

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited 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.*

## **WAH WO HOLDINGS GROUP LIMITED**

**華和控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 9938)**

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

The board (the “**Board**”) of directors (the “**Directors**”) of WAH WO HOLDINGS GROUP LIMITED (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 September 2024 (the “**Interim Result**”). This announcement contains the full text of the interim report of the Company for the six months ended 30 September 2024 (the “**Interim Report**”) and the contents were prepared in accordance with the relevant requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Interim Results are unaudited but have been reviewed and approved by the audit committee of the Board. This announcement is published on the websites of the Company ([www.wahwoalum.com](http://www.wahwoalum.com)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). The Interim Report will be despatched to the shareholders of the Company and will also be made available at the abovementioned websites in due course.

By Order of the Board

**WAH WO HOLDINGS GROUP LIMITED**

**CHEN Yuet Wa**

*Chairman and Executive Director*

Hong Kong, 29 November 2024

*As at the date of this announcement, the Board comprises five members, of which Mr. CHEN Yuet Wa and Mr. CHAN Fai are the executive directors of the Company; and Ms. DING Xin, Mr. WU Wing Kuen and Mr. YU Chi Wing are the independent non-executive directors of the Company.*

# Contents

Corporate Information	2
Management Discussion and Analysis	4
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	12
Condensed Consolidated Statement of Financial Position	13
Condensed Consolidated Statement of Changes in Equity	15
Condensed Consolidated Statement of Cash Flows	16
Notes to the Unaudited Condensed Consolidated Interim Financial Statements	18
Corporate Governance and Other Information	37





# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Chen Yuet Wa  
(*Chairman and Chief Executive Officer*)  
Mr. Chan Fai

### Independent Non-executive Directors

Ms. Ding Xin  
Mr. Wu Wing Kuen  
Mr. Yu Chi Wing

## AUDIT COMMITTEE

Ms. Ding Xin (*Chairperson*)  
Mr. Wu Wing Kuen  
Mr. Yu Chi Wing

## REMUNERATION COMMITTEE

Mr. Wu Wing Kuen (*Chairperson*)  
Mr. Chen Yuet Wa  
Ms. Ding Xin

## NOMINATION COMMITTEE

Mr. Chen Yuet Wa (*Chairperson*)  
Mr. Yu Chi Wing  
Mr. Wu Wing Kuen

## COMPANY SECRETARY

Mr. Lee Kai Ming (*HKICPA*)

## AUTHORISED REPRESENTATIVES

Mr. Chen Yuet Wa  
Mr. Lee Kai Ming (*HKICPA*)

## AUDITORS

RSM Hong Kong  
*Certified Public Accountants*  
Registered Public Interest Entity Auditor  
29th Floor, Lee Garden Two  
28 Yun Ping Road, Causeway Bay  
Hong Kong

## REGISTERED OFFICE IN THE CAYMAN ISLANDS

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

## HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat A & D, 4/F, Phase 1  
Kwai Shing Industrial Building  
36–40 Tai Lin Pai Road  
Kwai Chung, New Territories  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

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

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### PRINCIPAL BANKERS

Nanyang Commercial Bank, Ltd.  
151 Des Voeux Road Central  
Hong Kong

Hongkong and Shanghai Banking  
Corporation Ltd  
1 Queen's Road Central  
Hong Kong

### COMPANY WEBSITE

[www.wahwoalum.com](http://www.wahwoalum.com)

### STOCK CODE

9938



# Management Discussion and Analysis

The board (“**Board**”) of directors (the “**Directors**”) of WAH WO HOLDINGS GROUP LIMITED (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 September 2024 (the “**Review Period**”) together with the comparative figures for the corresponding period ended 30 September 2023.

## BUSINESS REVIEW AND OUTLOOK

The Group is an established contractor engaged in façade works with a focus on window in Hong Kong. Façade works can be classified into window, window wall system, curtain wall system and other façade members. We principally provide design and build services for new buildings and renovation services for built premises and trading of tools and equipment. Our services generally include developing designs, conducting structural calculations and preparing shop drawings, as well as management and coordination of various aspects of a project which involve procurement of building materials from material suppliers and/or subcontracting of installation works to our subcontractors, on-site project management and post-project completion and maintenance services. The Group is also engaged in rental of investment properties.

### Construction and ancillary services

Our design and build services are typically conducted on new buildings and involve the installation of windows and other façade components such as metal doors, louvres, balustrades, grilles and canopy. Our renovation services on the other hand are typically conducted on built premises and usually involve the repair, replacement, upgrade or maintenance of windows, metal doors and other façade components. We provide design and build services and renovation services for different types of buildings, including residential apartments, commercial buildings, retail premises, universities and hotels in Hong Kong. These different types of buildings can be broadly classified as (i) residential buildings; and (ii) non-residential buildings.



As at 30 September 2024, the Group has a total of 15 ongoing projects, each with an awarded contract sum (exclusive of variation orders) of over HK\$5 million. The aggregate contract sums and the aggregated revenue recognised (inclusive of variation orders and contract sum adjustments as at 30 September 2024) of these ongoing projects as at 30 September 2024 amounted to approximately HK\$804.7 million and HK\$416.7 million respectively.

## Rental of investment properties

The Group has acquired investment properties and considered they constituted a good investment opportunity that will offer a stable and attractive rate of return for the Group. Following the acquisition of these investment properties, the Group intends to lease them out for rental income after undergoing renovation and sub-divided them into smaller workshops or studio rooms according to approved plans and drawings. As of 30 September 2024, the Group possessed a total of seven investment properties. Three of these investment properties had already been put on the market after undergoing renovation, while the remaining four properties were undergoing renovations. As the rental of investment properties segment was still in its early stages, this segment recorded a profit of approximately HK\$121,000 during the Review Period. The Group anticipates that this situation will improve as more investment properties are made available for lease in the future.

The Group recorded gross profit of approximately HK\$21,109,000 for the Review Period, as compared with the gross profit of approximately HK\$9,780,000 for the six months ended 30 September 2023. The Group's gross profit margin for the Review Period was approximately 8.7% as compared with approximately 12.2% for the six months ended 30 September 2023.





## Management Discussion and Analysis

During the Review Period, the Group recorded a consolidated net profit of approximately HK\$1,227,000 as compared to an unaudited consolidated net loss of approximately HK\$1,615,000 for the corresponding period in 2023. The turnaround from loss to profit in the Review Period was primarily attributable to (i) significant increase of revenue and gross profits from construction and ancillary services due to some of our ongoing projects in execution-peak stage of approximately HK\$160,961,000 and HK\$10,143,000 respectively; (ii) decrease in fair value loss on investment properties of approximately HK\$2,384,000; net off by (i) increase in legal and professional fees incurred for recovering outstanding contract assets and trade receivables of approximately HK\$1,205,000; (ii) increase in administrative staff costs of approximately HK\$773,000; and (iii) increase in provision for impairment loss allowance on contract assets and trade receivables of approximately HK\$7,342,000 as compared to the corresponding period in 2023.

Although there are signs of economic recovery in Hong Kong, the Directors believe that the overall outlook for the industry and business environment remains quite challenging. Several factors contribute to this situation: (1) the removal of the “spicy” stamp duty measures and the easing of the mortgage loan-to-value ratio in the 2024 Budget have had limited effects on market recovery, far less than we had anticipated; (2) the high-interest rate environment continues to impact demand for residential properties and housing prices; (3) the construction industry is facing intense competition, with fewer projects available, leading to downward pressure on pricing, margins, and overall profitability, making it harder to secure and maintain profitable contracts; and (4) there has been a noticeable increase in credit risk within the industry, highlighted by the recent winding up of a major customer in our Group.

Despite these challenges, the Group remains cautiously optimistic about the long-term prospects of the Hong Kong construction sector. Management believes there are still opportunities to explore, but it is essential to adapt our strategies to navigate the current market landscape. The Group will continue to implement a more competitive tender pricing policy and maintain strict control over production costs to achieve reasonable gross margins on projects.

## FINANCIAL REVIEW

### Revenue

The Group's revenue increased by approximately HK\$162,232,000 or approximately 202.4% from approximately HK\$80,152,000 for the six months ended 30 September 2023 to approximately HK\$242,384,000 for the Review Period. The increase in revenue was mainly due to substantial completion of certain projects on hand during the Review Period.

### Gross Profit and Gross Profit Margin

The gross profit of the Group for the Review Period amounted to approximately HK\$21,109,000, representing an increase of approximately 115.8% as compared with approximately HK\$9,780,000 for the six months ended 30 September 2023. The Group's gross profit margin for the Review Period was approximately 8.7%, as compared with approximately 12.2% for the six months ended 30 September 2023. The gross profit margin decreased as a result of intense competition within the industry while the increase in gross profit was mainly driven by the substantial completion of works during the Review Period.

### Fair Value Loss on Investment Properties

Fair value loss on investment properties for the Review Period of approximately HK\$962,000 as compared with approximately HK\$3,346,000 for the six months ended 30 September 2023. The amount represented non-cash item resulted from the fair value change upon revaluation of investment properties.

### Other Income and gains

Other income and gains of the Group for the Review Period amounted to approximately HK\$861,000, representing a decrease of approximately HK\$111,000 as compared with approximately HK\$972,000 for the six months ended 30 September 2023. The decrease was primarily due to the one-off government subsidies received from the Hong Kong government for the corresponding period in 2023.

### Administrative Expenses

The administrative expenses of the Group for the Review Period amounted to approximately HK\$11,271,000, representing an increase of approximately 35.0% as compared with approximately HK\$8,348,000 for the six months ended 30 September 2023. The increase was mainly driven by (1) increase in legal and professional fees incurred for recovering outstanding contract assets and trade receivables of approximately HK\$1,205,000 and (2) increase in administrative staff costs of approximately HK\$773,000 when compared to the six months ended 30 September 2023.





# Management Discussion and Analysis

## Finance Costs

Finance costs of the Group for the Review Period were approximately HK\$280,000, representing an increase of approximately 483.3% as compared with approximately HK\$48,000 for the six months ended 30 September 2023. The increase was mainly attributable to full-period effect of bank borrowings and lease liabilities during the Review Period in contrast to the partial effect when compared to the six months ended 30 September 2023.

## Profit/(Loss) for the Period

As a result of the foregoing, profit attributable to owners of the Company for the Review Period increased by approximately HK\$2,842,000 or approximately 176.0% from loss of approximately HK\$1,615,000 for the six months ended 30 September 2023 to profit of approximately HK\$1,227,000 for the Review Period.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Shares were successfully listed on the Main Board of the Stock Exchange on the Listing Date and there has been no change in capital structure of the Group since then.

As at 30 September 2024 and 31 March 2024, the Company's issued capital was HK\$10,000,000 and the number of its issued ordinary shares was 1,000,000,000 of HK\$0.01 each.

As at 30 September 2024, the Group had total cash and bank balances of approximately HK\$39,833,000 (31 March 2024: approximately HK\$30,704,000). The Group had approximately HK\$6,528,000 (31 March 2024: HK\$6,701,000) interest-bearing bank borrowings as at 30 September 2024.

All the Group's borrowings are arranged on a floating rate basis. The Group will closely monitor and manage its exposure to interest rate fluctuations and will consider engaging in relevant hedging arrangements when appropriate.

## TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

## PLEDGE OF ASSETS

As at 30 September 2024, the Group had bank and other deposits amounting to approximately HK\$39,561,000 pledged to banks and insurance companies (31 March 2024: approximately HK\$18,288,000 pledged to banks) for certain banking facilities and performance bonds.

Investment properties with carrying value of approximately HK\$97,800,000 as at 30 September 2024 (31 March 2024: approximately HK\$97,800,000), along with their respective rental assignments were pledged to secure certain banking facilities.

## FOREIGN EXCHANGE RISK

The Group mainly operates in Hong Kong. Most of the operating transactions and revenue were settled in Hong Kong dollars and Renminbi and the Group's assets and liabilities are primarily denominated in Hong Kong dollars and Renminbi. The Group has no significant exposure to other foreign exchange fluctuations. The Group did not engage in any derivatives agreement and did not commit to any financial instrument to hedge its foreign exchange exposure during the Review Period (six months ended 30 September 2023: Nil).

## GEARING RATIO

As at 30 September 2024, the gearing ratio (calculated as total debts (including bank borrowings and lease liabilities) divided by the total equity) was approximately 5.1% (31 March 2024: approximately 5.3%).

## CAPITAL EXPENDITURE

During the Review Period, the Group invested approximately HK\$2,000 (six months ended 30 September 2023: approximately HK\$641,000) and approximately HK\$962,000 (six months ended 30 September 2023: approximately HK\$15,406,000) on the acquisition of property, plant and equipment and investment properties respectively. Capital expenditure was principally funded by internal resources.

## CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 September 2024, the Group had no material capital commitments (31 March 2024: Nil).



## Management Discussion and Analysis

As at 30 September 2024, contingent liabilities not provided for in the financial statements are guarantees given to banks and insurance companies for surety bonds of approximately HK\$61,383,000 (31 March 2024: approximately HK\$25,147,000).

As at 30 September 2024, the surety bonds were secured by the pledge of bank and other deposits of the Group amounting to approximately HK\$39,561,000 (31 March 2024: approximately HK\$18,288,000) and corporate guarantee executed by the Company amounting to HK\$50,000,000 (31 March 2024: HK\$50,000,000) respectively.

In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the Group's subcontractors in accidents arising out of and in the course of their employment. The Directors of the Company are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

### LOAN COMMITMENT

Details regarding the loan commitment are set out in note 19 to the unaudited condensed consolidated interim financial statements.

### MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Review Period, the Group did not have any material acquisitions or disposals of subsidiaries or associated companies.

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

During the Review Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

### SIGNIFICANT INVESTMENT HELD

During the Review Period, the Group did not hold any significant investments.

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Except for the above-mentioned, the Group did not have any other plans for material investments or capital assets as at 30 September 2024.

## EVENTS AFTER THE END OF THE PERIOD

Details regarding the events after the end of the period are set out in note 22 to the unaudited condensed consolidated interim financial statements.

## EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2024, the Group employed a total of 130 employees (including executive Directors and independent non-executive Directors), as compared to a total of 90 employees as at 30 September 2023. Total staff costs which include Directors' emoluments for the Review Period were approximately HK\$18,997,000 (six months ended 30 September 2023: approximately HK\$14,953,000). The salary and benefit level of the employees of the Group are competitive and individual performance is rewarded through the Group's salary and bonus system. The Group conducts annual review on the salary increase, discretionary bonuses and promotions based on the performance of each employee.

The emoluments of the Directors are decided by the Board after recommendation from the remuneration committee of the Company, having considered factors such as the Group's financial performance and the individual performance of the Directors, etc..

The Company has adopted a share option scheme as an incentive to Directors and eligible employees.

During the Review Period, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

## INTERIM DIVIDEND

The Board has resolved not to recommend the declaration and payment of an interim dividend to shareholders of the Company for the Review Period (six months ended 30 September 2023: Nil).

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

For the six months ended 30 September 2024

	Note	Six months ended 30 September	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>REVENUE</b>	3	<b>242,384</b>	80,152
Cost of revenue		<b>(221,275)</b>	(70,372)
Gross profit		<b>21,109</b>	9,780
Fair value loss on investment properties		<b>(962)</b>	(3,346)
Other income and gains	4	<b>861</b>	972
Administrative expenses		<b>(11,271)</b>	(8,348)
Reversal of provision/(provision) for impairment allowance on contract assets, net		<b>9,564</b>	(129)
Provision for impairment allowance on trade receivables, net		<b>(17,326)</b>	(291)
Finance costs	6	<b>(280)</b>	(48)
Share of losses of an associate		<b>(149)</b>	–
<b>PROFIT/(LOSS) BEFORE TAX</b>	7	<b>1,546</b>	(1,410)
Income tax expense	8	<b>(319)</b>	(205)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>1,227</b>	(1,615)
<b>OTHER COMPREHENSIVE INCOME</b> <i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation		<b>(9)</b>	(16)
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>(9)</b>	(16)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>1,218</b>	(1,631)
<b>EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
Basic and diluted	10	<b>HK0.12 cent</b>	HK(0.16) cent

# Condensed Consolidated Statement of Financial Position

30 September 2024

	Note	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	5,244	8,126
Right-of-use assets		3,072	3,383
Investment properties	12	130,200	130,200
Interest in an associate		125	–
Prepayments, deposits and other receivables		1,520	197
Deferred tax assets		7,354	7,515
Total non-current assets		147,515	149,421
<b>CURRENT ASSETS</b>			
Contract assets	13	59,367	39,759
Trade receivables	14	33,933	17,384
Prepayments, deposits and other receivables		4,576	3,595
Income tax recoverables		10,467	10,621
Pledged deposits		38,041	18,288
Cash and cash equivalents		39,833	30,704
Total current assets		186,217	120,351
<b>CURRENT LIABILITIES</b>			
Trade payables	15	119,521	58,833
Other payable and accruals		5,660	5,040
Lease liabilities		767	711
Provisions for rectification works		6,914	5,082
Bank borrowings	16	6,528	6,701
Total current liabilities		139,390	76,367
<b>NET CURRENT ASSETS</b>		<b>46,827</b>	<b>43,984</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>194,342</b>	<b>193,405</b>

# Condensed Consolidated Statement of Financial Position

30 September 2024

		30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		2,436	2,721
Deferred tax liabilities		59	55
Total non-current liabilities		2,495	2,776
Net assets		191,847	190,629
<b>EQUITY</b>			
Share capital	17	10,000	10,000
Reserves		181,847	180,629
Total equity		191,847	190,629

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2024

	Attributable to owners of the Company					
	Share capital	Share premium account	Merger reserve	Foreign currency translation reserve	Retained profits	Total
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
At 1 April 2023	10,000	91,369	20	–	144,356	245,745
Total comprehensive income for the period	–	–	–	(16)	(1,615)	(1,631)
At 30 September 2023	10,000	91,369	20	(16)	142,741	244,114
At 1 April 2024	10,000	91,369	20	(10)	89,250	190,629
Total comprehensive income for the period	–	–	–	(9)	1,227	1,218
At 30 September 2024	10,000	91,369	20	(19)	90,477	191,847



# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2024

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Net cash flows generated from/(used in) operating activities	29,458	(20,574)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Deposits paid	(1,520)	(256)
Interest received	694	750
Purchases of property, plant and equipment	(2)	(641)
Proceeds from disposal of property, plant and equipment	2,000	–
Purchase of investment properties	(962)	(12,664)
Subscription of shares in an associate	–*	–
Increase in pledged deposits	(19,753)	(5,651)
Increase in non-pledged deposits with original maturity more than three months when acquired	(7,200)	(2,220)
Net cash flows used in investing activities	(26,743)	(20,682)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(280)	(48)
Payments of lease liabilities	(318)	(677)
Repayment of bank borrowings	(173)	–
Bank borrowings raised	–	6,871
Net cash flows (used in)/generated from financing activities	(771)	6,146
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,944</b>	<b>(35,110)</b>
Cash and cash equivalents at beginning of period	30,704	63,555
Effect of foreign exchange rate changes, net	(15)	(4)
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>32,633</b>	<b>28,441</b>

\* Less than HK\$1,000

# Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2024



	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	<b>32,633</b>	28,441
Non-pledged deposits	<b>7,200</b>	2,220
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	<b>39,833</b>	30,661
Non-pledged deposits with original maturity of more than three months when acquired	<b>(7,200)</b>	(2,220)
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	<b>32,633</b>	28,441





# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 1. CORPORATE AND GROUP INFORMATION

WAH WO HOLDINGS GROUP LIMITED (the “Company”) is a limited liability company incorporated in the Cayman Islands. The principal place of business of the Company is located at Flat A & D, 4/F, Phase 1, Kwai Shing Industrial Building, 36–40 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong. The shares of the Company were listed on the Main Board of the Stock Exchange on 17 January 2020.

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the provision of aluminium works related services and trading of tools and equipment and rental of investment properties.

In the opinion of the directors, the immediate and the ultimate holding company of the Company is Ornate Bright Limited, a company incorporated in the British Virgin Islands.

### 2.1 BASIS OF PREPARATION

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

These unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 March 2024.

They have been prepared under the historical cost convention. These unaudited condensed consolidated interim financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand (“HK\$’000”) except when otherwise indicated.

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2024, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time for the current period's financial statements.

HKAS 1	<i>Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (amendments)</i>
HKFRS 16	<i>Lease Liability in a Sale and Leaseback (amendments)</i>
HK Int 5 (revised)	<i>Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (amendments)</i>
HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements (amendments)</i>

The adoption of these revised HKFRSs has had no significant impact on the Group's unaudited condensed consolidated interim financial statements.

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 3. REVENUE

An analysis of revenue is as follows:

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue from contracts with customers	<b>240,397</b>	79,436
Rental income	<b>1,987</b>	716
	<b>242,384</b>	80,152

### Disaggregated revenue information

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>Types of goods and services</b>		
Construction services of residential buildings	<b>236,970</b>	65,381
Construction services of non-residential buildings	<b>3,427</b>	14,055
Total revenue from contracts with customers	<b>240,397</b>	79,436
<b>Timing of revenue recognition</b>		
Services transferred over time	<b>240,397</b>	79,436
Total revenue from contracts with customers	<b>240,397</b>	79,436

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 4. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Bank interest income	694	750
Gain on disposal of property, plant and equipment	25	–
Sundry income	142	222
	<b>861</b>	972

## 5. OPERATING SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resources allocation and assessment of segment performance focuses on the revenue and profits from different types of business divisions.

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 5. OPERATING SEGMENT INFORMATION *(continued)*

### (i) Information about reportable segment result

	Construction and ancillary services HK\$'000	Rental of investment properties HK\$'000	Unallocated HK\$'000	Total HK\$'000
<b>Six months ended</b>				
<b>30 September 2024</b>				
External revenue	240,397	1,987	–	242,384
Segment results	2,215	121	(790)	1,546

	Construction and ancillary services HK\$'000	Rental of investment properties HK\$'000	Unallocated HK\$'000	Total HK\$'000
<b>Six months ended</b>				
<b>30 September 2023</b>				
External revenue	79,436	716	–	80,152
Segment results	2,424	(3,514)	(320)	(1,410)

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 5. OPERATING SEGMENT INFORMATION *(continued)*

### (ii) Reconciliation of reportable segment profit or loss

	2024 HK\$'000	2023 HK\$'000
<b>Profit or loss</b>		
Total profit/(loss) of reportable segments	<b>2,336</b>	(1,090)
Unallocated amounts:		
Unallocated income	<b>694</b>	750
Unallocated expenses	<b>(1,484)</b>	(1,070)
Consolidated profit/(loss) before tax	<b>1,546</b>	(1,410)

### (iii) Geographical information

Since almost all of the Group's revenue was generated in Hong Kong and almost all of the Group's identifiable assets and liabilities were located in Hong Kong, no geographical information is presented.

## 6. FINANCE COSTS

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Interest on lease liabilities	<b>144</b>	2
Interest on bank borrowings	<b>136</b>	46
	<b>280</b>	48



# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 7. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Cost of construction work	<b>220,877</b>	70,059
Depreciation of property, plant and equipment	<b>915</b>	1,212
Depreciation of right-of-use assets	<b>400</b>	596
Fair value loss on investment properties	<b>962</b>	3,346
Gain on disposal of property, plant and equipment	<b>(25)</b>	–
(Reversal of provision)/provision for impairment allowance on contract assets, net	<b>(9,564)</b>	129
Provision for impairment allowance on trade receivables, net	<b>17,326</b>	291
Provision for rectification works*	<b>3,477</b>	1,206

\* For the Review Period, changes in provision for rectification works of approximately HK\$3,477,000 (six months ended 30 September 2023: approximately HK\$1,206,000) is included in cost of construction work disclosed above.

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Current tax		
Provision for the period	<b>154</b>	385
Deferred tax	<b>165</b>	(180)
	<b>319</b>	205

## 9. DIVIDENDS

The board of directors has resolved not to declare an interim dividend by the Company for the Review Period (six months ended 30 September 2023: Nil).



# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 10. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings (six months ended 30 September 2023: loss) per share is based on the profit (six months ended 30 September 2023: loss) attributable to ordinary equity holders of the Company of approximately HK\$1,227,000 (six months ended 30 September 2023: loss of approximately HK\$1,615,000), and the number of ordinary shares of 1,000,000,000 (six months ended 30 September 2023: 1,000,000,000) in issue during the Review Period.

The diluted earnings/(loss) per share for the six months ended 30 September 2024 and 2023 were the same as the basic earnings/(loss) per share for the six months ended 30 September 2024 and 2023 as the Group had no potentially dilutive ordinary shares in issue during the six months ended 30 September 2024 and 2023.

## 11. PROPERTY, PLANT AND EQUIPMENT

During the Review Period, the Group acquired additional property, plant and equipment of approximately HK\$2,000 (six months ended 30 September 2023: approximately HK\$641,000).

## 12. INVESTMENT PROPERTIES

During the Review Period, the Group acquired additional investment property of approximately HK\$962,000 (six months ended 30 September 2023: approximately HK\$15,406,000).

A fair value loss of HK\$962,000 (six months ended 30 September 2023: HK\$3,346,000) was recognised in profit or loss during the Review Period.

There has been no change from the valuation technique used in prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 13. CONTRACT ASSETS

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Contract assets		
– Unbilled revenue	<b>43,230</b>	43,846
– Retention receivables	<b>40,552</b>	29,892
	<b>83,782</b>	73,738
Impairment allowance	<b>(24,415)</b>	(33,979)
	<b>59,367</b>	39,759

Unbilled revenue included in contract assets represents the Group's right to receive consideration for work completed and not yet billed because the rights are conditional upon the quality and quantity check by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the time when the Group obtains the certification of the completed construction work from the customers.

Retention receivables included in contract assets represent the Group's right to consideration for work performed but not yet collectible because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group.

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 13. CONTRACT ASSETS *(continued)*

The increase in contract assets as at 30 September 2024 was the result of the increase in the provision of construction services near the end of the Review Period.

The Group's trading terms and credit policy with customers are disclosed in note 14 to the unaudited condensed consolidated interim financial statements in this report.

The expected timing of recovery or settlement for contract assets is as follows:

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Within one year	<b>37,911</b>	28,021
After one year	<b>21,456</b>	11,738
	<b>59,367</b>	39,759

## 14. TRADE RECEIVABLES

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Trade receivables	<b>70,692</b>	36,817
Impairment allowance	<b>(36,759)</b>	(19,433)
	<b>33,933</b>	17,384

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 14. TRADE RECEIVABLES *(continued)*

Trade receivables represented receivables for contract works. Management generally submits interim payment applications to customers on a monthly basis containing a statement setting out management's estimation of the valuation of the works completed in the preceding month. Upon receiving the interim payment application, the quantity surveyors of the customer will verify such valuation of works completed and issue an interim payment certificate within 30 days. Within 30 days after the issuance of the interim payment certificate, the customer will make payment to the Group based on the certified amount stipulated in such certificate, deducting any retention money in accordance with the contract. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of each of the reporting period, based on the progress payment certificate date and net of impairment allowance, is as follows:

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Within 30 days	<b>18,195</b>	9,587
31 to 90 days	<b>15,564</b>	7,578
91 to 120 days	<b>174</b>	212
Over 120 days	–	7
	<b>33,933</b>	17,384

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 15. TRADE PAYABLES

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Trade payables	<b>119,521</b>	58,833

An ageing analysis of the trade payables as at the end of each of the reporting period, based on the date of invoice, is as follows:

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Within 30 days	<b>88,437</b>	53,579
31 to 90 days	<b>26,360</b>	3,500
91 to 180 days	<b>4,662</b>	898
Over 180 days	<b>62</b>	856
	<b>119,521</b>	58,833

Trade payables are non-interest-bearing. The payment terms of trade payables are stipulated in the relevant contracts with credit periods of 30 to 120 days in general.

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 16. BANK BORROWINGS

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Within one year	359	352
More than one year, but not exceeding two years	374	366
More than two years, but not more than five years	1,217	1,192
More than five years	4,578	4,791
	<b>6,528</b>	6,701
Less: Amount due for settlement within 12 months (shown under current liabilities)	<b>(6,528)</b>	(6,701)
Amount due for settlement after 12 months	–	–
Analysis by nature as:		
Mortgage loans	<b>6,528</b>	6,701

The carrying amounts of the Group's bank borrowings are denominated in HK\$.

The interest rate of the Group's borrowings as at reporting date was as follows:

	30 September 2024	31 March 2024
Bank borrowings	<b>3.825%</b>	4.075%



# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 16. BANK BORROWINGS *(continued)*

Bank borrowings were offered at floating rate of the Best Lending Rate for Hong Kong dollar quoted by The Hong Kong and Shanghai Banking Corporation Limited minus 1.8% per annum, thus exposing the Group to cash flow interest rate risk, and were secured by legal charge on investment properties, rental assignments and corporate guarantee provided by the Company.

As at 30 September 2024, the carrying amount of investment properties of approximately HK\$97,800,000 (31 March 2024: approximately HK\$97,800,000) was secured to a bank for the banking facilities amounting to HK\$92,880,000 (31 March 2024: HK\$92,880,000) granted to the Group.

During the year ended 31 March 2024, two subsidiaries of the Group breached the covenant requirement under bank facilities with a bank, as the subsidiaries have not channeled required percentage of their operating cash to their bank's accounts. As a result, bank borrowings of HK\$6,701,000 were subject to repayment on demand clause by the bank. Such bank borrowings were classified as current liabilities as at 31 March 2024 and 30 September 2024.

During the Review Period, the Group had already channeled sufficient operating cash to the specific bank's accounts.

## 17. SHARE CAPITAL

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Authorised: 10,000,000,000 ordinary shares of HK\$0.01 each	<b>100,000</b>	100,000
Issued and fully paid: 1,000,000,000 ordinary shares of HK\$0.01 each	<b>10,000</b>	10,000

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 18. CONTINGENT LIABILITIES

- (a) As at 30 September 2024 and 31 March 2024, contingent liabilities not provided for in the consolidated financial statements were as follows:

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Guarantees given to banks and insurance companies for surety bonds	61,383	25,147

As at 30 September 2024, the surety bonds were secured by the pledge of bank and other deposits of the Group amounting to approximately HK\$39,561,000 (31 March 2024: approximately HK\$18,288,000 pledged to banks) and corporate guarantee executed by the Company amounting to HK\$50,000,000 (31 March 2024: HK\$50,000,000) respectively.

- (b) In the ordinary course of the Group's construction business, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or the Group's subcontractors in accidents arising out of and in the course of their employment. The directors of the Company are of the opinion that such claims are well covered by insurance and would not result in any material adverse impact on the financial position or results and operations of the Group.

## 19. LOAN COMMITMENT

At the end of the reporting period, the Group had an outstanding loan commitment of HK\$2,000,000 (31 March 2024: Nil). This loan commitment represents the undrawn amount available to an associate under the loan facility arrangement granted by the Group.

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 20. OPERATING LEASE ARRANGEMENTS

### (a) The Group as lessee

During the Review Period, the Group entered into a short-term lease with Ms. Wong Chun Siu, the spouse of controlling shareholder of the Group, for a warehouse and office premise in Hong Kong and the outstanding lease commitment relating to the warehouse and office premise is HK\$868,000 (31 March 2023: HK\$496,000).

### (b) The Group as lessor

The Group leases out investment properties with lease terms of 2 years. The lessee does not have an option to purchase the property at the expiry of the lease period.

Minimum lease payments receivable on leases are as follows:

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Within one year	1,952	3,088
In the second year	51	257
	<b>2,003</b>	3,345

The following table presents the amounts reported in profit or loss:

	Six months ended 30 September 2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Rental income	1,987	717
Direct operating expenses, net	(398)	(313)
Other operating expenses	(208)	(80)
	<b>1,381</b>	324

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 21. RELATED PARTY TRANSACTIONS

### (a) Compensation of key management personnel of the Group

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Salaries, bonuses and allowances	<b>1,116</b>	1,080
Pension scheme contributions	<b>18</b>	18
	<b>1,134</b>	1,098

- (b) In addition to the balances, arrangements and transactions detailed elsewhere in these unaudited condensed consolidated interim financial statements, the Group had the following transactions with related party during the period:

	Six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Lease payments paid to Ms. Wong Chun Siu, the spouse of Mr. Chen Yuet Wa, the controlling shareholder of the Group	<b>670</b>	688
Employee benefits expenses to Mr. Chen Zhenchuan, the brother of the controlling shareholder of the Group	<b>243</b>	243
Rental income from an associate	<b>14</b>	–

The transactions were conducted on terms and conditions mutually agreed between the Group and the related party.



# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

## 22. EVENTS AFTER THE END OF THE PERIOD

Subsequent to 30 September 2024, a wholly owned subsidiary of the Group, Wah Wo Design (Wuhan) Company Limited, entered into (1) early termination of existing 5-year-term lease agreement with effective on 20 October 2024, and (2) short-term lease agreement from 21 October 2024 to 20 April 2025 with the existing landlord. Upon termination of the existing 5-year-term lease agreement, right-of-use assets of approximately HK\$3,072,000 and lease liabilities of approximately HK\$3,203,000 would be derecognised.

# Corporate Governance and Other Information

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2024, interests and short positions in the Shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) held by the Directors and chief executive of the Company which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) in Appendix C3 to the Listing Rules are as follows:

### (i) Long position in our Shares

Name of Director	Capacity/Nature	Number of Shares	Percentage of shareholding
Mr. Chen Yuet Wa	Interest in a controlled corporation (note)	750,000,000	75%

Note: 750,000,000 Shares are registered in the name of Ornate Bright Limited (“Ornate Bright”), the entire issued capital of which is legally and beneficially owned by Mr. Chen Yuet Wa, our executive Director. By virtue of the SFO, Mr. Chen Yuet Wa is deemed to be interested in all the Shares held by Ornate Bright.

### (ii) Long position in the shares of associated corporation

Name of Director	Name of associated corporation	Capacity/Nature	Number of share held	Percentage of Interest
Mr. Chen Yuet Wa	Ornate Bright	Beneficial Owner	1	100%

## Corporate Governance and Other Information

Save as disclosed above, as at 30 September 2024, none of the Directors or the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange under the Model Code.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2024, so far as it is known by or otherwise notified by any Director or the chief executive of the Company, the particulars of the corporations or individuals (other than a Director or chief executive of the Company) who had or were deemed or taken to have 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, as recorded in the register required to be kept under section 336 of the SFO were as follows:

#### Long position in the Shares

Name	Capacity/Nature of interest	Number of Shares held	Percentage of interest
Ornate Bright	Beneficial owner (note 1)	750,000,000	75%
Ms. Wong Chun Siu	Interest of spouse (note 2)	750,000,000	75%

Notes:

1. Ornate Bright is wholly-owned by Mr. Chen Yuet Wa.
2. Ms. Wong Chun Siu is the spouse of Mr. Chen Yuet Wa and is deemed or taken to be interested in all the Shares in which Mr. Chen Yuet Wa has, or is deemed to have, an interest for the purposes of the SFO.

Save as disclosed above, as at 30 September 2024, the Company had not been notified by any persons who had interests or short positions in the shares or 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 which were recorded in the register maintained by the Company pursuant to section 336 of the SFO.

### SHARE OPTION SCHEME

The share option scheme was conditionally adopted by the Company on 12 December 2019 (the “**Share Option Scheme**”) and shall be valid until 12 December 2029. Pursuant to the Share Option Scheme, certain eligible participants including, among others, the Directors and employees of the Group may be granted option to subscribe for shares. The purpose of the Share Option Scheme is to provide incentives or rewards to participants for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group. A summary of principal terms of the Share Option Scheme is set out in the paragraph headed “D. Share Option Scheme” in Appendix IV to the Prospectus.

Pursuant to the terms of the Share Option Scheme and in compliance with the provisions in Chapter 17 of the Listing Rules, the maximum number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and all share option schemes of the Company shall not exceed 100,000,000 Shares, being 10% of the Shares in issue as at the date of this interim report.

Since the adoption of the Share Option Scheme, no option has been granted. Therefore, no option was exercised, cancelled or lapsed during the Review Period and there was no option outstanding as at 30 September 2024.

### COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors, the controlling shareholders of the Company or any of their respective close associates (as defined in the Listing Rules) that compete or may compete, directly or indirectly, with the business of the Group and any other conflicts of interest which any such person has or may have with the Group and is required to be disclosed pursuant to Rule 8.10 of the Listing Rules during the Review Period.



### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (THE “CODE”)

According to code provision C.2.1 of the CG Code, the role of the chairman and the chief executive officer of the Company should be separate and should not be performed by the same individual. During the Review Period, the role of the chairman and the chief executive officer of the Company are both performed by Mr. Chen Yuet Wa. In view of Mr. Chen Yuet Wa’s role in the day-to-day management and operations of the Group, being the controlling shareholder of the Group and as one of the Directors if not the sole director of other members of the Group, as at the date of this interim report, the Board believes that it is more effective and efficient overall business planning and implementation of business decisions and strategies of the Group that it shall be in the best interests of the Group for Mr. Chen Yuet Wa to take up the dual roles of chairman and chief executive officer of the Company. Therefore, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstance and that there are sufficient checks and balances in place by the operations of the Board, which comprises experienced and high calibre individuals and adequate independent element in the composition of the Board. The Board will continue to review and consider splitting the roles of chairman and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole. The Directors are aware that the Company is expected to comply with the CG Code. Any deviation from the CG Code should be carefully considered and disclosed in the interim and annual report. Save as disclosed above, the Company will continue to comply with the CG Code to protect the best interests of the shareholders.

Except for code provision C2.1, the Company has adopted and complied with the Code contained in Appendix 14 to the Listing Rules during the Review Period.

## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as a code of conduct regarding the securities transactions of the Company by the Directors. Having made specific enquiries of the Directors, all Directors confirmed that they have complied with the requirements of the Model Code during the Review Period.

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

During the Review Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company has maintained a sufficient amount of public float for the Shares as required under the Listing Rules during the Review Period.

## AUDIT COMMITTEE

The Company established the audit committee (the "**Audit Committee**") on 12 December 2019 with written terms of reference in compliance with Rule 3.22 of the Listing Rules and paragraph D.3.3 of the CG Code. The Audit Committee currently comprises three independent non-executive Directors, namely Ms. Ding Xin, Mr. Wu Wing Kuen and Mr. Yu Chi Wing, to review on matters regarding internal controls, risk management and financial reporting of the Group.

## REVIEW OF INTERIM FINANCIAL RESULTS

The interim financial results of the Group for the Review Period are unaudited but have been reviewed and approved by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosures have been made.

By order of the Board  
**WAH WO HOLDINGS GROUP LIMITED**  
**Chen Yuet Wa**  
*Chairman and Executive Director*

Hong Kong, 29 November 2024

*As at the date of this report, the Board comprises five members, of which Mr. CHEN Yuet Wa and Mr. CHAN Fai are the executive directors of the Company; and Ms. DING Xin, Mr. WU Wing Kuen and Mr. YU Chi Wing are the independent non-executive directors of the Company.*