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## **Century Energy International Holdings Limited**

**百能國際能源控股有限公司**

*(formerly known as China Oil Gangran Energy Group Holdings Limited*

*中油港燃能源集團控股有限公司)*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8132)**

### **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022**

The board (the “**Board**”) of directors (the “**Directors**”) of Century Energy International Holdings Limited (the “**Company**”) announces the unaudited consolidated interim results of the Company and its subsidiaries for the six months ended 30 September 2022. This announcement, containing the full text of the interim report of the Company for the six months ended 30 September 2022 (“**Interim Report**”), complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to the preliminary announcement of the interim results. The printed version of the Interim Report containing the information required by the GEM Listing Rules will be despatched to the shareholders of the Company in due course in the manner required by the GEM Listing Rules.

By Order of the Board  
**Century Energy International Holdings Limited**  
**Leung Wing Cheong Eric**  
*Chairman*

Hong Kong, 8 November 2022

*As at the date of this announcement, the executive Directors are Mr. Cheung Yip Sang, Mr. Sun Jiusheng, Mr. Ma Shenyuan, Mr. Li Dewen and Mr. Yeung Shing Wai; non-executive Director is Mr. Leung Wing Cheong Eric; and the independent non-executive Directors are Mr. Lim Haw Kuang, Mr. Lui Ho Ming Paul and Mr. Chu Kin Ming.*

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

*This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the website of the Company at [www.chinaoilgangrans.com](http://www.chinaoilgangrans.com).*

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

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

Mr. Sun Jiusheng (*Vice Chairman*)

Mr. Cheung Yip Sang

(*Chief Executive Officer*)

Mr. Ma Shenyuan (*Group President*)

Mr. Li Dewen (*Group Senior Vice President*)

Mr. Yeung Shing Wai

#### NON-EXECUTIVE DIRECTOR

Mr. Leung Wing Cheong Eric (*Chairman*)

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lim Haw Kuang

Mr. Lui Ho Ming Paul

Mr. Chu Kin Ming

#### AUDIT COMMITTEE

Mr. Chu Kin Ming (*Chairman*)

Mr. Lim Haw Kuang

Mr. Lui Ho Ming Paul

#### REMUNERATION COMMITTEE

Mr. Lim Haw Kuang (*Chairman*)

Mr. Lui Ho Ming Paul

Mr. Chu Kin Ming

#### NOMINATION COMMITTEE

Mr. Chu Kin Ming (*Chairman*)

Mr. Lim Haw Kuang

Mr. Lui Ho Ming Paul

#### COMPANY SECRETARY

Mr. Chu Chun Ming

#### AUTHORISED REPRESENTATIVES

Mr. Yeung Shing Wai

Mr. Chu Chun Ming

### REGISTERED OFFICE

Cricket Square, Hutchins Drive

P.O. Box 2681, Grand Cayman

KY1-1111, Cayman Islands

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2303, 23/F., Prudential Tower

The Gateway, Harbour City

Tsim Sha Tsui, Kowloon, Hong Kong

### COMPANY'S WEBSITE

[www.chinaoilgangrans.com](http://www.chinaoilgangrans.com)

### LEGAL ADVISER

Howse Williams

27th Floor, Alexandra House

18 Chater Road, Central

Hong Kong

### AUDITOR

HLM CPA Limited

Rooms 1501-8, 15th Floor

Tai Yau Building

181 Johnston Road

Wanchai, Hong Kong

### STOCK CODE

8132



**PRINCIPAL BANKER**

The Hongkong and Shanghai Banking  
Corporation Limited

**PRINCIPAL SHARE REGISTRAR  
AND TRANSFER OFFICE IN  
THE CAYMAN ISLANDS**

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

**BRANCH SHARE REGISTRAR  
AND TRANSFER OFFICE  
IN HONG KONG**

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

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

The unaudited revenue of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 September 2022 (the “**Interim Period**”) was approximately HK\$149.5 million, representing an increase of approximately 391.8% from approximately HK\$30.4 million for the corresponding period last year. Such increase in the unaudited revenue was mainly due to the increase in the sales of natural gas during the Interim Period.

The Group’s unaudited loss attributable to the owners of the Company was approximately HK\$10.8 million for the Interim Period compared to the profit attributable to the owners of the Company of approximately HK\$129.8 million for the corresponding period last year. The turnaround from profit to loss attributable to the owners of the Company during the Interim Period was mainly attributable to the absence of the one-time significant gain on debt restructuring of approximately HK\$140.9 million arising from the scheme of arrangement entered into between the Company and its creditors in the corresponding period last year. If this one-time gain is deducted, the operating loss attributable to the owners of the Company was actually decreased from approximately HK\$11.1 million in the corresponding period last year to approximately HK\$10.8 million in the Interim Period.

The board of the Directors (the “**Board**”) does not recommend to pay dividend for the Interim Period.

## BUSINESS REVIEW

During the Interim Period, the Group was principally engaged in the following businesses: (i) trading of refined oil and chemicals business; and (ii) power and data cords business.

In terms of the geographical market performance, the United States and the PRC contributed to approximately 7% (2021: approximately 36%) and approximately 92% (2021: approximately 58%) of the Group’s total unaudited revenue respectively, while the remaining approximately 1% (2021: approximately 6%) came from its other markets.

## TRADING OF REFINED OIL AND CHEMICALS BUSINESS

The Group seizes the opportunity of the national carbon neutrality and carbon peak initiatives based on the clean energy industry chain. By proactively promoting the clean energy trading business, actively connecting upstream natural gas resources, developing downstream customer markets, the Group will match the supply and demand for clean energy and provide upstream units with downstream customers with stable business and continuous gas consumption; provide downstream customers with natural gas products with strong gas supply guarantee capability and cost competitiveness, so as to achieve the natural gas trading business and obtain trading profits. The Group's natural gas trading business mainly includes pipeline natural gas and liquefied natural gas ("LNG") with the focus on domestic trading, and will actively carry out international business as and when appropriate.

The pipeline natural gas trading business adopts a model of gas in and gas out, and arranges and implements the transmission plan by purchasing with large oil and gas central enterprises, local coalbed methane producers, shale gas producers and other gas suppliers in combination with market demand; It is transmitted through the national and local pipe networks, and received by downstream customers at the local pipe network distribution station. Pipeline natural gas is mainly supplied to urban gas distributors to meet the gas demand of urban gas users.

The LNG trading business adopts a model of liquid in and liquid out. It purchases from the LNG manufacturer. The purchase price is determined based on the change in market price on spot purchase. After the purchase, the LNG is transported by LNG cryogenic tank car from the storage station to the terminal supply stations including LNG gasification station, distributed LNG cylinder station and filling station to meet the gas demand of downstream customers. The users mainly include urban gas companies, industrial and commercial enterprises and other customers.

During the Interim Period, the Group's unaudited revenue from sales of natural gas was approximately HK\$126.3 million (2021: Nil).

## POWER AND DATA CORDS BUSINESS

The three key product groups for power and data cords business were (i) power and data cords for mobile handsets and personal care products; (ii) medical control devices; and (iii) power cords and inlet sockets for household electric appliances. Each product group has its own types of products. During the Interim Period, the Group manufactured over 40 types of power and data cords for mobile handsets and personal care products, and over 450 types of power cords and inlet sockets for household electric appliances. The Group also involved in the assembly and sale of medical control devices, which are primarily used by patients in hospital wards and the related accessories.



During the Interim Period, the Group's unaudited revenue from power and data cords business decreased by approximately 23.7% to approximately HK\$23.2 million (2021: approximately HK\$30.4 million). The decrease was due to the increased in competition and the increased in popularity of multiple function cables so that the demand for traditional cables has decreased.

## OUTLOOK

During the Interim Period, although global economic picked up in a faster pace, the economic has not fully recovered to the level before the COVID-19 outbreak. Unsynchronised global epidemic prevention and control, uneven economic recovery, intensified political and economic games and unsure monetary policy have all increased uncertainty.

The Chinese government has committed to realise carbon peak in 2030 and carbon neutrality by 2060. As a major energy consuming country, the fundamental key to achieve "double-carbon" target is to change the development pattern of energy industry with utilisation of technology and innovation, acceleration in transformation to and substitution with clean energy and increase in energy efficiency so as to minimise the impact to the atmosphere and environment.

As an emerging energy corporation, the Group's corporate mission is to "Benefit People's Livelihood with Clean Energy and Technology and Innovation". We focus on the development of clean energy industrial chain and sensitively utilise the R&D results of frontier technology in order to explore and advance industrialisation in energy technology and to connect and integrate with quality projects and resources in China and overseas, through which the Group could create massive synergy between capital, technology, business and operational management. Therefore, the Group will strive to establish its core competitiveness in the fields of new energy materials, energy saving and environmental protection and digital technologies for energy safety, and develop into an technological energy corporation with prominent influence and reputation within the industry.

On 22 June 2022, Baineng Energy (Shenzhen) Co., Limited\* (佰能能源(深圳)有限公司) ("Baineng Energy Shenzhen"), a wholly owned subsidiary of the Company, and Tianjin Zhongzhi Xinshi Entrepreneurial Service Partnership Enterprise (Limited Partnership)\* 天津眾智信實創業服務合夥企業(有限合夥) (the "Joint Venture Partner") entered into the joint venture agreement (the "Joint Venture Agreement") pursuant to which Baineng Energy Shenzhen and the Joint Venture Partner agreed to establish a joint venture company to conduct the research and development, production and sales of aerogel products in the PRC. Pursuant to the terms of the Joint Venture Agreement, the registered capital of the joint venture company shall be RMB25,000,000 (equivalent to approximately HK\$29,250,000). Baineng Energy Shenzhen will contribute RMB15,000,000 (equivalent to

approximately HK\$17,550,000) in cash towards the registered capital of the joint venture company. The joint venture company will be owned as to 60% by Baineng Energy Shenzhen and will be consolidated in the financial statements of the Company upon its establishment. For details, please refer to the announcement of the Company dated 22 June 2022.

The Group shall continue to seek further opportunities to further develop the energy business by way of investment in or acquisition of companies currently engaging in the energy business or submitting tenders or quotations for energy projects. The Directors believe that such strategy will enable to Group to capitalise on its experience and strengthen its position in its energy business to achieve a sustainable growth and maximize returns to the shareholders of the Company (the “**Shareholders**”).

## **EMPLOYEES’ REMUNERATION POLICY**

As at 30 September 2022, the Group employed 133 (31 March 2022: 114) full time employees mainly in the PRC and Hong Kong. The employees’ remuneration policy of the Group is regularly reviewed and determined by reference to market terms, the Group’s financial performance as well as the individual’s academic and professional qualifications and work performance. Staff benefits include Mandatory Provident Fund contributions for Hong Kong employees and contributions to central pension schemes operated by local municipal governments for mainland-based employees. The Group provides various training programmes to equip its staff with requisite skills and knowledge. In addition, a share option scheme is offered to recognise significant staff contributions. During the Interim Period, no share options (2021: Nil) were issued to eligible participants under the Company’s share option scheme. Total staff costs, inclusive of Directors’ remuneration, for the Interim Period amounted to approximately HK\$10.7 million (2021: approximately HK\$6.2 million).

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

As at 30 September 2022, the aggregate carrying value of the Group’s indebtedness was approximately HK\$54.4 million (31 March 2022: approximately HK\$41.6 million) which comprised borrowings. The Group had bank balances and cash of approximately HK\$35.8 million (31 March 2022: approximately HK\$15.3 million).

As at 30 September 2022, the Group’s gearing ratio was approximately 13.1% (31 March 2022: approximately 26.0%). This ratio is calculated as net debt divided by total assets. Net debts is defined as total debts (includes borrowings) less bank balances and cash. Total assets comprises both current assets and non-current assets.

## EXPOSURE TO FOREIGN EXCHANGE RISK

As the Group operates principally in Hong Kong and the PRC, its exposure to foreign currency risk is minimal as most of its business transactions, assets and liabilities are principally denominated in the functional currency of the group entities. In this respect, the only risk it is faced arose from exposures mainly to the renminbi (“RMB”) and the United States dollar (“US\$”). These risks were mitigated as the Group held HK\$, US\$ and RMB bank accounts to finance transactions denominated in these currencies respectively. The Group has no foreign currency hedging policy for foreign currency transactions, assets and liabilities. During the Interim Period, the Group did not use any financial instruments for hedging purposes. The Group will continue to monitor its exposure to foreign exchange risks and will consider hedging such exposure, should such a risk arises.

## PLEDGE OF ASSETS

As at 30 September 2022, the Group pledged a building with an aggregate carrying amount of approximately HK\$8,646,000 (31 March 2022: HK\$9,255,000).

In addition, the Group’s 51% equity interests in Able One Investments Limited, a subsidiary of the Company, was pledged to an independent third party to secure an interest-bearing other loan.

## SIGNIFICANT INVESTMENTS AND DISPOSALS

The Group had no significant investments and disposals, nor has it made any material acquisition or disposal of the Group’s subsidiaries or affiliated companies during the Interim Period.

## CONTINGENT LIABILITIES AND CAPITAL COMMITMENT

The Group had no significant contingent liabilities and no significant capital commitments at 30 September 2022 (31 March 2022: Nil).

## SEGMENT INFORMATION

Details of the segment information are set out in note 3 to the unaudited condensed consolidated interim financial statements.

The Board of the Company announces the unaudited condensed consolidated financial results of the Group for the three months and the six months ended 30 September 2022 together with comparative figures for the corresponding period in 2021, as follows:

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

For the six months ended 30 September 2022

	Notes	Three months ended 30 September		Six months ended 30 September	
		2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
<b>Revenue</b>	4	<b>121,919</b>	15,768	<b>149,528</b>	30,406
Cost of sales		<b>(115,785)</b>	(10,728)	<b>(140,738)</b>	(20,655)
<b>Gross profit</b>		<b>6,134</b>	5,040	<b>8,790</b>	9,751
Other income and gain, net	5	<b>1,687</b>	742	<b>2,967</b>	1,507
Selling expenses		<b>(2,005)</b>	(676)	<b>(2,567)</b>	(1,386)
Administrative expenses		<b>(8,053)</b>	(7,463)	<b>(15,119)</b>	(20,540)
<b>Loss from operations</b>		<b>(2,237)</b>	(2,357)	<b>(5,929)</b>	(10,668)
Gain on disposal of subsidiaries		–	891	–	891
Fair value gain on derivative component of convertible bonds		–	–	–	3,103
Gain on debt restructuring	6	–	–	–	140,906
Finance costs	7	<b>(1,647)</b>	(366)	<b>(3,136)</b>	(3,018)
<b>(Loss)/profit before tax</b>		<b>(3,884)</b>	(1,832)	<b>(9,065)</b>	131,214
Taxation	8	<b>(220)</b>	(501)	<b>(318)</b>	(962)
<b>(Loss)/profit for the period</b>	9	<b>(4,104)</b>	(2,333)	<b>(9,383)</b>	130,252
<b>Other comprehensive (expenses)/ income, net of tax:</b>					
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		<b>(1,280)</b>	671	<b>(1,486)</b>	539
<b>Total comprehensive (expenses)/ income for the period</b>		<b>(5,384)</b>	(1,662)	<b>(10,869)</b>	130,791

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

For the six months ended 30 September 2022

	Notes	Three months ended 30 September		Six months ended 30 September	
		2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
<b>(Loss)/profit for the period attributable to:</b>					
Owners of the Company		<b>(4,763)</b>	(1,788)	<b>(10,804)</b>	129,789
Non-controlling interests		<b>659</b>	(545)	<b>1,421</b>	463
		<b>(4,104)</b>	(2,333)	<b>(9,383)</b>	130,252
<b>Total comprehensive (expenses)/ income for the period attributable to:</b>					
Owners of the Company		<b>(5,047)</b>	(1,357)	<b>(11,225)</b>	130,074
Non-controlling interests		<b>(337)</b>	(305)	<b>356</b>	717
		<b>(5,384)</b>	(1,662)	<b>(10,869)</b>	130,791
<b>(Loss)/earnings per share (HK cents)</b>					
Basic	11(a)	<b>(0.2)</b>	(0.1)	<b>(0.4)</b>	8.5
Diluted	11(b)	<b>(0.2)</b>	(0.1)	<b>(0.4)</b>	8.5

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2022

		<b>30 September 2022</b>	31 March 2022
	Notes	<b>HK\$'000 (Unaudited)</b>	HK\$'000 (Audited)
<b>Non-current assets</b>			
Property, plant and equipment	12	<b>20,558</b>	23,621
Right-of-use assets		<b>4,524</b>	4,111
Prepayment for acquisition of property, plant and equipment		<b>105</b>	80
Financial assets at fair value through profit or loss		–	–
		<b>25,187</b>	27,812
<b>Current assets</b>			
Inventories		<b>4,483</b>	5,335
Trade and other receivables	13	<b>76,812</b>	52,651
Contingent consideration receivables		–	–
Bank balances and cash		<b>35,783</b>	15,318
		<b>117,078</b>	73,304
<b>Current liabilities</b>			
Trade and other payables	14	<b>68,637</b>	30,225
Promissory notes payables	15	–	–
Borrowings	16	<b>26,971</b>	14,899
Convertible bonds	17	–	–
Lease liabilities		<b>769</b>	1,196
Tax payables		<b>7,494</b>	7,179
		<b>103,871</b>	53,499
<b>Net current assets</b>		<b>13,207</b>	19,805
<b>Total assets less current liabilities</b>		<b>38,394</b>	47,617

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

At 30 September 2022

		<b>30 September 2022</b>	31 March 2022
	Notes	<b>HK\$'000</b>	HK\$'000
		<b>(Unaudited)</b>	(Audited)
<b>Non-current liabilities</b>			
Promissory notes payable	15	–	–
Borrowings	16	<b>27,464</b>	26,698
Lease liabilities		<b>2,716</b>	1,836
Deferred tax liabilities		<b>38</b>	38
		<b>30,218</b>	28,572
<hr/>			
<b>NET ASSETS</b>		<b>8,176</b>	19,045
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<b>Capital and reserves</b>			
Share capital	18	<b>10,134</b>	10,134
Reserves		<b>(8,130)</b>	3,095
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Equity attributable to owners of the Company		<b>2,004</b>	13,229
Non-controlling interests		<b>6,172</b>	5,816
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<b>TOTAL EQUITY</b>		<b>8,176</b>	19,045
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Approved and signed by the Board on 8 November 2022.

**Leung Wing Cheong Eric**  
*Director*

**Cheung Yip Sang**  
*Director*

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2022

	Attributable to owners of the Company										
	Share capital	Share premium	Statutory reserve	Convertible bonds equity reserve	Equity transaction reserve	Foreign currency translation reserve	Share-based capital reserve	Accumulated losses	Sub-total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2021 (Audited)	1,520	703,768	1,998	2,215	3,030	(663)	47,806	(893,602)	(133,928)	9,269	(124,659)
Total comprehensive income for the period	-	-	-	-	-	285	-	129,789	130,074	717	130,791
Disposal of subsidiaries	-	-	-	-	-	54	-	-	54	118	172
Share options lapsed	-	-	-	-	-	-	(5,782)	5,782	-	-	-
Recognition of equity component of convertible bonds	-	-	-	3	-	-	-	-	3	-	3
Issuance of shares upon share subscription	7,601	29,294	-	-	-	-	-	-	36,895	-	36,895
Issuance of shares upon debt restructuring	1,013	3,906	-	-	-	-	-	-	4,919	-	4,919
Debt restructuring	-	-	-	(2,215)	-	-	-	2,215	-	-	-
At 30 September 2021 (Unaudited)	10,134	736,968	1,998	3	3,030	(324)	42,024	(755,816)	38,017	10,104	48,121
At 1 April 2022 (Audited)	10,134	736,967	1,998	3	3,030	(66)	42,024	(780,861)	13,229	5,816	19,045
Total comprehensive (expenses)/ income for the period	-	-	-	-	-	(421)	-	(10,804)	(11,225)	356	(10,869)
Derecognition of convertible bonds	-	-	-	(3)	-	-	-	3	-	-	-
Share options lapsed	-	-	-	-	-	-	(42,024)	42,024	-	-	-
At 30 September 2022 (Unaudited)	10,134	736,967	1,998	-	3,030	(487)	-	(749,638)	2,004	6,172	8,176



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2022

	<b>Six months ended 30 September</b>	
	<b>2022</b>	2021
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>9,882</b>	1,007
Purchases of property, plant and equipment	<b>(1,094)</b>	(4,781)
Prepayment for acquisition of property, plant and equipment	<b>(28)</b>	–
Interest received	<b>13</b>	4
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,109)</b>	(4,777)
Interest paid	<b>(921)</b>	(408)
Repayment of lease liabilities	<b>(848)</b>	(89)
Proceeds from bank borrowings	<b>3,510</b>	–
Repayment of bank borrowings	<b>(59)</b>	(60)
Proceeds from other loan	<b>15,708</b>	7,654
Repayment of other loan	<b>(5,265)</b>	(7,200)
Proceeds from issue of new shares, net of expenses	–	20,000
Proceeds from issue of convertible bonds, net of expenses	–	3,100
Payment to the Creditors' Scheme	–	(20,000)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>12,125</b>	2,997
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>20,898</b>	(773)
Effect of foreign exchange rate changes	<b>(247)</b>	303
<b>CASH AND CASH EQUIVALENTS AT 1 APRIL</b>	<b>15,132</b>	11,839
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>35,783</b>	11,369

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the six months ended 30 September 2022

## 1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2022 (the “**Interim Financial Report**”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of the GEM Listing Rules of the Stock Exchange.

The Interim Financial Report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2022 (the “**2022 Annual Financial Statements**”).

The Interim Financial Report has been prepared in accordance with the same accounting policies adopted in the 2022 Annual Financial Statements, except for the adoption of the new, amended or revised Hong Kong Financial Reporting Standards (“**HKFRS**”) (which collectively include all applicable individual Hong Kong Financial Reporting Standard (“**HKFRS**”), Hong Kong Accounting Standard (“**HKAS**”) and Interpretation issued by the HKICPA) as disclosed in Note 2 to the Interim Financial Report.

The unaudited condensed consolidated interim financial statements have not been audited by the Company’s auditors, but have been reviewed by the audit committee of the Company.

## 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2022. HKFRSs comprise HKFRS, HKAS; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current period and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

## 3. SEGMENT INFORMATION

The Group's reportable segments are determined as follows:

- |   |   |
|---|---|
| Trading of refined oil and chemicals business     | — engaged in trading of refined oil and chemicals.  |
| Power and data cords and general trading business | — engaged in sales and manufacture of power cords and inlet sockets for household electric appliances and power and data cords for mobile handsets and medical control devices and raw cables and general trading business. |

The accounting policies of the operating segments are the same as those described in the Group's financial statements.

### 3. SEGMENT INFORMATION (Continued)

Information about reportable segment profit or loss, assets and liabilities:

	<b>Trading of refined oil and chemicals business</b>	<b>Power and data cords and general trading business</b>	<b>Total</b>
	HK\$'000	HK\$'000	HK\$'000
Six months ended			
30 September 2022 (unaudited)			
Revenue from external customers	<b>126,310</b>	<b>23,218</b>	<b>149,528</b>
Segment gain	<b>380</b>	<b>242</b>	<b>622</b>
At 30 September 2022 (unaudited)			
Segment assets	<b>42,569</b>	<b>70,600</b>	<b>113,169</b>
Segment liabilities	<b>50,144</b>	<b>26,497</b>	<b>76,641</b>
Six months ended			
30 September 2021 (unaudited)			
Revenue from external customers	–	30,406	30,406
Segment loss	–	(2,577)	(2,577)
At 31 March 2022 (audited)			
Segment assets	–	70,062	70,062
Segment liabilities	–	20,304	20,304

**3. SEGMENT INFORMATION** (Continued)

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2022</b>	2021
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
Reconciliation of segment results:		
Total profit/(loss) of reportable segments	<b>622</b>	(2,577)
Unallocated amounts:		
Other income and gain, net	<b>2,564</b>	1,507
Corporate expenses	<b>(9,433)</b>	(10,560)
Gain on disposal of subsidiaries	–	891
Fair value gain on derivative component of convertible bonds	–	3,103
Gain on debt restructuring	–	140,906
Finance costs	<b>(3,136)</b>	(3,018)
<hr/>		
Consolidated (loss)/gain for the period	<b>(9,383)</b>	130,252
<hr/>		

#### 4. REVENUE

The Group's revenue for the three months and six months ended 30 September 2022 and 2021 represented the following:

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Sales of natural gas	111,380	–	126,310	–
Sales of power and data cords and inlets sockets and medical control devices	10,539	15,768	23,218	30,406
	<b>121,919</b>	15,768	<b>149,528</b>	30,406

#### 5. OTHER INCOME AND GAIN, NET

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)
Interest income	7	2	13	4
Gain/(loss) on disposal of property, plant and equipment	32	–	(860)	–
Net foreign exchange gain/(loss)	445	(32)	666	(57)
Rental income	717	681	1,580	1,272
Sample income	18	89	504	281
Forfeiture of deposits received on providing strategic consultancy services	–	–	500	–
Sundry income	65	2	161	7
Reversal of impairment of trade receivables	403	–	403	–
	<b>1,687</b>	742	<b>2,967</b>	1,507

## 6. GAIN ON DEBT RESTRUCTURING

The creditors' schemes (the "Creditors' Schemes") were approved by the requisite statutory majorities of the creditors at the meeting of Creditors' Schemes held on 9 April 2021. The Cayman court sanctioned the Cayman scheme by order dated 21 May 2021. A copy of the sealed sanction order was registered with the Cayman Islands Registrar of Companies on 21 May 2021. The Hong Kong Court sanctioned the Hong Kong scheme at the hearing on 26 May 2021. A copy of the sealed sanction order was delivered to the Registrar of Companies in Hong Kong for registration on 27 May 2021. Accordingly, the Creditors' Schemes became effective on 27 May 2021.

Pursuant to the Creditors' Schemes, the Company transferred its claims, rights to claims, rights to any assets and the entire equity interests of deconsolidated subsidiaries to the Creditors' Schemes on 27 May 2021, the effective date of the Creditors' Schemes (the "Transfer"). After the Transfer, a cash payment of HK\$20,000,000, being partial proceeds from the subscription of shares, was transferred to the Creditors' Schemes and held by a scheme company for distribution (after making a reserve for the settlement of the scheme cost) to the creditors subject to adjudication. In addition, the Company issued 253,346,545 new ordinary shares ("Creditors' Shares") in a total amount of approximately HK\$4,918,000 for the benefit of the creditors. The Creditors' Shares were issued by the Company to the scheme administrators or a scheme company or such other nominee(s) for distribution to the creditors subject to adjudication. A gain on Debt Restructuring under the Creditors' Schemes of approximately HK\$140,906,000 was recognised for the six months ended 30 September 2021.

	For the six months ended 30 September 2021 HK\$'000 (Unaudited)
<b>Assets transferred pursuant to the Creditors' Scheme:</b>	
Creditors' shares	(4,919)
Cash	(20,000)
	<hr style="border-top: 1px solid black;"/> (24,919)
<b>Liabilities discharged pursuant to the Creditors' Scheme:</b>	
Other payables and accrued expenses	48,340
Borrowings	31,401
Convertible notes	13,000
Promissory notes	73,084
	<hr style="border-top: 1px solid black;"/> 165,825
Gain on debt restructuring	<hr style="border-top: 1px solid black;"/> 140,906

## 7. FINANCE COSTS

	Three months ended		Six months ended	
	30 September		30 September	
	2022	2021	2022	2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Effective interest expenses on promissory notes payable	-	-	-	688
Effective interest expenses on unsecured interest- bearing bond	-	-	-	129
Interest on secured bank loan	<b>71</b>	74	<b>146</b>	149
Interest on other loans	<b>1,498</b>	242	<b>2,834</b>	1,996
Interest on lease liability	<b>78</b>	50	<b>156</b>	56
	<b>1,647</b>	366	<b>3,136</b>	3,018



## 8. TAXATION

	Three months ended		Six months ended	
	30 September	2021	30 September	2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Hong Kong Profits Tax				
— current year	<b>174</b>	218	<b>216</b>	423
PRC Enterprise Income Tax				
— current year	<b>46</b>	283	<b>102</b>	539
	<b>220</b>	501	<b>318</b>	962
Reversal of temporary differences	—	—	—	—
	<b>220</b>	501	<b>318</b>	962

Under the two-tiered profits tax rates regime of Hong Kong, the first HK\$2 million of assessable profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Pursuant to the Enterprise Income Tax rules and regulations of the PRC, the PRC subsidiaries of the Group are subject to Enterprise Income Tax at a rate of 25%.

## 9. (LOSS)/PROFIT FOR THE PERIOD

The Group's (loss)/profit for the period is arrived at after charging:

	Three months ended		Six months ended	
	30 September		30 September	
	2022	2021	2022	2021
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	<b>1,128</b>	717	<b>2,290</b>	1,414
Depreciation of right-of-use assets	<b>385</b>	303	<b>733</b>	366
Directors' emoluments	<b>543</b>	490	<b>1,086</b>	737

## 10. DIVIDENDS

The Board does not recommend payment of any interim dividend for the six months ended 30 September 2022 (six months ended 30 September 2021: Nil).

## 11. (LOSS)/EARNINGS PER SHARE

### (A) BASIC (LOSS)/EARNINGS PER SHARE

Basic loss per share is calculated by dividing the unaudited loss attributable to owners of the Company of approximately HK\$4,763,000 (2021: loss of approximately HK\$1,788,000) by the weighted average number of ordinary shares of 2,533,465,453 (2021: 2,153,445,635) in issue for the three months ended 30 September 2022. Basic profit per share is calculated by dividing the unaudited loss attributable to owners of the Company of approximately HK\$10,804,000 (2021: profit of approximately HK\$129,789,000) by the weighted average number of ordinary shares of 2,533,465,453 (2021: 1,533,231,142) in issue for the six months ended 30 September 2022.

### (B) DILUTED (LOSS)/EARNINGS PER SHARE

Diluted (loss)/earnings per share is the same as basic (loss)/earnings per share as the outstanding convertible bonds and share options have anti-dilutive effects on basic (loss)/earnings per share for Interim Period and the corresponding period last year.

## 12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2022, the Group acquired property, plant and equipment of approximately HK\$1,094,000 (six months ended 30 September 2021: HK\$4,781,000).

### 13. TRADE AND OTHER RECEIVABLES

	<b>30 September 2022 HK\$'000 (Unaudited)</b>	31 March 2022 HK\$'000 (Audited)
Trade receivables from contract with customers	<b>47,138</b>	44,360
Less: Allowance for credit losses	<b>(25,075)</b>	(25,478)
	<b>22,063</b>	18,882
Other receivables	<b>54,749</b>	33,789
Less: provision of impairment	–	(20)
	<b>54,749</b>	33,769
	<b>76,812</b>	52,651

The majority of the Group's sales are on credit terms up to 120 days from the end of the month of invoice. The Group seeks to maintain strict control over its outstanding receivables. In determining the recoverability of trade receivables, the Group considers any changes in credit quality of trade receivables from the date credit was initially granted up to the end of the reporting period. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

The aging analysis of trade receivables (net of allowance for credit losses) based on the invoice dates is as follows:

	<b>30 September 2022 HK\$'000 (Unaudited)</b>	31 March 2022 HK\$'000 (Audited)
Within 30 days	<b>11,307</b>	3,687
31–60 days	<b>3,411</b>	2,418
61–90 days	<b>4,472</b>	3,340
91–180 days	<b>2,873</b>	8,478
Over 180 days	–	959
	<b>22,063</b>	18,882

**14. TRADE AND OTHER PAYABLES**

	<b>30 September 2022 HK\$'000 (Unaudited)</b>	31 March 2022 HK\$'000 (Audited)
Trade payables	<b>6,202</b>	4,019
Other payables	<b>62,435</b>	26,206
	<b>68,637</b>	30,225

The Group normally obtains credit terms ranging from 30 days to 120 days from its suppliers. The aging analysis of trade payables based on the due date is as follows:

	<b>30 September 2022 HK\$'000 (Unaudited)</b>	31 March 2022 HK\$'000 (Audited)
Not yet due	<b>5,565</b>	1,726
1–30 days past due	<b>540</b>	1,397
31–60 days past due	<b>44</b>	682
61–90 days past due	<b>28</b>	5
91–180 days past due	<b>16</b>	207
181–360 days past due	<b>7</b>	2
Over 360 days past due	<b>2</b>	–
	<b>6,202</b>	4,019

**15. PROMISSORY NOTES PAYABLE**

	<b>30 September 2022 HK\$'000 (Unaudited)</b>	31 March 2022 HK\$'000 (Audited)
Current	–	–
Non-current	–	–
	–	–

Movements in promissory notes is analysed as follows:

	<b>30 September 2022 HK\$'000 (Unaudited)</b>	31 March 2022 HK\$'000 (Unaudited)
At beginning of the period/year	–	73,011
Effective interest charged	–	688
Interest payable	–	(621)
Liabilities discharged pursuant to the Creditors' Scheme	–	(73,078)
At end of the period/year	–	–

**16. BORROWINGS**

	<b>30 September 2022 HK\$'000 (Unaudited)</b>	31 March 2022 HK\$'000 (Audited)
Secured bank loan (Note a)	<b>6,201</b>	6,580
Unsecured bank loan (Note b)	<b>3,510</b>	–
Advance from ultimate holding company (Note c)	<b>21,004</b>	15,241
Other loans (Note d)	<b>23,720</b>	19,776
	<b>54,435</b>	41,597
Secured	<b>11,201</b>	11,580
Unsecured	<b>43,234</b>	30,017
	<b>54,435</b>	41,597
Less: Amounts classified as current liabilities	<b>(26,971)</b>	(14,899)
Amount classified as non-current liabilities	<b>27,464</b>	26,698

## 16. BORROWINGS (Continued)

Notes:

### (a) Secured bank loan

The scheduled principal repayments dates of the bank loan with reference to the bank loan agreement are as follows:

	<b>30 September 2022 HK\$'000 (Unaudited)</b>	31 March 2022 HK\$'000 (Audited)
The carrying amount of the bank loan is repayable:		
Within one year	<b>117</b>	123
More than one year but not exceeding two years	<b>6,084</b>	6,457
More than two years but not exceeding five years	-	-
	<b>6,201</b>	6,580

### (b) Unsecured bank loan

The scheduled principal repayments dates of the bank loan with reference to the bank loan agreement are as follows:

	<b>30 September 2022 HK\$'000 (Unaudited)</b>	31 March 2022 HK\$'000 (Audited)
The carrying amount of the bank loan is repayable:		
Within one year	<b>3,510</b>	-
More than one year but not exceeding two years	-	-
More than two years but not exceeding five years	-	-
	<b>3,510</b>	-



## 16. BORROWINGS (Continued)

Notes: (Continued)

**(c) Advance from ultimate holding company**

On 8 September 2021, the Company and its ultimate holding company entered into a loan agreement. The ultimate holding company granted a loan facility up to HK\$10,000,000 to the Company which bears interest at 18% per annum. On 7 January 2022, the Company and its ultimate holding company entered into a supplemental loan agreement to increase the loan facility up to HK\$30,000,000 and reduce the interest rate from 18% to 15% per annum.

**(d) Other loan**

	<b>30 September 2022 HK\$'000</b>	31 March 2022 HK\$'000
The carrying amount of the other loan is repayable:		
Within one year	<b>2,340</b>	14,776
After one year but less than two years	<b>16,380</b>	–
After two years but less than five years	<b>5,000</b>	5,000
	<b>23,720</b>	19,776
Secured	<b>5,000</b>	5,000
Unsecured	<b>18,720</b>	14,776
	<b>23,720</b>	19,776

## 17. CONVERTIBLE BONDS

### 2022 CN

On 25 June 2021, the Company issued convertible notes with an aggregate principal amount of approximately HK\$3,106,000 ("**2022 CN**"), due on 16 March 2025 ("**Maturity Date**"). 2022 CN shall not bear any interest. The Company does not have redemption right of the 2022 CN.

Pursuant to the Mandatory Conversion Mechanism (details refer to the Company's circular dated 19 March 2021), any part or all of the principal amount of the 2022 CN shall be automatically converted into ordinary shares at the conversion price of HK\$0.01941712 per share (subject to adjustments) during the conversion period upon the exercise of any outstanding share options issued by the Company under the Company's Scheme 2011.

In the event that the 2022 CN are not fully converted by the Maturity Date, the outstanding principal amount of the 2022 CN will forthwith be cancelled on the Maturity Date.

On initial recognition, the equity element in the amount of HK\$3,000 is presented in equity as convertible notes equity reserve. 2022 CN does not consist of liability component and does not bear any interest.

On 25 June 2022, pursuant to the subscription agreement of the 2022 CN, due to the lapse of all outstanding share options, all convertible notes under 2022 CN were cancelled.

## 17. CONVERTIBLE BONDS (Continued)

### 2020 CN

On 2 November 2018, the Company issued convertible notes with an aggregate principal amount of HK\$13,000,000 (“**2020 CN**”), due on 2 November 2020 and bearing interest at 1.5% per annum payable on due date. The 2020 CN can be converted into fully paid ordinary shares with a par value of HK\$0.004 each of the Company at a conversion price of HK\$4 (after adjustment on consolidation of shares in year 2018).

Upon the Creditors’ Schemes becoming effective on 27 May 2021, the 2020 CN with the principal amount of HK\$13,000,000 were fully discharged pursuant to the Creditors’ Schemes.

	30 September 2022			31 March 2022		
	2022CN HK\$'000 (Unaudited)	2020 CN HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)	2022 CN HK\$'000 (Audited)	2020 CN HK\$'000 (Audited)	Total HK\$'000 (Audited)
At beginning of the period/year	-	-	-	-	12,307	12,307
Effective interest charged	-	-	-	-	808	808
Interest payable	-	-	-	-	(115)	(115)
Liabilities discharged pursuant to the Creditors’ Scheme	-	-	-	-	(13,000)	(13,000)
At end of the period/year	-	-	-	-	-	-

## 18. SHARE CAPITAL

	Notes	Number of ordinary shares of HK\$0.004 each	Amount HK\$'000
<b>Authorised:</b>			
At 1 April 2021		2,000,000,000	8,000
Increase in authorised share capital	(a)	8,000,000,000	32,000

<b>At 31 March 2022 (audited), 1 April 2022 and 30 September 2022 (unaudited)</b>		10,000,000,000	40,000
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	Notes	Number of ordinary shares of HK\$0.004 each	Amount HK\$'000
<b>Issued and fully paid:</b>			
At 1 April 2021		380,019,818	1,520
Issue of shares pursuant to Subscription	(b)	1,900,099,090	7,601
Issue of shares pursuant to the Creditors' Schemes	(c)	253,346,545	1,013

<b>At 31 March 2022 (audited), 1 April 2022 and 30 September 2022 (unaudited)</b>		2,533,465,453	10,134
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### Notes:

- (a) On 22 June 2021, the increase in authorized share capital has been approved at the EGM. Accordingly, the authorised share capital of the Company has been increased to HK\$40,000,000 divided into 10,000,000,000 shares.
- (b) On 25 June 2021, an aggregate of 1,900,099,090 subscription shares have been allotted and issued by the Company to the subscribers in accordance with the terms of the subscription agreement.
- (c) On 25 June 2021, pursuant to the Creditors' Scheme, 253,346,545 creditors' shares have been allotted and issued by the Company to the scheme administrators or a scheme company or such other nominee(s) for distribution to the creditors subject to adjudication.

## 19. SHARE-BASED PAYMENTS

### EQUITY-SETTLED SHARE OPTION SCHEME

The Company has a share option scheme (the “**Scheme 2011**”) which was adopted pursuant to a resolution of the sole Shareholder passed on 27 April 2011. The purpose of the Scheme 2011 was to attract, retain and motivate talented Participants (as defined below), to strive for future developments and expansion of the Group. The Scheme 2011 should be an incentive to encourage the Participants to perform their best in achieving the goals of the Group and allow the Participants to enjoy the results of the Group attained through their efforts and contributions. The Scheme 2011 became effective on 27 April 2011 and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of adoption of the Scheme 2011. The Scheme 2011 expired on 26 April 2021.

The Company has adopted a share option scheme (the “**Scheme 2021**”) pursuant to a resolution of the Shareholders passed on 29 September 2021. The purpose of the Scheme 2021 is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, advisors and consultants of the Group and to promote the success of the business of the Group.

The Scheme 2021 became effective on 29 September 2021 and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of the adoption of the Scheme 2021.

The Participants include any director, employee, advisor and consultant of the Company or any subsidiary of the Company, who, in the absolute discretion of the Board, has contributed or may contribute to the Group so as to promote the success of the business of the Group.

The total number of the shares of the Company available for issue under the Scheme 2021 and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue of the Company on the day on which trading of the Shares commenced on the Stock Exchange.

The maximum number of Shares issued and to be issued upon exercise of the Options granted and to be granted pursuant to the Scheme 2021 and any other share option schemes of the Group to each Participant (including both exercised and outstanding options) in any 12-month period up to and including the date of grant of the options must not exceed 1% of the total number of Shares in issue.

## 19. SHARE-BASED PAYMENTS (Continued)

### EQUITY-SETTLED SHARE OPTION SCHEME (Continued)

Any grant of share options to a substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates and such Option which if exercised in full, would result in the shares of the Company issued and to be issued upon exercise of all Options already granted and to be granted pursuant to the Scheme 2021 and other share option schemes of the Company (including option exercised and outstanding) to such Participant in the 12-month period up to and including the date of grant being proposed by the Board (the “**Relevant Date**”): (i) representing in aggregate more than 0.1% of the total number of shares of the Company in issue at the Relevant Date; and (ii) having an aggregate value, based on the closing price of the shares of the Company as stated in the Stock Exchange’s daily quotations sheet on the Relevant Date, in excess of HK\$5,000,000, are subject to the shareholders’ approval in the general meeting.

Unless otherwise determined by the directors of the Company and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Scheme 2021 for the holding of an option before it can be exercised.

The offer of a grant of share options may be accepted within 10 days from the date of offer upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period for the share options granted is determined by the Board, which may commence from the date of acceptance of the offer for the grant of share options but shall end in any event not later than 10 years from the date of the conditional adoption of the Scheme 2021 by the sole Shareholder subject to the provisions for early termination under the Scheme 2021.

The subscription price for the Shares under the Scheme 2021 shall be a price determined by the Board at its absolute discretion and shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the date of the offer for the grant, which must be a business day, (ii) the average closing prices of the Shares as stated in the Stock Exchange’s daily quotations sheet for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of the share of the Company on the date of the offer for the grant.

**19. SHARE-BASED PAYMENTS** (Continued)**EQUITY-SETTLED SHARE OPTION SCHEME** (Continued)

Details of the movements of the Company's share options during the period are as follows:

	<b>30 September 2022</b>		30 September 2021	
	<b>Number of share options</b>	<b>Weighted average exercise price HK\$</b>	Number of share options	Weighted average exercise price HK\$
Outstanding at beginning of the period	<b>38,950,550</b>	<b>2.09</b>	53,313,050	1.76
Lapsed/expired during the period	<b>(38,950,550)</b>	<b>2.09</b>	(14,362,500)	0.86
Outstanding and exercisable at the end of the period	–	–	38,950,550	2.09

As at 30 September 2021, the options outstanding at the end of the period have a weighted average remaining contractual life of 1.41 years and the exercise price range from HK\$0.36 to HK\$7.82.

## OTHER INFORMATION

### CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance to safeguard the interests of its shareholders and enhance its corporate value. The Company's corporate governance practices are based on the principles of good governance, code provisions and certain recommended best practices as set out in the Corporate Governance Code (the "**CG Code**") in Appendix 15 of the GEM Listing Rules. During the Interim Period, the Company complied with the code provisions as set out in the CG Code.

The Board continues to monitor and review the Company's corporate governance practices to ensure compliance with the CG Code.

### SHARE OPTION SCHEME

#### SHARE OPTION SCHEME 2011

The Company has a share option scheme (the "**Scheme 2011**") which was adopted pursuant to a resolution of the sole Shareholder passed on 27 April 2011. The purpose of the Scheme 2011 was to attract, retain and motivate talented Participants (as defined below), to strive for future developments and expansion of the Group. The Scheme 2011 should be an incentive to encourage the Participants to perform their best in achieving the goals of the Group and allow the Participants to enjoy the results of the Group attained through their efforts and contributions. The Scheme 2011 became effective on 27 April 2011 and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of adoption of the Scheme 2011. The Scheme 2011 expired on 26 April 2021.

#### SHARE OPTION SCHEME 2021

The Company has adopted a share option scheme (the "**Scheme 2021**") pursuant to a resolution of the Shareholders passed on 29 September 2021. The purpose of the Scheme 2021 is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, advisors and consultants of the Group and to promote the success of the business of the Group.

The Scheme 2021 became effective on 29 September 2021 and, unless otherwise cancelled or amended, will remain in force for 10 years from the date of the adoption of the Scheme 2021. The remaining life of the Scheme 2021 is approximately 9 years.



The Participants include any director, employee, advisor and consultant of the Company or any subsidiary of the Company, who, in the absolute discretion of the Board, has contributed or may contribute to the Group so as to promote the success of the business of the Group. During the Interim Period, no share option was granted under the Scheme 2021.

As at the date of the Report, the total number of the shares of the Company available for issue under the Scheme 2021 and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue of the Company on the day on which trading of the Shares commenced on the Stock Exchange, i.e. 253,346,545 representing 10% of the issued share capital of the Company as at the date of the approval on the refreshment of 10% limit of annual general meeting on 29 September 2021.

The maximum number of Shares issued and to be issued upon exercise of the Options granted and to be granted pursuant to the Scheme 2021 and any other share option schemes of the Group to each Participant (including both exercised and outstanding options) in any 12-month period up to and including the date of grant of the options must not exceed 1% of the total number of Shares in issue.

Any grant of share options to a substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates and such Option which if exercised in full, would result in the shares of the Company issued and to be issued upon exercise of all Options already granted and to be granted pursuant to the Scheme 2021 and other share option schemes of the Company (including option exercised and outstanding) to such Participant in the 12-month period up to and including the date of grant being proposed by the Board (the "**Relevant Date**"): (i) representing in aggregate more than 0.1% of the total number of shares of the Company in issue at the Relevant Date; and (ii) having an aggregate value, based on the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the Relevant Date, in excess of HK\$5,000,000, are subject to the shareholders' approval in the general meeting.

Unless otherwise determined by the directors of the Company and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Scheme 2021 for the holding of an option before it can be exercised.

The offer of a grant of share options may be accepted within 10 days from the date of offer upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period for the share options granted is determined by the Board, which may commence from the date of acceptance of the offer for the grant of share options but shall end in any event not later than 10 years from the date of the conditional adoption of the Scheme 2021 by the sole Shareholder subject to the provisions for early termination under the Scheme 2021.

The subscription price for the Shares under the Scheme 2021 shall be a price determined by the Board at its absolute discretion and shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer for the grant, which must be a business day, (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of the share of the Company on the date of the offer for the grant.

The following table discloses movements of the Company's share options during the Interim Period:

Grantee	Date of grant	Exercise price (Note 2)	Exercise period of share options	Outstanding as at 1 April 2022 (Note 1)	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	Outstanding as at 30 September 2022	Market value per share immediately before the date of grant of options (Note 2)	Weighted average closing price per share before the date of exercise of options	Approximate % of the Company's total issued share capital as at 30 September 2022
<b>Ex-executive Directors:</b>											
Rong Changjun	16 April 2019	HK\$0.36	16 April 2019 – 15 April 2022	3,000,000	-	-	(3,000,000)	-	HK\$0.36	-	-
Yuan Beisheng	16 April 2019	HK\$0.36	16 April 2019 – 15 April 2022	3,500,000	-	-	(3,500,000)	-	HK\$0.36	-	-
Zhang Wenrong	16 April 2019	HK\$0.36	16 April 2019 – 15 April 2022	3,000,000	-	-	(3,000,000)	-	HK\$0.36	-	-
<b>Other Categories:</b>											
Consultants	10 October 2013	HK\$7.82	10 October 2013 – 9 October 2023	1,375,000	-	-	(1,375,000)	-	HK\$7.6	-	-
	13 January 2014	HK\$6.28	13 January 2014 – 12 January 2024	2,750,000	-	-	(2,750,000)	-	HK\$6.16	-	-
	14 July 2014	HK\$5.12	14 July 2014 – 13 July 2024	3,850,000	-	-	(3,850,000)	-	HK\$5.2	-	-
	21 August 2014	HK\$4.52	21 August 2014 – 20 August 2024	1,375,000	-	-	(1,375,000)	-	HK\$4.8	-	-
	16 February 2015	HK\$3.28	16 February 2015 – 15 February 2025	2,179,350	-	-	(2,179,350)	-	HK\$3.4	-	-
	17 March 2015	HK\$3.68	17 March 2015 – 16 March 2025	3,121,200	-	-	(3,121,200)	-	HK\$3.52	-	-
	16 April 2019	HK\$0.36	16 April 2019 – 15 April 2022	11,000,000	-	-	(11,000,000)	-	HK\$0.36	-	-
Employee	16 April 2019	HK\$0.36	16 April 2019 – 15 April 2022	3,800,000	-	-	(3,800,000)	-	HK\$0.36	-	-

**Note:**

- Save for the share options granted on 16 April 2019, the number of underlying shares comprised in outstanding share options has been adjusted as a result of the share subdivision and/or the share consolidation becoming effective on 25 March 2014, 30 September 2016 and 29 November 2018.
- Save for the share options granted on 16 April 2019, the exercise price and the market value per share immediately before the date of grant of options of the outstanding share options is subject to adjustment of the share subdivision and/or the share consolidation becoming effective on 25 March 2014, 30 September 2016 and 29 November 2018.

All the share options vested immediately on the date of grant and there is no vesting period.

Apart from the aforesaid, at no time during the Interim Period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors and substantial shareholders or any of their close associates to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 September 2022, the interests and short positions of the Directors and chief executives of the Company in the shares (the "Shares"), underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required to be notified to the Company and the Stock Exchange, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

### LONG POSITIONS IN THE SHARES AND THE SHARES OF ASSOCIATED CORPORATION

Name of Director	Capacity	Nature of interest	Number of Shares held	Approximate percentage of issued share capital (Note 3)
Mr. Leung Wing Cheong Eric (Note 1)	Interest of controlled corporation	Corporate interest	1,501,078,281	59.250%
	Interest held jointly with another parties	Corporate interest	358,560,809	14.153%
Mr. Cheung Yip Sang (Note 2)	Interest of spouse	Spouse interest	1,859,639,090	73.403%
Mr. Sun Jiusheng (Note 1)	Interest of controlled corporation	Corporate interest	1,501,078,281	59.250%
	Interest held jointly with another parties	Corporate interest	358,560,809	14.153%

Note 1: In accordance with the SFO, BAINENG Holdings Limited (“**BAINENG**”) has total interest in 1,859,639,090 Shares, of which 358,560,809 Shares are held by other parties acting in concert. BAINENG, the associated corporation of the Company, is beneficially owned as to 33.40% by Mr. Sun Jiusheng, 29.68% by Ms. Zhou Jing, 26.31% by Mr. Zhang Chao and 10.61% by Mr. Leung Wing Cheong Eric. Mr. Leung Wing Cheong Eric and Mr. Sun Jiusheng directly hold 114,423 shares and 360,000 shares of BAINENG respectively. By virtue of the SFO, Mr. Leung Wing Cheong Eric and Mr. Sun Jiusheng are deemed to be interested in the Shares which BAINENG has interest in.

Note 2: Mr. Cheung Yip Sang is the spouse of Ms. Zhou Jing. BAINENG, the associated corporation of the Company, is beneficially owned as to 29.68% by Ms. Zhou Jing who directly holds 320,000 shares of BAINENG. By virtue of the SFO, Mr. Cheung Yip Sang is deemed to be interested in the Shares which BAINENG has interest in.

Note 3: The issued share capital of the Company for calculating the percentage in this column refers to the issued share capital of the Company as at 30 September 2022.

Save as disclosed above, as at 30 September 2022, none of the Directors or chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of the GEM Listing Rules.

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

As at 30 September 2022, so far as is known to the Directors or chief executives of the Company, the persons or companies (other than the Directors or chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

### LONG POSITIONS IN THE SHARES

Name of shareholder	Capacity	Nature of interest	Number of Shares held	Approximate percentage of issued share capital (Note 5)
(a) BAINENG (Note 1)	Beneficial owner	Corporate interest	1,501,078,281	59.250%
	Interest held jointly with another parties	Corporate interest	358,560,809	14.153%
Mr. Sun Jiusheng (Note 1)	Interest of controlled corporation	Corporate interest	1,501,078,281	59.250%
	Interest held jointly with another parties	Corporate interest	358,560,809	14.153%
Ms. Zhou Jing (Note 1)	Interest of controlled corporation	Corporate interest	1,501,078,281	59.250%
	Interest held jointly with another parties	Corporate interest	358,560,809	14.153%
Mr. Zhang Chao (Note 1)	Interest of controlled corporation	Corporate interest	1,501,078,281	59.250%
	Interest held jointly with another parties	Corporate interest	358,560,809	14.153%
Mr. Leung Wing Cheong Eric (Note 1)	Interest of controlled corporation	Corporate interest	1,501,078,281	59.250%
	Interest held jointly with another parties	Corporate interest	358,560,809	14.153%

Name of shareholder	Capacity	Nature of interest	Number of Shares held	Approximate percentage of issued share capital (Note 5)
(b) Richmax Investment (H.K.) Limited ("Richmax Investment") (Note 2)	Beneficial owner	Corporate interest	326,247,014	12.878%
	Interest held jointly with another parties	Corporate interest	1,533,392,076	60.525%
Mr. Chu David (Note 2)	Interest of controlled corporation and interest of spouse	Corporate interest and spouse interest	326,247,014	12.878%
	Interest held jointly with another parties	Corporate interest	1,533,392,076	60.525%
Ms. Tsang Siu Lan (Note 2)	Interest of controlled corporation and interest of spouse	Corporate interest and spouse interest	326,247,014	12.878%
	Interest held jointly with another parties	Corporate interest	1,533,392,076	60.525%
Mr. Cheung Yuen Chau (Note 2)	Interest of controlled corporation	Corporate interest	326,247,014	12.878%
	Interest held jointly with another parties	Corporate interest	1,533,392,076	60.525%
Ms. Ip Tsang Katherine Man Tung (Note 2)	Interest of controlled corporation	Corporate interest	326,247,014	12.878%
	Interest held jointly with another parties	Corporate interest	1,533,392,076	60.525%
(c) New Origins International Limited ("New Origins") (Note 3)	Beneficial owner	Corporate interest	32,313,795	1.275%
	Interest held jointly with another parties	Corporate interest	1,827,325,295	72.128%
Ms. To Sau Man (Note 3)	Interest of controlled corporation	Corporate interest	32,313,795	1.275%
	Interest held jointly with another parties	Corporate interest	1,827,325,295	72.128%

Name of shareholder	Capacity	Nature of interest	Number of Shares held	Approximate percentage of issued share capital (Note 5)
(d) Grand Strong Investment Limited ("Grand Strong") (Note 4)	Beneficial owner	Corporate interest	112,377,113	4.436%
Ms. So Kit Yee Anita (Note 4)	Interest of controlled corporation	Corporate interest	112,377,113	4.436%
Mr. Chan King Wai Leonard (Note 4)	Interest of controlled corporation	Corporate interest	112,377,113	4.436%

Note 1: In accordance with the SFO, BAINENG has total interest in 1,859,639,090 Shares, of which 358,560,809 Shares are held by other parties acting in concert. BAINENG is beneficially owned as to 33.40% by Mr. Sun Jiusheng, 29.68% by Ms. Zhou Jing, 26.31% by Mr. Zhang Chao and 10.61% by Mr. Leung Wing Cheong Eric. By virtue of the SFO, Mr. Sun Jiusheng, Ms. Zhou Jing, Mr. Zhang Chao and Mr. Leung Wing Cheong Eric are deemed to be interested in the Shares which BAINENG has interest in.

Note 2: In accordance with the SFO, Richmax Investment has total interest in 1,859,639,090 Shares, of which 1,533,392,076 Shares are held by other parties acting in concert. Richmax Investment is beneficially owned as to 46.67% by Mr. Chu David, 40% by Mr. Cheung Yuen Chau, 6.67% by Ms. Tsang Siu Lan and 6.66% by Ms. Ip Tsang Katherine Man Tung. Ms. Tsang Siu Lan is the spouse of Mr. Chu David. By virtue of the SFO, Mr. Chu David, Mr. Cheung Yuen Chau, Ms. Tsang Siu Lan and Ms. Ip Tsang Katherine Man Tung are deemed to be interested in the Shares which Richmax Investment has interest in.

Note 3: In accordance with the SFO, New Origins has total interest in 1,859,639,090 Shares, of which 1,827,325,295 Shares are held by other parties acting in concert. New Origins is beneficially wholly-owned by Ms. To Sau Man. By virtue of the SFO, Ms. To Sau Man is deemed to be interested in the Shares which New Origins has interest in.

Note 4: Grand Strong is beneficially owned as to 50% by Ms. So Kit Yee Anita and 50% by Mr. Chan King Wai Leonard. By virtue of the SFO, Ms. So Kit Yee Anita and Mr. Chan King Wai Leonard are deemed to be interested in the Shares which Grand Strong has interest in.

Note 5: The issued share capital of the Company for calculating the percentage in this column refers to the issued share capital of the Company as at 30 September 2022.

Save as disclosed above, as at 30 September 2022, the Company had not been notified by any persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register maintained by the Company pursuant to Section 336 of the SFO.



## AUDIT COMMITTEE

The Company established the audit committee of the Company (the “**Audit Committee**”) on 27 April 2011 with written terms of reference in compliance with rules 5.28 to 5.29 of the GEM Listing Rules.

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Chu Kin Ming (chairman), Mr. Lim Haw Kuang and Mr. Lui Ho Ming Paul. The Audit Committee has reviewed the unaudited consolidated results of the Group for the Interim Period and the accounting principles and practices adopted by the Group; and discussed financing reporting matters with the management of the Company with no disagreement by the Audit Committee.

## SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the rules 5.48 to 5.67 of the GEM Listing Rules (the “**Required Standards of Dealings**”) as its code of conduct regarding securities transactions by Directors and by relevant employees of the Group. All Directors confirmed, following specific enquiries made by the Company, that they had fully complied with the Required Standards of Dealings and its code of conduct regarding the Directors’ securities transactions during the Interim Period.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the Interim Period.

## DIRECTORS’ INTERESTS IN CONTRACTS

No Director had a material interest in, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Interim Period.

## MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Interim Period.

## INTEREST IN COMPETING BUSINESS

During the Interim Period, none of the Directors, the controlling shareholders of the Company and their respective close associates (as defined under the GEM Listing Rules) had any interest in any business which competes or is likely to compete, directly or indirectly, with the business of the Company or any other conflict of interest with the Company.

By Order of the Board  
**Century Energy International Holdings Limited**  
**Leung Wing Cheong Eric**  
*Chairman*

Hong Kong, 8 November 2022

*As at the date of the Report, the executive Directors are Mr. Cheung Yip Sang, Mr. Sun Jiusheng, Mr. Ma Shenyuan, Mr. Li Dewen and Mr. Yeung Shing Wai; non-executive Director is Mr. Leung Wing Cheong Eric; and the independent non-executive Directors are Mr. Lim Haw Kuang, Mr. Lui Ho Ming Paul and Mr. Chu Kin Ming.*