



apollo

APOLLO FUTURE MOBILITY GROUP LIMITED

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*  
(Stock Code: 860)

# 2024

## INTERIM REPORT



The board (the “Board”) of directors (the “Directors”) of Apollo Future Mobility Group Limited (“AFMG” or the “Company”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2024 (the “Period”) together with the comparative figures for the six months ended 30 June 2023. The unaudited interim condensed consolidated financial information for the Period has been reviewed by the audit committee (the “Audit Committee”) of the Company.

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Notes	For the six months ended 30 June	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>REVENUE</b>	5	<b>126,235</b>	127,571
Cost of sales		<b>(113,925)</b>	(105,800)
Gross profit		<b>12,310</b>	21,771
Other income	6	<b>19,488</b>	762
Other gains/(losses), net	7	<b>(287,033)</b>	20,353
Selling and distribution expenses		<b>(4,878)</b>	(4,229)
General and administrative expenses		<b>(56,786)</b>	(84,043)
Research and development costs		<b>(15,587)</b>	(13,818)
Finance costs	8	<b>(2,072)</b>	(9,577)
Share of losses of:			
Joint venture		<b>(1,280)</b>	(5,358)
Associate		<b>(12,768)</b>	(13,180)
<b>LOSS BEFORE TAX</b>	9	<b>(348,606)</b>	(87,319)
Income tax credit	10	<b>711</b>	4,881
<b>LOSS FOR THE PERIOD</b>		<b>(347,895)</b>	(82,438)
Attributable to:			
Owners of the Company		<b>(343,241)</b>	(77,404)
Non-controlling interests		<b>(4,654)</b>	(5,034)
		<b>(347,895)</b>	(82,438)
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>	12		(Restated)
Basic		<b>HK(50.14) cents</b>	HK(16.10) cents
Diluted		<b>HK(51.41) cents</b>	HK(18.46) cents

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>LOSS FOR THE PERIOD</b>	<b>(347,895)</b>	<b>(82,438)</b>
<b>OTHER COMPREHENSIVE LOSS</b>		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(70,445)	(84,633)
Reclassification adjustments for foreign operations disposed of during the period	–	821
	<b>(70,445)</b>	<b>(83,812)</b>
Share of other comprehensive income of an associate	1,313	3,822
<b>OTHER COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(69,132)</b>	<b>(79,990)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>(417,027)</b>	<b>(162,428)</b>
Attributable to:		
Owners of the Company	(420,632)	(161,137)
Non-controlling interests	3,605	(1,291)
	<b>(417,027)</b>	<b>(162,428)</b>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Notes	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		61,763	70,110
Investment properties		11,598	12,321
Right-of-use assets		21,919	51,480
Goodwill		1,179,025	1,253,509
Other intangible assets		244,638	260,829
Interest in a joint venture		–	–
Interest in an associate		–	–
Financial assets at fair value through profit or loss	13	1,264,844	1,466,135
Loans receivable	14	114,911	83,983
Deposits		136	155
Deferred tax assets		1,939	1,807
<b>Total non-current assets</b>		<b>2,900,773</b>	<b>3,200,329</b>
<b>CURRENT ASSETS</b>			
Inventories		88,774	75,871
Accounts receivable	15	6,411	1,844
Loans receivable	14	129,762	125,560
Prepayments, deposits and other receivables		447,424	451,678
Tax recoverable		95	98
Cash and cash equivalents		200,705	64,289
<b>Total current assets</b>		<b>873,171</b>	<b>719,340</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

AS AT 30 JUNE 2024

	Notes	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
<b>CURRENT LIABILITIES</b>			
Accounts payable	16	140,537	101,379
Other payables and accruals		375,409	263,718
Interest-bearing bank borrowings		2,759	19,586
Lease liabilities		2,839	2,743
Convertible bonds	17	–	121,182
Tax payable		16,539	16,145
Total current liabilities		538,083	524,753
<b>NET CURRENT ASSETS</b>		335,088	194,587
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,235,861	3,394,916
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing bank borrowings		14,636	18,179
Lease liabilities		5,813	77
Deferred tax liabilities		33,988	35,203
Total non-current liabilities		54,437	53,459
Net assets		3,181,424	3,341,457

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

AS AT 30 JUNE 2024

	Notes	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Issued capital	18	10,224	4,807
Reserves		3,189,351	3,358,406
		<b>3,199,575</b>	3,363,213
<b>Non-controlling interests</b>		<b>(18,151)</b>	(21,756)
<b>Total equity</b>		<b>3,181,424</b>	3,341,457

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Note	Attributable to owners of the Company								Total	Non-controlling interests	Total equity
		Issued capital	Share premium account	Contributed surplus	Exchange fluctuation reserve	Reserve funds	Share option reserve	Other reserve	Accumulated losses			
At 1 January 2023		961,310	6,539,061	-	(199,437)	392	171,394	11	(3,197,284)	4,275,447	(14,661)	4,260,786
Loss for the period		-	-	-	-	-	-	-	(77,404)	(77,404)	(5,034)	(82,438)
Other comprehensive income/(loss) for the period:												
Exchange differences on translation of foreign operations		-	-	-	(88,376)	-	-	-	-	(88,376)	3,743	(84,633)
Reclassification adjustments for foreign operations disposed of during the period		-	-	-	821	-	-	-	-	821	-	821
Share of other comprehensive income of an associate		-	-	-	3,822	-	-	-	-	3,822	-	3,822
Total comprehensive loss for the period		-	-	-	(83,733)	-	-	-	(77,404)	(161,137)	(1,291)	(162,428)
Disposal of subsidiaries		-	-	-	-	-	-	-	-	-	(23)	(23)
Transfer of share option reserve upon the forfeiture of share options		-	-	-	-	-	(521)	-	521	-	-	-
At 30 June 2023 (unaudited)		961,310	6,539,061	-	(283,170)	392	170,873	11	(3,274,167)	4,114,310	(15,975)	4,098,335
At 1 January 2024		4,807	-	7,495,564	(251,136)	392	169,665	11	(4,056,090)	3,363,213	(21,756)	3,341,457
Loss for the period		-	-	-	-	-	-	-	(343,241)	(343,241)	(4,654)	(347,895)
Other comprehensive income/(loss) for the period:												
Exchange differences on translation of foreign operations		-	-	-	(78,704)	-	-	-	-	(78,704)	8,259	(70,445)
Share of other comprehensive income of an associate		-	-	-	1,313	-	-	-	-	1,313	-	1,313
Total comprehensive loss for the period		-	-	-	(77,391)	-	-	-	(343,241)	(420,632)	3,605	(417,027)
Issue of shares	18	5,417	248,610	-	-	-	-	-	-	254,027	-	254,027
Share issue expenses		-	(2,785)	-	-	-	-	-	-	(2,785)	-	(2,785)
Equity-settled share option arrangements		-	-	-	-	-	5,752	-	-	5,752	-	5,752
Transfer of share option reserve upon the forfeiture of share options		-	-	-	-	-	(77,675)	-	77,675	-	-	-
At 30 June 2024 (unaudited)		10,224	245,825*	7,495,564*	(328,527)*	392*	97,742*	11*	(4,321,656)*	3,199,575	(18,151)	3,181,424

\* These reserve accounts comprise the consolidated reserves of HK\$3,189,351,000 (31 December 2023: HK\$3,358,406,000) in the condensed consolidated statement of financial position as at 30 June 2024.



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<b>(4,590)</b>	<b>(29,894)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	262	117
Purchases of items of property, plant and equipment	-	(638)
Proceeds from disposal of items of property, plant and equipment and right-of-use assets	32,347	-
Additions to other intangible assets	-	(14,624)
Deposit received for disposal of a subsidiary	-	50,000
Disposal of subsidiaries	-	98,408
Investment in a joint venture	-	(39,291)
Increase in non-pledged time deposits with original maturity of more than three months when acquired	(3,209)	-
Net cash flows from investing activities	29,400	93,972
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	215,027	-
Share issue expenses	(2,785)	-
Repayment of convertible bonds	(78,000)	-
New bank borrowings	-	44,925
Repayment of bank borrowings	(17,558)	(46,659)
Principal portion of lease payments	(2,105)	(2,716)
Interest paid	(4,453)	(9,563)
Net cash flows from/(used in) financing activities	110,126	(14,013)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>134,936</b>	<b>50,065</b>
Cash and cash equivalents at beginning of period	64,289	81,316
Effect of foreign exchange rate changes, net	(1,729)	(2,179)
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>197,496</b>	<b>129,202</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	193,216	102,645
Non-pledged time deposits with original maturity of less than three months when acquired	4,280	14,558
Non-pledged time deposits with original maturity of more than three months when acquired	3,209	-
Cash and cash equivalents as stated in the interim condensed consolidated statement of financial position	200,705	117,203
Non-pledged time deposits with original maturity of more than three months when acquired	(3,209)	-
Cash and cash equivalents included in a disposal group classified as held for sale	-	11,999
Cash and cash equivalents as stated in the interim condensed consolidated statement of cash flows	197,496	129,202



## NOTES

FOR THE SIX MONTHS ENDED 30 JUNE 2024

### 1. CORPORATE INFORMATION

Apollo Future Mobility Group Limited was incorporated in the Cayman Islands as an exempted company with limited liability duly registered and validly existing under the laws of Bermuda. The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is located at Units 2001–2002, 20/F, Li Po Chun Chambers, 189 Des Voeux Road Central, Sheung Wan, Hong Kong.

### 2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2024 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants.

The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023. The unaudited interim condensed consolidated financial information is presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised Hong Kong Financial Reporting Standards (“HKFRSs”) for the first time for the current period’s unaudited interim condensed consolidated financial information.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the “2020 Amendments”)
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i> (the “2022 Amendments”)
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

### 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The nature and the impact of the revised HKFRSs are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure of relevant information for supplier finance arrangements is not required for any interim reporting period during the first annual reporting period in which an entity applies the amendments. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the unaudited interim condensed consolidated financial information.

#### 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) Mobility technology solutions segment — design, development, manufacturing and sales of high performance hypercars, and provision of mobility technology solutions;
- (b) Jewellery products, watches and other commodities segment — retailing and wholesale of jewellery products, watches and other commodities; and
- (c) Money lending segment — provision of loan finance.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's loss before tax except that bank and other interest income, fair value gain/loss on listed equity investment, fair value gains on convertible bonds, gain on disposal of subsidiaries, impairment of other receivables, net, non-lease-related finance costs as well as head office and corporate income and expenses are excluded from such measurement.

#### 4. OPERATING SEGMENT INFORMATION *(continued)* For the six months ended 30 June 2024 (unaudited)

	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Money lending HK\$'000	Total HK\$'000
<b>Segment revenue:</b>				
Revenue from external customers	37,457	84,923	3,855	126,235
<b>Segment results</b>	<b>(225,705)</b>	<b>(9,668)</b>	<b>(216)</b>	<b>(235,589)</b>
<b>Reconciliation</b>				
Bank interest income				262
Other interest income				17,474
Fair value loss on listed equity investment				(10,112)
Fair value gains on convertible bonds				1,801
Corporate and other unallocated income and expenses, net				(43,025)
Impairment of other receivables, net				(77,390)
Finance costs (other than interest on lease liabilities)				(2,027)
Loss before tax				(348,606)

**4. OPERATING SEGMENT INFORMATION** *(continued)*  
**For the six months ended 30 June 2023 (unaudited)**

	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Money lending HK\$'000	Total HK\$'000
<b>Segment revenue:</b>				
Revenue from external customers	3,604	103,245	20,722	127,571
<b>Segment results</b>	(42,253)	(2,228)	(17,978)	(62,459)
<b>Reconciliation</b>				
Bank interest income				117
Fair value gain on listed equity investment				7,176
Fair value gains on convertible bonds				17,000
Gain on disposal of subsidiaries				4,497
Corporate and other unallocated income and expenses, net				(44,397)
Impairment of other receivables, net				(78)
Finance costs (other than interest on lease liabilities)				(9,175)
Loss before tax				(87,319)

## 5. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>Revenue from contracts with customers</b>		
Sales and distribution of vehicles and related components, provision of engineering services, and provision of design, development and prototyping of vehicle components	37,457	3,604
Sales of jewellery products, watches and other commodities	84,923	103,245
Subtotal	122,380	106,849
<b>Revenue from other sources</b>		
Interest income from loan financing	3,855	20,722
Total	126,235	127,571



**5. REVENUE** *(continued)*  
**Revenue from contracts with customers**  
**Disaggregated revenue information**

*For the six months ended 30 June 2024 (unaudited)*

Segments	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Total HK\$'000
<b>Types of goods or services</b>			
Sales and distribution of vehicles and related components and provision of engineering services	37,457	–	37,457
Sales of jewellery products, watches and other commodities	–	84,923	84,923
<b>Total</b>	<b>37,457</b>	<b>84,923</b>	<b>122,380</b>
<b>Geographical markets</b>			
Chinese Mainland	–	84,923	84,923
Japan	20,807	–	20,807
Other countries/regions	16,650	–	16,650
<b>Total</b>	<b>37,457</b>	<b>84,923</b>	<b>122,380</b>
<b>Timing of revenue recognition</b>			
At a point in time	36,384	84,923	121,307
Over time	1,073	–	1,073
<b>Total</b>	<b>37,457</b>	<b>84,923</b>	<b>122,380</b>

## 5. REVENUE *(continued)*

### Revenue from contracts with customers *(continued)*

#### Disaggregated revenue information *(continued)*

For the six months ended 30 June 2023 *(unaudited)*

Segments	Mobility technology solutions HK\$'000	Jewellery products, watches and other commodities HK\$'000	Total HK\$'000
<b>Types of goods or services</b>			
Sales and distribution of vehicles and related components and provision of engineering services	3,604	–	3,604
Sales of jewellery products, watches and other commodities	–	103,245	103,245
<b>Total</b>	<b>3,604</b>	<b>103,245</b>	<b>106,849</b>
<b>Geographical markets</b>			
Chinese Mainland	–	103,245	103,245
Hong Kong	402	–	402
Japan	1,826	–	1,826
Other countries/regions	1,376	–	1,376
<b>Total</b>	<b>3,604</b>	<b>103,245</b>	<b>106,849</b>
<b>Timing of revenue recognition</b>			
At a point in time	1,589	103,245	104,834
Over time	2,015	–	2,015
<b>Total</b>	<b>3,604</b>	<b>103,245</b>	<b>106,849</b>

## 6. OTHER INCOME

An analysis of other income is as follows:

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Bank interest income	262	117
Other interest income	17,474	–
Rental income	–	228
Licencing income	984	–
Government subsidies (note)	–	222
Others	768	195
<b>Total</b>	<b>19,488</b>	<b>762</b>

Note:

There were no unfulfilled conditions or contingencies relating to these subsidies.

## 7. OTHER GAINS/(LOSSES), NET

An analysis of other gains/(losses), net is as follows:

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Fair value gains/(losses) on investment properties	(432)	292
Fair value gains/(losses) on financial assets at fair value through profit or loss, net	(189,836)	35,891
Fair value gains on convertible bonds	1,801	17,000
Gain on disposal of subsidiaries	–	4,497
Reversal of impairment of accounts receivable, net	321	48
Impairment of loans receivable, net	(2,240)	(30,662)
Impairment of other receivables, net	(77,390)	(78)
Foreign exchange differences, net	(15,860)	(6,635)
Loss on disposal of items of property, plant and equipment and right-of-use assets	(3,397)	–
<b>Total</b>	<b>(287,033)</b>	<b>20,353</b>

## 8. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Interest on interest-bearing bank borrowings	963	1,824
Interest on lease liabilities	45	402
Interest on convertible bonds	1,064	7,351
<b>Total</b>	<b>2,072</b>	<b>9,577</b>

## 9. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Cost of inventories sold	112,490	103,230
Depreciation of property, plant and equipment	2,412	3,187
Depreciation of right-of-use assets	2,302	2,328
Write-down/(reversal of write-down) of inventories to net realisable value	1,317	(730)

## 10. INCOME TAX

The Group calculates the income tax expense for each interim period based on the best estimate of the applicable weighted average annual income tax rate expected for the full financial year. The major components of income tax credit in the condensed consolidated statement of profit or loss are:

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Current:		
Hong Kong		
Charge for the period	202	2,057
Elsewhere		
Charge for the period	311	–
Underprovision in prior periods	–	38
Deferred	(1,224)	(6,976)
Total tax credit for the period	(711)	(4,881)

## 11. DIVIDEND

The board of directors of the Company does not recommend the payment of an interim dividend in respect of the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

## 12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 684,620,769 (six months ended 30 June 2023: 480,654,928 (restated)) in issue during the six months ended 30 June 2024.

The weighted average number of ordinary shares used in the calculation for the six months ended 30 June 2023 has been adjusted to reflect the consolidation of ordinary shares of the Company on the basis of every twenty ordinary shares into one consolidated ordinary share with effect from 14 December 2023.

The calculation of the diluted loss per share amount for the six months ended 30 June 2024 is based on the loss for the period attributable to ordinary equity holders of the Company, adjusted for the effect of dilutive potential ordinary shares of an associate arising from adjustment to the share of loss of an associate. The weighted average number of ordinary shares used in the calculation of the diluted loss per share amount for the six months ended 30 June 2024 is the number of ordinary shares in issue during the period, as used in the basic loss per share calculation. No adjustment has been made to the basic loss per share amount presented for the six months ended 30 June 2024 in respect of a dilution arising from share options and convertible bonds as the impact of the share options and convertible bonds outstanding had an anti-dilutive effect on the basic loss per share amount presented.

The calculation of the diluted loss per share amount for the six months ended 30 June 2023 is based on the loss for the period attributable to ordinary equity holders of the Company, adjusted for the effect of dilutive potential ordinary shares of an associate arising from adjustment to the share of loss of an associate and the interest and fair value gains on the convertible bonds. The weighted average number of ordinary shares used in the calculation of the diluted loss per share amount for the six months ended 30 June 2023 is the number of ordinary shares in issue during the period, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares. No adjustment has been made to the basic loss per share amount presented for the six months ended 30 June 2023 in respect of a dilution arising from share options as the impact of the share options outstanding had no dilutive effect on the basic loss per share amount presented.



## 12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY *(continued)*

The calculations of basic and diluted loss per share are based on:

### Loss

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Loss attributable to ordinary equity holders of the Company, used in the basic loss per share calculation	(343,241)	(77,404)
Effect of dilutive potential ordinary shares of an associate arising from adjustment to the share of loss of an associate	(8,753)	(4,422)
Interest on convertible bonds	–	7,351
Fair value gains on convertible bonds	–	(17,000)
Loss attributable to ordinary equity holders of the Company, used in the diluted loss per share calculation	(351,994)	(91,475)

## 12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY *(continued)*

### Shares

	Number of shares	
	For the six months ended 30 June	
	2024 (Unaudited)	2023 (Unaudited) (Restated)
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	<b>684,620,769</b>	480,654,928
Effect of dilution — weighted average number of ordinary shares:		
Convertible bonds	—	14,890,909
Weighted average number of ordinary shares in issue during the period used in the diluted loss per share calculation	<b>684,620,769</b>	495,545,837

### 13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Unlisted investments	<b>1,312,864</b>	1,492,588
Share of loss of an associate	<b>(80,314)</b>	(68,859)
Subtotal	<b>1,232,550</b>	1,423,729
Listed equity investment	<b>32,294</b>	42,406
Total	<b>1,264,844</b>	1,466,135

The above unlisted investments mainly comprised of (i) preferred shares of Divergent Technologies Inc. ("Divergent") of HK\$706,044,000 (31 December 2023: HK\$899,013,000); and (ii) preferred shares of EV Power Holdings Limited of HK\$606,820,000 (31 December 2023: HK\$593,575,000).

The above unlisted investments were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

The above listed equity investment was classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

## 14. LOANS RECEIVABLE

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Loans receivable	<b>254,921</b>	217,565
Impairment	<b>(10,248)</b>	(8,022)
Net carrying amount	<b>244,673</b>	209,543
Portion classified as non-current assets	<b>(114,911)</b>	(83,983)
Portion classified as current assets	<b>129,762</b>	125,560

The Group seeks to maintain strict control over its outstanding loans receivable so as to minimise credit risk. The granting of loans is subject to approval by management, whilst overdue balances are reviewed regularly for recoverability.

Loans receivable of the Group bear interest at rates ranging from 3.25% to 7.2% (31 December 2023: 4.9% to 7.2%) per annum. As at 30 June 2024, certain loans receivable with aggregate carrying amounts of HK\$72,907,000 (31 December 2023: HK\$73,598,000) and HK\$96,349,000 (31 December 2023: HK\$92,653,000) were secured by the pledge of certain equity interest and property, and personal guarantees provided by certain independent third parties, respectively.

## 15. ACCOUNTS RECEIVABLE

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Accounts receivable	<b>7,261</b>	3,020
Impairment	<b>(850)</b>	(1,176)
Net carrying amount	<b>6,411</b>	1,844

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance may be required. The credit period is generally one month, extending up to three months or more for certain customers. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its accounts receivable balances. Accounts receivable are non-interest-bearing.

An ageing analysis of the accounts receivable as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Within 30 days	<b>42</b>	218
31 to 60 days	-	1
61 to 90 days	<b>4,748</b>	1
Over 90 days	<b>1,621</b>	1,624
Total	<b>6,411</b>	1,844

## 16. ACCOUNTS PAYABLE

An ageing analysis of the accounts payable as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Within 30 days	31,243	721
61 to 90 days	26,873	–
Over 90 days	82,421	100,658
<b>Total</b>	<b>140,537</b>	<b>101,379</b>

## 17. CONVERTIBLE BONDS

On 5 October 2021, Able Catch Limited, Vivaldi International Limited and 45 Yi Capital Holdings Co., Ltd subscribed for the convertible bonds of the Company in the principal amount of HK\$85,800,000 (the "13 September Convertible Bonds"). The 13 September Convertible Bonds carried interest at a rate of 9% per annum, which was payable half-yearly in arrears, had a maturity date on 5 October 2024 and were convertible at the option of the bondholders, in whole or in part, into ordinary shares of the Company at the initial conversion price of HK\$0.55 per share (adjusted to HK\$11.00 per share upon the consolidation of ordinary shares of the Company on the basis of every twenty ordinary shares into one consolidated ordinary share with effect from 14 December 2023) at any time on or after 7 days from the issue date until 7 days prior to the maturity date. During the year ended 31 December 2023, notices of redemption had been served on the Company requiring the Company to redeem the outstanding principal amount of the 13 September Convertible Bonds and the Group had repaid part of the outstanding principal amount of HK\$46,800,000 under the 13 September Convertible Bonds. During the six months ended 30 June 2024, the Group has repaid the remaining outstanding principal amount of HK\$39,000,000 under the 13 September Convertible Bonds.



## 17. CONVERTIBLE BONDS (Continued)

On 18 October 2021, Walong Holdings Limited subscribed for the convertible bonds of the Company in the principal amount of HK\$78,000,000 (the "Walong Convertible Bonds"). The Walong Convertible Bonds carried interest at a rate of 9% per annum, which was payable half-yearly in arrears, had a maturity date on 18 October 2024 and were convertible at the option of the bondholders, in whole or in part, into ordinary shares of the Company at the initial conversion price of HK\$0.55 per share (adjusted to HK\$11.00 per share upon the consolidation of ordinary shares of the Company on the basis of every twenty ordinary shares into one consolidated ordinary share with effect from 14 December 2023) at any time on or after 7 days from the issue date until 7 days prior to the maturity date. A notice of redemption had been served on the Company requiring the Company to redeem the outstanding principal amount of the Walong Convertible Bonds. During the six months ended 30 June 2024, the Group has repaid part of the outstanding principal amount of HK\$39,000,000 under the Walong Convertible Bonds and the remaining outstanding principal amount of HK\$39,000,000 was offset with the consideration for the subscription of 84,782,609 ordinary shares of the Company by Walong Holdings Limited.

Following the redemption by the Company of the 13 September Convertible Bonds and the Walong Convertible Bonds, no convertible bond remained outstanding.

## 18. ISSUED CAPITAL

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Authorised: 200,000,000,000 ordinary shares of HK\$0.01 each	<b>2,000,000</b>	2,000,000
Issued and fully paid: 1,022,438,090 (31 December 2023: 480,654,928) ordinary shares of HK\$0.01 each	<b>10,224</b>	4,807

## 18. ISSUED CAPITAL *(continued)*

A summary of movements in the Company's issued share capital during the period is as follows:

	Number of ordinary shares '000	Issued capital HK\$'000
At 1 January 2024	480,655	4,807
Issue of new shares <i>(notes (a) and (b))</i>	541,783	5,417
At 30 June 2024	1,022,438	10,224

Notes:

- (a) On 24 January 2024, 96,130,985 ordinary shares of the Company of HK\$0.01 each were allotted and issued at a subscription price of HK\$0.51 per share to a subscriber for a total cash consideration, before expenses, of approximately HK\$49,027,000.
- (b) On 13 May 2024, 445,652,177 ordinary shares of the Company of HK\$0.01 each were allotted and issued at a subscription price of HK\$0.46 per share to certain subscribers for a total consideration, before expenses, of approximately HK\$205,000,000.

## 19. COMMITMENTS

The Group had the following contractual commitments provided to a joint venture at the end of the reporting period:

	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
Capital contribution	296,780	296,818

## 20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, accounts receivable, the current portion of loans receivable, the current portion of financial assets included in prepayments, deposits and other receivables, accounts payable, financial liabilities included in other payables and accruals, and the current portion of interest-bearing bank borrowings reasonably approximate to their carrying amounts largely due to the short term maturities of these instruments or the effect of discounting is not material.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair value of listed equity investment is based on quoted market prices. The following methods and assumptions were used to estimate the fair values of the other financial instruments of the Group.

The fair values of the non-current portions of loans receivable, financial assets included in deposits and interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for interest-bearing bank borrowings as at the end of the reporting period were assessed to be insignificant. In the opinion of the directors, the fair values of these financial instruments reasonably approximate to their carrying amounts.

## 20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

The fair values of the preferred shares included in unlisted investments have been determined by equity value allocation method with option pricing model or scenario analysis. The underlying equity values have been determined based on market-based approach, such as certain earnings multiples, or income approach, such as discounted cash flows.

The fair values of the convertible bonds had been determined using the Hull's binomial tree model, which incorporated the interest rate curves and the price evolution of the Company's shares over the validity period of the convertible bonds.

Below is a summary of significant unobservable inputs to the valuation of financial instruments together with a quantitative sensitivity analysis:

	Valuation techniques	Significant unobservable inputs	Percentage or ratio	Sensitivity of fair value to the input
Unlisted investments — Preferred shares	Equity value allocation method	Risk-free rate	5.45% (31 December 2023: 4.92%)	1 percentage point increase in risk-free rate would result in increase in fair value by HK\$456,000 (31 December 2023: HK\$1,158,000)
		Volatility	31.22% to 88.04% (31 December 2023: 45.02% to 55.08%)	10% increase in volatility would result in decrease in fair value by HK\$6,892,000 (31 December 2023: HK\$17,553,000)
Convertible bonds	Hull's binomial tree model	Risk-free rate	Nil (31 December 2023: 0.18% to 1.03%)	1 percentage point increase in risk-free rate would result in decrease in fair value by Nil (31 December 2023: HK\$269,000)
		Bond yield	Nil (31 December 2023: 10.08% to 10.92%)	1 percentage point increase in bond yield would result in decrease in fair value by Nil (31 December 2023: HK\$269,000)
		Volatility	Nil (31 December 2023: 106.51% to 173.65%)	10% increase in volatility would result in increase in fair value by Nil (31 December 2023: HK\$6,000)

## 20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

### Fair value hierarchy

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

*Assets measured at fair value:*

#### As at 30 June 2024

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
Financial assets at fair value through profit or loss (before share of loss of an associate)	32,294	–	1,312,864	1,345,158

#### As at 31 December 2023

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
Financial assets at fair value through profit or loss (before share of loss of an associate)	42,406	–	1,492,588	1,534,994

During the six months ended 30 June 2024, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets (year ended 31 December 2023: Nil).

## 20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

### Fair value hierarchy *(continued)*

Liabilities measured at fair value:

The Group did not have any financial liability measured at fair value as at 30 June 2024.

### As at 31 December 2023

	Fair value measurement using			Total HK\$'000
	Quoted prices	Significant	Significant	
	in active	observable	unobservable	
	markets	inputs	inputs	
(Level 1)	(Level 2)	(Level 3)		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Convertible bonds	-	-	121,182	121,182

During the six months ended 30 June 2024, the convertible bonds were fully repaid. During the year ended 31 December 2023, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial liabilities.

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

	Assets		Liabilities	
	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)	30 June 2024 HK\$'000 (Unaudited)	31 December 2023 HK\$'000 (Audited)
At beginning of period/year	<b>1,492,588</b>	1,419,897	<b>(121,182)</b>	(176,218)
Net gain/(loss) recognised in profit or loss	<b>(179,724)</b>	72,691	<b>737</b>	(6,506)
Payments	-	-	<b>81,445</b>	61,542
Offset with the consideration for the subscription of shares of the Company	-	-	<b>39,000</b>	-
At end of period/year	<b>1,312,864</b>	1,492,588	-	(121,182)



## 21. RELATED PARTY TRANSACTIONS

### Compensation of key management personnel of the Group

The directors of the Company comprise the key management personnel of the Group. Details of the compensation of the directors are as follows:

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Fees	1,384	1,413
Other emoluments:		
Salaries, allowances and other benefits	900	8,170
Equity-settled share option expense	560	–
Pension scheme contributions	9	25
Subtotal	1,469	8,195
Total	2,853	9,608

## 22. EVENT AFTER THE REPORTING PERIOD

On 26 July 2024, the Company and its direct wholly-owned subsidiary, Global 3D Printing Co Ltd (collectively, the "Vendors"), Lateralus Holdings IV, LLC (the "Purchaser") and Divergent Technologies Inc. ("Divergent") entered into a sale and purchase agreement, pursuant to which each of the Vendors have conditionally agreed to dispose of, and the Purchaser has conditionally agreed to acquire, an aggregate of 4,931,588 preferred shares of Divergent, representing an aggregate of approximately 12.87% of the issued shares of Divergent at the consideration of US\$101,533,292.15 (equivalent to approximately HK\$793.0 million) (the "Divergent Disposal"). The unlisted investment in Divergent had been accounted for as financial assets at fair value through profit or loss by the Group.

The Divergent Disposal constituted a very substantial disposal of the Company under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and was therefore subject to the notification, announcement and shareholders' approval requirements. Further details in relation to the Divergent Disposal are set out in the announcement and circular of the Company dated 7 August 2024 and 21 August 2024, respectively. The Divergent Disposal was approved by the shareholders of the Company at the special general meeting of the Company held on 5 September 2024 and the initial closing (as defined in the circular of the Company dated 21 August 2024) of the Divergent Disposal took place on 6 September 2024.

## 23. APPROVAL OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial information was approved and authorised for issue by the board of directors of the Company on 30 August 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY OVERVIEW

#### Hypercar Market

The hypercar market has been booming worldwide, with rapid growth observed in recent years. According to The Business Research Company, a prominent market research firm, the market size for hypercar grew from approximately United States dollars ("US\$")19.16 billion in 2023 to approximately US\$25.6 billion in 2024 exhibiting a compound annual growth rate ("CAGR") of 33.6%. This upward trajectory is expected to persist, fueled by the key factors below.

Advancements in technology including breakthroughs in aerodynamics and materials science, have propelled the creation of increasingly sophisticated and efficient hypercar models. A growing number of affluent individuals from well-established economies are now seeking the pinnacle of driving pleasure, characterized by speed, raw power, appealing features, and luxurious comfort. To cater to this expanding desire for distinctive and personalized vehicles, manufacturers are offering a wide array of customization options, enabling customers to tailor their cars to suit their unique preferences.

Moreover, the rising popularity of motorsports events has further bolstered the demand for high-performance hypercars. These events serve as valuable platforms for automakers to showcase their technological prowess and enhance their brand reputation.

In terms of regional market trend, according to Nova One Advisor, a strategic market insights provider, Europe and North America continued to dominate the hypercar market in 2023, holding the largest market shares of approximately 37% and 30%, respectively. This can be attributed to the significant clustering of hypercar production facilities and the increasing presence of major industry players in these regions. The growing economy and disposable income among the population, leading to a shift towards luxury goods in lifestyle choices, are also playing pivotal roles in driving market growth. On the other hand, Asia-Pacific, Latin America, the Middle East and Africa accounted for approximately 30%, 21%, 7%, and 5% of the global hypercar market, respectively. As economic growth continues in emerging markets, automakers are strategically expanding their hypercar offerings to cater to the growing demand for high-performance luxury vehicles in these regions.

## High-end Vehicles and Luxury Vehicles

The global luxury vehicle market has witnessed robust growth, steadily expanding its market share due to the rising number of high-net-worth individuals worldwide and the increasing disposable income among the population. Projections from The Business Research Company indicate that the global high-end and luxury car market size is set to increase from approximately US\$582.19 billion in 2023 to approximately US\$632.8 billion in 2024 and further to approximately US\$850.93 billion by 2028, with respective CAGR of 8.7% and 7.7%, respectively. This is primarily driven by the expanding affluent consumer base and evolving lifestyles. In particular, the rise of emerging markets has spurred demand for luxury goods, consequently supporting market growth.

Among the major global economies, China is poised to become the fastest-growing market for luxury vehicles (manufacturer's suggested retail price ranging from US\$80,000 to US\$299,000) and ultra-luxury vehicles (manufacturer's suggested retail price exceeding US\$300,000) by 2031, with an anticipated CAGR of approximately 13%, as reported by Oliver Wyman, a leading international management consulting firm. By this time, China is expected to command a market volume share of approximately 30-35% globally.

Insights from another market research provider, the Gasgoo Research Institute, revealed that luxury car brands experienced a remarkable sales growth of approximately 24.5% year-on-year, reaching 4.39 million units sold in China in 2023, driven by increased consumer spending and upgrades. Industry data indicated that the average selling price of luxury vehicles had climbed to RMB631,000 in May 2024, significantly surpassing mass-market automotive consumption rates.

Forecasts suggest that the sales scale of China's luxury car industry will continue to expand from 2024 to 2026, reaching sales value of approximately RMB1.18 trillion in 2024, of approximately RMB1.25 trillion in 2025, and of approximately RMB1.32 trillion in 2026, respectively, highlighting the notable value proposition of the ultra-luxury car segment. Key drivers propelling this growth includes the rising wealth and purchasing power of the Chinese middle class, a growing preference for premium and technologically advanced vehicles, and the strong brand appeal of luxury automotive marques among Chinese consumers.

## New Energy Vehicles

The popularization of new energy vehicles (“NEV(s)”) is an important strategic initiative amid global efforts to promote energy conservation and emission reduction. Achieving the target of two-thirds of vehicles sold being electric by 2035, as per published climate commitments, could reduce daily oil demand by around 12 million barrels.

Global electric vehicles (“EV(s)”) sales remained strong in the first quarter of 2024, reaching more than 3 million units and marking a 25% year-on-year increase as compared to the same period last year, according to The International Energy Agency. The majority of the contribution came from China, of which nearly 1.9 million units of EVs were sold, marking an almost 35% increase as compared to the sales recorded in the same period last year. First-quarter EV sales in the US and Europe marked a year-on-year growth of approximately 15% and 5%, respectively.

The sustained increase in demand for EVs in the first half of 2024 can be primarily attributed to China’s supportive policies and the availability of high-quality EV supply. The China Association of Automobile Manufacturers (“CAAM”) reported that during this period, production and sales of NEVs in China reached 4.929 million units and 4.944 million units, respectively, marking a significant year-on-year increase of 30.1% and 32%, respectively, capturing a market share of approximately 35.2%. NEV sales in 2024 are expected to hit 11.5 million units, maintaining a steady and positive growth trajectory. In a bid to foster industry expansion, various government policies have been introduced. These initiatives include, among others, the Ministry of Finance’s allocation of RMB22.93 billion for the initial batch of subsidies aimed at energy conservation and emission reduction for NEVs in April 2024. Additionally, the government has extended the purchase tax exemption and reduction for NEVs until the conclusion of 2027, improved policies surrounding the acquisition and utilization of NEVs, established a high-quality charging infrastructure network, and incentivized the purchase and utilization of NEVs in rural areas. These measures are designed to consistently strengthen and broaden the advancement of the NEV industry.

## BUSINESS REVIEW

### Apollo Hypercar

Apollo Intensa Emozione, known as the Apollo IE, stands as the Group's flagship top-level hypercar. Being the world's first all-carbon fiber production car, the Apollo IE not only showcases a striking exterior design but also incorporates a robust infrastructure with its distinctive carbon fiber chassis, monocoque cabin, subframe, and crash structures. This design excellence ensures top-notch safety, exceptional torsional rigidity, and lightweight attributes, blending raw power with exquisite aesthetic appeal.

The Apollo IE sets itself apart with an exceptional suspension system, aerodynamic design, braking performance, and powertrain that result in seamless power delivery and significantly enhanced durability. It epitomizes the fusion of speed, cutting-edge technology, and luxury. This hypercar encapsulates the Group's remarkable strides in pushing the limits of automotive engineering and crafting a unique driving experience. Since its introduction, the Apollo IE has garnered high praise from the market and fervent car enthusiasts. During the Period, the Group delivered two Apollo IE hypercars to distinguished clients in Japan and the United States, marking the completion of the delivery of all 10 limited units of Apollo IE hypercars.

Expanding upon the triumph of the widely praised Apollo IE hypercars, the Apollo Project EVO emerges as another eagerly awaited masterpiece that has been successfully crafted, surpassing expectations with its breakthrough design. With an advanced carbon fibre monocoque body structure at its core, the Apollo Project EVO exudes a unique combination of lightweight construction and robust durability, alongside with exceptional handling dynamics. Breaking away from conventional design norms, it showcases a fresh and radical aerodynamic profile that seamlessly blends artistic expression with engineering prowess.

At the heart of its uncompromising performance lies a naturally aspirated V12 engine, propelling the Apollo Project EVO forward with vigor. Complemented by its exquisite exterior that is a harmonious fusion of aggressive styling and refined elegance, this hypercar redefines the standards of luxury and performance in its realm.

With expectation to become available for pre-orders in the upcoming year, this hypercar is positioned to captivate the interest of automotive enthusiasts globally.

## Apollo EV

To align with the burgeoning trend of clean mobility, the Group is actively progressing towards the development of a brand-new Apollo EV, a luxury EV that encapsulates the essence of the Apollo brand, targeting customers transitioning from conventional to high-performance electric hypercars while seeking prestige status and top-tier features.

Dedicated to delivering unparalleled value in the luxury EV sphere, the Apollo EV exudes a distinct premium brand identity through its commanding, dynamic design and high-performance specifications. By harnessing cutting-edge EV technology and leveraging advanced engineering prowess from Europe, the Apollo EV seamlessly integrates state-of-the-art electric powertrain systems and lightweight construction to achieve a harmonious blend of energy-efficient power delivery and high-performance capabilities. The holistic offering presented by the Apollo EV is primed to furnish users with an exceptional, immersive driving experience that reshapes the landscape of luxury electric mobility.

## Mobility Development and Engineering Services

The Group, operating under its subsidiary GLM Co., Ltd. ("GLM"), remains dedicated to providing an extensive array of mobility development and engineering services. As the inaugural EV manufacturer certified by the Japanese Ministry of Transportation, GLM offers a spectrum of services. These include the development of its own branded EV models, along with offering value-added, mid-tier manufacturing technology platform original equipment manufacturer ("OEM") engineering services to assist other automakers in their endeavours to penetrate the Japanese market.

In light of the rising popularity of pure electric micro-vehicles in Japan, GLM introduced the MiMoS, an entry-level pure electric micro-vehicle, in 2023, with a focus on advancing sustainable mobility. This initiative places the Group at the forefront of automakers venturing into this market. The MiMoS boasts a vibrant and appealing design, accommodating four passengers within its compact frame of less than 3 meters in length. Its ultra-lightweight construction makes it ideal for navigating Japan's narrow roads.

Equipped with a single-motor front-wheel-drive setup, the MiMoS offers a maximum driving range of 131 km and can be fully charged using a 200V household charger in approximately 6 hours. Clearly tailored to meet the specific needs of the Japanese market, the MiMoS has received enthusiastic reception since its debut, establishing itself as a highly sought-after and cost-effective national EV choice in Japan.

During the Period, GLM's holistic automotive engineering services, encompassing vehicle development, testing, and certification for both Chinese and international automakers, coupled with its extensive expertise in EV technology development, robust research and development capabilities, and cutting-edge technologies, have played a crucial role in aiding overseas automakers in adapting and upgrading their models to meet the safety standards of the Japanese automotive industry, facilitating the acquisition of certifications and government subsidies in Japan. This support extends to customizing interior and exterior designs for various automotive projects. Through the provision of professional technical support, GLM ensures that orders from Japanese clients are secured and assists its partners in entering the competitive Japanese automotive market, enabling international automakers to establish a localized presence and thrive in Japan.

## Other Corporate Developments

### *Completion of New Share Placements*

The Group successfully completed two rounds of share placements in January 2024 and May 2024, respectively, issuing a total of 541,783,162 new Shares of the Company ("Share(s)") with a total gross proceeds of approximately HK\$254.0 million, which was intended to be used to repay the Group's indebtedness, to support the ongoing research and development of top-tier hypercars and EVs and as general working capital, thereby fostering future business growth.

The new share placements underscore the long-term support of the existing shareholders and demonstrate the confidence placed by independent third-party strategic investors in the Group. Following the completion of the new share placements, the Company's shareholding structure has been optimized, infusing fresh vitality and instilling confidence into the Company's long-term trajectory.

### *Disposal of Divergent*

On 26 July 2024, the Group entered into a sale and purchase agreement to dispose of the preferred shares of Divergent owned by the Group, representing approximately 12.87% of the issued shares of Divergent, for a total consideration of US\$101,533,292.15 (equivalent to approximately HK\$793.0 million). Out of the net proceeds of approximately HK\$790.0 million to be received upon the completion of the Divergent Disposal, approximately HK\$711.0 million will be allocated for research and development of hypercars and EVs, while the remaining HK\$79.0 million will be designated for general working capital purpose.

The disposal signifies an opportunity for the Company to exit from the investment in Divergent, allowing the Group to reallocate its resources and concentrate on pursuing other promising business opportunities with higher potential.



## PROSPECTS

The hypercar market has been experiencing a global surge. Projections from the leading research firm, Nova One Advisor, suggest that the global hypercar market size is expected to reach approximately US\$323.8 billion by 2033, with a CAGR of 32.5% from 2024 to 2033, highlighting a promising market with substantial room for expansion. In light of this trend, the Group remains steadfastly committed to leveraging this market momentum to deliver the hypercars envisioned by our target clientele.

Apollo hypercars are top-notch vehicles that epitomize status, individual taste, and the pursuit of unparalleled speed and driving experiences. Over the years, the Group has garnered notable market recognition and the trust of ultra-high-net-worth clients and car aficionados worldwide, solidifying its position as a leading and innovative force among global hypercar manufacturers. Upholding the trust of its customers and the esteemed Apollo brand reputation, the Group will continue to emphasize design, development, and engineering capabilities, ensuring its distinct presence and pioneering advancements in the top-tier hypercar industry.

Efforts are underway within the Group to meticulously refine and enhance the highly anticipated Apollo Project EVO, which is poised to set a new benchmark for a new generation of collectible internal combustion engine hypercars. With features such as active aerodynamics, carbon-fiber bodywork, cutting-edge automotive technologies, numerous optimizations, upgrades, intelligent features, and a visually appealing exterior design that harmoniously blends technology with artistry, the Apollo Project EVO is positioned for significant impact. Building on the success of the Apollo IE, the Group anticipates a positive market response from global hypercar enthusiasts and collectors when the new generation hypercar becomes available for orders in the upcoming year.

To amplify market excitement and consumer interest, both the Apollo IE and Apollo Project EVO are slated to participate in various prestigious international events in the latter half of 2024. These appearances will showcase their extraordinary track performance and striking exterior designs, aiming to captivate enthusiasts, collectors, professional racing drivers, and potential clients with a firsthand and immersive experience of Apollo's latest and upcoming products.



The increasing global focus on climate change has presented promising opportunities for the automotive industry. As nations strive to achieve carbon neutrality and advance energy conservation and emission reduction goals, there is a notable shift towards more environmentally friendly mobility solutions, leading to a heightened demand for EVs. According to the International Energy Agency, global EV sales are projected to exhibit strong growth throughout 2024, with expectations to reach approximately 17 million units by the year-end, constituting over one-fifth of global vehicle sales. With this anticipated expansion, and provided that energy and climate commitments are met in a timely manner, it is forecasted that EVs will make up two-thirds of all new cars sold by 2035.

Capitalizing on the surging demand for EVs, the Group's strategy in the realm of luxury and sustainable mobility places significant emphasis on the development of luxury EVs. Infused with the genes and the distinctive traits of the Apollo brand, the Group's luxury EVs are designed to embody lightweight construction, high-performance, visually striking aesthetics, advanced technology, and extended range capabilities. Backed by exceptional innovative design and state-of-the-art features, the Group holds a strong belief that Apollo's luxury EVs will resonate with expanding consumer segments valuing environmental sustainability alongside a desire for prestigious status and high performance experience.

Concurrently, the Group will persist in delivering comprehensive mobility development and engineering services through GLM, assisting clients in refining imported vehicles to comply with Japanese safety standards, ensuring premium quality and design standards, thereby effectively establishing a foothold in the Japanese market. The MiMoS, an entry-level pure electric micro-vehicle developed by GLM, has garnered a promising sales trajectory, emerging as a favored choice for daily commuting nationwide in Japan. The Group will continue to reinforce its cutting-edge engineering solutions and further expand its presence in the Japan market. Through ongoing innovation and service excellence, the Group aims to broaden its engagement with key automotive partners and venture into new market territories.

In the journey ahead, the Group will steadfastly advance its quest for excellence and innovation, actively working on crafting groundbreaking hypercars and luxury EVs that boast unparalleled performance and driving experience. Leveraging its profound expertise in automotive design and technological advancements, the Group is well-equipped to capitalize on the market opportunities and reinforce its leadership role in the industry by creating iconic vehicles that ignite inspiration and excitement, thereby reshaping the landscape of luxury mobility.

## FINANCIAL REVIEW

For the six months ended 30 June 2024, the revenue of the Group remained relatively stable at approximately HK\$126.2 million as compared to approximately HK\$127.6 million in the last interim period. The revenue for the six months ended 30 June 2024 comprised revenue from mobility services segment of approximately HK\$37.5 million (six months ended 30 June 2023: HK\$3.6 million), sales of jewellery products, watches and other commodities of approximately HK\$84.9 million (six months ended 30 June 2023: HK\$103.2 million), and interest income from loan financing of approximately HK\$3.9 million (six months ended 30 June 2023: HK\$20.7 million). During the Period, revenue from mobility services segment increased mainly due to the delivery of the remaining two Apollo IE hypercars to distinguished clients in Japan and the United States (six months ended 30 June 2023: Nil). Sales of jewellery products, watches and other commodities decreased during the Period mainly due to the negative consumer sentiment in the PRC market. Interest income from loan financing decreased during the Period mainly due to the disposal of a subsidiary, which was principally engaged in the money lending business, in July 2023.

The Group's gross profit amounted to approximately HK\$12.3 million for the Period as compared to approximately HK\$21.8 million for the last interim period. The gross profit margin decreased to approximately 9.8% for the Period (six months ended 30 June 2023: 17.1%) mainly due to the decrease in interest income from loan financing which contributed to a high gross profit margin.

General and administrative expenses decreased by approximately 32.4% to approximately HK\$56.8 million for the Period (six months ended 30 June 2023: HK\$84.0 million) mainly due to (i) the disposal of certain subsidiaries of the Group last year, of which their financial results were reflected in the Group's financial statements in the last interim period up to the respective disposal dates; and (ii) the cost-cutting measures adopted by the Group during the Period.

Other gains/losses, net during the Period mainly comprised: (i) the fair value losses of approximately HK\$189.8 million (six months ended 30 June 2023: fair value gains of HK\$35.9 million) on financial assets at fair value through profit or loss, net, which was mainly due to the fair value losses on the investment in Divergent; (ii) impairment of loans receivable, net of approximately HK\$2.2 million (six months ended 30 June 2023: HK\$30.7 million) and impairment of other receivables, net of approximately HK\$77.4 million (six months ended 30 June 2023: HK\$0.1 million) mainly due to the increasing competitive business landscape and challenging external environment; and (iii) fair value gains on convertible bonds of approximately HK\$1.8 million (six months ended 30 June 2023: HK\$17.0 million) in respect of the convertible bonds which were fully repaid during the Period.

Overall, the loss attributable to owners of the Company for the Period was approximately HK\$343.2 million (six months ended 30 June 2023: HK\$77.4 million) due to the reasons as explained above.

## Significant Investments Held

Details of significant investments held by the Group were set out as follows:

	As at 30 June 2024			For the period ended		Fair value		
	Number of preferred shares held '000	% of preferred shares held		Fair value gain/(loss) HK\$'000	Share of loss of associate HK\$'000	As at 30 June 2024 HK\$'000	As at 31 December 2023 HK\$'000	Investment cost HK\$'000
		in such investee (Note 1)	Percentage to the Group's total assets					
		%	%					
<b>Investment details</b>								
EV Power								
Preferred shares	142,820	26.23	13.95	13,245	(11,455)	526,506 (Note 2)	524,716	407,679
Divergent								
Preference shares	4,932	12.87	18.71	(192,969)	N/A	706,044	899,013	469,378

Notes:

1. The percentage is calculated on an as-converted basis.
2. The amount is net of the share of loss of associate.

### Investment in EV Power

EV Power Holdings Limited (“EV Power”) and its subsidiaries are principally engaged in the provision of convenient, safe and cost-effective EV charging solutions in Hong Kong and the PRC. EV Power is China’s largest charging point operator in terms of number of charging sites in operation in residential areas. It operates over 7,500 charging sites and over 38,000 charging piles (or 72,000 charging bays), covering over 60 cities in the country. The Group’s investment in EV Power represents an opportunity for the Group to create strong synergies with EV Power, thereby completing the full value chain of mobility.

### *Investment in Divergent*

Divergent is a company based in the United States of America which uses three-dimensional ("3D") metal printing technology through its patented hardware and software platform to conduct research, design, development and production of 3D printed vehicle structures. Not only does the patented digital manufacturing system radically reduce capital needs and design risks, it also reduces product cycle time and increases market response. The Group believes that the investment in Divergent will create synergies with the Group's mobility businesses by vastly improving existing factory economics of automobile original equipment manufacturers (OEMs).

Subsequent to the Period, the Group entered into a sale and purchase agreement to conditionally dispose of its entire interest in Divergent. Further details are set out in note 22 to the unaudited condensed consolidated interim financial statements in this report.

### **Liquidity, Financial Resources and Gearing**

As at 30 June 2024, the cash and cash equivalents of the Group amounted to approximately HK\$200.7 million (31 December 2023: HK\$64.3 million), which were mainly denominated in HK\$, Renminbi ("RMB"), Euro and Japanese Yen.

The total current assets and total current liabilities of the Group as at 30 June 2024 were approximately HK\$873.2 million and HK\$538.1 million, respectively (31 December 2023: total current assets of HK\$719.3 million and total current liabilities of HK\$524.8 million). The Group's net current assets as at 30 June 2024 comprised of inventories of approximately HK\$88.8 million (31 December 2023: HK\$75.9 million), accounts receivable, prepayments, deposits and other receivables of approximately HK\$453.8 million (31 December 2023: HK\$453.5 million) and loans receivable of approximately HK\$129.8 million (31 December 2023: HK\$125.6 million).

The Group's inventory turnover, accounts receivable turnover and accounts payable turnover periods were 132 days, 6 days and 193 days, respectively. The turnover ratios were consistent and complied with the respective policies of the Group on credit terms granted to customers and credit terms obtained from suppliers.

During the Period, the Group financed its operations and investment activities mainly through a combination of (i) equity financing; (ii) operating cash inflows; and (iii) interest-bearing bank borrowings. As at 30 June 2024, equity attributable to owners of the Company amounted to approximately HK\$3,199.6 million (31 December 2023: HK\$3,363.2 million).

The Group's total interest-bearing bank borrowings as at 30 June 2024 amounted to approximately HK\$17.4 million (31 December 2023: HK\$37.8 million), which were mainly denominated in HK\$, RMB and Japanese Yen. The interest-bearing bank borrowings were mainly used for general working capital purpose and all of which are at commercial lending interest rates. As at 31 December 2023, convertible bonds amounted to approximately HK\$121.2 million (30 June 2024: Nil) which were fully repaid during the Period.

The Group monitors capital on the basis of the gearing ratio. As at 30 June 2024, the gearing ratio was approximately 0.5% (31 December 2023: 1.1%). This ratio is calculated as total interest-bearing bank borrowings divided by total equity.

### **Contingent Liabilities**

The Group did not have material contingent liabilities as at 30 June 2024.

### **Pledge of Assets**

As at 30 June 2024, the Group's certain land and buildings with an aggregate carrying amount of approximately HK\$31.2 million were pledged to secure certain bank loans to the Group with principal amount of approximately HK\$11.0 million.

### **Capital Management**

The Group's objectives when managing capital are to ensure that members of the Group will be able to continue as a going concern while maximizing the return to shareholders of the Company through the optimization of its debt and equity ratio. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Company will balance its overall capital structure through the payment of dividends and new share issues as it sees fit and appropriate.

During the six months ended 30 June 2024, the Group had not entered into any contract to hedge its financial interests.

### **Foreign Exchange Exposure**

The Group's sales and purchases during the six months ended 30 June 2024 were mostly denominated in HK\$, EUR, Japanese Yen, RMB and United States dollars. The Group was exposed to certain foreign currency exchange risks, but it does not anticipate future currency exchange rate fluctuations to cause material operational difficulties or liquidity problems. Nevertheless, the Group continuously monitors its foreign exchange position and, when necessary, will hedge foreign exchange exposure arising from contractual commitments in sourcing products from overseas suppliers.

## Material Acquisitions or Disposals

Save as disclosed in this report, there was no other material acquisition or disposal of subsidiaries, associates or joint ventures by the Group during the Period.

## Issue of Equity Securities of the Company for Cash

A summary of the issue of equity securities by the Company for cash during the Period is set out below:

<b>Date of announcement</b>	15 January 2024	15 March 2024
<b>Date of completion</b>	24 January 2024	13 May 2024
<b>Name of subscriber(s)</b>	Ruby Charm Investment Limited	Ruby Charm Investment Limited; Atlantis Multi-Strategy Capital VCC (on behalf of MPW Index Supreme Investment Fund); Walong Holdings Limited; Talent Frontier Limited; Vivaldi International Limited; Ocean Dynasty Investments Limited; Goldrank Limited; Sino-Alliance International, Ltd.; and Top Laurels Limited
<b>Number of Shares issued</b>	96,130,985	445,652,177
<b>Class of Shares issued</b>	Ordinary shares	Ordinary shares
<b>Issue price per Share</b>	HK\$0.51	HK\$0.46
<b>Net price per Share</b>	HK\$0.50	HK\$0.36
<b>Aggregate nominal value of Shares issued</b>	HK\$961,309.85	HK\$4,456,521.77
<b>Closing price per Share on the date on which the terms of the issue were fixed</b>	HK\$0.63	HK\$0.51
<b>Gross proceeds</b>	Approximately HK\$49.0 million	Approximately HK\$205.0 million
<b>Net proceeds</b>	Approximately HK\$48.0 million	Approximately HK\$162.5 million

<b>Intended use of proceeds</b>	<p>The Company intended to use the net proceeds for the following purposes:</p> <ul style="list-style-type: none"> <li>(i) as to approximately HK\$10.0 million or 20.8% for repayment of the indebtedness of the Group; and</li> <li>(ii) as to approximately HK\$38.0 million or 79.2% for general working capital.</li> </ul>	<p>The Company intended to use the net proceeds for the following purposes:</p> <ul style="list-style-type: none"> <li>(i) as to approximately HK\$75.0 million or 46.2% for repayment of the indebtedness of the Group;</li> <li>(ii) as to approximately HK\$71.3 million or 43.8% for the research and development of hypercars and EVs; and</li> <li>(iii) as to approximately HK\$16.2 million or 10.0% for general working capital.</li> </ul>
<b>Actual use of proceeds</b>	<p>Fully utilized as intended.</p>	<ul style="list-style-type: none"> <li>(i) approximately HK\$75.0 million or 46.2% of the net proceeds had been utilized for repayment of the indebtedness of the Group;</li> <li>(ii) approximately HK\$35.0 million or 21.5% of the net proceeds had been utilized for the research and development of hypercars and EVs; and</li> <li>(iii) approximately HK\$16.2 million or 10.0% of the net proceeds had been utilized for general working capital.</li> </ul>
<b>Amount of proceeds not yet utilized as at 30 June 2024 and expected timeline of use</b>	<p>N/A</p>	<p>The remaining proceeds of approximately HK\$36.3 million or 22.3% of the net proceeds are expected to be fully utilized on or before 31 December 2024 for the research and development of hypercars and EVs as previously disclosed.</p>

**Reasons for the issue**

The Directors were of the view that the issue of Shares was essential in strengthening the financial position of the Group and considered that immediate financing was necessary to preserve sufficient liquidity and cash reserve to settle the convertible bonds payable by the Group and to support the working capital requirements of the Group's daily operation.

The Directors were of the view that the issue of Shares would allow the Company to fully settle the convertible bonds (together with the accrued interest) payable by the Group with sufficient fundings retained for general working capital and business development, while improving the gearing level and hence strengthening the overall financial position of the Group.

Save as disclosed above, there was no other issue of equity securities of the Company for cash during the six months ended 30 June 2024.

**Event After the Reporting Period**

Event after the Period of the Group is set out in note 22 to the unaudited condensed consolidated interim financial statements in this report.

**FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Save as disclosed in this report, there was no specific plan for material investments or capital assets as at 30 June 2024.



## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2024, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Name of Directors/chief executive of the Company	Capacity and nature of interest	Number of ordinary Shares held	Number of share options held (Note 1)	Total interests	Percentage of interest (Note 2)
Mr. Hui Chun Ying	Beneficial owner	-	10,000,000	10,000,000	0.98%
Ms. Chen Yizi	Beneficial owner	-	10,000,000	10,000,000	0.98%
Mr. Peter Edward Jackson	Beneficial owner	-	1,250,000	1,250,000	0.12%
Mr. Charles Matthew Pecot III	Beneficial owner	-	1,200,000	1,200,000	0.12%
Ms. Hau Yan Hannah Lee	Beneficial owner	-	1,000,000	1,000,000	0.10%
Mr. Lee Jackie Kai Yat	Beneficial owner	-	6,950,000	6,950,000	0.68%

Notes:

1. Details of share options held by the Directors are shown in the section headed "Share Option Schemes" below.
2. Based on 1,022,438,090 Shares in issue as at 30 June 2024.
3. All the interests disclosed above represent long positions in the Shares.

## **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed under the section headed "Share Option Schemes" below, at no time during the six months ended 30 June 2024 was the Company, or any of its subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company or their respective associates (as defined under the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

## **DIRECTORS' INTERESTS IN A COMPETING BUSINESS**

During the six months ended 30 June 2024 and up to the date of this report, none of the Directors and directors of the Company's subsidiaries or their respective associates had any interests in any businesses, apart from the Group's business, which compete or are likely to compete either directly or indirectly, with the businesses of the Company and its subsidiaries as required to be disclosed pursuant to the Listing Rules.

## **SHARE OPTION SCHEMES**

### **2013 Share Option Scheme**

A share option scheme (the "2013 Share Option Scheme") was adopted by the Company on 1 March 2013, the purpose of which was to attract and retain the best available personnel, to provide additional incentive to employees, directors, consultants, advisors and shareholders of the Group and to promote the success of the business of the Group.

The 2013 Share Option Scheme shall be valid and effective for a period of 10 years commencing on the adoption date. Accordingly, the 2013 Share Option Scheme has expired on 28 February 2023 and no further Share Options shall be granted under the 2013 Share Option Scheme but the provisions of the 2013 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted or exercised prior thereto.

Eligible participants under the 2013 Share Option Scheme include, among others, employees, directors, customers, advisors, shareholders, consultants, suppliers or service providers of the Group.

Details of the movement of the Share Options during the six months ended 30 June 2024 under the 2013 Share Option Scheme are as follows:

Name of Grantee	Date of Grant	As at 1 January 2024	Granted during the Period	Lapsed/ Cancelled during the Period	Exercised during the Period	As at 30 June 2024	Vesting and exercise period	Exercise price per share HK\$	Closing price per share immediately before the date of grant HK\$
<b>Directors and Chief Executive</b>									
Mr. Peter Edward Jackson	30 May 2019	50,000	-	-	-	50,000	Note 1	9.50	9.70
	4 January 2021	100,000	-	-	-	100,000	Note 2	15.60	15.40
	4 January 2022	100,000	-	-	-	100,000	Note 3	8.90	9.00
Mr. Charles Matthew Pecot III	4 January 2021	100,000	-	-	-	100,000	Note 2	15.60	15.40
	4 January 2022	100,000	-	-	-	100,000	Note 3	8.90	9.00
<b>Former Directors</b>									
Mr. Ho King Fung, Eric (Note 4)	6 April 2017	1,000,000	-	(1,000,000)	-	-	Note 5	17.00	16.80
	30 May 2019	1,500,000	-	(1,500,000)	-	-	Note 1	9.50	9.70
	4 January 2021	1,875,000	-	(1,875,000)	-	-	Note 2	15.60	15.40
	4 January 2022	1,500,000	-	(1,500,000)	-	-	Note 3	8.90	9.00
Mr. Joseph Lee (Note 6)	13 January 2022	2,000,000	-	(2,000,000)	-	-	Note 7	8.80	8.40
Mr. Teoh Chun Ming (Note 8)	30 May 2019	50,000	-	(50,000)	-	-	Note 1	9.50	9.70
	4 January 2021	100,000	-	(100,000)	-	-	Note 2	15.60	15.40
	4 January 2022	100,000	-	(100,000)	-	-	Note 3	8.90	9.00
<b>Related entity participants</b>									
Substantial Shareholders	13 March 2018	2,500,000	-	-	-	2,500,000	Note 9	35.64	34.20
<b>Employee participants</b>									
Employees (Note 10)	19 July 2016	74,400	-	-	-	74,400	Note 11	13.00	13.00
	30 May 2019	500,000	-	(500,000)	-	-	Note 1	9.50	9.70
	4 January 2021	3,600,000	-	(3,600,000)	-	-	Note 2	15.60	15.40
	4 January 2022	2,750,000	-	(2,500,000)	-	250,000	Note 3	8.90	9.00
<b>Service Provider</b>									
Consultants (Note 12)	4 January 2021	6,000,000	-	-	-	6,000,000	Note 2	15.60	15.40
Total		23,999,400	-	(14,725,000)	-	9,274,400			

Notes:

1. From 30 May 2019 to 29 May 2029.
2. From 4 January 2021 to 3 January 2031.
3. From 4 January 2022 to 3 January 2032.
4. Mr. Ho King Fung, Eric resigned as a Director with effect from 20 September 2023.
5. From 6 April 2017 to 5 April 2027.
6. Mr. Joseph Lee resigned as a Director with effect from 31 October 2023.
7. From 13 January 2022 to 12 January 2032.
8. Mr. Teoh Chun Ming resigned as a Director with effect from 13 June 2024.
9. From 13 March 2018 to 12 March 2028.
10. "Employees" mean employees working under employment contracts that are regarded as "continuous contracts" for the purposes of the Employment Ordinance (Chapter 57 of the laws of Hong Kong).
11. Subject to the rules of the 2013 Share Option Scheme, the Share Options are exercisable in the following manner for a period from the date of the acceptance of the Share Options to 10 years from the date of grant:

**Percentage of the Share Options that are vested and exercisable**

**Period for the exercise of the relevant Share Options**

20%	From 19 July 2017 to 18 July 2026
Additional 20% (i.e. up to 40% in total)	From 19 July 2018 to 18 July 2026
Additional 20% (i.e. up to 60% in total)	From 19 July 2019 to 18 July 2026
Additional 20% (i.e. up to 80% in total)	From 19 July 2020 to 18 July 2026
Additional 20% (i.e. up to 100% in total)	From 19 July 2021 to 18 July 2026

12. They are consultants providing professional advice and assistance to the business development of the Group and assisting in sourcing funding for the Company from potential investors in the Middle East, Europe and the PRC. Please refer to the announcement of the Company dated 11 October 2022 for details.

No Share Option was available for grant under the scheme mandate under the 2013 Share Option Scheme as at the beginning and the end of the Period as the 2013 Share Option Scheme has expired on 28 February 2023.

The total number of Shares available for issue upon the exercise of all Share Options granted under the 2013 Share Option Scheme is 9,274,400, representing approximately 0.91% of the Company's total number of issued Shares as at the date of this report.

The number of Shares that may be issued in respect of the Share Options granted under the 2013 Share Option Scheme during the Period divided by the weighted average number of ordinary shares of the Company in issue (excluding treasury Shares) for the Period was approximately 1.35%.

## **2023 Share Option Scheme**

The Company has adopted a share option scheme on 30 June 2023 (the "2023 Share Option Scheme") which was approved by the shareholders of the Company at the annual general meeting held on 30 June 2023.

The purpose of the 2023 Share Option Scheme is to give the eligible participants an opportunity to have a personal stake in the Company and help motivate them to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of an employee participant, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

Eligible participants under the 2023 Share Option Scheme include (i) employee participants, being any director or employee of the Company or any of its subsidiaries, including persons who are granted Share Options as an inducement to enter into employment contracts with the Company or any of its subsidiaries; and (ii) related entity participants, being a director or employee of a holding company, a subsidiary of the holding company or an associated company of the Company.

There is no performance target attached to the Share Options granted under the 2023 Share Option Scheme during the Period.

Details of the movement of the Share Options during the six months ended 30 June 2024 under the 2023 Share Option Scheme are as follows:

Name of Grantee	Date of Grant	As at 1 January 2024	Granted during the Period	Lapsed/ Cancelled during the Period	Exercised during the Period	As at 30 June 2024	Vesting and exercise period	Exercise price per share HK\$	Closing price per share immediately before the date of grant HK\$
<b>Directors and Chief Executive</b>									
Mr. Hui Chun Ying	6 June 2024	-	10,000,000	-	-	10,000,000	Note 1	0.68	0.73
Ms. Chen Yizi	6 June 2024	-	10,000,000	-	-	10,000,000	Note 1	0.68	0.73
Mr. Peter Edward Jackson	6 June 2024	-	1,000,000	-	-	1,000,000	Note 1	0.68	0.73
Mr. Charles Matthew Pecot III	6 June 2024	-	1,000,000	-	-	1,000,000	Note 1	0.68	0.73
Ms. Hau Yan Hannah Lee	6 June 2024	-	1,000,000	-	-	1,000,000	Note 1	0.68	0.73
Mr. Lee Jackie Kai Yat	27 February 2024	-	3,950,000	-	-	3,950,000	Note 2	0.55	0.56
	6 June 2024	-	3,000,000	-	-	3,000,000	Note 1	0.68	0.73
<b>Employee participants</b>									
Employees (Note 3)	27 February 2024	-	44,050,000	(3,250,000)	-	40,800,000	Note 2	0.55	0.56
	6 June 2024	-	32,000,000	-	-	32,000,000	Note 1	0.68	0.73
Total		-	106,000,000	(3,250,000)	-	102,750,000			

Notes:

1. From 6 June 2025 to 5 June 2034.
2. From 27 February 2025 to 26 February 2034.
3. "Employees" mean employees working under employment contracts that are regarded as "continuous contracts" for the purposes of the Employment Ordinance (Chapter 57 of the laws of Hong Kong).

The scheme mandate limit under the 2023 Share Option Scheme was refreshed pursuant to an ordinary resolution passed by the independent shareholders of the Company at the annual general meeting of the Company held on 31 May 2024. The number of Share Options available for grant under the scheme mandate limit under the 2023 Share Option Scheme as at the beginning and the end of the Period was 48,065,492 and 44,243,809, respectively.

The total number of Shares available for issue upon the exercise of all Share Options granted under the 2023 Share Option Scheme is 102,750,000, representing approximately 9.95% of the Company's total number of issued Shares as at the date of this report.

The number of Shares that may be issued in respect of the Share Options granted under the 2023 Share Option Scheme during the Period divided by the weighted average number of ordinary shares of the Company in issue (excluding treasury Shares) for the Period was approximately 15.01%.

The fair value of the Share Options granted during the Period was approximately HK\$34,340,000 (six months ended 30 June 2023: Nil). The fair value of Share Options granted during the Period was estimated as at the date of grant using the binomial option pricing model, taking into account the terms and conditions upon which the options were granted. The table below outlines the inputs used in the model:

30 June 2024

Closing price per Share on the date of grant	HK\$0.55–HK\$0.68
Exercise price per Share	HK\$0.554–HK\$0.68
Risk-free rate	3.59%–3.78%
Expected life of Share Options	10 years
Expected volatility	73.36%–74.20%
Expected dividend yield	0%
Expected early exercise multiple	2.20
Post-vesting exit rate	10%

The expected volatility was based on the historical volatility of the share price of the Company. The post-vesting exit rate was based on the historical forfeiture rate of the Share Options of the Company. No other feature of the Share Options granted was incorporated into the measurement of the fair value.

## SUBSTANTIAL SHAREHOLDERS' INTEREST IN SHARES

As at 30 June 2024, the following persons (other than the Directors or the chief executive of the Company) had 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:

Name of shareholders	Capacity and nature of interest	Number of Shares held	Percentage of shares in issue (Note 1)
Mr. Ho King Man, Justin	Beneficial owner and interest in a controlled corporation	222,637,982 (Note 2)	21.78%
Ruby Charm Investment Limited	Beneficial owner	219,293,382 (Note 2)	21.45%
Atlantis Multi-Strategy Capital VCC	Beneficial owner	153,260,870 (Note 3)	14.99%
Atlantis Capital Group Holdings Limited	Interest in a controlled corporation	153,260,870 (Note 3)	14.99%
Ms. Liu Yang	Interest in a controlled corporation	153,260,870 (Note 3)	14.99%
WM Motor Holdings Limited	Beneficial owner	113,777,267 (Note 4)	11.13%
Timeless Hero Limited	Interest in a controlled corporation	113,777,267 (Note 4)	11.13%
Freeman Schenk Limited	Interest in a controlled corporation	113,777,267 (Note 4)	11.13%
Cantrust (Far East) Limited	Interest in a controlled corporation	113,777,267 (Note 4)	11.13%
Walong Holdings Limited	Beneficial owner	84,782,609 (Note 5)	8.29%
Ms. Hoi Wa Fan	Interest in a controlled corporation	84,782,609 (Note 5)	8.29%

## Notes:

1. Based on 1,022,438,090 Shares in issue as at 30 June 2024.
2. Among 222,637,982 Shares, (i) 219,293,382 Shares are owned by Ruby Charm Investment Limited, a private company directly wholly-owned by Mr. Ho King Man, Justin; (ii) 844,600 Shares are owned by Jumbo Eagle Investments Limited, a private company directly wholly-owned by Mr. Ho King Man, Justin; and (iii) 2,500,000 Shares represent the share options granted to Mr. Ho King Man, Justin (with an exercise price of HK\$35.64).
3. Atlantis Multi-Strategy Capital VCC (on behalf of MPW Index Supreme Investment Fund), is a variable capital company incorporated in Singapore under the Singapore Variable Capital Companies Act. The manager of MPW Index Supreme Investment Fund is Atlantis Investment Management (Singapore) Pte. Ltd., a holder of Capital Markets Services Licence issued pursuant to the Securities and Futures Act 2001 of Singapore. Atlantis Investment Management (Singapore) Pte. Ltd. is wholly owned by Atlantis Capital Group Holdings Limited, which is in turn wholly owned by Ms. Liu Yang.
4. 113,777,267 Shares are held by WM Motor Holdings Limited, of which 65.41% of the voting right is held by Timeless Hero Limited. Timeless Hero Limited is wholly-owned by Freeman Schenk Limited, which is in turn wholly-owned by Cantrust (Far East) Limited. Cantrust (Far East) Limited is the trustee of New Freeman Schenk Trust, a discretionary trust established by Mr. Freeman Hui Shen as the settlor. Accordingly, Mr. Freeman Hui Shen should be deemed to be interested in these Shares.
5. 84,782,609 Shares are held by Walong Holdings Limited, which is wholly-owned by Ms. Hoi Wa Fan. Accordingly, Ms. Hoi Wa Fan is deemed to be interested in such number of Shares.
6. All the interests stated above represent long positions in the Shares.

## EMPLOYEES AND EMPLOYMENT POLICIES

As at 30 June 2024, the Group had 42 employees (31 December 2023: 42). The related employees' costs for the Period (including directors' remuneration and equity-settled share option expense) amounted to approximately HK\$22.7 million (six months ended 30 June 2023: HK\$41.3 million). In addition to the basic salary, employees are also entitled to other benefits including social insurance contributions, employee provident fund schemes and share option scheme of the Company. The remuneration of employees was in line with market trend and with reference to the market rate and the performance of individual employees, which are regularly reviewed each year.

## PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities during the six months ended 30 June 2024.

## CORPORATE GOVERNANCE

During the six months ended 30 June 2024, the Company has complied with the applicable code provisions set out in the Corporate Governance Code (the "Code") as stated in Part 2 of Appendix C1 to the Listing Rules.



## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code (the “Model Code”) as set out in Appendix C3 to the Listing Rules regarding securities transactions by the Directors. Following specific enquiry by the Company, all Directors confirmed that they have fully complied with the Model Code during the six months ended 30 June 2024.

## AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the Code.

As at the date of this report, the Audit Committee consists of the following members:

Ms. Hau Yan Hannah Lee (*Chairperson*)

Mr. Peter Edward Jackson

Mr. Charles Matthew Pecot III

The primary responsibilities of the Audit Committee are to assist the Board in providing an independent view of the effectiveness of the Company’s financial controls, internal control and risk management systems, to review and monitor the effectiveness of the audit process and to perform other duties and responsibilities as assigned by the Board. The Audit Committee has reviewed and discussed the interim results of the Group for the six months ended 30 June 2024 and this report.

## INTERIM DIVIDEND

The Board did not declare any interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

## APPRECIATION

On behalf of the Board, I would like to express our appreciation to all our management and staff members for their ongoing contribution and hard work. We would also like to thank our shareholders for their continuing support.

On behalf of the Board  
**Apollo Future Mobility  
Group Limited**  
**Hui Chun Ying**  
*Chairman and Executive  
Director*

Hong Kong, 30 August 2024