



F A R N O V A

FARNOVA GROUP HOLDINGS LIMITED

法諾集團控股有限公司

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立之有限公司)

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INTERIM REPORT
中期報告

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MANAGEMENT DISCUSSION AND ANALYSIS

Business and Financial Review

Overview

The Group derives its revenue mainly from (i) the provision of advertising services and (ii) sales of new energy electric vehicles. During the Period under review, the Group's revenue increased to approximately HK\$39.6 million representing an increase of approximately 256.8% when compared to the corresponding period last year, which solely driven by its advertising services business. No revenue was recorded from the sales of new energy electric vehicles.

Advertising

The Group continued to strengthen its sales and marketing team and had hired additional employees for this business segment. These new employees had previously worked in other advertising enterprises and possess an extensive clientele network and are also experienced in advertisement design and planning.

Due to the continuous expansion of the Group's sales and marketing team, revenue from the Group's advertising business achieved outstanding growth and increased to approximately HK\$39.6 million, representing an increase of approximately 256.8% when compared to the corresponding period last year. The Group's gross profit margin in respect of its provision of advertising services for the Period similarly achieved outstanding performance and had improved to approximately 37.9% when compared to the Group's gross profit margin of approximately 12.0% during the corresponding period last year.

管理層討論及分析

業務及財務回顧

概覽

本集團之收入主要來自(i)提供廣告服務及(ii)銷售新能源電動汽車。於回顧期間，本集團僅由其廣告服務業務驅動的收益增至約39.6百萬港元，較去年同期增加約256.8%。銷售新能源電動汽車概無錄得收入。

廣告

本集團繼續加強其銷售及營銷團隊，並已為該業務分部聘請額外僱員。該等新僱員之前曾在其他廣告企業工作，擁有廣泛的客戶網絡，亦擁有廣告設計及策劃方面的經驗。

由於持續擴大本集團的銷售及營銷團隊，本集團廣告業務的收入取得顯著增長，增加至約39.6百萬港元，較去年同期增加約256.8%。本集團於本期間提供廣告服務的毛利率同樣取得優異表現，較去年同期本集團的毛利率約12.0%提高至約37.9%。

The Group's spectacular results in respect of its provision of advertising services in Hong Kong and the PRC were primarily achieved through the expansion of its clientele and the strength of its in-house production team in providing the Group's clients with practical and effective marketing and advertising strategies. At the same time, the Group's operating efficiency also improved due to its increased scale of operations and in particular, the establishment of in-house production team. With the establishment of its in-house production team, the Group was able to better manage and reduce its production costs which resulted in the improvement in its gross profit margin. Simultaneously, it also enabled the Group to execute and realize its own marketing and advertising strategies in a more accurate and cost-effective way.

During the Period, the Group also improved upon its value-added services by offering to its clients annual advertising solutions on various media platforms such as advertising on mass transportation and social media, which has enabled it successfully retain existing clients while expanding its client base. The Group will continue exploring suitable opportunities to collaborate with different media platforms in order to further diversify its clientele and enhance its brand equity.

本集團在香港及中國提供廣告服務方面取得的驕人業績主要是通過擴大其客戶群及憑藉其內部製作團隊的實力為本集團的客戶提供切實可行及有效的營銷及廣告策略而取得。同時，隨著本集團經營規模的擴大，特別是建立內部製作團隊，其經營效率亦有所提高。隨著建立內部製作團隊，本集團能夠更好地管理及降低製作成本，從而提高毛利率。同時，亦使本集團能夠以更精準和更具成本效益的方式執行和實現自己的營銷及廣告策略。

於本期間，本集團亦通過於大眾交通及社交媒體上的廣告等各種媒體平台上向客戶提供年度廣告解決方案來提升增值服務，使其在擴大客戶基礎的同時成功留住現有客戶。本集團將繼續探索與不同媒體平台合作的合適機會，以進一步實現客戶群多元化並提升其品牌資產。

New energy electric vehicles

During the Period under review, no revenue was recorded from the sales of new energy electric vehicles. The Group had previously entered into agreements for the sales of new energy electric vehicles which included pick-up trucks and sport cars, however they were not scheduled for delivery during the Period under review. Notwithstanding the aforesaid, the Group has since devoted greater efforts towards developing its own production capacity in order to streamline production and to shorten production lead times. As such the Group will be able to enhance its revenue and profitability in this business segment while reducing its reliance on third party manufacturers. The Group has also during the Period under review developed the second generation of Farnova Othello electric super car, which has generated favourable reviews in both the PRC and overseas new energy electric vehicle markets.

As part of its strategy to develop its own production capacity, the Group has also sought to cooperate with other players in the industry in order to diversify its lineup of new energy vehicles. On 29 April 2021, the Group entered into a strategic cooperation agreement (the “Strategic Cooperation Agreement”) with the People’s Government of Kundulun District of the PRC (the “Government of Kundulun District”). Pursuant to the Strategic Cooperation Agreement, the Group and the Government of Kundulun District would co-invest in the development of a new energy research and development facility as well as manufacturing facilities for the production of lightweight new energy vehicles in Kundulun District, Baotau City, the PRC.

新能源電動汽車

於回顧期內，銷售新能源電動汽車概無錄得任何收入。本集團此前已訂立銷售新能源電動汽車的協議，其中包括皮卡及跑車，惟並非於回顧期內安排交付。儘管如此，本集團此後已加大力度發展自身產能，以精簡生產及縮短生產交貨期。因此，本集團將能夠提高其在該業務分部的收入和盈利能力，同時減少對第三方製造商的依賴。本集團亦於回顧期內研發了第二代法諾奧賽羅超級電動車，這款電動車在中國境內外新能源電動車市場廣受好評。

除自身產能提升戰略外，本集團亦通過尋求與業內其他參與者的合作，以豐富其新能源汽車產品線。於二零二一年四月二十九日，本集團與中國昆都侖區人民政府（「昆都侖區政府」）訂立一份戰略合作協議（「戰略合作協議」）。根據戰略合作協議，本集團與昆都侖區政府將共同投資於中國包頭市昆都侖區開發新能源研發工廠以及生產輕量化新能源汽車的製造工廠。

On 28 June 2021, the Group engaged an agent, on its behalf, to conduct due diligence for the purposes of acquiring a majority interest in a company which is a world-renowned automotive manufacturer based in Italy which is principally engaged in the design, manufacture and sales and marketing of new energy electric vehicles. The possible acquisition, if materialises, will enable the Group to expand its reach to overseas markets and serve to enhance the Group's technical abilities as well as develop its overseas manufacturing capabilities.

The Group also on 9 August 2021 entered into a memorandum of understanding with Guizhou Hankais Intelligent Technology Company Limited* (貴州翰凱斯智能技術有限公司) whereby the parties would carry out strategic cooperation for the potential procurement of modular autonomous chassis to be used in the manufacture of self-driving electric vehicles. In addition, since entering into the letter of intent in regards to the proposed acquisition of a majority interest in Guangxi Huaao Automobile Manufacturing Co., Ltd.* (廣西華奧汽車製造有限公司) on 29 January 2021, the Group has during the period engaged professional advisers to conduct due diligence as to its legal, financial and business conditions.

Aside from developing the Group's production capabilities, the Group has also devoted extensive efforts towards seeking skilled individuals who are experienced in the new energy vehicle industry to enable the Group to properly utilize its capabilities. On 6 August 2021 and 13 September 2021, respectively, the Group appointed Mr. Zhang Jian Hua ("Mr. Zhang") as the Technical Director of Electric Vehicle Engineering and Mr. Chen Jianxiong ("Mr. Chen") as the Production Director of Electric Vehicle Engineering of the Company. Mr. Zhang had previously served as the head of the Electric Vehicle Task Force at BYD Auto Co., Ltd. and has over 15 years of experience in the electric vehicle industry. As for Mr. Chen, he had previously worked as a general manager for Shenzhen Wuzhoulong Motors Co., Ltd. and has approximately 20 years of experience in the electric vehicle industry.

於二零二一年六月二十八日，本集團委聘代理人代表本集團就收購一間公司的大部分股權開展盡職調查，該公司為一間意大利世界知名汽車製造商，主要從事新能源電動汽車之設計、製造以及銷售與營銷。潛在收購倘獲成功將有助本集團拓展海外市場、提升本集團的技術能力以及發展其海外製造能力。

本集團亦於二零二一年八月九日與貴州翰凱斯智能技術有限公司訂立一項諒解備忘錄，據此雙方將就對於製造自動駕駛電動汽車的模塊化自動駕駛底盤的潛在採購開展戰略合作。此外，自二零二一年一月二十九日訂立有關建議收購廣西華奧汽車製造有限公司大部分股權的意向書以來，本集團於本期間聘請專業顧問對其法律、財務及業務狀況進行盡職調查。

除發展本集團的生產能力外，本集團亦付出大量精力尋求在新能源汽車行業經驗豐富的技術人才使本集團能夠適當地發揮其能力，本集團分別於二零二一年八月六日及二零二一年九月十三日委任張建華先生（「張先生」）為電動車工程技術總監以及陳健雄先生（「陳先生」）為本公司電動車工程生產總監。張先生曾擔任比亞迪汽車有限公司電動汽車專案組負責人，並於電動汽車行業擁有逾15年經驗。至於陳先生，彼曾擔任深圳市五洲龍汽車股份有限公司總經理，並於電動汽車行業擁有約20年經驗。

To increase the competitiveness of the Group, the Group will continue to devote a significant amount of in-house effort towards, among others, research and development, engineering, design, quality control as well as sales and marketing of new energy electric vehicles. The Group will also strive to bring together top international automotive technology resources and introduce world class personnel and autonomous driving technology.

Administrative expenses

During the Period under review, The Group's administrative expenses increased by approximately 70.2% to approximately HK\$8.0 million, as compared to the corresponding period last year. The increase in the Group's administrative expenses was primarily attributable to the increase in the number of staff, as the Group had hired additional personnel in order to cope with the expansion of the Group's advertising and new energy electric vehicle business. Additional depreciation in respect of right-of-use assets arising from a new lease agreement for the office in Hong Kong also contributed to the increase in administrative expenses during the Period. Further, the Group also incurred additional depreciation from property, plant and equipment and amortisation from other intangible assets resulting from the development of the new energy electric vehicle business during the Period under review.

Finance costs

The Group's finance costs decreased by approximately 80.4% to approximately HK\$0.9 million, as compared to the same period last year. This substantial decrease was mainly attributable to the Group's decreased borrowings. Convertible bonds issued by the Company were fully converted into the Company's shares during the year ended 31 March 2021.

為提高本集團的競爭力，本集團將繼續在內部投入大量精力，其中包括研發、工程、設計、質量控制以及新能源電動車的銷售及營銷。本集團將努力匯聚頂尖國際汽車技術資源並引入世界級人才及自動駕駛技術。

行政開支

於回顧期內，本集團的行政開支較去年同期增加約70.2%至約8.0百萬港元。本集團行政開支增加的主要原因是員工人數增加，因為本集團已聘請額外人員以應對本集團擴大廣告及新能源電動汽車業務。香港辦公室的新租賃協議產生的使用權資產的額外折舊亦導致行政開支於期內有所增加。此外，本集團於回顧期內亦因開發新能源電動汽車業務產生額外物業、機器及設備折舊以及其他無形資產攤銷。

融資成本

本集團的融資成本較去年同期減少約80.4%至約0.9百萬港元。該大幅減少主要因為本集團借款減少。本公司發行的可換股債券已於截至二零二一年三月三十一日悉數轉換為本公司股份。

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group finances its operations primarily with internally generated cash flow, equity financing and debt financing. As at 30 September 2021, the Group had cash and cash equivalents of approximately HK\$7.5 million, which is significantly decreased as compared to the Group's cash and cash equivalents of approximately HK\$25.2 million as at 31 March 2021. The decrease was primarily attributable to the development of the Group's new energy electric vehicle business. As such, the Group's current ratio, being calculated on the basis of current assets over current liabilities, was approximately 1.3, which was lower than the Group's current ratio of approximately 2.2 as at 31 March 2021. However, the present current ratio is considered by the Group to be at an acceptable level. The Group's financial resources are considered to be sufficient to support its business and operations and will continue to follow a prudent treasury policy in managing its bank balances and cash and maintain strong and healthy liquidity to ensure that the Group is well positioned to achieve its business objectives and strategies.

As at 30 September 2021, the Group had outstanding borrowings of approximately HK\$14.7 million, representing a decrease of approximately HK6.8 million when compared to the Group's outstanding borrowings of approximately HK\$7.9 million as at 31 March 2021. The Group's borrowings primarily comprises unsecured loans of approximately HK\$6.3 million and bonds and interest payables of approximately HK\$8.4 million. The borrowings are denominated in HK\$ and are at fixed interest rate. The gearing ratio of the Group, being calculated on the basis of the total borrowings over total assets, was approximately 9.6%, which was comparable to the Group's gearing ratio of approximately 9.9% as at 31 March 2021.

Given the Group's current operating and investment plans, its present financial resources may not be sufficient to cater to the Group's operating and investment needs. In order to maintain sufficient liquidity and resources, on 1 November 2021, the Company entered into a placing agreement with a placing agent for placing up to 1,300,000,000 new shares of the Company. The estimated net proceeds will amount to approximately HK\$129.2 million.

流動性、財務資源和資本結構

本集團主要以內部產生的現金流、股權融資及債務融資為其營運提供資金。於二零二一年九月三十日，本集團的現金及現金等價物約為7.5百萬港元，較二零二一年三月三十一日的現金及現金等價物約25.2百萬港元大幅下跌。減少的主要原因是本集團新能源電動汽車業務發展。因此，本集團的流動比率以流動資產除以流動負債計算，約為1.3，低於本集團於二零二一年三月三十一日約2.2的流動比率。然而，本集團認為當前流動比率為可接受水平。本集團的財務資源視為足以支持業務及營運，且本集團將繼續遵循審慎的財資政策來管理本集團的銀行結餘及現金，並維持強勁及健康的流動資金，以確保本集團有能力實現其業務目標及戰略。

於二零二一年九月三十日，本集團的未償還借款約為14.7百萬港元，較本集團於二零二一年三月三十一日的未償還借款約7.9百萬港元減少約6.8百萬港元。本集團的借款主要包括約6.3百萬港元的無抵押貸款以及約8.4百萬港元的應付債券和利息。借款以港元計值並按固定利率計息。本集團的資產負債比率以總借款除以總資產計算，約為9.6%，與本集團於二零二一年三月三十一日的資產負債比率約9.9%相若。

鑑於本集團當前的經營和投資計劃，其目前的財務資源可能不足以滿足本集團的經營和投資需要。為維持充足的流動資金及資源，於二零二一年十一月一日，本公司與配售代理訂立配售協議，以配售本公司最多1,300,000,000股新股份。估計配售所得款項淨額將約為129.2百萬港元。

EXPOSURE TO FLUCTUATION IN EXCHANGE RATE AND TREASURY POLICIES

The majority of the Group's cash balances and transactions were either denominated in Renminbi or Hong Kong dollars. The Group does not have a foreign currency hedging policy. However the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. As at 30 September 2021 and 2020, the Group did not have any outstanding hedging instruments.

PROSPECTS

As the global economy has gradually recovered from the effects of COVID-19, it is expected that market sentiments will improve, accordingly, it is also expected that while companies may have previously taken a conservative approach spending upon advertising and marketing activities, this trend will begin to change. Meanwhile, as travel restrictions are still in place in many countries of the world, it is expected that there will be a greater emphasis on localized marketing and advertising solutions which will require the skills and know-how of marketing enterprises who understand local needs and demands.

The Group intends to continue its efforts in developing and retaining its clientele in order to take advantage of this change in market sentiments through utilizing its sales and marketing team to promote brand awareness and to display the technical skills of the Group. Furthermore, the Group intends to place greater emphasis on showcasing its value-added services, such as providing annual advertising solutions pursuant to which the Group would offer services such as social media marketing as well as showcasing the skills of its in-house production team which can provide its clientele with cost effective marketing and advertising solutions.

匯率波動風險及財資政策

本集團大多數現金結餘及交易以人民幣或港元計值。本集團並無外匯對沖政策。然而，管理層監察外匯風險，並將於有需要時考慮對沖重大外匯風險。於二零二一年及二零二零年九月三十日，本集團並無任何尚未平倉之對沖工具。

前景

由於全球經濟逐漸自2019冠狀病毒病的影響中復蘇，預期市場氣氛將有所改善，因此，亦預期雖然公司之前可能在廣告及營銷活動的支出上採取了保守方式，但這種趨勢將開始改變。與此同時，由於全球許多國家仍然設置旅行限制，預期將更加重視本地化營銷及廣告解決方案，這將需要了解當地需要及需求的營銷企業的技能 and 專業知識。

本集團擬繼續努力發展及挽留客戶，通過利用其銷售及營銷團隊提升品牌知名度並展示本集團的技術能力來把握市場氣氛的這一轉變。此外，本集團擬更加重視展示其增值服務，如提供年度廣告解決方案，據此本集團將提供社交媒體營銷等服務以及展示其內部製作團隊的技能，從而可為其客戶提供具成本效益的營銷及廣告解決方案。

Additionally, as the Group had previously developed an in-house production team, the Group also intends to further develop its in-house production team in order to streamline production and reduce its costs.

Having said the above, the Group expects to continue its existing successful efforts and strategies in regards to developing its provision of advertising services in Hong Kong and the PRC.

In recent years, there has been a significant increase in the awareness of the effects of global climate change and the need to reduce carbon emissions. A number of countries have issued timetables for the elimination of fossil fuel vehicles or have drastically increased the number and breadth of government initiatives towards the promotion of electric or alternative fuel source vehicles. The PRC government has also issued various statements to the effect that they envision that by 2025, 20% of all vehicles sold in the PRC will be new energy electric vehicles and it is also expected that by 2030 40% of all vehicles sold in the PRC will be new energy electric vehicles. Against this background and given that China is the largest market for automobiles and electric vehicles in the world, the Group believes that the demand for new energy electric vehicles in the PRC and the world will continue to expand.

The Group expects to continue to devote significant effort towards the production and promotion of its new energy electric vehicles in order to capitalize upon the expected demand. In furtherance of this strategy, the Group has plans to develop its own production facilities and to cooperate with other leading players in the market in order to further streamline production and to reduce its reliance on third parties to manufacture its vehicles. Furthermore, in addition to the continued emphasis on its existing lineup of new energy electric vehicles, the Group also intends to develop a wide range of new energy electric vehicles in order to cater to the different segments of the market.

另外，由於本集團先前已發展內部製作團隊，本集團亦擬進一步發展其內部製作團隊以精簡生產及降低成本。

綜上所述，本集團預期將繼續有關於香港及中國發展提供廣告服務的現有成功努力及策略。

近年來，人們對全球氣候變化的影響和減少碳排放的必要性的認識顯著提高。若干國家已發佈淘汰化石燃料汽車的時間表，或大幅加大加深對推廣電動或替代燃料來源汽車的政府舉措。中國政府亦已發佈各種聲明，大意是彼等預計到二零二五年，在中國銷售的所有汽車中的20%將為新能源電動汽車，並且預期到二零三零年，在中國銷售的所有汽車中的40%將為新能源電動汽車。在此背景下及鑑於中國為全球最大的汽車及電動汽車市場，本集團相信中國及全球對新能源電動汽車的需求將持續擴大。

本集團預期將繼續投入大量精力生產及推廣新能源電動汽車，以把握預期需求。為推進這一策略，本集團計劃開發自有生產工廠並與市場上的其他領先企業合作，以進一步精簡生產並減少對第三方製造汽車的依賴。此外，除繼續重視現有新能源電動汽車產品線外，本集團亦擬開發種類繁多的新能源電動汽車以迎合不同的市場分部。

Aside from broadening its vehicle lineup, the Group plans to further develop and expand its research and development capabilities in order to capitalize on emerging technologies that may be applicable for new energy electric vehicles. The Group envisions that the emerging technologies in the new energy electric vehicles industry will enable it to increase its production capacity and capabilities while increasing the efficiency of its new energy electric vehicles and enhance its competitiveness in the market.

Given the Group's focus, the Group also intends to seek out talented individuals to enhance all aspects of its business in this segment, including the hiring of additional research and development staff as well as design and engineering teams.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 September 2021.

HUMAN RESOURCES

As at 30 September 2021, the Group had about 47 employees in total, stationed mainly in the PRC and Hong Kong. The total staff costs, including key management's remuneration, amounted to approximately HK\$3.2 million (six months ended 30 September 2020: approximately HK\$2.7 million). The Group's emolument policies, which are reviewed periodically, are linked to the performance of individual employees and are based on the salary trends prevailing in the aforesaid regions.

除擴大其汽車產品線外，本集團計劃進一步發展和擴大其研發能力以利用可能適用於新能源電動汽車的新興技術。本集團預計，新能源電動汽車行業的新興技術將提高其生產能力及產能，同時提升其新能源電動汽車的能效，增強其市場競爭力。

鑑於本集團的重點，本集團亦擬物色人才以提升其在該分部業務的所有方面，包括聘用額外的研發人員以及設計及工程團隊。

或然負債

於二零二一年九月三十日，本集團並無任何重大或然負債。

人力資源

於二零二一年九月三十日，本集團合共有大約47名僱員，主要派駐於中國及香港。包括主要管理層薪酬在內的員工成本總額約為3.2百萬港元（截至二零二零年九月三十日止六個月：約2.7百萬港元）。本集團的薪酬政策與個別僱員的表現掛鉤，並根據上述地區普遍的薪酬趨勢而定期檢討。

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

As at 30 September 2021, the interests and short positions of the Directors and chief executives of the Company in the ordinary share of HK\$0.0004 each in the share capital of the Company ("Shares"), underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (the "SFO")), as recorded in the register which is required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the SFO or the GEM Listing Rules were as follows:

Long positions in the Shares

| Name of Director and chief executive | Capacity | Number of Shares held (Note) | Approximate percentage of shareholding |
|---|---------------------------|--|---|
| 董事及主要行政人員姓名 | 身份 | 持有股份數目 (附註) | 近似持股比例 |
| Mr. Guo Gelin 郭格林先生 | Beneficial owner 實益擁有人 | 428,065,752 | 5.99% |

董事及主要行政人員於本公司或任何相聯法團之股份及相關股份之權益及淡倉

於二零二一年九月三十日，各董事及本公司主要行政人員在本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之本公司股本中每股面值0.0004港元之普通股(「股份」)、相關股份及債權證中，擁有須記錄於本公司根據證券及期貨條例第352條存置之登記冊內之權益及淡倉，或根據證券及期貨條例或GEM上市規則須以其他方式知會本公司及聯交所之權益及淡倉如下：

於股份之好倉

Save as disclosed above, as at 30 September 2021, none of the Directors or chief executive of the Company had any interests or short positions in the Shares and underlying Shares of the Company or any of its associated corporations (within the meaning of Part XV of 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 required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of GEM Listing Rules relating to securities transactions by Directors.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Directors' and Chief Executives' interests and short positions in Shares and underlying Shares of the Company or any associated corporation" and "Share Option Scheme", at no time during the six months ended 30 September 2021 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

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

As at 30 September 2021, so far as was known to the Directors, the following persons (not being Directors or chief executives of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

除上文所披露者外，於二零二一年九月三十日，概無董事或本公司主要行政人員在本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份及相關股份中，擁有任何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或淡倉(包括彼等根據證券及期貨條例之有關條文予以當作或視為擁有之權益及淡倉)，或根據證券及期貨條例第352條須記錄於該條所指之登記冊內之權益或淡倉，或根據有關董事進行證券交易之GEM上市規則第5.46至5.67條須知會本公司及聯交所之權益或淡倉。

董事購買股份或債權證之權利

除「董事及主要行政人員於本公司或任何相聯法團之股份及相關股份之權益及淡倉」及「購股權計劃」各節所披露者外，於截至二零二一年九月三十日止六個月，概無任何董事或彼等各自之配偶或年幼子女獲授任何可透過收購本公司股份或債權證獲益之權利；或彼等亦無行使任何有關權利；而本公司或其任何子公司並無訂立任何安排使董事可於任何其他法人團體取得該等權利。

主要股東於本公司股份及相關股份之權益及淡倉

於二零二一年九月三十日，就董事所知，以下人士(並非董事或本公司主要行政人員)於股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部之規定須向本公司披露及記錄於本公司根據證券及期貨條例第336條規定須予存置之登記冊內之權益或淡倉。

Long positions in the Shares and underlying shares

於股份及相關股份之好倉

| Name of Shareholders | Notes | Capacity and nature of interests | Number of Shares held/ interested 所持／擁有 股份數目 | Number of underlying Shares held/ interested 所持／擁有 相關股份數目 (note (d)) (附註(d)) | Approximate percentage of shareholding 近似持股比例 |
|--|-------|---|--|--|--|
| 股東名稱 | 附註 | 身份及權益性質 | | | |
| Guo Gelin 郭格林 | (a) | Beneficial owner 實益擁有人 | 428,065,752 | – | 5.99% |
| 宋文霞 | (a) | Beneficial owner 實益擁有人 | 364,200,547 | – | 5.10% |
| China Ding Yi Feng Holdings Limited 中國鼎益豐控股有限公司 | (a) | Beneficial owner 實益擁有人 | 340,002,053 | – | 4.76% |
| Eternity Sky Limited 天恒行有限公司 | (a) | Beneficial owner 實益擁有人 | 340,002,053 | – | 4.76% |
| Final Destination Limited | (a) | Interest of corporation controlled 受控法團之權益 | 340,002,053 | – | 4.76% |
| Flying Goddess Limited | (a) | Interest of corporation controlled 受控法團之權益 | 340,002,053 | – | 4.76% |
| Hong Kong Toprich Investment 香港灝富投資有限公司 | (a) | Interest of corporation controlled 受控法團之權益 | 340,002,053 | – | 4.76% |

Note:

(a) HONG KONG TOPRICH INVESTMENT LIMITED is directly wholly owned by FINAL DESTINATION LIMITED which is directly wholly owned by Eternity Sky Limited which is directly wholly owned by FLYING GODDESS LIMITED which is directly wholly owned by China Ding Yi Feng Holdings Limited. China Ding Yi Feng Holdings Limited, FLYING GODDESS LIMITED, Eternity Sky Limited and FINAL DESTINATION LIMITED are deemed to be interested in the Shares and underlying Shares held by HONG KONG TOPRICH INVESTMENT LIMITED.

附註：

(a) 香港灝富投資有限公司由Final Destination Limited直接全資擁有，而Final Destination Limited由天恒行有限公司直接全資擁有，而天恒行有限公司由Flying Goddess Limited直接全資擁有，而Flying Goddess Limited由中國鼎益豐控股有限公司直接全資擁有。中國鼎益豐控股有限公司、Flying Goddess Limited、天恒行有限公司及Final Destination Limited被視為於香港灝富投資有限公司所持有之股份及相關股份中擁有權益。

Save as disclosed above, no other person had any interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME

A share option scheme was adopted by the shareholders of the Company and became effective on 27 March 2020 and shall remain in force for a period of 10 years from that date. The share option scheme mandate limit was refreshed to 10% of the issued Shares at the date of special general meeting of the Company (the "SGM") held on 27 March 2020.

90,000,000 shares has been granted to certain eligible persons in the exercise price of HK\$0.2506 on 9 September 2020 and 363,000,000 shares has been granted to certain eligible persons in the exercise price of HK\$0.168 on 30 November 2020. For details, please refer to the Announcement on 30 November 2020.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 15 to the GEM Listing Rules for the six months ended 30 September 2021, save and except for the following:

1. Code provision A.1.3 requires that notice of at least 14 days should be given of a regular board meeting to give all directors an opportunity to attend. For all other board meetings, reasonable notice should be given. Due to the practical reasons, 14 days' advanced notifications have not been given to all meetings of the Board. Reasons have been given in the notifications in respect of those meetings of the Board where it is not practical to give 14 days' advanced notification. The Board will use its best endeavor to give 14 days' advanced notifications of Board meeting to the extent practicable.

除上文所披露者外，概無其他人士於本公司股份或相關股份中擁有記錄於本公司根據證券及期貨條例第336條規定須予存置之登記冊內或須以其他方式知會本公司及聯交所之權益或淡倉。

購股權計劃

本公司股東已採納一項購股權計劃，計劃自二零二零年三月二十七日起生效，且於自當日起計10年期內持續生效。購股權計劃授權限額於本公司二零二零年三月二十七日舉行之股東特別大會（「股東特別大會」）上獲更新至當日已發行股份的10%。

於二零二零年九月九日以行使價0.2506港元向若干合資格人士授出90,000,000股及於二零二零年十一月三十日以行使價0.168港元向若干合資格人士授出363,000,000股。詳情請參閱日期為二零二零年十一月三十日的公告。

企業管治常規

董事會認為，本公司於截至二零二一年九月三十日止六個月已遵守GEM上市規則附錄十五所載企業管治守則及企業管治報告之全部守則條文，惟下文所述者除外：

1. 守則條文A.1.3條規定，召開董事會定期會議應向全體董事發出至少14天通知，令彼等得以抽空出席。就召開所有其他董事會會議而言，應發出合理通知。由於實際原因，本公司並無就所有董事會會議發出14天事先通知。本公司已在有關董事會會議通知內說明發出14天事先通知屬不切實可行之原因。董事會將在實際可行情況下盡力就董事會會議發出14天事先通知。

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the period under review, the Company continued to adopt a code of conduct regarding Director's securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct regarding securities transactions by the Directors for the six months ended 30 September 2021.

DISCLOSURE OF CHANGES IN INFORMATION OF DIRECTOR

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, changes in Directors' information since the date of the consolidated financial statements for the year ended 31 March 2021 ("2021 Annual Report") are set out below:

Positions held with the Company

- (a) Mr. Lee Chi Hwa Joshua was resigned as an independent non-executive Director with effect from 31 May 2021.
- (b) Dr. Wu Bin was appointed as an independent non-executive Director with effect from 25 June 2021.
- (c) Mr. Wen Jingzhou was appointed as a non-executive Director with effect from 29 June 2021.

COMPETING INTEREST

During the six months ended 30 September 2021, none of the Directors or management shareholders of the Company (as defined in the GEM Listing Rules) had any interests in any business that competed or may compete with the business of the Group.

董事進行證券交易之行為守則

於回顧期間，本公司繼續採納董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載交易之規定準則。經向全體董事作出具體查詢後，董事於截至二零二一年九月三十日止六個月已遵守有關董事進行證券交易之行為守則。

董事資料變動之披露

根據GEM上市規則第17.50A(1)條，自截至二零二一年三月三十一日止年度之綜合財務報表（「二零二一年年報」）日期起之董事資料變動載列如下：

於本公司之職位

- (a) 李智華先生已辭任獨立非執行董事，自二零二一年五月三十一日起生效。
- (b) 吳濱博士獲委任為獨立非執行董事，自二零二一年六月二十五日起生效。
- (c) 溫晶舟先生獲委任為非執行董事，自二零二一年六月二十九日起生效。

競爭權益

於截至二零二一年九月三十日止六個月，董事或本公司管理層股東（定義見GEM上市規則）概無於與本集團業務構成或可能構成競爭之任何業務中擁有任何權益。

PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 September 2021.

AUDIT COMMITTEE

The primary duties of the Audit Committee are to review the Group's annual report and accounts, half-year report and quarterly reports and to provide advice and comments thereon to the Board and to review and to provide the oversight of the financial reporting system, risk management and internal control system of the Group.

During the Period, the Audit Committee consists of one non-executive director and four independent non-executive Directors, namely Mr. Kuang Quanzhuang, Mr. Luo Ji, Ms. Wu Hong, Mr. Li Jianxing and Dr. Wu Bin. Mr. Li is the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited interim report and results for the six months ended 30 September 2021, and was of opinion that the preparation of such report and results complied with applicable accounting standards and the GEM Listing Rules and that adequate disclosure had been made.

By order of the Board
Farnova Group Holdings Limited
Guo Gelin
Chairman

Hong Kong, 15 November 2021

As of the date of this report, the executive Directors are Mr. Guo Gelin, Mr. Mou Zhongwei and Mr. Deng Li; the non-executive Directors are Mr. Wang Qiang, Mr. Kuang Quanzhuang, Mr. Li Guangying, Mr. Wang Hanjing and Mr. Wen Jingzhou; and the independent non-executive Directors are Mr. Luo Ji, Ms. Wu Hong, Mr. Li Jianxing and Dr. Wu Bin.

購買、出售或贖回上市證券

於截至二零二一年九月三十日止六個月，本公司或其任何子公司概無購買、贖回或出售任何本公司之上市證券。

審核委員會

審核委員會之主要職責為審閱本集團之年報及賬目、半年度報告及季度報告，並就此向董事會提供意見及建議，以及審閱及監督本集團之財務申報系統、風險管理及內部監控系統。

於本期間，審核委員會由一名非執行董事及四名獨立非執行董事組成，即鄺權壯先生、羅輯先生、吳紅女士、李建行先生及吳濱博士。李先生為審核委員會主席。

審核委員會已審閱截至二零二一年九月三十日止六個月之未經審核中期報告及業績，並認為有關報告及業績於編製時已遵照適用會計準則及GEM上市規則，並已作出充分披露。

承董事會命
法諾集團控股有限公司
主席
郭格林

香港，二零二一年十一月十五日

於本報告日期，執行董事為郭格林先生、牟忠緯先生及鄧里先生；非執行董事為王強先生、鄺權壯先生、李光營先生、王漢景先生及溫晶舟先生；及獨立非執行董事則為羅輯先生、吳紅女士、李建行先生及吳濱博士。

INTERIM RESULTS (UNAUDITED)

The board of Directors (the "Board") hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2021 (the "Period"), together with the unaudited comparative figures for the corresponding period in 2020 as follows:

中期業績 (未經審核)

董事會(「董事會」)謹此公佈本公司及其子公司(統稱「本集團」)截至二零二一年九月三十日止六個月(「本期間」)之未經審核綜合業績連同二零二零年同期之未經審核比較數字如下:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

For the six months ended 30 September 2021

簡明綜合損益表 (未經審核)

截至二零二一年九月三十日止六個月

| | Notes 附註 | Three months ended 30 September 截至九月三十日止三個月 | | Six months ended 30 September 截至九月三十日止六個月 | |
|---|-------------|---|--|---|--|
| | | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) | 2020 二零二零年 HK\$'000 千港元 (Restated) (經重列) (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) | 2020 二零二零年 HK\$'000 千港元 (Restated) (經重列) (Unaudited) (未經審核) |
| Continuing operations | | | | | |
| Revenue | 5 | 21,908 | 6,100 | 39,600 | 11,100 |
| Cost of services | | (13,146) | (5,085) | (24,606) | (9,765) |
| Gross profit | | 8,762 | 1,015 | 14,994 | 1,335 |
| Other income | 6 | 7 | - | 24 | - |
| Administrative expenses | | (2,371) | (2,638) | (7,957) | (4,655) |
| Net fair value gain on financial assets at fair value through profit or loss | | - | - | - | 1 |
| Provision for allowance for expected credit loss on trade and other receivables | 7 | (1,901) | (260) | (1,901) | (260) |
| Finance costs | 8 | (501) | (2,193) | (922) | (4,604) |
| Share of loss of an associate | 16 | (325) | - | (325) | - |
| Profit/(loss) before income tax from continuing operations | | 3,671 | (4,076) | 3,913 | (8,183) |
| Income tax expense | 10 | (2,105) | - | (2,105) | - |
| Profit/(loss) for the period from continuing operations | | 1,566 | (4,076) | 1,808 | (8,183) |
| Discontinued operations | | | | | |
| Profit for the period from discontinued operations | 11 | - | 143 | - | 280 |
| Profit/(loss) for the period | | 1,566 | (3,933) | 1,808 | (7,903) |
| Profit/(loss) attributable to: | | | | | |
| - Owners of the Company | | 1,566 | (3,933) | 1,808 | (7,903) |
| - Non-controlling interests | | - | - | - | - |
| Earning/(loss) per share | | | | | |
| From continuing and discontinued operations | | | | | |
| - Basic and diluted (HK cents) | 13 | 0.02 | (0.08) | 0.03 | (0.16) |
| From continuing operations | | | | | |
| - Basic and diluted (HK cents) | | 0.02 | (0.08) | 0.03 | (0.16) |
| From discontinued operations | | | | | |
| - Basic and diluted (HK cents) | 13 | 0.00 | 0.00 | 0.00 | 0.00 |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

簡明綜合全面收益表

For the six months ended 30 September 2021

截至二零二一年九月三十日止六個月

| | | Three months ended 30 September 截至九月三十日止三個月 | | Six months ended 30 September 截至九月三十日止六個月 | |
|--|---------------------|---|--|---|--|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 (Restated) (經重列) (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 (Restated) (經重列) (Unaudited) (未經審核) |
| Profit/(loss) for the period | 期間溢利／(虧損) | 1,566 | (3,933) | 1,808 | (7,903) |
| Other comprehensive expenses | 其他全面開支 | | | | |
| Item that may be reclassified to profit or loss in subsequent periods: | 其後期間可能重新分類至損益之項目： | | | | |
| Exchange differences on translation of foreign operations | 換算海外業務產生之匯兌差額 | (147) | - | (147) | - |
| Total comprehensive income/(expenses) for the period | 期間全面收入／(開支)總額 | 1,419 | (3,933) | 1,661 | (7,903) |
| Total comprehensive income/(expenses) for the period attributable to: | 以下人士應佔期間全面收入／(開支)總額 | | | | |
| - Owners of the Company | - 本公司擁有人 | 1,419 | (3,933) | 1,661 | (7,903) |
| - Non-controlling interests | - 非控股權益 | - | - | - | - |
| | | 1,419 | (3,933) | 1,661 | (7,903) |

CONDENSED CONSOLIDATED
STATEMENTS OF FINANCIAL POSITION

As at 30 September 2021

簡明綜合財務狀況表

於二零二一年九月三十日

| | | Notes 附註 | 30 September 2021 二零二一年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|---|--------------------|-------------|--|--|
| ASSETS AND LIABILITIES | 資產及負債 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、機器及設備 | 14 | 3,856 | 21 |
| Right-of-use assets | 使用權資產 | | 1,029 | 1,469 |
| Other intangible assets | 其他無形資產 | 15 | 6,913 | - |
| Investment in an associate | 於一間聯營公司之投資 | 16 | 156 | - |
| | | | 11,954 | 1,490 |
| Current assets | 流動資產 | | | |
| Inventories | 存貨 | | 4,478 | - |
| Trade receivables | 應收賬款 | 17 | 60,219 | 23,064 |
| Prepayments, deposits and other receivables | 預付款項、按金及 其他應收款項 | | 69,730 | 30,488 |
| Cash and cash equivalents | 現金及現金等價物 | | 7,490 | 25,183 |
| | | | 141,917 | 78,735 |
| Current liabilities | 流動負債 | | | |
| Trade payables | 應付賬款 | 18 | 44,390 | 21,777 |
| Other payables and accruals | 其他應計費用及應付款項 | | 53,367 | 12,381 |
| Borrowings | 借貸 | 19 | 6,285 | 163 |
| Lease liabilities | 租賃負債 | | 829 | 868 |
| Bond and interest payables | 應付債券及利息 | 20 | 3,909 | - |
| Tax payables | 應付稅項 | | 2,105 | 161 |
| | | | 110,885 | 35,350 |

| | | Notes 附註 | 30 September 2021 二零二一年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | 31 March 2021 二零二一年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|---|------------|-------------|--|--|
| Net current assets | 流動資產淨額 | | 31,032 | 43,385 |
| Non-Current liabilities | 非流動負債 | | | |
| Lease liabilities | 租賃負債 | | 238 | 623 |
| Bond and interest payables | 應付債券及利息 | 20 | 4,522 | 7,687 |
| | | | 4,760 | 8,310 |
| Net assets | 資產淨額 | | 38,226 | 36,565 |
| EQUITY | 權益 | | | |
| Share capital | 股本 | 21 | 2,857 | 2,857 |
| Reserves | 儲備 | | 35,369 | 33,708 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | 38,226 | 36,565 |
| Total equity | 權益總額 | | 38,226 | 36,565 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 September 2021

簡明綜合權益變動表(未經審核)

截至二零二一年九月三十日止六個月

| | | Attributable to owners of the Company 本公司擁有人應佔 | | | | | | | | |
|---|----------------------|---|---------------|---------------------------------------|----------------|------------------|--------------------|---------------------------|--------------|-----------|
| | | Share capital | Share premium | Equity component of convertible bonds | Merger reserve | Exchange reserve | Accumulated losses | Non-controlling interests | Total equity | |
| | | 股本 | 股份溢價 | 可換股債券之權益部分 | 合併儲備 | 匯兌儲備 | 累計虧損 | 總計 | 非控股權益 | |
| | | 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 | |
| | | Note (a) 附註(a) | | | | | | | | |
| At 1 April 2020 | 於二零二零年四月一日 | 1,961 | 317,032 | 38,114 | (197) | (783) | (480,094) | (123,967) | (4,142) | (128,109) |
| | (audited) | | | | | | | | | |
| Loss for the period | 期間虧損 | - | - | - | - | - | (7,903) | (7,903) | - | (7,903) |
| Other comprehensive income | 其他全面收益 | - | - | - | - | - | - | - | - | - |
| - Exchange differences on translation of foreign operations | - 換算海外業務產生之匯兌差額 | - | - | - | - | - | - | - | - | - |
| Total comprehensive expenses for the period | 期間全面開支總額 | - | - | - | - | - | (7,903) | (7,903) | - | (7,903) |
| Conversion of convertible bonds (note (b)) | 兌換可換股債券(附註(b)) | 312 | 38,688 | (3,760) | - | - | - | 35,240 | - | 35,240 |
| Shares issued in respect of bond interest payments (note (c)) | 就支付債券利息而發行之股份(附註(c)) | 30 | 7,488 | - | - | - | - | 7,518 | - | 7,518 |
| At 30 September 2020 | 於二零二零年九月三十日 | 2,303 | 363,208 | 34,354 | (197) | (783) | (487,997) | (89,112) | (4,142) | (93,254) |
| | (unaudited) | | | | | | | | | |

Attributable to owners of the Company

本公司擁有人應佔

| | | Share capital 股本 HK\$'000 千港元 | Share premium 股份溢價 HK\$000 千港元 | Merger reserve 合併儲備 HK\$'000 千港元 | Exchange reserve 匯兌儲備 HK\$'000 千港元 | Accumulated losses 累計虧損 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 | Non- controlling interests 非控股權益 HK\$'000 千港元 | Total equity 權益總額 HK\$'000 千港元 |
|---|-------------------------------|---|--|--|--|--|--------------------------------|--|--|
| | | | Note (a) 附註(a) | | | | | | |
| At 1 April 2021 (audited) | 於二零二一年四月一日(經審核) | 2,857 | 503,165 | 13,107 | 266 | (482,830) | 36,565 | - | 36,565 |
| Profit for the period | 期間溢利 | - | - | - | - | 1,808 | 1,808 | - | 1,808 |
| Other comprehensive expenses - Exchange differences on translation of foreign operations | 其他全面開支 - 換算海外業務產生 之匯兌差額 | - | - | - | (147) | - | (147) | - | (147) |
| Total comprehensive income for the period | 期間全面收益總額 | - | - | - | (147) | 1,808 | 1,661 | - | 1,661 |
| At 30 September 2021 (unaudited) | 於二零二一年九月三十日 (未經審核) | 2,857 | 503,165 | 13,107 | 119 | (481,022) | 38,226 | - | 38,226 |

Notes:

- (a) Share premium represents the excess of proceeds received over the nominal value of the Company's shares issued, less share issue expenses. Pursuant to the Companies Act of Bermuda, the Company's share premium account may be distributed in the form of fully paid bonus shares.
- (b) During the six months period ended 30 September 2020, the bondholders of the CB 2018 had converted the CB 2018 with the aggregate principal amount of HK\$9.0 million at conversion price of HK\$0.05 per share into 180,000,000 shares. The bondholders of the CB 2019 had converted the CB 2019 with the aggregate principal amount of HK\$30.0 million at conversion price of HK\$0.05 per share into 600,000,000 Shares.
- (c) During the six months period ended 30 September 2020, the bondholders of CB 2018 and CB 2019 had requested to pay any interest payable by way of shares. The interests of approximately HK\$3,758,874 have been paid by way of the shares and therefore approximately 75,177,475 shares were issued at conversion price of HK\$0.05 per share.

附註：

- (a) 股份溢價是指所得款項超過本公司已發行股份面值的餘額減去股份發行費用。根據《百慕達公司法》，本公司的股份溢價賬可以以繳足紅股的形式分配。
- (b) 截至二零二零年九月三十日止六個月，二零一八年可換股債券之債券持有人按兌換價每股0.05港元將本金總額為9.0百萬港元之二零一八年可換股債券兌換為180,000,000股股份。二零一九年可換股債券之債券持有人按兌換價每股0.05港元將本金總額為30.0百萬港元之二零一九年可換股債券兌換為600,000,000股股份。
- (c) 截至二零二零年九月三十日止六個月，二零一八年可換股債券及二零一九年可換股債券之債券持有人要求以股份支付任何應付利息。利息約為3,758,874港元已以股份支付，因此，約75,177,475股股份已按兌換價每股0.05港元發行。

CONDENSED CONSOLIDATED STATEMENT
OF CASH FLOWS (UNAUDITED)

For the six months ended 30 September 2021

簡明綜合現金流量表(未經審核)

截至二零二一年九月三十日止六個月

| | | Six months ended 30 September | |
|---|-----------------------|--|----------|
| | | 截至九月三十日止六個月 | |
| | | 2021 | 2020 |
| | | 二零二一年 | 二零二零年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| | Notes 附註 | | |
| Net cash used in operating activities | 經營活動所用現金淨額 | (22,015) | (1,250) |
| Net cash used in investing activities | 投資活動所用現金淨額 | (1,495) | - |
| Net cash generated from financing activities | 融資活動所得現金淨額 | 5,520 | 1,434 |
| Net (decrease)/increase in cash and cash equivalents | 現金及現金等價物 (減少)/增加淨額 | (17,990) | 184 |
| Cash and cash equivalents at the beginning of the reporting period | 報告期初現金及 現金等價物 | 25,183 | 149 |
| Effect on exchange rate changes | 匯率變動之影響 | 297 | - |
| Cash and cash equivalents at the end of the reporting period | 報告期末現金及 現金等價物 | 7,490 | 333 |

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the GEM of the Stock Exchange. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is Room 8212, Unit 01, 82/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

The Company is an investment holding company and the principal activities of the Group are provision of advertising services and sales of new energy electric vehicles.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousands ("HK\$'000") except when otherwise indicated.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2021 ("the Interim Financial Statements") have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange. The Interim Financial Statements include an explanation of events and transactions that are significant to understanding of the changes in financial position and financial performance of the Group

簡明綜合中期財務報表附註

1. 公司資料

本公司為於百慕達註冊成立之獲豁免有限責任公司，其股份於聯交所GEM上市。本公司之註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda及其主要營業地點為香港九龍柯士甸道西1號環球貿易廣場82樓01號8212室。

本公司為投資控股公司，本集團之主要業務為提供廣告服務及新能源電動車銷售。

除另有說明者外，未經審核簡明綜合財務報表乃以港元（「港元」）呈列，所有金額均調整至最接近之千位數（「千港元」）。

2. 編製基準

截至二零二一年九月三十日止六個月之未經審核簡明綜合中期財務報表（「中期財務報表」）乃按香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」以及聯交所GEM證券上市規則第十八章之適用披露規定編製。此等未經審核簡明綜合中期財務報表載有對重大事件及交易的解釋，幫助了解本集團自二零二一年三月三十一日起財務狀況及財務表現變動。因此，此等中期財務報表並未載有全部財務報表所需的所有資料，且應與截至二零二一

since 31 March 2021, and therefore, do not include all of the information required for full set of financial statements and they should be read in conjunction with the annual financial statements for the year ended 31 March 2021 (“2021 Annual Report”), which have been prepared in accordance with the Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA, which collective term includes all applicable individual HKFRSs, HKAS and Interpretations issued by the HKICPA.

The Interim Financial Statements have not been audited, but has been reviewed by the Company’s audit committee.

The Interim Financial Statements have been prepared under the historical cost convention, except for certain financial instruments measured at fair values.

The accounting policies and methods of computation applied in the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the 2021 Annual Report. The adoption of the new/ revised HKFRSs that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group for the current and prior periods, except for the adoption of the accounting policies as follows:

年三月三十一日止年度之年度財務報表(「二零二一年年報」)一併閱讀，年度財務報表乃按香港會計師公會頒佈的香港財務報告準則(「香港財務報告準則」，該統稱包括所有適用的個別香港財務報告準則、香港會計準則及香港會計師公會頒佈的詮釋)編製。

此等中期財務報表未經審核，惟已由本公司審核委員會審閱。

此等中期財務報表已按照歷史成本慣例編製，惟若干按公允值計量之金融工具除外。

編製中期財務報表所採用的會計政策及計算方法與編製二零二一年年報所採用的會計政策及計算方法一致。採納有關本集團且自本期間生效之該等新訂／經修訂香港財務報告準則對本期間及過往期間本集團之業績及財務狀況並無構成重大影響，惟採納以下會計政策除外：

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Intangible assets

Research and development costs

Research costs are expensed as incurred. Costs incurred on development activities, which involve the application of research findings to a plan or design for the production of new or substantially improved products and processes, are capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in profit or loss as an expense as incurred. When the asset is available for use, the capitalised development costs are amortised on a straight-line basis over a period not exceeding ten years.

存貨

存貨按成本與可變現淨值兩者中的較低者入賬。成本(包括所有採購成本及(如適用)將存貨送達現時位置及達至現時狀況所產生的其他成本)乃按加權平均成本法計算。可變現淨值指在日常業務過程中，估計售價減去完成所需之預期成本及使貨品達至可銷售狀況所必須之預期成本。

出售存貨時，該等存貨的賬面值於相關收入確認期間確認為開支。任何存貨撇減至可變現淨值的金額及存貨的所有虧損於撇減或虧損發生期間確認為開支。任何存貨撇減撥回的金額，在作出撥回期間確認為減少已確認為開支的存貨金額。

無形資產

研發成本

研究成本於產生時支銷。如果產品或工藝在技術和商業上可行並且本集團有足夠的資源來完成開發，則開發活動產生的成本，包括將研究結果應用於生產新的或大幅改進的產品和工藝的計劃或設計，應予以資本化。資本化的開支包括材料成本、直接勞動力及適當比例的經常費用。其他開發開支乃於產生期間於損益內確認為開支。當資產可供使用時，資本化的開發成本在不過十年的期間內以直線法攤銷。

Trademarks

The initial cost of acquiring trademarks is capitalised. Trademarks with indefinite useful lives are carried at cost less accumulated impairment losses. Trademarks with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided on the straight-line basis over their estimated useful lives not exceeding ten years.

Future changes in HKFRSs

At the date of authorisation of the Interim Financial Statements, the Group has not early adopted the new/revised HKFRSs that have been issued but are not yet effective. The Directors do not anticipate that the adoption of the new/revised HKFRSs in future periods will have any material impact on the Group's consolidated financial statements.

3. ESTIMATES

The preparation of the Interim Financial Statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense on a period to date basis. Actual results may differ from these estimates.

In preparing the Interim Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2021 Annual Report.

商標

收購商標的初始成本已資本化。具有不確定使用年期之商標按成本減累計減值虧損列賬。有限可使用年期之商標按成本減累計攤銷及累計減值虧損列賬。攤銷按直線法按其估計可使用年期(不超過十年)撥備。

香港財務報告準則之未來變動

於授權中期財務報表當日，本集團並無提早採用已頒佈惟尚未生效之新訂／經修訂香港財務報告準則。董事預期於未來期間採用該等新訂／經修訂香港財務報告準則對本集團之綜合財務報表並無任何重大影響。

3. 估計

遵照香港會計準則第34號編製中期財務報表時，管理層須作出影響會計政策之應用以及迄今為止資產及負債、收入及開支所呈報金額之判斷、估計及假設。實際結果可能有別於此等估計。

編製此等中期財務報表時，管理層作出影響本集團會計政策之應用之重大判斷及估計不確定因素之主要來源均與二零二一年年報所應用者相同。

4. OPERATING SEGMENT INFORMATION

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

- (a) Advertising; and
- (b) Sales of vehicles.

In January 2021, the Group disposed of its entire equity interests in Success Start Limited (“Success Start”), a then wholly-owned subsidiary of the Company which was engaged in money lending in Hong Kong. Accordingly, the Group’s money lending operation was treated as discontinued operation. The segment information reported below does not include any amounts for the discontinued operation.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before income tax. The adjusted profit or loss before income tax is measured consistently with the Group’s profit or loss before income tax except that bank interest income, finance costs as well as head office and corporate expenses are excluded from such measurement.

4. 經營分部資料

就管理目的而言，本集團按產品及服務劃分業務單位，分為以下三個可呈報經營分部：

- (a) 廣告；及
- (b) 機動車輛銷售。

於二零二一年一月，本集團出售其於香港經營放債業務的迅邁有限公司（「迅邁」，本公司當時的一間全資子公司）的全部股權。因此，本集團之放債業務被視為已終止經營業務。下文呈報之分部資料並不包括已終止經營業務之任何金額。

管理層單獨監控本集團經營分部之業績，以作出有關資源分配及表現評估之決策。分部表現按用作計量經調整除所得稅前損益之可呈報分部損益進行評估。經調整除所得稅前損益之計量方式與本集團除所得稅前損益之計量方式一致，惟銀行利息收入、融資成本以及總辦事處及企業開支均不包括在該等計量之內。

Segment Results (unaudited)

分部業績(未經審核)

For the six months ended 30 September 2021

截至二零二一年九月三十日止六個月

| | | Advertising 廣告 HK\$'000 千港元 | Sales of vehicles 機動車輛銷售 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|------------|--------------------------------------|---|--------------------------------|
| Segment revenue | 分部收入 | | | |
| Sales to external customers | 面向外部客戶的銷售 | 39,600 | - | 39,600 |
| Segment results | 分部業績 | 13,755 | (2,997) | 10,758 |
| <i>Reconciliation:</i> | <i>對賬:</i> | | | |
| Bank interest income | 銀行利息收入 | | | 23 |
| Unallocated gains | 未分配收益 | | | 1 |
| Finance costs | 融資成本 | | | (922) |
| Corporate and other unallocated expenses | 企業及其他未分配開支 | | | (5,947) |
| Profit before income tax | 除所得稅前溢利 | | | 3,913 |

For the six months ended 30 September 2020

截至二零二零年九月三十日止六個月

| | | Advertising 廣告 HK\$'000 千港元 | Sales of vehicles 機動車輛銷售 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|------------|--------------------------------------|---|--------------------------------|
| Segment revenue | 分部收入 | | | |
| Sales to external customers | 面向外部客戶的銷售 | 11,100 | - | 11,100 |
| Segment results | 分部業績 | 1,335 | - | 1,335 |
| <i>Reconciliation:</i> | <i>對賬:</i> | | | |
| Finance costs | 融資成本 | | | (4,604) |
| Corporate and other unallocated expenses | 企業及其他未分配開支 | | | (4,914) |
| Loss before income tax | 除所得稅前虧損 | | | (8,183) |

Segment Assets and Liabilities

分部資產及負債

At 30 September 2021 (unaudited)

於二零二一年九月三十日(未經審核)

| | | Advertising 廣告 HK\$'000 千港元 | Sales of vehicles 機動車輛銷售 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|------------------------------|--------------------------------------|---|--------------------------------|
| Segment assets | 分部資產 | 52,107 | 75,134 | 127,241 |
| <i>Reconciliation:</i> Corporate and other unallocated assets | <i>對賬:</i> 企業及其他未分配 資產 | | | 26,630 |
| Total assets | 總資產 | | | 153,871 |
| Segment liabilities | 分部負債 | 31,007 | 60,736 | 91,743 |
| <i>Reconciliation:</i> Corporate and other unallocated liabilities | <i>對賬:</i> 企業及其他未分配 負債 | | | 23,902 |
| Total liabilities | 總負債 | | | 115,645 |

At 31 March 2021

於二零二一年三月三十一日

| | | Advertising 廣告 HK\$'000 千港元 | Sales of vehicles 機動車輛銷售 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|------------------------------|--------------------------------------|---|--------------------------------|
| Segment assets | 分部資產 | 17,200 | 62,970 | 80,170 |
| <i>Reconciliation:</i> Corporate and other unallocated assets | <i>對賬:</i> 企業及其他未分配 資產 | | | 55 |
| Total assets | 總資產 | | | 80,225 |
| Segment liabilities | 分部負債 | 43,082 | 578 | 43,660 |
| <i>Reconciliation:</i> Corporate and other unallocated liabilities | <i>對賬:</i> 企業及其他未分配 負債 | | | - |
| Total liabilities | 總負債 | | | 43,660 |

Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment, right-of-use assets and intangible assets (the "Specified Non-current Assets"). The geographical location of revenue is based on the location of external customers. The geographical location of the Specified Non-current Assets is based on the physical location of the assets.

地理位置資料

下表載列有關(i)本集團來自外部客戶的收入；及(ii)本集團之物業、機器及設備、使用權資產及無形資產(「指定非流動資產」)之地區位置資料。收入的地理位置基於外部客戶的位置。指定非流動資產的地理位置乃基於資產的實際所在地。

| | | Revenue from external customers 外部客戶收入 (Unaudited) (未經審核) | | Specified Non-current Assets 指定非流動資產 (unaudited) (未經審核) | |
|-----------|----|--|----------------------------------|--|----------------------------------|
| | | Six months ended 30 September 截至九月三十日止六個月 | | As at 31 March 於三月三十一日 | |
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Hong Kong | 香港 | 39,600 | 11,380 | 1,051 | 1,490 |
| The PRC | 中國 | - | - | 10,903 | - |
| | | 39,600 | 11,380 | 11,954 | 1,490 |

5. REVENUE (UNAUDITED)

5. 收入(未經審核)

| | | Three months ended 30 September 截至九月三十日止三個月 | | Six months ended 30 September 截至九月三十日止六個月 | |
|---------------------------------------|----------------|---|----------------------------------|---|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| Continuing operations | 持續經營業務 | | | | |
| Advertising service income | 廣告服務收入 | 21,908 | 6,100 | 39,600 | 11,100 |
| Timing of revenue recognition: | 收入確認時間: | | | | |
| A point in time | 某一時間點 | 21,908 | 6,100 | 39,600 | 11,100 |

The revenue from contracts with customer are solely derived from advertising segment and under a point in time revenue recognition.

客戶合約收入僅來自廣告分部，並且於某一時間點確認收入。

6. OTHER INCOME (UNAUDITED)

6. 其他收入(未經審核)

| | Three months ended 30 September 截至九月三十日止三個月 | | Six months ended 30 September 截至九月三十日止六個月 | |
|-----------------------------|---|----------------------------------|---|----------------------------------|
| | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| | Continuing operations 持續經營業務 | | | |
| Gain on exchange 匯兌收益 | - | - | 1 | - |
| Bank interest income 銀行利息收入 | 7 | - | 23 | - |
| | 7 | - | 24 | - |

7. OTHER LOSSES (UNAUDITED)

7. 其他虧損(未經審核)

| | Three months ended 30 September 截至九月三十日止三個月 | | Six months ended 30 September 截至九月三十日止六個月 | |
|---|---|----------------------------------|---|----------------------------------|
| | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| | Continuing operations 持續經營業務 | | | |
| Impairment loss on trade receivables 貿易應收款項減值虧損 | 1,507 | - | 1,507 | - |
| Impairment loss on other receivables 其他應收款項減值虧損 | 394 | 260 | 394 | 260 |
| | 1,901 | 260 | 1,901 | 260 |

8. FINANCE COSTS — NET (UNAUDITED)

8. 融資成本 — 淨額(未經審核)

| | Three months ended 30 September 截至九月三十日止三個月 | | Six months ended 30 September 截至九月三十日止六個月 | |
|---|---|----------------------------------|---|----------------------------------|
| | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| | Continuing operations 持續經營業務 | | | |
| Interest on other loans wholly repayable within five years 須於五年內全數償還之其他貸款利息 | 92 | 849 | 122 | 1,665 |
| Interest on bonds 債券利息 | 383 | - | 744 | - |
| Interest on convertible bonds 可換股債券之利息 | - | 1,344 | - | 2,939 |
| Interest expense on lease liabilities 租賃負債之利息開支 | 26 | - | 56 | - |
| | 501 | 2,193 | 922 | 4,604 |

9. LOSS BEFORE INCOME TAX
(UNAUDITED)

Loss before income tax from continuing operations is arrived at after charging:

9. 除所得稅前虧損(未經審核)

來自持續經營業務之除所得稅前虧損經扣除以下各項後達致：

| | | Three months ended 30 September 截至九月三十日止三個月 | | Six months ended 30 September 截至九月三十日止六個月 | |
|---|------------------------|---|----------------------------------|---|----------------------------------|
| | | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 | 2021 二零二一年 HK\$'000 千港元 | 2020 二零二零年 HK\$'000 千港元 |
| (a) Employee benefit expense (including directors' remuneration) | 僱員福利開支 (包括董事酬金) | | | | |
| Salaries, wages and other benefits | 薪金、工資及其他福利 | 1,340 | 1,332 | 2,989 | 2,616 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 81 | 35 | 169 | 69 |
| | | 1,421 | 1,367 | 3,158 | 2,685 |
| (b) Other items | 其他項目 | | | | |
| Depreciation of items of property, plant and equipment | 物業、機器及設備項目折舊 | 190 | 45 | 191 | 58 |
| Depreciation of right-of-use assets | 使用權資產折舊 | 221 | 31 | 441 | 54 |
| Amortisation of other intangible assets | 其他無形資產攤銷 | 334 | - | 334 | - |

10. INCOME TAX EXPENSE (UNAUDITED) 10. 所得稅開支(未經審核)

| | Notes 附註 | Three months ended 30 September 截至九月三十日止三個月 | | Six months ended 30 September 截至九月三十日止六個月 | |
|--|---------------------|---|---|---|---|
| | | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) | 2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) | 2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核) |
| Current tax – Hong Kong Profits Tax – Provision for the year | 即期稅項 – 香港利得稅 – 年度撥備 | 2,105 | – | 2,105 | – |

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The assessable profits of corporations not qualifying for the two-tiered profit tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime is applicable to the Group for the six months ended 30 September 2021 and 2020.

The Group’s entities established in the PRC are subject to Enterprise Income Tax of the PRC at a statutory rate of 25% for the period ended. For the period ended 30 September 2021 and 2020, the PRC Enterprise Income Tax has not been provided for as the Group’s PRC subsidiaries have incurred loss for taxation purpose.

於二零一八年三月二十一日，香港立法會通過了《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入了兩級制利得稅率制度。該條例草案於二零一八年三月二十八日簽署成為法律，並於次日刊憲。根據兩級制利得稅率制度，合資格法團首200萬港元的應課稅利潤將按8.25%徵稅，而超過200萬港元的應課稅利潤則按16.5%徵稅。不符合兩級制利得稅率制度的公司，其應課稅利潤將繼續按16.5%的統一稅率徵稅。兩級制利得稅率制度於截至二零二一年及二零二零年九月三十日止六個月適用於本集團。

本集團於中國成立的實體於截至期間須按法定稅率25%繳納中國企業所得稅。截至二零二一年及二零二零年九月三十日止期間，由於本集團的中國子公司已產生稅務虧損，故並未就中國企業所得稅進行撥備。

11. DISCONTINUED OPERATION

On 1 January 2021, the Group entered into a conditional sale and purchase agreement to dispose its entire equity interest in Success Start, a then wholly-owned subsidiary of the Company which carried on money lending operations, and a sale loan due by Success Start at total consideration of HK\$1. The disposal of money lending operations was consistent with the Group's long-term policy to focus its activities on the Group's other business. The disposal was completed on 1 January 2021, on which date the control of money lending operations ceased.

The comparative figure for the condensed consolidated statement of profit or loss and related notes have been re-presented as if the operations of money lending operations discontinued during the year ended 31 March 2021 had been discontinued at the beginning of the comparative period.

12. DIVIDEND

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

11. 已終止經營業務

於二零二一年一月一日，本集團訂立有條件的買賣協議，出售其經營放債業務的迅邁(本公司當時的一間全資子公司)的全部股本權益以及迅邁結欠之銷售貸款，總代價為1港元。出售放債業務符合本集團將其業務重點專注於本集團其他業務之長期政策。出售已於二零二一年一月一日完成，放債業務的控制權於當日終止。

簡明綜合損益表之比較數字及相關附註乃假設截至二零二一年三月三十一日止年度終止的放債業務的營運於比較期間之期初已經終止而重新呈列。

12. 股息

董事會並不建議就截至二零二一年九月三十日止六個月派付中期股息(二零二零年：無)。

13. EARNING/(LOSS) PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

Basic earning/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

13. 本公司股東應佔每股盈利／（虧損）

每股基本盈利／（虧損）按期內本公司擁有人應佔溢利／（虧損）除以已發行普通股之加權平均數計算。

| | | Three months ended 30 September 截至九月三十日止三個月 | | Six months ended 30 September 截至九月三十日止六個月 | |
|---|----------------|---|---|---|---|
| | | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) | 2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核) | 2021 二零二一年 HK\$'000 千港元 (Unaudited) (未經審核) | 2020 二零二零年 HK\$'000 千港元 (Unaudited) (未經審核) |
| Profit/(loss) attributable to shareholders of the Company | 本公司股東應佔溢利／（虧損） | | | | |
| - From continuing operations | - 來自持續經營業務 | 1,566 | (4,076) | 1,808 | (8,183) |
| - From discontinued operations | - 來自已終止經營業務 | - | 143 | - | 280 |
| | | '000 千股 | '000 千股 | '000 千股 | '000 千股 |
| Weighted average number of ordinary shares in issue during the period | 期內已發行普通股加權平均數 | 7,141,424 | 5,154,922 | 7,141,424 | 5,029,347 |

For the six months ended 30 September 2021 and 2020, the diluted earning/(loss) per share is the same as basic earning/(loss) per share as the potential ordinary shares have anti-dilutive effects on the basic earning/(loss) per share.

截至二零二一及二零二零年九月三十日止六個月，每股攤薄盈利／（虧損）與每股基本盈利／（虧損）相同，因為潛在普通股對每股基本盈利／（虧損）具有反攤薄影響。

14. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2021, the Group acquired assets with a cost of approximately HK\$4.0 million. The addition of assets mainly comprises approximately HK\$2.4 million of mold for the manufacture of the new energy electric vehicle, approximately HK\$1.5 million of demo unit of the new energy electric vehicle and approximately HK\$0.1 million of furniture, fixtures and office equipment.

15. OTHER INTANGIBLE ASSETS

For the six months ended 30 September 2021, addition in other intangible assets of approximately HK\$7.2 million mainly represents development costs for the new energy electric vehicles. The developments costs are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding ten years.

16. INVESTMENT IN AN ASSOCIATE

| | |
|------------------------------------|--------------|
| Cost of investment in an associate | 於一間聯營公司之投資成本 |
| Share of loss of an associate | 應佔一間聯營公司虧損 |

14. 物業、機器及設備

於二零二一年九月三十日止六個月，本集團購置了成本約為4.0百萬港元的資產。資產添置主要包括製造新能源電動汽車的模具約2.4百萬港元、新能源電動汽車展示裝置約1.5百萬港元及傢私、固定裝置及辦公室設備約0.1百萬港元。

15. 其他無形資產

截至二零二一年九月三十日止六個月，其他無形資產添置約7.2百萬港元主要指新能源電動汽車的開發成本。該等開發成本於不超過十年相關產品的商業壽命內採用直線法進行攤銷。

16. 於一間聯營公司之投資

| | As at 30 September 2021 於二零二一年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 March 2021 於二零二一年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|------------------------------------|--|--|
| Cost of investment in an associate | 481 | - |
| Share of loss of an associate | (325) | - |
| | 156 | - |

The associate was principally engaged in the provision of investment consultancy services. Registered capital amounted to RMB1,000,000 and the Group entitled RMB400,000 which represented 40% of shareholdings.

該聯營公司主要從事提供投資諮詢服務。註冊資本為人民幣1,000,000元，本集團享有人民幣400,000元(佔股權的40%)。

Particulars of the associate are as follows:

聯營公司的詳情如下：

| Name of entity | Place of registration and operation | Particulars of registered capital | Percentage of ownership interests attributable to the Group 本集團應佔擁有 權權益之百分比 | Principal activity |
|---------------------------|-------------------------------------|---------------------------------------|---|--|
| 實體名稱 | 註冊及營運地點 | 註冊資本詳情 | | 主要業務 |
| 深圳市星諾雲未來投資有限公司 ("星諾雲") | PRC 中國 | RMB1,000,000 人民幣 1,000,000元 | 40% | Provision of investment consultancy services 提供投資諮詢服務 |

17. TRADE RECEIVABLES

17. 應收賬款

| | | As at 30 September 2021 於二零二一年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 March 2021 於二零二一年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|-----------------------------------|-------------|--|--|
| Trade receivables | 應收賬款 | 62,224 | 23,562 |
| Less: Allowance for credit losses | 減：信貸虧損撥備 | (2,005) | (498) |
| | | 60,219 | 23,064 |

Aging analysis

The Group's credit terms with its customers generally range from 30 days to 180 days. The Group seeks to apply strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. As at the end of the reporting period, an aging analysis of the trade receivables, net of provision presented based on the respective dates on which revenue was recognised, are as follows:

賬齡分析

本集團給予其客戶之信貸期一般介乎30天至180天。本集團尋求嚴格控制其未償還應收款項，並設立信貸控制部將信貸風險降至最低。逾期結餘由高級管理層定期審閱。於呈報期末，貿易應收款項之賬齡分析(扣除按收入確認之相關日期所呈列之撥備)如下：

| | | As at 30 September 2021 於二零二一年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 March 2021 於二零二一年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|----------------|---------|---|--|
| Within 30 days | 30天內 | 10,490 | 8,224 |
| 31-90 days | 31至90天 | 10,822 | 12,840 |
| 91-180 days | 91至180天 | 16,257 | 700 |
| Over 180 days | 180天以上 | 22,650 | 1,300 |
| | | 60,219 | 23,064 |

18. TRADE PAYABLES

The Group's credit terms generally range from 30 to 60 days from the invoice date. Ageing analysis of trade payables, based on invoice dates, as at the end of reporting period is shown as follow:

| | | As at 30 September 2021 於二零二一年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 March 2021 於二零二一年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|----------------|---------|---|--|
| Within 30 days | 30天內 | 6,984 | - |
| 31-90 days | 31至90天 | 6,310 | 19,677 |
| 91-180 days | 91至180天 | 11,368 | 1,800 |
| Over 180 days | 180天以上 | 19,728 | 300 |
| | | 44,390 | 21,777 |

18. 應付賬款

本集團的信貸期一般自發票日期起介乎30至60天。本集團於報告期末之應付賬款(根據發票日期)之賬齡分析列示如下:

19. BORROWINGS

| | | As at 30 September 2021 於二零二一年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 March 2021 於二零二一年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|----------------------------|----------|---|--|
| Other loans unsecured | 其他未抵押貸款 | | |
| Fixed interest rate at 6% | 固定利率為6% | 6,103 | - |
| Fixed interest rate at 24% | 固定利率為24% | 182 | 163 |
| | | 6,285 | 163 |

19. 借貸

20. BOND AND INTEREST PAYABLE

20. 應付債券及利息

| | | As at 30 September 2021 於二零二一年 九月三十日 HK\$'000 千港元 (Unaudited) (未經審核) | As at 31 March 2021 於二零二一年 三月三十一日 HK\$'000 千港元 (Audited) (經審核) |
|----------------------|-------|---|--|
| Within 1 year | 一年內 | 3,909 | - |
| Between 2 to 5 years | 二至五年間 | 4,522 | 7,687 |
| | | 8,431 | 7,687 |

Note: On 22 October 2019, the Company issued a bond with principal amount of HK\$5,000,000 to an independent third party with coupon interest of 6% per annum and a maturity of 4 years from the date of issue. The effective interest rate for the bond is 15% per annum after considering the direct transaction costs.

On 4 August 2020, the Company issued a bond with principal amount of HK\$3,000,000 to an independent third party with coupon interest of 30% per annum and a maturity of 2 years from the date of issue.

附註：於二零一九年十月二十二日，本公司向一家獨立第三方發行本金為5,000,000港元的債券，息票利息為每年6%，自發行日期起四年內有效。經考慮直接交易成本，該債券有效利率為每年15%。

於二零二零年八月四日，本公司向一名獨立第三方發行本金額為3,000,000港元的債券，息票利息為每年30%，期限為自發行之日起2年。

21. SHARE CAPITAL

21. 股本

| | | Number of ordinary shares of HK\$0.0004 each 每股面值0.0004港元 之普通股數目 | Nominal value HK\$'000 面值 千港元 |
|--|--|--|---|
| Authorised | 法定 | | |
| At 31 March 2021 (audited) and 30 September 2021 (unaudited) | 於二零二一年三月三十一日 (經審核)及二零二一年 九月三十日(未經審核) | 250,000,000,000 | 100,000 |
| Issued and fully paid | 已發行及繳足 | | |
| At 31 March 2020 (audited) and 1 April 2020 | 於二零二零年三月三十一日 (經審核)及二零二零年 四月一日 | 4,902,391,929 | 1,961 |
| Conversion of convertible bonds | 兌換可換股債券 | 780,000,000 | 408 |
| Shares issued in respect of bond interest payments | 就支付債券利息而發行之 股份 | 75,177,475 | 30 |
| At September 2020 (unaudited) | 於二零二零年九月 (未經審核) | 5,757,569,404 | 2,303 |
| Issued and fully paid | 已發行及繳足 | | |
| At 31 March 2021 (audited), 1 April 2021 and 30 September 2021 (unaudited) | 於二零二一年三月三十一日 (經審核)、二零二一年 四月一日及二零二一年 九月三十日(未經審核) | 7,141,423,920 | 2,857 |

22. EVENTS AFTER THE REPORTING PERIOD

On 1 November 2021, the Company entered into a placing agreement with a placing agent pursuant to which the placing agent has agreed to place, on a best effect basis, to not less than six independent places for up to 1,300,000,000 new shares of the Company at a price of HK\$0.10 per share, for and on behalf of the Company, subject to fulfilment of the conditions as stipulated in the placing agreement. The estimated net proceeds from the placing after deduction of expenses, will amount to approximately HK\$129.2 million. The directors of the Company intend to apply such net proceeds for repayment of debts, expansion of the Group's business and general working capital.

23. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The unaudited interim condensed consolidated financial statements were approved and authorised for issue by the board of directors on 15 November 2021.

22. 報告期後事項

於二零二一年十一月一日，本公司與配售代理訂立配售協議，據此，配售代理已同意為及代表本公司按每股0.10港元的價格向不少於六名獨立承配人按竭力基準配售最多1,300,000,000股新股份，惟須達成配售協議規定的條件。估計配售所得款項淨額(扣除開支後)將約為129.2百萬港元。本公司董事擬將該等所得款項淨額用作償還債務、擴展本集團業務及一般營運資金。

23. 批准中期簡明綜合財務報表

未經審核中期簡明綜合財務報表已於二零二一年十一月十五日獲董事會批准並授權刊發。



F A R N O V A

