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金禧國際
CENTURY INTL

Golden Century International Holdings Group Limited
金禧國際控股集團有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 91)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

The board of directors (the "**Board**") of Golden Century International Holdings Group Limited (the "**Company**" or "**Golden Century**") hereby presents the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2022 (the "**Period**").

HIGHLIGHTS

- The unaudited consolidated revenue of the Group decreased by about 29.26% to approximately HK$8,474,000 as compared with the corresponding period in 2021.
- For the six months ended 30 June 2022, the Group recorded a loss after tax of approximately HK$46,166,000, representing an increase of approximately 58.97% as compared with the same period last year.
- For the six months ended 30 June 2022, the loss per share was approximately HK1.03 cents as compared to the loss per share of approximately HK2.58 cents in the same period last year.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2022

		Unaudited	
		Six months ended	
		30 June	30 June
		2022	2021
	Notes	***HK$'000***	*HK$'000*
Revenue	3	**8,474**	11,979
Cost of sales		**(6,860)**	(3,345)
Gross profit		**1,614**	8,634
Other income		**2,948**	3,170
Other gains and losses		**(11,590)**	24,608
Administrative expenses		**(35,443)**	(33,174)
Amortisation of production sharing contract		**(2,229)**	(2,367)
(Loss) profit from operations		**(44,700)**	871
Finance costs	4	**(1,980)**	(30,425)
Loss before tax	5	**(46,680)**	(29,554)
Income tax	6	**514**	513
Loss for the period		**(46,166)**	(29,041)
Attributable to:			
Owners of the Company		**(45,946)**	(29,077)
Non-controlling interests		**(220)**	36
		(46,166)	(29,041)
Loss per share	8		
Basic and diluted *(HK cents per share)*		**(1.03)**	(2.58)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2022

	Unaudited Six months ended 30 June 2022 *HK$'000*	 30 June 2021 *HK$'000*
Loss for the period	**(46,166)**	(29,041)
Other comprehensive income (expense)		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**8,594**	(1,870)
Other comprehensive income (expense) for the period, net of income tax	**8,594**	(1,870)
Total comprehensive expenses for the period	**(37,572)**	(30,911)
Attributable to:		
Owners of the Company	**(37,352)**	(30,947)
Non-controlling interests	**(220)**	36
	(37,572)	(30,911)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2022

	Notes	**Unaudited 30 June 2022 HK$'000**	Audited 31 December 2021 HK$'000
Non-current assets			
Property, plant and equipment		**99,684**	108,895
Right-of-use assets		**18,056**	23,399
Intangible assets	9	**71,931**	77,560
Deposits		**3,290**	3,072
		192,961	212,926
Current assets			
Inventory		**114**	255
Financial assets at fair value through profit or loss		**2,318**	2,318
Trade and other receivables	10	**22,412**	34,068
Cash and bank balances		**76,252**	106,379
Cash held on behalf of clients	11	**17,542**	10,286
		118,638	153,306
Current liabilities			
Loan from Ultimate Holding Company		**107,460**	107,510
Loan from Ultimate Controlling Party		**67,284**	70,477
Other borrowing, unsecured		**11,587**	12,138
Trade and other payables	12	**87,699**	95,391
Bonds		**9,999**	9,999
Lease liabilities		**9,558**	9,455
Tax payables		**5,405**	5,491
Contract liabilities		**275**	287
		299,267	310,748
Net current liabilities		**(180,629)**	(157,442)
Total assets less current liabilities		**12,332**	55,484

	Notes	**Unaudited 30 June 2022** ***HK$'000***	Audited 31 December 2021 *HK$'000*
Non-current liabilities			
Lease liabilities		**10,676**	15,004
Deferred tax liabilities		**14,476**	15,728
		25,152	30,732
Net (liabilities) assets		**(12,820)**	24,752
Capital and reserves			
Share capital	13	**2,551,588**	2,551,588
Reserves		**(2,558,530)**	(2,521,178)
(Capital deficiency) equity attributable to owners of the Company		**(6,942)**	30,410
Non-controlling interests		**(5,878)**	(5,658)
(Capital deficiency) total equity		**(12,820)**	24,752

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2022

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("**HKAS 34**") Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") ("**Listing Rules**"). It is authorised for issue on 26 August 2022.

The condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2021 annual financial statements, except for the accounting policy changes that become effective for the 2022 annual financial statements. Details of the changes in accounting policies are set out in note 2 to the condensed consolidated financial statement.

The preparation of the condensed consolidated financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim results announcement contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant for the understanding of the changes in financial position and performance of the Group since the 2021 annual financial statements. The condensed consolidated financial statements and notes thereto do not include all of the information required for full set of financial statements prepared in accordance with the Hong Kong Financial Reporting Standards ("**HKFRSs**").

Going concern basis

The Group incurred a net loss attributable to owners of the Company of approximately HK$45,946,000 for the six months ended 30 June 2022, and as at 30 June 2022, the Group's total liabilities exceeded its total assets by approximately HK$12,820,000 and capital deficiency attributable to owners of the Company amounted to approximately HK$6,942,000.

The directors of the Company (the "**Directors**") are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due in the foreseeable future, after taking into consideration the following:

(i) As at 30 June 2022, the Company has drawn down loans of HK$97,500,000 and undrawn loan facilities of HK$102,500,000 granted by Century Gold Millennium International Holdings Group Limited ("**Ultimate Holding Company**") with interest payables of HK$9,960,000, which is provided on a subordinated basis. The Ultimate Holding Company will not demand the Company for repayment of such loans nor cancel the undrawn loan facilities until all other liabilities of the Group have been satisfied;

(ii) For the loans provided to the Company in a principal amount of RMB54,000,000 (equivalent to approximately HK$63,253,000) with interest payables of RMB3,441,000 (equivalent to approximately HK$4,031,000) for the six months ended 30 June 2022, Mr. Pan Jibiao, the ultimate controlling party of the Company ("**Ultimate Controlling Party**"), will not demand the Company for repayment of such loans until all other liabilities of the Group have been satisfied;

(iii) In addition to the above, the Ultimate Controlling Party and the Ultimate Holding Company have also undertaken to provide adequate funds to enable the Group to meet in full its financial obligations when they fall due in the foreseeable future;

(iv) The Group will also seek additional financing including but not limited to open offer, placing of the new shares and issuance of bonds, if necessary; and

(v) The Directors will continue to implement measures aiming at improving the working capital and cash flows of the Group, including close monitoring of general administrative expenses and operating costs.

The Directors have carried out a detailed review of the cash flow forecast of the Group for the next twelve months from the reporting date taking into account the impact of above measures. The Directors believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements as and when they fall due in the next twelve months from the reporting date and, accordingly, are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amount, to provide for future liabilities which might arise and to reclassify non-current assets and non-current liabilities to current assets and current liabilities respectively. The effects of these potential adjustments have not been reflected in these condensed consolidated financial statements.

The financial information relating to the year ended 31 December 2021 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to the statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Chapter 622) ("**HKCO**") is as follows:

The Company has delivered the financial statements for the year ended 31 December 2021 to the Registrar of Companies as required under section 662(3) of, and Part 3 of Schedule 6 to, the HKCO.

The Company's auditor has reported on those financial statements. The auditor's report was unmodified, including reference to the matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the HKCO.

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than the changes in accounting policies resulting from the application of amendments to HKFRSs, the accounting policies and methods of computation used in the condensed consolidated financial statements for the Period are the same as those presented in the Group's annual financial statements for the year ended 31 December 2021.

In the accounting period beginning from 1 January 2022, the Group has adopted, for the first time, the following amendments to the HKFRSs issued by the HKICPA that affect the Group and are adopted for the current period's financial information:

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

These amendments have had no material effect on how the Group's results and financial position for the current or prior periods have been presented in this unaudited condensed consolidated financial information. The Group has not applied any other new standards or interpretations that are not yet effective for the current accounting period.

3. REVENUE AND SEGMENT INFORMATION

(a) Revenue

An analysis of the amount of revenue from each category of principal activities during the period is set out below:

	Unaudited Six months ended 30 June 2022 HK$'000	30 June 2021 HK$'000
Sales of electronic components	**330**	807
Sales of coalbed methane products	**331**	–
Financial business		
– Consultancy and referral income	**434**	1,941
– Brokerage commission income	**761**	2,548
– Interest income from IPO financing	**34**	336
– Management fee income	**141**	–
Wealth management		
– Commission income from insurance brokerage	**261**	4,065
Comprehensive healthcare		
– Sales of meltblown fabrics and related equipment and raw material	**6,182**	2,282
	8,474	11,979

(b) Segment information

The Group manages its business by divisions, which are organised by business lines, in a manner consistent with the way in which information is reported internally to the Group's most senior executive management, who are also the Executive Directors of the Company, for the purpose of resources allocation and performance assessments. The Group has identified the following six reportable segments.

– Electronic components

– Coalbed methane

– Financial business (i.e. securities brokerage, money lending, consultancy and referral service)

– Wealth management

– Proprietary investment (i.e. investment in listed and unlisted securities)

– Comprehensive healthcare

Six months ended 30 June 2022 (Unaudited)

	Industrial sector			Financial sector			
	Electronic components *HK$'000*	**Coalbed methane** *HK$'000*	**Comprehensive healthcare** *HK$'000*	**Financial business** *HK$'000*	**Wealth management** *HK$'000*	**Proprietary investment** *HK$'000*	**Total** *HK$'000*
Recognised at a point in time	**330**	**331**	**6,182**	**914**	**–**	**–**	**7,757**
Recognised over time	**–**	**–**	**–**	**422**	**261**	**–**	**683**
Recognised from other source	**–**	**–**	**–**	**34**	**–**	**–**	**34**
Reportable segment revenue from external customers	**330**	**331**	**6,182**	**1,370**	**261**	**–**	**8,474**
Reportable segment results	**(503)**	**(11,927)**	**80**	**(4,587)**	**(2,005)**	**411**	**(18,531)**
Amortisation of production sharing contract	**–**	**2,229**	**–**	**–**	**–**	**–**	**2,229**
Depreciation of property, plant and equipment and right-of-use assets	**71**	**5,380**	**537**	**622**	**6**	**–**	**6,616**
Gain on disposal of financial assets at fair value through profit or loss	**–**	**–**	**–**	**–**	**–**	**(200)**	**(200)**
Other income	**(33)**	**(2)**	**(61)**	**(47)**	**(247)**	**(250)**	**(640)**
Imputed interest on lease liabilities	**6**	**–**	**–**	**8**	**–**	**–**	**14**

Six months ended 30 June 2021 (Unaudited)

	Industrial sector			Financial sector			
	Electronic components *HK$'000*	Coalbed methane *HK$'000*	Comprehensive healthcare *HK$'000*	Financial business *HK$'000*	Wealth management *HK$'000*	Proprietary investment *HK$'000*	Total *HK$'000*
Recognised at a point in time	807	–	2,282	2,548	–	–	5,637
Recognised over time	–	–	–	1,941	4,065	–	6,006
Recognised from other source	–	–	–	336	–	–	336
Reportable segment revenue from external customers	807	–	2,282	4,825	4,065	–	11,979
Reportable segment results	(735)	(14,182)	864	(888)	3,458	33	(11,450)
Amortisation of production sharing contract	–	2,367	–	–	–	–	2,367
Depreciation of property, plant and equipment and right-of-use assets	147	4,283	339	903	16	–	5,688
Gain on fair value change of convertible notes – embedded derivatives	–	(21,851)	–	–	–	–	(21,851)
Interest expenses	–	–	–	186	–	21	207
Gain on disposal of financial assets at fair value through profit or loss	–	–	–	–	–	(27)	(27)
Other income	(2)	(21)	(1,034)	(15)	–	(20)	(1,092)
Net loss on revaluation of financial asset at fair value through profit or loss	–	–	–	–	–	8	8
Imputed interest on convertible notes	–	27,517	–	–	–	–	27,517
Imputed interest on lease liabilities	4	16	–	80	–	–	100
Write-off of property, plant and equipment	–	112	–	–	–	–	112
Gain on disposal of property, plant and equipment	–	–	–	–	–	(53)	(53)

There was no inter-segment sales for both periods.

4. FINANCE COSTS

	Unaudited Six months ended 30 June 2022 *HK$'000*	30 June 2021 *HK$'000*
Imputed interest on bonds	**348**	349
Imputed interest on convertible notes	**–**	27,517
Imputed interest on lease liabilities	**1,632**	2,287
Interest on borrowings	**–**	65
Interest on IPO financing	**–**	207
	1,980	30,425

5. LOSS BEFORE TAX

Loss before tax is arrived at after charging:

	Unaudited Six months ended 30 June 2022 *HK$'000*	30 June 2021 *HK$'000*
Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	**11,620**	15,011
Contributions to defined contribution retirement plans	**749**	386
Total staff costs	**12,369**	15,397
Cost of inventories recognised as expenses	**6,219**	2,752
Depreciation of property, plant and equipment and right-of-use assets	**12,511**	11,401
Lease payments for short-term lease not included in the measurement of lease liabilities	**337**	220

6. INCOME TAX

	Unaudited Six months ended 30 June 2022 HK$'000	30 June 2021 HK$'000
Current tax		
People's Republic of China (the "**PRC**" or "**China**") Enterprise Income Tax	**43**	78
Deferred tax		
Current period *(note (c))*	**(557)**	(591)
Income tax credit	**(514)**	(513)

Notes:

(a) Under the two-tiered profits tax rates regime, the first HK$2 million of profit of the qualifying group entities will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. No provision for Hong Kong profits tax has been made as the Group has no assessable profit derived from Hong Kong during both periods.

(b) The Group's subsidiaries in the PRC are subject to PRC Enterprise Income Tax rate of 25% (2021: 25%) for the six months ended 30 June 2022.

(c) Deferred tax arising from the reversal of the temporary difference arising from the amortisation of the intangible assets in respect of production sharing contract amounted to approximately HK$557,000 (2021: HK$591,000).

7. DIVIDEND

No dividend was paid, declared or proposed during the interim period (2021: Nil). The Directors have determined that no dividend will be paid in respect of the interim period (2021: Nil).

8. LOSS PER SHARE

(a) Basic loss per share

Calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	Unaudited Six months ended 30 June 2022 HK$'000	30 June 2021 HK$'000
Loss for the purpose of basic loss per share		
Loss attributable to owners of the Company for the period	**(45,946)**	(29,077)
Number of shares		
Number of ordinary shares/weighted average number of ordinary shares for the purpose of basic loss per share	**4,454,196,695**	1,128,581,260

(b) Diluted loss per share

No diluted loss per share for the Period was presented as there were no potential ordinary shares in issue for the Period.

No adjustment was made in calculating diluted loss per share for the six months ended 30 June 2021 as the conversion of convertible notes would result in decrease in loss per share. Accordingly, the diluted loss per share is the same as the basic loss per share.

9. INTANGIBLE ASSETS

	Production sharing contract ("PSC") *HK$'000*	**Trading right** *HK$'000*	**Total** *HK$'000*
Cost			
At 1 January 2021	3,919,239	1,000	3,920,239
Exchange adjustment	129,647	–	129,647
At 31 December 2021 and 1 January 2022	4,048,886	1,000	4,049,886
Exchange adjustment	(183,432)	–	(183,432)
At 30 June 2022	3,865,454	1,000	3,866,454
Accumulated amortisation and impairment			
At 1 January 2021	3,835,273	–	3,835,273
Charge for the year	4,754	–	4,754
Impairment loss	5,342	–	5,342
Exchange adjustment	126,957	–	126,957
At 31 December 2021 and 1 January 2022	3,972,326	–	3,972,326
Charge for the period	2,229	–	2,229
Exchange adjustment	(180,032)	–	(180,032)
At 30 June 2022	3,794,523	–	3,794,523
Carrying amount			
At 30 June 2022 (Unaudited)	70,931	1,000	71,931
At 31 December 2021 (Audited)	76,560	1,000	77,560

The PSC is amortised on straight-line basis over the remaining contract terms of 16.4 years (31 December 2021: 16.9 years) of the PSC.

10. TRADE AND OTHER RECEIVABLES

	Unaudited 30 June 2022 *HK$'000*	Audited 31 December 2021 *HK$'000*
Trade receivables from:		
Electronic components	**14,509**	14,643
Coalbed methane	**321**	–
Financial business		
– Consultancy and referral service		
– Referral services	**1,210**	3,202
– Securities brokerage		
– Management fee receivables	**46**	9
Wealth management	**4**	347
Comprehensive healthcare	**7,798**	5,742
	23,888	23,943
Less: Impairment allowance *(note (a))*	**(14,472)**	(14,472)
	9,416	9,471
Financial business		
– Securities brokerage		
– Cash clients *(note (c))*	**317**	11,011
– Margin clients *(note (d))*	**8**	–
	325	11,011
	9,741	20,482
Other receivables	**9,268**	9,178
Deposits and prepayments	**6,693**	7,480
	15,961	16,658
	25,702	37,140
Analysed for reporting purpose as:		
Non-current assets	**3,290**	3,072
Current assets	**22,412**	34,068
Total	**25,702**	37,140

Notes:

(a) Impairment allowance

As at 30 June 2022, the Group's trade receivables of approximately HK$14,472,000 (31 December 2021: approximately HK$14,472,000) were individually determined to be impaired. The individually impaired receivables related to customers that are in financial difficulties and the management of the Group assessed that it is highly unlikely that the receivables can be recovered. The Group does not hold any collateral over the trade receivable balances.

(b) Ageing analysis of trade receivables

The ageing analysis of the remaining balance of trade receivables of the Group, based on the dates of the invoices and net of impairment allowance, is as follows:

	Unaudited 30 June 2022 *HK$'000*	Audited 31 December 2021 *HK$'000*
0–45 days	**1,299**	3,714
46–90 days	**2,396**	637
91–365 days	**5,713**	5,120
Over 365 days	**14,480**	14,472
	23,888	23,943
Less: impairment allowance	**(14,472)**	(14,472)
	9,416	9,471

The credit terms granted to trade receivables in respect of sale of electronic components are due within 45 days from the date of billing.

(c) For trade receivables from cash clients, it normally takes two days to settle after trade date of securities transactions. These outstanding unsettled trades due from clients are reported as trade receivables from clients.

In the opinion of the Directors, the ageing analysis does not give additional value in view of the nature of the Group's business, therefore, no ageing analysis is disclosed.

(d) No ageing analysis of trade receivables from margin clients is disclosed as, in the opinion of the Directors, the ageing analysis does not give additional value in view of the nature of this business.

(e) Trade receivables which are past due but not impaired

As at 30 June 2022, trade receivables of approximately HK$2,373,000 (31 December 2021: approximately HK$983,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default and a substantial portion of the carrying amount is subsequently settled. The Group does not hold any collateral as security over these customers. The ageing analysis of the trade receivables which are past due but not impaired is as follows:

	Unaudited 30 June 2022 *HK$'000*	Audited 31 December 2021 *HK$'000*
0–45 days	**2,372**	637
46–90 days	**1**	346
	2,373	983

11. CASH HELD ON BEHALF OF CLIENTS

The Group maintains separate trust accounts with licensed banks to hold clients' monies arising from its normal course of businesses. The Group has classified the clients' monies as cash held on behalf of customers under current assets and recognised the corresponding accounts payable to respective clients as stipulated under the Hong Kong Securities and Futures Ordinance (Chapter 571) ("**SFO**"). The Group is not allowed to use the clients' monies to settle its own obligations under the SFO.

12. TRADE AND OTHER PAYABLES

	Unaudited 30 June 2022 *HK$'000*	Audited 31 December 2021 *HK$'000*
Trade payables for:		
Electronic components	**100**	429
Wealth management	**47**	55
Financial business		
– Securities brokerage		
– Clearing house	**268**	10,905
	415	11,389
Financial business		
– Securities brokerage		
– Cash clients *(note (a))*	**15,839**	9,344
– Margin clients	**1,500**	525
Total trade payables	**17,754**	21,258
Other payables *(note (c))*	**31,666**	35,423
Amounts due to non-controlling interests of a subsidiary	**17,406**	17,168
Accrued expenses	**20,873**	21,542
Total other payables and accruals	**69,945**	74,133
Total trade payables, other payables and accruals	**87,699**	95,391

Notes:

(a) Trade payables to securities brokerage clients represent the monies received from and repayable to brokerage clients in respect of the trust and separate bank balances received and held for clients in the course of the conduct of the Group's regulated activities.

In the opinion of the Directors, the ageing analysis does not give additional value in view of the nature of Group's business; therefore, no ageing analysis is disclosed.

(b) The ageing analysis of the remaining trade payables of the Group, based on the dates of the invoices, is as follows:

	Unaudited 30 June 2022 *HK$'000*	Audited 31 December 2021 *HK$'000*
Current – within 1 month	**268**	11,083
More than 1 month but within 3 months	**110**	285
More than 3 months but within 6 months	**3**	1
More than 6 months	**34**	20
	415	11,389

(c) Other payables include approximately RMB1,875,000 (equivalent to approximately HK$2,196,000) of engineering fees payable to creditors in the PRC, approximately RMB3,279,000 (equivalent to approximately HK$3,841,000) of amount payable to China United Coalbed Methane Corporation Limited ("**China United**") and approximately RMB9,990,000 (equivalent to approximately HK$11,702,000) of amount payable for the purchase of meltblown production lines for the production of meltblown materials in comprehensive healthcare business.

13. SHARE CAPITAL

	Number of ordinary shares	**Share capital** *HK$'000*
Issued and fully paid:		
At 1 January 2021	937,172,167	2,075,632
Issue of shares upon placement *(note (a))*	558,691,195	109,504
Issue of shares upon conversion of convertible notes	2,958,333,333	366,452
At 31 December 2021, 1 January 2022 (Audited) and 30 June 2022 (Unaudited)	4,454,196,695	2,551,588

Notes:

(a) Placing of new shares under general mandate

On 25 March 2021, completion of the placing of the 149,691,195 ordinary shares of the Company at a placing price HK$0.2 per share took price with net proceeds of approximately HK$29,340,000 raised.

On 17 November 2021, completion of the placing of the 409,000,000 ordinary shares of the Company at a placing price HK$0.2 per share took price with net proceeds of approximately HK$80,164,000 raised.

14. CAPITAL COMMITMENTS

Capital commitments outstanding as at 30 June 2022 but not provided for in the condensed consolidated financial statements were as follows:

	Unaudited 30 June 2022 ***HK$'000***	Audited 31 December 2021 *HK$'000*
PSC:		
– Contracted but not provided for	**16,719**	17,758

In addition to the above, Canada Can-Elite Energy Limited ("**Can-Elite**"), an indirect wholly-owned subsidiary of the Company, entered into the fifth modification agreement with China United regarding the modified PSC on 10 August 2020. Pursuant to the fifth modification agreement, the exploration period applied to Area A (as defined below) shall begin from the date of commencement of the implementation of the contract, to the date of filing to the relevant authorities under the Chinese Government for the Overall Development Program. Further, the exploration period of Area B (as defined below) has been extended for two more years, from the original expiry date (being 31 March 2020) to 31 March 2022. During the extended exploration period, at least 17 wells are required to be completed in Area B with the performance of relevant exploration works such as fracturing, drainage and extraction. In order to complete the above exploration works, Can-Elite is required to utilise at a minimum of HK$40,997,000 (RMB35,000,000) equivalent in US dollars towards Area B, as the expected minimum exploration expenditure amount.

The negotiation with China United for the sixth modification agreement is still in progress, and based on past experience, the management of the Company considered that the chance to extend the exploration period is highly probable.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue was approximately HK$8,474,000 for the Period (2021: approximately HK$11,979,000), representing a decrease of about 29.26% when compared with the same period last year. During the Period, negative impact was brought by the market downturn to the businesses of the financial sector, which was partially offset by an increase in the revenue of the comprehensive healthcare business and coalbed methane ("**CBM**") business of the industrial sector.

Gross Profit

The Group recorded a gross profit of approximately HK$1,614,000 for the Period (2021: approximately HK$8,634,000), representing a decrease of about 81.31% when compared with the same period last year. The decrease was in line with the trend of the revenue for the Group.

Other Income

Other income mainly represented the rental income from subletting business premises and subsidies from "Employment Support Scheme" of the Government of the Hong Kong Special Administrative Region ("**Hong Kong**"). Other income of the Group for the Period remained stable as compared with the same period last year.

Other Gains and Losses

Due to the depreciation in Renminbi during the Period, there was a net foreign exchange loss of approximately HK$11,790,000 for the Period (2021: gain of HK$2,825,000). The Group did not have any outstanding convertible notes during the Period while there was a gain on fair value change of convertible notes – embedded derivatives of HK$21,851,000 in the same period last year.

Administrative Expenses

The administrative expenses amounted to approximately HK$35,443,000 for the Period (2021: approximately HK$33,174,000), representing an increase of approximately 6.84% when compared with the same period last year. The increase was mainly attributable to the increase in depreciation of property, plant and equipment and professional fee during the Period.

Finance Costs

The finance costs mainly represented the imputed interests on bonds and lease liabilities. The total finance costs of the Group decreased by approximately HK$28,445,000 to approximately HK$1,980,000 for the Period, which was principally attributable to the absence of imputed interest on convertible notes during the Period (2021: approximately HK$27,517,000).

Loss for the Period

The loss for the Period amounted to approximately HK$46,166,000 (2021: approximately HK$29,041,000), representing an increase of approximately of 58.97% when compared with the same period last year, which was mainly due to (i) the decrease in the revenue of the financial and wealth management businesses of the Group which were adversely affected by the downturn in market conditions; and (ii) the absence of the gain on fair value change of convertible notes as there were no outstanding convertible notes during the Period (2021: gain of approximately HK$21,851,000); and (iii) the recognition of a foreign exchange loss as a result of the depreciation in Renminbi during the Period, which were partly offset by the significant decrease in finance cost as there was no imputed interest on convertible notes during the Period.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2022, the Group's cash and bank balances amounted to approximately HK$76,252,000 (as at 31 December 2021: approximately HK$106,379,000), which were mainly denominated in Hong Kong dollars and Renminbi. The net current liabilities of the Group were approximately HK$180,629,000 (as at 31 December 2021: approximately HK$157,442,000). As at 30 June 2022, the Group had bonds of approximately HK$9,999,000 (as at 31 December 2021: approximately HK$9,999,000), loan from Century Gold Millennium International Holdings Group Limited ("**Ultimate Holding Company**") of approximately HK$107,460,000 (as at 31 December 2021: approximately HK$107,510,000), loan from Mr. Pan Jibiao ("**Ultimate Controlling Party**"), the ultimate controlling party of the Company, of approximately HK$67,284,000 (as at 31 December 2021: approximately HK$70,477,000).

The loan from the Ultimate Controlling Party and the other borrowing were unsecured, interest-free and denominated in Renminbi, while the bonds were interest bearing with a fixed interest rate of 7% per annum and denominated in Hong Kong dollars and the loan from the Ultimate Holding Company was unsecured, interest-free and denominated in Hong Kong dollars.

GEARING RATIO

As at 30 June 2022, the Group had total assets amounting to approximately HK$311,599,000 (as at 31 December 2021: approximately HK$366,232,000) and total liabilities of approximately HK$324,419,000 (as at 31 December 2021: approximately HK$341,480,000).

The gearing ratio of the Group, calculated as total net debts over total capital and expressed as percentage figure, was approximately 110.03% as at 30 June 2022 (as at 31 December 2021: approximately 82.72%).

CAPITAL STRUCTURE

As at 30 June 2022, the Group had capital deficiency attributable to the shareholders of the Company of approximately HK$6,942,000 (as at 31 December 2021: equity attributable to the shareholders of the Company of approximately HK$30,410,000).

FUND RAISING ACTIVITIES

On 22 October 2021, the Group entered into a placing agreement with an independent financial institution to raise additional funds by issuance of shares under general mandate (the "**Placing**"). The placing price was HK$0.2 per share, representing a discount of approximately 13.04% to the closing price of HK$0.23 per share of the Company on 22 October 2021, being the date of the placing agreement. The Directors considered that the Placing represented a good opportunity to raise additional funds to strengthen the Company's financial position and to provide fuel for development of its business. It would also widen the Company's shareholder base and hopefully improve the liquidity of the shares of the Company.

Completion of the Placing took place on 17 November 2021. A total of 409,000,000 ordinary shares were successfully placed by the placing agent to not less than six placees which were independent third parties at the placing price of HK$0.20 per share pursuant to the terms and conditions of the placing agreement. The net proceeds of approximately HK$80,164,000 were raised while the net issue price of each placing share was approximately HK$0.196. The entire net proceeds were intended to be applied as general working capital of the Group.

As at 30 June 2022, approximately 33.4% of the net proceeds raised from the Placing has been used up as general working capital of the Group. Based on the present business operational needs of the Group, it is expected that the unutilised proceeds from the Placing for the intended purpose will be fully utilised by the end of this year. The remaining unutilised proceeds from the Placing will be used as intended. Currently, the Company placed such unutilised proceeds as deposits in licensed banks in Hong Kong.

During the Period, the Group generally financed its operations from the net proceeds from the Placing and cash flow from various operations.

DIVIDEND

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

COMMITMENTS

Details of the commitments of the Group are set out in note 14 to the condensed consolidated financial statements.

TREASURY POLICY

The Group mainly operates in Hong Kong and the mainland China with most of the transactions settled in Hong Kong dollars, Renminbi and United States dollars. Since the existing currency peg of Hong Kong dollars with United States dollars will likely continue in the near future, the exposure to foreign exchange fluctuation is minimal.

The Group currently does not have a foreign currency hedging policy. However, the management of the Group continues to monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

CHARGES ON ASSETS

As at 30 June 2022, the Group had no charges on assets (as at 31 December 2021: Nil).

LITIGATION

As disclosed in the announcement of the Company dated 31 May 2022, Evershine Cleaning Service Company Limited ("**Plaintiff**") issued a writ of summons dated 27 May 2022 in the District Court of the Hong Kong Special Administrative Region ("**District Court**") under the action number DCCJ 1930 of 2022 ("**Action**") against GCINT Wealth Management Limited ("**GCINT WM**"), an indirect wholly-owned subsidiary of the Company, claiming that GCINT WM was allegedly in breach of duty of care owed to the Plaintiff and/or vicariously liable for the alleged breach of duty of care by a former staff of GCINT WM in handling the Plaintiff's claim request under a public liability insurance applied through GCINT WM ("**Alleged Breach of Duty**") in relation to an accident involving a third party ("**Third Party**").

The remedies sought by the Plaintiff against GCINT WM under the Action are (i) a sum of HK$721,485.61 being contribution to the employees' compensation paid by the employer of the Third Party to the Third Party together with interest and costs, of which the Plaintiff is liable to pay to the said employer in an action under the case number DCCJ 713/2022 in the District Court ("**DCCJ 713/2022**"); (ii) a sum of HK$395,000 being compensation paid by the Plaintiff to the Third Party in a separate personal injury action under the case number DCPI 815/2021 in the District Court ("**DCPI 815/2021**"); (iii) the Plaintiff's legal costs incurred in relation to DCCJ 713/2022 and DCPI 815/2021; (iv) further loss and damage; (v) costs; and (vi) interest.

The Alleged Breach of Duty happened prior to the Group's acquisition of GCINT WM, which took place in September 2020.

The Company is currently seeking legal advice in respect of the Action. Please also refer to the announcement of the Company dated 31 May 2022 for the Action.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2022, the Group had 58 employees (as at 31 December 2021: 68), of which 27 were in Hong Kong and 31 were in the PRC (as at 31 December 2021: 28 in Hong Kong and 40 in the PRC). Employee remuneration policy of the Group is reviewed periodically and is determined based on the performance of the Group and employees' responsibilities, qualifications and performances. Remuneration packages comprise basic salary, discretionary bonus, share options, mandatory provident fund schemes for employees in Hong Kong and the state-managed employee pension schemes for employees in the PRC.

MATERIAL ACQUISITION AND DISPOSAL

The Group had no material acquisition and disposal of subsidiaries, associates and joint ventures during the Period.

BUSINESS REVIEW

In the first half of this year, the global pandemic remained severe, the international landscape was complex and volatile, and the global economy was faced with a myriad of challenges. Since the outbreak of the fifth wave of the pandemic in Hong Kong, the customs clearance process and normal business order have been severely disrupted. During the Period, the Group actively cooperated with the Government of Hong Kong and the mainland China to combat the pandemic and unwaveringly adhered to the dual-driver development policy of "Industry + Finance". Subject to safeguarding the health and safety of employees, the Company promptly adjusted its operational strategies to ensure the orderly progress of production and finance business in Hong Kong and the mainland China as planned, achieving a series of expected results.

INDUSTRIAL SECTOR

The industrial sector comprises (a) CBM business; (b) comprehensive healthcare business; and (c) electronic components business.

(a) CBM Business

The Group, through its indirect wholly-owned subsidiary, Can-Elite entered into the PSC with China United, a state-owned company which is wholly-owned by China National Offshore Oil Corporation ("**CNOOC**") authorised by the Government of the PRC to partner with foreign companies to explore, develop and produce CBM resources. Under the PSC, Can-Elite is the operator of the Anhui CBM resources and holds 70% of participating interests in the PSC for a term of 30 years starting from 2008.

The Group explores, develops and produces CBM in Anhui Province in the PRC with a total exploration area of 425.628 square kilometres (the "**Contract Area**"). As at 30 June 2022, the CBM operation was at the exploration stage with a total of 50 exploration wells and revenue of approximately HK$331,000 (2021: nil) was generated. During the Period, a segment loss of HK$11,927,000 (2021: HK$14,182,000) from this business segment was incurred.

The Contract Area is divided into Area A (part of Luling Block with an area of 23.686 square kilometres that has its proven reserves submitted) ("**Area A**") and Area B (primary part of Su'nan Block with an area of 401.942 square kilometres, its proven reserve yet to submitted) ("**Area B**"). Area A can start production as soon as the overall development proposal ("**ODP**") has been filed with relevant government authorities of the PRC. The fifth modification agreement regarding the PSC entered into between Can-Elite and China United on 10 August 2020 in relation to the exploration period of Area B expired on 31 March 2022. As of the date of this announcement, the parties are negotiating a sixth modification.

For CBM projects, we continued to carry out the exploration and development preparations in the first half of this year. Various tasks were advanced in accordance with the plans set, including starting overall pre-development preparations for Area A and completing supplemental exploration for Area B to meet the target of reserve declaration.

Area A is the demonstration area in the Su'nan project to first commence development and commercial production. Overall pre-development preparations for this block have been commenced. In the first half of the year, the Group has carried out tasks in Area A including preparing the ODP for the Luling Gas Field, continuing to carry out production testing for horizontal wells, and conducting trial sales of produced gas from horizontal wells. In particular, new progress was made in the production trial for horizontal well (CLG20HL-01). Although the well has been undergoing frequent repair operations and has limited production, and the production management was more difficult than expected, we were able to preliminarily explore the most appropriate dewatering and production system as well as equipment selection and management technology suitable for horizontal well (CLG20HL-01) and this type of well, which provided valuable technical data and experience to the production management for development and production in large-batch wells. As of 30 June 2022, the well has cumulatively produced approximately 340,000 cubic meters of CBM. Earlier this year, a surface gas compression treatment facility was built near the site of the horizontal well. Meanwhile, through an agreement entered into by China United and Suzhou Zhongran City Gas Development Co., Ltd. ("**Suzhou Zhongran Company**"), which is a subsidiary of China Gas Holdings Limited, one of the largest trans-regional energy services company in the PRC, Suzhou Zhongran Company has laid the pipeline to the well site and shall be responsible for transporting the processed CBM to urban users. Can-Elite began to supply gas in February 2022. As of 30 June 2022, the cumulative total gas supplied was approximately 153,000 cubic meters. The initial achievement of the production, transportation and sales of CBM marked a milestone for the CBM development in this block.

The ODP for Area A is under preparation. Although the preparation and review thereof were affected by uncontrollable factors such as the pandemic in the PRC, especially in Beijing and Suzhou, the preparation work has been progressing in an orderly manner. The basic technical work of the proposal, such as preparing the recalculation of reserves in the block, has been completed, reviewed and approved by the experts from China United in December 2021. Important progress was made in the core basic work of the proposal – special proposal for geology and gas reservoir engineering. The results of the special proposal officially passed the expert review of CNOOC at the end of May 2022, making it a rare development and investment project in the CNOOC system that passed its very first formal review. According to this special proposal for geology and gas reservoir engineering, the production capacity planning, engineering scale and other key indicators of the gas field have been substantially completed and determined. The preparation of the remaining parts of the proposal, including the engineering for drilling and completion of wells and surface engineering, has commenced. The feasibility study report of the ODP is expected to be completed and submitted to the relevant government departments at the earliest by the end of September 2022. Meanwhile, as progress was made in the preparation and filing of the ODP, the preparation and approval procedures for other supportive government documents required for commencing development and production have also been planned with the support of China United, and will be given priority in the second half of the year.

For Area B, a total of 8 supplemental exploration wells were designed for 2021–2022. Drilling of 2 exploration wells has been commenced in December 2021, and drilling of 5 exploration wells and data collection required for exploration such as well logging, well testing and coal seam gas content testing have been completed by the end of June 2022. The drilling was carried out as planned and designed, laying the foundation for the fracturing and production testing for this batch of new wells in the second half of the year.

The Group has been reviewing its business needs and financial position on a regular basis with an aim to optimise its strategic business development. To this end, Can-Elite will keep on working closely with China United to explore a good way for best development of the Contract Area as well as the best interest of shareholders, and also contribute to the "dual carbon" strategy of the State.

(b) Comprehensive Healthcare Business

With respect to the comprehensive healthcare sector, we constantly optimise the management structure and reduce operating costs of our operational system, thereby continuously improving production capability and product quality. Furthermore, in addition to providing high-quality meltblown fabrics for partners engaging in the production of disposable medical face masks, we actively explore the market and expand new business. Adhering to the policy of combining industry and finance and forward-looking deployment, the Group, upon studying China's economic policy orientation and technology and market development trends and leveraging on its extensive project experience and the capabilities of a professional investment and research team, has designated the medical device business, which is characterised by high growth, high barriers and high value added, as a key investment area. Currently, we are actively seeking for project resources with deepened promotion of the comprehensive healthcare business under the strategic framework of "Industry + Finance".

During the Period, the Group derived revenue of approximately HK$6,182,000 (2021: HK$2,282,000) and recorded a segment profit of approximately HK$80,000 (2021: HK$864,000) from this business, mainly from the sales of meltblown fabrics used for the filtration layer in face masks and sales of related raw materials.

Besides, the Group continued to hold a fund which focuses on investment in pharmaceutical technology companies.

(c) Electronic Components Business

Due to the fact that the global consumables market has been sliding into a recession, the revenue generated from the electronic components segment dropped to approximately HK$330,000, which represented a decrease of approximately 59.11% when compared with the same period last year, and a segment loss of approximately HK$503,000 for the Period was recorded (2021: approximately HK$735,000). In view of the stringent market situation, the Group will continue to monitor the development of this business and will not rule out the possibility of scaling down or even disposing of this business segment in the near future with an aim to concentrate available resources on the core business of the Group.

FINANCIAL SECTOR

With respect to the licensed financial business, we have established the securities business as the foundation, and primarily focused on developing wealth management products, enhancing the compliance system, and building the sales team. In addition, leveraging the resources and channels of the asset management business, we proactively explore international capital and identify, select and reserve premium asset projects, in a bid to create a one-stop integrated international industry and finance service platform and continue to maintain and expand customer base with our Hong Kong financial licences Types 1, 2, 4, 5 and 9 within the meaning under the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong ("**SFO**")), money lenders licence under the Money Lenders Ordinance (Cap. 163 of the laws of Hong Kong), a principal intermediary registration within the meaning under the Mandatory Provident Fund Scheme Ordinance (Cap. 485 of the laws of Hong Kong) and insurance brokerage licence within the meaning under the Insurance Ordinance (Cap. 41 of the laws of Hong Kong).

(a) Financial Business

The Hong Kong securities market has been adversely affected by the persistent influence of the COVID-19 pandemic and international geopolitical instability. As a result, the overall financial business of the Group inevitably came to a stressful situation. During the Period, the Group recorded a revenue of approximately HK$1,370,000 (2021: HK$4,825,000) and a segment loss of approximately HK$4,587,000 (2021: approximately HK$888,000) from its financial business.

GCINT Asset Management Limited ("**GCINT AM**"), an indirect wholly-owned subsidiary of the Group, entered into discretionary management agreements with certain customers with an aim to strengthen its business services by providing professional investment advices to clients in return for management fee and discretionary profit sharing. Furthermore, GCINT AM assisted in the management of a Cayman Islands fund during the Period.

With the Group's concerted effort and proactive development strategy, the Group held 2,789 client accounts as at 30 June 2022 (as at 31 December 2021: 2,687).

(b) Wealth Management Business

The border restriction between the PRC and Hong Kong has not been relaxed, exerting a pressure on the wealth management business. However, the Group has been continuing to allocate resources in strengthening and further developing its wealth management services. During the Period, the Group recorded a revenue of HK$261,000 (2021: HK$4,065,000) and a segment loss of approximately HK$2,005,000 (2021: profit of approximately HK$3,485,000) from its wealth management business.

(c) Proprietary Investment Business

Under the impact of pandemic, tense Sino-US relations and global political uncertainty, the stock market remained volatile during the Period. Thus, the Group has adopted a more prudent approach in proprietary investment and recorded a segment profit of approximately HK$411,000 during the Period (2021: approximately HK$33,000).

As at 30 June 2022, the Group did not hold any securities investments exceeding 5% of the total assets of the Group.

PROSPECTS

Looking ahead to the second half of the year, with the continuous improvement of pandemic prevention and control measures in Hong Kong and the mainland China, the Hong Kong economy is expected to regain its vitality gradually. Moreover, with Hong Kong's in-depth involvement in the construction of the "Belt and Road" initiative and its integration into the national strategy of the Guangdong-Hong Kong-Macao Greater Bay Area, its role as an international financial centre connecting the domestic and overseas markets is increasingly solidified, providing greater space for the licensed financial business of Golden Century. With respect to the industry, against the backdrop of the "dual carbon" national strategy, the China Banking and Insurance Regulatory Commission issued "the Green Finance Guidelines for the Banking and Insurance Industry" in the first half of 2022, emphasising that "banking and insurance institutions should adhere to the policy of seeking progress while maintaining stability, adjust and improve credit policies and investment policies, and actively support the construction of a clean and low-carbon energy system". In its "Opinions on Financial Support for Carbon Peaking and Carbon Neutralisation", the Ministry of Finance of the PRC also proclaimed the advocacy of "supporting the construction of a clean, low-carbon, safe and efficient energy system". Moreover, "the 14th Five-Year Plan for Scientific and Technological Innovation in the Energy Sector" jointly issued by the National Energy Administration and the Ministry of Science and Technology also indicated that the new strategy of "Four Revolutions and One Cooperation" for national energy safety and the innovation-driven development strategy will be further implemented. We believe that the multitude of favourable policies issued by the State in the finance, fiscal and technology sectors will further stimulate project construction and market demand in the clean energy industry. As an industry leader with extensive presence in clean energy construction, Golden Century's CBM projects are bound to benefit from it. In addition, "the 14th Five-Year Plan for National Health Plan" issued by the General Office of the State Council in April 2022 and "the 14th Five-Year Plan for the Development of Medical Equipment Industry" and other policy documents issued by the Ministry of Industry and Information Technology and 10 central government departments specifically designated the centralised volume-based drug and medical instruments procurement as the key development areas. We believe this will definitely drive the development of the comprehensive healthcare industry, and Golden Century, with a series of favourable policies and high-quality comprehensive healthcare projects, will create more substantial returns for its shareholders and customers.

Currently, the interconnection and exchange within the Guangdong-Hong Kong-Macao Greater Bay Area is ever deepening. Under the guidance and leadership of the Board, Golden Century will continue to adhere to the dual-driver development policy of "Industry + Finance", continuously develop clean energy projects represented by CBM, focus on seizing new development opportunities in the comprehensive healthcare industry, particularly the medical device sector, and integrate the Hong Kong licensed financial business. Furthermore, we will adhere to the strategic requirements of "rooted in Hong Kong, well-established in the Guangdong-Hong Kong-Macao Greater Bay Area, and present globally" and actively implement the environmental, social and governance ("**ESG**") philosophy to achieve greater results in environmental, social, corporate governance and other aspects, with the aim of achieving sound development for the Group as a whole.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2022, the interests and short positions of each Director and Chief Executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register maintained by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in the Listing Rules were as follows:

(i) Long positions in shares of the Company

Name of Director/ Chief Executive of the Company	Nature of interest	Number of ordinary shares	Approximate percentage of issued share capital of the Company *(Note 1)*
Pan Jibiao *(Note 2)*	Through a controlled corporation	3,278,604,864 *(Note 2)*	73.61%

Notes:

1. Based on 4,454,196,695 ordinary shares of the Company in issue as at 30 June 2022.

2. These 3,278,604,864 ordinary shares of the Company are held by Century Gold Millennium International Holdings Group Limited ("**Century Gold**"), which is wholly owned by Mr. Pan Jibiao. Pursuant to the SFO, Mr. Pan Jibiao is deemed to be interested in these ordinary shares of the Company held by Century Gold.

(ii) Long position in shares of associated corporation

Name of Director/ Chief Executive of the Company	Name of associated corporation	Nature of interest	Number of ordinary shares	Percentage of shareholding interest
Pan Jibiao	Century Gold *(Note)*	Beneficial owner	1	100%

Note: Century Gold, a company incorporated in the British Virgin Islands, is the controlling shareholder of the Company.

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) which (i) was required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (ii) was required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2022, the interests and short positions of the substantial shareholders of the Company (other than the Directors and Chief Executive of the Company) in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and required to be kept in the register under section 336 of the SFO were as follows:

Name of substantial shareholders	Nature of interest	Number of ordinary shares	Approximate percentage of issued share capital of the Company *(Note 1)*
Century Gold *(Note 2)*	Beneficial owner	3,278,604,864	73.61%

Notes:

1. Based on 4,454,196,695 ordinary shares of the Company in issue as at 30 June 2022.

2. These 3,278,604,864 ordinary shares of the Company are held by Century Gold, which is wholly owned by Mr. Pan Jibiao. Pursuant to the SFO, Mr. Pan Jibiao is deemed to be interested in these ordinary shares of the Company held by Century Gold.

Save as disclosed above, as at 30 June 2022, the Company has not been notified by any persons (other than the Directors or Chief Executive of the Company) who had interests or short positions in the shares or underlying shares of the Company, which are required to be recorded in the register required to be kept under section 336 of the SFO.

CORPORATE GOVERNANCE

The Company had complied with the Corporate Governance Code (the "**CG Code**") in Appendix 14 to the Listing Rules throughout the Period except for the following deviation:

Chairman and Chief Executive Officer (Deviation from Code Provision C.2.1)

Under the code provision C.2.1, the roles of chairman and chief executive officer ("**CEO**") should be separate and should not be performed by the same individual. The divisions of responsibilities between the chairman and CEO should be clearly established and set out in writing. During the Period, Mr. Pan Jibiao was the CEO of the Company and the Chairman of the Board. This constitutes a deviation from the code provision C.2.1. However, the Chairman of the Board and CEO, Mr. Pan Jibiao, who is also an Executive Director, has led the Board and ensured that the Board works together as a group and that decisions of the Board are taken on a well-informed basis and in the best interest of the Company and all important issues are discussed in a timely manner. Mr. Pan Jibiao also manages the strategic development of business and operation of the Group while the Group develops its business with his leadership in the Board.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Upholding the sustainable development philosophy, Golden Century is committed to achieving the long-term goal of "Centennial Golden Century", which closely aligns with the ESG development philosophy. The Group has established the ESG Committee in the first half of the year, which is chaired by Ms. Shao Yanxia, an Executive Director, and comprises Mr. Lee Kin Fai, the Chief Financial Officer and Company Secretary, and Mr. Fung Fai Dennis, the Chief People Officer. Excellent employees were selected from the business lines to form the ESG Working Group to carry out related work. To date, the Group has incorporated key ESG indicators and requirements in all aspects of office and production activities, formulated detailed annual plan, and organised a variety of ESG-related trainings and activities.

MODEL CODE FOR SECURITIES TRANSACTION BY DIRECTORS

The Company has adopted a code of conduct regarding the directors' securities transactions on exactly the terms and required standard contained in the Model Code as set out in Appendix 10 to the Listing Rules. Before the Group's interim results are announced, notifications are sent to the Directors to remind them not to deal in the securities of the Company during the blackout period. Having made specific enquiry of all the Directors, they confirmed that they have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the Period.

CHANGE IN DIRECTOR'S INFORMATION

Mr. Yeung Chi Wai, an Independent Non-executive Director of the Company, has been appointed as independent non-executive director, the chairman of the audit committee and a member of each of the nomination committee and the remuneration committee of Capital Estate Limited (stock code: 193) with effect from 1 April 2022.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES IN THE COMPANY

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

ADOPTION OF NEW ARTICLES

In order to be in line with the latest legal and regulatory requirements, including (i) the HKCO; and (ii) the amendments made to Appendix 3 to the Listing Rules, which took effect on 1 January 2022, introducing a common set of core shareholder protection standards applicable to all listed issuers in Hong Kong, the Board proposed to put forward to the shareholders of the Company a special resolution to adopt a new articles of association of the Company ("**Newly Adopted AOA**") in substitution for, and to the exclusion of, the then constitution of the Company.

On 15 June 2022, a special resolution on adopting the Newly Adopted AOA in substitution for and to the exclusion of the then constitution was approved by the shareholders of the Company at the Company's 2022 annual general meeting.

For details of the Newly Adopted AOA, please refer to the announcements of the Company dated 27 April 2022 and 15 June 2022 and the circular of the Company dated 28 April 2022 and the supplemental circular of the Company dated 16 May 2022.

SHARE OPTION SCHEME

The Company operates a share option scheme (the "**Scheme**") approved by the shareholders of the Company on 11 November 2014, under which the Directors may, at their discretion, offer any eligible participants (including any Directors) of the Company or of any of its subsidiaries option(s) to subscribe for shares in the Company subject to the terms and conditions stipulated in the Scheme. The participants must pay a nominal consideration of HK$1 and must accept the share option within 30 days from the date of grant. The period within which the shares must be taken up under an option is determined by the Board from time to time, except that such period shall not exceed ten years from the date of grant of the options.

The exercise price of the share options shall be determined by the Board, that it shall be at least the higher of (i) the closing price of the shares on the Stock Exchange on the date of grant of share options; and (ii) the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant.

At the annual general meeting of the Company held on 7 June 2017, an ordinary resolution was passed for refreshing the scheme mandate limit. The maximum number of shares of the Company issuable upon exercise of all share options granted and to be granted under the Scheme is an amount equivalent to 10% of the shares in issue as at 7 June 2017 (i.e. up to a total of 479,079,342). The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes for the time being of the Company shall not, in aggregate, exceed such number of shares as equals 30% of the shares in issue from time to time. As at the date of this announcement, the total number of shares available for issue upon exercise of share options to be granted under the Scheme is 47,907,934 ordinary shares, being 10% of the number of shares in issue on 7 June 2017 and adjusted for the effect of the share consolidation completed on 26 July 2018, representing approximately 1.08% of the number of shares of the Company in issue. This limit can further be refreshed by the shareholders in a general meeting in accordance with the provisions of the Listing Rules. The maximum number of shares issuable under share options granted to each eligible participant under the Scheme within any twelve-month period, is limited to 1% of the shares in issue at any time. Subject to separate approval of the shareholders in general meeting with the relevant participants and his associates (as defined in the Listing Rules) abstaining from voting, provided that the Company shall issue a circular to shareholders before such approval is sought, the Company may grant shares options in excess of the said limit.

There were no share options granted and exercised during the Period. There were no share options outstanding as at 30 June 2022.

The life of the Scheme is 10 years commencing on 11 November 2014 and will expire on 10 November 2024.

REVIEW OF INTERIM RESULTS

The unaudited interim results of the Group for the Period have been reviewed by the audit committee of the Company (the "**Audit Committee**") in compliance with Rule 3.21 of the Listing Rules and the relevant code provisions of the CG Code as set out in Appendix 14 to the Listing Rules. The Audit Committee comprises all the Independent Non-executive Directors including Mr. Yeung Chi Wai, Mr. Lai Kin Keung and Mr. Wong Man Hung Patrick.

ACKNOWLEDGEMENT

On behalf of the Board, I would like to take this opportunity to express my sincere thanks to our shareholders for their support and to our staffs for their contributions and diligence during the Period.

By order of the Board
Golden Century International Holdings Group Limited
Pan Jibiao
Chairman and Chief Executive Officer

Hong Kong, 26 August 2022

As at the date of this announcement, the Executive Directors are Mr. Pan Jibiao (Chairman and Chief Executive Officer) and Ms. Shao Yanxia, and the Independent Non-executive Directors are Mr. Lai Kin Keung, Mr. Yeung Chi Wai and Mr. Wong Man Hung Patrick.