



皓天財經集團

WONDERFUL SKY FINANCIAL GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 01260

2024

INTERIM REPORT



CONTENTS

Corporate Information	2
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	3
Condensed Consolidated Statement of Financial Position	5
Condensed Consolidated Statement of Cash Flows	7
Condensed Consolidated Statement of Changes in Equity	8
Notes to the Condensed Interim Financial Information	9
Management Discussion and Analysis	26
Other Information	29

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Liu Tianni (*Chairman and Chief Executive Officer*)

Liu Yan Yi, Joyce

Independent non-executive Directors

Li Ling Xiu

Lam, Sally

Cheung Kwong Tat

AUDIT COMMITTEE

Cheung Kwong Tat (*Chairman*)

Li Ling Xiu

Lam, Sally

NOMINATION AND REMUNERATION COMMITTEES

Li Ling Xiu (*Chairman*)

Liu Tianni

Lam, Sally

Cheung Kwong Tat

COMPANY SECRETARY

Li Liju

INDEPENDENT AUDITOR

Forvis Mazars CPA Limited

(formerly known as Mazars CPA Limited)

42nd Floor, Central Plaza

18 Harbour Road

Wanchai, Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

The Hong Kong and Shanghai Banking Corporation Limited

China Construction Bank (Asia) Corporation Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited

Suite 3204, Unit 2A, Block 3

Building D,

P.O. Box 1586

Gardenia Court, Camana Bay

Grand Cayman KY1-1110

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

9/F, The Center

No. 99 Queen's Road Central

Hong Kong

REGISTERED OFFICE

Grand Pavilion

Hibiscus Way

802 West Bay Road

P.O. Box 31119

Grand Cayman KY1-1205

Cayman Islands

STOCK CODE

1260

COMPANY WEBSITE

<http://www.wsfg.hk>

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2024

The board (the “**Board**”) of directors (the “**Directors**”) of Wonderful Sky Financial Group Holdings Limited (the “**Company**”) presents the unaudited interim results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2024 together with comparative figures for corresponding period in 2023 as follows:

	Notes	For the six months ended 30 September	
		2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Revenue	3	89,280	140,435
Direct costs		(44,039)	(61,183)
Gross profit		45,241	79,252
Other income		23,369	9,568
Selling expenses		(9,603)	(10,600)
Administrative expenses		(36,196)	(45,301)
Other gains and (losses), net		10,383	(12,339)
Impairment loss recognised on financial assets			
– Debt instruments at fair value through other comprehensive income (“ FVTOCI ”)		(2,594)	(17,161)
Share of results of associates		448	(4)
Finance costs		(28)	(20)
Profit before taxation	4	31,020	3,395
Taxation	5	(2,742)	(560)
Profit for the period		28,278	2,835

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 September 2024

		For the six months ended 30 September	
		2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
	Notes		
Other comprehensive income (loss)			
Items that are or may be reclassified subsequently to profit or loss:			
Net loss on change in fair value of debt instruments at FVTOCI, net of tax		(12,938)	(25,042)
Impairment loss on debt instruments at FVTOCI included in profit or loss		2,594	17,161
Exchange difference arising on translating foreign operation		2,124	2,367
Other comprehensive loss for the period		(8,220)	(5,514)
Total comprehensive income (loss) for the period		20,058	(2,679)
Earnings per share – Basic	7	HK2.46 cents	HK0.25 cents
Earnings per share – Diluted	7	HK2.46 cents	HK0.25 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

		As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
	Notes		
Non-current assets			
Property, plant and equipment		570,415	585,315
Investment properties		45,028	45,808
Interests in associates		4,599	4,151
Financial assets at fair value through profit or loss ("FVTPL")	10	62,400	63,240
Debt instruments at FVTOCI	11	23,741	29,914
Club debenture	8	12,200	12,200
Deferred tax asset		1,769	1,769
		720,152	742,397
Current assets			
Contract costs		624	257
Trade and other receivables	9	26,922	39,356
Financial assets at FVTPL	10	26,676	18,228
Debt instruments at FVTOCI	11	47,536	57,594
Bank balances and cash		226,733	213,710
Time deposits		549,511	506,339
		878,002	835,484

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 September 2024

	Notes	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Current liabilities			
Trade and other payables	12	107,191	109,718
Contract liabilities	14	8,752	8,752
Taxation payable		4,908	2,166
		120,851	120,636
Net current assets		757,151	714,848
Net assets		1,477,303	1,457,245
Capital and reserves			
Share capital	15	11,515	11,515
Reserves		1,465,788	1,445,730
Total equity		1,477,303	1,457,245

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	For the six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Net cash inflows/(outflows) from:		
Operating activities	27,609	2,430
Investing activities	(14,931)	159,236
Financing activities	–	–
Net increase in cash and cash equivalents	12,678	161,666
Cash and cash equivalents at beginning of period	213,710	75,540
Effect of exchange rate changes	345	(10,384)
Cash and cash equivalents at end of period	226,733	226,822

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Attributable to owners of the Company									
	Share capital HK\$'000	Share premium HK\$'000	Merger reserve HK\$'000 (Note i)	Capital reserve HK\$'000 (Note ii)	Capital redemption reserve HK\$'000	Share options reserve HK\$'000	Investment revaluation reserve/ FVTOCI reserve HK\$'000	Translation reserve HK\$'000	Accumulated profits HK\$'000	Total HK\$'000
At 31 March 2023 (Audited)	11,515	711,774	10	(1)	(4,773)	2,319	(74,230)	9,346	819,067	1,475,027
Profit for the period	-	-	-	-	-	-	-	-	2,835	2,835
Net loss on change in fair value of debt instruments at FVTOCI	-	-	-	-	-	-	(25,042)	-	-	(25,042)
Impairment loss on debt instruments at FVTOCI included in profit or loss	-	-	-	-	-	-	17,161	-	-	17,161
Exchange difference on translating foreign operation	-	-	-	-	-	-	-	2,367	-	2,367
Other comprehensive (expense) income for the period	-	-	-	-	-	-	(7,881)	2,367	2,835	(5,514)
Total comprehensive (expense) income for the period	-	-	-	-	-	-	(7,881)	2,367	2,835	(2,679)
Transfer within equity upon disposal of equity instruments at FVTOCI	-	-	-	-	-	-	-	-	-	-
Recognition of equity-settled share-based payment	-	-	-	-	-	-	-	-	-	-
At 30 September 2023 (Unaudited)	11,515	711,774	10	(1)	(4,773)	2,319	(82,111)	11,713	821,902	1,472,348
At 31 March 2024 (Audited)	11,515	711,774	10	(1)	(4,773)	2,319	(28,198)	12,032	752,567	1,457,245
Profit for the period	-	-	-	-	-	-	-	-	28,278	28,278
Net loss on change in fair value of debt instruments at FVTOCI	-	-	-	-	-	-	(12,938)	-	-	(12,938)
Impairment loss on debt instruments at FVTOCI included in profit or loss	-	-	-	-	-	-	2,594	-	-	2,594
Exchange difference on translating foreign operation	-	-	-	-	-	-	-	2,124	-	2,124
Other comprehensive (expense) income for the period	-	-	-	-	-	-	(10,344)	2,124	-	(8,220)
Total comprehensive (expense) income for the period	-	-	-	-	-	-	(10,344)	2,124	28,278	20,058
Transfer within equity upon disposal of equity instruments at FVTOCI	-	-	-	-	-	-	-	-	-	-
Recognition of equity-settled share-based payment	-	-	-	-	-	-	-	-	-	-
At 30 September 2024 (Unaudited)	11,515	711,774	10	(1)	(4,773)	2,319	(38,542)	14,156	780,845	1,477,303

Notes:

- (i) The merger reserve of the Group represented the difference of the nominal value of the shares of Shine Talent Holdings Limited issued in exchange for the entire share capital of Wonderful Sky Financial Group Limited.
- (ii) The capital reserve of the Group represented capital contribution arising from transfer of interest in a subsidiary to its shareholder.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

For the six months ended 30 September 2024

1. GENERAL AND BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 12 January 2011 under the Companies Law of the Cayman Islands Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**HKEx**"). Its immediate holding company is Sapphire Star Investments Limited, a company with limited liability incorporated in the British Virgin Islands ("**BVI**"), and the ultimate controlling party is Mr. Liu Tianni. The addresses of the registered office and principal place of business of the Company are disclosed in the section headed "Corporate Information" to this interim report.

The principal activities of the Company are investment holding and securities investment. The principal activities of its principal subsidiaries and principal associate are the provision of financial public relations services and organisation and coordination of international roadshow services.

The condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), which is the same as the functional currency of the Company.

2. PRINCIPAL ACCOUNTING POLICIES

New and amendments to HKFRSs that are newly adopted for the current year

The Company and its subsidiaries (collectively referred to as the "**Group**") have applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time in the current interim period:

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HK Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback

The adoption of the new/revised HKFRSs did not result in substantial changes to the Group's accounting policies and amounts reported for the period and prior years.

The Group has not early adopted the new and amendments to HKFRSs that have been issued but not yet effective.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

3. REVENUE AND SEGMENT INFORMATION

The Group has two operating segments, namely, the financial public relations services segment and the organisation and coordination of international roadshow services segment. These operating segments have been identified on the basis of internal management reports that are regularly reviewed by the Chief Executive Officer of the Company who is the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance. No segments have been aggregated in arriving at the reportable segments of the Group.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

For the six months ended 30 September 2024 (Unaudited)

	Provision of financial public relations services (Unaudited) HK\$'000	Organisation and coordination of international roadshows (Unaudited) HK\$'000	Consolidated (Unaudited) HK\$'000
Revenue	89,156	124	89,280
Segment profit	20,249	6	20,255
Unallocated corporate income			4,325
Interest income from bank deposits			20,736
Gain on change in fair value of financial assets at FVTPL			8,691
Impairment loss recognised on debt instrument at FVTOCI			(2,594)
Staff costs (including retirement benefit scheme contributions)			(9,217)
Share of results of associates			448
Other unallocated corporate expenses			(11,596)
Finance costs			(28)
Profit before taxation			31,020

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenue and results (Continued)

For the six months ended 30 September 2023 (Unaudited)

	Provision of financial public relations services (Unaudited) HK\$'000	Organisation and coordination of international roadshows (Unaudited) HK\$'000	Consolidated (Unaudited) HK\$'000
Revenue	140,435	–	140,435
Segment profit (loss)	41,006	(138)	40,868
Unallocated corporate income			4,729
Interest income from bank deposits			4,839
Loss on change in fair value of financial assets at FVTPL			(7,035)
Impairment loss recognised on debt instrument at FVTOCI			(17,161)
Staff costs (including retirement benefit scheme contributions)			(13,580)
Share of results of associates			(4)
Other unallocated corporate expenses			(9,241)
Finance costs			(20)
Profit before taxation			3,395

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment profit (loss) represents the profit earned (loss incurred) by each segment without allocation of other income, certain other gains and losses, central administration costs, directors' salaries, operating lease rentals, share of results of associates, impairment loss recognised on debt instruments at FVTOCI and finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

4. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging:

	For the six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Directors' and chief executive's remuneration	2,374	2,373
Other staff costs	21,859	27,159
Retirement benefit scheme contributions for other staff	1,420	1,738
	25,653	31,270
Depreciation of property, plant and equipment	14,900	15,767
Depreciation of investment properties	780	299
and after crediting:		
Interest income from bank deposits	20,736	4,839
Investment income from		
– financial assets at FVTPL (included in other income)	154	144
– debt instruments at FVTOCI (included in other income)	1,434	2,938

5. TAXATION

	For the six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Hong Kong Profits Tax		
– Current tax	2,742	560

Hong Kong profits tax is calculated at 16.5% (2023: 16.5%) on the estimated assessable profits for both periods.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

6. DIVIDENDS

The Board does not recommend the payment of interim dividends for the six months ended 30 September 2024 (2023: Nil).

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	For the six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Earnings		
Profit for the period attributable to owners of the Company for the purposes of basic and diluted earnings per share	28,278	2,835

	For the six months ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)
Number of shares		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share	1,151,454,000	1,151,454,000

8. CLUB DEBENTURE

Club debenture is measured at cost less any impairment.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

9. TRADE RECEIVABLES

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Trade receivables, net of allowance	23,199	36,079

The Group generally grants a credit period of 30 days to its customers.

The following is an aging analysis of trade receivables net of allowance for credit losses presented based on the invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates:

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Within 30 days	4,600	5,184
31 to 90 days	4,974	13,066
91 days to 1 year	11,468	17,320
Over 1 year	2,157	509
	23,199	36,079

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

10. FINANCIAL ASSETS AT FVTPL

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Non-current assets		
Unlisted investment funds, at fair value (Note 1)	26,901	28,230
Listed perpetual bond securities, at fair value	35,499	35,010
	62,400	63,240
Current assets		
Listed equity investment, at fair value (Note 2)	26,676	18,228
	89,076	81,468

Notes:

- The amount represented the investment in five unlisted investment funds (As at 31 March 2024: five) with primary objectives for capital appreciation and investment income. The unlisted investment funds are not quoted in an active market and transactions in such investment does not occur on a regular basis. The fair value of the unlisted investment funds are stated with reference to the net asset value provided by administrators of the funds at the reporting date. The directors believe that the estimated fair value provided by the administrators of the fund are reasonable, and these are the most appropriate values at the end of reporting period. No change in fair value of the unlisted investment funds were recognised to profit or loss for the six months ended 30 September 2024 (For the six months ended 30 September 2023: Nil).
- The listed equity investment represents ordinary shares of an entity listed in the Stock Exchange. At 30 September 2024, the fair value of the listed equity investments is based on the bid price quoted in the Stock Exchange at the end of the reporting period.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

11. DEBT INSTRUMENTS AT FVTOCI

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Listed bond securities at fair value		
– listed on the Hong Kong Stock Exchange with fixed coupon interests ranging from 2.95% to 13.50% (31 March 2024: 2.95% to 13.50%) per annum and maturity dates ranging from 18 October 2021 to 14 January 2030 (31 March 2024: 18 October 2021 to 14 January 2030)	29,982	41,189
– listed on SGX with fixed coupon interests 2.50% to 12.00% (31 March 2024: 2.50% to 12.00%) per annum and maturity dates ranging from 28 July 2023 to 13 January 2032 (31 March 2024: 28 July 2023 to 13 January 2032)	41,295	46,319
	71,277	87,508
Analysed for reporting purposes:		
Non-current assets	23,741	29,914
Current assets	47,536	57,594
	71,277	87,508

The fair values of the listed bond securities are based on market bid prices and quotes from fund managers at the end of reporting period.

Included in debt instruments at FVTOCI is the following amount which is denominated in a currency other than functional currency of the respective group entities which they relate:

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
USD	71,277	87,508

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

12. TRADE AND OTHER PAYABLES

The following is an aged analysis of the trade payables based on invoice dates at the end of the reporting period:

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Within 30 days	1,423	1,070
31 to 60 days	1,701	1,758
61 to 90 days	3,016	1,155
91 days to 1 year	2,279	7,622
Over 1 year	52,234	60,656
	60,653	72,261

The average credit period on purchase from suppliers ranging from 1 to 360 days.

13. BANK BORROWINGS

The Group has no bank borrowings as of 30 September 2024 (31 March 2024: Nil).

14. CONTRACT LIABILITIES

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Deposits received from customers	8,752	8,752

Contract liabilities represent deposits received from customers for financial public relations services and international roadshow services.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

15. SHARE CAPITAL

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
Authorised: 10,000,000,000 shares ordinary shares of HK\$0.01 each (31 March 2024: 10,000,000,000 shares)	100,000	100,000
Issued and fully paid: 1,151,454,000 ordinary shares issued and fully paid of HK\$ 0.01 each (31 March 2024: 1,151,454,000 shares)	11,515	11,515

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the company or any associated corporation

As at 30 September 2024, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and the HKEx pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers and which were required to be entered in the register kept by the Company pursuant to Section 352 of the SFO were as follows:

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

15. SHARE CAPITAL (CONTINUED)

Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the company or any associated corporation (Continued)

Long positions in the ordinary shares of the Company

(i) *The Company*

Name of Director	Long/Short position	Interest in controlled corporation	Number of shares held			Total interests	Total interests as % of the issued share capital of the Company
			Personal interest	Joint interest	Family interest		
Mr. Liu Tianni	Long	750,000,000 (Note 1)	–	6,904,000 (Note 2)	58,712,000 (Note 3)	815,616,000	70.83%

Notes:

- These shares are owned by Sapphire Star Investments Limited ("**Sapphire Star**"), a company incorporated in the British Virgin Islands. Mr. Liu is one of the founders and settlors of a discretionary trust which holds 100% of the issued share capital in Sapphire Star. Mr. Liu is deemed or taken to be interested in all the shares in the Company held by Sapphire Star under the SFO.
- These shares are owned by Mr. Liu and Ms. Luk Ching Sanna, the spouse of Mr. Liu ("**Mrs. Liu**") jointly.
- These shares are owned by Mrs. Liu. Mr. Liu is deemed or taken to be interested in these shares for the purpose of the SFO.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

15. SHARE CAPITAL (CONTINUED)

Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the company or any associated corporation (Continued)

Long positions in the ordinary shares of the Company (Continued)

(ii) Associate Corporation

Name of Director	Long/Short position	Name of associated corporation	Number of shares held	Approximately percentage of interest in Sapphire Star
Mr. Liu Tianni <i>(Note)</i>	Long	Sapphire Star	100	100%

Note: Mr. Liu is one of the founders and settlors of a discretionary trust which holds 100% of the issued share capital in Sapphire Star. Accordingly, Mr. Liu Tianni is deemed or taken to be interested in 100% of the issued share capital of Sapphire Star.

Save as disclosed above, as at 30 September 2024, none of the Directors or chief executive of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the HKEx pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), the Model Code for Securities Transactions by Directors of Listed Issuers and which were required to be entered into the register required to be kept under Section 352 of the SFO.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

15. SHARE CAPITAL (CONTINUED)

Substantial shareholders

As at 30 September 2024, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of shareholder	Long/Short position	Nature of interests	Number of shares interested	Percentage of issued share capital of the Company
Sapphire Star	Long	Beneficial interests	750,000,000 (Note 1)	65.14%
Sapphire Star Group Limited	Long	Interests of controlled corporation	750,000,000 (Note 1)	65.14%
Mrs. Liu	Long	Beneficial interests and founder of a discretionary trust	815,616,000 (Notes 2 and 3)	70.83%
TMF (Cayman) Ltd.	Long	Trustee	750,000,000 (Note 3)	65.14%

Notes:

- Sapphire Star Group Limited holds 100% of the issued share capital in Sapphire Star. Therefore, for the purposes of the SFO, Sapphire Star Group Limited is deemed or taken to be interested in all the shares in the Company held by Sapphire Star.
- 58,712,000 shares in the Company are beneficially owned by Mrs. Liu and 6,904,000 shares are jointly owned by Mrs. Liu and Mr. Liu.
- Mrs. Liu, together with Mr. Liu, are the founders and settlors of a discretionary trust, of which TMF (Cayman) Ltd is the trustee which holds 100% of the issued share capital in Sapphire Star Group Limited as the trust asset under the discretionary trust. Therefore, for the purposes of the SFO, Mrs. Liu is deemed or taken to be interested in all the shares in the Company held by Sapphire Star which is in turn held as to 100% by Sapphire Star Group Limited.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

15. SHARE CAPITAL (CONTINUED)

Save as disclosed above, as at 30 September 2024, the Directors are not aware that there is any party (not being a Director) who had any interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or any options in respect of such shares.

16. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group had also entered into the following related party transactions:

	For the six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Rent paid to Fortunate Sun Investment Limited (Note 2)	1,490	1,490
Salaries and allowance paid to related parties (Note 1)	498	377

Notes:

1. These related parties are close family members of Mr. Liu Tianni, the controlling shareholder and Director of the Company.
2. Mr. Liu Tianni, the controlling shareholder and Director of the Company, is a director and a member of key management of Fortunate Sun Investment Limited for the period.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

17. SHARE OPTION SCHEME

The Share Option Scheme of the Company was adopted pursuant to a resolution in writing of the sole shareholder passed on 7 March 2012. The purposes of the Share Option Scheme is to enable the Group to grant options to full-time or part-time employees, directors (whether executive or non-executive), supplier, customer, joint venture partner, business associates and advisor (professional or otherwise) of the Company as incentives or rewards for their contribution to the Group. The Share Option Scheme became effective on 7 March 2012 (the “**Effective Date**”) will remain in force for 10 years, subject to earlier termination by the directors and approved in advance by the shareholders in a general meeting. The Share Option Scheme shall be valid and effecting for a period commencing from the Effective Date.

At 30 September 2024, all share options granted by the Company had been lapsed and the number of shares in respect of which options had been granted and remained outstanding under the Share Option Scheme was nil (31 March 2024: 4,000,000), representing 0% (31 March 2023: 0.35%) of the shares of the Company in issue at that date. The total number of shares of the Company available for issue under the Share Option Scheme must not in aggregate exceeds 30% of the issued share capital of the Company from time to time.

The maximum number of shares issuable upon exercise of the options which may be granted under the Share Option Scheme (including exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates (as defined under the Listing Rules), are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their respective associates, (as defined under the Listing Rules) in excess of 0.1% of the shares of the Company in issue with an aggregate value (based on the closing price of the Company’s shares at the date of the grant) in excess of HK\$5,000,000, in the 12-month period up to and including the date of grant, are subject to shareholders’ approval in a general meeting.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

17. SHARE OPTION SCHEME (CONTINUED)

Options granted must be accepted in writing within 28 days from the date of grant upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period for the share options granted is determined by the directors of the Company, which period may commence from the date of acceptance of the offer for the grant of share options but shall end, in any event, not later than 10 years from the date of grant of the option subject to the provisions for early termination under the Share Option Scheme. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share on the date of grant.

The following table sets out the movements in the Company's share options held by the employees of the Group during the six months ended 30 September 2024:

Date of grant	Exercisable period	Exercise price HK\$	Outstanding at 1.4.2024	Lapsed during the period	Outstanding at 30.9.2024
<i>Employees:</i>					
26.1.2018	27.7.2019–27.7.2024	1.500	800,000	(800,000)	–
26.1.2018	27.7.2020–27.7.2024	1.500	800,000	(800,000)	–
26.1.2018	27.7.2021–27.7.2024	1.500	800,000	(800,000)	–
26.1.2018	27.7.2022–27.7.2024	1.500	1,600,000	(1,600,000)	–
			4,000,000	4,000,000	–

Note: The vesting period ends on the date the exercisable period of the share options begins.

During the six months ended 30 September 2024, there were neither options granted, exercised nor share option held by the directors.

No share-based payment was recognised by the Group during the six months ended 30 September 2024 (six months ended 30 September 2023: Nil) in relation to share options granted by the Company.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (CONTINUED)

For the six months ended 30 September 2024

18. RETIREMENT BENEFITS PLAN

The Group participates in the MPF Scheme for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes the lower of 5% of the relevant payroll costs, with maximum of HK\$1,500 per employee per month, to the MPF Scheme, which contribution is matched by employees.

Employees of a subsidiary in the PRC are members of the state-managed retirement benefits schemes operated by the PRC government. The subsidiary is required to contribute a certain percentage of their payroll to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the state-managed retirement benefits schemes is to make the required contributions.

19. APPROVAL OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The condensed consolidated financial statements were approved and authorised for issue by board of directors on 29 November 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's profit increased from approximately HK\$2.8 million for the six months ended 30 September 2023 to approximately HK\$28.3 million for the six months ended 30 September 2024, representing an increase of approximately 10.1 times. This is mainly attributable to the substantial increase in interest income from bank deposits and gain on change in fair value of financial assets at FVTPL during the period. The Group's revenue decreased from approximately HK\$140.4 million for the six months ended 30 September 2023 to approximately HK\$89.3 million for the six months ended 30 September 2024, representing a decrease of approximately 36.4%.

The Group's business consists of two major business segments, namely, the financial public relations services segment and the international roadshow services segment.

Financial public relation service segment

Our financial public relation services include (i) public relations services; (ii) investor relations services; (iii) financial printing services and (iv) capital markets branding. During the six months ended 30 September 2024, this business segment delivered a turnover of approximately HK\$89.2 million (Six months ended 30 September 2023: HK\$140.4 million), representing a decrease of approximately 36.5%. The profit of this business segment for the six months ended 30 September 2024 was approximately HK\$20.3 million (Six months ended 30 September 2023: HK\$41.0 million), representing a decrease of approximately 50.5%. The decrease in profit of this business segment was attributed to the sluggish recovery of the IPO market. The global economic uncertainties and high interest rates has impacted market liquidity and valuations, causing a small size of IPOs in the first half of 2024.

International roadshow service segment

Our international roadshow services include coordination, organisation and management of the overall logistics of roadshows for our clients. While we handle this for our clients, they would be able to focus on the presentation aspect of the roadshows. During the six months ended 30 September 2024, a revenue of HK\$124,000 was recorded for this segment (Six months ended 30 September 2023: nil). There were no revenue for the past few years due to the suspension of international roadshow activities during pandemic. A segment profit of approximately HK\$6,000 was resulted for the six months ended 30 September 2024 (six months ended 30 September 2023: loss of approximately HK\$138,000).

Aside from the profit generated from the two business segments, the Group also generated interest income of HK\$1.4 million (Six months ended 30 September 2023: HK\$2.9 million) from its investments in bond securities for the six months ended 30 September 2024. The bond securities comprise bonds listed on the Stock Exchange and Singapore Exchange Securities Trading Limited ("SGX"). The Group takes a conservative approach on its investments and reviews their performance regularly.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Taking the advantage of a high interest rates environment, the Group has deposited most of its investments and excess cash into fixed deposits. During the six months ended 30 September 2024, the Group has earned bank interests of approximately HK\$20.7 million (Six months ended 30 September 2023: approximately HK\$4.8 million), representing an increase of approximately 331.3%.

FINANCIAL REVIEW

Liquidity and financial resources

The Group generally finances its operations with internally generated cash flow and banking facilities provided by banks in Hong Kong. The Group is financially sound and its cash position remains healthy. The Group's bank balances and cash, and time deposits as of 30 September 2024 amounted to approximately HK\$226.7 million (31 March 2024: HK\$213.7 million) and HK\$549.5 million (31 March 2024: HK\$506.3 million), respectively.

The Group has no short-term bank loan or bank overdraft as at 30 September 2024 (31 March 2024: nil), therefore, the Group's gearing ratio as at 30 September 2024 was 0% (31 March 2024: 0%).

Exchange rate exposure

Most of the transactions of the Group were made in Hong Kong dollars, US dollars and Renminbi. As of 30 September 2024, the Group was not exposed to any material exchange risk as the exchange rates of Hong Kong dollars and US dollars were relatively stable under the currency peg system. The Group does not currently have a hedging policy on Renminbi but its management monitors such exposure closely and will consider hedging such exposures should the need arise.

Pledge of assets

As at 31 March 2024, owned properties amounted to approximately HK\$525.4 million, and investment properties amounted to approximately HK\$26.0 million were pledged as securities for revolving banking facilities.

The Group has no pledge of assets as at 30 September 2024.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

CONTINGENT LIABILITIES

As at 30 September 2024, the Group had no contingent liabilities.

Outlook

From mid-April, the Hang Seng Index rebounded, improving market liquidity and valuations. This positive trend continued into the second half of the year and led into a particular strong performance in third quarter of 2024, with Hong Kong regaining its position among the top five global IPO venues. This resurgence was driven by the listing of one of the Group's customers, a major Chinese home appliance manufacturer. With an IPO fund raising record of HK\$31.01 billion, it has marked the largest IPO in Hong Kong since 2022.

There are several key factors behind the boosting of the capital market. These include the US Federal Reserve's interest rate cut and the Chinese government's newly announced stimulus package, aiming to enhance liquidity inflows and support economic growth. Combined with the State Council's new regulatory measures introduced since April 2024 which helped maintain the pace of A-share IPOs, the initiative is expected to lead to an increase in large IPOs for the remainder of 2024 and beyond.

Despite of initial challenges, the Hong Kong IPO market demonstrated resilience and adaptability, positioning itself as a leading fundraising hub. With continued government support and favorable economic conditions, the Hong Kong IPO market is expected to see more large and sizable listings in the coming months. As the leader of financial public relations services in the Hong Kong IPO industry, the Group will seize opportunities to expand its customer base in the uprising cycle and to deepen its professional services among existing long-term customers.

OTHER INFORMATION

DIVIDENDS

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

USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING AND TOP-UP PLACEMENT

As at 30 September 2024, details of use of proceeds from initial public offering are as follows:

Net proceeds allocation	Intended use of the proceeds	Total proceeds used as at 30 September 2024	The amount of remaining net proceeds as at 30 September 2024 for the intended use	Expected time of utilisation ^(Note 1)	Change in intention
Approximately HK\$124.9 million	For strategic mergers with and acquisitions of companies with experience in the public relations business, investor relations business, financial printing business or international roadshow business.	HK\$19.8 million	Approximately HK\$105.1 million	31 December 2024	No
Approximately HK\$124.9 million	For financing the possible acquisition or setting up of a joint venture with a public relations firm in the PRC	HK\$65.5 million	Approximately HK\$59.4 million	31 December 2024	No

OTHER INFORMATION (CONTINUED)

As at 30 September 2024, details of use of proceeds from the top-up placement are as follows:

Net proceeds allocation	Intended use of the proceeds	The amount of remaining net proceeds as at 30 September 2024 for the intended use	Total proceeds used as at 30 September 2024	Expected time of utilisation ^(Note 1)	Change in intention
Approximately HK\$423.0 million	For developing a mobile internet professional service, platform, the "Wonderful Sky Cloud" which provides online to offline ("O2O") financial services to our customers and the public investment community	HK\$353.7 million	Approximately HK\$69.3 million	31 December 2024	No

Note:

- The expected time frame for fully applying the unutilised proceeds is based on the best estimation of the future market conditions and strategic development made by the Company, which may be subject to changes and adjustments based on the future development of market conditions.

DIRECTORS' INTERESTS IN CONTRACTS

No director had a material interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the six months ended 30 September 2024.

OTHER INFORMATION (CONTINUED)

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the directors, the management shareholders or the substantial shareholders of the Company, or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interests with the Group.

CORPORATE GOVERNANCE

Save and except for following deviation, the Directors consider that the Company has complied with the applicable code provisions of the Corporate Governance Code (the "**CG Code**"), as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 September 2024.

Code Provision C.2.1

Under code provision C.2.1, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. The roles of both Chairman and Chief Executive Officer are performed by Mr. Liu Tianni currently. Mr. Liu is a founder of the Group and has over 20 years of experience in the financial investment sector as well as the financial public relation sector. The Board believes that vesting the two roles in the same person provides the Company with strong and consistent leadership and facilitates the implementation and execution of the Group's business strategies currently and in the foreseeable future. The Group will nevertheless review the structure from time to time in light of the prevailing circumstances.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on the same terms as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, they have confirmed compliance with the required standard set out in the Model Code during the six months ended 30 September 2024.

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

During the six months ended 30 September 2024, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules throughout the year ended 30 September 2024.

OTHER INFORMATION (CONTINUED)

EMPLOYMENT AND REMUNERATION POLICIES

As at 30 September 2024, the Group had 180 full-time employees. Total staff costs (including Directors' emoluments) were approximately HK\$25.7 million for the six months ended 30 September 2024. Remuneration packages are generally structured by reference to market terms and individual merits. Salaries are normally reviewed on an annual basis and bonuses paid, if any, will be based on performance appraisals and other relevant factors. Staff benefits plans maintained by the Group include mandatory provident fund scheme, share option scheme and medical insurance.

AUDIT COMMITTEE

The Group has established an audit committee ("**Audit Committee**") with written terms of reference in accordance with the Listing Rules. The Audit Committee comprises 3 members, who are independent non-executive Directors, namely Mr. Cheung Kwong Tat, Ms. Li Ling Xiu and Ms. Lam, Sally. This Committee is chaired by Mr. Cheung Kwong Tat.

The Audit Committee has reviewed with the management of the Company about the accounting principles and practices adopted by the Group and discussed the internal controls and financial reporting matters including a review of the unaudited condensed financial statements of the Group for the six months ended 30 September 2024.

APPRECIATION

On behalf of the Board, I would like to express its sincere gratitude to all our staff for their dedication and contribution, as well as to all our customers, suppliers, business associates and shareholders for their continuous support to the Group over the period.

By order of the Board
Wonderful Sky Financial Group Holdings Limited
Li Liju
Company Secretary

Hong Kong, 29 November 2024