



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

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8069

2022/2023

First Quarterly Report

CONTENTS

Corporate Information	3
Management Discussion and Analysis	4
Other Information	7
Unaudited Condensed Consolidated Statement of Comprehensive Income	11
Unaudited Condensed Consolidated Statement of Changes in Equity	12
Notes to the Unaudited Condensed Consolidated Financial Information	13

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors:

Mr. Yuen Sze Keung (*Chairman*)
Ms. Chan Suk Mei
Mr. Yuen Chun Ning (*Chief Executive Officer*)
Ms. Shawlain Ahmin (appointed on 22 June 2022)

Independent Non-executive Directors:

Mr. Ho Wing Huen
Mr. Lee Hing Cheung Eric (appointed on 22 June 2022)
Mr. Lee Kwong Ming (appointed on 4 July 2022)

AUDIT COMMITTEE

Mr. Lee Kwong Ming (*Chairman*)
(appointed on 2 August 2022)
Mr. Ho Wing Huen
Mr. Lee Hing Cheung Eric (appointed on 22 June 2022)

REMUNERATION COMMITTEE

Mr. Lee Hing Cheung Eric (*Chairman*)
(appointed on 2 August 2022)
Mr. Ho Wing Huen
Mr. Yuen Sze Keung
Mr. Lee Kwong Ming (appointed on 4 July 2022)

NOMINATION COMMITTEE

Mr. Ho Wing Huen (*Chairman*)
Mr. Yuen Sze Keung
Mr. Lee Hing Cheung Eric (appointed on 22 June 2022)
Mr. Lee Kwong Ming (appointed on 4 July 2022)

COMPANY SECRETARY

Ms. Ng Ka Man, *ACG, HKACG*

COMPLIANCE OFFICER

Mr. Yuen Chun Ning

AUTHORISED REPRESENTATIVES

Mr. Yuen Sze Keung
Mr. Yuen Chun Ning

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 706–8, 7th Floor, Lippo Sun Plaza
28 Canton Road
Tsim Sha Tsui
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

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

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

PRINCIPAL BANKERS

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

LEGAL ADVISER TO THE COMPANY AS TO HONG KONG LAW

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

AUDITOR

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

STOCK CODE

8069

COMPANY'S WEBSITE

www.wwwpkg.com.hk

MANAGEMENT DISCUSSION AND ANALYSIS

The board of Directors of the Company (the “Board”) hereby presents the unaudited first quarterly financial results of the Group for the three months ended 30 June 2022, together with the comparative figures for the corresponding period in 2021, as set out below.

BUSINESS REVIEW

Founded in 1979, the Group is one of the long-established and well-known travel agents in Hong Kong. The Group’s businesses include:

- the design, development and sales of package tours, the sales of air tickets and/or hotel accommodations (the “FIT products”) and the sales of ancillary travel related products and services (collectively, the “Travel Related Products and Services”);
- investments in tourism and travel technology related businesses (the “Tourism and Travel Technology Investments”);
- the engagement in the process of gaining cryptocurrencies by solving cryptographic equations through verifying data blocks and adding transaction records to a public ledger known as a blockchain (the “Cryptocurrency Mining”); and
- the sales of lifestyle and healthcare products and services via retail stores and/or e-commerce (the “Retail Operations”), which commenced in June 2022.

The Group markets its Travel Related Products and Services under the brand “縱橫遊WWPKG”. Its major Travel Related Products and Services is the provision of package tours to various global destinations with particular focus on Japan-bound tours. The coronavirus disease 2019 (“COVID-19”) pandemic has been casting severe implications for many business sectors. In particular, it has brought the global tourism industry to a screeching halt since year 2020. The Group’s business operations have been disrupted by restrictions on cross-boundary/border travel and anti-epidemic measures implemented by nations of its own and across the world. Owing to the pandemic, on the supply side, majority of the Group’s airline suppliers have been operating bare skeleton or limited passenger flight schedules, while on the demand side, leisure travel sentiment has remained low. As a result, minimal revenue and gross profit were generated from the Travel Related Products and Services segment for both three months ended 30 June 2022 and 2021. Nonetheless, the Group continued to mitigate its operating loss for the three months ended 30 June 2022 through adopting the following cost-saving measures amid the pandemic:

- implemented salary reduction for the Directors;
- streamlined workflows and eliminated non-value added positions or activities;
- encouraged employees to take no-pay leave and/or annual leave;
- obtained rent concessions on branch and office premise leases from the landlord; and
- obtained subsidies from the Hong Kong SAR government via the 2022 Employment Support Scheme.

The Group had been striving to explore opportunities and seek to diversify its business portfolio in other industries in order to broaden its source of income and future earning capability and potential. Following its setup of Cryptocurrency Mining in July 2021, the Group has commenced the Retail Operations at outlets located at prime locations in Hong Kong and online in June 2022. For the three months ended 30 June 2022, the Retail Operations segment contributed approximately HK\$5.3 million of revenue and approximately HK\$1.6 million of profit to the Group.

To ensure the sufficiency of working capital, the Company completed its placing of 80,000,000 new shares (the “Placing Share(s)”) to not less than six places at the placing price of HK\$0.281 per Placing Share on 24 May 2022. The net proceeds (after deduction of commission and other expenses of the placing) from the placing of the Placing Shares amounted to approximately HK\$21.9 million and have been used for the general working capital of the Group and general corporate purposes to support the Group’s strategies.

FINANCIAL REVIEW

Revenue and gross profit

The following table sets out the Group's revenue and gross profit by business categories:

	Three months ended 30 June			
	2022		2021	
	Revenue HK\$'million	Gross profit HK\$'million	Revenue HK\$'million	Gross profit HK\$'million
Package tours	0.9	0.2	0.5	0.5
FIT products ^(Note)	–	–	–	–
Ancillary travel related products and services ^(Note)	–	–	–	–
Travel Related Products and Services	0.9	0.2	0.5	0.5
Retail Operations	5.3	2.0	–	–
Cryptocurrency Mining	0.2	0.2	–	–
Total	6.4	2.4	0.5	0.5

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

Package Tours

Minimal revenue from package tours was recorded during the three months ended 30 June 2022, as the Group's outbound package tours continued to be severely impacted by the COVID-19 pandemic. Nonetheless, for the three months ended 30 June 2022, revenue from package tours increased by 80.0% to approximately HK\$0.9 million, mainly due to re-launch of the Group's first tour bound for Japan on 24 June 2022 since its suspension in March 2020.

FIT products

Limited sales of FIT products were conducted during the three months ended 30 June 2022 amid the COVID-19 pandemic.

Ancillary travel related products and services

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

Limited sales of ancillary travel related products and services were conducted during the three months ended 30 June 2022 amid the COVID-19 pandemic.

Retail Operations

For the three months ended 30 June 2022, revenue represented the Group's sales of lifestyle products.

Cryptocurrency Mining

For the three months ended 30 June 2022, revenue represented the quantity of Ethereum earned and received based on its fair value.

Selling expenses

Selling expenses mainly consist of (i) advertising and promotion expenses, such as sponsoring television travel programs and films, online and offline media advertisements, participating in tourism fairs and organizing travel seminars; (ii) credit card and debit card charges in respect of payments from customers with credit cards and electronic payment services (EPS); (iii) staff costs, representing the salaries and benefits for the Group's tour escorts; (iv) short-term lease expenses and depreciation of right-of-use assets for the Group's branches; and (v) depreciation of property, plant and equipment.

Selling expenses for the three months ended 30 June 2022 remained relatively stable at approximately HK\$0.4 million as compared to the corresponding period in 2021.

Administrative expenses

Administrative expenses mainly consist of (i) staff costs, representing the Directors' remuneration and the salaries and benefits for the Group's administrative and operational staff; (ii) depreciation of right-of-use assets for the Group's office premises; (iii) depreciation of property, plant and equipment; (iv) office, telecommunication and utility expenses incurred in the Group's daily operations; (v) legal and professional fees; and (vi) other miscellaneous administrative expenses.

For the three months ended 30 June 2022, administrative expenses increased by 43.1% to approximately HK\$5.6 million, mainly due to (i) legal and professional fees incurred in connection with the Company's placing of the Placing Shares; (ii) operating expenses incurred on Cryptocurrency Mining and Retail Operations; and (iii) recognition of impairment loss on cryptocurrencies, which was partially offset by reduction in staff costs of the Travel Related Products and Services segment as a result of no-pay leave and/or annual leave taken by the Group's employees and elimination of non-value added positions.

Loss and total comprehensive loss for the period

The Group's loss and total comprehensive loss for the three months ended 30 June 2022 increased by 323.9% to approximately HK\$3.6 million, which was mainly attributable to the following:

- the increase in administrative expenses by approximately HK\$1.7 million for reasons as discussed in the sub-section headed "Financial Review – Administrative expenses" above; and
- in respect of the Company's investment in the shares of CTEH INC. ("CTEH"), fair value gains of approximately HK\$2.0 million and a later gain on disposal of the shares of CTEH of approximately HK\$0.7 million were recognised during the corresponding period in 2021, which was partially offset by
- the increase in gross profit by approximately HK\$1.9 million mainly contributed by the new Retail Operations.

FUTURE PROSPECTS

The unprecedented COVID-19 pandemic has taken a heavy toll on the global economy and made the Group's operating environment extremely difficult. Regarding the Group's Travel Related Products and Services segment, the existing entry restrictions, visa suspensions or quota limitations and quarantine measures imposed by various governments, together with the low sentiment for leisure travel, will continue to have significant adverse impact on the operational and financial performance. Nevertheless, the exact impact of the COVID-19 pandemic and its variants for the year ending 31 March 2023 and subsequent financial periods cannot be predicted, as there remains a significant degree of uncertainty over the severity and/or duration of the global outbreak, as well as the trajectory of the economic recovery once the outbreak has been contained. An increasing number of countries have started/are pushing to lift restrictions and measures, including rules that govern travel, quarantine, mask wearing and socialising, because of the Omicron variant's perceived milder infections and high national vaccination rates. On 10 June 2022, the Japan government eased its borders for foreign tourists from selected countries, including Hong Kong, and began accepting visa applications, but only for those on guided package tours who were willing to follow the anti-virus measures as stipulated by the country. After the long-awaited suspension since 9 March 2020, the Group relaunched its tour bound for Japan on 24 June 2022, featuring sight-seeing and entertainment activities in the Tateyama Kurobe Alpine Route, the villages of Shirakawago and Gokayama and other popular spots in Tokyo. Hence, the Group takes an optimistic view over tourism recovery and remains confident in its strategy. Furthermore, by incorporating the new business activities of the Retail Operations, the Group seeks to diversify its business in other industries in order to expand its revenue and income sources.

OTHER INFORMATION

DISCLOSURE OF INTERESTS

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

As at 30 June 2022, the interests and short positions of the Directors and chief executive of the Company in the shares of the Company (the "Shares"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the required standard of dealings by directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) Long Positions in the Company's Shares

Name of Director	Capacity/Nature	Number of Shares held/ interested in	Percentage of shareholding
Ms. Chan Suk Mei ("Ms. Chan") ^(Note)	Interest in a controlled corporation	256,015,000	53.34%
Mr. Yuen Sze Keung ("Mr. SK Yuen") ^(Note)	Interest in a controlled corporation	256,015,000	53.34%

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

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

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

Save as disclosed above, as at 30 June 2022, none of the Directors and chief executive of the Company had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

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

As at 30 June 2022, the interests and short positions of the persons (other than the Directors or chief executive of the Company) in the Shares, underlying Shares and debentures of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Long Positions in the Company's Shares

Name of Shareholder	Capacity/Nature	Number of Shares held/ interested in	Percentage of shareholding
WWPKG Investment ^{Note (ii)}	Beneficial owner	256,015,000	53.34%

Notes:

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

Save as disclosed above, as at 30 June 2022, the Company had not been notified by any persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares, underlying Shares or debentures of the Company, which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the sub-section headed "Disclosure of Interests" above, at no time during the three months ended 30 June 2022 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company (including their spouses or children under 18 years of age) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

CORPORATE GOVERNANCE PRACTICES AND COMPLIANCE

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

During the three months ended 30 June 2022, the Company has complied with all the code provisions as set out in the CG Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors' securities transactions. Having been enquired by the Company, all Directors confirmed that they had complied with the required standard of dealings and the code of conduct concerning securities transactions by the Directors during the three months ended 30 June 2022.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended 30 June 2022.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' COMPETING INTERESTS

During the three months ended 30 June 2022, each of the Directors, the controlling Shareholders and their respective close associates (as defined in the GEM Listing Rules) has confirmed that none of them had any business or interests in any company that competes or may compete with the business of the Group and any other conflict of interests which any such person has or may have with the Group.

UPDATE ON DIRECTORS' INFORMATION

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, the change in information of the Directors since the date of the annual report of the Company for the year ended 31 March 2022 are set out below:

- Ms. Shawlain Ahmin has been appointed as an executive Director with effect from 22 June 2022;
- Mr. Lee Hing Cheung Eric ("Mr. Eric Lee") has been appointed as an independent non-executive Director and a member of each of the audit committee of the Company (the "Audit Committee"), the nomination committee of the Company (the "Nomination Committee") and the remuneration committee of the Company (the "Remuneration Committee") with effect from 22 June 2022. Mr. Eric Lee has been appointed as the chairman of the Remuneration Committee with effect from 2 August 2022;
- Mr. Lee Kwong Ming ("Mr. Lee") has been appointed as an independent non-executive Director and a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee with effect from 4 July 2022. Mr. Lee has been appointed as the chairman of the Audit Committee with effect from 2 August 2022;
- Mr. Lam Yiu Kin ("Mr. Lam") has retired as an independent non-executive Director with effect from 2 August 2022. Following his retirement, Mr. Lam ceased to be the chairman of the Audit Committee and a member of each of the Nomination Committee and the Remuneration Committee; and
- Mr. Yen Yuen Ho Tony ("Mr. Yen") has retired as an independent non-executive Director with effect from 2 August 2022. Following his retirement, Mr. Yen ceased to be the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee.

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

SHARE OPTION SCHEME

The share option scheme of the Company (the "Share Option Scheme") was adopted pursuant to a resolution passed by the Company's then shareholders on 16 December 2016 (the "Adoption Date"). No share option had been granted, exercised, lapsed or cancelled under the Share Option Scheme from the Adoption Date to 30 June 2022, and there was no outstanding share option as at the date of this report.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the requirements as set out in Rules 5.28 to 5.33 of the GEM Listing Rules and the CG Code. The Audit Committee reviews, amongst others, the financial information of the Group; the relationship with and terms of appointment of the external auditors; and the Group's financial reporting system, risk management and internal control systems, and provides advices and comments to the Board. The Audit Committee currently comprises three independent non-executive Directors. The unaudited first quarter financial results of the Group for the three months ended 30 June 2022 have been reviewed by the Audit Committee together with the Group's management.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 June 2022

	Note	Three months ended 30 June	
		2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Revenue	3	6,364	536
Cost of sales	5	(3,947)	(36)
Gross profit		2,417	500
Other income and other (losses)/gains, net	4	170	3,007
Selling expenses	5	(426)	(375)
Administrative expenses	5	(5,555)	(3,881)
Operating loss		(3,394)	(749)
Finance costs, net	6	(187)	(73)
Share of results of a joint venture		(26)	(29)
Loss before income tax		(3,607)	(851)
Income tax expense	7	–	–
Loss and total comprehensive loss for the period		(3,607)	(851)
Loss and total comprehensive loss attributable to:			
Owners of the Company		(3,935)	(824)
Non-controlling interests		328	(27)
		(3,607)	(851)
Basic and diluted loss per Share <i>(expressed in HK cents)</i>	8	(0.91)	(0.21)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2022

	Attributable to owners of the Company					Total HK\$'000	Non- controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000 <i>(Note)</i>	Other reserve HK\$'000	Accumulated losses HK\$'000			
As at 1 April 2022	4,000	56,667	12,004	2,500	(65,522)	9,649	4	9,653
(Loss)/income for the period	-	-	-	-	(3,935)	(3,935)	328	(3,607)
Total comprehensive (loss)/income for the period (unaudited)	-	-	-	-	(3,935)	(3,935)	328	(3,607)
Issue of Shares upon placing	800	21,680	-	-	-	22,480	-	22,480
Transaction costs on placing of Shares	-	(89)	-	-	-	(89)	-	(89)
Non-controlling interests arising on acquisition of subsidiaries	-	-	-	-	-	-	(144)	(144)
As at 30 June 2022 (unaudited)	4,800	78,258	12,004	2,500	(69,457)	28,105	188	28,293
As at 1 April 2021	4,000	56,667	11,371	2,500	(50,022)	24,516	2	24,518
Loss for the period	-	-	-	-	(824)	(824)	(27)	(851)
Total comprehensive loss for the period (unaudited)	-	-	-	-	(824)	(824)	(27)	(851)
As at 30 June 2021 (unaudited)	4,000	56,667	11,371	2,500	(50,846)	23,692	(25)	23,667

Note: Capital reserve represents the difference between the value of net assets of the subsidiaries acquired by the Company and the share capitals in acquired subsidiaries under common control and capital contributions arising from non-current interest free loans from a shareholder.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

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

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

The Shares were listed on GEM on 12 January 2017.

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

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

2 BASIS OF PREPARATION AND ADOPTION OF HKFRSs

(a) Basis of preparation

The unaudited condensed consolidated financial information for the three months ended 30 June 2022 has been prepared in accordance with the applicable disclosure provisions of the GEM Listing Rules. This unaudited condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 March 2022. The accounting policies used in the preparation of this unaudited condensed consolidated financial information are consistent with those used in the preparation of the Group’s audited consolidated financial statements for the year ended 31 March 2022, except for the amended Hong Kong Financial Reporting Standards (“HKFRSs”) effective for the first time for periods beginning on or after 1 April 2022. Details of the amended standards adopted and their effect on the Group’s accounting policies are set out below.

(b) Adoption of HKFRSs

The following amendments to HKFRSs that are effective for the accounting period of the Group beginning on 1 April 2022 have been published:

Annual Improvements to HKFRSs 2018–2020
Amendments to HKFRS 3, Reference to the Conceptual Framework
Amendments to HKAS 16, Property, Plant and Equipment: Proceeds before Intended Use
Amendments to HKAS 37, Onerous Contracts — Cost of Fulfilling a Contract

The Group has applied, for the first time, the above amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants. The adoption of these amendments to HKFRSs did not have any significant impact on the Group’s accounting policies.

The Group has not early adopted any new or amended HKFRSs that have been issued but are not yet effective.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

3 REVENUE AND SEGMENT INFORMATION

(a) Revenue

	Three months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Sales of package tours	856	533
Margin income/(loss) from sales of FIT products	2	(16)
Margin income from sales of ancillary travel related products and services	3	19
Sales of lifestyle products	5,309	–
Revenue from Cryptocurrency Mining	194	–
	6,364	536

(b) Segment information

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

During the three months ended 30 June 2022, Retail Operations that commenced operations in June 2022 was added as a new reportable segment.

The Group is organised into four reporting segments:

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

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

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

3 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(b) Segment information (Continued)

Segment results and other segment items are as follows:

	Three months ended 30 June 2022					Total HK\$'000
	Travel Related Products and Services HK\$'000	Tourism and Travel Technology Investments HK\$'000	Retail Operations HK\$'000	Cryptocurrency Mining HK\$'000		
Reportable segment revenue	861	–	5,309	194		6,364
Reportable segment (loss)/profit	(3,155)	(26)	1,613	(1,030)		(2,598)
Unallocated expenses, net						(822)
Finance income						–
Finance costs						(187)
Loss before income tax						(3,607)
Income tax expense						–
Loss and total comprehensive loss for the period						(3,607)
Share of results of a joint venture	–	(26)	–	–		(26)
Depreciation of property, plant and equipment	93	–	27	104		224
Depreciation of right-of-use assets	779	–	–	31		810
Impairment loss on cryptocurrencies	–	–	–	809		809

	Three months ended 30 June 2021					Total HK\$'000
	Travel Related Products and Services HK\$'000	Tourism and Travel Technology Investments HK\$'000	Retail Operations HK\$'000	Cryptocurrency Mining HK\$'000		
Reportable segment revenue	536	–	–	–		536
Reportable segment loss	(3,050)	(29)	–	–		(3,079)
Unallocated gains, net						2,301
Finance income						5
Finance costs						(78)
Loss before income tax						(851)
Income tax expense						–
Loss and total comprehensive loss for the period						(851)
Share of results of a joint venture	–	(29)	–	–		(29)
Depreciation of property, plant and equipment	195	–	–	–		195
Depreciation of right-of-use assets	203	–	–	–		203

For the three months ended 30 June 2022 and 2021, unallocated expenses or gains, net represent corporate expenses and gains.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

3 REVENUE AND SEGMENT INFORMATION (CONTINUED)

(c) Geographic information

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

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

	Three months ended 30 June	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Other income		
Management services fee income	36	36
Rent concessions	353	353
Others	11	–
	400	389
Other (losses)/gains, net		
Exchange losses	(161)	(8)
Fair value losses on derivative financial instruments	(69)	(4)
Fair value gains on listed equity securities in Hong Kong	–	1,979
Gain on disposal of listed equity securities in Hong Kong	–	651
	(230)	2,618
Other income and other (losses)/gains, net	170	3,007

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

5 EXPENSES BY NATURE

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

	Three months ended 30 June	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Land costs <i>(Note (i))</i>	595	154
Air fare costs/(income)	50	(120)
Cost of inventories	3,297	–
Short-term lease expenses	–	200
Low-value assets leases expenses	57	75
Advertising and promotion	140	15
Credit card fees	24	6
Employee benefits expenses, excluding Directors' benefits and interests		
— Salaries, discretionary bonuses and allowances <i>(Note (ii))</i>	1,285	1,771
— Pension costs – defined contribution plan	95	61
— Other employee benefits	3	–
	1,383	1,832
Directors' benefits and interests	439	475
Depreciation of property, plant and equipment	224	195
Depreciation of right-of-use assets	810	203
Impairment loss on cryptocurrencies	809	–
Office, telecommunication and utility expenses	333	116
Legal and professional fees	773	254
Auditor's remuneration		
— Audit services	205	180
Others	789	707
	9,928	4,292

Notes:

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

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

6 FINANCE COSTS, NET

	Three months ended 30 June	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Finance income		
Bank interest income	–	5
Finance costs		
Inputed interest on loans from a shareholder	(78)	–
Interest expense on lease liabilities	(83)	(31)
Interest expense on bank borrowings	(26)	(47)
	(187)	(78)
Finance costs, net	(187)	(73)

7 INCOME TAX EXPENSE

The applicable rate of Hong Kong profits tax is 16.5% (three months ended 30 June 2021: 16.5%). No provision for Hong Kong profits tax has been made in the unaudited condensed consolidated financial information (three months ended 30 June 2021: nil).

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

8 BASIC AND DILUTED LOSS PER SHARE

(a) Basic

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

	Three months ended 30 June	
	2022 HK\$ (unaudited)	2021 HK\$ (unaudited)
Loss attributable to owners of the Company (HK\$'000)	(3,935)	(824)
Weighted average number of ordinary shares in issue	433,406,593	400,000,000
Basic loss per Share (HK cents per share)	(0.91)	(0.21)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

8 BASIC AND DILUTED LOSS PER SHARE (CONTINUED)

(b) Diluted

Diluted loss per Share is the same as basic loss per Share due to the absence of potential dilutive ordinary shares during the three months ended 30 June 2022 (three months ended 30 June 2021: same).

For the three months ended 30 June 2022, the weighted average number of ordinary shares for the purpose of basic loss per Share and diluted loss per Share have been adjusted for the share placement undertaken by the Group on 24 May 2022.

9 DIVIDENDS

The Board does not recommend the payment of dividend for the three months ended 30 June 2022 (three months ended 30 June 2021: nil).

10 CONTINGENCIES

As at 30 June 2022, the Group did not have any significant contingent liabilities (31 March 2022: same).

11 RELATED PARTY TRANSACTIONS

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

The Directors are of the view that the following individuals and companies were related parties that had transactions with the Group for the three months ended 30 June 2022 and 2021:

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

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

11 RELATED PARTY TRANSACTIONS (CONTINUED)

(a) Transactions with related parties

Other than those transactions disclosed elsewhere in the unaudited condensed consolidated financial information, the following transactions were carried out with related parties during the three months ended 30 June 2022 and 2021:

	Three months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Rental expenses ^(Note)		
Sky Right Investment Limited	352	352
Booking services fee		
Y's Japan Limited	88	–
Management services fee income		
Triplabs Limited	36	36

Note:

During the three months ended 30 June 2022, certain monthly lease payments for the leases of the Group's branch and office premises have been reduced or waived by the lessor as a result of the COVID-19 pandemic and rent concessions of HK\$353,000 (three months ended 30 June 2021: HK\$353,000) were recognised in "other income and other (losses)/gains, net".

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

(b) Key management compensation

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

	Three months ended 30 June	
	2022	2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Salaries and allowances	813	891
Pension costs – defined contribution plan	12	15
	825	906

12 EVENTS AFTER THE REPORTING PERIOD

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