



世大控股有限公司

GREAT WORLD COMPANY HOLDINGS LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8003)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021**

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

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

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

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

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

HIGHLIGHTS

- Revenue was approximately HK\$99,215,000 and HK\$224,661,000 for the three months and six months ended 30 September 2021 respectively, compared with the revenue of approximately HK\$129,999,000 and HK\$237,595,000 for the corresponding periods of last year.
- Loss attributable to owners of the Company was approximately HK\$4,110,000 and HK\$8,542,000 for the three months and six months ended 30 September 2021 respectively, versus the loss attributable to owners of the Company of approximately HK\$4,356,000 and HK\$8,177,000 for the corresponding periods of last year.
- The board of directors (the “Board”) of the Company does not recommend the payment of an interim dividend for the six months ended 30 September 2021 (six months ended 30 September 2020: Nil).

Great World Company Holdings Ltd (the “Company”) is a company incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited. The Company and its subsidiaries (the “Group”) are principally engaged in the businesses of (i) intelligent advertising and railroad media, (ii) agricultural, forestry and consumer products, (iii) supply-chain and (iv) property. For the three/six months ended 30 September 2021, there were no significant changes in the nature of the Group’s principal activities.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

Intelligent Advertising and Railroad Media Business

– *Intelligent Advertising Business*

China’s online advertising market is expected to exceed RMB934 billion in 2021 and RMB1.29 trillion by 2023. iResearch forecasts China mobile advertising market is to reach RMB835 billion in 2021 and RMB1.17 trillion by 2023. The top segments in China online advertising market are e-commerce ads (40.1%) and newsfeed ads (36.8%) in 2021. Newsfeed advertising is expected to continue its growth and reach 41.7% share by 2023. About 58% of advertisers surveyed by iResearch said they would increase their online advertising budget in 2021.

– *Railroad Media Business*

Passenger traffic on China’s railways in February 2021 slumped 50.8% year-on-year to 143 million travelers, according to data released by China State Railway Group Co. Ltd.

However, passenger traffic rebounded to near pre-pandemic levels during subsequent holidays. Passenger Traffic data was reported at 154 million travelers in August 2021. This records a decrease from the previous number of 308 million travelers for July 2021.

Agricultural, Forestry and Consumer Products Business

The persistent COVID-19 still has an impact on our agricultural, forestry and consumer products business. Chinese PPI has been pushed higher by commodities and raw materials, and the rising labour costs have also posed a significant impact on profit margins to make the agricultural, forestry and consumer products businesses worse.

According to the National Bureau of Statistics of China, while the total retail sales of consumer goods in the country declined by 3.9% in 2020, online retail sales of physical goods increased by 14.8% during the same period. The Chinese e-commerce market is set to register a strong compound annual growth rate (CAGR) of 12.4% from RMB13.8 trillion in 2021 to RMB19.6 trillion in 2024, forecasted by GlobalData, a leading data and analytics company.

Supply-chain Business

China's power shortage is expected to further disrupt supply chains bringing longer lead times and a preference for high-value goods. Manufacturing was hit hard by supply chain disruptions due to COVID19 as some port operations were hit in the third quarter of 2021, and chip shortages continued in the quarter. Supply chain disruptions are expected to last as freight rates are still high and chip shortages are still a critical issue for industries like equipment, automobiles and telecommunication devices.

In June 2021, the proportion of demand of new energy vehicles (pure electric vehicles and plug-in hybrid vehicles) in China's domestic automobile market reached 14.6%, the highest level in a single month. Experts predict that China's electric vehicle market will grow by an average of 39% per annum in the next 5 years. 1.37 million electric vehicles were sold in last year and 7 million electric vehicles are expected to be sold by 2025.

Property Business

China's monthly benchmark price index of new homes fell for the first time in more than six years. Real estate output shrank 1.6% in the third quarter of 2021, causing the construction industry to shrivel by 1.8%, adding to the 4.9% decline in economic growth in the quarter. China Evergrande, the embattled property developer, is the first high-profile real-estate company to run into serious trouble in Beijing's campaign to tame a roaring property market.

Global markets are braced for a possible wave of defaults, with warning signs flashing over the debt of about two-fifths of development companies that have borrowed from international bond investors. Total sales among China's 100 largest developers were down by 36% in September 2021 from a year earlier, according to data from CRIC, a research unit of property services firm, e-House (China) Enterprise Holdings Ltd. It showed that the 10 biggest developers, including China Evergrande, Country Garden Holdings Co. and China Vanke Co., saw sales down 44% from a year ago.

BUSINESS REVIEW

Intelligent Advertising and Railroad Media Business

– *Intelligent Advertising Business*

Shenzhen Zhixunpai Information Technology Company Ltd. (“Shenzhen Zhixunpai”), a subsidiary of the Company, continues to strengthen its collaboration with a multitude of mainstream media thanks to the intelligent advertising and media services it has rendered.

With the real estate industry facing unprecedented challenges following the Evergrande crisis, developers have seen their sales drop, resulting in reduced advertising budget. Shenzhen Zhixunpai will continue to strengthen its technological capabilities, develop its in-house AI advertising system to stay on the bleeding edge of online advertising and provide maximum value for its customers from all industries. In addition to providing high value services to its customers, Shenzhen Zhixunpai has diversified and strengthened partnerships with major online media providers such as Tencent, Alibaba, as well as other Chinese media platforms such as Tiktok, Kuaishou, Xiaohongshu. With our evolving proprietary Big Data and AI technological platforms, it enables us to create an AI-driven digital marketing strategy that connects the needs of our clients’ target customers through AI-enabled strategic and tactical omnichannel marketing efforts. These technological platforms can harness the data to provide an edge in its current business segment while enabling the expansion to new verticals such as omnichannel e-commerce services, real estate markets or even venture into Fintech and Insuretech.

Shenzhen Zhixunpai is actively exploring other verticals to provide additional growth opportunities and broaden its income sources while playing a pivotal role in the Group by delivering synergy opportunities via the technological tools and the data it provides to other business segments.

– *Railroad Media Business*

The Group will continue to offer railroad media services, on-board services, food and beverage on train and inside station, and explore opportunities to expand our product offering. This channel remains to be of critical importance to increase cost effectively brand exposure and reach a high number of potential customers due to the massive traffic.

The Group will continue to develop its technological capabilities while leveraging its online and offline media resources to create an AI-powered targeted marketing platform that can provide one-stop solutions to help customers face the post-COVID marketing challenges. The Group will also expand organically into new business segments by harnessing the technological capabilities that have been developed as well as the marketing expertise gathered across industries.

For the three months and six months ended 30 September 2021, revenue generated from the provision of intelligent advertising and railroad media services was approximately HK\$79,425,000 and HK\$203,760,000 respectively.

Agricultural, Forestry and Consumer Products Business

Demand for our agricultural and forestry products are decreasing due to sluggish consumer demand in an economic downturn. The Group is exploring opportunities to grow other species of high demand produces, with potential for further processing such as sweet potatoes. These products are suited for mass-market consumption and offer opportunities to create branded products down the line.

The Group is developing its own lines of products in various high demand and high growth categories such as healthy food and snacks, well-being and self-care products that will leverage its e-commerce channels as well as its media capabilities.

The Group is gradually shifting its focus from growing agricultural and forestry produces to building its brand on various online selling platforms on a growing portfolio of own-brand products.

For the three months and six months ended 30 September 2021, revenue generated from the sales of agricultural, forestry and consumer products was approximately HK\$19,421,000 and HK\$20,182,000 respectively.

Supply-chain Business

The Group provides a one-stop supply-chain solution for the market-driven customers, providing them with the most cost-effective solutions to meet their procurement needs. The Group offers a wide range of bespoke services and solutions, including product bundle optimization, ordering and sourcing, customs clearance and logistics management, to help the customers to seek the finest procurable options in the market based on the customers' own specifications.

The Group will maintain a high standard for supply-chain risk management, closely observing industries of interest to seize potential investment opportunities in order to diversify its product portfolio further and broaden the income sources. The Group is actively seeking investment opportunities in the New Energy Vehicles (NEV) space, especially the Low Speed Electric Vehicles segment, where lies growth opportunities in an otherwise crowded industry. With cross-border trading deeply impacted by logistic crisis and traditional manufacturing industries impacted by recent power shortages within the People's Republic of China (the "PRC"), the Group is extending its focus to include the supply chain of mass market consumption products and raw materials such as home accessories, furniture, poverty alleviation products and cosmetic products.

Our management is looking into new investment opportunities in key areas of various industries. The Group is aiming for a breakthrough by diversifying successfully in high growth product categories through acquisition of intellectual property and in house development capabilities.

For the three months and six months ended 30 September 2021 which was in a transitional period in shifting product lines, revenue generated from the supply-chain business was approximately HK\$0 and HK\$4,000 respectively.

Property Business

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

The leasing of the commercial portion of the property has commenced and the Group expects to commence the selling programme of part of the residential portion of the property and the leasing of certain residential portion of the property and/or basement car park area when the property market appears to revive with loose policy environment.

For the three months and six months ended 30 September 2021, revenue derived from short-term leasing of the commercial portion of the property was approximately HK\$369,000 and HK\$715,000 respectively.

OUTLOOK

Over the past few months, economic recoveries have been uneven across regions and sectors. Rapid spread of Delta variant and the threat of new variants have increased uncertainty about how quickly the pandemic can be overcome. According to the IMF World Economic Outlook, the global economy is projected to grow 5.9% in 2021 and 4.9% in 2022. The downward revision for 2021 reflects a downgrade for advanced economies due to supply disruptions and worsening pandemic dynamics.

The Group’s profitability and business growth are affected by the current macroeconomic conditions.

The Group will seek technology investment opportunities in high growth sectors that would enable the development of its own-brand products and could get involved directly in the manufacturing phase upstream and the distribution and retail downstream to secure a larger share of the profit and leverage its extensive experience in digital marketing to build omnichannel e-commerce capabilities.

Our long-term strategy is the development of own-brand products and strengthen supply chain network as well as investing in new sectors of supply-chain, advertising and other high growth potential businesses.

The Group will remain conservative and prudent towards its profitability in the coming months. Nevertheless, we have taken measures to mitigate the impact of an economic downturn and will formulate necessary strategies and take further actions to enhance the long-term profitability and sustainability of the Group.

RISK FACTORS

Market Risk

According to the latest OECD Economic Outlook report, a key near-term uncertainty is the extent to which the Delta variant raises risks of persisting shutdowns in some Asian economies, with adverse downstream consequences for the availability of supplies and the pace of the global recovery. There are already broad-based increases in export prices from many key Asian economies, reflecting both rising input costs from higher global commodity prices, as well as capacity constraints and supply disruptions. This is being mirrored in rising import prices elsewhere, amplified by the tripling of global shipping costs this year.

The global economic recovery is projected to continue but remain uneven. Vaccination campaigns are proceeding at different rates around the world, and the scale of macroeconomic policy support and the ability to reopen contact-intensive activities differs considerably across economies. Some targeted restrictions on cross-border mobility continue to be needed, and the Delta variant has led to domestic containment measures being re-imposed in many countries with relatively low vaccination rates. This will affect the prospects for a full recovery in all countries.

Natural Risk

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

Compliance with Laws and Regulations

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

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

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 September 2021, the Group's cash and bank deposits amounted to approximately HK\$25,152,000 which has increased by approximately 102% when comparing with the cash and bank deposits of approximately HK\$12,439,000 as at 31 March 2021.

As at 30 September 2021, the Group had net current assets of approximately HK\$35,232,000 (31 March 2021: HK\$27,822,000).

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

Most of the trading transactions, assets and liabilities of the Group were currently denominated in Hong Kong dollars, United States Dollars and Renminbi. The Group did not experience any material difficulties on its operations or liquidity as a result of fluctuation in currency exchange rates during the period under review. As at 30 September 2021, the Group had no foreign exchange contracts, interest of currency swaps or other financial derivatives for hedging purpose. The Group is closely monitoring the movement of the foreign currency rates and will consider hedging significant foreign currency exposure should the need arise.

The share capital of the Company as at 30 September 2021 is as follows:

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

On 5 May 2021, the board of directors of the Company proposed to implement a share consolidation on the basis that every ten issued and unissued existing shares of HK\$0.01 each in the share capital of the Company be consolidated into one consolidated share of HK\$0.1 each (the “Share Consolidation”), further details of which are disclosed in the Company’s announcement dated 5 May 2021. The Share Consolidation, which was approved by shareholders of the Company at an extraordinary general meeting held on 17 June 2021, became effective on 21 June 2021.

On 12 May 2021, 50,000,000 new shares of HK\$0.01 each (before the Share Consolidation) were issued and allotted at the placing price of HK\$0.10 per placing share pursuant to a conditional placing agreement entered into by the Company on 7 April 2021 (the “Placing of Shares”). Details of the Placing of Shares have been disclosed in the Company’s announcements dated 7 April 2021 and 30 April 2021.

DEBT-TO-EQUITY RATIO

The Group’s debt-to-equity ratio, which was defined as the ratio of net debt (borrowings less cash and cash equivalents) to equity, was approximately 60% as at 30 September 2021 (31 March 2020: 78%).

The decrease in debt-to-equity ratio as at 30 September 2021 as compared to that of 31 March 2021 is mainly attributable to the increase in cash and bank deposits.

CONTINGENT LIABILITIES

As at 30 September 2021, the Group did not have any material contingent liabilities (31 March 2021: Nil).

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2021, the Group had approximately 138 employees (31 March 2021: 135 employees). The Group reviewed employees’ remuneration from time to time and salary adjustment was normally made on an annual basis. Special adjustment based on length of service and good performance could be made at any time when warranted. In addition to salaries, the Group provided employees’ benefits such as medical insurance and provident fund. Share options and bonuses were also available to employees of the Group at the discretion of the directors of the Company (the “Directors”) and depending upon the financial performance of the Group.

RESULTS OF OPERATIONS

For the six months ended 30 September 2021, the Group recorded a total revenue of approximately HK\$224,661,000, representing a decrease of approximately 5.44% as compared with a total revenue of approximately HK\$237,595,000 for the corresponding period of last year.

Loss attributable to owners of the Company was approximately HK\$8,542,000 for the six months ended 30 September 2021, which was approximately 4.46% higher than the loss attributable to owners of the Company incurred for the corresponding period of last year of approximately HK\$8,177,000.

RESULTS

The board of directors (the “Board”) of Great World Company Holdings Ltd (the “Company”) presents the financial information of the Company and its subsidiaries (the “Group”), comprising the condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows of the Group for the three months and six months ended 30 September 2021 and the condensed consolidated statement of financial position of the Group as at 30 September 2021, all of which are unaudited and in condensed format, (collectively referred to as the “Unaudited Condensed Financial Statements”) along with selected explanatory notes and comparative information as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Revenue	2	99,215	129,999	224,661	237,595
Cost of sales		<u>(77,705)</u>	<u>(125,238)</u>	<u>(178,340)</u>	<u>(222,259)</u>
Gross profit		21,510	4,761	46,321	15,336
Other gains/(losses)	3	1,271	(3,441)	(8,994)	(8,846)
Gain/(loss) arising from changes in fair value less costs to sell of biological assets		(6,658)	986	(7,035)	(132)
Selling and distribution costs		(1,432)	(341)	(2,716)	(1,082)
Administrative and other operating expenses		(20,122)	(4,945)	(32,052)	(10,029)
Finance costs		<u>(359)</u>	<u>(214)</u>	<u>(388)</u>	<u>(760)</u>
Loss before tax	5	(5,790)	(3,194)	(4,864)	(5,513)
Income tax	6	<u>76</u>	<u>(1,500)</u>	<u>36</u>	<u>(1,500)</u>
Loss for the period		<u>(5,714)</u>	<u>(4,694)</u>	<u>(4,828)</u>	<u>(7,013)</u>
Loss for the period attributable to:					
Owners of the Company		(4,110)	(4,356)	(8,542)	(8,177)
Non-controlling interests		<u>(1,604)</u>	<u>(338)</u>	<u>3,714</u>	<u>1,164</u>
		<u>(5,714)</u>	<u>(4,694)</u>	<u>(4,828)</u>	<u>(7,013)</u>
			(Restated)		(Restated)
Basic and diluted loss per share	7	<u>HK(1.24)</u> cents	<u>HK(1.34)</u> cents	<u>HK(2.60)</u> cents	<u>HK(2.60)</u> cents

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2021	2020	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the period	<u>(5,714)</u>	<u>(4,694)</u>	<u>(4,828)</u>	<u>(7,013)</u>
Other comprehensive income: Items that may be reclassified subsequently to profit or loss				
– Exchange differences arising on translation of foreign operations during the period	<u>2,358</u>	<u>3,121</u>	<u>1,981</u>	<u>4,656</u>
Other comprehensive income for the period, net of tax	<u>2,358</u>	<u>3,121</u>	<u>1,981</u>	<u>4,656</u>
Total comprehensive loss for the period	<u>(3,356)</u>	<u>(1,573)</u>	<u>(2,847)</u>	<u>(2,357)</u>
Total comprehensive income/(loss) attributable to:				
Owners of the Company	<u>(1,594)</u>	<u>(2,829)</u>	<u>(6,216)</u>	<u>(4,712)</u>
Non-controlling interests	<u>4,950</u>	<u>1,256</u>	<u>3,369</u>	<u>2,355</u>
	<u>(3,356)</u>	<u>(1,573)</u>	<u>(2,847)</u>	<u>(2,357)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(Unaudited) 30 September 2021 HK\$'000	(Audited) 31 March 2021 HK\$'000
	<i>Notes</i>		
Non-current assets			
Right-of-use assets	9	9,029	7,558
Property, plant and equipment	10	674	1,528
Investment property	11	61,710	60,631
Biological assets	12	31,000	35,623
		102,413	105,340
Current assets			
Biological assets	12	557	245
Inventories	13	1,036	610
Properties held for sale	14	90,670	89,215
Trade and other receivables	15	148,851	158,480
Financial assets at fair value through profit or loss		934	330
Cash and bank deposits	16	25,152	12,439
		267,200	261,319
Current liabilities			
Trade and other payables	17	(59,196)	(52,088)
Contract liabilities	18	(25,091)	(35,264)
Lease liabilities	19	(1,669)	(2,103)
Amounts due to directors	20	(6,927)	(6,784)
Amounts due to related companies	20	(59,238)	(58,171)
Amounts due to non-controlling interests	20	(10,433)	(9,673)
Amount due to a shareholder	20	(69,414)	(69,414)
		(231,968)	(233,497)
Net current assets		35,232	27,822
Non-current liabilities			
Lease liabilities	19	(1,984)	–
Deferred tax liabilities		(19,831)	(19,485)
		(21,815)	(19,485)
Net assets		115,830	113,677
Capital and reserves			
Share capital	21	33,027	32,527
Reserves		40,972	42,894
Equity attributable to owners of the Company		73,999	75,421
Non-controlling Interests		41,831	38,256
Total equity		115,830	113,677

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company					Total	Non- controlling interests	Total
	Share capital	Share premium	Share options reserve	Translation reserve	Accumulated losses			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2021 (audited)	32,527	280,678	2,303	(1,495)	(238,592)	75,421	38,256	113,677
Total comprehensive income/(loss) for the period (unaudited)	-	-	-	2,326	(8,542)	(6,216)	3,369	(2,847)
Placing of new shares (unaudited)	500	4,500	-	-	-	5,000	-	5,000
Increase in ownership interests in a subsidiary (unaudited)	-	-	-	-	(206)	(206)	206	-
At 30 September 2021 (unaudited)	<u>33,027</u>	<u>285,178</u>	<u>2,303</u>	<u>831</u>	<u>(247,340)</u>	<u>73,999</u>	<u>41,831</u>	<u>115,830</u>
At 1 April 2020 (audited)	27,789	275,467	10,362	(9,849)	(224,552)	79,217	43,904	123,121
Total comprehensive income/(loss) for the period (unaudited)	-	-	-	3,465	(8,177)	(4,712)	2,355	(2,357)
Lapse of share option (unaudited)	-	-	(8,059)	-	8,059	-	-	-
Subscription of new shares (unaudited)	4,738	5,211	-	-	-	9,949	-	9,949
At 30 September 2020 (unaudited)	<u>32,527</u>	<u>280,678</u>	<u>2,303</u>	<u>(6,384)</u>	<u>(224,670)</u>	<u>84,454</u>	<u>46,259</u>	<u>130,713</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited)	
	Six months ended	
	30 September	
	2021	2020
	HK\$'000	HK\$'000
Net cash generated from/(used in) operating activities	3,179	(3,947)
Net cash generated from/(used in) investing activities	53	(11)
Net cash generated from financing activities	6,105	8,311
	<hr/>	<hr/>
Net increase in cash and cash equivalents	9,337	4,353
Cash and cash equivalents at 1 April	12,439	13,285
Effect of foreign exchange rate changes	3,376	3,293
	<hr/>	<hr/>
Cash and cash equivalents at 30 September	25,152	20,931
	<hr/> <hr/>	<hr/> <hr/>
Analysis of cash and cash equivalents at 30 September:		
Cash and bank deposits	25,152	20,931
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

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

The accounting policies and methods of computation adopted in the preparation of the Unaudited Condensed Consolidated Financial Statements are consistent with those applied for the Group’s annual financial statements for the year ended 31 March 2021.

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

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 April 2021. HKFRSs comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies and results reported for the current or prior accounting periods.

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

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

2. REVENUE

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2021	2020	2021	2020
	HK\$’000	HK\$’000	HK\$’000	HK\$’000
Provision of mobile advertising media services	79,425	93,859	203,760	181,894
Sales of agricultural, forestry and consumer products	19,421	35,129	20,182	35,129
Sales of industrial, information technology and other products	–	726	4	20,088
Rental income	369	285	715	484
	99,215	129,999	224,661	237,595

3. OTHER GAINS/(LOSSES)

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
Bank and other interest income	72	5	76	6
Gain/(loss) arising from treasury investment	137	–	151	–
Government subsidy	–	554	–	785
Inventories written down	–	–	(8,100)	–
Provision for impairment loss reversed/(recognised) in respect of trade and other receivables	1,062	(4,000)	(1,121)	(9,637)
	<u>1,271</u>	<u>(3,441)</u>	<u>(8,994)</u>	<u>(8,846)</u>

4. SEGMENT INFORMATION

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

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

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

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

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

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

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

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

	(Unaudited)					(Unaudited)				
	Three months ended 30 September 2021					Six months ended 30 September 2021				
	Intelligent advertising and railroad media business	Agricultural, forestry and consumer products business	Supply- chain business	Property business	Total	Intelligent advertising and railroad media business	Agricultural, forestry and consumer products business	Supply- chain business	Property business	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from external customers	79,425	19,421	-	369	99,215	203,760	20,182	4	715	224,661
Bank interest income	60	12	-	1	73	63	12	-	1	76
Depreciation of property, plant and equipment	-	(2)	-	(2)	(4)	(10)	(5)	-	(2)	(17)
Depreciation of right-of-use assets	(203)	-	-	-	(203)	(407)	-	-	-	(407)
Gain/(loss) arising from changes in fair value less costs to sell of biological assets	-	(6,658)	-	-	(6,658)	-	(7,035)	-	-	(7,035)
Inventories written down	-	-	-	-	-	-	(8,100)	-	-	(8,100)
Provision for impairment loss reversed/(recognised) in respect of trade and other receivables	3,262	3	5	-	3,270	1,066	3	18	-	(1,087)
Total profit/(loss) before tax of reportable segments	1,675	(7,458)	(61)	(56)	(5,900)	13,354	(15,991)	(118)	96	(2,659)
Total assets of reportable segments	125,172	70,735	427	152,864	348,198	125,172	70,735	427	152,864	348,198
Total liabilities of reportable segments	(79,227)	(62,942)	(8)	(80,956)	(223,133)	(79,227)	(62,942)	(8)	(80,956)	(223,133)

	(Unaudited)					(Unaudited)				
	Three months ended 30 September 2020					Six months ended 30 September 2020				
	Intelligent advertising and railroad media business	Agricultural, forestry and consumer products business	Supply- chain business	Property business	Total	Intelligent advertising and railroad media business	Agricultural, forestry and consumer products business	Supply- chain business	Property business	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from external customers	93,859	35,129	726	285	129,999	181,894	35,129	20,088	484	237,595
Bank interest income	5	-	-	-	5	5	-	-	-	5
Depreciation of property, plant and equipment	-	(4)	(9)	(1)	(14)	-	(5)	(11)	(2)	(18)
Depreciation of right-of-use assets	(189)	-	-	-	(189)	(373)	-	-	-	(373)
Loss arising from changes in fair value less costs to sell of biological assets	-	(986)	-	-	(986)	-	(132)	-	-	(132)
Provision for impairment loss reversed/(recognised) in respect of trade and other receivables	313	(4,323)	10	-	(4,000)	(208)	(9,383)	(46)	-	(9,637)
Total profit/(loss) before tax of reportable segments	(418)	(1,342)	(911)	87	(2,584)	5,469	(7,629)	286	101	(1,773)
Total assets of reportable segments	75,744	126,004	24,150	142,085	367,983	75,744	126,004	24,150	142,085	367,983
Total liabilities of reportable segments	(67,018)	(61,250)	(15,820)	(76,424)	(220,512)	(67,018)	(61,250)	(15,820)	(76,429)	(220,512)

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

	(Unaudited) Three months ended 30 September 2021		(Unaudited) Six months ended 30 September 2021	
	HK\$'000	2020 HK\$'000	HK\$'000	2020 HK\$'000
Revenue				
Total revenue for reportable segments	<u>99,215</u>	<u>129,999</u>	<u>224,661</u>	<u>237,595</u>
Consolidated revenue	<u>99,215</u>	<u>129,999</u>	<u>224,661</u>	<u>237,595</u>
Loss before tax				
Total profit/(loss) for reportable segments	<u>(5,900)</u>	<u>(2,584)</u>	<u>(2,659)</u>	<u>(1,773)</u>
Unallocated corporate income	137	560	151	792
Unallocated corporate expenses	<u>(27)</u>	<u>(1,170)</u>	<u>(2,356)</u>	<u>(4,532)</u>
Consolidated loss before tax	<u>(5,790)</u>	<u>(3,194)</u>	<u>(4,864)</u>	<u>(5,513)</u>
			(Unaudited) 30 September 2021 HK\$'000	(Audited) 31 March 2021 HK\$'000
Assets				
Total assets for reportable segments			<u>349,198</u>	365,012
Unallocated corporate assets			<u>20,415</u>	1,647
Consolidated total assets			<u>369,613</u>	<u>366,659</u>
Liabilities				
Total liabilities for reportable segments			<u>(223,133)</u>	(172,488)
Unallocated corporate liabilities			<u>(30,644)</u>	(80,494)
Consolidated total liabilities			<u>(253,783)</u>	<u>(252,982)</u>

5. LOSS BEFORE TAX

	(Unaudited) Three months ended 30 September 2021		(Unaudited) Six months ended 30 September 2021	
	HK\$'000	2020 HK\$'000	HK\$'000	2020 HK\$'000
Loss before tax has been arrived at after charging:				
Staff costs (including directors' remuneration)	<u>5,229</u>	3,760	<u>10,016</u>	7,768
Cost of inventories sold	<u>77,705</u>	125,238	<u>178,340</u>	222,259
Depreciation of property, plant and equipment	<u>442</u>	610	<u>889</u>	1,089
Depreciation of rights-of-use assets	<u>297</u>	450	<u>722</u>	894
Short-term lease payments	<u>184</u>	393	<u>387</u>	470

6. INCOME TAX

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
Current tax:				
Hong Kong Profits Tax	–	–	–	–
PRC Enterprise Income Tax	<u>76</u>	<u>(1,500)</u>	<u>36</u>	<u>(1,500)</u>
	76	(1,500)	36	(1,500)
Deferred tax	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Income tax (charge)/credit for the period	<u>76</u>	<u>(1,500)</u>	<u>36</u>	<u>(1,500)</u>

Hong Kong Profits Tax is calculated at the rate of 16.5% on the estimated assessable profit for the three months and six months ended 30 September 2021 and 2020.

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

No provision for current tax had been made for the three months and six months ended 30 September 2021 as the Group had no assessable profit from its operations.

7. BASIC AND DILUTED LOSS PER SHARE

The calculation of the basic loss per share is based on the following data:

	(Unaudited) Three months ended 30 September		(Unaudited) Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
(i) Loss for the period attributable to owners of the Company	<u>(4,110)</u>	<u>(4,356)</u>	<u>(8,542)</u>	<u>(8,177)</u>
	'000	(Restated)* '000	'000	(Restated)* '000
(ii) Weighted average number of ordinary shares	<u>330,271</u>	<u>325,272</u>	<u>329,151</u>	<u>314,916</u>

Diluted loss per share for loss attributable to the owners of the Company for the three months and six months ended 30 September 2021 and 2020 were the same as basic loss per share because the calculation of diluted loss per share does not assume the exercise of the outstanding share options of the Company as they had an anti-dilutive effect to the basic loss per share.

* The weighted average number of ordinary shares for the corresponding period of last year was restated as a result of the Share Consolidation as defined in note 21.

8. INTERIM DIVIDEND

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

9. RIGHT-OF-USE ASSETS

	Land use right <i>HK\$'000</i>	Office premises <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2021 (audited) Carrying amount	5,605	1,953	7,558
At 30 September 2021 (unaudited) Carrying amount	5,661	3,368	9,029
For the six months ended 30 September 2021 (unaudited)			
Depreciation Charges	(43)	(679)	(722)
Exchange alignment	99	(95)	4
Expense relating to short-term leases and other leases with lease terms end within 12 months of the date of initial application of HKFRS 16 (unaudited)			103
Total cash outflows for leases (unaudited)			764
Additions to right-of-use assets (unaudited)			2,189

The land use right of the Group is located in the PRC with the remaining period of 1.83 years.

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

10. PROPERTY, PLANT AND EQUIPMENT

HK\$'000

Cost:

At 1 April 2021 (audited)	8,443
Additions (unaudited)	23
Exchange alignment (unaudited)	(302)
	<hr/>

At 30 September 2021 (unaudited)	8,164
	<hr/>

Accumulated depreciation and impairment loss:

At 1 April 2021 (audited)	6,915
Depreciation provided for the period (unaudited)	889
Exchange alignment (unaudited)	(314)
	<hr/>

At 30 September 2021 (unaudited)	7,490
	<hr/>

Carrying amounts:

At 30 September 2021 (unaudited)	674
	<hr/> <hr/>

At 31 March 2021 (audited)	1,528
	<hr/> <hr/>

Depreciation provided for the period amounted to approximately HK\$889,000 of which approximately HK\$13,000 has been charged as expense and approximately HK\$876,000 has been included in additions to biological assets.

11. INVESTMENT PROPERTY

HK\$'000

Fair value:

At 1 April 2021 (audited)	60,631
Exchange alignment (unaudited)	1,079
	<hr/>

At 30 September 2021 (unaudited)	61,710
	<hr/> <hr/>

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

No material fair value change on the investment property was recognised in profit or loss for the three months and six months ended 30 September 2021. The direct operating expenses for the investment property are approximately HK\$183,000 and HK\$364,000 for the three months and six months ended 30 September 2021 (three months and six months ended 30 September 2020: HK\$68,000 and HK\$129,000) respectively and the rental income generated from the investment property are approximately of HK\$369,000 and HK\$715,000 for the three months and six months ended 30 September 2021 (three months and six months ended 30 September 2020: HK\$285,000 and HK\$484,000) respectively.

12. BIOLOGICAL ASSETS

	<i>HK\$'000</i>
At 1 April 2021 (audited)	35,868
Increase due to plantation (unaudited)	2,083
Decrease due to harvest (unaudited)	–
Loss arising from changes in fair value less costs to sell (unaudited)	(7,035)
Exchange alignment (unaudited)	641
	<hr/>
At 30 September 2021 (unaudited)	<u>31,557</u>

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

	(Unaudited) 30 September 2021 <i>HK\$'000</i>	(Audited) 31 March 2021 <i>HK\$'000</i>
Non-current portion	31,000	35,623
Current portion	<u>557</u>	<u>245</u>
	<u>31,557</u>	<u>35,868</u>

13. INVENTORIES

	(Unaudited) 30 September 2021 <i>HK\$'000</i>	(Audited) 31 March 2021 <i>HK\$'000</i>
Finished goods (for sale)	<u>1,036</u>	<u>610</u>

14. PROPERTIES HELD FOR SALE

	<i>HK\$'000</i>
At 1 April 2021 (audited)	89,215
Additions (unaudited)	–
Exchange alignment (unaudited)	1,455
	<hr/>
At 30 September 2021 (unaudited)	<u>90,670</u>

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

15. TRADE AND OTHER RECEIVABLES

	(Unaudited) 30 September 2021 HK\$'000	(Audited) 31 March 2021 HK\$'000
Trade receivables	79,185	83,845
Allowance for credit losses	(4,242)	(3,359)
	<u>74,943</u>	<u>80,486</u>
Other receivables	9,319	9,385
Prepayments	63,675	67,725
Deposits	905	884
	<u>148,842</u>	<u>158,480</u>

Notes:

- (i) Other receivables as at 30 September 2021 mainly include contribution receivable from non-controlling interests of approximately HK\$4,071,000 and warranty payment of approximately HK\$4,043,000 under an advertising service agreement and the supplemental advertising service agreement entered into between Beijing Tencent Cultural Media Company Limited and the Group.
- (ii) Prepayments mainly include the amounts paid to suppliers for the procurement of services and products in the ordinary course of business. These amounts are classified as current because the Group expects the balances to be settled in normal operating cycle within 12 months.
- (iii) Deposits as at 30 September 2021 are mainly rental deposit.

The following is an aging analysis of trade receivables, presented based on the invoice date, which approximates the respective revenue recognition dates and net of allowance for credit losses:

	(Unaudited) 30 September 2021 HK\$'000	(Audited) 31 March 2021 HK\$'000
Within 3 months	29,737	32,223
3 months to 6 months	10,107	32,515
Over 6 months	35,099	15,748
	<u>74,943</u>	<u>80,486</u>

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

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

16. CASH AND BANK DEPOSITS

	(Unaudited) 30 September 2021 <i>HK\$'000</i>	(Audited) 31 March 2021 <i>HK\$'000</i>
Cash at banks and cash on hand		
Hong Kong Dollar (“HK\$”)	1,748	2,859
United States Dollar (“USD”)	285	577
Renminbi (“RMB”)	23,119	9,003
	<u>25,152</u>	<u>12,439</u>

RMB is currently not a freely convertible currency in the international market. The conversion of RMB into foreign currencies and remittance of RMB out of the PRC are subject to the rules and regulations of the foreign exchange control promulgated by the PRC government.

17. TRADE AND OTHER PAYABLES

	(Unaudited) 30 September 2021 <i>HK\$'000</i>	(Audited) 31 March 2021 <i>HK\$'000</i>
Trade payables	44,305	38,783
Other payables	11,519	11,719
Accruals	3,372	1,586
	<u>59,196</u>	<u>52,088</u>
An aging analysis of the trade payables is as follows:		
Within 3 months	10,965	4,116
3 months to 12 months	1,772	5,805
Over 12 months	31,568	28,862
	<u>44,305</u>	<u>38,783</u>

Notes:

Other payables as at 30 September 2021 mainly include (a) amounts due to an ex-director of the Company and a director of the Company’s subsidiaries of approximately HK\$2,500,000 and HK\$1,839,000 respectively, which have no fixed repayment terms and are unsecured and interest-free; and (b) advances from third parties.

18. CONTRACT LIABILITIES

	(Unaudited) 30 September 2021 <i>HK\$'000</i>	(Audited) 31 March 2021 <i>HK\$'000</i>
Provision of mobile advertising media services	<u>25,091</u>	<u>35,264</u>

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

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

19. LEASE LIABILITIES

The Group had lease liabilities repayable as follows:

	(Unaudited) 30 September 2021		(Audited) 31 March 2021	
	Present value of the minimum lease payments <i>HK\$'000</i>	Total minimum lease payments <i>HK\$'000</i>	Present value of the minimum lease payments <i>HK\$'000</i>	Total minimum lease payments <i>HK\$'000</i>
Within one year	1,669	1,830	2,103	2,110
After one year but within two years	<u>1,984</u>	<u>2,046</u>	–	–
	<u>3,653</u>	3,876	<u>2,103</u>	2,110
Total future interest expenses		<u>(223)</u>		<u>(7)</u>
Present value of lease liabilities		3,653		2,103
Amount due for settlement within 12 months (shown under current liabilities)		<u>1,669</u>		<u>(2,103)</u>
Amount due for settlement after 12 months (shown under non-current liabilities)		<u>1,984</u>		<u>–</u>

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

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

21. SHARE CAPITAL

	Number of shares		Amount	
	(Unaudited) 30 September 2021 '000	(Audited) 31 March 2021 '000	(Unaudited) 30 September 2021 HK\$'000	(Audited) 31 March 2021 HK\$'000
Ordinary shares of HK\$0.1 (31 March 2021: HK\$0.01) each				
Authorised	3,000,000	30,000,000	300,000	300,000
Issued and fully paid	330,272	3,252,716	33,027	32,527

On 5 May 2021, the board of directors of the Company proposed to implement a share consolidation on the basis that every ten issued and unissued existing shares of HK\$0.01 each in the share capital of the Company be consolidated into one consolidated share of HK\$0.1 each (the “Share Consolidation”), further details of which are disclosed in the Company’s announcement dated 5 May 2021. The Share Consolidation, which was approved by shareholders of the Company at an extraordinary general meeting held on 17 June 2021, became effective on 21 June 2021.

On 12 May 2021, 50,000,000 new shares of HK\$0.01 each (before the Share Consolidation) were issued and allotted at the placing price of HK\$0.10 per placing share pursuant to a conditional placing agreement entered into by the Company on 7 April 2021 (the “Placing of Shares”). Details of the Placing of Shares have been disclosed in the Company’s announcements dated 7 April 2021 and 30 April 2021.

22. RESERVES

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

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

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

23. RELATED PARTY TRANSACTIONS

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

	(Unaudited)		(Unaudited)	
	Three months ended		Six months ended	
	30 September		30 September	
	2021	2020	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Fees, salaries and other benefits	<u>611</u>	<u>612</u>	<u>1,220</u>	<u>1,223</u>

- (b) Amounts due to directors/related companies/non-controlling interests/a shareholder of the Company as at 30 September 2021 and 31 March 2021 are disclosed in the condensed consolidated statement of financial position; other details are disclosed in note 20.

OTHER INFORMATION

SHARE OPTION SCHEME

The Company has adopted a new share option scheme at the annual general meeting of the Company held on 3 August 2012 (the “2012 Share Option Scheme”) which is valid and effective for a period of 10 years commencing on 3 August 2012, upon the termination of the share option scheme adopted at the annual general meeting of the Company held on 2 August 2002 (the “2002 Share Option Scheme”), under which selected persons, such as the directors, employees, customers or any individual business or entity providing goods or services, may take up options to subscribe for shares in the Company subject to the terms and conditions stipulated in the 2012 Share Option Scheme. The maximum number of shares which can be granted under the 2012 Share Option Scheme may not exceed 10% of the issued share capital of the Company at the time of adoption of the option or at the date of approval by the shareholders in subsequent general meeting where the limit is refreshed.

No option was granted under the 2012 Share Option Scheme during the six months ended 30 September 2021.

Movements in the number of share options, granted under the 2012 Share Option Scheme, outstanding and their related weighted average exercise prices are as follows:

Participants	Date of grant	Exercisable period	Exercise price per share (Adjusted)*	No. of underlying shares comprised in option					As at 30 September 2021
				As at 1 April 2021 (Restated)*	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	
Employees and others (in aggregate)	4 February 2016	4 February 2016 – 6 January 2026	HK\$2.64	2,240,000	-	-	-	-	2,240,000

Other than as disclosed above, no other share option was granted, exercised, lapsed or cancelled pursuant to the 2012 Share Option Scheme and none of the Directors or chief executive of the Company or their respective spouses or children under 18 years of age were granted or exercised any right to subscribe for any equity or debt securities of the Company or any of its associated corporations within the meaning of the Securities and Future Ordinance (“SFO”).

* The exercise price per share was adjusted and the number of underlying shares comprised in option as at 1 April 2021 was restated as a result of the Share Consolidation as defined on page 10.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles in and complied with the requirements of the Corporate Governance Code (“CG Code”) as set out in Appendix 15 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) throughout the six months ended 30 September 2021.

BOARD OF DIRECTORS

The Board comprised three executive Directors (after Ms. Yang Wei resigned on 5 November 2021), namely Mr. Zhang Yanqiang, Mr. Guo Zhonghai and Mr. Zhao Xinyan, one non-executive Director, namely Ms. Ng Mui King, Joky (chairman of the Board), and three independent non-executive Directors, namely, Mr. Chung Koon Yan, Ms. Zhao Yongmei and Mr. Jing Baoli (appointed on 13 August 2021 when Dr. Yang Fuyu resigned on the same day).

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

BOARD COMMITTEES

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

Audit Committee

The Audit Committee comprised three independent non-executive Directors, namely Mr. Chung Koon Yan (chairman of the Audit Committee), Ms. Zhao Yongmei and Mr. Jing Baoli (appointed on 13 August 2021 when Dr. Yang Fuyu resigned on the same day). The Audit Committee meets with the Group's senior management regularly to review the effectiveness of the internal control system and the quarterly, interim and annual reports of the Group.

Nomination Committee

The Nomination Committee comprised one executive Director, namely Ms. Zhang Yanqiang (chairman of the Nomination Committee), and two independent non-executive Directors, namely Ms. Zhao Yongmei and Mr. Jing Baoli (appointed on 13 August 2021 when Dr. Yang Fuyu resigned on the same day). The Nomination Committee reviews the composition of the Board and nominates suitably qualified candidates to the Board, if necessary.

Remuneration Committee

The Remuneration Committee comprised one executive Director, namely Mr. Zhao Xinyan (appointed on 16 October 2020 when Ms. Ng Mui King, Joky, a non-executive Director, ceased to be a member of the Remuneration Committee), and two independent non-executive Directors, namely Ms. Zhao Yongmei (chairman of the Remuneration Committee) and Mr. Jing Baoli (appointed on 13 August 2021 when Dr. Yang Fuyu resigned on the same day). The Remuneration Committee reviews and determines the policy for the remuneration of directors and senior management of the Group.

INTERESTS OF DIRECTORS

As at 30 September 2021, the interests and short positions of the Directors or chief executive of the Company in the shares, the underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long Position in Shares and Underlying Shares of the Company

Name of Director	Number of ordinary shares of HK\$0.10 each and the underlying shares			Approximate percentage of the issued share capital of the Company
	Personal interest	Corporate interest	Total number of shares	
Mr. Zhao Xinyan	1,750,000	47,378,000 (Note 1)	49,128,000	14.88%
Ms. Ng Mui King, Joky	–	33,792,000 (Note 2)	33,792,000	10.23%

Notes:

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

Save as disclosed above, as at 30 September 2021, none of the Directors and chief executive of the Company had interests and short positions in the shares, the underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the six months ended 30 September 2021 was any of the Company or its subsidiaries a party to any arrangements to enable the Directors or chief executives of the Company (including their spouses or children under 18 years of age) to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INTEREST OF SUBSTANTIAL SHAREHOLDERS AND OTHER SHAREHOLDERS

As at 30 September 2021, save as disclosed below, so far is known to the Directors and chief executives of the Company, no person (other than a Director or a chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO or, who is directly or indirectly, interested in 5% or more of the issued share capital of the Company.

Long Position in Shares of the Company

Name of shareholder	Capacity/Nature of interest	Total number of ordinary shares of HK\$0.10 each	Approximate percentage of the issued share capital of the Company
Win Bless Limited	Beneficial owner/Corporate	47,378,000 (Note 1)	14.35%
Mr. Zhao Xinyan	Interest in a controlled corporation	47,378,000 (Note 1)	14.35%
	Beneficial owner/Personal	1,750,000	0.53%
Gold City Assets Holdings Ltd.	Beneficial owner/Corporate	33,792,000 (Note 2)	10.23%
Ms. Ng Mui King, Joky	Interest in a controlled corporation	33,792,000 (Note 2)	10.23%
Ms. Lin Shunping	Beneficial owner/Personal	19,900,000 (Note 3)	6.03%

Notes:

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

COMPETING INTEREST

The Directors are not aware of any business or interest of the Directors nor the controlling shareholder of the Company (as defined in the GEM Listing Rules) nor any of their respective close associates that competes or may compete, either directly or indirectly, with the business of the Group or any other conflict of interest which any such person has or may have with the Group during the six months ended 30 September 2021.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company had not redeemed any of its shares during the six months ended 30 September 2020. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's shares during the six months ended 30 September 2021.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding the directors' transaction in securities of the Company. Having made specific enquiry of all Directors, each of the Directors has confirmed that he/she has complied with the required standard of dealings as set out in the adopted code of conduct regarding the directors' securities transaction throughout the six months ended 30 September 2021.

By order of the Board
Great World Company Holdings Ltd
Ng Mui King, Joky
Chairman

Hong Kong, 12 November 2021

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

This announcement will remain on the "Latest Company Announcements" page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication and on the Company website (www.gwchl.com).