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**勝獅貨櫃企業有限公司**  
**SINGAMAS CONTAINER HOLDINGS LIMITED**  
*(Incorporated in Hong Kong with limited liability)*  
**Stock code: 716**

*Websites: <http://www.singamas.com> and <http://www.irasia.com/listco/hk/singamas>*

**2021 INTERIM RESULTS ANNOUNCEMENT**

**INTERIM RESULTS**

The Board of Directors (the “Board” / “Directors”) of Singamas Container Holdings Limited (the “Company”) would like to announce the unaudited consolidated interim results of the Company and its subsidiaries (together the “Group”) for the six months ended 30 June 2021 as follows:

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the six months ended 30 June 2021*

|   | <i>Notes</i> | <b>Six months ended 30 June<br/>2021<br/>(unaudited)<br/>US\$'000</b> | <b>2020<br/>(unaudited)<br/>US\$'000</b> |
|---|--------------|---|--|
| <b>Revenue</b>  | 2            | 455,892   | 97,454                                   |
| Other income  |              | 1,526   | 1,756                                    |
| Changes in inventories of finished goods and work in progress       |              | 3,905   | (8,575)                                  |
| Raw materials and consumables used                                  |              | (276,343)   | (54,315)                                 |
| Staff costs   |              | (57,241)  | (16,384)                                 |
| Depreciation expense  |              | (5,627)   | (6,082)                                  |
| Impairment losses under expected credit loss model, net of reversal |              | (47)  | (1,258)                                  |
| Impairment loss on property, plant and equipment                    |              | (2,000)   | -  |
| Other expenses  |              | (31,198)  | (21,435)                                 |
| Finance costs   |              | (655)   | (530)                                    |
| Investment income   |              | 4,594   | 6,133                                    |
| Other gains and losses  |              | (1,741)   | (2,321)                                  |
| Share of results of associates                                      |              | 196   | 934                                      |
| Share of results of joint ventures                                  |              | 101   | 209                                      |
| <b>Profit (loss) before taxation</b>                                |              | <b>91,362</b>   | <b>(4,414)</b>                           |
| Income tax expense  | 4            | (24,855)  | (1,088)                                  |
| <b>Profit (loss) for the period</b>                                 |              | <b>66,507</b>   | <b>(5,502)</b>                           |

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME** *(Continued)*  
*For the six months ended 30 June 2021*

|  | <i>Note</i> | <b>Six months ended 30 June</b><br><b>2021</b><br><b>(unaudited)</b><br><b>US\$'000</b> | <b>2020</b><br><b>(unaudited)</b><br><b>US'000</b> |
|--|-------------|---|--|
| <b>Other comprehensive income (expense)</b>  |             |   |  |
| <i>Item that will not be reclassified to profit or loss:</i>   |             |   |  |
| Fair value gain (loss) on equity instrument at fair value through other comprehensive income ("FVTOCI"), net of tax effect |             | <b>9,966</b>  | (3,904)  |
| <i>Item that may be subsequently reclassified to profit or loss:</i>   |             |   |  |
| Exchange differences arising on translation  |             | <b>674</b>  | (628)  |
| <b>Other comprehensive income (expense) for the period</b>   |             | <b>10,640</b>   | (4,532)  |
| <b>Total comprehensive income (expense) for the period</b>   |             | <b>77,147</b>   | (10,034)   |
| <b>Profit (loss) for the period attributable to:</b>   |             |   |  |
| Owners of the Company  |             | <b>59,293</b>   | (5,331)  |
| Non-controlling interests  |             | <b>7,214</b>  | (171)  |
|  |             | <b>66,507</b>   | (5,502)  |
| <b>Total comprehensive income (expense) attributable to:</b>   |             |   |  |
| Owners of the Company  |             | <b>69,881</b>   | (9,836)  |
| Non-controlling interests  |             | <b>7,266</b>  | (198)  |
|  |             | <b>77,147</b>   | (10,034)   |
| <b>Earnings (loss) per share</b>   | <b>6</b>    |   |  |
| Basic  |             | <b>US2.45 cents</b>   | US(0.22) cent                                      |
| Diluted  |             | <b>N/A</b>  | US(0.22) cent                                      |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

|  | <i>Notes</i> | <i>As at<br/>30 June<br/>2021<br/>(unaudited)<br/>US\$'000</i> | <i>As at 31<br/>December<br/>2020<br/>(audited)<br/>US\$'000</i> |
|--|--------------|--|--|
| <b>Non-current assets</b>  |              |  |  |
| Property, plant and equipment                                      | 7            | 70,483   | 84,185   |
| Right-of-use assets  |              | 37,806   | 38,755   |
| Investment properties  |              | 19,210   | 18,866   |
| Interests in associates  |              | 17,893   | 44,812   |
| Interests in joint ventures  |              | 7,860  | 7,681  |
| Equity instrument at FVTOCI  |              | 37,229   | 26,156   |
| Financial asset at fair value through<br>profit and loss ("FVTPL") |              | 3,153  | 3,027  |
| Other receivables  | 10           | 15,247   | 31,678   |
| Deposits for non-current assets                                    |              | 903  | 299  |
| Amount due from immediate holding company                          | 11           | 95,870   | 91,847   |
| Amounts due from fellow subsidiaries                               | 12           | 25,625   | 28,276   |
| Amount due from an associate                                       |              | -  | 13,727   |
|  |              | <b>331,279</b>   | <b>389,309</b>   |
| <b>Current assets</b>  |              |  |  |
| Inventories  | 8            | 111,383  | 59,907   |
| Trade receivables  | 9            | 175,084  | 62,624   |
| Prepayments and other receivables                                  | 10           | 77,618   | 89,631   |
| Amount due from immediate holding company                          | 11           | 1,973  | 2,500  |
| Amounts due from fellow subsidiaries                               | 12           | 680  | -  |
| Amounts due from associates  | 13           | 3,002  | 3,678  |
| Derivative financial instruments                                   |              | 381  | 109  |
| Tax recoverable  |              | 257  | 804  |
| Bank balances and cash   |              | 111,855  | 48,787   |
|  |              | <b>482,233</b>   | <b>268,040</b>   |
| Assets classified as held for sale                                 | 14           | 52,985   | -  |
|  |              | <b>535,218</b>   | <b>268,040</b>   |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

As at 30 June 2021

|  | <i>Notes</i> | <i>As at<br/>30 June<br/>2021<br/>(unaudited)<br/>US\$'000</i> | <i>As at 31<br/>December<br/>2020<br/>(audited)<br/>US\$'000</i> |
|--|--------------|--|--|
| <b>Current liabilities</b>                   |              |  |  |
| Trade payables                               | 15           | 93,079   | 50,980   |
| Lease liabilities                            |              | 1,447  | 1,345  |
| Accruals and other payables                  |              | 37,971   | 19,364   |
| Advances from customers                      |              | 36,809   | 11,170   |
| Amount due to immediate holding company      |              | 181  | 189  |
| Amount due to a fellow subsidiary            |              | -  | 53   |
| Amounts due to associates                    |              | 1,118  | 241  |
| Amounts due to joint ventures                |              | 16   | 12   |
| Tax payable                                  |              | 16,574   | 3,599  |
| Bank borrowings                              |              | 55,691   | 27,584   |
|  |              | <hr/> 242,886  | 114,537  |
| <b>Net current assets</b>                    |              | <hr/> 292,332  | 153,503  |
| <b>Total assets less current liabilities</b> |              | <hr/> 623,611  | 542,812  |
| <b>Capital and reserves</b>                  |              |  |  |
| Share capital                                | 16           | 268,149  | 268,149  |
| Accumulated profits                          |              | 242,626  | 183,801  |
| Other reserves                               |              | 56,698   | 45,642   |
|  |              | <hr/> 567,473  | 497,592  |
| Equity attributable to owners of the Company |              | 567,473  | 497,592  |
| Non-controlling interests                    |              | 43,360   | 36,094   |
|  |              | <hr/> 610,833  | 533,686  |
| <b>Total equity</b>                          |              | <hr/> 610,833  | 533,686  |
| <b>Non-current liabilities</b>               |              |  |  |
| Lease liabilities                            |              | 874  | 1,421  |
| Deferred tax liabilities                     |              | 11,904   | 7,705  |
|  |              | <hr/> 12,778   | 9,126  |
|  |              | <hr/> 623,611  | 542,812  |

Notes:

**1. Basis of preparation and principal accounting policies**

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

*The financial information relating to the year ended 31 December 2020 that is included in the condensed consolidated financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is as follows:*

*The Company has delivered the financial statements for the year ended 31 December 2020 to the Registrar of Companies as required by section 662(3) of and Part 3 of Schedule 6 to the Hong Kong Companies Ordinance.*

*The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.*

*The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.*

*Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards ("HKFRSs") and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2021 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2020.*

**Accounting policies which became relevant to the Group**

Modification of financial assets

*A modification of a financial asset occurs if the contractual cash flows are renegotiated or otherwise modified.*

*When the contractual terms of a financial asset are modified, the Group assesses whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial asset.*

## ***Application of amendments to HKFRSs***

*In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatory effective for the annual period beginning on or after 1 January 2021 for the preparation of the Group's condensed consolidated financial statements:*

*Amendment to HKFRS 16*

*Covid-19-Related Rent Concessions*

*Amendments to HKFRS 9, HKAS 39 and HKFRS 7,  
HKFRS 4 and HKFRS 16*

*Interest Rate Benchmark Reform – Phase 2*

*Except as described below, the application of the amendments to HKFRSs in the current 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 the condensed consolidated financial statements.*

### ***Impacts and accounting policies on application of Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 Interest Rate Benchmark Reform - Phase 2***

*Accounting policies*

#### *Financial instruments*

### ***Changes in the basis for determining the contractual cash flows as a result of interest rate benchmark reform***

*For changes in the basis for determining the contractual cash flows of a financial asset or financial liability to which the amortised cost measurement applies as a result of interest rate benchmark reform, the Group applies the practical expedient to account for these changes by updating the effective interest rate, such change in effective interest rate normally has no significant effect on the carrying amount of the relevant financial asset or financial liability.*

*A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if and only if, both these conditions are met:*

- the change is necessary as a direct consequence of interest rate benchmark reform; and*
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis (ie the basis immediately preceding the change).*

*For other changes made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first applies the practical expedient to the changes required by interest rate benchmark reform by updating the effective interest rate. The Group then applies the applicable requirements in HKFRS 9 Financial Instrument on modification of a financial asset or a financial liability to the additional changes to which the practical expedient does not apply.*

*Transition and summary of effects*

*As at 1 January 2021, the Group has several financial liabilities, the interest of which are indexed to benchmark rates that will or may be subject to interest rate benchmark reform.*

The following table shows the total amounts of outstanding contracts. The amounts of financial liabilities are shown at their carrying amounts.

|                              | <i>Hong Kong<br/>Interbank<br/>Offered Rate<br/>US\$'000</i> | <i>London<br/>Interbank<br/>Offered Rate<br/>US\$'000</i> |
|------------------------------|--|---|
| <b>Financial liabilities</b> |  |   |
| Bank borrowings              | <u>8,373</u>   | <u>47,318</u>   |

The Group intends to apply the practical expedient in relation to the changes in contractual cash flows resulting from the interest rate benchmark reform for bank loans measured at amortised cost. The amendments have had no impact on the condensed consolidated financial statements as none of the above contracts has been transitioned to the relevant replacement rates during the interim period. The impacts on application of the amendments, if any, including additional disclosures, will be reflected in the Group's consolidated financial statements for the year ending 31 December 2021.

#### **1A. Significant event in the current interim period**

On 4 November 2020, the Company and the immediate holding company of the Company, Pacific International Lines (Private) Limited ("PIL") entered into the repayment arrangement under the settlement deed (the "Deed"), pursuant to which the Company and PIL conditionally agreed to the settlement of the trade balances with immediate holding company and fellow subsidiaries in accordance with a repayment schedule over a 10-year period with interest (the "Repayment Proposal"). Details of the Repayment Proposal are disclosed in the Company's circular dated 24 November 2020. The Repayment Proposal was approved by the shareholders of the Company at the extraordinary general meeting on 11 December 2020.

Reference is made to the announcement of the Company dated 31 March 2021, the last condition of the Deed about the investment by one or more entities managed and controlled by Heliconia Capital Management Pte. Ltd. into PIL (directly or indirectly) has been satisfied on 30 March 2021. Accordingly, the then existing trade balances with immediate holding company and fellow subsidiaries have been derecognised, and new financial assets of amounts due from immediate holding company and fellow subsidiaries with the terms and conditions as stipulated in the Repayment Proposal ("Modified Assets") carried at coupon interest rate of 1.5% per annum are recognised at fair value at the date of such asset modification. Thereafter, the Modified Assets are carried at amortised cost.

#### **2. Revenue from contracts with customers**

Revenue represents sales of goods from manufacturing and services income from logistics services operations, less sales related taxes, and is analysed as follows:

|                    | <b>Six months ended 30 June<br/>2021</b> | <b>2020</b>     |
|--------------------|--|-----------------|
|                    | <b>US\$'000</b>                          | <b>US\$'000</b> |
| Manufacturing      | <b>442,418</b>                           | 85,308          |
| Logistics services | <b>13,474</b>                            | 12,146          |
|                    | <u><b>455,892</b></u>                    | <u>97,454</u>   |

### *Disaggregation of revenue from contracts with customers*

|   | <b>Six months ended 30 June</b> |                 |
|---|---------------------------------|-----------------|
|   | <b>2021</b>                     | <b>2020</b>     |
|   | <b>US\$'000</b>                 | <b>US\$'000</b> |
| <b><i>Types of goods or services</i></b>                |                                 |                 |
| <i>Manufacturing (recognised at a point in time):</i>   |                                 |                 |
| <i>Dry freight containers</i>                           | <b>393,792</b>                  | 64,343          |
| <i>Tank containers</i>                                  | <b>13,576</b>                   | 6,350           |
| <i>Other specialised containers and container parts</i> | <b>35,050</b>                   | 14,615          |
|   | <b>442,418</b>                  | 85,308          |
| <i>Logistics services (recognised over time):</i>       |                                 |                 |
| <i>Container storage and handling services</i>          | <b>1,883</b>                    | 2,787           |
| <i>Repair and drayage services</i>                      | <b>2,462</b>                    | 2,580           |
| <i>Container freight station services</i>               | <b>4,892</b>                    | 3,497           |
| <i>Other container related services</i>                 | <b>4,237</b>                    | 3,282           |
|   | <b>13,474</b>                   | 12,146          |
|   | <b>455,892</b>                  | 97,454          |

### **3. Segment information**

*Information reported to the Group's chief operating decision maker (i.e. Chief Executive Officer) for the purposes of resource allocation and assessment of segment performance are organised into two operating divisions - manufacturing and logistics services. These divisions are the basis on which the Group reports its segment information under HKFRS 8 Operating Segments.*

*No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.*

*Principal activities are as follows:*

- Manufacturing* - *manufacturing of dry freight containers, collapsible flatrack containers, tank containers, offshore containers, other specialised containers and container parts.*
- Logistics services* - *provision of container storage, repair and trucking services, serving as a freight station, container/cargo handling and other container related services.*



Information regarding these segments is presented below:

### Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

#### Six months ended 30 June 2021

|  | <i>Manufacturing</i><br>US\$'000 | <i>Logistics</i><br><i>Services</i><br>US\$'000 | <i>Total</i><br>US\$'000 |
|--|----------------------------------|---|--------------------------|
| <b>REVENUE</b>   |                                  |   |                          |
| <i>External sales</i>  | <b>442,418</b>                   | <b>13,474</b>                                   | <b>455,892</b>           |
|  |                                  |   |                          |
| <b>SEGMENT RESULTS</b>   | <b>86,856</b>                    | <b>(209)</b>                                    | <b>86,647</b>            |
|  |                                  |   |                          |
| <i>Finance costs</i>   |                                  |   | (655)                    |
| <i>Investment income</i>   |                                  |   | 4,594                    |
| <i>Fair value gain on</i><br><i>derivative financial</i><br><i>instruments</i> |                                  |   | 381                      |
| <i>Fair value gain on</i><br><i>financial asset at FVTPL</i>                   |                                  |   | 98                       |
| <i>Share of results of associates</i>  |                                  |   | 196                      |
| <i>Share of results of joint ventures</i>                                      |                                  |   | 101                      |
|  |                                  |   |                          |
| <i>Profit before taxation</i>  |                                  |   | <b>91,362</b>            |
|  |                                  |   |                          |

#### Six months ended 30 June 2020

|  | <i>Manufacturing</i><br>US\$'000 | <i>Logistics</i><br><i>Services</i><br>US\$'000 | <i>Total</i><br>US\$'000 |
|--|----------------------------------|---|--------------------------|
| <b>REVENUE</b>   |                                  |   |                          |
| <i>External sales</i>  | <b>85,308</b>                    | <b>12,146</b>                                   | <b>97,454</b>            |
|  |                                  |   |                          |
| <b>SEGMENT RESULTS</b>                                       | <b>(8,707)</b>                   | <b>350</b>                                      | <b>(8,357)</b>           |
|  |                                  |   |                          |
| <i>Finance costs</i>   |                                  |   | (530)                    |
| <i>Investment income</i>                                     |                                  |   | 3,327                    |
| <i>Fair value gain on</i><br><i>financial asset at FVTPL</i> |                                  |   | 3                        |
| <i>Share of results of associates</i>                        |                                  |   | 934                      |
| <i>Share of results of joint ventures</i>                    |                                  |   | 209                      |
|  |                                  |   |                          |
| <i>Loss before taxation</i>                                  |                                  |   | <b>(4,414)</b>           |
|  |                                  |   |                          |

Segment results represent the profit earned (loss incurred) by each segment without allocation of finance costs, certain investment income, fair value gain on derivative financial instruments, fair value gain on financial asset at FVTPL, share of results of associates and share of results of joint ventures. This is the measure reported to the Group's Chief Executive Officer for the purposes of resource allocation and assessment of segment performance.

#### 4. *Income tax expense*

People's Republic of China (the "PRC") Enterprise Income Tax has been calculated at the rates of taxation prevailing in the PRC in which the Group operates.

|                                  | <i>Six months ended 30 June</i> |                 |
|----------------------------------|---------------------------------|-----------------|
|                                  | <i>2021</i>                     | <i>2020</i>     |
|                                  | <i>US\$'000</i>                 | <i>US\$'000</i> |
| <i>Current tax:</i>              |                                 |                 |
| <i>PRC Enterprise Income Tax</i> |                                 |                 |
| <i>- Current period</i>          | <b>21,484</b>                   | 964             |
| <i>Deferred tax:</i>             |                                 |                 |
| <i>Current period charge</i>     | <b>3,371</b>                    | 124             |
|                                  | <b>24,855</b>                   | <b>1,088</b>    |

#### 5. *Dividends*

No dividend was paid during the six months ended 30 June 2021 and 2020. No final dividend in respect of the year ended 31 December 2020 (six months ended 30 June 2020: nil) was proposed by the directors of the Company.

The directors of the Company have determined that an interim dividend of HK7cents (six months ended 30 June 2020: nil) per ordinary share, total of which equivalent to approximately HK\$169,184,000 (equivalent to approximately US\$21,794,000) (six months ended 30 June 2020: nil) will be paid to owners of the Company whose names appear in the register of members on 17 September 2021.

#### 6. *Earnings (loss) per share*

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

|   | <i>Six months ended 30 June</i> |                 |
|---|---------------------------------|-----------------|
|   | <i>2021</i>                     | <i>2020</i>     |
|   | <i>US\$'000</i>                 | <i>US\$'000</i> |
| <i>Earnings (loss):</i>   |                                 |                 |
| <i>Earnings (loss) for the purposes of calculating basic and diluted earnings (loss) per share</i>          | <b>59,293</b>                   | (5,331)         |
| <i>Number of shares:</i>  |                                 |                 |
| <i>Number of ordinary shares for the purpose of calculating basic and diluted earnings (loss) per share</i> | <b>2,416,919,918</b>            | 2,416,919,918   |

No diluted earnings per share for the six months ended 30 June 2021 was presented as the Company has no potential ordinary shares in issue during the period.

The computation of diluted loss per share for the six months ended 30 June 2020 did not assume the exercise of the Company's outstanding share options as the exercise would result in a decrease in loss per share.

## 7. Movements in property, plant and equipment

During the six months ended 30 June 2021, there was an addition of US\$6,430,000 (six months ended 30 June 2020: US\$3,782,000) in property, plant and equipment for upgrading existing manufacturing and logistics services facilities of the Group and transfer of an office property with carrying amount of US\$12,032,000 from property, plant and equipment to assets held for sale.

## 8. Inventories

|                  | <i>As at<br/>30 June<br/>2021<br/>US\$'000</i> | As at 31<br>December<br>2020<br>US\$'000 |
|------------------|--|--|
| Raw materials    | 82,820   | 35,249                                   |
| Work in progress | 13,002   | 11,234                                   |
| Finished goods   | 15,561   | 13,424                                   |
|                  | <u>111,383</u>                                 | <u>59,907</u>                            |

## 9. Trade receivables

A defined credit policy is maintained within the Group. The general credit terms are agreed with each of its trade customers depending on the creditworthiness of the customers. The general credit term ranges from 30 days to 120 days (31 December 2020: 30 days to 120 days).

The aged analysis of trade receivables, net of allowance for credit losses, which is prepared based on invoice date of each transaction, which approximated the respective revenue recognition dates or date of rendering of services, at the end of the reporting period is as follows:

|                | <i>As at<br/>30 June<br/>2021<br/>US\$'000</i> | As at 31<br>December<br>2020<br>US\$'000 |
|----------------|--|--|
| 0 to 30 days   | 99,150   | 40,344                                   |
| 31 to 60 days  | 56,519   | 14,737                                   |
| 61 to 90 days  | 15,173   | 6,041                                    |
| 91 to 120 days | 2,940  | 87                                       |
| Over 120 days  | 1,302  | 1,415                                    |
|                | <u>175,084</u>                                 | <u>62,624</u>                            |

## 10. Prepayments and other receivables

At 30 June 2021, prepayments and other receivables mainly included consideration receivables in connection with disposal of subsidiaries of US\$18,506,000 (31 December 2020: US\$53,432,000) and advance of US\$61,075,000 (31 December 2020: US\$47,451,000) to certain suppliers as deposits for raw materials purchases.

## 11. Amount due from immediate holding company

As at 30 June 2021, there is no trade balance with immediate holding company. As at 31 December 2020, the general credit term for trade balances with immediate holding company was 60 days.

The aged analysis of amount due from immediate holding company, net of allowance for credit losses, which was prepared based on invoice date of each transaction, which approximated the respective revenue recognition dates, at the end of the reporting period was as follows:

|               | As at 31<br>December<br>2020<br>US\$'000 |
|---------------|--|
| Over 120 days | <u>94,347</u>                            |

## 12. Amounts due from fellow subsidiaries

The general credit term for trade balances with fellow subsidiaries is 30 to 60 days (31 December 2020: 30 to 60 days).

The aged analysis of trade related amounts due from fellow subsidiaries, net of allowance for credit losses, which is prepared based on invoice date of each transaction, which approximated the respective revenue recognition dates, at the end of the reporting period is as follows:

|                | <b>As at<br/>30 June<br/>2021<br/>US\$'000</b> | As at 31<br>December<br>2020<br>US\$'000 |
|----------------|--|--|
| 0 to 30 days   | 153  | 196                                      |
| 31 to 60 days  | -  | 35                                       |
| 61 to 90 days  | -  | 1  |
| 91 to 120 days | -  | 1  |
| Over 120 days  | -  | 28,043                                   |
|                | <u>153</u>                                     | <u>28,276</u>                            |

### 13. Amounts due from associates

The general credit term for trade balance with associates is 30 to 90 days (31 December 2020: 30 to 90 days).

The aged analysis of trade related amounts due from associates, net of allowance for credit losses, which is prepared based on invoice date of each transaction, which approximated the respective revenue recognition dates, at the end of the reporting period is as follows:

|                | <b>As at<br/>30 June<br/>2021<br/>US\$'000</b> | As at 31<br>December<br>2020<br>US\$'000 |
|----------------|--|--|
| 0 to 30 days   | 89   | 310                                      |
| 31 to 60 days  | 50   | 52                                       |
| 61 to 90 days  | -  | 6  |
| 91 to 120 days | -  | 14                                       |
| Over 120 days  | 2,863  | 3,296                                    |
|                | <b>3,002</b>                                   | <b>3,678</b>                             |

### 14. Assets held for sale

During the six months ended 30 June 2021, an office property of the Group located in Hong Kong with carrying amount of US\$12,032,000 as at 30 June 2021 had ceased to be owner-occupied and is currently held for sale purpose. The directors of the Company assessed whether the held-for-sale criteria set out in HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are met. Taking into account (a) the fact that the subject property is available for immediate sale in its present condition, and (b) the directors of the Company believe that the property is highly probable to be disposed within one year from the date of classification as asset held for sale, the relevant office property was thus classified as held for sale under current assets as at 30 June 2021.

On 13 April 2021, Modex Holding Limited ("Modex"), an associate of the Group, signed an exclusivity agreement with an independent third party, in relation to the potential disposal for its entire share capital, together with the shareholder's loan to Modex, at a total consideration of approximately US\$95,069,000 in cash. Among the consideration, the Group will receive a total of approximately US\$48,883,000, comprising of US\$34,979,000 for its 44.57% equity interest in Modex, and US\$13,904,000 for the shareholder's loan to Modex. The transaction has not been completed by the end of the reporting period and accordingly, the investment in Modex of US\$27,049,000 and shareholder loan of US\$13,904,000 are classified as assets held for sale as at 30 June 2021.

## 15. Trade payables

Bills payables of US\$8,210,000 (31 December 2020: US\$5,422,000) was included in the Group's trade payables as at 30 June 2021. The following is an analysis of trade payables by age based on invoice date of each transaction:

|                       | <i>As at<br/>30 June<br/>2021<br/>US\$'000</i> | <i>As at 31<br/>December<br/>2020<br/>US\$'000</i> |
|-----------------------|--|--|
| <i>0 to 30 days</i>   | <b>48,997</b>                                  | 24,767   |
| <i>31 to 60 days</i>  | <b>22,413</b>                                  | 12,150   |
| <i>61 to 90 days</i>  | <b>10,082</b>                                  | 4,903  |
| <i>91 to 120 days</i> | <b>8,579</b>                                   | 2,691  |
| <i>Over 120 days</i>  | <b>3,008</b>                                   | 6,469  |
|                       | <b>93,079</b>                                  | 50,980   |

## 16. Share capital

|   | <i>Number of shares</i> | <i>Share Capital</i> |                  |
|---|-------------------------|----------------------|------------------|
|   |                         | <i>US\$'000</i>      | <i>HK\$'000</i>  |
| <i>Issued and fully paid:</i>                                   |                         |                      |                  |
| <i>At 1 January 2020, 31 December 2020<br/>and 30 June 2021</i> | <b>2,416,919,918</b>    | <b>268,149</b>       | <b>2,078,513</b> |

There was no movement in the Company's share capital during the current period.