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CHINA WOOD
中木國際

CHINA WOOD INTERNATIONAL HOLDING CO., LIMITED

中木國際控股有限公司

(Joint Provisional Liquidators appointed)

(For restructuring purposes only)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1822)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2022

The board of directors (the “**Board**”) of China Wood International Holding Co., Limited 中木國際控股有限公司 and its subsidiaries (collectively, the “**Group**”) hereby announces the unaudited condensed consolidated results of the Group for the six months ended 30 June 2022. This announcement, containing the full text of the 2022 interim report (“**Interim Report**”) of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) in relation to information to accompany preliminary announcements of interim results. The printed version of the Interim Report will be delivered to the shareholders of the Company and will be published on The Stock Exchange of Hong Kong Limited website at www.hkexnews.hk and the Company at www.chinawoodint.com.hk in due course.

PUBLICATION OF RESULTS ANNOUNCEMENT

This interim results announcement is available for viewing on The Stock Exchange of Hong Kong Limited website at www.hkexnews.hk and the Company at www.chinawoodint.com.hk.

By order of the Board
China Wood International Holding Co., Limited
中木國際控股有限公司

(Joint Provisional Liquidators appointed)

(For restructuring purposes only)

Lyu NingJian

Chairman and Executive Director

Hong Kong, 19 August 2022

As at the date of this announcement, the Board comprises Mr. Lyu NingJian (Chairman and CEO) as executive director; Mr. Hu YongGang as non-executive director; and Mr. Zhao XianMing, Mr. So Yin Wai and Ms. Zhao Xiao Lian as independent non-executive directors.



CHINA WOOD INTERNATIONAL HOLDING CO., LIMITED 中木國際控股有限公司

(Joint Provisional Liquidators appointed)
(已委任共同臨時清盤人)

(For restructuring purposes only)
(僅適用於公司重組)

(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: 1822)

INTERIM REPORT
中期報告

2022



Corporate Information 公司資料

DIRECTORS

Executive Directors

Mr. Lyu NingJiang (*Chairman and Chief Executive Officer*)

Non-executive Director

Mr. Hu YongGang

Independent Non-executive Directors

Mr. Zhao Xianming

Mr. An Dong

(ceased on 26 May 2022)

Mr. So Yin Wai

Ms. Zhao Xiao Lian

(appointed on 1 June 2022)

COMPANY SECRETARY

Mr. Lee Pak Chung

AUTHORISED REPRESENTATIVES

Mr. Lyu NingJiang

Mr. Lee Pak Chung

AUDIT COMMITTEE

Mr. Zhao Xianming (*Chairman*)

Mr. An Dong

(ceased on 26 May 2022)

Ms. Zhao Xiao Lian

(appointed on 1 June 2022)

Mr. So Yin Wai

NOMINATION COMMITTEE

Mr. Lyu NingJiang (*Chairman*)

Mr. Zhao Xianming

Mr. An Dong

(ceased on 26 May 2022)

Mr. So Yin Wai

REMUNERATION COMMITTEE

Mr. Zhao Xianming (*Chairman*)

Mr. An Dong

(ceased on 26 May 2022)

Mr. So Yin Wai

Ms. Zhao Xiao Lian

(appointed on 1 June 2022)

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited

17/F., Far East Finance Centre

16 Harcourt Road

Hong Kong

董事

執行董事

呂寧江先生 (*主席兼首席執行官*)

非執行董事

胡永剛先生

獨立非執行董事

趙憲明先生

安東先生

(於二零二二年五月二十六日離任)

蘇彥威先生

趙小蓮女士

(於二零二二年六月一日獲委任)

公司秘書

李柏聰先生

授權代表

呂寧江先生

李柏聰先生

審核委員會

趙憲明先生 (*主席*)

安東先生

(於二零二二年五月二十六日離任)

趙小蓮女士

(於二零二二年六月一日獲委任)

蘇彥威先生

提名委員會

呂寧江先生 (*主席*)

趙憲明先生

安東先生

(於二零二二年五月二十六日離任)

蘇彥威先生

薪酬委員會

趙憲明先生 (*主席*)

安東先生

(於二零二二年五月二十六日離任)

蘇彥威先生

趙小蓮女士

(於二零二二年六月一日獲委任)

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Corporate Information 公司資料

WEBSITE

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STOCK CODE

01822

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PRINCIPAL BANKER

Bank of Communications Co., Ltd. Hong Kong Branch

AUDITORS

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REGISTERED OFFICE

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Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
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股份代號

01822

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主要往來銀行

交通銀行股份有限公司，香港分行

核數師

長青(香港)會計師事務所有限公司
執業會計師
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Cricket Square, Hutchins Drive
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Cayman Islands

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主要股份過戶登記處

Suntera (Cayman) Limited
3rd floor, Royal Bank House,
24 Shedden Road, George Town,
Grand Cayman,
KY1-1110, Cayman Islands

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

In 2022, the outbreak of the novel coronavirus (“**COVID-19**”) continued to rage around the world, with the emergence of new variants in the second half of 2021 affecting several provinces in the Mainland to varying degrees and slowing China’s economic growth. At the same time, there has been slump in activities in the retail sector and property sector since the second half of 2021, driven by the resurgence of the COVID-19 in certain regions of the country, and tightening government policy in Mainland. As a result, the business environment in which the Group operates remains to be challenging and tough during the six months ended 30 June 2022 (the “**Reporting Period**”).

Car Rental Business

The car rental business has been one of the core businesses of the Group since 2014. Beijing Tu An Car Rental Services Limited* (北京途安汽車租賃有限責任公司) (“**Beijing Tu An**”), an indirect wholly-owned subsidiary of the Company, has been responsible for operating the Group’s car rental services business in the PRC.

The normal rental terms of Beijing Tu An’s car fleet with its customers ranges from three months to two years or longer. Premium customers of Beijing Tu An would specify the brand and model of the rented car and Beijing Tu An would acquire the rented car according to premium customers’ requirements. By the end of the contractual term, Beijing Tu An will retain the right to dispose of the used car and keep the proceed as income. The rental charged by Beijing Tu An to its customers is made with reference to current rental rates for each particular car models and adjusted according to the then prevailing market condition.

The prevailing depressed market atmosphere together with the unfavourable news of the Group about the debt restructuring has also affected the performance of Beijing Tu An for the Reporting Period. After serious assessment by the Board, the Group will continue to conduct its rental car fleet in a conservative approach. For the Reporting Period, the car rental business segment of the Group recorded a revenue of approximately HK\$6.6 million (six months ended 30 June 2021: approximately HK\$3.5 million). The Group will maintain its development strategies in order to enhance its capacity and capture incremental market share.

業務回顧

於二零二二年，新型冠狀病毒（「**新型冠狀病毒**」）的爆發繼續在全球肆虐，隨著二零二一年下半年新變體的出現，大陸多個省份受到不同程度的影響，滯緩中國經濟增長。與此同時，由於國內若干地區的新型冠狀病毒疫情捲土重來以及大陸的緊縮型政府政策，零售板塊及房地產板塊自二零二一年下半年起下滑。因此，於截至二零二二年六月三十日止六個月（「**報告期間**」），本集團運營的業務環境仍然充滿挑戰及頗為艱難。

汽車租賃業務

自二零一四年起，汽車租賃業務一直為本集團核心業務之一。本公司間接全資附屬公司北京途安汽車租賃有限責任公司（「**北京途安**」）負責在中國經營本集團的汽車租賃服務業務。

北京途安的車隊與其客戶的正常租期介乎三個月至兩年或更長。北京途安的高端客戶可指定租賃車輛的品牌及型號，而北京途安將根據高端客戶的要求購入該租賃車輛。合約期結束前，北京途安將保留處置二手車及將所得款項留存為收入的權利。北京途安向其客戶收取的租金乃經參考各特定車型的當前租金並根據當時的市況進行調整。

現行低迷的市場氣氛連同本集團有關債務重組的不利消息，亦影響了北京途安於報告期間的表現。經董事會認真評估後，本集團將繼續以保守的方式從事其租賃車隊業務。於報告期間，本集團汽車租賃業務分部錄得約6,600,000港元（截至二零二一年六月三十日止六個月：約3,500,000港元）之收益。本集團將維持其發展策略，以提升其能力及獲取更大市場份額。

* For identification purposes only

Management Discussion and Analysis

管理層討論及分析

Trading and Processing of Goods (Primarily Wood Products) Business

The Group ventures into an eco-friendly industry for the benefit and well-being of the society, all mankind and their descendants. The protection of forests and water is believed to be of utmost importance to the struggle for survival of mankind against extreme climate changes. For that reason, the Group believes by taking part in the development of an environment-focused wood industry would be meaningful and full of business opportunities in the future of the society.

Since late 2020, the Group established 中木綠色資源(深圳)有限公司 (“**CWGreen**”), an indirect wholly owned subsidiary of the Company, located in LongHua District, Shenzhen as the distribution and processing arm of the Group in developing the wood business in the PRC.

The primary focus of CWGreen is on furniture woods such as red mahogany wood, sandalwood, rosewood, pine wood and fir wood. CWGreen focuses on the procurement and distribution and processing of various types of wood products including wood logs and sawn timber of various wood types from vendors in the PRC and overseas.

The red wood furniture industry in the PRC can be broadly divided into three sectors: (i) upstream raw wood logging and global sourcing of raw material; (ii) mid-stream red wood furniture manufacturers who are responsible for design and manufacture of red wood furniture; and (iii) downstream retail customers and property developers who purchase the products. The Group initially focuses on sourcing of raw materials for furniture manufacturers and expand downstream into red wood furniture manufacturing and sales. The PRC red wood furniture industry had experienced tremendous growth after the millennium benefiting from the strong economic growth in the PRC from the turn of the century and increase in the number of wealthy consumers.

貨品(主要為木製品)貿易及加工業務

本集團涉足環保產業，造福社會、全人類及其後代。保護森林及水源被認為是人類與極端氣候變遷的生存鬥爭中的至關重要之舉。鑒於該理由，本集團認為參與環保木材業的發展對社會的意義重大，並將於日後帶來無限商機。

自二零二零年底以來，本集團成立中木綠色資源(深圳)有限公司(「**中木綠色**」，本公司的間接全資附屬公司，位於深圳市龍華區)，作為本集團在中國發展木材業務的分銷及加工部門。

中木綠色主要專注於傢俬木材，如紅木、檀香木、薔薇木、松木及冷杉木。中木綠色專注於從中國及海外的供應商採購、分銷及加工各類木製品，包括原木及各種木材的鋸材。

中國紅木傢俬行業大致可分為三個部分：(i) 上游原木採伐及原材料的全球採購；(ii) 負責設計及製造紅木傢俬的中游紅木傢俬製造商；及(iii) 購買產品的下游零售客戶及房地產開發商。本集團最初專注於為傢俬製造商採購原材料，並向下游擴展至紅木傢俬的製造及銷售。得益於世紀之交以來中國經濟的強勁增長及富裕消費者數量的增加，中國紅木傢俬行業在千禧年後錄得巨大增長。

Management Discussion and Analysis

管理層討論及分析

Red mahogany furniture is traditionally a premium product with special social recognition and attraction to medium and senior income groups in the PRC. Famous for being very durable and the hardness of the materials can subsist to extensive wood carving, red mahogany wood furniture has been well-known as luxurious products of the PRC. Local red mahogany resources in the PRC has been fully exhausted as the demand keeps on in the nation for centuries already. In recent decades, the materials are mainly imported from Africa and Southeast Asia. However, owing to recent years of environmental protection legislation around the globe, the sourcing of the raw materials is becoming a major entrance barrier to new participants and scarcity of premium quality furniture wood material has driven the price of raw material to record high in recent years. With the adoption of flexible marketing strategic and optimal inventory management system, the Group achieved sales of approximately HK\$41.9 million during the Reporting Period (six months ended 30 June 2021: approximately HK\$33.4 million).

On the other hand, the Group's materials trading business is still suffering. The Group has reviewed the materials trading business and has adopted more conservative posture in order to avoid any potential risk and significant loss from this business segment. During the Reporting Period, none of the negotiation of new orders or new deals of materials trading could arrive at terms that could meet the risk reduction requirement. As a result of all the above, the Group recorded HK\$Nil from the materials trading business during the Reporting Period (six months ended 30 June 2021: HK\$Nil).

Financing Services and Investment Businesses

The Group has already suspended its securities trading and assets management businesses and its money lending business. The Group will continue to adopt prudent capital management and liquidity risk management to preserve adequate buffer to meet the funding requirements of its core business segments mentioned above.

紅木傢俬乃中國傳統高端產品，具獨特的社會認可度，對中高級收入群體具吸引力。紅木傢俬以其經久耐用及材料硬度能經受大量木雕而聞名，成為中國家喻戶曉的奢侈品。因紅木在中國的需求已經持續了幾個世紀，中國本地的紅木資源已完全枯竭。近幾十年來，材料主要從非洲及東南亞進口。然而，由於近年來全球環境保護法的出台，原材料的採購正成為新參與者的一個主要准入壁壘，優質傢俬木材的稀缺導致近年來原材料價格屢創新高。隨著採納靈活的市場戰略及最佳存貨管理系統，本集團於報告期間實現銷售額約41,900,000港元（截至二零二一年六月三十日止六個月：約33,400,000港元）。

另一方面，本集團的材料貿易業務仍舉步維艱。本集團已檢討材料貿易業務，並實施了較保守的取態，以避免該業務分部產生任何潛在風險及重大虧損。於報告期間，概無材料貿易的新訂單或新交易的洽談條款可滿足降低風險的要求。鑒於上文所述，本集團於報告期間錄得來自材料貿易業務的收益為零港元（截至二零二一年六月三十日止六個月：零港元）。

融資服務及投資業務

本集團已暫停其證券交易及資產管理業務以及其放債業務。本集團將繼續採取謹慎態度進行資本管理及流動資金風險管理，充足準備，以應對上述核心業務分部的資金需求。

Management Discussion and Analysis

管理層討論及分析

FUTURE OUTLOOK

Despite any unpredictable events, the Board will continue to develop the forest-related business including forest management and distribution and process of forest and timber products and to expand downstream into red wood furniture manufacturing and sales.

On 9 March 2022, the Company entered into a strategic cooperation agreement for the provision of wood construction moulding, wood flooring, doors and window frames and other wood products to China Construction Eighth Bureau Development and Construction Limited* (中建八局發展建設有限公司) (“**China Construction Eighth Bureau**”), an independent third party which is not a shareholder of the Company and not connected with the Company, its shareholders or Right Momentum Group Limited, a company incorporated in the British Virgin Islands with limited liability and is beneficially wholly-owned by Mr. Lyu (the “**Investor**” on “**Right Momentum**”). China Construction Eighth Bureau is an enterprise approved by the Ministry of Housing and Urban-Rural Development of the PRC as a qualified enterprise for new housing construction primarily engaged in housing construction, infrastructure, industrial installation, investment and development, and engineering design in the PRC, Africa, the Middle East, Central Asia and Southeast Asia.

In May 2022, Asia Pacific Forestry Development (HK) Limited (亞太森林開發(香港)有限公司) (“**Asia Forestry**”), an indirect wholly-owned subsidiary of the Company, has entered into a strategic cooperation agreement with Qingdao Hisense Real Estate Co., Ltd. (青島海信房地產股份有限公司) (“**Hisense**”), in which Asia Forestry, through its wholly-owned subsidiary to be incorporated in the PRC, will supply finished furniture, semi-finished furniture and other wood products including wood construction moulding, wood flooring, doors and window frames and provide technical and processing as well as after-sale services to Hisense. To the best knowledge, information and belief of the directors of the Company, and having made all reasonable enquiries, Hisense and its ultimate beneficial owner are independent third parties not connected with the Company, its connected person (as defined under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”)), its shareholders or Right Momentum.

* For identification purposes only

未來展望

儘管發生任何無法預料之事件，董事會將繼續發展森林相關業務（包括森林管理以及森林及木材產品分銷和加工）並向下游擴展至紅木傢俬的製造及銷售。

於二零二二年三月九日，本公司就向中建八局發展建設有限公司（「**中建八局**」，為並非本公司股東的獨立第三方且與本公司、其股東或Right Momentum Group Limited（一間於英屬處女群島註冊成立的有限公司，由呂先生實益全資擁有（「**投資者**」或「**Right Momentum**」）概無關連）提供木結構模具、木地板、門窗框及其他木製品訂立戰略合作協議。中建八局獲中華人民共和國住房和城鄉建設部批准為新房建設合資格企業，主要在中國、非洲、中東、中亞及東南亞從事房屋建設、基礎設施、工業安裝、投資開發、工程設計等業務。

於二零二二年五月，本公司間接全資附屬公司亞太森林開發(香港)有限公司（「**亞太森林**」）與青島海信房地產股份有限公司（「**海信**」）訂立戰略合作協議，其中，亞太森林透過其將於中國註冊成立的全資附屬公司，將向海信供應成品傢俬、半成品傢俬及其他木製品，包括木結構模具、木地板、門窗框及提供技術及加工以及售後服務。據本公司董事經作出一切合理查詢後所深知、盡悉及確信，海信及其最終實益擁有人與本公司、彼之關連人士（定義見香港聯合交易所有限公司（「**聯交所**」）證券上市規則（「**上市規則**」））、其股東或Right Momentum為概無關連的獨立第三方。

Management Discussion and Analysis

管理層討論及分析

The above strategic cooperation agreements with China Construction Eighth Bureau and Hisense will broaden and deepen the market and products of the Group's wood products and are in line with the Group's future development strategies and operational needs.

The development and expansion of the Group's forest-related business above requires capital injection as well as general working capital to the PRC subsidiaries formed and to be formed in the near future. In view of the improving performance of the Group as reflected in its annual report for the year ended 31 December 2021 and in this Report, and the progress of the Scheme as detailed in the "Financial Restructuring" section below, the Company seeks further funding, inter alia, for injection of capital into the PRC subsidiaries.

FINANCIAL RESTRUCTURING

Appointment of the Joint Provisional Liquidators for restructuring purpose in Cayman Islands

Having explored different options to restructure the debts of the Company, the Board decided to implement a management led restructuring under a court-supervised provisional liquidation regime pursuant to the laws of the Cayman Islands, commonly known as a "light touch" provisional liquidation, which provides a statutory moratorium prohibiting the commencement or continuance of any proceedings against the Company without the leave of the Grand Court of the Cayman Islands (the "**Cayman Court**") in the Cayman Islands.

Accordingly, in order to facilitate the Company's financial restructuring, a winding up petition together with an application for the appointment (the "**JPL Application**") of joint provisional liquidators (the "**JPLs**") of the Company (for restructuring purposes) on a light touch basis for restructuring purposes was presented and filed with the Cayman Court by the Company.

上述與中建八局及海信的戰略合作協議將擴大及加深本集團木製品的市場及產品且符合本集團的未來發展戰略及營運需要。

本集團開發及擴展上述森林相關業務將須向已成立及將於不久未來成立的中國附屬公司注入資金以及一般營運資金。鑒於截至二零二一年十二月三十一日止年度之年報及本報告中反映本集團的表現不斷向好以及計劃的進度(誠如下文「財務重組」一節所詳述),本公司尋求額外融資,其中包括,向中國附屬公司注資。

財務重組

就公司重組於開曼群島委任共同臨時清盤人

經探討重組本公司債務的不同選擇,董事會決定根據開曼群島法律在法院監督的臨時清盤制度下實行由管理層主導的重組(俗稱「輕觸」方式臨時清盤),其提供法定延期償付,未經位於開曼群島的開曼群島大法院(「**開曼法院**」)許可,禁止對本公司開展或繼續進行任何訴訟。

因此,為促進本公司的財務重組,本公司向開曼法院提交清盤呈請連同委任本公司共同臨時清盤人(「**共同臨時清盤人**」)(作重組用途)的申請(「**共同臨時清盤人申請**」),藉此以輕觸方式重組。

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The JPL Application was heard before the Cayman Court on 2 February 2021 (Cayman Islands time). The Cayman Court made the orders as sought by the Company under the JPL Application, inter alia, (i) Osman Mohammed Arab and Lai Wing Lun of RSM Corporate Advisory (Hong Kong) Limited, and Martin Nicholas John Trott of R&H Restructuring (Cayman) Ltd., were appointed as JPLs of the Company on a light touch basis for restructuring purpose. Please refer to the announcements of the Company dated 2 February 2021 and 5 February 2021 for details.

On 28 January 2022, the Company's solicitors has taken out an ex parte originating summons with the High Court of the Hong Kong Special Administrative Region (the "**Hong Kong Court**") for the hearing on 8 February 2022 of an application by the Company for an order to convene a meeting of the creditors (the "**Scheme Meeting**") of the Company to consider and, if thought fit, approve, with or without modification, a scheme of arrangement (the "**Scheme**") proposed by the Company, pursuant to section 670 of the Companies Ordinance (Cap. 622). By an order of the Hong Kong Court, the Scheme Meeting was to be convened on 11 March 2022.

On 16 February 2022 (after trading hours), the Company, the JPLs, the Investor and Mr. Lyu have entered into the conditional Restructuring Agreement, pursuant to which the Company will carry out the Restructuring Transactions involving (i) the Capital Reorganisation; (ii) the Investor's Subscription; and (iii) the Scheme. Please refer to the announcement of the Company dated 10 March 2022 for details of the Restructuring Agreement and the Restructuring Transactions.

At the Scheme Meeting convened and held on 11 March 2022, the Scheme was approved by the requisite statutory majorities of the creditors. On 22 March 2022, the Company's solicitors received a letter from the Hong Kong Court informing that Mr. Justice Harris will make an order to sanction the Scheme without modification. The sealed sanction order was delivered to the Registrar of Companies in Hong Kong thereafter.

於二零二一年二月二日（開曼群島時間），共同臨時清盤人申請已於開曼法院進行聆訊。開曼法院已根據共同臨時清盤人申請作出本公司尋求的命令（其中包括）(i)羅申美企業顧問有限公司的馬德民及黎穎麟以及R&H Restructuring (Cayman) Ltd.的Martin Nicholas John Trott 獲委任為本公司共同臨時清盤人，藉此按輕觸基準重組。有關詳情，請參閱本公司日期為二零二一年二月二日及二零二一年二月五日的公告。

於二零二二年一月二十八日，本公司律師在香港特別行政區高等法院（「**香港法院**」）取出單方原訴傳票，以便法院於二零二二年二月八日聆訊本公司根據第622章公司條例第670條提交的申請，即請求頒令召開本公司債權人會議（「**計劃會議**」），以考慮及酌情批准（不論有否修訂）本公司建議的安排計劃（「**計劃**」）。根據香港法院的傳令，計劃會議將於二零二二年三月十一日舉行。

於二零二二年二月十六日（交易時間後），本公司、共同臨時清盤人、投資者及呂先生訂立有條件重組協議，據此，本公司將進行涉及(i)資本重組；(ii)投資者認購事項；及(iii)計劃的重組交易。有關重組協議及重組交易的詳情，請參閱本公司日期為二零二二年三月十日的公告。

於二零二二年三月十一日召開及舉行的計劃會議上，計劃已獲法定所需之多數債權人的批准。於二零二二年三月二十二日，本公司律師收到香港法院信函，通知Justice Harris先生將作出批准計劃不施加修訂的命令。加蓋印章的認許令隨後已交付予香港公司註冊處處長。

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On 5 August 2022, a circular containing, among other things, further details of (i) the Capital Reorganisation; (ii) the Investor's Subscription; (iii) the Scheme; (iv) the Whitewash Waiver; (v) a letter from the Whitewash Waiver Independent Board Committee to the Independent Shareholders; (vi) a letter from the Connected Transaction Independent Board Committee to the Independent Shareholders; (vii) a letter of advice from the Independent Financial Adviser to the Independent Shareholders; and (viii) a notice convening the EGM to be held on 30 August 2022 has been despatched to the Shareholders.

Please refer to the announcements of the Company dated 22 March 2022, 3 May 2022, 24 June 2022, 26 July 2022 and 5 August 2022 for details.

FINANCIAL REVIEW

Results of the Group

Revenue

During the Reporting Period, the Group recorded a revenue of approximately HK\$48.9 million, which represented an increase of approximately 31% as compared to the revenue of approximately HK\$37.4 million as recorded for the six months ended 30 June 2021. The significant increase was mainly due to the continuous development of the wood products trading and processing business in the PRC. Please refer to the Business Review – Trading and Processing of Goods (Primarily Wood Products) Business section of this Report for more information.

Cost of sales

Cost of sales of the Group increased by approximately 28% from approximately HK\$33.5 million for the six months ended 30 June 2021 to approximately HK\$43.0 million for the Reporting Period. The increase was mainly attributable to the speedy growth of the wood products trading and processing business of the Group during the Reporting Period.

於二零二二年八月五日，一份載有（其中包括）(i)資本重組；(ii)投資者認購事項；(iii)計劃；(iv)清洗豁免；(v)清洗豁免獨立董事委員會致獨立股東函件；(vi)關連交易獨立董事委員會致獨立股東函件；(vii)獨立財務顧問致獨立股東意見函件；及(viii)召開將於二零二二年八月三十日舉行的股東特別大會通告進一步詳情的通函已寄發予股東。

有關詳情請參閱本公司日期為二零二二年三月二十二日、二零二二年五月三日、二零二二年六月二十四日、二零二二年七月二十六日及二零二二年八月五日的公告。

財務回顧

本集團業績

收益

於報告期間，本集團錄得收益約48,900,000港元，較截至二零二一年六月三十日止六個月錄得的收益約37,400,000港元增加約31%。收益大幅增加主要由於木製品貿易及加工業務在中國持續發展所致。有關更多資料，請參閱本報告業務回顧－商品（主要為木製品）貿易及加工業務一節。

銷售成本

本集團的銷售成本由截至二零二一年六月三十日止六個月的約33,500,000港元增加約28%至報告期間的約43,000,000港元。有關增幅主要由於報告期間內本集團木製品貿易及加工業務的快速增長。

Management Discussion and Analysis

管理層討論及分析

Gross profit and margin

The Group recorded a gross profit of approximately HK\$5.9 million for the Reporting Period, representing an increase of approximately 51% as compared to the gross profit recorded in the prior period under review. The gross profit margin increased from 10.4% for the six months ended 30 June 2021 to 12.1% in the Reporting Period. The increase was mainly resulted from the increase in product mix of furniture wood products with higher profit margin.

Other income, gains and (losses), net

Other income and gains for the Reporting Period was mainly attributable to gain on disposal of property, plant and equipment during the Reporting Period.

Selling and distribution expenses

Selling and distribution expenses of the Group decreased by approximately 28% from approximately HK\$0.2 million for the six months ended 30 June 2021 to approximately HK\$0.1 million for the Reporting Period. The decrease was mainly due to continuous cost saving efforts made by the Group during the Reporting Period.

Administrative expenses

Administrative expenses of the Group remained stable, at approximately HK\$8.3 million for the Reporting Period (six months ended 30 June 2021: approximately HK\$8.3 million).

Finance costs

Finance costs slightly increased from approximately HK\$58.1 million for the six months ended 30 June 2021 to approximately HK\$59.5 million for the Reporting Period.

Income tax credit/(expense)

Income tax credit for the Reporting Period was mainly attributable to overprovision of income tax of prior periods and deferred tax credit.

毛利及毛利率

於報告期間，本集團錄得毛利約5,900,000港元，較上一回顧期間錄得的毛利上升約51%。毛利率由截至二零二一年六月三十日止六個月的10.4%至報告期間的12.1%。有關增幅乃主要由於利潤率較高的傢俬木製品產品組合增加所致。

其他收入、收益及(虧損)淨額

於報告期間的其他收入及收益主要由於報告期間出售物業、廠房及設備收益所致。

銷售及分銷費用

本集團的銷售及分銷費用由截至二零二一年六月三十日止六個月的約200,000港元減少約28%至報告期間的約100,000港元。有關減幅主要由於報告期間本集團不斷努力節省成本所致。

行政費用

本集團的行政費用於報告期間維持穩定，約為8,300,000港元（截至二零二一年六月三十日止六個月：約8,300,000港元）。

融資成本

融資成本由截至二零二一年六月三十日止六個月的約58,100,000港元略微增加至報告期間的約59,500,000港元。

所得稅抵免／(開支)

於報告期間的所得稅抵免主要由於過往期間的所得稅超額撥備及遞延稅項抵免所致。

Management Discussion and Analysis

管理層討論及分析

Significant investments held

During the six months ended 30 June 2022 and the year ended 31 December 2021, the Group had the following significant investments held with a value of 5 per cent. or more of the Group's total assets which were classified as financial assets at FVTPL:

持有的重大投資

截至二零二二年六月三十日止六個月及截至二零二一年十二月三十一日止年度，本集團持有以下佔本集團資產總值5%或以上且分類為按公平值計入損益的金融資產的重大投資：

Name of the investments	Investment costs	Fair value as at 30 June 2022	Number of Shares of investments held as at 30 June 2022	Percentage of investments held as at 30 June 2022	Performance/ Change in fair value for the six months ended 30 June 2022	Size as compared to the Group's total assets as at 30 June 2022	Total amount of dividends received for the six months ended 30 June 2022
投資名稱	投資成本 (HK\$'000) (千港元)	於二零二二年六月三十日的公平值 (HK\$'000) (千港元)	於二零二二年六月三十日持有的股份投資數量	於二零二二年六月三十日持有的投資百分比 (%)	截至二零二二年六月三十日止六個月的業績／公平值變動 (HK\$'000) (千港元)	相對於本集團二零二二年六月三十日資產總值規模 (%)	截至二零二二年六月三十日止六個月的已收股息總額 (HK\$'000) (千港元)
Zuoshishi Technology Service (Beijing) Company Limited* 做實事科技服務(北京)有限公司	67,050	10,730	N/A** 不適用**	11	(315)	5	-

Name of the investments	Investment costs	Fair value as at 31 December 2021	Number of Shares of investments held as at 31 December 2021	Percentage of investments held as at 31 December 2021	Performance/ Change in fair value for the year ended 31 December 2021	Size as compared to the Group's total assets as at 31 December 2021	Total amount of dividends received for the year ended 31 December 2021
投資名稱	投資成本 (HK\$'000) (千港元)	於二零二一年十二月三十一日的公平值 (HK\$'000) (千港元)	於二零二一年十二月三十一日持有的股份投資數量	於二零二一年十二月三十一日持有的投資百分比 (%)	截至二零二一年十二月三十一日止年度的業績／公平值變動 (HK\$'000) (千港元)	相對於本集團二零二一年十二月三十一日資產總值規模 (%)	截至二零二一年十二月三十一日止年度的已收股息總額 (HK\$'000) (千港元)
Zuoshishi Technology Service (Beijing) Company Limited* 做實事科技服務(北京)有限公司	67,050	11,045	N/A** 不適用**	11	(32,221)	5	-

** Represented by RMB1,029,963 out of total registered capital of RMB9,363,296.

** 代表全部已註冊股本人民幣9,363,296元中的人民幣1,029,963元。

* For identification purposes only

Management Discussion and Analysis

管理層討論及分析

Zuoshishi Technology Service (Beijing) Company Limited* is an unlisted company established in the PRC which principally engaged in the provision of innovation service for start-up technology companies and related investment activities. The capital market in China has experienced high volatility during the Reporting Period as being affected by the global COVID-19 pandemic and similar fluctuations appeared in the capital market in US and Europe. GDP growth in China was significantly slowed down since year 2020 which has hindered the future outlook of the business sector and also causing notable downward pressure to the investment's future returns and as a result to the valuation conducted by independent valuer.

As at 30 June 2022 and 31 December 2021, none of each individual underlying investment of the above mentioned investment constitutes 5% or above of the total assets of the Group.

Liquidity and financial resources

As at 30 June 2022, cash and cash equivalents of the Group amounted to approximately HK\$1.6 million (31 December 2021: approximately HK\$2.5 million).

As at 30 June 2022, the Group had interest-bearing bank and other borrowings amounted to approximately HK\$798.9 million (31 December 2021: approximately HK\$798.0 million) and the Group also had liability component of convertible bonds of HK\$Nil (31 December 2021: approximately HK\$Nil).

As discussed in the note 2 of the Notes to the Consolidated Financial Statement of 2021 Annual Report dated 25 March 2022, the Board is confident that the Group has sufficient financial resources to meet its debt repayment and finance needs for its operations for the foreseeable future after the full implementation of the Scheme.

做實事科技服務(北京)有限公司為一間於中國成立的非上市公司，主要從事為初創科技公司提供創新服務及相關投資活動。受全球新型冠狀病毒疫情影響，於報告期間中國資本市場面臨較大波動，同時美國及歐洲資本市場也出現類似波動。中國國內生產總值的增長自二零二零年以來大幅放緩，這阻礙了商業領域的未來前景，亦對投資的未來回報造成了明顯下行壓力，從而影響到獨立估值師進行的估值。

於二零二二年六月三十日及二零二一年十二月三十一日，上述投資項下的各單獨相關投資並未構成本集團資產總值的5%或以上。

流動資金及財務資源

本集團於二零二二年六月三十日的現金及現金等價物約為1,600,000港元(二零二一年十二月三十一日：約2,500,000港元)。

本集團於二零二二年六月三十日的計息銀行及其他借貸約為798,900,000港元(二零二一年十二月三十一日：約798,000,000港元)及本集團亦擁有可換股債券之負債部分零港元(二零二一年十二月三十一日：約零港元)。

誠如日期為二零二二年三月二十五日之二零二一年年報的綜合財務報表附註之附註2所論述，董事會深信，於計劃全面實施後，本集團於可見將來有充裕財務資源應付其債務還款及其業務的融資需要。

* For identification purposes only

Management Discussion and Analysis

管理層討論及分析

Gearing ratio

資產負債比率

		30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Total interest-bearing bank and other borrowings and liability components of convertible bonds	計息銀行及其他借貸總額及可換股債券之負債部分	798,910	797,978
Total assets	資產總值	196,606	224,642
Gearing ratio	資產負債比率	406.4%	355.2%

The increase in the gearing ratio was mainly due to the reduction in total assets employed during the Reporting Period.

資產負債比率上升乃主要由於報告期間所動用的總資產減少所致。

As at 30 June 2022, the maturity profile of the interest-bearing bank and other borrowings of the Group falling due within one year amounted to approximately HK\$798.9 million (31 December 2021: approximately HK\$798.0 million), of which bank and other borrowings of approximately HK\$63.4 million (31 December 2021: approximately HK\$59.2 million) were denominated in Renminbi.

於二零二二年六月三十日，本集團於一年內到期的計息銀行及其他借貸約為798,900,000港元（二零二一年十二月三十一日：約798,000,000港元），其中銀行及其他借貸約63,400,000港元（二零二一年十二月三十一日：約59,200,000港元）以人民幣計值。

As at 30 June 2022, the maturity profile of the liability components of the Group's issued convertible bonds falling due within one year amounted to HK\$Nil (31 December 2021: approximately HK\$Nil).

於二零二二年六月三十日，本集團於一年內到期已發行可換股債券之負債部分為零港元（二零二一年十二月三十一日：約零港元）。

Capital structure

The capital of the Company comprises only ordinary shares. As at 30 June 2022, the total number of the ordinary shares of the Company was 342,572,857 (31 December 2021: 342,572,857) (with an aggregate nominal value of HK\$68.5 million (31 December 2021: HK\$68.5 million)).

資本架構

本公司的資本僅由普通股組成。於二零二二年六月三十日，本公司普通股總數為342,572,857股（二零二一年十二月三十一日：342,572,857股）（面值總額為68,500,000港元（二零二一年十二月三十一日：68,500,000港元））。

Management Discussion and Analysis

管理層討論及分析

Charges on the Group's assets

At 30 June 2022, certain of the Group's other borrowings were secured by the Group's trade receivables of approximately HK\$600.6 million (31 December 2021: approximately HK\$600.6 million).

Foreign currency exposure

The foreign currency exposure of the Group primarily arises from revenue or income generated, cost and expenses incurred, and certain interest-bearing bank and other borrowings denominated in currencies other than the functional currency of the Group's operating units. For the Group's operating units that have United States dollar and Renminbi as their functional currencies, their foreign currency transactions and the units' monetary assets and liabilities denominated in foreign currencies that were translated at the functional currency rates of exchange ruling as at 30 June 2022 were mainly denominated in Hong Kong dollars. The Group expected that the exposure to exchange rates fluctuation was not significant and therefore had not engaged in any hedging activities.

Contingent liabilities

Since November 2017, the Company provided financial guarantee in support of a US\$30 million senior guaranteed and secured fixed rate note (the "Note") issued by the investment holding company of the Group's investment in USA. During mid 2020, the Group's 51% shareholding in the investment in USA was being enforced by the holder of the Note. Details of the enforcement of share charge related to the Note has been disclosed in the announcements of the Company dated 4 September 2020 and 20 November 2020. However, the Company was not being informed by the holder of the Note about the reliable estimate of the amount of its obligation under the financial guarantee as of the date of this Report.

本集團資產抵押

於二零二二年六月三十日，本集團之應收賬款約600,600,000港元（二零二一年十二月三十一日：約600,600,000港元），已作為本集團若干其他借貸的抵押。

外匯風險

本集團的外匯風險主要來自所得收益或收入、所產生成本及開支以及以本集團營運單位功能貨幣以外的貨幣列值的若干計息銀行及其他借貸。就本集團以美元及人民幣作為功能貨幣的營運單位而言，其外幣交易及有關單位以外幣（按功能貨幣於二零二二年六月三十日的現行匯率換算為外幣）列值的貨幣資產和負債主要以港元列值。本集團預期匯率波動風險並不重大，故並無進行任何對沖活動。

或然負債

自二零一七年十一月起，本公司提供財務擔保以支持由本集團在美國投資之投資控股公司發行的30,000,000美元優先擔保固定利率票據（「該票據」）。於二零二零年中期，本集團於在美國投資的51%股權遭該票據的持有人強制執行。有關與該票據有關的股份押記的強制執行的詳情，披露於本公司日期為二零二零年九月四日及二零二零年十一月二十日的公告。然而，截至本報告日期，本公司未獲該票據的持有人告知其財務擔保項下債務的可靠估計數額。

Management Discussion and Analysis

管理層討論及分析

Litigation

On 21 April 2020, a writ of summons was issued by an independent third party in Beijing, China as plaintiff against a wholly owned subsidiary of the Group namely (北京宜乘企業管理有限公司) as defendant (the “**Action**”). The plaintiff claimed for the repayment of principal and the accrued interests of a loan purportedly owed by the defendant to the plaintiff in the total amount of approximately RMB59.5 million since 2014 (the “**Purported Loan**”). The defendant has denied the existence of the Purported Loan and has requested forensic checks to be conducted to the loan agreement produced by the Plaintiff to the People’s Court in Chaoyang District, Beijing (the “**Beijing Court**”). The Company has engaged a competent legal advisor to act for its interests in respect of the Action.

In January 2022, the Group received a judgement (the “**Judgement**”) from the Beijing Court and ordered that the defendant be required to pay a sum of approximately RMB37.0 million plus damages of RMB7.5 million for breach of contract. Immediately after the Judgement, the Group has made an appeal to the Beijing No. 3 Intermediate People’s Court (北京市第三中級人民法院) against the Judgement. In April 2022, the Beijing No. 3 Intermediate People’s Court dismissed the Group’s appeal against the Judgement.

A provision of claim in the amount of RMB44.5 million (equivalent to approximately HK\$54,490,000) was made during the year ended 31 December 2021.

Save as disclosed above, as at 30 June 2022, no member of the Group was engaged in any litigation or arbitration or claims which would materially or adversely affect the operations of the Company and no litigation, arbitration or claim which would materially or adversely affect the operations of the Company was known to the directors of the Company to be pending or threatened by or against any member of the Group.

DIVIDENDS

The Board does not recommend the payment of any dividend for the Reporting Period (2021 interim: Nil).

訴訟

於二零二零年四月二十一日，於中國北京的一名獨立第三方（作為原告）對本集團全資附屬公司北京宜乘企業管理有限公司（作為被告）發出傳訊令狀（「**訴訟**」）。原告要求被告償還被告被指稱自二零一四年起結欠原告合共約人民幣59,500,000元的貸款本金及應計利息（「**指稱貸款**」）。被告否認存在指稱貸款，並要求北京朝陽區人民法院（「**北京法院**」）對原告所出示的貸款協議進行法證核查。本公司已就訴訟委聘合資格法律顧問以為其利益行事。

於二零二二年一月，本集團接獲北京法院的判決（「**判決**」），並頒令被告須支付金額約人民幣37,000,000元加上違約產生的損害賠償人民幣7,500,000元。緊隨判決後，本集團已就判決向北京市第三中級人民法院提出上訴。於二零二二年四月，北京市第三中級人民法院駁回了本集團對該判決的上訴。

索賠金額人民幣44,500,000元（相當於約54,490,000港元）已於截至二零二一年十二月三十一日止年度計提撥備。

除上文所披露者外，於二零二二年六月三十日，本集團成員公司概無涉及任何將對本公司營運產生重大或不利影響之訴訟、仲裁或索賠，且就本公司董事所知，本集團任何成員公司亦無任何尚未了結或面臨之將對本公司營運產生重大或不利影響之訴訟、仲裁或索賠。

股息

於報告期間，董事會不建議派付任何股息（二零二一年中期：無）。

Management Discussion and Analysis

管理層討論及分析

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2022, the Group employed a total of 15 employees. Total staff costs, including directors emoluments, amounted to approximately HK\$2.5 million for the Reporting Period. The Group's remuneration policies were determined with reference to the performance, qualification and experience of individual employee, as well as the results of the Group and the market conditions. The Group provided discretionary bonuses, medical insurance, provident fund contribution, education subsidy and training to its employees.

MANAGEMENT VIEW ON GOING CONCERN

The conditions together with other considerations forming the opinion of the Board to prepare the unaudited condensed consolidated interim financial statements of the Group for the Reporting Period on the going concern basis are as follows.

In preparing the unaudited condensed consolidated interim financial statements for the Reporting Period, the directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group. The validity of the Group to operate as a going concern depends upon whether:

- (i) the Group will be able to complete the restructuring which had been approved by a requisite statutory majority of the creditors of the Company and had been sanctioned by the Hong Kong Court; and
- (ii) the Group will be able to pro-actively raise new funds to finance the working capital requirements of the Group.

The directors of the Company consider that after the restructuring, the Group will continue to meet in full its financial obligation as they fall due in the foreseeable future. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the unaudited condensed consolidated interim financial statements on the going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the unaudited condensed consolidated interim financial statements, to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the unaudited condensed consolidated interim financial statements for the Reporting Period.

The audit committee of the Company has also reviewed the going concern issue and concurs with the Board's view.

僱員及薪酬政策

於二零二二年六月三十日，本集團僱用合共15名僱員。於報告期間，員工成本總額（包括董事酬金）約為2,500,000港元。本集團的薪酬政策參照個別僱員的表現、資歷及經驗、本集團業績及市況釐定。本集團向其僱員提供酌情花紅、醫療保險、公積金供款、教育津貼及培訓。

管理層對持續經營之意見

有關條件及構成董事會根據持續經營基準編製本集團報告期間之未經審核簡明綜合中期財務報表意見的其他考慮因素如下。

於編製報告期間之未經審核簡明綜合中期財務報表時，本公司董事已審慎考慮本集團當前及預期的未來流動資金之影響。本集團能否持續經營乃端賴：

- (i) 本集團將能夠完成已獲得本公司法定多數債權人必要批准及香港法院批准的重組；及
- (ii) 本集團將能夠積極籌集新資金以應付本集團的營運資金需求。

本公司董事認為，公司重組後，本集團將繼續全面履行其於可預見未來到期之財務責任。因此，本公司董事認為，按持續經營基準編製未經審核簡明綜合中期財務報表乃屬恰當。倘本集團未能繼續持續經營，則須對未經審核簡明綜合中期財務報表作出調整，將資產價值撇減至其可收回金額，就可能產生的其他負債作出撥備，以及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響並未反映在報告期間的未經審核簡明綜合中期財務報表中。

本公司審核委員會亦已審閱持續經營基準並贊同董事會之意見。

Other Information

其他資料

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2022, the interests and short positions, of the Directors and chief executive of the Company in the shares of the Company ("Shares"), underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (i) 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 or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Listing Rules relating to securities transactions by Directors or (iv) required to be disclosed under the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code") were as follows:

Interests in the Shares and underlying Shares of the Company

Name of Director 董事姓名	Number of issued Shares and underlying Shares held 所持已發行股份及相關股份的數目	Position 倉位	Percentage of issued share capital of the Company 佔本公司已發行股本的百分比
Lyu Ning Jiang 呂寧江	2,260,980,856	Long 好倉	660.00

Save as disclosed above, as at 30 June 2022, none of the Directors and chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) 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 they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Listing Rules relating to securities transactions by Directors or (iv) required to be disclosed under the Takeovers Code.

董事於本公司股份、相關股份及債券的權益及淡倉

於二零二二年六月三十日，董事及本公司主要行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之本公司股份（「股份」）、相關股份或債券中擁有(i)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及淡倉（包括根據證券及期貨條例的有關條文被當作或視為擁有之權益或淡倉）；或(ii)根據證券及期貨條例第352條須登記於該條所述登記冊內的權益及淡倉，或(iii)將須根據與董事進行證券交易有關的上市規則知會本公司及聯交所或(iv)根據香港《公司收購及合併守則》（「收購守則」）須予披露的權益及淡倉如下：

於本公司股份及相關股份的權益

除上文所披露者外，於二零二二年六月三十日，董事及本公司主要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第XV部）之股份、相關股份或債券中擁有或視為擁有(i)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之任何權益或淡倉（包括根據證券及期貨條例之有關條文被當作或視為擁有之權益及淡倉）；或(ii)根據證券及期貨條例第352條須登記於該條所述登記冊之任何權益或淡倉；或(iii)將須根據與董事進行證券交易有關的上市規則知會本公司及聯交所或(iv)根據收購守則須予披露的任何權益或淡倉。

Other Information 其他資料

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

As at 30 June 2022, so far as was known to the Directors, the persons (other than the Directors and the chief executive of the Company) who had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, were, directly or indirectly, interested in 10% or more of the issued share capital of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meeting of any other member of the Group or had any option in respect of such capital:

Interests in the Shares and underlying shares of the Company

主要股東及其他人士於本公司股份、相關股份及債券的權益及淡倉

於二零二二年六月三十日，就董事所知，擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司及聯交所披露之股份及相關股份之權益或淡倉，或直接或間接擁有附帶權利可於任何情況下於本集團任何其他成員公司股東大會上投票之任何類別股本（包括就有關股本之購股權）的已發行股本10%或以上權益或擁有任何與該股本有關的購股權的人士（董事及本公司主要行政人員除外）：

於本公司股份及相關股份的權益

Name of Shareholder 股東姓名／名稱	Capacity 身份	Number of issued shares held 所持已發行股份數目	Position 倉位	Percentage of the issued share capital of the Company 佔本公司已發行股本的百分比
Right Momentum Group Limited	Beneficial owner 實益擁有人	2,260,980,856	Long 好倉	660.00%
Dai Yumin (Note 1) 戴昱敏 (附註1)	Spouse Interests 配偶權益	174,961,694	Long 好倉	51.38%
		113,073,694	Short 淡倉	33.20%
Deng Shufen (Note 1) 鄧淑芬 (附註1)	Interests in controlled corporation 受控法團權益	174,961,694	Long 好倉	51.38%
		113,073,694	Short 淡倉	33.20%
Liu Jianguan (Note 1) 劉江澐 (附註1)	Interests in controlled corporation 受控法團權益	174,961,694	Long 好倉	51.38%
		113,073,694	Short 淡倉	33.20%
Sino Merchant Car Rental Limited (Note 1) 華商租車有限公司 (附註1)	Beneficial owner 實益擁有人	174,961,694	Long 好倉	51.38%
		113,073,694	Short 淡倉	33.20%
Dundee Greentech Limited (Note 2) Dundee Greentech Limited (附註2)	Beneficial owner 實益擁有人	39,475,000	Long 好倉	11.52%
			China Orient Asset Management Corporation 中國東方資產管理公司	Person having a security interest in shares 於股份擁有證券權益之人士

Other Information

其他資料

Notes:

- (1) These shares are registered in the name of Sino Merchant Car Rental Limited (a company incorporated in the BVI) ("**Sino Merchant**"), the entire issued share capital of which is owned as to 60% by Ms. Deng Shufen and 40% by Ms. Liu Jiangyuan. Ms. Deng Shufen and Ms. Liu Jiangyuan are deemed to be interested in all the shares and underlying shares of the Company in which Sino Merchant is interested by virtue of the SFO. As Mr. Dai Yumin is the spouse of Ms. Deng Shufen, he is deemed to be interested in the shares and the underlying shares of the Company in which Ms. Deng Shufen is deemed to be interested in for the purpose of the SFO.
- (2) These shares are registered in the name of Dundee Greentech Limited (a company incorporated in the BVI), the entire issued share capital of which is held by Mr. Liu Hailong.

Save as disclosed above, as at 30 June 2022, none of the Directors or a proposed Director is a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

SHARE OPTION SCHEME

The existing share option scheme was adopted on 3 June 2016 (the "**Option Scheme**") by the shareholders. The purpose of the Option Scheme is providing incentives and rewards to eligible participants who contribute to the success of the Group. The Option Scheme was adopted for a period of 10 years commencing from 3 June 2016 and will remain in force until 2 June 2026.

Eligible participant under the Option Scheme includes any full-time or part-time employees, executives (including executive, non-executive and independent non-executive Directors) of the Company or any of its subsidiaries, any suppliers of goods or services, any customers, any person or entity that provides research, development or other technological support, any shareholder of any member of the Group, any adviser or consultant to any area of business or business development of any member of the Group and any other groups, or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

附註：

- (1) 此等股份乃以華商租車有限公司（一間於英屬處女群島註冊成立之公司，「**華商租車**」）之名義登記，其全部已發行股本由鄧淑芬女士擁有60%及劉江媛女士擁有40%。就證券及期貨條例而言，鄧淑芬女士及劉江媛女士被視為為華商租車擁有權益之本公司所有股份及相關股份中擁有權益。由於戴昱敏先生為鄧淑芬女士之配偶，故就證券及期貨條例而言，彼被視為為鄧淑芬女士被視為擁有權益之本公司股份及相關股份中擁有權益。
- (2) 此等股份乃以Dundee Greentech Limited（一間在英屬處女群島註冊成立之公司）之名義登記，其全部已發行股本由劉海龍先生持有。

除上文所披露者外，於二零二二年六月三十日，概無董事或建議董事為擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司及聯交所披露的股份或相關股份的權益或淡倉的公司董事或僱員。

購股權計劃

股東於二零一六年六月三日採納現有購股權計劃（「**購股權計劃**」）。購股權計劃旨在向對本集團成功作出貢獻的合資格參與者給予獎勵及報酬。購股權計劃的年期自二零一六年六月三日起為期十年，並維持有效直至二零二六年六月二日。

購股權計劃項下的合資格參與者包括本公司或其任何附屬公司的任何全職或兼職僱員、行政人員（包括執行、非執行及獨立非執行董事）、任何商品或服務供應商、任何客戶、任何提供研發或其他技術支持的人士或實體、本集團任何成員公司的任何股東、本集團任何成員公司的任何業務範圍或業務發展的任任何顧問或諮詢人，以及任何以合營公司、業務聯盟或其他業務安排的方式對本集團發展及增長作出或可能作出貢獻的其他組別或類別參與者。

Other Information 其他資料

The subscription price shall be determined by the Board but shall not be less than the highest of (i) the closing price of Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of the offer for grant which must be a business day; (ii) the average closing price of Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of the Shares.

Upon acceptance of the options, the grantee shall pay HK\$1 to the Company as nominal consideration for the grant. The acceptance of an offer of the grant of the option must be made within 21 days from the date of offer for grant. An option may be exercised in accordance with the terms of the Option Scheme at any time during a period to be determined and notified by the Board which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof. Unless otherwise determined by the Board and stated in the offer for the grant to a grantee, there is no minimum period required under the Option Scheme for the holding of an option before it can be exercised and no performance target which needs to be achieved by a grantee before the options can be exercised.

Based on 6,481,375,000 shares in issue as at the date of adoption of the Option Scheme, the maximum number of shares to be issued upon the exercise of options that may be granted under the Option Scheme are 648,137,500 shares, being 10% of the shares in issue as at the date of adoption. After the share consolidation of every twenty then shares of the Company into one consolidated share of the Company being effective on 26 June 2020, the total number of shares available for issue under the Option Scheme is 32,406,875 shares, representing 9.5% of the total number of Shares in issue as at 30 June 2022. The maximum entitlement of each participant shall not in any 12-month period exceed 1% of the Company's issued share capital from time to time.

For the period ended 30 June 2022, no options was granted under the Option Scheme. In addition, there is no outstanding share option under the Option Scheme as at 31 December 2021 and as at 30 June 2022.

認購價將由董事會釐定，惟將不少於以下的最高者：(i)於提呈授出要約日期（必須為營業日）聯交所發出的每日報價表所載的股份收市價；(ii)聯交所發出的每日報價表所載於緊接提呈授出要約日期前五個營業日的股份平均收市價；及(iii)股份的面值。

承授人接納購股權時須就授出向本公司支付1港元的名義代價，而授出購股權的要約必須於提呈授出要約日期起計21日內予以接納。購股權可根據購股權計劃的條款於董事會釐定及通知的期間內隨時予以行使，該期間不得超過自授出日期起計十年，並受限於提早終止條款。除董事會另行釐定及於致承授人的授出要約中有訂明者外，購股權計劃項下概無就購股權可予行使前持有購股權訂有最短期限，且可行使購股權前承授人毋須達致任何表現目標。

根據於採納購股權計劃日期已發行的6,481,375,000股股份計算，行使根據購股權計劃可授出的購股權時將予發行的最高股份數目為648,137,500股股份，即於採納日期已發行股份的10%。自股份合併（每二十股本公司當時股份合併為一股本公司合併股份）於二零二零年六月二十六日生效後，購股權計劃項下可予發行的股份總數為32,406,875股，佔於二零二二年六月三十日已發行股份總數的9.5%。每名參與人士於任何十二個月期間的最高配額不得超過本公司不時已發行股本的1%。

截至二零二二年六月三十日止期間，概無根據購股權計劃授出購股權。此外，於二零二一年十二月三十一日及二零二二年六月三十日，購股權計劃項下並無尚未行使的購股權。

Other Information

其他資料

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the Reporting Period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the “**Model Code**”) as its own code for dealing in securities of the Company by Directors. All Directors, after specific enquiries by the Company, confirmed that they had complied with the required standard as set out in the Model Code throughout the Reporting Period.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE

The Company had complied with the code provisions set out in the Corporate Governance Code as contained in Appendix 14 to the Listing Rules throughout the Reporting Period except as described in the following:

Code provision C.2.1 of the Corporate Governance Code sets out that the roles of the Chairman and the Chief Executive Officer (“**CEO**”) should be separate and should not be performed by the same individual. The roles of the chairman and CEO of the Company are both assumed by Mr. Lyu NingJiang, and the Board believes that the roles of both Chairman and CEO vested in the same individual would enable the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans.

購買股份或債券的安排

報告期間內概無向任何董事或彼等各自的配偶或未成年子女授出透過收購本公司股份或債券而獲取利益的權利，彼等亦無行使任何該等權利；本公司或其任何附屬公司亦非任何讓董事獲取任何其他法人團體該等權利之安排的訂約方。

董事進行證券交易的標準守則

本公司已採納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**」）作為其董事進行本公司證券交易的守則。經本公司作出特定查詢後，全體董事確認已於整個報告期間內遵守標準守則所載規定標準。

購買、贖回或出售本公司的上市證券

於報告期間，本公司及其任何附屬公司並無購買、贖回或出售本公司任何上市證券。

企業管治

本公司於報告期間一直遵守上市規則附錄十四所載企業管治守則之守則條文，惟以下所述除外：

企業管治守則的第C.2.1條守則條文訂明，主席及首席執行官（「**首席執行官**」）的角色應有所區分，且不應由同一人士擔任。本公司主席及首席執行官的角色皆由呂寧江先生承擔，而董事會認為，主席及首席執行官的職務由同一人士擔任將使本公司於制定業務策略及實施業務計劃時實現更高回應性、效率及效益。

Other Information 其他資料

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the period from 26 May 2022 to 31 May 2022, the Company failed to meet the following requirements of the Listing Rules as a result of cessation of Mr. An Dong as an independent non-executive Director on 26 May 2022:

1. the board of directors must include at least three independent non-executive directors, under Rule 3.10(1) of the Listing Rules; and
2. the audit committee comprising non-executive directors only and with a minimum of three members under Rule 3.21 of the Listing Rules.

Pursuant to Rule 3.10A of the Listing Rules, the number of independent non-executive Directors of the Company represent not less than one-third of the Board throughout the Reporting Period.

AUDIT COMMITTEE REVIEW

The Company has established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules. The audit committee of the Company, comprises all three independent non-executive Directors, namely, Mr. Zhao Xianming, Ms. Zhao Xiao Lian and Mr. So Yin Wai, and Mr. Zhao Xianming is the Chairman of the audit committee. The audit committee has reviewed with the management the accounting principles adopted by the Group and the unaudited interim financial statements of the Group for the six months ended 30 June 2022.

獨立非執行董事

於二零二二年五月二十六日起至二零二二年五月三十一日止期間，由於獨立非執行董事安東先生於二零二二年五月二十六日離任，故本公司未能符合上市規則之以下規定：

1. 上市規則第3.10(1)條項下之規定，董事會必須包括至少三名獨立非執行董事；及
2. 上市規則第3.21條項下之規定，審核委員會須僅由非執行董事組成及至少擁有一名成員。

根據上市規則第3.10A條，於整個報告期間，本公司獨立非執行董事的人數佔董事會人數不少於三分之一。

審核委員會審閱

本公司已根據上市規則第3.21條以及上市規則附錄十四所載企業管治守則及企業管治報告成立審核委員會，並制定其書面職權範圍。本公司審核委員會的成員包括全體三名獨立非執行董事趙憲明先生、趙小蓮女士及蘇彥威先生，及審核委員會主席為趙憲明先生。審核委員會已與管理層審閱本集團所採納的會計原則及本集團截至二零二二年六月三十日止六個月的未經審核中期財務報表。

Other Information 其他資料

SUSPENSION OF TRADING OF THE SHARES

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 22 October 2021 and will remain suspended until further notice.

APPRECIATION

The Board would like to take this opportunity to express its gratitude to our customers and shareholders for their continuing support as well as our staff for their dedication and hard work.

By order of the Board
China Wood International Holding Co., Limited
(Joint Provisional Liquidators appointed)
(For restructuring purposes only)
Lyu NingJiang
Chairman and Executive Director

Hong Kong, 19 August 2022

暫停股份買賣

應本公司要求，本公司股份已自二零二一年十月二十二日上午九時正起於聯交所暫停買賣，並將繼續暫停直至進一步通知。

致謝

董事會謹藉此機會對客戶及股東長期支持及員工專心致意努力不懈表示致意。

承董事會命
中木國際控股有限公司
(已委任共同臨時清盤人)
(僅適用於公司重組)
主席兼執行董事
呂寧江

香港，二零二二年八月十九日

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

未經審核簡明綜合損益及其他全面收入表

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

The board of directors (the “Board”) of China Wood International Holding Co., Limited (the “Company”), together with its subsidiaries (the “Group”), hereby presents the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2022 together with the comparative unaudited figures for the six months ended 30 June 2021, as follows:

中木國際控股有限公司（「本公司」，連同其附屬公司統稱「本集團」）董事會（「董事會」）謹此呈報本集團截至二零二二年六月三十日止六個月的未經審核簡明綜合中期財務報表，連同截至二零二一年六月三十日止六個月的未經審核比較數字如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
		Note 附註	
REVENUE	收益	4	48,930
Cost of sales and services rendered	銷售成本及提供的服務		(43,025)
			37,438
Gross profit	毛利		5,905
Other income, gains and (losses), net	其他收入、收益及(虧損)淨額		140
Allowances for expected credit losses (“ECLs”) on trade and other receivables, net	應收賬款及其他應收款項預期信貸虧損(「預期信貸虧損」)撥備淨額		-
Provision for financial guarantee	財務擔保撥備		-
Selling and distribution expenses	銷售及分銷費用		(127)
Administrative expenses	行政費用		(8,249)
Other expenses	其他開支		(1,100)
Finance costs	融資成本	5	(59,518)
			(58,093)
LOSS BEFORE TAX	除稅前虧損	6	(62,949)
Income tax credit/(expense)	所得稅抵免/(開支)	7	443
			(64,197)
			(185)
LOSS FOR THE PERIOD	期內虧損		(62,506)
Attributable to:	以下各方應佔：		
Ordinary equity holders of the Company	本公司普通股股權持有人		(62,227)
Non-controlling interests	非控股權益		(279)
			(64,372)
			(10)
			(62,506)
			(64,382)
			HK cents
			港仙
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY FOR THE PERIOD	期內本公司普通股股權持有人應佔每股虧損	9	
Basic	基本		(18.16)
			(18.79)
Diluted	攤薄		(18.16)
			(18.79)

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

未經審核簡明綜合損益及其他全面收入表

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
LOSS FOR THE PERIOD	期內虧損	(62,506)	(64,382)
OTHER COMPREHENSIVE INCOME	其他全面收入		
Exchange differences:	匯兌差額：		
Exchange differences on translation of foreign operations	換算境外業務之匯兌差額	6,385	(395)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	期內全面虧損總額	(56,121)	(64,777)
Attributable to:	以下各方應佔：		
Ordinary equity holders of the Company	本公司普通股股權持有人	(56,029)	(64,695)
Non-controlling interests	非控股權益	(92)	(82)
		(56,121)	(64,777)

Unaudited Condensed Consolidated Statement of Financial Position

未經審核簡明綜合財務狀況表

As at 30 June 2022
於二零二二年六月三十日

		30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
	<i>Note 附註</i>		
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	19,642	22,994
Right-of-use assets	使用權資產	1,154	1,907
Goodwill	商譽	–	–
Intangible assets	無形資產	23,294	24,351
Interest in an associate	於一間聯營公司的權益	–	–
Deferred tax assets	遞延稅項資產	168	–
Financial assets at fair value through profit or loss ("FVTPL")	按公平值計入損益 (「按公平值計入損益」) 的金融資產	12,479	12,794
	<i>10</i>		
Total non-current assets	非流動資產總值	56,737	62,046
CURRENT ASSETS	流動資產		
Inventories	存貨	69,352	70,457
Trade receivables	應收賬款	18,515	33,200
Loan receivable	應收貸款	–	–
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	50,418	56,400
Tax recoverable	可退回稅項	–	–
Restricted bank balances	受限制銀行結餘	–	–
Cash and cash equivalents	現金及現金等價物	1,584	2,539
Total current assets	流動資產總值	139,869	162,596

Unaudited Condensed Consolidated Statement of Financial Position

未經審核簡明綜合財務狀況表

As at 30 June 2022
於二零二二年六月三十日

			30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
		<i>Note</i> <i>附註</i>		
CURRENT LIABILITIES	流動負債			
Trade payables	應付賬款	12	80,878	96,675
Other payables and accruals	其他應付款項及應計款項		600,135	556,225
Interest-bearing bank and other borrowings	計息銀行及其他借貸		798,910	797,978
Lease liabilities	租賃負債		1,098	1,362
Convertible bonds	可換股債券	13	–	–
Financial guarantee	財務擔保		35,000	35,000
Total current liabilities	流動負債總額		1,516,021	1,487,240
NET CURRENT LIABILITIES	流動負債淨額		(1,376,152)	(1,324,644)
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		(1,319,415)	(1,262,598)
NON-CURRENT LIABILITIES	非流動負債			
Lease liabilities	租賃負債		525	1,028
Deferred tax liabilities	遞延稅項負債		–	193
Total non-current liabilities	非流動負債總額		525	1,221
NET LIABILITIES	負債淨額		(1,319,940)	(1,263,819)

Unaudited Condensed Consolidated Statement of Financial Position

未經審核簡明綜合財務狀況表

As at 30 June 2022
於二零二二年六月三十日

			30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
		<i>Note 附註</i>		
EQUITY	權益			
Equity attributable to ordinary equity holders of the Company	本公司普通股股權持有人應佔權益			
Share capital	股本	14	68,515	68,515
Reserves	儲備		(1,380,529)	(1,324,500)
			(1,312,014)	(1,255,985)
Non-controlling interests	非控股權益		(7,926)	(7,834)
			(1,319,940)	(1,263,819)
CAPITAL DEFICIENCY	資本虧絀		(1,319,940)	(1,263,819)

Unaudited Condensed Consolidated Statement of Changes in Equity

未經審核簡明綜合權益變動表

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔							
		Share capital	Share premium	Capital reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	股本儲備	外幣匯兌儲備	累計虧損	總計	非控股權益	權益總額
		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 2022 (audited)	於二零二二年一月一日 (經審核)	68,515	1,059,713	14,593	(10,681)	(2,388,125)	(1,255,985)	(7,834)	(1,263,819)
Loss for the period	期內虧損	-	-	-	-	(62,227)	(62,227)	(279)	(62,506)
Other comprehensive income for the period:	期內其他全面收入：								
Exchange differences on translation of foreign operations	換算境外業務之匯兌差額	-	-	-	6,198	-	6,198	187	6,385
Total comprehensive income for the period	期內全面收入總額	-	-	-	6,198	(62,227)	(56,029)	(92)	(56,121)
At 30 June 2022 (unaudited)	於二零二二年六月三十日 (未經審核)	68,515	1,059,713	14,593	(4,483)	(2,450,352)	(1,312,014)	(7,926)	(1,319,940)

Unaudited Condensed Consolidated Statement of Changes in Equity

未經審核簡明綜合權益變動表

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔								
		Issued capital	Share premium	Capital reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity	
		已發行股本	股份溢價	股本儲備	外幣匯兌儲備	累計虧損	總計	非控股權益	權益總額	
		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)	68,515	1,059,713	14,593	(8,021)	(2,113,575)	(978,775)	(7,724)	(986,499)	
Loss for the period	期內虧損	-	-	-	-	(64,372)	(64,372)	(10)	(64,382)	
Other comprehensive income for the period:	期內其他全面收入：									
Exchange differences on translation of foreign operations	換算境外業務之匯兌差額	-	-	-	(323)	-	(323)	(72)	(395)	
Total comprehensive income for the period	期內全面收入總額	-	-	-	(323)	(64,372)	(64,695)	(82)	(64,777)	
At 30 June 2021 (unaudited)	於二零二一年六月三十日 (未經審核)	68,515	1,059,713	14,593	(8,344)	(2,177,947)	(1,043,470)	(7,806)	(1,051,276)	

Unaudited Condensed Consolidated Statement of Cash Flows

未經審核簡明綜合現金流量表

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
OPERATING ACTIVITIES			
經營活動			
Cash (used in)/generated from operations	經營活動(所用)／所得現金	(7,710)	9,166
Interest element of lease paid	已付租賃的利息部份	(272)	-
Interest received	已收利息	-	216
Net cash (used in)/generated from operating activities	經營活動(所用)／所得現金淨額	(7,982)	9,382
INVESTING ACTIVITIES			
投資活動			
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(2,451)	(11,123)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目的所得款項	436	137
Proceeds from collection of financial assets at FVTPL	收回按公平值計入損益的金融資產的所得款項	-	5,000
Decrease in restricted bank balances	受限制銀行結餘減少	-	1,481
Interest received	已收利息	-	6
Net cash used in investing activities	投資活動所用現金淨額	(2,015)	(4,499)

Unaudited Condensed Consolidated Statement of Cash Flows

未經審核簡明綜合現金流量表

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

Six months ended 30 June
截至六月三十日止六個月

		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
FINANCING ACTIVITIES	融資活動		
Other borrowings raised	其他借貸所得	3,552	2,650
Repayment of lease liabilities — principal	償還租賃負債 — 本金	(487)	(1,043)
Repayment of lease liabilities — interest	償還租賃負債 — 利息	(65)	(126)
Interest and bank charges paid	已付利息及銀行手續費	(8)	(15)
Net cash generated from financing activities	融資活動所得現金淨額	2,992	1,466
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物 (減少) / 增加淨額	(7,005)	6,349
Cash and cash equivalents at beginning of period	期初現金及現金等價物	2,539	3,332
Effect of foreign exchange rate changes	外匯利率變動的影響	6,050	(509)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末現金及現金等價物	1,584	9,172

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

1. CORPORATE INFORMATION

The Company is a company incorporated in the Cayman Islands with limited liabilities. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The address of its principal place of business in Hong Kong Special Administrative Region is Room 1601, 16/F, Sun House, 90 Connaught Road Central, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

During the Reporting Period, the Group was primarily involved in provision of car rental in the People's Republic of China (the "**PRC**"); trading and processing of goods (primarily wood products) and provision of other business services including fund management.

Appointment of the joint provisional liquidators for restructuring purpose only

To facilitate the Company's financial restructuring, on 2 February 2021, Osmun Mohammed Arab and Lai Wing Lun at RSM Corporate Advisory (Hong Kong) Limited, and Martin Nicholas John Trott of R&H Restructuring (Cayman) Ltd., were appointed as joint provisional liquidators ("**JPLs**") of the Company. Details of the above are set out in the Company's announcements dated 2 February 2021 and dated 5 February 2021 respectively.

1. 公司資料

本公司為一間於開曼群島註冊成立的有限公司。本公司註冊辦事處的地址為 Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

香港特別行政區主要營業地址為香港干諾道中90號大新行16樓1601室。本公司股份於香港聯合交易所有限公司（「**聯交所**」）主板上市。

於報告期間，本集團主要於中華人民共和國（「**中國**」）從事提供汽車租賃；貨品（主要為木製品）貿易及加工以及提供基金管理等其他業務服務。

僅就公司重組目的委任共同臨時清盤人

為促進本公司的財務重組，羅申美企業顧問有限公司的馬德民及黎穎麟以及R&H Restructuring (Cayman) Ltd.的Martin Nicholas John Trott於二零二一年二月二日獲委任為本公司共同臨時清盤人（「**共同臨時清盤人**」）。上文詳情分別載於本公司日期為二零二一年二月二日及二零二一年二月五日的公告。

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2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements of the Group for the Reporting Period have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The accounting policies and methods of computation adopted in the unaudited condensed consolidated interim financial statements for the Reporting Period are consistent with those followed in the preparation of the Group’s audited annual consolidated financial statements for the year ended 31 December 2021.

Application of amendments to HKFRSs and HKASs

In the current interim period, the Group has applied the following amendments to Hong Kong Financial Reporting Standards (the “HKFRSs”) and HKASs issued by the HKICPA, which are mandatorily effective for the annual period beginning on or after 1 January 2022 for the preparation of the Group’s unaudited condensed consolidated interim financial statements:

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework</i>
Amendment to HKFRS 16	<i>Covid-19-Related Rent Concessions beyond 30 June 2021</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
Amendments to HKAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2018-2020</i>

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

2. 編製基準

本集團於報告期間之未經審核簡明綜合中期財務報表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（「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證券上市規則（「上市規則」）之適用披露規定編製。於報告期間，未經審核簡明綜合中期財務報表所採用的會計政策及計算方法與編製本集團截至二零二一年十二月三十一日止年度之經審核年度綜合財務報表所依循者一致。

應用香港財務報告準則及香港會計準則修訂

於本中期期間，本集團於編製其未經審核簡明綜合中期財務報表時，已應用於二零二二年一月一日或之後開始的年度期間強制生效的由香港會計師公會頒佈的下列香港財務報告準則（「香港財務報告準則」）及香港會計準則修訂：

香港財務報告準則第3號修訂	<i>概念框架之提述</i>
香港財務報告準則第16號修訂	<i>二零二一年六月三十日之後的新型冠狀病毒相關租金寬減</i>
香港會計準則第16號修訂	<i>物業、廠房及設備—擬定用途前之所得款項</i>
香港會計準則第37號修訂	<i>有償合約—履行合約之成本</i>
香港財務報告準則修訂	<i>香港財務報告準則二零一八年至二零二零年之年度改進</i>

於本中期期間應用香港財務報告準則及香港會計準則修訂並無對本集團於本期間及以往期間的財務狀況及表現及／或載列於該等未經審核簡明綜合中期財務報表的披露造成重大影響。

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3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments during the Reporting Period, as follows:

- (a) Car rental segment – primarily engages in the provision of car rental services;
- (b) Trading and processing of goods segment – primarily engages in the trading and processing of furniture wood mainly red mahogany wood and yellow sandalwood and other goods;
- (c) Financing services and investment segment – primarily engages in money lending business through the provision of loans and financial investment holding; and
- (d) Other segment – engages in provision of other services, such as fund administration, public relations and property investment.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment revenue.

Segment assets exclude certain financial assets at FVTPL, tax recoverable, cash and cash equivalents, restricted cash, other unallocated head office and corporate assets as these assets are managed on a group basis, as well as interests in joint ventures.

Segment liabilities exclude interest-bearing other borrowings, derivative financial instruments, convertible bonds, certain tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

3. 經營分部資料

就管理目的而言，本集團按產品及服務界定業務單位，並於報告期間擁有四項須予申報之經營分部，如下：

- (a) 汽車租賃分部 — 主要從事提供汽車租賃服務；
- (b) 貨品貿易及加工分部 — 主要從事傢俬用木材貿易及加工，主要為紅桃木、黃檀木及其他貨品；
- (c) 融資服務及投資分部 — 主要通過提供貸款從事放債業務及金融投資控股；及
- (d) 其他分部 — 從事提供其他服務，如基金管理、公共關係及物業投資。

為作出資源分配決策及評估表現，管理層個別監察本集團經營分部之業績。分部表現乃按須予申報分部收益評估。

分部資產不包括若干按公平值計入損益的金融資產、可退回稅項、現金及現金等價物、受限制現金、其他未分配總公司及企業資產（原因為該等資產均以集團為基礎而進行管理）以及合營公司的權益。

分部負債不包括計息其他借貸、衍生金融工具、可換股債券、若干應付稅項、遞延稅項負債以及其他未分配總公司及企業負債，原因為該等負債均以集團為基礎而進行管理。

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3. OPERATING SEGMENT INFORMATION

(continued)

		Car rental 汽車租賃		Trading and processing of goods 貨品貿易及加工		Financing services and investments 融資服務及投資		Others 其他		Total 總計	
		Six months ended 30 June 截至六月三十日止六個月	2021 二零二一年	2022 二零二二年	2021 二零二一年	2022 二零二二年	2021 二零二一年	2022 二零二二年	2021 二零二一年	2022 二零二二年	2021 二零二一年
		千港元 (Unaudited) (未經審核)	千港元 (Unaudited) (未經審核)	千港元 (Unaudited) (未經審核)	千港元 (Unaudited) (未經審核)	千港元 (Unaudited) (未經審核)	千港元 (Unaudited) (未經審核)	千港元 (Unaudited) (未經審核)	千港元 (Unaudited) (未經審核)	千港元 (Unaudited) (未經審核)	千港元 (Unaudited) (未經審核)
Segment revenue	分部收益										
Sales of goods	銷售貨品	-	-	41,887	33,422	-	-	-	-	41,887	33,422
Car rental income	汽車租賃收入	6,599	3,534	-	-	-	-	-	-	6,599	3,534
Service income	服務收入	-	-	-	-	-	-	444	482	444	482
		6,599	3,534	41,887	33,422	-	-	444	482	48,930	37,438

3. 經營分部資料 (續)

		Car rental 汽車租賃		Trading and processing of goods 貨品貿易及加工		Financing services and investments 融資服務及投資		Others 其他		Total 總計	
		30 June 2022 二零二二年 六月三十日	31 December 2021 二零二一年 十二月三十一日	30 June 2022 二零二二年 六月三十日	31 December 2021 二零二一年 十二月三十一日	30 June 2022 二零二二年 六月三十日	31 December 2021 二零二一年 十二月三十一日	30 June 2022 二零二二年 六月三十日	31 December 2021 二零二一年 十二月三十一日	30 June 2022 二零二二年 六月三十日	31 December 2021 二零二一年 十二月三十一日
		千港元 (Unaudited) (未經審核)	千港元 (Audited) (經審核)	千港元 (Unaudited) (未經審核)	千港元 (Audited) (經審核)	千港元 (Unaudited) (未經審核)	千港元 (Audited) (經審核)	千港元 (Unaudited) (未經審核)	千港元 (Audited) (經審核)	千港元 (Unaudited) (未經審核)	千港元 (Audited) (經審核)
Segment assets	分部資產	51,425	55,064	95,259	113,274	12,994	13,309	88	88	159,766	181,735
Reconciliation:	對賬:										
Corporate and other unallocated assets	企業及其他未分配資產									36,840	42,907
Total assets	資產總值									196,606	224,642
Segment liabilities	分部負債	106,668	115,487	261,971	268,667	40,950	40,950	2,509	2,508	412,098	427,612
Reconciliation:	對賬:										
Corporate and other unallocated liabilities	企業及其他未分配負債									1,104,448	1,060,849
Total liabilities	負債總額									1,516,546	1,488,461

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3. OPERATING SEGMENT INFORMATION

(continued)

Geographical information

The following table presents derived revenue from external customers for the six months ended 30 June 2022 and 2021 and certain non-current assets information as at 30 June 2022 and 31 December 2021, by geographical areas.

		The United States 美國 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	Hong Kong 香港 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Six months ended 30 June 2022 (Unaudited)	截至二零二二年六月三十日止六個月(未經審核)					
Revenue from external customers	來自外部客戶的收益	-	48,930	-	-	48,930
Six months ended 30 June 2021 (Unaudited)	截至二零二一年六月三十日止六個月(未經審核)					
Revenue from external customers	來自外部客戶的收益	-	37,438	-	-	37,438
As at 30 June 2022 (Unaudited)	於二零二二年六月三十日(未經審核)					
Non-current assets	非流動資產	-	56,619	118	-	56,737
Non-current assets (excluding financial instruments)	非流動資產(金融工具除外)	-	44,140	118	-	44,258
As 31 December 2021 (Audited)	於二零二一年十二月三十一日(經審核)					
Non-current assets	非流動資產	-	61,616	430	-	62,046
Non-current assets (excluding financial instruments)	非流動資產(金融工具除外)	-	48,822	430	-	49,252

The Group's revenue information by geographical areas is based on the locations where the customers are domiciled/located or the destination where the goods are delivered. The Group's non-current assets information by geographical areas is based on the locations of the assets.

Revenue from major customers

During the Reporting Period, the Group has recorded 3 customers (2021 interim: 3 customers), which amounted to 10 per cent or more of the Group's total revenue.

3. 經營分部資料(續)

地區資料

下表呈列按地區劃分截至二零二二年及二零二一年六月三十日止六個月來自外部客戶的收益以及於二零二二年六月三十日及二零二一年十二月三十一日的若干非流動資產資料。

本集團按地區劃分的收益資料乃按客戶所屬/位處或付運貨品的地點而釐定。本集團按地區劃分的非流動資產資料乃根據該等資產所在地而釐定。

來自主要客戶的收益

於報告期間，本集團錄得三名收益額佔本集團總收益的10%或以上的客戶(二零二一年中期：三名客戶)。

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4. REVENUE

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts; the value of car rental and other services rendered during the period.

An analysis of revenue from contract with customers is as follows:

4. 收益

收益指扣除退貨及貿易折扣撥備後的已售貨品的發票淨值；期內提供汽車租賃及其他服務的價值。

來自客戶合約的收益分析如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
Sales of goods recognised at a point in time	於某個時間點確認的銷售貨品	41,887	33,422
Car rental income	汽車租賃收入	6,599	3,534
Service income recognised at a point in time	於某個時間點確認的服務收入	444	482
		48,930	37,438

5. FINANCE COSTS

5. 融資成本

		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest on bank and other borrowings	銀行及其他借貸利息	55,336	51,910
Interest on convertible bonds	可換股債券利息	4,109	6,042
Interest on lease liabilities	租賃負債利息	65	126
Bank charges	銀行手續費	8	15
		59,518	58,093

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6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/
(crediting):

6. 除稅前虧損

本集團之除稅前虧損已扣除／(計入)
以下各項：

		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
Cost of inventories sold and services rendered	出售存貨及提供服務之成本	38,002	31,488
Depreciation	折舊	4,424	2,470
Fair value loss on financial assets at FVTPL, net	按公平值計入損益的金融資產 公平值虧損淨額	-	587
Allowances for ECLs on trade and other receivables	應收賬款及其他應收款項 預期信貸虧損撥備	-	109
Provision for financial guarantee	財務擔保撥備	-	1,000
Other lease expenses*	其他租賃開支*	1,277	1,495
(Gain)/Loss on disposal of items of property, plant and equipment, net	出售物業、廠房及設備項目的 (收益)／虧損淨額	(94)	100
Write-off of items of property, plant and equipment	物業、廠房及設備項目撇銷	15	-

* These expenses relate to short-term leases. They are directly charged as expenses and are not included in the measurement of lease liabilities under HKFRS 16.

* 該等開支與短期租賃有關。根據香港財務報告準則第16號，該等開支直接列賬為開支，且計量租賃負債時不會計算在內。

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7. INCOME TAX CREDIT/(EXPENSE)

7. 所得稅抵免／(開支)

		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
Current – PRC	即期－中國		
Charge for the period	期內開支	-	163
Over provision in prior years	過往年度超額撥備	(82)	-
Deferred tax	遞延稅項	(361)	22
Total tax credit/(charge) for the period	期內稅項抵免／(開支) 總額	(443)	185

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

PRC Enterprise Income Tax has been provided at a rate of 25% based on the assessable profit in accordance with the tax rules and regulations in the PRC (2021 interim: 25%).

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

Under the PRC tax law, dividends received by foreign investors from its investment in foreign-invested enterprises in respect of its profits earned since 1 January 2008 are subject to withholding tax at a rate of 10%.

No provision of Hong Kong Profits Tax, and any other tax has been provided in the unaudited condensed consolidated interim financial statement (2021 interim: Nil).

在兩級制利得稅率制度下，合資格集團實體的2百萬港元溢利將按8.25%的稅率繳稅，而超過2百萬港元的溢利將按16.5%的稅率繳稅。不符合兩級制利得稅率制度資格的集團實體的溢利將繼續按16.5%的固定稅率繳稅。

根據中國稅務規則及法規，中國企業所得稅基於應課稅溢利按25%稅率（二零二一年中期：25%）計提撥備。

其他地區應課稅溢利的稅項開支乃根據本集團經營所在國家的現行法例、詮釋及慣例採用其當前稅率計算。

根據中國稅法，境外投資者就其所投資的外資企業自二零零八年一月一日起賺取的溢利所收取的有關股息須按10%的稅率繳付預扣稅。

未經審核簡明綜合中期財務報表並無就香港利得稅及任何其他稅項計提撥備（二零二一年中期：無）。

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8. DIVIDEND

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

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY FOR THE PERIOD

The calculation of the basic and diluted loss per share is based on the loss for the period attributable to ordinary equity holders of the Company of approximately HK\$62,227,000 (loss for the six months ended 30 June 2021: HK\$64,372,000) and the weighted average number of ordinary shares of 342,572,857 (2021 interim: 342,572,857) in issue during the Reporting Period.

No adjustment has been made to basic loss per share amounts presented for the six months ended 30 June 2022 and 2021 in respect of a dilution as the impact of potential dilutive ordinary shares outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

8. 股息

董事會不建議就截至二零二二年六月三十日止六個月派付中期股息（二零二一年中期：無）。

9. 期內本公司普通股股權持有人應佔每股虧損

每股基本及攤薄虧損乃根據本公司普通股股權持有人應佔期內虧損約62,227,000港元（截至二零二一年六月三十日止六個月的虧損：64,372,000港元）及報告期間已發行普通股的加權平均數342,572,857股（二零二一年中期：342,572,857股）計算。

截至二零二二年及二零二一年六月三十日止六個月，並無就攤薄對所呈列之每股基本虧損作出調整，原因為已發行在外之潛在攤薄普通股之影響對所呈列之每股基本虧損具有反攤薄效應。

10. 按公平值計入損益之金融資產

	30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Non-current financial assets at FVTPL 按公平值計入損益之非流動金融資產		
Unlisted equity investments 非上市權益投資	12,479	12,794

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11. TRADE RECEIVABLES

11. 應收賬款

		30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Trade receivables	應收賬款	852,804	867,318
Less: Allowance for ECLs	減：預期信貸虧損撥備	(834,289)	(834,118)
		18,515	33,200

The Group's trading terms with its customers are mainly on credit with credit period generally 30 days, or could be longer under certain circumstances. The Group seeks to maintain strict control over its outstanding trade receivables. Overdue balances are reviewed regularly by senior management. Overdue trade receivables are interest-bearing.

An ageing analysis of the trade receivables based on the invoice date, and net of allowance is as follows:

本集團與客戶主要按信貸方式訂立貿易條款，信貸期一般為三十日，在若干情況下可能更長。本集團致力維持嚴格監控逾期應收賬款，高級管理人員會定期審閱逾期之結餘。逾期應收賬款計息。

根據發票日期，應收賬款（經扣除撥備）的賬齡分析如下：

		30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within 90 days	90天內	13,667	33,200
90 to 180 days	90至180天	4,848	-
Over 180 days	180天以上	-	-
Total	總計	18,515	33,200

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12. TRADE PAYABLES

An aged analysis of the trade payables, based on the invoice date, is as follows:

		30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within 30 days	30天內	1,733	16,434
31 to 60 days	31至60天	3,608	19,608
Over 60 days	60天以上	75,537	60,633
		80,878	96,675

The trade payables are non-interest-bearing and normally settled in 30 to 90 days after the month-end statement.

13. CONVERTIBLE BONDS

- (a) On 17 May 2016, the Company issued 2018 convertible bond (the "2018 CB") and 2019 convertible bond (the "2019 CB") with principal amounts of HK\$100,000,000 and HK\$100,000,000 respectively. The maturity dates of 2018 CB and 2019 CB were 16 May 2018 and 16 May 2019, respectively.

12. 應付賬款

根據發票日期，應付賬款的賬齡分析如下：

		30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
Within 30 days	30天內	1,733	16,434
31 to 60 days	31至60天	3,608	19,608
Over 60 days	60天以上	75,537	60,633
		80,878	96,675

應付賬款為免息，且一般於月結後30至90天結算。

13. 可換股債券

- (a) 於二零一六年五月十七日，本公司發行二零一八年可換股債券（「二零一八年可換股債券」）及二零一九年可換股債券（「二零一九年可換股債券」），本金額分別為100,000,000港元及100,000,000港元。二零一八年可換股債券及二零一九年可換股債券的到期日分別為二零一八年五月十六日及二零一九年五月十六日。

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13. CONVERTIBLE BONDS (continued)

(a) (continued)

The 2018 CB and 2019 CB were convertible at the option of bondholder at any time after the 40th day from the date of issue and up to the 10th day prior to the dates of maturity at an initial conversion price of HK\$0.35 per share (subject to adjustments). Based on the initial conversion price, the 2018 CB and 2019 CB were convertible into approximately 571,429,000 ordinary shares of the Company in aggregate. The 2018 CB and the 2019 CB, if not converted, would be redeemed at their outstanding principal amount together with any interest accrued thereon, plus an additional amount of a compound return of 12% per annum over the outstanding principal amount on maturity. The 2018 CB and the 2019 CB carry interest at a rate of 5% per annum, payable semi-annually on 30 June and 31 December of each intervening year. The effective interest rates of the liability components of the 2018 CB and 2019 CB were 22.8% and 23.5%, respectively.

On 10 May 2018, the Company and the bondholder of 2018 CB entered into a deed of amendment, pursuant to which the maturity date of 2018 CB was extended from 16 May 2018 to 16 May 2020 and the interest rate was increased from 5% per annum to 6% per annum. To effect the extension, the bondholder requested the Company to settle the additional amount as described above and an amount of HK\$15,440,000 was paid thereof. The effective interest rate of the liability component of the extended 2018 CB was 25.5%.

13. 可換股債券 (續)

(a) (續)

二零一八年可換股債券及二零一九年可換股債券的債券持有人可於發行日期起第40日至到期日10日前隨時選擇轉換，初始換股價為每股0.35港元(可予調整)。二零一八年可換股債券及二零一九年可換股債券按初始換股價轉換為合共約571,429,000股本公司普通股。任何尚未轉換的二零一八年可換股債券及二零一九年可換股債券將按其未償還本金額連同其任何累計利息贖回，另加就到期未償還本金額按年息率12%計算的複合回報。二零一八年可換股債券及二零一九年可換股債券按年利率5%計息，每半年支付一次，於每個計息年度的六月三十日及十二月三十一日支付。二零一八年可換股債券及二零一九年可換股債券負債部分的實際利率分別為22.8%及23.5%。

於二零一八年五月十日，本公司與二零一八年可換股債券的債券持有人訂立修訂契據，據此二零一八年可換股債券之到期日由二零一八年五月十六日延長至二零二零年五月十六日，而利率由年息5%增加至年息6%。為使延長生效，債券持有人要求本公司結清上述額外金額並支付其中15,440,000港元。經延長二零一八年可換股債券負債部分之實際利率為25.5%。

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13. CONVERTIBLE BONDS (continued)

(a) (continued)

On 15 May 2019, the Company and the bondholder of 2019 CB entered into a deed of amendment, pursuant to which the maturity date of 2019 CB was extended from 16 May 2019 to 16 May 2021, the conversion price of 2019 CB was decreased from HK\$0.35 to HK\$0.1 per share and the interest rate was increased from 5% per annum to 6% per annum. Interest payment dates were not changed. To effect the extension, the bondholder requested the Company to settle the additional amount as described above and an amount of approximately HK\$25,493,000 was paid thereof. The effective interest rate of the liability component of the extended 2019 CB was 10.7%.

Both 2018 CB and 2019 CB have the following early redemption options. Holders of 2018 CB and 2019 CB have the right to require the Company to redeem the whole of the 2018 CB and 2019 CB respectively held by them prior to the maturity date at a redemption price equal to the respective principal amount of 2018 CB and 2019 CB together with accrued and unpaid interest and the additional amount upon the occurrence of certain events that are out of the Company's control.

In addition, for both 2018 CB and 2019 CB, the Company may, at any time prior to the maturity date, redeem in whole the 2018 CB and 2019 CB for the time being outstanding at their principal amount together with accrued and unpaid interest and the additional amount to the date fixed by the Company for redemption provided that at the date of redemption, at least 90% in principal amount of the 2018 CB and 2019 CB has already been converted, redeemed or purchased and cancelled.

As such, the conversion option and the early redemption options are considered as a single derivative for fair value measurement purpose.

13. 可換股債券 (續)

(a) (續)

於二零一九年五月十五日，本公司與二零一九年可換股債券的債券持有人訂立修訂契約，據此將二零一九年可換股債券的到期日由二零一九年五月十六日延長至二零二一年五月十六日，而二零一九年可換股債券的轉換價從每股0.35港元降至0.1港元，利率由年息5%增加至年息6%。利息付款日期並無變動。為使延長生效，債券持有人要求本公司結清上述額外金額並已支付其中約25,493,000港元。經延長二零一九年可換股債券負債部分的實際利率為10.7%。

二零一八年可換股債券及二零一九年可換股債券均有以下提早贖回選擇權。二零一八年可換股債券及二零一九年可換股債券持有人有權要求本公司於發生超出本公司控制範圍的若干事件後在到期日前按等於二零一八年可換股債券及二零一九年可換股債券相關本金額之贖回價連同應計及未付利息及額外金額贖回由彼等分別持有之全部二零一八年可換股債券及二零一九年可換股債券。

此外，就二零一八年可換股債券及二零一九年可換股債券而言，本公司可於到期日前任何時間，按其本金額連同應計及未付利息以及截至由本公司釐定之贖回日期止之額外金額，贖回當時尚未行使之全部二零一八年可換股債券及二零一九年可換股債券，惟於贖回日期前二零一八年可換股債券及二零一九年可換股債券至少90%的本金額須為已轉換、贖回或收購及註銷。

因此，換股權及提早贖回選擇權被視為公平值計量目的之單一衍生工具。

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13. CONVERTIBLE BONDS (continued)

- (b) On 31 August 2017, the Company issued 2020 convertible bond (the “**2020 CB**”) with a principal amount of HK\$200,000,000. The maturity date of 2020 CB was 30 August 2020.

The 2020 CB was convertible at the option of the bondholder at any time from and including the first anniversary from its date of issue up to the 10th day prior to the dates of maturity at an initial conversion price of HK\$0.35 per share (subject to adjustments). Based on the initial conversion price, the 2020 CB was convertible into approximately 571,429,000 ordinary shares of the Company. The 2020 CB, if not converted, would be redeemed at its outstanding principal amount together with any interest accrued thereon. The 2020 CB carries interest at a rate of 8% per annum, which is payable semi-annually on 18 June and 18 December of each intervening year. The effective interest rate of the liability component of the 2020 CB was 24.2%.

The fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond if the conversion option was not exercised. The conversion options embedded in the convertible bonds were recognised as derivative financial instruments and were measured at fair value on initial recognition and remeasured at each subsequent reporting date.

Owing to the fact that 2018 CB, 2020 CB and 2019 CB were matured (as extended) without conversion on 16 May 2020, 30 August 2020 and 16 May 2021 respectively, the respective outstanding balances of 2018 CB, 2020 CB and 2019 CB were re-classified as “Interest-bearing bank and other borrowings” in the unaudited condensed consolidated interim financial statements of the Group.

13. 可換股債券 (續)

- (b) 於二零一七年八月三十一日，本公司發行二零二零年可換股債券（「**二零二零年可換股債券**」），本金額為200,000,000港元。二零二零年可換股債券的到期日為二零二零年八月三十日。

二零二零年可換股債券債券持有人可於二零二零年可換股債券發行日期後一週年至到期日前10日隨時選擇轉換，初始換股價為每股0.35港元（可予調整）。二零二零年可換股債券按初始換股價可轉換為約571,429,000股本公司普通股。任何尚未轉換的二零二零年可換股債券將按其未償還本金額連同其任何應計利息贖回。二零二零年可換股債券按每年8%的利率計息，每半年支付一次，於每個計息年度的六月十八日及十二月十八日支付。二零二零年可換股債券負債部分的實際利率為24.2%。

如換股權未獲行使，負債部分的公平值乃使用類似債券等同市場利率於發行日期予以估計。嵌入可換股債券的換股權已確認為衍生金融工具及於初步確認時按公平值計量及於隨後各報告日期重新計量。

由於二零一八年可換股債券、二零二零年可換股債券及二零一九年可換股債券分別於二零二零年五月十六日、二零二零年八月三十日及二零二一年五月十六日到期（經延期）且尚未轉換，二零一八年可換股債券、二零二零年可換股債券及二零一九年可換股債券相應的未償還餘額已在本集團的未經審核簡明綜合中期財務報表中重新分類為「計息銀行及其他借貸」。

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13. CONVERTIBLE BONDS (continued)

Save as disclosed above, the Company has no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any ordinary shares, as the case may be.

The movements of the liability and derivative components of the convertible bonds for the Reporting Period are set out below:

13. 可換股債券 (續)

除上文所披露者外，本公司概無任何尚未行使的購股權、認股權證或其他已發行且可轉換為或賦予權利認購、轉換或交換為任何普通股（視乎情況而定）的其他證券。

報告期間可換股債券之負債及衍生部分之變動載列如下：

		Liability component 負債部分 HK\$'000 千港元	Derivative component 衍生部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2021 (Audited)	於二零二一年一月一日 (經審核)	143,980	-	143,980
Interest expenses	利息開支	8,048	-	8,048
Reclassified to other borrowing upon maturity	到期後重新分類至其他借貸	(152,028)	-	(152,028)
At 31 December 2021 and 1 January 2022 (Audited)	於二零二一年十二月三十一日及二零二二年一月一日 (經審核)	-	-	-
Interest expenses	利息開支	-	-	-
Reclassified to other borrowing upon maturity	到期後重新分類至其他借貸	-	-	-
At 30 June 2022 (Unaudited)	於二零二二年六月三十日 (未經審核)	-	-	-
Represented by At 30 June 2022 Current portion (Unaudited)	代表 於二零二二年六月三十日 流動部分 (未經審核)	-	-	-
As 31 December 2021 Current portion (Audited)	於二零二一年十二月三十一日 流動部分 (經審核)	-	-	-

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14. SHARE CAPITAL AND SHARE PREMIUM

Shares:

	Number of ordinary shares in issue 已發行普通股數目	Issued share capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2022 (Audited) and at 30 June 2022 (Unaudited)	於二零二二年一月一日 (經審核) 及於二零二二年 六月三十日 (未經審核)	342,572,857	68,515	1,059,713
			1,128,228	

14. 股本及股份溢價賬

股份：

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Below is a summary of significant unobservable inputs to the valuation of financial instruments in Level 3 fair value measurements as at 30 June 2022 and 31 December 2021:

15. 金融工具的公平值及公平值層級

下表為於二零二二年六月三十日及二零二一年十二月三十一日第三級公平值計量金融工具估值之重大不可觀察輸入數據概要：

Description 描述	Valuation technique 估值方法	Unobservable inputs 不可觀察輸入數據	Range 範圍	Effect on fair value for increase of inputs 輸入數據增加對公平值的影響	Fair value 公平值	
					30 June 2022 二零二二年六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
- Zuoshishi Technology Service (Beijing) Company Limited* - 做實事科技服務(北京)有限公司	Income approach 收入法	Long term growth rate 長期增長率	3% (2021: 3%) 3% (二零二一年: 3%)	Increase (2021: Increase) 增加 (二零二一年: 增加)	10,730	11,045
		Weighted average cost of capital 加權平均資本成本	13% (2021: 14%) 13% (二零二一年: 14%)	Decrease (2021: Decrease) 減少 (二零二一年: 減少)		
		Discount for lack of marketability 缺乏市場流動性折讓	16% (2021: 16%) 16% (二零二一年: 16%)	Decrease (2021: Decrease) 減少 (二零二一年: 減少)		

* For identification purposes only

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15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair value of the financial assets in Level 2 is determined based on executable quotes provided by investment fund managers.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

15. 金融工具的公平值及公平值層級 (續)

第二級金融資產之公平值乃基於投資基金經理所提供可執行報價釐定。

公平值層級

下表列示本集團金融工具之公平值計量層級：

		Fair value measurement using 採用以下方式 計量公平值	
		Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級)	Total
		HK\$'000 千港元	總計 HK\$'000 千港元
Assets measured at fair value: As at 30 June 2022 (Unaudited)			
以公平值計量的資產： 於二零二二年六月三十日 (未經審核)			
Financial assets at FVTPL		按公平值計入損益的 金融資產	
Unlisted equity investments	非上市權益投資	12,479	12,479
		12,479	12,479
As at 31 December 2021(Audited)		於二零二一年十二月三十一日 (經審核)	
Financial assets at FVTPL		按公平值計入損益的 金融資產	
Unlisted equity investments	非上市權益投資	12,794	12,794
		12,794	12,794

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

15. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

The movements in fair value measurements within Level 3 during the period/year are as follows:

		30 June 2022 二零二二年 六月三十日 HK\$'000 千港元 (Unaudited) (未經審核)	31 December 2021 二零二一年 十二月三十一日 HK\$'000 千港元 (Audited) (經審核)
As at 1 January	於一月一日	12,794	58,632
Fair value loss recognised in profit or loss, net	於損益確認的公平值虧損淨額	-	(46,362)
Exchange rate fluctuation	匯率波動	(315)	524
		12,479	12,794

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (31 December 2021: Nil).

15. 金融工具的公平值及公平值層級 (續)

公平值層級 (續)

期／年內第三級之公平值計量變動如下：

期內，金融資產及金融負債第一級與第二級之間並無任何公平值計量轉移，亦無金融資產及金融負債轉入或轉出第三級（二零二一年十二月三十一日：無）。

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未經審核簡明綜合中期財務報表附註

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

16. CAPITAL COMMITMENTS

The Group had commitments for its contracted, but not provided for capital contribution to its investees amounting to approximately HK\$35,142,000 (31 December 2021: HK\$36,735,000).

17. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these unaudited condensed consolidated interim financial statements, the Group had the following transactions with related parties during the period:

16. 資本承擔

本集團向投資對象出資之已訂約但未計提撥備承擔約為35,142,000港元(二零二一年十二月三十一日: 36,735,000港元)。

17. 關連方交易

除該等未經審核簡明綜合中期財務報表其他部分所詳述的交易外, 本集團於期內曾與關連方進行下列交易:

		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
Finance cost paid to Mr. Deng ShiChao (note 1)	向鄧世超先生支付的融資成本(附註1)	144	145
Finance costs paid to a related company (note 2)	向關連公司支付的融資成本(附註2)	1,141	357
Rental expenses paid to a related company	向關連公司支付的租賃開支	1,200	1,200

Note:

- Mr. Deng ShiChao is a director of the Group's subsidiaries.
- Mr. Lyu NingJiang, a director of the Company, is also the director and beneficial owner of the related company.

附註:

- 鄧世超先生為本集團附屬公司的一名董事。
- 呂寧江先生為本公司董事, 亦為關連公司董事及實益擁有人。

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

未經審核簡明綜合中期財務報表附註

For the six months ended 30 June 2022
截至二零二二年六月三十日止六個月

17. RELATED PARTY TRANSACTIONS (continued)

Compensation of key management personnel of the Group, including amounts paid or payable to the Company's directors, is as follows:

17. 關連方交易 (續)

本集團主要管理人員之薪酬，包括已付或應付予本公司董事之金額如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2022 二零二二年 HK\$'000 千港元 (Unaudited) (未經審核)	2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核)
Short term employee benefits	短期僱員福利	898	819
Post-employment benefits	離職後福利	9	-
Total compensation paid or payable to key management personnel	向主要管理人員支付或應付的酬金總額	907	819

18. APPROVAL OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These unaudited condensed consolidated interim financial statements are approved and authorised for issue by the Board on 19 August 2022.

18. 未經審核簡明綜合中期財務報表的批准

此等未經審核簡明綜合中期財務報表已於二零二二年八月十九日獲董事會批准及授權刊發。



CHINA WOOD INTERNATIONAL HOLDING CO., LIMITED
中木國際控股有限公司

