

# Chinese Energy Holdings Limited

## 華夏能源控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 8009)

### 2023/2024 INTERIM RESULTS ANNOUNCEMENT

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GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This announcement, for which the directors (“**Directors**” and each a “**Director**”) of Chinese Energy Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (the “**GEM Listing Rules**”) of the Stock Exchange 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 knowledges and beliefs: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

## HIGHLIGHTS

- The Company and its subsidiaries (collectively referred to as the “**Group**”) recorded a revenue of approximately HK\$100,492,000 (2022: HK\$56,090,000) for the six months ended 30 September 2023, representing a significant increase of approximately 79.16% when compared with the same period in 2022.
- The Group recorded an unaudited consolidated profit attributable to owners of the Company of approximately HK\$9,324,000 for the six months ended 30 September 2023 as compared with a loss of approximately HK\$6,223,000 for the same period last year. The board (the “**Board**”) of Directors considered that the improvement in the performance of the Group was mainly attributable to reversal of impairment loss under expected credit loss (“**ECL**”) model on trade receivables as well as significant increase in revenue and gross profit margin.
- The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2023 (2022: Nil).

## RESULTS

The Board of the Company hereby announces the unaudited consolidated results of the Group for the three months and six months ended 30 September 2023, together with the comparative unaudited figures for the corresponding periods in 2022, as follows:

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

		Three months ended		Six months ended	
		30 September		30 September	
		2023	2022	2023	2022
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>Notes</i>	<b>(Unaudited)</b>	(Unaudited)	<b>(Unaudited)</b>	(Unaudited)
Revenue	4	<b>75,026</b>	27,484	<b>100,492</b>	56,090
Cost of sales		<b>(71,077)</b>	(26,679)	<b>(94,923)</b>	(54,398)
Gross profit		<b>3,949</b>	805	<b>5,569</b>	1,692
Other income	6	<b>871</b>	65	<b>2,088</b>	642
Other gain	7	-	-	-	11
Reversal/(provision) of impairment loss under ECL model on trade receivables, net amount		<b>2,281</b>	(911)	<b>7,782</b>	(4,271)
Administrative expenses		<b>(2,396)</b>	(1,981)	<b>(5,152)</b>	(4,399)
Finance costs		<b>(22)</b>	(19)	<b>(29)</b>	(43)
Profit (loss) before tax	8	<b>4,683</b>	(2,041)	<b>10,258</b>	(6,368)
Income tax (expense) credit	9	<b>(1,005)</b>	26	<b>(934)</b>	145
Profit (loss) for the period		<b>3,678</b>	(2,015)	<b>9,324</b>	(6,223)

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

	Three months ended 30 September		Six months ended 30 September	
Note	2023 <i>HK\$'000</i> (Unaudited)	2022 <i>HK\$'000</i> (Unaudited)	2023 <i>HK\$'000</i> (Unaudited)	2022 <i>HK\$'000</i> (Unaudited)
<b>Other comprehensive (expense) income for the period, net of income tax</b>				
<i>Item that may be reclassified subsequently to profit or loss:</i>				
Exchange differences arising on translation of foreign operations	(2,176)	(18,704)	(17,243)	(33,869)
<i>Item that will not be reclassified to profit or loss:</i>				
Fair value gain (loss) on investment in financial assets at fair value through other comprehensive income (“FVTOCI”)	1,297	(8,519)	(1,189)	(3,157)
<b>Other comprehensive expense for the period</b>	(879)	(27,223)	(18,432)	(37,026)
<b>Total comprehensive income (expense) for the period</b>	2,799	(29,238)	(9,108)	(43,249)
<b>Profit (loss) for the period attributable to:</b>				
Owners of the Company	3,678	(2,015)	9,324	(6,223)
Non-controlling interests (“NCI”)	–	–	–	–
	3,678	(2,015)	9,324	(6,223)
<b>Total comprehensive income (expense) for the period attributable to:</b>				
Owners of the Company	2,799	(29,238)	(9,108)	(43,249)
NCI	–	–	–	–
	2,799	(29,238)	(9,108)	(43,249)
<b>Earnings (loss) per share</b>				
– basic (HK cents)	6.24	(3.42)	15.83	(10.57)
– diluted (HK cents)	6.24	(3.42)	15.83	(10.57)

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## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 September 2023 <i>HK\$'000</i> (Unaudited)	As at 31 March 2023 <i>HK\$'000</i> (Audited)
	<i>Notes</i>		
<b>Non-current assets</b>			
Property, plant and equipment (“PPE”)	12	264	342
Right-of-use assets		1,119	455
Financial assets at FVTOCI	13	48,971	50,160
		<b>50,354</b>	50,957
<b>Current assets</b>			
Inventories		161	–
Trade and other receivables	14	230,339	170,913
Amount due from NCI		–	25
Cash and cash equivalents		123,838	177,802
		<b>354,338</b>	348,740
<b>Current liabilities</b>			
Other payables and accruals	15	1,519	2,768
Lease liabilities		531	377
Contract liabilities		15,536	1,278
Tax Liabilities		4,478	4,058
		<b>22,064</b>	8,481
<b>Net current assets</b>		<b>332,274</b>	340,259
<b>Total assets less current liabilities</b>		<b>382,628</b>	391,216
<b>Non-current liability</b>			
Lease liabilities		597	77
<b>Net assets</b>		<b>382,031</b>	391,139
<b>Capital and reserves</b>			
Share capital	16	847,601	847,601
Reserves		(466,618)	(457,510)
<b>Equity attributable to owners of the Company</b>		<b>380,983</b>	390,091
NCI		1,048	1,048
<b>Total equity</b>		<b>382,031</b>	391,139

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to owners of the Company									
	Share capital <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Merger reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Investment revaluation reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Statutory reserve <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>	NCI <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 April 2022 (audited)	847,601	1,069	45,918	66,947	15,312	(561,448)	–	415,399	–	415,399
Share of NCI	–	–	–	–	–	–	–	–	24	24
Loss for the period	–	–	–	–	–	(6,223)	–	(6,223)	–	(6,223)
Other comprehensive (expenses) income										
– Exchange differences arising on translation of foreign operations	–	–	–	(33,869)	–	–	–	(33,869)	–	(33,869)
– Fair value (loss) gain on investment in financial assets at FVTOCI	–	(5,221)	–	–	2,064	–	–	(3,157)	–	(3,157)
Total comprehensive (expenses) income for the period	–	(5,221)	–	(33,869)	2,064	(6,223)	–	(43,249)	–	(43,249)
As at 30 September 2022 (unaudited)	<u>847,601</u>	<u>(4,152)</u>	<u>45,918</u>	<u>33,078</u>	<u>17,376</u>	<u>(567,671)</u>	<u>–</u>	<u>372,150</u>	<u>24</u>	<u>372,174</u>

	Equity attributable to owners of the Company									
	Share capital <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Merger reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Investment revaluation reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Statutory reserve <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>	NCI <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 1 April 2023 (audited)	847,601	(2,351)	45,918	44,151	17,635	(563,264)	401	390,091	1,048	391,139
Profit for the period	–	–	–	–	–	9,324	–	9,324	–	9,324
Other comprehensive (expenses) income										
– Exchange differences arising on translation of foreign operations	–	–	–	(17,243)	–	–	–	(17,243)	–	(17,243)
– Fair value (loss) gain on investment in financial assets at FVTOCI	–	(2,535)	–	–	1,346	–	–	(1,189)	–	(1,189)
Total comprehensive (expenses) income for the period	–	(2,535)	–	(17,243)	1,346	9,324	–	(9,108)	–	(9,108)
As at 30 September 2023 (unaudited)	<u>847,601</u>	<u>(4,886)</u>	<u>45,918</u>	<u>26,908</u>	<u>18,981</u>	<u>(553,940)</u>	<u>401</u>	<u>380,983</u>	<u>1,048</u>	<u>382,031</u>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2023</b>	2022
	<i><b>HK\$'000</b></i>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	(Unaudited)
Net cash used in operating activities	<b>(49,010)</b>	(5,378)
Net cash generated from investing activities	<b>2,080</b>	1,775
Net cash used in financing activities	<b>(445)</b>	(554)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	<b>(47,375)</b>	(4,157)
Cash and cash equivalents at beginning of period	<b>177,802</b>	198,808
Effect of foreign exchange rate changes	<b>(6,589)</b>	(15,546)
	<hr/>	<hr/>
Cash and cash equivalents at end of period	<b>123,838</b>	179,105
	<hr/> <hr/>	<hr/> <hr/>
Analysis of balances of cash and cash equivalents:		
Represented by deposit in financial institutions, bank balances and cash	<b>123,838</b>	179,105
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# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

The Company is a public limited company incorporated in Hong Kong (“**HK**”) and its ordinary shares (“**Shares**” and each a “**Share**”) are listed on the GEM of the Stock Exchange. The address of its registered office and principle place of business of the Company is Unit B, Floor 7, Easy Tower, 609 Tai Nan West Street, Cheung Sha Wan, Kowloon, HK. The Group principally engaged in supply chain management and trading of natural gas (“**NG**”), investment in financial assets and general trading (including market sourcing of technical and electronic products).

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”) Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules.

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

Except for the new and amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) applied by the Group in the current period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2023 are consistent with those adopted in preparing the Group’s annual financial statements for the year ended 31 March 2023.

The financial information relating to the year ended 31 March 2023 included in these financial statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 March 2023 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company’s external auditor has reported on the financial statements for the years ended 31 March 2022 and 2023. The independent auditor’s reports were unqualified; did not include references to any matter to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain statements under sections 406(2), 407(2) or (3) of the Companies Ordinance.

The condensed consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the condensed consolidated financial statements include applicable disclosures required by the GEM Listing Rules and by the Companies Ordinance.

The condensed consolidated financial statements are unaudited, but have been reviewed by the audit committee (the “**Audit Committee**”) of the Company and were approved for issue by the Board.



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

#### *New and amendments to HKFRSs that are mandatorily effective for the current period*

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time in the current period:

HKFRS 17	Insurance Contracts
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

#### *Amendments to HKFRSs issued but not yet effective*

The Group has not early applied the following amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) <sup>1</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>1</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>1</sup>
Amendments to HK Int 5	Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>1</sup>
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2024.

<sup>2</sup> Effective date to be determined.

The Directors do not anticipate that the application of these amendments to HKFRSs will have any material impact on the Group's consolidated financial statements in the foreseeable future.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 4. REVENUE

Disaggregation of revenue from contracts with customers:

	Three months ended		Six months ended	
	30 September		30 September	
	2023	2022	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Types of goods and service</b>				
Trading of NG	<u>75,026</u>	<u>27,484</u>	<u>100,492</u>	<u>56,090</u>
<b>Revenue from contracts with customers</b>	<u><b>75,026</b></u>	<u><b>27,484</b></u>	<u><b>100,492</b></u>	<u><b>56,090</b></u>

Disaggregation of revenue from contracts with customers by timing of revenue recognition:

	Trading of NG	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
<b>For three months ended 30 September</b>		
Disaggregated by timing of revenue recognition		
Point in time	<u><b>75,026</b></u>	<u><b>27,484</b></u>
<b>For six months ended 30 September</b>		
Disaggregated by timing of revenue recognition		
Point in time	<u><b>100,492</b></u>	<u><b>56,090</b></u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 5. SEGMENT INFORMATION

The Group's operating segments represent information reported to the Board, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performances focus on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group's operating and reportable segments under HKFRS 8 are as follows:

- (a) Supply chain management and trading of NG;
- (b) Investment in financial assets; and
- (c) General trading (including market sourcing of technical and electronic products).

#### Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments.

*For the six months ended 30 September 2023*

	Supply chain management and trading of NG		Investment in financial assets		General trading		Total	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
SEGMENT REVENUE	100,492	56,090	-	-	-	-	100,492	56,090
SEGMENT RESULTS	5,622	313	494	491	7,634	(2,916)	13,750	(2,112)
Unallocated corporate income							1,559	162
Unallocated corporate expenses							(5,051)	(4,418)
Profit (loss) before tax							10,258	(6,368)
Income tax (expense) credit							(934)	145
Profit (loss) for the period							9,324	(6,223)

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 5. SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities

As at 30 September 2023

	Supply chain management and trading of NG		Investment in financial assets		General trading		Total	
	As at 30 September 2023 HK\$'000 (Unaudited)	As at 31 March 2023 HK\$'000 (Audited)	As at 30 September 2023 HK\$'000 (Unaudited)	As at 31 March 2023 HK\$'000 (Audited)	As at 30 September 2023 HK\$'000 (Unaudited)	As at 31 March 2023 HK\$'000 (Audited)	As at 30 September 2023 HK\$'000 (Unaudited)	As at 31 March 2023 HK\$'000 (Audited)
<b>ASSETS</b>								
Segment assets	230,005	167,212	49,246	50,160	123	3,164	279,374	220,536
Unallocated segment assets							125,318	179,161
Consolidated assets							<u>404,692</u>	<u>399,697</u>
<b>LIABILITIES</b>								
Segment liabilities	(17,215)	(2,658)	(280)	-	(4,296)	(4,636)	(21,791)	(7,294)
Unallocated segment liabilities							(870)	(1,264)
Consolidated liabilities							<u>(22,661)</u>	<u>(8,558)</u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments, other than part of PPE, part of right-of-use assets, part of other receivables, and cash and cash equivalents which cannot be allocated into these reportable segments; and
- all liabilities are allocated to reportable segments, other than part of lease liabilities, and part of other payables and accruals which cannot be allocated into these reportable segments.

#### Geographical information

The Group's revenue from external customers by location of operations and information about its non-current assets by location of the assets are disclosed below:

	Revenue from external customers		Non-current assets*	
	Six months ended 30 September 2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	As at 30 September 2023 HK\$'000 (Unaudited)	As at 31 March 2023 HK\$'000 (Audited)
The People's Republic of China ("PRC")	100,492	56,090	1,108	569
HK	-	-	275	228
	<u>100,492</u>	<u>56,090</u>	<u>1,383</u>	<u>797</u>

\* Non-current assets exclude financial assets at FVTOCI.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 5. SEGMENT INFORMATION (CONTINUED)

#### Information about major customers

Revenue from customers contributing over 10% of the revenue of the corresponding periods for the Group from continuing business is as follows:

	Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Revenue from trading of NG</b>		
Customer A	31,068	–
Customer B	22,327	46,835
Customer C	17,111	–
Customer D	15,360	–
Customer E	14,626	–
Customer F	–	9,255
	<u>                    </u>	<u>                    </u>

### 6. OTHER INCOME

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Dividend income	–	–	529	480
Government subsidies	–	11	–	43
Interest income from banks and financial institutions	871	54	1,551	108
Other refund	–	–	8	11
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>871</u>	<u>65</u>	<u>2,088</u>	<u>642</u>

### 7. OTHER GAIN

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Gain on disposal of a financial asset at fair value through profit or loss	–	–	–	11
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 8. PROFIT (LOSS) BEFORE TAX

Profit (loss) before tax has been arrived at after charging (crediting) the following items:

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Staff costs (including Directors' emoluments)				
Salaries, allowances and other benefits	975	930	1,842	1,865
Contributions to retirement benefits schemes	23	26	44	48
	<u>998</u>	<u>956</u>	<u>1,886</u>	<u>1,913</u>
External auditor's remuneration				
– audit services	113	112	226	225
– other services	25	–	25	–
Depreciation of PPE	28	31	58	62
Depreciation of right-of-use assets	204	255	427	510
Lease payments for short-term lease not included in the measurement of lease liabilities	–	16	46	33
Net exchange loss	58	113	175	270
(Reversal)/provision of impairment loss under ECL model on trade receivables, net amount	(2,281)	911	(7,782)	4,271
	<u>(2,281)</u>	<u>911</u>	<u>(7,782)</u>	<u>4,271</u>

### 9. INCOME TAX (EXPENSE) CREDIT

Under the Law of PRC on Enterprise Income Tax (“EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of PRC subsidiaries is 25% for both periods. Taxation for other entities of the Group is charged at their respective applicable income tax rates ruling in the relevant jurisdictions.

### 10. EARNINGS (LOSS) PER SHARE

The basic and diluted earnings (loss) per Share attributable to owners of the Company are calculated on the following data:

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
<b>Earnings (loss)</b>				
Profit (loss) for the period attributable to owners of the Company	<u>3,678</u>	<u>(2,015)</u>	<u>9,324</u>	<u>(6,223)</u>
	'000	'000	'000	'000
<b>Number of Shares</b>				
Number of Shares as at 30 September	<u>58,901</u>	<u>58,901</u>	<u>58,901</u>	<u>58,901</u>

The calculation of basic and diluted earnings (loss) per Share are based on the profit (loss) attributable to owners of the Company, and number of 58,900,537 (2022: 58,900,537) Shares in issue.

No diluted earnings (loss) per Share for both periods were presented as there were no potential Shares in issue for both periods.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 11. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2023 (2022: Nil).

### 12. PPE

During the six months ended 30 September 2023, the Group did not spend any expenditure on PPE (2022: Nil).

### 13. FINANCIAL INSTRUMENTS

#### 13a. Categories of financial instruments

	As at 30 September 2023 <i>HK\$'000</i> (Unaudited)	As at 31 March 2023 <i>HK\$'000</i> (Audited)
<b>Financial assets:</b>		
Financial assets at FVTOCI	48,971	50,160
Financial assets at amortised cost	<u>337,885</u>	<u>329,703</u>
	<u><b>386,856</b></u>	<u><b>379,863</b></u>
<b>Financial liability:</b>		
Financial liabilities at amortised cost	<u>1,466</u>	<u>1,884</u>

#### 13b. Fair value measurement

##### (i) *Financial instruments carried at fair value*

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, fair value measurement. The level into which a fair value measurement is classified with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities as at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 13. FINANCIAL INSTRUMENTS (CONTINUED)

#### 13b. Fair value measurement (Continued)

##### (i) *Financial instruments carried at fair value (Continued)*

	Fair value as at 30 September 2023 <i>HK\$'000</i> (Unaudited)	Fair value measurement as at 30 September 2023 categorised into		
		Level 1 <i>HK\$'000</i> (Unaudited)	Level 2 <i>HK\$'000</i> (Unaudited)	Level 3 <i>HK\$'000</i> (Unaudited)
<b>Financial assets:</b>				
Financial assets at FVTOCI				
– listed equity securities	<u>48,971</u>	<u>48,971</u>	<u>–</u>	<u>–</u>
	Fair value as at 31 March 2023 <i>HK\$'000</i> (Audited)	Fair value measurement as at 31 March 2023 categorised into		
		Level 1 <i>HK\$'000</i> (Audited)	Level 2 <i>HK\$'000</i> (Audited)	Level 3 <i>HK\$'000</i> (Audited)
<b>Financial assets:</b>				
Financial assets at FVTOCI				
– listed equity securities	<u>50,160</u>	<u>50,160</u>	<u>–</u>	<u>–</u>

During the reporting periods ended 30 September 2023 and 31 March 2023, there were no transfer between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting periods in which they occur.

##### *Information about Level 1 fair value measurements*

The fair value of listed equity securities classified as Level 1 was determined with reference to quoted market closing prices in an active market.

##### (ii) *Fair values of financial instruments that are not measured at fair value (but fair value disclosure is required)*

In respect of trade and other receivables, cash and cash equivalents as well as other payables and accruals, the carrying amounts approximate their fair value due to the relatively short-term nature of these financial instruments.



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 14. TRADE AND OTHER RECEIVABLES

	As at 30 September 2023 <i>HK\$'000</i> (Unaudited)	As at 31 March 2023 <i>HK\$'000</i> (Audited)
Trade receivables from contracts with customers	147,613	128,965
Less: allowance for credit losses	<u>(9,115)</u>	<u>(17,805)</u>
	138,498	111,160
Other receivables, prepayments and deposits	<u>91,841</u>	<u>59,753</u>
	<u><b>230,339</b></u>	<u><b>170,913</b></u>

The Group's credit period granted to each customer was generally for an average period up to 180 days. The following is an aging analysis of the Group's trade receivables presented based on the invoice date net of allowance for credit losses at the end of the reporting periods:

	As at 30 September 2023 <i>HK\$'000</i> (Unaudited)	As at 31 March 2023 <i>HK\$'000</i> (Audited)
Within 90 days	102,400	13,618
91 to 180 days	36,098	51,298
181 to 365 days	–	43,237
Over 365 days	<u>–</u>	<u>3,007</u>
	<u><b>138,498</b></u>	<u><b>111,160</b></u>

### 15. OTHER PAYABLES AND ACCRUALS

	As at 30 September 2023 <i>HK\$'000</i> (Unaudited)	As at 31 March 2023 <i>HK\$'000</i> (Audited)
Other payables and accruals	338	1,430
PRC value-added tax and levies payables	<u>1,181</u>	<u>1,338</u>
	<u><b>1,519</b></u>	<u><b>2,768</b></u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 16. SHARE CAPITAL

	Number of Shares '000	Amount HK\$'000
<b>Issued and fully paid</b>		
As at 1 April 2022, 30 September 2022, 31 March 2023, 1 April 2023 and 30 September 2023, Shares with no par value	<u>58,901</u>	<u>847,601</u>

### 17. RELATED PARTY DISCLOSURE

#### Remuneration for key management personnel

Remuneration for key management personnel, including emoluments paid to the Directors and certain employees of the Group, are follows:

	Six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Salaries, allowances and other benefits	982	951
Contributions to retirement benefits schemes	<u>9</u>	<u>9</u>
Total remuneration paid to key management personnel	<u>991</u>	<u>960</u>

### 18. COMPARATIVE FIGURES

Certain comparative figures have been adjusted to conform to current period's presentation and to provide comparative amounts in respect of items disclosed in the current period.

## **FINANCIAL REVIEW**

For the six months ended 30 September 2023, the revenue of the Group was approximately HK\$100,492,000 (2022: HK\$56,090,000). The cost of sales of the Group for the six months ended 30 September 2023 was approximately HK\$94,923,000 (2022: HK\$54,398,000). The gross profit of the Group for the six months ended 30 September 2023 was approximately HK\$5,569,000 (2022: HK\$1,692,000). Dividend income received by the Group from investment in financial and investment products for the six months ended 30 September 2023 was approximately HK\$529,000 (2022: HK\$480,000). The administrative expenses of the Group for the six months ended 30 September 2023 were approximately HK\$5,152,000 (2022: HK\$4,399,000). The Group recorded an unaudited consolidated profit attributable to owners of the Company of approximately HK\$9,324,000 for the six months ended 30 September 2023 as compared with a loss of approximately HK\$6,223,000 for the same period last year. The Board considered that the improvement in the performance of the Group was mainly attributable to reversal of impairment loss under ECL model on trade receivables as well as significant increase in revenue and gross profit margin. The Group continues to be in a healthy financial condition with net current assets of approximately HK\$332,274,000 at the end of the reporting period (31 March 2023: HK\$340,259,000).

## **INTERIM DIVIDEND**

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2023 (2022: Nil).

## **INVESTMENTS**

The Company continues to identify suitable investments in HK stock equity market as well as any industry with high growth potential in PRC. As of 30 September 2023, the Group has investment classified as financial assets at FVTOCI of approximately HK\$48,971,000 (31 March 2023: HK\$50,160,000). In general, the investment strategy will be reviewed and monitored constantly with appropriate actions taken whenever necessary in response to the changes in global economic and market situations.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES**

The Group did not make any material acquisition and disposal of subsidiaries and affiliated companies for the six months ended 30 September 2023.

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

As at 30 September 2023, the Group had total current assets of approximately HK\$354,338,000 (31 March 2023: HK\$348,740,000). The management of the Group considers its financial resources to be liquid because approximately 34.95% (31 March 2023: 50.98%) of this total comprised of cash and cash equivalents. The Group's current ratio as at 30 September 2023 was approximately 16.06 times (31 March 2023: 41.12 times), as calculated by taking the ratio of the Group's current assets divided by its current liabilities. The Group's gearing ratio as at 30 September 2023 was 0% (31 March 2023: 0%), as calculated by taking the ratio of the Group's interest-bearing borrowings divided by its equity.

The Group's treasury policies are designed to mitigate the impact of fluctuations in interest and exchange rates on the Group's overall financial position and to minimise the Group's financial risks. The Group's treasury function operates as a centralised service for managing financial risks, including interest rate and foreign exchange risks and for providing cost-efficient funding to the Group.

## **CONTINGENT LIABILITIES AND CHARGE ON ASSETS**

The Group has no significant contingent liabilities as at 30 September 2023 (31 March 2023: Nil). As at 30 September 2023, the Group did not pledge any asset to financial institution in respect of the due and punctual payment of its obligations (31 March 2023: Nil).

## **FOREIGN EXCHANGE EXPOSURE**

During the period under review, most of the Group's business transactions, assets and liabilities are denominated in HK dollars and Renminbi. The Group's exposure to currency risk is minimal. The Group did not have any derivatives or financial instruments for hedging against the foreign exchange risk (31 March 2023: Nil).

## **BUSINESS REVIEW AND OUTLOOK**

Global economic recovery remains uneven. Although the impact of Coronavirus Disease 2019 (the "COVID-19") pandemic is abating, the global economy still faces an uncertain outlook arising from United States ("US")-PRC tensions, elevated inflation, interest rates hikes, as well as the US and European bank failures; potentially derailing the recovery and offsetting the positive impact from the reopening of the PRC border.

In the PRC, the unwinding of stringent COVID-19 restrictions and the introduction of supportive policy measures were intended to boost the economy. The Group expects the sales of NG will maintain steady growth, and the supply chain management can create value for the shareholders ("Shareholders" and each a "Shareholder") of the Company.

## SEGMENT INFORMATION

### Geographical segments

The geographical location of the Group's financial and investment products can be categorised into PRC and HK. Details of results by geographical segments are shown in note 5 to the condensed interim financial statements.

### Business segments

For management purposes, the Group is organised into three operating divisions during the period ended 30 September 2023. These divisions are the basis on which the Group reports its primary segment information.

Principal activities are as follows:

- (a) Supply chain management and trading of NG;
- (b) Investment in financial assets; and
- (c) General trading (including market sourcing of technical and electronic products).

Details of results by business segments are shown in note 5 to the condensed interim financial statements.

## EMPLOYEES

As at 30 September 2023, the Group had 18 (2022: 20) full-time employees and 6 (2022: 3) part-time employees. Remuneration for the Directors and employees of the Group is typically reviewed once a year by the remuneration committee (the “**Remuneration Committee**”) of the Company or as the management deems appropriate. For the six months ended 30 September 2023, the Group's staff costs including Directors' emoluments, employees' salaries and retirement benefits schemes amounted to approximately HK\$1,886,000 (2022: HK\$1,913,000).

Employees are rewarded on the basis of merits, qualifications, competences and market conditions and in accordance with the statutory requirements of the respective jurisdictions where the employees are located. Since the 2011 share option scheme expired on 11 December 2021, there was no renewal of new share option scheme adopted until the end of the reporting period.

## **DIRECTOR’S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATION**

As at 30 September 2023, the interests of the Directors, chief executives of the Company and their associates in Shares or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”) (Chapter 571, Laws of HK)) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (c) to be notified to the Company and the Stock Exchange pursuant to the required standards of dealing by Directors as referred to in Rules 5.48 to 5.67 of the GEM Listing Rules, were as follows:

### **Long position in Shares:**

<b>Name of a Director</b>	<b>Capacity</b>	<b>Number of Shares held</b>	<b>Approximate percentage of issued share capital of the Company</b>
Mr. Chen Haining (“Mr. HN Chen”)	Held by controlled corporation ( <i>Note</i> )	7,141,000	12.12%

*Note:*

These Shares are registered in the name of Wise Triumph Limited (“WTL”), which is wholly-owned by Mr. HN Chen who is deemed to be interested in all the shares in which WTL is interested by virtue of the SFO.

Save as disclosed above, none of the Directors, chief executive of the Company or their associates had or was deemed to have any interests or short positions in Shares, underlying shares or debentures of the Company or any of its associated corporations.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2023, the following persons or companies (other than the Directors or chief executive of the Company) had interests or short positions in Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### Long positions in Shares:

Names of substantial Shareholders	Capacities/ natures of interests	Numbers of Shares held	Approximate percentages of issued share capital of the Company (Note 4)
Keen Insight Limited (“ <b>KIL</b> ”) (Note 1)	Beneficial owner	8,250,000	14.01%
Hony Capital Group L.P. (“ <b>HCGLP</b> ”) (Note 1)	Interests in controlled corporation	8,250,000	14.01%
Hony Group Management Limited (“ <b>HGML</b> ”) (Note 1)	Interests in controlled corporation	8,250,000	14.01%
Hony Managing Partners Limited (“ <b>HMPL</b> ”) (Note 1)	Interests in controlled corporation	8,250,000	14.01%
Exponential Fortune Group Limited (“ <b>EFGL</b> ”) (Note 1)	Interests in controlled corporation	8,250,000	14.01%
Mr. Zhao John Huan (“ <b>Mr. Zhao</b> ”) (Note 1)	Interests in controlled corporation	8,250,000	14.01%
WTL (Note 2)	Beneficial owner	7,141,000	12.12%
Mark Profit Development Limited (“ <b>MPDL</b> ”) (Note 3)	Beneficial owner	3,585,000	6.09%
Easyknit Properties Holdings Limited (“ <b>EPHL</b> ”) (Note 3)	Interests in controlled corporation	3,585,000	6.09%
Easyknit International Holdings Limited (“ <b>EIHL</b> ”) (Note 3)	Interests in controlled corporation	5,770,000	9.80%

Names of substantial Shareholders	Capacities/ natures of interests	Numbers of Shares held	Approximate percentages of issued share capital of the Company (Note 4)
Magical Profits Limited (“MPL”) (Note 3)	Interests in controlled corporation	5,770,000	9.80%
Accumulate More Profits Limited (“AMPL”) (Note 3)	Interests in controlled corporation	5,770,000	9.80%
The Winterbotham Trust Company Limited (“TWTCL”) (Note 3)	Interests in controlled corporation	5,770,000	9.80%
The Magical 2000 Trust (“The Magical”) (Note 3)	Interests in controlled corporation	5,770,000	9.80%
Ms. Koon Ho Yan Candy (“Ms. Koon”) (Note 3)	Interests in controlled corporation	5,770,000	9.80%
Winterbotham Holdings Limited (“WHL”) (Note 3)	Interests in controlled corporation	5,770,000	9.80%
Mr. Christopher Geoffrey Douglas Hooper (“Mr. Hooper”) (Note 3)	Interests in controlled corporation	5,770,000	9.80%

*Notes:*

1. KIL is a wholly-owned subsidiary of HCGLP. HCGLP is a wholly-owned subsidiary of HGML. HGML is owned as to 80% by HMPL, a wholly-owned subsidiary of EFGL. EFGL is held as to 49% by Mr. Zhao, and the remaining 51% is held by two individuals equally.
2. WTL is wholly-owned by Mr. HN Chen.
3. MPDL is a wholly-owned subsidiary of EPHL, which in turn is a wholly-owned subsidiary of EIHL. Glory Link Investment Limited is a wholly-owned subsidiary of Eminence Enterprise Limited (“EEL”), which holds 2,185,000 Shares or approximately 3.71% of issued share capital of the Company. EEL is held as to approximately 11.74%, 13.63%, 0.57% and 0.65% by Ace Winner Investment Limited, Goodco Development Limited and Landmark Profits Limited (those are wholly-owned subsidiaries of EIHL) as well as EIHL respectively. As such, EEL is totally held by EIHL approximately 26.59%. EIHL is held as to approximately 41.25% by MPL, which in turn is a wholly-owned subsidiary of AMPL. AMPL is wholly-owned by TWTCL in its capacity as a trustee of The Magical (beneficiaries include Ms. Koon). TWTCL is held as to 75% by WHL, which in turn is held as to approximately 99.99% by Mr. Hooper. Furthermore, EIHL is held as to approximately 13.42% by Sea Rejoice Limited, which in turn is wholly-owned by Ms. Lui Yuk Chu, the spouse of Mr. Koon Wing Yee.
4. The percentage is based on 58,900,537 issued Shares as at 30 September 2023.

Save as disclosed above, there was no long positions of the other persons and substantial Shareholders in the underlying shares and Shares recorded in the register.



### **Short positions in the underlying shares and Shares:**

As at 30 September 2023, no short positions of other persons and substantial Shareholders in the underlying shares of equity derivatives of the Company and Shares were recorded in the register.

As at 30 September 2023, save as disclosed above, the Directors and chief executive of the Company were not aware of any persons or companies (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in Shares or underlying shares of the Company which were interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group or any persons (not being a Director) have interests or short positions in Shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### **PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Company's Articles of Associations ("Articles") which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

### **CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS**

During the period under review, the Group has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors.

### **ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES**

At no time during the six months ended 30 September 2023 was the Company, its holding 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, their spouses or children under the age of eighteen, had any rights to subscribe for securities of the Company, or had exercised any such rights during the six months ended 30 September 2023.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

During the period under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## **COMPETITION AND CONFLICT OF INTERESTS**

During the period under review, none of the Directors, the management Shareholders, substantial Shareholders or any of their respective associates (as defined in the GEM Listing Rules) had interests in a business which causes or may cause any significant competition and conflict of interests with the business of the Group.

## **CORPORATE GOVERNANCE PRACTICES**

The Company has complied with the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 15 of the GEM Listing Rules for the six months ended 30 September 2023 except for the following deviation:

1. Code Provision C.2.1 of the CG Code stipulates that the roles of chairman (“**Chairman**”) of the Company and chief executive officer (“**Chief Executive Officer**”) of the Company should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive Officer should be clearly established and set out in writing.

At present, Mr. HN Chen currently performs these two roles. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person has the benefit of ensuring consistent leadership with the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decision promptly and efficiently. The Group considers that, at its present size, there is no imminent need to segregate the roles of Chairman and Chief Executive Officer.

2. Code provision B.2.2 of the CG Code stipulates that every directors, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. All independent (“**Independent**”) non-executive (“**Non-Executive**”) Directors were not appointed for a specific term but they are subject to retirement by rotation and re-election at annual general meetings of the Company in line with the Articles. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

## **AUDIT COMMITTEE**

The Audit Committee has three members comprising three Independent Non-Executive Directors, namely, Mr. Luk Chi Shing (“**Mr. Luk**”) (Chairman of the Audit Committee), Mr. Leung Fu Hang (“**Mr. Leung**”) and Mr. Chen Liang (“**Mr. L Chen**”).

The primary duties of the Audit Committee are to ensure the adequacy and effectiveness of the accounting and financial controls of the Group, oversee the performance of internal control systems, risk management, and financial reporting process, monitor the integrity of the financial statements and compliance with statutory and listing requirements.

The Group’s interim results for the six months ended 30 September 2023 have been reviewed by the members of the Audit Committee, who are of the opinion that the preparation of such financial results complied with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosures have been made.

## **REMUNERATION COMMITTEE**

The Remuneration Committee has three members comprising three Independent Non-Executive Directors, namely, Mr. Leung (Chairman of the Remuneration Committee), Mr. Luk and Mr. L Chen.

The primary duties of the Remuneration Committee, among others, are (i) to make recommendations to the Board on the Company’s policy and structure for all Directors’ and senior management remunerations and on the establishment of a formal and transparent procedure for developing remuneration policy; (ii) to review and approve the management’s remuneration proposals with reference to the Board’s corporate goals and objectives; and (iii) to make recommendations to the Board on the remuneration packages of individual executive (“**Executive**”) Directors and senior management.

## NOMINATION COMMITTEE

The nomination committee (the “**Nomination Committee**”) of the Company has three members comprising two Independent Non-Executive Directors, namely, Mr. L Chen (Chairman of the Nomination Committee) and Mr. Leung, and one Executive Director, namely, Mr. HN Chen.

The primary duties of the Nomination Committee include, among other things:

- (a) to review director nomination policy and board diversity policy;
- (b) to review the structure, size and composition (including the skills, knowledges and experiences) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategies;
- (c) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (d) to assess the independence of Independent Non-Executive Directors; and
- (e) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and/or chief executive of the Company.

By order of the Board

**Mr. Chen Haining**

*Chairman and Chief Executive Officer*

Hong Kong, 14 November 2023

*As at the date hereof, the Executive Directors are Mr. Chen Haining (Chairman and Chief Executive Officer) and Ms. Tong Jiangxia; and the Independent Non-Executive Directors are Mr. Luk Chi Shing, Mr. Leung Fu Hang and Mr. Chen Liang.*

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