					
From continuing and discontinued operations					
- Basic and diluted (HK cents)	9	0.04	0.08	0.06	(0.05)
From continuing operations					
- Basic and diluted (HK cents)	9	0.04	0.08	0.06	(0.06)
From discontinued operations					
- Basic and diluted (HK cents)	9	0.00	0.00	0.00	0.01

CONDENSED CONSOLIDATED STATEMENT  
OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME (UNAUDITED)

簡明綜合損益及其他全面收益表  
(未經審核)(續)

(Continued)

For the nine months ended 31 December 2021

截至二零二一年十二月三十一日止九個月

		Three months ended 31 December 截至十二月三十一日止三個月		Nine months ended 31 December 截至十二月三十一日止九個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列) (Note 8) (附註8) (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列) (Note 8) (附註8) (Unaudited) (未經審核)
<b>Profit/(loss) for the period</b>	期間溢利/(虧損)	<b>2,820</b>	5,218	<b>4,628</b>	(2,685)
<b>Other comprehensive income</b>	其他全面收益				
<i>Item that may be reclassified subsequently to profit or loss:</i>	其後可能重新分類至損益之項目:				
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	<b>498</b>	-	<b>351</b>	-
<b>Total comprehensive income/(expense) for the period</b>	期間全面收益/(開支)總額	<b>3,318</b>	5,218	<b>4,979</b>	(2,685)
<b>Total comprehensive income/(expense) attributable to:</b>	以下人士應佔全面收益/(開支)總額:				
- Owners of the Company	— 本公司擁有人	<b>3,318</b>	5,218	<b>4,979</b>	(2,685)
- Non-controlling interests	— 非控股權益	-	-	-	-
		<b>3,318</b>	5,218	<b>4,979</b>	(2,685)

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

For the nine months ended 31 December 2021

截至二零二一年十二月三十一日止九個月

		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Share premium	Equity component of convertible bonds	Merger reserve	Exchange reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	可換股債券之權益部分	合併儲備	匯兌儲備	累計虧損	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			Note (a)		Note (b)					
			附註(a)		附註(b)					
<b>At 1 April 2020 (audited)</b>	於二零二零年四月一日(經審核)	1,961	317,032	38,114	(197)	(783)	(480,094)	(123,967)	(4,142)	(128,109)
Loss for the period	期間虧損	-	-	-	-	-	(2,685)	(2,685)	-	(2,685)
Other comprehensive income	其他全面收益	-	-	-	-	-	-	-	-	-
- Exchange differences on translation of foreign operations	- 換算海外業務產生之匯兌差額	-	-	-	-	-	-	-	-	-
Total comprehensive expense for the period	期間全面開支總額	-	-	-	-	-	(2,685)	(2,685)	-	(2,685)
Shares issued under general mandate	根據一般授權發行之股份	196	68,404	-	-	-	-	68,600	-	68,600
Conversion of convertible bonds (note (c))	兌換可換股債券(附註(c))	640	118,791	(38,114)	-	-	-	81,317	-	81,317
Shares issued in respect of bond interest payments (note (d))	就支付債券利息而發行之股份(附註(d))	60	7,446	-	-	-	-	7,506	-	7,506
<b>At 31 December 2020 (unaudited)</b>	於二零二零年十二月三十一日(未經審核)	2,857	511,673	-	(197)	(783)	(482,779)	30,771	(4,142)	26,629

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

## 簡明綜合權益變動表(續)

		Attributable to owners of the Company 本公司擁有人應佔						Non-controlling interests 非控股權益	Total equity 權益總額
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$000 千港元 Note (a) 附註(a)	Merger reserve 合併儲備 HK\$'000 千港元 Note (b) 附註(b)	Exchange reserve 匯兌儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元		
<b>At 1 April 2021 (audited)</b>	於二零二一年 四月一日(經審核)	2,857	503,165	13,107	266	(482,830)	36,565	—	36,565
Profit for the period	期間溢利	-	-	-	-	4,628	4,628	-	4,628
Other comprehensive income	其他全面收益	-	-	-	-	-	-	-	-
- Exchange differences on translation of foreign operations	— 換算海外業務產生之匯兌差額	-	-	-	351	-	351	-	351
Total comprehensive income for the period	期間全面收益總額	-	-	-	351	4,628	4,979	-	4,979
<b>At 31 December 2021 (unaudited)</b>	於二零二一年 十二月三十一日 (未經審核)	2,857	503,165	13,107	617	(478,202)	41,544	-	41,544

Notes:

- (a) Share premium represents the excess of proceeds received over the nominal value of the Company's shares issued, less share issue expenses. Pursuant to the Companies Act of Bermuda, the Company's share premium account may be distributed in the form of fully paid bonus shares.
- (b) The merger reserve of the Group represents the difference between the nominal value of the share capital of a subsidiary acquired and the nominal value of the shares issued by the Company in exchange thereof pursuant to the Group's reorganisation on 20 March 2001 as set out in the prospectus of the Company dated 26 March 2001.
- (c) During the Period, the bondholders of the convertible bonds bearing interest at 6% per annum in the aggregate principal amount of HK\$130 million issued on 5 November 2015 (the "CB 2018") had converted the CB 2018 with the aggregate principle amount of HK\$30.0 million at conversion price of HK\$0.05 per share into 600,000,000 shares of the Company. The bondholder of the convertible bonds bearing interest at 6% per annum in the aggregate principal amount of HK\$120 million issued on 28 June 2016 (the "CB 2019") had converted the CB 2019 with the aggregate principal amount of HK\$50.0 million at conversion price of HK\$0.05 per share into 1,000,000,000 shares of the Company.
- (d) During the Period, the bondholders of CB 2018 and CB 2019 had requested to be paid the interests of approximately HK\$7.5 million by way of shares and therefore 150,131,991 shares of the Company were issued at conversion price of HK\$0.05 per share.

附註：

- (a) 股份溢價是指所得款項超過本公司已發行股份面值的餘額減去股份發行費用。根據《百慕達公司法》，本公司的股份溢價賬可以以繳足紅股的形式分配。
- (b) 本集團之合併儲備指所收購子公司的股本面值與本公司為換股而根據本公司日期為二零零一年三月二十六日的招股章程所載本集團於二零零一年三月二十日之重組所發行之股份面值兩者間之差額。
- (c) 於本期間，二零一五年十一月五日發行的本金總額130百萬港元按年利率6%計息的可換股債券(「二零一八年可換股債券」)之債券持有人按兌換價每股0.05港元將本金總額為30.0百萬港元之二零一八年可換股債券兌換為600,000,000股本公司股份。二零一六年六月二十八日發行的本金總額120百萬港元按年利率6%計息的可換股債券(「二零一九年可換股債券」)之債券持有人按兌換價每股0.05港元將本金總額為50.0百萬港元之二零一九年可換股債券兌換為1,000,000,000股本公司股份。
- (d) 於本期間，二零一八年可換股債券及二零一九年可換股債券持有人要求以股份支付約7.5百萬港元的利息。因此，150,131,991股本公司股份已按兌換價每股0.05港元發行。

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on GEM of the Stock Exchange. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is Room 8212, Unit 01, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

The Company is an investment holding company and the principal activities of the Group are provision of advertising services and sales of new energy electric vehicles.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousands (“HK\$’000”) except when otherwise indicated.

### 2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements for the nine months ended 31 December 2021 (the “Third Quarterly Financial Statements”) have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules. The Third Quarterly Financial Statements do not include all the information required in annual financial statements in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 March 2021 (the “Annual Report 2021”).

## 簡明綜合財務報表附註

### 1. 一般資料

本公司為於百慕達註冊成立之獲豁免有限責任公司，其股份於聯交所GEM上市。本公司之註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda及其主要營業地點為香港九龍柯士甸道西1號環球貿易廣場82樓01號8212室。

本公司為投資控股公司，本集團之主要業務為提供廣告服務及銷售新能源電動汽車。

除另有說明者外，未經審核簡明綜合財務報表以港元（「港元」）呈列，所有金額均調整至最近之千位數（「千港元」）。

### 2. 編製基準及主要會計政策

截至二零二一年十二月三十一日止九個月之未經審核簡明綜合財務報表（「第三季度財務報表」）按照GEM上市規則第18章之適用披露規定編製。第三季度財務報表並不包括香港財務報告準則（「香港財務報告準則」，包括所有由香港會計師公會（「香港會計師公會」）頒佈之適用獨立香港財務報告準則、香港會計準則及詮釋之統稱）規定年度財務報表所需之所有資料，並應與本集團截至二零二一年三月三十一日止年度之綜合財務報表（「二零二一年年報」）一併閱讀。

## 2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

(continued)

The Third Quarterly Financial Statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

The preparation of the Third Quarterly Financial Statements in conformity with HKFRSs requires the use of certain critical accounting estimates. The significant judgments, estimates and assumptions applied in the preparation of the Third Quarterly Financial Statements are consistent with those used in the Annual Report 2021.

The Third Quarterly Financial Statements are unaudited and have not been reviewed by the Company's auditors, but have been reviewed by the Company's audit committee. The Group has not early adopted any new HKFRSs that have been issued but not yet effective.

## 2. 編製基準及主要會計政策

(續)

第三季度財務報表按歷史成本基準編製，惟若干以公允值計量之金融工具除外。

按照香港財務報告準則編製第三季度財務報表時，需要採用若干重要會計估計。編製第三季度財務報表應用之重大判斷、估計及假設與二零二一年年報所採用者一致。

第三季度財務報表未經審核且未經本公司核數師審閱，但已經本公司審核委員會審閱。本集團並無提早採納任何已頒佈但尚未生效之新訂香港財務報告準則。

## 3. REVENUE (UNAUDITED)

## 3. 收入(未經審核)

		Three months ended 31 December 截至十二月三十一日止三個月		Nine months ended 31 December 截至十二月三十一日止九個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)
<b>Continuing operations</b>	<b>持續經營業務</b>				
Advertising service income	廣告服務收入	21,300	26,412	60,900	37,512
<b>Timing of revenue recognition:</b>	<b>收入確認時間：</b>				
A point in time	某一時間點	21,300	26,412	60,900	37,512

4. OTHER INCOME (UNAUDITED)

4. 其他收入(未經審核)

		Three months ended 31 December 截至十二月三十一日止三個月		Nine months ended 31 December 截至十二月三十一日止九個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)
<b>Continuing operations</b>	<b>持續經營業務</b>				
Bank interest income	銀行利息收入	1	-	24	-
Sundry income	雜項收入	-	-	1	-
		1	-	25	-

5. FINANCE COSTS — NET  
(UNAUDITED)

5. 融資成本 — 淨額(未經  
審核)

		Three months ended 31 December 截至十二月三十一日止三個月		Nine months ended 31 December 截至十二月三十一日止九個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)
<b>Continuing operations</b>	<b>持續經營業務</b>				
Interest on other loans wholly repayable within five years	須於五年內全數償還 之其他貸款利息	99	421	221	2,086
Interest on bonds	債券利息	395	-	1,139	-
Interest on convertible bonds	可換股債券之利息	-	140	-	3,079
Interest expense on lease liabilities	租賃負債之利息開支	21	-	77	-
		515	561	1,437	5,165

6. PROFIT/(LOSS) BEFORE INCOME TAX  
(UNAUDITED)

Profit/(loss) before income tax from continuing operations is arrived at after charging:

6. 除所得稅前溢利／(虧損)  
(未經審核)

來自持續經營業務之除所得稅前溢利／(虧損)經扣除以下各項後達致：

		Three months ended 31 December 截至十二月三十一日止三個月		Nine months ended 31 December 截至十二月三十一日止九個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)
<b>(a) Employee benefit expenses (including directors' remuneration)</b>	<b>僱員福利開支(包括董事酬金)</b>				
Salaries, wages and other benefits	薪金、工資及其他福利	2,226	1,338	5,215	3,954
Retirement benefit scheme contributions	退休福利計劃供款	52	15	221	84
		<b>2,278</b>	<b>1,353</b>	<b>5,436</b>	<b>4,038</b>
<b>(b) Other items</b>	<b>其他項目</b>				
Depreciation of property, plant and equipment	物業、機器及設備折舊	136	-	327	58
Depreciation of right-of-use assets	使用權資產折舊	220	-	661	54
Amortisation of other intangible assets	其他無形資產攤銷	653	-	987	-

## 7. INCOME TAX CREDIT (UNAUDITED)

## 7. 所得稅抵免(未經審核)

	Three months ended 31 December 截至十二月三十一日止三個月		Nine months ended 31 December 截至十二月三十一日止九個月	
	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)
<b>Current tax — Hong Kong Profits Tax</b> 即期稅項 — 香港 利得稅				
adjustments in respect of current income tax of prior period 往期即期所得稅調 整	2,105	-	-	-
	<b>2,105</b>	-	-	-

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The assessable profits of corporations not qualifying for the two-tiered profit tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime is applicable to the Group for the nine months ended 31 December 2021 and 2020.

The Group's entities established in the People's Republic of China (the "PRC") are subject to Enterprise Income Tax of the PRC at a statutory rate of 25%. For the nine months ended 31 December 2021 and 2020, the PRC Enterprise Income Tax has not been provided for as the Group's PRC subsidiaries have incurred loss for taxation purpose.

於二零一八年三月二十一日，香港立法會通過了《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入了兩級制利得稅率制度。該條例草案於二零一八年三月二十八日簽署成為法律，並於次日刊憲。根據兩級制利得稅率制度，合資格法團首200萬港元的應課稅利潤將按8.25%徵稅，而超過200萬港元的應課稅利潤則按16.5%徵稅。不符合兩級制利得稅率制度的公司，其應課稅利潤將繼續按16.5%的統一稅率徵稅。兩級制利得稅率制度於截至二零二一年及二零二零年十二月三十一日止九個月適用於本集團。

本集團於中華人民共和國(「中國」)成立的實體須按法定稅率25%繳納中國企業所得稅。截至二零二一年及二零二零年十二月三十一日止九個月，由於本集團的中國子公司已產生稅務虧損，故並未就中國企業所得稅進行撥備。

## 8. DISCONTINUED OPERATION

On 1 January 2021, the Group entered into a conditional sale and purchase agreement to dispose its entire equity interest in Success Start Limited (“Success Start”), a then wholly-owned subsidiary of the Company which carried on money lending operations, and a sale loan due by Success Start at total consideration of HK\$1. The disposal of money lending operations was consistent with the Group’s long-term policy to focus its activities on the Group’s other business. The disposal was completed on 1 January 2021, on which date the control of money lending operations ceased.

The comparative figure for the condensed consolidated statement of profit or loss and other comprehensive income and related notes have been re-presented as if the operations of money lending operations discontinued during the year ended 31 March 2021 had been discontinued at the beginning of the comparative period.

## 8. 已終止經營業務

於二零二一年一月一日，本集團訂立有條件的買賣協議，出售其經營放債業務的迅邁（本公司當時的一間全資子公司）的全部股本權益以及迅邁結欠之銷售貸款，總代價為1港元。出售放債業務符合本集團將其業務重點專注於本集團其他業務之長期政策。出售已於二零二一年一月一日完成，放債業務的控制權於當日終止。

簡明綜合損益及其他全面收益表之比較數字及相關附註乃假設截至二零二一年三月三十一日止年度終止的放債業務的營運於比較期間之期初已經終止而重新呈列。

## 9. EARNING/(LOSS) PER SHARE (UNAUDITED)

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

## 9. 每股盈利／(虧損)(未經審核)

每股基本盈利／(虧損)按本公司擁有人應佔溢利／(虧損)除以期間已發行普通股之加權平均數計算。

		Three months ended 31 December 截至十二月三十一日止三個月		Nine months ended 31 December 截至十二月三十一日止九個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)	2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元 (Restated) (經重列)
<b>Profit/(loss) attributable to owners of the Company</b>	本公司擁有人應佔溢利／(虧損)				
- From continuing operations	- 來自持續經營業務	2,820	5,075	4,628	(3,108)
- From discontinued operations	- 來自已終止經營業務	-	143	-	423
		'000 千股	'000 千股	'000 千股	'000 千股
Weighted average number of ordinary shares in issue during the period	期內已發行普通股加權平均數	7,141,424	6,655,024	7,141,424	5,569,262

Diluted earning per share for the nine months ended 31 December 2021 is the same as the basic earning per share as there are no dilutive potential ordinary shares in existence during the Period.

No adjustment has been made to the basic loss per share for the nine months ended 31 December 2020 in respect of a dilution as the impact of the convertible bonds outstanding had an anti-dilutive effect.

截至二零二一年十二月三十一日止九個月每股攤薄盈利與每股基本盈利相同，因為本期間不存在具攤薄影響的潛在普通股。

由於尚未行使可換股債券具反攤薄影響，故概無就攤薄對截至二零二零年十二月三十一日止九個月之每股基本虧損作出調整。

## 10. DIVIDEND

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

## 11. EVENT AFTER REPORTING PERIOD

On 11 January 2022, the Company entered into a placing agreement with a placing agent for placing up to 1,400,000,000 new shares of the Company. The placing was completed on 14 February 2022 and 1,350,000,000 new shares of the Company were issued to the placees at an issue price of HK\$0.06 per share. The net proceeds amounted to approximately HK\$80.0 million being used for repayment of debts, expansion of the Group's business and general working capital.

## 10. 股息

董事會並不建議就截至二零二一年十二月三十一日止九個月派付股息(截至二零二零年十二月三十一日止九個月:無)。

## 11. 報告期後事項

於二零二二年一月十一日，本公司與配售代理訂立配售協議，以配售本公司最多1,400,000,000股新股份。配售事項於二零二二年二月十四日完成，本公司1,350,000,000股新股份已按每股發行價0.06港元發行予承配人。所得款項淨額約為80.0百萬港元，用於償還債務、本集團的業務擴張和一般運營資金。