



**GREEN INTERNATIONAL**

Holdings Limited

格林國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2700)

**INTERIM  
REPORT 2024**

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## Corporate Information

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Yu Zhoujie (*Chairman*)  
Mr. Yu Xiangjin

#### Non-executive Directors

Mr. Chen Hanhong  
Mr. Liu Dong

#### Independent Non-executive Directors

Mr. Wu Hong  
Mr. David Tsoi  
Mr. Wang Chunlin

### AUDIT COMMITTEE

Mr. David Tsoi (*Committee Chairman*)  
Mr. Wu Hong  
Mr. Wang Chunlin

### REMUNERATION COMMITTEE

Mr. David Tsoi (*Committee Chairman*)  
Mr. Yu Zhoujie  
Mr. Wu Hong  
Mr. Wang Chunlin

### NOMINATION COMMITTEE

Mr. Yu Zhoujie (*Committee Chairman*)  
Mr. David Tsoi  
Mr. Wu Hong  
Mr. Wang Chunlin

### COMPANY SECRETARY

Mr. Xin Yingnan

### AUDITOR

HLB Hodgson Impey Cheng Limited  
*Certified Public Accountants*  
31st Floor, Gloucester Tower  
The Landmark, 11 Pedder Street  
Central, Hong Kong

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 1708, 17/F  
West Tower, Shun Tak Centre  
200 Connaught Road Central  
Hong Kong

### PRINCIPAL BANKERS

OCBC Wing Hang Bank Limited

## Corporate Information

### **PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE**

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Tricor Investor Services Limited  
17/F., Far East Finance Centre  
16 Harcourt Road, Hong Kong

### **STOCK CODE**

2700

### **WEBSITE**

<http://www.irasia.com/listco/hk/greeninternational/>

## 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)
Revenue	4	25,921	25,109
Direct costs and operating expenses		(11,887)	(12,899)
<b>Gross profit</b>		<b>14,034</b>	12,210
Other income and gains, net	5	3,756	7,297
Selling expenses		(6,682)	(7,364)
Administrative expenses		(11,763)	(15,808)
Finance costs	6	(1,026)	(1,124)
<b>Loss before income tax</b>	7	<b>(1,681)</b>	(4,789)
Income tax credit	8	72	85
<b>Loss for the period</b>		<b>(1,609)</b>	(4,704)
<b>Loss for the period attributable to:</b>			
– Equity holders of the Company		(1,522)	(4,566)
– Non-controlling interests		(87)	(138)
		<b>(1,609)</b>	(4,704)
<b>Loss per share for loss for the period attributable to the equity holders of the Company</b>			
– Basic and diluted (HK\$ cents per share)	9	<b>(0.23)</b>	(0.69)

The notes on pages 10 to 28 are an integral part of these condensed consolidated interim financial statements.

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

For the six months ended 30 June 2024

	For the six months ended 30 June	
	2024 <i>HK\$'000</i> (Unaudited)	2023 <i>HK\$'000</i> (Unaudited)
<b>Loss for the period</b>	<b>(1,609)</b>	(4,704)
<b>Other comprehensive expenses, net of tax</b>		
— Exchange differences arising during the period	<b>(386)</b>	(373)
<b>Total comprehensive expenses for the period</b>	<b>(1,995)</b>	(5,077)
<b>Total comprehensive expenses for the period attributable to:</b>		
— Equity holders of the Company	<b>(1,898)</b>	(4,929)
— Non-controlling interests	<b>(97)</b>	(148)
	<b>(1,995)</b>	(5,077)

The notes on pages 10 to 28 are an integral part of these condensed consolidated interim financial statements.

## 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>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		22,732	25,777
Right-of-use assets		25,834	24,556
Trademark user right and technical know-how		5,850	5,850
		<b>54,416</b>	56,183
<b>Current assets</b>			
Inventories		5,155	5,726
Trade receivables	11	3,670	3,058
Prepayments, deposits and other receivables		4,988	4,408
Bank balances and cash	12	65,356	66,826
		<b>79,169</b>	80,018
Total assets		<b>133,585</b>	136,201
<b>EQUITY</b>			
<b>Capital and reserves attributable to the equity holders of the Company</b>			
Share capital	16	131,979	131,979
Reserves		(92,713)	(90,815)
		<b>39,266</b>	41,164
<b>Non-controlling interests</b>		<b>2,351</b>	2,448
<b>Total equity</b>		<b>41,617</b>	43,612

The notes on pages 10 to 28 are an integral part of these condensed consolidated interim financial statements.

## 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>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		25,230	27,453
Deferred tax liabilities		585	585
		<b>25,815</b>	28,038
<b>Current liabilities</b>			
Trade payables	13	3,659	3,639
Contract liabilities		141	140
Accruals and other payables	15	50,621	44,604
Bonds payables	14	–	5,860
Lease liabilities		11,621	10,267
Tax payable		111	41
		<b>66,153</b>	64,551
<b>Total liabilities</b>		<b>91,968</b>	92,589
<b>Total equity and liabilities</b>		<b>133,585</b>	136,201
<b>Net current assets</b>		<b>13,016</b>	15,467
<b>Total assets less current liabilities</b>		<b>67,432</b>	71,650

The notes on pages 10 to 28 are an integral part of these condensed consolidated interim financial statements.



# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Attributable to the equity holders of the Company						Non-controlling interests	Total equity
	Share capital	Share premium	Exchange reserve	Other reserve*	Accumulated losses	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
As at 1 January 2023	131,979	895,647	11,040	-	(986,479)	52,187	2,348	54,535
<b>Total comprehensive expense for the period</b>								
Loss for the period	-	-	-	-	(4,566)	(4,566)	(138)	(4,704)
Other comprehensive expenses for the period	-	-	(363)	-	-	(363)	(10)	(373)
<b>As at 30 June 2023</b>	<b>131,979</b>	<b>895,647</b>	<b>10,677</b>	<b>-</b>	<b>(991,045)</b>	<b>47,258</b>	<b>2,200</b>	<b>49,458</b>
As at 1 January 2024	131,979	895,647	10,383	260	(997,105)	41,164	2,448	43,612
<b>Total comprehensive expense for the period</b>								
Loss for the period	-	-	-	-	(1,522)	(1,522)	(87)	(1,609)
Other comprehensive expense for the period	-	-	(376)	-	-	(376)	(10)	(386)
<b>As at 30 June 2024</b>	<b>131,979</b>	<b>895,647</b>	<b>10,007</b>	<b>260</b>	<b>(998,627)</b>	<b>39,266</b>	<b>2,351</b>	<b>41,617</b>

\* The other reserves as presented in the condensed consolidated statement of financial position are comprised of these reserve accounts.

The notes on pages 10 to 28 are an integral part of these condensed consolidated interim financial statements.

## Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

	For the six months ended 30 June	
	2024	2023
Note	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Net cash generated from/(used in) operating activities	3,089	(4,415)
Net cash generated from investing activities	1,223	540
Net cash used in financing activities	(6,091)	(5,360)
Net decrease in cash and cash equivalents	(1,779)	(9,235)
Cash and cash equivalents as at 1 January	66,826	81,742
Effects of exchange rate changes on balances denominated in foreign currencies	309	(242)
Cash and cash equivalents as at 30 June	12 65,356	72,265

The notes on pages 10 to 28 are an integral part of these condensed consolidated interim financial statements.

# Notes to the Condensed Consolidated Interim Financial Statements

## 1. GENERAL INFORMATION AND BASIS OF PREPARATION

Green International Holdings Limited (“**the Company**”) was incorporated in the Cayman Islands on 8 March 2006 as an exempted company with limited liability. Its registered office is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in 2006. Its parent and ultimate parent company is Jumbo Faith International Limited (“**Jumbo Faith**”), which is wholly owned by Ms. Zhou Cuiqiong, mother of Mr. Yu Zhoujie (an executive Director and the Chairman of the Company).

The Company and its subsidiaries (the “**Group**”) was principally engaged in provision of (i) health and medical services and (ii) beauty and wellness products and related services.

These condensed consolidated financial statements are prepared in accordance with Hong Kong Financial Reporting Standards (the “**HKFRSs**”) and Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

These condensed consolidated financial statements do not include all the information and disclosure required in the annual financial statements, and should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 December 2023.

These condensed consolidated financial statements have been prepared on a historical cost convention, except as disclosed in the accounting policies and the explanatory notes.

# Notes to the Condensed Consolidated Interim Financial Statements

## 1. GENERAL INFORMATION AND BASIS OF PREPARATION *(Continued)*

These condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the Company’s functional currency, and all values are rounded to the nearest thousand (“**HK\$’000**”), except when otherwise indicated.

## 2. ADOPTION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the amendments to HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2024. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by HKICPA. The adoption of these amendments to HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior year except as stated below:

### Application of amendments to HKFRSs

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

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

## Notes to the Condensed Consolidated Interim Financial Statements

### 2. ADOPTION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS *(Continued)*

#### **Application of amendments to HKFRSs *(Continued)***

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

### 3. FINANCIAL RISKS MANAGEMENT AND FINANCIAL INSTRUMENTS

The Group's activities expose to a variety of financial risks: foreign exchange risk, credit risk, liquidity risk and cash flow and fair value interest rate risk.

These condensed consolidated financial statements do not include all financial risks management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023. There have been no material changes in the risk management policies since the year ended 31 December 2023.

#### **Fair value estimation on a recurring basis**

An analysis of financial instruments carried at fair value at the end of each reporting period, by valuation method and at different levels are set out as follows:

- Level 1: Quoted price (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

## Notes to the Condensed Consolidated Interim Financial Statements

### 3. FINANCIAL RISKS MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

#### Fair value estimation on a recurring basis *(Continued)*

- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

There were no transfers between Levels 1, 2 and 3 and changes in valuation techniques during the periods.

### 4. REVENUE AND SEGMENT INFORMATION

The Group primarily operates in Hong Kong and the People's Republic of China (the "PRC"). The Group's operating businesses are structured and managed separately according to the nature of their operations and the products or services they provide. Each of the Group's business units represents a strategic business unit that offers products or services which are subject to risks and returns that are different from those of the other business units. The Group's business units are as follows:

- (a) the health and medical segment, which is engaged in the operation of health and medical related businesses of its clubhouse, hemodialysis center and hospital; and
- (b) the beauty and wellness segment, which is engaged in selling of beauty and wellness products and related services.

Operating segments are identified for financial reporting purposes in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Board has been identified as the Group's chief operating decision-maker.

## Notes to the Condensed Consolidated Interim Financial Statements

### 4. REVENUE AND SEGMENT INFORMATION *(Continued)*

Inter-segment revenue is eliminated on consolidation. Inter-segment sales and transfers are transacted according to the relevant prevailing market prices.

Segment results are presented as operating profit or loss.

#### 4.1 Revenue of the Group, together with analysis of the revenue by segments and geographical regions are as follows:

	Health and medical business <i>HK\$'000</i> (Unaudited)	Beauty and wellness business <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
<b>For the six months ended 30 June 2024</b>			
<b>The PRC</b>			
– At a point in time	18,377	7,544	25,921
<b>For the six months ended 30 June 2023</b>			
<b>The PRC</b>			
– At a point in time	15,814	9,295	25,109

The geographic location analysis of revenue is allocated based on the geographical locations of customers and the operating geographic location of the health and medical business, beauty and wellness business, and financial business. For the six months ended 30 June 2024 and 2023, no single customer's revenue accounted for more than 10% of the Group's total revenue.

## Notes to the Condensed Consolidated Interim Financial Statements

### 4. REVENUE AND SEGMENT INFORMATION *(Continued)*

#### 4.2 Results by operating segments are as follows:

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Health and medical business	1,882	1,187
Beauty and wellness business	(460)	(1,704)
Total operating gain/(loss) by operating segments	1,422	(517)
Unallocated corporate expenses, net	(2,077)	(3,148)
Finance costs, net	(1,026)	(1,124)
Loss before income tax	(1,681)	(4,789)
Income tax credit	72	85
Loss for the period	(1,609)	(4,704)



## Notes to the Condensed Consolidated Interim Financial Statements

### 4. REVENUE AND SEGMENT INFORMATION *(Continued)*

#### 4.3 Non-current assets of the Group, excluding financial instruments, by operating segments and geographical regions are as follows:

	Health and medical business <i>HK\$'000</i> (Unaudited)	Beauty and Wellness Business <i>HK\$'000</i> (Unaudited)	Unallocated corporate assets <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
As at 30 June 2024				
Hong Kong	-	-	633	633
The PRC	41,282	12,501	-	53,783
<b>Segment total non-current assets</b>	<b>41,282</b>	<b>12,501</b>	<b>633</b>	<b>54,416</b>
	Health and medical business <i>HK\$'000</i> (Audited)	Beauty and wellness business <i>HK\$'000</i> (Audited)	Unallocated corporate assets <i>HK\$'000</i> (Audited)	Consolidated <i>HK\$'000</i> (Audited)
As at 31 December 2023				
Hong Kong	-	-	1,102	1,102
The PRC	44,242	10,839	-	55,081
<b>Segment total non-current assets</b>	<b>44,242</b>	<b>10,839</b>	<b>1,102</b>	<b>56,183</b>

## Notes to the Condensed Consolidated Interim Financial Statements

### 5. OTHER INCOME AND GAINS, NET

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Bank interest income	1,297	1,198
Gain on modification of lease	2,384	–
Sundry income	75	1,033
Other gain ( <i>Note</i> )	–	5,066
	<b>3,756</b>	<b>7,297</b>

*Note:*

Following amicable negotiation, an independent third party waived other payables of approximately HK\$5,066,000 upon the termination of certain lease arrangement of certain plant and machinery of the Group.

## Notes to the Condensed Consolidated Interim Financial Statements

### 6. FINANCE COSTS

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Interest expenses:		
– Bonds payable	143	241
– Other borrowing	250	159
– Lease liabilities	633	724
	<b>1,026</b>	<b>1,124</b>

### 7. LOSS BEFORE INCOME TAX

	For the six months ended 30 June	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Depreciation of property, plant and equipment	3,216	3,413
Depreciation of right-of-use assets	2,661	3,731
Employee benefit expenses	12,488	11,861

## Notes to the Condensed Consolidated Interim Financial Statements

### 8. INCOME TAX CREDIT

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of assessable profits of qualifying corporations will be taxed at 8.25%, and assessable profits above HK\$2,000,000 will be taxed at 16.5%. The assessable profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

The amounts of income tax credit to the condensed consolidated statement of profit or loss are as follows:

	<b>For the six months ended 30 June</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
Current taxation		
PRC enterprise income tax		
— Current period	<b>72</b>	85

## Notes to the Condensed Consolidated Interim Financial Statements

### 9. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	For the six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Loss</b>		
Loss for the purpose of basic and diluted loss per share	(1,522)	(4,566)
	'000	'000
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue	659,895	659,895
<b>Loss per share</b>		
Basic and diluted (HK\$ cents)	(0.23)	(0.69)

## Notes to the Condensed Consolidated Interim Financial Statements

### 10. DIVIDENDS

The Directors do not recommend the payment of any dividend for the six months ended 30 June 2024 (for six months ended 30 June 2023: Nil).

### 11. TRADE RECEIVABLES

	<b>30 June 2024</b>	31 December 2023
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
Trade receivables	<b>3,670</b>	3,058

The Group's trade receivables generally have a credit period of 90 days. The maximum credit risk exposure at the end of the reporting period is the carrying amount of the trade receivables. The Group does not have any collateral as security. The Group formulates policies and procedures to ensure the sale of products or services to customers with an appropriate credit history to minimise the credit risk.

## Notes to the Condensed Consolidated Interim Financial Statements

### 11. TRADE RECEIVABLES *(Continued)*

#### Ageing analysis

The ageing analysis of trade receivables from business of health and medical services and beauty and wellness products and related services, based on invoice dates, as at 30 June 2024 and 31 December 2023 are as follows:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Within 30 days	<b>2,615</b>	2,461
31–60 days	<b>967</b>	165
61–90 days	<b>83</b>	165
91–180 days	<b>3</b>	110
Over 180 days	<b>2</b>	157
	<b>3,670</b>	3,058

Management assessed the credit quality of the trade receivables in the amount of approximately HK\$3,665,000 (31 December 2023: HK\$2,791,000) that are neither past due nor impaired by reference to the repayment history and financial position of those customers.

## Notes to the Condensed Consolidated Interim Financial Statements

### 12. CASH AND BANK BALANCES

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Bank balances and cash ( <i>Note</i> )	<b>65,356</b>	66,826

*Note:*

Cash at banks earn interest at floating rates based on daily bank deposit rates.

Cash and bank balances are denominated in the following currencies:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Hong Kong dollars	<b>61,655</b>	64,018
Renminbi	<b>3,701</b>	2,808
	<b>65,356</b>	66,826



## Notes to the Condensed Consolidated Interim Financial Statements

### 13. TRADE PAYABLES

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Trade payables	<b>3,659</b>	3,639

#### Ageing analysis

The ageing analysis of trade payables from business of health and medical services and beauty and wellness products and related services, based on invoice dates, as at 30 June 2024 and 31 December 2023 are as follows:

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Within 30 days	<b>1,921</b>	1,934
31–60 days	<b>609</b>	703
61–90 days	<b>294</b>	473
91–180 days	<b>264</b>	394
Over 180 days	<b>571</b>	135
	<b>3,659</b>	3,639

The Group's trade payables generally have a credit period of 30–90 days. The carrying amounts of trade payables approximate their fair values.

## Notes to the Condensed Consolidated Interim Financial Statements

### 14. BONDS PAYABLES

Details on the movements of the bonds payables for the six months ended 30 June 2024 and the year ended 31 December 2023 are set out as follows:

	<i>HK\$'000</i>
As at 1 January 2023	5,366
Interest expense	494
<b>As at 31 December 2023</b>	<b>5,860</b>
<b>Interest expense</b>	<b>143</b>
<b>Transferred to other payables</b>	<b>(6,003)</b>
<b>As at 30 June 2024</b>	<b>–</b>

## Notes to the Condensed Consolidated Interim Financial Statements

### 15. ACCRUALS AND OTHER PAYABLES

	<b>30 June 2024 HK\$'000 (Unaudited)</b>	31 December 2023 HK\$'000 (Audited)
Accruals	<b>6,528</b>	6,665
Bonds payable	<b>6,003</b>	–
Other borrowings (Note(i))	<b>6,986</b>	7,179
Other payables (Note(ii))	<b>31,104</b>	30,760
	<b>50,621</b>	44,604

Notes:

- (i) As at 30 June 2024, other borrowings were unsecured loans from independent third parties, unsecured, carrying interest the rate of 7.0%–7.2% (2023: 7.0%–7.2%) and repayable on demand.
- (ii) As at 30 June 2024, the other payables include an amount payable to an independent third party lessor in respect of leased machineries in the amount of approximately HK\$6,488,000 (2023: HK\$10,802,000).

## Notes to the Condensed Consolidated Interim Financial Statements

### 16. SHARE CAPITAL

Details on the movements of the share capital for the six months ended 30 June 2024 and the year ended 31 December 2023 are set out as follows:

	Number of shares		Nominal value	
	For the six months ended 30 June 2024 <i>Number</i> (Unaudited)	For the year ended 31 December 2023 <i>Number</i> (Audited)	For the six months ended 30 June 2024 <i>HK'000</i> (Unaudited)	For the year ended 31 December 2023 <i>HK'000</i> (Audited)
<b>Authorised capital:</b>				
As at 1 January	1,000,000,000	1,000,000,000	200,000	200,000
As at 30 June 2024/ 31 December 2023	1,000,000,000	1,000,000,000	200,000	200,000
<b>Issued and fully paid:</b>				
As at 1 January	659,894,693	659,894,693	131,979	131,979
As at 30 June 2024/ 31 December 2023	659,894,693	659,894,693	131,979	131,979

## Notes to the Condensed Consolidated Interim Financial Statements

### 17. SIGNIFICANT RELATED PARTY TRANSACTIONS

#### Key management compensation

	For the six months ended 30 June	
	2024 <i>HK\$'000</i> (Unaudited)	2023 <i>HK\$'000</i> (Unaudited)
Wages, salaries and other short-term employee benefits	942	792
Pension costs — defined contribution plans	18	18
	<b>960</b>	<b>810</b>

# Management Discussions and Analysis

## BUSINESS REVIEW

During the six months ended 30 June 2024 (the “**Period**”) under review, the Group continued to be principally engaged in the provision of (i) health and medical services and (ii) beauty and wellness products and related services.

### Health and Medical Business

The health and medical business segment (the “**Health and Medical Business**”) of the Group operates its hospital business in Hunan Province, China through Li County Phoenix Hospital Company Limited (“**Phoenix Opco**”) and Yiyang Gangying Hospital Company Limited (“**Gangying Opco**”) (formerly known as Yiyang Zizhong Kidney Disease Hospital Company Limited) having the medical organisation operating license granted by the local bureau of the National Health Commission to carry out, amongst other permitted medical treatments, hemodialysis treatment.

Since 2021, China has launched the deepening of reform of medicine and healthcare systems, calling for the need of high-quality services under a sound pricing system to guarantee deserved prices for medical services at local hospitals in China. During the Period, the Group’s Health and Medical Business continued to face challenges from market competitors.

The relocation of the Gangying Opco has completed in 2023, with larger and better equipped premises and larger operational capacity. During the Period, the revenue of the Health and Medical Business segment recorded an increase by approximately 16.21% from HK\$15.81 million to HK\$18.38 million.

### Beauty and Wellness Business

The beauty and wellness business (the “**Beauty and Wellness Business**”) of the Group operates its beauty parlors under the brand name of 瑪莎 (Marsa) in Shenzhen, China through selling of beauty and wellness products and related services to local customers.

## Management Discussions and Analysis

The performance of the Beauty and Wellness Business continued to be sluggish during the Period due to the abrupt downturn of the service industry and weakened consumer market in China.

### Prospect

The prolonged effect of COVID-19 has caused uncertainties in the economy and business environment during the past few years. With the lifting of the epidemic related measures in China in December 2022, the Group will closely review the latest business and market development. Save as the aforementioned hospital relocation, the acquisition and expansion plans of the Group's hospital business have slowed down due to the deepening of reform of medicine and healthcare systems in 2021. On 3 June 2024, the General Office of the State Council issued the Notice on Key Tasks for Deepening the Reform of the Medical and Health System in 2024, and these key tasks include deepening the evaluation of price reform situation in five pilot cities, and launching provincial pilot projects in 3 provinces for medical service price reform. Pending the clarification of market reactions under the reform, the Group does not intend to commit to any substantial acquisition or expansion plans under any specified timeline prematurely.

In addition, the Group has assessed and evaluated the optimization and integration of its Beauty and Wellness Business branch network to bolster efficient management. With a view to optimizing cost efficiency, the Group plans to close one branch and downsize another branch of the Beauty and Wellness Business at the same location when renewing its lease in the second half of 2024, in order to achieve cost savings on branch operations and ensure that the Group's branches of the Beauty and Wellness Business are strategically located to serve customers efficiently.

## FINANCIAL REVIEW

### Revenue

The Group's revenue for the Period was approximately HK\$25,921,000 (2023: HK\$25,109,000), representing a slight increase of approximately 3.23% as compared with the same period of last year.

## Management Discussions and Analysis

### Direct Costs and Operating Expenses

The Group's direct costs and operating expenses for the Period was approximately HK\$11,887,000 (2023: HK\$12,899,000), representing a decrease of approximately 7.85% as compared with the same period of last year. The decrease in the total direct costs and operating expenses were mainly caused by the decrease in costs of goods.

### Gross Profit and Gross Profit Margin

The Group reported gross profit for the Period of approximately HK\$14,034,000 (2023: HK\$12,210,000), representing an increase of approximately 14.94% as compared with the same period of last year. The Group's gross profit margin for the Period was 54.14% (2023: 48.63%).

### Selling Expenses

The Group's selling expenses for the Period amounted to approximately HK\$6,682,000 (2023: HK\$7,364,000), representing a decrease of approximately 9.26% as compared with the same period of last year. The decrease in the selling expenses was mainly attributable to implementation of cost control measures.

### Administrative Expenses

The Group's administrative expenses for the Period amounted to approximately HK\$11,763,000 (2023: HK\$15,808,000), representing a decrease of approximately 25.59% as compared with the same period of last year mainly due to decrease of depreciation of right of use assets.

### Finance Costs

The Group's finance costs for the Period amounted to approximately HK\$1,026,000 (2023: HK\$1,124,000), representing a decrease of approximately 8.72% as compared to the corresponding period last year. Details of the finance costs are set out in Note (6) to the condensed consolidated financial statements.



## Management Discussions and Analysis

### Loss for the Period

The Group reported a net loss for the Period of approximately HK\$1,609,000 (2023: HK\$4,704,000), representing a decrease of approximately 65.80% as compared to the corresponding period last year, mainly attributable to the decrease in administrative expenses during the Period. In addition, the percentage change in the loss appears to be disproportionate and magnified, due to the small absolute figures in loss of the two years.

### USE OF PROCEEDS OF EQUITY FUND RAISING ACTIVITIES

The Company had not conducted any equity fund raising activities during the Period.

The amount of proceeds brought forward from the issue of equity securities (including securities convertible into equity securities) made in previous financial year(s) and the details of the use of such proceeds are set out as below:

On 25 September 2020, the Company announced a one-for-one rights issue (the “**2020 Rights Issue**”) involving the issue and allotment of 1,649,736,733 ordinary shares of the Company at the subscription price of HK\$0.06 per rights share. The subscription price of HK\$0.06 per rights share represents: (i) a discount of approximately 17.81% to the closing price of HK\$0.0730 per share as quoted on the Stock Exchange on 25 September 2020; and (ii) a discount of approximately 28.06% to the average closing price of HK\$0.0834 per share based on the closing prices of the shares as quoted on the Stock Exchange per the five consecutive trading days prior to and excluding 25 September 2020. The rights issue became unconditional on 9 December 2020, raising net proceeds of approximately HK\$95.9 million. The aggregate nominal value of the rights shares as of 16 December 2020, being the date of allotment of the rights shares, was approximately HK\$65,989,469. As disclosed in the previous announcements and financial reports of the Company, the net proceeds of the 2020 Rights issue were utilised as to HK\$15 million for the Group’s corporate expenses and overheads as originally intended during the year ended 31 December 2021 (“**FY2021**”). Among the remaining HK\$80.9 million which was originally intended for the potential

## Management Discussions and Analysis

acquisitions, expansion and equipment purchase of the Group's hospital business, only approximately RMB3.1 million (HK\$3.5 million) was used during the year ended 31 December 2022 ("FY2022") for the relocation of the Group's hospital at Yiyang ("**Yiyang Hospital**") owned and operated by Gangying Opco (a subsidiary of the Company) in accordance with the original intended use.

As disclosed in the Company's announcement dated 11 August 2023, the entire capital expenditure budget for the relocation of Yiyang Hospital was planned to be approximately RMB17.3 million (HK\$19.5 million), comprising refurbishment labour costs, service fees and material purchases, purchases of new equipment to cater for the expanded capacity, and other miscellaneous costs. Up to 30 June 2024, approximately RMB16.4 million (HK\$18.5 million) was already used for the relocation of Yiyang Hospital, with the remaining relocation budget of RMB0.9 million (HK\$1.0 million) currently expected to be fully utilised by the first quarter of 2025.

As disclosed in the Company's announcement dated 11 August 2023, save as the relocation of Yiyang Hospital, the Group does not intend to commit to any substantial acquisition or expansion plans under any specified timeline prematurely, due to the taking of more conservative expansion strategy by the Group in response to the deepening of reform of medicine and healthcare systems in 2021, which has adversely affected the expected rates of return of hospital investment projects.

As disclosed in the Company's annual report 2022, subsequent to the period end of FY2022, the Board resolved to change the use of HK\$19 million out of the remaining net proceeds of the 2020 Rights Issue to be used in the Group's general working capital and meeting the Group's liabilities and expenses (such as overheads and rental payments, staff costs, professional fees) as they fall due. The Board is of the view that such change is in the best interests of the Company and its shareholders as a whole, as it is vital to have sufficient working capital to maintain the Group's businesses as a going concern. Up to 30 June 2024, approximately HK\$12.8 million was used for the Group's overhead expenses. The Company expects the remaining HK\$6.2 million to be fully utilised by the end of 2024.

## Management Discussions and Analysis

Based on the Group's present budget planning, overhead expenses of approximately HK\$7 million and HK\$5 million are normally expected to accrue in the first and second half of the Company's financial year on average. As disclosed in the Company's announcement dated 11 August 2023, if no suitable acquisition target can be identified in due course, the Company intends to change the intended use of the remaining HK\$42.4 million of net proceeds of the 2020 Rights Issue also for the Group's overhead expenses. Assuming the same overhead half yearly budgets as estimated above, these remaining HK\$42.4 million of net proceeds are projected to be fully utilised by or around 2028.

### LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2024, the Group had total assets of approximately HK\$133,585,000 (31 December 2023: HK\$136,201,000) and debts of approximately HK\$49,840,000 (31 December 2023: HK\$50,759,000), giving rise to a leverage ratio (defined as debt to total assets) of approximately 37.31% (31 December 2023: 37.27%).

As at 30 June 2024, the Group had net current assets of approximately HK\$13,016,000 (31 December 2023: HK\$15,467,000), being the surplus of current assets of approximately HK\$79,169,000 (31 December 2023: HK\$80,018,000) over the current liabilities of approximately HK\$66,153,000 (31 December 2023: HK\$64,551,000), giving rise to a current ratio of approximately 1.20 (31 December 2023: 1.24).

As at 30 June 2024, the Group had cash and bank balances of approximately HK\$65,356,000 (31 December 2023: HK\$66,826,000).

### GEARING RATIO

As at 30 June 2024, the gearing ratio of the Group (defined as debt to equity) was approximately 127% (31 December 2023: 123%). For this purpose, debt includes bonds payable, other borrowings and lease liabilities.

## Management Discussions and Analysis

### **SIGNIFICANT INVESTMENT HELD**

The Group had no significant investment held as at 30 June 2024.

### **ACQUISITION AND DISPOSAL**

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

### **CHARGES ON ASSETS**

None of the Group's assets was pledged to secure any facilities and borrowings granted to the Group as at 30 June 2024.

### **CONTINGENT LIABILITIES**

The Group had no material contingent liabilities as at 30 June 2024.

### **FOREIGN EXCHANGE EXPOSURE**

The Group's business transactions were mainly carried out in Hong Kong dollars and Renminbi. The Group was not engaged in any hedging measures during the Period. The Group will regularly review its position and may use financial measures to hedge its foreign currency exposure if it considers the risk to be significant.

### **CAPITAL STRUCTURE**

Details of the changes in the capital structure of the Company for the Period and the year ended 31 December 2023 are summarised below:

#### **(A) Share Capital**

Details of the movements of the share capital for the Period and the year ended 31 December 2023 are set out in Note (16) to the condensed consolidated financial statements.

## Management Discussions and Analysis

### (B) Share Options

#### *Old Share Option Scheme*

The old share option scheme (the “**Old Share Option Scheme**”) adopted by the Company on 2 September 2006 lapsed on 2 September 2016 pursuant to the terms of the Old Share Option Scheme.

#### *New Share Option Scheme*

At the annual general meeting of the Company held on 26 June 2019 (the “**2019 AGM**”), a new share option scheme (the “**New Share Option Scheme**”) was approved by the shareholders of the Company. The New Share Option Scheme has a lifespan of 10 years. At the 2019 AGM, the Scheme Mandate Limit was approved to allow the Company to grant options for the holders thereof to subscribe up to 147,326,614 shares (before adjustments upon the share consolidations) representing 10% of the shares in issue as the date of approval of the scheme. Details of the New Share Option Scheme are set out in the circular of the Company dated 24 May 2019.

No share options were granted under the New Share Option Scheme for the Period and the year ended 31 December 2023 and there were no outstanding share options as at 30 June 2024 and 31 December 2023. Accordingly, there has not been any awarded but unvested share options of the Company since the adoption of the New Share Option Scheme. In addition, no option was exercised, cancelled or lapsed under the New Share Option Scheme at the beginning and the end of the Period. As at the date of this report, the maximum number of options which can be granted under the New Share Option Scheme was 29,465,322 consolidated shares (equivalent to 147,326,614 options before the five-to-one share consolidation took effect on 22 January 2021), representing 4.47% of the existing issued share capital of the Company. The remaining lifespan of the New Share Option Scheme is 4 years and 10 months.

# Management Discussions and Analysis

## DIVIDENDS

The Directors do not recommend the payment of any dividend for the Period (2023: Nil).

## HUMAN RESOURCES

As at 30 June 2024, the Group has 181 employees in Hong Kong and China. Employees' remuneration, promotion and salary increments are assessed based on both individuals' and the Group's performance, professional and working experiences and by reference to prevailing market practices and standards.

## LITIGATION

During the Period and up to the date of this report, neither the Company nor any other member of the Group was engaged in any litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

## Other Information

### ARRANGEMENT FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the Period was the Company or any of its subsidiaries a party to any arrangement to enable a Director to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTERESTS IN SHARES

As at 30 June 2024, the interests or short positions of the Directors and chief executives and their associates in the shares, underlying shares and debenture of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the “SFO”), or as otherwise notified to the Company and the Stock Exchange of pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”), were as follows:

#### Long positions in shares of the Company and its associated corporations

Name of Director	Capacity in which the shares or underlying shares are held	Long positions in shares	Approximate percentage of total issued shares (Note 2)
Mr. Liu Dong	Beneficial owner and interest of controlled corporation	25,146,000 (Note 1)	3.81%

Notes:

- According to the disclosure of interest filings, these 25,146,000 shares deemed to be interested by Mr. Liu Dong (“Mr. Liu”) comprised (a) 9,146,000 shares held by Mr. Liu personally; and (b) 16,000,000 shares held by Smoothly Good Investment Development Limited (“Smoothly Good”), a controlled corporation wholly-owned by Mr. Liu. Mr. Liu and Smoothly Good’s deemed interests in 16,000,000 Shares here duplicates with each other.

## Other Information

2. The percentages are calculated based on the total number of 659,894,693 issued shares as at 30 June 2024.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2024, the following persons (other than a director or chief executive of the Company) had an interest or short position in the shares and underlying shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

#### Long positions in shares of the Company

Name of substantial shareholder	Capacity in which the shares are held	Long positions in shares	Approximate percentage of total issued shares (Note 3)
Ms. Zhou Cuiqiong	Interest of controlled corporations	370,071,730 (Note 1)	56.08%
Jumbo Faith International Limited	Interest of controlled corporations and beneficial owner	370,073,730 (Note 1)	56.08%
Fluent Robust Limited	Beneficial owner	67,647,058 (Note 1b)	10.25%
Mr. Yu Qigang	Family interests	370,071,730 (Note 2)	56.08%

Notes:

1. According to the disclosure of interest filings, these 370,071,730 shares deemed to be interested by Zhou Cuiqiong (“**Ms. Zhou**”) and Jumbo Faith International Limited (“**Jumbo Faith**”) comprised:
- (a) 302,424,672 shares beneficially owned by Jumbo Faith, a controlled corporation wholly-owned by Ms. Zhou. Ms. Zhou and Jumbo Faith’s deemed interests in 302,424,672 shares duplicated with each other; and



## Other Information

- (b) 67,647,058 shares beneficially owned by Fluent Robust Limited (“**Fluent Robust**”), which is a controlled corporation wholly-owned by Jumbo Faith, which is in turn wholly-owned by Mr. Zhou. Ms. Zhou, Jumbo Faith and Fluent Robust’s deemed interests in 67,647,058 shares duplicated with each other.
2. Mr. Yu Qigang (“**Mr. Yu**”), as the spouse of Ms. Zhou, is taken to be interested in the 302,424,672 shares held by Jumbo Faith and 67,647,058 shares held by Fluent Robust by virtue of Part XV of the SFO as described in Note 1 above.
3. The percentages are calculated based on the total number of 659,894,693 issued shares as at 30 June 2024.

Save as disclosed above, as at 30 June 2024, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

## PURCHASE, SALE OR REDEMPTION OF SHARES

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

## CORPORATE GOVERNANCE

The Company and the Directors confirm, to the best of their knowledge, that the Company complied with the code provisions set out in Part 2 of the Corporate Governance Code (the “**CG Code**”) as contained in Appendix C1 to the Listing Rules throughout the Period, except the deviation disclosed in the following paragraph:

Under the Code Provision D.2.5 of the CG Code, an issuer should have an internal audit function and issuers without an internal audit function should review the need for one on an annual basis and should disclose the reasons for the absence of such a function in the Corporate Governance Report. Due to the size and scale of operations, the Group did not have internal audit function during the Period.

## Other Information

The Company has engaged Crowe (HK) Risk Advisory Limited as an external consultant to establish an internal audit function for the current year. The external consultant has assisted the audit committee in carrying out an independent review on the adequacy and effectiveness of the risk management and internal control systems of the Group, and has reported the status of its review to the audit committee on a regular basis. The Group has formulated an internal audit charter to define the scope and duties and responsibilities of the internal audit function and its reporting protocol.

### **MODEL CODE ON SECURITIES TRANSACTION BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Listing Rules (the “**Model Code**”) as the code of conduct for Directors in their dealings in the Company’s securities. Upon specific enquiry by the Company, all Directors have confirmed that they have complied with the required standard set out in the Model Code for the six months ended 30 June 2024.

### **AUDIT COMMITTEE**

The audit committee was established by the Company with written terms of reference in compliance with the requirements set out in Appendix C1 to the Listing Rules. As at the date of this report, the audit committee comprises three independent non-executive Directors, namely Mr. David Tsoi (Chairman), Mr. Wu Hong and Mr. Wang Chunlin. One out of the three audit committee members, Mr. David Tsoi, possesses recognised professional qualifications in accounting and has wide experience in audit and accounting.

The unaudited condensed consolidated financial statements of the Group for the Period have been reviewed by the audit committee of the Company, which is of the opinion that such statements complied with applicable accounting standards and the Listing Rules, and that adequate disclosures have been made.

## Other Information

### EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant event requiring disclosure that has taken place subsequent to 30 June 2024 and up to the date of this report.

### APPRECIATION

On behalf of the Board, I wish to thank all our shareholders, customers, suppliers and bankers for their continual support. I would also like to extend my appreciation to all the staff for their dedicated work and their contribution throughout the Period.

By order of the Board  
**Green International Holdings Limited**  
**Yu Zhoujie**  
*Chairman*

Hong Kong, 30 August 2024