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China Zenith Chemical Group Limited

中國天化工集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 362)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

The board (the “**Board**”) of directors (the “**Directors**”) of China Zenith Chemical Group Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries for the six months ended 31 December 2024. This announcement, containing the full text of the 2024 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 “**Stock Exchange**”) in relation to the information to accompany preliminary announcements of interim results. The printed version of the Company’s 2024 interim report will be delivered to the shareholders of the Company and available for viewing on the websites of Stock Exchange (www.hkexnews.hk) and of the Company (www.chinazenith.com.hk) before the end of March 2025.

By order of the Board
China Zenith Chemical Group Limited
Law Tze Ping Eric
Acting Chief Executive Officer

Hong Kong, 28 February 2025

As at the date of this announcement, Mr. Law Tze Ping Eric, Mr. Tang Yiduan and Mr. Shing Pan Yu James are the executive Directors; Ms. Tsang Naomi and Dato’ Sri Lai Chai Suang are the non-executive Directors; and Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho and Mr. Hau Chi Kit are the independent non-executive Directors.

FINANCIAL HIGHLIGHTS

財務摘要

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

		(Unaudited) (未經審核)		Change 變動
		Six months ended 31 December 截至十二月三十一日止六個月		
		2024 二零二四年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元	
TURNOVER	營業額	21,523	24,733	-13%
LOSS FOR THE PERIOD	期間虧損	(69,006)	(85,592)	-19%
BASIC LOSS PER SHARE	每股基本虧損	HK(4.92) cents 港仙	HK(15.85) cents 港仙	-69%
INTERIM DIVIDEND PER SHARE	每股中期股息	-	-	-

The board (the “**Board**”) of directors (“**Directors**”) of China Zenith Chemical Group Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim financial statements (the “**Interim Financial Statements**”) of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31 December 2024 (the “**Period**”). The Interim Financial Statements have not been audited but have been reviewed by the Company’s audit committee (the “**Audit Committee**”).

中國天化工集團有限公司(「**本公司**」)董事(「**董事**」)會(「**董事會**」)欣然公佈本公司及其附屬公司(統稱「**本集團**」)截至二零二四年十二月三十一日止六個月(「**期間**」)之未經審核簡明綜合中期財務報表(「**中期財務報表**」)。中期財務報表未經審核但已由本公司審核委員會(「**審核委員會**」)審閱。

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

簡明綜合損益表

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

(Unaudited)
(未經審核)
Six months ended
31 December
截至十二月三十一日
止六個月

			2024 二零二四年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元
Revenue	收益	4	21,523	24,733
Cost of sales	銷售成本		(18,466)	(17,376)
Gross profit	毛利		3,057	7,357
Other income and other gains or losses	其他收入及其他收益或虧損	6	13,393	1,514
Reversal/(provision) of allowance for receivables, net	就應收款項計提撥備撥回/(撥備)淨額			
– trade receivables	– 應收貿易賬項		176	(1,208)
– prepayments, deposits and other receivables	– 預付款項、訂金及其他應收款項		(1,716)	(1,206)
Administrative expenses	行政開支		(27,729)	(32,173)
Other operating expenses	其他經營開支		(3,753)	(4,263)
Loss from operations	經營虧損		(16,572)	(29,979)
Finance costs	財務成本		(52,434)	(55,613)
Loss before tax	除稅前虧損		(69,006)	(85,592)
Income tax expense	所得稅開支	7	–	–
Loss for the period	期間虧損	8	(69,006)	(85,592)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)
簡明綜合損益表(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

(Unaudited)
(未經審核)
Six months ended
31 December
截至十二月三十一日
止六個月

		Notes 附註	2024 二零二四年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元
Attributable to:	應佔：			
Owners of the Company	本公司擁有人		(66,559)	(84,614)
Non-controlling interests	非控股權益		(2,447)	(978)
			(69,006)	(85,592)
Loss per share	每股虧損			
- Basic (HK cents)	- 基本(港仙)	9	(4.92)	(15.85)
- Diluted (HK cents)	- 攤薄(港仙)	9	(4.92)	(15.85)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收入表

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

(Unaudited)

(未經審核)

Six months ended

31 December

截至十二月三十一日

止六個月

		2024 二零二四年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元
Loss for the period	期間虧損	(69,006)	(85,592)
Other comprehensive (expense)/ income after tax:	除稅後其他全面 (開支)／收入：		
Item that may be reclassified subsequently to profit or loss:	其後可能獲重新分 類至損益之項目：		
Exchange differences on translating foreign operations	換算海外業務 匯兌差額	(644)	20,445
Other comprehensive (expense)/ income for the period, net of tax	期間其他全面 (開支)／收入， 扣除稅項	(644)	20,445
Total comprehensive expense for the period	期間全面開支總額	(69,650)	(65,147)
Attributable to:	應佔：		
Owners of the Company	本公司擁有人	(67,243)	(64,160)
Non-controlling interests	非控股權益	(2,407)	(987)
		(69,650)	(65,147)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

As at 31 December 2024 於二零二四年十二月三十一日

		(Unaudited) (未經審核) 31 December 2024 二零二四年 十二月三十一日 HK\$'000 千港元	(Audited) (經審核) 30 June 2024 二零二四年 六月三十日 HK\$'000 千港元
	Notes 附註		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	214,873	227,914
Right-of-use assets	使用權資產	135,122	199,612
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」) 之金融資產	340	342
Other intangible assets	其他無形資產	-	-
		350,335	427,868
Current assets	流動資產		
Inventories	存貨	11,548	10,672
Trade receivables	應收貿易賬項	2,408	848
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	15,440	7,953
Financial assets at FVTPL	按公平值計入損益之金融資產	69	54
Bank and cash balances	銀行及現金結存	1,116	30,705
		30,581	50,232
Total assets	總資產	380,916	478,100
Capital and reserves	股本及儲備		
Share capital	股本	135,155	135,155
Reserves	儲備	(1,211,382)	(1,144,139)
Equity attributable to owners of the Company	本公司擁有人應佔權益	(1,076,227)	(1,008,984)
Non-controlling interests	非控股權益	(2,567)	(160)
Total deficit	虧絀總額	(1,078,794)	(1,009,144)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
 簡明綜合財務狀況表(續)

As at 31 December 2024 於二零二四年十二月三十一日

			(Unaudited) (未經審核) 31 December 2024 二零二四年 十二月三十一日 HK\$'000 千港元	(Audited) (經審核) 30 June 2024 二零二四年 六月三十日 HK\$'000 千港元
		Notes 附註		
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	14	-	7,858
Bonds payable	應付債券	13	105,373	424,238
Lease liabilities	租賃負債		-	801
			105,373	432,897
Current liabilities	流動負債			
Trade payables	應付貿易賬項	15	44,871	42,544
Other payables and accruals	其他應付款項及應計款項		294,324	273,899
Other loans	其他貸款		3,204	48,191
Bank loans	銀行貸款	14	-	3,353
Bonds payable	應付債券	13	1,010,359	684,826
Lease liabilities	租賃負債		1,579	1,534
			1,354,337	1,054,347
Total liabilities	總負債		1,459,710	1,487,244
Total deficit and liabilities	總虧絀及負債		380,916	478,100
Net current liabilities	流動負債淨額		(1,323,756)	(1,004,115)
Total assets less current liabilities	總資產減流動負債		(973,421)	(576,247)
Net liabilities	負債淨額		(1,078,794)	(1,009,144)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

		(Unaudited) (未經審核)						
		For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月 Attributable to owners of the Company 本公司擁有人應佔						
		Issued share capital	Share premium	Exchange reserve	Accumulated losses	Sub-total	Non- controlling interests 非控股 權益	Total 總計
		已發行股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	外匯儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	小計 HK\$'000 千港元	權益 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 July 2024	於二零二四年 七月一日	135,155	513,550	100,180	(1,757,869)	(1,008,984)	(160)	(1,009,144)
Total comprehensive expense for the Period	期間全面開支總額	-	-	(684)	(66,559)	(67,243)	(2,407)	(69,650)
Changes in equity for the Period	期間權益變動	-	-	(684)	(66,559)	(67,243)	(2,407)	(69,650)
At 31 December 2024	於二零二四年 十二月三十一日	135,155	513,550	99,496	(1,824,428)	(1,076,227)	(2,567)	(1,078,794)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED) 簡明綜合權益變動表(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

(Unaudited)

(未經審核)

For the six months ended 31 December 2023

截至二零二三年十二月三十一日止六個月

Attributable to owners of the Company

本公司擁有人應佔

	Issued share capital	Share premium	Share option reserve	Convertible bonds reserve	Exchange reserve	Accumulated losses	Sub-total	Non- controlling interests	Total	
	已發行股本	股份溢價	購股權儲備	可換股債券 儲備	外匯儲備	累計虧損	小計	非控股 權益	總計	
	HK\$'000	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	千港元	
At 1 July 2023	於二零二三年 七月一日	52,755	496,071	15,588	12,931	85,067	(1,617,769)	(955,357)	7,638	(947,719)
Total comprehensive income/(expense) for the Period	期間全面收入/ (開支)總額	-	-	-	-	20,454	(84,614)	(64,160)	(987)	(65,147)
Issue of shares on conversion of convertible bonds	轉換可換股債券 時發行股份	1,428	1,571	-	(643)	-	-	2,356	-	2,356
Lapse of share option	購股權失效	-	-	(15,588)	-	-	15,588	-	-	-
Changes in equity for the Period	期間權益變動	1,428	1,571	(15,888)	(643)	20,454	(69,026)	(61,804)	(987)	(62,791)
At 31 December 2023	於二零二三年 十二月三十一日	54,183	497,642	-	12,288	105,521	(1,686,795)	(1,017,161)	6,651	(1,010,510)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

(Unaudited)
(未經審核)
Six months ended
31 December
截至十二月三十一日
止六個月

		2024 二零二四年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元
NET CASH (USED IN)/ GENERATED FROM OPERATING ACTIVITIES	經營業務(所用)/ 所得之現金淨額	(6,283)	5,730
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	投資活動所得/ (所用)之現金 淨額	71,750	(1,840)
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用之 現金淨額	(95,031)	(5,928)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值 項目減少淨額	(29,564)	(2,038)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	(25)	282
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	期初現金及現金 等值項目	30,705	2,898
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期終現金及現金 等值項目	1,116	1,142
ANALYSIS OF CASH AND CASH EQUIVALENTS Bank and cash balances	現金及現金等值 項目分析 銀行及現金結存	1,116	1,142

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, as appropriate.

As at 31 December 2024, the Group had net current liabilities of approximately HK\$1,324,000,000 and net liabilities of approximately HK\$1,079,000,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

1. 編製基準及會計政策

此等未經審核簡明綜合中期財務報表已根據由香港會計師公會（「香港會計師公會」）頒佈之香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）以及香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄16之適用披露規定編製。

該等簡明綜合中期財務報表已按歷史成本基準編製，若干按公平值（如適用）計量的金融工具除外。

於二零二四年十二月三十一日，本集團的流動負債淨額約1,324,000,000港元及負債淨額約1,079,000,000港元。該等狀況表明存在重大不確定性，或對本集團持續經營能力嚴重成疑。因此，本集團可能無法在正常業務過程中變現其資產及承擔其負債。

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

In preparing the condensed consolidated interim financial statements, the directors of the Company have given careful consideration to the current and anticipated future liquidity of the Group and the ability of the Group to achieve profitable and positive cash flows from operations in immediate and long terms. In order to strengthen the Group's capital base and maintain sufficient financing necessary for future business development, the directors have taken the following plans and measures:

- Mudanjiang Better Day Power Limited (“**Mudanjiang BD Power**”), a deconsolidated subsidiary of the Company, is in the process of voluntary liquidation. The Company expects a written-off receivable due from Mudanjiang BD Power of approximately RMB263 million will be settled out of the proceeds of its liquidation;
- The Company is in the process of negotiating for a settlement of a bond payable to several bondholders in the amount of approximately HK\$465 million. In the event that a proposed settlement is reached between the Company and bondholders, the Company expects the payment schedule of relevant bond payable in the amount of approximately HK\$233 million to be deferred or discounted;

1. 編製基準及會計政策 (續)

編製簡明綜合中期財務報表時，本公司董事已審慎考慮本集團目前及預測日後流動資金，以及本集團從即時及長期業務達致盈利及正面現金流量的能力。為加強本集團的資本基礎及維持未來業務發展所需的充足資金，董事已採取以下計劃及措施：

- 本公司之終止綜合入賬附屬公司牡丹江佳日熱電有限公司(「**牡丹江佳日熱電**」)正在進行自願清盤。本公司預期撇銷應收牡丹江佳日熱電款項約人民幣263百萬元，該款項將自其清盤之所得款項中撥付；
- 本公司正就應付若干名債券持有人的約465百萬港元債券應付款項進行磋商。倘本公司與債券持有人達成擬議和解，本公司預期金額約為233百萬港元的相關債券應付款項的付款期限將予遞延或貼現；

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

- The Group had several idle right-of-use assets and buildings located in Mudanjiang City, Heilongjiang Province, the People's Republic of China ("PRC") with a total carrying amount of approximately HK\$86 million. These right-of-use assets and buildings are available to be disposed of, which have a total market value of approximately HK\$180 million with reference to the estimated market approach analysis of the right-of-use assets and buildings carried out by an independent third-party valuer, in the event the Group requires further financing;
- The Company obtained the letter of financial support from substantial shareholder during the Reporting Period, under which loan facilities up to maximum amount of approximately HK\$50 million are available to the Company for not less than twelve months from 30 June 2024 and the Company believe the letter of loan facilities can be renewed for one year at matured;
- The Company obtained the letter of financial support from former shareholder during the Period, under which loan facilities up to maximum amount of approximately HK\$40 million are available to the Company for not less than twelve months from 30 June 2024 and the Company believe the letter of loan facilities can be renewed for one year at matured;

1. 編製基準及會計政策 (續)

- 本集團在中華人民共和國(「中國」)黑龍江省牡丹江市擁有數項閒置使用權資產及樓宇，賬面總值約為86百萬港元。該等使用權資產及樓宇可供出售，參考獨立第三方估值師對使用權資產及樓宇進行的估計市場法分析，總市值約180百萬港元，以備本集團需要進一步融資；
- 於本期間，本公司獲得主要股東的財務支持函件，據此，本公司於二零二四年六月三十日起不少於十二個月可獲得貸款融資，最高金額為約50百萬港元，而本公司相信貸款融資函件可於到期時重續一年；
- 於本期間，本公司獲得前股東的財務支持函件，據此，本公司於二零二四年六月三十日起不少於十二個月可獲得貸款融資，最高金額為約40百萬港元，而本公司相信貸款融資函件可於到期時重續一年；

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

- The Company intends to issue not more than 50 bonds, with each having a principal amount of HK\$1,000,000 and an issue amount not exceeding HK\$50,000,000, bearing interest at 10% per annum, and maturing on the first anniversary of the date of issuance of the relevant bonds. The Company intends to utilise the net proceeds for debt repayment and general working capital of the Group;
- The Group will consider equity fund raising activities to meet the financial obligations; and
- The Group will apply cost cutting measures to reduce administrative expenses and cash outflows for the next twelve months for the reporting period.

Based on the above measures, the directors are therefore of the opinion that it is appropriate to prepare these condensed consolidated interim financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these adjustments have not been reflected in the condensed consolidated interim financial statements.

1. 編製基準及會計政策 (續)

- 本公司擬發行不多於50張債券，每張債券本金額為1,000,000港元及發行金額不多於50,000,000港元，年息為10%，及到期日為相關債券發行日期之第一週年。本公司擬將所得款項淨額用於償還債務及撥充本集團的一般營運資金；
- 本集團將考慮進行股權集資活動以滿足財務責任；及
- 本集團將採用成本削減措施以減少報告期未來十二個月的行政開支及現金流出。

基於上述措施，董事因此認為，按持續經營基準編製簡明綜合中期財務報表實屬恰當。如本集團未能繼續作為持續經營企業，須對綜合財務報表作出調整，以調整本集團的資產價值至其可收回金額、為可能產生的任何其他負債計提撥備，並將非流動資產及負債分別重新分類為流動資產及負債。該等調整的影響並未在簡明綜合中期財務報表內反映。

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 31 December 2024 are the same as those presented in the Group’s annual financial statements for the year ended 30 June 2024.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

In the current interim period, the Group has applied the following new and amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on or after 1 July 2024 for the preparation of the Group’s condensed consolidated interim financial statements:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

1. 編製基準及會計政策 (續)

除應用經修訂香港財務報告準則(「香港財務報告準則」)導致之其他額外會計政策外，截至二零二四年十二月三十一日止六個月之簡明綜合財務報表所用會計政策及計算方法與本集團截至二零二四年六月三十日止年度之年度財務報表內所呈列者相同。

2. 應用新訂香港財務報告準則及其修訂

於本中期間，本集團已首次應用下列由香港會計師公會頒佈、並於本集團二零二四年七月一日或之後開始的年度期間強制生效的新訂香港財務報告準則及其修訂，以編製本集團的簡明綜合中期財務報表：

香港會計準則第1號之修訂	分類負債為流動或非流動及香港詮釋第5號(二零二零年)的有關修訂
香港會計準則第1號之修訂	附帶契諾的非流動負債
香港財務報告準則第16號之修訂	售後租回的租賃負債
香港會計準則第7號及香港財務報告準則第7號之修訂	供應商融資安排

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (Continued)

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

The Group has not applied any new standard or interpretation that is not yet effective during the current interim period.

3. FAIR VALUE MEASUREMENTS

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

2. 應用新訂香港財務報告準則及其修訂(續)

於本中中期期間應用新訂香港財務報告準則及其修訂並無對本集團於本期間及過往期間的財務狀況及業績及／或於此等簡明綜合中期財務報表所載披露造成重大影響。

本集團並無應用任何於本中中期期間內尚未生效的新準則或詮釋。

3. 公平值計量

簡明綜合財務狀況表所列示本集團金融資產及金融負債之賬面值與其各自之公平值相若。

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

3. FAIR VALUE MEASUREMENTS (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels of inputs for valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

The recurring fair value measurement of the financial assets at FVTPL was using Level 1 as at 31 December 2024 and 30 June 2024.

3. 公平值計量(續)

公平值是市場參與者在計量日進行之有秩序交易中出售一項資產所收取或轉讓一項負債所支付之價格。以下披露之公平值計量使用公平值等級機制，有關機制將用以計量公平值之估值技術之輸入數據分為三級，詳情如下：

第1級輸入數據：本集團可在計量日取得之相同資產或負債在活躍市場之報價(未經調整)。

第2級輸入數據：除第1級報價以外，基於可直接或間接觀察取得之資產或負債輸入數據。

第3級輸入數據：資產或負債之無法觀察輸入數據。

本集團之政策是於轉撥事件或導致轉撥之情況出現變動之日，確認轉入及轉出三個級別任何之一。

於二零二四年十二月三十一日及二零二四年六月三十日，按公平值計入損益之金融資產之經常性公平值計量均使用第1級。

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

4. REVENUE

Revenue represents the net invoiced value of goods sold and services provided, after allowances for returns and trade discounts, and after eliminations of all significant intra-group transactions during the Period.

4. 收益

收益指於期間內經扣除退貨撥備及商業折扣，並對銷集團內公司間之所有重大交易後所得之銷售貨品及提供服務發票淨值。

		(Unaudited) (未經審核)	
		Six months ended 31 December 截至十二月三十一日 止六個月	
		2024 二零二四年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元
Sales of lime powder	銷售石灰粉	5,909	5,569
Sales of chemical products for agriculture	銷售農業化學品	15,614	19,164
		21,523	24,733

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

5. SEGMENT INFORMATION

The Group's reportable segments are strategic business units that offer different products. They are managed separately because each business requires different technology and marketing strategies. The Group has two reportable segments as follows:

Calcium carbide – manufacture and sale of calcium carbide and lime powder; and

Chemical products for agriculture – manufacture and sales of chemical products for agriculture.

The accounting policies of the operating segments are the same as those described in the Group's 2024 annual financial statements. Segment profits or losses do not include change in fair value of financial assets at FVTPL, net, gain on conversion of convertible bond, gain on early redemption of bonds, gain on disposal of right-of-use assets and property, plant and equipment and corporate administrative expenses. Segment assets do not include bank and cash balances, financial assets at FVTPL, asset classified as held for sale and corporate assets. Segment liabilities do not include bank loans, bonds payable, other loans and other payables and accruals for general administrative use.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

5. 分部資料

本集團各可報告分部為提供不同產品之策略性業務單位，基於各項業務所需技術及市場推廣策略不同而獨立管理。本集團有以下兩個可報告分部：

碳化鈣－製造及銷售碳化鈣及石灰粉；及

農業化學品－製造及銷售農業化學品。

各經營分部之會計政策與本集團二零二四年年度財務報表所述者相同。分部溢利或虧損並無計入按公平值計入損益之金融資產公平值變動淨額、轉換可換股債券之收益、提前贖回債券收益、出售使用權資產以及物業、廠房及設備之收益及公司行政開支。分部資產並無計入銀行及現金結存、按公平值計入損益之金融資產、分類為持作出售之資產以及公司資產。分部負債並無計入銀行貸款、債券應付款項、其他貸款以及其他應付款項及一般行政用途之應計款項。

本集團按向第三方作出之銷售或轉讓(即現行市價)計算分部間銷售及轉讓。

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

5. SEGMENT INFORMATION (Continued) 5. 分部資料(續)

Information about reportable segment profit or loss, assets and liabilities:

有關可報告分部之溢利或虧損、資產及負債之資料：

		(Unaudited) (未經審核)			
		Calcium carbide 碳化鈣 HK\$'000 千港元	Chemical products for agriculture 農業化學品 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Six months ended	截至二零二四年				
31 December 2024	十二月三十一日				
	止六個月				
Revenue from external customers	外界客戶收益	5,909	15,614	-	21,523
Segment loss	分部虧損	(13,844)	(2,519)	(52,643)	(69,006)
As at 31 December 2024	於二零二四年				
	十二月三十一日				
Segment assets	分部資產	210,391	25,046	145,479	380,916
Segment liabilities	分部負債	(122,566)	(31,357)	(1,305,787)	(1,459,710)

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

5. SEGMENT INFORMATION 5. 分部資料(續)
 (Continued)

		(Unaudited) (未經審核)			
		Calcium carbide 碳化鈣 HK\$'000 千港元	Chemical products for agriculture 農業化學品 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Six months ended	截至二零二三年				
31 December 2023	十二月三十一日				
	止六個月				
Revenue from external customers	外界客戶收益	5,569	19,164	-	24,733
Segment (loss)/profit	分部(虧損)/溢利	(17,332)	1,131	(69,391)	(85,592)
As at 31 December 2023	於二零二三年				
	十二月三十一日				
Segment assets	分部資產	411,421	20,398	245,297	677,116
Segment liabilities	分部負債	308,656	18,989	1,359,981	1,687,626

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

6. OTHER INCOME AND OTHER GAINS OR LOSSES **6. 其他收入及其他收益或虧損**

		(Unaudited) (未經審核)	
		Six months ended 31 December	
		截至十二月三十一日 止六個月	
		2024 二零二四年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元
Bank interest income	銀行利息收入	1	1
Gain/(loss) on fair value of financial assets at FVTPL, net	按公平值計入損益之金融資產公平值收益/(虧損)淨額	15	(32)
Gain on conversion of convertible bonds	轉換可換股債券之收益	-	131
Litigation claims	訴訟索賠	-	1,270
Gain on disposal of rights-of-use assets and property, plant and equipment	出售使用權資產以及物業、廠房及設備之收益	10,253	-
Gain on early redemption of bonds	提前贖回債券收益	3,000	-
Sundry income	雜項收入	124	144
		13,393	1,514

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

7. INCOME TAX EXPENSE

7. 所得稅開支

(Unaudited)

(未經審核)

Six months ended

31 December

截至十二月三十一日

止六個月

	2024 二零二四年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元
Current tax 即期稅項	-	-

No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the Period (2023: Nil).

Tax charge on profits assessable elsewhere has 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.

No provision for PRC enterprise income tax has been made as the Group has sufficient tax loss brought forward to offset the profit generated during the Period (2023: Nil).

由於本集團於期間並無在香港產生任何應課稅溢利，因此並無就香港利得稅計提撥備(二零二三年：無)。

其他地區應課稅溢利之稅項支出乃按照本集團經營業務所在國家當前稅率，根據該等國家現行法例、詮釋及慣例計算。

由於本集團於期間內已結轉充足稅務虧損以抵銷所產生的溢利，故並無就中國企業所得稅計提撥備(二零二三年：無)。

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

8. LOSS FOR THE PERIOD

The Group's loss for the Period is stated after charging the following:

8. 期間虧損

本集團於期間之虧損已扣除下列各項列賬：

		(Unaudited) (未經審核)	
		Six months ended 31 December 截至十二月三十一日 止六個月	
		2024 二零二四年 HK\$'000 千港元	2023 二零二三年 HK\$'000 千港元
Depreciation of fixed assets	固定資產折舊	9,918	16,135
Depreciation of right-of-use assets	使用權資產折舊	3,306	2,741
Staff costs (excluding Directors' emoluments):	員工成本(不包括董事酬金)：		
Wages, salaries and benefits in kind	工資、薪金及實物利益	5,165	4,707
Retirement benefits scheme contributions	退休福利計劃供款	229	334
Directors' emoluments	董事酬金	680	480

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

9. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of approximately HK\$66,559,000 (2023: HK\$84,614,000) and on the weighted average number of approximately 1,351,548,168 ordinary shares in issue during the period (2023: 533,868,823 ordinary shares).

(b) Diluted loss per share

The computation of diluted loss per share for the periods did not assume the exercise of outstanding share options and convertible bonds of the Company since these options have no dilutive effect and convertible bonds were anti-dilutive during the periods ended 31 December 2024 and 2023.

9. 每股虧損

(a) 每股基本虧損

每股基本虧損乃根據本公司擁有人應佔虧損約66,559,000港元(二零二三年: 84,614,000港元)及期間內已發行普通股之加權平均數約為1,351,548,168股(二零二三年: 533,868,823股)計算。

(b) 每股攤薄虧損

由於截至二零二四年及二零二三年十二月三十一日止期間,該等購股權不具攤薄作用,且可轉換債券具反攤薄作用,因此計算期間每股攤薄虧損並未假設行使本公司尚未行使的購股權和可換股債券。

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

10. CAPITAL EXPENDITURE

During the Period, the additions to property, plant and equipment in the PRC were approximately HK\$250,000 (2023: HK\$1,840,000).

11. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 15 to 90 days (30 June 2024: 15 to 90 days). The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the management.

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

10. 資本開支

於期間內，在中國添置物業、廠房及設備之金額約為250,000港元(二零二三年：1,840,000港元)。

11. 應收貿易賬項

本集團主要按信貸期與客戶進行交易。信貸期一般介乎15至90日(二零二四年六月三十日：15至90日)。本集團致力維持嚴格控制其未償還應收賬項。逾期賬項由管理層定期檢討。

以下為應收貿易賬項(經扣除撥備)按發票日期之賬齡分析：

		(Unaudited) (未經審核) 31 December 2024 二零二四年 十二月三十一日 HK\$'000 千港元	(Audited) (經審核) 30 June 2024 二零二四年 六月三十日 HK\$'000 千港元
Within 30 days	30日內	2,131	7
31 to 60 days	31至60日	-	8
61 to 90 days	61至90日	-	11
91 to 120 days	91至120日	-	150
121 to 150 days	121至150日	-	93
151 to 180 days	151至180日	-	141
181 to 365 days	181至365日	277	438
		2,408	848

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

12. SHARE CAPITAL

12. 股本

		(Unaudited) (未經審核) 31 December 2024 二零二四年 十二月三十一日 HK\$'000 千港元	(Audited) (經審核) 30 June 2024 二零二四年 六月三十日 HK\$'000 千港元
Authorised	法定		
5,000,000,000 ordinary shares of HK\$0.10 each	5,000,000,000股每股面值0.10港元之普通股	500,000	500,000
Issued and fully paid	已發行及繳足		
1,351,548,168 (30 June 2024: 1,351,548,168) ordinary shares of HK\$0.10 each	1,351,548,168股(二零二四年六月三十日: 1,351,548,168股)每股面值0.10港元之普通股	135,155	135,155

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

12. SHARE CAPITAL (Continued) 12. 股本(續)

A summary of the movements in the issued share capital of the Company during the Period is as follows:

本公司之已發行股本於期間之變動情況概述如下：

		Number of ordinary shares issued 已發行 普通股數目 '000 千股	Par value 面值 HK\$'000 千港元
At 1 July 2023 (Audited)	於二零二三年 七月一日 (經審核)	527,548	52,755
Issue of share on conversion of convertible bonds (note a)	轉換可換股債券時 發行股份(附註a)	136,000	13,600
Placing of shares (note b)	配售股份(附註b)	580,000	58,000
Subscription of new shares (note c)	認購新股份 (附註c)	108,000	10,800
At 30 June 2024, 1 July 2024 (Audited) and 31 December 2024 (Unaudited)	於二零二四年 六月三十日、 二零二四年 七月一日 (經審核)及 二零二四年 十二月三十一日 (未經審核)	1,351,548	135,155

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

12. SHARE CAPITAL (Continued)

12. 股本(續)

Notes:

附註：

- | | | | | | |
|-----|-------|---|-----|-------|--|
| (a) | (i) | On 5 June 2023, the Company issued convertible bonds in aggregate principal amount of approximately HK\$28,560,000 with the rights to convert into 136,000,000 shares of the Company at conversion price of HK\$0.21 per share. | (a) | (i) | 於二零二三年六月五日，本公司發行本金總額約28,560,000港元的可換股債券，附帶權利可按轉換價每股0.21港元轉換為本公司136,000,000股股份。 |
| | (ii) | On 11 October 2023, the convertible bonds of approximately HK\$2,999,000 were converted into 14,280,000 ordinary shares. | | (ii) | 於二零二三年十月十一日，約2,999,000港元的可換股債券已轉換為14,280,000股普通股。 |
| | (iii) | On 12 January 2024, the convertible bonds of approximately HK\$1,680,000 were converted into 8,000,000 ordinary shares. | | (iii) | 於二零二四年一月十二日，約1,680,000港元的可換股債券已轉換為8,000,000股普通股。 |
| | (iv) | On 18 January 2024, the convertible bonds of approximately HK\$4,998,000 were converted into 23,800,000 ordinary shares. | | (iv) | 於二零二四年一月十八日，約4,998,000港元的可換股債券已轉換為23,800,000股普通股。 |
| | (v) | On 20 February 2024, the convertible bonds of approximately HK\$5,460,000 were converted into 26,000,000 ordinary shares. | | (v) | 於二零二四年二月二十日，約5,460,000港元的可換股債券已轉換為26,000,000股普通股。 |
| | (vi) | On 4 March 2024, the convertible bonds of approximately HK\$6,325,000 were converted into 30,120,000 ordinary shares. | | (vi) | 於二零二四年三月四日，約6,325,000港元的可換股債券已轉換為30,120,000股普通股。 |
| | (vii) | On 11 March 2024, the convertible bonds of approximately HK\$7,098,000 were converted into 33,800,000 ordinary shares. | | (vii) | 於二零二四年三月十一日，約7,098,000港元的可換股債券已轉換為33,800,000股普通股。 |

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

12. SHARE CAPITAL (Continued)

12. 股本(續)

Notes: (Continued)

附註：(續)

- (b) (i) On 2 February 2024, a total of 280,000,000 shares with placing price of HK\$0.1 per placing share were allotted and issued under special mandate pursuant to the placing agreement dated 15 December 2023. The net proceeds of approximately HK\$22,400,000 and approximately HK\$4,200,000 were used for repayment of the Group's indebtedness and for replenishing the working capital of the Group, respectively.
- (b) (i) 於二零二四年二月二日，遵照日期為二零二三年十二月十五日的配售協議，已根據特別授權按配售價每股配售股份0.1港元配發及發行合共280,000,000股股份。所得款項淨額約22,400,000港元及約4,200,000港元已分別用作償還本集團之債項及補充本集團的一般營運資金。
- (ii) On 28 June 2024, a total of 300,000,000 shares with placing price of HK\$0.1 per placing share were allotted and issued under special mandate pursuant to the placing agreement dated 20 May 2024. The net proceeds of approximately HK\$27,000,000 and approximately HK\$2,400,000 were used for repayment of the Group's indebtedness and interest expenses; and for replenishing the working capital of the Group, respectively.
- (ii) 於二零二四年六月二十八日，遵照日期為二零二四年五月二十日的配售協議，已根據特別授權按配售價每股配售股份0.1港元配發及發行合共300,000,000股股份。所得款項淨額約27,000,000港元及約2,400,000港元已分別用作償還本集團之債項及利息開支以及補充本集團的一般營運資金。
- (c) On 19 April 2024, a total of 108,000,000 subscription shares with subscription price of HK\$0.1 per share were allotted and issued under general mandate pursuant to the subscription agreement dated 13 March 2024. The net proceeds of approximately HK\$10,300,000 was used for general working capital.
- (c) 於二零二四年四月十九日，遵照日期為二零二四年三月十三日的認購協議，已根據一般授權按認購價每股0.1港元配發及發行合共108,000,000股認購股份。所得款項淨額約10,300,000港元已用作一般營運資金。

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

13. BONDS PAYABLE

The movement of the bonds payable is as follows:

13. 債券應付款項

債券應付款項之變動如下：

		(Unaudited) (未經審核) 31 December 2024 二零二四年 十二月三十一日 HK\$'000 千港元	(Audited) (經審核) 30 June 2024 二零二四年 六月三十日 HK\$'000 千港元
Carrying amount at the beginning of period/year	於期初／年初之賬面值	1,109,064	1,064,706
Interest charge for the period/year	期內／年內利息開支	48,318	81,902
Interest paid for the period/year	期內／年內之已付利息	(600)	(1,443)
Redemption of bonds	贖回債券	(38,050)	(27,281)
Gain on early redemption of bonds	提早贖回債券之收益	(3,000)	(8,820)
Carrying amount at the end of period/year	於期終／年終之賬面值	1,115,732	1,109,064
Less: Amount due for settlement within 12 months shown under current liabilities	減：流動負債項下所示於12個月內到期結算的金額	(1,010,359)	(684,826)
Amount due for settlement after 12 months shown under non-current liabilities	非流動負債項下所示於12個月後到期結算的金額	105,373	424,238

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

13. BONDS PAYABLE (Continued) 13. 債券應付款項(續)

The Group's undiscounted cash flow of outstanding bonds were repayable as follows:

本集團尚未兌換債券之未貼現現金流量以下列方式償還：

		(Unaudited) (未經審核) 31 December 2024 二零二四年 十二月三十一日 HK\$'000 千港元	(Audited) (經審核) 30 June 2024 二零二四年 六月三十日 HK\$'000 千港元
On demand	按要求	464,570	317,570
Within one year	一年內	502,390	376,740
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)	113,350	427,050
		1,080,310	1,121,360

The bonds payable are unsecured and interest bearing at coupon rates of 0% to 12% (30 June 2024: 0% to 12%).

債券應付款項為無抵押及按票息率0厘至12厘計息(二零二四年六月三十日：0厘至12厘)。

The bonds payable are measured at amortised cost, using the effective interest method, and the effective rates are ranging from 2.2% to 18.92% per annum (30 June 2024: 2.2% to 18.92% per annum) after taking into account the transaction costs directly attributable to the issuance of the bonds.

債券應付款項以實際利率法按攤銷成本計量，經計及發行債券直接應佔之交易費用後，實際年利率介乎2.2厘至18.92厘(二零二四年六月三十日：年利率介乎2.2厘至18.92厘)。

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

14. BANK LOANS

The Group's bank loans are repayable as follows:

14. 銀行貸款

本集團之銀行貸款須於下列期間償還：

		(Unaudited) (未經審核) 31 December 2024 二零二四年 十二月三十一日 HK\$'000 千港元	(Audited) (經審核) 30 June 2024 二零二四年 六月三十日 HK\$'000 千港元
On demand	按要求	-	-
Within one year	一年內	-	3,353
In the second year	第二年	-	2,967
In the third to fifth years inclusive	第三至第五年 (包括首尾兩年)	-	4,891
		-	11,211
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：十二個月內到期償還之款項(列作流動負債)	-	(3,353)
		-	7,858

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

14. BANK LOANS (Continued)

The carrying amounts of the Group's bank loans are denominated in the following currencies:

14. 銀行貸款(續)

本集團銀行貸款之賬面值乃以下列貨幣計值：

	(Unaudited) (未經審核) 31 December 2024 二零二四年 十二月三十一日 HK\$'000 千港元	(Audited) (經審核) 30 June 2024 二零二四年 六月三十日 HK\$'000 千港元
Hong Kong dollars 港元	-	11,211

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)
 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

15. TRADE PAYABLES

The Group normally obtains credit terms ranging from 30 to 180 days (30 June 2024: 30 to 180 days) from its suppliers.

The ageing analysis of trade payables, based on the date of receipt of goods, is as follows:

15. 應付貿易賬項

本集團一般獲其供應商給予30至180日(二零二四年六月三十日：30至180日)之信貸期。

以下為應付貿易賬項按接收貨品日期呈列之賬齡分析：

		(Unaudited) (未經審核)	(Audited) (經審核)
		31 December	30 June
		2024	2024
		二零二四年	二零二四年
		十二月三十一日	六月三十日
		HK\$'000	HK\$'000
		千港元	千港元
Within 30 days	30日內	1,042	1,685
31 to 60 days	31至60日	1,373	1,568
61 to 90 days	61至90日	2,750	278
91 to 120 days	91至120日	1,007	292
121 to 365 days	121至365日	3,370	11,726
Over 365 days	超過365日	35,329	26,995
		44,871	42,544

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED) 簡明綜合中期財務報表附註(續)

For the six months ended 31 December 2024 截至二零二四年十二月三十一日止六個月

16. EVENTS AFTER THE REPORTING PERIOD

On 21 February 2025, the Company intends to issue not more than 50 bonds, with each having a principal amount of HK\$1,000,000 and an issue amount not exceeding HK\$50,000,000, bearing interest at 10% per annum, and maturing on the first anniversary of the date of issuance of the relevant bonds. The Company intends to utilise the net proceeds for debt repayment and general working capital of the Group.

16. 報告期後事項

於二零二五年二月二十一日，本公司擬發行不多於50張債券，每張債券本金額為1,000,000港元及發行金額不多於50,000,000港元、年息為10%，及到期日為相關債券發行日期之第一週年。本公司擬將所得款項淨額用於償還債務及撥充本集團的一般營運資金。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

INTERIM DIVIDEND

The Directors have resolved that no interim dividend will be declared in respect of the Period (2023: Nil).

中期股息

董事已議決不會就期間宣派任何中期股息(二零二三年：無)。

BUSINESS REVIEW

During the Period, revenue of the Group amounted to approximately HK\$22 million (2023: approximately HK\$25 million), representing a decrease of approximately 13% compared with that of the last corresponding period. The decrease in the Group's revenue due to the production line of chemical products for agriculture was decreased in December 2024. Loss attributable to the owners of the Company amounted to approximately HK\$67 million (2023: approximately HK\$85 million), representing a decrease of 19% compared with that of the last corresponding period. The decrease in the Group's loss due to one-off profit from gain on disposal of rights-of-use assets and property, plant and equipment during the Period did not recur in the last corresponding period.

The Group's administrative expenses for the Period was approximately HK\$28 million (2023: approximately HK\$32 million), representing a decrease of approximately 13% compared with that of the last corresponding period. The decrease in administrative expenses was mainly due to the Group applied cost cutting measures during the Period.

業務回顧

於本期間，本集團的收益約為22百萬港元(二零二三年：約25百萬港元)，較去年同期減少約13%。本集團收益減少乃由於農業化學品生產線於二零二四年十二月減少所致。本公司擁有人應佔虧損約為67百萬港元(二零二三年：約85百萬港元)，較去年同期減少19%。本集團虧損減少乃由於本期間出售使用權資產以及物業、廠房及設備的收益產生的一次性利潤並無於去年同期發生。

本集團於本期間之行政開支約為28百萬港元(二零二三年：約32百萬港元)，較去年同期減少約13%。行政開支減少乃主要由於本集團於本期間內採用成本減省措施。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

The Group's other operating expenses for the Period was approximately HK\$4 million (2023: approximately HK\$4 million), representing the same compared with that of the last corresponding period.

本集團於本期間之其他經營開支約為4百萬港元(二零二三年:約4百萬港元),與去年同期相同。

Coal-related chemical production division

煤相關化工產品部

The coal-related chemical production division includes the manufacturing and sale of calcium carbide and lime powder (the "CC segment").

煤相關化工產品部包括製造及銷售碳化鈣和石灰粉(「碳化鈣分部」)。

During the Period, the CC segment recorded a revenue of approximately HK\$6 million (2023: approximately HK\$6 million) from external customers, the same compared with that of the last financial period. The revenue of the CC segment was contributed by sales of lime power. Up to the date of this report, the production of calcium carbide is still under suspension. The management will actively resume production in an all-round way as the Company considers that the sales price of calcium carbide has started to stabilize, showing signs of market recovery; that the Company maintains a cautiously optimistic outlook on the future trend of commodities; and that the introduction of new rounds of policy support by local governments and the easing of bank lending enable the Heihe Longjiang Chemical Co., Ltd ("HLCL") to secure loans for working capital.

於本期間,碳化鈣分部錄得來自外部客戶收益約6百萬港元(二零二三年:約6百萬港元),與上一財政期間相同。碳化鈣分部由出售石灰粉貢獻收益。截至本報告日期,本集團仍然暫停生產碳化鈣。管理層將積極全面恢復生產,仍因本公司考慮到碳化鈣銷售價格開始穩定,市場並有回暖跡象,本公司對大宗商品後市保持審慎樂觀,加上地方政府推出新一輪政策支持以及銀行借貸開始寬鬆可使黑河龍江化工有限公司(「黑河龍江化工」)獲得貸款作營運資金。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

Chemical products for agriculture division 農業化學品部

On 15 June 2023, the Company acquired Mudanjiang Haidi Technology Company Limited (“**Mudanjiang Haidi**”) to manufacture and sales of chemical products for agriculture and recorded a new segment. During the Period, the chemical products for agriculture segment record a revenue of approximately HK\$16 million (2023: HK\$19) from external customers. The chemical products for agriculture segment record a gross profit of approximately HK\$3 million (2023: HK\$4).

於二零二三年六月十五日，本公司收購牡丹江海迪科技中國有限公司(「**牡丹江海迪**」)，以製造及銷售農業化學品，並錄得新分部。於本期間內，農業化學品分部錄得來自外部客戶之收益約16百萬港元(二零二三年：19百萬港元)。農業化學品分部錄得毛利約3百萬港元(二零二三年：4百萬港元)。

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

資本結構、流動資金及財 務資源

Capital structure

During the Period, the Group financed its operations with internally generated resources and proceeds from equity funding and non-equity funding, respectively.

資本結構

於期間內，本集團分別透過內部產生資源以及股本集資及非股本集資之所得款項撥付營運所需資金。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析 (續)

Liquidity and financial ratio

As at 31 December 2024, the Group had total assets of approximately HK\$381 million (30 June 2024: HK\$478 million), which were financed by current liabilities of approximately HK\$1,354 million (30 June 2024: HK\$1,054 million), non-current liabilities of approximately HK\$105 million (30 June 2024: HK\$433 million), non-controlling interests of approximately HK\$3 million (30 June 2024: HK\$1 million) and shareholders' equity of deficit by approximately HK\$1,079 million (30 June 2024: HK\$1,009 million).

As at 31 December 2024, the current assets of the Group amounted to approximately HK\$31 million (30 June 2024: HK\$50 million), mainly comprising inventories of approximately HK\$12 million (30 June 2024: HK\$11 million), trade receivables of approximately HK\$2 million (30 June 2024: HK\$1 million), prepayments, deposits and other receivables of approximately HK\$15 million (30 June 2024: HK\$8 million), financial assets at FVTPL of approximately HK\$1 million (30 June 2024: HK\$1 million) and cash and cash equivalents of approximately HK\$1 million (30 June 2024: HK\$31 million).

流動資金及財務比率

於二零二四年十二月三十一日，本集團之總資產約為381百萬港元(二零二四年六月三十日：478百萬港元)，由流動負債約1,354百萬港元(二零二四年六月三十日：1,054百萬港元)、非流動負債約105百萬港元(二零二四年六月三十日：433百萬港元)、非控股權益約3百萬港元(二零二四年六月三十日：1百萬港元)及擁有人權益約1,079百萬港元(二零二四年六月三十日：1,009百萬港元)撥付。

於二零二四年十二月三十一日，本集團之流動資產約為31百萬港元(二零二四年六月三十日：50百萬港元)，主要包括存貨約12百萬港元(二零二四年六月三十日：11百萬港元)、應收貿易賬項約2百萬港元(二零二四年六月三十日：1百萬港元)、預付款項、訂金及其他應收款項約15百萬港元(二零二四年六月三十日：8百萬港元)、按公平值計入損益之金融資產約1百萬港元(二零二四年六月三十日：1百萬港元)、現金及現金等值項目約1百萬港元(二零二四年六月三十日：31百萬港元)。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析 (續)

As at 31 December 2024, the Group's current ratio (current assets/current liabilities), quick ratio ((current assets – inventories)/current liabilities), gearing ratio (total debts/total assets) and debts to equity ratio (total debts/owners' equity) were approximately 0.1 (30 June 2024: 0.1), 0.1 (30 June 2024: 0.1), 383% (30 June 2024: 311%) and deficit by approximately 135% (30 June 2024: 147%), respectively. The Group maintained a stable financial position throughout the Period. The management has closely monitored the Group's liquidity and has taken appropriate measures to ensure it has sufficient financial resources to meet its financial obligations.

Non-equity funding

Bank loans

As at 31 December 2024, the bank loans of the Group amounted to approximately HK\$Nil million (30 June 2024: HK\$11 million), of which approximately HK\$11 million was denominated in Hong Kong dollars as at 30 June 2024. Based on the agreed scheduled repayments set out in the loan agreements, bank loans of approximately HK\$3 million were repayable within 12 months as at 30 June 2024.

Bonds and other non-equity financing

As at 31 December 2024, the aggregate bonds payable were approximately HK\$1,116 million (30 June 2024: HK\$1,109 million) which were issued for improving the working capital of the Group during the Period.

於二零二四年十二月三十一日，本集團之流動比率(流動資產/流動負債)、速動比率((流動資產-存貨)/流動負債)、資產負債比率(總債務/總資產)及債務與權益比率(總債務/擁有人權益)分別約為0.1(二零二四年六月三十日:0.1)、0.1(二零二四年六月三十日:0.1)、383%(二零二四年六月三十日:311%)及虧絀約135%(二零二四年六月三十日:147%)。本集團於整個期間內一直維持穩定之財務狀況。管理層已密切監察本集團之流動資金狀況，並採取合適措施以確保本集團擁有足夠財務資源履行其財務責任。

非股本集資

銀行貸款

於二零二四年十二月三十一日，本集團之銀行貸款約為零百萬港元(二零二四年六月三十日:11百萬港元)。於二零二四年六月三十日，當中約11百萬港元以港元計值。按照載於貸款協議之協定預定還款，於二零二四年六月三十日，須於12個月內償還之銀行貸款約為3百萬港元。

債券及其他非股本集資

於二零二四年十二月三十一日，應付債券合共金額約為1,116百萬港元(二零二四年六月三十日:1,109百萬港元)，乃為改善本集團於期間內之營運資金發行。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析 (續)

Equity fund-raising activities

On 2 February 2024, a total of 280,000,000 shares with placing price of HK\$0.1 per share were allotted and issued under special mandate pursuant to the placing agreement dated 15 December 2023. The net proceeds of approximately HK\$22.4 million and approximately HK\$4.2 million were used for repayment of the Group's indebtedness and for replenishing the working capital of the Group, respectively.

Details of the placing of new shares under specific mandate were disclosed in the announcement of the Company dated 15 December 2023, 3 January 2024 and 2 February 2024.

On 19 April 2024, a total of 108,000,000 shares with subscription price of HK\$0.1 per share were issued under general mandate pursuant to the subscription agreement dated 13 March 2024. The net proceeds of approximately HK\$10.3 million was used for general working capital.

Details of the subscription of new share under general mandate were disclosed in the announcement of the Company dated 13 March 2024, 10 April 2024 and 19 April 2024.

On 28 June 2024, a total of 300,000,000 shares with placing price of HK\$0.1 per share were allotted and issued under special mandate pursuant to the placing agreement dated 20 May 2024. The net proceeds of approximately HK\$27 million and approximately HK\$2.4 million were used for repayment of the Group's indebtedness and interest expenses; and for replenishing the working capital of the Group, respectively.

Details of the placing of new shares under specific mandate were disclosed in the announcement of the Company dated 20 May 2024, 29 May 2024 and 28 June 2024.

股本籌資活動

於二零二四年二月二日，遵照日期為二零二三年十二月十五日的配售協議，已根據特別授權按配售價每股0.1港元配發及發行合共280,000,000股股份。所得款項淨額約22.4百萬港元及約4.2百萬港元已分別用作償還本集團之債項及補充本集團的一般營運資金。

有關根據特別授權配售新股份之詳情乃於本公司日期為二零二三年十二月十五日、二零二四年一月三日及二零二四年二月二日之公告內披露。

於二零二四年四月十九日，遵照日期為二零二四年三月十三日的認購協議，已根據一般授權按認購價每股0.1港元發行合共108,000,000股股份。所得款項淨額約10.3百萬港元已用作一般營運資金。

有關根據一般授權認購新股份之詳情乃於本公司日期為二零二四年三月十三日、二零二四年四月十日及二零二四年四月十九日之公告內披露。

於二零二四年六月二十八日，遵照日期為二零二四年五月二十日的配售協議，已根據特別授權按配售價每股0.1港元配發及發行合共300,000,000股股份。所得款項淨額約27百萬港元及約2.4百萬港元已分別用作償還本集團之債項及利息開支以及補充本集團的一般營運資金。

有關根據特別授權配售新股份之詳情乃於本公司日期為二零二四年五月二十日、二零二四年五月二十九日及二零二四年六月二十八日之公告內披露。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析 (續)

Significant acquisitions and disposals of subsidiaries and future plans for significant investments on capital asset acquisitions

On 24 August 2022, the Company has received a notice issued by Mudanjiang Authority of Housing and Urban-Rural Development (the “**Authority**”) stating that in order to ensure the stability of the heat supply to the residents of Mudanjiang in the coming winter, the Authority has taken over the operations of Mudanjiang BD Power on 26 August 2022. The Company ceased to have control over Mudanjiang BD Power as from the date of taking over of Mudanjiang BD Power by the Authority. Mudanjiang BD Power shall be deemed as deconsolidated from the condensed consolidated financial statements of the Group and be classified as a discontinued operation as from 26 August 2022.

Mudanjiang BD Power is applying for the voluntary winding-up. Upon the completion of the winding-up procedure of Mudanjiang BD Power, there may be a recoverable amount from Mudanjiang BD Power of which would be recorded as a revenue of the Company.

Significant investment held by the Company

As at 31 December 2024, the Company did not have any significant investments except for the financial assets at FVTPL of approximately HK\$1 million (30 June 2024: HK\$1 million).

重大附屬公司收購及出售及重大資本資產收購投資的未來計劃

二零二二年八月二十四日，本集團收到牡丹江市住房和城鄉建設局(「當局」)發出的通知，為確保即將到來的冬季牡丹江居民供熱穩定，當局已於二零二二年八月二十六日暫時接管牡丹江佳日熱電的運營。自有關當局接管牡丹江佳日熱電當日起，本公司已不再對牡丹江佳日熱電擁有任何控制權。自二零二二年八月二十六日起，牡丹江佳日熱電將被視為從本集團簡明綜合財務報表中分拆並分類為已終止經營業務。

牡丹江佳日熱電正在申請自願清盤。於牡丹江佳日熱電清盤程序完成後，牡丹江佳日熱電可能有可收回金額將入賬為本公司的收益。

本公司持有之重大投資

於二零二四年十二月三十一日，除按公平值計入損益之金融資產約1百萬港元(二零二四年六月三十日：1百萬港元)外，本公司並無任何重大投資。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析 (續)

Charges on the Group's assets

As at 31 December 2024, bank loans and other loans of approximately HK\$Nil million (30 June 2024: HK\$11 million) and HK\$3 million (30 June 2024: HK\$48 million), respectively, were secured by charges over the Group's certain right-of-use assets (30 June 2024: property, plant and equipment and right-of-use assets).

Contingent liabilities

On 26 June 2023, Mudanjiang BD Power, a deconsolidated subsidiary, had submitted to the Intermediate People's Court of Mudanjiang City, Heilongjiang Province for its voluntary liquidation (the "**Voluntary Liquidation**") under the action number (2023) Black 10 Liquidation No. 1 (the "**Application**") was duly accepted. Subsequent to the Application, the liquidation team of the Authority has been appointed as its administrator (the "**Administrator**") on 10 July 2023.

本集團資產之抵押

於二零二四年十二月三十一日，本集團已抵押其若干使用權資產(二零二四年六月三十日：物業、廠房及設備以及使用權資產)，以獲得分別約零百萬元(二零二四年六月三十日：11百萬元)及3百萬元(二零二四年六月三十日：48百萬元)之銀行貸款及其他貸款。

或然負債

於二零二三年六月二十六日，一間終止綜合入賬附屬公司牡丹江佳日熱電根據其行動編碼(2023)黑10清算第1號(action number (2023) Black 10 Liquidation No. 1)向黑龍江省牡丹江市中級人民法院提交其自願清盤(「自願清盤」)申請(「申請」)，並已獲正式接納。接納該申請後，當局的清盤團隊已於二零二三年七月十日獲委任為其管理人(「管理人」)。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析 (續)

Mudanjiang Longtuo New Energy Co., Ltd. (“**Mudanjiang Longtuo**”), a wholly-owned subsidiary of the Group, being the sole equity holder of Mudanjiang BD Power immediately prior to its deconsolidation and taken over by the Authority on 24 August 2022 would be liable in the sum of RMB150 million, representing a subscription amount of RMB150 million in the registered capital of Mudanjiang BD Power (“**Mudanjiang BD Power Subscription**”) made by Mudanjiang Longtuo on 18 May 2020 by way of capitalisation of a shareholder’s loan due by Mudanjiang BD Power to Mudanjiang Longtuo which amounted to RMB150 million (“**Capitalisation**”). In the event the Capitalisation was not certified and accepted by the Administrator, the Mudanjiang BD Power Subscription would be deemed unsuccessful and void whereby the Mudanjiang BD Power Subscription become due and payable immediately upon the Voluntary Liquidation.

As of the approval date on these condensed consolidated financial statements, the Voluntary Liquidation is still under processing and not yet completed. Hence the outcome of the Voluntary Liquidation including the receivable of approximately RMB263 million from the proceeds of its liquidation and the shareholder’s loan payable of RMB150 million are uncertain and cannot be estimated reliably. The directors of the Company are having carefully considered any possible outcomes of the Voluntary Liquidation and of the view that the same amount of shareholder’s loan (RMB150 million) is available to offset against Mudanjiang BD Power Subscription in case the Capitalisation was being voided and therefore no provision was made in preparing these condensed consolidated financial statements.

本集團全資附屬公司牡丹江龍拓新能源有限公司(「**牡丹江龍拓**」)身為牡丹江佳日熱電緊接其終止綜合入賬及於二零二二年八月二十四日由當局接管前之唯一權益持有人，須負責支付人民幣150百萬元，即牡丹江龍拓於二零二二年五月十八日透過將牡丹江佳日熱電結欠牡丹江龍拓之股東貸款人民幣150百萬元資本化(「**資本化**」)之方式認購牡丹江佳日熱電註冊資本中之人民幣150百萬元(「**牡丹江佳日熱電認購事項**」)之認購金額。倘管理人不認可及接受資本化，牡丹江佳日熱電認購事項將被視為不成功及失效，據此，牡丹江佳日熱電認購事項之金額將於緊隨自願清盤後成為即時到期應付。

於此等簡明綜合財務報表批准日期，自願清盤仍在進行中，尚未完成。因此，自願清盤(包括來自清盤所得款項之應收款項約人民幣263百萬元及應付股東貸款人民幣150百萬元)之結果不確定且不能可靠估計。本公司董事正在審慎考慮自願清盤之任何可能結果，並認為倘資本化失效，其可動用股東貸款之相同金額(人民幣150百萬元)以抵銷牡丹江佳日熱電認購事項之金額，因此並無於此等簡明綜合財務報表內計提撥備。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析 (續)

FOREIGN EXCHANGE EXPOSURE

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Hong Kong dollars and Renminbi, which are the functional currencies of the principal operating entities of the Group. The Directors also consider that there will be sufficient cash resources denominated in Hong Kong dollars for the repayment of borrowings. During the Period, the Group did not use any financial instrument for hedging purposes and the Group did not have any hedging instrument outstanding as at 31 December 2024.

In face of currency market instability, the Group will make use of hedging instruments to mitigate the exchange rate risk, as and when appropriate.

TREASURY POLICY

The Group adopts a treasury policy that aims to better control its treasury operations and lower its borrowing cost. As such, the Group endeavours to maintain an adequate level of cash and cash equivalents to address short-term funding needs. The Board also considers various funding sources depending on the Group's needs to ensure that the financial resources have been used in the most cost-effective and efficient way to meet the Group's financial obligations.

外匯風險

由於本集團大部分業務交易、資產及負債主要以本集團主要業務實體之功能貨幣港元及人民幣列值，故承擔之外匯風險甚微。董事亦認為本集團具備充足港元現金資源以償還借款。於期間內，本集團並無動用任何金融工具作對沖用途，而本集團於二零二四年十二月三十一日亦無任何未平倉之對沖工具。

由於貨幣市場不穩定，本集團將適時利用對沖工具以盡量減低匯率變動風險。

庫務政策

本集團所採納的庫務政策旨在加強管理庫務運作並降低借貸成本。因此，本集團致力維持充足現金及現金等值項目水平，以應付短期資金需要。董事會亦會視乎本集團之需要考慮各種資金來源，確保以最具成本效益及效率的方式運用財政資源，以應付本集團的財務責任。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析 (續)

NUMBER AND REMUNERATION OF EMPLOYEES

As at 31 December 2024, the Group had 115 full time employees in the PRC and Hong Kong (30 June 2024: 120). The Group recognises the importance of human resources to its success. Remuneration is maintained at competitive levels with discretionary bonuses payable on a merit basis and in line with industry practice. Other staff benefits provided by the Group include mandatory provident fund, insurance schemes and performance-related commissions.

PROSPECT

Over the past year, the People's Republic of China ("PRC") has been affected by COVID-19 pandemic and under high-interest rate environment, the economic recovery and development of the PRC were against expectations due to insufficient overall demand and supply chain. The management consider that the society and economy of the PRC showing signs of market recovery. The management will actively resume production of calcium carbide and push up the profit margin of the chemical products for agriculture. The management is optimizing the internal control, the production lines and the production procedures.

The management is seeking for opportunity to expand into overseas market and other strategic investment which could bring economic value and benefit to our shareholders.

僱員數目及薪酬

於二零二四年十二月三十一日，本集團於中國及香港之全職僱員人數為115人（二零二四年六月三十日：120人）。本集團認為人力資源為其成功之關鍵。薪酬維持在具競爭力水平，酌情花紅按功績基準支付，與行內慣例一致。本集團亦提供其他員工福利，包括強制性公積金、保險計劃及與表現掛鉤佣金。

前景

去年，中華人民共和國（「中國」）仍然受到COVID-19疫情所影響，而在高息環境下，由於整體供求鏈不足，中國的經濟復甦及發展未如預期。管理層認為中國社會經濟均呈市場回暖跡象。管理層將積極全面恢復生產碳化鈣，並推高農業化學品的利潤。管理層正在優化內部控制、生產線及生產程序。

管理層正在尋求擴展至海外市場以及其他能為股東帶來經濟價值與利益的戰略性投資機會。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析 (續)

Coal-related Chemical Production Division 煤相關化工產品部

During the Period, HLCL has temporarily suspended the production of calcium carbide. The Company considers that the sales price of calcium carbide has started to stabilize, showing signs of market recovery; that the Company maintains a cautiously optimistic outlook on the future trend of commodities; and that the introduction of new rounds of policy support by local governments and the easing of bank lending enable HLCL to secure loans for working capital. The Company will actively resume the production of calcium carbide.

於本期間，黑河龍江化工暫停生產碳化鈣。本公司考慮到碳化鈣銷售價格開始穩定，市場並有回暖跡象，本公司對大宗商品後市保持審慎樂觀，加上地方政府推出新一輪政策支持以及銀行借貸開始寬鬆可使黑河龍江化工獲得貸款作營運資金。本公司將積極地恢復碳化鈣的生產。

Chemical Products for Agriculture Division 農業化學品部

During the Period, Mudanjiang Haidi recorded a gross profit of approximately HK\$3 million during the Period. In view of the considerable profit margin, the Board believes that Mudanjiang Haidi will continue to be the growth driver of the Group in the forthcoming years.

牡丹江海迪於本期間內錄得毛利約3百萬港元。鑒於利潤可觀，董事會相信，牡丹江海迪將繼續為本集團於未來數年之增長動力。

MAJOR TRANSACTION IN RELATION TO DISPOSAL OF LANDS

有關出售地塊之主要交易

On 28 December 2020, HLCL entered into an agreement (the “**Disposal Agreement**”) with Heihe Longhe Investment Management Limited*, an independent third party, pursuant to which HLCL had agreed to transfer the land use rights of certain lands (the “**Lands**”) located in the PRC at an aggregate consideration of RMB156.44 million, comprising RMB139.44 million with land compensation of RMB17 million (the “**Land Disposal**”). The Land Disposal was completed on June 2024.

於二零二零年十二月二十八日，黑河龍江化工與獨立第三方黑河龍合投資管理有限責任公司訂立協議(「**出售協議**」)，據此，黑河龍江化工同意轉讓位於中國的若干地塊(「**該等地塊**」)的土地使用權，總代價為人民幣156.44百萬元，包括人民幣139.44百萬元以及人民幣17百萬元土地賠償(「**土地出售事項**」)。土地出售事項已於二零二四年六月完成。

* For identification purposes only

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

Details of the Land Disposal were disclosed in the announcements of the Company dated 28 December 2020, 19 January 2021, 9 February 2021, 22 March 2021 and 5 July 2024 and the circular of the Company dated 25 February 2021.

有關土地出售事項的詳情於本公司日期為二零二零年十二月二十八日、二零二一年一月十九日、二零二一年二月九日、二零二一年三月二十二日及二零二四年七月五日之公告及本公司日期為二零二一年二月二十五日之通函內披露。

MAJOR TRANSACTION IN RELATION TO DISPOSAL OF PROPERTY

On 26 September 2024, Success Eagle Investment Limited (“**Success Eagle**”), an indirect wholly-owned subsidiary of the Company entered into the Preliminary Sale and Purchase Agreement with the Joint Purchasers and the Agent, an independent third party, pursuant to which Success Eagle agreed to sell, and the Joint Purchasers agreed to purchase, the Property at a consideration of HK\$72,000,000 (the “**Property Disposal**”). The Property Disposal was completed on 10 December 2024.

Details of the Property Disposal were disclosed in the announcements of the Company dated 2 October 2024 and 13 December 2024 and the circular of the Company dated 25 October 2024.

有關出售物業之主要交易

於二零二四年九月二十六日，鵬成投資有限公司(「**鵬成**」)(為本公司的間接全資附屬公司)與共同買方及代理(為獨立第三方)訂立臨時買賣協議，據此，鵬成同意出售物業，而共同買方同意購買物業，代價為72,000,000港元(「**物業出售事項**」)。物業出售事項已於二零二四年十二月十日完成。

有關物業出售事項的詳情於本公司日期為二零二四年十月二日及二零二四年十二月十三日之公告及本公司日期為二零二四年十月二十五日之通函內披露。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析 (續)

DISPOSAL OF SHARES BY THE SINGLE LARGEST SHAREHOLDER

The Company was informed by Mr. Tang Yiduan (“**Mr. Tang**”), the then single largest shareholder of the Company that on 21 February 2024, Mr. Tang as the vendor and Mr. Cheung Hung (“**Mr. Cheung**”) as the purchaser, pursuant to which Mr. Tang sold 131,850,000 shares in the Company (“**Shares**”) to Mr. Cheung at a selling price of HK\$0.15 per share (the “**Disposal by Mr. Tang**”). Immediately after the Disposal by Mr. Tang, Mr. Tang does not hold any Shares and is no longer the single largest shareholder of the Company, and Mr. Cheung holds 202,240,000 Shares of the Company as at 21 February 2024 and became the single largest shareholder of the Company.

Details of the Disposal by Mr. Tang were disclosed in the announcement of the Company dated 21 February 2024.

GROUP STRATEGY

The acting chief executive officer and other directors are responsible for day-to-day management and formulating the future plan and strategies of the Group. All of directors closely monitor the operating and financial results of the Group.

單一最大股東出售股份

本公司獲本公司當時單一最大股東唐一端先生(「**唐先生**」)知會，於二零二四年二月二十一日，唐先生(作為賣方)與張鴻先生(「**張先生**」)(作為買方)，據此，唐先生已以每股0.15港元的售價向張先生出售(「**唐先生出售事項**」)131,850,000股本公司股份(「**股份**」)。緊隨唐先生出售事項後，唐先生並無持有任何股份，且不再為本公司單一最大股東，於二零二四年二月二十一日，張先生持有202,240,000股股份，並成為本公司的單一最大股東。

唐先生出售事項詳情載於本公司日期為二零二四年二月二十一日之公告。

集團策略

署理行政總裁及其他董事負責本集團之日常管理以及未來計劃及策略之制定。全體董事密切監察本集團之營運及財務業績。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析 (續)

Coal-related chemical production division 煤相關化工產品部

(i) Business model

The division operates by utilizing coal as a raw material and transforming it into chemical products for various industries. The division generates revenue by selling the calcium carbide. In the event of fully resumed production, the production of calcium carbide will be able to achieve the output value in excess of RMB300 million. The management emphasizes cost control measures to ensure profitability in the coal-related chemical production division. By efficiently managing production costs and optimizing operational processes, they aim to generate profits from the sale of chemical products.

(ii) Management expertise and manpower

The management closely monitors market conditions and undertakes the necessary preparations and the management will hire employees and workers as required for the production operations. The management plans to hire 100 employees and workers with an average monthly salary of RMB4,500 per head.

(iii) Customer base and supply

The Group has a well-developed customer base. The main suppliers are primarily for electricity and raw materials. Electricity is a fixed expense. For raw materials, the management is looking for new suppliers if it could enhance cost control measures.

(i) 業務模式

此部門的營運是利用煤炭作為原材料，將其轉化成供不同行業使用的化工產品。此部分通過出售碳化鈣產生收益。倘全面恢復生產，碳化鈣生產將能夠達致超過人民幣300百萬元的產值。管理層著重實施成本控制措施，以確保煤相關化工產品部的盈利能力。透過有效管理生產成本及優化營運流程，本集團旨在從化工產品銷售中獲利。

(ii) 管理專業知識及人力

管理層密切監察市況，並承諾作出必要準備工作，且管理層將招聘生產營運所需的僱員及工人。管理層計劃聘請100名僱員及工人，平均月薪為每人人民幣4,500元。

(iii) 客戶基礎及供應

本集團擁有發展成熟的客戶基礎。主要供應商主要為電力及原材料供應商。電力為固定開支。至於原材料，管理層正在尋求可改進成本控制措施的新供應商。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

(iv) Required capital and funding

The Group will consider internal fund and equity fund raising activities to finance in coal-related chemical production division. The initial cost is estimated to be RMB5 million (primarily include hiring employees and workers and maintenance costs).

(iv) 所需資本及資金

本集團將考慮利用內部資金及股本集資活動，以撥付煤相關化工產品部所需資金。初步成本估計為人民幣5百萬元(主要包括聘請僱員及工人以及維護成本)。

Chemical products for agriculture division

農業化學品部

(i) Business model

Mudanjiang Haidi primarily focuses on the production of chemical products for agriculture. It possesses expertise in fine chemical products technology and is also involved in research and trial production of other chemical products related to agriculture. The division generates revenue by selling chemical products for agriculture. Mudanjiang Haidi recorded positive gross profit for both the year ended 30 June 2024 and the period ended 31 December 2024.

(i) 業務模式

牡丹江海迪主要集中生產農業化學品。其具備精細化學品技術，亦涉足於其他農業相關化學品的研究及試生產工作。此部分通過銷售農業化學品產生收益。截至二零二四年六月三十一日止年度及截至二零二四年十二月三十一日止期間，牡丹江海迪均錄得毛利。

(ii) Management expertise and manpower

Mudanjiang Haidi has expertise in fine chemical products technology, which enables them to develop and produce specialized chemical products for agricultural purposes.

(ii) 管理專業知識及人力

牡丹江海迪於精細化學品技術上具有專業知識，令其得以開發及生產特別為農業而製的化學品。

(iii) Customer base and supply

By utilizing existing suppliers and exploring new customer opportunities, the company can generate greater value in the market for chemical products in agriculture.

(iii) 客戶基礎及供應

透過善用現有供應商及發掘新客戶機會，本公司將能於農業化學品市場賺取更大價值。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)

(iv) Required capital and funding

Mudanjiang Haidi can generate internal funds from its operation.

There are several factors that acquisition of Mudanjiang Haidi is in line with the Company's business strategy.

(i) *Diversification*

The acquisition of Mudanjiang Haidi allows the Company to diversify its product portfolio and expand into the agricultural chemicals sector.

(ii) *Synergies*

Despite being in different product categories, there are synergies between the Company's existing business and Mudanjiang Haidi's production of chemical products for agriculture. Both the entities are involved in chemical technology related and can utilise several idle plant and machinery. By leveraging these synergies, the Company can enhance operational efficiency and achieve cost savings in its overall manufacturing processes.

(iv) 所需資本及資金

牡丹江海迪可自營運產生內部資金。

有多項因素顯示，收購牡丹江海迪符合本公司的業務策略：

(i) 多元化

收購牡丹江海迪讓本公司可將產品組合多元化及擴展至農業化學品領域。

(ii) 協同效益

儘管屬於不同產品類別，本公司現有業務與牡丹江海迪農業化學品生產之間具有協同效益。兩間實體均涉足化學技術相關業務，可善用多項閒置廠房及機械。透過利用此等協同效益，本公司可提高營運效率，並於其整體生產流程上達致成本減省。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED) 管理層討論及分析(續)

(iii) Market demand

Market demand more relied on counterparty which they have a well development customers base.

(iv) Strategic positioning

The acquisition of Mudanjiang Haidi positions the Company as a more comprehensive provider of chemical solutions, serving both industrial and agricultural sectors. This broader positioning may enhance the Company's competitiveness and market presence.

(v) Long-term growth

The move to expand into the agricultural chemicals sector through the acquisition of Mudanjiang Haidi could be part of the Company's long-term growth strategy. By diversifying its business and entering new markets, the Company aims to achieve sustainable growth and create value for shareholders.

(iii) 市場需求

市場需求更加取決於具有發展成熟客戶基礎的對手方。

(iv) 策略定位

收購牡丹江海迪令本公司定位為更加全面且服務工業及農業領域的化學品解決方案供應商。此更廣泛定位可提高本公司的競爭力及市場地位。

(v) 長遠增長

透過收購牡丹江海迪擴展至農業化學領域之舉，為本公司長遠增長策略其中一環。藉著多元化發展業務及進軍新市場，本公司旨在達致可持續增長及為股東締造價值。

In addition, the Group will consider equity fund raising activities to finance the Company's business plan and actively restructure the assets so as to create value to the shareholders of the Company. It will not rule out the possibility of further acquisition and disposal of non-core assets.

此外，本集團將考慮進行股本集資活動以撥付本公司業務計劃所需資金，並積極進行資產重組，以為本公司股東創造價值。其不會排除可能進一步進行收購及出售非核心資產。

DISCLOSURE OF ADDITIONAL INFORMATION 其他資料披露

DIRECTORS' INTERESTS OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2024, the interests of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") under the Listing Rules were as follows:

董事於股份及相關股份之 權益或淡倉

於二零二四年十二月三十一日，董事及本公司最高行政人員於本公司及其相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益(包括根據證券及期貨條例該等條文彼等被當作或視作擁有之權益及淡倉)；或根據證券及期貨條例第352條須記錄在該條例所述登記冊之權益；或另行根據上市規則上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所之權益如下：

Name of Director	Type of interest	Number of Shares held (long position)	% of issued capital of the Company	Options held	% of issued capital of the Company
董事姓名	權益類別	所持股份數目 (好倉)	佔本公司已發行股本百分比	所持購股權	佔本公司已發行股本百分比
Mr. Law Tze Ping Eric 羅子平先生	Beneficial Interest 實益權益	-	-	-	-
Mr. Tang Yiduan 唐一端先生	Beneficial Interest 實益權益	-	-	-	-
Mr. Shing Pan Yu James 盛品儒先生	Beneficial Interest 實益權益	-	-	-	-
Mr. Chin Chun Hin (resigned on 13 January 2025)	Beneficial Interest	106,800,000	7.90%	-	-
錢振軒先生(於二零二五年一月十三日辭任)	實益權益				

DISCLOSURE OF ADDITIONAL INFORMATION (CONTINUED)

其他資料披露(續)

Name of Director	Type of interest	Number of Shares held (long position)	% of issued capital of the Company	Options held	% of issued capital of the Company
董事姓名	權益類別	所持股份數目 (好倉)	佔本公司已發行股本百分比	所持購股權	佔本公司已發行股本百分比
Ms. Tsang Naomi (appointed on 7 January 2025)	Beneficial Interest	-	-	-	-
曾芊甯女士(於二零二五年一月七日獲委任)	實益權益				
Dato' Sri Lai Chai Suang (appointed on 12 January 2025)	Beneficial Interest	-	-	-	-
拿督斯里賴彩雲博士 (於二零二五年一月十二日獲委任)	實益權益				
Mr. Ma Wing Yun Bryan 馬榮欣先生	Beneficial Interest	-	-	-	-
Mr. Tam Ching Ho 譚政豪先生	Beneficial Interest	-	-	-	-
Mr. Hau Chi Kit 侯志傑先生	Beneficial Interest	-	-	-	-

INTERESTS IN THE SHARES AND UNDERLYING SHARES

Save as disclosed above, so far as the Directors are aware, as at 31 December 2024, none of the Directors and chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which was 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 in which they were taken or deemed to have under such provisions of the SFO), or which was required to be recorded in the register maintained by the Company pursuant to section 352 of the SFO or which was otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

於股份及相關股份之權益

除上文披露者外，就董事所知悉，於二零二四年十二月三十一日，董事及本公司最高行政人員概無於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中，擁有或被視作擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之任何權益或淡倉(包括根據證券及期貨條例該等條文彼等被當作或視作擁有之權益及淡倉)；或本公司須記入根據證券及期貨條例第352條存置之登記冊之任何權益或淡倉；或另行根據標準守則須知會本公司及聯交所之任何權益或淡倉。

DISCLOSURE OF ADDITIONAL INFORMATION (CONTINUED) 其他資料披露(續)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE COMPANY

As far as the Directors are not aware that there is any party who (other than a Director or chief executive of the Company), as at 31 December 2024, had interests or short positions in the shares and underlying shares of the Company, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of general meetings of the Company or substantial shareholders as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

主要股東於本公司之權益及淡倉

於二零二四年十二月三十一日，董事並不知悉任何人士(本公司董事或行政人員除外)於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部條文向本公司披露之權益或淡倉，亦無任何人士直接或間接擁有附有權利在任何情況下均可於本公司或主要股東之股東大會上投票之任何股本類別面值5%或以上之權益(按本公司根據證券及期貨條例第336條存置之登記冊所記錄者)。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, there is sufficient public float of more than 25% of the Company's shares in the market as required under the Listing Rules.

足夠公眾持股量

按本公司取得之公開資料及據董事所知，於本報告日期，本公司股份在市場上具有超過上市規則所規定25%之足夠公眾持股量。

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE GROUP

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

購買、出售或贖回本集團上市證券

本公司或其任何附屬公司於期間內概無購買、出售或贖回本公司任何上市證券。

DISCLOSURE OF ADDITIONAL INFORMATION (CONTINUED) 其他資料披露(續)

CORPORATE GOVERNANCE

The Directors are of the view that the Company has complied with the Corporate Governance Code (the “Code”) as set out in Appendix 14 to the Listing Rules during the Period, except for the following deviation as summarised below:

Code Provision C.2.1 of the Code

Ms. Chan Yuk Foebe was suspended duties on 12 October 2023 and resigned on 13 March 2024. As a result, Mr. Law Tze Ping Eric has been appointed as the Acting Chief Executive Officer in her absence. The role of Chairman and Acting Chief Executive Director have been temporarily separated during this period. The Board meets regularly to consider issues related to corporate matters affecting operations of the Group. The Board considers the structure will not impair the balance of power and authority of the Board and the Company’s management and thus, the Board believes this structure will enable effective planning and implementation of corporate strategies and decisions.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries to all the Directors, all the Directors confirmed that they have complied with the code provisions in the Model Code during the Period. No incident of non-compliance was noted by the Company during the Period.

企業管治

董事認為，本公司於期間內一直遵守上市規則附錄14所載之企業管治守則(「守則」)，除以下偏離情況外，概括如下：

守則之守則條文C.2.1條

陳昱女士於二零二三年十月十二日暫停職務，並已於二零二四年三月十三日辭任。因此，在彼缺席的情況下，羅子平先生已獲委任為署理行政總裁。本期間主席及署理行政總裁角色已暫時分開。董事會定期開會以審議有關影響本集團營運之公司事務議題。董事會認為該架構無損董事會及本公司管理層權力及授權之平衡，因此董事會相信該架構將可令公司之策略及決定得以有效規劃及執行。

進行證券交易之標準守則

本公司已採納上市規則附錄10所載標準守則作為董事進行證券交易之內部操守準則。經向全體董事作出具體查詢後，全體董事確認彼等於期間內一直遵守標準守則之守則條文。於期間內，本公司概不知悉任何違規事件。

DISCLOSURE OF ADDITIONAL INFORMATION (CONTINUED)
其他資料披露(續)

**CHANGES OF INFORMATION
OF DIRECTORS UNDER
RULE 13.51B(1) OF LISTING
RULES**

**根據上市規則第13.51B(1)
條之董事資料變動**

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes of information of Directors are set out below: 根據上市規則第13.51B(1)條，董事資料變動如下：

Name	姓名	Details of change 變動詳情
Ms. Chan Yuk Foebe	陳昱女士	Resigned as an executive director and chairman on 13 March 2024 於二零二四年三月十三日辭任執行董事及主席
Ms. Tsang Naomi	曾芊甯女士	Appointed as a non-executive director on 7 January 2025 於二零二五年一月七日獲委任為非執行董事
Dato' Sri Lai Chai Suang	拿督斯里賴彩雲博士	Appointed as a non-executive director and joint chairperson on 12 January 2025 於二零二五年一月十二日獲委任為非執行董事及聯席主席
Mr. Chin Chun Hin	錢振軒先生	Resigned as an executive director on 13 January 2025 於二零二五年一月十三日辭任執行董事

DISCLOSURE OF ADDITIONAL INFORMATION (CONTINUED)

其他資料披露(續)

AUDIT COMMITTEE

The Company set up the Audit Committee on 8 April 2001 pursuant to Rules 3.21 and 3.22 of the Listing Rules, with written terms of reference, for the purposes of reviewing and providing supervision on the Group's financial reporting process and internal control systems. The Audit Committee comprises three independent non-executive Directors, namely, Mr. Ma Wing Yun Bryan (Chairman), Mr. Tam Ching Ho and Mr. Hau Chi Kit. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and the auditing, internal control and financial reporting aspects of the Company including the review of the Interim Financial Statements and there was no disagreement from the Audit Committee with the accounting treatment adopted by the Company.

審核委員會

根據上市規則第3.21及3.22條，本公司於二零零一年四月八日成立審核委員會，並制定書面職權範圍，旨在審閱及監管本集團之財務申報程序及內部監控制度。審核委員會由三名獨立非執行董事馬榮欣先生(主席)、譚政豪先生及侯志傑先生組成。審核委員會已與管理層檢討本集團採納之會計原則及慣例，以及本公司之審核、內部監控及財務申報事宜，包括審閱中期財務報表，而審核委員會對本公司所採用會計處理方法並無異議。

REMUNERATION COMMITTEE

A remuneration committee was established by the Company (the “**Remuneration Committee**”) on 1 July 2005, with specific written terms of reference which set out clearly its authority and duties pursuant to Rules 3.25 and 3.26 of the Listing Rules. The Remuneration Committee currently comprises three independent non-executive Directors, namely, Mr. Ma Wing Yun Bryan (Chairman), Mr. Tam Ching Ho and Mr. Hau Chi Kit, who are responsible for advising the Board on the remuneration policy and framework for all the remuneration of the Directors and senior management of the Company, as well as reviewing and determining the remuneration packages of Directors and senior management with reference to the Company's objectives from time to time.

薪酬委員會

本公司於二零零五年七月一日成立薪酬委員會(「**薪酬委員會**」)，並根據上市規則第3.25及3.26條制定特定書面職權範圍，清晰劃分其職權及職責。薪酬委員會現時由三名獨立非執行董事馬榮欣先生(主席)、譚政豪先生及侯志傑先生組成，負責就董事與本公司高級管理人員所有薪酬之薪酬政策及架構向董事會提供意見，並參考本公司不時之目標檢討及釐定董事與高級管理人員之薪酬待遇。

DISCLOSURE OF ADDITIONAL INFORMATION (CONTINUED) 其他資料披露(續)

NOMINATION COMMITTEE

The nomination committee was established by the Company (the “**Nomination Committee**”) on 2 November 2007, with specific written terms of reference pursuant to provisions B.3.1 and B.3.2 of the Code. The Nomination Committee currently comprises one acting executive Director, namely Mr. Law Tze Ping Eric, and three independent non-executive Directors, namely Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho and Mr. Hau Chi Kit. The Board as a whole, with the Nomination Committee, is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession plan of Directors and assessing the independence of independent non-executive Directors.

INTERIM REPORT

The 2024 interim report containing all the financial and other related information of the Company required by the Listing Rules will be available on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.chinazenith.com.hk, and dispatched to the shareholders of the Company in due course.

By order of the Board
Law Tze Ping Eric
Acting Chief Executive Officer

Hong Kong, 28 February 2025

提名委員會

本公司於二零零七年十一月二日成立提名委員會(「**提名委員會**」)，並根據守則第B.3.1及B.3.2條制訂特定書面職權範圍。提名委員會現時由一名署理執行董事羅子平先生及三名獨立非執行董事馬榮欣先生、譚政豪先生及侯志傑先生組成。董事會整體連同提名委員會負責檢討董事會之組成、發展及制定提名及委任董事之有關程序、監察委任董事及董事繼任之計劃以及評估獨立非執行董事之獨立身份。

中期報告

載有本公司根據上市規則所規定須詳列之所有財務及其他有關資料之二零二四年中期報告，將適當時候刊登於香港交易及結算有限公司網站(www.hkexnews.hk)及本公司網站(www.chinazenith.com.hk)，並寄發予本公司股東。

承董事會命
署理行政總裁
羅子平

香港，二零二五年二月二十八日