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## **COOLPOINT INNONISM HOLDING LIMITED**

**快意智能股份有限公司**

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

**(Stock Code: 8040)**

### **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

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

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

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

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

## FINANCIAL HIGHLIGHTS

### For the six months ended 30 September 2024 (the “Period”)

- Revenue of the Group was approximately HK\$172.6 million, representing an increase of approximately 12.5% as compared to that of approximately HK\$153.5 million for the six months ended 30 September 2023 (the “**Previous Period**”).
- Loss for the Period increased by approximately HK\$3.4 million or 103.5% from approximately HK\$3.3 million for the Previous Period to approximately HK\$6.7 million for the Period.
- The Board does not recommend the payment of an interim dividend for the Period.
- Loss per share of the Company for the Period was approximately HK1.87 cents (Previous Period: HK0.96 cents).

## INTERIM RESULT

The board of Directors (the “**Board**”) of the Company is pleased to present the unaudited condensed consolidated results of the Group for the six months ended 30 September 2024, together with the unaudited comparative figures for the corresponding period in 2023, as follows:

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 September 2024*

		<b>Six months ended</b>	
		<b>30 September</b>	
		<b>2024</b>	2023
		<b>HK\$'000</b>	<b>HK\$'000</b>
	<i>Notes</i>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	4	<b>172,609</b>	153,492
Cost of services		<u><b>(167,413)</b></u>	<u>147,563</u>
Gross profit		<b>5,196</b>	5,929
Other income	5	<b>103</b>	149
Other losses	6	<b>(182)</b>	–
Administrative expenses		<b>(10,600)</b>	(8,993)
Finance costs	7	<u><b>(1,193)</b></u>	<u>(366)</u>
Loss before tax	8	<b>(6,676)</b>	(3,281)
Income tax expenses	9	<u>–</u>	<u>–</u>
Loss for the period		<u><b>(6,676)</b></u>	<u>(3,281)</u>
Loss for the period attributable to:			
Owners of the Company		<b>(6,342)</b>	(3,276)
Non-controlling interests		<u><b>(334)</b></u>	<u>(5)</u>
		<u><b>(6,676)</b></u>	<u>(3,281)</u>
Loss per share			
Basic ( <i>HK cents</i> )	11	<u><b>(1.87)</b></u>	<u>(0.96)</u>

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	Six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period	(6,676)	(3,281)
Other comprehensive expense		
Exchange differences on translation of financial statements of an overseas subsidiary	<u>65</u>	<u>–</u>
Total comprehensive expense for the period	<u>(6,611)</u>	<u>(3,281)</u>
Total comprehensive expense for the period attributable to:		
Owners of the Company	(6,305)	(3,276)
Non-controlling interests	<u>(306)</u>	<u>(5)</u>
	<u>(6,611)</u>	<u>(3,281)</u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*As at 30 September 2024*

		<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
	<i>Notes</i>		
<b>Non-current assets</b>			
Plant and equipment	<i>12</i>	<b>2,592</b>	2,031
Right-of-use assets	<i>13</i>	<b>2,587</b>	2,944
Financial assets at fair value through profit or loss	<i>14</i>	<b>3,678</b>	3,678
Rental deposit		<b>139</b>	39
		<b>8,996</b>	8,692
<b>Current assets</b>			
Inventories	<i>15</i>	<b>1,470</b>	657
Trade and other receivables	<i>16</i>	<b>49,867</b>	43,383
Deposits and prepayments		<b>1,337</b>	820
Contract assets	<i>17</i>	<b>61,765</b>	91,651
Amount due from non-controlling interest	<i>18</i>	<b>49</b>	175
Bank balances and cash		<b>19,291</b>	23,274
		<b>133,779</b>	159,960
<b>Current liabilities</b>			
Trade and other payables	<i>19</i>	<b>24,207</b>	34,854
Contract liabilities	<i>20</i>	<b>25,174</b>	13,738
Amount due to ultimate holding company	<i>21</i>	–	8,000
Bank and other borrowings	<i>22</i>	<b>13,326</b>	7,409
Lease liabilities	<i>23</i>	<b>1,922</b>	2,376
Current income tax payable		<b>101</b>	101
		<b>64,730</b>	66,478
<b>Net current assets</b>		<b>69,049</b>	93,482

		<b>30 September</b>	31 March
		<b>2024</b>	2024
		<b>HK\$'000</b>	<b>HK\$'000</b>
	<i>Notes</i>	<b>(Unaudited)</b>	<b>(Audited)</b>
Total assets less current liabilities		<u>78,045</u>	<u>102,174</u>
<b>Non-current liabilities</b>			
Amount due to ultimate holding company	21	4,000	5,900
Bank and other borrowings	22	10,000	27,000
Lease liabilities	23	831	664
Other non-current liabilities		<u>258</u>	<u>258</u>
		<u>15,089</u>	<u>33,822</u>
<b>Net assets</b>		<u><u>62,956</u></u>	<u><u>68,352</u></u>
<b>Capital and reserves</b>			
Share capital	24	3,400	3,400
Reserves		<u>58,473</u>	<u>64,778</u>
Equity attributable to owners of the Company		61,873	68,178
Non-controlling interests		<u>1,083</u>	<u>174</u>
<b>Total equity</b>		<u><u>62,956</u></u>	<u><u>68,352</u></u>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
*For the six months ended 30 September 2024*

	Attributable to owners of the Company					Sub-total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Exchange reserve HK\$'000	Retained profits/ (accumulated losses) HK\$'000			
At 1 April 2023 (Audited)	3,400	58,541	10,010	-	10,772	82,723	127	82,850
Loss and other comprehensive expense for the period	-	-	-	-	(3,276)	(3,276)	(5)	(3,281)
<b>At 30 September 2023 (Unaudited)</b>	<u>3,400</u>	<u>58,541</u>	<u>10,010</u>	<u>-</u>	<u>7,496</u>	<u>79,447</u>	<u>122</u>	<u>79,569</u>
At 1 April 2024 (Audited)	<u>3,400</u>	<u>58,541</u>	<u>10,010</u>	<u>-</u>	<u>(3,773)</u>	<u>68,178</u>	<u>174</u>	<u>68,352</u>
Loss for the period	-	-	-	-	(6,342)	(6,342)	(334)	(6,676)
Other comprehensive expense for period	-	-	-	37	-	37	28	65
Total comprehensive expense for period	-	-	-	37	(6,342)	(6,305)	(306)	(6,611)
Disposal of a subsidiary	-	-	-	-	-	-	(165)	(165)
Capital Contribution to a subsidiary from non-controlling interests	-	-	-	-	-	-	1,380	1,380
<b>At 30 September 2024 (Unaudited)</b>	<u>3,400</u>	<u>58,541</u>	<u>10,010</u>	<u>37</u>	<u>(10,115)</u>	<u>61,873</u>	<u>1,083</u>	<u>62,956</u>

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For the six months ended 30 September 2024

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Operating activities</b>		
Loss before tax:	(6,676)	(3,281)
Adjustments for:		
Finance costs	1,193	366
Depreciation of plant and equipment	368	215
Depreciation of right-of-use assets	1,467	1,166
Loss on disposal of a subsidiary	172	–
Interest income	(88)	(149)
	<hr/>	<hr/>
Operating cash flows before movements in working capital	(3,564)	(1,683)
(Increase)/decrease in inventories	(813)	46
Increase in trade and other receivables	(6,484)	(12,973)
Increase in deposits and prepayments	(594)	(400)
Decrease/(increase) in contract assets	29,886	(9,435)
Decrease in amount due from non-controlling interest	–	20
Decrease in trade and other payables	(10,214)	(773)
Increase in contract liabilities	11,436	6,101
	<hr/>	<hr/>
<b>Net cash from/(used in) operating activities</b>	<b>19,653</b>	<b>(19,097)</b>
<b>Investing activities</b>		
Interest received	75	141
Disposal of a subsidiary	(236)	–
Purchase of plant and equipment	(924)	(446)
Increase in pledged bank deposits	–	(18)
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(1,085)</b>	<b>(323)</b>



	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	(Unaudited)
<b>Financing activities</b>		
Repayment of principal element of lease liabilities	(1,388)	(1,106)
Repayment of interest element of lease liabilities	(97)	(84)
Repayment of borrowings from ultimate holding company	(9,900)	(2,000)
Borrowings from directors of the Company	–	17,000
Repayment of borrowings from directors of the Company	(10,000)	–
Repayment of bank loan	(1,083)	(525)
Interest paid	(1,504)	(282)
Capital contribution to a subsidiary from non-controlling interests	1,380	–
	<u>(22,592)</u>	<u>13,003</u>
<b>Net cash (used in)/from financing activities</b>		
Net decrease in cash and cash equivalents	(4,024)	(6,417)
Cash and cash equivalents at beginning of period	23,274	26,326
Effect of foreign exchange rate changes	41	–
	<u>19,291</u>	<u>19,909</u>
Cash and cash equivalents at end of period represented by bank balances and cash		

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 8 March 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The headquarter and principal place of business of the Company is located at Unit 315A, 3/F., Building 5W Phase One, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong.

The directors consider the ultimate holding company to be the Company's parent company, Advance Goal Group Limited ("**Advance Goal**"), a private company incorporated in the British Virgin Islands ("**BVI**").

The Company is an investment holding company. The Company's subsidiaries are principally engaged in the provision of fitting-out services, renovation services and Nano-AM application services in Hong Kong.

The unaudited condensed consolidated financial statements of the Group for six months ended 30 September 2024 are 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.

The unaudited condensed consolidated financial statements have not been audited by the Company's independent auditor, but have been reviewed by the Company's audit committee and approved for issue by the Board on 26 November 2024.

## 2. BASIS OF PREPARATION

These unaudited condensed consolidated financial statements for the six months ended 30 September 2024 (the "**Financial Statements**") have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. Besides, the Financial Statements include applicable disclosures required by the GEM Listing Rules. The Financial Statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value.

The preparation of the Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of income and expenses. Actual results may differ from these estimates.

### 3. APPLICATION OF NEW AND REVISED HKFRSs

#### New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for the financial year beginning on 1 April 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The adoption of the new and amendments to HKFRSs that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group for the current and prior periods.

### 4. REVENUE AND SEGMENT INFORMATION

Information reported to the executive directors of the Company, who are also the chief operating decision maker (“**CODM**”) and the directors of an operating subsidiary, for the purposes of resource allocation and performance assessment focuses on types of services delivered or provided.

Specifically, the Group’s reportable and operating segments under HKFRS 8 are as follows:

- (a) Fitting-out work – refers to works conducted on new buildings.
- (b) Renovation work – refers to works carried out on existing buildings that involve upgrades and/or makeovers and/or demolition of existing works.
- (c) Nano-AM work – refers to the provision and application of nanophotocatalytic antifouling materials (the “**Nano-AM**”) on various types of repairs and maintenance works for yachts.

## Segment revenue and results

The Group provides fitting-out and renovation services to customers. Such services are recognized as a performance obligation satisfied over time as the Group's performance creates or enhances an asset that the customer controls as the Group performs. Revenue is recognised for these services based on the stage of completion of the contract using input method.

The Group provides yacht services to customers regarding the Nano-AM and repairs and maintenance to customers. The individual Nano-AM and repairs services are regarded as a performance obligation and the revenue from these services is recognised at point in time when the related distinctive services are completed. Revenue from maintenance services are recognised over time as the customers simultaneously receive and consume the benefits provided by the Group's performance.

The following is an analysis of the Group's revenue and results by reportable and operating segments.

### *For the six months ended 30 September 2024*

	<b>Fitting-out work HK\$'000 (unaudited)</b>	<b>Renovation work HK\$'000 (unaudited)</b>	<b>Nano-AM work HK\$'000 (unaudited)</b>	<b>Others HK\$'000 (unaudited)</b>	<b>Total HK\$'000 (unaudited)</b>
<b>Segment revenue</b>	<b><u>141,626</u></b>	<b><u>28,696</u></b>	<b><u>1,640</u></b>	<b><u>647</u></b>	<b><u>172,609</u></b>
<b>Segment profit/(loss)</b>	<b><u>4,974</u></b>	<b><u>(61)</u></b>	<b><u>372</u></b>	<b><u>(89)</u></b>	<b>5,196</b>
Interest income					<b>88</b>
Other unallocated income and losses, net					<b>(167)</b>
Unallocated expenses					<b><u>(11,793)</u></b>
Loss before tax					<b><u>(6,676)</u></b>

***For the six months ended 30 September 2023***

	Fitting-out work <i>HK\$'000</i> (Unaudited)	Renovation work <i>HK\$'000</i> (Unaudited)	Nano-AM work <i>HK\$'000</i> (Unaudited)	Others <i>HK\$'000</i> (Unaudited)	Total <i>HK\$'000</i> (Unaudited)
<b>Segment revenue</b>	<u>117,684</u>	<u>33,809</u>	<u>1,999</u>	<u>–</u>	<u>153,492</u>
<b>Segment profit/(loss)</b>	<u>7,861</u>	<u>(2,472)</u>	<u>540</u>	<u>–</u>	5,929
Interest income					149
Other unallocated income and losses, net					–
Unallocated expenses					<u>(9,359)</u>
Loss before tax					<u>(3,281)</u>

Segment revenue represents revenue from external customers. There were no inter-segment sales for the Period (Previous Period: Nil).

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment results represent the profit/loss before tax earned/sustained by each segment without allocation of government subsidies, other unallocated income and unallocated expenses. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

No analysis of segment assets or segment liabilities is presented as such information is not regularly provided to the CODM and is not used for the purposes of resource allocation and performance assessment.

**Geographical information**

Information about the Group's revenue from external customers presented based on the geographical location of the customers is as follows:

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b> <i>HK\$'000</i> (Unaudited)	2023 <i>HK\$'000</i> (Unaudited)
Hong Kong	<b>171,962</b>	153,492
Mainland China	<u><b>647</b></u>	<u>–</u>
	<u><b>172,609</b></u>	<u>153,492</u>

**5. OTHER INCOME**

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Bank interest income	75	141
Other interest income	13	8
Sundry income	15	–
	<u>103</u>	<u>149</u>

**6. OTHER LOSSES**

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Loss on disposal of a subsidiary	(172)	–
Net exchange loss	(10)	–
	<u>(182)</u>	<u>–</u>

**7. FINANCE COSTS**

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Interest on		
Amount due to ultimate holding company	339	–
Bank and other borrowings	757	282
Lease liabilities	97	84
	<u>1,193</u>	<u>366</u>

## 8. LOSS BEFORE TAX

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Loss before tax has been arrived at after charging:		
Directors' emolument		
Fees	–	–
Salaries, allowances and other benefits	2,015	1,755
Retirement benefit scheme contributions	9	15
	<u>2,024</u>	<u>1,770</u>
Other staff costs		
Salaries, allowances and other benefits	19,437	14,913
Retirement benefit scheme contributions	643	458
	<u>20,080</u>	<u>15,371</u>
Total staff costs	22,104	17,141
Less: amounts included in cost of services	<u>(16,778)</u>	<u>(12,552)</u>
Amounts included in administrative expenses	<u>5,326</u>	<u>4,589</u>
Auditor's remuneration	260	265
Depreciation of plant and equipment	368	215
Depreciation of right-of-use assets	1,467	1,166
Loss on disposal of a subsidiary	<u>172</u>	<u>–</u>

## 9. INCOME TAX EXPENSES

No provision for Hong Kong Profits Tax has been made for the Period as the Group has no assessable profits for the Period (Previous Period: Nil).

## 10. DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

## 11. LOSS PER SHARE

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

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Unaudited)
Loss attributable to the owners of the Company	<u><b>(6,342)</b></u>	<u>(3,276)</u>
	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares for the purpose of basic loss per share	<u><b>340,000</b></u>	<u>340,000</u>

No diluted loss per share are presented as there were no potential ordinary shares in issue.

## 12. PLANT AND EQUIPMENT

	<b>Furniture and equipment</b>	<b>Decoration</b>	<b>Machinery</b>	<b>Motor vehicles</b>	<b>Total</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Audited</b>					
Cost					
As at 1 April 2023	778	237	–	1,596	2,611
Additions	321	104	–	1,288	1,713
Disposals	<u>–</u>	<u>–</u>	<u>–</u>	<u>(280)</u>	<u>(280)</u>
As at 31 March 2024	<u>1,099</u>	<u>341</u>	<u>–</u>	<u>2,604</u>	<u>4,044</u>
Accumulated depreciation					
As at 1 April 2023	585	183	–	697	1,465
Charge for the year	132	54	–	385	571
Eliminated on disposals	<u>–</u>	<u>–</u>	<u>–</u>	<u>(23)</u>	<u>(23)</u>
As at 31 March 2024	<u>717</u>	<u>237</u>	<u>–</u>	<u>1,059</u>	<u>2,013</u>
Carrying amount					
As at 31 March 2024	<u><u>382</u></u>	<u><u>104</u></u>	<u><u>–</u></u>	<u><u>1,545</u></u>	<u><u>2,031</u></u>



	<b>Furniture and equipment</b>	<b>Decoration</b>	<b>Machinery</b>	<b>Motor vehicles</b>	<b>Total</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Unaudited</b>					
Cost					
As at 1 April 2024	1,099	341	–	2,604	4,044
Additions	173	16	181	554	924
Exchange realignment	<u>1</u>	<u>–</u>	<u>4</u>	<u>–</u>	<u>5</u>
As at 30 September 2024	<u>1,273</u>	<u>357</u>	<u>185</u>	<u>3,158</u>	<u>4,973</u>
Accumulated depreciation					
As at 1 April 2024	717	237	–	1,059	2,013
Charge for the period	<u>99</u>	<u>18</u>	<u>11</u>	<u>240</u>	<u>368</u>
As at 30 September 2024	<u>816</u>	<u>255</u>	<u>11</u>	<u>1,299</u>	<u>2,381</u>
Carrying amount					
As at 30 September 2024	<u><u>457</u></u>	<u><u>102</u></u>	<u><u>174</u></u>	<u><u>1,859</u></u>	<u><u>2,592</u></u>

The above items of plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Furniture and equipment	20%-30%
Decoration	20%
Machinery	10%-20%
Motor vehicles	20%

### 13. RIGHT-OF-USE ASSETS

	<b>Leased properties</b> <i>HK\$'000</i>
<b>Audited</b>	
Cost	
As at 1 April 2023	6,032
Additions	1,680
Derecognised upon termination of lease	<u>(1,459)</u>
As at 31 March 2024	<u>6,253</u>
Accumulated depreciation	
As at 1 April 2023	2,444
Charge for the year	2,324
Derecognised upon termination of lease	<u>(1,459)</u>
As at 31 March 2024	<u>3,309</u>
Carrying amount	
As at 31 March 2024	<u><u>2,944</u></u>
<b>Unaudited</b>	
Cost	
As at 1 April 2024	6,253
Additions	1,089
Exchange realignment	<u>28</u>
As at 30 September 2024	<u>7,370</u>
Accumulated depreciation	
As at 1 April 2024	3,309
Charge for the period	1,467
Exchange realignment	<u>7</u>
As at 30 September 2024	<u>4,783</u>
Carrying amount	
As at 30 September 2024	<u><u>2,587</u></u>

The right-of-use assets represent the Group's rights to use certain leased properties as office and staff quarter for its operations under operating lease arrangement over the lease terms, which ranged from one year seven months to four years (31 March 2024: one year seven months to four years).

Expenses have been charged to the unaudited condensed consolidated statement of profit or loss in respect of the Period as follows:

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	(Unaudited)
Depreciation of right-of-use assets	<b>1,467</b>	1,166
Interest on lease liabilities	<b><u>97</u></b>	<u>84</u>

The total cash outflow for leases for the six months ended 30 September 2024 is approximately HK\$1,485,000 (six months ended 30 September 2023: HK\$1,190,000) which was included in financing activities.

#### 14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>30 September</b>	31 March
	<b>2024</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	(Audited)
Life insurance contract, at fair value	<b><u>3,678</u></b>	<u>3,678</u>

In September 2022, the Group entered into a life insurance policy (the “**Policy**”) with an insurance company to insure a senior management personnel of a subsidiary of the Company. Under the Policy, both of the beneficiary and policy holder is a subsidiary of the Company and the policy amount is US\$520,000 (equivalent to HK\$4,083,000).

The fair value of the life insurance contract at 30 September 2024 was estimated to be US\$470,000 (31 March 2024: US\$470,000), equivalent to approximately HK\$3,678,000 (31 March 2024: HK\$3,678,000), which represents its guaranteed cash value refundable to the Group if the insurance contract was terminated as at that date. The guaranteed cash value increases over time and is estimated to be US\$520,000 during the 7th year of the insurance contract.

As at 30 September 2024, the life insurance contract with the carrying amount of HK\$3,678,000 (31 March 2024: HK\$3,678,000) were pledged for the Group’s bank borrowings as disclosed in note 22.

## 15. INVENTORIES

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
Raw materials	<u>1,470</u>	<u>657</u>

## 16. TRADE AND OTHER RECEIVABLES

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
Trade receivables, gross	50,783	44,300
Less: Impairment loss recognised	<u>(918)</u>	<u>(918)</u>
Trade receivables, less impairment losses	<u>49,865</u>	<u>43,382</u>
Other receivables	<u>2</u>	<u>1</u>
Total trade and other receivables	<u><b>49,867</b></u>	<u><b>43,383</b></u>

The Group's trade receivables as at 30 September 2024 with aggregate carrying amount of approximately HK\$49,865,000 (31 March 2024: HK\$43,382,000) were past due at the end of reporting period. The Group does not hold any collateral over these balances. Trade receivables are non-interest bearing.

The following is an analysis of the trade receivable which are past due based on the invoice date and net of provisions but not impaired:

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
Over due:		
0 to 30 days	13,301	33,331
31 to 60 days	11,279	5,087
61 to 90 days	7,902	4,345
Over 90 days	<u>17,383</u>	<u>619</u>
	<u><b>49,865</b></u>	<u><b>43,382</b></u>

## 17. CONTRACT ASSETS

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
Fitting-out works	57,455	76,027
Renovation works	<u>6,008</u>	<u>17,322</u>
	<b>63,463</b>	93,349
Less: Impairment loss recognised	<u>(1,698)</u>	<u>(1,698)</u>
	<b><u>61,765</u></b>	<b><u>91,651</u></b>

The contract assets primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance. The contract assets are classified to trade receivables when the rights become unconditional.

The Group's contracts include payment schedules which require stage payments over the contract period once certain specified milestones are reached.

## 18. AMOUNT DUE FROM NON-CONTROLLING INTEREST

The amount due from non-controlling interest of a subsidiary is unsecured, interest free and repayable on demand.

## 19. TRADE AND OTHER PAYABLES

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
Trade payables	17,560	28,787
Accrued interest on amount due to ultimate holding company	132	286
Accrued interest on borrowings from directors of the Company	489	743
Other accruals and payables	<u>6,026</u>	<u>5,038</u>
	<b><u>24,207</u></b>	<b><u>34,854</u></b>

The ageing analysis of the trade payables based on invoice date at the end of the reporting period is as follows:

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
1 to 30 days	<b>10,058</b>	20,149
31 to 60 days	<b>5,462</b>	7,575
61 to 90 days	<b>43</b>	1,036
Over 90 days	<b>1,997</b>	27
	<b><u>17,560</u></b>	<u>28,787</u>

## 20. CONTRACT LIABILITIES

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
Fitting-out works	<b>18,691</b>	8,765
Renovation works	<b>5,742</b>	4,538
Nano-AM work	<b>496</b>	435
Others	<b>245</b>	–
	<b><u>25,174</u></b>	<u>13,738</u>

**21. AMOUNT DUE TO ULTIMATE HOLDING COMPANY**

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
Amount due to Advance Goal Group Limited	<u><b>4,000</b></u>	<u>13,900</u>
Repayable:		
– on demand or within one year	–	8,000
– in the second year	<u><b>4,000</b></u>	<u>5,900</u>
	<u><b>4,000</b></u>	<u>13,900</u>
Analysed for reporting purpose:		
Non-current liabilities	<b>4,000</b>	5,900
Current liabilities	<u>–</u>	<u>8,000</u>
	<u><b>4,000</b></u>	<u>13,900</u>

The amount due to ultimate holding company is unsecured, carries interest at the rate of One Month Hong Kong Interbank Offered Rate, being 4.33% per annum as at 30 September 2024 (31 March 2024: 4.80% per annum) and is repayable in March 2026 (31 March 2024: repayable on demand, except for the amounts of HK\$1,900,000 and HK\$4,000,000 repayable in May 2025 and March 2026 respectively).

## 22. BANK AND OTHER BORROWINGS

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
Secured bank loans	<b>6,326</b>	7,409
Borrowings from directors of the Company	<b>17,000</b>	27,000
	<b><u>23,326</u></b>	<u>34,409</u>
Repayable:		
– on demand or within one year	<b>13,326</b>	7,409
– in the second year	<b>10,000</b>	27,000
	<b><u>23,326</u></b>	<u>34,409</u>
Analysed for reporting purpose:		
Non-current liabilities	<b>10,000</b>	27,000
Current liabilities	<b>13,326</b>	7,409
	<b><u>23,326</u></b>	<u>34,409</u>

The borrowings from directors of the Company are unsecured, carry interest at the rate of One Month Hong Kong Interbank Offered Rate, being 4.33% per annum as at 30 September 2024 (31 March 2024: 4.80% per annum) and are repayable in May 2025 and March 2026 with the amount of HK\$7,000,000 and HK\$10,000,000 respectively (31 March 2024: May 2025, June 2025 and March 2026 with the amount of HK\$12,000,000, HK\$5,000,000 and HK\$10,000,000 respectively).

At the end of the reporting period, bank facilities granted to the Group amounted to a total of HK\$30,000,000 (31 March 2024: HK\$30,000,000), of which approximately HK\$6,326,000 (31 March 2024: HK\$7,409,000) for bank borrowings and approximately HK\$10,380,000 (31 March 2024: HK\$10,380,000) for the guarantees under performance bonds were utilised by the Group at that date. The bank borrowings outstanding at 30 September 2024 carried interest at Bank's Best Lending Rate minus 2.25%, being 3.38% per annum as at 30 September 2024 (31 March 2024: being 3.63% per annum). The bank facilities were secured by:

- (i) charge over the Group's life insurance contract with guaranteed cash value of approximately HK\$3,678,000 (31 March 2024: HK\$3,678,000) (note 14);
- (ii) personal guarantee given by three directors of a subsidiary of the Company; and
- (iii) Corporate guarantee provided by the Company to the extent of HK\$35,000,000 (31 March 2024: HK\$35,000,000).



**23. LEASE LIABILITIES**

	<b>30 September 2024 HK\$'000 (Unaudited)</b>	31 March 2024 HK\$'000 (Audited)
Lease liabilities payable:		
Within one year	<b>1,922</b>	2,376
Within a period of more than one year but not more than two years	<b>831</b>	664
	<b>2,753</b>	3,040
Less: Amount due for settlement within twelve months included in current liabilities	<b>(1,922)</b>	(2,376)
Amount due for settlement after twelve months shown under non-current liabilities	<b>831</b>	664

**24. SHARE CAPITAL**

	<i>Number of shares</i>	<i>HK\$'000</i>
<b>Ordinary shares of HK\$0.01 each</b>		
<b>Authorised:</b>		
At 1 April 2023 (Audited), 31 March 2024 (Audited) and 30 September 2024 (Unaudited)	<b>10,000,000,000</b>	<b>100,000</b>
<b>Issued and fully paid:</b>		
At 1 April 2023, 31 March 2024 (Audited) and 30 September 2024 (Unaudited)	<b>340,000,000</b>	<b>3,400</b>

## 25. DISPOSAL OF A SUBSIDIARY

On 26 August 2024, the Company disposed of 51% equity interest in a subsidiary, Best Housing Limited, for an aggregate cash consideration of HK\$1. Best Housing Limited is engaged in provision of renovation services.

An analysis of assets and liabilities over which control was lost:

	<i>HK\$'000</i>
<b>Net assets disposed of</b>	
Amount due from non-controlling interest	126
Cash and bank balances	236
Accruals	(25)
	<u>337</u>
Non-controlling interests	(165)
	<u><u>172</u></u>

Loss on disposal of a subsidiary:

	<i>HK\$'000</i>
Cash consideration (less than HK\$1,000)	–
Net assets disposed of	(172)
	<u>(172)</u>

An analysis of cash flows from disposal of a subsidiary is as follows:

	<i>HK\$'000</i>
Cash consideration (less than HK\$1,000)	–
Cash and bank balances disposed of	(236)
Net cash flows from disposal of subsidiary	<u>(236)</u>

## 26. SURETY BOND AND CONTINGENT LIABILITY

Certain customers of construction contracts undertaken by the Group require a group entity to issue guarantees for performance of contract works in the form of surety bonds. At the end of the reporting period, the Group had outstanding guarantees for performance bonds issued in favour of the customers of the Group as follows:

	<b>30 September</b>	31 March
	<b>2024</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	(Audited)
Surety bonds for performance guarantees issued by banks	<u><u>10,380</u></u>	<u>10,380</u>

## 27. RELATED PARTY DISCLOSURES

In addition to the transactions, balances with certain related parties disclosed elsewhere in the consolidated financial statements, the Group had the following related party transactions:

- (a) Interest on borrowings from directors and amount due to ultimate holding company

	Six months ended 30 September	
	2024 <i>HK\$'000</i> (Unaudited)	2023 <i>HK\$'000</i> (Unaudited)
Interest on borrowings from directors	631	–
Interest on amount due to ultimate holding company	<u>339</u>	<u>–</u>
	<u>970</u>	<u>–</u>

- (b) Compensation of key management personnel

The directors of the Company were considered to be the key management personnel of the Group. The remuneration of the directors of the Company is set out in note 8.

## MANAGEMENT DISCUSSION AND ANALYSIS

### **Business Review and Outlook**

The Group is principally engaged in the provision of fitting-out services, renovation services and Nano-AM application services in Hong Kong.

#### ***Fitting-out and renovation services***

The Group's clientele of the fitting-out and renovation services comprises (i) property developers, some of which are (or whose holding companies are) listed on the Stock Exchange; (ii) main contractors or direct contractors of the fitting-out and renovation projects; and (iii) owners or tenants of properties.

The Group's fitting-out and renovation services mainly include provision of fitting-out and renovation solutions for different types of premises in the private sector, including residential apartments and residential dwellings, show flats, clubhouses, sales office, public area in residential and commercial buildings, offices, shopping malls and shops in Hong Kong.

As the project manager and principal coordinator, the Group is responsible for the overall implementation of projects that included planning, coordinating, monitoring and supervising the project from the commencement of service to the delivery of certificate of completion, and follow up on rectification of defects during the defect liability period, among other things.

For projects over HK\$10 million which is defined as large-scaled projects hereafter, the Group has been awarded a total of 2 large-scaled projects (Previous Period: 10 large-scaled projects) with an aggregate contract sum of approximately HK\$97.9 million during the Period (Previous Period: HK\$425.1 million) and contributed a revenue of approximately HK\$5.9 million for the Period (Previous Period: HK\$48.0 million).

#### ***Nano-AM application services***

In June 2022, the Group has obtained an exclusive license for sales of the Nano-AM that is an eco-friendly material effectively preventing unwanted growth of microorganisms onto the coated surfaces, currently being used as a surface disinfecting material and protective paint on building materials, boats and yachts.

Leveraging the exclusive license for the sales of the Nano-AM, the Company explores the marine repair and maintenance business successfully. The Group is responsible for the sales and marketing of the Nano-AM and is exploring other opportunities for the Nano-AM application.

The Board believes that the Nano-AM can also have useful applications in other aspects including our fitting-out and renovation projects and also can be a good opportunity for the Group to broaden its income streams through sales of the Nano-AM in the construction materials market.

Looking forward, in addition to the huge development potential of the Nano-AM application, the Board believes that the demand for the high-end fitting-out and renovation services will stay strong, and the Group will continue to develop this market accordingly.

## Financial Review

### Revenue

The Group's revenue is principally generated from provision of fitting-out and renovation services and Nano-AM application services to its customers.

The following table shows our revenue by operating segment during the six months ended 30 September 2024 and 2023:

	For the six months ended 30 September			
	2024		2023	
	<i>HK\$'000</i>	<i>%</i>	<i>HK\$'000</i>	<i>%</i>
Fitting-out work	<b>141,626</b>	<b>82.0</b>	117,684	76.7
Renovation work	<b>28,696</b>	<b>16.6</b>	33,809	22.0
Nano-AM work	<b>1,640</b>	<b>1.0</b>	1,999	1.3
Others	<b>647</b>	<b>0.4</b>	–	–
	<b><u>172,609</u></b>	<b><u>100.0</u></b>	<b><u>153,492</u></b>	<b><u>100.0</u></b>

The Group's overall revenue increased from approximately HK\$153.5 million for the Previous Period to approximately HK\$172.6 million for the Period, representing an increase of approximately 12.5%.

The revenue for fitting-out works for the Period was approximately HK\$141.6 million, represented an increase of approximately 20.3% from approximately HK\$117.7 million for the Previous Period. The increase was mainly due to an increase in revenue contributed from several large-scaled fitting-out projects located in Tin Shui Wai, The Peak, Sai Wan and Jordan. These large-scaled fitting-out projects were commenced subsequent to the Previous Period and contributed an aggregate revenue of approximately HK\$30.0 million for the Period.

The revenue for renovation works for the Period was approximately HK\$28.7 million, represented a decrease of approximately 15.1% from approximately HK\$33.8 million for the Previous Period. The decrease was mainly due to a substantial portion of the renovation works for several projects located in Tsuen Wan, Causeway bay, and The Peak were carried in last financial year and as such the aggregate revenue contributed from these projects decreased from approximately HK\$26.0 million for the Previous Period to approximately HK\$16.1 million for the Period.

### Cost of Services and Gross Profit

The Group's cost of services increased from approximately HK\$147.6 million for the Previous Period to approximately HK\$167.4 million for the Period, representing an increase of approximately 13.5%. Such increase was generally in line with the increase in revenue for the Period.

The following table shows our gross profit and gross profit margin by operating segment during the six months ended 30 September 2024 and 2023:

	For the six months ended 30 September			
	2024		2023	
	Gross Profit/(Loss)	Gross Profit Margin	Gross Profit/(Loss)	Gross Profit Margin
	HK\$'000	%	HK\$'000	%
Fitting-out work	4,974	3.5	7,861	6.7
Renovation work	(61)	(0.2)	(2,472)	(7.3)
Nano-AM work	372	22.7	540	27.0
Others	(89)	(13.8)	–	–
	<u>5,196</u>	<u>3.0</u>	<u>5,929</u>	<u>3.9</u>

The overall gross profit decreased by approximately HK\$0.7 million or 12.4% from approximately HK\$5.9 million for the Previous Period to approximately HK\$5.2 million for the Period, which was primarily attributable to the decrease in revenue for the Period as mentioned above.

### Other Income

The Group's other income decreased by approximately HK\$46,000 from approximately HK\$149,000 for the Previous Period to approximately HK\$103,000 for the Period. Such decrease was primarily due to a decrease in bank interest income by approximately HK\$66,000 for the Period.

## **Other losses**

The Group's other losses amounted to approximately HK\$182,000 for the Period (Previous Period: Nil), which mainly consisted of a loss on disposal of a subsidiary of approximately HK\$172,000 (Previous Period: Nil).

## **Administrative Expenses**

The Group's administrative expenses amounted to approximately HK\$10.6 million and approximately HK\$9.0 million for the six months ended 30 September 2024 and 2023 respectively, representing an increase of approximately 17.9%. Such increase was primarily due to an increase in staff costs and depreciation expenses by approximately HK\$0.8 million and HK\$0.4 million, respectively.

## **Finance Costs**

For the six months ended 30 September 2024 and 2023, the Group's finance costs amounted to approximately HK\$1.2 million and HK\$0.4 million respectively, representing an increase of approximately 226.0%. Such increase was mainly due to an increase in interests on loan from related parties by approximately HK\$1.0 million.

## **Income Tax Expense**

No provision for Hong Kong Profits Tax has been made for the Period as the Group has no assessable profits for the Period (Previous Period: Nil).

## **Loss for the Period**

As a result of aforesaid, the Group records a loss of approximately HK\$6.7 million for the Period (Previous Period: HK\$3.3 million).

## **Dividends**

The Directors do not recommend the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

## **Borrowing Facilities**

As at 30 September 2024, the Group has obtained credit facilities from banks up to a maximum amount of approximately HK\$30.0 million (31 March 2024: HK\$30.0 million), which include, but not limited to, term loan, overdraft and bank guarantee. Out of total banking facilities, term loan facility of HK\$6.3 million (31 March 2024: HK\$7.4 million) were outstanding. As at 30 September 2024, the total value of guarantees under surety bonds issued in favour of the Group's customers amounted to HK\$10.4 million (31 March 2024: HK\$10.4 million). The term loan facility are denominated in Hong Kong dollars and carried at variable rates of Hong Kong Best Lending Rate quoted by the bank from time to time minus 2.25% per annum respectively.

## **Gearing Ratio**

The gearing ratio of the Group as at 30 September 2024 was 43.4% (31 March 2024: 70.7%). The gearing ratio is calculated based on the total bank borrowings at the end of the respective periods divided by total equity at the end of the respective periods and multiplied by 100%.

## **Liquidity and Financial Resources**

The bank balances and cash of the Group as at 30 September 2024 were approximately HK\$19.3 million (31 March 2024: approximately HK\$23.3 million). The Group intends to finance its future operations and capital expenditures with cash flow from operating activities and banking facilities available to the Group. The Group's primary uses of cash have been and are expected to continue to be operating costs and capital expenditure. The Group's cash level is affected mainly by the fluctuation of trade receivables, contract assets, trade payables and contract liabilities. The current ratio of the Group as at 30 September 2024 was comfortably maintained at 2.1 (31 March 2024: 2.4). As at 30 September 2024, the Group's bank balances and cash, except a small aggregate amount of approximately HK\$524,000 (31 March 2024: HK\$362,000) in foreign currencies including Renminbi, United States dollars and Euro dollars, were held in Hong Kong dollars.

## **Capital Structure**

As at 30 September 2024, the Company's issued share capital was HK\$3,400,000 (31 March 2024: HK\$3,400,000) and the number of its issued ordinary shares was 340,000,000 (31 March 2024: 340,000,000) of HK\$0.01 each.



## Use of Proceeds from Placing

On 2 August 2022, an aggregate of 20,000,000 ordinary shares of the Company have been placed to places at a price of HK\$0.540 per share (the “**Placing**”). The Company received net proceeds from the Placing, after deducting the placing commission and other related expenses and professional fees, of approximately HK\$10,644,000. The planned use of proceeds was solely for financing the Group’s working capital.

The analysis of the actual use of the proceeds are set out below:

	Planned use of proceeds <i>HK\$'000</i>	Amount not yet utilised as at 31 March 2024 <i>HK\$'000</i>	Amount utilised during the Period <i>HK\$'000</i>	Amount not yet utilised as at 30 September 2024 <i>HK\$'000</i>	Original expected timeline for utilisation of the unused net proceeds	Updated expected timeline for utilisation of the unused net proceeds
Working capital	<u>10,644</u>	<u>1,971</u>	<u>1,971</u>	<u>-</u>	By 31 March 2024	By 30 September 2024

## Reason for extending the expected timeline for use of net proceeds

In light of the uncertainty surrounding the global macroeconomic outlook, the Group proactively implemented various measures of reducing costs and enhancing efficiency to reduce its operational expenses. As a result, the Group has not fully utilized the net proceeds on or before the original expected timeline (i.e. 31 March 2024). Accordingly, the Board decided to extend the original expected timeline for unutilized net proceeds as stated above. The Board considers that the extension of the expected timeline will not have any material adverse impact on the existing business and operations of the Group and is in the best interest of the Company and its Shareholders as a whole.

## Foreign Exchange Exposure and Treasury Policy

The Group’s core business operation is in Hong Kong and its assets are principally in Hong Kong. Hence, the Group is not exposed to significant foreign exchange risk as the majority of its business transactions are denominated in Hong Kong dollars (being the functional currency of the Group), and there were only insignificant balances of financial assets that were denominated in foreign currency as at 30 September 2024.

The Group does not have a foreign currency hedging policy. The Group will continue to monitor its foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Period. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

### **Pledge of Assets**

As at 30 September 2024, the Group had investment in a life insurance policy with a fair value of HK\$3.7 million (31 March 2024: 3.7 million) which was pledged to secure banking facilities granted to the Group.

### **Contingent Liabilities**

The Group did not have any significant contingent liabilities as at 30 September 2024 (31 March 2024: Nil).

### **Capital Commitments**

As at 30 September 2024, the Group did not have any capital commitments (31 March 2024: Nil).

### **Future Plan for Material Investment and Capital Assets**

The Group did not have any other plans for material investment and capital assets as at 30 September 2024.

### **Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures**

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the six months ended 30 September 2024.

### **Employees and Remuneration Policies**

As at 30 September 2024, the Group had a total of 81 employees (31 March 2024: 80 employees). Total staff costs amounted to approximately HK\$22.1 million for the Period, as compared to approximately HK\$17.1 million for the Previous Period. The remuneration package offered by the Group to its employees includes basic salary, bonuses and mandatory provident fund. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. The Group conducts annual review on salary raises, bonuses and promotions based on the performance of each employee.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **Corporate Governance Code**

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 (the "CG Code") as set out in Appendix C1 of the GEM Listing Rules. Throughout the Period and up to the date of this announcement, the Company has adopted and complied with, where applicable, the CG Code to ensure that the Group's business activities and decision-making processes are regulated in a proper and prudent manner, except for the deviations from the Code Provision C.2.1 of the CG Code mentioned in the paragraph headed "Chairman and Chief Executive Officer".

### **Chairman and Chief Executive Officer**

Pursuant to the Code Provision C.2.1 of the CG Code, which stipulates that the roles of chairman of the Board and chief executive officer should be separate and should not be performed by the same individual. Accordingly, following the resignation of Mr. Cheng Tsang Wai as the chairman of the Board and replaced by Mr. Cheng Tsang Fu Dennis on 28 March 2022, there will be a deviation from the Code Provision C.2.1 by the Company as Mr. Cheng Tsang Fu Dennis is also the chief executive officer.

Notwithstanding the aforesaid deviation, the Board believes that vesting the roles of both the chairman of the Board and the chief executive officer on Mr. Cheng Tsang Fu Dennis can better facilitate the execution of the Group's business strategies and boost effectiveness of its operation. The Board considers that the deviation from the Code Provision C.2.1 of the CG Code is appropriate in such circumstance. In addition, under the supervision of the Board which is comprised of three executive Directors, two non-executive Directors and three independent non-executive Directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company as a whole. Nevertheless, the Company will continue to review its operation and seek to re-comply with the Code Provision C.2.1 of the CG Code by splitting the roles of chairman and chief executive officer at a time when it is appropriate to increase the independence of corporate governance of the Group.

### **Code of Conduct Regarding Director's Securities Transactions**

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules.

Having made specific enquiry with the Directors, all the Directors, confirmed that they have complied with such code of conduct and the required standard regarding securities transactions by directors adopted by the Company throughout the Period and up to the date of this announcement.

## Directors' and Chief Executives' Interests and/or Short Positions in Shares, Underlying Shares and Debentures of the Company or its Associate Corporations

As at 30 September 2024, the interests and short positions of the directors and the chief executives of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) 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, were as follows:

### *Long position in the ordinary shares and underlying shares of the Company*

<b>Name</b>	<b>Capacity/Nature of interest</b>	<b>Interests in Shares</b>	<b>Approximate percentage shareholding</b>
Mr. Cheng Tsang Fu Dennis	Interest in controlled corporation <sup>(1)/</sup> interest of spouse <sup>(2)</sup>	147,900,000	43.50%
Ms. Liu Lee Lee Lily	Interest in controlled corporation <sup>(1)/</sup> interest of spouse <sup>(2)</sup>	147,900,000	43.50%
Mr. Chui Kai Tai	Beneficial owner	12,800,000	3.76%
Prof. Leung Yiu Cheong	Beneficial owner	2,500,000	0.74%
Ms. Cheung Kong Hung	Beneficial owner	385,000	0.11%

#### *Notes:*

- The entire issued share capital of Advance Goal is legally and beneficially owned as to 55%, 35% and 10% by Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily, respectively. Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily are parties acting in concert. Accordingly, Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily are deemed to be collectively interested in 147,900,000 Shares held by Advance Goal by virtue of the SFO.
- Each of Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily is spouse to each other. Therefore, Mr. Cheng Tsang Fu Dennis is deemed to be interested in Shares held by Ms. Liu Lee Lee Lily, and vice versa, pursuant to the SFO.

Save as disclosed above, as at 30 September 2024, none of the directors nor chief executive of the Company has registered an interest and short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) 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.

### **Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares**

So far as the Directors are aware, as at 30 September 2024, other than the directors or chief executives of the Company whose interests or short positions are as disclosed under the paragraph headed "Directors' and Chief Executives' Interests and/or Short Positions in shares, Underlying Shares and Debentures of the Company or its Associated Corporations" above, the following person has an interest or short position in the shares or underlying shares of the Company which has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, and who were expected, directly or indirectly, to be interested in 5% or more of the issued shares of the Company are listed as follows:

#### *Long position in the ordinary shares and underlying shares of the Company*

<b>Name of shareholder</b>	<b>Capacity/Nature of interest</b>	<b>Number of ordinary shares held</b>	<b>Approximate percentage shareholding</b>
Advance Goal <sup>(1)</sup>	Beneficial owner	147,900,000	43.50%
Mr. Cheng Tsang Wai	Interest in controlled corporation	147,900,000	43.50%
Ms. Chow Siu Shan Juliana <sup>(2)</sup>	Interest of spouse	147,900,000	43.50%
Mr. Chen Yi Sung	Beneficial owner	53,030,000	15.60%

#### *Notes:*

1. The entire issued share capital of Advance Goal is legally and beneficially owned as to 55%, 35% and 10% by Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily, respectively. Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily are parties acting in concert. Accordingly, Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis, Ms. Liu Lee Lee Lily are deemed to be collectively interested in 147,900,000 Shares held by Advance Goal by virtue of the SFO.
2. Ms. Chow Siu Shan Juliana is the spouse of Mr. Cheng Tsang Wai. Under the SFO, Ms. Chow Siu Shan Juliana is deemed to be interested in the 147,900,000 Shares owned by Mr. Cheng Tsang Wai through Advance Goal.

Saved as disclosed above, as at 30 September 2024, the Directors were not aware of any other person (other than the Directors or chief executives as disclosed in the paragraph headed “Directors’ and Chief Executives’ Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations” above) who had, or deemed to have, interests or short positions in the shares, underlying shares or debentures of the Company which has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued shares of the Company.

### **Directors’ Rights to Acquire Securities or Debenture**

Other than as disclosed under the section “Directors’ and Chief Executives’ Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company or its Associated Corporations” above, at no time during the Period was the Company or any of its subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the GEM Listing Rules) 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.

### **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 Period.

### **Competition of Interests**

During the Period, none of the directors or the controlling shareholders or substantial shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) were considered to have any interests in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group and/or caused, or was likely to cause any other conflicts of interest with the Group, as required to be disclosed under Rule 11.04 of the GEM Listing Rules.

### **Share Option Scheme**

The Company has conditionally adopted the share option scheme (“**Share Option Scheme**”), which was approved by written resolutions passed by its shareholders on 19 January 2018 and became unconditional on 14 February 2018. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

The Share Option Scheme is valid and effective for a period of 10 years from 14 February 2018, after which no further options will be granted or offered.

There was no option outstanding, granted, cancelled, exercised or lapsed as at 30 September 2024.

### **Pre-emptive Rights**

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

### **Audit Committee**

The Company has set up an audit committee (the “**Committee**”) on 19 January 2018 with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and the CG Code. The primary duties of the Committee are mainly to make recommendations to the Board on the appointment and removal of external auditor; review the financial statements and material advice in respect of financial reporting; and oversee risk management and internal control procedures of the Company. The Committee comprises four independent non-executive Directors, namely Mr. Chiu Wai Hon, who is the chairman of the Committee, Mr. Chow Kwok Kee, PMSM, Mr. Xu Zhi Qiang and Ms. Cheung Kong Hung. The unaudited condensed consolidated financial statements of the Group for the Period have been reviewed by the Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the GEM Listing Rules and legal requirements, and adequate disclosures have been made.

By order of the Board  
**Coolpoint Innonism Holding Limited**  
**Cheng Tsang Fu Dennis**  
*Chairman and Chief Executive Officer*

Hong Kong, 26 November 2024

*As at the date of this announcement, the executive directors of the Company are Mr. Cheng Tsang Fu Dennis, Ms. Liu Lee Lily, Mr. Chui Kai Tai, MH and Mr. Lee Chi Wai; the non-executive director of the Company is Prof. Leung Yiu Cheong; and the independent non-executive directors of the Company are Mr. Chow Kwok Kee, PMSM, Mr. Xu Zhi Qiang, Mr. Chiu Wai Hon and Ms. Cheung Kong Hung.*