



Enviro Energy International Holdings Limited

環能國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號：1102)

2022

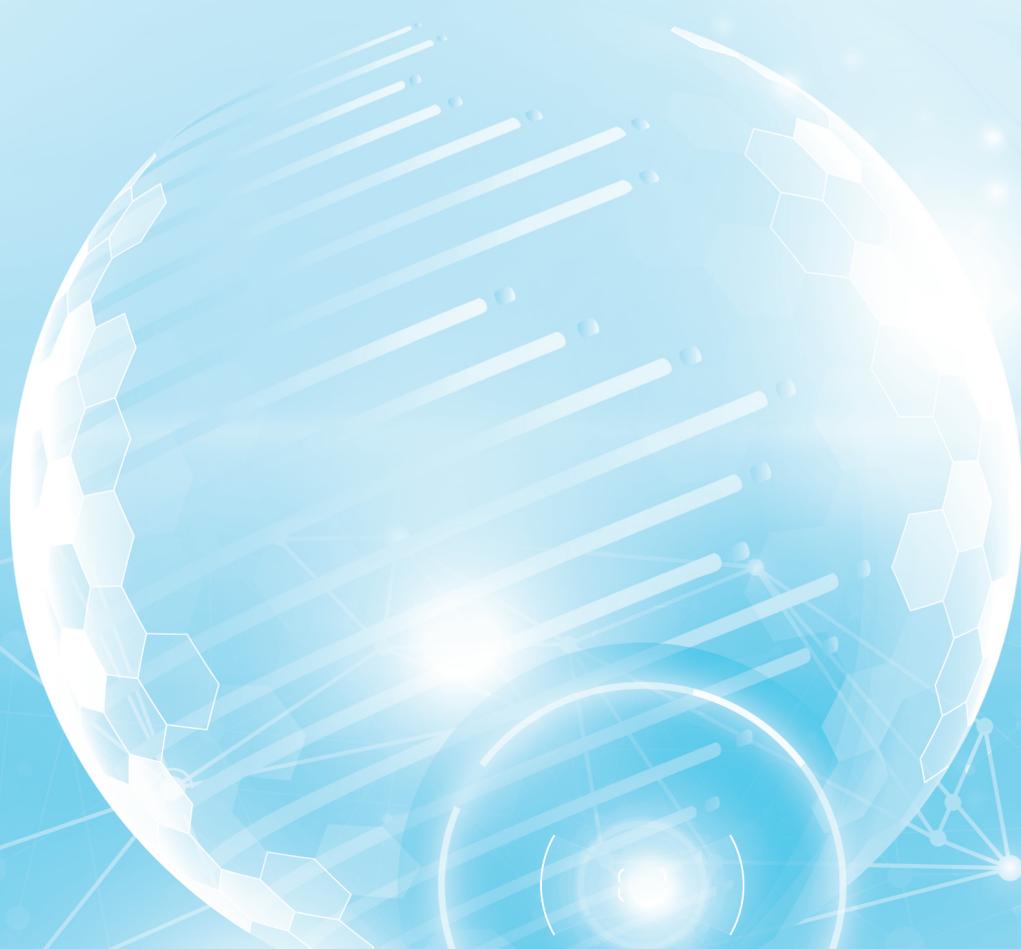
INTERIM REPORT

中期報告



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Abbreviations

簡稱

In this interim report, the following abbreviations have the following meanings unless otherwise specified: 於本中期報告內，除文義另有所指外，下列簡稱具有以下涵義：

| | | |
|---------------------------------------|---|---|
| “Articles of Association” 「組織章程細則」 | 指 | memorandum and articles of association of the Company 本公司之組織章程大綱及章程細則 |
| “Board” 「董事會」 | 指 | Board of Directors 董事會 |
| “Company” 「本公司」 | 指 | Enviro Energy International Holdings Limited 環能國際控股有限公司 |
| “Companies Ordinance” 「公司條例」 | 指 | chapter 622 of the Laws of Hong Kong 香港法例第622章 |
| “Directors” 「董事」 | 指 | directors of the Company 本公司之董事 |
| “Group” 「本集團」 | 指 | the Company and its subsidiaries 本公司及其附屬公司 |
| “Listing Rules” 「上市規則」 | 指 | Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則 |
| “PRC” 「中國」 | 指 | People’s Republic of China 中華人民共和國 |
| “Review Period” 「回顧期間」 | 指 | the six-months period from 1 January 2022 to 30 June 2022 由二零二二年一月一日起至二零二二年六月三十日止六個月期間 |
| “SFO” 「證券及期貨條例」 | 指 | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 證券及期貨條例(香港法例第571章) |
| “Stock Exchange” 「聯交所」 | 指 | The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司 |
| “HK\$” and “HK cent” 「港元」及「港仙」 | 指 | Hong Kong dollar(s) and cent, the lawful currency of Hong Kong 港元及港仙，香港法定貨幣 |
| “US\$” 「美元」 | 指 | United States dollar(s), the lawful currency of the United States of America 美元，美利堅合眾國的法定貨幣 |
| “%” 「%」 | 指 | per cent 百分比 |

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Li Gang (*Chairman*)
Mr. Pan Lihui
Mr. Jiang Senlin

Independent Non-executive Directors

Mr. Zhong Jian
Mr. Du Hongwei
Mr. Liu Qin

AUDIT COMMITTEE

Mr. Liu Qin (*Chairman*)
Mr. Zhong Jian
Mr. Du Hongwei

REMUNERATION COMMITTEE

Mr. Zhong Jian (*Chairman*)
Mr. Pan Lihui
Mr. Du Hongwei

NOMINATION COMMITTEE

Mr. Du Hongwei (*Chairman*)
Mr. Pan Lihui
Mr. Zhong Jian

COMPANY SECRETARY

Mr. Ng Yu Ho

TRADING OF SHARES

Hong Kong Stock Exchange
(Stock Code: 1102)

董事會

執行董事

李剛先生(主席)
潘立輝先生
姜森林先生

獨立非執行董事

鍾劍先生
杜宏偉先生
劉秦先生

審核委員會

劉秦先生(主席)
鍾劍先生
杜宏偉先生

薪酬委員會

鍾劍先生(主席)
潘立輝先生
杜宏偉先生

提名委員會

杜宏偉先生(主席)
潘立輝先生
鍾劍先生

公司秘書

吳宇豪先生

股份買賣

香港聯交所
(股份代號：1102)

Corporate Information (Continued)

公司資料(續)

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

20/F
No. 9 Des Voeux Road West
Sheung Wan, Hong Kong

PRINCIPAL BANKERS

Bank of Communications Co., Ltd., Hong Kong Branch
Chong Hing Bank Limited
Liaoshen Bank Co., Ltd.

AUDITOR

ZHONGHUI ANDA CPA Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
3rd Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

COMPANY WEBSITE

<http://www.enviro-energy.com.hk>

註冊辦事處

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

總辦事處及香港主要營業地點

香港上環
德輔道西9號
20樓

主要往來銀行

交通銀行股份有限公司香港分行
創興銀行有限公司
遼瀋銀行股份有限公司

核數師

中匯安達會計師事務所有限公司

主要股份過戶登記處

SMP Partners (Cayman) Limited
3rd Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處

卓佳登捷時有限公司
香港
夏慤道16號
遠東金融中心17樓

公司網站

<http://www.enviro-energy.com.hk>

Management Discussion and Outlook

管理層討論及展望

BUSINESS REVIEW

Enviro Energy International Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) principally engaged in sales of materials businesses and properties investment in Hong Kong and the PRC.

Sales of materials business

Since 2017, the Group commenced the sales of materials business in the PRC, the materials mainly include aluminum, steel products, timber logs, base metals, etc., which are primarily used at the early stages of construction projects or for manufacturing of building or surfacing materials.

The business provided steady income for the Group until it experienced a downturn in 2019 and 2020. To refine its business, the Group established warehouses in the PRC in early 2021 with inventory management to provide products readily available for its customers. The warehouses are in close proximity to major ports and its customers and suppliers in the PRC, which may (i) allow the Group to respond to customers’ orders in a timely manner; and (ii) provide inventory management services to customers, such as procurement, inventory storage and delivery.

In late 2020, the Group started to expand its customer base to international aluminum products manufacturers by leveraging its foundation in sourcing aluminum ingots.

During the six months ended 30 June 2022 (the “**Period**”), the Group did not generate any revenue from sales of materials (six months ended 30 June 2021 (the “**Previous Period**”): HK\$226.5 million).

The Group experienced a temporary downturn of its principal business as a result of a number of force majeure factors causing the abnormal and significant price fluctuation in aluminum related products of nearly 100% within a short time span that is beyond the control of the Group, including the impact of COVID-19 on global freight cost and the Russian Ukrainian War in early 2022. Also, the Group have been struggling to cope with spiraling shipping costs since the outbreak of COVID-19 that caused by the global shipping container shortage.

業務回顧

環能國際控股有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)主要於香港及中國從事銷售材料業務及物業投資。

銷售材料業務

自二零一七年起，本集團開始於中國從事銷售材料業務。材料主要包括鋁、鋼材產品、木材、基本金屬等，主要用於建造項目之早期階段或用作製造建材或面材。

該業務為本集團提供了穩定的收入，直至於二零一九年及二零二零年陷入低迷。為優化業務，本集團於二零二一年初在中國建立倉庫進行存貨管理，以隨時為客戶提供產品。倉庫靠近中國主要港口及其客戶和供應商，讓本集團能夠(i)及時響應客戶的訂單；及(ii)向客戶提供採購、存貨倉儲及交付等存貨管理服務。

於二零二零年底，利用在採購鋁錠方面的基礎，本集團開始擴展客戶群至國際鋁製品製造商。

於截至二零二二年六月三十日止六個月(「**本期間**」)，本集團並無自銷售材料產生任何收入(截至二零二一年六月三十日止六個月(「**上年同期**」): 226,500,000港元)。

由於一系列本集團無法控制的不可抗力因素(包括COVID-19對全球貨運成本的影響及二零二年初的俄烏戰爭)導致鋁相關產品的價格在短期內遭遇了近乎100%的異常大幅波動，本集團的主營業務暫時陷入低迷。此外，自COVID-19爆發以來，由於全球航運集裝箱短缺，本集團一直在努力應對不斷飆升的航運成本。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

In view of the price instability of aluminum and related products and surging freight cost and in order to safeguard the interest of the Company, the Group has no alternative but temporary ceased the supply of aluminum and related products to its customers, while exploring for other business opportunities based on its existing supply of building material business network.

As the aluminum price appeared to be stabilising recently, the Group has been negotiating with its customers to resume supplying the aluminum related products and building materials.

Properties investment

The Group's investment properties comprise certain commercial units and lands situated in Yingkou city, Liaoning province, the PRC. During the Period, the Group did not generate any rental income from properties investment (Previous Period: Nil).

BUSINESS PROSPECTS AND FUTURE PLANS

In early 2021, the establishment of warehouses in the PRC and commencement of inventory management, allowed the Group to quickly respond to the demand of its customers and further strengthened the Group's capability to act as a one-stop building materials supplier for its customers.

With the experience accumulated in the aluminum industry, the Group became aware that major international aluminum products manufacturers have increasing interests in aluminum related products from the PRC as their pricing are generally more competitive as compared to other origins. Since late 2020, the Group began to supply aluminum related products, including but not limited to copper, magnesium and silicon which are essential for the production of aluminum alloy. In early 2021, the Group successfully became approved suppliers for certain leading international aluminum companies.

鑒於鋁及相關產品的價格不穩定及貨運成本飆升，為保障本公司的利益，本集團別無選擇，只能暫停向客戶供應鋁及相關產品，同時於其現有建築材料供應業務網絡的基礎上不斷探索其他商機。

由於近期鋁價趨於平穩，本集團一直與其客戶協商恢復供應鋁相關產品及建築材料。

物業投資

本集團之投資物業由位於中國遼寧省營口市之若干商用單位及土地組成。於本期間，本集團並無自物業投資產生任何租金收入(上年同期：無)。

業務前景及未來計劃

於二零二一年初，本集團在中國建立倉庫並開始從事存貨管理，使本集團能夠快速響應客戶需求，並進一步增強本集團作為客戶的一站式建材供應商的能力。

憑藉在鋁行業積累的經驗，本集團觀察到，由於中國的鋁相關產品與其他產地相比價格普遍更具競爭力，主要國際鋁產品製造商對中國鋁相關產品的興趣日益增加。自二零二零年底起，本集團開始供應鋁相關產品，包括但不限於生產鋁合金所需要的銅、鎂及硅。於二零二一年初，本集團成功成為若干國際領先鋁業公司的認可供應商。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

As the Group has successfully entered into the aluminum supply chain industry with satisfactory results in its supply of aluminum related products in the PRC and overseas, the Group is ready to harness its business networks and experience to transform from a supply of aluminum related products business to a comprehensive aluminum related products and building materials supplier with the inclusion of more value-added services, the prospect looks promising.

However, the Group have had an extremely challenging start to 2022. With the unprecedented disruption caused by COVID-19 and the Russian Ukrainian War to the aluminum supply chain industry and the subsequent price fluctuation in aluminum related products and increasing global freight cost in early 2022, the Group has no choice but to temporarily suspend its principal business to avoid erosion of working capital in order to safeguard the interest of the Group. Nevertheless, the Group continued to maintain its business relationship with its customers and suppliers to look for collaboration opportunities and a suitable timing for the resumption of businesses between the parties.

As the aluminum price appeared to be stabilised in the second half of 2022, the Group has resumed negotiation with its customers to supply building materials and aluminum related products.

Notwithstanding the challenge of the inflation and price instability in building materials, the management explored other business opportunities based on its existing supply of building material business network. In June 2022, the Company entered into a sale and purchase agreement with the independent third parties for acquisition of the entire equity interest in Hangzhou Zhongji Architectural Decoration Engineering Co., Ltd. (“Hangzhou Zhongji”) (the “**Proposed Acquisition**”), which principally engaged in the provision of construction and renovation services in the PRC.

由於本集團已成功進入鋁供應鏈行業並在中國及海外鋁相關產品供應方面取得良好成績，本集團計劃利用其現有業務網絡及經驗，將其由鋁相關產品供應商轉型為全面的鋁相關產品及建材供應商，包括提供更多增值服務，業務未來前景向好。

然而，二零二二年初，本集團面臨巨大挑戰。隨著COVID-19及俄烏戰爭對鋁材供應鏈行業造成前所未有的中斷，隨後鋁相關產品價格波動，二零二二年初全球貨運成本持續攀升，為了避免營運資金損失，本集團別無選擇，只能暫停主營業務，以保障本集團的利益。然而，本集團繼續與其客戶及供應商維持業務關係，以尋找合作機會及恢復雙方業務的合適時機。

由於二零二二年下半年鋁價趨於平穩，本集團已重新與其客戶協商供應建築材料及鋁相關產品等事宜。

儘管面臨通貨膨脹及建築材料價格波動等挑戰，管理層於其現有建築材料供應業務網絡的基礎上探索其他商機。於二零二二年六月，本公司與獨立第三方訂立買賣協議以收購杭州中機建築裝飾工程有限公司（「杭州中機」）之全部股權（「**建議收購事項**」），杭州中機主要在中國從事提供建築及裝修服務。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

Leveraging on the Group's experience and network in supply of building materials business in the PRC, the Company considers the construction and renovation services provided by Hangzhou Zhongji may create synergy effect to its supply of building materials business, where (i) the Group may become a one-stop construction services provider for the sourcing of building materials, provision of renovation and construction services for its customers and sourcing of building materials for its customers instead of merely providing sourcing services; (ii) the Group may source building materials for Hangzhou Zhongji, as its extensive business network includes property developers in the PRC, which would also allow Hangzhou Zhongji to source more customers by providing its construction and renovation services at a more competitive pricing.

The Group considers the Proposed Acquisition may improve the profitability of Hangzhou Zhongji and the Group as a whole, representing an excellent opportunity for upstream expansion of the Group in the construction industry.

The Board will continue to look out for opportunities to make investments in any business when suitable opportunities arise to diversify revenue streams of the Group and strengthen the Group's financial position, and thereby maximising the benefits of the shareholders as a whole. The Board is fully confident in the future business development of the Group.

FINANCIAL REVIEW

Revenue and gross profit

The Group did not record any revenue and gross profit of during the Period (Previous Period: HK\$226.5 million and HK\$8.0 million). As a result of COVID-19 and the Russian Ukrainian War, aluminum and related products experienced significant price fluctuation from the last quarter of 2021 till the second quarter of 2022. Also, the serious disruption in the freight industry caused by COVID-19 result in a mammoth increase in freight and transportation cost. As such, the Group has no alternative but temporary ceased the supply of aluminum and related products.

憑藉本集團於中國建築材料供應業務之經驗及網絡，本公司認為杭州中機所提供之建築及裝修服務可與其建築材料供應業務產生協同效應，其中 (i) 本集團可能成為一站式建築服務之供應商，為其客戶採購建築材料、提供裝修及建築服務，並為客戶採購建築材料，而非僅僅提供採購服務；(ii) 由於本集團廣泛之業務網絡包括中國物業開發商，故其可能為杭州中機採購建築材料，亦令杭州中機得以透過以更具競爭力之價格提供建築及裝修服務，以物色更多客戶。

本集團認為，建議收購事項可改善杭州中機及本集團之整體盈利能力，是本集團於建築行業向上游擴張之良機。

董事會將會繼續尋找機會，於有合適機會時投資於任何業務，以多元化本集團的收入來源及強化本集團的財務狀況，從而最大化股東整體利益。董事會對本集團的未來業務發展充滿信心。

財務回顧

收入及毛利

於本期間，本集團並無錄得任何收入及毛利（上年同期：226,500,000港元及8,000,000港元）。由於COVID-19及俄烏戰爭，於二零二一年第四季度至二零二二年第二季度，鋁及相關產品遭遇重大的價格波動。此外，COVID-19對貨運業造成的嚴重破壞導致貨運及運輸成本大幅增加。因此，本集團別無選擇，只能暫停供應鋁及相關產品。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

Selling and distribution expenses

The selling and distribution expenses mainly include freight and transportation expenses, staff costs and other selling and distribution expenses.

The Group did not record any selling and distribution expenses during the Period. During the Previous Period, selling and distribution expenses of HK\$3.1 million mainly represented freight and transportation expenses for sales of aluminum related products and scrap copper to overseas customers.

Administrative and operating expenses

The Group's administrative and operating expenses mainly consisted of (i) staff costs; (ii) depreciation; (iii) legal and professional fee; (iv) office and utility expenses; and (v) other administrative expenses.

Administrative and operating expenses increased by HK\$3.2 million from HK\$4.1 million for the Previous Period to HK\$7.3 million for the Period was mainly due to increase in (i) legal and professional fee by HK\$2.7 million; and (ii) exchange loss of HK\$0.7 million.

(Loss)/profit for the period

As a result of the foregoing, loss for the Period attributable to the owners of the Company was approximately HK\$7.4 million (Previous Period: profit of HK\$4.0 million).

Liquidity, Financial Resources and Capital Structure

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize the value of its shareholders (the "Shareholders").

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to the Shareholders, issue new shares, obtain bank and other borrowings, or sell assets to reduce debt.

銷售及分銷開支

銷售及分銷開支主要包括貨運及運輸費用、員工成本及其他銷售及分銷開支。

於本期間，本集團並無錄得任何銷售及分銷開支。於上年同期，3,100,000港元銷售及分銷開支主要為向海外客戶銷售鋁相關產品及廢銅的貨運及運輸費用。

行政及經營開支

本集團之行政及經營開支主要包括(i)員工成本；(ii)折舊；(iii)法律及專業費用；(iv)辦公室及公用設施開支；及(v)其他行政開支。

行政及經營開支由上年同期的4,100,000港元增加3,200,000港元至本期間的7,300,000港元，乃主要由於(i)法律及專業費用增加2,700,000港元；及(ii)匯兌虧損增加700,000港元。

期間(虧損)/溢利

由於前述因素，本公司擁有人本期間應佔虧損約為7,400,000港元(上年同期：溢利4,000,000港元)。

流動資金、財務資源及資本架構

本集團資本管理之主要目標乃保障本集團持續經營之能力，並維持穩健的資本比率，以支持其業務並使其股東(「股東」)價值最大化。

本集團對其資本架構進行管理，並根據經濟狀況變動作出調整。為了維持或調整資本架構，本集團可能會調整向股東派付之股息金額、發行新股、獲得銀行及其他貸款，或出售資產以減少負債。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

As at 30 June 2022, all other borrowings, shareholders' loan and loan from a fellow subsidiary of the Group bore fixed interest rates, the maturity and currency profile are set out as follows:

於二零二二年六月三十日，本集團所有其他貸款、股東貸款及來自一間同系附屬公司之貸款均按固定利率計息，到期日及貨幣情況載列如下：

| | | Within 1 year 一年內 HK\$'000 千港元 | 2nd year 第二年 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|----------------------|-----|---|------------------------------------|--------------------------------|
| Renminbi | 人民幣 | – | 209,164 | 209,164 |
| United States Dollar | 美元 | 198 | – | 198 |
| Hong Kong Dollar | 港元 | 34,547 | – | 34,547 |
| | | 34,745 | 209,164 | 243,909 |

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated as bank and other borrowings, less bank and cash balances. Total equity represents total equity as shown on the condensed consolidated statement of financial position of the Group. As at 30 June 2022, the Group's gearing ratio was 116.9% (31 December 2021: 107.6%).

本集團根據資本負債比率監控資本。該比率乃按淨負債除以權益總額計算。淨負債乃按銀行及其他貸款，減銀行及現金結餘計算。權益總額指本集團簡明綜合財務狀況表列出之權益總額。於二零二二年六月三十日，本集團之資本負債比率為116.9%（二零二一年十二月三十一日：107.6%）。

As at 30 June 2022, the debt to equity ratio and net debt to equity ratio of the Group, which were calculated by dividing total interest-bearing debt by total equity and dividing total interest-bearing debt less bank and cash balances by total equity, were 117.4% (31 December 2021: 111.6%) and 116.9% (31 December 2021: 107.6%) respectively.

於二零二二年六月三十日，本集團之負債權益比率及淨負債權益比率（按計息負債總額除以權益總額以及按計息負債總額減銀行及現金結餘除以權益總額計算）分別為117.4%（二零二一年十二月三十一日：111.6%）及116.9%（二零二一年十二月三十一日：107.6%）。

As at 30 June 2022, the equity attributable to owners of the Company decreased to approximately HK\$207.7 million (31 December 2021: HK\$222.1 million) which was mainly due to the operating loss during the Period. As at 30 June 2022, the Group's current assets and current liabilities amounted to approximately HK\$361.5 million and HK\$111.8 million respectively (31 December 2021: HK\$381.9 million and HK\$117.4 million), of which approximately HK\$1.1 million (31 December 2021: HK\$8.9 million) was bank and cash balances.

於二零二二年六月三十日，本公司擁有人應佔權益減少至約207,700,000港元（二零二一年十二月三十一日：222,100,000港元），主要由於本期間之經營虧損。於二零二二年六月三十日，本集團的流動資產及流動負債分別約為361,500,000港元及111,800,000港元（二零二一年十二月三十一日：381,900,000港元及117,400,000港元），其中約1,100,000港元（二零二一年十二月三十一日：8,900,000港元）為銀行及現金結餘。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

As at 30 June 2022, the Group had bank and cash balances of approximately HK\$1.1 million (31 December 2021: HK\$8.9 million), of which approximately 19%, 6% and 75% (31 December 2021: 10%, 17% and 73%) were denominated in United States Dollar (“**US\$**”), Renminbi (“**RMB**”) and Hong Kong Dollar (“**HK\$**”) respectively.

The Group’s current ratio, calculated based on current assets over current liabilities, was 3.2 at 30 June 2022 (31 December 2021: 3.3).

In managing the liquidity risk, the Group monitors and maintains a level of bank and cash balances deemed adequate by the management to finance the Group’s operations and mitigate the effects of fluctuations in cash flows. The Group relies on funds generated from operations and fund raising activities.

With the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational needs.

Charge on Group Assets

As at 30 June 2022, the investment properties of the Group with carrying amount of approximately HK\$166.8 million (31 December 2021: HK\$172.5 million) were pledged to secure certain bank and other borrowings. Save for the above, the Group did not have any charges on its assets.

Foreign Exchange Exposure

The Group operates mainly in Mainland China and Hong Kong. For the operations in Mainland China, the transactions are mostly denominated in RMB. Minimal exposure to fluctuation in exchange rates is expected. For the operations in Hong Kong, most of the transactions are denominated in HK\$ and US\$. Since the exchange rate of US\$ against HK\$ is pegged to each other under the Linked Exchange Rate System, the exposure to fluctuation in exchange rates will only arise from the translation to the presentation currency of the Group. The Group did not resort to any currency hedging facility for the Period. However, the management will monitor the Group’s foreign currency exposure should the need arise.

於二零二二年六月三十日，本集團之銀行及現金結餘約為1,100,000港元(二零二一年十二月三十一日：8,900,000港元)，其中約19%、6%及75%(二零二一年十二月三十一日：10%、17%及73%)分別以美元(「美元」)、人民幣(「人民幣」)及港元(「港元」)計值。

本集團於二零二二年六月三十日之流動比率(按流動資產除以流動負債計算)為3.2(二零二一年十二月三十一日：3.3)。

於管理流動資金風險時，本集團監控並維持管理層認為充足之銀行及現金結餘水平，以便為本集團之營運提供資金並減輕現金流量波動之影響。本集團依靠營運及籌資活動產生之資金。

憑藉手頭之流動資產金額，管理層認為本集團有充足財務資源以應付其持續經營所需。

集團資產抵押

於二零二二年六月三十日，本集團賬面值約166,800,000港元(二零二一年十二月三十一日：172,500,000港元)的投資物業已予抵押作為若干銀行及其他貸款的擔保。除上文所述外，本集團並無其他資產抵押。

外匯風險

本集團主要於中國內地及香港經營業務。就中國內地的業務而言，交易主要以人民幣計值。預期面臨的匯率波動風險甚微。就香港的業務而言，大多數交易以港元及美元計值。由於聯繫匯率制度下美元與港元匯率掛鉤，匯率波動風險僅於換算至本集團呈列貨幣時出現。本集團於本期間並無採取任何貨幣對沖工具。然而，管理層將於有需要時監察本集團的外匯風險。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

Capital Commitments

As at 30 June 2022, the Group did not have significant capital commitments (31 December 2021: Nil).

Contingent Liabilities

As at 30 June 2022, the Group did not have significant contingent liabilities (31 December 2021: Nil).

Employees and Remuneration Policies

As at 30 June 2022, the Group had a total of 15 employees in Hong Kong and the PRC (31 December 2021: 19 employees). Staff costs (including directors' emoluments) amounted to approximately HK\$2.2 million for the Period (Previous Period: HK\$3.2 million). The Group implements remuneration policy, bonus and share options schemes to ensure that pay scales of its employees are rewarded on performance-related basis within the general framework of the Group's remuneration strategy.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

Save as disclosed in this report, there were no material acquisitions or disposals of subsidiaries and affiliated companies during the Period.

The Group had no significant investments held during the Period.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2022 (Six months ended 30 June 2021: Nil).

資本承擔

於二零二二年六月三十日，本集團並無重大資本承擔(二零二一年十二月三十一日：無)。

或然負債

於二零二二年六月三十日，本集團並無重大或然負債(二零二一年十二月三十一日：無)。

僱員及薪酬政策

於二零二二年六月三十日，本集團於香港及中國聘有合共15名僱員(二零二一年十二月三十一日：19名僱員)。本期間的員工成本(包括董事酬金)約為2,200,000港元(上年同期：3,200,000港元)。本集團實行薪酬政策、花紅及購股權計劃，確保其僱員之薪酬水平乃於本集團之一般薪酬政策架構內按工作表現釐定。

所持有之重大投資、重大收購及出售附屬公司及聯屬公司

除本報告所披露者外，於本期間，並無重大收購或出售附屬公司及聯屬公司。

於本期間，本集團並無持有任何重大投資。

中期股息

董事會議決不就截至二零二二年六月三十日止六個月宣派任何中期股息(截至二零二一年六月三十日止六個月：無)。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

MATERIAL EVENTS

Update on listing status

On 18 December 2020, the Company has received a letter from the Stock Exchange notifying the Company of its decision that the Company has failed to carry out a business with sufficient level of operations as required under Rule 13.24 of the Listing Rules to warrant the continued listing of its shares (the “**Decision**”). Pursuant to Rules 2B.06(1) and 2B.08(1) of the Listing Rules, the Company submitted a written request for the Decision to be referred to the Listing Committee of the Stock Exchange for review on 13 January 2021 (the “**Review**”). On 18 May 2021, the Company received a letter from the Listing Committee in upholding the Decision (the “**LC Decision**”). On 27 May 2021, the Company submitted a written request to the Listing Review Committee pursuant to Rule 2B.06(2) of the Listing Rules for reviewing of the LC Decision (the “**Second Review**”). The Listing Review Committee may endorse, modify or vary the LC Decision or make its own decision.

On 14 September 2021, the Company received a decision letter from the Listing (Review) Committee (the “**Decision Letter**”) which upheld the decision of the Listing Committee and concluded that having assessed the Company’s case under Rule 13.24 of the Listing Rules as set out in the Decision Letter, the Company has failed to maintain a sufficient level of operations as required under Rule 13.24 of the Listing Rules to warrant the continued listing of its shares.

On 19 October 2021, the Company received a letter (the “**Letter**”) from the Stock Exchange, in which, among other things, the Stock Exchange sets out the following resumption guidance (the “**Resumption Guidance**”) for the Company:

1. demonstrate its compliance with Rule 13.24 of the Listing Rules; and
2. announce all material information for the Company’s shareholders and investors to appraise the Company’s position.

重大事項

有關上市地位的最新情況

於二零二零年十二月十八日，本公司收到聯交所函件告知本公司，其判定本公司未能按上市規則第13.24條之要求有足夠的業務運作，以保證其股份繼續上市(「**該決定**」)。根據上市規則第2B.06(1)及2B.08(1)條，本公司已於二零二一年一月十三日提出書面要求將該決定提交聯交所上市委員會覆核(「**覆核**」)。於二零二一年五月十八日，本公司收到上市委員會維持該決定(「**上市委員會決定**」)的函件。於二零二一年五月二十七日，本公司根據上市規則第2B.06(2)條向上市覆核委員會提交覆核上市委員會決定的書面要求(「**第二次覆核**」)。上市覆核委員會可贊同、修正或更改上市委員會決定或作出其本身之決定。

於二零二一年九月十四日，本公司收到上市(覆核)委員會之決定函件(「**決定函件**」)，該決定函件維持上市委員會之決定及於該決定函件中列明已根據上市規則第13.24條對本公司的情況進行評估，結論為本公司未能根據上市規則第13.24條的規定維持足夠的業務運作，以保證其股份繼續上市。

於二零二一年十月十九日，本公司收到聯交所之函件(「**函件**」)，聯交所於函件中為本公司載列以下復牌指引(「**復牌指引**」)：

1. 證明其遵守上市規則第13.24條；及
2. 公佈所有重大資料以供本公司股東及投資者評估本公司狀況。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

The Letter also states that the Company must remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before trading in its securities is allowed to resume. For this purpose, the Company has the primary responsibility to devise its action plan for resumption. The Stock Exchange further indicates that it may modify or supplement the Resumption Guidance if the Company's situation changes. The Company is committed to working towards the resumption of trading in the Shares and has been in discussions with professional advisers of the Group to explore and consider opportunities available to the Company in formulating a viable resumption proposal to address matters set out in the Resumption Guidance. For further details, please refer to the announcements of the Company dated 20 December 2020, 7 January 2021, 15 January 2021, 18 May 2021, 27 May 2021, 15 September 2021, 21 October 2021, 14 March 2022 and 14 June 2022.

Should there be any material development of this matter, further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the Listing Rules.

Recoverability in relation to trade receivables, loan receivables, interest receivables, prepayments, consideration receivables and interest income from loan receivables (collectively, the "Outstanding Receivables")

The Board has, at its best endeavors, swiftly taken numerous measures in investigating the background of the Outstanding Receivables and seeking legal opinions for exploring possible legal actions, in view of recovering the Outstanding Receivables, including but not limited to the followings:

1. The Company was assessing the feasibility of commencing litigation and the financial capability of the counterparties of the Outstanding Receivables.
2. The Company has been exploring debt restructuring proposal with independent third parties in relation to certain Outstanding Receivables. The Company is assessing the cost and benefit of such proposals as compared to recovering such balances through other means.

函件亦指明本公司須於其證券獲准恢復買賣前，糾正導致其暫停買賣的問題，並全面遵守上市規則以令聯交所滿意。就此而言，本公司的主要責任為制定復牌行動計劃。聯交所已進一步指出，若本公司的情況有變，其可能修訂或補充復牌指引。本公司致力恢復股份買賣，並一直與本集團專業顧問進行討論，以探討及考慮本公司可利用的機會以制定可行的復牌建議以處理復牌指引中所載列的事項。有關進一步詳情，請參閱本公司日期為二零二零年十二月二十日、二零二一年一月七日、二零二一年一月十五日、二零二一年五月十八日、二零二一年五月二十七日、二零二一年九月十五日、二零二一年十月二十一日、二零二二年三月十四日及二零二二年六月十四日的公佈。

倘此事有任何重大進展，本公司將於適當時候根據上市規則的規定另行刊發公佈。

有關應收貿易賬款、應收貸款、應收利息、預付款項、應收代價及應收貸款利息收入(統稱「未收回應收款項」)之可收回性

為收回未收回應收款項，董事會已盡最大努力迅速採取多項措施調查未收回應收款項之背景及尋求法律意見以探討可能之法律行動，包括但不限於以下各項：

1. 本公司正在評估提起訴訟之可行性及未收回應收款項對手方之財務能力。
2. 本公司一直就若干未收回應收款項與獨立第三方探討債務重組建議。本公司正在評估有關建議與通過其他方法收回該等結餘相比的成本及裨益。

Management Discussion and Outlook (Continued)

管理層討論及展望(續)

The recoverability of the Outstanding Receivables is subject to the outcome of any negotiations or litigations which are yet to materialise, it is premature to evaluate whether any portion of the Outstanding Receivables is recoverable.

未收回應收款項之可收回性取決於任何尚未落實之磋商或訴訟之結果，評估未收回應收款項的任何部分是否可收回為時尚早。

EVENT AFTER THE END OF THE REPORTING PERIOD

報告期末後事項

On 28 June 2022, the Company entered into a sale and purchase agreement with (i) Zhejiang Zhongnan Construction Group Company Limited* (浙江中南建設集團有限公司) and (ii) Zhejiang Zhongnan Cultural Tourism Group Company Limited* (浙江中南文旅集團有限公司) (collectively “Vendors”) (the “**Sale and Purchase Agreement**”), pursuant to which the Company has conditionally agreed to acquire for and the Vendors have conditionally agreed to sell the entire issued shares of the Hangzhou Zhongji, at a consideration of RMB30 million (equivalent to approximately HK\$35.3 million) (the “**Acquisition**”).

於二零二二年六月二十八日，本公司與(i)浙江中南建設集團有限公司及(ii)浙江中南文旅集團有限公司(統稱「賣方」)訂立買賣協議(「買賣協議」)，據此，本公司有條件同意收購而賣方有條件同意出售杭州中機的全部已發行股份，代價為人民幣30,000,000元(相當於約35,300,000港元)(「收購事項」)。

On 12 July 2022, the Company and the Vendors further entered into a supplemental agreement to the Sale and Purchase Agreement to amend certain terms of the Sale and Purchase Agreement.

於二零二二年七月十二日，本公司與賣方進一步訂立買賣協議之補充協議，以修訂買賣協議之若干條款。

As at the date of this interim report, the Acquisition is not yet completed and is subject to, inter alia, the Shareholders’ approval at an extraordinary general meeting to be convened under Chapter 14 of the Listing Rules. For further details, please refer to the announcement of the Company dated 21 July 2022 and a circular to be despatched by the Company to the Shareholders.

於本中期報告日期，收購事項尚未完成，且須經過(其中包括)股東於根據上市規則第14章召開的股東特別大會上批准，方可作實。有關進一步詳情，請參閱本公司日期為二零二二年七月二十一日的公佈及本公司將寄發予股東的通函。

Save as disclosed herein, there were no significant events occurred after the end of the Period and up to the date of this interim report.

除上文所披露者外，於本期間後及直至本中期報告日期止概無發生任何重大事項。

Condensed Consolidated Statement of Profit or Loss

簡明綜合損益表

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|-------------------|---|---|
| | | 2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) |
| | | Notes 附註 | |
| Revenue | 收入 | 5 | – |
| Cost of sales | 銷售成本 | | 226,516 |
| | | | (218,538) |
| Gross profit | 毛利 | | – |
| | | | 7,978 |
| Other gains, net | 其他收益淨額 | | 47 |
| Interest income | 利息收入 | | 1 |
| Selling and distribution expenses | 銷售及分銷開支 | | – |
| Administrative and operating expenses | 行政及經營開支 | | (3,054) |
| | | | (7,295) |
| Operating profit | 經營溢利 | | (7,247) |
| Finance cost | 融資成本 | 6 | 4,938 |
| | | | (881) |
| (Loss)/profit before income tax | 除所得稅前(虧損)/溢利 | 7 | (7,552) |
| Income tax credit/(expenses) | 所得稅抵免/(開支) | 8 | 4,057 |
| | | | 202 |
| (Loss)/profit for the period attributable to owners of the Company | 本公司擁有人應佔期內(虧損)/溢利 | | (7,350) |
| | | | 4,001 |
| (Loss)/earnings per share attributable to owners of the Company | 本公司擁有人應佔每股(虧損)/盈利 | | |
| (expressed in HK cent per share) | (以每股港仙呈列) | | |
| — Basic and diluted | — 基本及攤薄 | 10 | (1.36) |
| | | | 0.75 |

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

上述簡明綜合損益表應與隨附附註一併閱讀。

Condensed Consolidated Statement of Other Comprehensive Income

簡明綜合其他全面收益表

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|-----------------------|---|---|
| | | 2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) |
| (Loss)/profit for the period | 期內(虧損)/溢利 | (7,350) | 4,001 |
| Other comprehensive (loss)/income | 其他全面(虧損)/收益 | | |
| <i>Item that may be reclassified to profit or loss:</i> | 可重新分類至損益之項目： | | |
| — Exchange differences arising from translation of foreign operations | — 換算海外業務產生之匯兌差額 | (6,087) | 4,108 |
| Other comprehensive (loss)/income for the period, net of tax | 期內其他全面(虧損)/收益，扣除稅項 | (6,087) | 4,108 |
| Total comprehensive (loss)/income for the period attributable to owners of the Company | 本公司擁有人應佔期內全面(虧損)/收益總額 | (13,437) | 8,109 |

The above condensed consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes.

上述簡明綜合其他全面收益表應與隨附附註一併閱讀。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

As at 30 June 2022 於二零二二年六月三十日

| | | Notes 附註 | As at 30 June 2022 於二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|---|----------------------|-------------|---|--|
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 11 | 532 | 538 |
| Investment properties | 投資物業 | | 166,817 | 172,528 |
| Intangible assets | 無形資產 | | 330 | 330 |
| | | | 167,679 | 173,396 |
| Current assets | 流動資產 | | | |
| Loan receivable | 應收貸款 | 12 | 177,465 | 183,540 |
| Trade receivables | 應收貿易賬款 | 13 | 2,418 | 3,179 |
| Deposits, prepayments and other receivables | 按金、預付款項及其他應收款項 | 14 | 180,538 | 186,299 |
| Bank and cash balances | 銀行及現金結餘 | | 1,058 | 8,898 |
| | | | 361,479 | 381,916 |
| Total assets | 資產總額 | | 529,158 | 555,312 |
| EQUITY | 權益 | | | |
| Capital and reserves attributable to owners of the Company | 本公司擁有人應佔資本及儲備 | | | |
| Share capital | 股本 | | 27,120 | 27,120 |
| Reserves | 儲備 | | 180,561 | 193,998 |
| Total equity | 權益總額 | | 207,681 | 221,118 |

Condensed Consolidated Statement of Financial Position (Continued)

簡明綜合財務狀況表(續)

As at 30 June 2022 於二零二二年六月三十日

| | | Notes 附註 | As at 30 June 2022 於二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|-------------------------------------|----------------|-------------|---|--|
| LIABILITIES | 負債 | | | |
| Non-current liabilities | 非流動負債 | | | |
| Other borrowings | 其他貸款 | 16 | 209,164 | 216,324 |
| Asset retirement obligation | 資產退廢債務 | | 495 | 495 |
| | | | 209,659 | 216,819 |
| Current liabilities | 流動負債 | | | |
| Trade and other payables | 應付貿易賬款及其他應付款項 | 15 | 73,761 | 83,313 |
| Shareholders' loan | 股東貸款 | 17(b) | 34,745 | 10,184 |
| Loan from a fellow subsidiary | 來自一間同系附屬公司之貸款 | 17(c) | – | 20,234 |
| Amount due to a fellow subsidiary | 應付一間同系附屬公司款項 | 17(d) | 118 | 168 |
| Income tax payable | 應付所得稅 | | 3,194 | 3,476 |
| | | | 111,818 | 117,375 |
| Total liabilities | 負債總額 | | 321,477 | 334,194 |
| Total equity and liabilities | 權益及負債總額 | | 529,158 | 555,312 |

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

上述簡明綜合財務狀況表應與隨附附註一併閱讀。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

| | | Attributable to owners of the Company | | | | | | |
|---|-----------------------|---------------------------------------|---------------|-----------------|----------------------|---------------------|--------------------|----------|
| | | 本公司擁有人應佔 | | | | | | |
| | | Share capital | Share premium | Capital reserve | Share option reserve | Translation reserve | Accumulated losses | Total |
| | | 股本 | 股份溢價 | 資本儲備 | 購股權儲備 | 匯兌儲備 | 累計虧損 | 總計 |
| | | 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 |
| As at 1 January 2022 (Audited) | 於二零二二年一月一日 (經審核) | 27,120 | 1,108,395 | 19,980 | 90 | 14,540 | (949,007) | 221,118 |
| Comprehensive income | 全面收益 | | | | | | | |
| Loss for the period | 期內虧損 | - | - | - | - | - | (7,350) | (7,350) |
| Other comprehensive income | 其他全面收益 | | | | | | | |
| Exchange differences arising on translation of foreign operations | 換算海外業務產生之匯兌差額 | - | - | - | - | (6,087) | - | (6,087) |
| Total comprehensive loss for the period | 期內全面虧損總額 | - | - | - | - | (6,087) | (5,168) | (16,162) |
| As at 30 June 2022 (Unaudited) | 於二零二二年六月三十日 (未經審核) | 27,120 | 1,108,395 | 19,980 | 90 | 8,453 | (956,357) | 207,681 |

Condensed Consolidated Statement of Changes in Equity (Continued)

簡明綜合權益變動表(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | |
|---|---------------------------------|---|--|--|---|--|---|--------------------------------|
| | | Share capital 股本 HK\$'000 千港元 | Share premium 股份溢價 HK\$'000 千港元 | Capital reserve 資本儲備 HK\$'000 千港元 | Share options reserve 購股權儲備 HK\$'000 千港元 | Translation 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 |
| As at 1 January 2021 (Audited) | 於二零二一年一月一日 (經審核) | 27,120 | 1,108,375 | 19,980 | 37,203 | 5,361 | (628,347) | 569,712 |
| Comprehensive income | 全面收益 | | | | | | | |
| Profit for the period | 期內溢利 | - | - | - | - | - | 4,001 | 4,001 |
| Other comprehensive income | 其他全面收益 | | | | | | | |
| Exchange differences arising on translation of foreign operations | 換算海外業務產生之匯兌差額 | - | - | - | - | 4,108 | - | 4,108 |
| Total comprehensive income for the period | 期內全面收益總額 | - | - | - | - | 4,108 | 4,001 | 8,109 |
| Transactions with owners in their capacity as owners | 與擁有人(以彼等作為擁有人之身份)進行之交易 | | | | | | | |
| Lapse of share option | 購股權失效 | - | - | - | (37,112) | - | 37,112 | - |
| Total transactions with owners in their capacity as owners | 與擁有人(以彼等作為擁有人之身份)進行之交易總額 | - | - | - | (37,112) | - | 37,112 | - |
| As at 30 June 2021 (Unaudited) | 於二零二一年六月三十日 (未經審核) | 27,120 | 1,108,395 | 19,980 | 91 | 9,469 | (587,234) | 577,821 |

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述簡明綜合權益變動表應與隨附附註一併閱讀。

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--|-------------------------|---|---|
| | | 2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) |
| Operating activities | 經營活動 | | |
| Net cash used in operating activities | 經營業務所用之現金淨額 | (12,752) | (85,309) |
| Investing activities | 投資活動 | | |
| Interest received | 已收利息 | 1 | 1 |
| Net cash generated from investing activities | 投資活動所得之現金淨額 | 1 | 1 |
| Financing activities | 融資活動 | | |
| Interest paid | 已付利息 | (305) | (102) |
| Proceeds from loan from a fellow subsidiary | 來自一間同系附屬公司之貸款所得款項 | 3,500 | - |
| Repayment of loan from a fellow subsidiary | 來自一間同系附屬公司之貸款還款 | (23,734) | - |
| Proceeds from shareholders' loan | 股東貸款所得款項 | 24,561 | - |
| Proceeds from other borrowings | 其他貸款所得款項 | - | 96,402 |
| Net cash generated from/(used in) financing activities | 融資活動所得/(所用)之現金淨額 | 4,022 | 96,300 |
| Net (decrease)/increase in bank and cash balances | 銀行及現金結餘(減少)/增加淨額 | (8,729) | 10,992 |
| Bank and cash balances at beginning of period | 期初之銀行及現金結餘 | 8,898 | 4,027 |
| Exchange differences on bank and cash balances | 銀行及現金結餘之匯兌差額 | 889 | 892 |
| Bank and cash balances at end of period | 期末之銀行及現金結餘 | 1,058 | 15,911 |

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述簡明綜合現金流量表應與隨附附註一併閱讀。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

1. GENERAL INFORMATION

Enviro Energy International Holdings Limited (the “**Company**”) was incorporated as an exempted company in the Cayman Islands with limited liability under the Companies Law (Revised) of the Cayman Islands on 3 July 2002. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is 20/F, No. 9 Des Voeux Road West, Sheung Wan, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) engaged in sale of materials business and properties investment in Hong Kong and the People’s Republic of China (the “**PRC**”).

2. BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2022 have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosures required by the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange.

This condensed consolidation interim financial information does not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, this condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”).

The preparation of condensed consolidation interim financial information in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

1. 一般資料

環能國際控股有限公司(「**本公司**」)根據開曼群島公司法(經修訂)於二零二二年七月三日在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。其主要營業地點之地址為香港上環德輔道西9號20樓。本公司之股份在香港聯合交易所有限公司(「**聯交所**」)主板上市。

本公司及其附屬公司(統稱「**本集團**」)的主要業務為於香港及中華人民共和國(「**中國**」)從事銷售材料業務及物業投資。

2. 編製基準

截至二零二二年六月三十日止六個月之簡明綜合中期財務資料乃根據香港會計師公會(「**香港會計師公會**」)頒佈之香港會計準則(「**香港會計準則**」)第34號「中期財務報告」及聯交所證券上市規則(「**上市規則**」)之適用披露規定編製。

此簡明綜合中期財務資料並未包括年度綜合財務報表通常載列的所有類別附註。因此，此簡明綜合中期財務資料應連同根據香港財務報告準則(「**香港財務報告準則**」)編製的截至二零二一年十二月三十一日止年度之年度綜合財務報表一併閱覽。

編製符合香港會計準則第34號的簡明綜合中期財務資料時，需要管理層作出會影響政策應用以及年初至今資產與負債及收入與開支呈報金額的判斷、估計及假設。實際結果可能有別於該等估計。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

2. BASIS OF PREPARATION (Continued)

The condensed consolidated interim financial information have been prepared under the historical cost convention, except for investment properties which are measured at fair values. The condensed consolidated interim financial information are presented in thousands of Hong Kong dollars (HK\$'000), unless otherwise stated.

The condensed consolidated interim financial information are unaudited, but have been reviewed by the audit committee of the Company.

2.1 Going Concern Basis

The Group incurred a loss attributable to the owners of the Company of approximately HK\$7.4 million for the six months ended 30 June 2022. In addition, as at 30 June 2022, the Group's bank and cash balances of approximately HK\$1.1 million is insufficient to cover the current liabilities of approximately HK\$111.8 million. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

This condensed consolidated interim financial information have been prepared on a going concern basis, the validity of which depends upon the financial support of the Controlling Shareholder, at a level sufficient to finance the working capital requirements of the Group. The Controlling Shareholder has agreed to provide adequate funds for the Group to meet its financial obligations as and when they fall due within next twelve months from 30 June 2022. The directors of the Company are therefore of the opinion that it is appropriate to prepare the condensed consolidated interim financial information on a going concern basis.

2. 編製基準(續)

簡明綜合中期財務資料乃按照歷史成本基準編製，惟投資物業以公允值計量。除另有指示者外，簡明綜合中期財務資料乃以千港元(千港元)呈列。

簡明綜合中期財務資料未經審核，惟已獲本公司之審核委員會審閱。

2.1 持續經營基準

截至二零二二年六月三十日止六個月，本集團產生本公司擁有人應佔虧損約7.4百萬港元。此外，本集團於二零二二年六月三十日之銀行及現金結餘約1.1百萬港元不足以支付流動負債約111.8百萬港元。該等情況顯示存在重大不確定因素，可能對本集團持續經營能力產生重大疑慮。因此，本集團可能無法於正常業務過程中變現其資產及清償其負債。

本簡明綜合中期財務資料根據持續經營基準編製，其有效性取決於控股股東提供的財務支持足以撥付本集團營運資金所需的資金。控股股東已同意向本集團提供足夠資金以應付其於二零二二年六月三十日起未來十二個月內到期的財務承擔。本公司董事因此認為按持續經營基準編製簡明綜合中期財務資料乃屬恰當。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

2. BASIS OF PREPARATION (Continued)

2.1 Going Concern Basis (Continued)

Should the Group be unable to continue as a going concern, adjustments would have to be made to the condensed consolidated interim financial information to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these adjustments have not been reflected in the condensed consolidated interim financial information.

3. ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 December 2021, as described in those annual consolidated financial statements, except for adoption of the new and amended standards as set out below.

3.1 New and amended standards adopted by the Group

A number of new or amended standards became applicable for the current reporting period. The adoption of these new and amended HKFRSs did not result in significant impact to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current period and prior years.

3.2 Impact of standards issued but not yet applied by the Group

The Group has not applied the new and amended standards, interpretations and accounting guidelines that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position. The Group does not intend to early adopt these standards before their respective effective dates.

2. 編製基準(續)

2.1 持續經營基準(續)

倘本集團無法持續經營，則須對簡明綜合中期財務資料作出調整以調整本集團之資產價值至其可收回款額，就可能產生的任何進一步負債作出撥備，並分別將非流動資產及負債重新分類為流動資產及負債。該等調整的影響並未於簡明綜合中期財務資料內反映。

3. 會計政策

除採納下文所載新訂及經修訂準則外，所應用的會計政策與截至二零二一年十二月三十一日止年度之年度綜合財務報表所應用者(載於該等年度綜合財務報表)一致。

3.1 本集團採納之新訂及經修訂準則

若干新訂或經修訂準則於本報告期間生效。採納該等新訂及經修訂香港財務報告準則不會對本期間及過往年度本集團之會計政策、本集團綜合財務報表之呈列及所呈報之金額造成重大影響。

3.2 已頒佈但本集團尚未應用之準則之影響

本集團尚未應用已頒佈但尚未生效的新訂及經修訂準則、詮釋及會計指引。本集團已開始評估該等新訂及經修訂香港財務報告準則之影響，惟尚未能說明該等新訂及經修訂香港財務報告準則是否會對其經營業績及財務狀況造成重大影響。本集團無意於該等準則的相關生效日期前提前採納該等準則。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

4. SEGMENT INFORMATION

In a manner consistent with the way in which information is reported internally to the executive directors of the Company, who are the chief operating decision-maker, the Group has presented the following reportable segments:

- (i) Sales of materials business; and
- (ii) Properties investment

For the purposes of assessing segment performance and allocating resources between segments, the executive directors monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

- (a) Segment assets include all assets with the exception of intangible assets, bank and cash balances and other unallocated head office corporate assets as these assets were managed on a group basis.
- (b) Segment liabilities include all liabilities with the exception of asset retirement obligation, other borrowings, shareholders' loan, loan from a fellow subsidiary, and other unallocated head office corporate liabilities as these liabilities were managed on a group basis.
- (c) Segment results represent the profit or loss resulted by each segment and exclude interest income, finance cost and unallocated corporate expenses.

4. 分部資料

與內部呈報資料予本公司執行董事(為主要營運決策者)之方式一致,本集團呈列以下可呈報分部:

- (i) 銷售材料業務;及
- (ii) 物業投資

為評估分部之表現及各分部間的資源分配,執行董事按以下基準監察各可呈報分部之業績、資產及負債:

- (a) 分部資產包括所有資產,但不包括無形資產、銀行及現金結餘及其他未分配總辦事處企業資產,因為該等資產是以集團基準管理。
- (b) 分部負債包括所有負債,但不包括資產退廢債務、其他貸款、股東貸款、來自一間同系附屬公司之貸款及其他未分配總辦事處企業負債,因為該等負債是以集團基準管理。
- (c) 分部業績為各分部產生的損益,但不包括利息收入、融資成本及未分配企業開支。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

4. SEGMENT INFORMATION (Continued)

The management assesses the performance of the Group from a geographic perspective based on the place of domicile. The geographical location of non-current assets other than intangible assets (the “**specified non-current assets**”) is based on the physical location in which the assets are located.

An analysis of the Group’s revenue from external customers and the specified non-current assets for by geographical location is as follows:

4. 分部資料(續)

管理層從地理位置角度根據所在地評估本集團的表現。除無形資產以外的非流動資產(「**指定非流動資產**」)的地理位置乃根據資產的實際所在位置釐定。

本集團按地理位置劃分的外部客戶收入及指定非流動資產的分析如下：

| | | Revenue from external customers 外部客戶收入 | | Specified non-current assets 指定非流動資產 | |
|--------------------|------|---|-------------|---|---------------------------|
| | | Six months ended 30 June 截至六月三十日止六個月 | | As at 30 June 2022 | As at 31 December 2021 |
| | | 2022 | 2021 | 2022 | 2021 |
| | | 二零二二年 | 二零二一年 | 於二零二二年六月三十日 | 於二零二一年十二月三十一日 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) | (未經審核) | (未經審核) |
| Hong Kong | 香港 | - | 195,692 | 497 | 828 |
| The Mainland China | 中國內地 | - | 30,824 | 166,852 | 172,568 |
| | | - | 226,516 | 167,349 | 173,396 |

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

4. SEGMENT INFORMATION (Continued)

An analysis of the Group's revenue, results, certain assets and liabilities for the Group's reportable segments is as follows:

4. 分部資料(續)

本集團可呈報分部之本集團收入、業績、若干資產及負債之分析如下：

| | | Sales of materials business 銷售材料業務 HK\$'000 千港元 (Unaudited) (未經審核) | Properties investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核) | Total 總計 HK\$'000 千港元 (Unaudited) (未經審核) |
|--|-------------------------|---|---|---|
| For the six months ended 30 June 2022 | 截至二零二二年六月三十日止六個月 | | | |
| Segment revenue | 分部收入 | - | - | - |
| Segment results | 分部業績 | (478) | (798) | (1,276) |
| Unallocated: | 未分配： | | | |
| Interest income | 利息收入 | | | 1 |
| Finance cost | 融資成本 | | | (305) |
| Unallocated corporate income | 未分配企業收入 | | | 40 |
| Unallocated corporate expense | 未分配企業開支 | | | (6,012) |
| Loss before income tax | 除所得稅前虧損 | | | (7,552) |

Other segment information:

其他分部資料：

| | | Sales of materials business 銷售材料業務 HK\$'000 千港元 (Unaudited) (未經審核) | Properties investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核) | Unallocated 未分配 HK\$'000 千港元 (Unaudited) (未經審核) | Total 總計 HK\$'000 千港元 (Unaudited) (未經審核) |
|---|------------|---|---|--|---|
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | - | (3) | (1) | (4) |
| Other gains, net | 其他收益淨額 | - | 7 | 40 | 47 |
| Interest income | 利息收入 | - | - | 1 | 1 |
| Finance cost | 融資成本 | - | - | (305) | (305) |
| Income tax credit | 所得稅抵免 | 202 | - | - | 202 |

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

4. SEGMENT INFORMATION (Continued)

4. 分部資料(續)

| | | Sales of materials business 銷售材料業務 HK\$'000 千港元 (Unaudited) (未經審核) | Properties investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核) | Total 總計 HK\$'000 千港元 (Unaudited) (未經審核) |
|--|------------------|---|---|---|
| As at 30 June 2022 | 於二零二二年六月三十日 | | | |
| Segment assets | 分部資產 | 3,506 | 306,247 | 309,753 |
| Unallocated assets | 未分配資產 | | | 219,405 |
| Total assets | 資產總額 | | | 529,158 |
| Segment liabilities | 分部負債 | (7,085) | (41,007) | (48,092) |
| Unallocated liabilities | 未分配負債 | | | (273,385) |
| Total liabilities | 負債總額 | | | (321,477) |
| | | Sales of materials business 銷售材料業務 HK\$'000 千港元 (Unaudited) (未經審核) | Properties investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核) | Total 總計 HK\$'000 千港元 (Unaudited) (未經審核) |
| For the six months ended 30 June 2021 | 截至二零二一年六月三十日止六個月 | | | |
| Segment revenue | 分部收入 | 226,516 | - | 226,516 |
| Segment results | 分部業績 | 4,704 | 3,193 | 7,897 |
| Unallocated: | 未分配: | | | |
| Interest income | 利息收入 | | | 1 |
| Finance cost | 融資成本 | | | (881) |
| Unallocated corporate income | 未分配企業收入 | | | 148 |
| Unallocated corporate expense | 未分配企業開支 | | | (3,108) |
| Profit before income tax | 除所得稅前溢利 | | | 4,057 |

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

4. SEGMENT INFORMATION (Continued)

Other segment information:

| | | Sales of materials business 銷售材料業務 HK\$'000 千港元 (Unaudited) (未經審核) | Properties investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核) | Unallocated 未分配 HK\$'000 千港元 (Unaudited) (未經審核) | Total 總計 HK\$'000 千港元 (Unaudited) (未經審核) |
|---|------------|---|--|--|---|
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | - | (3) | (2) | (5) |
| Other gains, net | 其他收益淨額 | - | 3,991 | 148 | 4,139 |
| Interest income | 利息收入 | - | - | 1 | 1 |
| Finance cost | 融資成本 | - | - | (881) | (881) |
| Income tax expense | 所得稅開支 | (56) | - | - | (56) |

4. 分部資料(續)

其他分部資料：

| | | Sales of materials business 銷售材料業務 HK\$'000 千港元 (Audited) (經審核) | Properties investment 物業投資 HK\$'000 千港元 (Audited) (經審核) | Total 總計 HK\$'000 千港元 (Audited) (經審核) |
|-------------------------------|----------------------|--|---|--|
| As at 31 December 2021 | 於二零二一年十二月三十一日 | | | |
| Segment assets | 分部資產 | 5,670 | 316,774 | 322,444 |
| Unallocated assets | 未分配資產 | | | 232,868 |
| Total assets | 資產總額 | | | 555,312 |
| Segment liabilities | 分部負債 | (9,857) | (258,123) | (267,980) |
| Unallocated liabilities | 未分配負債 | | | (66,214) |
| Total liabilities | 負債總額 | | | (334,194) |

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

5. REVENUE

5. 收入

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---------------------------------------|--------|---|---|
| | | 2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) |
| Revenue from contracts with customers | 客戶合約收入 | | |
| — Sales of materials | — 銷售材料 | — | 226,516 |
| Rental income | 租金收入 | — | — |
| | | — | 226,516 |

All revenue from contracts with customers are recognised at a point time.

所有客戶合約收入乃於某一時間點確認。

6. FINANCE COST

6. 融資成本

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--|-----------------|---|---|
| | | 2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) |
| Interest on shareholders' loan | 股東貸款之利息 | 60 | 701 |
| Interest on loan from a fellow subsidiary | 來自一間同系附屬公司貸款之利息 | 245 | 78 |
| Interest on factoring of trade receivables | 應收貿易賬款保理利息 | — | 102 |
| | | 305 | 881 |

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

7. (LOSS)/PROFIT BEFORE INCOME TAX

The Group's (loss)/profit before income tax is arrived at after charging/(crediting) the following:

7. 除所得稅前(虧損)/溢利

本集團之除所得稅前(虧損)/溢利已扣除/(計入)下列各項：

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|--------------|--|---|
| | | 2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) |
| Cost of inventories sold | 售出存貨成本 | - | 218,491 |
| Depreciation of property, plant and equipment | 物業、廠房及設備折舊 | 4 | 5 |
| Exchange loss/(gain), net | 匯兌虧損/(收益)淨額 | 680 | (60) |
| Freight and transportation expense | 貨運及運輸費用 | - | 2,996 |
| Staff costs (including directors' emoluments) | 員工成本(包括董事酬金) | | |
| — Salaries, allowances and other benefits | — 薪金、津貼及其他福利 | 2,141 | 3,085 |
| — Retirement benefit scheme contributions | — 退休福利計劃供款 | 104 | 163 |

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

8. INCOME TAX CREDIT/(EXPENSES)

8. 所得稅抵免/(開支)

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---------------------------------------|------------------------|---|---|
| | | 2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) |
| Provision for current tax | 即期稅項撥備 | | |
| — Hong Kong Profits Tax | — 香港利得稅 | 198 | — |
| — PRC Corporate Income Tax ("CIT") | — 中國企業所得稅 (「企業所得稅」) | 4 | (56) |
| | | 202 | (56) |

For the six months ended 30 June 2022 and 2021, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2.0 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2.0 million. The profits of group entities not qualified for the two-tiered profits tax rates regime continue to be taxed at a flat rate of 16.5%.

CIT is provided on the assessable income of entities within the Group incorporated in the Mainland China. For the six months ended 30 June 2022, the applicable CIT tax rate is 25% unless preferential tax rates were applicable (six months ended 30 June 2021: same).

There were no material unrecognised deferred tax assets and liabilities as at 30 June 2022 (31 December 2021: Nil).

9. DIVIDENDS

The Board has resolved not to declare of any interim dividend for the six months ended 30 June 2022 (Six months ended 30 June 2021: Nil).

截至二零二二年及二零二一年六月三十日止六個月，合資格集團實體之香港利得稅乃就首2,000,000港元之估計應課稅溢利按稅率8.25%計算，而2,000,000港元以上之估計應課稅溢利則按稅率16.5%計算。不符合兩級制利得稅率制度資格之集團實體之溢利繼續按劃一稅率16.5%繳稅。

就本集團於中國內地註冊成立之實體之應課稅收入計提企業所得稅撥備。截至二零二二年六月三十日止六個月，除適用優惠稅率的情況外，適用企業所得稅稅率為25% (截至二零二一年六月三十日止六個月：相同)。

於二零二二年六月三十日，並無未確認之重大遞延稅項資產及負債(二零二一年十二月三十一日：無)。

9. 股息

董事會議決不就截至二零二二年六月三十日止六個月宣派任何中期股息(截至二零二一年六月三十日止六個月：無)。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

10. (LOSS)/EARNINGS PER SHARE

- (a) The calculation of the basic and diluted (loss)/earnings per share attributable to the owners of the Company is based on the following data:

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|--------------------------|--|--|
| | | 2022 二零二二年 (Unaudited) (未經審核) | 2021 二零二一年 (Unaudited) (未經審核) |
| (Loss)/profit attributable to owners of the Company (HK\$'000) | 本公司擁有人應佔 (虧損)/溢利(千港元) | (7,350) | 4,001 |
| Weighted average number of ordinary shares in issue (thousand shares) | 已發行普通股 加權平均數(千股) | 542,392 | 542,392 |
| Basic (loss)/earnings per share (HK cents) | 每股基本(虧損)/盈利 (港仙) | (1.36) | 0.74 |

- (b) For the six months ended 30 June 2022, the share options issued were not assumed to be exercised as they would have an anti-dilutive impact to the basic (loss)/earnings per share (six months ended 30 June 2021: Same).

10. 每股(虧損)/盈利

- (a) 本公司擁有人應佔每股基本及攤薄(虧損)/盈利乃按以下數據計算：

- (b) 截至二零二二年六月三十日止六個月，由於購股權會對每股基本(虧損)/盈利產生反攤薄影響，故假設已發行購股權概不會獲行使(截至二零二一年六月三十日止六個月：相同)。

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2022 and 2021, the Group did not acquire any property, plant and equipment.

11. 物業、廠房及設備

截至二零二二年及二零二一年六月三十日止六個月，本集團並無收購任何物業、廠房及設備。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

12. LOAN RECEIVABLES

On 29 December 2017, Qianhai Guoxing Financial Leasing (Shenzhen) Company Limited* (前海國興融資租賃(深圳)有限公司) (“**Qianhai Guoxing**”), an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with a third party (“**Vendor**”), pursuant to which Qianhai Guoxing has agreed to acquire certain commercial properties (the “**Properties**”) from the Vendor for a consideration of RMB150,000,000 and Qianhai Guoxing paid the full consideration to the Vendor on the same date. Pursuant to the terms and conditions of the sale and purchase agreement, the Vendor is required to complete all the procedures necessary to transfer the title of the Properties to Qianhai Guoxing on or before 30 December 2018. On 1 August 2018, a supplementary agreement was signed in which both parties agreed to postpone the transfer of the Properties on or before 27 December 2020.

On the same date, Qianhai Guoxing entered into another agreement with the Vendor, pursuant to which Qianhai Guoxing has agreed to lease the abovementioned properties back to the Vendor for a period of 3 years starting from 29 December 2017. Upon the commencement of the lease, the Vendor paid RMB3,000,000 to Qianhai Guoxing as a form of non-refundable pre-lease interest. Lease payments, calculated as interest charged at a fixed rate of 9% per annum against a principal of RMB150,000,000, are repayable quarterly. At the end of the lease period, upon full settlement of all outstanding principal and interest from the Vendor to Qianhai Guoxing, the Vendor can repurchase the subject properties from Qianhai Guoxing for RMB1.

Considering the economics of the above transaction and the nature and value of the repurchase option, it is almost certain that the repurchase option will be exercised. Therefore, sale and lease back accounting does not apply to the above arrangement, resulting in the principal of RMB150,000,000 (equivalent to approximately HK\$166,817,000 and HK\$172,528,000 as at 30 June 2022 and 31 December 2021 respectively) being accounted for as a loan receivable with the properties acting as a security against this receivable.

12. 應收貸款

於二零一七年十二月二十九日，本公司之間接全資附屬公司前海國興融資租賃(深圳)有限公司(「前海國興」)與第三方(「賣方」)訂立買賣協議，據此，前海國興已同意向賣方購買若干商用物業(「該等物業」)，代價為人民幣150,000,000元，前海國興已於同日向賣方支付全數代價。根據買賣協議之條款及條件，賣方須於二零一八年十二月三十日或之前完成轉讓該等物業業權予前海國興之所有必要手續。於二零一八年八月一日已簽訂補充協議，雙方同意延後轉讓該等物業至二零二零年十二月二十七日或之前。

同日，前海國興與賣方訂立另一份協議，據此，前海國興已同意回租上述物業予賣方，自二零一七年十二月二十九日起為期三年。於出租開始後，賣方已向前海國興支付人民幣3,000,000元作為不可退還預租利息。租賃付款將以利息形式收取，並以本金額人民幣150,000,000元按固定年利率9%計算，須按季度償還。於租賃期末，待賣方向前海國興悉數結償所有未償還本金及利息後，賣方可以人民幣1元自前海國興購回目標物業。

考慮到上述交易之經濟效益、購回選擇權之性質及價值，基本可確定購回選擇權將獲行使。因此，售後租回會計處理不適用於上述安排，致使本金額人民幣150,000,000元(於二零二二年六月三十日及二零二一年十二月三十一日分別相當於約166,817,000港元及172,528,000港元)入賬列為應收貸款，而該等物業則作為此應收款項之擔保。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

13. TRADE RECEIVABLES

13. 應收貿易賬款

| | | As at 30 June 2022 於二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|--------------------------------|----------|---|--|
| Trade receivables | 應收貿易賬款 | 22,665 | 24,099 |
| Less: Provision for impairment | 減：減值撥備 | (20,247) | (20,920) |
| Trade receivables, net | 應收貿易賬款淨額 | 2,418 | 3,179 |

The Group's credit terms to trade debtors range generally from 30 to 180 days.

本集團的應收貿易賬款的信貸期一般介乎30日至180日不等。

The ageing analysis of the trade receivables as at the reporting dates, based on invoice date, is as follows:

於報告日期根據發票日期之應收貿易賬款之賬齡分析如下：

| | | As at 30 June 2022 於二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|---------------|-----------|---|--|
| 0-30 days | 0日至30日 | - | 782 |
| 121-365 days | 121日至365日 | - | 2,397 |
| Over 365 days | 365日以上 | 2,418 | - |
| | | 2,418 | 3,179 |

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

14. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

14. 按金、預付款項及其他應收款項

| | | As at 30 June 2022 於二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|--|-------------------------------|---|--|
| Current portion | 流動部分 | | |
| Deposits | 按金 | 36 | 36 |
| Prepayments for: | 有關下列項目之預付款項： | | |
| — purchase of building materials | — 購買建築材料 | 311,079 | 321,208 |
| — others | — 其他 | 5,752 | 5,396 |
| Less: loss allowance of prepayment for: | 減：有關下列項目之預付款項 的虧損撥備： | | |
| — purchase of building materials | — 購買建築材料 | (311,079) | (321,208) |
| — others | — 其他 | (3,476) | (3,459) |
| Interest receivable | 應收利息 | 40,774 | 42,169 |
| Less: loss allowance of interest receivable | 減：應收利息虧損撥備 | (1,206) | (1,247) |
| Consideration receivable from disposal of assets classified as held for sale | 出售分類為持作出售資產 應收代價 | 50,241 | 51,961 |
| Less: loss allowance of consideration receivable from disposal of assets classified as held for sale | 減：出售分類為持作出售 資產應收代價 虧損撥備 | (809) | (837) |
| Consideration receivable from disposal of investment properties | 出售投資物業應收代價 | 89,916 | 92,994 |
| Less: loss allowance of consideration receivable from disposal of investment properties | 減：出售投資物業應收 代價虧損撥備 | (690) | (714) |
| | | 180,538 | 186,299 |

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

15. TRADE AND OTHER PAYABLES

15. 應付貿易賬款及其他應付款項

| | | As at 30 June 2022 於二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|---------------------------|---------------|---|--|
| Trade payables (Note (i)) | 應付貿易賬款(附註(i)) | 3,817 | 4,669 |
| Other payables | 其他應付款項 | 55,053 | 62,376 |
| Receipt in advance | 墊款 | 3,566 | 3,180 |
| Accrued liabilities | 應計負債 | 11,325 | 13,088 |
| | | 73,761 | 83,313 |

Note:

- (i) The amounts are repayable according to normal credit terms of 30 to 60 days.

The ageing analysis of trade payables as at the reporting dates, based on invoice date, is as follows:

附註：

- (i) 有關款項按一般信貸期30日至60日償還。

於報告日期根據發票日期之應付貿易賬款之賬齡分析如下：

| | | As at 30 June 2022 於二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|----------------|--------|---|--|
| Within 30 days | 30日內 | - | 722 |
| Over 365 days | 365日以上 | 3,817 | 3,947 |
| | | 3,817 | 4,669 |

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

16. OTHER BORROWINGS

16. 其他貸款

| | | As at 30 June 2022 於二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|-----------------------------------|----------------|---|--|
| Non-current | 非流動 | | |
| Other borrowings — secured (Note) | 其他貸款 — 有抵押(附註) | 209,164 | 216,324 |

Note:

As at 30 June 2022, the other borrowings are secured by the Group's investment properties, which have a carrying amount of approximately HK\$166.8 million (31 December 2021: HK\$172.5 million).

附註：

於二零二二年六月三十日，其他貸款由本集團賬面值約為166,800,000港元(二零二一年十二月三十一日：172,500,000港元)之投資物業作擔保。

17. RELATED PARTY BALANCES AND TRANSACTIONS

17. 關連人士結餘及交易

In addition to those disclosed elsewhere in the condensed consolidated interim financial information, the Group entered into the following material related party transactions during the six months ended 30 June 2022 and 2021.

除簡明綜合中期財務資料其他地方所披露者外，於截至二零二二年及二零二一年六月三十日止六個月，本集團訂立了以下重大關連人士交易。

(a) Key management personnel compensation

(a) 主要管理人員補償

Key management includes executive directors of the Company, financial controllers and company secretary of the Group. The compensation paid or payable to key management for employee services amounted to approximately HK\$1,710,000 during the six months ended 30 June 2022 (Six months ended 30 June 2021: HK\$1,687,000).

主要管理人員包括本公司執行董事、本集團的財務總監及公司秘書。截至二零二二年六月三十日止六個月，就僱員服務已付或應付主要管理人員之補償約為1,710,000港元(截至二零二一年六月三十日止六個月：1,687,000港元)。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

17. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

(b) Shareholders' loan

On 1 July 2021, the Company entered into a loan facilities agreement with Wonderland International Investment Holdings Limited (“**Wonderland Holdings**”), a controlling shareholder of the Company, with a facility amount of HK\$7 million. The loan was interest bearing at the rate of 3% per annum. On 6 December 2021, the Company entered into another loan facilities agreement with Wonderland Holdings with a facility amount of HK\$13 million, which is non-interest bearing. On 16 May 2022, the Company further entered into another loan facilities agreement with Wonderland Holdings with a facility amount of HK\$27.85 million, which is non-interest bearing. The Company has drawn an accumulated loan amount of approximately HK\$34.5 million as at 30 June 2022. The loan facilities were unsecured and repayable at the end of twelve months from the signing date of the loan facilities agreement which were classified as current liabilities in the condensed consolidated statements of financial position as at 30 June 2022.

On 27 January 2021, the Company entered into a loan facilities agreement with Mr. Pan Lihui, the executive director and a shareholder of the Company, with a facility amount of US\$10 million. The Company has drawn a loan amount of approximately US\$25,000 (approximately to HK\$198,000) as at 30 June 2022. The loan was interest bearing at the rate of 3% per annum, unsecured and repayable at the end of twelve month from the signing date of the loan facilities agreement which was classified as current liabilities in the condensed consolidated statement of financial position as at 30 June 2022.

17. 關連人士結餘及交易(續)

(b) 股東貸款

於二零二一年七月一日，本公司與華德國際投資控股有限公司(「華德控股」，為本公司控股股東)訂立貸款融資協議，融資金額為7,000,000港元。該貸款按年利率3%計息。於二零二一年十二月六日，本公司與華德控股訂立另一項貸款融資協議，融資金額為13,000,000港元且不計息。於二零二二年五月十六日，本公司與華德控股進一步訂立另一項貸款融資協議，融資金額為27,850,000港元且不計息。於二零二二年六月三十日，本公司已累積提取貸款金額約34,500,000港元。該等貸款融資均為無抵押，且須於貸款融資協議簽署之日起計十二個月結束時償還，其於二零二二年六月三十日之簡明綜合財務狀況表分類為流動負債。

於二零二一年一月二十七日，本公司與本公司執行董事及股東潘立輝先生訂立貸款融資協議，融資金額為10,000,000美元。於二零二二年六月三十日，本公司已提取貸款金額約25,000美元(相當於約198,000港元)。該貸款按年利率3%計息、無抵押，且須於貸款融資協議簽署之日起計十二個月結束時償還，其於二零二二年六月三十日之簡明綜合財務狀況表分類為流動負債。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

17. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

(c) Loan from a fellow subsidiary

On 28 August 2020, the Company entered into a loan facilities agreement with Wonderland International Finance Limited (“**Wonderland Finance**”), the wholly-owned subsidiary of Wonderland International Financial Holdings Limited, a then controlling shareholder of the Company, with a facility amount of HK\$10 million. The Company had drawn a loan amount of approximately HK\$272,000 as at 31 December 2020. The loan was interest bearing at the rate of 10% per annum, unsecured and repayable at the end of twelve month from the date of drawdown which was classified as current liabilities in the consolidated statement of financial position as at 31 December 2020. On 4 January 2021, the Company entered into a loan facilities agreement based on the loan facilities agreement with Wonderland Finance signed on 28 August 2020 increasing the facility amount to HK\$20 million with interest rate of 3% per annum. On 1 July 2021, the Company entered into an supplemental agreement based on the loan facilities signed on 4 January 2021 granting a loan facility of HK\$13 million. On 5 December 2021, the Company entered into another loan facilities agreement with Wonderland Finance with a facility amount of HK\$13 million with interest rate of 3% per annum. The loan was fully repaid during the six months ended 30 June 2022.

(d) Amount due to a fellow subsidiary

The advance is unsecured, non-interest bearing, and repayable on demand.

17. 關連人士結餘及交易(續)

(c) 來自一間同系附屬公司之貸款

於二零二零年八月二十八日，本公司與華德國際財務有限公司(「華德財務」，為本公司當時之控股股東華德國際金融控股有限公司之全資附屬公司)訂立貸款融資協議，融資金額為10,000,000港元。於二零二零年十二月三十一日，本公司已提取貸款金額約272,000港元。該貸款按年利率10%計息、無抵押，且須於提取日期起計十二個月結束時償還，其於二零二零年十二月三十一日之綜合財務狀況表分類為流動負債。於二零二一年一月四日，本公司根據其於二零二零年八月二十八日與華德財務訂立的貸款融資協議訂立一項貸款融資協議，將融資金額增加至20,000,000港元，按年利率3%計息。於二零二一年七月一日，本公司根據於二零二一年一月四日簽訂的貸款融資訂立補充協議，授予貸款融資13,000,000港元。於二零二一年十二月五日，本公司與華德財務訂立另一項貸款融資協議，融資金額為13,000,000港元，按年利率3%計息。有關貸款已於截至二零二二年六月三十日止六個月悉數償還。

(d) 應付一間同系附屬公司款項

該墊款為無抵押、免息及須按要求償還。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

17. RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

- (e) In addition to those disclosed elsewhere in the condensed consolidated interim financial information, related party transactions, which were carried out in the normal course of the Group's business, were as follows:

17. 關連人士結餘及交易(續)

- (e) 除簡明綜合中期財務資料其他地方所披露者外，於本集團日常業務中進行之關連人士交易如下：

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--|-------------------------|---|---|
| | | 2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) |
| Interest expense paid/payable on loan from | 就來自以下各方之 貸款已付／應付利息開支 | | |
| — Mr. Pan Lihui | — 潘立輝先生 | — | 701 |
| — Wonderland Finance | — 華德財務 | 245 | 78 |
| — Wonderland Holdings | — 華德控股 | 60 | — |

18. FAIR VALUE ESTIMATION

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categories into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

18. 公允價值估計

公允價值為在市場參與者於計量日期進行之有序交易中就出售資產所收取或就轉讓負債所支付之價格。下文披露按公允價值層級計算的公允價值，其按估值技術中用以計量公允價值的輸入數據分為三個層級：

第一級輸入數據：相同資產或負債於活躍市場中的報價(未經調整)。

第二級輸入數據：第一級包括的報價以外，資產或負債可直接或間接觀察得出的輸入數據。

第三級輸入數據：資產或負債的不可觀察輸入數據。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

18. FAIR VALUE ESTIMATION (CONTINUED)

The following table presents the Group's financial assets and liabilities that are at fair value at 30 June 2022 and 31 December 2021.

| | | Level 2 第二級 | |
|-----------------------|-------|--|---|
| | | As at 30 June 2022 於二零二二年 六月三十日 HK\$'000 千港元 | As at 31 December 2021 於二零二一年 十二月三十一日 HK\$'000 千港元 |
| Investment properties | 投資物業 | | |
| Commercial — PRC | 商用—中國 | 166,817 | 172,528 |

There were no transfers among Level 1, 2 and 3 during the six months ended 30 June 2021 and 2022.

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 30 June 2022 and 31 December 2021.

No financial assets and financial liabilities were subject to offsetting, enforceable master netting arrangements and similar arrangements as at 30 June 2022 and 31 December 2021.

18. 公允價值估計(續)

下表載列本集團於二零二二年六月三十日及二零二一年十二月三十一日按公允價值列賬之金融資產及負債。

截至二零二一年及二零二二年六月三十日止六個月，第一級、第二級及第三級之間並無轉移。

本集團按成本或攤銷成本列賬之金融工具之賬面值與其於二零二二年六月三十日及二零二一年十二月三十一日之公允價值並無重大差異。

於二零二二年六月三十日及二零二一年十二月三十一日，概無受抵銷、可強制性執行淨額結算總安排及類似安排規限之金融資產及金融負債。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

19. MATERIAL EVENTS

Update on listing status

On 18 December 2020, the Company has received a letter from the Stock Exchange notifying the Company of its decision that the Company has failed to carry out a business with sufficient level of operations as required under Rule 13.24 of the Listing Rules to warrant the continued listing of its shares (the “**Decision**”). Pursuant to Rules 2B.06(1) and 2B.08(1) of the Listing Rules, the Company submitted a written request for the Decision to be referred to the Listing Committee of the Stock Exchange for review on 13 January 2021 (the “**Review**”). On 18 May 2021, the Company received a letter from the Listing Committee in upholding the Decision (the “**LC Decision**”). On 27 May 2021, the Company submitted a written request to the Listing Review Committee pursuant to Rule 2B.06(2) of the Listing Rules for reviewing of the LC Decision (the “**Second Review**”). The Listing Review Committee may endorse, modify or vary the LC Decision or make its own decision.

On 14 September 2021, the Company received a decision letter from the Listing (Review) Committee (the “**Decision Letter**”) which upheld the decision of the Listing Committee and concluded that having assessed the Company’s case under Rule 13.24 of the Listing Rules as set out in the Decision Letter, the Company has failed to maintain a sufficient level of operations as required under Rule 13.24 of the Listing Rules to warrant the continued listing of its shares.

On 19 October 2021, the Company received a letter (the “**Letter**”) from the Stock Exchange, in which, among other things, the Stock Exchange sets out the following resumption guidance (the “**Resumption Guidance**”) for the Company:

1. demonstrate its compliance with Rule 13.24 of the Listing Rules; and
2. announce all material information for the Company’s shareholders and investors to appraise the Company’s position.

19. 重大事項

有關上市地位的最新情況

於二零二零年十二月十八日，本公司收到聯交所函件告知本公司，其判定本公司未能按上市規則第13.24條之要求有足夠的業務運作，以保證其股份繼續上市(「**該決定**」)。根據上市規則第2B.06(1)及2B.08(1)條，本公司已於二零二一年一月十三日提出書面要求將該決定提交聯交所上市委員會覆核(「**覆核**」)。於二零二一年五月十八日，本公司收到上市委員會維持該決定(「**上市委員會決定**」)的函件。於二零二一年五月二十七日，本公司根據上市規則第2B.06(2)條向上市覆核委員會提交覆核上市委員會決定的書面要求(「**第二次覆核**」)。上市覆核委員會可能贊同、修正或更改上市委員會決定或作出其本身之決定。

於二零二一年九月十四日，本公司收到上市(覆核)委員會之決定函件(「**決定函件**」)，該決定函件維持上市委員會之決定及於該決定函件中列明已根據上市規則第13.24條對本公司的的情況進行評估，結論為本公司未能根據上市規則第13.24條的規定維持足夠的業務運作，以保證其股份繼續上市。

於二零二一年十月十九日，本公司收到聯交所之函件(「**函件**」)，聯交所於函件中為本公司載列以下復牌指引(「**復牌指引**」)：

1. 證明其遵守上市規則第13.24條；及
2. 公佈所有重大資料以供本公司股東及投資者評估本公司狀況。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

19. MATERIAL EVENTS (Continued)

Update on listing status (Continued)

The Letter also states that the Company must remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before trading in its securities is allowed to resume. For this purpose, the Company has the primary responsibility to devise its action plan for resumption. The Stock Exchange further indicates that it may modify or supplement the Resumption Guidance if the Company's situation changes. The Company is committed to working towards the resumption of trading in the Shares and has been in discussions with professional advisers of the Group to explore and consider opportunities available to the Company in formulating a viable resumption proposal to address matters set out in the Resumption Guidance.

Recoverability in relation to trade receivables, loan receivables, interest receivables, prepayments, consideration receivables and interest income from loan receivables (collectively, the "Outstanding Receivables")

The Board has, at its best endeavors, swiftly taken numerous measures in investigating the background of the Outstanding Receivables and seeking legal opinions for exploring possible legal actions, in view of recovering the Outstanding Receivables, including but not limited to the followings:

1. The Company was assessing the feasibility of commencing litigation and the financial capability of the counterparties of the Outstanding Receivables.

19. 重大事項(續)

有關上市地位的最新情況(續)

函件亦指明本公司須於其證券獲准恢復買賣前，糾正導致其暫停買賣的問題，並全面遵守上市規則以令聯交所滿意。就此，本公司的主要責任為制定復牌行動計劃。聯交所已進一步指出，若本公司的情況有變，其可能修訂或補充復牌指引。本公司致力恢復股份買賣，並一直與本集團專業顧問進行討論，以探討及考慮本公司可利用的機會以制定可行的復牌建議以處理復牌指引中所載列的事項。

有關應收貿易賬款、應收貸款、應收利息、預付款項、應收代價及應收貸款利息收入(統稱「未收回應收款項」)之可收回性

為收回未收回應收款項，董事會已盡最大努力迅速採取多項措施調查未收回應收款項之背景及尋求法律意見以探討可能之法律行動，包括但不限於以下各項：

1. 本公司正在評估提起訴訟之可行性及未收回應收款項對手方之財務能力。

Notes to the Condensed Consolidated Interim Financial Information (Continued)

簡明綜合中期財務資料附註(續)

For the six months ended 30 June 2022 截至二零二二年六月三十日止六個月

19. MATERIAL EVENTS (Continued)

Recoverability in relation to trade receivables, loan receivables, interest receivables, prepayments, consideration receivables and interest income from loan receivables (collectively, the “Outstanding Receivables”) (Continued)

- The Company has been exploring debt restructuring proposal with independent third parties in relation to certain Outstanding Receivables. The Company is assessing the cost and benefit of such proposals as compared to recovering such balances through other means.

The recoverability of the Outstanding Receivables is subject to the outcome of any negotiations or litigations which are yet to materialise, it is premature to evaluate whether any portion of the Outstanding Receivables is recoverable.

20. EVENT AFTER THE END OF THE REPORTING PERIOD

On 28 June 2022, the Company entered into the sale and purchase agreement with two independent third parties (the “Vendors”), pursuant to which the Company has conditionally agreed to acquire for and the Vendors have conditionally agreed to sell the entire issued shares of the target company, at a consideration of RMB30 million (equivalent to approximately HK\$35.3 million). On 12 July 2022, the Company and the Vendors further entered into the supplemental agreement to the sale and purchase agreement to amend certain terms of the sale and purchase agreement.

The completion of transaction is subject to the fulfillment of certain conditions as set out in the agreement.

21. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial information have been approved and authorised for issue by the Board on 30 August 2022.

* For identification purpose only and should not be regarded as the official English translation of the Chinese names. In the event of any inconsistency, the Chinese name prevails.

19. 重大事項(續)

有關應收貿易賬款、應收貸款、應收利息、預付款項、應收代價及應收貸款利息收入(統稱「未收回應收款項」)之可收回性(續)

- 本公司一直就若干未收回應收款項與獨立第三方探討債務重組建議。本公司正在評估有關建議與通過其他方法收回該等結餘相比的成本及裨益。

未收回應收款項之可收回性取決於任何尚未落實之磋商或訴訟之結果，評估未收回應收款項的任何部分是否可收回為時尚早。

20. 報告期末後事項

於二零二二年六月二十八日，本公司與兩名獨立第三方(「賣方」)訂立買賣協議，據此，本公司有條件同意收購而賣方有條件同意出售目標公司全部已發行股份，代價為人民幣30,000,000元(相當於約35,300,000港元)。於二零二二年七月十二日，本公司與賣方進一步訂立買賣協議之補充協議，以修訂買賣協議之若干條款。

交易的完成須待協議所載若干條件達成後，方可作實。

21. 批准中期財務報表

簡明綜合中期財務資料已於二零二二年八月三十日經董事會批准及授權刊發。

Other Information

其他資料

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2022 (Six months ended 30 June 2021: Nil).

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

As at 30 June 2022, the interests and short positions of the Directors and chief executive of the Company, if any, 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) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, were as follows:

Long positions of directors in the shares and underlying shares of the Company

中期股息

董事會議決不就截至二零二二年六月三十日止六個月宣派任何中期股息(截至二零二一年六月三十日止六個月：無)。

董事及最高行政人員於股份、相關股份及債券之權益及短倉

於二零二二年六月三十日，本公司董事及最高行政人員(如有)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、相關股份及債券中，擁有記錄入根據證券及期貨條例第352條本公司須予存置之登記冊或根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所之權益及短倉如下：

董事於本公司股份及相關股份之長倉

| Name of director | Capacity and nature of interest | Number of shares held | Number of underlying shares held | Total | Approximate % of shareholding (note 3) 概約持股百分比 (附註3) |
|--------------------------------------|---|-----------------------|----------------------------------|-------------|---|
| 董事姓名 | 身份及權益性質 | 所持股份數目 | 所持相關股份數目 | 總計 | |
| Mr. Li Gang (note 1) 李剛先生(附註1) | Interest of controlled corporations 受控制公司之權益 | 112,789,766 | – | 112,789,766 | 20.79% |
| Mr. Pan Lihui (note 2) 潘立輝先生(附註2) | Beneficial Owner 實益擁有人 | 33,112,281 | – | 33,112,281 | 6.11% |

Other Information (Continued)

其他資料(續)

Notes:

1. Wonderland International Investment Holdings Limited (“**Wonderland**”) is owned by Hua Zhi Investment Limited as to 58.44%, which is owned by Mr. Li as to 53.37%. Mr. Li was therefore deemed to be interested in the 112,789,766 shares of the Company held by Wonderland by reason of interest of controlled corporations within the meaning of Part XV of the SFO. Mr. Li is a substantial shareholder of the Company and his shareholding in the Company is also set out in the section headed “Interests and Short Positions of Substantial Shareholders Disclosable under the SFO”.
2. Mr. Pan Lihui is a substantial shareholder of the Company and his shareholding in the Company is also set out in the section headed “Interests and Short Positions of Substantial Shareholders Disclosable under the SFO”.
3. As at 30 June 2022, the number of issued shares of the Company was 542,392,207.

Save as disclosed above, as at 30 June 2022, none of the Directors and chief executive of the Company had registered an interest or short position 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) that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEMES

The purpose of the 2011 Share Option Scheme (hereinafter defined) is to enable the Group to recognise the contribution of the participants to the Group and to motivate the participants to continuously work to the benefit of the Group by offering the participants an opportunity to have personal interest in the share capital of the Company.

附註：

1. 華德國際投資控股有限公司(「華德」)由Hua Zhi Investment Limited擁有58.44%權益，而Hua Zhi Investment Limited由李先生擁有53.37%權益。由於受控制公司之權益(定義見證券及期貨條例第XV部)，因此李先生被視為於華德所擁有之本公司112,789,766股股份中擁有權益。李先生為本公司之主要股東，其於本公司之股權載於「根據證券及期貨條例須予披露的主要股東權益及短倉」一節。
2. 潘立輝先生為本公司之主要股東，其於本公司之股權亦載於「根據證券及期貨條例須予披露的主要股東權益及短倉」一節。
3. 於二零二二年六月三十日，本公司已發行股份數目為542,392,207股。

除上文披露者外，於二零二二年六月三十日，概無本公司董事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中，登記擁有根據證券及期貨條例第352條須予記錄，或根據標準守則須知會本公司及聯交所之權益或短倉。

購股權計劃

二零一一年購股權計劃(定義見下文)旨在讓本集團透過給予參與者於本公司股本擁有個人權益的機會，表揚參與者對本集團之貢獻，並鼓勵參與者繼續為本集團之利益作出建樹。

Other Information (Continued) 其他資料(續)

Share option scheme adopted by the Company on 12 May 2011 (“2011 Share Option Scheme”)

The Company adopted the 2011 Share Option Scheme which was approved by the Shareholders at the Company’s annual general meeting held on 12 May 2011. Details of movement of the options granted under the 2011 Share Option Scheme for the six months ended 30 June 2022 were as follows:

Movement in the 2011 Share Option Scheme

| Name or category of participants | Date of grant | Exercise period | Exercise price per share | As at 1 January 2022 | Granted during the Review Period | Lapsed during the Review Period | Cancelled during the Review Period | Exercised during the Review Period | As at 30 June 2022 |
|----------------------------------|---------------|---|--------------------------|----------------------|----------------------------------|---------------------------------|------------------------------------|------------------------------------|--------------------|
| 參與者姓名或類別 | 授出日期 | 行使期 | 每股行使價 (HK\$) (港元) | 於二零二二年一月一日 | 於回顧期內授出 | 於回顧期內失效 | 於回顧期內註銷 | 於回顧期內行使 | 於二零二二年六月三十日 |
| Others 其他 | | | | | | | | | |
| In aggregate 合計 | 31/12/2012 | 31/12/2013 to 30/12/2022 31/12/2013至30/12/2022 | 2.298 | 53,209 | - | - | - | - | 53,209 |
| | | | Total: 總計: | 53,209 | - | - | - | - | 53,209 |

Notes:

- 50% of the share options are exercisable in a period commencing one (1) year from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant. The balance of 50% of the share options are exercisable in a period commencing two (2) years from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant.
- As at 30 June 2022, the Company had 53,209 (31 December 2021: 53,209) share options outstanding under the 2011 Share Option Scheme, which represented approximately 0.0098% (31 December 2021: 0.0098%) of the Company’s shares in issue on that date.
- No share options under the 2011 Share Option Scheme were granted, exercised or cancelled during the six months ended 30 June 2022.

於二零一一年五月十二日獲本公司採納之購股權計劃(「二零一一年購股權計劃」)

本公司採納於二零一一年五月十二日舉行之本公司股東週年大會上獲股東批准之二零一一年購股權計劃。截至二零二二年六月三十日止六個月，根據二零一一年購股權計劃授出之購股權變動詳情如下：

二零一一年購股權計劃變動

| Name or category of participants | Date of grant | Exercise period | Exercise price per share | As at 1 January 2022 | Granted during the Review Period | Lapsed during the Review Period | Cancelled during the Review Period | Exercised during the Review Period | As at 30 June 2022 |
|----------------------------------|---------------|---|--------------------------|----------------------|----------------------------------|---------------------------------|------------------------------------|------------------------------------|--------------------|
| 參與者姓名或類別 | 授出日期 | 行使期 | 每股行使價 (HK\$) (港元) | 於二零二二年一月一日 | 於回顧期內授出 | 於回顧期內失效 | 於回顧期內註銷 | 於回顧期內行使 | 於二零二二年六月三十日 |
| Others 其他 | | | | | | | | | |
| In aggregate 合計 | 31/12/2012 | 31/12/2013 to 30/12/2022 31/12/2013至30/12/2022 | 2.298 | 53,209 | - | - | - | - | 53,209 |
| | | | Total: 總計: | 53,209 | - | - | - | - | 53,209 |

附註：

- 50% 購股權可自授出日期一(1)年後之日起至授出日期十週年前一日止期間獲行使。餘下50% 購股權可自授出日期兩(2)年後之日起至授出日期十週年前一日止期間獲行使。
- 於二零二二年六月三十日，本公司於二零一一年購股權計劃下有53,209份(二零一一年十二月三十一日：53,209份)購股權尚未行使，相當於本公司於該日之已發行股份約0.0098%(二零一一年十二月三十一日：0.0098%)。
- 於截至二零二二年六月三十日止六個月，概無二零一一年購股權計劃下之購股權獲授出、行使或註銷。

Other Information (Continued)

其他資料(續)

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" and "Share Option Schemes" above, at no time during the six months ended 30 June 2022 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the directors of the Company or their spouse or minor children had any rights to subscribe for the securities of the Company, or had exercised any such rights during the Review Period.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 30 June 2022, the following interests of 5% or more of the total number of issued shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long positions in the shares or underlying shares of the Company

| Name of shareholder | Capacity and nature of interest | Number of shares held | Approximate % of shareholding (note 3) 概約持股百分比 (附註3) |
|--------------------------------------|---|-----------------------|---|
| 股東姓名/名稱 | 身份及權益性質 | 所持股份數目 | |
| Mr. Li Gang (note 1) 李剛先生(附註1) | Interest of controlled corporations 受控制公司之權益 | 112,789,766 | 20.79% |
| Wonderland (note 1) 華德(附註1) | Beneficial owner 實益擁有人 | 112,789,766 | 20.79% |
| Mr. Pan Lihui (note 2) 潘立輝先生(附註2) | Beneficial owner 實益擁有人 | 33,112,281 | 6.11% |
| Executive Success Limited | Beneficial owner 實益擁有人 | 28,142,920 | 5.19% |

董事購買股份或債券之權利

除上文「董事及最高行政人員於股份、相關股份及債券之權益及短倉」及「購股權計劃」章節所披露者外，於截至二零二二年六月三十日止六個月內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債券而獲取利益，亦無本公司董事或彼等之配偶或未成年子女有任何可認購本公司證券之權利，或於回顧期內行使任何該等權利。

根據證券及期貨條例須予披露的主要股東權益及短倉

於二零二二年六月三十日，本公司根據證券及期貨條例第336條規定本公司須存置之權益登記冊載有以下佔本公司已發行股份總數5%或以上之權益：

於本公司股份或相關股份的長倉

Other Information (Continued)

其他資料(續)

Notes:

1. Wonderland is owned by Hua Zhi Investment Limited as to 58.44%, which is owned by Mr. Li as to 53.37%. Mr. Li was therefore deemed to be interested in the 112,789,766 shares of the Company held by Wonderland by reason of interest of controlled corporations within the meaning of Part XV of the SFO.
2. Mr. Pan Lihui is an executive Director whose interest in shares or underlying shares of the Company is also set out in the above section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures".
3. As at 30 June 2022, the number of issued shares of the Company was 542,392,207.

Save as disclosed above, as at 30 June 2022, the Company had not been notified of any other relevant interests or short positions in the shares or underlying shares of the Company as required to be recorded pursuant to Section 336 of the SFO.

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

During the six months ended 30 June 2022, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

CHANGES IN THE INFORMATION OF THE DIRECTORS SINCE THE DATE OF THE 2021 ANNUAL REPORT OF THE COMPANY

Mr. Jiang Senlin ceased to be a non-executive director of Suoxinda Holdings Limited (Stock Code: 3680) on 23 June 2022.

Since 31 March 2022 (the date of publication of the 2021 Annual Report of the Company), save as disclosed herein, there has been no change in the information of the Directors as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CORPORATE GOVERNANCE

None of the Directors are aware of any information that would reasonably indicate that the Company was not throughout the six months ended 30 June 2022, in compliance with the Corporate Governance Code as set out in Appendix 14 of the Listing Rules. The Board will review the corporate governance practice of the Company regularly and effect changes if necessary.

附註：

1. 華德由 Hua Zhi Investment Limited 擁有 58.44% 權益，而 Hua Zhi Investment Limited 由李先生擁有 53.37% 權益。由於受控制公司之權益(定義見證券及期貨條例第 XV 部)，因此李先生被視為於華德所擁有之本公司 112,789,766 股股份中擁有權益。
2. 潘立輝先生為執行董事，其於本公司之股份或相關股份之權益亦載於上文「董事及最高行政人員於股份、相關股份及債券之權益及短倉」一節。
3. 於二零二二年六月三十日，本公司已發行股份數目為 542,392,207 股。

除上文披露者外，於二零二二年六月三十日，本公司概無獲知會任何於本公司股份或相關股份中擁有須根據證券及期貨條例第 336 條予以記錄之其他相關權益或短倉。

購買、出售或贖回本公司上市證券

於截至二零二二年六月三十日止六個月，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

自本公司二零二一年年報日期以來董事資料變動

姜森林先生於二零二二年六月二十三日不再擔任索信达控股有限公司(股份代號：3680)之非執行董事。

自二零二二年三月三十一日(本公司二零二一年年報刊發日期)起，除本文所披露者外，概無董事資料變動須根據上市規則第 13.51B(1) 條予以披露。

企業管治

董事概無知悉有任何資料合理顯示本公司於截至二零二二年六月三十日止六個月期間並無遵守上市規則附錄十四所載之企業管治守則。董事會將定期檢討本公司之企業管治常規及在需要時進行修改。

Other Information (Continued)

其他資料(續)

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the Group's code of conduct regarding Directors' securities transactions. Specific enquiry has been made by the Company with all the Directors and the Directors have confirmed that they have complied with the Model Code during the Period.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") consists of three independent non-executive Directors, namely Mr. Liu Qin (Chairman), Mr. Zhong Jian and Mr. Du Hongwei (with Mr. Liu Qin possessing the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules).

The condensed consolidated interim financial information of the Company for the Period has not been audited, but has been reviewed by the Audit Committee and is duly approved by the Board under the recommendation of the Audit Committee.

By Order of the Board
Enviro Energy International Holdings Limited

Li Gang
Chairman and Executive Director

Hong Kong, 30 August 2022

證券交易之標準守則

本公司已採納上市規則附錄十所載的標準守則作為本集團董事進行證券交易之操守守則。本公司已向全體董事作出特定查詢，董事已確認彼等於本期間已遵守標準守則。

審核委員會

本公司審核委員會(「審核委員會」)包括三名獨立非執行董事，分別為劉秦先生(主席)、鍾劍先生及杜宏偉先生，當中劉秦先生具備上市規則第3.10(2)條規定的適當專業資格或會計或相關財務管理專長。

本公司於本期間之簡明綜合中期財務資料乃未經審核，惟已由審核委員會審閱，並由董事會在審核委員會之建議下正式批准。

承董事會命
環能國際控股有限公司

主席及執行董事
李剛

香港，二零二二年八月三十日

