



**WWPKG Holdings Company Limited**  
**縱橫遊控股有限公司**

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

Stock Code: 8069

**2021/2022**

First Quarterly Report



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### **Executive Directors:**

Mr. Yuen Sze Keung (*Chairman*)  
Ms. Chan Suk Mei  
Mr. Yuen Chun Ning (*Chief Executive Officer*)

#### **Independent Non-executive Directors:**

Mr. Ho Wing Huen  
Mr. Lam Yiu Kin  
Mr. Yen Yuen Ho Tony

### AUDIT COMMITTEE

Mr. Lam Yiu Kin (*Chairman*)  
Mr. Ho Wing Huen  
Mr. Yen Yuen Ho Tony

### REMUNERATION COMMITTEE

Mr. Yen Yuen Ho Tony (*Chairman*)  
Mr. Ho Wing Huen  
Mr. Lam Yiu Kin  
Mr. Yuen Sze Keung

### NOMINATION COMMITTEE

Mr. Ho Wing Huen (*Chairman*)  
Mr. Lam Yiu Kin  
Mr. Yen Yuen Ho Tony  
Mr. Yuen Sze Keung

### COMPANY SECRETARY

Ms. Ng Ka Man, *ACG, ACS*

### COMPLIANCE OFFICER

Mr. Yuen Chun Ning

### AUTHORISED REPRESENTATIVES

Mr. Yuen Sze Keung  
Mr. Yuen Chun Ning

### REGISTERED OFFICE

P.O. Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 706-8, 7/F., Lippo Sun Plaza  
28 Canton Road  
Tsim Sha Tsui  
Kowloon  
Hong Kong

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

Estera Trust (Cayman) Limited  
P.O. Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

### BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

### LEGAL ADVISER TO THE COMPANY AS TO HONG KONG LAW

Fairbairn Catley Low & Kong

### PRINCIPAL BANKERS

Hang Seng Bank Limited  
Bank of China (Hong Kong) Limited  
Standard Chartered Bank (Hong Kong) Limited

### AUDITOR

PricewaterhouseCoopers  
*Certified Public Accountants*  
*Registered Public Interest Entity Auditor*

### STOCK CODE

8069

### COMPANY'S WEBSITE

<http://www.wwwpkg.com.hk>

## MANAGEMENT DISCUSSION AND ANALYSIS

The board of Directors of the Company (the “Board”) hereby presents the unaudited first quarterly financial results of the Group for the three months ended 30 June 2021, together with the comparative figures for the corresponding period in 2020, as set out below.

### BUSINESS REVIEW

Founded in 1979, the Group is one of the long-established and well-known travel agents in Hong Kong. The Group’s businesses include the design, development and sales of outbound package tours, the sales of air tickets and/or hotel accommodations (the “FIT products”) and the sales of ancillary travel related products and services (collectively, the “Travel Related Products and Services”) and investments in tourism and travel technology related businesses (the “Tourism and Travel Technology Investments”). The Group markets its Travel Related Products and Services under the brand “縱橫遊 WWPKG”. Its major Travel Related Products and Services is the provision of outbound package tours to various destinations with particular focus on Japan-bound tours.

The ongoing coronavirus disease 2019 (“COVID-19”) pandemic has been casting severe implications for many business sectors. In particular, it has brought the global tourism industry to a screeching halt since year 2020. The Group’s business operations have been disrupted by the travel restrictions imposed by nations of its own and across the world. Owing to the pandemic, on the supply side, majority of the Group’s airline suppliers have been operating bare skeleton or limited passenger flight schedules, while on the demand side, leisure travel sentiment has remained low. The Group began to cancel its outbound package tours, starting with those departing for China on 26 January 2020, while package tours bound for Japan have been suspended since 9 March 2020. As a result, minimal revenue and gross profit were generated from the Travel Related Products and Services segment for both three months ended 30 June 2021 and 2020. Nonetheless, the Group continued to mitigate its loss for the three months ended 30 June 2021 through adopting the following cost-saving measures amid the pandemic:

- implemented salary reduction for the Directors;
- streamlined workflows and eliminated non-value added positions or activities;
- encouraged employees to take no-pay leave and/or annual leave;
- obtained rent concessions on branch and office premise leases from the landlords; and
- reduced advertising and promotion expenses.

## FINANCIAL REVIEW

### Revenue and gross profit/(loss)

The following table sets out the Group's revenue and gross profit/(loss) by major category of Travel Related Products and Services:

	Three months ended 30 June			
	2021		2020	
	Revenue HK\$'million	Gross profit HK\$'million	Revenue HK\$'million	Gross (loss)/ profit HK\$'million
Package tours	0.5	0.5	0.0	(0.5)
FIT products <sup>Note</sup>	–	–	(0.1)	(0.1)
Ancillary travel related products and services <sup>Note</sup>	–	–	1.4	1.4
Total	0.5	0.5	1.3	0.8

*Note:* The Group's revenue from sales of FIT products and ancillary travel related products and services are recognised on net basis as the Group renders its services as an agent.

#### *Package Tours*

Minimal revenue from package tours was recorded during the three months ended 30 June 2021, as all of the Group's outbound package tours continued to be suspended amid the COVID-19 pandemic. Corresponding gross profit of approximately HK\$0.5 million mainly resulted from the launch of green lifestyle local tours that were subsidised by the Hong Kong SAR government and recognition of unutilised membership award credits as revenue upon expiration.

#### *FIT products*

No sale of FIT products was conducted during the three months ended 30 June 2021 amid the COVID-19 pandemic.

#### *Ancillary travel related products and services*

Ancillary travel related products and services generally include travel insurance, admission tickets to attractions such as theme parks and shows, guided local tours and experiences, local transportation such as airport transportation, overseas transportation such as rail passes, car rental, prepaid telephone and internet cards and travel visa applications. For the three months ended 30 June 2021, minimal revenue was recorded from trading of food items and health related products whereas revenue for the corresponding period in 2020 mainly arose from trading of imported face masks amid the first wave of the COVID-19 pandemic.

## Selling expenses

Selling expenses mainly consist of (i) advertising and promotion expenses, such as sponsoring television travel programmes and films, online and offline media advertisements, participating in tourism fairs and organizing travel seminars; (ii) credit card and debit card charges in respect of payments from customers with credit cards and electronic payment services (EPS); and (iii) short-term lease expenses and depreciation of right-of-use assets for the Group's branches. Selling expenses decreased by 18.1% to approximately HK\$0.4 million for the three months ended 30 June 2021, mainly due to (i) the decrease in credit card charges; (ii) the decrease in depreciation of right-of-use assets; and (iii) adoption of cost-saving measures as discussed in the sub-section headed "Business Review" above, including reduction in advertising and promotion expenses.

## Administrative expenses

Administrative expenses mainly consist of (i) staff costs, representing the Directors' remuneration and the salaries and benefits for the Group's administrative and operational staff; (ii) depreciation of right-of-use assets for the Group's office premises; (iii) office, telecommunication and utility expenses incurred in the Group's daily operations; (iv) legal and professional fees; and (v) other miscellaneous administrative expenses. Administrative expenses decreased by 23.2% to approximately HK\$3.9 million for the three months ended 30 June 2021, mainly due to (i) the decrease in depreciation of property, plant and equipment; (ii) the decrease in other administrative expenses including repair and maintenance costs and entertainment expenses; and (iii) adoption of cost-saving measures as discussed in the sub-section headed "Business Review" above, including salary reduction for the Directors, reduction in staff costs as a result of no-pay leave and/or annual leave taken by the Group's staff.

## Loss and total comprehensive loss for the period

The Group's loss and total comprehensive loss for the three months ended 30 June 2021 decreased by 86.0% to approximately HK\$0.9 million, which was mainly attributable to the following:

- decrease in selling expenses and administrative expenses by approximately HK\$1.3 million in aggregate, for reasons as discussed in the sub-sections headed "Financial Review – Selling Expenses" and "Financial Review – Administrative Expenses" above;
- recognition of rent concessions of approximately HK\$0.4 million as negative variable lease payments in profit or loss;
- change in the fair value of the Company's investment in the shares of CTEH INC. to a gain of approximately HK\$2.0 million for the three months ended 30 June 2021 from a loss of approximately HK\$1.3 million for the corresponding period in 2020; and
- recognition of a gain on disposal of the shares of CTEH INC. of approximately HK\$0.7 million.

## FUTURE PROSPECTS

The unprecedented COVID-19 pandemic has taken a heavy toll on the global economy and made the Group's operating environment extremely difficult. Given the Group derives a majority of its revenue from the provision of outbound package tours, the entry restrictions, visa suspensions and quarantine measures imposed by various governments, together with the low sentiment for leisure travel, will continue to have significant adverse impact on the Group's operational and financial performance for the next two quarters ending 31 December 2021, if not longer. The Group is closely monitoring the development of the pandemic and will continue to adopt necessary measures to control costs and to enhance cash flow and operational efficiency. Furthermore, the Group set up a joint venture company on 19 July 2021, which would engage in the business of cryptocurrency mining and hash power rental service and other businesses closely related thereto. Through the joint venture company, the Group expects to expand its scope of business so as to enhance its future earning capability and potential.

## OTHER INFORMATION

### DISCLOSURE OF INTERESTS

#### A. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2021, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were 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 they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the required standard of dealings by directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(i) Long Positions in the Company's Shares

Name of Director	Capacity/Nature	Number of Shares held/ interested in	Percentage of shareholding
Ms Chan Suk Mei ("Ms. Chan") <sup>Note</sup>	Interest in a controlled corporation	256,015,000	64%
Mr. Yuen Sze Keung ("Mr. SK Yuen") <sup>Note</sup>	Interest in a controlled corporation	256,015,000	64%

Note: WWPKG Investment Holdings Limited ("WWPKG Investment") is an investment holding company incorporated in the British Virgin Islands (the "BVI") and is owned as to 68.02%, 23.42% and 8.56% by Ms. Chan, Mr. SK Yuen and Mr. Yuen Chun Ning ("Mr. CN Yuen") respectively. Ms. Chan and Mr. SK Yuen are parties acting jointly and are therefore deemed to be interested in all the shares of the Company (the "Shares") held by WWPKG Investment under the SFO.

(ii) Long Positions in the Ordinary Shares of Associated Corporations

Name of Director	Name of associated corporation	Capacity/Nature	Number of Shares held/ interested in	Percentage of shareholding
Ms. Chan	WWPKG Investment	Beneficial owner	6,802	68.02%
		Interest of spouse	2,342	23.42%
Mr. SK Yuen	WWPKG Investment	Beneficial owner	2,342	23.42%
		Interest of spouse	6,802	68.02%
Mr. CN Yuen	WWPKG Investment	Beneficial owner	856	8.56%



Save as disclosed above, as at 30 June 2021, none of the Directors and chief executive of the Company had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have 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 they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## B. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2021, the interests and short positions of the persons (other than the Directors or chief executive of the Company) in the Shares, underlying Shares and debentures of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

### *Long Position in the Company's Shares*

Name of Shareholder	Capacity/Nature	Number of Shares held/ interested in (Note(i))	Percentage of shareholding
WWPKG Investment <sup>Note(ii)</sup>	Beneficial owner	256,015,000	64%

#### Notes:

- (i) According to Section 336 of the SFO, the shareholders of the Company (the "Shareholders") are required to file disclosure of interest forms when certain criteria are fulfilled. When the shareholdings of the Shareholders in the Company change, it is not necessary for the Shareholders to notify the Company and the Stock Exchange unless certain criteria are fulfilled. Therefore, the latest shareholdings of the Shareholders in the Company may be different from the shareholdings filed with the Stock Exchange.
- (ii) WWPKG Investment is an investment holding company incorporated in the BVI and is owned as to 68.02%, 23.42% and 8.56% by Ms. Chan, Mr. SK Yuen and Mr. CN Yuen respectively. Ms. Chan and Mr. SK Yuen are parties acting jointly and are therefore deemed to be interested in all the Shares held by WWPKG Investment under the SFO.

Save as disclosed above, as at 30 June 2021, the Company had not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the sub-section headed "Disclosure of Interests" above, at no time during the three months ended 30 June 2021 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company (including their spouses or children under 18 years of age) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

## CORPORATE GOVERNANCE PRACTICES AND COMPLIANCE

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules (the "CG Code"). The Board and the management of the Company are committed to maintaining and achieving a high standard of corporate governance practices with an emphasis on a quality Board, an effective accountability system and a healthy corporate culture in order to safeguard the interests of the Shareholders and enhance the business growth of the Group.

During the three months ended 30 June 2021, the Company has complied with all the code provisions as set out in the CG Code.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors' securities transactions. Having been enquired by the Company, all Directors confirmed that they had complied with the required standard of dealings and the code of conduct concerning securities transactions by the Directors during the three months ended 30 June 2021.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended 30 June 2021.

## DIRECTORS' AND CONTROLLING SHAREHOLDERS' COMPETING INTERESTS

For the three months ended 30 June 2021, each of the Directors, the controlling Shareholders and their respective close associates (as defined in the GEM Listing Rules) has confirmed that none of them had any business or interests in any company that competes or may compete with the business of the Group and any other conflict of interests which any such person has or may have with the Group.

## SHARE OPTION SCHEME

The share option scheme of the Company (the "Share Option Scheme") was adopted pursuant to a resolution passed by the Company's then shareholders on 16 December 2016 (the "Adoption Date"). No share option had been granted, exercised, lapsed, or cancelled under the Share Option Scheme from the Adoption Date to 30 June 2021 and there was no outstanding share option as at the date of this report.

## UPDATE ON DIRECTORS' INFORMATION

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, the change in information of the Directors since the date of annual report of the Company for the year ended 31 March 2021 are set out below:

On 18 June 2021, Mr. Yen Yuen Ho Tony has resigned as an independent non-executive director of Beijing Energy International Holding Co., Ltd. (previously known as Panda Green Energy Group Limited) (stock code: 686), which is listed on the Main Board of the Stock Exchange.

Save as disclosed above, there is no other change in information of the Directors to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

## AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") with written terms of reference in compliance with the requirements as set out in Rules 5.28 to 5.33 of the GEM Listing Rules and the CG Code. The Audit Committee reviews, amongst others, the financial information of the Group; the relationship with and terms of appointment of the external auditors; and the Group's financial reporting system, risk management and internal control systems, and provides advices and comments to the Board. The Audit Committee currently comprises three independent non-executive Directors. The unaudited first quarterly financial results of the Group for the three months ended 30 June 2021 have been reviewed by the Audit Committee together with the Group's management.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 June 2021

	Note	Three months ended 30 June	
		2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Revenue	3	536	1,333
Cost of sales	5	(36)	(552)
Gross profit		500	781
Other income and other gains/(losses), net	4	3,007	(1,248)
Selling expenses	5	(375)	(458)
Administrative expenses	5	(3,881)	(5,052)
<b>Operating loss</b>		(749)	(5,977)
Finance costs, net	6	(73)	(69)
Share of results of a joint venture		(29)	(33)
<b>Loss before income tax</b>		(851)	(6,079)
Income tax expense	7	–	–
<b>Loss and total comprehensive loss for the period</b>		(851)	(6,079)
<b>Loss and total comprehensive loss attributable to:</b>			
Owners of the Company		(824)	(6,029)
Non-controlling interests		(27)	(50)
		(851)	(6,079)
Basic and diluted loss per Share <i>(expressed in HK cents)</i>	8	(0.21)	(1.51)

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2021

	Attributable to owners of the Company					Total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve (Note) HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000			
<b>Balance at 1 April 2021</b>	<b>4,000</b>	<b>56,667</b>	<b>11,371</b>	<b>2,500</b>	<b>(50,022)</b>	<b>24,516</b>	<b>2</b>	<b>24,518</b>
<b>Total comprehensive loss (unaudited)</b>								
Loss for the three months ended 30 June 2021	-	-	-	-	(824)	(824)	(27)	(851)
<b>Balance at 30 June 2021 (unaudited)</b>	<b>4,000</b>	<b>56,667</b>	<b>11,371</b>	<b>2,500</b>	<b>(50,846)</b>	<b>23,692</b>	<b>(25)</b>	<b>23,667</b>
<b>Balance at 1 April 2020</b>	<b>4,000</b>	<b>56,667</b>	<b>11,371</b>	<b>2,500</b>	<b>(33,548)</b>	<b>40,990</b>	<b>137</b>	<b>41,127</b>
<b>Total comprehensive loss (unaudited)</b>								
Loss for the three months ended 30 June 2020	-	-	-	-	(6,029)	(6,029)	(50)	(6,079)
<b>Balance at 30 June 2020 (unaudited)</b>	<b>4,000</b>	<b>56,667</b>	<b>11,371</b>	<b>2,500</b>	<b>(39,577)</b>	<b>34,961</b>	<b>87</b>	<b>35,048</b>

Note:

Capital reserve represents the difference between the value of net assets of the subsidiaries acquired by the Company and the share capitals in acquired subsidiaries under common control.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 8 June 2016 as an exempted company with limited liability under Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered address of the Company is at P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business in Hong Kong is located at Unit 706–8, 7/F., Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company is an investment holding company. The principal activities of the Group are the sales of Travel Related Products and Services and Tourism and Travel Technology Investments.

The Shares were listed on GEM on 12 January 2017.

The ultimate holding company of the Group is WWPKG Investment Holdings Limited, a company incorporated in the BVI.

The unaudited condensed consolidated financial information is presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated.

### 2 BASIS OF PREPARATION AND AMENDED STANDARDS ADOPTED BY THE GROUP

#### (a) Basis of preparation

The unaudited condensed consolidated financial information for the three months ended 30 June 2021 has been prepared in accordance with the applicable disclosure provisions of the GEM Listing Rules. This unaudited condensed consolidated financial information has been prepared in accordance with the same accounting policies adopted in the Company’s annual consolidated financial statements for the year ended 31 March 2021, except for the adoption of the amended standards disclosed in note (b) below. The unaudited condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company’s annual consolidated financial statements for the year ended 31 March 2021.

#### (b) Amended standards adopted by the Group

The following amendments to standards that are effective for the accounting period of the Group beginning on 1 April 2021 have been published:

HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and *Interest Rate Benchmark Reform — Phase 2*  
HKFRS 16 (Amendments)

The Group has applied, for the first time, the above amendments to standards issued by the Hong Kong Institute of Certified Public Accountants. The adoption of the above amendments to standards has had no material effect on the amounts reported and/or disclosures set in this unaudited condensed consolidated financial information.

The Group has not early adopted any other new and amended standards that have been issued but are not yet effective.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 3 REVENUE AND SEGMENT INFORMATION

#### (a) Revenue

	Three months ended 30 June	
	2021	2020
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Sales of package tours	533	37
Margin loss from sales of FIT products	(16)	(54)
Margin income from sales of ancillary travel related products and services	19	1,350
	536	1,333

#### (b) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker that are used for making strategic decisions. The chief operating decision-maker has been identified as the executive Directors of the Company. They review the Group's internal reporting in order to assess performance and allocate resources.

The Group is organised into two reportable segments:

- (i) Travel Related Products and Services; and
- (ii) Tourism and Travel Technology Investments.

The chief operating decision-maker assesses the performance of the operating segments based on a measure of profit before interest and tax. Information provided to the chief operating decision-maker is measured in a manner consistent with that in the consolidation financial information.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 3 REVENUE AND SEGMENT INFORMATION (CONTINUED)

#### (b) Segment information (Continued)

Segment results and other segment items are as follows:

	Three months ended 30 June					
	2021			2020		
	Travel Related Products and Services	Tourism and Travel Technology Investments	Total	Travel Related Products and Services	Tourism and Travel Technology Investments	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Reportable segment revenue</b>	536	–	536	1,333	–	1,333
<b>Reportable segment loss</b>	(3,050)	(29)	(3,079)	(4,293)	(33)	(4,326)
Unallocated gains/(expenses), net			2,301			(1,684)
Finance income			5			14
Finance costs			(78)			(83)
Loss before income tax			(851)			(6,079)
Income tax expense			–			–
Loss and total comprehensive loss			(851)			(6,079)
Share of results of a joint venture	–	(29)	(29)	–	(33)	(33)
Depreciation of property, plant and equipment	195	–	195	448	–	448
Depreciation of right-of-use assets	203	–	203	304	–	304

For the three months ended 30 June 2021 and 2020, unallocated expenses or gains, net represent corporate expenses and gains.

#### (c) Geographic information

The Group's business is domiciled in Hong Kong and all revenue was generated from customers located in Hong Kong and Macau.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
(CONTINUED)

4 OTHER INCOME AND OTHER GAINS/(LOSSES), NET

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
<b>Other income</b>		
Management services fee income	36	36
Rent concessions <i>(Note)</i>	353	–
Subsidies	–	2
	389	38
<b>Other gains/(losses), net</b>		
Exchange losses, net	(8)	(1)
Fair value losses on derivative financial instruments	(4)	(2)
Fair value gains/(losses) on listed equity securities in Hong Kong	1,979	(1,283)
Gain on disposal of listed equity securities in Hong Kong	651	–
	2,618	(1,286)
<b>Other income and other gains/(losses), net</b>	3,007	(1,248)

Note:

Rent concessions represent the changes in lease payments arising from the COVID-19 and the Group has applied the practical expedient to all rent concessions occurring as a direct consequence of the COVID-19 pandemic with adoption pre-conditions met under the amendment to HKFRS 16 *Covid-19-Related Rent Concessions*.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 5 EXPENSES BY NATURE

The Group's loss is stated after charging the following cost of sales, selling expenses and administrative expenses:

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Land costs <i>(Note (i))</i>	154	564
Air fare income	(120)	(33)
Short-term lease expenses	200	112
Low-value assets lease expenses	75	100
Advertising and promotion	15	58
Credit card fees	6	75
Employee benefits expenses, excluding Directors' benefits and interests		
— Salaries, discretionary bonuses and allowances <i>(Note (ii))</i>	1,771	1,760
— Pension costs – defined contribution plan	61	117
— Other employee benefits	–	23
	1,832	1,900
Directors' benefits and interests	475	575
Depreciation of property, plant and equipment	195	448
Depreciation of right-of-use assets	203	304
Office, telecommunication and utility expenses	116	154
Exchange gains, net	–	(20)
Legal and professional fees	254	343
Auditor's remuneration		
— Audit services	180	203
Others	707	1,279
	4,292	6,062

Notes:

- (i) Land costs mainly consist of direct costs incurred in the provision of package tours services such as land operator services, hotel accommodations, transportation expenses, meal expenses, admission tickets costs and booking services fees.
- (ii) The amount includes wage subsidies provided by the Hong Kong SAR government under the Employment Support Scheme. There are no unfulfilled conditions or other contingencies relating to these subsidies.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 6 FINANCE COSTS, NET

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
<b>Finance income</b>		
Bank interest income	5	14
<b>Finance costs</b>		
Interest expense on lease liabilities	(31)	(80)
Interest expense on bank borrowings	(47)	(3)
	(78)	(83)
<b>Finance costs, net</b>	(73)	(69)

### 7 INCOME TAX EXPENSE

The applicable rate of Hong Kong profits tax is 16.5% (three months ended 30 June 2020: 16.5%). No provision for Hong Kong profits tax has been made in the consolidated financial information as the Group did not have any assessable profit arising in Hong Kong during the three months ended 30 June 2021 and 2020.

No overseas profits tax has been calculated as the Group companies are incorporated in the BVI or the Cayman Islands and are exempted from tax.

### 8 BASIC AND DILUTED LOSS PER SHARE

#### (a) Basic

Basic loss per Share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.

	Three months ended 30 June	
	2021 HK\$ (unaudited)	2020 HK\$ (unaudited)
Loss attributable to owners of the Company (HK\$'000)	(824)	(6,029)
Weighted average number of ordinary shares in issue ('000)	400,000	400,000
Basic loss per Share (HK cents per share)	(0.21)	(1.51)

#### (b) Diluted

Diluted loss per Share is the same as basic loss per Share due to the absence of potential dilutive ordinary shares during the three months ended 30 June 2021 (three months ended 30 June 2020: same).

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 9 DIVIDENDS

The Board does not recommend the payment of dividend for the three months ended 30 June 2021 (three months ended 30 June 2020: nil).

### 10 CONTINGENCIES

As at 30 June 2021, the Group did not have any significant contingent liabilities (30 June 2020: same).

### 11 RELATED PARTY TRANSACTIONS

The ultimate parent of the Company is WWPKG Investment Holdings Company Limited, a company incorporated in the BVI.

The Directors are of the view that the following individuals and companies were related parties that had transactions or balances with the Group as at and for the periods ended 30 June 2021 and 2020:

Name of related party	Relationship with the Group
Ms. Chan	Director of the Company
Mr. SK Yuen	Director of the Company
Mr. CN Yuen	Director of the Company
Sky Right Investment Limited	Controlled by a Director of the Company
Y's Japan Limited	Controlled by a connected person of the Director of the Company
Triplabs Limited	A joint venture of the Group

Other than those transactions and balances disclosed elsewhere in the unaudited condensed consolidated financial information, the following transactions were carried out with related parties during the three months ended 30 June 2021 and 2020:

#### (a) Transactions with related parties

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
<b>Rental expenses</b> <sup>(Note)</sup>		
Sky Right Investment Limited	352	705
<b>Booking services fee</b>		
Y's Japan Limited	–	715
<b>Management services fee income</b>		
Triplabs Limited	36	36

Note:

During the three months ended 30 June 2021, certain monthly lease payments for the leases of the Group's branch and office premises have been reduced or waived by the lessor as a result of the COVID-19 pandemic and rent concessions of HK\$353,000 (three months ended 30 June 2020: nil) was recognised in "other income and other gains/(losses), net".

All of the above transactions with related parties were conducted in the ordinary course of the business of the Group based on the terms mutually agreed between the relevant parties.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 11 RELATED PARTY TRANSACTIONS (CONTINUED)

#### (b) Key management compensation

The remuneration of the executive Directors and members of senior management, who have the responsibility for planning, directing and controlling the activities of the Group, are as follows:

	Three months ended 30 June	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Salaries and allowances	891	927
Pension costs – defined contribution plan	15	15
	906	942

### 12 EVENTS AFTER THE REPORTING PERIOD

On 16 July 2021, the Company has accepted the unconditional mandatory cash offer by CCB International Capital Limited for and on behalf of Tomorrow Education Technology Limited to acquire 34,130,000 shares of CTEH INC. held by the Company (the "Share Offer") at the Share Offer price of HK\$0.2278 per share of CTEH INC. As a result of the acceptance of the Share Offer, the fair value of the 34,130,000 shares of CTEH INC. held by the Company as at 30 June 2021 has been adjusted based on the Share Offer price, resulting in approximately HK\$2.0 million fair value gains on listed equity securities in Hong Kong recorded in profit and loss for the three months ended 30 June 2021. Upon completion of the Share Offer, such fair value gains shall be reclassified as a gain on disposal of listed equity securities in Hong Kong in profit and loss for the three months ending 30 September 2021.

On 19 July 2021, WWPKG Management Company Limited ("WWPKG Management"), a wholly-owned subsidiary of the Company, and Mr. Koo Hung Yuan, Kevin ("Mr. Koo") entered into the joint venture agreement in relation to the subscription of shares of Firepower Technology Limited ("Firepower Technology"), a joint venture company owned as to 80% by WWPKG Management and 20% by Mr. Koo. The total registered capital of Firepower Technology is HK\$3.0 million, which is satisfied by cash payments in the sum of HK\$2.4 million and HK\$0.6 million by WWPKG Management and Mr. Koo, respectively. Firepower Technology currently engages in the business of cryptocurrency mining and is expected to further engage in hash power rental service and other businesses closely related thereto, including but not limited to application of and investment in blockchain technology. Firepower Technology will be accounted for as a subsidiary of the Company and hence, its financial statements will be consolidated into the financial statements of the Group.

On 1 August 2021, the Group implemented the termination of employment contracts with 44 tour escorts of the Group. The compensatory arrangement for these tour escorts included payments of outstanding wages, payments in lieu of notice, payments for untaken annual leave and severance payments, where applicable, totalling approximately HK\$1.7 million.