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**WWPKG Holdings Company Limited**

**縱橫遊控股有限公司**

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

**(Stock Code: 8069)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

**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.**

*This announcement for which the directors (the “Directors”) of WWPKG Holdings Company Limited (the “Company”, together with its subsidiaries, the “Group”) 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 Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

The board of Directors of the Company (the “Board”) hereby presents the audited consolidated financial results of the Group for the year ended 31 March 2023, together with the comparative figures for the corresponding period in 2022, as set out below.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2023

|   | Note | 2023<br>HK\$'000 | 2022<br>HK\$'000<br>(Re-presented) |
|---|------|------------------|------------------------------------|
| Revenue   | 4(a) | 158,409          | 1,659                              |
| Cost of sales   | 6(a) | (129,731)        | (567)                              |
| Gross profit  |      | 28,678           | 1,092                              |
| Other income and other (losses)/gains, net  | 5    | 545              | 5,833                              |
| Selling expenses  | 6(a) | (11,845)         | (3,257)                            |
| Administrative expenses   | 6(a) | (24,825)         | (15,395)                           |
| <b>Operating loss</b>   |      | <b>(7,447)</b>   | <b>(11,727)</b>                    |
| Finance costs, net  | 7    | (617)            | (365)                              |
| Share of results of a joint venture   | 11   | 2,074            | (1,565)                            |
| <b>Loss before income tax</b>   |      | <b>(5,990)</b>   | <b>(13,657)</b>                    |
| Income tax expense  | 8    | —                | —                                  |
| <b>Loss and total comprehensive loss for the year from continuing operations</b>        |      | <b>(5,990)</b>   | <b>(13,657)</b>                    |
| <b>Discontinued operation</b>   |      |                  |                                    |
| Loss and total comprehensive loss for the year from a discontinued operation, after tax | 6(b) | (1,682)          | (2,441)                            |
| <b>Loss and total comprehensive loss for the year</b>                                   |      | <b>(7,672)</b>   | <b>(16,098)</b>                    |
| <b>Loss and total comprehensive loss for the year attributable to:</b>                  |      |                  |                                    |
| Owners of the Company   |      |                  |                                    |
| — From continuing operations  |      | (2,780)          | (13,547)                           |
| — From a discontinued operation   |      | (1,345)          | (1,953)                            |
|   |      | (4,125)          | (15,500)                           |
| Non-controlling interests   |      |                  |                                    |
| — From continuing operations  |      | (3,210)          | (110)                              |
| — From a discontinued operation   |      | (337)            | (488)                              |
|   |      | (3,547)          | (598)                              |
|   |      | (7,672)          | (16,098)                           |
| <b>Loss per share from continuing and discontinued operations</b>                       |      |                  |                                    |
| Basic and diluted loss per Share (expressed in HK cents)                                | 9    | (0.82)           | (3.75)                             |
| <b>Loss per share from continuing operations</b>  |      |                  |                                    |
| Basic and diluted loss per Share (expressed in HK cents)                                | 9    | (0.55)           | (3.28)                             |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

|  | <i>Note</i> | <b>2023</b><br><b>HK\$'000</b> | 2022<br><i>HK\$'000</i> |
|--|-------------|--------------------------------|-------------------------|
| <b>ASSETS AND LIABILITIES</b>                          |             |                                |                         |
| <b>Non-current assets</b>                              |             |                                |                         |
| Property, plant and equipment                          |             | 15,174                         | 1,690                   |
| Right-of-use assets                                    |             | 15,668                         | 8,658                   |
| Goodwill   |             | 563                            | –                       |
| Other non-current assets                               |             | 2,878                          | 804                     |
| Interests in a joint venture                           | <i>11</i>   | <u>11,159</u>                  | <u>9,085</u>            |
|  |             | <u>45,442</u>                  | <u>20,237</u>           |
| <b>Current assets</b>                                  |             |                                |                         |
| Inventories  |             | 9,384                          | 218                     |
| Prepayments, deposits and other receivables            |             | 30,890                         | 6,428                   |
| Due from a related company                             |             | 495                            | –                       |
| Cryptocurrencies                                       |             | 746                            | 1,058                   |
| Cash and cash equivalents                              |             | <u>45,739</u>                  | <u>11,037</u>           |
|  |             | <u>87,254</u>                  | <u>18,741</u>           |
| <b>Current liabilities</b>                             |             |                                |                         |
| Trade payables   | <i>12</i>   | 3,600                          | 26                      |
| Accruals and other payables                            |             | 58,634                         | 4,488                   |
| Derivative financial instruments                       |             | 121                            | 58                      |
| Due to non-controlling shareholders<br>of subsidiaries |             | 10,045                         | –                       |
| Lease liabilities                                      |             | 6,644                          | 3,294                   |
| Bank borrowings  | <i>13</i>   | <u>825</u>                     | <u>4,068</u>            |
|  |             | <u>79,869</u>                  | <u>11,934</u>           |
| <b>Net current assets</b>                              |             | <u>7,385</u>                   | <u>6,807</u>            |
| <b>Total assets less current liabilities</b>           |             | <u>52,827</u>                  | <u>27,044</u>           |

|   | <i>Note</i> | <b>2023</b><br><b>HK\$'000</b> | 2022<br><i>HK\$'000</i> |
|---|-------------|--------------------------------|-------------------------|
| <b>Non-current liabilities</b>                      |             |                                |                         |
| Lease liabilities                                   |             | <b>9,817</b>                   | 5,598                   |
| Other non-current liabilities                       |             | <b>1,001</b>                   | 290                     |
| Loans from a shareholder                            |             | <u>–</u>                       | <u>11,503</u>           |
|   |             | <b>10,818</b>                  | <u>17,391</u>           |
| <b>Net assets</b>                                   |             | <u><b>42,009</b></u>           | <u>9,653</u>            |
| <b>EQUITY</b>                                       |             |                                |                         |
| <b>Equity attributable to owners of the Company</b> |             |                                |                         |
| Share capital                                       | <i>14</i>   | <b>5,681</b>                   | 4,000                   |
| Reserves  |             | <u><b>40,177</b></u>           | <u>5,649</u>            |
|   |             | <u><b>45,858</b></u>           | <u>9,649</u>            |
| Non-controlling interests                           |             | <u><b>(3,849)</b></u>          | <u>4</u>                |
| <b>Total equity</b>                                 |             | <u><b>42,009</b></u>           | <u>9,653</u>            |

## NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

*For the year ended 31 March 2023*

### 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 Windward 3, Regatta Office Park, P.O. Box 1350, 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 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 sales of lifestyle and healthcare products and services, including toy figures, unused and second-hand luxury handbags and watches and health supplements, via retail stores and/or e-commerce (the “Retail Operations”); and
- the catering business of selling food and drinks in Hong Kong and any other business ancillary thereto (the “Catering Business”).

The shares of the Company (the “Shares”) were listed on GEM on 12 January 2017.

The ultimate holding company of the Group is WWPKG Investment Holdings Limited (“WWPKG Investment”), a company incorporated in the British Virgin Islands (the “BVI”).

## **2. BASIS OF PREPARATION**

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective terms include all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), the applicable disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules.

The consolidated financial statements have been prepared under the historical cost convention, except for the derivative financial instruments, which were measured at fair value, at the end of the reporting period.

The HKICPA has issued new and revised HKFRSs that are first effective or available for early adoption for the current reporting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior reporting periods in these consolidated financial statements.

## **3. ADOPTION OF NEW AND REVISED HKFRSs**

### **3.1 Adoption of Amended HKFRSs**

The Group has applied for the first time the following amended HKFRSs issued by the HKICPA for the accounting period beginning on or after 1 April 2022:

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

Annual Improvements to HKFRSs 2018-2020

None of these amended HKFRSs has a material impact on the Group’s results and financial position for the current or prior period and/or on the disclosures set out in these consolidated financial statements.

### 3.2 New or Amended HKFRSs that have been issued but are not yet effective

The following new or amended HKFRSs potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group:

|  | <b>Effective<br/>for accounting<br/>periods beginning<br/>on or after</b> |
|--|---|
| Amendments to HKAS 1 and HKFRS Practice Statement 2 – Disclosure of Accounting Policies                                    | 1 January 2023  |
| Amendments to HKAS 8 – Definition of Accounting Estimates  | 1 January 2023  |
| Amendments to HKAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction                   | 1 January 2023  |
| Amendments to HKFRS 16 – Lease Liability in a Sale and Leaseback   | 1 January 2024  |
| Amendments to HKAS 1 – Classification of Liabilities as Current or Non-current (the “2020 Amendments”)                     | 1 January 2024  |
| Amendments to HKAS 1 – Non-current Liabilities with Covenants (the “2022 Amendments”)                                      | 1 January 2024  |
| Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture | To be determined  |

The Group is in the process of making an assessment of what the impact of these new and amended HKFRSs is expected to be in the period of initial application and is not yet in a position to state whether these new and amended HKFRSs will result in substantial changes to the Group's accounting policies and financial statements.

#### 4. REVENUE AND SEGMENT INFORMATION

##### (a) Revenue

|  | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i><br>(Re-presented) |
|--|-------------------------|---|
| <i>Continuing operations</i>   |                         |   |
| Sales of package tours   | 122,949                 | 1,543                                     |
| Margin income from sales of FIT products                                   | 821                     | 10  |
| Margin income from sales of ancillary travel related products and services | 1,789                   | 106                                       |
| Sales of lifestyle and healthcare products                                 | 32,171                  | –   |
| Catering services  | 679                     | –   |
|  | <u>158,409</u>          | <u>1,659</u>                              |
| <i>Discontinued operation</i>  |                         |   |
| Revenue from Cryptocurrency Mining   | <u>195</u>              | <u>1,182</u>                              |
|  | <u>158,604</u>          | <u>2,841</u>                              |

##### (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 year ended 31 March 2023, Retail Operations and Catering Business that commenced operations in June 2022 and February 2023, respectively, were added as new reportable segments.

The Group is organised into five reportable segments:

Continuing reportable segments:

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

Discontinued reportable segment:

- (i) 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 statements.

Year ended 31 March 2023

|   | Continuing operations                                  |  |                                  |                                  | Discontinued operation               | Total<br>HK\$'000 |
|---|--|--|----------------------------------|----------------------------------|--------------------------------------|-------------------|
|   | Travel Related<br>Products and<br>Services<br>HK\$'000 | Tourism and<br>Travel<br>Technology<br>Investments<br>HK\$'000 | Retail<br>Operations<br>HK\$'000 | Catering<br>Business<br>HK\$'000 | Cryptocurrency<br>Mining<br>HK\$'000 |                   |
| Reportable segment revenue                        | <u>125,559</u>   | <u>-</u>   | <u>32,171</u>                    | <u>679</u>                       | <u>195</u>                           | <u>158,604</u>    |
| Reportable segment profit/(loss)                  | <u>3,896</u>   | <u>2,074</u>   | <u>(4,994)</u>                   | <u>(2,984)</u>                   | <u>(1,677)</u>                       | <u>(3,685)</u>    |
| Unallocated (expenses)/gains, net                 |  |  |                                  |                                  |                                      | (3,365)           |
| Finance income                                    |  |  |                                  |                                  |                                      | 10                |
| Finance costs                                     |  |  |                                  |                                  |                                      | <u>(632)</u>      |
| Loss before income tax                            |  |  |                                  |                                  |                                      | (7,672)           |
| Income tax expense                                |  |  |                                  |                                  |                                      | <u>-</u>          |
| Loss and total comprehensive loss<br>for the year |  |  |                                  |                                  |                                      | <u>(7,672)</u>    |
| Share of results of a joint venture               | <u>-</u>   | <u>2,074</u>   | <u>-</u>                         | <u>-</u>                         | <u>-</u>                             | <u>2,074</u>      |
| Depreciation of property, plant<br>and equipment  | 350  | -  | 301                              | 460                              | 365                                  | 1,476             |
| Depreciation of right-of-use assets               | 3,095  | -  | 822                              | 566                              | 82                                   | 4,565             |
| Impairment loss on cryptocurrencies               | <u>-</u>   | <u>-</u>   | <u>-</u>                         | <u>-</u>                         | <u>507</u>                           | <u>507</u>        |

Year ended 31 March 2022

|   | Continuing operations                                  |  |                                  |                                  | Discontinued operation               | Total<br>HK\$'000 |
|---|--|--|----------------------------------|----------------------------------|--------------------------------------|-------------------|
|   | Travel Related<br>Products and<br>Services<br>HK\$'000 | Tourism and<br>Travel<br>Technology<br>Investments<br>HK\$'000 | Retail<br>Operations<br>HK\$'000 | Catering<br>Business<br>HK\$'000 | Cryptocurrency<br>Mining<br>HK\$'000 |                   |
| <b>Reportable segment revenue</b>                   | <u>1,659</u>   | <u>-</u>   | <u>-</u>                         | <u>-</u>                         | <u>1,182</u>                         | <u>2,841</u>      |
| <b>Reportable segment loss</b>                      | <u>(12,682)</u>  | <u>(1,565)</u>   | <u>-</u>                         | <u>-</u>                         | <u>(2,430)</u>                       | <u>(16,677)</u>   |
| Unallocated gains/(expenses), net                   |  |  |                                  |                                  |                                      | 955               |
| Finance income                                      |  |  |                                  |                                  |                                      | 6                 |
| Finance costs                                       |  |  |                                  |                                  |                                      | (382)             |
| Loss before income tax                              |  |  |                                  |                                  |                                      | (16,098)          |
| Income tax expense                                  |  |  |                                  |                                  |                                      | -                 |
| Loss and total comprehensive loss<br>for the year   |  |  |                                  |                                  |                                      | <u>(16,098)</u>   |
| Share of results of a joint venture                 | <u>-</u>   | <u>(1,565)</u>   | <u>-</u>                         | <u>-</u>                         | <u>-</u>                             | <u>(1,565)</u>    |
| Depreciation of property, plant<br>and equipment    | 532  | -  | -                                | -                                | 627                                  | 1,159             |
| Depreciation of right-of-use assets                 | 888  | -  | -                                | -                                | 196                                  | 1,084             |
| Impairment loss on property, plant<br>and equipment | -  | -  | -                                | -                                | 1,486                                | 1,486             |
| Impairment loss on right-of-use assets              | -  | -  | -                                | -                                | 218                                  | 218               |
| Impairment loss on cryptocurrencies                 | -  | -  | -                                | -                                | 91                                   | 91                |

For the year ended 31 March 2023, unallocated (expenses)/gains, net represent corporate (expenses)/gains (2022: same).

Segment assets and liabilities are as follows:

Year ended 31 March 2023

|                                | Continuing operations                                  |  |                                  |                                  | Discontinued operation               |                         | Total<br>HK\$'000 |
|--------------------------------|--|--|----------------------------------|----------------------------------|--------------------------------------|-------------------------|-------------------|
|                                | Travel Related<br>Products and<br>Services<br>HK\$'000 | Tourism and<br>Travel<br>Technology<br>Investments<br>HK\$'000 | Retail<br>Operations<br>HK\$'000 | Catering<br>Business<br>HK\$'000 | Cryptocurrency<br>Mining<br>HK\$'000 | Unallocated<br>HK\$'000 |                   |
| Reportable segment assets      | <u>75,438</u>  | <u>11,159</u>  | <u>16,454</u>                    | <u>22,462</u>                    | <u>1,268</u>                         | <u>5,915</u>            | <u>132,696</u>    |
| Reportable segment liabilities | <u>(59,589)</u>  | <u>-</u>   | <u>(4,868)</u>                   | <u>(25,670)</u>                  | <u>(91)</u>                          | <u>(469)</u>            | <u>(90,687)</u>   |
| Capital expenditure            | <u>3,581</u>   | <u>-</u>   | <u>2,038</u>                     | <u>14,324</u>                    | <u>-</u>                             | <u>-</u>                | <u>19,943</u>     |

Year ended 31 March 2022

|                                | Continuing operations                                  |  |                                  |                                  | Discontinued operation               |                         | Total<br>HK\$'000 |
|--------------------------------|--|--|----------------------------------|----------------------------------|--------------------------------------|-------------------------|-------------------|
|                                | Travel Related<br>Products and<br>Services<br>HK\$'000 | Tourism and<br>Travel<br>Technology<br>Investments<br>HK\$'000 | Retail<br>Operations<br>HK\$'000 | Catering<br>Business<br>HK\$'000 | Cryptocurrency<br>Mining<br>HK\$'000 | Unallocated<br>HK\$'000 |                   |
| Reportable segment assets      | <u>22,282</u>  | <u>9,085</u>   | <u>-</u>                         | <u>-</u>                         | <u>3,178</u>                         | <u>4,433</u>            | <u>38,978</u>     |
| Reportable segment liabilities | <u>(24,786)</u>  | <u>-</u>   | <u>-</u>                         | <u>-</u>                         | <u>(4,528)</u>                       | <u>(11)</u>             | <u>(29,325)</u>   |
| Capital expenditure            | <u>8,594</u>   | <u>-</u>   | <u>-</u>                         | <u>-</u>                         | <u>3,680</u>                         | <u>-</u>                | <u>12,274</u>     |

Capital expenditure comprises additions to property, plant and equipment and right-of-use assets.

Segment assets and liabilities are reconciled to the Group's assets and liabilities as follows:

|  | 2023                  |                         | 2022               |                         |
|--|-----------------------|-------------------------|--------------------|-------------------------|
|  | Assets<br>HK\$'000    | Liabilities<br>HK\$'000 | Assets<br>HK\$'000 | Liabilities<br>HK\$'000 |
| Reportable segment<br>assets/(liabilities)                     | <b>126,781</b>        | <b>(90,218)</b>         | 34,545             | (29,314)                |
| Unallocated:<br>Prepayments, deposits and<br>other receivables | <b>187</b>            | -                       | 184                | -                       |
| Cash and cash equivalents                                      | <b>5,728</b>          | -                       | 4,249              | -                       |
| Accruals and other payables                                    | -                     | <b>(469)</b>            | -                  | (11)                    |
|  | <u><b>132,696</b></u> | <u><b>(90,687)</b></u>  | <u>38,978</u>      | <u>(29,325)</u>         |

(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. As at 31 March 2023, all non-current assets were located in Hong Kong (31 March 2022: same).

(d) **Revenue from major customer**

|                              | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|------------------------------|-------------------------|-------------------------|
| <b>Cryptocurrency Mining</b> |                         |                         |
| Customer A                   | –                       | 1,182                   |

5. **OTHER INCOME AND OTHER (LOSSES)/GAINS , NET**

|  | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
|  |                         | (Re-presented)          |
| <i>Continuing operations</i>   |                         |                         |
| <b>Other income</b>  |                         |                         |
| Referral income  | 23                      | –                       |
| Management services fee income   | 144                     | 144                     |
| Rent concessions   | 384                     | 1,410                   |
| Subsidies <sup>(Note (i))</sup>  | –                       | 1,800                   |
| Others   | 438                     | –                       |
|  | <u>989</u>              | <u>3,354</u>            |
| <b>Other (losses)/gains, net</b>   |                         |                         |
| Exchange losses, net   | (449)                   | (116)                   |
| Fair value losses on derivative financial instruments                            | (30)                    | (63)                    |
| Gain on disposal of listed equity securities in Hong Kong <sup>(Note (ii))</sup> | –                       | 2,658                   |
| Gain on lease modification   | 35                      | –                       |
|  | <u>(444)</u>            | <u>2,479</u>            |
| <b>Other income and other (losses)/gains, net</b>                                | <u>545</u>              | <u>5,833</u>            |
| <i>Discontinued operation</i>  |                         |                         |
| <b>Other (losses)/gains, net</b>   |                         |                         |
| Gain on lease modification   | 84                      | –                       |
| Gain on disposal of cryptocurrencies   | –                       | 17                      |
| Loss on disposal of property, plant and equipment                                | (418)                   | –                       |
|  | <u>(334)</u>            | <u>17</u>               |

Notes:

- (i) Subsidies mainly represent grants received from Hong Kong SAR Government. There are no unfulfilled conditions or contingencies relating to these grants.
- (ii) Gain on disposal of listed equity securities represents the fair value gains up to the date of disposal.

## 6. EXPENSES BY NATURE

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

|   | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i><br>(Re-presented) |
|---|-------------------------|---|
| <i>Continuing operations</i>  |                         |   |
| Land costs <i>(Note)</i>  | 51,452                  | 679                                       |
| Air fare costs/(income)   | 45,498                  | (119)                                     |
| Cost of inventories   | 32,152                  | –   |
| Catering service costs  | 386                     | –   |
| Short-term lease expenses   | –                       | 760                                       |
| Low-value assets leases expenses  | 235                     | 47  |
| Advertising and promotion   | 1,408                   | 1,111                                     |
| Credit card fees  | 2,118                   | 32  |
| Employee benefits expenses, excluding Directors' benefits and interests |                         |   |
| — Salaries, discretionary bonuses and allowances                        | 15,741                  | 6,419                                     |
| — Pension costs — defined contribution plan                             | 622                     | 768                                       |
| — Termination benefits  | –                       | 1,246                                     |
| — Other employee benefits   | 173                     | 84  |
|   | <u>16,536</u>           | <u>8,517</u>                              |
| Directors' benefits and interests                                       | 2,026                   | 1,880                                     |
| Depreciation of property, plant and equipment                           | 1,111                   | 532                                       |
| Depreciation of right-of-use assets                                     | 4,483                   | 889                                       |
| Provision for slow-moving inventories                                   | –                       | 86  |
| Office, telecommunication and utility expenses                          | 931                     | 459                                       |
| Legal and professional fees   | 2,403                   | 1,318                                     |
| Auditor's remuneration  |                         |   |
| — Audit services  | 1,890                   | 580                                       |
| — Non-audit services  | 47                      | 47  |
| Others  | 3,725                   | 2,401                                     |
|   | <u><u>166,401</u></u>   | <u><u>19,219</u></u>                      |

|   | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i><br>(Re-presented) |
|---|-------------------------|---|
| <b><i>Discontinued operation</i></b>                                    |                         |   |
| Employee benefits expenses, excluding Directors' benefits and interests |                         |   |
| — Salaries, discretionary bonuses and allowances                        | 335                     | 253                                       |
| — Pensions costs — defined contribution plan                            | 18                      | 13  |
| — Other employee benefits   | —                       | —   |
|   | <u>353</u>              | <u>266</u>                                |
| Depreciation of property, plant and equipment                           | 365                     | 627                                       |
| Depreciation of right-of-use assets                                     | 82                      | 195                                       |
| Impairment loss on property, plant and equipment                        | —                       | 1,486                                     |
| Impairment loss on right-of-use assets                                  | —                       | 218                                       |
| Impairment loss on cryptocurrencies                                     | 507                     | 91  |
| Office, telecommunication and utility expenses                          | 144                     | 416                                       |
| Legal and professional fees   | 7                       | 59  |
| Auditor's remuneration  |                         |   |
| — Audit services  | 50                      | 240                                       |
| — Non-audit services  | 15                      | 15  |
| Others  | 15                      | 16  |
|   | <u>1,538</u>            | <u>3,629</u>                              |

*Note:*

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.

**(b) Discontinued operation**

Due to the recent market and price volatility on the cryptocurrencies and the increasing cost of electricity, together with the increasing ETH-mining difficulty level, Cryptocurrency Mining was suspended on 15 June 2022. All mining rig equipment was sold on 16 February 2023 and the Group ceased to rent the associated office premises since October 2022.

The revenue, results and cash flows of the discontinued operation were as follows:

|  | <i>Note</i> | <b>2023</b><br><b>HK\$'000</b> | 2022<br>HK\$'000<br>(Re-presented) |
|--|-------------|--------------------------------|------------------------------------|
| Revenue  | 4(a)        | <b>195</b>                     | 1,182                              |
| Other income and other (losses)/gains, net                       | 5           | <b>(334)</b>                   | 17                                 |
| Administration expenses  | 6(a)        | <b>(1,538)</b>                 | (3,629)                            |
| Finance costs, net   | 7           | <b>(5)</b>                     | (11)                               |
|  |             | <hr/>                          | <hr/>                              |
| Loss for the year from a discontinued operation                  |             | <b>(1,682)</b>                 | (2,441)                            |
|  |             | <hr/>                          | <hr/>                              |
| Loss for the year from a discontinued operation attributable to: |             |                                |                                    |
| Owner of the company   |             | <b>(1,345)</b>                 | (1,953)                            |
| Non-controlling interests  |             | <b>(337)</b>                   | (488)                              |
|  |             | <hr/>                          | <hr/>                              |
|  |             | <b>(1,682)</b>                 | (2,441)                            |
|  |             | <hr/>                          | <hr/>                              |
| Operating cash (outflows)/inflows                                |             | <b>(284)</b>                   | 1,129                              |
| Investing cash inflows/(outflows)                                |             | <b>111</b>                     | (68)                               |
| Financing cash outflows  |             | <b>(161)</b>                   | (260)                              |
|  |             | <hr/>                          | <hr/>                              |
| Total cash (outflows)/inflows                                    |             | <b>(334)</b>                   | 801                                |
|  |             | <hr/>                          | <hr/>                              |

## 7. FINANCE COSTS, NET

|  | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i><br>(Re-presented) |
|--|-------------------------|---|
| <i>Continuing operations</i>                 |                         |   |
| <b>Finance income</b>                        |                         |   |
| Bank interest income                         | 9                       | 6   |
|  | -----                   | -----                                     |
| <b>Finance costs</b>                         |                         |   |
| Imputed interest on loans from a shareholder | (121)                   | (136)                                     |
| Interest expense on lease liabilities        | (431)                   | (77)                                      |
| Interest expense on bank borrowings          | (74)                    | (158)                                     |
|  | -----                   | -----                                     |
|  | (626)                   | (371)                                     |
|  | -----                   | -----                                     |
| <b>Finance costs, net</b>                    | <b>(617)</b>            | <b>(365)</b>                              |
|  | =====                   | =====                                     |
| <i>Discontinued operation</i>                |                         |   |
| <b>Finance income</b>                        |                         |   |
| Bank interest income                         | 1                       | —   |
|  | -----                   | -----                                     |
| <b>Finance costs</b>                         |                         |   |
| Interest expense on lease liabilities        | (6)                     | (11)                                      |
|  | -----                   | -----                                     |
|  | (5)                     | (11)                                      |
|  | -----                   | -----                                     |

## 8. INCOME TAX EXPENSE

The applicable rate of Hong Kong profits tax is 16.5% (2022: 16.5%). No provision for Hong Kong profits tax has been made in the consolidated financial statements as the Group does not have any assessable profit arising in Hong Kong during the years ended 31 March 2023 and 2022.

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.

## 9. BASIC AND DILUTED LOSS PER SHARE

### From continuing and discontinued operations

#### (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.

|  | 2023           | 2022<br>(Re-presented) |
|--|----------------|------------------------|
| Loss attributable to owners of the Company ( <i>HK\$'000</i> )                                 |                |                        |
| — Continuing operations  | (2,780)        | (13,547)               |
| — Discontinued operation   | (1,345)        | (1,953)                |
|  | <u>(4,125)</u> | <u>(15,500)</u>        |
| Weighted average number of ordinary shares in issue ( <i>'000</i> )                            | 503,181        | 413,589                |
| Basic loss per Share from continuing and discontinued operations ( <i>HK cents per share</i> ) | (0.82)         | (3.75)                 |
| Basic loss per share from continuing operations ( <i>HK cents per Share</i> )                  | (0.55)         | (3.28)                 |
| Basic loss per share from a discontinued operation ( <i>HK cents per Share</i> )               | <u>(0.27)</u>  | <u>(0.47)</u>          |

#### (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 year ended 31 March 2023 (2022: same).

The basic and diluted loss per Share for the years ended 31 March 2023 and 2022 have been adjusted to reflect the bonus element in the Placing Shares of the Company during the year.

Details of the movements in share capital have been set out in Note 14 to the consolidated financial statements.

## 10. DIVIDENDS

The Board does not recommend the payment of dividend for the year ended 31 March 2023 (2022: nil).

## 11. INTEREST IN A JOINT VENTURE

### (a) Share of net assets of a joint venture

|  | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| As at 1 April                                | 9,085                   | 10,650                  |
| Share of post-tax results of a joint venture | <u>2,074</u>            | <u>(1,565)</u>          |
| As at 31 March                               | <u><u>11,159</u></u>    | <u><u>9,085</u></u>     |

Details of the joint venture as at 31 March 2023 and 2022 is set out below:

| Name of joint venture  | Place of incorporation | Issued and fully paid capital | Effective equity interest | Principal activities  |
|------------------------|------------------------|-------------------------------|---------------------------|---|
| Triplabs (BVI) Limited | BVI                    | HK\$20,000,000                | 50%                       | Investments in tourism and travel technology related business through a wholly-owned subsidiary |

## 12. TRADE PAYABLES

As at 31 March 2023 and 2022, the ageing analysis of trade payables based on invoice date are as follows:

|                | 2023<br><i>HK\$'000</i> | 2022<br><i>HK\$'000</i> |
|----------------|-------------------------|-------------------------|
| 1 to 30 days   | 1,139                   | 25                      |
| 31 to 60 days  | 981                     | –                       |
| 61 to 90 days  | –                       | –                       |
| 91 to 120 days | –                       | –                       |
| Over 120 days  | <u>1,480</u>            | <u>1</u>                |
|                | <u><u>3,600</u></u>     | <u><u>26</u></u>        |

The carrying amounts of trade payables approximate their fair values as at 31 March 2023 and are denominated in HK\$.

### 13. BANK BORROWINGS

|  | 2023<br>HK\$'000 | 2022<br>HK\$'000 |
|--|------------------|------------------|
| Bank borrowings, secured and repayable on demand <sup>(Note)</sup> | <u>825</u>       | <u>4,068</u>     |

*Note:*

As at 31 March 2023, the bank borrowings were secured by undertakings provided by the executive Directors.

The contractual maturity of the bank borrowings that are repayable on demand is as follows:

|                    | 2023<br>HK\$'000 | 2022<br>HK\$'000 |
|--------------------|------------------|------------------|
| Within one year    | 825              | 3,243            |
| In the second year | <u>–</u>         | <u>825</u>       |
|                    | <u>825</u>       | <u>4,068</u>     |

The carrying amounts of bank borrowings approximate their fair values as at 31 March 2023.

The bank borrowings are denominated in HK\$ and interest-bearing at 2.75% per annum.

### 14. SHARE CAPITAL

|   | Number of<br>Shares   | Share Capital<br>HK\$'000 |
|---|-----------------------|---------------------------|
| <b>Authorised:</b><br><i>Ordinary shares of HK\$0.01 each</i><br>As at 1 April 2021, 31 March 2022, 1 April 2022 and<br>31 March 2023 | <u>10,000,000,000</u> | <u>100,000</u>            |
| <b>Issued and fully paid:</b><br><i>Ordinary shares of HK\$0.01 each</i><br>As at 1 April 2021, 31 March 2022 and 1 April 2022        | 400,000,000           | 4,000                     |
| Issue of Shares upon placing  | <u>168,095,000</u>    | <u>1,681</u>              |
| As at 31 March 2023   | <u>568,095,000</u>    | <u>5,681</u>              |

*Note:*

On 24 May 2022, 80,000,000 Shares were first placed and issued at a subscription price of HK\$0.281 each to not less than six placees at an aggregate consideration of HK\$22,480,000 of which HK\$800,000 was credited to share capital and the remaining balance of HK\$21,680,000 was credited to share premium account.

On 16 November 2022, 88,095,000 Shares were subsequently placed and issued at a subscription price of HK\$0.17 each to not less than six placees at an aggregate consideration of HK\$14,976,000 of which HK\$881,000 was credited to share capital and the remaining balance of HK\$14,095,000 was credited to share premium account.

## **15. EVENTS AFTER THE REPORTING PERIOD**

The Company completed its placing of 112,500,000 Shares (“Fourth Placing Shares”) to not less than six placees at the placing price of HK\$0.160 per Fourth Placing Share on 2 June 2023. The placing price of HK\$0.160 per Fourth Placing Share represented a premium of approximately 14.3% over the closing price of HK\$0.140 per Share as quoted on the Stock Exchange on 10 May 2023, being the date on which the terms of the placing were fixed. The net proceeds (after deduction of commission and other expenses of the placing) from the placing of the Fourth Placing Shares amounted to approximately HK\$17.6 million, representing a net issue price of HK\$0.157 per Fourth Placing Share, which have been used for the Group’s settlement of accrued leasehold improvements, procurement expenses, staff costs, rental expenses and general and administration expenses.

On 11 February 2022, the Hong Kong SAR government published the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Bill 2022, the main feature of which is that the Mandatory Provident Fund (MPF) offsetting mechanism will be abolished on 1 May 2025, stopping employers from using the accrued benefits of their mandatory contributions under the MPF Scheme to offset any severance payment and long service payment payable to employees. Currently, the Group is allowed to offset severance payments and long service payments against its employees’ MPF benefits derived from the Group’s MPF contributions as the employer. As at the date of this announcement, an estimate of the financial effect on the Group as a result of the abolition of the MPF offsetting mechanism cannot be made as the exact implementation details concerning such mechanism have not been announced.

## **CHAIRMAN’S STATEMENT**

Dear Shareholders,

Global tourism has finally come out from a more than two-year hibernation and we are starting to get back on our feet. After the long-awaited suspension since 9 March 2020 amid the coronavirus disease 2019 (“COVID-19”) pandemic, the Group re-launched its first tour bound for Japan on 24 June 2022. Following the eased pandemic controls across the world, tourism recovery has been gaining momentum during the year ended 31 March 2023 (“FY22/23”). Our Travel Related Products and Services segment revealed a staggering seventy-five-fold increase in revenue for FY22/23 as compared with the year ended 31 March 2022 (“FY21/22”). The Group’s loss for the year decreased by 52.3% from approximately HK\$16.1 million for FY21/22 to approximately HK\$7.7 million for FY22/23.

## **BUSINESS REVIEW**

Tourism recovery has been gaining momentum as the pandemic controls across the world, including restrictions on cross-boundary/border travel and rules that govern quarantine, mask-wearing and socialising, were gradually lifted. In particular, the Japan government fully opened its doors to overseas visitors and reinstated visa-free short-term travel on 11 October 2022, and for Hong Kong, the quarantine regime for inbound persons was lifted on 14 December 2022 with all local anti-epidemic measures, except for mask-wearing, ended on 29 December 2022. On the supply side, the Group’s airline suppliers have since resumed their international flights, while on the demand side, leisure travel sentiment has been improving. As a result, the Group’s revenue generated from the Travel Related Products and Services segment for FY22/23 recorded a seventy-five-fold increase from approximately HK\$1.6 million for FY21/22 to approximately HK\$125.6 million for FY22/23, and the segment turned its loss of approximately HK\$12.7 million for FY21/22 around to a profit of approximately HK\$3.9 million for FY22/23.

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. The Group has commenced the sales of lifestyle and healthcare products and services, including toy figures, unused and second-hand luxury handbags and watches and health supplements, at outlets located at prime locations in Hong Kong and online in June 2022. For FY22/23, such retail operations recorded segment revenue of approximately HK\$32.2 million and segment loss of approximately HK\$5.0 million that was mainly attributable to the low gross profit margins applied and considerable staff costs and advertising, promotion and marketing expenses incurred during its start-up phase. Furthermore, the Group’s 51%-owned subsidiary, Well Fed International

Limited (“Well Fed”), as part of its catering business in Hong Kong, has set up a restaurant at a leased property located in Tsim Sha Tsui, Hong Kong, with a soft opening run between 14 February 2023 and 15 March 2023. For FY22/23, such catering business recorded segment revenue of approximately HK\$0.7 million and segment loss of approximately HK\$3.0 million that was mainly attributable to depreciation of right-of-use assets arisen from the lease and staff costs recorded during the restaurant’s preparation and soft opening stage.

To ensure the sufficiency of the Group’s general working capital, the Company completed two placings of a total of 168,095,000 new ordinary shares during FY22/23 and received net proceeds of approximately HK\$35.6 million.

## **OUTLOOK**

The global travel and tourism sector’s post-pandemic recovery has been picking up its speed as the world’s pent-up desire for travel rekindles. The World Tourism Organisation (“UNWTO”) anticipates a strong year for the sector even in the face of diverse challenges, including the economic slowdown and continuing geopolitical uncertainty. Based on UNWTO’s forward-looking scenarios for 2023, international tourist arrivals could reach 80% to 95% of pre-pandemic levels in 2023. Hence, we remain confident in the Group’s strategy and has faith that our outbound travel, tourism and hospitality activities will bounce back to surpass the pre-pandemic levels in the medium term.

As the year ending 31 March 2024 commenced, we have been diversifying our package tour products by offering new destinations and itineraries, including Africa and Antarctica as well as expanding our landscape to over twenty countries in Europe. One of our new tours in the spotlight, featuring a 10-day tour to experience one of the greatest spectacles in nature, the Great Migration in Kenya’s Maasai Mara departing in the months of July and August 2023, has been fully sold. Focus on digital marketing has been revived to enhance our brand awareness and to promote popularity and variety of our products. Last but not least, the Group’s new concept store with a net floor area of over 4,000 square feet is due to open in June 2023. Our concept store will go beyond a traditional travel agent. It will encompass a private VIP suite, a boutique housing curated ancillary travel related products, a coffee shop and co-working and events space to bring travel enthusiasts together and to offer exclusive in-store experiences to our customers.

Furthermore, by incorporating the new retailing and catering business activities, we seek to diversify our business in other industries in order to expand the Group’s revenue and income sources.

The Group will continue to put forth its best endeavor to drive business performance on its road to recovery and profitability. With our over 43 years of industry experience and business insights as well as a dedicated management team, we are confident that the Group is able to face the opportunities and challenges ahead.

## **APPRECIATION**

I would like to extend my sincere appreciation to all of our business partners, customers and shareholders of the Company (the “Shareholders”) for their loyalty and support. I would also like to thank our management team and staff for their hard work and contribution, especially during these challenging times. With the unfailing faith and effort of our staff of all levels, I have every confidence that the Group will be able to create more values for our investors, and delightful travel experiences for our customers.

**WWPKG Holdings Company Limited**  
**Yuen Chun Ning**  
*Chairman and Executive Director*

Hong Kong, 20 June 2023

## MANAGEMENT DISCUSSION AND ANALYSIS

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 sales of Travel Related Products and Services, Tourism and Travel Technology Investments, Retail Operations, Catering Business and Cryptocurrency Mining.

### FINANCIAL REVIEW

#### Revenue and gross profit

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

|   | FY22/23                                   |   | FY21/22                                   |  |
|---|---|---|---|--|
|   | Revenue<br><i>HK\$'</i><br><i>million</i> | Gross<br>Profit<br><i>HK\$'</i><br><i>million</i> | Revenue<br><i>HK\$'</i><br><i>million</i> | Gross profit<br><i>HK\$'</i><br><i>million</i> |
| <u>Continuing operations</u>                                      |   |   |   |  |
| Package tours   | 123.0                                     | 25.8  | 1.5                                       | 1.0  |
| FIT products <sup>Note</sup>                                      | 0.8                                       | 0.8   | –   | –  |
| Ancillary travel related products<br>and services <sup>Note</sup> | 1.8                                       | 1.8   | 0.1                                       | 0.1  |
|   | <hr/>                                     | <hr/>   | <hr/>                                     | <hr/>  |
| Travel Related Products<br>and Services                           | 125.6                                     | 28.4  | 1.6                                       | 1.1  |
| Retail Operations   | 32.1                                      | –   | –   | –  |
| Catering business   | 0.7                                       | 0.3   | –   | –  |
|   | <hr/>                                     | <hr/>   | <hr/>                                     | <hr/>  |
|   | 158.4                                     | 28.7  | 1.6                                       | 1.1  |
| <u>Discontinued operation</u>                                     |   |   |   |  |
| Cryptocurrency Mining   | 0.2                                       | 0.2   | 1.2                                       | 1.2  |
|   | <hr/>                                     | <hr/>   | <hr/>                                     | <hr/>  |
|   | 158.6                                     | 28.9  | 2.8                                       | 2.3  |
|   | <hr/>                                     | <hr/>   | <hr/>                                     | <hr/>  |

*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*

As compared with FY21/22, revenue from package tours increased by 7,868.1% to approximately HK\$123.0 million and gross profit from package tours increased by 2,540.3% to approximately HK\$25.8 million, owing to the re-launch of the Group's outbound package tours beginning 24 June 2022 and the number of tour participants, hence revenue from package tours, spiked since October 2022 when the Japan government resumed its visa-free tourist travel and the Hong Kong SAR government gradually lifted its boarding requirements and quarantine arrangements for inbound persons.

### *FIT products*

The Group resumed its sales of FIT products as national governments started to lift their border controls, quarantine rules and vaccination requirements. For FY22/23, sales of FIT products covered global destinations including Japan, Australia, Canada, United States and countries in Asia.

### *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 overseas day tours and excursions; (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.

The Group resumed its sales of ancillary travel related products and services as national governments started to lift their border controls, quarantine rules and vaccination requirements. For FY22/23, revenue mainly represented (i) margin income from insurance companies for the sales of travel insurance to tour participants; and (ii) sales of admission tickets to theme parks and shows and day tours in Japan.

### *Retail Operations*

For FY22/23, revenue represented the Group's sales of lifestyle and healthcare products at retail stores and online. Products that were in high demand included (i) the Bearbrick (stylised as Be@rbrick) figures, which have been prominent in the designer and art toy collector community; and (ii) unused and second-hand luxury handbags and watches.

### *Catering Business*

On 13 December 2022, Awesome Catering Holdings Limited (“Awesome Catering”), a wholly-owned subsidiary of the Company, Mr. Chan Chun Hong, Ms. Ng Cheuk Nam and Well Fed entered into the joint venture agreement, pursuant to which, Awesome Catering subscribed for 5,100 shares of Well Fed, which represented 51% of the enlarged issued share capital of Well Fed at a subscription price of HK\$5,100.

As part of its Catering Business, Well Fed set up its first restaurant, Awesome Bar and Café, located in Tsim Sha Tsui, Hong Kong, with a soft opening run between 14 February 2023 and 15 March 2023. For FY22/23, revenue and gross profit arose from the sales of food and beverages at the restaurant during its soft opening period. Well Fed has been accounted for as a non-wholly owned subsidiary of the Company and hence, its financial statements have been consolidated into the audited consolidated financial statements of the Group for FY22/23.

### *Cryptocurrency Mining*

During the FY22/23, revenue represented the quantity of Ethereum (“ETH”) earned and received based on its fair value. Due to the market and price volatility on the cryptocurrencies and the increasing cost of electricity, together with the increasing level of difficulty on ETH-mining, Cryptocurrency Mining was suspended on 15 June 2022. In fact, ETH’s long-promised plan to phase out traditional GPU mining was complete, when the cryptocurrency switched from ‘proof of power’ to ‘proof of stake’ algorithm, on 15 September 2022.

### **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, the sales associates of its Retail Operations and the restaurant staff of its Catering Business; (iv) short-term lease expenses and depreciation of right-of-use assets for the Group’s travel agency branches, retail stores and restaurant; and (v) depreciation of property, plant and equipment.

For FY22/23, selling expenses increased by 263.7% to approximately HK\$11.8 million as compared with approximately HK\$3.3 million for FY21/22, mainly due to (i) the increase in credit card charges arising from the sales of Travel Related Products and Services; (ii) the increase in salaries and benefits for the Group's tour escorts; and (iii) advertising and promotion, staff costs of the sales associates and restaurant staff and depreciation of right-of-use assets incurred for the new Retail Operations and Catering Business.

### **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 FY22/23, administrative expenses increased by 61.3% to approximately HK\$24.8 million as compared with approximately HK\$15.4 million for FY21/22, mainly due to (i) legal and professional fees incurred in connection with the Company's share placement exercises during FY22/23; (ii) the increase in auditor's remuneration to cope with the Group's new Retail Operations and Catering Business; (iii) the increase in salaries as a result of increase in headcount of administrative and operational staff and reduction in no-pay leave taken; (iv) the increase in depreciation of right-of-use assets as a result of renewal of leases in April 2022; and (v) staff costs of the administrative personnel and other administrative expenses incurred for the new Retail Operations and Catering Business, which was partially offset by recognition of impairment losses on property, plant and equipment and right-of-use assets in respect of the Group's office premises in FY21/22.

### **Share of results of a joint venture**

The Group held investments in seven startup companies that engaged in tourism and travel technology related businesses via its 50%-owned joint venture. Share of results of the joint venture turned around from a share of loss of approximately HK\$1.6 million for FY21/22 to a share of profit of approximately HK\$2.1 million for FY22/23, mainly due to a net fair value gain recognised on certain investments held by the joint venture.

## Loss for the year

The Group's loss for FY22/23 decreased by 52.3% to approximately HK\$7.7 million as compared with approximately HK\$16.1 million for FY21/22, which was mainly attributable to the following:

- the increase in gross profit of the Travel Related Products and Services by approximately HK\$27.3 million due to the re-launch of the Group's outbound tours upon re-opening of international borders and lifting of travel restrictions;
- the increase in share of profit of the Group's joint venture by approximately HK\$3.6 million for reasons as discussed in the sub-section headed "Financial Review — Share of results of a joint venture" above and
- the decrease in loss of the Group's Cryptocurrency Mining operations by approximately HK\$0.8 million, which has been suspended since June 2022, which was partially offset by:
  - the increase in selling expenses by approximately HK\$8.6 million for reasons as discussed in the sub-section headed "Financial Review — Selling expenses" above;
  - the increase in administrative expenses by approximately HK\$9.4 million for reasons as discussed in the sub-section headed "Financial Review — Administrative expenses" above;
- the decrease in rent concession income by approximately HK\$1.0 million;
- in respect of the Company's investment in the shares of CTEH INC. ("CTEH"), a gain on disposal of the CTEH shares of approximately HK\$2.7 million was recognised in FY21/22; and
- the receipt of subsidies from the Hong Kong SAR government under the Anti-epidemic Fund for supporting the tourism industry in the amount of HK\$1.8 million during FY21/22.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its liquidity requirements through internally generated resources and available banking facilities, when necessary. As at 31 March 2023, the Group's net asset value was approximately HK\$42.0 million (31 March 2022: approximately HK\$9.7 million). As at 31 March 2023, the Group had cash and cash equivalents as represented by cash on hand and at banks of approximately HK\$45.7 million (31 March 2022: approximately HK\$11.0 million). The Group's cash and bank balances were mainly denominated in Hong Kong dollars ("HK\$"), which accounted for 91.4% of the total balances (31 March 2022: 89.1%).

To meet the needs of working capital for its Travel Related Products and Services operations, the Group had obtained loans under the SME Financing Guarantee Scheme of the Hong Kong SAR government in June 2020. As at 31 March 2023, the carrying amounts of the bank borrowings amounted to approximately HK\$0.8 million (31 March 2022: approximately HK\$4.1 million).

To support the working capital of its Retail Operations and Catering Business, the Group received advances from non-controlling shareholders of its subsidiaries that were interest-free and repayable on demand. As at 31 March 2023, the carrying amounts of the amounts due to non-controlling shareholders of the Group's subsidiaries amounted to approximately HK\$10.0 million (31 March 2022: nil).

Given that most of the general mandate (i.e. 88,095,000 out of 96,000,000 Shares) granted to the Directors pursuant to an ordinary resolution passed at the annual general meeting of the Company ("AGM") held on 2 August 2022 has been utilised as a result of the share placing exercise completed on 16 November 2022, a new general mandate was granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 27 April 2023.

For the purpose of enhancing the Group's overall working capital, the Company has conducted the following share placement exercises during FY22/23 and up to the date of this announcement:

- To ensure the sufficiency of the Group's general working capital, the Company completed its placing of 80,000,000 new ordinary shares (the "First Placing Share(s)") to not less than six placees at the placing price of HK\$0.281 per First Placing Share on 24 May 2022. The placing price of HK\$0.281 per First Placing Share represented a discount of 19.7% to the closing price of HK\$0.350 per Share as quoted on the Stock Exchange on 5 May 2022, being the date on which the terms of the placing were fixed. The net proceeds (after deduction of commission and other expenses of the placing) from the placing of the First Placing Shares amounted to approximately HK\$21.9 million, representing a net issue price of HK\$0.274 per First Placing Share, which have been used for the general working capital of the Group and general corporate purposes to support the Group's strategies.
- For the purpose of supporting the working capital of the Group's new Retail Operations, the Company attempted to place up to an aggregate of 96,000,000 new ordinary shares (the "Second Placing Share(s)") at the placing price of HK\$0.150 per Second Placing Share under the placing agreement entered into on 23 September 2022 (the "Second Placing Agreement"). The Second Placing Agreement lapsed as the conditions as set out in the agreement were not fully fulfilled by 14 October 2022, hence the placing of the Second Placing Shares did not proceed.

- For the purpose of supporting the working capital of the Group’s new Retail Operations, the Company completed its placing of 88,095,000 new ordinary shares (the “Third Placing Share(s)”) to not less than six places at the placing price of HK\$0.170 per Third Placing Share on 16 November 2022. The placing price of HK\$0.170 per Third Placing Share was equivalent to the closing price of HK\$0.170 per Share as quoted on the Stock Exchange on 25 October 2022, being the date on which the terms of the placing were fixed. The net proceeds (after deduction of commission and other expenses of the placing) from the placing of the Third Placing Shares amounted to approximately HK\$13.7 million, representing a net issue price of HK\$0.156 per Third Placing Share, which have been used for the working capital of the Retail Operations, including procurement expenses, staff costs, general and administration expenses, rental expenses and advertising and marketing expenses.
- To support the Group’s general working capital for its businesses, the Company completed its placing of 112,500,000 new ordinary shares (the “Fourth Placing Share(s)”) to not less than six places at the placing price of HK\$0.160 per Fourth Placing Share on 2 June 2023. The placing price of HK\$0.160 per Fourth Placing Share represented a premium of approximately 14.3% over the closing price of HK\$0.140 per Share as quoted on the Stock Exchange on 10 May 2023, being the date on which the terms of the placing were fixed. The net proceeds (after deduction of commission and other expenses of the placing) from the placing of the Fourth Placing Shares amounted to approximately HK\$17.6 million, representing a net issue price of HK\$0.157 per Fourth Placing Share, which have been used for the Group’s settlement of accrued leasehold improvements, procurement expenses, staff costs, rental expenses and general and administration expenses.

Current ratio is calculated as current assets divided by current liabilities. The Group’s current ratio as at 31 March 2023 was 1.1 times (31 March 2022: 1.6 times).

## **GEARING RATIO**

Gearing ratio is derived from total borrowings, comprising bank borrowings, amounts due to non-controlling shareholders of subsidiaries and loans from a Shareholder, to total assets. The Group’s gearing ratio decreased from 39.9% as at 31 March 2022 to 8.2% as at 31 March 2023, which was mainly attributable to the following:

- net cash generated from operations as a result of the resumption of the Group’s outbound tours;
- the increase in cash and cash equivalents arising from the share placement exercises as discussed in the sub-section headed “Liquidity and Financial Resources” above;
- repayment of bank borrowings; and

- settlement of loans from a Shareholder with a partial repayment and a waiver of the unpaid portion of the loans granted by such Shareholder, which was partially offset by:
- advances from non-controlling shareholders of subsidiaries during FY22/23.

## **CHARGE ON THE GROUP'S ASSETS**

As at 31 March 2023, the Group did not pledge any of its assets as securities for facilities granted to the Group (31 March 2022: same).

## **CAPITAL EXPENDITURE**

During FY22/23, the Group acquired property, plant and equipment and right-of-use assets at total costs of approximately HK\$19.9 million (FY21/22: approximately HK\$12.3 million), which was financed by internal resources of the Group or advances from non-controlling shareholders of subsidiaries.

## **CAPITAL STRUCTURE**

Details of changes in the Company's share capital are set out in Note 14 to the consolidated financial statements in this announcement.

## **FOREIGN EXCHANGE EXPOSURE**

Regarding the Group's Travel Related Products and Services, revenue was mainly denominated in HK\$. However, the settlement of substantial portion of its land costs, such as hotel tariffs, transportation costs, meal expenses and admission ticket costs, is denominated in Japanese Yen ("JPY"). The Group is therefore exposed to foreign exchange risk primarily with respect to JPY. The Group has implemented foreign exchange risk management procedures to manage exposure to foreign exchange risk in relation to JPY. The procedures were established to control the foreign exchange risk to an acceptable level by ensuring that the Group is able to obtain sufficient amount of JPY at acceptable exchange rates for meeting its payment obligations arising from business operations and at the same time do not purchase unnecessary amounts of JPY more than it requires. The purchase amounts were limited to the corresponding costs of the travel elements payable in JPY for the Japan bound tours for the coming four weeks (or eight weeks during peak seasons). Such amounts were estimated based on the actual enrolment data (i.e. headcount enrolled for the Group's Japan bound tours) and the costs of travel elements payable in JPY per headcount, of which such costs were determined with reference to the historical spending and the effect of general inflation.

Although the Group may enter into foreign exchange forward contracts with major and reputable financial institutions and foreign currency services companies of long establishment history to manage its exposure to foreign exchange risk, it does not intend to speculate on the future direction of foreign exchange fluctuation. As at 31 March 2023, the Group had outstanding foreign exchange forward contracts denominated in JPY of notional principal amounts of approximately HK\$3.1 million (31 March 2022: approximately HK\$0.7 million). Management will continue to evaluate the Group's foreign exchange risk management procedures and take actions as appropriate to minimise the Group's exposure whenever necessary.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 March 2023, the Group had a workforce of 85 employees (31 March 2022: 30), excluding the Directors. Salaries of employees are determined based on factors such as roles and responsibilities, years of experience, professional specialisation and other qualifications, and are maintained at competitive levels. The Group operates a defined contribution mandatory provident fund scheme for all its employees. The Group also offers discretionary bonuses to its employees by reference to the performance of individual employees and the overall performance of the Group. Total employee benefits expenses, excluding the Directors' emoluments, incurred by the Group for the FY22/23 amounted to approximately HK\$16.9 million (31 March 2022: approximately HK\$8.8 million). The increase in the Group's workforce was attributable to the hiring of tour escorts, frontline sales, marketing and operational staff and managers to support the Group's outbound tours operations during FY22/23, as well as the addition of staff headcount to the new Retails Operations and Catering Business.

The Company has adopted a share option scheme on 16 December 2016 with a term of 10 years (the "Share Option Scheme"). The Share Option Scheme is designed to motivate eligible participants, including executives and key employees, who may make a contribution to the Group, and enables the Group to attract and retain individuals with experience and ability and to reward them for their contributions. During FY22/23, no share option had been granted, exercised, lapsed or cancelled under the Share Option Scheme.

The Group did not experience any significant labour disputes that led to any disruption of its normal business operations during FY22/23.

## USE OF PROCEEDS

As at 31 March 2023, the unutilised proceeds from the placing of the First Placing Shares of approximately HK\$3.7 million were deposited into licensed banks in Hong Kong. The following table sets forth the status of the use of the proceeds from the placing of the First Placing Shares as at 31 March 2023:

| <b>Objective</b>   | <b>Allocation of<br/>proceeds<br/><i>HK\$ million</i></b> | <b>Amount<br/>utilised up to<br/>31 March<br/>2023<br/><i>HK\$ million</i></b> | <b>Balance as at<br/>31 March<br/>2023<br/><i>HK\$ million</i></b> | <b>Expected<br/>timeframe</b> |
|--|---|--|--|-------------------------------|
| Salary payments, including staff costs for the expected recruitment of additional staff when travel restrictions are relaxed | 13.0  | (11.6)   | 1.4  | To be used within one month   |
| Rental expenses  | 3.5   | (2.8)  | 0.7  | To be used within two months  |
| General corporate expenses including legal and professional fees   | 3.0   | (3.0)  | –  |                               |
| Advertising and marketing expenses to promote Travel Related Products and Services when outbound tourism resumes             | 2.4   | (0.8)  | 1.6  | To be used within six months  |
|  | <u>21.9</u>   | <u>(18.2)</u>  | <u>3.7</u>   |                               |

As at 31 March 2023, the unutilised proceeds from the placing of the Third Placing Shares of approximately HK\$2.2 million were deposited into licensed banks in Hong Kong. The following table sets forth the status of the use of the proceeds from the placing of the Third Placing Shares as at 31 March 2023:

| Objective  | Allocation of<br>proceeds<br><i>HK\$ million</i> | Amount<br>utilised up to<br>31 March<br>2023<br><i>HK\$ million</i> | Balance as at<br>31 March<br>2023<br><i>HK\$ million</i> | Expected<br>timeframe       |
|--|--|---|--|-----------------------------|
| Procurement expenses in relation to the Retail Operations                | 7.4  | (7.4)   | –  |                             |
| Salary payments in relation to the Retail Operations                     | 2.4  | (1.8)   | 0.6  | To be used within one month |
| General and administration expenses in relation to the Retail Operations | 1.8  | (1.0)   | 0.8  | To be used within one month |
| Rental expenses in relation to the Retail Operations                     | 1.2  | (0.5)   | 0.7  | To be used within one month |
| Advertising and marketing expenses in relation to the Retail Operations  | 0.9  | (0.8)   | 0.1  | To be used within one month |
|  | <u>13.7</u>                                      | <u>(11.5)</u>   | <u>2.2</u>   |                             |

## **DIVIDEND**

In order to retain more cash to finance the working capital requirements and future development of the Group, the Board does not recommend the payment of final dividend for FY22/23 (FY21/22: nil). The Board will consider future dividend distribution according to the Company's dividend policy.

## **FUTURE PROSPECTS**

As discussed in the sub-section headed "Chairman's Statement — Outlook", the Group is well-positioned to drive business performance on its road to recovery and profitability as outbound tourism continues to resume. Furthermore, by incorporating the new retailing and catering business activities, the Group seeks to diversify its business in other industries in order to expand its revenue and income sources.

## **OTHER INFORMATION**

### **CORPORATE GOVERNANCE PRACTICES**

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 FY22/23, the Company has complied with all the code provisions as set out in the CG Code, except for the deviation from code provision C.2.1.

### **CHAIRMAN AND CHIEF EXECUTIVE**

According to code provision C.2.1 of the CG Code, the roles of the chairman and chief executive of a listed issuer should be separate and should not be performed by the same individual. For the period from 1 April 2022 to 29 September 2022, the role of the Chairman was separated from that of the Chief Executive Officer. During this period, the Chairman and the Chief Executive Officer was Mr. Yuen Sze Keung ("Mr. SK Yuen") and Mr. Yuen Chun Ning ("Mr. CN Yuen"), respectively. Following the resignation of Mr. SK Yuen as the Chairman on 30 September 2022, Mr. CN Yuen has been appointed as the Chairman on the same date, who assumes the dual roles of the Chairman and the Chief Executive Officer. Notwithstanding the above, the Board is of the view that vesting the roles of both the Chairman and the Chief Executive Officer in Mr. CN Yuen has the benefit of ensuring consistent leadership, continuous planning and effective execution of the Group's strategies. The Board considers that the balance of power and authority under the present structure will not be compromised. The Board will continue to regularly review the effectiveness of this structure to ensure that it is appropriate to the Group's circumstances.

### **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 FY22/23.

## **DISTRIBUTABLE RESERVES**

Under the Companies Law of the Cayman Islands, share premium is distributable to the Shareholders, subject to the condition that immediately following the date on which the distribution or dividend is proposed to be made, the Company is able to pay its debts as they fall due in the ordinary course of business. Distributable reserves of the Company as at 31 March 2023, calculated according to the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to HK\$28,358,000 (31 March 2022: HK\$nil).

## **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 FY22/23.

## **DIRECTORS' AND CONTROLLING SHAREHOLDERS' COMPETING INTERESTS**

During FY22/23, 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.

## **REVIEW OF ANNUAL RESULTS ANNOUNCEMENT**

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 March 2023 as set out in this annual results announcement have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by BDO Limited on this announcement.

## **AUDIT COMMITTEE**

The audit committee established by the Company (the "Audit Committee") currently comprises three independent non-executive Directors. The Audit Committee has reviewed the annual results of the Group for the year ended 31 March 2023 at a meeting held on 20 June 2023.

## **ANNUAL GENERAL MEETING**

The AGM will be held on Friday, 18 August 2023. For details of the AGM, please refer to the notice of AGM which is expected to be published in end of June 2023.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Monday, 14 August 2023 to Friday, 18 August 2023 (both dates inclusive), during which period no Share transfers will be effected. In order to qualify for attending and voting at the AGM, all Share transfers must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33th Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Friday, 11 August 2023.

## **PUBLICATION OF FINAL RESULTS AND DESPATCH OF ANNUAL REPORT**

This announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.wwpkg.com.hk](http://www.wwpkg.com.hk)). The annual report for the year ended 31 March 2023 containing the information required by the GEM Listing Rules will be despatched to Shareholders and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board  
**WWPKG Holdings Company Limited**  
縱橫遊控股有限公司  
**Yuen Chun Ning**  
*Chairman and Executive Director*

Hong Kong, 20 June 2023

*As at the date of this announcement, the executive Directors are Mr. Yuen Chun Ning and Ms. Shawlain Ahmin; and the independent non-executive Directors are Mr. Lee Hing Cheung Eric, Mr. Lee Kwong Ming, Ms. Gao Lili, Mr. Leung Ka Cheong and Mr. Wong Ping Kuen.*

*This announcement will remain on the GEM website at <http://www.hkgem.com> on the "Latest Listed Company Information" page for at least seven days from the day of its posting and will also be published on the website of the Company at <http://www.wwpkg.com.hk>.*