



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

Interim 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, 7th Floor, Lippo Sun Plaza
28 Canton Road
Tsim Sha Tsui
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Ocorian 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

PRINCIPAL BANKERS

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

LEGAL ADVISER TO THE COMPANY AS TO HONG KONG LAW

Fairbairn Catley Low & Kong
23rd Floor, Shui On Centre
6–8 Harbour Road
Hong Kong

AUDITOR

BDO Limited
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

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 interim financial results of the Group for the six months ended 30 September 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 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”);
- investments in tourism and travel technology related businesses (the “Tourism and Travel Technology Investments”); and
- the engagement in the process of gaining cryptocurrencies by solving cryptographic equations through verifying data blocks and adding transaction records to a public ledger known as a blockchain (the “Cryptocurrency Mining”), which commenced in July 2021.

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 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 for over eighteen months since 9 March 2020. As a result, minimal revenue and gross profit were generated from the Travel Related Products and Services segment for both six months ended 30 September 2021 and 2020. Nonetheless, the Group continued to mitigate its loss for the six months ended 30 September 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.

In order to alleviate its liquidity pressure, the Group disposed of all of its listed equity securities held in Hong Kong for an aggregate gross proceeds of approximately HK\$9.9 million (exclusive of transaction costs) during the six months ended 30 September 2021 (refer to section headed “Significant Investments, Material Acquisitions And Disposals Of Subsidiaries, Associates and Joint Ventures” for details). The Group had also obtained a loan facility totalling HK\$15.0 million from its ultimate parent, of which HK\$5.0 million has been drawn down by the Group during the six months ended 30 September 2021 in order to further enhance its liquidity.

With the intention to diversify its business so as to expand its income sources and future earning capability and potential, the Group commenced Cryptocurrency Mining in July 2021. For the six months ended 30 September 2021, a segment loss of approximately HK\$0.4 million was reported on Cryptocurrency Mining, which mainly comprised of depreciation of property, plant and equipment and right-of-use assets of approximately HK\$0.2 million and administrative expenses, including utilities, employee benefit expenses, legal and professional fees and auditor’s remuneration, of approximately HK\$0.3 million.

FINANCIAL REVIEW

Revenue and gross profit

The following table sets out the Group’s revenue and gross profit by major category of Travel Related Products and Services:

| | Six months ended 30 September | | | | Three months ended 30 September | | | |
|--|-------------------------------|---------------|---------------|---------------------|---------------------------------|---------------|---------------|---------------------|
| | 2021 | | 2020 | | 2021 | | 2020 | |
| | Revenue | Gross profit | Revenue | Gross profit/(loss) | Revenue | Gross profit | Revenue | Gross profit/(loss) |
| | HK\$' million | HK\$' million | HK\$' million | HK\$' million | HK\$' million | HK\$' million | HK\$' million | HK\$' million |
| Package tours | 1.0 | 0.7 | 0.2 | (1.1) | 0.4 | 0.2 | 0.1 | (0.5) |
| FIT products ^{Note} | - | - | (0.1) | (0.1) | - | - | - | - |
| Ancillary travel related products and services ^{Note} | - | - | 1.7 | 1.7 | - | - | 0.3 | 0.3 |
| Total | 1.0 | 0.7 | 1.8 | 0.5 | 0.4 | 0.2 | 0.4 | (0.2) |

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 six months ended 30 September 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\$0.7 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 six months ended 30 September 2021 amid the COVID-19 pandemic.

Ancillary travel related products and services

Ancillary travel related products and services generally include (i) travel insurance, (ii) admission tickets to attractions such as theme parks and shows, (iii) guided local tours and experiences, (iv) local transportation such as airport transportation, (v) overseas transportation such as rail passes, (vi) car rental, (vii) prepaid telephone and internet cards; (viii) travel visa applications; and (ix) trading of merchandise.

For the six months ended 30 September 2021, some revenue was generated 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); (iii) staff costs, representing the salaries and benefits for the Group's tour escorts; and (iv) short-term lease expenses and depreciation of right-of-use assets for the Group's branches.

For the six months ended 30 September 2021, selling expenses increased by 111.1% to approximately HK\$1.6 million mainly due to the increase in staff costs arising from the compensatory arrangement in relation to the Group's termination of employment contracts with its tour escorts (refer to section headed "Employees And Remuneration Policies" for details), which was offset by (i) the decrease in depreciation of right-of-use assets; and (ii) the 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.

For the six months ended 30 September 2021, administrative expenses decreased slightly by 2.7% to approximately HK\$8.5 million 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, office equipment rental and entertainment expenses; (iii) the decrease in auditor's remuneration; and (iv) the 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, which were offset by the receipt of wage subsidies provided by the Hong Kong SAR government under the Employment Support Scheme during the corresponding period in 2020.

Loss and total comprehensive loss for the period

The Group's loss and total comprehensive loss for the six months ended 30 September 2021 decreased by 48.8% to approximately HK\$5.5 million, which was mainly attributable to the following:

- in respect of the Company's investment in the shares of CTEH INC. ("CTEH"), a gain on disposal of the CTEH shares of approximately HK\$2.7 million was recognised for the six months ended 30 September 2021, as opposed to the recognition of fair value losses of approximately HK\$3.3 million on the CTEH shares held by the Company as of 30 September 2020; offset by
- the increase in selling expenses by approximately HK\$0.8 million for reasons as discussed in the sub-section headed "Financial Review — Selling Expenses" above.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its liquidity requirements through internally generated resources and available banking facilities, when necessary. As at 30 September 2021, the Group's net asset value was approximately HK\$19.6 million (31 March 2021: approximately HK\$24.5 million). The Group's cash and cash equivalents were approximately HK\$14.0 million as at 30 September 2021 (31 March 2021: cash and cash equivalents, including short-term fixed deposits, of approximately HK\$12.8 million). The cash and bank balances of the Group were mainly denominated in Hong Kong dollars, which accounted for 90.7% (31 March 2021: 90.6%) of the total balances.

To meet the needs of working capital for its Travel Related Products and Services operations, the Group had obtained loans under the SME Financing Guarantee Scheme of the Hong Kong SAR Government and from WWPKG Investment Holdings Company Limited ("WWPKG Investment"), the ultimate parent of the Company. As at 30 September 2021, the carrying amounts of the bank borrowings and the amount due to a shareholder amounted to approximately HK\$5.7 million (31 March 2021: approximately HK\$7.2 million) and HK\$5.0 million (31 March 2021: nil), respectively.

Current ratio is calculated as current assets divided by current liabilities. The Group's current ratio as at 30 September 2021 was 1.9 times (31 March 2021: 1.8 times).

GEARING RATIO

Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated statement of financial position) less trade related debts and cash and cash equivalents. Total capital is calculated as 'equity', as shown in the consolidated statement of financial position. As at 30 September 2021, the Group was not a net debt position (31 March 2021: same).

CHARGE ON THE GROUP'S ASSETS

As at 30 September 2021, the Group did not pledge any of its assets as securities for facilities granted to the Group (31 March 2021: same).

CAPITAL STRUCTURE

Details of changes in the Company's share capital are set out in note 17 to the interim condensed consolidated financial information in this report.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Between 15 June 2021 and 17 June 2021, the Group disposed on-market of a total of 8,640,000 shares of CTEH in a series of transactions at the average price of approximately HK\$0.2443 per CTEH share, resulting in a gain on disposal of listed equity securities in Hong Kong of approximately HK\$0.7 million for the six months ended 30 September 2021. On 16 July 2021, the Group 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 held by the Group (the "Share Offer") at the Share Offer price of HK\$0.2278 per CTEH share. Upon completion of the Share Offer, and a gain on disposal of listed equity securities in Hong Kong of approximately HK\$2.0 million was recognised in profit and loss for the six months ended 30 September 2021. As of 30 September 2021, the Group ceased to hold any share of CTEH.

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 was 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 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 investments in blockchain technology. Firepower Technology has been accounted for as a subsidiary of the Company and hence, its financial statements have been consolidated into the unaudited interim financial results of the Group for the six months ended 30 September 2021.

Save as disclosed above, there were no other significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures by the Group during the six months ended 30 September 2021.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this report, the Group did not have other plans for material investments or capital assets as of 30 September 2021.

CONTINGENT LIABILITIES

As at 30 September 2021, the Group had no significant contingent liabilities (31 March 2021: same).

FOREIGN EXCHANGE EXPOSURE

The Group's revenue was mainly denominated in Hong Kong dollars. However, the settlement of substantial portion of its land costs, such as hotel tariffs, transportation costs, meal expenses and admission ticket costs, is denominated in Japanese Yen. The Group is therefore exposed to foreign exchange risk primarily with respect to Japanese Yen. The Group has implemented foreign exchange risk management procedures to manage exposure to foreign exchange risk in relation to Japanese Yen. The procedures were established to control the foreign exchange risk to an acceptable level by ensuring that the Group is able to obtain sufficient amount of Japanese Yen at acceptable exchange rates for meeting its payment obligations arising from business operations and at the same time do not purchase unnecessary amounts of Japanese Yen more than it requires. The purchase amounts were limited to the corresponding costs of the travel elements payable in Japanese Yen for the Japan bound tours for the coming four weeks (or eight weeks during peak seasons). Such amounts were estimated based on the actual enrolment data (i.e. headcount enrolled for the Group's Japan bound tours) and the costs of travel elements payable in Japanese Yen per headcount, of which such costs were determined with reference to the historical spending and the effect of general inflation.

Although the Group may enter into foreign exchange forward contracts with major and reputable financial institutions and foreign currency services companies of long establishment history to manage its exposure to foreign exchange risk, it does not intend to speculate on the future direction of foreign exchange fluctuation. As at 30 September 2021, the Group had outstanding foreign exchange forward contracts denominated in Japanese Yen of notional principal amounts of approximately HK\$0.7 million (31 March 2021: outstanding foreign exchange forward contracts denominated in Japanese Yen of notional principal amounts of approximately HK\$0.7 million). Management will continue to evaluate the Group's foreign exchange risk management procedures and take actions as appropriate to minimize the Group's exposure whenever necessary.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2021, the Group had a workforce of 42 employees (31 March 2021: 91), excluding the Directors. Salaries of employees are maintained at competitive levels. The Group operates a defined contribution mandatory provident fund scheme for all its employees. The Group also offers discretionary bonuses to its employees by reference to the performance of individual employees and the overall performance of the Group. Total employee benefits expenses, excluding the Directors' emoluments, incurred by the Group for the six months ended 30 September 2021 amounted to approximately HK\$4.9 million (six months ended 30 September 2020: approximately HK\$2.5 million). The reduction in the Group's workforce was mainly attributable to the termination of employment contracts with 44 tour escorts of the Group in August 2021. The compensatory arrangement for these tour escorts, which included payments of outstanding wages, payments in lieu of notice, payments for untaken annual leave and severance payments, where applicable, amounted to approximately HK\$1.8 million and was charged to employee benefits expenses for the six months ended 30 September 2021.

The Company has adopted a share option scheme on 16 December 2016 with a term of 10 years (the "Share Option Scheme"). The Share Option Scheme is designed to motivate eligible participants, including executives and key employees, who may make a contribution to the Group, and enables the Group to attract and retain individuals with experience and ability and to reward them for their contributions. During the six months ended 30 September 2021, no share option had been granted, exercised, lapsed or cancelled under the Share Option Scheme.

The Group did not experience any significant labour disputes that led to any disruption of its normal business operations during the six months ended 30 September 2021.

USE OF PROCEEDS

The net proceeds from the initial public offering of the Company, after deducting underwriting commissions and all related expenses, amounted to approximately HK\$57.0 million (the "Net Proceeds"). As at 30 September 2021, the unutilised Net Proceeds of approximately HK\$4.1 million were deposited into licensed banks in Hong Kong. Due to the generally volatile operating environment of the Group in face of the COVID-19 pandemic, the Net Proceeds were not fully utilised as at 30 September 2021.

The following table sets forth the status of the use of the Net Proceeds as at 30 September 2021:

| Objective | Adjusted allocation of Net Proceeds HK\$ million | Amount utilised up to 30 September 2021 HK\$ million | Balance as at 30 September 2021 HK\$ million | Expected timeframe |
|---|--|--|--|---|
| Promoting brand recognition and awareness | 14.2 | (13.9) | 0.3 | To be used within one year by engaging in advertising and marketing campaigns |
| Strengthening and enhancing sales channels | 7.3 | (7.3) | – | |
| Improving operational efficiency | 11.7 | (11.7) | – | |
| Reserving seats for non-series flights or charter flights | 9.5 | (8.5) | 1.0 | To be used within one year |
| General corporate and working capital purposes | 14.3 | (11.5) | 2.8 | To be used within one year |
| | 57.0 | (52.9) | 4.1 | |

INTERIM DIVIDEND

In order to retain more cash to finance the working capital requirements and future development of the Group, the Board does not recommend the payment of interim dividend for the six months ended 30 September 2021 (six months ended 30 September 2020: nil). The Board will consider future dividend distribution according to the Company's dividend policy.

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 rest of the financial year ending 31 March 2022, 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, by incorporating Cryptocurrency Mining operated by Firepower Technology, 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 September 2021, the interests and short positions of the Directors and chief executive of the Company in the shares of the Company (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") ^(Note) | Interest in a controlled corporation | 256,015,000 | 64% |
| Mr. Yuen Sze Keung ("Mr. SK Yuen") ^(Note) | Interest in a controlled corporation | 256,015,000 | 64% |

Note: WWPKG Investment is an investment holding company incorporated in the British Virgin Islands ("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 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 September 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 September 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 | Percentage of shareholding |
|------------------------------------|------------------|--------------------------------------|----------------------------|
| WWPKG Investment ^(Note) | 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 September 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 six months ended 30 September 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 six months ended 30 September 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 six months ended 30 September 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 six months ended 30 September 2021.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' COMPETING INTERESTS

For the six months ended 30 September 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.

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.

SHARE OPTION SCHEME

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 September 2021, and there was no outstanding share option as at the date of this report.

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 interim financial results of the Group for the six months ended 30 September 2021 have been reviewed by the Audit Committee together with the Group's management.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2021

| | Note | Six months ended 30 September | | Three months ended 30 September | |
|--|------|----------------------------------|-------------------------|------------------------------------|-------------------------|
| | | 2021 | 2020 | 2021 | 2020 |
| | | HK\$'000 (unaudited) | HK\$'000 (unaudited) | HK\$'000 (unaudited) | HK\$'000 (unaudited) |
| Revenue | 6 | 966 | 1,773 | 430 | 440 |
| Cost of sales | 8 | (275) | (1,226) | (239) | (674) |
| Gross profit/(loss) | | 691 | 547 | 191 | (234) |
| Other income and other gains/(losses), net | 7 | 4,071 | (1,508) | 1,064 | (260) |
| Selling expenses | 8 | (1,611) | (763) | (1,236) | (305) |
| Administrative expenses | 8 | (8,483) | (8,718) | (4,602) | (3,666) |
| Operating loss | | (5,332) | (10,442) | (4,583) | (4,465) |
| Finance costs, net | 9 | (143) | (178) | (70) | (109) |
| Share of results of a joint venture | | 2 | (60) | 31 | (27) |
| Loss before income tax | | (5,473) | (10,680) | (4,622) | (4,601) |
| Income tax expense | 10 | – | – | – | – |
| Loss and total comprehensive loss for the period | | (5,473) | (10,680) | (4,622) | (4,601) |
| Loss and total comprehensive loss for the period attributable to: | | | | | |
| Owners of the Company | | (5,341) | (10,601) | (4,517) | (4,572) |
| Non-controlling interests | | (132) | (79) | (105) | (29) |
| | | (5,473) | (10,680) | (4,622) | (4,601) |
| Basic and diluted loss per Share (expressed in HK cents) | 11 | (1.34) | (2.65) | (1.13) | (1.14) |

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

| | Note | 30 September 2021 HK\$'000 (unaudited) | 31 March 2021 HK\$'000 (audited) |
|---|-------|---|---|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 13(a) | 2,956 | 1,208 |
| Right-of-use assets | 13(b) | 915 | 813 |
| Prepayments, deposits and other receivables | 14 | 51 | – |
| Interest in a joint venture | 15 | 10,652 | 10,650 |
| | | 14,574 | 12,671 |
| Current assets | | | |
| Inventories | | 328 | 356 |
| Financial assets at fair value through profit or loss | 16 | – | 7,228 |
| Prepayments, deposits and other receivables | 14 | 8,008 | 7,449 |
| Derivative financial instruments | | – | 5 |
| Amount due from a related company | 24(c) | – | 79 |
| Short-term fixed deposits | | – | 600 |
| Cash and cash equivalents | | 14,006 | 12,203 |
| | | 22,342 | 27,920 |
| Total assets | | 36,916 | 40,591 |
| EQUITY | | | |
| Equity attributable to owners of the Company | | | |
| Share capital | 17 | 4,000 | 4,000 |
| Reserves | | 15,175 | 20,516 |
| | | 19,175 | 24,516 |
| Non-controlling interests | | 470 | 2 |
| Total equity | | 19,645 | 24,518 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Lease liabilities | 13(b) | 272 | – |
| Other non-current liabilities | 19 | 285 | 361 |
| Amount due to a shareholder | 24(d) | 5,000 | – |
| | | 5,557 | 361 |
| Current liabilities | | | |
| Trade payables | 18 | 138 | – |
| Accruals and other payables | 19 | 4,305 | 5,741 |
| Derivative financial instruments | | 1 | – |
| Lease liabilities | 13(b) | 1,613 | 2,747 |
| Bank borrowings | 20 | 5,657 | 7,224 |
| | | 11,714 | 15,712 |
| Total liabilities | | 17,271 | 16,073 |
| Total equity and liabilities | | 36,916 | 40,591 |

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2021

| | Attributable to owners of the Company | | | | | | Non-controlling interest | Total equity |
|--|---------------------------------------|---------------|--------------------|---------------|--------------------|-----------------|--------------------------|-----------------|
| | Share capital | Share premium | Capital reserve | Other reserve | Accumulated losses | Total | | |
| | HK\$'000 | HK\$'000 | (Note) HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | | |
| At 1 April 2021 | 4,000 | 56,667 | 11,371 | 2,500 | (50,022) | 24,516 | 2 | 24,518 |
| Loss for the period | - | - | - | - | (5,341) | (5,341) | (132) | (5,473) |
| Total comprehensive loss for the period (unaudited) | - | - | - | - | (5,341) | (5,341) | (132) | 19,045 |
| Capital injection from non-controlling interests of a subsidiary | - | - | - | - | - | - | 600 | 600 |
| At 30 September 2021 (unaudited) | 4,000 | 56,667 | 11,371 | 2,500 | (55,363) | 19,175 | 470 | 19,645 |
| At 1 April 2020 | 4,000 | 56,667 | 11,371 | 2,500 | (33,548) | 40,990 | 137 | 41,127 |
| Loss for the period | - | - | - | - | (10,601) | (10,601) | (79) | (10,680) |
| Total comprehensive loss for the period (unaudited) | - | - | - | - | (10,601) | (10,601) | (79) | (10,680) |
| At 30 September 2020 (unaudited) | 4,000 | 56,667 | 11,371 | 2,500 | (44,149) | 30,389 | 58 | 30,447 |

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.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2021

| | Note | Six months ended 30 September | |
|--|------|----------------------------------|---------------------------------|
| | | 2021 HK\$'000 (unaudited) | 2020 HK\$'000 (unaudited) |
| Cash flows from operating activities | | | |
| Cash used in operations | 21 | (9,568) | (6,022) |
| Interest paid | | (148) | (209) |
| Net cash used in operating activities | | (9,716) | (6,231) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | | (2,348) | (2) |
| Purchase of right-of-use assets | | (19) | – |
| Interest received | | 5 | 31 |
| Proceeds from disposal of listed equity securities | | 9,886 | – |
| Proceeds from disposal of cryptocurrencies | | 50 | – |
| Decrease in short-term fixed deposits | | 600 | – |
| Net cash generated from investing activities | | 8,174 | 29 |
| Cash flows from financing activities | | | |
| Payment for lease liabilities (including interest) | | (688) | (1,663) |
| Proceeds from bank borrowings | | – | 8,000 |
| Repayment of bank borrowings | | (1,567) | – |
| Advance from a shareholder | | 5,000 | – |
| Capital injection from non-controlling interests of a subsidiary | | 600 | – |
| Net cash generated from financing activities | | 3,345 | 6,337 |
| Net increase in cash and cash equivalents | | 1,803 | 135 |
| Cash and cash equivalents at beginning of the period | | 12,203 | 16,327 |
| Cash and cash equivalents at end of the period | | 14,006 | 16,462 |

NOTES TO THE INTERIM 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, 7th Floor, 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, Tourism and Travel Technology Investments and Cryptocurrency Mining.

The Shares were listed on GEM on 12 January 2017.

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

The interim 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

The interim condensed consolidated financial information for the six months ended 30 September 2021 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure provisions of the GEM Listing Rules. The interim 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 Group's audited consolidated financial statements for the year ended 31 March 2021.

The accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those used in the preparation of the Group's audited consolidated financial statements for the year ended 31 March 2021, except for the amended Hong Kong Financial Reporting Standards ("HKFRSs") effective for the first time for periods beginning on or after 1 April 2021. Details of the amended standards adopted and their effect on the Group's accounting policies are set out in note 3.

Going concern basis

For the six months ended 30 September 2021, the Group recorded a total comprehensive loss of HK\$5,473,000. As at 30 September 2021, the Group had cash and cash equivalents of HK\$14,006,000 and borrowings, which included bank borrowings and amount due to a shareholder, of HK\$10,657,000.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

2 BASIS OF PREPARATION (Continued)

Going concern basis (Continued)

Following the outbreak of the COVID-19 in January 2020, precautionary and control measures have since been implemented in various countries, which included entry restrictions and quarantine measures over international travel. Given the Group derives a majority of its revenue from the provision of outbound package tours to customers located in Hong Kong and Macau with its particular focus on Japan-bound tours, the Group's business operations have been adversely affected by the pandemic and the travel restrictions imposed across the world. The Group's outbound package tours have been cancelled since 9 March 2020 and the suspension of outbound package tours continues up to the date of this report. Despite vaccines are being launched to combat against the COVID-19 pandemic, there remains a significant degree of uncertainty over the severity and duration of the global outbreak, as well as the trajectory of the economic recovery once the outbreak has been contained.

In view of these circumstances and the uncertainties related to the possible impact of the COVID-19 pandemic, the Directors have given careful consideration to the future liquidity requirements and operating performance of the Group and its available sources of financing to assess whether the Group would have sufficient financial resources to fulfill its financial obligations to continue as a going concern. The Group has been continuously implementing measures and plans to improve its financial position and to alleviate its liquidity pressure. These measures and plans include but are not limited to the following:

- (i) The Group has been closely monitoring the latest developments of travel restrictions worldwide and consulting with the relevant authorities from time to time to obtain the latest updates on the COVID-19 situation concerning Japan and other destinations. Furthermore, the Group has been maintaining close communication with its suppliers, particularly those supporting the Group's tours bound for Japan, to understand the latest situation locally and their readiness to resume operations upon uplifting of the travel restrictions. Nevertheless, in view of the continuous suspension of outbound package tours, the Group has diversified its business and developed new business activities during the period, namely Cryptocurrency Mining operated by Firepower Technology.
- (ii) As discussed in the sub-section headed "Management Discussion And Analysis — Business Review" on page 4 in this report, the Group has adopted and will continue to adopt a series of measures to control costs and to enhance cash flow and operational efficiency.
- (iii) As at the date of this report, the Group had available bank overdraft facilities of HK\$10,000,000 and a loan facility of HK\$10,000,000 from WWPKG Investment, the ultimate parent of the Company.
- (iv) The Group is endeavouring to seek additional sources of financing.

Notwithstanding the above, whether the Group is able to achieve its measures and plans as described above, which incorporate assumptions about future events and conditions, are subject to inherent uncertainties. In particular, whether the Group will be able to generate adequate operating cash flows to continue as a going concern would depend upon when international travel restrictions and quarantine measures will be uplifted such that the Group could resume the operation of its outbound tours on a timely basis, especially Japan. The Directors have reviewed the Group's cash flow projections, which cover a period of not less than twelve months from 30 September 2021, and believe that the Group will have sufficient financial resources to satisfy its future working capital requirements as and when they fall due within the next twelve months from 30 September 2021. Accordingly, the Directors consider that it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

3 ADOPTION OF HKFRSs

The following amendments to HKFRSs 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 HKFRS 16 (Amendments) | <i>Interest Rate Benchmark Reform — Phase 2</i> |
| HKFRS 16 (Amendment) | <i>COVID-19-Related Rent Concessions beyond 30 June 2021</i> |

The Group has applied, for the first time, the above amendments to standards issued by the HKICPA. The impact of the adoption of Amendment to HKFRS 16 *COVID-19-Related Rent Concessions beyond 30 June 2021* has been summarised below. The other amendments to standards did not have any significant impact on the Group's accounting policies.

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

The Amendment to HKFRS 16 *COVID-19-Related Rent Concessions beyond 30 June 2021* extends the availability of the practical expedient in paragraph 46A of HKFRS 16 so that it applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.

During the six months ended 30 September 2021, the Group has entered into additional rent concessions that satisfied the criteria for the application of the extended practical expedient. The Group has applied the practical expedient to these rent concessions. Accordingly, COVID-19-related rent concessions of HK\$705,000 have been accounted for as a reduction in the variable lease payments by derecognising part of the lease liabilities and crediting to profit or loss for the six months ended 30 September 2021.

4 ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the interim condensed consolidated financial information, significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the audited consolidated financial statements for the year ended 31 March 2021.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

5 FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The Group's activities expose itself to a variety of financial risks, including foreign exchange risk, credit risk and liquidity risk. The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's audited consolidated financial statements for the year ended 31 March 2021. There have been no significant changes in the risk management policies since the last year end.

5.2 Fair value estimation

The carrying amounts of the Group's financial assets and financial liabilities, including cash and cash equivalents, deposits and other receivables, trade and other payables, lease liabilities and bank borrowings approximate their fair values due to their short-term maturities.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the interim condensed consolidated financial information. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table:

| | Level 1 HK\$'000 | Level 2 HK\$'000 | Level 3 HK\$'000 | Total HK\$'000 |
|--|---------------------|---------------------|---------------------|-------------------|
| As at 30 September 2021 | | | | |
| Assets/(liabilities) | | | | |
| Derivative financial instruments | | | | |
| Forward exchange forward contracts | – | (1) | – | (1) |
| As at 31 March 2021 | | | | |
| Assets/(liabilities) | | | | |
| Financial assets at fair value through profit or loss | | | | |
| Listed equity securities in Hong Kong | 7,228 | – | – | 7,228 |
| Derivative financial instruments | | | | |
| Forward exchange forward contracts | – | 5 | – | 5 |

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair value of foreign exchange forward contracts held by the Group is determined using forward exchange rates at the period-end date, with the resulting value discounted back to present value.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There were no transfers between levels during the period.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(CONTINUED)

6 REVENUE AND SEGMENT INFORMATION

(a) Revenue

| | Six months ended | | Three months ended | |
|--|------------------|-------------|--------------------|-------------|
| | 30 September | | 30 September | |
| | 2021 | 2020 | 2021 | 2020 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Sales of package tours | 929 | 182 | 396 | 145 |
| Margin (loss)/income from sales of FIT products | (4) | (104) | 12 | (50) |
| Margin income from sales of ancillary travel related products and services | 41 | 1,695 | 22 | 345 |
| | 966 | 1,773 | 430 | 440 |

(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.

During the six months ended 30 September 2021, Cryptocurrency Mining that commenced operations in July 2021 was added as a new reportable segment.

The Group is organised into three reportable segments:

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

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 interim condensed consolidation financial information.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(CONTINUED)

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment information (Continued)

Segment results and other segment items are as follows:

| | Six months ended 30 September | | | | | | | |
|---|---|--|--------------------------------------|-------------------|---|--|--------------------------------------|-------------------|
| | 2021 | | | | 2020 | | | |
| | Travel Related Products and Services HK\$'000 | Tourism and Travel Technology Investments HK\$'000 | Cryptocurrency Mining HK\$'000 | Total HK\$'000 | Travel Related Products and Services HK\$'000 | Tourism and Travel Technology Investments HK\$'000 | Cryptocurrency Mining HK\$'000 | Total HK\$'000 |
| Reportable segment revenue | 966 | – | – | 966 | 1,773 | – | – | 1,773 |
| Reportable segment (loss)/income | (6,738) | 2 | (420) | (7,156) | (6,285) | (60) | – | (6,345) |
| Unallocated gains/(expenses), net | | | | 1,826 | | | | (4,157) |
| Finance income | | | | 5 | | | | 31 |
| Finance costs | | | | (148) | | | | (209) |
| Loss before income tax | | | | (5,473) | | | | (10,680) |
| Income tax expense | | | | – | | | | – |
| Loss and total comprehensive loss for the period | | | | (5,473) | | | | (10,680) |
| Share of results of a joint venture | – | 2 | – | 2 | – | (60) | – | (60) |
| Depreciation of property, plant and equipment | 365 | – | 132 | 497 | 820 | – | – | 820 |
| Depreciation of right-of-use assets | 406 | – | 42 | 448 | 792 | – | – | 792 |

| | Three months ended 30 September | | | | | | | |
|---|---|--|--------------------------------------|-------------------|---|--|--------------------------------------|-------------------|
| | 2021 | | | | 2020 | | | |
| | Travel Related Products and Services HK\$'000 | Tourism and Travel Technology Investments HK\$'000 | Cryptocurrency Mining HK\$'000 | Total HK\$'000 | Travel Related Products and Services HK\$'000 | Tourism and Travel Technology Investments HK\$'000 | Cryptocurrency Mining HK\$'000 | Total HK\$'000 |
| Reportable segment revenue | 430 | – | – | 430 | 440 | – | – | 440 |
| Reportable segment (loss)/income | (3,688) | 31 | (420) | (4,077) | (1,992) | (27) | – | (2,019) |
| Unallocated expenses | | | | (475) | | | | (2,473) |
| Finance income | | | | – | | | | 17 |
| Finance costs | | | | (70) | | | | (126) |
| Loss before tax | | | | (4,622) | | | | (4,601) |
| Income tax expense | | | | – | | | | – |
| Loss and total comprehensive loss for the period | | | | (4,622) | | | | (4,601) |
| Share of results of a joint venture | – | 31 | – | 31 | – | (27) | – | (27) |
| Depreciation of property, plant and equipment | 170 | – | 132 | 302 | 372 | – | – | 372 |
| Depreciation of right-of-use assets | 203 | – | 42 | 245 | 488 | – | – | 488 |

Unallocated gains/(expenses), net represent corporate expenses, fair value changes and gain or loss on disposal of listed equity securities held by the Company.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

6 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment information (Continued)

Segment assets and liabilities are as follows:

| | 30 September 2021 | | | | | 31 March 2021 | | | | |
|--------------------------------|---|--|--------------------------|-------------|----------|---|--|--------------------------|-------------|----------|
| | Travel Related Products and Services | Tourism and Travel Technology Investments | Cryptocurrency Mining | Unallocated | Total | Travel Related Products and Services | Tourism and Travel Technology Investments | Cryptocurrency Mining | Unallocated | Total |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | | | | | | | | | |
| Reportable segment assets | 16,151 | 10,652 | 3,174 | 6,939 | 36,916 | 21,639 | 10,650 | - | 8,302 | 40,591 |
| Reportable segment liabilities | (11,661) | - | (599) | (5,011) | (17,271) | (16,043) | - | - | (30) | (16,073) |
| Capital expenditure | 9 | - | 2,340 | - | 2,349 | 90 | - | - | - | 90 |

Capital expenditure comprises additions to property, plant and equipment.

Segment assets and liabilities are reconciled to the Group's assets and liabilities as follows:

| | 30 September 2021 | | 31 March 2021 | |
|--|--------------------|-------------------------|--------------------|-------------------------|
| | Assets HK\$'000 | Liabilities HK\$'000 | Assets HK\$'000 | Liabilities HK\$'000 |
| Reportable segment assets/(liabilities) | 29,977 | (12,260) | 32,289 | (16,043) |
| Unallocated: | | | | |
| Prepayments, deposits and other receivables | 93 | - | 173 | - |
| Financial assets at fair value through profit or loss | - | - | 7,228 | - |
| Cash and cash equivalents | 6,846 | - | 901 | - |
| Amount due to a shareholder | - | (5,000) | - | - |
| Accruals and other payables | - | (11) | - | (30) |
| | 36,916 | (17,271) | 40,591 | (16,073) |

(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. As at 30 September 2021 and 31 March 2021, all non-current assets were located in Hong Kong.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(CONTINUED)

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

| | Six months ended 30 September | | Three months ended 30 September | |
|--|----------------------------------|---------------------------------|------------------------------------|---------------------------------|
| | 2021 HK\$'000 (unaudited) | 2020 HK\$'000 (unaudited) | 2021 HK\$'000 (unaudited) | 2020 HK\$'000 (unaudited) |
| Other income | | | | |
| Management services fee income | 72 | 72 | 36 | 36 |
| Rent concessions | 705 | 1,065 | 352 | 1,065 |
| Dividend income | – | 173 | – | 173 |
| Subsidies ^(Note) | 600 | 452 | 600 | 450 |
| | 1,377 | 1,762 | 988 | 1,724 |
| Other gains/(losses), net | | | | |
| Exchange (losses)/gains, net | (9) | 54 | (1) | 55 |
| Fair value (losses)/gains on derivative financial instruments | (5) | 12 | (1) | 14 |
| Fair value losses on listed equity securities in Hong Kong | – | (3,336) | (1,979) | (2,053) |
| Gain on disposal of listed equity securities in Hong Kong | 2,658 | – | 2,007 | – |
| Gain on disposal of cryptocurrencies | 50 | – | 50 | – |
| | 2,694 | (3,270) | 76 | (1,984) |
| Other income and other gains/(losses), net | 4,071 | (1,508) | 1,064 | (260) |

Note:

Subsidies mainly represent grants received from the Hong Kong SAR government. There are no unfulfilled conditions or contingencies relating to these grants.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

8 EXPENSES BY NATURE

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

| | Six months ended 30 September | | Three months ended 30 September | |
|--|----------------------------------|-------------|------------------------------------|-------------|
| | 2021 | 2020 | 2021 | 2020 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | (unaudited) | (unaudited) | (unaudited) | (unaudited) |
| Land costs <i>(Note)</i> | 389 | 1,321 | 235 | 757 |
| Air fare (income)/costs | (119) | (158) | 1 | (125) |
| Short-term lease expenses | 440 | 112 | 240 | – |
| Low-value assets leases (income)/expenses | (76) | 181 | (151) | 81 |
| Advertising and promotion | 30 | 194 | 15 | 136 |
| Credit card fees | 17 | 90 | 11 | 15 |
| Employee benefits expenses, excluding Directors' benefits and interests | | | | |
| — Salaries, discretionary bonuses and allowances | 4,193 | 2,070 | 2,422 | 310 |
| — Pension costs – defined contribution plan | 654 | 258 | 593 | 141 |
| — Other employee benefits | 81 | 134 | 81 | 111 |
| | 4,928 | 2,462 | 3,096 | 562 |
| Directors' benefits and interests | 940 | 1,096 | 465 | 521 |
| Depreciation of property, plant and equipment | 497 | 820 | 302 | 372 |
| Depreciation of right-of-use assets | 448 | 792 | 245 | 488 |
| Office, telecommunication and utility expenses | 326 | 314 | 210 | 160 |
| Exchange gains, net | – | (20) | – | – |
| Legal and professional fees | 737 | 754 | 483 | 411 |
| Auditor's remuneration | | | | |
| — Audit services | 350 | 505 | 170 | 302 |
| Others | 1,462 | 2,244 | 755 | 965 |
| | 10,369 | 10,707 | 6,077 | 4,645 |

Note:

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.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(CONTINUED)

9 FINANCE COSTS, NET

| | Six months ended 30 September | | Three months ended 30 September | |
|---------------------------------------|----------------------------------|---------------------------------|------------------------------------|---------------------------------|
| | 2021 HK\$'000 (unaudited) | 2020 HK\$'000 (unaudited) | 2021 HK\$'000 (unaudited) | 2020 HK\$'000 (unaudited) |
| Finance income | | | | |
| Bank interest income | 5 | 31 | – | 17 |
| Finance costs | | | | |
| Interest expense on lease liabilities | (58) | (151) | (27) | (71) |
| Interest expense on bank borrowings | (90) | (58) | (43) | (55) |
| | (148) | (209) | (70) | (126) |
| Finance costs, net | (143) | (178) | (70) | (109) |

10 INCOME TAX EXPENSE

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

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.

11 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.

| | Six months ended 30 September | | Three months ended 30 September | |
|--|----------------------------------|---------------------|------------------------------------|---------------------|
| | 2021 (unaudited) | 2020 (unaudited) | 2021 (unaudited) | 2020 (unaudited) |
| Loss attributable to owners of the Company (HK\$'000) | (5,341) | (10,601) | (4,517) | (4,572) |
| Weighted average number of ordinary shares in issue ('000) | 400,000 | 400,000 | 400,000 | 400,000 |
| Basic loss per Share (HK cents per share) | (1.34) | (2.65) | (1.13) | (1.14) |

(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 six months ended 30 September 2021 (six months ended 30 September 2020: same).

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

12 INTERIM DIVIDEND

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

13 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(a) Property, plant and equipment

| | HK\$'000 (unaudited) |
|---|-------------------------|
| Six months ended 30 September 2021 | |
| Net book value as at 1 April 2021 | 1,208 |
| Additions | 2,245 |
| Depreciation ^(Note 8) | (497) |
| Disposals | (12) |
| Reversal provision of impairment upon disposals | 12 |
| Net book value as at 30 September 2021 | 2,956 |
| Six months ended 30 September 2020 | |
| Net book value as at 1 April 2020 | 2,490 |
| Additions | 2 |
| Depreciation ^(Note 8) | (820) |
| Net book value as at 30 September 2020 | 1,672 |

(b) Right-of-use assets

| | HK\$'000 (unaudited) |
|---|-------------------------|
| Six months ended 30 September 2021 | |
| Net book value as at 1 April 2021 | 813 |
| Additions | 550 |
| Depreciation ^(Note 8) | (448) |
| Net book value as at 30 September 2021 | 915 |
| Six months ended 30 September 2020 | |
| Net book value as at 1 April 2020 | 2,186 |
| Depreciation ^(Note 8) | (792) |
| Net book value as at 30 September 2020 | 1,394 |

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(CONTINUED)

13 PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (CONTINUED)

(b) Right-of-use assets (Continued)

(i) *Amounts recognised in the interim condensed consolidation statement of financial position*

The interim condensed consolidation statement of financial position shows the following amounts relating to leases:

| | 30 September 2021 HK\$'000 (unaudited) | 31 March 2021 HK\$'000 (audited) |
|--------------------------------------|---|---|
| Right-of-use assets | | |
| Office premises and office equipment | 915 | 813 |
| Lease liabilities | | |
| Current | 1,613 | 2,747 |
| Non-current | 272 | – |
| | 1,885 | 2,747 |

14 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | 30 September 2021 HK\$'000 (Unaudited) | 31 March 2021 HK\$'000 (audited) |
|--------------------------------------|---|---|
| Non-current portion | | |
| Rental deposits | 51 | – |
| Current portion | | |
| Trade deposits | 5,431 | 4,664 |
| Rental, utilities and other deposits | 906 | 888 |
| Other prepayments | 1,068 | 1,062 |
| Other current assets | 603 | 835 |
| | 8,008 | 7,449 |

The carrying amounts of prepayment, deposits and other receivables approximate their fair values as at 30 September 2021 and 31 March 2021.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

15 INTEREST IN A JOINT VENTURE

| | 30 September 2021 HK\$'000 (Unaudited) | 31 March 2021 HK\$'000 (audited) |
|--|---|---|
| At the beginning of the period | 10,650 | 11,870 |
| Share of post-tax results of a joint venture | 2 | (1,220) |
| At the end of the period | 10,652 | 10,650 |

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | 30 September 2021 HK\$'000 (Unaudited) | 31 March 2021 HK\$'000 (audited) |
|---|---|---|
| Listed equity securities in Hong Kong ^(Note) | – | 7,228 |

Note:

The listed equity securities were designated as financial assets at fair value through profit or loss at inception. The fair values of the listed equity securities were based on their bid prices in an active market. No fair value gain or loss on the listed equity securities (year ended 31 March 2021: fair value losses of HK\$2,181,000) was recognised in "other income and other gains/(losses), net" for the period.

17 SHARE CAPITAL

| | Number of Shares | Share capital HK\$'000 |
|---|---------------------|---------------------------|
| Authorised: | | |
| <i>Ordinary shares of HK\$0.01 each</i> | | |
| As at 30 September 2021 and 31 March 2021 | 10,000,000,000 | 100,000 |
| Issued and fully paid: | | |
| <i>Ordinary shares of HK\$0.01 each</i> | | |
| As at 30 September 2021 and 31 March 2021 | 400,000,000 | 4,000 |

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

18 TRADE PAYABLES

As at 30 September 2021 and 31 March 2021, the ageing analysis of trade payables based on invoice date are as follows:

| | 30 September 2021 HK\$'000 (unaudited) | 31 March 2021 HK\$'000 (audited) |
|--------------|---|---|
| 1 to 30 days | 138 | – |

The carrying amounts of trade payables approximate their fair values as at 30 September 2021 and 31 March 2021.

19 ACCRUALS AND OTHER PAYABLES AND OTHER NON-CURRENT LIABILITIES

| | 30 September 2021 HK\$'000 (Unaudited) | 31 March 2021 HK\$'000 (audited) |
|--------------------------------------|---|---|
| Other non-current liabilities | | |
| Provision for reinstatement cost | 100 | 100 |
| Provision for long service payment | 185 | 261 |
| | 285 | 361 |
| Accruals and other payables | | |
| Contract liabilities | 1,470 | 2,249 |
| Accrued staff costs | 948 | 1,231 |
| Other payables | 1,887 | 2,261 |
| | 4,305 | 5,741 |

The carrying amounts of accruals and other payables approximate their fair values as at 30 September 2021 and 31 March 2021.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(CONTINUED)

20 BANK BORROWINGS

| | 30 September 2021 HK\$'000 (Unaudited) | 31 March 2021 HK\$'000 (audited) |
|--|---|---|
| Bank borrowings, secured and repayable on demand ^(Note) | 5,657 | 7,224 |

Note:

As at 30 September 2021 and 31 March 2021, the bank borrowings were secured by undertakings provided by the executive Directors.

The contractual maturity of the bank borrowings that are repayable on demand is as follows:

| | 30 September 2021 HK\$'000 (unaudited) | 31 March 2021 HK\$'000 (audited) |
|--------------------|---|---|
| Within one year | 3,199 | 3,156 |
| In the second year | 2,458 | 3,243 |
| In the third year | – | 825 |
| | 5,657 | 7,224 |

The carrying amounts of bank borrowings approximate their fair values as at 30 September 2021 and 31 March 2021.

The bank borrowings are denominated in HK\$ and interest-bearing at 2.75% per annum.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(CONTINUED)

21 CASH USED IN OPERATIONS

| | Six months ended 30 September | |
|---|---------------------------------|---------------------------------|
| | 2021 HK\$'000 (unaudited) | 2020 HK\$'000 (unaudited) |
| Loss before income tax | (5,473) | (10,680) |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 497 | 820 |
| Depreciation of right-of-use assets | 448 | 792 |
| Rent concessions | (705) | (1,065) |
| Finance income and finance costs, net | 143 | 178 |
| Fair value losses/(gains) on derivative financial instruments | 5 | (12) |
| Fair value losses on listed equity securities in Hong Kong | – | 3,336 |
| Gain on disposal of listed equity securities in Hong Kong | (2,658) | – |
| Gain on disposal of cryptocurrencies | (50) | – |
| Share of results of a joint venture | (2) | 60 |
| Operating cash flows before changes in working capital | (7,795) | (6,571) |
| Changes in working capital: | | |
| Inventories | 28 | (559) |
| Trade receivables | – | 39 |
| Prepayments, deposits and other receivables | (506) | 3,800 |
| Amounts due from/to related companies | 79 | (51) |
| Trade payables | 138 | (962) |
| Accruals, other payables and other non-current liabilities | (1,512) | (1,718) |
| Cash used in operations | (9,568) | (6,022) |

22 CONTINGENCIES

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

23 CAPITAL COMMITMENTS

As at 30 September 2021, there was no capital expenditure contracted for but not yet provided by the Group.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

24 RELATED PARTY TRANSACTIONS

The ultimate parent of the Company is WWPKG Investment, 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 September 2021 and 31 March 2021:

| 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 |

(a) Transactions with related parties

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

| | Six months ended 30 September | | Three months ended 30 September | |
|--|----------------------------------|---------------------------------|------------------------------------|---------------------------------|
| | 2021 HK\$'000 (unaudited) | 2020 HK\$'000 (unaudited) | 2021 HK\$'000 (unaudited) | 2020 HK\$'000 (unaudited) |
| Rental expenses ^(Note) | | | | |
| Sky Right Investment Limited | 705 | 936 | 353 | 231 |
| Booking services fee | | | | |
| Y's Japan Limited | – | 1,438 | – | 723 |
| Management services fee income | | | | |
| Triplabs Limited | 72 | 72 | 36 | 36 |

Note:

During the six months ended 30 September 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\$705,000 (six months ended 30 September 2020: HK\$1,065,000) 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 INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION
(CONTINUED)

24 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management compensation

The remuneration of the Directors and members of senior management, who have the responsibility for planning, directing and controlling the activities of the Group, are set out below.

| | Six months ended 30 September | | Three months ended 30 September | |
|---|----------------------------------|-------------------------|------------------------------------|-------------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | HK\$'000 (unaudited) | HK\$'000 (unaudited) | HK\$'000 (unaudited) | HK\$'000 (unaudited) |
| Salaries and allowances | 1,712 | 1,761 | 821 | 834 |
| Pension costs – defined contribution plan | 21 | 29 | 6 | 14 |
| | 1,733 | 1,790 | 827 | 848 |

(c) Amount due from a related company

| | 30 September 2021 | 31 March 2021 |
|---------------------|-------------------------|-----------------------|
| | HK\$'000 (unaudited) | HK\$'000 (audited) |
| — Y's Japan Limited | – | 79 |

The amount due from a related company arising from trading activities was unsecured, interest-free, repayable on demand and denominated in JPY.

(d) Amount due to a shareholder

| | 30 September 2021 | 31 March 2021 |
|--------------------|-------------------------|-----------------------|
| | HK\$'000 (unaudited) | HK\$'000 (audited) |
| — WWPKG Investment | 5,000 | – |

The amount due to a shareholder was unsecured, interest-free, repayable twenty-four months from the dates of drawdown and denominated in HK\$.

25 EVENTS AFTER THE REPORTING PERIOD

There were no significant events subsequent to the end of the reporting period which would materially affect the Group's operating and financial performance as at the date of this report.