ENERGY INTERNATIONAL INVESTMENTS HOLDINGS LIMITED
能 源 國 際 投 資 控 股 有 限 公 司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 353)

(1) UPDATE ANNOUNCEMENT ON THE COMPLETION OF AUDIT OF THE RESULTS FOR THE FIFTEEN MONTHS ENDED 31 MARCH 2021; AND (2) CONTINUED SUSPENSION OF TRADING

(1) COMPLETION OF AUDIT

Reference is made to the announcement (the "**Unaudited Results Announcement**") of Energy International Investments Holdings Limited (the "**Company**", which together with its subsidiaries is collectively referred to as the "**Group**") dated 27 July 2021 in relation to the unaudited results of the Group for the fifteen months ended 31 March 2021 (the "**2021 Unaudited Results**").

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce that the Company's auditor, Crowe (HK) CPA Limited ("**Crowe**"), has completed its audit of the consolidated financial statements of the Group for the fifteen months ended 31 March 2021 (the "**2021 Audited Results**") in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The 2021 Audited Results remain substantially the same as the 2021 Unaudited Results, except for the differences set out in the financial statements presented below with note references to the reasons for such differences as set out in the section of this announcement headed "Material differences between the 2021 Unaudited Results and the 2021 Audited Results".

The following set forth the audited consolidated income statement and consolidated statement of comprehensive income of the Group for the fifteen months ended 31 March 2021, the audited consolidated statement of financial position as at 31 March 2021, together with the relevant corresponding figures shown in the 2021 Unaudited Results and the differences between the audited and the unaudited figures:

* *For identification only*

CONSOLIDATED INCOME STATEMENT

For the fifteen months ended 31 March 2021

	Notes	**Fifteen months ended 31 March 2021**		Difference	Year ended 31 December 2019
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
		(Audited)	(Unaudited)		
Continuing operations					
Revenue		**193,148**	193,148	–	129,838
Cost of sales and services rendered		**(3,164)**	(3,164)	–	(2,327)
Gross profit		**189,984**	189,984	–	127,511
Interest revenue	*(i)*	**23,704**	15,339	8,365	10,870
Other income and other (losses)/gains, net	*(ii)*	**(38,806)**	(4,951)	(33,855)	18,144
Selling and distribution expenses		**(8,099)**	(8,099)	–	(9,654)
Administrative expenses	*(iii)*	**(55,518)**	(52,814)	(2,704)	(42,097)
Fair value gain on investment properties		**33,600**	33,600	–	5,196
Loss on early redemption of promissory notes		**(1,788)**	(1,788)	–	(6,459)
Finance costs		**(47,495)**	(47,495)	–	(45,028)
Profit before income tax		**95,582**	123,776	(28,194)	58,483
Income tax expenses		**(36,723)**	(36,723)	–	(23,124)
Profit for the period/year from continuing operations		**58,859**	87,053	(28,194)	35,359
Discontinued operation					
Profit for the period/year from discontinued operation		**–**	–	–	11,496
Profit for the period/year		**58,859**	87,053	(28,194)	46,855

	Notes	Fifteen months ended 31 March 2021 HK$'000 (Audited)	HK$'000 (Unaudited)	Difference HK$'000	Year ended 31 December 2019 HK$'000
Attributable to:					
Owners of the Company					
– Profit from continuing operations		**6,726**	28,437	(21,711)	19,814
– Profit from discontinued operation		**–**	–	–	11,496
Profit attributable to owners of the Company		**6,726**	28,437	(21,711)	31,310
Non-controlling interests					
– Profit from continuing operations		**52,133**	58,616	(6,483)	15,545
Profit attributable to non-controlling interests		**52,133**	58,616	(6,483)	15,545
		58,859	87,053	(28,194)	46,855
Earnings per share		***HK cent***	*HK cent*	*HK cent*	*HK cent*
Basic and diluted					
– from continuing and discontinued operations		**0.09**	0.39	(0.30)	0.44
– from continuing operations		**0.09**	0.39	(0.30)	0.28
– from discontinued operation		**–**	–	–	0.16

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the fifteen months ended 31 March 2021

	Notes	Fifteen months ended 31 March 2021 *HK$'000* (Audited)	*HK$'000* (Unaudited)	Difference *HK$'000*	Year ended 31 December 2019 *HK$'000*
Profit for the period/year		**58,859**	87,053	(28,194)	46,855
Other comprehensive income/ (expenses), net of tax					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating of financial statements of foreign operations	*(iv)*	**56,801**	72,942	(16,141)	(16,422)
Release of exchange reserve upon disposal of subsidiaries		**–**	–	–	(10,327)
Items that may not be reclassified subsequently to profit or loss:					
Fair value change of equity instruments at fair value through other comprehensive income	*(ii) (b)*	**(3,648)**	(16,886)	13,238	–
Other comprehensive income/ (expenses) for the period/year, net of tax		**53,153**	56,056	(2,903)	(26,749)
Total comprehensive income for the period/year		**112,012**	143,109	(31,097)	20,106
Attributable to:					
– Owners of the Company					
– from continuing operations		**50,268**	66,273	(16,005)	4,349
– from discontinued operations		**–**	–	–	1,172
– Non-controlling interests					
– from continuing operations		**61,744**	76,836	(15,092)	14,585
		112,012	143,109	(31,097)	20,106

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2021

	Notes	As at 31 March 2021 HK$'000 (Audited)	HK$'000 (Unaudited)	Difference HK$'000	As at 31 December 2019 HK$'000
Non-current assets					
Property, plant and equipment		**1,715**	1,715	–	4,470
Right-of-use assets		**6,850**	6,850	–	11,052
Investment properties		**1,574,454**	1,574,454	–	1,441,575
Goodwill		**–**	–	–	–
Investment in an associate		**–**	–	–	2,805
Equity instruments at fair value through other comprehensive income		**222,412**	222,412	–	226,060
Deposits and other receivables	*(v)*	**27,134**	26,945	189	93,196
		1,832,565	1,832,376	189	1,779,158
Current assets					
Trade receivables		**15,981**	15,981	–	–
Amount due from an associate		**2,368**	2,368	–	5,588
Prepayments, deposits and other receivables	*(v)*	**176,529**	363,189	(186,660)	95,968
Loan receivables	*(vi)*	**209,844**	27,832	182,012	39,096
Financial assets at fair value through profit or loss		**13,166**	13,166	–	28,314
Cash and bank balances		**13,680**	13,680	–	125,352
		431,568	436,216	(4,648)	294,318
Current liabilities					
Other payables and accruals	*(vii)*	**159,470**	162,599	(3,129)	204,882
Amounts due to non-controlling shareholders		**–**	–	–	3,817
Bank borrowings	*(viii)*	**155,079**	55,639	99,440	177,012
Other borrowings		**12,317**	12,317	–	147,901
Lease liabilities		**3,109**	3,109	–	6,134
Convertible bonds		**–**	–	–	26,221
Promissory notes		**12,279**	12,279	–	17,734
		342,254	245,943	96,311	583,701
Net current asset/(liabilities)		**89,314**	190,273	(100,959)	(289,383)
Total assets less current liabilities		**1,921,879**	2,022,649	(100,770)	1,489,775

		As at 31 March 2021		Difference	As at 31 December 2019
	Notes	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
		(Audited)	(Unaudited)		
Non-current liabilities					
Amounts due to non-controlling shareholders		**120,541**	120,541	–	144,641
Bank borrowings	*(viii)*	**21,308**	120,748	(99,440)	63,251
Other borrowings		**10,652**	10,652	–	10,479
Preferred shares	*(ix)*	**333,832**	–	333,832	–
Lease liabilities		**6,105**	6,105	–	7,523
Promissory notes		**117,123**	117,123	–	134,811
Deferred tax liabilities		**146,989**	146,989	–	102,693
		756,550	522,158	234,392	463,398
Net assets		**1,165,329**	1,500,491	(335,162)	1,026,377
Capital and reserves					
Share capital		**720,563**	720,563	–	544,484
Reserves	*(x)*	**144,234**	126,953	17,281	243,150
Equity attributable to the owners of the Company		**864,797**	847,516	17,281	787,634
Non-controlling interests	*(x)*	**300,532**	652,975	(352,443)	238,743
Total equity		**1,165,329**	1,500,491	(335,162)	1,026,377

MATERIAL DIFFERENCES BETWEEN THE 2021 UNAUDITED RESULTS AND THE 2021 AUDITED RESULTS

The auditing process for the audited results had not been completed as at the date of publication of the Unaudited Results Announcement. Since then, adjustments were made to the 2021 Unaudited Results during the audit process. Shareholders and potential investors of the Company are advised to pay attention to the differences between the 2021 Unaudited Results contained in the Unaudited Results Announcement and the 2021 Audited Results contained in this announcement.

The 2021 Audited Results remain substantially the same as the 2021 Unaudited Results, except for the following material changes with details set out below:

(i) Additional interest income of approximately HK$8,365,000 was recognised in relation to certain funds advanced to an independent third party to finance trading business of petrochemicals in the People's Republic of China (the "**PRC**").

(ii) The difference of approximately HK$33,855,000 was mainly due to the combined effect of the following:

(a) reclassification of net exchange gain of approximately HK$13,238,000 in relation to the equity instruments at fair value through other comprehensive income from profit or loss to other comprehensive income;

(b) recognition of fair value loss on preferred shares, which were classified as financial liabilities at fair value through profit or loss as at 31 March 2021, of approximately HK$13,655,000 with reference to a valuation report performed by an independent professional valuer; and

(c) provision of impairment loss under expected credit loss model on loan receivables of approximately HK$6,962,000 with reference to a valuation report performed by an independent professional valuer.

(iii) The difference of approximately HK$2,704,000 was mainly due to the combined effect of the following:

(a) adjustments on auditor's remuneration and other professional fees due to the change of auditor of approximately HK$790,000;

(b) adjustments on certain accrued legal and professional fees of approximately HK$2,000,000; and

(c) adjustment on the sundry expenses of HK$86,000.

(iv) The difference of approximately HK$16,141,000 was due to the decrease in exchange gains on translating of financial statements of foreign operations mainly as a result of decrease in net asset value of Shandong Shundong Port Services Company Limited ("**Shundong Port**"), an indirectly-owned subsidiary of the Company established in the PRC, upon the reclassification of capital injection of RMB270,000,000 made by certain non-controlling equity holders of Shundong Port from "Total equity" to "Non-current liabilities" in the consolidated statement of financial position.

(v) The differences of approximately HK$189,000 in non-current portion and HK$186,660,000 in current portion of prepayments, deposits and other receivables were mainly due to the combined effect of the following:

(a) reallocation adjustment of deposits of HK$189,000 from current assets to non-current assets;

(b) reallocation adjustment of funds advanced to an independent third party to finance trading business of petrochemicals of approximately HK$179,997,000 from "Prepayments, deposits and other receivables" to "Loan receivables";

(c) adjustment on value-added tax ("**VAT**") receivables of approximately HK$555,000 in relation to the recognition of additional interest income mentioned in note (i); and

(d) reclassification adjustment of approximately HK$5,919,000 between other receivables and other payables.

(vi) The difference of approximately HK$182,012,000 was mainly due to combined effect of the following:

(a) reallocation adjustment of funds advanced to an independent third party to finance trading business of petrochemicals of approximately HK$179,997,000 from "Prepayments, deposits and other receivables" to "Loan receivables";

(b) additional interest income receivables of approximately HK$9,257,000 (VAT included) was recognised in relation to the recognition of additional interest income mentioned in note (i); and

(c) provision of impairment loss under expected credit loss model on loan receivables of approximately HK$7,242,000.

(vii) The difference of approximately HK$3,129,000 was mainly due to combined effect of the following:

(a) reclassification adjustment of approximately HK$5,919,000 between other payables and other receivables; and

(b) adjustments mentioned in notes (iii)(a) and (iii)(b).

(viii) The difference of approximately HK$99,440,000 was mainly due to a reclassification adjustment on one of the bank loans of the Group from non-current liabilities to current liabilities pursuant to the terms of the relevant bank loan which contains an early repayment clause.

(ix) The difference of approximately HK$333,832,000 was mainly due to recognition of preferred shares issued by Shundong Port which were classified as financial liabilities at fair value through profit or loss pursuant to the requirement set forth in HKFRS 9, *Financial Instruments*. The fair value of the preferred shares of approximately HK$333,832,000 was recorded with reference to a valuation report performed by an independent professional valuer of the Company.

(x) The differences of approximately HK$17,281,000 in reserves and HK$352,443,000 in non-controlling interests were consequential changes, principally due to the reclassification of capital injection made by certain non-controlling equity holders of Shundong Port from "Reserves" and "Non-controlling interests" of approximately HK$304,065,000, in aggregate, to "Preferred shares" and stated at fair value as mentioned in note (viii) above.

As a result of the above amendments, the following major items were different from 2021 Unaudited Results:

A. Regarding the Consolidated Income Statements and Consolidated Statement of Comprehensive Income for the fifteen months ended 31 March 2021

(i) the audited profit before income tax of the Group should be HK$95,582,000 instead of HK$123,776,000;

(ii) the audited profit for the period should be HK$58,859,000 instead of HK$87,053,000;

(iii) the audited profit attributable to owners of the Company should be HK$6,726,000 instead of HK$28,437,000;

(iv) the audited basic earning per share should be HK cent 0.09 instead of HK cent 0.39;

(v) the audited total comprehensive income should be HK$112,012,000 instead of HK$143,109,000; and

(vi) the audited total comprehensive income attributable to owners of the Company should be HK$50,268,000 instead of HK$66,273,000.

B. Regarding the Consolidated Statement of Financial Position as at 31 March 2021

(i) the audited non-current assets should be HK$1,832,565,000 instead of HK$1,832,376,000;

(ii) the audited current assets should be HK$431,568,000 instead of HK$436,216,000;

(iii) the audited net current assets should be HK$89,314,000 instead of HK$190,273,000;

(iv) the audited total assets less current liabilities should be HK$1,921,879,000 instead of HK$2,022,649,000;

(v) the audited non-current liabilities should be HK$756,550,000 instead of HK$522,158,000;

(vi) the audited net assets should be HK$1,165,329,000 instead of HK$1,500,491,000;

(vii) the audited equity attributable to the owners of the Company should be HK$864,797,000 instead of HK$847,516,000; and

(viii) the audited non-controlling interests should be HK$300,532,000 instead of HK$652,975,000.

Save as disclosed in this announcement and the corresponding adjustments in totals, percentages, ratios and comparative figures related to the above material differences, all other information contained in the Unaudited Results Announcement remain unchanged.

AUDITOR'S AGREEMENT ON THE AUDITED RESULTS

Following the adjustments described above, the Company's external auditor, Crowe (HK) CPA Limited, has agreed on the 2021 Audited Results (including the financial figures in respect of the Group's consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position). The 2021 Audited Results have been reviewed by the audit committee of the Company and were approved by the Board on 29 November 2021.

CLARIFICATION ON GEARING RATIO AND CURRENT RATIO

As a result of the changes to the statement of financial position for the reasons set out in the section of this announcement headed "Material differences between the 2021 Unaudited Results and the 2021 Audited Results", consequential changes are required to be made to the gearing ratio and the current ratio set out in the section headed "FINANCIAL REVIEW – Liquidity, financial resources and capital structure" of the Unaudited Results Announcement, as follows:

As at 31 March 2021, the Group had total assets of approximately HK$2,264 million (31 December 2019: HK$2,073 million), total liabilities of approximately HK$1,099 million (31 December 2019: HK$1,047 million), indicating a gearing ratio of 0.49 (31 December 2019: 0.51) on the basis of total liabilities over total assets. The current ratio of the Group as at 31 March 2021 was 1.26 (31 December 2019: 0.50) on the basis of current assets over current liabilities.

SCOPE OF WORK OF CROWE (HK) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position as at 31 March 2021, and the Group's consolidated income statement, consolidated statement of comprehensive income and the related disclosure thereto for the fifteen months ended 31 March 2021 as set out in this announcement of audited results have been agreed by Crowe to the amounts set out in the Group's audited consolidated financial statements for the period. The work performed by Crowe in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagement issued by the HKICPA and consequently no assurance has been expressed by Crowe on this announcement of audited results.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This audited results announcement is published on the websites of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Company. The annual report of the Company for the fifteen months ended 31 March 2021 is expected to be dispatched to the shareholders of the Company and published on the websites of the Company and Stock Exchange in due course.

(2) CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 July 2021 and will remain suspended until further notice.

By order of the Board
Energy International Investments Holdings Limited
Lan Yongqiang
Chairman

Hong Kong, 29 November 2021

As at the date of this announcement, the executive Directors are Mr. Lan Yongqiang (Chairman), Mr. Wang Feng (Vice Chairman), Mr. Chan Wai Cheung Admiral, Mr. Cao Sheng, Mr. Yu Zhiyong and Dr. Lei Liangzhen; and the independent non-executive Directors are Mr. Tang Qingbin, Mr. Wang Jinghua and Mr. Fung Nam Shan.