



中國碳中和發展集團有限公司

China Carbon Neutral Development Group Limited

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號：1372



Interim Report 中期報告

2021

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Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收入表

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

The board (the “Board”) of directors (the “Directors”) of China Carbon Neutral Development Group Limited (the “Company”) announces the unaudited condensed consolidated interim results and financial position of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2021 (the “period”) with comparative figures for the corresponding period in the previous year as follows. This condensed consolidated interim financial information has not been audited, but has been reviewed by the audit committee of the Company (the “Audit Committee”):

中國碳中和發展集團有限公司（「本公司」）之董事（「董事」）會（「董事會」）公佈本公司及其附屬公司（統稱「本集團」）截至二零二一年六月三十日止六個月（「本期間」）之未經審核簡明綜合中期業績及財務狀況，連同於去年同期之比較數字如下。此簡明綜合中期財務資料未經審核，惟已由本公司之審核委員會（「審核委員會」）審閱：

		Unaudited 未經審核 Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
		Notes 附註	
REVENUE	收益	5	218,695
Cost of sales	銷售成本	9	(203,722)
Gross profit	毛利		14,973
Other income and gains	其他收入及收益	5	6,218
Gain on extinguishment of convertible bonds	註銷可換股債券之收益		—
Gain on modification of promissory notes	修訂承兌票據之收益		293,712
Gain on disposal of subsidiaries	出售附屬公司之收益	6	44,354
Fair value gain on inventories	存貨之公允價值收益	7	308,611
Administrative and selling expenses	行政及銷售開支		127,828
Finance costs	財務費用	8	(45,389)
Impairment of property, plant and equipment	物業、機器及設備減值		(48,631)
Impairment of goodwill	商譽減值		—
Profit before tax	除稅前溢利	9	—
Income tax expense	所得稅開支	10	407,964
			499,096
			(43)
Profit for the period	期間溢利		407,964
			499,053

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收入表

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年	2020 二零二零年
		HK\$'000 千港元	HK\$'000 千港元
	Notes 附註		
OTHER COMPREHENSIVE INCOME	其他全面收入		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:	於後續期間可能重新分類至損益的其他全面收入：		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	1,115	1,220
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	期內其他全面收入	1,115	1,220
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期內全面收入總額	409,079	500,273
Earnings per share attributable to owners of the company	母公司擁有人應佔每股盈利		
Basic (HK cents)	基本 (港仙)	12	183.0
Diluted (HK cents)	攤薄 (港仙)	12	104.4

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

30 June 2021
二零二一年六月三十日

		Notes 附註	Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機器及設備	13	1,166	512
Right-of-use assets	使用權資產		665	1,887
Goodwill	商譽	14	2,755	–
Total non-current assets	非流動資產總值		4,586	2,399
CURRENT ASSETS	流動資產			
Inventories	存貨	15	180,960	–
Contract assets	合約資產	16	66,057	90,721
Accounts receivables	應收賬款	17	38,638	95,024
Prepayments, deposits and other receivables	預付款項、按金及其他應收款		38,447	17,928
Financial assets at fair value through profit or loss	按公允價值透過損益列賬的金融資產	18	22,600	–
Cash and cash equivalents	現金及現金等價物		99,188	49,749
Total current assets	流動資產總值		445,890	253,422
CURRENT LIABILITIES	流動負債			
Accounts payables	應付賬款	19	39,528	340,438
Tax payable	應付稅項		–	97
Other payables and accruals	其他應付款及預提費用		98,675	86,843
Interest-bearing other borrowings	計息其他借款	20	38,000	38,000
Lease liabilities	租賃負債		747	2,565
Promissory notes	承兌票據	21	52,896	18,564
Total current liabilities	流動負債總額		229,846	486,507
NET CURRENT ASSETS/(LIABILITIES)	流動資產/(負債) 淨值		216,044	(233,085)
TOTAL ASSETS LESS CURRENT ASSETS/(LIABILITIES)	資產總值減流動資產/(負債)		220,630	(230,686)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

30 June 2021
二零二一年六月三十日

		Notes	Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
		附註		
NON-CURRENT LIABILITIES	非流動負債			
Other payables and accruals	其他應付款及預提費用		–	43,224
Interest-bearing other borrowings	計息其他借款	20	6,000	6,000
Lease Liabilities	租賃負債		–	108
Convertible bonds	可換股債券	22	121,775	114,189
Promissory notes	承兌票據	21	131,843	271,319
Deferred tax liabilities	遞延稅項負債		54	13,403
Total non-current liabilities	非流動負債總額		259,672	448,243
Net liabilities	負債淨值		(39,042)	(678,929)
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	23	2,600	2,000
Equity component of convertible bonds	可換股債券之權益部分	22	353,665	384,037
Reserves	儲備		(395,307)	(1,064,966)
Deficiency in assets	資產虧絀		(39,042)	(678,929)

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

		Attributable to owners of the parent 母公司擁有人應佔							
		Equity component							
		Share capital	Share premium	Statutory surplus reserve	Exchange fluctuation reserve	Equity convertible bonds	Share option reserve	Accumulated loss	Deficiency in assets
		股本	股份溢價	法定盈餘儲備	波動儲備	之權益部分 可換股債券	購股權儲備	累計虧損	資產虧絀
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2021 (Audited)	於二零二一年一月一日 (經審核)	2,000	45,486	1,085	(41,823)	384,037	-	(1,069,714)	(678,929)
Profit for the period	期間溢利	-	-	-	-	-	-	407,964	407,964
Other comprehensive income for the period:	期間其他全面收入：								
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	1,115	-	-	-	1,115
Disposal of subsidiaries	出售附屬公司	-	-	(1,085)	-	-	-	-	(1,085)
Equity-settled share option arrangements	以股權結算購股權安排	-	-	-	-	-	30,265	-	30,265
Issue of shares upon conversion of convertible bonds	轉換可換股債券時發行股份	200	39,800	-	-	(30,372)	-	-	9,628
Issue of new shares	發行新股份	400	191,600	-	-	-	-	-	192,000
At 30 June 2021 (Unaudited)	於二零二一年六月三十日 (未經審核)	2,600	276,886	-	(40,708)	353,665	30,265	(661,750)	(39,042)
At 1 January 2020 (Audited)	於二零二零年一月一日 (經審核)	2,000	45,486	1,085	(27,159)	375,576	-	(1,371,743)	(974,755)
Profit for the period	期間溢利	-	-	-	-	-	-	499,053	499,053
Other comprehensive income for the period:	期間其他全面收入：								
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	1,220	-	-	-	1,220
Loss on extinguishment of convertible bonds	註銷可換股債券之虧損	-	-	-	-	8,461	-	-	8,461
At 30 June 2020 (Unaudited)	於二零二零年六月三十日 (未經審核)	2,000	45,486	1,085	(25,939)	384,037	-	(872,690)	(466,021)

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

		Unaudited 未經審核 Six month ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Net cash flows used in operating activities	經營業務使用的現金流量淨額	(68,323)	(8,802)
Investing activities	投資業務		
Additions of items of property, plant and equipment	添置物業、機器及設備項目	(799)	(106)
Purchase of financial assets at fair value through profit or loss	購買按公允價值透過損益列賬的金融資產	(20,000)	–
Acquisition of subsidiaries, net of cash	收購附屬公司，扣除現金	(1,842)	–
Disposal of subsidiaries, net of cash	出售附屬公司，扣除現金	(1,096)	–
Net cash flows used in investing activities	投資業務使用的現金流量淨額	(23,737)	(106)
Financing activities	融資業務		
Repayment of interest-bearing and other borrowings	償還計息銀行及其他借款	–	(11,710)
Proceeds from placing of shares	配售股份所得款項	192,000	–
Principal portion of lease payment	租賃付款本金部分	(1,345)	(1,884)
Repayment to a shareholder	還款給股東	(48,783)	–
Advances from a shareholder	預收一名股東的墊款	1,252	11,750
Net cash flows generated from/ (used in) financing activities	融資業務產生/(使用)的現金流量淨額	143,124	(1,844)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	51,064	(10,751)
Cash and cash equivalents at beginning of period	期初的現金及現金等價物	49,749	64,777
Effect of foreign exchange rate changes, net	外匯匯率變動影響淨額	(1,625)	1,850
Cash and cash equivalents at end of period	期末的現金及現金等價物	99,188	55,876
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘	99,188	55,876

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

1. CORPORATE INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The registered office address of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at Room 3302, 33/F, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong.

During the six months ended 30 June 2021, the Group was principally engaged in the following principal activities:

- Carbon neutral related business

Development of negative carbon emission business such as Carbon capture, utilization and storage (“CCUS”) and forest carbon off-set; Carbon credit and carbon asset development, management and investment in carbon neutral related fields and carbon consulting and carbon planning (the “Global Carbon Neutral Business”)
- Civil engineering works and building construction and maintenance works (the “Civil Engineering and Construction Business”)

In the opinion of the directors, the immediate holding company and the ultimate holding company is Youth Force Asia Ltd., a company incorporated in the British Virgin Islands.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This unaudited condensed consolidated interim financial information for the six months ended 30 June 2021 has 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 set out in Appendix 16 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

1. 公司資料

本公司為一間在開曼群島註冊成立的獲豁免有限公司。本公司的註冊辦事處地址位於Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司的主要營業地點位於香港黃竹坑道21號環匯廣場33樓3302室。

於截至二零二一年六月三十日止六個月，本集團主要從事下列主要活動：

- 碳中和相關業務

發展碳捕集、利用與封存（「**碳捕集、利用與封存**」）及森林碳匯等負碳排放業務；碳中和相關領域的碳信用及碳資產開發、管理及投資以及碳諮詢及碳規劃（「**全球碳中和業務**」）
- 土木工程項目以及樓宇建造及保養業務（「**土木工程及建造業務**」）

董事認為，直接控股公司及最終控股公司為Youth Force Asia Ltd.（一間於英屬處女群島註冊成立之公司）。

2. 編製基準及會計政策

此截至二零二一年六月三十日止六個月之未經審核簡明綜合中期財務資料乃根據香港會計師公會（「**香港會計師公會**」）頒佈之香港會計準則第34號「**中期財務報告**」及香港聯合交易所有限公司（「**聯交所**」）證券上市規則（「**上市規則**」）附錄16載列之適用披露規定而編製。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

The Group ceased the old loss-making business during the reporting period, and successfully started new business as well as carried out financing activities. The management believes that taking into account the above factors and based on the existing information available to the Group, the Group will have sufficient working capital to satisfy its present requirements.

The accounting policies and the basis of preparation adopted in the preparation of this condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2020, except for the adoption of new and revised standard with effect from 1 January 2021 as detailed below.

The Group has adopted the following new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA for the first time for these Financial Statements.

Amendments to
HKFRS 9,
HKAS 39,
HKFRS 7,
HKFRS 4 and
HKFRS 16

*Interest Rate Benchmark
Reform – Phase 2*

The adoption of the new and revised standards are not expected to have any significant impact on the Group's interim condensed consolidated financial information.

2. 編製基準及會計政策 (續)

於報告期內，本集團終止了原有虧損業務，成功開展了新業務並進行了融資活動。管理層認為考慮到上述因素及根據本集團現有可得資料，本集團將擁有足夠的營運資金以滿足其目前需求。

除採納二零二一年一月一日生效的新訂和經修訂準則 (詳情載於下文) 外，編製此簡明綜合中期財務資料時所採納之會計政策及編製基準，與編製本集團截至二零二零年十二月三十一日止年度的年度財務報表所採用者一致。

本集團已就此等財務報表採納下列由香港會計師公會頒佈的新訂和經修訂香港財務報告準則 (「香港財務報告準則」) (包括所有香港財務報告準則、香港會計準則和詮釋)。

香港財務報告準則
第9號、香港會計準則
第39號、香港財務報告
準則第7號、香港財務
報告準則第4號及
香港財務報告準則
第16號 (修訂本)

利率基準改
革第2期

預期採納新訂及經修訂準則將不會對本集團的中期簡明綜合財務資料造成任何重大影響。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

3. ESTIMATES

The preparation of this condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements of the Group as at and for the year ended 31 December 2020.

4. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and service and has two reportable operating segments as follows:

- Carbon neutral related business

Development of negative carbon emission business such as Carbon capture, utilization and storage (“CCUS”) and forest carbon off-set; Carbon credit and carbon asset development, management and investment in carbon neutral related fields and carbon consulting and carbon planning
- Civil engineering and construction segment – civil engineering works and building construction and maintenance works

Management monitors the results of the Group's operating segments separately for the purpose of making decision about resources allocations and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that finance costs, gain on disposal of subsidiaries, gain on extinguishment of convertible bonds as well as unallocated head office and corporate expenses are excluded from such measurement.

3. 估計

編製此簡明綜合中期財務資料要求管理層作出影響會計政策應用及所報告資產及負債、收入及開支數額的判斷、估計及假設。實際結果或有別於有關估計。

於編製此簡明綜合中期財務資料時，管理層就應用本集團之會計政策而作出之重大判斷以及估計不穩定因素的主要來源，與截至二零二零年十二月三十一日止年度的本集團綜合財務報表內所採用的一致。

4. 分部資料

就管理而言，本集團按照其產品及服務被歸為業務單位，並有下列兩個可報告經營分部：

- 碳中和相關業務

發展碳捕集、利用與封存（「**碳捕集、利用與封存**」）及森林碳匯等負碳排放業務；碳中和相關領域的碳信用及碳資產開發、管理及投資以及碳諮詢及碳規劃
- 土木工程及建造分部—土木工程項目以及樓宇建造及保養業務

就作出有關資源分配及表現評估的決策而言，管理層獨立監控本集團經營分部的業績。分部表現按可報告分部損益（即經調整除稅前損益）評核。經調整除稅前損益之計量與本集團之除稅前損益一致，惟有關計量不包括財務費用、出售附屬公司之收益、註銷可換股債券之收益以及未分配總辦事處及企業開支。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

4. SEGMENT INFORMATION (Continued)

Segment revenue and results

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

4. 分部資料 (續)

分部收益及業績

下列為按可報告經營分部劃分之本集團收益及業績分析：

		Global Carbon Neutral		Civil engineering and construction		Automotive engines		Total	
		二零二一年	二零二零年	二零二一年	二零二零年	二零二一年	二零二零年	二零二一年	二零二零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment revenue	分部收益	-	-	218,695	213,397	-	2,426	218,695	215,823
Segment results	分部業績	104,008*	-	4,403	401	-	(52,955)	108,411	(52,554)
Gain on extinguishment of convertible bonds	註銷可換股債券之收益							-	293,712
Gain on modification of promissory notes	修訂承兌票據之收益							44,354	294,577
Gain on disposal of subsidiaries	出售附屬公司之收益							308,611	-
Corporate and unallocated income	企業及未分配收入							4,780	54
Corporate and unallocated expenses	企業及未分配開支							(9,569)	(4,555)
Finance costs	財務費用							(48,623)	(32,138)
Profit before tax	除稅前溢利							407,964	499,096

* Segment result recorded the fair value gain on inventories HK\$127,828,000

* 分部業績錄得存貨之公允價值收益 127,828,000 港元

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簡明綜合中期財務資料附註

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5. REVENUE, OTHER INCOME AND GAINS

5. 收益、其他收入及收益

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Revenue	收益		
Contract revenue	合約收益	218,695	213,397
Sales of goods	銷售貨物	–	2,426
		218,695	215,823
Other income and gains	其他收入及收益		
Interest income	利息收入	20	1
Consultancy fee income	顧問費收入	240	640
Government subsidies*	政府補助*	343	5,876
Sundry income	雜項收入	3,015	371
Fair value gain on financial assets at fair value through profit or loss	按公允價值透過損益列賬的金融資產之公允價值收益	2,600	–
		6,218	6,888

* Being the subsidies received from the COVID-19 Anti-epidemic Fund under the Employment Support Scheme and other subsidy schemes as promulgated by the Government of the Hong Kong Special Administrative Region of the People's Republic of China during the period.

* 即根據中華人民共和國香港特別行政區政府於期內頒佈的保就業計劃項下的COVID-19防疫基金及其他補貼計劃已收的補貼。

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6. GAIN ON DISPOSAL OF SUBSIDIARIES

On 27 January 2021, Future Marvel Limited (a wholly-owned subsidiary of the Company), entered into a sale and purchase agreement with Mr. Liu Chang, for a disposal of the entire issued shares in Well Surplus Enterprises Limited (“Well Surplus”) which was an investment holding company and in Automotive Engines Business segment prior to the disposal and the shareholder loans owned by the disposal group, at a consideration of HK\$41,500,000. The consideration was settled by the purchaser in the way of (a) HK\$500,000 by cash; and (b) the balance of HK\$41,000,000 by way of waiver of the interests of the promissory notes held by Power Expert. The Group lost its control over Well Surplus and Well Surplus ceased to be the subsidiaries of the Group after the completion of abovementioned disposal on 29 January 2021. Following the disposal, the Group record a significant gain on disposal of HK\$308,611,000, calculated by taking into account the consideration of the disposal, the relevant expenses in relation to the disposal, the net liabilities of the Automotive Engines Business, and the relevant sale loan. The fair value of the waived promissory notes interest in amount of HK\$39,300,000 on 29 January 2021 with reference to a valuation performed by CH Global Valuation & Advisory Services Limited (“CH Global”).

6. 出售附屬公司之收益

於二零二一年一月二十七日，Future Marvel Limited (本公司之全資附屬公司) 與劉昌先生就出售盛盈企業有限公司(「盛盈」，為投資控股公司，在出售事項前於汽車發動機業務分部) 之全部已發行股份及出售集團結欠之股東貸款訂立買賣協議，代價為41,500,000港元。代價由買方以下列方式支付：(a)500,000港元以現金支付；及(b)餘額41,000,000港元以豁免巧能環球持有之承兌票據利息之方式支付。上述出售事項於二零二一年一月二十九日完成後，本集團失去對盛盈的控制權，且盛盈不再為本集團之附屬公司。於出售事項後，經考慮出售事項之代價、有關出售事項之開支、汽車發動機業務之淨負債及相關銷售貸款計算，本集團錄得顯著出售收益308,611,000港元。於二零二一年一月二十九日，豁免承兌票據利息之公允價值為39,300,000港元，乃參考浩富環球評估諮詢服務有限公司(「浩富環球」)進行之估值。

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7. FAIR VALUE GAIN ON INVENTORIES

As at 30 June 2021, the fair value gain on inventories are made based on the result of increment of the spot carbon credit assets value in amount of HK\$127,828,000 with reference to a valuation performed by Crowe (HK) Global Corporate Advisory Limited (“Crowe”), an independent professionally qualified valuer. Inventories include the spot carbon credit assets which are stated at fair value. The Carbon credit assets originated from the Voluntary Emission Reductions generated from various projects such as biomass power generation, solar pv power generation, landfill gas recovery and power generation, and coal mine methane power generation.

With reference to the valuation performed by Crowe, the carbon credit futures have considerable asset value, which have not been accounted for by the management based on the principle of prudence. It is expected that the gradual performance of futures contracts will generate positive financial returns.

The successful development or acquisition of high-quality spot carbon credit assets and carbon credit futures has speed up the progress of the development of Global Carbon Neutral Business of the Group and turn the Group into one of the largest holders of carbon credit assets in the Asia-Pacific region, fully demonstrating the Group’s unique advantages in the exploration, sourcing and management of carbon assets, which lay a solid foundation for the Group to become a major carbon asset dealer and manager in the Asia-Pacific region. The Group plans to continue to actively participate in the trading of major global carbon assets markets and build up proprietary carbon asset portfolio to further develop the Group’s innovative carbon asset development, operation and management strength.

7. 存貨之公允價值收益

於二零二一年六月三十日，存貨之公允價值收益乃根據現貨碳信用資產價值增加127,828,000港元，並參考獨立專業合資格估值師國富浩華（香港）企業諮詢有限公司（「國富浩華」）進行之估值計算得出。存貨包括以公允價值列賬的現貨碳信用資產。碳信用資產來源於生物質發電、太陽能光伏發電、垃圾填埋發電、煤層氣發電等各種項目產生的核證減排量。

參考國富浩華進行之估值計算，期貨碳信用資產具有相當資產價值。管理層基於審慎原則並未列賬，相信隨著期貨合約逐步履約，將產生積極正面財務回報。

現貨和期貨的優質碳信用資產的成功開發或購得加快了本集團全球碳中和業務的發展進程，並使得本集團躋身成為亞太地區最大的碳信用資產持有者之一，充分體現了本集團獨特的碳資產開發與管理優勢，為本集團成為亞太地區主要的碳資產交易商及碳資產管理者奠定了良好的基礎。本集團計劃持續積極參與國際各大碳資產市場的交易業務，持續擴大自身持有的碳資產，以進一步提升本集團的新型碳資產開發經營和管理能力。

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截至二零二一年六月三十日止六個月

8. FINANCE COSTS

8. 財務費用

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Interest on lease liabilities	租賃負債利息	19	156
Interest on bank and other borrowings	銀行及其他借款利息	2,387	2,872
Interest on promissory notes	承兌票據利息	29,011	15,242
Imputed interest on convertible bonds	可換股債券之推算利息	17,214	13,868
		48,631	32,138

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簡明綜合中期財務資料附註

Six months ended 30 June 2021
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9. PROFIT BEFORE TAX

9. 除稅前溢利

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
The Group's profit before tax is arrived at after charging:	本集團之除稅前溢利已扣除下列各項：		
Cost of sales	銷售成本		
Cost of services provided	已提供服務成本	203,722	207,327
Cost of goods sold	已售貨物成本	–	2,498
		203,722	209,825
Impairment of property, plant and equipment	物業、機器及設備減值	–	28,904
Impairment of goodwill	商譽減值	–	16,338
Impairment of accounts receivables	應收賬款減值	1,664	3,223
Impairment of contract assets	合約資產減值	208	397
Depreciation or property, plant and equipment	物業、機器及設備折舊	132	2,273
Depreciation of right-of-use assets	使用權資產折舊	988	2,039
Directors' remuneration	董事酬金	4,276	2,487
–Share-based payment expense	–股份為基礎支付的開支	30,265	–
Employee benefits expenses (exclusive of directors' remuneration)	員工福利開支(不包括董事酬金)	6,682	12,384

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簡明綜合中期財務資料附註

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

10. INCOME TAX EXPENSE

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI. No provision for Hong Kong profits tax has been made for the six months ended 30 June 2021 as there was no assessable profits generated on the estimated assessable profits arising in Hong Kong for the period.

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong for the six months ended 30 June 2020.

10. 所得稅開支

根據開曼群島及英屬處女群島（「英屬處女群島」）的法例及規例，本集團毋須繳付開曼群島及英屬處女群島的任何所得稅。截至二零二一年六月三十日止六個月，由於概無應課稅溢利產生，因此概無就期內自香港產生之估計應課稅溢利計提香港利得稅撥備。

於截至二零二零年六月三十日止六個月，香港利得稅按於香港產生的估計應課稅溢利以16.5%稅率計提撥備。

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Current charge for the period – Hong Kong profit tax	期間即期支出 – 香港利得稅	–	43
Total tax charge for the period	期間稅項支出總額	–	43

11. DIVIDEND

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

11. 股息

董事會不建議派付截至二零二一年六月三十日止六個月之任何中期股息（截至二零二零年六月三十日止六個月：無）。

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簡明綜合中期財務資料附註

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12. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

The calculation of the basic earnings per share amounts for the six months ended 30 June 2021 and 2020 are based on the consolidated profit for the period attributable to owners of the Company of HK\$407,964,000 (2020: HK\$499,053,000) and the weighted average number of 222,891,000 (2020: 200,000,000) ordinary shares in issue during the period.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to the owners of the Company, adjusted to reflect the interest on the convertible bonds. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

12. 母公司擁有人應佔每股盈利

於計算截至二零二一年及二零二零年六月三十日止六個月的每股基本盈利金額時，乃根據本公司擁有人應佔期內綜合溢利407,964,000港元(二零二零年：499,053,000港元)及期內已發行普通股的加權平均數222,891,000股(二零二零年：200,000,000股)計算。

每股攤薄盈利金額乃基於本公司擁有人應佔期內溢利計算，並經調整以反映可換股債券利息。用於計算之普通股加權平均數為每股基本盈利計算中使用的年內已發行普通股數目，且普通股加權平均數乃假設於視為行使或轉換所有攤薄潛在普通股為普通股時按零代價發行。

每股基本及攤薄盈利的計算基於：

		Unaudited 未經審核	
		Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元
Earnings	盈利		
Profit attributable to owners of the Company, used in basic earnings per share calculation	用於計算每股基本盈利的本公司擁有人應佔溢利	407,964	499,053
Interest on convertible bonds	可換股債券之利息	17,214	13,868
Profit attributable to owners of the Company before interest on convertible bonds	扣除可換股債券利息前本公司擁有人應佔溢利	425,178	512,921

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12. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT (Continued) 12. 母公司擁有人應佔每股盈利 (續)

		Number of shares 股份數目 Unaudited 未經審核 Six months ended 30 June 截至六月三十日止六個月	
		2021 二零二一年	2020 二零二零年
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	用於計算每股基本盈利之期內已發行普通股加權平均數	222,891,050	200,000,000
Effect of dilution – weighted average number of ordinary shares:	攤薄影響 – 普通股加權平均數：		
Convertible bonds	可換股債券	184,281,768	195,000,000
Weighted average number of ordinary shares in issue during the period used in diluted earnings per share calculation	用於計算每股攤薄盈利之期內已發行普通股加權平均數	407,172,818	395,000,000

No adjustment has been made to the basic loss per share amount presented for the six months ended 30 June 2020 in respect of a dilution as the impact of the convertible bonds outstanding during the period had an anti-dilutive effect on the basic loss per share amount presented.

由於期間內尚未行使可換股債券之影響對呈列之每股基本虧損金額具有反攤薄作用，故並無就截至二零二零年六月三十日止六個月呈列之每股基本虧損金額作出攤薄調整。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、機器及設備

		HK\$'000 千港元
Six months ended 30 June 2021		
	截至二零二一年六月三十日止六個月	
Net carrying amount at 1 January 2021 (Audited)	於二零二一年一月一日之賬面淨值 (經審核)	512
Additions	添置	799
Depreciation	折舊	145
Net carrying amount at 30 June 2021 (Unaudited)	於二零二一年六月三十日之賬面淨值 (未經審核)	1,166
		HK\$'000 千港元
Six months ended 30 June 2020		
	截至二零二零年六月三十日止六個月	
Net carrying amount at 1 January 2020 (Audited)	於二零二零年一月一日之賬面淨值 (經審核)	32,120
Additions	添置	106
Impairment	減值	(28,904)
Depreciation	折舊	(2,273)
Exchange realignment	匯兌調整	(417)
Net carrying amount at 30 June 2020 (Unaudited)	於二零二零年六月三十日之賬面淨值 (未經審核)	632

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Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

14. GOODWILL

14. 商譽

		HK\$'000 千港元
Six months ended 30 June 2021	截至二零二一年六月三十日止六個月	
Net carrying amount:	賬面淨值：	
At 1 January 2021 (Audited)	於二零二一年一月一日(經審核)	-
Acquisitions of subsidiaries	收購附屬公司	2,755
At 30 June 2021 (Unaudited)	於二零二一年六月三十日(未經審核)	2,755
At 30 June 2021:	於二零二一年六月三十日：	
Cost	成本	2,755
Accumulated impairment	累計減值	-
Net carrying amount	賬面淨值	2,755

For the six months period ended 30 June 2021

截至二零二一年六月三十日止六個月期間

The goodwill as at 30 June 2021 included goodwill of HK\$2,755,000 arising from acquisition of a subsidiary during the six months ended 30 June 2021.

於二零二一年六月三十日之商譽包括截至二零二一年六月三十日止六個月收購一間附屬公司產生之商譽2,755,000港元。

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14. GOODWILL (Continued)

14. 商譽 (續)

		HK\$'000 千港元
Six months ended 31 December 2020	截至二零二零年十二月三十一日止六個月	
Net carrying amount:	賬面淨值:	
At 1 January 2020 (Audited)	於二零二零年一月一日(經審核)	16,557
Impairment during the period	期間減值	(16,338)
Exchange realignment	匯兌調整	(219)
At 31 December 2020 (Unaudited)	於二零二零年十二月三十一日(未經審核)	—
At 31 December 2020:	於二零二零年十二月三十一日:	
Cost	成本	16,338
Accumulated impairment	累計減值	(16,338)
Net carrying amount	賬面淨值	—

For the year ended 31 December 2020

Goodwill acquired through a business combination is allocated to the cash-generating unit of the Automotive Engines Business (the "Automotive Engines CGU") for impairment testing, together with the property, plant and equipment of the Automotive Engines CGU.

截至二零二零年十二月三十一日止年度

透過業務合併所收購的商譽被分配至汽車發動機業務之現金產生單位(「汽車發動機現金產生單位」)，與汽車發動機現金產生單位之物業、機器及設備共同作減值測試。

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Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

14. GOODWILL (Continued)

Impairment test of the Automotive Engines CGU

The full resumption of production of the Automotive Engines Business Customers encountered further delay since 2019 due to the shortage in supply due to the suppliers' concern on the payment ability of the Automotive Engines Business Customers. The Automotive Engines Business Customers need to undergo further financial and operational restructuring to address the suppliers' concern but such restructuring is still in progress as of the reporting date. Based on discussion with the Automotive Engines Business Customers, only the restructuring of one of the Automotive Engines Business Customers, namely Baic Yinxiang Automobile Co., Ltd.* (北汽銀翔汽車有限公司, "BAIC Yinxiang") is making progress but the result of the restructuring is still uncertain. Moreover, it is expected the COVID-19 outbreak will further delay the restructuring negotiation and progress.

For year ended 31 December 2020, the resumption progress of the key automotive engines business customers remained unpromising. The restructuring of BAIC Yinxiang is still in progress and the result remained uncertain. The resumption target, plan or schedule of BAIC Yinxiang remained unknown to the Group. Due to the unsatisfactory progress of the customers' resumption, together with the heavy impact of the COVID-19 outbreak, the automotive engines business of the Group recorded a minimal operation. Moreover, based on discussion with BAIC Yinxiang, a new engine production line may be injected into BAIC Yinxiang after the restructuring which may reduce their orders to the automotive engines business of the Group in the future.

In view of the above situations, the Board performed an impairment assessment as at 30 June 2020 and recognised impairment losses of HK\$16,338,000 and HK\$28,416,000 respectively in connection with goodwill allocated to Automotive Engines CGU and the property, plant and equipment of the Automotive Engines CGU ("2020 Interim Valuation"). The impairment losses are made based on the results of impairment tests for the goodwill and the property, plant and equipment using their value in use calculation with reference to a valuation performed by Moore Transaction Services Limited ("Moore"), (formerly known as "Moore Stephens Advisory Services Limited"), an independent professionally qualified valuer.

14. 商譽 (續)

汽車發動機現金產生單位之減值測試

由於供應短缺，供應商擔憂汽車發動機業務客戶的支付能力，自二零一九年起汽車發動機業務客戶再度延後全面恢復生產。汽車發動機業務客戶需要進行進一步財務及運營重組（惟於報告日期該重組仍在進行）以解決供應商的擔憂。根據與汽車發動機業務客戶的討論，僅其中一位汽車發動機業務客戶（即北汽銀翔汽車有限公司「北汽銀翔」）的重組正在進行，惟重組結果仍不確定。此外，預計新型冠狀病毒（COVID-19）的爆發將再度延後重組談判及進度。

截至二零二零年十二月三十一日止年度期間，主要汽車發動機業務客戶的恢復進展仍不樂觀。北汽銀翔的重組仍在進行中且結果仍不確定。本集團尚不清楚北汽銀翔的恢復目標、計劃或時間表。由於客戶的恢復進展不如人意，加上COVID-19疫情的嚴重影響，本集團的汽車發動機業務僅錄得少量業務。此外，基於與北汽銀翔的討論，北汽銀翔重組後可能注入一條新的發動機生產線，此可能減少其日後對本集團汽車發動機業務的訂單。

鑒於上述情況，董事會已於二零二零年六月三十日進行減值評估，並就被分配至汽車發動機現金產生單位的商譽及汽車發動機現金產生單位的物業、機器及設備分別確認減值虧損16,338,000港元及28,416,000港元（「二零二零年中期評估」）。減值虧損乃基於採用使用價值計算之商譽及物業、機器及設備減值測試結果並參考獨立專業合資格估值師Moore Transaction Services Limited（「Moore」）（前稱「馬施雲諮詢有限公司」）進行的估值而作出。

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14. GOODWILL (Continued)

Impairment test of the Automotive Engines CGU (Continued)

The following describes each key assumption on which management has based, to undertake impairment testing of goodwill and property, plant and equipment:

- (a) the cash flow projections from 1 July 2020 to 31 December 2025 (the “Forecast Period”) on management expectation of future business performance and prospects of the Automotive Engines CGU;
- (b) since only the restructuring on BAIC Yinxiang is making progress, the uncertainty about the resumption of the operations of other Automotive Engines Business Customers is very high. It is therefore assumed only BAIC Yinxiang can resume its operations during the Forecast Period. Therefore, only potential cashflow from the purchase plan of BAIC Yinxiang is considered in the projected cashflow during the Forecast Period;
- (c) given the restructuring of BAIC Yinxiang is still in progress, it is assumed BAIC Yinxiang can only resume its operations and execute its purchasing plan from 2021 onwards;
- (d) downward adjustments of 77% on the quantity from the purchasing plan of BAIC Yinxiang were made by the management considering the historical difference between the actual purchase from BAIC Yinxiang and the past purchase plans, the uncertainty of the success of the restructuring as well as the potential impact from the possible new engines production line to be injected into BAIC Yinxiang. The forecasted revenue was estimated at approximately HK\$463,465,000 during Forecast period;

14. 商譽 (續)

汽車發動機現金產生單位之減值測試 (續)

下文描述管理層進行商譽及物業、機器及設備減值測試時所根據的各項主要假設：

- (a) 根據管理層對汽車發動機現金產生單位未來業務表現及前景的預期而得出的自二零二零年七月一日至二零二五年十二月三十一日 (「預測期間」) 的預測現金流量；
- (b) 由於僅北汽銀翔正在進行重組，故其他汽車發動機業務客戶恢復營運存在很大不確定性。因此，假設僅北汽銀翔可於預測期間恢復營運。因此，於預測期間，僅北汽銀翔採購計劃之潛在現金流量被視為預測現金流量；
- (c) 鑒於北汽銀翔仍在進行重組，故假設北汽銀翔僅可於二零二一年後恢復營運並執行其採購計劃；
- (d) 管理層經考慮北汽銀翔的實際採購與過往採購計劃的歷史差額、重組成功的不確定性以及可能注入北汽銀翔的新發動機生產線產生的潛在影響，而對北汽銀翔的採購計劃數量下調77%。預測期間的預測收益約463,465,000港元；

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14. GOODWILL (Continued)

Impairment test of the Automotive Engines CGU (Continued)

- (e) the net (loss)/profit margin of (12.7%) to 1.6% throughout the Forecast Period were estimated by the management based on the historical gross profit margin and fixed overheads with downward adjustments considering higher marketing expenses in the future. The forecasted net loss during the Forecast Period ranges from net loss of HK\$8,081,000 to net profit HK\$1,937,000 during Forecast period;
- (f) the pre-tax discount rate of 20.29% are used with reference to the current market data for relevant industry and comparable companies; and
- (g) the growth rate beyond 2024 was 2.5% which did not exceed the long-term average growth rate of the industry and the economy.

The significant changes of the inputs and assumptions used in the 2020 Interim Valuation from those previously adopted in 2019 is the downward adjustment from the purchase plan of BAIC Yinxiang increased from 70% in 2019 to 77% in 2020 due to the increased uncertainty of the future orders for BAIC Yinxiang given the possible new production line to be injected.

Based on the impairment assessment, the Board estimated that the automotive engines business customers would generate to the Group an aggregate revenue of HK\$463,465,000 during the Forecast Period and an aggregate net loss before any impairment loss of Automotive Engines Assets of HK\$16,762,000 during the Forecast Period. Accordingly, full provision for impairment of the Group's Automotive Engines Assets were made as at 31 December 2020.

14. 商譽 (續)

汽車發動機現金產生單位之減值測試 (續)

- (e) 預測期間的淨(虧損)／溢利率(12.7%)至1.6%由管理層根據歷史毛利率及固定經常性開支進行估計，並考慮到日後營銷開支較高而作出下調。預測期間的預測虧損淨額介乎虧損淨額8,081,000港元至溢利淨額1,937,000港元；
- (f) 參照相關行業及可比公司的現有市場數據，使用20.29%的稅前貼現率；及
- (g) 二零二四年後的增長率為2.5%，並未超出行業及經濟的長期平均增長率。

二零二零年中期評估中所使用的輸入數據及假設與先前於二零一九年所採納者的重大變動為北汽銀翔的採購計劃下調幅度由二零一九年的70%增加至二零二零年的77%，乃由於可能注入的新生產線令北汽銀翔日後訂單的不確定性增加。

基於減值評估，董事會預測汽車發動機業務客戶於預測期間將為本集團帶來總收益463,465,000港元，及於預測期間汽車發動機資產的任何減值虧損前的虧損淨額總額16,762,000港元。因此，於截至二零二零年十二月三十一日已對本集團汽車發動機資產減值作出悉數撥備。

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15. INVENTORIES

Inventories include the spot carbon credit assets which are stated at fair value (excluding carbon credit futures). The Carbon credit assets originated from the International Certified Emission Reduction generated from various projects such as biomass power generation, solar pv power generation, landfill gas recovery and power generation, and coal mine methane power generation.

These International Certified Emission Reductions are tradable carbon credit assets that comply with the Gold Standard (GS) and the Verified Carbon Standard (VCS).

As at 30 June 2021, a valuation of the carbon credit assets value was performed by Crowe (HK) Global Corporate Advisory Limited, an independent professionally qualified valuer.

16. CONTRACT ASSETS

Contract assets arising from:	來自以下各項的合約資產：
Construction services	建造服務
Civil engineering services	土木工程服務

		Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
		11,021	8,905
		55,244	81,961
		66,265	90,866
Impairment	減值	(208)	(145)
		66,057	90,721

The excess of cumulative revenue recognised in profit or loss over the cumulative billings for construction or civil engineering services are recognised as contract assets. Included in contract assets for construction or civil engineering services are retention receivables. Upon completion of construction or civil engineering work and acceptance by customer, the amounts recognised as contract assets are reclassified to accounts receivables. The Group's trading terms and credit policy with customers are disclosed in note 17 to the financial statements.

15. 存貨

存貨包括現貨碳信用資產，按公允價值（不包括期貨碳信用資產）列賬。碳信用資產源自生物質發電、垃圾填埋發電、煤層氣發電等各種項目產生的國際核證減排量。

該等國際核證減排量是符合黃金標準 (GS) 和核證碳標準「VCS」的可交易的碳信用資產。

於二零二一年六月三十日，獨立專業合資格估值師國富浩華（香港）企業諮詢有限公司對碳信用資產價值進行估值。

16. 合約資產

於損益中確認的累計收入超過建築或土木工程服務累計賬單部分確認為合約資產。建築或土木工程服務合約資產中包括應收保證金。待客戶完成建築或土木工程及接納後，確認為合約資產的金額重新分類至應收賬款。本集團與客戶的交易條款及信貸政策披露於財務報表附註17。

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16. CONTRACT ASSETS (Continued)

The expected timing of recovery or settlement for contract assets is as follows:

		Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
Within one year	一年內	64,954	74,521
After one year	一年後	1,103	16,200
Total contract assets	總合約資產	66,057	90,721

The movements in the loss allowance for impairment of contract assets are as follows:

		Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
At beginning of period	於期初	145	101
Impairment of losses (note 9)	減值虧損 (附註9)	63	44
At end of period	於期末	208	145

16. 合約資產 (續)

收回或結算合約資產的預期時間如下：

合約資產減值虧損撥備變動如下：

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16. CONTRACT ASSETS (Continued)

Included in the above impairment allowance for contract assets is an allowance for an individually impaired contract asset of HK\$nil (31 December 2020: HK\$397,000) which was considered in default due to indicators which showed that the Group unlikely to receive the outstanding contractual amount in full. Except for the specific impairment allowance mentioned above, an impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates for the measurement of the expected credit losses of the contract assets are based on those of the accounts receivable as the contract assets and the accounts receivable are from the same customer bases, the expected credit losses of contract assets were minimal as at 30 June 2021 and 31 December 2020.

Set out below is the information about the credit risk exposure on the Group's contract assets using a provision matrix:

16. 合約資產 (續)

上述合約資產減值撥備包括個別減值合約資產零港元(二零二零年十二月三十一日: 397,000港元)的準備金,其被視為已拖欠,乃由於指標顯示本集團不大可能全額收取未償還的合約金額。除上述特定減值撥備外,於各報告日期使用撥備矩陣進行減值分析,以計量預期信貸虧損。計量合約資產預期信貸虧損的撥備比率乃基於該等應收賬款,因為合約資產及應收賬款來自相同客戶基礎,於二零二一年六月三十日及二零二零年十二月三十一日,合約資產的預期信貸虧損微乎其微。

下文列載使用撥備矩陣計算的本集團合約資產的信貸風險資料:

		Unaudited 未經審核 30 June 2021 二零二一年 六月三十日	Audited 經審核 31 December 2020 二零二零年 十二月三十一日
Expected credit loss rate	預期信貸虧損比率	0.0%-0.04%	0.06%-41.87%
		HK\$'000 千港元	HK\$'000 千港元
Gross carrying amount	賬面總值	66,265	90,866
Expected credit losses	預期信貸虧損	208	145

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17. ACCOUNTS RECEIVABLES

Accounts receivables represented receivables for contract work (at 31 December 2020: for contract work and sale of automotive engines). The payment terms of contract work receivables are stipulated in the relevant contracts and the credit period is generally 30 days. The payment terms for receivables arising from sales of automotive engines are mainly on credit and the credit period is generally 90 days. The carrying amounts of accounts receivables approximate to their fair values. The Group does not hold any collateral or other credit enhancements over its accounts receivable balances and they are non-interest bearing.

17. 應收賬款

應收賬款指合約工程（於二零二零年十二月三十一日：合約工程及銷售汽車發動機）應收款。合約工程應收款的付款期於有關合約中訂明，而信貸期一般為30日。來自銷售汽車發動機的應收款項的付款期以信貸為主，而信貸期一般為90日。應收賬款的賬面值與其公允價值相若。本集團並無就其應收賬款結餘持有任何抵押品或其他信用增級，且彼等為無息。

		Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
Accounts receivable	應收賬款	40,302	777,880
Impairment	減值	(1,664)	(682,856)
		38,638	95,024

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17. ACCOUNTS RECEIVABLES (Continued)

The ageing analysis of the accounts receivable as at the end of the reporting period, based on the invoice or delivery date and net of loss allowance, as follows:

		Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
Within 3 months	三個月內	38,105	51,035
4 months to 6 months	四至六個月	474	2,485
Over 6 months	六個月以上	59	41,504
		38,638	95,024

The movements in the loss allowance for impairment of accounts receivables are as follows:

		Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
At the beginning of period	期初	682,856	491,100
Disposal of subsidiaries	出售附屬公司	(682,046)	-
Impairment losses, net	減值虧損淨額	854	152,914
Exchange realignment	匯兌調整	-	38,842
At the end of period	期末	1,664	682,856

17. 應收賬款 (續)

於報告期末，應收賬款按發票或交付日期及扣除虧損撥備後的賬齡分析如下：

應收賬款減值虧損撥備變動如下：

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17. ACCOUNTS RECEIVABLES (Continued)

Impairment

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses on remaining accounts receivables. The Group determines the provision for expected credit losses by grouping together accounts receivables with similar credit risk characteristics and collectively assessing them for likelihood of recovery, taking into account prevailing economic conditions.

Set out below is the information about the credit risk exposure on the Group's accounts receivables using a provision matrix:

17. 應收賬款 (續)

減值

於各報告日期使用撥備矩陣進行減值分析，以計量剩餘應收賬款之預期信貸虧損。為評估預期信貸虧損，本集團按照相同的信貸風險特徵對應收賬款分組及考慮目前經濟情況，集體評估收回的可能性。

下文列載使用撥備矩陣計算的本集團應收賬款的信貸風險資料：

		Pass due 逾期			
		Current 即期	1-3 months 一至三個月	Over 3 months 三個月以上	Total 總計
30 June 2021 (Unaudited)	二零二一年六月三十日 (未經審核)				
Expected credit losses rate	預期信貸虧損率	0.4%	1.2%	91.8%	4.1%
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Gross carrying amount	賬面總值	37,432	776	2,094	40,302
Expected credit losses	預期信貸虧損	93	9	1,561	1,664
31 December 2020 (Audited)	二零二零年十二月 三十一日(經審核)				
Expected credit losses rate	預期信貸虧損率	1.5%	5.8%	94.0%	87.8%
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Gross carrying amount	賬面總值	50,401	1,528	725,951	777,880
Expected credit losses	預期信貸虧損	735	88	682,033	682,856

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17. ACCOUNTS RECEIVABLES (Continued) Impairment (Continued)

Set out below is the information about the credit risk exposure on the Group's accounts receivables by business segments:

		Civil Engineering & Construction 土木工程及建造		Automotive Engines 汽車發動機		Total 總值	
		Unaudited 未經審核	Audited 經審核	Unaudited 未經審核	Audited 經審核	Unaudited 未經審核	Audited 經審核
		30 June 2021 二零二一年 六月三十日	31 December 2020 二零二零年 十二月三十一日	30 June 2021 二零二一年 六月三十日	31 December 2020 二零二零年 十二月三十一日	30 June 2021 二零二一年 六月三十日	31 December 2020 二零二零年 十二月三十一日
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Gross amount	總額	40,302	54,389	-	723,491	40,302	777,880
Impairment	減值	(1,664)	(810)	-	(682,046)	(1,664)	(682,856)
		38,638	53,579	-	41,445	38,638	95,024

Impairment for the year ended 31 December 2020

The Group engaged Moore to perform an independent assessment report to provide references to the Group for the assessment of expected credit loss of accounts receivables for the Company in accordance to HKFRS 9.

Concerning the civil engineering and construction segment, since the customers were mainly institutions related with the Hong Kong Government, public companies or associates of public companies, large and private organisation, Moore have obtained or estimated their relevant credit ratings and determined the relevant default and recovery rates according to historical statistics. The Group has also considered possible changes in the macro economy and other factors which may result in different default behavior and credit risks of the debtors as compared to its historical performance. Based on the available information as of the time, it was not expected there could be changes in the credits of the customers in this segment.

17. 應收賬款 (續) 減值 (續)

下文列載按業務分部劃分的本集團應收賬款信貸風險的資料：

截至二零二零年十二月三十一日止年度之減值

本集團委聘Moore進行獨立評估報告，為本集團根據香港財務報告準則第9號評估本公司應收賬款的預期信貸虧損提供參考。

關於土木工程及建造業務分部，由於客戶主要為與香港政府有關的機構、上市公司或上市公司的關聯人士、大型及私人機構，因此Moore獲得或估計彼等相關信用等級，並根據歷史統計資料釐定相關的違約率及回收率。本集團亦考慮了宏觀經濟的可能變動及其他因素，與其歷史表現相比，該等變化可能導致債務人的違約行為及信貸風險有所不同。根據當時有憑證資料，預期該分部中的客戶信用不會發生變化。

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17. ACCOUNTS RECEIVABLES (Continued) Impairment (Continued)

Concerning the Automotive Engines segment, the full resumption of production of the Automotive Engines Business Customers encountered further delay since 2019 due to the shortage in supply due to the suppliers' concern on the payment ability of the Automotive Engines Business Customers. The Automotive Engines Business Customers need to undergo further financial and operational restructuring to address the suppliers' concern but such restructuring is still in progress. Based on discussion with the Automotive Engines Business Customers, as of the reporting date, only the restructuring of one of the Automotive Engines Business Customers, BAIC Yinxiang is making progress but the result of the restructuring is still uncertain. Moreover, it is expected the COVID-19 outbreak will further delay the restructuring negotiation and progress.

For year ended 31 December 2020, the resumption progress of the key automotive engines business customers remained unpromising. The restructuring of BAIC Yinxiang is still in progress and the result remained uncertain. The resumption target, plan or schedule of BAIC Yinxiang remained unknown to the Group. Considering the above factors, default rate of 100% was assigned to all Automotive Engines Business Customer. Moreover, due to slimmer chance of recovery after another year of slow restructuring progress, relevant recovery rates of 10% or 1%, were assigned to BAIC Yinxiang and other automotive engines business customers respectively.

17. 應收賬款 (續) 減值 (續)

關於汽車發動機業務分部，由於供應短缺，供應商擔憂汽車發動機業務客戶的支付能力，自二零一九年起，汽車發動機業務客戶再度延後全面恢復生產。汽車發動機業務客戶需要進行進一步財務及運營重組（惟該重組仍在進行）以解決供應商的擔憂。於報告日期，根據與汽車發動機業務客戶的討論，僅其中一位汽車發動機業務客戶北汽銀翔的重組正在進行，惟重組結果仍不確定。此外，預計新型冠狀病毒（COVID-19）疫情將再度延後重組談判及進度。

截至二零二零年十二月三十一日止年度，主要汽車發動機業務客戶的恢復進展仍不樂觀。北汽銀翔的重組仍在進行中且結果仍不確定。本集團尚不清楚北汽銀翔的恢復目標、計劃或時間表。鑒於上述情況，賦予所有汽車發動機業務客戶的違約率為100%。此外，由於全年重組進度緩慢及回收的可能性較小，賦予北汽銀翔及其他汽車發動機業務客戶的相關回收率分別為10%或1%。

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簡明綜合中期財務資料附註

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18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 At 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
Listed equity securities in Hong Kong 香港上市股本證券	22,600	-

The fair value of listed equity securities are based on quoted market prices.

上市股本證券之公允價值乃基於所報市價。

19. ACCOUNTS PAYABLES

An ageing analysis of accounts payable at the end of each reporting period, based on the invoice date, is as follows:

	Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
Within 3 months 三個月內	32,313	43,205
4 to 6 months 四至六個月	672	213
Over six months 超過六個月	6,543	297,020
	39,528	340,438

As at 30 June 2021, retentions payable included in accounts payable amounted to HK\$6,028,000 (31 December 2020: HK\$7,617,000), which are normally settled on terms ranging from two to three years. The carrying amounts of accounts payable approximate to their fair values.

於二零二一年六月三十日，應付賬款中包含的應付保留款項為6,028,000港元(二零二零年十二月三十一日：7,617,000港元)，一般於兩至三年內結算。應付賬款的賬面值與其公允價值相若。

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19. ACCOUNTS PAYABLES (Continued)

Accounts payable are non-interest bearing and are normally settled on terms ranging from 7 to 120 days. The payment terms are stipulated in the relevant contracts.

19. 應付賬款 (續)

應付賬款為免息，一般於7至120日內結算。支付條款於有關合約中訂明。

20. INTEREST-BEARING OTHER BORROWINGS

20. 計息其他借款

		Unaudited 未經審核 30 June 2021 二零二一年六月三十日			Audited 經審核 31 December 2020 二零二零年十二月三十一日		
		Contractual		HK\$'000 千港元	Contractual		HK\$'000 千港元
		interest rate (%) 合約年利率(%)	Maturity 到期日		interest rate (%) 合約年利率(%)	Maturity 到期日	
Current	即期						
Other loans – unsecured	其他貸款-無抵押	10%	2021	1,500	10%	2021	1,500
Other loans – unsecured	其他貸款-無抵押	10%-12%	on demand	36,500*	10%-12%	on demand 須應要求償還	36,500*
				38,000			38,000
Non-Current	非即期						
Other loans – unsecured	其他貸款-無抵押	5%	2023	6,000	5%	2023 二零二三年	6,000
				44,000			44,000

* Included in other loan is loan of HK\$31,500,000 (2020: HK\$31,500,000) from a related company, which is controlled by Mr. Jiang Jianhui, a controlling shareholder of the Company.

* 其他貸款包括本公司控股股東姜建輝先生控制的關聯公司之31,500,000港元(二零二零年: 31,500,000港元)的貸款。

Note:

All borrowings are in Hong Kong dollars.

附註:

所有借款以港元計值。

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簡明綜合中期財務資料附註

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21. PROMISSORY NOTES

21. 承兌票據

		Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
First Note	第一票據	78,450	123,200
Second Note	第二票據	106,289	166,683
		184,739	289,883
Analysis into:	分析為：		
Current portion	即期部分	52,896	18,564
Non-current portion	非即期部分	131,843	271,319
		184,739	289,883

On 4 February 2016, the Company issued two promissory notes with face values of HK\$174,250,000 (the "First Note") and HK\$235,750,000 (the "Second Note") in favour of Power Expert Global Limited ("Power Expert") as part of the consideration for the Engines Acquisition. Both the First Note and Second Note carry interest at a rate of 10% per annum. The outstanding principal amounts plus any accrued interest will be repayable on the maturity date falling on the second anniversary of the date of the First Note and Second Note, i.e. 3 February 2018.

於二零一六年二月四日，本公司向巧能環球有限公司（「巧能環球」）發行兩批承兌票據，面值分別為174,250,000港元（「第一票據」）及235,750,000港元（「第二票據」），以作為發動機收購事項的部分代價。第一票據及第二票據均按年利率10%計息。未償還本金額連同任何累計利息將須於第一票據及第二票據的第二週年當日（即二零一八年二月三日）的到期日償還。

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21. PROMISSORY NOTES (Continued)

On 31 December 2017, the Company had extended the maturity date of the First Note and Second Note for 2 years from 4 February 2018 to 4 February 2020 and the interest rate was adjusted downwards from 10% to 8% per annum, all accrued and outstanding interest shall be repaid on the extended maturity date of 4 February 2020.

On 8 November 2019, the Company and Power Expert entered into an amendment agreement, pursuant to which the term of the promissory notes will be changed to perpetual and the interest rate will be fixed at 5% per annum with effect from 5 February 2020, payable annually and the interest accrued on or before 4 February 2020 shall be payable on 4 February 2025 (“**PN Extension**”). Further details are set out in the Company’s announcement dated 8 November 2019 and the Company’s circular dated 19 December 2019. This proposed amendment took effect on 14 January 2020. As a result of PN Extension, the gain on modification of promissory notes amounted to HK\$294,577,000 was recognised based on revaluation upon the date of execution, i.e. 14 January 2020. The revaluation was carried out by Moore.

21. 承兌票據 (續)

於二零一七年十二月三十一日，本公司已將第一票據及第二票據之到期日由二零一八年二月四日延長兩年至二零二零年二月四日，而年利率已由10%調整降至8%，所有應計款項及尚未償還利息須於二零二零年二月四日經延長到期日償還。

於二零一九年十一月八日，本公司與巧能環球訂立修訂協議，據此，承兌票據的期限將改為永久性，固定年利率將為5%，自二零二零年二月五日起，每年支付一次，且於二零二零年二月四日或之前產生的利息應於二零二五年二月四日支付（「**承兌票據延長**」）。進一步詳情載列於本公司日期為二零一九年十一月八日之公告及本公司日期為二零一九年十二月十九日之通函。該建議修訂於二零二零年一月十四日生效。由於承兌票據延長，根據簽立日期（即二零二零年一月十四日）之重新估值，確認修訂承兌票據之收益294,577,000港元。該重估乃由Moore進行。

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21. PROMISSORY NOTES (Continued)

On 3 February 2020, the Company received an assignment notice from Power Expert notifying the Company that Power Expert has agreed to assign the promissory notes to LEGH. The Company has given its consent on the transfer and issued new certificates of the promissory notes to LEGH.

On 12 October 2020, the Company received an assignment notice from LEGH notifying the Company that LEGH has agreed to assign the entire promissory notes back to Power Expert. The Company has given its consent on the transfer and issued new certificates of the promissory notes to Power Expert.

On 29 January 2021, the Group disposed a wholly-owned subsidiary of the Company at a consideration of HK\$41,500,000, and HK\$41,000,000 was settled by the purchaser by way of waiver of the interests of the PN held by Power Expert. The fair value of the waived promissory notes interest a amount of HK\$39,300,000 based on revaluation carried by CH Global.

During the reporting period, the Company early settled the PN interest with aggregate amount of HK\$50,500,000 representing the interest repayment in aggregate amount of HK\$82,000,000.

As a result of PN Interest waiver and early settlement of PN interest, the gain on modification of promissory notes amounted to HK\$44,354,000 was recognised for the six months ended 30 June, 2021, based on revaluation carried out by CH Global.

As at 30 June 2021, the promissory notes with carrying amount of HK\$131,843,000 (2020: HK\$271,319,000) was recognized as non-current liabilities and HK\$52,896,000 was recognized as current liabilities (31 December 2020 HK\$18,564,000).

The carrying amounts of the First Note and Second Note at end of reporting period were computed by discounting the face values of the notes by the effective interest rate and the outstanding interest payable.

21. 承兌票據 (續)

於二零二零年二月三日，本公司從巧能環球收到轉讓通知，知會本公司巧能環球已同意將承兌票據轉讓予LEGH。本公司已同意轉讓事項，並已發行承兌票據新證書予LEGH。

於二零二零年十月十二日，本公司從LEGH收到轉讓通知，知會本公司LEGH已同意將全部承兌票據轉回巧能環球。本公司已同意轉讓事項，並已發行承兌票據新證書予巧能環球。

於二零二一年一月二十九日，本集團以代價41,500,000港元出售本公司之全資附屬公司，41,000,000港元以豁免巧能環球持有之承兌票據利息之方式支付。豁免承兌票據利息之公允價值39,300,000港元乃基於浩富環球進行之重估。

於報告期內，本公司提前支付總額為50,500,000港元之承兌票據利息，相應還本付息總額為82,000,000港元。

承兌票據利息豁免及提前支付承兌票據利息後，根據浩富環球進行的重估，截至二零二一年六月三十日止六個月，修改承兌票據的收益為44,354,000港元。

於二零二一年六月三十日，賬面值為131,843,000港元(二零二零年：271,319,000港元)的承兌票據確認為非流動負債，及52,896,000港元確認為流動負債(二零二零年十二月三十一日：18,564,000港元)。

第一票據及第二票據於報告期末的賬面值已按實際利率及尚未償還應付利息將票據的面值貼現計算。

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22. CONVERTIBLE BONDS

The convertible bonds recognised in the consolidated statement of financial position are bifurcated into two components for accounting purpose, namely the liability component and the equity component, and the movements of these components during the reporting period are as follows:

22. 可換股債券

於綜合財務狀況表確認的可換股債券就會計用途而分為兩個部分，分別為負債部分及權益部分，而該等部分於報告期內的變動如下：

		Liability component 負債部分 HK\$'000 千港元	Equity component 權益部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2019 and 1 January 2020 (Audited)	於二零一九年 十二月三十一日及 二零二零年一月一日 (經審核)	386,333	375,576	761,909
Interest expense	利息開支	30,029	-	30,029
(Gain)/loss on extinguishment of convertible bonds, net (note6)	註銷可換股債券之(收益)/ 虧損淨額(附註6)	(302,173)	8,461	(293,712)
At 31 December 2020 and 1 January 2021 (Audited)	於二零二零年 十二月三十一日及 二零二一年一月一日 (經審核)	114,189	384,037	498,226
Interest expense	利息開支	17,214	-	17,214
Conversion during the period	期內轉換	(9,628)	(30,372)	(40,000)
At 30 June 2021 (Unaudited)	於二零二一年六月三十日 (未經審核)	121,775	353,665	475,440

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22. CONVERTIBLE BONDS (Continued)

On 4 February 2016, the Company issued zero coupon convertible bonds with an aggregate principal amount of HK\$390,000,000 to Power Expert as part of the consideration for the acquisition of the Automotive Engines Business. The maturity date of the convertible bonds is on the second anniversary of the date of issuance (i.e. 4 February 2018). The convertible bonds bear no interest on the principal amount. No security or guarantee is granted in respect of the convertible bonds. The convertible bonds can be converted into 195,000,000 ordinary shares in the Company at the initial conversion price of HK\$2.00 per conversion share (subject to adjustment pursuant to the terms of the convertible bonds). The Company may at any time before the maturity date by written notice redeem the convertible bonds at 100% of the principal amount. Any amount of the convertible bonds which is redeemed by the Company will forthwith be cancelled.

On 13 March 2018, the Company has executed the extension of the maturity date of the convertible bonds for 2 years from 4 February 2018 to 4 February 2020. On 8 November 2019, the Company and the then holder of the convertible bonds, Power Expert, entered into an amendment agreement, pursuant to which (i) the maturity date of the convertible bonds shall be extended for 5 years to 4 February 2025. This proposed amendment took effect on 14 January 2020 ("CB Extension"). As a result of CB Extension, the liability and equity component was extinguished by HK\$302,173,000 and (HK\$8,461,000) respectively based on revaluation upon the date of execution, i.e. 14 January 2020. The revaluation was carried out by Moore. On the other hand, the carrying amount has been charged with imputed interest.

22. 可換股債券 (續)

於二零一六年二月四日，本公司向巧能環球發行本金總額為390,000,000港元的零息可換股債券，以作為收購汽車發動機業務的部分代價。可換股債券的到期日為發行日期的第二個週年(即二零一八年二月四日)。可換股債券的本金額並不計息。概無就可換股債券授出抵押或擔保。可換股債券可按初步換股價每股換股股份2.00港元(可根據可換股債券的條款調整)兌換為本公司的195,000,000股普通股。本公司可於到期日前隨時透過書面通知按本金額的100%贖回可換股債券。本公司所贖回的任何金額可換股債券將立即被註銷。

於二零一八年三月十三日，本公司將可換股債券之到期日由二零一八年二月四日延長兩年至二零二零年二月四日。於二零一九年十一月八日，本公司與當時可換股債券持有人巧能環球訂立修訂協議，據此，(i)可換股債券的到期日應延長5年至二零二五年二月四日。該建議修訂於二零二零年一月十四日生效(「可換股債券延長」)。由於可換股債券延長，根據二零二零年一月十四日(簽立日期)之重新估值，負債及權益部份分別註銷302,173,000港元及(8,461,000港元)。該重估乃由Moore進行。另一方面，賬面值已扣除應計利息。

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22. CONVERTIBLE BONDS (Continued)

On 3 February 2020, the Company received a duly-executed transfer notice from Power Expert notifying the Company that Power Expert has agreed to transfer the convertible bonds to LE Group Holdings Pte. Ltd. ("LEGH"). The Company has given its consent on the transfer and issued new certificates of the convertible bonds to LEGH.

On 7 October 2020, the Company received a transfer notice from LEGH notifying the Company that LEGH has agreed to transfer the entire convertible bonds back to Power Expert. The Company has given its consent on the transfer and issued new certificates of the convertible bonds to Power Expert.

On 19 March 2021, Power Expert issued a conversion notice to the Company in respect of the exercise of the conversion rights attached to the convertible bonds to the extent of HK\$40,000,000 and accordingly request the Company to issue 20,000,000 conversion shares of the Company. As all conditions for the conversion which were stipulated in the terms of the convertible bonds were fulfilled, the Company has given its consent on the conversion, and issue 20,000,000 conversion shares to Power Expert. On 26 March 2021, the partial conversion of the convertible bonds in the principal amounts of HK\$224,250,000 has completed, and 20,000,000 conversion shares has been issued and allotted to Power Expert.

As at 30 June 2021, the convertible bonds had a carrying amount of HK\$475,440,000 (31 December 2020: HK\$498,226,000), in which HK\$353,665,000 (31 December 2020: HK\$384,037,000) was recognized as equity and HK\$121,775,000 was recognized as non-current liabilities (31 December 2020: HK\$114,189,000).

As at 30 June 2021, the outstanding principal amount of the convertible bonds was HK\$350,000,000 (31 December 2020: HK\$390,000,000).

22. 可換股債券 (續)

於二零二零年二月三日，本公司從巧能環球收到妥為簽立的轉讓通知，知會本公司巧能環球已同意將可換股債券轉讓予LE Group Holdings Pte. Ltd. (「LEGH」)。本公司已同意轉讓事項，並已發行可換股債券新證書予LEGH。

於二零二零年十月七日，本公司從LEGH收到轉讓通知，知會本公司LEGH已同意將全部可換股債券轉讓予巧能環球。本公司已同意轉讓事項，並已發行可換股債券新證書予巧能環球。

於二零二一年三月十九日，巧能環球就行使40,000,000港元可換股債券隨附的換股權向本公司發出轉換通知，因而要求本公司發行20,000,000股換股股份。由於可換股債券條款中所訂明的轉換的所有條件已達成，故本公司已同意轉換，並向巧能環球發行20,000,000股換股股份。於二零二一年三月二十六日，部分轉換本金額為224,250,000港元之可換股債券已完成，且已向巧能環球發行及配發20,000,000股換股股份。

於二零二一年六月三十日，可換股債券賬面值為475,440,000港元(二零二零年十二月三十一日：498,226,000港元)，其中353,665,000港元(二零二零年十二月三十一日：384,037,000港元)確認為權益及121,775,000港元確認為非流動負債(二零二零年十二月三十一日：114,189,000港元)。

於二零二一年六月三十日，可換股債券的未償還本金額為350,000,000港元(二零二零年十二月三十一日：390,000,000港元)。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

23. SHARE CAPITAL

23. 股本

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股0.01港元的普通股		
Authorised:	法定：		
At 1 January 2020, 31 December 2020, 1 January 2021 and 30 June 2021	於二零二零年一月一日、 二零二零年十二月三十一日、 二零二一年一月一日及 二零二一年六月三十日	500,000	5,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2020, 31 December 2020, 1 January 2021	於二零二零年一月一日、 二零二零年十二月三十一日、 二零二一年一月一日	200,000	2,000
Issue of ordinary shares upon conversion of convertible bonds (Notes (i))	轉換可轉換債券時發行普通股 (附註(i))	20,000	200
Issue of subscription shares (Notes (ii))	發行認購股份 (附註 (ii))	40,000	400
At 30 June 2021	於二零二一年六月三十日	260,000	2,600

Notes:

- (i) On 26 March 2021, the Company has completed a partial conversion of the convertible bonds to the extent of HK\$40,000,000 and at the conversion price of HK\$2.00 per share, and accordingly issued 20,000,000 conversion shares to Power Expert.
- (ii) On 7 March 2021, the Company entered into two subscription agreements with two subscribers, namely Mao Yuan Capital Limited and Mr. Zhang Yaxun, in respect of the subscriptions of an aggregate of 40,000,000 subscription shares at the subscription price of HK\$4.80 per share.

On 9 April 2021, 16,240,000 Subscription Shares have been issued and allotted to Z&F International Trading Limited, a company controlled by Mr. Zhang Yaxun.

On 26 May 2021, 23,760,000 Subscription Shares have been issued and allotted to Mao Yuan Capital Limited. Further details were disclosed in the announcement of the Company dated 7 March 2021, 9 April 2021 and 26 May 2021.

附註：

- (i) 於二零二一年三月二十六日，本公司已完成按換股價每股股份2.00港元部分轉換40,000,000港元可換股債券，並因此發行20,000,000股換股股份給巧能環球。
- (ii) 於二零二一年三月七日，本公司與兩名認購人（即懋源資本有限公司及張亞循先生）訂立兩份認購協議，內容有關按認購價每股股份4.80港元認購合共40,000,000股認購股份。

二零二一年四月九日，向Z&F International Trading Limited（張亞循先生控制的公司）發行及配發16,240,000股認購股份。

二零二一年五月二十六日，向懋源資本發行及配發23,760,000股認購股份。進一步詳情於本公司日期為二零二一年三月七日、二零二一年四月九日及二零二一年五月二十六日的公告中披露。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

24. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in these interim financial statements, the Group had the following material transactions with related parties during the six months ended 30 June 2021:

	Notes 附註	Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
Interest expenses charged by a company of which a shareholder of the Company is a controlling shareholder	(i)	1,870	3,780

Notes:

- (i) Details are set out in note 20 to the financial statements.

(b) Compensation of key management personnel of the Group

Further details of the compensation of key management personnel of the Group representing the Directors are included in note 9 to the financial statements.

24. 關連方交易

- (a) 除該等中期財務報表其他章節詳述的交易及結餘外，本集團於截至二零二一年六月三十日止六個月有以下與關連方之主要交易：

	Notes 附註	Unaudited 未經審核 30 June 2021 二零二一年 六月三十日 HK\$'000 千港元	Audited 經審核 31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元
Interest expenses charged by a company of which a shareholder of the Company is a controlling shareholder	(i)	1,870	3,780

附註：

- (i) 詳情載於財務報表附註20。

(b) 本集團主要管理人員的報酬

有關本集團主要管理人員（即董事）報酬的進一步詳情載於財務報表附註9。

Notes to the Condensed Consolidated Interim Financial Information

簡明綜合中期財務資料附註

Six months ended 30 June 2021
截至二零二一年六月三十日止六個月

25. CONTINGENT LIABILITIES

As of 30 June 2021, the Group had the following contingent liabilities:

- (a) The guarantees given by the Group to certain banks in respect of performance bonds in favour of certain contract customers amounted to HK\$30,393,000 (31 December 2020: HK\$18,649,000).
- (b) In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the Group's sub-contractors in accidents arising out of and in the course of their employment. The directors are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

26. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

This unaudited condensed consolidated interim financial information was approved and authorised for issue by the Board on 30 August 2021.

25. 或然負債

截至二零二一年六月三十日，本集團有以下或然負債：

- (a) 本集團就給予若干合約客戶之履約保證金而向若干銀行提供的擔保為30,393,000港元(二零二零年十二月三十一日：18,649,000港元)。
- (b) 在本集團建造業務的日常過程中，本集團或本集團分包商的僱員因為在受僱期間發生意外導致人身傷害而向本集團提出若干索賠。董事認為，有關索賠屬於保險的承保範圍，不會對本集團的財務狀況或業績及經營構成任何重大不利影響。

26. 批准未經審核簡明綜合中期財務資料

此未經審核簡明綜合中期財務資料已獲董事會於二零二一年八月三十日批准及授權刊發。

BUSINESS REVIEW AND FINANCIAL REVIEW

Following the global trend of achieving carbon neutralization and responding to the climate change and the national strategy of “carbon peak in 2030 and carbon neutral in 2060” initiated by China, and focusing on the field of carbon neutrality, China Carbon Neutral Development Group Limited (“China Carbon Neutral”), on the one hand, develops basic industry field of negative carbon emission, and develops negative carbon emissions businesses such as carbon capture, utilization and storage (CCUS) and forest carbon sink; on the other hand, develops the related businesses of the carbon assets and carbon credits development, operation management and investment, as well as carbon consulting and planning. Based on the Group’s current civil engineering works, building construction and maintenance works, the Group strives to become a leading enterprise in the field of “carbon neutrality” in the capital market.

With an aim to reflect the new business plan and future business development direction of the Company and to bring new corporate image for the Company, the Company changed its company name to China Carbon Neutral Development Group Limited 中國碳中和發展集團有限公司 since 8 April 2021.

For the six months ended 30 June 2021, the Group was principally engaged in two business segments, which were (i) Global Carbon Neutral Business, including negative carbon emission business such as carbon capture, utilization and storage and forest carbon sink; the related businesses in the carbon assets and carbon credits development, operation management and investment, as well as carbon consulting and planning; and (ii) civil engineering works and building construction and maintenance works (the “Civil Engineering and Construction Business”).

In January 2021, the Group proceeded and completed the disposal of the Automotive Engines Business, which had recorded segmental loss since 2018 and had failed to make any progress on its business and financial performance. Following the disposal, the Group has ceased to be engaged in the Automotive Engines Business.

業務回顧及財務回顧

中國碳中和發展集團有限公司（「中國碳中和」）順應全球通過實現碳中和應對氣候變化的趨勢和中國提出的「2030年碳達峰和2060年碳中和」國家戰略，以碳中和領域業務為核心，一方面聚焦「負碳排放」為主的基礎產業，發展碳捕集、利用與封存（**碳捕集、利用與封存**）及森林碳匯等負碳排放業務；另一方面拓展碳資產和碳信用開發、經營管理及投資，以及碳諮詢和碳規劃相關業務。在本集團目前的土木工程、樓宇建造及保養業務的基礎上，力爭成為資本市場中「碳中和」領域的領先企業。

為反映本公司新業務計劃及其未來業務發展方向，以及為本公司帶來新企業形象，本公司之公司名字已於二零二一年四月八日更改為「中國碳中和發展集團有限公司」。

截至二零二一年六月三十日止六個月，本集團主要從事兩個業務分部，即(i)全球碳中和業務：包括碳捕集、利用與封存及森林碳匯等負碳排放業務；碳資產和碳信用開發、經營管理及投資，以及碳諮詢和碳規劃相關業務；及(ii)土木工程項目以及樓宇建造和保養工程（「**土木工程及建造業務**」）。

於二零二一年一月，由於本集團之汽車發動機業務自二零一八年錄得分部業務虧損及其業務和財務表現未有改善，本集團進行並已完成該業務的出售。於有關出售後，本集團已不再從事汽車發動機業務。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

For the six months ended 30 June 2021, the Group recorded a consolidated revenue of approximately HK\$218.7 million (2020: approximately HK\$215.8 million) and achieved a positive financial return from its new carbon neutral business. The Group recorded a profit attributable to owners of the Company of approximately HK\$408.0 million (2020: approximately HK\$499.1 million).

Such results were primarily attributable to:

- (i) a fair value gain on development of and investment in the Carbon Credits Assets of approximately HK\$127.8 million; and
- (ii) a fair value gain of approximately HK\$44.4 million on the promissory notes of the Company;
- (iii) a gain on disposal of a wholly-owned subsidiary of the Company, which represented the whole Automotive Engines Business of the Group, of approximately HK\$308.6 million in the first half of 2021; and
- (iv) the Civil Engineering and Construction Business achieved a stable performance for the six months ended 30 June 2021.

Basic and diluted earnings per share for the six months ended 30 June 2021 were approximately HK\$183.0 cents and HK\$104.4 cents respectively (2020: HK\$249.5 cents and HK\$129.9 cents).

During the reporting period, the capital structure of the Group improved significantly which was attributable to:

- (i) the Group ceased the loss-making business;
- (ii) the Group expand into new business, Global Carbon Neutral Business;

業務回顧及財務回顧 (續)

截至二零二一年六月三十日止六個月，本集團錄得綜合收益約218,700,000港元（二零二零年：約215,800,000港元），並在新的碳中和業務取得正財務回報。本集團錄得本公司擁有人應佔溢利約408,000,000港元（二零二零年：約499,100,000港元）。

有關業績乃主要由於：

- (i) 開發與投資碳信用資產之公允價值收益約127,800,000港元；及
- (ii) 本公司承兌票據之公允價值收益約44,400,000港元；
- (iii) 於二零二一年上半年出售本公司之全資附屬公司（即本集團之全部汽車發動機業務）之收益約308,600,000港元；及
- (iv) 土木工程及建造業務於截至二零二一年六月三十日止六個月錄得穩定業績。

截至二零二一年六月三十日止六個月，每股基本及攤薄盈利分別約為183.0港仙及104.4港仙（二零二零年：249.5港仙及129.9港仙）。

於回顧期內，本集團之資本結構大幅改善，是由於：

- (i) 本集團停止了虧損業務；
- (ii) 本集團擴展新業務—全球碳中和業務；

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

- (iii) the convertible bond holder completed partial conversion of the convertible bonds of the Company of HK\$40.0 million;
- (iv) the Group early settled the interest of promissory notes of the Company; and
- (v) the Company issued and allotted 40,000,000 subscriptions shares and raised approximately HK\$192.0 million.

The capital structure of the Group further improved by the completion of placing of 42,000,000 shares of the Company in August 2021 and the Group will continue to improve its financial position through various means and actively optimize capital structure.

Global Carbon Neutral Business

In March 2021, the Group decided to develop in the negative carbon emission industry, such as carbon capture, utilization and storage (CCUS) and forest carbon off-set; the related businesses of carbon assets and carbon credits development, management and investment, as well as carbon consulting and carbon planning.

During the period under review, through the establishment of an independent professional work team to carry out the Global Carbon Neutral Business, the business has made substantial and good progress and created a unique market positioning. While expanding the business of new negative carbon emission industry, the Group also vigorously develops the development, operation and management of carbon credit assets. The Group strives to create a sustainable and high-yield business model through the coordinated development of basic industries and new asset development and operation management.

The carbon neutral work team includes:

Negative carbon emission industry division

- New afforestation and carbon sink development
- Development and application of negative carbon technology (including CCUS technology)

業務回顧及財務回顧 (續)

- (iii) 可換股債券持有人完成部分本公司之轉換可換股債券40,000,000港元；
- (iv) 本集團提前支付本公司之承兌票據利息；及
- (v) 本公司發行及配發40,000,000股認購股份及募集了約192,000,000港元。

二零二一年八月，本集團完成配售42,000,000股股份並進一步改善其資本結構，本集團將通過不同途徑繼續改善其財務狀況，以及積極優化資本結構。

全球碳中和業務

於二零二一年三月，本集團決定發展碳捕集、利用與封存及森林碳滙等負碳排放業務；碳資產和碳信用開發、經營管理及投資，以及碳諮詢和碳規劃相關業務。

於回顧期內，透過建立獨立專業的工作團隊方式開展全球碳中和業務，該業務取得實質性及良好的進展，創立了獨特的市場定位。在拓展新型負碳排放產業業務的同時，本集團也大力發展碳信用資產開發、經營和管理業務。本集團力求通過基礎產業與新型資產開發與經營管理協同發展的方式創造可持續和高收益的業務模式。

碳中和工作團隊包括：

負碳排放產業事業部

- 新型植樹造林和碳滙開發
- 負碳技術開發與應用 (包括碳捕集、利用與封存技術)

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

Global Carbon Neutral Business (Continued)

Carbon asset development and operation management division

- Carbon asset development and management, including asset management in all aspects of custody, investment and trading of carbon assets and carbon credit
- Carbon consulting and carbon neutral planning, including carbon verification, negative carbon and low carbon consulting, development of carbon assets and carbon credits

Carbon neutral investment division

- Investment and product development in carbon neutral related fields

In terms of basic industries, the Group focuses on negative carbon emission industries, including natural and technological aspects: natural negative carbon emissions will redefine forestry and agriculture, and carry out carbon sink consulting and carbon sink transactions to achieve long-term sustainable green investment by the method of investing in afforestation investment and forest carbon sink cooperation development model. Technology negative carbon emissions focus on the development and application of negative carbon technologies, including CCUS technology.

In terms of carbon assets management, the negative carbon emission business will continuously generate carbon credit assets during operation, which will be transferred to the asset management business of the Group. By centering on the development and operation management of carbon assets, the Group took carbon consulting and carbon neutral plan as the starting point to form a leading integrated business model for carbon asset development and operation management. As the core asset of management, it will eventually extend to various related fields, including but not limited to carbon trading, carbon option futures, carbon index, carbon pledge repurchase, carbon custody, etc. On the basis of constantly creating financial returns, it will form the Company's long-term core competitiveness and promote the better development of infrastructure industries.

業務回顧及財務回顧 (續)

全球碳中和業務 (續)

碳資產開發與經營管理事業部

- 碳資產開發與管理，包括碳資產和碳信用的託管、投資、交易全環節資產管理
- 碳諮詢和碳中和規劃，包括碳核查、負碳與低碳諮詢、碳資產和碳信用的開發

碳中和投資事業部

- 碳中和相關領域投資和產品開發

基礎產業方面，本集團集中在負碳排放產業，包括自然和技術兩個方面：自然負碳排放將重新定義林業和農業，以投資植樹造林的投資方式，及森林碳匯合作開發模式，開展碳匯諮詢及碳匯交易，達至長期可持續的綠色投資。技術負碳排放集中在負碳技術開發與應用，包括「碳捕集、利用與封存」技術。

碳資產管理方面，負碳排放業務在運行中會源源不斷地產生碳信用資產，輸送到本集團的資產管理業務中；該領域以碳資產開發和經營管理為主導，以碳諮詢和碳中和規劃為切入點，形成領先的碳資產開發及經營管理一體化業務模式，作為管理的核心資產，將延申到各個相關領域，包括但不限於碳交易、碳期權期貨、碳指數、碳質押回購、碳託管等。在不斷創造財務回報的基礎上，形成公司長期核心競爭力並促進基礎產業更優發展。

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

Global Carbon Neutral Business (Continued)

In terms of investment and product development in carbon neutral related fields, the Group will work with Chinese and foreign investment and financial institution partners to deploy related technologies, assets and industrial investments in the carbon neutral field; jointly develop scarce carbon neutral investment products in the market to meet the rapidly growing global demand for Environmental, Social & Governance investment.

The management was positive on the prospects of the Global Carbon Neutral Business, and was of the view that it can bring in a long-term profitability to the Group. The carbon neutral business is expected to make an improvement on the Group's business and financial performance.

During the reporting period, the Group has entered a number of strategic cooperation agreements for the development of the carbon neutral business with the parties ("Strategic Partners") including but not limited to a Main Board listed company namely Canvest Environmental Protection Group Company Limited and a state-owned enterprise namely China Energy Conservation & Environmental Protection (Hong Kong) Investment Co., Limited and Beijing Jinmao Green Building Technology Co., Ltd.. The Group cooperated with these Strategic Partners to fully exert the advantages of resource, talent team and technical advantages in the field of ecological environment in China and in terms of forestry, grassland and negative carbon industry, and to provide integrated professional solutions and implementation services for the Strategic Partners in carbon consulting and planning, carbon credit asset management and carbon capture, utilization and storage, etc., and to cooperate and study carbon asset development and asset management mode which will be recognized in the global carbon market with these Strategic Partners, and to expand the cross-border and cross-market carbon asset trading mechanism.

業務回顧及財務回顧 (續)

全球碳中和業務 (續)

碳中和相關領域投資和產品開發方面，本集團將和中外各投資和金融機構合作夥伴一起，佈局碳中和領域的相關技術、資產和產業投資；共同開發市場上稀缺的碳中和投資產品，以滿足全球迅速增長的環境、社會及管治投資需求。

管理層看好全球碳中和業務前景，認為該業務將為本集團帶來長期盈利。碳中和業務預計將改善本集團的業務及財務表現。

於報告期內，本集團與訂約方（「戰略夥伴」）簽訂多項戰略合作協議，包括但不限於主板上市公司粵豐環保電力有限公司、國企中國節能環保（香港）投資有限公司、北京金茂綠建科技有限公司，以發展碳中和業務。本集團與該等戰略夥伴合作，充分發揮在中國生態環境領域以及林業、草原及負碳產業方面的資源、人才團隊和技術優勢，在碳諮詢規劃及碳信用資產管理、碳捕集、利用與封存等方面為戰略夥伴提供一體化專業解決方案和落地執行服務，與該等戰略夥伴合作研究滿足全球碳市場認可的碳資產開發及資產管理模式，拓展跨境跨市場的碳資產交易機制。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

Global Carbon Neutral Business (Continued)

In April 2021, the Group was successfully approved by Gold Standard (“GS”) and VERRA, the current two major international independent carbon credit mechanisms, as well as the world’s two largest voluntary carbon emissions reduction trading platforms, and successfully opened its GS and VERRA accounts. This also symbolizes that the Group has become the first listed company in Hong Kong approved by these two platforms to open accounts, which also means, through these two platforms, the Company not only can apply for the development of carbon emissions reduction projects and conduct the trading, conversion or cancellation of carbon credit assets, but also can develop carbon emissions reduction projects and manage carbon credits on behalf of other enterprises and individuals.

During the reporting period, the Group has successfully developed or acquired considerable Certified Emissions Reduction (“CER”) of CO₂, which complies with the GS and Verified Carbon Standard (“VCS”) and has completed issuance. It is a high-quality carbon credit asset with global liquidity and wide acceptance, and covers the CER generated by different types of projects such as biomass power generation, solar power generation, landfill power generation, coal-bed methane power generation, etc. In addition, the Group has also successfully developed or purchased a CER futures issued this year for 12 years starting from 2021, thus becoming one of the largest carbon credit asset owners in the Asia-Pacific region.

The Group will continue to purchase carbon credits through different channels or develop carbon credit assets in different scenarios, and use ToB and ToC parallel business model to promote the demand for carbon credits, and actively trade and use carbon credit assets. It is expected that the Group will start to realize continuous income in the second half of 2021.

業務回顧及財務回顧 (續)

全球碳中和業務 (續)

於二零二一年四月，本集團成功通過目前國際兩大獨立碳信用機制，也是全球兩大自願碳減排交易平台的黃金標準（「GS」）和 VERRA 的審核，並成功開設 GS 和 VERRA 賬戶，這也標誌著本集團成為香港首家通過這兩大平台審核，獲准開戶的上市企業。同時意味著通過兩大平台，本公司不僅可以進行碳減排項目的開發申請，碳信用資產的交易、轉換以及註銷，並可代表其他企業和個人開發碳減排項目和管理碳信用。

於報告期內，本集團成功開發或購得相當的二氧化碳核證減排量（「核證減排量」）。核證減排量符合 GS 和核證碳標準（Verified Carbon Standard「VCS」）並完成簽發，是具有全球流通性並廣為接受的優質碳信用資產，涵蓋生物質發電、太陽能發電、垃圾填埋發電、煤層氣發電等不同類別項目所產生的核證減排量；此外，本集團亦成功開發或購得本年簽發的自二零二一年起計十二年期的核證減排量期貨，從而一躍成為亞太地區最大的碳信用資產擁有一者之一。

本集團將繼續通過不同管道購入碳信用或者在不同的場景開發碳信用資產，並以 ToB 及 ToC 並行的業務模式促進碳信用需求，積極交易和使用碳信用資產，並預期在二零二一年下半年開始實現持續的收入。

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

Civil Engineering and Construction Business

For the six months ended 30 June 2021, the Civil Engineering and Construction Business managed to record a stable performance, despite of the grave challenges and threats from the outbreak of COVID-19 and the economic downslope in Hong Kong since earlier 2020.

In the course of project contracting, the Group also attached great importance to the protection of famous and ancient trees and biodiversity, and was committed to protecting the environment and promoting sustainable development while building social development. Besides, we focused on the principle of sustainable construction and had a good record in the implementation of green building projects. Our environmental management system has obtained ISO 14001 certification. Under its strict framework, we took a systematic approach to manage our resource utilization efficiency and emission control to advance continuous upgrading. Particularly, we attached great importance to the assessment of our environmental data (such as energy and material utilisation, carbon emissions, water consumption and waste generation), and took various effective measures to continuously reduce carbon emissions.

As a main contractor of the contracts awarded to the Group, the Civil Engineering and Construction Business offers high value-added services that encompass works from the procurement of materials and equipment, selection of sub-contractors to on-site supervision, work progress monitoring and overall co-ordination of the day-to-day work of projects. All of the Civil Engineering and Construction Business contracts undertaken for both civil and building construction business were for customers which are independent third parties including certain departments of the Government of Hong Kong, public utilities companies and private organizations in Hong Kong.

業務回顧及財務回顧 (續)

土木工程及建造業務

於截至二零二一年六月三十日止六個月，儘管自二零二零年初以來COVID-19疫情及香港經濟走下坡帶來嚴峻挑戰及威脅，土木工程及建造業務仍錄得穩健表現。

本集團在承包項目的過程中也非常重視名木古樹和生物多樣性的保護，在建設社會發展的同時致力於保護環境及推動可持續發展。此外，我們關注可持續施工原則，並在執行綠色建築項目方面建立良好記錄。我們的環境管理體系獲得了ISO 14001認證。在其嚴格的框架下，我們採取系統的方法管理我們的資源利用效率及排放控制以推動持續升級。我們尤為重視對我們環境數據（如能源和材料使用、碳排放、水消耗及廢物產生）的評估，採取各種有效措施持續減少碳排放。

作為本集團獲授合約的主要承包商，土木工程及建造業務提供包含採購物料及設備以及甄選進行現場監督、在建工程監察及項目日常工作整體協調的分包商的高增值服務。本集團承辦的所有土木工程及建造業務合約均來自獨立第三方，包括香港政府的若干部門、香港公用事業公司以及私營組織。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

Civil Engineering and Construction Business (Continued)

For the six months ended 30 June 2021, revenue generated from the Civil Engineering and Construction Business was approximately HK\$218.7 million (2020: approximately HK\$213.4 million). For the period under review, included in the turnover was: (i) revenue from civil engineering works of approximately HK\$139.5 million (2020: approximately HK\$165.0 million); and (ii) revenue from building construction and maintenance works of approximately HK\$79.2 million (2020: approximately HK\$48.4 million). For the six months ended 30 June 2021, the gross profit of the Civil Engineering and Construction Business was approximately HK\$15.0 million (2020: approximately HK\$6.1 million), representing a gross profit margin of approximately 6.8% (2020: approximately 2.8%).

As of 30 June 2021, the Group had 15 significant projects in progress. 4 of them were building construction and maintenance projects while the remaining were civil engineering construction projects.

As of 30 June 2021, the total contract sum and the total outstanding values of the Group's substantial projects in progress were approximately HK\$646.0 million and HK\$410.7 million respectively (31 December 2020: approximately HK\$609.1 million and HK\$283.1 million respectively).

Despite the tough operating environment in Hong Kong, the Civil Engineering and Construction Business maintained its competitive advantages, which are to provide high-quality services of a wide scope and to maintain a cordial client relationship, and the progress in obtaining new contracts managed to record a stable performance for the six months ended 30 June 2021.

業務回顧及財務回顧 (續)

土木工程及建造業務 (續)

於截至二零二一年六月三十日止六個月，本集團土木工程及建造業務的收益約為218,700,000港元(二零二零年：約213,400,000港元)。於回顧期內，營業額包括：(i)來自土木工程的收益約為139,500,000港元(二零二零年：約165,000,000港元)；及(ii)來自樓宇建造及保養工程的收益約為79,200,000港元(二零二零年：約48,400,000港元)。截至二零二一年六月三十日止六個月，土木工程及建造業務的毛利約為15,000,000港元(二零二零年：約6,100,000港元)，毛利率約為6.8%(二零二零年：約2.8%)。

截至二零二一年六月三十日，本集團有15個重大在建項目，其中4個是樓宇建造及保養項目，其餘則是土木工程建造項目。

截至二零二一年六月三十日，本集團的重大在建項目的合約總金額及未完成工程合約總金額分別約為646,000,000港元及410,700,000港元(二零二零年十二月三十一日：分別約為609,100,000港元及283,100,000港元)。

截至二零二一年六月三十日止六個月，儘管香港經營環境艱巨，但土木工程及建造業務仍保持競爭優勢，在多個範圍提供優質服務及維持友好的客戶關係，獲取新合約的進度亦錄得穩健表現。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW AND FINANCIAL REVIEW (Continued)

Civil Engineering and Construction Business (Continued)

The Group has been awarded 6 new contracts for the six months ended 30 June 2021:

- Construction of Activity Green and Associated Works at LOHAS Park
- Upgrading/improvement Works to Lands Department Slopes in the Northern Regions
- Refurbishment of The Boundary Fencing of Lamma Power Station (Phase II)
- Sewerage Works along Tung Yuen Street Proposed Residential Development at Yau Tong Inland Lot No.45
- Construction and Maintenance of Trenching/Cable Laying and Contractual Works in the Areas of Hong Kong, Ap Lei Chau, Lamma Island and Any Outlying Island
- Provision of Works for integrated Blockwiring infrastructure

PROSPECTS

The management of the Group remained cautious and positive on the prospects in the year 2021.

For the Civil Engineering and Construction Business, although the operating environment in Hong Kong is expected to remain tough in the coming years such as continuously rising wages and cost of construction materials and shortage of skilled labors, the Company is confident that the Group would be capable of securing promising business opportunities given its vast experience in handling a wide variety of construction works. The Group will continue to adopt a prudent approach when submitting new tenders.

業務回顧及財務回顧 (續)

土木工程及建造業務 (續)

截至二零二一年六月三十日止六個月，本集團已獲得六份新合約：

- 興建日出康城活動綠地及相關工程
- 北區地政總署斜坡升級／改善工程
- 南丫發電廠圍欄翻新工程 (二期)
- 油塘內地段第45號東園街擬建住宅發展項目污水處理廠
- 香港、鴨脷洲、南丫島及任何離島的線坑／電纜鋪設的建造及保養及合約工程
- 提供綜合樓宇電訊網絡基建工程服務

前景

本集團管理層對二零二一年的前景持審慎樂觀態度。

就土木工程及建造業務而言，儘管預期香港經營環境於未來數年仍然艱巨 (如人力成本和建築材料成本不斷上升，技工短缺)，惟鑒於其在處理多元化建設工程方面的豐富經驗，本公司對本集團能夠物色理想的業務機遇抱有信心。當提交新標書時，本集團將繼續採取審慎方針。

Management Discussion and Analysis

管理層討論及分析

PROSPECTS (Continued)

On 13 July 2021, a wholly-owned domestic subsidiary of the Company has become a trading member of the China Emissions Exchange and completed the opening of a carbon emission rights trading account, which is an important step for the Group to actively expand its carbon asset trading capabilities and develop carbon asset management business both domestically and internationally. The successful opening of an account on the China Emissions Exchange has further enhanced the Group's competitive position as a carbon asset trader and carbon asset manager in both domestic and international carbon markets. Given that the national unified carbon market has been launched on 16 July 2021, the Group will actively participate in carbon asset trading and carbon asset management in China. The Group is confident that it will implement its international and domestic carbon asset development and carbon asset trading strategies as planned, and continue to strengthen its position in carbon neutral sector.

On 19 August 2021, the Group officially launched the "Climate Store", a one-stop comprehensive platform for the development, promotion and sales of "climate products" (including the previously launched "Zero Carbon Citizen" service platform). The integrated platform is a comprehensive online and offline platform integrating carbon verification, carbon consulting, carbon credit development and sales, carbon credit purchase and use. It will assist enterprises and individuals to actively participate in voluntary emission reduction and realize carbon neutralization at the enterprise and individual level by developing their own carbon credit or obtaining carbon credit through convenient channels. With the help of the knowledge and resources provided by the platform, enterprises or individuals may formulate their own optimal carbon neutralization plan online or offline, or open their own online stores through the "Climate Store" to sell carbon credits and relevant "climate products" that affect the climate ("Carbon Dioxide Emissions").

In the face of the market opportunities brought by the green industry investment opportunities of more than RMB100 trillion and the new asset type with carbon assets as the core, the Group will build a new enterprise in the field of carbon neutralization, create a sustainable and high-yield business model through the coordinated development of infrastructure industries and new asset development and management, and create value for shareholders, and contribute to the society responding to climate change.

前景 (續)

於二零二一年七月十三日，本公司境內全資附屬公司成為深圳排放權交易所交易會員，並完成碳排放權交易帳戶的開立，這是本集團積極拓展境內外碳資產交易能力和發展碳資產管理業務的重要一步。本次成功在深圳排放權交易所開戶進一步提升了本集團在境內外碳市場作為碳資產交易商與碳資產管理者的競爭地位。鑒於全國統一碳市場已於二零二一年七月十六日啟動，本集團將積極參與境內碳資產交易與碳資產管理。集團有信心按計劃落實國際與國內碳資產開發和碳資產交易的戰略，繼續夯實集團在碳中和領域的佈局。

於二零二一年八月十九日，本集團正式推出「氣候產品」相關開發、推廣和銷售的一站式綜合平台—「氣候商店」(包含之前推出的「零碳公民」服務平台)。該綜合平台是集碳核證、碳諮詢、碳信用開發和銷售、碳信用購買和使用一體的綜合線上與線下結合的平台。協助企業和個人通過開發自身所擁有的碳信用或者通過便捷渠道獲得碳信用，積極參與自願減排，實現企業和個人層面的碳中和。企業或個人借助平台提供的知識與資源，通過線上或線下方式制定對於自身最優的碳中和方案，或者通過「氣候商店」開設自己的線上店鋪銷售碳信用和影響氣候(「二氧化碳排放」)的相關「氣候產品」。

面對百萬億人民幣以上的綠色產業投資機會和以碳資產為核心的新型資產類別所帶來市場機遇，本集團將打造碳中和領域中的新型企業，通過基礎產業與新型資產開發與管理協同發展的方式創造可持續和高收益的業務模式，為股東創造價值，為人類應對氣候變化做出貢獻。

PROSPECTS (Continued)

Meanwhile, the Group shall also look for opportunities which can reinforce the current business segments in the Group or provide sound diversification prospects, with an aim to improve the performance and maximize the interest of the shareholders of the Group. For the six months ended 30 June 2021, the management has conducted a strategic review on the business portfolio of the Group, covering, among other things (i) the Group's results and future; (ii) the Civil Engineering and Construction Business; (iii) the Global Carbon Neutral Business; and (iv) potential diversification pathways.

CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING

During the period under review, the Group has improved its financial position as well as the current ratio due to the followings:

- (i) on 29 January 2021, the Group completed the disposal of a wholly owned subsidiary of the Company, which represented the whole Automotive Engines Business of the Group. As at 31 December 2020, the Automotive Engines Business reported a net current liabilities and net liabilities. The disposal of which has significantly improve the financial position of the Group;
- (ii) on 26 March 2021, the Company has completed a partial conversion of the convertible bonds to the extent of HK\$40.0 million, and 20,000,000 conversion shares has been issued and allotted;
- (iii) in April 2021, the Group early settled the interest of the promissory notes of the Company with aggregate amount of HK\$50.5 million, representing the interest repayment in aggregate amount of HK\$82.0 million; and
- (iv) On 9 April 2021 and 26 May 2021, the Company has issued an aggregate 40,000,000 Subscription Share (as defined below) and net proceeds from the subscription was approximately HK\$192 million, of which HK\$60 million has been used to repay the debts of the Group.

前景 (續)

同時，本集團亦將尋求機會加強本集團的現有業務分部，或帶來穩健的多元化發展前景，以期改善表現及爭取最大化本集團股東利益。截至二零二一年六月三十日止六個月，管理層已對本集團的業務組合進行策略性檢討，涵蓋(其中包括)(i)本集團的業績及未來；(ii)土木工程及建造業務；(iii)全球碳中和業務；及(iv)潛在多元化發展路向。

資本結構、財務資源、流動資金及資產負債比率

於回顧期內，本集團之財務狀況及流動比率已改善，是由於：

- (i) 本集團於二零二一年一月二十九日完成出售本公司之全資附屬公司(即本集團之全部汽車發動機業務)。於二零二零年十二月三十一日，汽車發動機業務錄得流動負債淨值及負債淨值，該出售大幅改善本集團之財務狀況；
- (ii) 於二零二一年三月二十六日，本公司已完成部分轉換40,000,000港元之可換股債券，且已發行及配發20,000,000股換股股份；
- (iii) 於二零二一年四月，本集團提前支付本公司總額為50,500,000港元之承兌票據利息，相應還本付息總額為82,000,000港元；及
- (iv) 於二零二一年四月九日及二零二一年五月二十六日，本公司已發行合共40,000,000股認購股份(定義見下文)，認購所得款項淨額約192,000,000港元，其中60,000,000港元已用於償還本集團之債務。

Management Discussion and Analysis

管理層討論及分析

CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING (Continued)

As at 30 June 2021, the Group had cash and cash equivalents of approximately HK\$99.2 million, representing an increase of approximately 99.4% from approximately HK\$49.7 million as at 31 December 2020. The Group's cash and cash equivalents were denominated in HK\$ and RMB.

As at 30 June 2021, the total assets were approximately HK\$450.5 million, representing an increase of approximately 76.1% from approximately HK\$255.8 million as at 31 December 2020. The increase was mainly due to the development or acquisition of carbon credit assets.

As at 30 June 2021, the total liabilities were approximately HK\$489.5 million, representing a decrease of approximately 47.6% from approximately HK\$934.8 million as at 31 December 2020.

As at 30 June 2021, the convertible bonds had a carrying amount of approximately HK\$475.4 million (31 December 2020: approximately HK\$498.2 million), in which approximately HK\$353.7 million (31 December 2020: approximately HK\$384.0 million) was recognized as equity and approximately HK\$121.8 million was recognized as non-current liabilities (31 December 2020: approximately HK\$114.2 million).

As at 30 June 2021, the promissory notes had a carrying amount of approximately HK\$184.7 million (31 December 2020: approximately 289.9 million), in which approximately HK\$52.9 million was recognized as current liabilities and approximately HK\$131.8 million was recognized as non-current liabilities.

Interest-bearing bank and other borrowings of the Group comprised (i) other loans from independent third parties and related party in which controlled by the shareholder of the Company of approximately HK\$12.5 million (31 December 2020: approximately HK\$12.5 million) and approximately HK\$31.5 million (31 December 2020: HK\$31.5 million) with the contractual interest of 5.0% to 12.0% per annum.

As at 30 June 2021, the Group had banking facilities of approximately HK\$45.0 million (31 December 2020: approximately HK\$45.0 million) of which approximately HK\$14.6 million was not utilized and was secured by corporate guarantees.

資本結構、財務資源、流動資金及資產負債比率(續)

於二零二一年六月三十日，本集團的現金及現金等價物約為99,200,000港元，較於二零二零年十二月三十一日約49,700,000港元增加約99.4%。本集團之現金及現金等價物以港元及人民幣計值。

於二零二一年六月三十日，總資產約為450,500,000港元，較於二零二零年十二月三十一日的約255,800,000港元增加約76.1%。該增加主要由於開發或購得碳信用資產所致。

於二零二一年六月三十日，總負債約為489,500,000港元，較於二零二零年十二月三十一日約934,800,000港元減少約47.6%。

於二零二一年六月三十日，可換股債券賬面值約為475,400,000港元(二零二零年十二月三十一日：約498,200,000港元)，其中約353,700,000港元(二零二零年十二月三十一日：約384,000,000港元)確認為權益及約121,800,000港元確認為非流動負債(二零二零年十二月三十一日：約114,200,000港元)。

於二零二一年六月三十日，承兌票據賬面值約184,700,000港元(二零二零年十二月三十一日：約289,900,000港元)，其中約52,900,000港元確認為流動負債及約131,800,000港元確認為非流動負債。

本集團計息銀行及其他借款包括(i)來自獨立第三方及本公司股東控制的關聯方之其他貸款約12,500,000港元(二零二零年十二月三十一日：約12,500,000港元)及約31,500,000港元(二零二零年十二月三十一日：31,500,000港元)，合約年利率介乎5.0%至12.0%。

於二零二一年六月三十日，本集團有銀行融資約45,000,000港元(二零二零年十二月三十一日：約45,000,000港元)，該筆款項中約14,600,000港元尚未動用並由企業擔保作出抵押。

Management Discussion and Analysis

管理層討論及分析

CAPITAL STRUCTURE, FINANCIAL RESOURCES, LIQUIDITY AND GEARING (Continued)

As at 30 June 2021, the net current assets were approximately HK\$216.0 million, as compared to approximately HK\$233.1 million of net current liabilities as at 31 December 2020.

Current ratio of the Group was approximately 1.9 as at 30 June 2021 (31 December 2020: approximately 0.5), which is calculated by dividing current assets by current liabilities.

Gearing ratio is calculated based on the amount of net cash and bank balances (interest-bearing borrowings, liability component of the convertible bonds and promissory notes less cash and cash equivalent) divided by the total equity. The gearing ratio as at 30 June 2021 and 31 December 2020 are not available because the Group reported a negative equity attributable to owners of the Company as at 30 June 2021 and 31 December 2020.

CONVERTIBLE BONDS AND PROMISSORY NOTES

On 4 February 2016, the Company issued (i) zero coupon convertible bonds with an aggregate principal amount of approximately HK\$390.0 million; and (ii) promissory notes in the aggregate principal amount of approximately HK\$410.0 million to Power Expert as part of the consideration for the acquisition of 100% equity interest in Well Surplus Enterprises Limited and its subsidiaries in October 2015.

On 8 November 2019, the Company and Power Expert entered into an amendment agreement, pursuant to which (i) the maturity date of the convertible bonds shall be extended for 5 years to 4 February 2025; and (ii) the term of the promissory notes will be changed to perpetual and the interest rate will be fixed at 5% per annum with effect from 5 February 2020, payable annually and the interest accrued on or before 4 February 2020 shall be payable on 4 February 2025. Further details of the amendment are set out in the Company's announcement dated 8 November 2019 and the Company's circular dated 19 December 2019. This proposed amendment took effect on 14 January 2020.

資本結構、財務資源、流動資金及資產負債比率(續)

於二零二一年六月三十日，流動資產淨值約為216,000,000港元，而二零二零年十二月三十一日流動負債淨值約為233,100,000港元。

於二零二一年六月三十日，本集團的流動比率約為1.9 (二零二零年十二月三十一日：約0.5)，乃按流動資產除以流動負債計算。

資產負債比率乃基於現金及銀行結餘淨額(計息借款、可換股債券的負債部分及承兌票據減現金及現金等價物)除以權益總額計算。二零二一年六月三十日及二零二零年十二月三十一日的資產負債比率並不適用，因為本集團於二零二一年六月三十日及二零二零年十二月三十一日錄得本公司擁有人應佔權益為負數。

可換股債券及承兌票據

於二零一六年二月四日，本公司向巧能環球發行(i)本金總額為約390,000,000港元的零息可換股債券；及(ii)本金總額為約410,000,000港元的承兌票據，以作為於二零一五年十月收購盛盈企業有限公司及其附屬公司的100%股權的部分代價。

於二零一九年十一月八日，本公司與巧能環球訂立修訂協議，據此，(i)可換股債券的到期日應延長5年至二零二五年二月四日；及(ii)承兌票據的期限將改為永久性，固定年利率將為5%，自二零二零年二月五日起，每年支付一次，且於二零二零年二月四日或之前產生的利息應於二零二五年二月四日支付。該修訂的進一步詳情載列於本公司日期為二零一九年十一月八日之公告及本公司日期為二零一九年十二月十九日之通函。該建議修訂於二零二零年一月十四日生效。

Management Discussion and Analysis

管理層討論及分析

CONVERTIBLE BONDS AND PROMISSORY NOTES (Continued)

On 3 February 2020, the Company received (i) a transfer notice from Power Expert notifying the Company that Power Expert has agreed to transfer the entire convertible bonds to LE Group Holdings Pte. Ltd. (“LEGH”); and (ii) an assignment notice from Power Expert notifying the Company that Power Expert has agreed to assign the entire promissory notes to LEGH. The Company has given its consent on the transfer and issued new certificates of the convertible bonds and the promissory notes to LEGH.

On 7 October 2020, the Company received a transfer notice from LEGH notifying the Company that LEGH has agreed to transfer the entire convertible bonds back to Power Expert. The Company has given its consent on the transfer and issued new certificates of the convertible bonds to Power Expert.

On 12 October 2020, the Company received an assignment notice from LEGH notifying the Company that LEGH has agreed to assign the entire promissory notes back to Power Expert. The Company has given its consent on the transfer and issued new certificates of the promissory notes to Power Expert.

PARTIAL CONVERSION OF THE CONVERTIBLE BONDS

On 19 March 2021, Power Expert issued a conversion notice to the Company in respect of the exercise of the conversion rights attached to the convertible bonds to the extent of HK\$40.0 million and accordingly requested the Company to issue 20,000,000 new shares. As all conditions for the conversion which were stipulated in the terms of the convertible bonds were fulfilled, the Company gave its consent on the conversion, and agreed to issue 20,000,000 conversion shares to Power Expert.

On 26 March 2021, the partial conversion of the convertible bonds has completed, and 20,000,000 conversion shares has been issued and allotted to Power Expert.

At 30 June 2021, the total outstanding principal amount of the convertible bond was HK\$350.0 million. The maximum number of shares of the Company that will be issued upon conversion of all the outstanding convertible bonds was 175,000,000 shares of the Company.

可換股債券及承兌票據 (續)

於二零二零年二月三日，本公司從巧能環球收到(i)轉讓通知，知會本公司巧能環球已同意將全部可換股債券轉讓予LE Group Holdings Pte. Ltd. (「LEGH」)；及(ii)轉讓通知，知會本公司巧能環球已同意將全部承兌票據轉讓予LEGH。本公司已同意轉讓事項，並已發行可換股債券及承兌票據新證書予LEGH。

於二零二零年十月七日，本公司從LEGH收到轉讓通知，知會本公司LEGH已同意將全部可換股債券轉回巧能環球。本公司已同意轉讓事項，並已發行可換股債券新證書予巧能環球。

於二零二零年十月十二日，本公司從LEGH收到轉讓通知，知會本公司LEGH已同意將全部承兌票據轉回巧能環球。本公司已同意轉讓事項，並已發行承兌票據新證書予巧能環球。

部分轉換可換股債券

於二零二一年三月十九日，巧能環球就行使40,000,000港元可換股債券隨附的換股權向本公司發出轉換通知，因而要求本公司發行20,000,000股新股份。由於可換股債券條款中所訂明的轉換的所有條件已達成，故本公司已同意轉換，並同意向巧能環球發行20,000,000股換股股份。

於二零二一年三月二十六日，部分轉換可換股債券已完成，且已向巧能環球發行及配發20,000,000股換股股份。

於二零二一年六月三十日，已發行尚未轉換之可換股債券的本金總額為350,000,000港元。因轉換所有尚未轉換之可換股債券而將予發行的最高本公司股份數目為175,000,000股。

Management Discussion and Analysis

管理層討論及分析

ISSUANCE OF NEW SHARES

On 7 March 2021, the Company (as issuer) entered into two subscription agreements with two subscribers, namely Mao Yuan Capital Limited (“Mao Yuan Capital”) and Mr. Zhang Yaxun, in respect of the subscriptions of an aggregate of 40,000,000 subscription shares at the subscription price of HK\$4.80 per share (“Subscription Share”).

On 9 April 2021, 16,240,000 Subscription Shares have been issued and allotted to Z&F International Trading Limited, a company controlled by Mr. Zhang Yaxun.

On 26 May 2021, 23,760,000 Subscription Shares have been issued and allotted to Mao Yuan Capital.

The net proceeds from the subscriptions (after deducting all applicable costs and expenses of the subscriptions) was approximately HK\$192.0 million, of which HK\$60.3 million has been used for repayment of the debts of the Group, and HK\$72.4 million has been used for developing the Global Carbon Neutral Business. The unutilised net proceeds from the subscriptions are expected to be used according to the intended use of net proceeds as stated in the announcement of the Company dated 7 March 2021.

SHARE CAPITAL

On 26 March 2021, the Company has completed a partial conversion of the convertible bonds to the extent of HK\$40.0 million and at the conversion price of HK\$2.00 per share, and accordingly issued 20,000,000 conversion shares to Power Expert.

On 9 April 2021 and 26 May 2021, the Company has issued an aggregate 40,000,000 new shares.

On 3 August 2021, the Company has issued an aggregate 42,000,000 new shares after completion of the Placing.

Following the abovementioned changes and as at the date of this report, the Company has issued a total of 302,000,000 shares in the par value of HK\$0.01 each. All shares are fully paid and rank pari passu with each other in all respects.

發行新股份

於二零二一年三月七日，本公司（作為發行人）與兩名認購人（即懋源資本有限公司（「懋源資本」）及張亞循先生）訂立兩份認購協議，內容有關按認購價每股股份4.80港元認購合共40,000,000股認購股份（「認購股份」）。

二零二一年四月九日，向Z&F International Trading Limited（張亞循先生控制的公司）發行及配發16,240,000股認購股份。

二零二一年五月二十六日，向懋源資本發行及配發23,760,000股認購股份。

認購事項所得款項淨額（經扣除認購事項所有適用成本及開支後）約192,000,000港元，其中60,300,000港元已用作償還本集團債務，及72,400,000港元已用於開發全球碳中和業務。認購事項尚未動用所得款項淨額預計根據本公司日期為二零二一年三月七日的公告所述所得款項淨額擬定用途動用。

股本

於二零二一年三月二十六日，本公司已完成按換股價每股股份2.00港元部分轉換40,000,000港元之可換股債券，因而向巧能環球發行20,000,000股換股股份。

於二零二一年四月九日及二零二一年五月二十六日，本公司已發行合共40,000,000股新股。

於二零二一年八月三日，本公司於配售完成後已發行合共42,000,000股新股份。

上述變動後及於本報告日期，本公司已發行合共302,000,000股每股面值0.01港元之股份。所有股份悉數繳足且於所有方面彼此享有同等地位。

Management Discussion and Analysis

管理層討論及分析

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 29 January 2021, Future Marvel Limited, a wholly owned subsidiary of the Company, completed a disposal of the entire issued shares in Well Surplus Enterprises Limited and the shareholder loans owned by the disposal group. The disposed interests constitute the Group's entire investment in the Automotive Engines Business.

On 10 June 2021, the Company completed the subscription of an aggregate of 200,000,000 shares of China Ecotourism Group Limited ("China Ecotourism Group"), a company which shares are listed on the main board of the The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), through the placing of the untaken shares under the rights issue of the China Ecotourism Group at an aggregate consideration of approximately HK\$20.0 million (excluding stamp duty and related expenses). The aggregate consideration of the acquisition was fully payable in cash by the Group's internal financial resources.

The principal activities of China Ecotourism Group are (i) provision of technology and operation service for lottery systems, terminal equipment and gaming products, and sales of lottery terminals and related equipment; (ii) research and development, processing, production and sales of natural and health food; and (iii) project development and operation of ecotourism.

China Ecotourism Group actively promoted the ecotourism business. The investments in China Ecotourism Group will facilitate strategic co-operation between the Group and China Ecotourism Group, and is benefited to the Group's development in carbon neutral business.

As at 30 June 2021, the Group held 200,000,000 shares of China Ecotourism Group, representing 6.5% of the shareholdings of China Ecotourism Group, and the fair value of which was HK\$22.6 million, representing approximately 5.0% of the Group's total assets. A fair value gain of HK\$2.6 million was recognised for the six months ended 30 June 2021.

Save as disclosed, the Group did not have any material acquisition or disposals of subsidiaries, associates and joint venture for the six months ended 30 June 2021.

重大收購及出售附屬公司、聯營公司及合營公司事項

於二零二一年一月二十九日，本公司之全資附屬公司Future Marvel Limited完成出售盛盈企業有限公司之全部已發行股份及出售集團結欠之股東貸款。所出售權益構成本集團於汽車發動機業務之全部投資。

於二零二一年六月十日，本公司透過配售中國生態旅遊集團有限公司（「中國生態旅遊集團」，其股份於香港聯合交易所有限公司（「聯交所」）主板上市）供股項下的未獲認購股份，完成認購中國生態旅遊集團合共200,000,000股股份，總代價約為20,000,000港元（不包括印花稅及相關開支）。認購事項的總代價由本集團內部財務資源以現金悉數支付。

中國生態旅遊集團之主要業務為(i)提供彩票系統、終端設備及遊戲產品相關的技術及運營服務以及銷售彩票終端機及相關設備；(ii)天然及健康食品的研發、加工、生產及銷售；及(iii)生態旅遊項目開發和運營。

中國生態旅遊集團致力推動生態旅遊業務，於中國生態旅遊集團之投資將促進本集團及中國生態旅遊集團的策略性合作，並有利於本集團發展碳中和業務。

於二零二一年六月三十日，本集團持有中國生態旅遊集團200,000,000股股份，佔中國生態旅遊集團股權6.5%，及其公允價值為22,600,000港元，約佔本集團總資產5.0%。截至二零二一年六月三十日止六個月，已確認之公允價值收益為2,600,000港元。

截至二零二一年六月三十日止六個月，除所披露者外，本集團概無任何重大收購或出售附屬公司、聯營公司及合營公司事項。

SIGNIFICANT INVESTMENTS AND CAPITAL ASSETS

As at 30 June 2021, the Group did not have any significant investment or capital assets (31 December 2020: nil).

PLEDGE OF ASSETS

As at 30 June 2021, the Group did not have any pledge of assets (31 December 2020: nil).

CONTINGENT LIABILITIES

Detail of the Group's contingent liabilities are set out in note 25 to the financial results.

FOREIGN CURRENCY RISK

Most of the Group's assets and liabilities are denominated in HK\$ and RMB, which are the functional currencies of respective group companies. The Group has not entered into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate actions to reduce the exchange risk.

重大投資及資本資產

於二零二一年六月三十日，本集團概無任何重大投資或資本資產（二零二零年十二月三十一日：無）。

資產抵押

於二零二一年六月三十日，本集團概無任何資產抵押（二零二零年十二月三十一日：無）。

或然負債

本集團之或然負債之詳情載於財務業績附註 25。

外幣風險

本集團大部分的資產及負債以港元及人民幣計算，該等貨幣為相關集團公司的功能貨幣。本集團並無就外匯風險訂立任何工具。本集團將密切監察匯率變化，並將採取適當行動減低匯率風險。

Management Discussion and Analysis

管理層討論及分析

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2021, the Group had approximately 342 employees (31 December 2020: 334) in Hong Kong and the PRC. The Group's remuneration policy is reviewed periodically and determined by reference to market terms, company performance, and individual qualifications and performance. Other staff benefits include bonuses awarded on a discretionary basis, mandatory provident fund scheme for Hong Kong employees, state-sponsored retirement plans for the PRC employees.

EVENTS AFTER THE REPORTING PERIOD

On 26 July 2021, the Company entered into the Placing Agreement with the Placing Agent. Pursuant to the Placing Agreement, the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 42,000,000 Placing Shares to not less than six placees at the Placing Price of HK\$5.50 per Placing Share.

On 3 August 2021, an aggregate of 42,000,000 Placing Shares, representing approximately 13.91% of the enlarged issued share capital of the Company immediately after completion of the Placing, have been allotted and issued and successfully placed to not less than six placees through the Placing Agent at the Placing Price of HK\$5.50 per Placing Share in accordance with the terms and conditions of the Placing Agreement.

Save as disclosed above, there was no other significant event after the reporting period and up to the date of this report.

僱員及薪酬政策

於二零二一年六月三十日，本集團於香港及中國擁有約342名（二零二零年十二月三十一日：334名）員工。本集團定期檢討薪酬政策，該政策乃參考市場條款、公司表現及個人資歷及表現釐定。其他員工福利包括按酌情基準發放的花紅、強制性公積金計劃（對香港僱員而言）及國家資助退休計劃（對中國僱員而言）。

報告期後事項

於二零二一年七月二十六日，本公司與配售代理訂立配售協議。根據配售協議，本公司已有條件同意透過配售代理按竭力基準以每股配售股份5.50港元之配售價向不少於六名承配人配售最多42,000,000股配售股份。

於二零二一年八月三日，合共42,000,000股配售股份（佔本公司緊隨配售事項完成後經擴大已發行股本的約13.91%）已根據配售協議之條款及條件透過配售代理按每股配售股份5.50港元的配售價配發及發行並成功配售予不少於六名承配人。

除上述披露者外，自報告期末至本報告日期，概無重大事項。

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

As at 30 June 2021, Mr. Di Ling, the executive Director, was interested in 1,500,000 underlying shares of the Company granted under the Share Option Scheme, representing 0.58% of the issued share capital of the Company. Save as disclosed above, none of the Directors or chief executive of the Company had registered an interest or a short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities & Futures Ordinance (the "SFO") which were required to be 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 he was deemed or taken 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 the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 (the "Model Code") to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

SHARE OPTION SCHEME

The Company adopted a share option scheme ("Share Option Scheme") on 24 March 2016. The Share Option Scheme became effective for 10 years commencing from 29 March 2016. The purpose of the Share Option Scheme is to enable the Company to grant options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Company.

董事及最高行政人員於股份、相關股份及債權證中的權益及淡倉

於二零二一年六月三十日，執行董事邱靈先生擁有根據購股權計劃授出之1,500,000股本公司之相關股份中的權益，相當於本公司已發行股本的0.58%。除上文所披露者外，本公司董事或最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份或債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須載入該條文所述登記冊的權益或淡倉或根據聯交所證券上市規則(「上市規則」)附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉。

購股權計劃

本公司於二零一六年三月二十四日採納購股權計劃(「購股權計劃」)。該購股權計劃自二零一六年三月二十九日起生效，為期十年。購股權計劃之目的旨在讓本公司向獲選合資格參與者授出購股權，以作為就彼等對本公司所作出之貢獻或潛在貢獻之激勵或獎勵。

Other Information 其他資料

SHARE OPTION SCHEME (Continued)

Details of movements in the share options of the Company (“Options”) during the reporting period are as follows:

購股權計劃 (續)

本公司購股權 (「購股權」) 於報告期內之變動詳情如下：

		Movements of Options during the reporting period 報告期內購股權變動				
Name or category of participant	Date of grant	As at 1 January 2021 於二零二一年 一月一日	Granted 授出	Exercised 已行使	Lapsed/ Cancelled/ Forfeited 已註銷/ 已沒收	As at 30 June 2021 於二零二一年 六月三十日
Director						
董事						
Mr. Di Ling 鄧靈先生	13 April 2021 二零二一年四月十三日	-	1,500,000	-	-	1,500,000
Employees of the Group 本集團員工	13 April 2021 二零二一年四月十三日	-	6,400,000	-	-	6,400,000
Total 總計		-	7,900,000	-	-	7,900,000

Note:

The Options granted on 13 April 2021 will be vested on 12 April 2022 and are then exercisable on or before 12 April 2025, and the exercise price per share is HK\$7.268. The exercise price of HK\$7.268 per share represents the highest of (i) the closing price of HK\$6.4 per share as stated in the daily quotations sheet issued by the Stock Exchange on 13 April 2021, being the date of the grant of the options; (ii) the average closing price of HK\$7.268 per share as stated in the daily quotations sheet issued by the Stock Exchange for the five business days immediately preceding the date of the grant of the options; and (iii) the nominal value of the share. For further details of the grant of share option, please refer to the announcements of the Company published on the website of the Company and the Exchange on 13 April 2021.

The closing price of the shares of the Company immediately before the date of grant of option on 13 April 2021 was HK\$7.00.

No Options has been granted, exercised or cancelled during the six months ended 30 June 2020.

附註：

於二零二一年四月十三日授出之購股權將於二零二二年四月十二日歸屬，其後可於二零二五年四月十二日或之前行使，每股行使價為7.268港元。行使價每股7.268港元為(i)二零二一年四月十三日(即購股權授出日期)聯交所發佈的每日報價表所示每股收市價6.4港元；(ii)緊接購股權授出日期前五個營業日聯交所發佈的每日報價表所示每股平均收市價7.268港元；及(iii)股份面值的最高價。有關購股權授出的進一步詳情，請參閱本公司於二零二一年四月十三日於本公司及聯交所網站刊發的公告。

本公司於二零二一年四月十三日緊接購股權授出日期前的股份收市價為7.00港元。

於截至二零二零年六月三十日止六個月，概無購股權授出、行使或註銷。

SHARE OPTION SCHEME (Continued)

The fair value of the share options granted during the reporting period was HK\$30,265,000, of which the Group recognised a share option expense for the six months ended 30 June 2021.

The fair value of equity-settled share options granted during the reporting period was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

購股權計劃 (續)

於報告期間授出的購股權公允價值為30,265,000港元，其中截至二零二一年六月三十日止六個月本集團確認購股權開支。

於報告期內，已授出的以股本結算的購股權公允價值於授予日採用二項式模型(考慮授予購股權的條款及條件)進行估算。下表列出了所用模型的輸入數據：

		30 June 2021 二零二一年 六月三十日
Dividend yield (%)	股息收益(%)	—
Expected volatility (%)	預期波動(%)	99.69%
Historical volatility (%)	歷史波動(%)	99.69%
Risk-free interest rate (%)	無風險利率(%)	0.31%
Expected life of options (year)	購股權預期壽命(年)	4
Stock price at value date (HK\$ per share)	於評估日股價(每股港元)	6.4

The expected life of the options is based on the historical data over the past three years and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2021, the following persons, other than a Director or the chief executive of the Company, had interests or short positions in the shares and underlying shares of the Company which are required to be recorded in the register required to be kept by the Company under section 336 of the SFO:

購股權預期壽命乃根據過去三年歷史資料作出，並不一定表示可能發生的行使方式。預期波動反映了一種假設，即歷史波動表明未來趨勢，惟不一定為實際結果。

購股權授予的任何其他特性均未納入公允價值計量。

主要股東於股份及相關股份中的權益

於二零二一年六月三十日，下列人士(董事或本公司主要行政人員除外)於本公司之股份及相關股份中擁有須記於本公司根據證券及期貨條例第336條而存置之登記冊內之權益或淡倉：

Other Information 其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES (Continued)

Long position in the issued shares/underlying shares of the Company

主要股東於股份及相關股份中的權益 (續)

於本公司已發行股份／相關股份的好倉

Name of shareholders	Notes	Nature of interest	Number of ordinary shares/underlying shares held	Approximate percentage of issued share capital of the Company (Note c) 佔本公司已發行股本概約百分比 (附註c)
股東姓名／名稱	附註	權益性質	所持有普通股／ 相關股份數目	
Mr. Jiang Jianhui 姜建輝先生	(a)	Interest in a controlled corporation 受控法團權益	147,700,000	56.81%
Youth Force Asia Ltd.	(a)	Beneficial owner 實益擁有人	147,700,000	56.81%
Mr. Liu Chang 劉昌先生	(b)	Interest in a controlled corporation 受控法團權益	175,000,000	67.31%
Power Expert Global Limited 巧能環球有限公司	(b)	Beneficial owner 實益擁有人	175,000,000	67.31%

Notes:

- (a) Mr. Jiang Jianhui controls more than one-third of the voting power of Youth Force Asia Ltd. As such, Mr. Jiang Jianhui is deemed to be interested in the 147,700,000 shares owned by Youth Force Asia Ltd. by virtue of the SFO.
- (b) Mr. Liu Chang controls more than one-third of the voting power of Power Expert Global Limited. As such, Mr. Liu Chang is deemed to be interested in the 175,000,000 underlying shares through its interests in the convertible bonds of the Group by virtue of the SFO.
- (c) Calculation of percentage of interest in the Company is based on the issued share capital of 260,000,000 shares of the Company as at 30 June 2021.

附註：

- (a) 姜建輝先生控制Youth Force Asia Ltd.三分之一以上的投票權。因此，根據證券及期貨條例，姜建輝先生被視為於Youth Force Asia Ltd.擁有的147,700,000股股份中擁有權益。
- (b) 劉昌先生控制巧能環球有限公司三分之一以上的投票權。因此，根據證券及期貨條例，劉昌先生被視為於175,000,000股相關股份(透過其於本集團的可換股債券的權益)中擁有權益。
- (c) 佔本公司權益百分比乃根據本公司於二零二一年六月三十日的已發行股本260,000,000股計算。

Save as disclosed above and in the paragraph headed "Directors' and Chief Executive's Interests and Positions in Shares, Underlying Shares and Debentures", as at 30 June 2021, no other person had interests or short positions in the shares and underlying shares of the Company which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

除上文及於「董事及最高行政人員於股份、相關股份及債權證中的權益及淡倉」一段所披露者外，於二零二一年六月三十日，概無其他人士於本公司之股份及相關股份中擁有須記錄於本公司根據證券及期貨條例第336條而存置之登記冊之權益或淡倉。

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 Company's listed securities for the six months ended 30 June 2021.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, based on the information that is publicly available to the Group and to the knowledge of the Directors, the Group has maintained sufficient public float as required under the Listing Rules.

CORPORATE GOVERNANCE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules since 11 December 2013, the date on which dealings in its shares first commence on the Stock Exchange.

For the six months ended 30 June 2021, the Company has complied with the code provisions set out in the CG Code with the following exception:

Code provision A.2.1 of the CG Code requires that the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. During the period from 1 January to 8 February 2021, the Company has not appointed the chairman, and the roles and functions of the chairman have been performed by all the executive Directors collectively. On 9 February 2021, Mr. Chen Bingyan was appointed as the chairman of the board of Directors. On 17 March 2021, Mr. Chen Bingyan resigned as a non-executive Director and the chairman of the board of Directors. On 18 March 2021, Mr. Gao Gunter was appointed as the chairman of the board of Directors. As at the date of this report, the roles of the chairman and the chief executive officer have been properly separate.

Code provision A.4.1 of the CG Code requires that non-executive directors should be appointed for a specific term, subject to re-election. The non-executive Director and independent non-executive Directors have not been appointed for any specific terms as they are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's articles of association.

買賣或贖回本公司上市證券

本公司或其任何附屬公司概無於截至二零二一年六月三十日止六個月買賣或贖回本公司任何上市證券。

足夠公眾持股量

於本報告日期，根據可供本集團公開查閱的資料及據董事所知，本集團已維持上市規則規定的最低公眾持股量。

企業管治

本集團致力維持高水平的企業管治，以保障本公司股東權益及提升企業價值及問責性。本公司自二零一三年十二月十一日（其股份首次開始於聯交所買賣日期）起已採納上市規則附錄14所載企業管治守則（「企業管治守則」）。

截至二零二一年六月三十日止六個月，本公司已遵守企業管治守則所載守則條文，惟以下除外：

企業管治守則守則條文第A.2.1條規定，主席及行政總裁的職位應有所區分，且不應由同一人擔任。於二零二一年一月一日至二月八日期間，本公司並無委任主席，而主席的職責及職能由全體執行董事共同履行。於二零二一年二月九日，陳炳炎先生獲委任為董事會主席。於二零二一年三月十七日，陳炳炎先生辭任非執行董事及董事會主席。於二零二一年三月十八日，高敬德博士已獲委任為董事會主席。於本報告日期，主席與行政總裁之角色已妥為區分。

企業管治守則守則條文第A.4.1條規定，非執行董事應按指定任期獲委任，並應接受重選。非執行董事及獨立非執行董事均並無特定任期，乃因彼等須根據本公司組織章程細則在本公司股東週年大會上輪值告退及膺選連任。

Other Information

其他資料

CORPORATE GOVERNANCE (Continued)

Code provision A.6.7 stipulates that independent non-executive directors and other non-executive directors, as equal board members, should give the board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings and develop a balanced understanding of the views of shareholders. No independent non-executive Directors attended the extraordinary general meeting of the Company held on 8 April 2021 after considering the quarantine measures adopted by the Governments for the COVID-19 outbreak. Nevertheless, other member of the Board attended this meeting to ensure effective communication with the shareholders of the Company. Moreover, all independent non-executive Directors attended the annual general meeting of the Company held on 30 June 2021.

The Company regularly reviews its corporate governance practices to ensure they comply with the CG Code and align with the latest developments.

CHANGE OF DIRECTORS

From 1 January 2021 to the date of this report:

- (i) Mr. Chen Bingyan was appointed as a non-executive Director with effect from 2 February 2021, and was appointed as the Chairman of the Board with effect from 9 February 2021;
- (ii) Mr. Chen Bingyan was resigned as a non-executive Director and Chairman with effect from 17 March 2021;
- (iii) Mr. Lam Wah was resigned as an executive Director with effect from 2 March 2021;
- (iv) Mr. Xing Bin was resigned as an executive Director with effect from 2 March 2021;
- (v) Dr. Gao Gunter was appointed as an executive Director with effect from 2 March 2021;
- (vi) Mr. Chen Xinwei was appointed as an executive Director with effect from 2 March 2021;

企業管治 (續)

守則條文第A.6.7條規定，獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位的董事會成員，應定期出席董事會及由彼等擔任委員會成員的委員會會議並積極參與會務，以彼等之技能、專業知識及不同的背景及資格作出貢獻。彼等亦應出席股東大會，對股東意見有公正的了解。考量政府針對COVID-19疫情採取的檢疫措施後，概無獨立非執行董事出席本公司於二零二一年四月八日舉行的股東特別大會。儘管如此，其他董事會成員出席該會議，確保與本公司股東的有效溝通。此外，全體獨立非執行董事均有出席本公司於二零二一年六月三十日舉行的股東週年大會。

本公司定期審議其企業管治常規，以確保已遵守企業管治守則及緊貼企業管治最新發展。

董事變動

自二零二一年一月一日至本報告日期：

- (i) 陳炳炎先生獲委任為非執行董事，自二零二一年二月二日起生效，並獲委任為董事會主席，自二零二一年二月九日起生效；
- (ii) 陳炳炎先生辭任非執行董事及主席，自二零二一年三月十七日起生效；
- (iii) 林華先生辭任執行董事，自二零二一年三月二日起生效；
- (iv) 邢濱先生辭任執行董事，自二零二一年三月二日起生效；
- (v) 高敬德博士獲委任為執行董事，自二零二一年三月二日起生效；
- (vi) 陳歆璋先生獲委任為執行董事，自二零二一年三月二日起生效；

CHANGE OF DIRECTORS (Continued)

- (vii) Mr. Chin Chun Hin was resigned as an executive Director with effect from 17 March 2021;
- (viii) Mr. Di Ling was appointed as an executive Director with effect from 18 March 2021;
- (ix) Dr. Cui Dingjun was appointed as an executive Director with effect from 18 March 2021;
- (x) Dr. Gao Gunter was appointed as the Chairman of the Board with effect from 18 March 2021;
- (xi) Mr. Brett Ashley Wight resigned as an executive Director with effect from 5 April 2021;
- (xii) Mr. Chen Lei was appointed as an executive Director with effect from 13 May 2021;
- (xiii) Dr. Guo Yike was appointed as a independent non-executive Director, a member of the remuneration committee, the audit committee and the nomination committee respectively, with effect from 4 August 2021; and
- (xiv) Mr. Lam Po Foon was appointed as a non-executive Director with effect from 10 August 2021.

CHANGE OF COMPANY NAME, COMPANY LOGO AND STOCK SHORT NAME

Subsequent to the passing of the special resolution regarding the proposed change of company name at the extraordinary general meeting of the Company held on 8 April 2021, the English name of the Company changed to "China Carbon Neutral Development Group Limited" and the Chinese name of the Company changed to "中國碳中和發展集團有限公司". The Company has adopted a new company logo with effect from 14 April 2021.

The stock short name of the Company for trading in the Shares on the Stock Exchange has been changed from "BISU TECH" to "C CARBONNEUTRAL" in English and from "比速科技" to "中國碳中和" in Chinese with effect from 9:00 a.m. on 3 May 2021. The stock code of the Company will remain unchanged as "1372".

董事變動 (續)

- (vii) 錢振軒先生辭任執行董事，自二零二一年三月十七日起生效；
- (viii) 邱靈先生獲委任為執行董事，自二零二一年三月十八日起生效；
- (ix) 崔定軍博士獲委任為執行董事，自二零二一年三月十八日起生效；
- (x) 高敬德博士獲委任為董事會主席，自二零二一年三月十八日起生效；
- (xi) Brett Ashley Wight 先生辭任執行董事，自二零二一年四月五日起生效；
- (xii) 陳蕾先生獲委任為執行董事，自二零二一年五月十三日起生效；
- (xiii) 郭毅可博士獲委任為獨立非執行董事、薪酬委員會、審核委員會及提名委員會各自之成員，自二零二一年八月四日起生效；及
- (xiv) 林寶歡先生獲委任為非執行董事，自二零二一年八月十日起生效。

變更公司名稱、公司標誌及股票簡稱

繼關於建議更改公司名稱之特別決議案在本公司於二零二一年四月八日舉行之股東特別大會上獲通過後，本公司之英文名字改為「China Carbon Neutral Development Group Limited」，及中文名字改為「中國碳中和發展集團有限公司」。本公司亦已採用新的公司標誌，自二零二一年四月十四日起生效。

本公司股份於聯交所買賣所用之英文股份簡稱由「BISU TECH」更改為「C CARBONNEUTRAL」，而中文股份簡稱則由「比速科技」更改為「中國碳中和」，此更改自二零二一年五月三日上午九時正起生效。本公司之股份代號「1372」將維持不變。

Other Information 其他資料

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted the Model Code. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code for the six months ended 30 June 2021.

AUDIT COMMITTEE

The Audit Committee comprises four independent non-executive Directors, Mr. Leung Tsz Wing (Chairman), Dr. Guo Yike, Mr. Yu Wai Chun and Mr. Ip Mei Shun, with written terms of reference in accordance with the requirements of the Listing Rules, and reports to the Board. The Audit Committee has reviewed with management the principal accounting policies adopted by the Group and discussed internal controls and financial reporting matters including a review of the Group's unaudited condensed consolidated interim financial information for the six months ended 30 June 2021.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere thanks and gratitude to our management team and staff for their hard work and dedication, as well as our shareholders, business partners and associates, bankers and auditors for their continuous support to the Group.

By order of the Board
China Carbon Neutral Development Group Limited
Gao Gunter
Chairman

Hong Kong, 30 August 2021

本公司董事進行證券交易之標準守則

本公司已採納標準守則。截至二零二一年六月三十日止六個月，已向所有董事作出具體查詢，而董事已確認彼等一直遵守標準守則所載的規定標準。

審核委員會

本公司已根據上市規則規定成立由四名獨立非執行董事（即梁子榮先生（主席）、郭毅可博士、余偉秦先生及葉美順先生）組成的審核委員會，並已制定其書面職權範圍，負責向董事會匯報工作。審核委員會已與管理層審閱本集團採用的主要會計政策，並討論內部控制和財務報告事項，包括對本集團截至二零二一年六月三十日止六個月的未經審核簡明綜合中期財務資料的審閱。

鳴謝

本人謹藉此機會代表董事會向管理層團隊及全體員工表達由衷感激及衷心謝意，感激彼等的熱誠投入，亦感謝股東、業務夥伴及合作夥伴、往來銀行及核數師對本集團的持續支持。

承董事會命
中國碳中和發展集團有限公司
主席
高敬德

香港，二零二一年八月三十日

REGISTERED OFFICE

Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 3302, 33/F
Global Trade Square
No. 21 Wong Chuk Hang Road
Hong Kong

EXECUTIVE DIRECTORS

Dr. Gao Gunter (*Chairman*) (*appointed on 2 March 2021*)

Mr. Chen Xinwei (*appointed on 2 March 2021*)

Dr. Cui Dingjun (*appointed on 18 March 2021*)

Mr. Di Ling (*appointed on 18 March 2021*)

Mr. Chen Lei (*appointed on 13 May 2021*)

Mr. Artem Matyushok (*Chief Executive Officer*)

NON-EXECUTIVE DIRECTOR

Mr. Lam Po Foon (*appointed on 10 August 2021*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Guo Yike (*appointed on 4 August 2021*)

Mr. Ip Mei Shun

Mr. Leung Tsz Wing

Mr. Yu Wai Chun

AUDIT COMMITTEE

Mr. Leung Tsz Wing (*Chairman*)

Dr. Guo Yike (*appointed on 4 August 2021*)

Mr. Ip Mei Shun

Mr. Yu Wai Chun

REMUNERATION COMMITTEE

Mr. Ip Mei Shun (*Chairman*)

Dr. Guo Yike (*appointed on 4 August 2021*)

Mr. Leung Tsz Wing

Mr. Yu Wai Chun

註冊辦事處

Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處兼主要營業地點

香港
黃竹坑道21號
環滙廣場
33樓3302室

執行董事

高敬德博士 (*主席*) (*於二零二一年三月二日獲委任*)

陳歆璋先生 (*於二零二一年三月二日獲委任*)

崔定軍博士 (*於二零二一年三月十八日獲委任*)

邱靈先生 (*於二零二一年三月十八日獲委任*)

陳蕾先生 (*於二零二一年五月十三日獲委任*)

Artem Matyushok先生 (*行政總裁*)

非執行董事

林寶歡先生 (*於二零二一年八月十日獲委任*)

獨立非執行董事

郭毅可博士 (*於二零二一年八月四日獲委任*)

葉美順先生

梁子榮先生

余偉秦先生

審核委員會

梁子榮先生 (*主席*)

郭毅可博士 (*於二零二一年八月四日獲委任*)

葉美順先生

余偉秦先生

薪酬委員會

葉美順先生 (*主席*)

郭毅可博士 (*於二零二一年八月四日獲委任*)

梁子榮先生

余偉秦先生

Corporate Information

公司資料

NOMINATION COMMITTEE

Mr. Yu Wai Chun (*Chairman*)
Dr. Guo Yike (*appointed on 4 August 2021*)
Mr. Ip Mei Shun
Mr. Leung Tsz Wing

COMPANY SECRETARY

Mr. Zhou Danqing (*resigned on 11 April 2021*)
Ms. Han Lei (*appointed on 11 April 2021*)

CAYMAN ISLANDS SHARE REGISTRAR

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

AUDITOR

Zenith CPA Limited
Certified Public Accountants
Rooms 2103-05, 21/F Dominion Centre
43-59 Queen's Road East
Wanchai
Hong Kong

SHARE INFORMATION

Ordinary share listing

Place of listing	Main Board of The Stock Exchange of Hong Kong Limited
Stock code	1372
Board lot size	1,000 shares

WEBSITE OF THE COMPANY

www.carbonneutral.com.hk

提名委員會

余偉秦先生 (*主席*)
郭毅可博士 (*於二零二一年八月四日獲委任*)
葉美順先生
梁子榮先生

公司秘書

周丹青先生 (*於二零二一年四月十一日辭任*)
韓蕾女士 (*於二零二一年四月十一日獲委任*)

開曼群島股份過戶登記處

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓

核數師

誠豐會計師事務所有限公司
執業會計師
香港
灣仔
皇后大道東43-59號
東美中心21樓2103-05室

股份資料

普通股上市

上市地點	香港聯合交易所有限公司主板
股份代號	1372
每手買賣單位	1,000股

公司網址

www.carbonneutral.com.hk



中國碳中和發展集團有限公司
China Carbon Neutral Development Group Limited