

WORLD SUPER HOLDINGS LIMITED 維亮控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8612



2023

FIRST QUARTERLY REPORT

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 companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Director(s)”) of World Super Holdings 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. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; (2) there are no other matters the omission of which would make any statement herein or this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are found on bases and assumptions that are fair and reasonable.

FINANCIAL RESULTS

The board of directors (the "Board") of World Super Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated financial results of the Company and its subsidiaries (the "Group") for the three months ended 31 March 2023 together with the comparative unaudited figures for the corresponding period in 2022 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Three months ended 31 March	
		2023 HK\$ (Unaudited)	2022 HK\$ (Unaudited)
Continuing operations			
Revenue	3	6,216,853	8,695,486
Cost of sales and services		(4,676,258)	(2,586,519)
Gross profit		1,540,595	6,108,967
Net other income, gain or (losses)		(1,256,524)	2,564
Other operating expenses		(670,727)	(1,518,640)
Impairment loss on assets held for sale	5	–	(4,095,565)
Administrative expenses		(4,826,901)	(4,419,302)
Selling and distribution expenses		(304,975)	(338,354)
Finance costs		(272,314)	(438,407)
Loss before taxation		(5,790,846)	(4,698,737)
Income tax credit/(expense)	4	312,751	(334,518)
Loss for the period from continuing operation		(5,478,095)	(5,033,255)
Discontinued operation			
Loss for the period from discontinued operation		–	(286,750)
Loss for the period		(5,478,095)	(5,320,005)
Other comprehensive expense for the period			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		–	(57)
Total comprehensive expenses for the period attributable to owners of the Company		(5,478,095)	(5,320,062)
Loss per share:			
Basic and diluted (HK cents)	7		
– Continuing and discontinued operation		(0.63)	(0.64)
– Continuing operation		(0.63)	(0.61)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(For the three months ended 31 March 2023)

	Issued capital HK\$	Share premium HK\$	Merger reserve HK\$ (Note i)	Exchange reserve HK\$	Accumulated losses HK\$	Total HK\$
At 1 January 2022 (audited)	8,200,000	107,323,795	5,499,999	(72)	(14,862,453)	106,161,269
Issue of shares by share placing (Note ii)	440,000	3,520,000	–	–	–	3,960,000
Transaction costs directly attribute to issue of shares upon placing	–	(186,157)	–	–	–	(186,157)
Loss for the period	–	–	–	–	(5,320,005)	(5,320,005)
Other comprehensive expense	–	–	–	(57)	–	(57)
Total comprehensive expenses for the period	–	–	–	(57)	(5,320,005)	(5,320,062)
At 31 March 2022 (unaudited)	8,640,000	110,657,638	5,499,999	(129)	(20,182,458)	104,615,050
At 1 January 2023 (audited)	8,640,000	110,657,638	5,499,999	–	(48,377,893)	76,419,744
Loss for the period	–	–	–	–	(5,478,095)	(5,478,095)
At 31 March 2023 (unaudited)	8,640,000	110,657,638	5,499,999	–	(53,855,988)	70,941,649

Notes:

- (i) Merger reserve represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital of World Super Limited, a subsidiary which was acquired by the Company pursuant to the Group Reorganisation (as defined in the prospectus of the Company dated 27 June 2019 (the "Prospectus")).
- (ii) On 21 March 2022, the Company issued 44,000,000 ordinary shares under general mandate through placement. The aggregate gross proceeds from the placing were approximately HK\$4.0 million and the aggregate net proceeds (after deducting all applicable costs and expenses, including commission and legal fees) from the placing was approximately HK\$3.8 million. The share capital has increased by HK\$440,000, while approximately HK\$3.3 million were credited to share premium.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS

(For the three months ended 31 March 2023)

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 26 February 2016 as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidation and revised) of the Cayman Islands. The addresses of the Company's registered office and the principal place of business are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and Unit 3403, 34/F., AIA Tower, 183 Electric Road, North Point, Hong Kong respectively. The Company's shares are listed on the GEM since 12 July 2019.

The Company acts as an investment holding company and its subsidiaries mainly undertakes (i) provision of rental services of crawler cranes, oscillators, a kind of bored piling machine working with drill-string to drill through the hard rock to the designated depth (the "RCD") and hydromill trench cutters for construction projects mainly in Hong Kong and/or Macau; (ii) trading of new or used crawler cranes, RCDs, trench cutters, oscillators and/or related spare parts to customers in Hong Kong, Macau and Philippines; (iii) to a lesser extent, provision of transportation services in delivering our machinery to and from customers' designated sites and other services such as arrangement of set-up and repair of machinery for customers of our plant hire service, arrangement of insurance for customers of our plant hire service for projects outside Hong Kong and marketing of construction machinery for our machinery suppliers; (iv) provision of construction works which included foundation works and ancillary services; and (v) provision of money lending services.

There has been no significant change in the Group's principal activities during the period under review.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial results of the Group for the three months ended 31 March 2023 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the GEM Listing Rules. The unaudited condensed consolidated financial results should be read in conjunction with the Group's audited consolidated financial statements and notes thereto for the year ended 31 December 2022.

The accounting policies and method of computation used in the preparation of unaudited condensed consolidated financial results are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except as described below.

Adoption of new/revised HKFRS

The adoption of the new/revised HKFRS that are relevant to the Group and effective from the current period, does not have any significant effect on the results and financial position of the Group for the current and prior accounting periods.

The Group has not early adopted any new/revised HKFRS that have been issued but are not yet effective for the current period. The Directors have already commenced an assessment of the impact of these new and revised HKFRS but are not yet in a position to reasonably estimate whether these new and revised HKFRS would have a significant impact on the Group's results of operations and financial position.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS

(For the three months ended 31 March 2023)

3. REVENUE

Revenue represents amounts received or receivable from machinery leased, goods sold and services provided in the normal course of business, net of discounts and returns.

The amount of each significant category of revenue from continuing operations recognised in turnover during the period is as follows:

	Three months ended 31 March	
	2023 HK\$ (Unaudited)	2022 HK\$ (Unaudited)
Plant hire income	3,709,740	8,635,486
Construction services income (note i)	1,922,113	–
Transportation and other services income (note ii)	585,000	60,000
	6,216,853	8,695,486

Notes:

- (i) Revenue from construction contracts is recognised over time during the course of construction by reference to the progress towards complete satisfaction at the end of the reporting period based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.
- (ii) Other services income include interest income from money lending services of HK\$15,000 for the three months ended 31 March 2023 (three months ended 31 March 2022: HK\$nil).

4. INCOME TAX CREDIT/(EXPENSE)

Income tax credit/(expense) from continuing operations recognised in profit or loss:

	Three months ended 31 March	
	2023 HK\$ (Unaudited)	2022 HK\$ (Unaudited)
Current tax		
Hong Kong profit tax	–	–
Deferred taxation	312,751	(334,518)
	312,751	(334,518)

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits during the periods.

There is no Macau tax implication during the periods. Macau segment results are included in Hong Kong tax implication during the periods.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL RESULTS

(For the three months ended 31 March 2023)

5. IMPAIRMENT LOSS ON ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

On 18 March 2022, the Company entered into a sale and purchase agreement with an independent third party, pursuant to which the Company disposed of its entire interests in Yummy Network Technology Company Limited (“Yummy Network”). Yummy Network is engaged in internet trading platform development which starts up by including electronic and household products e-commerce trading sales, maintenance of information system, and development of trading network in Hong Kong and the PRC. The assets and liabilities attributable to Yummy Network are expected to be sold within twelve months from the end of the current reporting period have been classified as a disposal group held for sales with a total impairment loss on assets held for sale of HK\$4,095,565 was recognized upon reclassification to assets held for sale. The disposal was completed on 29 April 2022.

The loss for the period from the discontinued operation is set out below. The comparative figure in the unaudited condensed consolidated statement of profit or loss and other comprehensive income have been restated to re-present the general sales from trading of electronic and household products segment as a discontinued operation.

	Three months ended 31 March	
	2023 HK\$ (Unaudited)	2022 HK\$ (Unaudited)
Loss of general sales from trading of electronic and household products segment	–	(286,750)
Impairment loss on assets held for sale	–	(4,095,565)
	–	(4,382,315)

6. DIVIDENDS

No dividend has been paid or declared by the Group during the three months ended 31 March 2023 and 2022, nor has any dividend been proposed since the end of the reporting period.

**NOTES TO THE UNAUDITED CONDENSED
CONSOLIDATED FINANCIAL RESULTS**

(For the three months ended 31 March 2023)

7. BASIC AND DILUTED LOSS PER SHARE

From continuing operations

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

	Three months ended 31 March	
	2023 HK\$ (Unaudited)	2022 HK\$ (Unaudited)
Loss		
Loss for the period attributable to owners of the Company for the purposes of calculating basic loss per share	(5,478,095)	(5,033,255)
Number of shares		
Weighted average number of ordinary shares for the purposes of calculating basic loss per share	864,000,000	825,377,778
Basic loss per share (HK cents)	(0.63)	(0.61)

From discontinued operations

Basic loss per share from discontinued operations is HK\$Nil cents per share (three months ended 31 March 2022: HK\$0.03 cents per share) based on the loss for the period from discontinued operations of HK\$Nil (three months ended 31 March 2022: HK\$286,750) and the denominators details above for basic loss per share.

No diluted loss per share for the three months ended 31 March 2023 and 2022 were presented as there were no potential dilutive ordinary shares in issue during the period.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

The Group mainly undertakes (i) provision of rental services of crawler cranes, oscillators, a kind of bored piling machine working with drill-string to drill through the hard rock to the designated depth (the "RCD") and hydromill trench cutters for construction projects mainly in Hong Kong and/or Macau; (ii) trading of new or used crawler cranes, RCDs, trench cutters, oscillators and/or related spare parts to customers in Hong Kong, Macau and Philippines; (iii) to a lesser extent, provision of transportation services in delivering our machinery to and from customers' designated sites and other services such as arrangement of set-up and repair of machinery for customers of our plant hire service, arrangement of insurance for customers of our plant hire service for projects outside Hong Kong and marketing of construction machinery for our machinery suppliers; (iv) provision of construction works which included foundation works and ancillary services; and (v) provision of money lending services.

For the three months ended 31 March 2023, the Group recorded a decrease in its total revenue from continuing operations by approximately 28.5% to approximately HK\$6.2 million from approximately HK\$8.7 million for the three months ended 31 March 2022. This is mainly due to the decrease in revenue generated from plant hire income. The Group's loss for the period from continuing operations increase from approximately HK\$5.0 million for the three months ended 31 March 2022 to approximately HK\$5.5 million for the three months ended 31 March 2023, which is mainly due to the decrease in plant hire income from owned rental fleet, the effect of which is partially offset by the decrease in the impairment loss on assets held for sale of approximately HK\$4.1 million.

For the three months ended 31 March 2023, approximately 59.7% of total revenue was contributed by the plant hire income segment amounting to approximately HK\$3.7 million (three months ended 31 March 2022: HK\$8.6 million). The decrease in plant hire income is due to less owned rental fleet is utilised.

As the anti-epidemic measures are gradually relaxed, foreign and local economies are expected to gradually return to normal, which is expected to drive the sustainable development of the local construction industry. However, there are still uncertainties in the global economy, the Group will continue to respond to the changing market environment, and pay close attention to explore any suitable business opportunity in the market, so as to maximize return for our shareholders and investors.

Looking forward, the directors of the Company (the "Directors") consider that the future opportunities and challenges which the Group face will be affected by uncertainty to construct industry due to the continuous outbreak of coronavirus disease (COVID-19) and the availability of construction projects from the public and private sectors in Hong Kong.

Our Group stays positive about the prospects of the construction market and will continue to focus on our core business.

Our Group will focus on building construction services primarily consist of building works and civil works for new class of construction services income stream including but not limited to tender road enhancement works and lift tower.

FINANCIAL OVERVIEW

Continuing operation

Revenue

The Group's revenue includes plant hire income from leasing of construction machinery, general sales from trading of construction machinery, tools and parts and transportation and other services income, construction service income and interest income from money lending business.

The Group's revenue decreased from approximately HK\$8.7 million for the three months ended 31 March 2022 to approximately HK\$6.2 million for the three months ended 31 March 2023, representing a decrease of approximately 28.5% which was mainly due to the decrease in plant hire income from owned rental fleet.

Cost of sales and services

Cost of sales and services mainly include product purchases, machinery rent paid, depreciation on plant and machinery and sub-contracting fee. For the three months ended 31 March 2023, the Group's cost of sales and services amounted to approximately HK\$4.7 million (for the three months ended 31 March 2022: approximately HK\$2.6 million). The increase in cost of sales and services was mainly due to the increase in the sub-contracting fee from construction business.

Other income, gain or (losses)

Other income, gain or (losses) mainly represents the loss on disposal of plant and equipment, bank interest income and net exchange gain/(loss). The Group turned to net other expense of approximately HK\$1.3 million for the three months ended 31 March 2023 from net other income of approximately HK\$3,000 for the three months ended 31 March 2022, which was mainly due to the increase on the loss on disposal of plant and equipment of approximately HK\$1.3 million.

Administrative expenses

Administrative expenses mainly include staff costs, short term operating lease rentals in respect of rental premises and listing-related expenses. For the three months ended 31 March 2023, the Group's administrative expenses amounted to approximately HK\$4.8 million (for the three months ended 31 March 2022: approximately HK\$4.4 million). The increment is mainly due to the increase in the allowance for expected credit losses on trade receivables of approximately HK\$0.4 million.

MANAGEMENT DISCUSSION AND ANALYSIS

Taxation

The Group turned to income tax credit of approximately HK\$0.3 million for the three months ended 31 March 2023 from income tax expenses of approximately HK\$0.3 million for the three months ended 31 March 2022, the change was mainly because of the decrease in taxable profit for the three months ended 31 March 2023.

There is no Macau tax implication during both periods. Macau segment results are included in Hong Kong tax implication during both periods.

Loss for the Period

The Group's loss for the period increased from approximately HK\$5.0 million for the three months ended 31 March 2022 to approximately HK\$5.5 million for the three months ended 31 March 2023, which is mainly due to the decrease in plant hire income from owned rental fleet, the effect of which is partially offset by the decrease in the impairment loss on assets held for sale of approximately HK\$4.1 million.

Discontinued operations

With effect from 18 March 2022, the financial results of general sales from trading of electronic and household products segment was classified as the discontinued operation because the Company entered into a sale and purchase agreement with an independent third party, pursuant to which the Company disposed of its entire interests in Yummy Network.

EVENT AFTER REPORTING PERIOD

The Group entered into sales agreement with independent third parties for the disposal of machineries for total cash consideration of approximately HK\$10.0 million. For details, please refer to the announcement published by the Company on 4 May 2023.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES

During the three months ended 31 March 2023, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of shares of the Company.

CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors which is on terms no less exacting than the required standard of dealings concerning securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having been made specific enquiry, all the Directors confirmed that they have complied with the required standard of dealings and its code of conduct regarding Director's securities transactions during the three months ended 31 March 2023.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 31 March 2023, the interests and short positions in 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")) held by the Directors and chief executives of the Company which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which were taken or deemed to have under such provisions of the SFO) or have been entered in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

(i) Long Positions in the Shares

Name of Director	Nature of interest	Number of shares held/ interested	Approximate percentage of shareholding in Company
Mr. Sou Peng Kan Albert ("Mr. Sou")	Interest in a controlled corporation and interest of spouse	162,500,000 (Note 1)	18.81%

Note:

- (1) Out of the 162,500,000 shares, 128,125,000 shares are registered in the name of Bao Han Holdings Limited ("Bao Han"), the entire issued share capital of which is legally and beneficially owned by Mr. Sou. Mr. Sou is deemed to be interested in all the shares held by Bao Han. The remaining 34,375,000 shares are registered in the name of Emerald Surplus International Limited ("Emerald Surplus"), the entire issued share capital of which is legally and beneficially owned by Ms. Chu Wing Yee ("Ms. Chu"). Ms. Chu is deemed to be interested in all the shares held by Emerald Surplus. Since Ms. Chu is the spouse of Mr. Sou, Mr. Sou is deemed to be interested in all the shares which Ms. Chu is interested in under the SFO.

OTHER INFORMATION

(ii) Long Positions in the Shares of Associated Corporation

Name of Director	Name of associated corporation	Percentage of shareholding
Mr. Sou	Bao Han	100%

Save as disclosed above, as at 31 March 2023, none of the Directors nor the chief executives of the Company had or deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) 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 required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Required Standard of Dealings and the Code by the Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2023, so far as the Directors are aware, the following persons (other than Directors or chief executives of the Company) had or were deemed or taken to have the following interests and/or short positions in the shares or the underlying shares of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Long Positions in the Shares

Name of Shareholder	Nature of Interest	Number of shares held/ interested	Approximate percentage of shareholding in Company
Ms. Chu	Interest in a controlled corporation and interest of spouse	162,500,000 (Note 1)	18.81%

Note:

- (1) Out of the 162,500,000 shares, 34,375,000 shares are registered in the name of Emerald Surplus, the entire issued share capital of which is legally and beneficially owned by Ms. Chu. Ms. Chu is deemed to be interested in all the shares held by Emerald Surplus. The remaining 128,125,000 shares are registered in the name of Bao Han, the entire issued share capital of which is legally and beneficially owned by Mr. Sou. Mr. Sou is deemed to be interested in all the shares held by Bao Han. As Mr. Sou is the spouse of Ms. Chu, Ms. Chu is deemed to be interested in all the shares which Mr. Sou is interested in under the SFO.

Save as disclosed herein, as at 31 March 2023, the Directors are not aware of any person who had or deemed to have an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The Company has a share option scheme (the “Scheme”) which was approved and adopted by the shareholders of the Company pursuant to the written resolutions passed on 21 June 2019. As at the date of this report, no options had been granted, agreed to be granted, exercised, cancelled or lapsed pursuant to the Scheme.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in the heading “Directors’ and Chief Executives’ Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company or any of its Associated Corporations” and “Share Option Scheme” above, at no time during the three months ended 31 March 2023 was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their respective spouse and children under 18 years of age) to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

COMPETING INTERESTS

For the three months ended 31 March 2023, the Directors are not aware of any business or interest of each Director, controlling shareholder, management shareholder and their respective associates (as defined in the GEM Listing Rules) that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

CHANGES OF DIRECTORS’ INFORMATION

Upon specific enquiry by the Company and following confirmations from Directors, save as otherwise set out in this report, there is no change in the information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules since the publication of the Company’s last annual report.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance practices. The Directors of the Company consider that during the three months ended 31 March 2023, the Company had applied and complied with the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 to the GEM Listing Rules except for Code Provision C.2.1 and F.1.1 as disclosed below.

Code Provision C.2.1 stipulates that the roles of chairman and chief executive officer (“CEO”) should be separated and should not be performed by the same person. The Company does not have a separate Chairman and CEO and Mr. Sou Peng Kan Albert currently holds both positions. The Board believes that vesting the roles of both Chairman and CEO in the same person provides the Group with strong and consistent leadership, allows for more effective planning and execution of long term business strategies and enhances efficiency in decision-making in response to the changing environment. Our Board believes that the balance of power and authority under this arrangement will not be impaired and is adequately ensured by the seven-member composition of our Board, including four executive Directors and three independent non-executive Directors.

OTHER INFORMATION

Under the Code Provision F.1.1, the Company should have a policy on payment of dividends and should disclose it in its annual report. The Company does not have a dividend policy and the Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Group's operating results, business plans and prospects, financial position and working capital requirements, and other factors that the Board considers relevant.

The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, comply with regulatory requirements and meet the growing expectations of shareholders and investors.

AUDIT COMMITTEE

The Company has established an audit committee ("Audit Committee") with the written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls system (including risk management) of the Group and provide advice and comments to the Board. As at the date of this report, the Audit Committee consists of three independent non-executive Directors who are Mr. Chim Tak Lai, Mr. Lee Tak Fai Thomas and Mr. Yue Wai Leung Stan. Mr. Lee Tak Fai Thomas is the chairman of the Audit Committee. The Audit Committee has reviewed the unaudited condensed consolidated financial results of the Group for the three months ended 31 March 2023.

The condensed consolidated financial results of the Group for the three months ended 31 March 2023 have not been audited by the Company's auditor.

By Order of the Board
World Super Holdings Limited
Sou Peng Kan Albert
Chairman and executive Director

Hong Kong, 15 May 2023

As at the date of this report, the executive Directors are Mr. Sou Peng Kan Albert, Mr. Fok Hei Yuen Paul, Mr. Lau Lawrence Tak Sun and Mr. Lin Dongsheng; and the independent non-executive Directors are Mr. Chim Tak Lai, Mr. Lee Tak Fai Thomas and Mr. Yue Wai Leung Stan.

This report will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at <http://www.hkexnews.hk> for at least seven days from the date of its publication and on the Company's website at www.worldsuperhk.com.