

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**GREEN INTERNATIONAL**

Holdings Limited

格林國際控股有限公司

**GREEN INTERNATIONAL HOLDINGS LIMITED**

**格林國際控股有限公司**

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

**(Stock Code: 2700)**

**INTERIM RESULTS ANNOUNCEMENT  
FOR THE SIX MONTHS ENDED 30 JUNE 2021**

The board (the “**Board**”) of directors (the “**Directors**”) of Green International Holdings Limited (the “**Company**”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2021, together with comparative figures for the corresponding period in 2020.

The unaudited condensed consolidated financial information for the six months ended 30 June 2021 has been reviewed by the audit committee of the Company.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2021

		For the six months ended	
		30 June	
		2021	2020
		HK\$'000	HK\$'000
	Notes	(Unaudited)	(Unaudited)
Revenue	3	36,506	29,666
Direct costs and operating expenses		<u>(16,684)</u>	<u>(13,566)</u>
<b>Gross profit</b>		<b>19,822</b>	16,100
Other income and gains, net	4	197	1,236
Selling expenses		(11,643)	(11,706)
Administrative expenses		(18,971)	(20,885)
Gain on disposal of subsidiaries		1,900	2,789
Fair value changes of derivative financial instrument			
— Derivative financial assets		—	(3,505)
Impairment loss of trademark user right and technical know-how		—	(21,494)
Finance costs, net	5	<u>(2,352)</u>	<u>(4,027)</u>
<b>Loss before income tax</b>	6	<b>(11,047)</b>	(41,492)
Income tax (expense)/credit	7	<u>(1,329)</u>	<u>1,949</u>
<b>Loss for the period</b>		<b><u>(12,376)</u></b>	<b><u>(39,543)</u></b>
<b>Loss for the period attributable to:</b>			
— Equity holders of the Company		(10,636)	(38,456)
— Non-controlling interests		<u>(1,740)</u>	<u>(1,087)</u>
		<b><u>(12,376)</u></b>	<b><u>(39,543)</u></b>
			(Restated)
<b>Loss per share for loss for the period attributable to the equity holders of the Company</b>			
— Basic and diluted (HK\$ cents)	8	<u>(1.61)</u>	<u>(12.25)</u>

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

*For the six months ended 30 June 2021*

	<b>For the six months ended 30 June</b>	
	<b>2021</b>	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
<b>Loss for the period</b>	<b>(12,376)</b>	(39,543)
<b>Other comprehensive income, net of tax</b>		
— Exchange differences arising during the period	<u>297</u>	<u>3,638</u>
<b>Total comprehensive expenses for the period</b>	<u><b>(12,079)</b></u>	<u>(35,905)</u>
<b>Total comprehensive expenses for the period attributable to:</b>		
— Equity holders of the Company	<b>(10,407)</b>	(34,713)
— Non-controlling interests	<u><b>(1,672)</b></u>	<u>(1,192)</u>
	<u><b>(12,079)</b></u>	<u>(35,905)</u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 June 2021*

		30 June 2021	31 December 2020
	<i>Notes</i>	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		23,278	23,191
Right-of-use assets		65,444	65,028
Goodwill		8,566	8,566
Trademark user right and technical know-how		22,541	22,541
		119,829	119,326
<b>Current assets</b>			
Inventories		9,681	9,891
Trade receivables	10	8,848	6,002
Prepayments, deposits and other receivables		8,009	7,025
Bank balances-trust and segregated accounts		–	1,945
Bank balances (general accounts) and cash		126,550	139,788
		153,088	164,651
<b>Total assets</b>		272,917	283,977
<b>EQUITY</b>			
<b>Capital and reserves attributable to the equity holders of the Company</b>			
Share capital	14	131,979	131,979
Reserves		(7,196)	3,211
		124,783	135,190
<b>Non-controlling interests</b>		4,433	6,105
<b>Total equity</b>		129,216	141,295

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 June 2021*

		30 June 2021	31 December 2020
	<i>Notes</i>	<i>HK\$'000</i> (Unaudited)	<i>HK\$'000</i> (Audited)
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Bonds payables	12	12,746	12,313
Lease liabilities		59,098	59,991
Deferred tax liabilities		2,254	2,254
		74,098	74,558
<b>Current liabilities</b>			
Trade payables	11	3,926	5,111
Accruals and other payables	13	53,194	51,863
Lease liabilities		12,128	11,104
Tax payable		355	46
		69,603	68,124
<b>Total liabilities</b>		143,701	142,682
<b>Total equity and liabilities</b>		272,917	283,977
<b>Net current assets</b>		83,485	96,527
<b>Total assets less current liabilities</b>		203,314	215,853

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands on 8 March 2006 as an exempted company with limited liability. Its registered office is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in 2006. Its parent company is Jumbo Faith International Limited (“**Jumbo Faith**”), which is wholly owned by Ms. Zhou Cuiqiong, mother of Mr. Yu Zhoujie (a non-executive Director and the Chairman of the Company).

The Group was principally engaged in provision of (i) health, medical and related services, (ii) beauty and wellness services, and (iii) integrated financial services.

These condensed consolidated financial statements are prepared in accordance with Hong Kong Financial Reporting Standards (the “**HKFRSs**”) and Hong Kong Accounting Standard 34 “**Interim Financial Reporting**” as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

These condensed consolidated financial statements do not include all the information and disclosure required in the annual financial statements, and should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 December 2020.

These condensed consolidated financial statements have been prepared on a historical cost convention, except as disclosed in the accounting policies and the explanatory notes.

These condensed consolidated financial statements are presented in Group’s functional currency, Hong Kong dollars (“**HK\$**”), and all values are rounded to the nearest thousand (“**HK\$’000**”), except when otherwise indicated.

### 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 January 2021. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards 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 year except as stated below:

### **Application of new and amendments to HKFRSs**

In the current period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2021 for the preparation of the Group's condensed consolidated financial statements:

Amendment to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 9, HKAS 39 HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform — Phase 2

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

### **3. REVENUE AND SEGMENT INFORMATION**

The Group primarily operates in Hong Kong and the People's Republic of China (the "PRC"). The Group's operating businesses are structured and managed separately according to the nature of their operations and the products or services they provide. Each of the Group's business units represents a strategic business unit that offers products or services which are subject to risks and returns that are different from those of the other business units. The Group's business units are as follows:

- (a) the health and medical segment engages in the operation of health, medical and related businesses of its clubhouse, hemodialysis center and hospital;
- (b) the beauty and wellness segment engages in the provision of beauty and wellness services; and
- (c) the financial segment engages in securities brokerage, advising on securities and asset management businesses.

Operating segments are identified for financial reporting purposes in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Board has been identified as the Group's chief operating decision-maker.

Inter-segment revenue is eliminated on consolidation. Inter-segment sales and transfers are transacted according to the relevant prevailing market prices.

Segment results are presented as operating profit or loss.

**3.1 Revenue of the Group, together with analysis of the revenue by segments and geographical regions are as follows:**

	<b>Health and medical business <i>HK\$'000</i> (Unaudited)</b>	<b>Beauty and wellness business <i>HK\$'000</i> (Unaudited)</b>	<b>Financial business <i>HK\$'000</i> (Unaudited)</b>	<b>Consolidated <i>HK\$'000</i> (Unaudited)</b>
<b>For the six months ended 30 June 2021</b>				
<b>Hong Kong</b>				
— At a point in time	–	–	4	4
<b>The PRC</b>				
— At a point in time	<u>20,591</u>	<u>15,911</u>	<u>–</u>	<u>36,502</u>
	<u><u>20,591</u></u>	<u><u>15,911</u></u>	<u><u>4</u></u>	<u><u>36,506</u></u>
<b>For the six months ended 30 June 2020</b>				
<b>Hong Kong</b>				
— At a point in time	–	–	33	33
<b>The PRC</b>				
— At a point in time	<u>19,270</u>	<u>10,363</u>	<u>–</u>	<u>29,633</u>
	<u><u>19,270</u></u>	<u><u>10,363</u></u>	<u><u>33</u></u>	<u><u>29,666</u></u>

The geographic location analysis of revenue is allocated based on the geographical location of customers and the operating geographic location of the health and medical business, beauty and wellness business, and financial business. For the six months ended 30 June 2021 and 2020, no single customer's revenue accounted for more than 10% of the Group's total revenue.

### 3.2 Results by operating segments are as follows:

	For the six months ended 30 June	
	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Health and medical business	(2,310)	(7,309)
Beauty and wellness business ( <i>Note</i> )	(1,605)	(22,746)
Financial business	(751)	(1,977)
	<u>(4,666)</u>	<u>(32,032)</u>
Total operating loss by operating segments	(4,666)	(32,032)
Unallocated corporate expenses, net	(5,929)	(4,717)
Gain on disposal of subsidiaries	1,900	2,789
Fair value changes of derivative financial instrument		
— Derivative financial assets	–	(3,505)
Finance costs, net	(2,352)	(4,027)
	<u>(11,047)</u>	<u>(41,492)</u>
Loss before income tax	(11,047)	(41,492)
Income tax (expense)/credit	(1,329)	1,949
	<u>(12,376)</u>	<u>(39,543)</u>
Loss for the period	<u>(12,376)</u>	<u>(39,543)</u>

*Note:*

For the six months ended 30 June 2021, impairment loss of trademark user right and technical know-how of HK\$Nil (2020: HK\$21,494,000) was included within the beauty and wellness business segment.

### 3.3 Non-current assets of the Group (excluding financial instruments) by operating segments and geographical regions are as follows:

	Health and medical business HK\$'000 (Unaudited)	Beauty and Wellness Business HK\$'000 (Unaudited)	Financial business HK\$'000 (Unaudited)	Unallocated corporate assets HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
As at 30 June 2021					
Hong Kong	–	–	–	362	362
The PRC	63,510	55,957	–	–	119,467
	<u>63,510</u>	<u>55,957</u>	<u>–</u>	<u>362</u>	<u>119,829</u>
Segment total non-current assets (excluding financial instruments)	<u>63,510</u>	<u>55,957</u>	<u>–</u>	<u>362</u>	<u>119,829</u>

	Health and medical business <i>HK\$'000</i> (Audited)	Beauty and wellness business <i>HK\$'000</i> (Audited)	Financial business <i>HK\$'000</i> (Audited)	Unallocated corporate assets <i>HK\$'000</i> (Audited)	Consolidated <i>HK\$'000</i> (Audited)
As at 31 December 2020					
Hong Kong	–	–	383	791	1,174
The PRC	64,515	53,637	–	–	118,152
Segment total non-current assets (excluding financial instruments)	<u>64,515</u>	<u>53,637</u>	<u>383</u>	<u>791</u>	<u>119,326</u>

#### 4. OTHER INCOME AND GAINS, NET

	For the six months ended 30 June	
	2021 <i>HK\$'000</i> (Unaudited)	2020 <i>HK\$'000</i> (Unaudited)
Sundry income	<u>197</u>	<u>1,236</u>
	<u>197</u>	<u>1,236</u>

#### 5. FINANCE COSTS, NET

	For the six months ended 30 June	
	2021 <i>HK\$'000</i> (Unaudited)	2020 <i>HK\$'000</i> (Unaudited)
Interest income:		
— Bank deposit	(66)	(121)
Interest expenses:		
— Convertible bonds	–	1,958
— Bonds payable	933	906
— Other borrowing	103	–
— Lease liabilities	<u>1,382</u>	<u>1,284</u>
	<u>2,352</u>	<u>4,027</u>

## 6. LOSS BEFORE INCOME TAX

	For the six months ended	
	30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	4,502	4,036
Depreciation of right-of-use assets	4,657	6,340
Employee benefit expenses	17,045	17,030

## 7. INCOME TAX (EXPENSE)/CREDIT

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2,000,000 will be taxed at 16.5%. The assessable profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

The amounts of income tax credit charged to the condensed consolidated statement of profit or loss are as follows:

	For the six months ended	
	30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current taxation		
PRC enterprise income tax		
— Current period	(1,329)	(318)
Deferred taxation	—	2,267
	<u>(1,329)</u>	<u>1,949</u>

## 8. LOSS PER SHARE

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

	For the six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Loss</b>		
Loss for the purpose of basic and diluted loss per share	<u>(10,636)</u>	<u>(38,456)</u>
	'000	'000
		(Restated)
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue	<u>659,895</u>	<u>313,852</u>
		(Restated)
<b>Loss per share</b>		
<i>Basic and diluted (HK\$ cents)</i>	<u>(1.61)</u>	<u>(12.25)</u>

*Note:* The weighted average numbers of ordinary shares for the periods ended 30 June 2021 and 2020 had been adjusted for the five-to-one share consolidation of the Company which became effective on 22 January 2021.

## 9. DIVIDENDS

The Directors do not recommend the payment of any dividend for the six months ended 30 June 2021 (for six months ended 30 June 2020: Nil).

## 10. TRADE RECEIVABLES

	30 June	31 December
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Trade receivables arising from businesses other than dealing in securities	<u>8,848</u>	<u>6,002</u>

## Trade receivables arising from businesses other than dealing in securities

The Group's trade receivables generally have a credit period of 90 days. The maximum credit risk exposure at the end of the reporting period is the carrying amount of the trade receivables. The Group does not have any collateral as security. The Group formulates policies and procedures to ensure the sale of products or services to customers with appropriate credit history to minimise the credit risk.

### Ageing analysis

The ageing analysis of trade receivables, based on invoice dates, as at 30 June 2021 and 31 December 2020 are as follows:

	<b>30 June 2021 HK\$'000 (Unaudited)</b>	31 December 2020 HK\$'000 (Audited)
Within 30 days	5,134	4,442
31 – 60 days	1,150	508
61 – 90 days	598	400
91 – 180 days	1,120	138
Over 180 days	846	514
	<u>8,848</u>	<u>6,002</u>

Management assessed the credit quality of the trade receivables in the amount of approximately HK\$6,882,000 (31 December 2020: HK\$5,350,000) that are neither past due nor impaired by reference to the repayment history and financial position of those customers.

## 11. TRADE PAYABLES

	<b>30 June 2021 HK\$'000 (Unaudited)</b>	31 December 2020 HK\$'000 (Audited)
Trade payables arising from the business of dealing in securities		
— Cash clients	—	1,945
Trade payables arising from businesses other than dealing in securities	3,926	3,166
	<u>3,926</u>	<u>5,111</u>

The carrying amounts of trade payables approximate their fair values.

### Trade payables arising from the business of dealing in securities

Trade payables arising from the ordinary course of business of securities brokerage services are normally settled in two trading days after the trade date except for the monies held on behalf of clients in the segregated bank accounts which are repayable on demand. No ageing analysis is disclosed as, in the opinion of the Directors, an ageing analysis does not give additional value in view of the nature of this business.

### Trade payables arising from businesses other than dealing in securities

Trade payables arising from the ordinary course of business other than the securities brokerage services are normally settled in accordance with the credit terms granted by suppliers.

### Ageing analysis

The ageing analysis of trade payables, based on invoice dates, as at 30 June 2021 and 31 December 2020 are as follows:

	<b>30 June 2021 HK\$'000 (Unaudited)</b>	31 December 2020 HK\$'000 (Audited)
Within 30 days	1,885	2,021
31 – 60 days	1,176	605
61 – 90 days	689	395
91 – 180 days	63	1
Over 180 days	113	144
	<u>3,926</u>	<u>3,166</u>

## 12. BONDS PAYABLES

Details on the movements of the bonds payables for the Period and the year ended 31 December 2020 are set out as follows:

	<i>HK\$'000</i>
As at 1 January 2020	10,997
Interest paid	(500)
Interest expense	<u>1,816</u>
<b>As at 31 December 2020</b>	<b>12,313</b>
<b>Interest paid</b>	<b>(500)</b>
<b>Interest expense</b>	<b><u>933</u></b>
<b>As at 30 June 2021</b>	<b><u>12,746</u></b>

### 13. ACCRUALS AND OTHER PAYABLES

	<b>30 June 2021</b>	31 December 2020
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	(Audited)
Bond payable ( <i>Note</i> )	<b>14,835</b>	14,835
Accruals	<b>6,406</b>	9,481
Other payables	<b>31,953</b>	27,547
	<b>53,194</b>	51,863

*Note:*

Bond payable represents the outstanding principal amount and accrued interest of approximately HK\$12,000,000 and HK\$2,835,000 respectively arising from Qianhai CB. After the date of maturity of Qianhai CB on 15 April 2019, the bond is no longer convertible into shares of the Company.

### 14. SHARE CAPITAL

Details on the movements of the share capital for the Period and the year ended 31 December 2020 are set out as follows:

	Number of shares		Nominal value	
	For the six months ended 30 June 2021 <i>Number</i> (Unaudited)	For the year ended 31 December 2020 <i>Number</i> (Audited)	For the six months ended 30 June 2021 <i>HK'000</i> (Unaudited)	For the year ended 31 December 2020 <i>HK'000</i> (Audited)
<b>Authorised capital:</b>				
As at 1 January	<b>5,000,000,000</b>	5,000,000,000	<b>200,000</b>	200,000
Share consolidation ( <i>Note (iii)</i> )	<b>(4,000,000,000)</b>	–	–	–
As at 30 June 2021/31 December 2020	<b>1,000,000,000</b>	5,000,000,000	<b>200,000</b>	200,000
<b>Issued and fully paid:</b>				
As at 1 January	<b>3,299,473,466</b>	1,473,266,145	<b>131,979</b>	58,931
Issue of new shares upon conversion of convertible bonds ( <i>Note (i)</i> )	–	176,470,588	–	7,058
Rights issue ( <i>Note (ii)</i> )	–	1,649,736,733	–	65,990
Share consolidation ( <i>Note (iii)</i> )	<b>(2,639,578,773)</b>	–	–	–
As at 30 June 2021/31 December 2020	<b>659,894,693</b>	3,299,473,466	<b>131,979</b>	131,979

*Notes:*

- (i) On 23 March 2020, the Company issued and allotted 176,470,588 ordinary shares to the holders of the HK Yinger CB in the principal amount of HK\$120,000,000 at its maturity date on 23 March 2020.
- (ii) On 16 December 2020, the Company issued and allotted 1,649,736,733 ordinary shares under the rights issue on the basis of one rights share for every one existing share held on the record date at the subscription price of HK\$0.06 per rights share, details of which were disclosed in the Company's prospectus dated 23 November 2020 and announcement dated 15 December 2020.
- (iii) The share consolidation became effective on 22 January 2021 on the basis of every five issued and unissued ordinary shares of par value HK\$0.04 each in the share capital of the Company being consolidated into one consolidated share of par value HK\$0.20 each.

## MANAGEMENT DISCUSSIONS AND ANALYSIS

### BUSINESS REVIEW

#### Business of the Group

During the six months ended 30 June 2021 (the “**Period**”), the Group was principally engaged in the provision of (i) health, medical and related services, (ii) beauty and wellness services, and (iii) integrated financial services.

The revenue of the health and medical business segment (the “**Health and Medical Business**”) represents revenue from the hospital business (the “**Hospital Business**”). The Group operates its Hospital Business in Hunnan Province, China through Li County Phoenix Hospital Company Limited (“**Phoenix Opco**”) and Yiyang Zizhong Kidney Disease Hospital Company Limited (“**Zizhong Opco**”) having the medical organisation operating license granted by the local bureau of the National Health Commission to carry out, amongst other permitted medical treatments, hemodialysis treatment. During the Period, the Hospital Business continued to generate stable revenue to the Group.

The revenue of the beauty and wellness business segment (the “**Beauty and Wellness Business**”) represents revenue from the business of Marsa group (the “**Marsa Business**”). Marsa Business provides beauty products and wellness services under brand name of “**瑪莎**” through beauty centers and shops in Shenzhen, China, selling beauty and cosmetics products and providing beauty and wellness services to customers. During the Period, the performance of the Beauty and Wellness Business continued to improve, as compared to the same period of last year.

The financial business segment (the “**Integrated Financial Business**”) provides integrated financial services carried out through Green Securities Limited, a licensed corporation licensed to carry out type-1 (dealing in securities) and type-4 (advising on securities) regulated activities in Hong Kong and Green Asset Management Limited, a licensed corporation licensed to carry out type-9 (asset management) regulated activities in Hong Kong. In view of loss making and the small scale of operation and revenue of the Integrated Financial Business, the Group disposed of the Integrated Financial Business during the Period. After completion of the disposal, the Group will cease to provide any integrated financial services.

## **PROSPECTS**

Going forward, the Group will continue to closely take note of the development of the COVID-19 epidemic and its impact on the Group's businesses, and will proactively take preventive measures to mitigate the impact of the COVID-19 on its businesses.

### **Events with Impact to the Financial Position and the Business Operations**

The following events, which have impact to the financial position and the business operations of the Group, occurred during the Period:

- (i) The share consolidation became effective on 22 January 2021 on the basis of every five issued and unissued ordinary shares of par value HK\$0.04 each in the share capital of the Company being consolidated into one consolidated share of par value HK\$0.20 each.
- (ii) The Group disposed of the Integrated Financial Business in March 2021 for an aggregate cash consideration of HK\$5,500,000 and recorded a gain on disposal in the amount of approximately HK\$1,900,000.

## **FINANCIAL REVIEW**

### **Revenue**

The Group reported total revenue of approximately HK\$36,506,000 for the Period (2020: HK\$29,666,000), representing an increase of approximately 18.74% as compared to the Group's revenue for the six months ended 30 June 2020.

### **Health and Medical Business**

The Group reported revenue and operating loss from the Health and Medical Business for the Period in the amounts of approximately HK\$20,591,000 and HK\$2,310,000 respectively (2020: HK\$19,270,000 and HK\$7,309,000 respectively). The decrease in the operating loss from the Health and Medical Business for the Period was mainly due to the disposal of the loss-making Club House Business which took place in the first half of last year.

### **Beauty and Wellness Business**

The revenue and operating loss from the Beauty and Wellness Business for the Period were approximately HK\$15,911,000 and HK\$1,605,000 respectively (2020: HK\$10,363,000 and HK\$22,746,000 respectively). The decrease in operating loss from the Beauty and Wellness Business for the Period was mainly due to the non-recurrence of the impairment loss of trademark user right and technical know-how during the Period, as compared to the corresponding period last year.

## **Integrated Financial Business**

The revenue and operating loss of the Integrated Financial Business for the Period was approximately HK\$4,000 and HK\$751,000 respectively (2020: HK\$33,000 and HK\$1,977,000 respectively). The Group disposed of the Integrated Financial Business in March 2021.

## **Administrative Expenses**

The Group reported administrative expenses of approximately HK\$18,971,000 for the Period (2020: HK\$20,885,000), representing a decrease of approximately 10.09%. The decrease in the administrative expenses was mainly attributable to the implementation of various cost-saving measures by the Group.

## **Impairment Testing on Cash-Generating Unit of Marsa Business**

No impairment losses of trademark user right and technical know-how and right-of-use assets of Marsa Business were recognised during the Period. In comparison, impairment losses in the amount of approximately HK\$21,494,000 was recognised in the Group's condensed consolidated statement of profit or loss for the six months ended 30 June 2020, due to the decrease in revenue of the Marsa Business caused by COVID-19 outbreak last year.

## **Fair Value Changes of Derivative Financial Assets**

As a result of the redemption of the Zheyin Tianqin 2018 CB in the principal amount of HK\$60,000,000 in full in cash by the bond holder on 20 April 2020, the Group recognised a decrease in the fair value of derivative financial assets in the amount of HK\$Nil (2020: HK\$3,505,000) in the condensed consolidated statement of profit or loss for the Period.

## **Finance Costs**

The Group reported finance costs, net of approximately HK\$2,352,000 for the Period (2020: HK\$4,027,000), details of which were disclosed in Note (5) to the condensed consolidated financial statements.

## **Loss for the Period**

The Group reported net loss for the Period of approximately HK\$12,376,000 (2020: HK\$39,543,000).

## CONNECTED TRANSACTIONS

The Group had not conducted any connected transactions for the Period.

## EQUITY FUND RAISING ACTIVITIES

The Company had not conducted any equity fund raising activities for the Period. The use of proceeds of equity fund raising activities of the Company in the past are summarized as follows:

Date of announcement	Fund raising activity	Net proceeds raised	Proposed use of proceeds	Actual use of proceeds
15 December 2020	The Company issued and allotted 1,649,736,733 ordinary shares under the rights issue on the basis of one rights share for every one existing share held on the record date at the subscription price of HK\$0.06 per rights share. The rights issue became unconditional on 9 December 2020.	Approximately HK\$95.9 million	The net proceeds were intended to be utilized in the following order of priority: (i) as to the first HK\$15.0 million for the Group's corporate expenses and overheads (including salaries, rental payments, professional fees and capital injection for the Group's licensed corporations); and (ii) as to the remaining net proceeds for the potential acquisitions, expansion and equipment purchase of the Group's hospital business.	At the end of the reporting period, approximately HK\$9.5 million was used for the Group's corporate expenses and overheads during the Period. The remaining proceeds remained unutilized, as the expansion and investment plans were postponed due to the prolonged effect of COVID-19 on the medical services industry.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2021, the Group had total assets of approximately HK\$272,917,000 (31 December 2020: HK\$283,977,000) and debts of approximately HK\$71,844,000 (31 December 2020: HK\$83,408,000), giving rise to a leverage ratio (defined as debt to total assets) of approximately 25.9% (31 December 2020: 29.4%).

As at 30 June 2021, the Group had net current assets of approximately HK\$83,485,000 (31 December 2020: HK\$96,527,000), being the surplus of current assets of approximately HK\$153,088,000 (31 December 2020: HK\$164,651,000) over the current liabilities of approximately HK\$69,603,000 (31 December 2020: HK\$68,124,000), giving rise to a current ratio of approximately 2.20 (31 December 2020: 2.42).

As at 30 June 2021, the Group had cash and bank balances (including trust and segregated accounts) of approximately HK\$126,550,000 (31 December 2020: HK\$141,733,000). As at 30 June 2021, the Group had cash and bank balances (excluding trust and segregated accounts) of approximately HK\$126,550,000 (31 December 2020: HK\$139,788,000).

## **GEARING RATIO**

As at 30 June 2021, the gearing ratio of the Group (defined as debt to equity) was approximately 56% (31 December 2020: 62%). Debt includes bonds payables, lease liabilities and convertible bonds.

## **SIGNIFICANT INVESTMENT HELD**

The Group had no significant investment held as at 30 June 2021.

## **ACQUISITION AND DISPOSAL OF SUBSIDIARIES**

The Group disposed of the Integrated Financial Business in March 2021 for an aggregate cash consideration of HK\$5,500,000 and recorded a gain on disposal in the amount of approximately HK\$1,900,000. Save as disclosed above, the Group had no other material acquisition or disposal of subsidiaries for the Period.

## **CHARGES ON ASSETS**

None of the Group's assets was pledged to secure any facilities and borrowings granted to the Group as at 30 June 2021.

## **CONTINGENT LIABILITIES**

The Group had no material contingent liabilities as at 30 June 2021.

## **FOREIGN EXCHANGE EXPOSURE**

The Group's business transactions were mainly carried out in Hong Kong Dollars and Renminbi. The Group was not engaged in any hedging measures during the Period. The Group will regularly review its position and will use forward contracts to hedge its foreign currency exposure if it considers the risk to be significant.

## CAPITAL STRUCTURE

Save as the disclosure herein, there were no changes in the capital structure of the Company during the Period.

### (A) Share Capital

Details on the movements of the share capital for the Period and the year ended 31 December 2020 are set out in Note (14) to the condensed consolidated financial statements.

### (B) Share Options

#### *Old Share Option Scheme*

The old share option scheme (the “**Old Share Option Scheme**”) adopted by the Company on 2 September 2006 lapsed on 2 September 2016 pursuant to the terms of the Old Share Option Scheme.

#### *New Share Option Scheme*

At the annual general meeting of the Company held on 26 June 2019, a new share option scheme (the “**New Share Option Scheme**”) was approved by the shareholders of the Company. The New Share Option Scheme has a lifespan of 10 years. At the annual general meeting of the Company held on 26 June 2019, the Scheme Mandate Limit was approved to allow the Company to grant up to the maximum of 147,326,614 options, representing 10% of the shares in issue on the date of approval of the scheme. Details of the New Share Option Scheme are set out in the circular of the Company dated 24 May 2019.

No share options were granted under the New Share Option Scheme for the Period and the year ended 31 December 2020. As at 30 June 2021, the maximum number of options which can be granted under the New Share Option Scheme was 29,465,322 (equivalent to 147,326,614 options before the five-to-one share consolidation took effect on 22 January 2021), representing 4.47% of the issued share capital of the Company.

## DIVIDENDS

The Directors do not recommend the payment of any dividend for the Period.

## HUMAN RESOURCES

As at 30 June 2021, the Group has 218 employees in Hong Kong and China. Employees' remuneration, promotion and salary increments are assessed based on both individuals' and the Group's performance, employees' professional and working experiences and by reference to prevailing market practices and standards.

## LITIGATION

Save as disclosed below, as at the date of this announcement, neither the Company nor any other member of the Group was engaged in any litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group:

The Company issued 8% per annum convertible bonds to Hong Kong Qian Hai Financial Group Limited (“**HK Qianhai Financial**”) in an aggregate principal amount of HK\$12,000,000 (the “**Qianhai 2016 CB**”) carrying conversion right to convert into the shares of the Company. The Qianhai 2016 CB matured on 15 April 2019 without conversion. At or around the maturity date of the Qianhai 2016 CB, the Company received conflicting instructions from Mr. Zhang Xuejun (張學軍) (“**Mr. Zhang**”) and another entity named 深圳市前海盛尊華龍控股有限公司 (Shenzhen Qianhai Shengzun Hualong Holdings Co., Ltd.) (“**Shengzun Hualong**”), both purporting to have the authority from the holder of the Qianhai 2016 CB and each purporting to give different payment instructions to the Company regarding the recipient of the cash redemption amount. The Company was notified that Shengzun Hualong has commenced legal action against Mr. Zhang, HK Qianhai Financial and the Company (the “**Litigation**”) seeking to recover the cash redemption amount of the Qianhai 2016 CB. During the trial at first instance, the Court ruled in favour of Shengzun Hualong but the Company was notified that Mr. Zhang is appealing against the ruling at first instance. As the Company was capable and willing to honour its contractual obligations under the Qianhai 2016 CB and the delay, if any, on the redemption was the sole responsibilities of other parties who failed to provide consistent instructions to the Company, the Directors are of the view that the litigation shall not have any significant impact on the financial position of the Company. The Company has instructed its legal advisers to uphold its own lawful right in the litigation.

## **OTHER INFORMATION**

### **CHANGES IN INFORMATION OF DIRECTORS**

With effect from 25 March 2021, Mr. Yu Qigang stepped down from the position of the Chairman of the Board, and Mr. Yu Zhoujie was appointed as the Chairman of the Board with effect from 25 March 2021. Mr. Yu Qigang did not participate in re-election and retired as an executive Director of the Company at the conclusion of the annual general meeting of the Company on 7 June 2021.

### **PURCHASE, SALE OR REDEMPTION OF SHARES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange during the Period.

### **CORPORATE GOVERNANCE**

The Company and the Directors confirm, to the best of their knowledge, that the Company complied with the code provisions set out in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules during the Period, except the deviation disclosed in the following paragraphs:

With respect to Code Provision A.6.7, independent non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders. One independent non-executive Director did not attend the annual general meeting of the Company held on 7 June 2021 due to other work commitments.

With respect to Code Provision E.1.2, the chairman of the board should attend annual general meeting and also invite the chairmen of the audit, remuneration and nomination committees to attend. The Chairman of the Board was not able to attend the annual general meeting of the Company held on 7 June 2021 due to other business engagement.

With respect to Code Provision C.2.5, an issuer should have an internal audit function and issuers without an internal audit function should review the need for one on an annual basis and should disclose the reasons for the absence of such a function in the Corporate Governance Report. Due to the size and scale of operations, the Group did not have internal audit function within the Group during the Period.

The Company has engaged Crowe (HK) Risk Advisory Limited as an external consultant to facilitate the discharge of establishing and maintaining an internal audit function for the Company during the Period. The external consultant has assisted the Audit Committee in carrying out an independent review on the adequacy and effectiveness of the risk management and internal control systems of the Group, and has reported the status of its review to the Audit Committee on a regular basis.

## **MODEL CODE ON SECURITIES TRANSACTION BY DIRECTORS**

The Company follows the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules (the “**Model Code**”) as the code of conduct for Directors in their dealings in the Company’s securities. Having made specific enquiries, all Directors have complied with the required standard set out in the Model Code throughout the Period.

## **AUDIT COMMITTEE**

As at the date of this announcement, the audit committee comprises three independent non-executive Directors, namely Mr. David Tsoi (Chairman), Mr. Wu Hong and Mr. Wang Chunlin. The primary function of the audit committee is to review the financial reporting process, the risk management and internal control systems of the Group, oversee the audit process and make recommendations to the Board regarding the appointment, resignation and removal of auditors and improvement on the financial reporting system, risk management and internal control systems of the Group.

The Group’s unaudited condensed consolidated financial statements for the six months ended 30 June 2021 have been reviewed by the audit committee of the Company.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This interim results announcement has been published on the websites of Hong Kong Exchange and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<http://www.irasia.com/listco/hk/greeninternational/>). The 2021 interim report of the Company containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the websites of Hong Kong Exchange and Clearing Limited and the Company on or before 30 September 2021.

By order of the Board  
**Green International Holdings Limited**  
**Yu Zhoujie**  
*Chairman*

Hong Kong, 31 August 2021

*As at the date of this announcement, the executive Directors are Mr. Liu Dong and Mr. Yu Xiangjin; non-executive Directors are Mr. Chen Hanhong and Mr. Yu Zhoujie (Chairman); and the independent non-executive Directors are Mr. Wu Hong, Mr. David Tsoi and Mr. Wang Chunlin.*