



世大控股有限公司

GREAT WORLD COMPANY HOLDINGS LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8003)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors of Great World Company Holdings Ltd (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

HIGHLIGHTS

- Revenue was approximately HK\$21,722,000 for the six months ended 30 September 2024, compared with the revenue of approximately HK\$48,578,000 for the corresponding periods of last year.
- Loss attributable to owners of the Company was approximately HK\$2,557,000 for the six months ended 30 September 2024, versus the loss attributable to owners of the Company of approximately HK\$2,367,000 for the corresponding periods of last year.
- The board of directors (the “Board”) of the Company does not recommend the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

Great World Company Holdings Ltd (the “Company”) is a company incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited. The Company and its subsidiaries (the “Group”) are principally engaged in the businesses of (i) intelligent advertising and railroad media, (ii) agricultural, forestry and consumer products, (iii) supply-chain and (iv) property. For the six months ended 30 September 2024, there were no significant changes in the nature of the Group’s principal activities.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

Intelligent Advertising and Railroad Media Business

– *Intelligent Advertising Business*

The year 2024 has been challenging for the digital advertising market in China. Despite the increasing penetration of the internet and smartphones, the market faces significant headwinds.

Recent trends indicate that precise marketing is reshaping content seeding in China’s digital advertising market. However, the economic slowdown and regulatory uncertainties have dampened growth prospects. Brands continue to leverage advanced technologies such as AI and big data to analyse consumer behaviour and preferences, allowing for more targeted advertising. Nevertheless, the effectiveness of these strategies is being questioned as consumer spending weakens. Economic challenges, regulatory pressures, and shifting consumer behaviors are likely to constrain growth and profitability in the sector.

– *Railroad Media Business*

The domestic tourism market in China has shown full recovery, with travel volumes reaching approximately 85% of pre-pandemic levels in the third quarter of 2024, totaling around 1.1 billion domestic tourist trips. Key trends include a preference for short-distance travel, self-driving tours, and budget-conscious options.

Agricultural, Forestry and Consumer Products Business

Chinese agricultural producers face intensifying challenges in 2024, with efforts to achieve food self-sufficiency hampered by environmental degradation, resource constraints, and geopolitical pressures. Despite government initiatives like the new Food Security Law and ambitious production targets, the sector struggles with arable land loss, soil quality issues, and labor shortages. China’s strategic shift to reduce reliance on U.S. imports, evidenced by soybean imports from the U.S. dropping to 18% in 2024 from 40% in 2016, adds complexity to the trade landscape. While the government pushes for technological advancements in agriculture, implementation hurdles persist, particularly for small-scale farmers. The outlook remains pessimistic, with production growth limited by environmental factors, economic pressures on smaller producers, and the looming threat of renewed trade tensions, particularly with the U.S., creating additional market risks for the sector.

Supply-chain Business

The global supply chain industry faces significant challenges in 2024, with geopolitical instability, labor shortages, and environmental concerns creating a perfect storm of disruption. The ongoing Red Sea crisis and US-China tensions are reshaping trade routes and sourcing strategies, while companies struggle with a persistent skills gap. Environmental pressures are mounting, evidenced by a 15.2% increase in the Carbon Emissions Index in Q1 2024. Despite the potential of AI to improve supply chain efficiency by 45% by 2028, many companies lack the resources to fully leverage these technologies. The outlook remains pessimistic, with continued disruptions expected, accelerated diversification away from China, rising operational costs, and increased regulatory pressures.

Property Business

The Chinese property market continues to face significant challenges in 2024, with analysts projecting a prolonged downturn that may not stabilize until late 2025. Oversupply, declining demand, and financial distress among developers are key issues, with new home sales volumes expected to fall to less than half of 2021 levels. Property values risk further declines of 20-25%, potentially dropping to about half of their peak prices. Despite government pledges to “halt the real estate market decline,” the effectiveness of support measures remains uncertain. The shift in focus towards advanced manufacturing as a new growth driver may limit resources available for property sector support. Investors, developers, and homebuyers should prepare for a challenging environment characterized by lower prices, reduced transaction volumes, and ongoing financial pressures in the sector for the foreseeable future.

BUSINESS REVIEW

Intelligent Advertising and Railroad Media Business

– *Intelligent Advertising Business*

Shenzhen Zhixunpai Information Technology Company Ltd., a subsidiary of the Company, is struggling to maintain its position within the industry through its intelligent advertising and media services, amid persistent uncertainties in the real estate sector. The ongoing challenges in the China real estate market have led to severe cash flow difficulties and significant reductions in advertising budgets for many players. To counter these challenges, we are attempting to diversify the applications of our proprietary Big Data and AI technological platforms to align with the current market sentiment. We are searching for new growth opportunities by leveraging the data processing capabilities of our AI system. This includes exploring the application of our analytical capabilities in investment decision-making and offering AI-driven digital marketing strategies in our other business segments. Additionally, leveraging our expertise in digital media, we are investigating potential applications and opportunities in the short video and social media sectors. By expanding these verticals, we hope to uncover additional growth opportunities and diversify our revenue streams. This strategic direction aims to create synergies across our various business units, in an effort to promote further growth and success.

– ***Railroad Media Business***

Since launching our railroad media services in 2019, the Group has developed significant expertise and gained access to high-speed railroad resources, expanding organically within this ecosystem. However, the economic downturn and slow consumer spending have significantly disrupted the travel and tourism industries, affecting the anticipated growth of high-speed railroad media.

As the economy gradually stabilizes and consumer confidence returns, borders are reopening, and travel is resuming worldwide. This creates a favorable environment for the Group to expand its presence in the recovering travel sector and capitalize on potential growth. Consequently, the Group is actively exploring investment opportunities in related sectors and is taking steps to leverage cultural tourism resources and develop unique rural tourism products.

For the six months ended 30 September 2024, revenue generated from the provision of intelligent advertising and railroad media services amounted to approximately HK\$20,943,000 respectively.

Agricultural, Forestry and Consumer Products Business

Our agricultural and forestry products are experiencing a decline in demand as consumer demand remains sluggish during an economic downturn. However, the Group is actively exploring investment opportunities in the Chinese medicine sector. This strategic move aims to tap into the mass market consumption of traditional Chinese medicine and unlock additional growth potential for the Group.

For the six months ended 30 September 2024, revenue generated from the sales of agricultural, forestry and consumer products amounted to approximately HK\$2,000.

Supply-chain Business

Due to unfavorable market conditions and a decline in global demand for Chinese manufacturing, the Group is actively monitoring various industries to identify potential investment opportunities. This strategic approach aims to diversify the Group's product portfolio and expand its sources of income.

Due to a restructuring of the car trading business, the trading is paused after May 2024 until new channels are established.

The Group is actively seeking investment opportunities in the NEV (New Energy Vehicles) industry. This forward-looking approach aligns with the Group's vision to capitalize on the growing demand for eco-friendly transportation solutions.

For the six months ended 30 September 2024, no revenue generated from the supply-chain business and net sale income of vehicles amounted to approximately HK\$38,000 reported in other gains/loss section.

Property Business

The Group owns a property which comprises a residential and commercial development site with a site area of approximately 3,111.96 square meters (“sq.m.”) located at Leshan City, Sichuan Province, the People’s Republic of China. The property has a gross floor area of approximately 28,251.82 sq.m. (inclusive of a basement floor) and comprises 4 types of functions, namely residential, commercial, basement car park and facilities.

Due to unfavorable market conditions, the property has experienced a decline in value. Consequently, the Group is actively seeking opportunities to sell the property once market conditions improve. Continual market monitoring and exploration of new avenues are underway to ensure an advantageous sale. Leveraging the Group’s expertise in the real estate sector, we maintain an optimistic outlook on the future prospects of this property.

For the six months ended 30 September 2024, revenue derived from short-term leasing of the commercial portion of the property amounted to approximately HK\$777,000 respectively.

OUTLOOK

The global economy is currently facing significant challenges due to various factors such as geopolitical tensions and inflationary pressures. The growth rate remains sluggish and uneven, with notable disparities between different countries and regions.

The Group’s financial performance and expansion prospects are influenced by the prevailing macroeconomic landscape.

To navigate these challenges, the Group plans to explore investment opportunities in resilient sectors that offer diversification and new business avenues. Our strategy focuses on strengthening existing business lines while also entering new and high-growth sectors.

Despite our cautious approach to profitability in the coming months, we have implemented measures to mitigate potential economic downturns. We will also develop and execute strategies to ensure the Group’s long-term profitability and sustainability.

RISK FACTORS

Market Risk

The economic outlook remains uncertain and is heavily influenced by monetary and fiscal policies, the ongoing conflict in Ukraine, and growth prospects in China. A key factor impeding global growth is the widespread tightening of monetary policy, driven by persistent inflationary pressures. Although China has lifted its strict lockdowns, the economy continues to face challenges, including property market weaknesses and slower growth, projected at 4.5% for 2024. Inflationary pressures are broadening beyond food and energy, affecting energy, transportation, and labor costs globally. These factors collectively contribute to a cautious economic environment with significant risks to sustained growth.

Natural Risk

The occurrence of severe weather conditions (e.g. floods, droughts, cyclones and windstorms) and natural disasters (e.g. earthquakes, fire, disease, insect infestation and pests) may diminish the supply of plants available for harvesting, or otherwise impede the logging operations or the growth of plants, which in turn may have an adverse effect on the Group's agricultural and forestry products business.

Compliance with Laws and Regulations

Many aspects of the Group's business are subject to laws and regulations, including without limitation, sale of goods and services, trade descriptions, intellectual property, product safety, food safety, data privacy, insurance, dutiable commodities, product eco-responsibility, telecommunications and broadcasting, competition, listing and disclosure, and corporate governance, of China and other countries in the world. Whilst we manage compliance proactively and procure to obtain first-rate independent legal services to ensure the highest standards in compliance, any failure to comply with laws and regulations may result in legal proceedings and expose to liability and sanctions. In any event, dealing with complaints, investigations or legal proceedings, regardless of their outcome, could be costly and time-consuming and could divert management attention. More importantly, the long-term sustainability of our business is largely dependent on a steady and balanced regulatory environment. Unanticipated changes in policies or regulatory practices by the relevant authorities may require us to change our business strategies and practices, and consequently, may cause material effect on our business.

The board of directors of the Company (the "Board") paid attention to the Group's policies and practices on compliance with all significant legal and regulatory requirements essential to its business and would seek professional advice from external legal advisers and consultants, if considered necessary, to ensure that transactions to be performed by the Group are in compliance with applicable environmental policies, laws and regulations. During the period under review, as far as the Board is aware, the Group has complied in all material respects with the laws or regulations that have a significant impact on its operations.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 September 2024, the Group's cash and bank deposits amounted to approximately HK\$5,929,000 which has decreased by approximately 27.34% when comparing with the cash and bank deposits of approximately HK\$8,160,000 as at 31 March 2024.

As at 30 September 2024, the Group had net current liabilities of approximately HK\$67,542,000 (31 March 2024: HK\$62,293,000).

The Group adopted a conservative treasury policy to maintain cash necessary to meet anticipated expenditures plus a reasonable cushion for emergencies. Almost all bank deposits are being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risk. Any excess cash should be invested in liquid income-producing instruments which should be managed by a qualified investment manager or operated in accordance with advice provided by a qualified investment manager or decision of an investment committee, if formed, comprising at least one executive director, at least one independent non-executive director and at least one individual who must possess appropriate professional qualifications and/or financial and investment expertise and experience.

Most of the trading transactions, assets and liabilities of the Group were currently denominated in Hong Kong dollars, United States Dollars and Renminbi. The Group did not experience any material difficulties on its operations or liquidity as a result of fluctuation in currency exchange rates during the period under review. As at 30 September 2024, the Group had no foreign exchange contracts, interest of currency swaps or other financial derivatives for hedging purpose. The Group is closely monitoring the movement of the foreign currency rates and will consider hedging significant foreign currency exposure should the need arise.

The share capital of the Company as at 30 September 2024 is as follows:

	Number of shares ('000)	Amount (HK\$'000)
Authorised	<u>3,000,000</u>	<u>300,000</u>
Issued and fully paid	<u>330,272</u>	<u>33,027</u>

GEARING RATIO

The Group's gearing ratio, which was defined as the ratio of net debt to equity, was N/A as at 30 September 2024 (31 March 2024: N/A).

CONTINGENT LIABILITIES

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

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2024, the Group had approximately 80 employees (31 March 2024: 100 employees). The Group reviewed employees' remuneration from time to time and salary adjustment was normally made on an annual basis. Special adjustment based on length of service and good performance could be made at any time when warranted. In addition to salaries, the Group provided employees' benefits such as medical insurance and provident fund. Share options and bonuses were also available to employees of the Group at the discretion of the directors of the Company (the "Directors") and depending upon the financial performance of the Group.

RESULTS OF OPERATIONS

For the six months ended 30 September 2024, the Group recorded a total revenue of approximately HK\$21,722,000, representing a decrease of approximately 55.28% as compared with a total revenue of approximately HK\$48,578,000 for the corresponding period of last year, mainly attributable to the decrease in revenue generated from the intelligent advertising business due to haze in China's real estate sector.

Administrative and other operating expenses for the six months ended 30 September 2024 amounted to approximately HK\$10,967,000, representing a decrease of approximately 1.51% as compared with the administrative and other operating expenses of approximately HK\$11,135,000 for the corresponding period of last year, mainly attributable to the decrease in research and development expenses incurred for intelligent advertising business.

Loss attributable to owners of the Company was approximately HK\$2,557,000 for the six months ended 30 September 2024, which was approximately 8.03% higher than the loss attributable to owners of the Company incurred for the corresponding period of last year of approximately HK\$2,367,000, mainly attributable to the decrease in gain arising from changes in fair value less costs to sell of biological assets.

RESULTS

The board of directors (the "Board") of Great World Company Holdings Ltd (the "Company") presents the financial information of the Company and its subsidiaries (the "Group"), comprising the condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows of the Group for the six months ended 30 September 2024 and the condensed consolidated statement of financial position of the Group as at 30 September 2024, all of which are unaudited and in condensed format, (collectively referred to as the "Unaudited Condensed Financial Statements") along with selected explanatory notes and comparative information as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		(Unaudited)	
		Six months ended	
		30 September	
		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	2	21,722	48,578
Cost of sales		(14,681)	(37,305)
Gross profit		7,041	11,273
Other gains/(losses)	3	504	(2,904)
Gain arising from changes in fair value less costs to sell of biological assets		795	2,996
Selling and distribution costs		(1,074)	(868)
Administrative and other operating expenses		(10,967)	(11,135)
Finance costs		(164)	(131)
Loss before tax	5	(3,865)	(769)
Income tax credit	6	65	307
Loss for the period		(3,800)	(462)
Loss for the period attributable to:			
Owners of the Company		(2,557)	(2,367)
Non-controlling interests		(1,243)	1,905
		(3,800)	(462)
Basic and diluted loss per share (HK cents)	7	(0.77)	(0.72)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	(Unaudited)	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Loss for the period	<u>(3,800)</u>	<u>(462)</u>
Other comprehensive income/(loss):		
Items that may be reclassified subsequently to profit or loss		
– Exchange differences arising on translation of foreign operations	<u>2,467</u>	<u>(6,776)</u>
Other comprehensive income/(loss) for the period, net of tax	<u>2,467</u>	<u>(6,776)</u>
Total comprehensive loss for the period	<u>(1,333)</u>	<u>(7,238)</u>
Total comprehensive loss attributable to:		
Owners of the Company	(743)	(8,385)
Non-controlling interests	<u>(590)</u>	<u>1,147</u>
	<u>(1,333)</u>	<u>(7,238)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(Unaudited) 30 September 2024	(Audited) 31 March 2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Right-of-use assets	9	7,388	7,340
Property, plant and equipment	10	412	113
Investment property	11	42,956	42,055
Biological assets	12	29,603	27,291
		80,359	76,799
Current assets			
Properties held for sale	13	59,684	58,431
Inventories	14	3,648	3,598
Biological assets	12	746	992
Trade and other receivables	15	57,421	57,243
Financial assets at fair value through profit or loss	16	182	441
Cash and bank deposits	17	5,929	8,160
		127,610	128,865
Current liabilities			
Trade and other payables	18	(62,200)	(61,097)
Contract liabilities	19	(2,846)	(2,740)
Lease liabilities	20	(975)	(785)
Convertible note	22	(3,412)	(3,327)
Amounts due to directors	21	(3,643)	(2,235)
Amounts due to related companies	21	(52,629)	(51,527)
Amounts due to non-controlling interests	21	(33)	(33)
Amount due to a shareholder	21	(69,414)	(69,414)
		(195,152)	(191,158)
Net current liabilities		(67,542)	(62,293)

		(Unaudited)	(Audited)
		30 September	31 March
		2024	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities			
Lease liabilities	20	(1,556)	(1,749)
Deferred tax liabilities		(14,820)	(14,522)
		<u>(16,376)</u>	<u>(16,271)</u>
Net assets/(liabilities)		<u>(3,559)</u>	<u>(1,765)</u>
Capital and reserves			
Share capital	23	33,227	33,227
Reserves		(52,061)	(51,318)
		<u>(18,834)</u>	<u>(18,091)</u>
Equity attributable to owners of the Company		15,275	16,326
Non-controlling Interests		<u>(3,559)</u>	<u>(1,765)</u>
Total capital deficiency		<u>(3,559)</u>	<u>(1,765)</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company									
	Share capital	Share premium	Convertible notes equity reserve	Capital contribution	Share options reserve	Translation reserve	Accumulated losses	Total	Non- controlling interests	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 April 2024 (audited)	33,227	286,786	413	6,574	4,945	(5,812)	(344,224)	(18,091)	16,326	(1,765)
Total comprehensive income/(loss) for the period (unaudited)	-	-	-	-	-	2,285	(3,028)	(743)	(590)	(1,333)
Lapsed of share option (unaudited)	-	-	-	-	(471)	-	471	-	-	-
Disposal of subsidiaries (unaudited) (Note 26)	-	-	-	-	-	-	-	-	(461)	(461)
At 30 September 2024 (unaudited)	<u>33,227</u>	<u>286,786</u>	<u>413</u>	<u>6,574</u>	<u>4,474</u>	<u>(3,527)</u>	<u>(346,781)</u>	<u>(18,834)</u>	<u>15,275</u>	<u>(3,559)</u>
At 1 April 2023 (audited)	33,027	284,988	413	-	5,416	(1,554)	(335,535)	(13,245)	16,719	3,474
Total comprehensive income/(loss) for the period (unaudited)	-	-	-	-	-	(6,018)	(2,367)	(8,385)	1,147	(7,238)
At 30 September 2023 (unaudited)	<u>33,027</u>	<u>284,988</u>	<u>413</u>	<u>-</u>	<u>5,416</u>	<u>(7,572)</u>	<u>(337,902)</u>	<u>(21,630)</u>	<u>17,866</u>	<u>(3,764)</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited)	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Net cash used in operating activities	(3,180)	(2,711)
Net cash used in investing activities	(342)	(26)
Net cash generated from/(used in) financing activities	316	(126)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(3,206)	(2,863)
Cash and cash equivalents at 1 April	8,160	10,882
Effect of foreign exchange rate changes	975	(1,534)
	<hr/>	<hr/>
Cash and cash equivalents at 30 September	5,929	6,485
	<hr/> <hr/>	<hr/> <hr/>
Analysis of cash and cash equivalents at 30 September:		
Cash and bank deposits	5,929	6,485
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The Unaudited Condensed Consolidated Financial Statements have been prepared in compliance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and in accordance with the applicable disclosure provisions of Chapter 18 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited.

The accounting policies and methods of computation adopted in the preparation of the Unaudited Condensed Consolidated Financial Statements are consistent with those applied for the Group’s annual financial statements for the year ended 31 March 2024.

The preparation of the Unaudited Condensed Consolidated Financial Statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2024. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies and results reported for the current or prior accounting periods.

The Group has not applied the new and revised HKFRSs, which have been issued and are not yet effective, but is in the process of assessing their impact on the Group’s results of operations and financial position.

The financial information are unaudited but have been reviewed by the Company’s audit committee.

2. REVENUE

	(Unaudited)	
	Six months ended	
	30 September	
	2024	2023
	HK\$’000	HK\$’000
Provision of mobile advertising media services	20,943	45,441
Sales of goods	2	2,606
Rental income	777	531
	<hr/> 21,722 <hr/>	<hr/> 48,578 <hr/>

3. OTHER GAINS/(LOSSES)

	(Unaudited)	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Bank and other interest income	6	13
Gain/(loss) arising from treasury investment	22	(741)
Sales of vehicles	38	–
Gain on disposal of subsidiary	408	–
Provision for impairment loss recognised in respect of trade and other receivables	–	(2,176)
Sundry income	30	–
	<u>504</u>	<u>(2,904)</u>

4. SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior management for the purpose of resource allocation and performance assessment, the Group has presented the following four reportable segments.

The Group's operations and reportable segments are as follows:

Intelligent advertising and railroad media business	Provision of mobile advertising media services for intelligent advertising and property market customers in the People's Republic of China, railroad magazine distribution and e-commerce platform management, advertising and product sales services
Agricultural, forestry and consumer products business	Cultivation of forestry and wood material products, Chinese herbal medicine ingredients and specialty agricultural by-products, sales of processed and pre-packaged food/consumer products
Supply-chain business	Sales of industrial, information technology and other products as well as related R&D and product manufacturing activities
Property business	Property investment and development, operating and managing residential and commercial properties

Management monitors the results of the Group's operating segments separately, for the purpose of making decisions about resource allocation and assessment of the Group's performance. Segment performance is evaluated based on reportable segment results, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that gain on bargain purchase, unallocated finance costs, unallocated selling and distribution costs and unallocated administrative and other operating expenses are excluded from such measurement.

All assets are allocated to reportable segments other than unallocated corporate assets.

All liabilities are allocated to reportable segments other than income tax payable, convertible notes, deferred tax liabilities and unallocated corporate liabilities.

These segments are managed separately as they belong to different industries and require different operating systems and strategies. There were no sales or other transactions between those reportable segments. Information regarding the Group's reportable segments is presented below:

(a) Segment revenue, profit or loss, assets, liabilities and other selected financial information

	(Unaudited)				
	Six months ended 30 September 2024				
	Intelligent advertising and railroad media business HK\$'000	Agricultural, forestry and food products business HK\$'000	Supply chain business HK\$'000	Property business HK\$'000	Total HK\$'000
Revenue from external customers	20,943	2	–	777	21,722
Bank interest income	5	–	1	–	6
Depreciation of property, plant and equipment	(44)	–	–	(2)	(46)
Depreciation of right-of-use assets	(358)	–	–	–	(358)
Gain arising from changes in fair value less costs to sell of biological assets	–	795	–	–	795
Provision for impairment loss recognised in respect of trade and other receivables	–	–	–	–	–
Total profit/(loss) before tax of reportable segments	(2,385)	643	34	(179)	(1,887)
Total assets of reportable segments	61,827	35,548	3,412	102,804	203,591
Total liabilities of reportable segments	(47,410)	(1,942)	(2,000)	(70,777)	(122,129)

	(Unaudited)					(Unaudited)				
	Three months ended 30 September 2023					Six months ended 30 September 2023				
	Intelligent advertising and railroad media business HK\$'000	Agricultural, forestry and food products business HK\$'000	Supply chain business HK\$'000	Property business HK\$'000	Total HK\$'000	Intelligent advertising and railroad media business HK\$'000	Agricultural, forestry and food products business HK\$'000	Supply chain business HK\$'000	Property business HK\$'000	Total HK\$'000
Revenue from external customers	19,576	50	2,506	256	22,388	45,441	100	2,506	531	48,578
Bank interest income	3	–	1	–	4	8	–	1	–	9
Depreciation of property, plant and equipment	(13)	–	–	(1)	(14)	(24)	(1)	–	(2)	(27)
Depreciation of right-of-use assets	(177)	–	–	–	(177)	(354)	–	–	–	(354)
Gain arising from changes in fair value less costs to sell of biological assets	–	1,955	–	–	1,955	–	2,996	–	–	2,996
Provision for impairment loss recognised in respect of trade and other receivables	–	–	–	–	–	–	(2,176)	–	–	(2,176)
Total profit before tax of reportable segments	728	1,895	940	32	3,595	1,304	692	937	114	3,047
Total assets of reportable segments	57,303	37,376	3,719	113,420	211,818	57,303	37,376	3,719	113,420	211,818
Total liabilities of reportable segments	(52,923)	(13,864)	(2,782)	(69,654)	(139,223)	(52,923)	(13,864)	(2,782)	(69,654)	(139,223)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

	(Unaudited)	
	Six months ended	
	30 September	
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue		
Total revenue for reportable segments	<u>21,722</u>	<u>48,578</u>
Consolidated revenue	<u><u>21,722</u></u>	<u><u>48,578</u></u>
Profit/(loss) before tax		
Total profit/(loss) for reportable segments	<u>(1,887)</u>	3,047
Unallocated corporate expenses	<u>(1,978)</u>	<u>(3,816)</u>
Consolidated profit/(loss) before tax	<u><u>(3,865)</u></u>	<u><u>(769)</u></u>
	(Unaudited)	(Audited)
	30 September	31 March
	2024	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Assets		
Total assets for reportable segments	<u>203,591</u>	205,050
Unallocated corporate assets	<u>4,378</u>	<u>614</u>
Consolidated total assets	<u><u>207,969</u></u>	<u><u>205,664</u></u>
Liabilities		
Total liabilities for reportable segments	<u>(122,129)</u>	(112,534)
Unallocated corporate liabilities	<u>(89,399)</u>	<u>(94,895)</u>
Consolidated total liabilities	<u><u>(211,528)</u></u>	<u><u>(207,429)</u></u>

5. PROFIT/(LOSS) BEFORE TAX

(Unaudited)
Six months ended
30 September
2024 2023
HK\$'000 *HK\$'000*

Profit/(loss) before tax has been arrived at after charging:

Staff costs (including directors' remuneration) – fees, salaries, wages, other benefits and contributions to retirement plans	5,820	4,888
Cost of inventories sold	(14,681)	37,305
Depreciation of property, plant and equipment	50	32
Depreciation of right-of-use assets	557	719
Short-term lease payments	223	234
	<u> </u>	<u> </u>

6. INCOME TAX

(Unaudited)
Six months ended
30 September
2024 2023
HK\$'000 *HK\$'000*

Current tax:

PRC Enterprise Income Tax credit	65	307
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Income tax credit for the period

65	307
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Hong Kong Profits Tax is calculated at the rate of 16.5% on the estimated assessable profit.

Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate applicable to the PRC subsidiaries is 25%.

No provision for Hong Kong Profits Tax had been made for the six months ended 30 September 2024 as the Group had no assessable profit.

PRC Enterprise Income Tax for the six months ended 30 September 2024 represented the amount charged/paid net of the amount refunded during the period.

7. BASIC AND DILUTED LOSS PER SHARE

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

	(Unaudited)	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Loss for the purpose of calculating basic and diluted loss per share	<u>(2,557)</u>	<u>(2,367)</u>
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>333,270</u>	<u>330,272</u>

Diluted loss per share for loss attributable to the owners of the Company for the six months ended 30 September 2024 and six months ended 30 September 2023 were the same as basic loss per share because the calculation of diluted loss per share does not assume the exercise of the outstanding share options and the conversion of convertible note of the Company as they had an anti-dilutive effect to the basic loss per share.

8. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

9. RIGHT-OF-USE ASSETS

	Land use right	Office premises	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 April 2024 (audited)			
Carrying amount	4,888	2,452	7,340
At 30 September 2024 (unaudited)			
Carrying amount	4,953	2,435	7,388
For the six months ended 30 September 2024 (unaudited)			
Addition	–	496	496
Depreciation charges	(39)	(557)	(596)
Exchange alignment	104	44	148
Expense relating to short-term leases (unaudited)			45
Total cash outflows for leases (unaudited)			403
Additions to right-of-use assets (unaudited)			496

The land use right of the Group is located in the PRC with a remaining period of 59 years.

The Group leases various offices premises for its operations. Lease contracts are entered into for fixed term of one year to four years, but may have extension and termination options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

10. PROPERTY, PLANT AND EQUIPMENT

	<i>HK\$'000</i>
Cost:	
At 1 April 2024 (audited)	735
Additions (unaudited)	348
Written-off (unaudited)	(171)
Exchange alignment (unaudited)	<u>6</u>
At 30 September 2024 (unaudited)	<u>918</u>
Accumulated depreciation and impairment loss:	
At 1 April 2024 (audited)	622
Depreciation charged for the period (unaudited)	51
Written-off (unaudited)	(171)
Exchange alignment (unaudited)	<u>4</u>
At 30 September 2024 (unaudited)	<u>506</u>
Carrying amounts:	
At 30 September 2024 (unaudited)	<u><u>412</u></u>
At 31 March 2024 (audited)	<u><u>113</u></u>

11. INVESTMENT PROPERTY

	<i>HK\$'000</i>
Fair value:	
At 1 April 2024 (audited)	42,055
Exchange alignment (unaudited)	<u>901</u>
At 30 September 2024 (unaudited)	<u><u>42,956</u></u>

Investment property, which comprises the portions of commercial, basement car park and facilities of a property located in the People's Republic of China held under medium-term lease to earn rentals or for capital appreciation purpose, is measured using the fair value model.

No material fair value change on the investment property was recognised in profit or loss for the six months ended 30 September 2024. The direct operating expenses for the investment property are approximately HK\$417,645 for the six months ended 30 September 2024 (six months ended 30 September 2023: HK\$283,000) and the rental income generated from the investment property are approximately of HK\$777,024 for the six months ended 30 September 2024 (six months ended 30 September 2023: HK\$531,000).

12. BIOLOGICAL ASSETS

	<i>HK\$'000</i>
At 1 April 2024 (audited)	28,283
Increase due to plantation (unaudited)	656
Gain arising from changes in fair value less costs to sell (unaudited)	795
Exchange alignment (unaudited)	615
	<u>30,349</u>
At 30 September 2024 (unaudited)	<u><u>30,349</u></u>

Biological assets represent living plants and produce growing for sale, measured at fair value less costs to sell by income approach based on discounted cash flow model and analysed into:

	(Unaudited) 30 September 2024 <i>HK\$'000</i>	(Audited) 31 March 2024 <i>HK\$'000</i>
Non-current portion	29,603	27,291
Current portion	746	992
	<u>30,349</u>	<u>28,283</u>

13. PROPERTIES HELD FOR SALE

	<i>HK\$'000</i>
At 1 April 2024 (audited)	58,431
Exchange alignment (unaudited)	1,253
	<u>59,684</u>
At 30 September 2024 (unaudited)	<u><u>59,684</u></u>

Properties held for sale represent the residential portion of a property located in the People's Republic of China held under medium-term lease.

14. INVENTORIES

	(Unaudited) 30 September 2024 HK\$'000	(Audited) 31 March 2024 HK\$'000
Finished goods (for sale)	<u>3,648</u>	<u>3,598</u>

15. TRADE AND OTHER RECEIVABLES

	(Unaudited) 30 September 2024 HK\$'000	(Audited) 31 March 2024 HK\$'000
Trade receivables	33,434	37,132
Allowance for expected credit losses	<u>(25,697)</u>	<u>(27,440)</u>
	7,737	9,692
Other receivables	662	625
Prepayments	48,779	46,392
Deposits	<u>243</u>	<u>534</u>
	<u>57,421</u>	<u>57,243</u>

Notes:

- (i) Prepayments mainly include the amounts paid to suppliers for the procurement of services and products in the ordinary course of business. These amounts are classified as current because the Group expects the balances to be settled in normal operating cycle within 12 months.
- (ii) Deposits as at 30 September 2024 are mainly rental deposit.

The following is an aging analysis of trade receivables, net of allowance for expected credit losses, presented based on the past due dates, which approximate the respective revenue recognition dates:

	(Unaudited) 30 September 2024 HK\$'000	(Audited) 31 March 2024 HK\$'000
Not yet past due	1,287	2,009
1 to 3 months past due	2,394	2,808
3 to 6 months past due	2,908	4,150
Over 6 months past due	<u>1,148</u>	<u>725</u>
	<u>7,737</u>	<u>9,692</u>

The average credit period granted to customers is 6 months after an invoice has been sent out.

In determining the recoverability of receivables, the Group considers if there is any change in the credit quality of each receivable from the date when credit was initially granted up to the end of the reporting period. Impairment was recognised on receivables when there was indication of significant change on their credit quality.

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	(Unaudited) 30 September 2024 <i>HK\$'000</i>	(Audited) 31 March 2024 <i>HK\$'000</i>
Equity securities listed in Hong Kong	<u>182</u>	<u>441</u>

17. CASH AND BANK DEPOSITS

	(Unaudited) 30 September 2024 <i>HK\$'000</i>	(Audited) 31 March 2024 <i>HK\$'000</i>
Cash at banks and cash on hand		
Hong Kong Dollar (“HK\$”)	510	972
Renminbi (“RMB”)	5,419	7,160
Others	—	28
	<u>5,929</u>	<u>8,160</u>

RMB is currently not a freely convertible currency in the international market. The conversion of RMB into foreign currencies and remittance of RMB out of the People’s Republic of China (the “PRC”) are subject to the rules and regulations of the foreign exchange control promulgated by the PRC government.

18. TRADE AND OTHER PAYABLES

	(Unaudited) 30 September 2024 <i>HK\$'000</i>	(Audited) 31 March 2024 <i>HK\$'000</i>
Trade payables	41,910	40,740
Other payables	13,173	13,976
Deposit received	640	258
Accruals	6,497	6,123
	62,220	61,097

An aging analysis of the trade payables based on the date of signing the agreement of the advance or the relevant invoices is presented as follows:

Within 3 months	158	6,549
3 months to 12 months	8,060	3,423
Over 12 months	33,692	30,768
	41,910	40,740

Notes:

- (a) Other payables as at 30 September 2024 include an amount due to ex-subsidiaries of the Company of approximately HK\$3,777,000, which was generated from the normal course of trading activities.
- (b) Deposit received as at 30 September 2024 represents deposit received from a third party for a project which is unsecured and interest-free.

19. CONTRACT LIABILITIES

	(Unaudited) 30 September 2024 <i>HK\$'000</i>	(Audited) 31 March 2024 <i>HK\$'000</i>
Provision of mobile advertising media services	2,846	2,740

When the Group receives deposit before providing advertising display services, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit. The Group typically receives a deposit on acceptance of a contract.

These contract liabilities are classified as current because the Group expects them to be settled in normal operating cycle within 12 months.

20. LEASE LIABILITIES

	(Unaudited) 30 September 2024		(Audited) 31 March 2024	
	Present value of the minimum lease payments <i>HK\$'000</i>	Total minimum lease payments <i>HK\$'000</i>	Present value of the minimum lease payments <i>HK\$'000</i>	Total minimum lease payments <i>HK\$'000</i>
Within one year	975	1,094	785	907
After one year but within five years	1,556	1,633	1,749	1,869
	<u>2,531</u>	<u>2,727</u>	<u>2,534</u>	<u>2,776</u>
Total future interest expenses		<u>(196)</u>		<u>(242)</u>
Present value of lease liabilities		2,531		2,534
Amount due for settlement within 12 months (shown under current liabilities)		<u>(975)</u>		<u>(785)</u>
Amount due for settlement after 12 months (shown under non-current liabilities)		<u>1,556</u>		<u>1,749</u>

21. AMOUNTS DUE TO DIRECTORS/RELATED COMPANIES/NON-CONTROLLING INTERESTS/ A SHAREHOLDER

The amounts due to directors/related companies/non-controlling interests/a shareholder are non-trade nature, unsecured, interest-free and regarded as repayable on demand since there are no fixed repayment terms.

22. CONVERTIBLE NOTE

	(Unaudited) 30 September 2024 <i>HK\$'000</i>	(Audited) 31 March 2024 <i>HK\$'000</i>
Carrying amount	<u>3,412</u>	<u>3,327</u>

(Unaudited)
Six months ended
30 September
2024 2023
HK\$'000 *HK\$'000*

Imputed interests recognised as finance costs	85	81
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The Company issued zero-coupon convertible note with principal amount of HK\$3,500,000 to an independent third party (the “Noteholder”) on 28 March 2022. The convertible note is unsecured and repayable upon maturity which is on the third anniversary of the date of issue. The Noteholder entitled to convert the whole or any portion of the outstanding principal amount of convertible note into ordinary shares of the Company (the “Shares”) at the Noteholder’s election at any time before the maturity at HK\$1.00 per share (subject to adjustment as detailed in the Company’s announcement dated 9 March 2022). The convertible note is denominated in HK\$ and are shown under current liabilities at 30 September 2024 and 31 March 2024.

Convertible notes are compound financial instruments containing two components, liability and equity elements. The fair value of the liability component with carrying amount of HK\$3,006,000 at initial recognition was calculated using the discounted cash flows method at a market interest rate for the equivalent non-convertible note. The effective interest rate of the liability component on initial recognition is approximately 5.1%. The equity component with carrying amount of HK\$494,000 at initial recognition was stated at its fair value using the Binomial Tree Pricing Model and included under the heading “Convertible notes equity reserve”.

23. SHARE CAPITAL

	Number of shares		Amount	
	(Unaudited) 30 September 2024 <i>'000</i>	(Audited) 31 March 2024 <i>'000</i>	(Unaudited) 30 September 2024 <i>HK\$'000</i>	(Audited) 31 March 2024 <i>HK\$'000</i>
Ordinary shares of HK\$0.1 each				
Authorised	<u>3,000,000</u>	3,000,000	<u>300,000</u>	300,000
Issued and fully paid	<u>332,270</u>	332,270	<u>33,227</u>	33,227

24. RESERVES

The share premium account of the Company is distributable to the owners of the Company under the Companies Law (2013 Revision) of the Cayman Islands subject to the provisions of the Company's memorandum and articles of association and provided that the Company will be in a position to payoff its debts as they fall due in the ordinary course of business immediately following the date on which the dividend is proposed to be distributed.

The convertible notes equity reserve represents the value of the equity component of unexercised convertible notes issued by the Company with related deferred tax recognised. Items included in convertible notes equity reserve will not be reclassified subsequently to profit or loss.

The share options reserve represents the fair value of the unexercised share options recognised in accordance with the accounting policy adopted for share-based payments.

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

25. RELATED PARTY TRANSACTIONS

- (a) Remuneration for key management personnel of the Group, including the Company's directors and certain senior management staff, is as follows:

	(Unaudited)	
	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
Fees, salaries and other benefits	<u><u>1,428</u></u>	<u><u>1,272</u></u>

- (b) Amounts due to directors/related companies/non-controlling interests/a shareholder of the Company as at 30 September 2024 and 31 March 2024 are disclosed in the condensed consolidated statement of financial position; other details are disclosed in note 21.

26. DISPOSAL OF SUBSIDIARIES

- (a) **Disposal of Fly Forward International Co., Limited ("FFICL") and its subsidiaries (collectively, "FFICL Group")**

On 30 June 2024, the Group entered into a sale and purchase agreement with independent third party ("ITP1"), pursuant to which the Group agreed to sell, and ITP1 agreed to acquire, entire equity interests in the FFICL Group at cash consideration of HK\$22,500. The disposal was completed on 30 June 2024 and the net assets of FFICL Group at the date of disposal were as follows:

	<i>HK\$'000</i>
Consideration	<u><u>23</u></u>

Analysis of assets and liabilities over which control was lost

	<i>HK\$'000</i>
Net assets disposed of	
Amount due from the Group	52
	<u>52</u>
	<u><u>52</u></u>

Loss on disposal of subsidiaries

	<i>HK\$'000</i>
Consideration received	23
Net assets disposed of	(52)
	<u>(29)</u>
	<u><u>(29)</u></u>

Net cash inflow arising on disposal:

	<i>HK\$'000</i>
Consideration received	23
	<u>23</u>
	<u><u>23</u></u>

(b) Disposal of Best Plus Global Limited, Prime Profit International Group Holdings Limited and its subsidiaries (collectively, “Best Plus Group”)

On 2 August 2024, the Group entered into sale and purchase agreements with an independent third party (“ITP2”), pursuant to which the Group agreed to sell and ITP2 agreed to acquire the entire equity interests in Best Plus Group at cash consideration of HK\$80,000. The disposal was completed on 2 August 2024 and the net assets of Best Plus Group at the date of disposal were as follows:

	<i>HK\$'000</i>
Consideration	80
	<u>80</u>
	<u><u>80</u></u>

Analysis of assets and liabilities over which control was lost

HK\$'000

Net assets disposed of	
Cash and cash equivalent	21
	<hr/>
	21
	<hr/> <hr/>

Loss on disposal of subsidiaries

HK\$'000

Consideration received	80
Non-controlling interest	(461)
Net assets disposed of	21
	<hr/>
	(360)
	<hr/> <hr/>

Net cash inflow arising on disposal:

HK\$'000

Consideration received	80
Less: cash and bank deposits disposed of	(21)
	<hr/>
	59
	<hr/> <hr/>

OTHER INFORMATION

2012 SHARE OPTION SCHEME

The Company adopted a new share option scheme at the annual general meeting of the Company held on 3 August 2012 (the “2012 Share Option Scheme”), which was valid and effective for a period of 10 years commencing on 3 August 2012, upon the termination of the share option scheme adopted at the annual general meeting of the Company held on 2 August 2002.

The purpose of 2012 Share Option Scheme enabled the Company to grant options to selected persons to subscribe for shares in the Company as incentives or rewards in order to recognise and motivate their contributions or potential contributions to the Group.

Subject to the relevant requirements under the GEM Listing Rules, persons eligible to receive option under the 2012 Share Option Scheme, that in the sole opinion of the Remuneration Committee, include:

- (i) any senior management employee, including without limitation the director, executive officer and manager-grade employee, whether full-time or part-time, employed by the Group, and
- (ii) business partner, contractor, consultant of the Group,

who will contribute or has contributed to any member of the Group. They can take up options to subscribe for the shares in the Company for a consideration of HK\$10 per each lot of share options granted.

The option period shall not exceed 10 years from the date of grant of option. There is no minimum period for which an option must be held before it can be exercised. HK\$10 is payable on acceptance of an option within 28 days from the date of grant.

The maximum number of shares issued and to be issued upon exercise of the options granted and to be granted to each eligible person in any twelve-month period up to and including the date of grant must not exceed 1% of the shares in issue at the date of grant. Options granted to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates in excess of 0.1% of the total number of shares in issue or with a value in excess of HK\$5 million must be approved in advance by the Company’s shareholders.

The maximum number of the issuable Shares under the general mandate of 2012 Share Option Scheme as approved by the Shareholders on 27 September 2019 shall not exceed 236,893,600 Shares, representing 10% of the number of Shares in issue on the Adoption Date. Upon share consolidation approved by the extraordinary general meeting on 17 June 2021, the total number of Consolidated Shares which may be issued under the 2012 Share Option Scheme should not exceed 23,689,360 Shares.

The total number of shares of the Company (the “Shares”) that may be issued in respect of 19,000,000 share options granted under 2012 Share Option Scheme of the Company during the six months ended 30 September 2024 divided by the weighted average number of Shares in issue for the six months ended 30 September 2024 is 5.72%.

Options may be exercised at any time during the specified option period. The exercise price shall be determined by the Directors, and shall be at least the highest of (i) the closing price of the Company’s shares on the date of grant; (ii) the average closing price of the Company’s shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company’s shares. The maximum number of shares which may be issued upon exercise of all options granted and yet to be exercised under the 2012 Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Company’s shares in issue from time to time.

Movements of the share options granted under the 2012 Share Option Scheme are as follows:

Participants	Date of grant	Exercisable period	Exercise price per share	No. of underlying shares comprised in option					As at 30 September 2024
				As at 1 April 2024	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	
Employees	13 May 2022	13 May 2022 – 13 May 2025	HK\$1.00	21,000,000	-	-	(2,000,000)	-	19,000,000

(1) Disclosure pursuant to Rule 23.07(2) of the GEM Listing Rules

The particulars of 2012 Share Option Scheme during the six months ended 30 September 2024, years ended 31 March 2024, 31 March 2023 and 31 March 2022 are set out below:

Number of options available for grant under 2012 Share Option Scheme

At 31 March 2022 and 1 April 2022	23,689,360
Add: options lapsed during the year ended 31 March 2023	224,000 (Note)
Less: Granted to employees on 13 May 2022	(23,000,000)
At 31 March 2023	913,360
Add: options lapsed during the year ended 31 March 2024	2,000,000
At 31 March 2024	2,913,360
Add: options lapsed during the six months ended 30 September 2024	2,000,000
At 30 September 2024	4,913,360

Note: original 2,240,000 options has to take into account of share consolidation resulting in 224,000 options.

(2) Disclosure pursuant to Rule 23.07A of the GEM Listing Rules

The Remuneration committee of the Company (the “Remuneration Committee”) reviewed matters related to 2012 Share Option Scheme under Chapter 23 of the GEM Listing Rules, approved the key terms of any new compensation and benefits plans that have a material financial, reputational and strategic impact on the Company during the six months ended 30 September 2024.

The Remuneration Committee has reviewed the performance of employees proposed to be granted of the options, identified their various target achievement and agreed that the grant would align the interests of the recommended employees (the “grantee”), of the Company and its shareholders, as the grant of the options would provide incentives to the grantee to work towards the continuous growth of the Company and would also reinforce their commitments to long term development of the Company, which is in line with the purpose of the 2012 Share Option Scheme.

During the six months ended 30 September 2024, no share option was granted, exercised, or cancelled and none of the Directors or chief executive of the Company or their respective spouses or children under 18 years of age were granted or exercised any right to subscribe for any equity or debt securities of the Company or any of its associated corporations within the meaning of the Securities and Future Ordinance (“SFO”).

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles in and complied with the requirements of the Corporate Governance Code (“CG Code”) as set out in Appendix 15 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) throughout the six months ended 30 September 2024.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company does not have the Chief Executive Officer during the six months ended 30 September 2024. The Board is in the process of locating appropriate persons to fill the vacancy. Even so, the Board considers that the existing Board members are able to share the power and responsibilities of Chief Executive Officer among themselves, as detailed below.

Based on Code C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The Board’s current significant decisions are made in Board meetings. Every Board member has the rights and responsibility to propose Board meetings to discuss significant issues he/she concerns, and has the power to make the decisions among other Board members.

With reference to Code C.2.2, in each Board meeting, the director who proposes that meeting (the “Convenor”) would generally be appointed as the chairman of the meeting in accordance with the articles of association of the Company, and he/she has to ensure all directors briefed on issues arising at board meeting.

With reference to Code C.2.3, the Convenor has to provide the meeting agenda and materials (the “Board Papers”) to the company secretary, and the company secretary will then pass the Board Papers to other Board members for their review. Unless urgent matters to be discussed, it is the Board’s practice that the Board Papers have to be given to the Board at least 3 days in advance of the Board meetings. Other Board members should have enough time to read the Board Papers and raise questions and/or request more information before holding the Board meetings. For the urgent Board meetings, the Convenor and/or company secretary have to contact individual Director about the details of the agenda meeting and the reasons of urgency. Every Board member has the right to request additional time to understand the agenda details and delay the Board meeting.

With reference to Code C.2.4, the executive Directors jointly provide leadership of the Board, and ensure the Board works effectively and perform its responsibilities, and that all key and appropriate issues are discussed by it in a timely manner. As mentioned above, all Directors have the rights to propose Board meetings. The company secretary has to summarise all agenda items and circulate the agenda to all Board members.

With reference to Code C.2.5, the Board members share the responsibility to ensure good corporate governance practices and procedures are established. It is the practice of the Board to discuss corporate governance issues in the meetings to approve the interim and annual results.

With reference to Code C.2.6, the executive Directors share the responsibility of encouraging all directors to make a full and active contribution to the Board’s affairs and take the lead to ensure that it acts in the best interest of the Company. The Convenor has the responsibility to encourage other Directors with different views to voice their concerns, allow sufficient time for discussion of issues and ensure the Board decisions fairly reflected Board consensus.

With reference to Code C.2.7, the non-executive Directors (including independent non-executive Directors) (“INED”) hold at least a meeting among themselves annually, to consider and discuss any significant issues of the Company and the Board, without influence from the executive Directors.

With reference to Code C.2.8, the executive Directors share the responsibility of ensuring that appropriate steps are taken to provide effective communication with shareholders and that their views are communicated to the Board as a whole. It is a general practice that the executive Directors will discuss the shareholder’s viewpoints with INED in the Board meeting following a shareholders’ meeting.

With reference to Code C.2.9, the executive Directors share the responsibility of promoting a culture of openness and debate by facilitating the effective contribution of INED in particular and ensuring constructive relations between executive and INED. As mentioned above, all directors, including INED, have the right to propose a board meeting to discuss the issues they consider important, and enough time is reserved for all Directors to read the Board Papers and raise questions. It is the Board's practice to encourage the INED to raise their viewpoints in Board meetings.

With reference to Code C.6.3, it is the Company's practice that the company secretary report to the executive Directors.

BOARD OF DIRECTORS

The Board comprised three executive Directors, namely Mr. Zhang Yanqiang, Mr. Gu Zhonghai and Mr. Zhao Xinyan (chairman of the Board), and three independent non-executive Directors, namely, Mr. Chung Koon Yan, Ms. Zhao Yongmei and Mr. Jing Baoli.

The Board is responsible for reviewing, evaluating and finalising the Company's strategies and policies, annual budgets, business plans and performance, and has full access to adequate, reliable and timely information on the Group so as to enable them to make a timely decision. The Board also has the collective responsibility for leadership and control of, and for promoting the success of, the Group by directing and supervising the Group's affairs.

BOARD COMMITTEES

The Board has established three committees in accordance with the CG Code, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. These committees are provided with sufficient resources to discharge their duties and are able to seek independent professional advice when appropriate and upon request.

Audit Committee

The Audit Committee comprised three independent non-executive Directors, namely Mr. Chung Koon Yan (chairman of the Audit Committee), Ms. Zhao Yongmei and Mr. Jing Baoli. The Audit Committee meets with the Group's senior management regularly to review the effectiveness of the internal control system, to assist the Board in its oversight of the completeness, accuracy and fairness of the financial statements of the Company, of the effectiveness and adequacy of risk management and the interim and annual reports of the Group, and of the performance of the Company's internal audit and compliance function.

Nomination Committee

The Nomination Committee comprised one executive Director, namely Mr. Zhang Yanqiang (chairman of the Nomination Committee), and two independent non-executive Directors, namely Ms. Zhao Yongmei and Mr. Jing Baoli. The Nomination Committee reviews the composition of the Board and nominates suitably qualified candidates to the Board, if necessary.

Remuneration Committee

The Remuneration Committee comprised one executive Director, namely Mr. Zhao Xinyan, and two independent non-executive Directors, namely Ms. Zhao Yongmei (chairman of the Remuneration Committee) and Mr. Jing Baoli. The Remuneration Committee reviews and determines the policy for the remuneration of directors and senior management of the Group.

INTERESTS OF DIRECTORS

As at 30 September 2024, the interests and short positions of the Directors or chief executive of the Company in the shares, the underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which 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 or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long Position in Shares and Underlying Shares of the Company

Name of Director	Number of ordinary shares of HK\$0.10 each and the underlying shares			Approximate percentage of the issued share capital of the Company
	Personal interest	Corporate interest	Total number of shares	
Mr. Zhao Xinyan	1,750,000	47,378,000 (Note 1)	49,128,000	14.78%
Ms. Ng Mui King, Joky	–	33,792,000 (Note 2)	33,792,000	10.17%

Notes:

1. These shares are held by Win Bless Limited of which Mr. Zhao Xinyan is the beneficial owner.
2. These shares are held by Gold City Assets Holdings Ltd. of which Ms. Ng Mui King, Joky is the beneficial owner.

Save as disclosed above, as at 30 September 2024, none of the Directors and chief executive of the Company had interests and short positions in the shares, the underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO), which 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 or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the six months ended 30 September 2024 was any of the Company or its subsidiaries a party to any arrangements to enable the Directors or chief executives of the Company (including their spouses or children under 18 years of age) to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INTEREST OF SUBSTANTIAL SHAREHOLDERS AND OTHER SHAREHOLDERS

As at 30 September 2024, save as disclosed below, so far is known to the Directors and chief executives of the Company, no person (other than a Director or a chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO or, who is directly or indirectly, interested in 5% or more of the issued share capital of the Company.

Long Position in Shares of the Company

Name of shareholder	Capacity/Nature of interest	Total number of ordinary shares of HK\$0.10 each	Approximate percentage of the issued share capital of the Company
Win Bless Limited	Beneficial owner/Corporate	47,378,000 <i>(Note 1)</i>	14.25%
Mr. Zhao Xinyan	Interest in a controlled corporation	47,378,000 <i>(Note 1)</i>	14.25%
	Beneficial owner/Personal	1,750,000	0.53%

Name of shareholder	Capacity/Nature of interest	Total number of ordinary shares of HK\$0.10 each	Approximate percentage of the issued share capital of the Company
Gold City Assets Holdings Ltd.	Beneficial owner/Corporate	33,792,000	10.17%
Ms. Ng Mui King, Joky	Interest in a controlled corporation	33,792,000 (Note 2)	10.17%
Ms. Lin Shunping	Beneficial owner/Personal	19,900,000 (Note 3)	5.99%

Notes:

1. These shares are held by Win Bless Limited, a company incorporated in Hong Kong of which the issued share capital is beneficially owned by Mr. Zhao Xinyan, an executive director of the Company.
2. These shares are held by Gold City Assets Holdings Ltd., a company incorporated in the British Virgin Islands of which the issued share capital is beneficially owned by Ms. Ng Mui King, Joky.
3. The shares were issued to Ms. Lin Shunping on 27 March 2020, pursuant to the convertible notes issued by the Company on 30 March 2015.

COMPETING INTEREST

The Directors are not aware of any business or interest of the Directors nor the controlling shareholder of the Company (as defined in the GEM Listing Rules) nor any of their respective close associates that competes or may compete, either directly or indirectly, with the business of the Group or any other conflict of interest which any such person has or may have with the Group during the six months ended 30 September 2024.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company had not redeemed any of its shares (including the sale of treasury shares (as defined under the GEM Listing Rules)) of the Company during the six months ended 30 September 2024. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's shares during the six months ended 30 September 2024.

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed elsewhere in the consolidated financial statements, the Group had no other event after reporting period.

SUFFICIENCY OF PUBLIC FLOAT

To the best knowledge of the Directors and based on information that is publicly available to the Company as of the date of this announcement, the Company has maintained sufficient public float required under the GEM listing rules.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding the directors' transaction in securities of the Company. Having made specific enquiry of all Directors, each of the Directors has confirmed that he/she has complied with the required standard of dealings as set out in the adopted code of conduct regarding the directors' securities transaction throughout the six months ended 30 September 2024.

By order of the Board
Great World Company Holdings Ltd
Zhao Xinyan
Chairman

Hong Kong, 27 November 2024

As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. Zhang Yanqiang, Mr. Gu Zhonghai and Mr. Zhao Xinyan; and (ii) three independent non-executive Directors, namely Mr. Chung Koon Yan, Ms. Zhao Yongmei and Mr. Jing Baoli.