



**GREEN ENERGY GROUP LIMITED**

**綠色能源科技集團有限公司**

(Incorporated in Bermuda with limited liability)

Stock Code: 979



**INTERIM REPORT  
2024**

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### Executive Directors:

Mr. Lo Kam Wing, JP (*Chairman*)  
Mr. Luo Xian Ping  
Mr. Ho Wai Hung

#### Independent Non-executive Directors:

Mr. Tam Chun Wa  
Mr. Man Kwok Leung  
Ms. Jiang Zhihua

### AUDIT COMMITTEE

Mr. Tam Chun Wa (*Chairman*)  
Mr. Man Kwok Leung  
Ms. Jiang Zhihua

### REMUNERATION COMMITTEE

Mr. Tam Chun Wa (*Chairman*)  
Mr. Man Kwok Leung  
Ms. Jiang Zhihua

### NOMINATION COMMITTEE

Mr. Lo Kam Wing, JP (*Chairman*)  
Mr. Tam Chun Wa  
Ms. Jiang Zhihua

### COMPANY SECRETARY

Mr. Ng Chi Keung

### AUDITOR

Forvis Mazars CPA Limited

### LEGAL ADVISER

Conyers Dill & Pearman

### PRINCIPAL BANKER

Chiyu Banking Corporation Limited  
Bank of Communications Co Ltd (Hong Kong branch)  
OCBC Bank (Hong Kong) Limited  
Bank of China (Hong Kong) Limited

### REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### HEAD OFFICE PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 7712, 77/F., The Center  
99 Queen's Road Central  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited  
Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shop 1712-1716, 17/F Hopewell Centre  
183 Queen's Road East  
Wan Chai, Hong Kong

### STOCK CODE

979

### WEBSITE

<http://www.hk-greenenergy.com>

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the six months ended 31 December 2024

		Six months ended 31 December	
	Note	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
<b>Revenue</b>	4	32,946	38,625
Other income		184	149
Changes in inventories of finished goods		(1,594)	356
Purchases of goods and consumables		(15,450)	(20,925)
Transportation costs		(9,199)	(7,362)
Staff costs	6	(7,608)	(7,192)
Depreciation for property, plant and equipment		(735)	(734)
Depreciation for right-of-use assets		(901)	(1,012)
Gain on disposal of a subsidiary	16	569	–
Other operating expenses		(5,868)	(4,926)
Finance costs		(88)	(143)
<b>Loss before taxation</b>	6	(7,744)	(3,164)
Taxation	7	–	10
<b>Loss for the period</b>		(7,744)	(3,154)
<b>Other comprehensive (loss) income for the period, net of tax</b>			
<i>Items that may be/are reclassified subsequently to profit or loss:</i>			
– Exchange differences arising on translation of financial statements of foreign operations		(651)	210
<b>Other comprehensive (loss) income for the period</b>		(651)	210
<b>Total comprehensive loss for the period</b>		(8,395)	(2,944)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the six months ended 31 December 2024

		<b>Six months ended</b>	
		<b>31 December</b>	
		<b>2024</b>	2023
		<b>(Unaudited)</b>	(Unaudited)
Note		<b>HK\$'000</b>	HK\$'000
	<b>Loss for the period attributable to:</b>		
	– Owners of the Company	(7,215)	(4,574)
	– Non-controlling interests	(529)	1,420
		<u>(7,744)</u>	<u>(3,154)</u>
	<b>Total comprehensive (loss) income for the period attributable to:</b>		
	– Owners of the Company	(8,003)	(4,320)
	– Non-controlling interests	(392)	1,376
		<u>(8,395)</u>	<u>(2,944)</u>
		<b>HK cents</b>	HK cents
	<b>Loss per share</b>		
	Basic and diluted	9 <u>(0.53)</u>	<u>(0.39)</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2024

	Note	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		14,165	15,346
Right-of-use assets		2,747	3,648
Prepayments, deposits and other receivables	13	1,719	1,731
		<u>18,631</u>	<u>20,725</u>
<b>Current assets</b>			
Inventories	10	223	1,817
Trade receivables	11	1,433	4,949
Loan and interest receivables	12	2,266	2,165
Prepayments, deposits and other receivables	13	15,337	13,332
Tax recoverable		60	–
Bank balances and cash		10,728	16,397
		<u>30,047</u>	<u>38,660</u>
<b>Current liabilities</b>			
Trade payables	14	135	–
Accruals and other payables		3,921	5,027
Lease liabilities		665	1,222
Tax payables		–	448
		<u>4,721</u>	<u>6,697</u>
<b>Net current assets</b>		<u>25,326</u>	<u>31,963</u>
<b>Total assets less current liabilities</b>		<u>43,957</u>	<u>52,688</u>
<b>Non-current liabilities</b>			
Lease liabilities		2,229	2,565
<b>Net assets</b>		<u>41,728</u>	<u>50,123</u>
<b>Equity</b>			
Share capital	15	135,631	135,631
Reserves		(89,630)	(81,627)
Equity attributable to owners of the Company		46,001	54,004
Non-controlling interests		(4,273)	(3,881)
<b>Total equity</b>		<u>41,728</u>	<u>50,123</u>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the six months ended 31 December 2024

	Attributable to owners of the Company							Total	Non-controlling interests HK\$'000	Total equity HK\$'000
	Reserves									
	Share capital HK\$'000 (Note 15)	Share premium HK\$'000	Contributed surplus HK\$'000	Exchange reserve HK\$'000	General reserve HK\$'000	Accumulated losses HK\$'000	Total reserves HK\$'000			
Balance at 1 July 2023 (audited)	113,631	415,011	56,897	4,262	71	(548,485)	(72,244)	41,387	(2,946)	38,441
<b>Loss for the period</b>	-	-	-	-	-	(4,574)	(4,574)	(4,574)	1,420	(3,154)
<b>Other comprehensive income (loss)</b>										
Exchange differences arising on translation of financial statements of foreign operations	-	-	-	254	-	-	254	254	(44)	210
<b>Total comprehensive income (loss) for the period</b>	-	-	-	254	-	(4,574)	(4,320)	(4,320)	1,376	(2,944)
<b>Transactions with owners</b>										
<i>Contributions and distributions</i>										
Issue of share capital	22,000	5,760	-	-	-	-	5,760	27,760	-	27,760
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(1,201)	(1,201)
	22,000	5,760	-	-	-	-	5,760	27,760	(1,201)	26,559
Balance at 31 December 2023 (unaudited)	135,631	420,771	56,897	4,516	71	(553,059)	(70,804)	64,827	(2,771)	62,056
Balance at 1 July 2024 (audited)	135,631	420,741	56,897	3,463	71	(562,799)	(81,627)	54,004	(3,881)	50,123
<b>Loss for the period</b>	-	-	-	-	-	(7,215)	(7,215)	(7,215)	(529)	(7,744)
<b>Other comprehensive (loss) income</b>										
Exchange differences arising on translation of financial statements of foreign operations	-	-	-	(788)	-	-	(788)	(788)	137	(651)
<b>Total comprehensive loss for the period</b>	-	-	-	(788)	-	(7,215)	(8,003)	(8,003)	(392)	(8,395)
Balance at 31 December 2024 (unaudited)	135,631	420,741	56,897	2,675	71	(570,014)	(89,630)	46,001	(4,273)	41,728

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

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For the six months ended 31 December 2024

		Six months ended 31 December	
	Note	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
<b>OPERATING ACTIVITIES</b>			
Loss before taxation		(7,744)	(3,164)
Adjustments for:			
Interest income		(120)	(135)
Interest expenses		88	143
Allowance for ECL on trade and other receivables, net	6	59	–
Depreciation of property, plant and equipment		735	734
Depreciation of right-of-use assets		901	1,012
Loss on disposal of property, plant and equipment	6	1	33
Gain on disposal of a subsidiary	16	(569)	–
<b>Operating cash flows before movements in working capital</b>		<b>(6,649)</b>	<b>(1,377)</b>
Changes in working capital:			
Inventories		1,594	356
Trade receivables		3,645	316
Loan and interest receivables		–	200
Prepayments, deposits and other receivables		(1,940)	(10,911)
Trade payables		135	265
Accruals and other payables		(1,101)	(2,353)
<b>Cash used in operations</b>		<b>(4,316)</b>	<b>(13,504)</b>
Income tax (paid) refunded		(508)	10
<b>Net cash used in operating activities</b>		<b>(4,824)</b>	<b>(13,494)</b>



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the six months ended 31 December 2024

		Six months ended 31 December	
	Note	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
<b>INVESTING ACTIVITIES</b>			
Interest received		19	34
Purchase of property, plant and equipment		36	–
Net cash inflow from disposal of a subsidiary	16	<u>300</u>	<u>–</u>
<b>Net cash from investing activities</b>		<u>355</u>	<u>34</u>
<b>FINANCING ACTIVITIES</b>			
Interest paid		(88)	(143)
Dividend paid to non-controlling interests		–	(1,201)
Net proceeds from issue of share capital		–	27,760
Repayment of principal amount of lease liabilities		<u>(893)</u>	<u>(956)</u>
<b>Net cash (used in) from financing activities</b>		<u>(981)</u>	<u>25,460</u>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>(5,450)</b>	<b>12,000</b>
Effect of foreign exchange rate changes		(219)	(28)
Cash and cash equivalents at the beginning of the reporting period		<u>16,397</u>	<u>14,849</u>
<b>Cash and cash equivalents at the end of the reporting period, represented by bank balances and cash</b>		<u><b>10,728</b></u>	<u><b>26,821</b></u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

### 1. GENERAL INFORMATION

Green Energy Group Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and the principal place of business of the Company are disclosed in the corporate information section to the 2024 interim report of the Company.

The principal activity of the Company is investment holding. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are engaged in trading of waste construction materials and provision of construction material processing services, trading and processing of recyclable oil/biodiesel, trading of plastic recycling/metal scrap materials and provision of plastic processing services.

In the opinion of the directors of the Company (the “Directors”), the Company’s parent is New Glory Business Corporation which was incorporated in the British Virgin Islands and the ultimate parent is Marvel Express Limited which was incorporated in the British Virgin Islands.

The Company’s functional currency is Hong Kong dollars (“HK\$”) and the condensed consolidated financial statements are presented in HK\$ as the Company’s shares are listed on the Stock Exchange.

### 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 31 December 2024 have been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange.

### 3. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis and do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended 30 June 2024.

The accounting policies and the methods of computation adopted in the unaudited condensed consolidated financial statements for the six months ended 31 December 2024 are consistent with those applied in preparing the Group’s annual financial statements for the year ended 30 June 2024.

In the current period, the Group has applied, for the first time, the following new/revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA, that are relevant to the Group, which are mandatory effective for the annual period beginning on or after 1 July 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HK Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback

The adoption of these amendments to HKFRSs and HKASs does not have any significant impact on the condensed consolidated financial statements of the Group.

#### Future changes in HKFRSs:

The Group has not early adopted any new/revised HKFRSs that have been issued but are not yet effective for the financial year beginning on or after 1 July 2024. The directors are in the process of assessing the possible impact of the future adoption of these new/revised HKFRSs, but are not yet in a position to reasonably estimate their impact on the Group’s results and financial position.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 4. REVENUE

Revenue derived from the principal activities of the Group is disaggregated and recognised during the period as follows:

	Six months ended 31 December	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
<b>Revenue from contracts with customers within HKFRS 15</b>		
<i>Recognised at a point in time:</i>		
Trading of recyclable oil/biodiesel	27,312	35,315
Trading of waste construction materials	1,455	1,640
Trading of plastic recycling/metal scrap materials	–	5
Trading of iron ore	1,569	–
	<u>30,336</u>	<u>36,960</u>
<i>Recognised over time:</i>		
Provision of construction materials processing services	842	330
Provision of plastic processing services	1,701	1,234
	<u>2,543</u>	<u>1,564</u>
<b>Interest income calculated using the effective interest method</b>		
Loan interest income	67	101
Total revenue	<u><u>32,946</u></u>	<u><u>38,625</u></u>

The revenue from contracts with customers within HKFRS 15 is based on fixed price.

## 5. SEGMENTS INFORMATION

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's chief operating decision maker ("CODM") for the purposes of resources allocation and performance assessment, the Group is currently organised into the following reportable segments:

Waste construction materials and processing services	Trading of waste construction materials and provision of construction materials processing services
Renewable energy	Trading and processing of recyclable oil/biodiesel
Plastic recycling/metal scrap	Trading of plastic recycling/metal scrap materials and provision of plastic processing services
Money lending	Provision and arrangement of credit financing

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments. Reportable segment results exclude interest income and corporate income and expenses from the Group's result before taxation. Corporate income and expenses are income and expenses incurred by corporate headquarters which are not allocated to the operating segments. Each of the operating segments is managed separately as the resources requirement of each of them is different.

Segment assets include all assets with the exception of corporate assets, including bank balances and cash, certain other receivables and other assets which are not directly attributable to the business activities of operating segments as these assets are managed on a group basis.

Segment liabilities include trade payables, accruals and other payables and other liabilities directly attributable to the business activities of operating segments, and exclude corporate liabilities and provision for income tax.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 5. SEGMENTS INFORMATION (Continued)

## Segments revenue and results

For the six months ended 31 December 2024

	Waste construction materials and processing services (Unaudited) HK\$'000	Renewable energy (Unaudited) HK\$'000	Plastic recycling/ metal scrap (Unaudited) HK\$'000	Money lending (Unaudited) HK\$'000	Others (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
<b>Revenue</b>	<u>2,297</u>	<u>27,312</u>	<u>1,701</u>	<u>67</u>	<u>1,569</u>	<u>32,946</u>
<b>Results</b>						
Segment results	<u>1,029</u>	<u>(412)</u>	<u>(2,796)</u>	<u>(6)</u>	<u>23</u>	<u>(2,162)</u>
Unallocated other income						45
Unallocated other corporate expenses						(6,196)
Gain on disposal of a subsidiary (note 16)						<u>569</u>
<b>Loss before taxation</b>						<u><u>(7,744)</u></u>

For the six months ended 31 December 2023

	Waste construction materials and processing services (Unaudited) HK\$'000	Renewable energy (Unaudited) HK\$'000	Plastic recycling/ metal scrap (Unaudited) HK\$'000	Money lending (Unaudited) HK\$'000	Others (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
<b>Revenue</b>	<u>1,970</u>	<u>35,315</u>	<u>1,239</u>	<u>101</u>	<u>–</u>	<u>38,625</u>
<b>Results</b>						
Segment results	<u>362</u>	<u>4,208</u>	<u>(2,341)</u>	<u>18</u>	<u>–</u>	<u>2,247</u>
Unallocated other income						20
Unallocated other corporate expenses						(5,431)
<b>Loss before taxation</b>						<u><u>(3,164)</u></u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

5. SEGMENT INFORMATION (Continued)  
Segment assets and segment liabilities  
At 31 December 2024

	Waste construction materials and processing services (Unaudited) HK\$'000	Renewable energy (Unaudited) HK\$'000	Plastic recycling/ metal scrap (Unaudited) HK\$'000	Money lending (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
<b>Assets</b>					
Segment assets	<u>9,567</u>	<u>23,614</u>	<u>10,661</u>	<u>2,297</u>	46,139
Unallocated bank balances and cash					2,520
Unallocated other corporate assets					<u>19</u>
Consolidated total assets					<u>48,678</u>
<b>Liabilities</b>					
Segment liabilities	<u>453</u>	<u>2,899</u>	<u>581</u>	<u>-</u>	3,933
Unallocated other corporate liabilities					<u>3,017</u>
Consolidated total liabilities					<u>6,950</u>

At 30 June 2024

	Waste construction materials and processing services (Audited) HK\$'000	Renewable energy (Audited) HK\$'000	Plastic recycling/ metal scrap (Audited) HK\$'000	Money lending (Audited) HK\$'000	Total (Audited) HK\$'000
<b>Assets</b>					
Segment assets	<u>9,827</u>	<u>27,644</u>	<u>11,713</u>	<u>2,277</u>	51,461
Unallocated bank balances and cash					7,729
Unallocated other corporate assets					<u>195</u>
Consolidated total assets					<u>59,385</u>
<b>Liabilities</b>					
Segment liabilities	<u>1,596</u>	<u>3,696</u>	<u>386</u>	<u>-</u>	5,678
Unallocated other corporate liabilities					<u>3,584</u>
Consolidated total liabilities					<u>9,262</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 6. LOSS BEFORE TAXATION

	Six months ended 31 December	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
This is stated after charging (crediting):		
Staff costs (including directors' remuneration):		
– Salaries and allowances	7,098	6,708
– Retirement benefit – defined contribution scheme	510	484
	<u>7,608</u>	<u>7,192</u>
Allowance for expected credit loss ("ECL") on trade and other receivables, net	59	–
Legal and professional fee	1,101	1,027
Net exchange loss (gain)	10	(34)
Repair and maintenance	569	753
Lease charges on short-term leases	1,332	1,068
Utilities expenses	1,191	749
Loss on disposal of property, plant and equipment	1	33

## 7. TAXATION

	Six months ended 31 December	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Current tax:		
Hong Kong profits tax		
– overprovision in prior periods	–	(10)
	–	(10)
The People's Republic of China (the "PRC") Enterprise Income Tax ("EIT")	–	–
	–	(10)

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six months ended 31 December 2024

**7. TAXATION (Continued)**

Hong Kong profits tax has not been made as the Group incurred a loss for taxation purpose for the six months ended 31 December 2024 and 2023.

The income tax provision of the Group in respect of operations in Germany is calculated at the rate of 30% (*six months ended 31 December 2023: 30%*) on the estimated assessable profits for the six months ended 31 December 2024, based on the existing legislation, interpretations and practices in respect thereof. No provision for income tax of Germany has been made as the Group incurred a loss for taxation purpose for the six months ended 31 December 2024 and 2023 or its estimated assessable profits for the periods were wholly absorbed by unrelieved tax losses brought forward from previous years.

The PRC EIT in respect of the Group's operations in Mainland China is calculated at the rate of 25% (*six months ended 31 December 2023: 25%*) on the estimated assessable profits for the six months ended 31 December 2024, based on the existing legislation, interpretations and practices in respect thereof. No provision for the PRC EIT has been made as the Group incurred a loss for taxation purpose for the six months ended 31 December 2024 and 2023 or its estimated assessable profits for the periods were wholly absorbed by unrelieved tax losses brought forward from previous years.

No recognition of the potential deferred tax assets relating to tax losses of the Group has been made as the recoverability of the potential deferred tax assets is uncertain.

**8. DIVIDENDS**

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 31 December 2024 (*six months ended 31 December 2023: HK\$Nil*).

**9. LOSS PER SHARE**

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

	<b>Six months ended 31 December</b>	
	<b>2024 (Unaudited) HK\$'000</b>	2023 (Unaudited) HK\$'000
Loss for the period attributable to owners of the Company for the purpose of basic loss per share	<u>(7,215)</u>	<u>(4,574)</u>
Weighted average number of ordinary shares in issue for basic and diluted loss per share calculation ('000)	<u>1,356,308</u>	<u>1,181,743</u>
	<b>HK cents</b>	<b>HK cents</b>
<b>Loss per share</b> Basic and diluted	<u><b>(0.53)</b></u>	<u>(0.39)</u>

Diluted loss per share are the same as the basic loss per share as there are no dilutive potential ordinary shares in existence for the six months ended 31 December 2024 and 2023.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 10. INVENTORIES

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
Plastic materials	24	25
Recyclable oil	198	1,792
Waste construction materials	1	–
	<u>223</u>	<u>1,817</u>

## 11. TRADE RECEIVABLES

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
Trade receivables	1,433	5,090
Less: Allowance for ECL	–	(141)
	<u>1,433</u>	<u>4,949</u>

The Group allows a credit period within 30 days (30 June 2024: within 30 days) to its customers. At the end of the reporting period, the ageing analysis of trade receivables (net allowance of ECL) by invoice date is as follows:

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
0 – 90 days	1,147	4,875
91 – 180 days	216	46
181 – 365 days	43	–
Over 365 days	27	28
	<u>1,433</u>	<u>4,949</u>



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 12. LOAN AND INTEREST RECEIVABLES

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
Loan and interest receivables	<u>2,266</u>	<u>2,165</u>

The loan is secured by thirteen (30 June 2024: thirteen) motor vehicles, interest bearing at a fixed rate of 10% per annum and repayable in March 2025 (30 June 2024: March 2025).

As at 31 December 2024, the market value of the collateral of the loan was approximately HK\$3,576,000 (30 June 2024: HK\$4,418,000).

## 13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	Note	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
Prepayments		717	458
Trade deposits paid		1,631	2,152
Trade deposits and advance payment to a former non-controlling shareholder of a subsidiary, GSI	(c)	12,555	10,321
Consideration receivable for disposal of property, plant and equipment	(d)	792	792
Consideration receivable for disposal of a subsidiary	16	300	–
Other deposits and receivables	(b)	<u>1,853</u>	<u>1,932</u>
		<u>17,848</u>	<u>15,655</u>
Less: Non-current portion	(a)	<u>(1,719)</u>	<u>(1,731)</u>
		<u>16,129</u>	<u>13,924</u>
Less: Allowance for ECL		<u>(792)</u>	<u>(592)</u>
Current portion		<u><u>15,337</u></u>	<u><u>13,332</u></u>

Note:

- (a) All prepayments, deposits paid and other receivables are expected to be recovered or recognised as expense within one year except for deposits, for security and rental of HK\$1,719,000 (30 June 2024: HK\$1,731,000), which is expected to be recovered more than one year.
- (b) Included in other deposits and receivables was a deposit of EUR105,182 (equivalent to HK\$861,437) (30 June 2024: EUR104,363 (equivalent to HK\$884,000)) to guarantee the operation of the Group's subsidiary in Germany, which is held in name of a director of the Group's subsidiary, Mr. Yip Wai Leung, Jerry, on behalf of the Group.
- (c) Trade deposits and advance payment paid to a former non-controlling shareholder of a subsidiary, Green Strength (International) Limited ("GSI"), for purchasing of used cooking oil and corresponding freight charges under renewable energy segment are unsecured, interest-free and have no fixed repayment term.
- (d) The consideration receivable shall be recovered within 3 months after the delivery of the machine. Provision for ECL of HK\$792,000 was recognised as at 31 December 2024.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 14. TRADE PAYABLES

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
Trade payables	<u>135</u>	<u>–</u>

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	As at 31 December 2024 (Unaudited) HK\$'000	As at 30 June 2024 (Audited) HK\$'000
0 – 90 days	<u>135</u>	<u>–</u>

The credit period on purchases of goods is within 30 days (30 June 2024: within 30 days). The Group monitors and maintains a level of cash equivalents sufficient to ensure that all payables are within the credit time frame.

## 15. SHARE CAPITAL

	As at 31 December 2024 (Unaudited)		As at 30 June 2024 (Audited)	
	Number of shares '000	Share capital HK\$'000	Number of shares '000	Share capital HK\$'000
<b>Ordinary shares of HK\$0.10 each</b>				
<i>Authorised:</i>				
At the beginning and the end of the reporting period	<u>4,000,000</u>	<u>400,000</u>	<u>4,000,000</u>	<u>400,000</u>
<i>Issued and fully paid:</i>				
At the beginning of the reporting period	1,356,308	135,631	1,136,308	113,631
Issue of share capital	<u>–</u>	<u>–</u>	<u>220,000</u>	<u>22,000</u>
<b>At the end of the reporting period</b>	<u>1,356,308</u>	<u>135,631</u>	<u>1,356,308</u>	<u>135,631</u>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the six months ended 31 December 2024

**16. DISPOSAL OF A SUBSIDIARY**

On 18 November 2024, Bliss Hour Limited ("Bliss Hour"), a wholly-owned subsidiary of the Group, entered into a sales and purchase agreement with Wealthy Attain Limited, an independent third party, to dispose 100% of equity interests in Noble Ample Limited ("Noble Ample"), a wholly-owned subsidiary of the Group at a consideration of HK\$600,000. The first installment of HK\$300,000 was settled in November 2024 and the remaining balance is expected to be settle within 5 business days after the renewed money lenders license is granted. During the period, gain on disposal of a subsidiary of HK\$569,000 was recognised.

The details are as follows:

	<i>HK\$'000</i>
<b>Consideration</b>	
Cash consideration received or receivable	<u>600</u>
<b>Net assets being disposed of:</b>	
Deposits	<u>31</u>
<b>Net assets upon disposal</b>	<u>31</u>
Gain on disposal of a subsidiary	<u>569</u>
<b>Net cash inflow on disposal of a subsidiary</b>	
Cash consideration received	<u>300</u>

The results of Noble Ample for the period from 1 July 2024 to 18 November 2024, which have been included in the condensed consolidated statement of comprehensive income, are as follows:

	<b>Period from 1 July 2024 to 18 November 2024 <i>HK\$'000</i></b>	Six months ended 31 December 2023 <i>HK\$'000</i>
Revenue	67	101
Other operating expenses	<u>(73)</u>	<u>(83)</u>
<b>(Loss) Profit before taxation</b>	(6)	18
Taxation	<u>-</u>	<u>-</u>
<b>(Loss) Profit after taxation</b>	<u>(6)</u>	<u>18</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

During the period ended 31 December 2024, the Group has principally engaged in (a) renewable energy business, (b) waste construction materials and processing service, (c) plastic recycling/metal scrap business and (d) money lending business.

#### **Renewable Energy Business**

The Group has begun to focus its development on trading of recyclable oil/biodiesel since 2017. The recyclable oil is in the nature of used cooking oil which could be further used as one of the components in refining biodiesel, one of the renewable energy commonly used.

The operation of the renewable energy business is accredited with an International Sustainability and Carbon Certificate (“ISCC”) according to the Renewable Energy Directive 2018/2001/EU (RED II) of the European Parliament. The Group handles the customers’ product specification and discuss product specification with the raw material suppliers, as well as inspects their raw material quality.

The Group has well-established network and partnership in the fields of used cooking oil and biodiesel, which in turn allows the Group to secure constant supply for the operations of the Renewable Energy as well as timely fulfill the demands from the customers. The Group is able to (i) source suitable raw material suppliers in accordance with specified product specification and identify suitable providers; (ii) review customers’ requirements with the raw material suppliers; (iii) inspect and assure raw material quality; (iv) follow up on reprocessing and logistics arrangement; (v) the operations are conducted in accordance with the procedural requirements of the ISCC; (vi) serve as a significant bridge in between both ends to accommodate credit requirements arising from timing difference of credit period in the supply chain; and (vii) provide confidence to the customers regarding the quality of products as the Group possesses ISCC certifications which are world-wide recognized, and help them to meet the requirements set in the Renewable Energy Directive 2018/2001/EU (RED II) and Fuel Quality Directive 2009/30/EC.

Further, the consulting and brokerage firms in relation to wasted-based feedstock and biofuels have been acting as important intermediaries in the industry who will provide valuable market information and foreign customer bases to the market players in the renewable energy business segment. The Group has established solid relationship with various reputable and sizeable consulting and brokerage firms, such as Olyx B.V., Nexus-brokerage and Greenea, for several years which has continuously facilitated the Group to approach and secure a number of new customers.

#### **(I) Products**

The Group primarily purchases/collects used cooking oils, recyclable oil and/or biodiesel as well as palm oil mill effluent methyl ester in the PRC and Hong Kong, which have been reprocessed according to the quality specification required by different customers, and sells them as feedstock to overseas and PRC buyers for the trading/production of biodiesel and/or for use in other industrial applications.

#### **(II) Customers**

The customers mainly comprise feedstock suppliers and recyclers who are engaged in the trading of recyclable waste cooking oils, palm oil mill effluent methyl ester and/or production of biodiesel in European countries, South East Asia and the PRC.

#### **(III) Suppliers**

The recyclable oil and/or biodiesel are supplied by waste oil collectors in Hong Kong and the PRC; and palm oil mill effluent methyl ester are sourced from suppliers in South East Asia and the PRC through the business partner. The Group is also sourcing used cooking oil directly from suppliers and restaurants with its own collection trucks and outsourced logistic company in Hong Kong.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW (continued)

#### Renewable Energy Business (continued)

##### Development in renewable energy business since 2022:

(i) **Expansion of operating team**

The Group has recruited staff with relevant experiences in the trading and collection of used cooking oils in the Hong Kong market to join the operating team (including the sourcing team). The expanded team has reinforced the Group's capability to reach its new and potential customers as well as advance its sourcing abilities.

(ii) **Commencement of operation of the Group's own storage and processing factory**

The Group has successfully set up its own storage and processing factory at an industrial site in Hong Kong and obtained the relevant licences to store and process the used cooking oils. The Group has the necessary processing machineries and storage facilities for the used cooking oils, including but not limited to those which are to be collected by the Group's own used cooking oil collection trucks.

(iii) **Collection of used cooking oils in Hong Kong with the Group's own fleet of trucks**

The Group has set up its own fleet of cooking oil collection trucks in Hong Kong and begins to collect used cooking oils in Hong Kong with its own capability. The Group has also recruited outsourcing partner to collect used cooking oils in order to meet the logistic requirements.

At the same time, the Group has been actively building up its local supplier network, and have entered into contracts with food and beverages providers in Hong Kong which provides the Group the exclusive rights to collect used cooking oils.

#### Waste Construction Materials and Processing Service

The Group has commenced the waste construction materials and processing service business since 2007. With more than a decade of operating history, the Group's waste construction materials and processing service in Germany has established stable operation as well as long-term relationships with its business partners and customers in the local market.

(I) **Products**

The Group collects and recycles construction waste material and asphalt, and resells the recovered and/or recycled materials for a profit. Besides, the Group also performs processing service and mixing service according to formulas and proportion as provided by customers.

(II) **Customers**

The customers mainly comprise local construction companies, government authorities and individual customers in Germany.

(III) **Suppliers**

The Group primarily sources construction waste material and asphalt from various construction companies and construction waste collectors in Germany.

**BUSINESS REVIEW (continued)****Plastic Recycling/Metal Scrap Business**

The Group has commenced its plastic recycling business in Germany since 2016. The Group had also started the business of high-grade plastic recycling and processing in Japan in June 2020, but the processing operation had been ceased since April 2022 due to the continuing shortage of feedstock supply under the prolonged pandemic. Besides, the Group was also engaged in the trading of metal scrap, but it was inactive now.

**(I) Products**

The Group's plastic recycling business represents the recycling (sorting, washing and shredding) of plastic materials. The operations are basically divided into two streams, as follows:

*Processing activities:*

Plastic materials are supplied by commercial waste collectors, for which the Group charges the customers by reference to the weight of the incoming materials and bear the cost of disposal of waste arising from such recycling activities.

*Purchase-Recycling-Resell Activities:*

The Group purchases the plastic materials from both commercial waste collectors and plastics dealers for resale at a higher profit margin after recycling.

**(II) Customers**

The customers mainly comprise plastic recycling companies in Germany and member states of European Union.

**(III) Suppliers**

The Group has been purchasing feedstock from reputable suppliers who are engaged in, among others, environmental services and waste materials collection.

**Money Lending Business**

The Group conducted its money lending business through Noble Ample Limited ("NAL"), a wholly-owned subsidiary of the Company which held a money lenders licence in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group had disposed of all its equity interest in NAL on 18 November 2024 and is expected to cease its money lending business upon the settlement of the loan and interest receivable. The Group considered that the disposal represented a good opportunity to re-allocate its resources from its money lending business to its other more profitable business segments and/or new projects with higher growth potential.

**Operating Results**

The revenue of the Group for the six months ended 31 December 2024 was approximately HK\$32.9 million (2023 corresponding period: approximately HK\$38.6 million), representing a decrease of approximately 14.8% as compared with the corresponding period of last year. The decrease in revenue was mainly resulted from the renewable energy business segment.

The net loss attributable to the owners of the Company for the six months ended 31 December 2024 was approximately HK\$7.2 million (2023 corresponding period: approximately HK\$4.6 million), representing an increase of 56.5% as compared with the corresponding period of last year. The net loss of the renewable energy business segment was resulted due to the reduction in its gross margin with the increase of feedstock purchase cost.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW (continued)

#### Segment Information

(a) **Renewable energy – trading and processing of recyclable oil/biodiesel**

The Group recorded a revenue of approximately HK\$27.3 million from the trading of recyclable oil/biodiesel for the six months ended 31 December 2024 (2023 corresponding period: approximately HK\$35.3 million) representing a decrease of approximately 22.7% as compared with the corresponding period of last year.

With EU's tightened scrutiny on Chinese biodiesel imports for antidumping investigation, the experienced downward pressure on the demand of European countries. On the other hand, the cost of feedback purchase was increased due to fierce competition in used cooking oil collection. Moreover, with the declining trend in catering industry in Hong Kong, the shortage of feedstock was further increased if solely from the Group's used cooking oil collection. Therefore feedstock purchase from other waste oil collectors with higher cost had been largely increased, which had eroded much of the profit margin for the segment.

(b) **Waste construction materials and waste processing service**

The revenue of this business segment involves the collection and recycling of waste construction materials and the sale of recycled construction materials. The revenue arising from this sector was approximately HK\$2.3 million for the six months ended 31 December 2024 (2023 corresponding period: approximately HK\$2.0 million).

(c) **Plastic recycling/metal scrap business**

The plastic recycling/metal scrap sector recorded a revenue approximately of HK\$1.7 million for the six months ended 31 December 2024 (2023 corresponding period: approximately HK\$1.2 million). Although there was improvement in sales revenue in 2024, the net loss of the segment had increased by 22% to approximately HK\$2.8 million for the six months ended 31 December 2024 (2023 corresponding period: approximately HK\$2.3 million). It was mainly resulted from the rising energy prices and high labour costs and waste treatment cost.

(d) **Money lending business**

The money lending business recorded a revenue of approximately HK\$0.1 million for the six months ended 31 December 2024 (2023 corresponding period: approximately HK\$0.1 million). The Group had disposed of the money lending business on 18 November 2024 for better reallocation of the group resources.

### FINANCIAL REVIEW

#### Liquidity, financial resources and cashflow

As at 31 December 2024, the Group had total current assets of approximately HK\$30.0 million (as at 30 June 2024: approximately HK\$38.7 million), including bank balances and cash of approximately HK\$10.7 million (as at 30 June 2024: approximately HK\$16.4 million) and the total current liabilities were approximately HK\$4.7 million (as at 30 June 2024: approximately HK\$6.7 million). The current ratio of the Group was approximately 6.4 (as at 30 June 2024: approximately 5.8). The Group has sufficient funds to settle its debts.

As at 31 December 2024, the Group had total assets of approximately HK\$48.7 million (as at 30 June 2024: approximately HK\$59.4 million). The Group did not have external borrowing as at 31 December 2024 and 30 June 2024, and therefore gearing ratio was not applicable.

**FINANCIAL REVIEW (continued)****Use of proceeds from the placing of new shares**

On 9 November 2023, the Company and the placing agent entered into the placing agreement (“Placing Agreement”) pursuant to which the Company has conditionally agreed to place through the placing agent, on a best endeavour basis, in aggregate up to 220,000,000 placing shares (“Placing Shares”) at the placing price of HK\$0.128 per placing share, to not less than six Placees, who and whose ultimate beneficial owners are Independent Third Parties (“Placing”). The placing price of HK\$0.128 per placing share represented a discount of approximately 5.88% to the closing price of HK\$0.136 per share as quoted on the Stock Exchange on 9 November 2023.

On 24 November 2023, the condition set out in the Placing Agreement has been fulfilled, and the Placing was completed in accordance with the terms and conditions of the Placing Agreement (“Completion”). An aggregate of 220,000,000 Placing Shares, representing approximately 16.22% of the issued share capital of the Company immediately after Completion, have been successfully placed at the Placing Price of HK\$0.128 per placing share to not less than six placees. The net proceeds from the Placing (after deduction of commission and other expenses of the Placing) are approximately HK\$27.76 million.

For the details of the Placing, please refer to the announcements of the Company dated 9 November 2023 and 24 November 2023.

The table below has summarised the planned use and actual utilization of the net proceeds of the Placing:

	Planned use of net proceeds (HK\$ million)	Used net proceeds up to 30 June 2024 (HK\$ million)	Unused net proceeds as at 30 June 2024 (HK\$ million)	Used net proceeds up to 31 December 2024 (HK\$ million)	Unused net proceeds as at 31 December 2024 (HK\$ million)
Working Capital of the Group	22.21	14.91	7.30	22.21	–
Business development of the Group	5.55	0.0	5.55	0.15	5.40
<b>Total</b>	<b>27.76</b>	<b>14.91</b>	<b>12.85</b>	<b>22.36</b>	<b>5.40</b>

Notes: The expected timeline for utilization of the unused Net Proceeds will be on or before 30 June 2025.

Save as disclosed above, there were no other equity fund raising activities of the Company during the last 12 months prior to the date of this interim report.

**Foreign Exchange Exposure**

The ordinary operations and investments of the Group are mainly in Hong Kong and Germany, with revenue and expenditures denominated in US dollars and euro. The operating results of the Group may be affected by the volatility of foreign currencies. In addition, we are exposed to foreign currency risks arising from certain bank balances which are denominated in Renminbi, US dollars and euro. The Group will review its foreign exchange exposures regularly and may consider using financial instruments to hedge against such exposures at appropriate times. As at 31 December 2024, there were no derivative financial instruments employed by the Group.

**Seasonal or Cyclical Factors**

During the Period, the Group’s business operations are not significantly affected by any seasonal and cyclical factor.



## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW (continued)

#### Material Acquisitions and Disposals of Subsidiaries and Associates

Saved for disclosed in note 16 to the condensed consolidated financial statements, there was no material acquisition and disposal of subsidiaries and associated companies for the Period.

#### Capital Commitments

As at 31 December 2024, the Group did not have any material capital commitment (as at 30 June 2024: Nil).

#### Contingent Liabilities

As at 31 December 2024, the Group did not have any material contingent liabilities (as at 30 June 2024: Nil).

### BUSINESS OUTLOOK AND FUTURE PROSPECTUS

Elections and inflation dominated markets in 2024. Looking ahead, the effects of both should continue to echo through the global economy over the next few years. Potential policy changes under a renewed Trump presidency could have far-reaching effects on the US and global economies. Immigration and trade policy shifts are likely to drive higher inflationary pressures domestically in US and globally, while increased tariffs could disrupt global trade and supply chains. Rising geopolitical rivalries will threaten deeper fragmentation and lower growth for the global economy and undermine trade efficiency due to higher costs and constrained market access.

As the calendar turns to 2025, there is more uncertainty in energy markets heading into a new year. Conflicts in Ukraine and Gaza remain unresolved and have the potential to significantly alter energy markets. Polarization and geopolitical rivalry between China and the West are becoming more pronounced. The election of Donald Trump to the US presidency adds further uncertainty to geopolitics and US participation in the already weakened Paris Agreement and the UN Conference of Parties (COP) process. Trump's promised deregulation in the oil and gas industry with faster permitting could hit a wall of continuously growing global supply. This higher production from non-OPEC+ producers is set to tilt the market into a large surplus in 2025. Modest demand growth in 2025 and a strong supply increase from non-OPEC+ producers are expected to drive oil prices lower in 2025.

Moreover, in response to the influx of low-priced and mislabelled product from China, the European Commission imposed provisional tariffs on Chinese biodiesel imports, effective from August 2024 with definitive measures expected in February 2025. Hence Asia's used cooking oil methyl ester (UCOME) will still face the prospect of uncertain demand from the European Union (EU).

The year 2024 has brought the German plastics recycling industry to its breaking point. There have been significant slumps in recyclate markets as a result of the weak macroeconomic environment, massive drops in demand and the growing price pressure caused by inexpensive primary plastics. Industry players are not very optimistic about the coming year. Especially the smaller and medium-sized recyclers will struggle to survive under the current market conditions. For many companies, 2025 could be a decisive year, as most market experts only expect a sustained recovery as of 2026.

In view of the challenges and enormous pressure on the plastic recycling business in Europe, the Group continue to reassess the business viability of the plastics recycling business in Germany in order to plan for better allocation of the group funding and resources.

### **EMPLOYEE AND REMUNERATION POLICY**

As at 31 December 2024, the Group had 37 employees (As at 30 June 2024: 37 employees) in Hong Kong, the PRC and Germany.

The Group offered competitive remuneration package as an incentive to staff for career advancement and improvements. The Company has in place a share option scheme as a mean to encourage and reward the eligible employees' (including directors of the Company) contributions to the Group's results and business development based on their individual performance.

The employees' remuneration, promotion and salary are assessed by reference to work performance, working experiences and professional qualifications and the prevailing market practice.

### **INTERIM DIVIDEND**

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 31 December 2024.

## OTHER INFORMATION

### DISCLOSURE OF INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2024, none of the Directors and the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures 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 (“SFO”), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”).

### SUBSTANTIAL SHAREHOLDERS AND OTHER PERSON’S INTEREST

As at 31 December 2024, as recorded in the register maintained by the Company pursuant to Section 336 of the SFO, other than the interests and short positions disclosed above in respect of the Directors and the chief executive of the Company, the following persons had interests or short positions in the shares and the underlying shares of the Company:

#### Substantial shareholders – long position in the shares of the Company

Name of shareholder	Capacity	Number of issued ordinary shares held	Approximate percentage of total issued share capital of the Company (Note 1)
New Glory Business Corporation	Beneficial owner	267,829,436	19.75%
Rich Bay Global Limited (“Rich Bay”) (Note 2)	Beneficial owner	147,244,000	10.86%
Superactive Asset Management Limited (“Superactive”) (Note 2)	Interest in controlled corporation	147,244,000	10.86%
Lee Chi Shing Caesar (Note 2)	Interest in controlled corporation	147,244,000	10.86%
Yeung So Lai (Note 2)	Interest in controlled corporation	147,244,000	10.86%

#### Notes:

- The approximate percentage of total issued share capital calculation was based on the total number of ordinary shares of the Company in issue as at 31 December 2024, i.e. 1,356,308,176 shares.
- Based on the notices of disclosure of interests of Rich Bay, Superactive, Lee Chi Shing Caesar and Yeung So Lai filed with the Stock Exchange on 24 November 2023, such shares of the Company were held by Rich Bay, which was wholly-owned by Superactive, Superactive which was in turn owned as to 45% by Lee Chi Shing Caesar and as to 55% by Yeung So Lai. As such, each of Lee Chi Shing Caesar and Yeung So Lai was deemed to be interested in the shares of the Company held by Rich Bay by virtue of the SFO.

Save as disclosed above, as at 31 December 2024, no person (other than the Directors or the chief executive of the Company) had an interest or a short position in the shares or the underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

## OTHER INFORMATION

### SHARE OPTION SCHEME

Pursuant to ordinary resolutions passed by shareholders of the Company on 27 May 2016, the Company terminated the Company's share option scheme adopted in 2006 (the "Old Share Option Scheme"), and adopted a new share option scheme (the "New Share Option Scheme"). The adoption of the New Share Option Scheme will not in any event affect the terms of the grant of the outstanding options that has already been granted under the Old Share Option Scheme and those outstanding options shall continue to be valid and subject to the provisions of the Old Share Option Scheme. As at the date of this report, no share option has been granted under New Share Option Scheme.

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the requirements under the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Part 2 of Appendix C1 to the Listing Rules as its own code of corporate governance. The Company conducts regular reviews of its corporate governance practices to ensure compliance with the CG Code. During the six months ended 31 December 2024 (the "Period"), the Company has complied with all the principles and applicable code provisions (the "Code Provisions") in the CG Code except for the following:

Pursuant to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company has not appointed a chief executive officer. During the Period, the role of the chief executive officer was performed by Mr. Lo Kam Wing, JP, who was also the chairman of the Company. The Board believes that having the chairman of the Company performing the duties of its chief executive officer provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies.

The Board will periodically review the merits and demerits of such management structure and will adopt such appropriate measures as may be necessary in the future taking the nature and extent of the Group's operation into consideration.

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

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

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the Period, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own securities dealing code for the Directors. All Directors confirmed, upon specific enquiry made by the Company on them, that they had fully complied with the required standard set out in the Model Code regarding their securities transactions throughout the Period.

### AUDIT COMMITTEE

The audit committee of the Company ("Audit Committee") has been set up with terms of reference in compliance with the CG code. The Audit Committee has reviewed the accounting principles and policies adopted by the Group with management and discussed risk management systems internal control and financial reporting matters including the review of these unaudited condensed consolidated interim results of the Company for the six months ended 31 December 2024.

## OTHER INFORMATION

### PUBLICATION OF INTERIM REPORT

The interim report is published on the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.hk-greenenergy.com](http://www.hk-greenenergy.com)).

By order of the Board  
**Lo Kam Wing, JP**  
Chairman

Hong Kong, 27 February 2025

\*\* *The English translation of Chinese names or words are for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*