

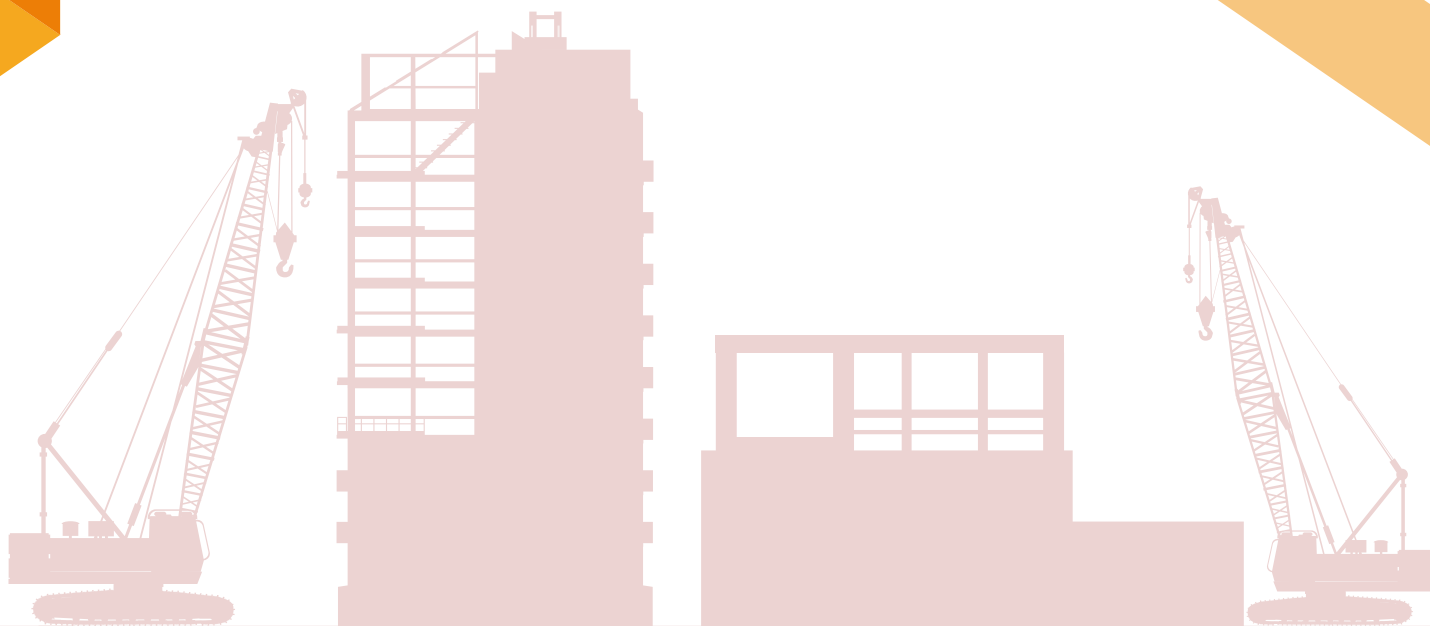
WORLD SUPER HOLDINGS LIMITED

維亮控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8612

Third Quarterly Report 2020



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 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 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 “Director(s)”) of World Super 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 of the Stock Exchange (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: (1) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; (2) there are no other matters the omission of which would make any statement herein or this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are found on bases and assumptions that are fair and reasonable.



FINANCIAL RESULTS

The board of directors (the "Board") of World Super Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated financial results of the Company and its subsidiaries (the "Group") for the nine months ended 30 September 2020 together with the comparative unaudited figures for the corresponding period in 2019 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Three months ended 30 September		Nine months ended 30 September	
		2020 HK\$ (Unaudited)	2019 HK\$ (Unaudited)	2020 HK\$ (Unaudited)	2019 HK\$ (Unaudited)
Revenue	3	10,065,766	19,192,935	53,398,763	43,665,634
Cost of sales and services		(9,771,510)	(7,204,990)	(37,913,616)	(18,336,064)
Gross profit		294,256	11,987,945	15,485,147	25,329,570
Net other (expenses)/income		(703,011)	421,504	(576,344)	438,601
Other operating expenses		(1,851,057)	(516,870)	(5,012,362)	(1,614,557)
Administrative expenses		(4,035,675)	(3,526,507)	(10,433,545)	(10,903,496)
Selling and distribution expenses		(377,951)	(696,996)	(878,245)	(1,198,524)
Finance costs		(430,201)	(583,213)	(1,153,731)	(2,626,255)
(Loss)/Profit before taxation		(7,103,639)	7,085,863	(2,569,080)	9,425,339
Income tax credit/(expense)	4	791,168	(1,486,687)	(551,569)	(2,645,563)
(Loss)/Profit for the period attributable to owners of the Company		(6,312,471)	5,599,176	(3,120,649)	6,779,776
Other comprehensive income for the period		—	—	—	—
Total comprehensive (expenses)/income for the period attributable to owners of the Company		(6,312,471)	5,599,176	(3,120,649)	6,779,776
(Loss)/Earnings per share:					
Basic and diluted (HK cents)	6	(1.01)	1.13	(0.50)	1.37



UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(For the nine months ended 30 September 2020)

	Issued capital HK\$	Share premium HK\$	Merger reserve HK\$ (Note i)	Convertible bonds equity reserve HK\$ (Note ii)	Retained profits HK\$	Total HK\$
At 1 January 2019 (audited)	1	3,000,000	5,499,999	864,000	29,618,408	38,982,408
Profit and total comprehensive income for the period	—	—	—	—	6,779,776	6,779,776
Issue of shares upon conversion of convertible bonds	—	14,944,216	—	—	—	14,944,216
Transfer of convertible bonds reserve upon conversion of convertible bonds	—	864,000	—	(864,000)	—	—
Issuance of shares pursuant to the Capitalisation Issue (Note iii)	4,499,999	(4,499,999)	—	—	—	—
Issue of new shares pursuant to the Share Offer (Note iv)	1,500,000	81,000,000	—	—	—	82,500,000
Share issue expenses	—	(7,451,945)	—	—	—	(7,451,945)
At 30 September 2019 (unaudited)	6,000,000	87,856,272	5,499,999	—	36,398,184	135,754,455
At 1 January 2020 (audited)	6,000,000	87,856,272	5,499,999	—	31,753,220	131,109,491
Issue of new shares by way of placing (Note v)	1,200,000	6,120,000	—	—	—	7,320,000
Share issue expenses	—	(282,247)	—	—	—	(282,247)
Loss and total comprehensive expenses for the period	—	—	—	—	(3,120,649)	(3,120,649)
At 30 September 2020 (unaudited)	7,200,000	93,694,025	5,499,999	—	28,632,571	135,026,595

Notes:

- (i) Merger reserve represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital of World Super Limited, a subsidiary which was acquired by the Company pursuant to the Group Reorganisation (as defined in the prospectus of the Company dated 27 June 2019 (the "Prospectus")).
- (ii) The convertible bonds equity reserve represents the equity component of convertible bonds issued by the Company. Items included in convertible bonds equity reserve will not be reclassified subsequently to profit or loss.
- (iii) 449,999,856 new ordinary shares of HK\$0.01 each were issued pursuant to the Capitalisation Issue (as defined in the Prospectus).
- (iv) On 12 July 2019, 150,000,000 ordinary shares of HK\$0.01 each were issued by way of Share Offer (as defined in the Prospectus) at a price of HK\$0.55 per share raising gross proceeds of approximately HK\$82,500,000.
- (v) On 6 August 2020, the Company issued and allotted 120,000,000 shares by way of placing, at the placing price of HK\$0.061 per placing share, raising gross proceeds of approximately HK\$7,320,000.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS

(For the nine months ended 30 September 2020)

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 26 February 2016 as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidation and revised) of the Cayman Islands. The addresses of the Company's registered office and the principal place of business are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and Unit 3403, 34/F., AIA Tower 183 Electric Road, North Point, Hong Kong respectively. The Company's shares are listed on the GEM since 12 July 2019 (the "Listing Date").

The Company acts as an investment holding company and its subsidiaries mainly undertakes (i) provision of rental services of crawler cranes, oscillators, a kind of board piling machine working with drill-string to drill through the hard rock to the designated depth (the "RCD") and hydromill trench cutters for construction projects mainly in Hong Kong and/or Macau; (ii) trading of new or used crawler cranes, RCDs, trench cutters, oscillators and/or related spare parts to customers in Hong Kong, Macau and Philippines; and (iii) to a lesser extent, provision of transportation services in delivering our machinery to and from customers' designated sites and other services such as arrangement of set-up and repair of machinery for customers of our plant hire service, arrangement of insurance for customers of our plant hire service for projects outside Hong Kong and marketing of construction machinery for our machinery suppliers; (iv) provision of construction works which included foundation works and ancillary services; (v) developing and operating electronic products trading platform and trading of electronic products; and (vi) provision of money lending services.

There has been no significant change in the Group's principal activities during the period under review.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial results of the Group for each of the nine months ended 30 September 2020 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the GEM Listing Rules. The unaudited condensed consolidated financial results should be read in conjunction with the Group's audited consolidated financial statements and notes thereto for the year ended 31 December 2019.

The accounting policies and method of computation used in the preparation of unaudited condensed consolidated financial results are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019, except as described below.

Adoption of new/revised HKFRS

The adoption of the new/revised HKFRS that are relevant to the Group and effective from the current period, does not have any significant effect on the results and financial position of the Group for the current and prior accounting periods.

The Group has not early adopted any new/revised HKFRS that have been issued but are not yet effective for the current period. The Directors have already commenced an assessment of the impact of these new and revised HKFRS but are not yet in a position to reasonably estimate whether these new and revised HKFRS would have a significant impact on the Group's results of operations and financial position.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS

(For the nine months ended 30 September 2020)

3. REVENUE

Revenue represents amounts received or receivable from plant hire income from leasing of construction machinery, general sales from trading of construction machinery, tools and parts, transportation and other services income and trading of electronic products.

The amount of each significant category of revenue recognised in turnover during the period is as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2020 HK\$ (Unaudited)	2019 HK\$ (Unaudited)	2020 HK\$ (Unaudited)	2019 HK\$ (Unaudited)
General sales	2,152,500	3,220,750	18,283,024	7,616,214
Plant hire income	3,887,716	15,113,122	28,100,292	34,417,367
Transportation and other services income	34,300	859,063	3,024,197	1,632,053
Trading of electronic products	3,991,250	—	3,991,250	—
	10,065,766	19,192,935	53,398,763	43,665,634

4. INCOME TAX CREDIT/(EXPENSE)

Income tax credit/(expense) recognised in profit or loss:

	Three months ended 30 September		Nine months ended 30 September	
	2020 HK\$ (Unaudited)	2019 HK\$ (Unaudited)	2020 HK\$ (Unaudited)	2019 HK\$ (Unaudited)
Current tax				
Hong Kong profit tax	—	—	—	—
Deferred taxation	791,168	(1,486,687)	(551,569)	(2,645,563)
	791,168	(1,486,687)	(551,569)	(2,645,563)

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits during the periods.

There is no Macau tax implication during the periods. Macau segment results is included in Hong Kong tax implication during the periods.

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



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS

(For the nine months ended 30 September 2020)

5. DIVIDENDS

No dividend has been paid or declared by the Group during the nine months ended 30 September 2020 and 2019, nor has any dividend been proposed since the end of the reporting period.

6. BASIC AND DILUTED (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share attributable to owners of the Company is based on the following data:

	Three months ended 30 September		Nine months ended 30 September	
	2020 HK\$ (Unaudited)	2019 HK\$ (Unaudited)	2020 HK\$ (Unaudited)	2019 HK\$ (Unaudited)
(Loss)/Earnings				
(Loss)/Earnings for the period attributable to owners of the Company for the purpose of basic earnings per share	(6,312,471)	5,599,176	(3,120,649)	6,779,776
Number of shares				
Issued ordinary shares (weighted average number of ordinary shares for purpose of basic (loss)/earnings per share)	624,525,547	494,505,472	624,525,547	494,505,472
Basic (loss)/earnings per share (HK cents)	(1.01)	1.13	(0.50)	1.37

The calculation of basic (loss)/earnings per share is based on the (loss)/profit for the period attributable to owners of the Company and the weighted average number of shares in issue. The number of shares for the purpose of basic (loss)/earnings per share has been retrospectively adjusted for the 449,999,856 shares which were issued pursuant to the Capitalisation Issue (as defined in the Prospectus).

No diluted (loss)/earning per share for the nine months ended 30 September 2020 were presented as there were no potential dilutive ordinary shares in issue during the period.

Diluted (loss)/earnings per share for the nine months ended 30 September 2019 was the same as the basic earnings per share because the conversion of all potential ordinary shares arising from convertible bonds will have an anti-dilutive effect.



BUSINESS REVIEW AND PROSPECTS

The Group mainly undertakes (i) provision of rental services of crawler cranes, oscillators, a kind of board piling machine working with drill-string to drill through the hard rock to the designated depth (the “RCD”) and hydromill trench cutters for construction projects mainly in Hong Kong and/or Macau; (ii) trading of new or used crawler cranes, RCDs, trench cutters, oscillators and/or related spare parts to customers in Hong Kong, Macau and Philippines; and (iii) to a lesser extent, provision of transportation services in delivering our machinery to and from customers’ designated sites and other services such as arrangement of set-up and repair of machinery for customers of our plant hire service, arrangement of insurance for customers of our plant hire service for projects outside Hong Kong and marketing of construction machinery for our machinery suppliers; (iv) provision of construction works which included foundation works and ancillary services; (v) developing and operating electronic products trading platform and trading of electronic products; and (vi) provision of money lending services.

For the nine months ended 30 September 2020, the Group recorded an increase in its total revenue by approximately 22.3% to approximately HK\$53.4 million from approximately HK\$43.7 million for the nine months ended 30 September 2019. This is mainly due to the increase in revenue generated from the general sales segment and the trading of electronic products segment. The increase in revenue from general sales segments is due to a private building project regarding new phases of a Macau casino. The trading of electronic products segment, which was set up in August 2020, generated approximately HK\$4.0 million revenue for the nine months ended 30 September 2020. The Group turned to net loss of approximately HK\$3.1 million for the nine months ended 30 September 2020 from net profit of approximately HK\$6.8 million for the nine months ended 30 September 2019.

For the nine months ended 30 September 2020, approximately 52.6% of total revenue was contributed by the plant hire segment amounting to approximately HK\$28.1 million (nine months ended 30 September 2019: approximately HK\$34.4 million). This segment’s performance has been deteriorated compared with that of the corresponding period in 2019 mainly due to delay in commencement of our customers’ project.

In September 2020, World Super Capital Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company, obtained a money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group believes that the money lending business would extend the scope of the Group’s existing business and diversify its business segment with a view to broaden the Group’s revenue streams, enhance its profitability and achieve better return for the shareholders.

In August 2020, the Group established a wholly-owned subsidiary of Yummy Network Technology Company Limited (“Yummy Network”) which was incorporated in Hong Kong with limited liability. Yummy Network is principally engaged in internet trading platform development which starts up by including electronic products e-commerce trading sales, maintenance of information system, and development of trading network in Hong Kong and China.

In order to face the threat of COVID-19, the Group accelerates the development progress of internet trading platform, market resources integration and e-marketing. The transformation from traditional offline transactions to online transactions provides fairer, faster, transparent and traceable transactions for customers 24-hours a day.

The development of the platform converts the traditional business models of trading business to e-commerce model and is expected to connect the upstream, midstream and downstream of industry chain.

The effective integration and collaboration of industrial chains eliminate the excessive transaction costs arising from the control of information, finance and logistics by integrating the operation flows of information, capital and logistics resources. It aims to gain value-added advantage by making use of cloud computing, big data, and supply chain finance. The Group believes that Yummy Network can broaden the Group’s revenue source and leverage with the existing business.

The coronavirus pandemic continues to ravage in different countries/regions, the business activities of the Group’s customers and overseas suppliers have been disrupted. The Group will continue to respond to the changing market environment.



MANAGEMENT DISCUSSION AND ANALYSIS

The Group believes the development of the Group's new businesses which can benefit the long-term development of the Group. The Group will continue to widen its clientele and source of income to generate fruitful returns for its shareholders.

FINANCIAL OVERVIEW

Revenue

The Group's revenue includes plant hire income from leasing of construction machinery, general sales from trading of construction machinery, tools and parts, transportation and other services income and trading of electronic products.

The Group's revenue increased from approximately HK\$43.7 million for the nine months ended 30 September 2019 to approximately HK\$53.4 million for the nine months ended 30 September 2020, representing an increase of approximately 22.3% which was mainly due to the increase in general sales and trading of electronic products. The increase in revenue from general sales is due to a private building project regarding new phases of a Macau casino. The trading of electronic products segment, which was set up in August 2020, generated approximately HK\$4.0 million revenue for the nine months ended 30 September 2020.

Cost of sales and services

Cost of sales and services mainly include product purchases, machinery rent paid and depreciation on plant and machinery. For the nine months ended 30 September 2020, the Group's cost of sales and services amounted to approximately HK\$37.9 million (for the nine months ended 30 September 2019: approximately HK\$18.3 million). The increase in cost of sales and services is mainly due to the increase in product purchase which is in line with the increase in the general sales from the trading of tools and parts and trading of electronic products.

Administrative Expenses

Administrative expenses mainly include staff costs, depreciation on right of use assets and listing expenses. For the nine months ended 30 September 2020, the Group's administrative expenses amounted to approximately HK\$10.4 million (for the nine months ended 30 September 2019: approximately HK\$10.9 million). The decrement is mainly due to the decrease in the listing expenses from approximately HK\$4.1 million for the nine months ended 30 September 2019 to nil for the nine months ended 30 September 2020, the effect is partially set off by the increase in (1) the staff cost and (2) listing-related expenses (including the increase in auditor's remuneration, director's fee and compliance advisory fee incurred after the listing).

Taxation

The Group recorded income tax expenses of approximately HK\$0.6 million and HK\$2.6 million for the nine months ended 30 September 2020 and 2019 respectively, such decrease in income tax expenses was mainly because of the decrease in taxable profit for the nine months ended 30 September 2020.

There is no Macau tax implication during both periods. Macau segment results are included in Hong Kong tax implication during both periods.

Profit for the Period

The Group turned to net loss of approximately HK\$3.1 million for the nine months ended 30 September 2020 from net profit of approximately HK\$6.8 million for the nine months ended 30 September 2019, which is mainly due to (i) the decrease in plant hire income from our rental fleet of approximately 34.3% from approximately HK\$29.2 million for the nine months ended 30 September 2019 to approximately HK\$19.2 million for the nine months ended 30 September 2020 because of delay in commencement of our customers' project; and (ii) the decrease in gross profit of approximately 38.9% from approximately HK\$25.3 million for the nine months ended 30 September 2019 to approximately HK\$15.5 million for the nine months ended 30 September 2020.



Purchase, Sale or Redemption of the Listed Securities

During the nine months ended 30 September 2020, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of shares of the Company.

Code of Conduct for Directors' Securities Transactions

The Company has adopted a code of conduct regarding securities transactions by Directors which is 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. Having been made specific enquiry, all the Directors confirmed that they have complied with the required standard of dealings and its code of conduct regarding Director's securities transactions during the nine months ended 30 September 2020.

Directors' and Chief Executives' Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or any of its Associated Corporations

As at 30 September 2020, the interests and short positions 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")) held by the Directors and chief executives of the Company which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

(i) Long Positions in the Shares

Name of Director	Nature of interest	Number of shares held/ interested	Approximate percentage of shareholding in Company
Mr. Sou Peng Kan Albert ("Mr. Sou")	Interest in a controlled corporation and interest of spouse	262,500,000 (Note 1)	36.45%

Note:

- (1) Out of the 262,500,000 shares, 228,125,000 shares are registered in the name of Bao Han Holdings Limited ("Bao Han"), the entire issued share capital of which is legally and beneficially owned by Mr. Sou. Mr. Sou is deemed to be interested in all the shares held by Bao Han. The remaining 34,375,000 shares are registered in the name of Emerald Surplus International Limited ("Emerald Surplus"), the entire issued share capital of which is legally and beneficially owned by Ms. Chu Wing Yee ("Ms. Chu"). Ms. Chu is deemed to be interested in all the shares held by Emerald Surplus. Since Ms. Chu is the spouse of Mr. Sou, Mr. Sou is deemed to be interested in all the shares which Ms. Chu is interested in under the SFO.

(ii) Long Positions in the Shares of Associated Corporation

Name of Director	Name of associated corporation	Percentage of shareholding
Mr. Sou	Bao Han	100%



OTHER INFORMATION

Save as disclosed above, as at 30 September 2020, none of the Directors nor the chief executives of the Company had or deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or 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 and short positions which were taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Required Standard of Dealings and the Code by the Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

As at 30 September 2020, so far as the Directors are aware, the following persons (other than Directors or chief executives of the Company) had or were deemed or taken to have the following interests and/or short positions in the shares or the underlying shares of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Long Positions in the Shares

Name of Shareholder	Nature of Interest	Number of shares held/ interested	Approximate percentage of shareholding in Company
Ms. Chu	Interest in a controlled corporation and Interest of spouse	262,500,000 (Note 1)	36.45%

Note:

- (1) Out of the 262,500,000 shares, 34,375,000 shares are registered in the name of Emerald Surplus, the entire issued share capital of which is legally and beneficially owned by Ms. Chu. Ms. Chu is deemed to be interested in all the shares held by Emerald Surplus. The remaining 228,125,000 shares are registered in the name of Bao Han, the entire issued share capital of which is legally and beneficially owned by Mr. Sou. Mr. Sou is deemed to be interested in all the shares held by Bao Han. As Mr. Sou is the spouse of Ms. Chu, Ms. Chu is deemed to be interested in all the shares which Mr. Sou is interested in under the SFO.



Save as disclosed herein, as at 30 September 2020, the Directors are not aware of any person who had or deemed to have an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

Share Option Scheme

The Company has a share option scheme (the “Scheme”) which was approved and adopted by the shareholders of the Company pursuant to the written resolutions passed on 21 June 2019. As at the date of this report, no options had been granted, agreed to be granted, exercised, cancelled or lapsed pursuant to the Scheme.

Directors’ Rights to Acquire Shares and Debentures

Save as disclosed in the heading “Directors’ and Chief Executives’ Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or any of its Associated Corporations” and “Share Option Scheme” above, at no time during the nine months ended 30 September 2020 was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their respective spouse and 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.

Compliance with the Deed of Non-Competition

For the purpose of the listing of the Company, each of Mr. Sou and Ms. Chu, being the controlling shareholders of the Company, have entered into a deed of non-competition dated 21 June 2019 in favour of the Company, further details of which are disclosed in the section headed “Relationship with Our Controlling Shareholders” of the Prospectus and the non-competition undertaking has become effective from the Listing Date. The controlling shareholders have confirmed to the Company that they had complied with the non-competition undertaking during the nine months ended 30 September 2020.

Competing Interests

For the nine months ended 30 September 2020, the Directors are not aware of any business or interest of each Director, controlling shareholder, management shareholder and their respective associates (as defined in the GEM Listing Rules) that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

Changes of Directors’ Information

Upon specific enquiry by the Company and following confirmations from Directors, save as otherwise set out in this report, there is no change in the information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules since the publication of the Company’s last interim report.

Interests of the Compliance Adviser

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Grand Moore Capital Limited as the compliance adviser (the “Compliance Adviser”) with effect from 12 July 2019. As at 30 September 2020, as notified by the Compliance Adviser, save for the compliance adviser’s agreement entered into between the Company and the Compliance Adviser, neither the Compliance Adviser nor any of its directors, employees or close associates (as defined under the GEM Listing Rules) had any interests in the Group which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.



OTHER INFORMATION

Corporate Governance Practices

The Company is committed to maintaining a high standard of corporate governance practices. The Directors of the Company consider that during the nine months ended 30 September 2020, the Company had applied and complied with the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 to the GEM Listing Rules except for Code Provision A.2.1 and E.1.5.

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer (“CEO”) should be separated and should not be performed by the same person. The Company does not have a separate Chairman and CEO and Mr. Sou Peng Kan Albert currently holds both positions. The Board believes that vesting the roles of both Chairman and CEO in the same person provides the Group with strong and consistent leadership, allows for more effective planning and execution of long term business strategies and enhances efficiency in decision-making in response to the changing environment. Our Board believes that the balance of power and authority under this arrangement will not be impaired and is adequately ensured by the five-member composition of our Board, including two executive Directors and three independent non-executive Directors.

Under the Code Provision E.1.5, the Company should have a policy on payment of dividends and should disclose it in its annual report. The Company does not have a dividend policy and the Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Group’s operating results, business plans and prospects, financial position and working capital requirements, and other factors that the Board considers relevant.

The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, comply with regulatory requirements and meet the growing expectations of shareholders and investors.

Audit Committee

The Company has established an audit committee (“Audit Committee”) with the written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system (including risk management) of the Group and provide advice and comments to the Board. As at the date of this report, the Audit Committee consists of three independent non-executive Directors who are Mr. Lee Tak Fai Thomas, Mr. Yau Lut Pong Leo and Mr. Yue Wai Leung Stan. Mr. Lee Tak Fai Thomas is the chairman of the Audit Committee. The Audit Committee has reviewed the unaudited condensed consolidated financial results of the Group for the nine months ended 30 September 2020.

The condensed consolidated financial results of the Group for the nine months ended 30 September 2020 have not been audited by the Company’s auditor.

By Order of the Board
World Super Holdings Limited
Sou Peng Kan Albert
Chairman and executive Director

Hong Kong, 12 November 2020

As at the date of this report, the Board comprises Mr. Sou Peng Kan Albert and Mr. Fok Hei Yuen Paul as executive Directors and Mr. Lee Tak Fai Thomas, Mr. Yau Lut Pong Leo and Mr. Yue Wai Leung Stan as independent non-executive Directors.

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