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Yield Go Holdings Ltd.
耀高控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1796)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021**

FINANCIAL HIGHLIGHTS

- Revenue of the Group for the six months ended 30 September 2021 amounted to approximately HK\$105.7 million (six months ended 30 September 2020: approximately HK\$144.3 million).
- Gross profit margin for the six months ended 30 September 2021 was at approximately 4.6% (gross loss margin for the six months ended 30 September 2020: approximately 16.7%).
- Loss before income tax of the Group for the six months ended 30 September 2021 was approximately HK\$1.3 million (six months ended 30 September 2020: approximately HK\$26.6 million).
- Loss attributable to equity holders of the Company for the six months ended 30 September 2021 amounted to approximately HK\$1.3 million (six months ended 30 September 2020: approximately HK\$26.6 million).
- Basic and diluted loss per share for the six months ended 30 September 2021 amounted to approximately HK0.27 cents (six months ended 30 September 2020: approximately HK5.53 cents).
- The Board has resolved not to declare any interim dividend for the six months ended 30 September 2021 (six months ended 30 September 2020: nil).

The board (the “**Board**”) of directors (the “**Directors**”) of Yield Go Holdings Ltd. (the “**Company**”) is pleased to present the unaudited consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 September 2021, together with the comparative figures for the corresponding six months ended 30 September 2020.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2021

	Notes	Six months ended 30 September	
		2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Revenue	4	105,714	144,341
Direct costs		<u>(100,845)</u>	<u>(168,475)</u>
Gross profit/(loss)		4,869	(24,134)
Other gains	5	9	5,352
Administrative and other operating expenses		(5,444)	(6,931)
Finance costs	6	<u>(730)</u>	<u>(907)</u>
Loss before income tax	7	(1,296)	(26,620)
Income tax credit	8	<u>–</u>	<u>68</u>
Loss and total comprehensive expense for the period attributable to equity holders of the Company		<u>(1,296)</u>	<u>(26,552)</u>
Loss per share attributable to equity holders of the Company		HK cents	HK cents
– Basic and diluted	10	<u>(0.27)</u>	<u>(5.53)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2021

		As at 30 September 2021 <i>HK\$'000</i> (unaudited)	As at 31 March 2021 <i>HK\$'000</i> (audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		485	584
Right-of-use assets		1,281	1,751
Deferred tax assets		4	4
		<u>1,770</u>	<u>2,339</u>
Current assets			
Trade and other receivables	11	26,940	26,994
Contract assets		155,394	154,556
Cash and bank balances		14,109	23,548
Restricted cash	12	3,046	3,046
Tax recoverable		66	66
		<u>199,555</u>	<u>208,210</u>
Current liabilities			
Trade and other payables	13	17,219	26,191
Contract liabilities		481	498
Bank borrowings		46,653	43,485
Amount due to a director		1,100	2,750
Lease liabilities		914	918
		<u>66,367</u>	<u>73,842</u>
Net current assets		<u>133,188</u>	<u>134,368</u>
Total assets less current liabilities		<u>134,958</u>	<u>136,707</u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED)**

As at 30 September 2021

		As at 30 September 2021 <i>HK\$'000</i> (unaudited)	As at 31 March 2021 <i>HK\$'000</i> (audited)
	<i>Notes</i>		
Non-current liability			
Lease liabilities		<u>389</u>	<u>842</u>
Net assets		<u>134,569</u>	<u>135,865</u>
CAPITAL AND RESERVES			
Share capital	14	4,800	4,800
Reserves		<u>129,769</u>	<u>131,065</u>
Total equity		<u>134,569</u>	<u>135,865</u>

NOTES

1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (as revised) of the Cayman Islands. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing**”) with effect from 31 December 2018. The addresses of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Company is Unit 3, 32/F, Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong.

The Company is an investment holding company and the Group are principally engaged in fitting-out services and supply of fitting-out materials.

As at 30 September 2021, to the best knowledge of the Directors, the Company’s immediate and ultimate holding company is Hoi Lang Holdings Ltd. (“**Hoi Lang**”), a company incorporated in the British Virgin Islands (the “**BVI**”) and owned by Mr. Man Hoi Yuen (“**Mr. Man**”), Ms. Ng Yuen Chun (“**Mrs. Man**”), spouse of Mr. Man and Mr. Ho Chi Hong (“**Mr. Ho**”).

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements for the six months ended 30 September 2021 have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange and Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The condensed consolidated interim financial statements do not include all of the information and disclosures required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 March 2021.

The condensed consolidated interim financial statements are unaudited, but has been reviewed by the Company’s independent auditor, Grant Thornton Hong Kong Limited.

The condensed consolidated interim financial statements are presented in thousands of units of Hong Kong dollars (“**HK\$’000**”), except when otherwise indicated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial statements for the six months ended 30 September 2021 have been prepared in accordance with the accounting policies adopted in the Group’s annual consolidated financial statements for the year ended 31 March 2021, except for the adoption of the following amended HKFRSs effective as of 1 April 2021.

Amendments to HKFRS 9, HKAS 39, HKFRS 7, Interest Rate Benchmark Reform – Phase 2
HKFRS 4 and HKFRS 16

Amendment to HKFRS 16 Covid-19-Related Rent Concessions beyond
30 June 2021

The adoption of the amended HKFRSs had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

4. REVENUE

The Group's principal activities are disclosed in note 1 of the condensed consolidated interim financial statements.

Revenue recognised for the six months ended 30 September 2021 and 2020 are as follows:

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Revenue from contracts with customers		
By timing of revenue recognition:		
Control transferred over time	105,714	144,341
By type of services:		
Fitting-out services	105,714	144,341

The chief operating decision-maker has been identified as the board of directors of the Company. The board of directors regards the Group's fitting out services as a single operating segment and regularly reviews the operating results of the Group as a whole when making decisions about resources to be allocated and assessing its performance. Also, the Group only engages its business in Hong Kong. Therefore, all revenue of the Group is derived from operations carried out in Hong Kong and all non-current assets of the Group are located in Hong Kong. Accordingly, no segment information is presented.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Customer A ¹	93,725	84,290
Customer B ¹	N/A²	26,550
Customer C	N/A²	24,984

¹ The customer represents a collection of companies within a group.

² The corresponding revenue did not contribute over 10% of total revenue of the Group.

5. OTHER GAINS

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Bank interest income	–	1
Government grant (<i>note</i>)	–	5,313
Foreign exchange gains	8	28
Sundry income	1	10
	<u>9</u>	<u>5,352</u>

Note: During the six months ended 30 September 2020, the Group recognised subsidies of approximately HK\$5,313,000 in relation to Employment Support Scheme for Regular Employees and Construction Sector (Casual Employees) under Anti-epidemic Fund provided by the Hong Kong government as part of the relief measures on COVID-19 pandemic.

6. FINANCE COSTS

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest on bank borrowings	692	879
Finance charges on lease liabilities	38	28
	<u>730</u>	<u>907</u>

7. LOSS BEFORE INCOME TAX

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Loss before income tax is arrived at after charging:		
(a) Staff costs (including directors' remuneration) (note (i))		
Salaries, wages and other benefits	8,800	14,263
Contributions to defined contribution retirement plans	358	599
	9,158	14,862
	9,158	14,862
(b) Other items		
Depreciation, included in:		
Direct costs		
– Owned assets	15	15
Administrative expenses		
– Owned assets	84	533
– Right-of-use assets	470	738
	569	1,286
	569	1,286
Subcontracting charges (included in direct costs)	74,748	114,802
Cost of materials and finished goods	19,351	40,419
Auditors' remuneration	200	200
Short term lease with lease term less than 12 months in respect of machinery and equipment	–	67
	–	67
<i>Note (i): Staff costs (including directors' remuneration) included in:</i>		
Direct costs	6,176	11,725
Administrative expenses	2,982	3,137
	9,158	14,862
	9,158	14,862

8. INCOME TAX CREDIT

	Six months ended 30 September	
	2021	2020
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current Tax		
Hong Kong profits tax	–	26
Deferred Tax	–	(94)
Income tax credit	–	(68)

No provision for the Hong Kong profits tax has been made for the six months ended 30 September 2021 as the Group incurred loss for tax purpose for the period (six months ended 30 September 2020: HK\$26,000).

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying corporations will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%.

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in or derived from Hong Kong for the six months ended 30 September 2020, except that the Group's qualified entity is calculated in accordance with the two-tiered profit tax rates regime and the profits tax of other group entities in Hong Kong which are not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

9. DIVIDENDS

No interim dividend was paid or proposed for ordinary shareholders of the Company during the six months ended 30 September 2021 (six months ended 30 September 2020: nil).

10. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 September	
	2021	2020
	(unaudited)	(unaudited)
Loss attributable to equity holders of the Company (HK\$'000)	(1,296)	(26,552)
Weighted average number of ordinary shares in issue (<i>in thousands</i>)	480,000	480,000
Basic loss per share (<i>HK cents</i>)	(0.27)	(5.53)

The diluted loss per share is equal to the basic loss per share as there were no dilutive potential ordinary shares in issue during the six months ended 30 September 2021 and 2020.

11. TRADE AND OTHER RECEIVABLES

	As at 30 September 2021 HK\$'000 (unaudited)	As at 31 March 2021 HK\$'000 (audited)
Trade receivables	8,878	12,063
Less: Expected credit losses (“ECL”) allowance	<u>(1)</u>	<u>(1)</u>
Trade receivables – net (<i>note (a)</i>)	8,877	12,062
Retention receivables (<i>note (b)</i>)	13,732	13,211
Other receivables, deposits and prepayments (<i>note (c)</i>)	<u>4,331</u>	<u>1,721</u>
	<u>26,940</u>	<u>26,994</u>

Notes:

(a) Trade receivables – net

The credit period granted to customers are 30 days generally. The ageing analysis of the trade receivables based on invoice date is as follows:

	As at 30 September 2021 HK\$'000 (unaudited)	As at 31 March 2021 HK\$'000 (audited)
0–30 days	8,853	11,979
31–60 days	24	–
61–90 days	–	–
Over 90 days	<u>–</u>	<u>83</u>
	<u>8,877</u>	<u>12,062</u>

During the six months ended 30 September 2021, no additional ECL allowance were made against the gross amount of trade receivables (31 March 2021: reversal of ECL allowance of approximately HK\$36,000).

(b) Retention receivables

Retention receivables were not past due as at 30 September 2021, and were due for settlement in accordance with the terms of respective contract (31 March 2021: nil).

The Group generally allows 5% to 10% of total contract price of its contracts as retention, which are unsecured, interest-free and recoverable at the completion of the defects liability period of individual contracts which range from 12 months to 18 months from the date of the completion of the respective contract.

The due date for settlement of the Group's retention receivables based on the completion of defects liability period as at 30 September 2021 is as follows:

	As at 30 September 2021 HK\$'000 (unaudited)	As at 31 March 2021 HK\$'000 (audited)
Due within one year	13,732	13,211

During the six months ended 30 September 2021, no additional ECL allowance were made against the gross amount of retention receivables (31 March 2021: reversal of ECL allowance of approximately HK\$99,000).

(c) Other receivables, deposits and prepayments

	As at 30 September 2021 HK\$'000 (unaudited)	As at 31 March 2021 HK\$'000 (audited)
Other receivables	1,174	700
Deposits	177	186
Prepayments	2,987	842
	4,338	1,728
Less: ECL allowance	(7)	(7)
	4,331	1,721

During the six months ended 30 September 2021, no additional ECL allowance were made against the gross amount of other receivables (31 March 2021: reversal of ECL allowance of approximately HK\$74,000).

12. RESTRICTED CASH

Restricted cash represents deposits held at an insurance company for faithful performance in accordance with the terms of the contract between the Group and the customer.

13. TRADE AND OTHER PAYABLES

	As at 30 September 2021 <i>HK\$'000</i> (unaudited)	As at 31 March 2021 <i>HK\$'000</i> (audited)
Trade payables (<i>note(a)</i>)	12,402	20,650
Accruals and other payables (<i>note(b)</i>)	4,817	5,541
	<u>17,219</u>	<u>26,191</u>

Notes:

(a) The ageing analysis of trade payables based on the invoice date is as follows:

	As at 30 September 2021 <i>HK\$'000</i> (unaudited)	As at 31 March 2021 <i>HK\$'000</i> (audited)
0–30 days	6,705	11,309
31–60 days	1,650	1,711
61–90 days	1,461	4,188
Over 90 days	2,586	3,442
	<u>12,402</u>	<u>20,650</u>

(b) Accruals and other payables mainly comprise (i) accrued salaries of approximately HK\$1,518,000 (31 March 2021: HK\$1,854,000); (ii) accrued refund in relation to Employment Support Scheme for Construction Sector (Casual Employees) under Anti-epidemic Fund of approximately HK\$2,704,000 (31 March 2021: HK\$2,704,000); and (iii) accrued professional fees of approximately HK\$595,000 (31 March 2021: HK\$789,000).

14. SHARE CAPITAL

	Number of ordinary shares	Share capital <i>HK\$'000</i>
Ordinary shares of HK\$0.01 each		
Authorised:		
At 31 March 2021 and 30 September 2021	<u>1,000,000,000</u>	<u>10,000</u>
Issued and fully paid:		
At 31 March 2021 and 30 September 2021	<u>480,000,000</u>	<u>4,800</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview

Two years into the novel coronavirus (“**COVID-19**”) pandemic, the whole world adapts to the new norm with trial and error. As vaccines started rolling out earlier this year, the global economy is on track of recovery. Being bounced back from the COVID-19 economic hit, China recorded a 12.7% gross domestic product (“**GDP**”) growth rate for the first half of 2021. Against a backdrop of global economic recovery and the eased local pandemic situation, Hong Kong finally recorded the growth in GDP and the drop in pandemic unemployment rate in 2021, although the pace of recovery varied largely across industries.

Despite many breakthroughs in the overall economic recovery and regional pandemic control, Hong Kong construction industry and related business remain the most hard-hit sectors. According to the October announcement from Hong Kong Construction Industry Employees General Union, due to the unfavorable market, workers’ salaries in all of the 15 major categories again stayed the same, marking the third year without a wage increase. On the bright side, according to the Census and Statistics Department of the HKSAR Government, the unemployment rate within the industry started to drop at the beginning of 2021. It landed at 6.8% for the three months from July to September 2021, a tremendous improvement compared to the 10.9% rate from the same period in 2020. Although it has yet to return to the pre-COVID-19 level, the gross value of construction works performed by main contractors at construction sites in Hong Kong reached HK\$36,559 million during the first two quarters of 2021, a 3.3% bounce back from the same period last year.

Though closely connected to the general performance of the construction industry, Hong Kong fitting-out market sees a more complicated situation. Business dropped sharply during the early stage of the COVID-19 outbreak, out of property owners’ worries over letting construction workers into their homes. It then started to bounce back when many businesses decided to resume fitting-out projects. With the new local COVID-19 cases in Hong Kong staying at a low level fitting-out market started to recover slightly during the first half of 2021. However, a lack of sizable projects still severely limited the contractors’ profitability.

Business Review and Outlook

The Group is an established fitting-out contractor in Hong Kong with over 25 years of experience since the establishment of one of its principal operating subsidiaries, Hoi Sing Decoration Engineering Company Limited (“**Hoi Sing Decoration**”), in 1995. The Group’s fitting-out services cover both (i) fitting-out works conducted on new buildings; and (ii) interior renovation works on existing buildings that involve upgrades, makeovers and demolition of existing works. Hoi Sing Decoration and Milieu Wooden Company Limited are registered subcontractors under Registered Specialist Trade Contractors Scheme of the Construction Industry Council. Such services are mainly provided to residential and commercial properties in Hong Kong on a project basis.

The Group’s sources of revenue are categorised as residential and non-residential fitting-out services. During the six months ended 30 September 2021, the Group’s revenue decreased by approximately 26.7% to approximately HK\$105.7 million, compared with HK\$144.3 million for the six months ended 30 September 2020. The decrease was primarily attributable to a decrease in the number of sizeable projects available within the market during the six months ended 30 September 2021.

The COVID-19 pandemic is lasting longer than expected, and the overall business sentiment under its impact has taken many turns. The hopes aroused by the rolling out of vaccination didn’t seem to be realising, with most countries’ vaccination rates slowing down significantly while new variants of the virus are breaking the protection of the shots. Hong Kong’s construction industry sure showed some signs of recovery, but its extent is still far from truly benefiting the fitting-out market. Still operating in a very challenging environment, the Company fully leveraged its cost control experience and managed to turn a gross loss to a gross profit for the six months ended 30 September 2021, even with a considerable drop in revenue.

As for the future, it is still a very unclear picture. Alongside the many uncertainties COVID-19 causes, Hong Kong’s fitting-out industry still faces unsolved issues, to name a few: increasing operating cost, lack of experienced workers, fluctuating material prices etc. But some changes that are happening in the industry are not all negative for the Company. The past years’ quiet market has accumulated a backlog of fitting-out and renovation projects that are set to surge sometime in the future. At the same time, many less qualified competitors are believed not to outlast this tough period, which may form the foundation for a healthier and less intensified competitive scene when business opportunities return. Having been navigating in the unfavorable business environment, the Group adapts to be more resilient to challenges and believes it could regain its growth momentum in the improved market condition in the future.

Financial Review

Revenue

During the six months ended 30 September 2021, the Group's revenue decreased by approximately HK\$38.6 million or 26.7% to approximately HK\$105.7 million (six months ended 30 September 2020: approximately HK\$144.3 million). Such decrease in revenue was primarily due to the decrease in number of sizeable projects available within the market during the six months ended 30 September 2021.

Gross profit/(loss) and gross profit/(loss) margin

During the six months ended 30 September 2021, the Group's gross loss decreased by approximately HK\$29.0 million or 120.3% to gross profit of approximately HK\$4.9 million (six months ended 30 September 2020: gross loss of approximately HK\$24.1 million). During the six months ended 30 September 2021, the Group's gross profit margin was approximately 4.6% (six months ended 30 September 2020: gross loss margin of approximately 16.7%). Such increase in gross profit was primarily attributable to the improvement in the overall construction costs control under the current fierce industry competition during the period.

Other gains

During the six months ended 30 September 2021, the Group recorded other gains of approximately HK\$9,000 (six months ended 30 September 2020: approximately HK\$5.4 million). The decrease in other gains was primarily due to the subsidies from government grant of approximately HK\$5.3 million during the six months ended 30 September 2020.

Administrative and other operating expenses

The Group incurred administrative and other operating expenses of approximately HK\$5.4 million for the six months ended 30 September 2021 compared to approximately HK\$6.9 million for the corresponding period in 2020, representing a 21.7% decrease. This was mainly due to the decrease in depreciation expense, professional fees and staff cost incurred during the six months ended 30 September 2021.

Finance costs

During the six months ended 30 September 2021, the Group's finance costs decreased by approximately HK\$0.2 million or 22.2% compared to the six months ended 30 September 2020, from approximately HK\$0.9 million to approximately HK\$0.7 million. The decrease was primarily due to the decrease in average interest rate of the renewed bank borrowings during the six months ended 30 September 2021.

Net loss

For the six months ended 30 September 2021, the Group recorded net loss of approximately HK\$1.3 million, representing a decrease of 95.1% compared to approximately HK\$26.6 million for the corresponding period in 2020. Such decrease was mainly due to the improvement in the costs control as discussed above.

Liquidity, Financial Resources and Capital Structure

There has been no change in the capital structure of the Company during the six months ended 30 September 2021. The capital of the Company comprises only ordinary shares.

As at 30 September 2021, the Company's issued capital was HK\$4.8 million and the number of issued ordinary shares of the Company (the "**Shares**") was 480,000,000 Shares of HK\$0.01 each.

As at 30 September 2021, the Group had total cash and cash equivalents and restricted cash of approximately HK\$17.2 million (31 March 2021: approximately HK\$26.6 million). The decrease was due to the aggregate net cash used in operating and financing activities of approximately HK\$9.4 million.

The Group's gearing ratio, calculated as total interest-bearing liabilities and amount due to a director divided by the total equity, increased from approximately 35.3% as at 31 March 2021 to approximately 36.5% as at 30 September 2021. The increase was primarily due to increase in bank borrowings during the six months ended 30 September 2021.

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policy. 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 all the time.

Pledge of Assets

As at the date of this announcement, the Group's bank borrowings were secured by (i) corporate guarantee given by the Company; (ii) proceeds in relation to all account receivable of one of the subsidiaries of the Company; (iii) personal guarantees given by Mr. Man and Mrs. Man (which fall within Rule 14A.90 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**")); and (iv) pledge of property owned by Hoi Sing Holdings (HK) Limited (which falls within Rule 14A.90 of the Listing Rules).

Foreign Exchange Exposure

As the Group only operates in Hong Kong and all of the revenue and transactions arising from its operations were settled in Hong Kong dollar, the Directors are of the view that the Group's foreign exchange rate risks are insignificant. Thus, the Group has not entered into any derivative contracts to hedge against the foreign exchange rate risk for the six months ended 30 September 2021.

Capital Commitments and Contingent Liabilities

Capital expenditure contracted for at the end of the period/year but not yet incurred is as follow:

	As at 30 September 2021 HK\$'000	As at 31 March 2021 HK\$'000
Property, plant and equipment	<u>92</u>	<u>92</u>

Save as disclosed above, the Group had no material contingent liabilities as at 30 September 2021 (31 March 2021: nil).

Significant Investment, Material Acquisitions or Disposals of Subsidiaries and Associated Companies

During the six months ended 30 September 2021, the Group did not have any significant investment held, any material acquisitions or disposals of subsidiaries or associated companies.

Future Plans for Material Investments or Capital Assets

The Group did not have future plans for material investments or capital assets during the six months ended 30 September 2021.

Employees and Remuneration Policy

As at 30 September 2021, the Group employed a total of 54 full-time employees (including three executive Directors but excluding three independent non-executive Directors) (As at 31 March 2021: 55). The remuneration packages that the Group offers to employees includes salary, discretionary bonuses and other cash subsidies. In general, the Group determines employee salaries based on each employee's qualifications, position and seniority. The Group has designed an annual review system to assess the performance of its employees, which forms the basis of its decisions with respect to salary raises, bonuses and promotions. The total staff cost incurred by the Group for the six months ended 30 September 2021 was approximately HK\$9.2 million (six months ended 30 September 2020: approximately HK\$14.9 million).

The remuneration of the Directors is decided by the Board upon the recommendation from the remuneration committee of the Company having regard to the Group's operating results, individual performance and comparable market statistics.

Interim Dividends

The Board has resolved not to declare any interim dividend for the six months ended 30 September 2021 (six months ended 30 September 2020: nil).

CORPORATE GOVERNANCE CODE/OTHER INFORMATION

Compliance with the Corporate Governance Code

The Company has adopted the corporate governance code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules. The Company has complied with all the code provisions set out in the CG Code during the six months ended 30 September 2021 and up to the date of this announcement.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of the Directors, all the Directors have confirmed that they have complied with the requirements of the Model Code during the six months ended 30 September 2021 and up to the date of this announcement.

Share Option Scheme

The Company has adopted a share option scheme (the “**Share Option Scheme**”) on 6 December 2018. The principal terms of the Share Option Scheme are summarised in Appendix IV to the prospectus of the Company dated 13 December 2018. The purpose of the Share Option Scheme is to attract and retain the best available personnel of the Group, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisors, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group. The maximum number of Shares in respect of which share options may be granted under the Share Option Scheme and any other schemes shall not, in aggregate, exceed 48,000,000 Shares (representing 10% of the Share in issue as at the date of this announcement), unless otherwise approved by the shareholders of the Company. No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption on 6 December 2018, and there is no outstanding share option as at 30 September 2021.

Competing Interests

Neither the Directors nor the controlling shareholders of the Company nor their respective close associates is interested in a business apart from the Group’s business which competes or is likely to compete, directly or indirectly, with the Group’s business during the six months ended 30 September 2021, and is required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

Purchase, Sale or Redemption of the Company’s Securities

During the six months ended 30 September 2021, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s securities.

Event after the reporting period

There is no material subsequent event undertaken by the Group after 30 September 2021 and up to the date of this announcement.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirmed that the Company has maintained a sufficient amount of public float for its Shares as required under the Listing Rules during the six months ended 30 September 2021 and up to the date of this announcement.

Audit Committee Review

The Company established an audit committee (the “**Audit Committee**”) on 28 December 2018 in accordance with Rule 3.21 of the Listing Rules with the written terms of reference in compliance with the CG Code as set out in Appendix 14 to the Listing Rules. The Audit Committee consists of three independent non-executive Directors, namely Mr. Chan Ka Yu, Dr. Lo Ki Chiu and Mr. Leung Wai Lim. Mr. Chan Ka Yu currently serves as the chairman of the Audit Committee.

The Group’s unaudited condensed consolidated interim financial statements for the six months ended 30 September 2021 have been reviewed and approved by the Audit Committee. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosures have been made.

Review of Interim Results

The Group’s interim results for the six months ended 30 September 2021 have not been audited, but have been reviewed by the auditor of the Company, Grant Thornton Hong Kong Limited, in accordance with Hong Kong Standard on Review Engagement 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. Based on their review and discussions with the management, the Audit Committee was satisfied that the interim results were prepared in accordance with applicable accounting standards that fairly present the Group’s financial position and results for the six months ended 30 September 2021.

Publication of Interim Results Announcement and Interim Report

This interim results announcement is published on the Company’s website at www.yield-go.com and the website of the Stock Exchange at www.hkexnews.hk. The 2021 interim report for the six months ended 30 September 2021 will be dispatched to shareholders of the Company and available on the same websites in due course.

Appreciation

The Board would like to take this opportunity to express its sincere gratitude to the management team and staff for their hard work and contributions, and to our shareholders, investors and business partners for their trust and support.

By order of the Board
Yield Go Holdings Ltd.
Man Hoi Yuen
Chairman and Executive Director

Hong Kong, 16 November 2021

As at the date of this announcement, the Board comprises Mr. Man Hoi Yuen, Ms. Ng Yuen Chun and Mr. Ho Chi Hong as executive Directors; and Mr. Chan Ka Yu, Dr. Lo Ki Chiu and Mr. Leung Wai Lim as independent non-executive Directors.