



SoftMedx Healthcare Limited

京玖醫療健康有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 648)

INTERIM REPORT
2021

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

CHEUNG Wai Kwan
WANG Jianguo

Independent Non-executive Directors

HU Xuezheng
LIN Pinzhuo
YIU Chun Wing

AUDIT COMMITTEE

YIU Chun Wing (*Chairperson*)
HU Xuezheng
LIN Pinzhuo

NOMINATION COMMITTEE

LIN Pinzhuo (*Chairperson*)
HU Xuezheng
YIU Chun Wing

REMUNERATION COMMITTEE

HU Xuezheng (*Chairperson*)
LIN Pinzhuo
YIU Chun Wing

RISK MANAGEMENT COMMITTEE

YIU Chun Wing (*Chairperson*)
LIN Pinzhuo
WANG Jianguo

COMPANY SECRETARY

LAM Sung Him, Gaston

STOCK CODE

648

REGISTERED OFFICE

Level 38, Infinitus Plaza
199 Des Voeux Road
Central
Hong Kong

SHARE REGISTRAR

Tricor Tengis Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
The Hong Kong and Shanghai Bank Corporation Limited

AUDITORS

CL Partners CPA Limited
Certified Public Accountants

WEBSITE ADDRESS

www.648.com.hk

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF FINANCIAL RESULTS

SoftMedx Healthcare Limited (the “Company”, together with its subsidiaries, the “Group”) is principally engaged in medical and well-being business. For the six months ended 30 June 2021, the Group did not record any revenue (2020: HK\$7.2 million) and recorded consolidated loss and consolidated loss attributable to the owners of the Company of HK\$9.9 million (2020: HK\$31.4 million) respectively.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 June 2021, the Group’s total assets and net liabilities amounted to HK\$12.7 million (31 December 2020: HK\$27.3 million) and HK\$316.8 million (31 December 2020: HK\$316.3 million) respectively. Its cash and bank balances amounted to HK\$0.4 million (31 December 2020: HK\$1.1 million) and liquidity ratio (calculated based on the Group’s total assets to total liabilities) was 0.04 (31 December 2020: 0.08). The Group’s total borrowings amounted to HK\$258.5 million (31 December 2020: HK\$253.7 million), including borrowings of HK\$205.1 million (31 December 2020: HK\$201.6 million) and bonds payable of HK\$53.4 million (31 December 2020: HK\$52.0 million). For the six months ended 30 June 2021, the Group’s net cash outflow from operating activities amounted to HK\$1.7 million (2020: HK\$3.9 million), net cash outflow from investing activities amounted to HK\$0.9 million (2020: HK\$ Nil million) and net cash inflow from financing activities amounted to HK\$1.9 million (2020: HK\$2.7 million). As a result, the Group recorded a net cash outflow of HK\$0.7 million (2020: HK\$1.2 million).

CORPORATE DEVELOPMENT AND FUTURE PROSPECTS

Since 27 November 2017, trading in the shares of the Company has been suspended under the direction of the Securities and Futures Commission (“SFC”). Trading in the shares of the Company remains suspended pending fulfilment of the resumption conditions imposed by The Stock Exchange of Hong Kong Limited (“Stock Exchange”). The Company has been taking active steps to address the concerns of the SFC and the Stock Exchange. Despite the Company’s very limited resources resulted from the long suspension of trading and heavy indebtedness as well as the disruptive impact of the COVID-19 pandemic on the Group’s business activities, the Company has been continuously exploring business opportunities to enhance long term shareholders’ value. The Company, as a natural extension of its medical and well-being business segment and leveraging on its resources and business connections, has commenced the business of distribution of medical equipment and products in 2021. Notwithstanding the challenges arising from the Sino-United States trade conflict, the war in Ukraine, the disruptive changes in the business environment and disruption of supply chains in the midst of the COVID-19 pandemic as well as the worldwide interest and inflation hikes, the business progressed well in 2022 and 2023. With the opening up of the global, Hong Kong and China economy, the Group is confident that the business will further thrive in 2023 and beyond. Looking ahead, the challenges arising from the above adverse factors will continue to take a hit on the global economy and may inevitably affect the Group’s business operations. But the Company is confident that it will be able to survive all these challenges with the support of its stakeholders and its businesses will improve steadily with good prospects. While adopting the newly established policies in ensuring disciplined execution of prudent financial, liquidity and cash flow management, the Company will continue to seek new business opportunities with a view to achieving earning growth and enhancing the long term value of all of its stakeholders.

FUND RAISING ACTIVITIES

The Company did not conduct any equity fund raising activities during the six months ended 30 June 2021.

SIGNIFICANT INVESTMENT AND MATERIAL ACQUISITION AND DISPOSAL

There was no significant investment and material acquisition and disposal during the six months ended 30 June 2021.

CHARGE ON ASSETS OF THE GROUP

No material asset of the Group had been pledged as at 30 June 2021.

CAPITAL COMMITMENT

There was no significant capital commitment of the Group outstanding as at 30 June 2021.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATES

The Group’s cash flow from operations is mainly denominated in Hong Kong dollars. Its assets are mostly denominated in Hong Kong dollars, and liabilities are mainly denominated in Japanese Yen and Hong Kong dollars. The Group currently does not have a foreign currency hedging policy but will monitor the foreign exchange exposure closely and consider hedging if there is significant foreign currency exposure.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2021, the total number of employees of the Group was 4. The Group remunerates its employees based on their performance, working experience and the prevailing market rate. Other employee benefits include retirement benefits, insurance and medical coverage, training programs and share option scheme.

EVENTS AFTER THE REPORTING PERIOD

Details of events after the reporting period are set out in note 14 to the condensed consolidated financial statements.

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

As at 30 June 2021, none of the directors and chief executive of the Company, save for the 9,953,052 shares held by Mr. Chan Ka Chung, had any interest and short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) that were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have taken under such provisions of the SFO), or were recorded pursuant to Section 352 of the SFO, or were otherwise notified to the Company and the Stock Exchange pursuant to The Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules").

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2021, so far as being known to the Directors, there was no person had interests or short position in the shares or underlying shares of the Company which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or which would be required to be recorded in the register required to be kept under Section 336 of the SFO or who is interested in 5% or more of any class of share capital carrying rights to vote at general meetings of the Company.

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

During the six months ended 30 June 2021, neither the Company nor any of its subsidiaries purchased, sold or redeemed any share of the Company.

SHARE OPTION SCHEME

The Company's share option scheme was adopted pursuant to a resolution passed on 12 June 2014. The share option scheme has a term of 10 years and is for the purpose of providing incentives to eligible participants for their contribution to the growth of the Group. Under the share option scheme, the Board may grant options to eligible participants to subscribe for shares in the Company. The exercise price is determined by the Board and will not be less than the higher of (i) the closing price of the shares on the grant date; (ii) the average closing price of the shares for the five business days immediately preceding the grant date. The total number of shares issued and to be issued upon exercise of the options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total number of shares in issue. Any further grant of share option in excess of such limit must be separately approved by the shareholders of the Company in a general meeting. No share option was granted during the six months ended 30 June 2021 and the Company had no share option outstanding as at 30 June 2021.

SHARE AWARD SCHEME

The Company adopted the share award scheme on 19 June 2015. The scheme has a term of 10 years and is for recognising contributions of the eligible participants and attracting and retaining them for the continual development of the Group. The share award may be satisfied by (a) issuance of new shares, in which case the issue price of the award shares is determined by the Board at its absolute discretion at the time of grant and shall at least be the higher of (i) the closing price of the shares on the grant date; or (ii) the average closing price of the shares for the five trading days immediately preceding the grant date; and (b) acquiring existing shares from the market, in which case the purchase price will be based on the market value of the shares on the date of acquisition. The Board may at its absolute discretion select and grant share award to eligible participant and determine the terms, composition and conditions of the award. The scheme has neither specified the maximum number of securities of the Company that it may hold, the minimum vesting period nor maximum entitlement of each eligible participant. No amount is payable by the eligible participant upon acceptance of the award. The Company did not grant any share award to any person during the six months ended 30 June 2021 and there was no Share held under the scheme as at 30 June 2021.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Each of the Directors has confirmed that he/she had complied with the required standards set out in the code during the six months ended 30 June 2021.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving and maintaining a high standard of corporate governance. The Company has complied with the provisions of the Corporate Governance Code in Appendix 14 to the Listing Rules during the six months ended 30 June 2021 except that as at 30 June 2021 (i) the Board only has two independent non-executive directors; (ii) its audit committee comprises only two independent non-executive directors; and (iii) the non-executive director is not appointed for a specific term.

As at the date of this report, the Board has three independent non-executive directors and the composition of each of its audit committee, remuneration committee and nomination committee complies with the requirements under the Listing Rules. All the non-executive directors are subject to retirement by rotation at the annual general meeting.

AUDIT COMMITTEE

The principal responsibilities of the audit committee of the Company include: making recommendation to the Board in relation to the appointment, re-appointment and removal of the external auditors; review and monitoring of the external auditors' independence and objectivity; development and implementation of policy on the engagement of external auditors; monitoring integrity of the interim and annual financial statements as well as interim and annual reports and accounts; review of significant financial reporting judgments; ensuring that management has discharged its duty to have an effective internal control system. The audit committee has reviewed the interim results of the Group for the six months ended 30 June 2021.

By order of the Board
SoftMedx Healthcare Limited
Cheung Wai Kwan
Executive Director

Hong Kong, 19 May 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the six months ended 30 June	
		2021	2020
		HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Revenue	2	–	7,173
Cost of goods sold and services		–	(3,279)
Gross profit		–	3,894
Other income, gains and losses	4	9,127	2,992
Selling and distribution expenses		–	(729)
Administrative expenses		(10,833)	(22,590)
Impairment on goodwill		–	(5,043)
Finance costs	5	(8,236)	(9,968)
Loss before taxation		(9,942)	(31,444)
Income tax expense		6	–
Loss and total comprehensive loss for the period		(9,942)	(31,443)
Loss and total comprehensive loss for the period attributable to:			
Owners of the Company		(9,942)	(29,861)
Non-controlling interests		–	(1,583)
		(9,942)	(31,444)
Loss per share attributable to the owners of the Company			
– Basic and diluted (HK cents)	8	3.0	9.6

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 June 2021 HK\$'000 (Unaudited)	As at 31 December 2020 HK\$'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		356	457
Right-of-use assets		1,513	7,818
		<u>1,869</u>	<u>8,275</u>
Current assets			
Inventories		–	5,491
Trade receivables	9	–	157
Other receivables, prepayments and deposits		1,763	3,562
Financial assets at fair value through profit and loss		8,739	8,739
Bank balances and cash		372	1,073
		<u>10,874</u>	<u>19,022</u>
Current liabilities			
Trade payables		–	3,344
Other payables		63,638	72,663
Borrowings	10	126,616	118,534
Bonds payable	11	53,434	–
Lease liabilities		1,553	8,029
		<u>245,241</u>	<u>202,570</u>
Net current liabilities		<u>(234,367)</u>	<u>(183,548)</u>
Total assets less current liabilities		<u>(232,498)</u>	<u>(175,273)</u>
Non-current liabilities			
Other payables		5,900	5,900
Borrowings	10	78,438	83,096
Bonds payable	11	–	52,034
		<u>84,338</u>	<u>141,030</u>
Net liabilities		<u>(316,836)</u>	<u>(316,303)</u>
CAPITAL AND RESERVES			
Share capital	12	3,030,660	3,030,660
Reserves		<u>(3,331,677)</u>	<u>(3,321,735)</u>
Deficit attributable to the owners of the Company		<u>(301,017)</u>	<u>(291,075)</u>
Non-controlling interests		<u>(15,819)</u>	<u>(25,228)</u>
Total deficit		<u>(316,836)</u>	<u>(316,303)</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company							Non-controlling interests	Total
	Share capital	Other reserve*	Shares held for share award scheme*	Accumulated losses*	Subtotal				
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Balance as at 1 January 2021 (Audited)	3,030,660	1,273	(8,538)	(3,314,470)	(291,075)	(25,228)	(316,303)		
Loss for the year	-	-	-	(9,942)	(9,942)	-	(9,942)		
Total comprehensive expense for the year	-	-	-	(9,942)	(9,942)	-	(9,942)		
Liquidation of subsidiaries	-	(886)	-	886	-	9,409	9,409		
Balance as at 30 June 2021 (Unaudited)	3,030,660	387	(8,538)	(3,323,526)	(301,017)	(15,819)	(316,836)		

	Attributable to owners of the Company							Non-controlling interests	Total
	Share capital	Exchange reserve*	Other reserve*	Shares held for share award scheme*	Investment revaluation reserve*	Accumulated losses*	Subtotal		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Balance as at 1 January 2020 (Audited)	3,030,660	85	(2,751)	(8,538)	(88,823)	(3,170,862)	(240,299)	(23,604)	(263,833)
Loss for the year	-	-	-	-	-	(29,860)	(29,860)	(1,583)	(31,443)
Total comprehensive expense for the year	-	-	-	-	-	(29,860)	(29,860)	(1,583)	(31,443)
Release of reserves	-	(85)	4,024	-	-	(3,939)	-	-	-
Balance as at 30 June 2020 (Unaudited)	3,030,660	-	1,273	(8,538)	(88,823)	(3,204,661)	(270,089)	(25,187)	(295,276)

* The total of these accounts as at the reporting dates represents "Reserves" in the consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Net cash used in operating activities	(1,723)	(3,945)
Net cash used in investing activities	(862)	-
Net cash flows generated from financing activities	1,884	2,781
Net decrease in cash and cash equivalents	(701)	(1,164)
Cash and cash equivalents at the beginning of the period	1,073	3,355
Cash and cash equivalents at the end of the period	372	2,191

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim results have been prepared in accordance with the applicable disclosure requirements of The Rules (“Listing Rules”) Governing the Listing of Securities on the Stock Exchange and Hong Kong Accounting Standard (“HKAS”) 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The unaudited condensed consolidated interim results have been prepared on the historical cost convention except for financial assets at fair value through profit or loss, which has been measured at fair value. The unaudited condensed consolidated interim results have been prepared in accordance with the same accounting policies adopted in the annual consolidated financial statements for the year ended 31 December 2020, except for the following new and revised Hong Kong Financial Reporting Standards (“HKFRSs”), issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2021:

Amendments to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

The adoption of the new and revised HKFRSs in the current period does not have no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these unaudited condensed consolidated interim results. The financial information relating to the financial year ended 31 December 2020 that is included in this interim results as being previously reported information or as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. The Company’s auditor has expressed a disclaimer opinion on the consolidated financial statements for the year ended 31 December 2020 in relation to the limitation of scope on i) accounting books and records of subsidiaries which had been disposed and liquidated and ii) opening balances, comparative figures and related disclosures. The auditor’s report also made reference to the net liabilities position of the Group as at 31 December 2020.

Suspension of trading in shares of the Company

Reference is made to the Company’s announcement dated 27 November 2017 and made at the request of SFC under section 8(1) of the Securities and Futures (Stock Market Listing) Rules (Cap. 571V) to suspend trading in shares of the Company on the Stock Exchange with effect from 27 November 2017.

Going Concern

The Group incurred a loss of HK\$9.9 million for the six months ended 30 June 2021 and recorded net current liabilities of HK\$234.4 million and net liabilities of HK\$316.8 million as at 30 June 2021. In assessing the appropriateness of the use of the going concern in the preparation of these consolidated financial statements, the Board has given careful consideration to the Group’s future liquidity and performance, debt restructuring of and available sources of financing, including but not limited to the following:

- (a) The Company is exploring a scheme. The Directors assess that it is probable that the Company would obtain the necessary approvals, considering the Group’s financial position published in its most recent consolidated financial statements;
- (b) The Group had in place a loan facility of HK\$8 million to finance its operating costs and a loan facility of HK\$12 million to finance its business operation from a financier; and
- (c) The Group has been continuing to develop its medical and well-being business to improve its cashflow from operations.

The Directors are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the date of approval for issue of these consolidated financial statements. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis. However, a material uncertainty relating to the above conditions exists and may cast significant doubt about the Group’s ability to continue as a going concern.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

2. REVENUE

<i>HK\$'000</i>	For the six months ended 30 June	
	2021	2020
Revenue from contracts with customers		
Medical and well-being business:		
Distribution of medical equipment and products	-	7,173
Geographical market		
Hong Kong	-	7,173
Timing of revenue recognition		
A point in time	-	7,173

3. SEGMENT INFORMATION

The Group's reportable and operating segment under HKFRS 8 is based on the information reported to the executive Directors, being the chief operating decision maker, for resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. During the period, the Group has one (2020: one) reportable segment i.e. medical and well-being business for distribution of medical equipment and products. Segment assets exclude unallocated head office and corporate assets that are managed on a group basis. Segment liabilities exclude borrowings, bonds payable, unallocated head office and corporate liabilities that are managed on a group basis.

Segment revenue and results

For the six months ended 30 June 2021

<i>HK\$'000</i>	Medical and well-being business	Total
Segment revenue	-	-
Segment results	(290)	(290)
Unallocated corporate expenses		(1,416)
Unallocated finance costs		(8,236)
Loss before taxation		(9,942)
Taxation		-
Loss for the period		(9,942)

For the six months ended 30 June 2020

<i>HK\$'000</i>	Medical and well-being business	Total
Segment revenue	7,173	7,173
Segment results	(7,909)	(7,909)
Unallocated corporate expenses		(13,566)
Unallocated finance costs		(9,968)
Loss before taxation		(31,443)
Taxation		-
Loss for the period		(31,443)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

Segment assets and liabilities

As at 30 June 2021

<i>HK\$'000</i>	Medical and well-being business	Total
Segment assets	–	–
Unallocated assets		12,743
Total assets		12,743
Segment liabilities	–	–
Unallocated liabilities		329,579
Total liabilities		329,579

As at 31 December 2020

<i>HK\$'000</i>	Medical and well-being business	Total
Segment assets	15,951	15,951
Unallocated assets		11,346
Total assets		27,297
Segment liabilities	28,534	28,534
Unallocated liabilities		315,066
Total liabilities		343,600

Geographical information

The Group's operation is located in Hong Kong. The Group's revenue from external customers is all from Hong Kong and non-current assets are located in Hong Kong.

4. OTHER INCOME, GAINS AND LOSSES

<i>HK\$'000</i>	For the six months ended 30 June	
	2021	2020
Rental income	62	–
Management fee	–	132
Gain on liquidation of a subsidiary	3,175	–
Others	5,890	2,860
	9,127	2,992

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

5. FINANCE COST

<i>HK\$'000</i>	For the six months ended 30 June	
	2021	2020
Interest expenses on:		
Bank and other borrowings	6,550	8,306
Bonds payable	1,649	1,641
Lease liabilities	37	21
	<u>8,236</u>	<u>9,968</u>

6. LOSS FOR THE PERIOD

<i>HK\$'000</i>	For the six months ended 30 June	
	2021	2020
Loss for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	122	271
Depreciation of right-of-use assets	503	610
Total depreciation	<u>625</u>	<u>881</u>
Cost of inventories recognised as expenses	-	3,279
Employee salaries and other benefits	7,399	12,615
	<u>7,399</u>	<u>12,615</u>

7. DIVIDEND

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

8. LOSS PER SHARE

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

<i>HK\$'000</i>	For the six months ended 30 June	
	2021	2020
Loss for the period attributable to owners of the Company	<u>9,942</u>	<u>29,860</u>
<i>'000</i>	For the six months ended 30 June	
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>326,037</u>	<u>326,037</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

9. TRADE RECEIVABLES

<i>HK\$'000</i>	30 June 2021	31 December 2020
Trade receivables	–	157
Less: Allowance for credit losses	–	–
	<u>–</u>	<u>157</u>
Age		
Over 180 days	–	157
	<u>–</u>	<u>157</u>

The above is an aged analysis of the trade receivables based on the invoice date, or otherwise, delivery date, at the end of the reporting period, which approximated the respective revenue recognition dates.

10. BORROWINGS

<i>HK\$'000</i>	30 June 2021	31 December 2020
Borrowings	<u>205,054</u>	<u>201,630</u>
Analysed into:		
Repayable within one year or on demand	<u>126,616</u>	118,534
Repayable within a period of more than one year	<u>78,438</u>	83,096
	<u>205,054</u>	<u>201,630</u>

The amount represented loans with aggregate principal amount of HK\$179,702,000 (31 December 2020: HK\$182,378,000), bearing interest rates ranging from 2% to 8.5% (31 December 2020: 2% to 8.5%).

11. BONDS PAYABLE

<i>HK\$'000</i>	30 June 2021	31 December 2020
Bonds payable	<u>53,434</u>	<u>52,034</u>
Analysed into:		
Repayable within one year or on demand	<u>53,434</u>	–
Repayable within a period of more than one year	–	52,034
	<u>53,434</u>	<u>52,034</u>

The amount represented bonds with aggregate principal amount of HK\$49,000,000 (31 December 2020: HK\$49,000,000), bearing interest rates ranging from 5% to 6.5% (31 December 2020: 5% to 6.5%) and effective interest rates ranging from 6% to 9% (31 December 2020: 6% to 9%).

12. SHARE CAPITAL

	Number of shares	Amount
	<i>'000</i>	<i>HK\$'000</i>
Issued and fully paid:		
At 31 December 2020 and 30 June 2021	<u>326,037</u>	<u>3,030,660</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM RESULTS

13. WINDING UP OF A SUBSIDIARY

In March 2021, a subsidiary of the Company under the medical and well-being business filed a winding-up petition to the High Court of Hong Kong. In July 2021, the subsidiary was wound up by the High Court of Hong Kong.

14. EVENTS AFTER THE REPORTING PERIOD

In April 2023, a creditor of the Company filed a winding up petition against the Company relating to its claim of HK\$16,175,304, together with the unpaid interest and cost thereon.

15. APPROVAL OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The unaudited condensed consolidated interim financial statements have been approved for issue by the Board on 19 May 2023.