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**Given that the 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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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*This report, for which the directors (the “Directors”) of UNIVERSE PRINTSHOP HOLDINGS LIMITED (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report 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 report misleading.*



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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. Lam Shing Tai (*Chairman and Chief Executive Officer*)  
Ms. Li Shuang  
Mr. Kao Jung  
Mr. Yip Chi Man  
Mr. Li Zhenwu (*appointed on 1 July 2024*)

### Independent Non-Executive Directors

Mr. Wong Chun Kwok  
Mr. Ho Kar Ming  
Ms. So Shuk Wan

## AUDIT COMMITTEE

Mr. Wong Chun Kwok (*Chairman*)  
Mr. Ho Kar Ming  
Ms. So Shuk Wan

## REMUNERATION COMMITTEE

Mr. Ho Kar Ming (*Chairman*)  
Mr. Wong Chun Kwok  
Ms. So Shuk Wan

## NOMINATION COMMITTEE

Ms. So Shuk Wan (*Chairlady*)  
Mr. Wong Chun Kwok  
Mr. Ho Kar Ming

## RISK MANAGEMENT COMMITTEE

Mr. Wong Chun Kwok (*Chairman*)  
Mr. Ho Kar Ming  
Ms. So Shuk Wan

## AUTHORISED REPRESENTATIVES (FOR THE PURPOSE OF THE GEM LISTING RULES)

Mr. Lam Shing Tai  
Mr. So Hang Fung

## AUTHORIZED REPRESENTATIVE (FOR THE PURPOSE OF THE COMPANIES ORDINANCE)

Mr. Lam Shing Tai

## COMPLIANCE OFFICER

Mr. Lam Shing Tai

# Corporate Information

## COMPANY SECRETARY

Mr. So Hang Fung

## REGISTERED OFFICE

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

## HEADQUARTERS OF OUR GROUP AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

2nd floor  
Tsing Yi Industrial Centre Phase 1  
No. 1 to 33 Cheung Tat Road  
Tsing Yi, New Territories  
Hong Kong

## LEGAL ADVISERS AS TO HONG KONG LAWS

Howse Williams  
27/F, Alexandra House  
18 Chater Road  
Central, Hong Kong

## PRINCIPAL BANKER

The Hongkong and Shanghai Banking  
Corporation Limited  
HSBC Main Building  
1 Queen's Road Central  
Central  
Hong Kong

## AUDITOR

BDO Limited  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*  
25th Floor, Wing On Centre  
111 Connaught Road Central  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

## COMPANY'S WEBSITE

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

## STOCK CODE

8448

# Financial Highlights

The revenue of the Company and its subsidiaries (the “Group”) was approximately HK\$123.1 million for the six months ended 30 September 2024 (“1H 2024”), representing an increase of approximately 242.7% from approximately HK\$35.9 million for the six months ended 30 September 2023 (“1H 2023”). This increase in revenue was primarily due to (i) the increase in turnover driven by our successful expansion into Mainland China, Taiwan and the United States; and (ii) the increase in turnover resulting from the supply of printing-related raw materials and equipment to customers in Mainland China and Taiwan. The gross profit of the Group increased from approximately HK\$5.6 million in 1H 2023 to approximately HK\$21.0 million in 1H 2024. The Group recorded a total comprehensive income for the period attributable to equity holders of the Company of approximately HK\$3.0 million in 1H 2024 as compared to a total comprehensive loss of approximately HK\$9.4 million recorded in 1H 2023.

# Management Discussion and Analysis

## BUSINESS REVIEW AND OUTLOOK

For the six months ended 30 September 2024, the Group has continued to focus on its core printing services, including offset printing, ink-jet printing, and toner-based digital printing. In addition to these core services, we have also supplied raw materials and equipment to the printing industry. These efforts have complemented our core printing services and contributed substantially to the Group's diversified revenue streams.

### Expansion into Mainland China, Taiwan and the United States

As part of our strategic growth plan, we have successfully expanded our operations into Mainland China, Taiwan, and the United States. In Mainland China and Taiwan, not only do we provide printing services, we have also entered the supply chain of raw materials and equipment for the printing industry, for enhancing our long-term profitability and reducing reliance on the Hong Kong market. This new business line has been well-accepted by clients and complements our core offerings, creating synergies within the Group. Additionally, our entry into the United States market marks a significant achievement, further diversifying our revenue sources and reducing dependence on any single market, with the optimism for continued growth in this new region.

### Financial Performance

For the six months ended 30 September 2024, we are pleased to report a turnaround in our financial performance. The Group has achieved a profit during 1H 2024, as compared to the loss experienced in 1H 2023. This positive shift reflects the effectiveness of our strategic initiatives, particularly the expansion into Mainland China, Taiwan and the United States. While external economic factors remain challenging, our ability to adapt and grow in new regions has contributed significantly to this financial recovery. We are confident that these developments will provide a strong platform for continued profitability in the future.

### Focus on Efficiency and Cost Reduction

In light of the ongoing economic challenges, we are also intensifying our efforts to improve operational efficiency and reduce costs across all segments of the business. We are actively reviewing our workflows, leveraging technology, and optimising resource allocation to enhance productivity. These initiatives are expected to drive down operational costs without compromising the quality of our products and services. By focusing on efficiency, we aim to further strengthen our competitive position in the market while delivering sustainable financial performance.

# Management Discussion and Analysis

## Outlook

Looking ahead, the Group remains focused on driving growth through strategic expansion and diversification. Our entry into Mainland China, Taiwan, and the United States market marks a significant shift towards a more global and diversified business model. In addition to our traditional printing services, the supply of printing-related raw materials and equipment in these regions is gaining traction, providing a solid foundation for sustainable growth.

To further strengthen our competitive position, we are committed to maintaining high standards of service and product quality, while implementing measures to improve efficiency and control costs. We also continue to explore new business opportunities and prioritise sustainability and innovation, which we believe will drive our long-term success and help us navigate through the challenging economic environment.

## FINANCIAL REVIEW

### Revenue

In 1H 2024, the Group's total revenue increased, reflecting the positive impact of our expansion into Mainland China, Taiwan, and the United States. This growth in revenue was primarily driven by our successful entry into these new markets, which has broadened our customer base and diversified our revenue streams. The Group's strategic decision to expand its geographical reach allows us to capitalise on the growing demand for our products and services in these regions. The total revenue for 1H 2024 amounted to approximately HK\$123.1 million, as compared to HK\$35.9 million for 1H 2023.

### Cost of Sales

The cost of sales for the Group has increased in 1H 2024, which was in line with the growth in revenue. The major components of the cost of sales represent the costs of trading raw materials and equipment, raw material costs, sub-contracting fees, manufacturing overhead, and staff costs. In 1H 2024, the cost of sales amounted to approximately HK\$102.1 million, as compared to HK\$30.3 million in 1H 2023. This increase was primarily attributable to the (i) increase in costs of trading raw materials and equipment; and (ii) higher sales volumes, which naturally led to an increase in raw material consumption and associated production costs. Despite the increase, we have maintained a focus on efficiency improvements and cost control to ensure that our margins remain competitive.

### Other gains

Other gains in 1H 2023 substantially represented the (i) gain on disposal of property, plant and equipment of approximately HK\$1.9 million (1H 2024: nil); and (ii) gain on the modification of leases for retail shops and machineries of approximately HK\$0.5 million (1H 2024: nil). Other gains in 1H 2024 mainly represent the foreign exchange gain resulting from fluctuations in the exchange rate of the foreign currency incurred in our operation in 1H 2024.

### Administrative and other expenses

Administrative and other expenses primarily comprise staff costs (including directors' remuneration), depreciation, legal and professional fee, IT development fee, auditors' remuneration, marketing and entertainment, utilities expenses, bank charges and other miscellaneous administrative expenses. The administrative and other expenses amounted to approximately HK\$16.3 million in 1H 2024, which represented a decrease of approximately HK\$0.7 million or approximately 4.3% as compared to approximately HK\$17.1 million in 1H 2023. The decrease in administrative and other expenses was mainly attributable to the decrease in legal and professional fees.



# Management Discussion and Analysis

## Total comprehensive income for the period attributable to equity holders of the Company

The total comprehensive income for the period attributable to equity holders of the Company was approximately HK\$3.0 million in 1H 2024, as compared to total comprehensive loss of approximately HK\$9.4 million in 1H 2023.

## Property, Plant and Equipment

As at 30 September 2024, property, plant and equipment increased to approximately HK\$6.1 million, as compared to that of approximately HK\$4.3 million as at 31 March 2024. This increase was mainly due to the capital expenditure incurred for leasehold improvements at our production facility.

## Deposits paid

The deposits paid of the Group increased from approximately HK\$3.7 million as at 31 March 2024 to approximately HK\$4.5 million as at 30 September 2024. The increase was mainly due to deposits paid for leasehold improvements.

## Inventories

The inventory balance of the Group increased to approximately HK\$7.4 million as at 30 September 2024 from approximately HK\$0.8 million as at 31 March 2024. This increase was primarily due to the increase in inventory resulting from the Group's business expansion to supply printing-related raw materials and equipment to customers in Mainland China. The Group is actively managing its inventory levels to ensure efficient turnover and minimise the impact on the Group's working capital as its operations expand.

## Trade and Other Receivables, Prepayments and Deposits

The Group's trade and other receivables, prepayments and deposits increased to approximately HK\$76.0 million as at 30 September 2024, as compared to approximately HK\$11.1 million as at 31 March 2024. The increase in trade receivables was primarily due to a rise in sales, particularly from new regions and segments. Trade receivables increased from HK\$4.6 million as at 31 March 2024 to HK\$72.6 million as at 30 September 2024. The Group continues to monitor its receivables closely to ensure timely collection and to manage credit risk effectively.

## Prepaid tax

The prepaid tax mainly represents the export tax rebate, with the VAT export rebate rate being 13%, which was approximately HK\$9.9 million as at 30 September 2024 (31 March 2024: nil).

## Cash and cash equivalents

The cash and cash equivalents of the Group decreased from approximately HK\$9.8 million as at 31 March 2024 to approximately HK\$7.6 million as at 30 September 2024, which was mainly attributable to the capital expenditure incurred for leasehold improvements at our production facility.

## Trade and Other Payables and Accruals

As at 30 September 2024, trade and other payables and accruals increased to approximately HK\$85.2 million, as compared to HK\$9.1 million as at 31 March 2024. This increase was mainly due to the purchase of equipment, driven by the same factors that contributed to the increased sales resulting from the expanded scale of operations.

# Management Discussion and Analysis

## Contract liabilities

The significant increase in contract liabilities from approximately HK\$2.0 million as at 31 March 2024 to approximately HK\$3.3 million as at 30 September 2024, was mainly due to the advances received from customers in Mainland China.

## Liquidity, financial resources and capital structure

As at 30 September 2024, the Group had net current liabilities of approximately HK\$8.0 million (31 March 2024: HK\$6.8 million), of which the cash and cash equivalents were approximately HK\$7.6 million (31 March 2024: HK\$9.8 million). The Group's current ratio as at 30 September 2024 was approximately 0.93 (31 March 2024: 0.77).

Total lease liabilities for the Group amounted to approximately HK\$21.3 million as at 30 September 2024 (31 March 2024: HK\$24.5 million). The gearing ratio as at 30 September 2024 was approximately 3.32 which is calculated on the basis of the Group's total lease liabilities of HK\$21.3 million, loan from a shareholder of HK\$6.4 million and amount due to a director of HK\$6.2 million over the total equity. As at 30 September 2024, the Group recorded (i) net assets of approximately HK\$10.2 million, (ii) lease liabilities in the amount of approximately HK\$8.2 million, loan from a shareholder of HK\$6.4 million and amount due to a director of HK\$6.2 million which were due within one year, and (iii) lease liabilities in the amount of approximately HK\$13.2 million which were due after one year. There has been no change in the capital structure of the Group in 1H 2024.

## EMPLOYEES AND EMOLUMENT POLICIES

As at 30 September 2024, the Group employed 46 (30 September 2023: 55) full time employees. The staff costs of the Group, including directors' emoluments, employees' salaries, retirement benefits schemes contributions and other benefits amounted to approximately HK\$8.2 million (1H 2023: approximately HK\$10.5 million). Employees are remunerated in accordance with individual's responsibility and performance, also taking into account the prevailing market rates to ensure competitiveness. Other fringe benefits such as medical insurance, retirement benefits and discretionary bonus are offered to all employees. A share option scheme has been adopted by the Company to attract and retain the best available personnel and to provide additional incentive to employees (full-time and part-time). Training is also provided on a continuing basis to our existing employees on areas such as operation of our machinery, work safety, fire safety and quality control.

## DIVIDENDS

The Board does not recommend the payment of any dividend for 1H 2024 (1H 2023: nil).

## CAPITAL COMMITMENTS

As at 30 September 2024, the Group does not have material capital commitments that have not been disclosed (31 March 2024: capital commitment of approximately HK\$2,549,700 for acquisition of leasehold improvements and printers).

## SIGNIFICANT INVESTMENTS

There were no significant investments held as at 30 September 2024 (31 March 2024: nil).

# Management Discussion and Analysis

## MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisition or disposal of associates, joint ventures or subsidiaries during 1H 2024.

## FOREIGN CURRENCY EXPOSURE

The Group mainly generates revenue and incurs costs in Renminbi and Hong Kong dollars. The fluctuation in the exchange rates between Hong Kong dollars and Renminbi has been relatively small in recent years. The Group believes it faces minimal foreign currency risk and thus has not undertaken any hedging activities.

## KEY RISKS AND UNCERTAINTIES

The Directors are aware that the Group is exposed to various types of risks, including operational risks, market risks, liquidity risks, credit risks and regulatory risks. The following highlights some of the risks which are considered material by our Directors:

### **The Group's growth and success hinges on customer retention and acquisition amidst market volatility**

The Group generally does not enter into any long-term contract with its customers and sales of the Group are derived on an order-by-order basis and may fluctuate from time to time. Hence, the growth and success of the Group relies on the Group's ability to retain its existing customers and attract new customers, which is affected by various factors such as sales coverage, service quality, marketing strategies, market demand and the degree of competition in the market. There is no assurance that the Group's customers will continue to place orders with the Group in the future.

#### **Dependence on a major customer**

The Group's largest customer accounted for approximately 40.3% of the Group's total revenue for 1H 2024. There is no assurance that this customer will continue their business relationship with the Group. Should this major customer cease its business relationship with the Group or substantially reduce the volume of business with the Group, the Group's profitability may be adversely affected.

#### **The business is subject to fluctuation of purchase costs for raw materials and staff costs**

The profitability of the Group depends on the control of cost of production and ability to anticipate and respond to fluctuations in purchase costs of raw materials. The availability and costs of our principal raw materials may change due to factors beyond our control such as policies of the government, economic conditions and market competition. In addition, as the labour costs in Hong Kong continue to increase in recent years, the salary level of employees has generally increased as well. The Group cannot guarantee that it can anticipate and respond to the changes in prices of principal raw materials and staff costs or transfer the increase in costs to the Group's customers effectively. In that case, the operation and financial performances may be adversely affected.

# Management Discussion and Analysis

## **Reliance on sub-contractors who are printing service providers and their failure to meet our requirements may materially and adversely affect our business and reputation**

The Group sub-contracts certain production procedures and printing services to sub-contractors who are printing service providers. It cannot be assured that the management can monitor the performance of the sub-contractors as directly and effectively as monitoring the staff members of the Group. In case the sub-contractors fail to meet the deadlines or required standards, the business and reputation of the Group may be adversely affected.

In addition, if the sub-contractors are in breach of any laws, rules or regulations in matters such as health and safety, environment and employment, they may be subject to prosecution and unable to perform the work of the Group. The Group may then have to locate and appoint another sub-contractors for replacement at additional cost, which would lower the profit margin of the Group.

## **Possible shortage in supply of our raw materials**

To deliver printing services with fast turnaround time and meet the expectation of customers, the Group has to be able to procure raw materials in a timely manner. The Group did not enter into any long-term contract with the suppliers. There is no assurance that the Group will continue to be able to secure a stable supply of raw materials at competitive prices in a timely manner or at all. Failure to do so will cause disruption in production or delayed delivery, thereby adversely affecting the Group's business, results of operation and reputation.

## **Printing business is vulnerable to economic shifts in key markets**

The Group's business depends on the macro-economic situations in the regions in which it operates, including Hong Kong, Mainland China, Taiwan and the United States. It may be adversely affected by changes in demand for the Group's printing services and products as a result of downturns in the economies of these regions, inflation, fluctuations in foreign exchange rates, and social and/or political developments. While the Group's expansion into new markets aims to diversify revenue sources, it also exposes the Group to additional risks associated with operating in multiple jurisdictions.

## CHARGE ON ASSETS

As at 30 September 2024, certain machineries of the Group with a carrying value of approximately HK\$15.1 million (31 March 2024: approximately HK\$14.4 million) were held under finance leases.

## CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 September 2024 (31 March 2024: nil).

# Management Discussion and Analysis

## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

The following is a comparison of the Group's business plan as set out in the prospectus of the Company dated 13 March 2018 (the "Prospectus"), with actual business progress up to 30 September 2024.

Business plan as set out in the Prospectus, the First Change in UOP Announcement and the Second Change in UOP Announcement	Progress up to 30 September 2024
Purchase of a five-colour offset press	<p>As disclosed in the announcement of the Company dated 18 October 2018 (the "First Change in UOP Announcement"), the Group entered into the purchase agreement for the acquisition of a six-colour offset press. For the detailed reasons for the change in use of proceeds, please refer to the First Change in UOP Announcement.</p> <p>The set up of the six-colour offset press was completed in May 2019.</p>
Purchase of a hybrid printer	<p>As disclosed in the announcement of the Company dated 23 March 2020 (the "Second Change in UOP Announcement"), the Board resolved to reallocate the proceed for other purpose. For the detailed reasons for the change in use of proceeds, please refer to the Second Change in UOP Announcement.</p>
Expansion of the Group's store network	<p>As disclosed in the Second Change in UOP Announcement, the Board resolved to reallocate the proceeds for other purpose. For the detailed reasons for the change in use of proceeds, please refer to the Second Change in UOP Announcement.</p>
Lease of four digital printers	<p>As disclosed in the Second Change in UOP Announcement, the Group entered into a finance lease agreement for the lease of four digital printers at a total lease payment of approximately HK\$5.0 million.</p> <p>The set up of the digital printers was completed in June 2020.</p>
Purchase of printing related machines	<p>The Group acquired printing related machines from independent third parties of approximately HK\$5.0 million.</p> <p>The set up of the printing related machines was completed in September 2022.</p>
Upgrade information technology systems	<p>The set up of the Company's website and mobile application was completed in 2020.</p>



# Management Discussion and Analysis

## USE OF PROCEEDS IN RELATION TO THE SHARE OFFER

On 28 March 2018, the Company's shares were listed on GEM and 225,000,000 new shares of HK\$0.01 each (equivalent to 45,000,000 shares of HK\$0.05 each after the share consolidation took effect on 27 December 2023) were issued at HK\$0.23 (the "Share Offer"). The net proceeds from the Share Offer was approximately HK\$24.0 million after payment of transaction cost and listing expenses. As disclosed in the First Change in UOP Announcement, the Board resolved to reallocate the use of the net proceeds from the Share Offer for acquiring a six-colour offset press to replace one of the Group's existing four-colour offset press (the "First Change in UOP").

Details of the revised allocation of the First Change in UOP up to 22 March 2020 are set out as follows:

	Planned use of the net proceeds as announced on 18 October 2018 (adjusted according to the actual net proceeds received) HK\$ million (approximately)	Utilized net proceeds up to 22 March 2020 HK\$ million (approximately)	Unutilized net proceeds up to 22 March 2020 HK\$ million (approximately)
Purchase of a six-colour offset press	10.7	10.7	–
Purchase of a hybrid printer	10.5	–	10.5
Expansion of our store network	1.9	–	1.9
Upgrade information technology systems	0.9	0.9	–
<b>Total</b>	<b>24.0</b>	<b>11.6</b>	<b>12.4</b>

## Management Discussion and Analysis

As disclosed in the Second Change in UOP Announcement, the Board resolved to have a second change with respect to the use of net proceeds (the “Second Change in UOP”). The unutilised net proceeds from the Share Offer as at 31 March 2024 was approximately HK\$0.9 million which was brought forward for use. During 1H 2024, approximately HK\$0.6 million of such net proceeds has been utilised and the remaining HK\$0.3 million has been carried forward for use in future. Details of the Second Change in UOP up to 30 September 2024 are set out as follows:

	Planned use of the net proceeds as announced on 23 March 2020 (adjusted according to the actual net proceeds received) HK\$ million (approximately)	Unutilised net proceeds up to 31 March 2024 HK\$ million (approximately)	Amount of net proceeds utilised during 1H 2024 HK\$ million (approximately)	Unutilised net proceeds up to 30 September 2024 HK\$ million (approximately)	Expected timeline of full utilisation of the balance
Purchase of a six-colour offset press	10.7	-	-	-	-
Lease of four digital printers	5.0	0.9	0.6	0.3	End of 2025
Purchase of printing related machines	5.0	-	-	-	-
Working capital	2.4	-	-	-	-
Upgrade information technology systems	0.9	-	-	-	-
<b>Total</b>	<b>24.0</b>	<b>0.9</b>	<b>0.6</b>	<b>0.3</b>	<b>-</b>

As disclosed in the Second Change in UOP Announcement, the Group entered into a finance lease agreement with an independent third party, being the manufacturer of printers and copiers, for the lease of four new digital printers at the total lease payment of HK\$5,040,000, of which HK\$5.0 million will be funded by the net proceeds, for a lease term of 60 months. For details, please refer to the Second Change in UOP Announcement. Total lease payment of HK\$4.7 million has been paid out of the net proceeds up to 30 September 2024.

The remaining unused net proceeds as at 30 September 2024 were placed as bank balances with licensed banks in Hong Kong and will be applied according to the intended usage stated in the Second Change in UOP Announcement.

The business objectives, future plans and planned use of proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied based on the actual development of the Group’s business and the industry.

# Management Discussion and Analysis

## USE OF PROCEEDS IN RELATION TO THE RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY TWO (2) SHARES ON FULLY UNDERWRITTEN BASIS

On 3 October 2023, the Board has resolved to propose the Rights Issue on the basis of three rights shares for every two shares of the Company at HK\$0.115 per rights share of HK\$0.05 each on a fully underwritten basis. The adjusted closing price of the shares of HK\$0.05 each was HK\$0.135 per Share on 3 October 2023, being the date on which the proposal of the Rights Issue was put forth by the Board. The aggregate nominal value of the rights shares is HK\$14,970,000. On 6 February 2024, the Company has completed the Rights Issue, and on 7 February 2024, the Company issued a total of 299,400,000 new ordinary shares of the Company. The gross proceeds of the Rights Issue were approximately HK\$34.4 million. After taking into account the expenses related to the Rights Issue, the net proceeds of the Rights Issue were approximately HK\$32.7 million, representing the net price of approximately HK\$0.109 per rights share. The Rights Issue was conducted as the Group had imminent need of capital to support its business operation and expansion as detailed in the circular of the Company dated 30 November 2023, and the Company intended to apply the net proceeds from the Rights Issue for (i) repayment of trade and other payables and accruals; (ii) partial repayment of a shareholder's loan; and (iii) general working capital (for settlement of additional staff salary and settlement of rental payments).

The details of the use of proceeds from the Rights Issue and unutilised net proceeds carried forward for future use are set out in the following table:

Expected use of net proceeds	Planned use of the net proceeds as announced on 8 January 2024 (adjusted according to the actual net proceeds received)	Unutilised net proceeds up to 31 March 2024	Amount of net proceeds utilised during 1H 2024	Unutilised net proceeds up to 30 September 2024	Expected timeline of full utilisation of the balance
	HK\$ million (approximately)	HK\$ million (approximately)	HK\$ million (approximately)	HK\$ million (approximately)	
Repayment of trade and other payables and accruals	8.6	-	-	-	-
Partial repayment of a shareholder's loan	16.2	-	-	-	-
Settlement of additional staff salary	4.6	4.6	0.6	4.0	End of 31 March 2025
Settlement of rental payments	3.3	2.8	1.7	1.1	End of 31 March 2025
	32.7	7.4	2.3	5.1	

# Management Discussion and Analysis

There is no material change between the intended use of proceeds and actual use of proceeds. The following is a comparison of the Group's business plan as set out in the prospectus of the Company dated 9 January 2024 in relation to the aforesaid rights issue, with actual business progress up to 30 September 2024.

Repayment of trade and other payables and accruals	As at 31 March 2024, the Company had fully utilised the net proceeds for the repayment of trade and other payables and accruals.
Partial repayment of a shareholder's loan	As at 31 March 2024, the Company had fully utilised the net proceeds for the partial repayment of a shareholder's loan.
Settlement of additional staff salary	The Group is in the process of recruiting more experienced staff. The Company expected the net proceeds for the settlement of additional staff salary will be fully utilised by the year ending 31 March 2025.
Settlement of rental payments	<p>The Group is utilising the net proceeds for the settlement of rental payments as per the planned timeline.</p> <p>The Company expected the net proceeds for the settlement of rental payments will be fully utilised by the year ending 31 March 2025.</p>

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 30 September 2024, the Group did not have any plans for material investments and capital assets.

## EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, the Board is not aware of any significant events subsequent to 30 September 2024 and up to the date of this report that requires disclosure.

# Other Information

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

As at 30 September 2024, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and the Stock Exchange: (a) pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein (the "Register"); or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange were as follows:

### Long position in the ordinary shares of the Company as at 30 September 2024

Name of Director	Capacity/ Nature of interest	Number of shares held/ interested	Long/short position	Approximate percentage of shareholding (%)
Mr. Lam Shing Tai	Interest in controlled corporation (Note 1)	296,679,133	Long position	59.45
	Interest held jointly with another person (Note 2)	30,373,200	Long position	6.09
Mr. Yip Chi Man	Interest of spouse (Note 3)	4,750,000	Long position	0.95

### Long position in ordinary shares of the associated corporation as at 30 September 2024

Name	Name of associated corporation	Capacity/Nature of interest	Number of shares held/interested	Long/short position	Percentage of shareholding
Mr. Lam Shing Tai	New Metro	Beneficial owner	1	Long position	100%

### Long position in ordinary shares of the associated corporation as at the date of this report

Name	Name of associated corporation	Capacity/Nature of interest	Number of shares held/interested	Long/short position	Percentage of shareholding
Mr. Lam Shing Tai	New Metro	Beneficial owner	850	Long position	85%
Ms. Li Shuang	New Metro	Beneficial owner	100	Long position	10%
Mr. Kao Jung	New Metro	Beneficial owner	50	Long position	5%

Notes:

- As disclosed in the announcement of the Company dated 30 October 2024, following the purchase of (i) 100 shares of New Metro Inc. ("New Metro") by Ms. Li Shuang; and (ii) 50 shares of New Metro by Mr. Kao Jung, on 28 October 2024 (the "Shareholding Change"), New Metro is owned as to 85% by Mr. Lam Shing Tai, 10% by Ms. Li Shuang and 5% by Mr. Kao Jung. Under the SFO, Mr. Lam Shing Tai is deemed to be interested in the 296,679,133 Shares held by New Metro.
- Pursuant to the deed of acting in concert undertaking dated 4 April 2022 (the "Deed of Acting in Concert Undertaking") entered into among New Metro, Mr. Lam Shing Tai (being the then sole ultimate beneficial owner of New Metro), Mr. Chau Man Keung and Mr. Hsu Ching Loi (collectively the "Concerted Controlling Shareholders"), each of them is deemed to be interested in the Shares held by the others. New Metro is the beneficial owner of 296,679,133 Shares, Mr. Chau Man Keung is the beneficial owner of 8,273,200 Shares and Mr. Hsu Ching Loi is the beneficial owner of 22,100,000 Shares. Accordingly, the Concerted Controlling Shareholders are each interested in 327,052,333 Shares, representing approximately 65.54% of the entire issued share capital of the Company as at 30 September 2024.
- Mr. Yip Chi Man is the spouse of Ms. Au Suk Han Shirley. By virtue of the SFO, Mr. Yip Chi Man is deemed to be interested in all the Shares in which Ms. Au Suk Han Shirley is interested or deemed to be interested under the SFO.



## Other Information

Save as disclosed above, as at 30 September 2024, none of the Directors nor chief executive of the Company had or was deemed to have any other interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the required standards of dealing of directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to the Directors, as at 30 September 2024, the following persons/entities other than a Director or the chief executive of the Company had interests or short positions 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 which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of the Company:

#### Long position in Shares as at 30 September 2024 and the date of this report

Name of Shareholders	Capacity/Nature of interest	Number of shares held/interested	Long/short position	Percentage of the issued share capital of the Company (approximate)
New Metro	Beneficial owner	296,679,133	Long position	59.45
	Interest held jointly with another person (Note 1)	30,373,200	Long position	6.09
Mr. Chau Man Keung	Beneficial Owner	8,273,200	Long position	1.66
	Interest held jointly with another person (Note 1)	318,779,133	Long position	63.88
Mr. Hsu Ching Loi	Beneficial Owner	22,100,000	Long position	4.43
	Interest held jointly with another person (Note 1)	304,952,333	Long position	61.11
Ms. Fung Chi Kuen	Interest of spouse (Note 2)	327,052,333	Long position	65.54
Ms. Siu Man Yam	Interest of spouse (Note 3)	327,052,333	Long position	65.54
Ms. Ng Lai Nga	Interest of spouse (Note 4)	327,052,333	Long position	65.54

## Other Information

### Notes:

1. Pursuant to the Deed of Acting in Concert Undertaking, each of the Concerted Controlling Shareholders is deemed to be interested in the Shares held by the others. The Concerted Controlling Shareholders are each interested in 327,052,333 Shares, representing approximately 65.54% of the entire issued share capital of the Company as at 30 September 2024.
2. Ms. Fung Chi Kuen is the spouse of Mr. Lam Shing Tai, an executive Director. By virtue of the SFO, Ms. Fung Chi Kuen is deemed to be interested in all the Shares in which Mr. Lam Shing Tai is interested or deemed to be interested under the SFO.
3. Ms. Siu Man Yam is the spouse of Mr. Chau Man Keung. By virtue of the SFO, Ms. Siu Man Yam is deemed to be interested in all the Shares in which Mr. Chau Man Keung is interested or deemed to be interested under the SFO.
4. Ms. Ng Lai Nga is the spouse of Mr. Hsu Ching Loi. By virtue of the SFO, Ms. Ng Lai Nga is deemed to be interested in all the Shares in which Mr. Hsu Ching Loi is interested or deemed to be interested under the SFO.

Save as disclosed above and so far as is known to the Directors, as at 30 September 2024, the Directors were not aware of any other persons who had or deemed or taken to have any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued voting shares of the Company.

## SHARE OPTION SCHEME

The Company adopted a share option scheme on 26 February 2018. The total number of shares issued and to be issued upon the exercise of options granted to any participant (including both exercised and outstanding options) under the share option scheme, in any 12-month period up to the date of grant shall not exceed 1% of the Company's shares in issue. Any further grant of options in excess of such limit must be separately approved by shareholders in general meeting with such grantee and his close associates (or his associates if such grantee is a connected person) abstaining from voting. An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of an offer for the grant of option(s) is HK\$1.0. An option may be exercised in accordance with the terms of the share option scheme at any time during a period as the directors may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof. The share option scheme will remain in force for a period of ten years commencing on the date of its adoption on 26 February 2018 and will expire at the close of business on 25 February 2028. Under the said scheme, the maximum number of shares of the Company that may be issued upon the exercise of options that may be granted is 90,000,000 shares of HK\$0.01 each (equivalent to 18,000,000 shares of HK\$0.05 each after the share consolidated took effect on 27 December 2023), representing approximately 3.6% of the issued share capital of the Company as at 30 September 2024. No share options have been granted under the share option scheme since its adoption. There was no share option outstanding as at 30 September 2024 and no options were exercised or cancelled or lapsed during the six months ended that date. The total number of shares that may be issued in respect of share options granted under all schemes 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 was nil.

## CORPORATE GOVERNANCE PRACTICES

The Directors recognise the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. The Company's corporate governance practices are based on the principles of good corporate governance, code provisions and recommended best practices as set out in the Corporate Governance Code in Appendix C1 to the GEM Listing Rules (the "CG Code").

## Other Information

The Company has complied with all applicable code provisions as set out in Part 2 of the CG Code during 1H 2024 and up to the date of this report except for the deviation from Code Provision C.2.1 of the CG Code as explained below.

According to Code Provision C.2.1 of the CG Code, the roles of the chairman and the chief executive should be separate and performed by different individuals to ensure a balance of power and authority so that power is not concentrated in any one individual. Upon the appointment of Mr. Lam Shing Tai as the chief executive officer of the Company on 1 July 2023, Mr. Lam Shing Tai performs both of the roles as the chairman of the Board and the chief executive officer of the Company. This deviates from Code Provision C.2.1 of the CG Code contained in Appendix C1 to the GEM Listing Rules, which requires that the roles of chairman and the chief executive officer should be separate and should not be performed by the same individual. However, the Board considers that this structure does not impair the balance of power and authority between the Board and the management of the Company. With effect from 1 July 2024 and as at the date of this report, the Board comprises five executive Directors (including Mr. Lam Shing Tai) and three independent non-executive Directors and therefore has a fairly strong independence in its composition. Members of the Board meet regularly to discuss issues relating to the operation of the Company in order to provide adequate safeguards to protect the interests of the Company and its shareholders. As all major decisions are made in consultation with the members of the Board, and there are three independent non-executive Directors on the Board offering independent advices, the Board is of the view that there are adequate safeguards in place to ensure sufficient balance of powers and authority within the Board. In addition, after taking into account the past experience of Mr. Lam Shing Tai, the Board is of the opinion that vesting the roles of the chairman of the Board and the chief executive officer of the Company in Mr. Lam Shing Tai helps to facilitate the execution of the Group's business strategies and enhance the effectiveness of its operation. Hence, the aforesaid deviation is appropriate and in the best interest of the Company at the present stage.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

## CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings concerning securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Model Code") as its own code governing securities transactions of the Directors. Having made specific enquiry of all the Directors, all of them confirmed that they had fully complied with the required standard of dealings as set out in the Model Code during the six months ended 30 September 2024.

Pursuant to Rule 5.66 of the GEM Listing Rules, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company who, because of his office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he would be prohibited from dealing by the Model Code as if he were a Director.

## PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during 1H 2024 and up to the date of this report.

## Other Information

### COMPETING BUSINESS

Mr. Chau Man Keung as the covenantor has executed a deed of non-competition with the Company (for itself and as trustee for each other member of the Group) on 26 February 2018 (the “Deed of Non-Competition”). Pursuant to the Deed of Non-Competition, Mr. Chau Man Keung has irrevocably and unconditionally undertaken and covenanted with the Company that, during the period that the Deed of Non-Competition remains effective, he shall not, and shall procure his close associates and entities or companies controlled by him (other than any members of the Group) or his close associates will not, during the term of the Deed of Non-Competition, carry on, participate in, invest, be interested, involved or engaged in or acquire or hold any right or interest directly or indirectly in any business in competition with or likely to be in competition with the existing business activity of any member of the Group. Details of the Deed of Non-Competition are set out in the section headed “Relationship with our Controlling Shareholders – Non-competition Undertaking” in the Prospectus.

Mr. Chau has confirmed that he and his close associates is not engaged in, or interested in, any business (other than the Group) which, directly or indirectly, competes or may compete with the business of the Group.

Each of the executive Directors has undertaken in his/her service contract, among other things, not to carry on, participate, engage or be engaged or concerned or interested in any business which is in competition with or similar to the business of the Group. Each of the executive Directors confirms that he/she and his/her close associates had complied with the non-competition undertakings as set out in their respective service contracts from the date of the service contract during the six months ended 30 September 2024.

The independent non-executive Directors have reviewed the status of compliance and confirmed that all the above non-competition undertakings have been complied with during the six months ended 30 September 2024.

For the six months ended 30 September 2024, none of the Directors, controlling shareholder or their respective close associates (as defined in the GEM Listing Rules) had any business or interest that competed or might compete either directly or indirectly with the business of the Group and any other conflicts of interests which any such person had or might have with the Group.

### AUDIT COMMITTEE AND REVIEW OF UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Company established the audit committee of the Board (the “Audit Committee”) with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and code provision D.3.3 of the CG Code as set out in Appendix C1 to the GEM Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely Mr. Wong Chun Kwok (“Mr. Wong”), Mr. Ho Kar Ming and Ms. So Shuk Wan. Mr. Wong is the chairman of the Audit Committee. The primary duties of the Audit Committee include reviewing and supervising the Group’s financial reporting system, monitoring the internal control procedures and risk management, reviewing the Group’s financial information and the relationship with the external auditor of the Company, ensuring compliance with the relevant laws and regulations. In addition, the Audit Committee is responsible for the initial establishment and the maintenance of a framework of internal controls and ethical standards for the Group’s management.

## Other Information

The unaudited condensed consolidated financial statements have not been audited. The Audit Committee has reviewed with the management of the Group the unaudited condensed consolidated financial statements for 1H 2024, the interim report, the accounting principles and policies adopted by the Group, and other financial reporting matters. The Audit Committee is satisfied that the unaudited condensed consolidated financial statements for 1H 2024 complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

By order of the Board of  
**Universe Printshop Holdings Limited**  
**Lam Shing Tai**  
*Chairman and Executive Director*

Hong Kong, 29 November 2024

*As at the date of this report, the executive Directors are Mr. Lam Shing Tai, Ms. Li Shuang, Mr. Kao Jung, Mr. Yip Chi Man and Mr. Li Zhenwu and the independent non-executive Directors are Mr. Wong Chun Kwok, Mr. Ho Kar Ming and Ms. So Shuk Wan.*



# Interim Results

The Board is pleased to present the unaudited condensed consolidated results of the Group for the six months ended 30 September 2024 together with the unaudited comparative figures for the corresponding periods in 2023 as follows:

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	Note	Unaudited Six months ended 30 September 2024 HK\$	2023 HK\$
<b>Revenue</b>	3	123,101,625	35,916,221
Cost of sales		(102,060,518)	(30,344,465)
<b>Gross profit</b>		21,041,107	5,571,756
Other income		28,123	89,385
Other gains		87,451	2,442,068
Administrative and other expenses		(16,348,154)	(17,075,636)
<b>Profit/(loss) from operations</b>		4,808,527	(8,972,427)
Finance cost		(789,714)	(409,310)
<b>Profit/(loss) before taxation</b>		4,018,813	(9,381,737)
Income tax expense	4	(838,460)	(52,028)
<b>Profit/(loss) for the period</b>		3,180,353	(9,433,765)
<b>Other comprehensive income:</b>			
<i>Items that will or may be reclassified to profit or loss:</i>			
Exchange loss arising on translation of foreign operations		(110,859)	–
<b>Other comprehensive income/(loss) for the period</b>		(110,859)	–
<b>Total comprehensive income/(loss) for the period</b>		3,069,494	(9,433,765)
<b>Profit/(loss) for the period attributable to:</b>			
Equity holders of the Company		3,101,039	(9,428,441)
Non-controlling interests		79,314	(5,324)
		3,180,353	(9,433,765)
<b>Total comprehensive income/(loss) for the period attributable to:</b>			
Equity holders of the Company		2,952,284	(9,428,441)
Non-controlling interests		117,210	(5,324)
		3,069,494	(9,433,765)
		HK cents	HK cents (Restated)
<b>Earnings/(loss) per share</b>			
Basic and diluted	5	0.59	(4.19)

# Unaudited Condensed Consolidated Statement of Financial Position

As at 30 September 2024

	Note	Unaudited 30 September 2024 HK\$	Audited 31 March 2024 HK\$
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	6,073,491	4,317,822
Right-of-use assets		19,447,314	20,546,583
Intangible assets		926,112	346,975
Deposits paid		4,533,272	3,664,383
Deferred tax assets		450,734	760,375
		31,430,923	29,636,138
<b>Current assets</b>			
Inventories		7,367,121	753,210
Trade and other receivables, prepayments and deposits	8	75,974,249	11,065,545
Prepaid tax		10,347,771	1,282,010
Cash and cash equivalents		7,565,963	9,778,940
		101,255,104	22,879,705
<b>Current liabilities</b>			
Trade and other payables and accruals	9	85,181,380	9,117,658
Contract liabilities		3,332,846	1,965,728
Loan from a shareholder		6,400,000	6,440,000
Amount due to a director		6,151,952	3,321,592
Lease liabilities		8,161,386	8,842,877
Provision for reinstatement cost		40,000	40,000
		109,267,564	29,727,855
<b>Net current liabilities</b>		(8,012,460)	(6,848,150)
<b>Total assets less current liabilities</b>		23,418,463	22,787,988

# Unaudited Condensed Consolidated Statement of Financial Position

As at 30 September 2024

	Note	Unaudited 30 September 2024 HK\$	Audited 31 March 2024 HK\$
<b>Non-current liabilities</b>			
Lease liabilities		13,156,206	15,649,332
Deferred tax liabilities		47,458	–
		13,203,664	15,649,332
<b>Net assets</b>			
		10,214,799	7,138,656
<b>CAPITAL AND RESERVES</b>			
Share capital	10	24,950,000	24,950,000
Reserves		(14,682,251)	(17,634,535)
Equity attributable to owners of the Company		10,267,749	7,315,465
Non-controlling interests		(52,950)	(176,809)
<b>Total equity</b>		10,214,799	7,138,656

# Unaudited Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 September 2024

	Share capital HK\$	Share premium HK\$	Capital reserve HK\$	Exchange reserve HK\$	Accumulated losses HK\$	Total HK\$	Non- controlling interests HK\$	(Capital deficiency)/ Total equity HK\$
At 1 April 2024	24,950,000	50,128,107	20,077,867	-	(87,840,509)	7,315,465	(176,809)	7,138,656
Capital injection from non-controlling interest	-	-	-	-	-	-	6,649	6,649
Profit for the period	-	-	-	-	3,101,039	3,101,039	79,314	3,180,353
Other comprehensive income for the period	-	-	-	(148,755)	-	(148,755)	37,896	(110,859)
Total comprehensive income for the period	-	-	-	(148,755)	3,101,039	2,952,284	117,210	3,069,494
At 30 September 2024	24,950,000	50,128,107	20,077,867	(148,755)	(84,739,470)	10,267,749	(52,950)	10,214,799
At 1 April 2023	9,000,000	29,644,379	20,077,867	-	(59,403,063)	(680,817)	-	(680,817)
Share issued, net of transaction costs	980,000	2,749,775	-	-	-	3,729,775	-	3,729,775
Capital injection from non-controlling interest	-	-	-	-	-	-	9,000	9,000
Total comprehensive loss for the period	-	-	-	-	(9,428,441)	(9,428,441)	(5,324)	(9,433,765)
At 30 September 2023 (unaudited)	9,980,000	32,394,154	20,077,867	-	(68,831,504)	(6,379,483)	3,676	(6,375,807)

# Unaudited Condensed Consolidated Statement of Cash Flows

For the six months ended 30 September 2024

	Unaudited Six months ended 30 September	
	2024 HK\$	2023 HK\$
<b>Cash flows from operating activities</b>		
Cash generated from/(used in) operations	11,749,230	(4,652,987)
Tax paid	(9,346,207)	–
<b>Net cash generated from/(used in) operating activities</b>	<b>2,403,023</b>	<b>(4,652,987)</b>
<b>Cash flows from investing activities</b>		
Payment for the purchase of property, plant and equipment	(2,363,671)	(2,657,739)
Payment for the purchase of intangible asset	(604,224)	–
Proceeds from sales of property, plant and equipment	–	5,920,000
Interest received	4,376	4,861
<b>Net cash (used in)/generated from investing activities</b>	<b>(2,963,519)</b>	<b>3,267,122</b>
<b>Cash flows from financing activities</b>		
Capital element of lease payments	(3,593,532)	(4,380,721)
Interest element of lease payments	(789,714)	(409,310)
Proceeds from shareholder's loan	5,900,000	–
Repayment of shareholder's loan	(5,940,000)	–
Advances from a director	2,888,833	–
Repayment to a director	(192,065)	–
Net proceeds from issue of new shares upon placement	–	3,729,775
<b>Net cash used in financing activities</b>	<b>(1,726,478)</b>	<b>(1,060,256)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,286,974)</b>	<b>(2,446,121)</b>
Cash and cash equivalents at the beginning of the period	9,778,940	4,958,855
Effect of foreign exchange rate changes	73,997	–
<b>Cash and cash equivalents at the end of the period</b>	<b>7,565,963</b>	<b>2,512,734</b>

# Notes to the Unaudited Condensed Consolidated Financial Statements

## 1 GENERAL INFORMATION

The Company is a public limited company incorporated in the Cayman Islands on 27 April 2017 as an exempted company and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 28 March 2018. The Company was incorporated in the Cayman Islands under the Companies Act (as revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is 2nd floor, Tsing Yi Industrial Centre Phase 1, No. 1 to 33 Cheung Tat Road, Tsing Yi, New Territories, Hong Kong.

The Company’s parent is New Metro Inc., a company incorporated in the British Virgin Islands with limited liability. In the opinion of the directors, New Metro Inc. is also the ultimate parent undertaking of the Company.

The Company acts as an investment holding company. The subsidiaries of the Company (together, the “Group”) are principally engaged in the provision of general printing services and trading of printing products, raw materials and equipment.

The unaudited condensed consolidated financial information of the Group for the six months ended 30 September 2024 has not been audited but has been reviewed by the audit committee of the Company. The unaudited condensed consolidated financial information was approved for issue by the Board on 29 November 2024.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Basic of preparation and presentation

The unaudited condensed consolidated financial statements for the six months ended 30 September 2024 have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules and the applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which is a collective term including all applicable individual HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The unaudited condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2024.

The accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are same as those applied in the preparation of the Group’s annual financial statements for the year ended 31 March 2024, except for the new and revised HKFRSs and interpretations issued by HKICPA that are first effective for the current accounting period of the Company. There has been no significant change to the accounting policy applied in these unaudited condensed consolidated financial statements for the period presented as a result of adoption of these amendments.

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollar (“HK\$”), which is the functional currency of the principal subsidiaries of the Group. Other than the subsidiaries established in the Hong Kong which functional currency is HK\$, the functional currency of other subsidiaries is Renminbi (“RMB”).



# Notes to the Unaudited Condensed Consolidated Financial Statements

## 3 REVENUE AND SEGMENT REPORTING

### (a) Revenue

The principal activities of the Group are the provision of general printing services and trading of printing products, raw materials and equipment. The amount of each significant category of revenue is as follows:

	Unaudited Six months ended 30 September	
	2024	2023
	HK\$	HK\$
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Timing of revenue recognition – At a point in time		
– Offset printing	76,269,665	26,147,120
– Toner-based digital printing	8,062,482	3,454,040
– Ink-jet printing	4,273,956	5,970,646
– Other services	4,814,778	344,415
– Supply of raw materials and equipment	29,680,744	–
	<hr/>	<hr/>
	123,101,625	35,916,221

The Group has applied the practical expedients in HKFRS 15 to recognise revenue and not to disclose the remaining performance obligations for the contract of sales of goods.

Revenue generated from one customer amounts to HK\$49,636,497 (1H 2023: nil).

### (b) Segment reporting

Segment information represents that information reported to the Group's senior executive management who are the chief operating decision makers for the purposes of resources allocation and assessment of performance. The Group is managed based on the financial information of the Group as a whole as reported under HKFRS. Such information does not contain profit or loss information of particular product or service line or geographical area. The Group's senior executive management allocates resources and assesses performance of the Group on an aggregated basis based on such information. Therefore, the Group has only one single reportable segment which is provision of printing services and trading of printing products, raw materials and equipment.

# Notes to the Unaudited Condensed Consolidated Financial Statements

## 4 INCOME TAX EXPENSE

	Unaudited Six months ended 30 September	
	2024	2023
	HK\$	HK\$
<b>Current tax</b>		
Hong Kong Profits Tax for the period	–	–
PRC Enterprise Income Tax	481,361	–
	481,361	–
<b>Deferred tax</b>		
Charged to profit or loss	357,099	52,028
	838,460	52,028

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

The provision of Hong Kong Profits Tax, is calculated at tax rate of 16.5% on the estimated assessable profits for the year, except for the qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of the qualifying entity are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

According to the relevant announcements of income tax relief policy for small low-profit enterprises issued by the State Administration of Taxation, a lower Enterprise income tax (“EIT”) rate is applicable to small scale enterprises with low profitability that meet certain conditions, pursuant to which, the subsidiaries qualified as small scale enterprises with assessable profits not over RMB3,000,000 are effectively taxable at 5% (i.e. 20% EIT rate on the 25% of the assessable profits) for the period ended 30 September 2024. Certain of the Company’s subsidiaries have been designated as small scale enterprises.

Under the Corporate Income Tax Law, the EIT for other companies in the Group is calculated at a rate of 25% on the respective companies’ estimated assessable profits for the period ended 30 September 2024.

## 5 EARNINGS/(LOSS) PER SHARE

### (a) Basic earnings/(loss) per share

The calculation of basic earnings per share was based on the profit attributable to owners of the Company of HK\$2,952,284 (2023: loss of HK\$9,428,441) and the weighted average number of ordinary shares in issue of 499,000,000 during the period (2023: 224,813,889). The weighted average number of ordinary shares for the purpose of calculating basic profit/(loss) per share for the periods ended 30 September 2024 and 2023 has been adjusted/restated to reflect the effect of the Share Consolidation and the bonus element in the Rights Issue took place during the year ended 31 March 2024.

### (b) Diluted earnings/(loss) per share

The diluted earnings/(loss) per share is the same as the basic earnings/(loss) per share as the Group did not have dilutive potential ordinary shares for both periods.

# Notes to the Unaudited Condensed Consolidated Financial Statements

## 6 DIVIDEND

The board does not recommend the payment of dividend for the six months ended 30 September 2024 (2023: nil).

## 7 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2024, the Group acquired property, plant and equipment of HK\$2.4 million (2023: HK\$0.79 million).

## 8 TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	Unaudited At 30 September 2024 HK\$	Audited At 31 March 2024 HK\$
Trade receivables	73,316,528	5,949,926
Less: Loss allowance	(698,294)	(1,319,366)
	72,618,234	4,630,560
Other receivables and deposits	19,106	8,640
Deposits	6,720,176	8,974,683
Finance lease receivables	118,190	233,334
Prepayments	1,031,815	882,711
	80,507,521	14,729,928
Less: non-current portion deposits	(4,533,272)	(3,664,383)
	75,974,249	11,065,545

### Ageing analysis

At 30 September 2024 and 31 March 2024, the ageing analysis of trade receivables, based on invoice date and net of allowance for doubtful debts, is as follows:

	Unaudited At 30 September 2024 HK\$	Audited At 31 March 2024 HK\$
Within 1 month	8,062,321	1,037,909
1 to 2 months	1,610,211	364,195
2 to 3 months	15,281,194	480,086
Over 3 months	47,664,508	2,748,370
	72,618,234	4,630,560

Trade receivables are normally due within 30 to 90 days from invoice date.

# Notes to the Unaudited Condensed Consolidated Financial Statements

## 9 TRADE AND OTHER PAYABLES AND ACCRUALS

	Unaudited At 30 September 2024 HK\$	Audited At 31 March 2024 HK\$
Trade payables	78,124,057	4,942,652
Other payables and accruals	5,132,259	2,640,828
Accrual for staff costs	1,445,882	1,159,250
Provision for long service payments	479,182	374,928
	85,181,380	9,117,658

At 30 September 2024 and 31 March 2024, the ageing analysis of trade payables based on the invoice date is as follows:

	Unaudited At 30 September 2024 HK\$	Audited At 31 March 2024 HK\$
Within 1 month	23,052,450	4,572,167
1 to 2 months	3,420,696	167,919
2 to 3 months	49,864,825	93,841
Over 3 months	1,786,086	108,725
	78,124,057	4,942,652

## 10 SHARE CAPITAL

	Par value HK\$	Number of shares	Amount HK\$
<b>Authorised:</b>			
At 31 March 2024 and 30 September 2024	0.05	499,000,000	24,950,000
<b>Issued and fully paid:</b>			
At 31 March 2024 and 30 September 2024	0.05	499,000,000	24,950,000

# Notes to the Unaudited Condensed Consolidated Financial Statements

## 11 MATERIAL RELATED PARTY TRANSACTIONS

In addition to transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

### (a) Key management personnel remuneration

All members of key management personnel are the directors of the Group and their remuneration is as follows:

	Unaudited Six months ended 30 September	
	2024	2023
	HK\$	HK\$
Directors' fee	826,500	564,000
Salaries, allowances and benefits in kind	1,594,800	966,000
Discretionary bonuses	–	–
Retirement scheme contributions	45,000	18,000
	<hr/>	<hr/>
	2,466,300	1,548,000

### (b) Transaction with related party

	Unaudited Six months ended 30 September	
	2024	2023
	HK\$	HK\$
Salaries and retirement scheme contribution paid to:		
– Ms. NG Lai Nga, spouse of a former executive director	–	75,000