



# Grand Brilliance

Group Holdings Limited

君百延集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code : 8372



# 2024

INTERIM REPORT

## CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “HONG KONG 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 Hong Kong 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Hong Kong Stock Exchange 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 “Directors”) of Grand Brilliance Group Holdings Limited (the “Company”, together with its subsidiaries, the “Group” or “We”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Hong Kong 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: (1) the information contained in this report is accurate and complete in all material respects and not misleading and deceptive; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

## INTERIM RESULTS

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

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2024

		<b>For the six months ended 30 September</b>	
	<i>Notes</i>	<b>2024 HK\$'000 (Unaudited)</b>	2023 HK\$'000 (Unaudited)
<b>Revenue</b>	4	<b>41,688</b>	41,305
Cost of revenue		<b>(21,295)</b>	(20,981)
<b>Gross profit</b>		<b>20,393</b>	20,324
Other income	5	<b>2,348</b>	997
Other gains or losses		<b>(660)</b>	(307)
Distribution and selling expenses		<b>(740)</b>	(594)
Administrative and other operating expenses		<b>(16,782)</b>	(16,201)
Reversal/(Provision) of expected credit loss		<b>6</b>	(78)
Finance costs	6	<b>(73)</b>	(63)
Share of losses of an associate		<b>(28)</b>	(142)
<b>Profit before income tax</b>	7	<b>4,464</b>	3,936
Income tax expense	8	<b>(1,112)</b>	(1,100)
<b>Profit and total comprehensive income for the period</b>		<b>3,352</b>	2,836
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>3,439</b>	2,846
Non-controlling interests		<b>(87)</b>	(10)
<b>Profit and total comprehensive income for the period</b>		<b>3,352</b>	2,836
		<b>HK cent</b>	HK cent
<b>Earnings per share attributable to owners of the Company</b>			
Basic and diluted earnings per share	10	<b>0.42</b>	0.36

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
	<i>Notes</i>		
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	1,550	1,918
Interest in associates		1,096	1,122
Other asset		2,690	2,690
Financial assets measured at fair value through profit or loss	12	2,028	2,792
Deposits		678	–
Right-of-use assets		4,271	1,778
Deferred tax assets		23	–
		<b>12,336</b>	10,300
<b>Current assets</b>			
Inventories		24,624	24,500
Financial assets measured at fair value through profit or loss	12	685	478
Trade and other receivables, deposits and prepayments	13	20,266	18,203
Tax recoverable		334	1,026
Cash and cash equivalents		57,884	59,988
		<b>103,793</b>	104,195

	Notes	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
<b>Current liabilities</b>			
Trade and other payables	14	6,060	9,404
Contract liabilities	15	1,243	375
Lease liabilities		1,682	1,429
Tax payable		–	11
		<b>8,985</b>	11,219
<b>Net current assets</b>			
		<b>94,808</b>	92,976
<b>Total assets less current liabilities</b>			
		<b>107,144</b>	103,276
<b>Non-current liabilities</b>			
Lease liabilities		2,516	–
<b>Net assets</b>			
		<b>104,628</b>	103,276
<b>CAPITAL AND RESERVES</b>			
Share capital	16	8,000	8,000
Reserves		96,765	95,326
<b>Total equity attributable to equity shareholders of the Company</b>			
		<b>104,765</b>	103,326
Non-controlling interests		(137)	(50)
<b>Total equity</b>			
		<b>104,628</b>	103,276

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Attribute to equity shareholders of the Company							Total equity HK\$'000
	Share capital HK\$'000	Share premium* HK\$'000	Merger reserve* HK\$'000	Share option reserve* HK\$'000	Retained earnings* HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	
	<b>At 1 April 2023 (audited)</b>	8,000	52,499	1,500	1,015	35,656	98,670	
Capital contribution from non-controlling interests	-	-	-	-	-	-	15	15
Profit and total comprehensive income for the period	-	-	-	-	2,846	2,846	(10)	2,836
Dividend declared (Note 9)	-	-	-	-	(3,200)	(3,200)	-	(3,200)
<b>At 30 September 2023 (unaudited)</b>	8,000	52,499	1,500	1,015	35,302	98,316	5	98,321
<b>As at 1 April 2024</b>	<b>8,000</b>	<b>52,499</b>	<b>1,500</b>	<b>992</b>	<b>40,335</b>	<b>103,326</b>	<b>(50)</b>	<b>103,276</b>
Profit and total comprehensive income for the period	-	-	-	-	3,439	3,439	(87)	3,352
Lapse of share options	-	-	-	(992)	992	-	-	-
Dividend declared (Note 9)	-	-	-	-	(2,000)	(2,000)	-	(2,000)
<b>As at 30 September 2024</b>	<b>8,000</b>	<b>52,499</b>	<b>1,500</b>	<b>-</b>	<b>42,766</b>	<b>104,765</b>	<b>(137)</b>	<b>104,628</b>

\* The total of these equity accounts as at the end of the reporting periods represent "Reserves" in the condensed consolidated statement of financial position

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>Net cash generated from/(used in) operating activities</b>	<b>623</b>	(2,764)
<b>Cash flows generated from/(used in) investing activities</b>		
Bank interest received	964	768
Dividend income received	9	9
Purchase of property, plant and equipment	(12)	(992)
Acquisition of an associate	(120)	–
Capital contribution from non-controlling interests	–	15
<b>Net cash generated from/(used in) investing activities</b>	<b>841</b>	(200)
<b>Cash flows used in financing activities</b>		
Repayment of principal portion of lease liabilities	(1,495)	(2,051)
Interest paid on lease liabilities	(73)	(63)
Dividend paid	(2,000)	(3,200)
<b>Net cash used in financing activities</b>	<b>(3,568)</b>	(5,314)
<b>Net decrease in cash and cash equivalents</b>	<b>(2,104)</b>	(8,278)
<b>Cash and cash equivalents at beginning of the period</b>	<b>59,988</b>	61,085
<b>Cash and cash equivalents at end of the period</b>	<b>57,884</b>	52,807
<b>Analysis of the balance of cash and cash equivalents</b>		
Bank balances and cash	57,884	52,807
	<b>57,884</b>	52,807

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 September 2024*

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability under the Companies Law, Cap. 22 of the Cayman Islands on 5 July 2017. Its shares have been listed on GEM of The Hong Kong Stock Exchange on 29 March 2018. The address of the Company's registered office is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is situated at Units 2901-03 and 2905, 29/F, The Octagon, 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in supplying medical devices and providing medical device solutions including market trend analysis, sourcing of medical devices, after-sale services, technical support and training services, medical devices leasing services and quality assurance.

The Company's parent is B&A Success Limited ("B&A Success"), a company incorporated in the British Virgin Islands. In the opinion of the Directors, B&A Success is also the ultimate parent of the Company.

The condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Group.

## 2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (hereinafter collectively referred to as the "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants, the disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2024.

The condensed consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments which are measured at fair values.

The accounting policies adopted in preparing the unaudited condensed consolidated results for the six months ended 30 September 2024 are consistent with those adopted in the audited financial statements for the year ended 31 March 2024, except for a number of amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants that are effective for the current accounting period of the Group. The adoption of these new and revised HKFRSs has had no material effect on the Group's results and financial position for the current or prior periods have been prepared or presented.



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

The condensed consolidated financial statements for the six months ended 30 September 2024 have not been audited by the Company's auditors, but have been reviewed by the audit committee of the Company (the "Audit Committee").

### 3. SEGMENT INFORMATION

#### (a) Operating segment information

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker, i.e. directors of the Company who are used to make strategic decisions.

During the reporting periods, the directors assess the operating performance and allocate the resources of the Group as a whole as the Group is primarily engaged in supplying medical devices and providing medical device solutions including market trend analysis, sourcing of medical devices, after-sale services, technical support and training services, medical devices leasing services and quality assurance. Therefore the Group has only one operating segment that qualifies as reportable segment under HKFRS 8 Operating Segment.

#### (b) Geographical segment information

The Company is an investment holding company and the principal place of the Group's operations is in Hong Kong. Accordingly, management determines that the Group is domiciled in Hong Kong. All of the Group's revenue are derived from and most of the Group's non-current assets are located in Hong Kong. Accordingly, no separate segmental analysis is presented.

#### (c) Disaggregation of revenue from contracts with customers

	For the six months ended	
	30 September	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
<b>Timing of revenue recognition</b>		
Over time	1,254	1,091
At a point in time	40,356	40,136
	<b>41,610</b>	<b>41,227</b>

#### (d) Information about major customers

For the six months ended 30 September 2024 and 2023, no revenue from a single customer accounted for 10% or above of the total revenue of the Group.

#### 4. REVENUE

The Group is principally engaged in supplying medical devices and providing medical device solutions including market trend analysis, sourcing of medical devices, after-sale services, technical support and training services, medical devices leasing services and quality assurance. Revenue derived from the principal activities comprises the following:

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue from contracts with customer:		
Sales of medical devices and products		
Medical consumables	30,014	26,497
Medical equipment	9,677	12,811
Medical instruments	665	828
	40,356	40,136
Rendering of maintenance services	1,254	1,091
	41,610	41,227
Revenue from other source:		
Rental income from leasing medical devices	78	78
	41,688	41,305

## 5. OTHER INCOME

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Bank interest income	789	768
Government grants ( <i>note</i> )	1,550	220
Dividend income	9	9
	<b>2,348</b>	997

*Note:* During the period ended 30 September 2024, the Group was granted subsidies of HK\$1,550,000 in total which include HK\$397,000 under Research Talent Hub of the Innovation and Technology Fund for supporting the payroll of the research talent, HK\$931,000 under Enterprise Support Scheme for conducting research and development and HK\$222,000 from other Government funding schemes. As at 30 September 2024, the Group had complied with the requirements set out under the respective subsidies. During the period ended 30 September 2023, the Group was granted subsidies of HK\$220,000 under the Enterprise Support Scheme for conducting research and development.

## 6. FINANCE COSTS

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Interest on lease liabilities	73	63

## 7. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	For the six months ended	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cost of inventories recognised as expense <sup>#</sup>		
— Carrying amount of inventories consumed	19,581	19,695
— Reversal of allowance for inventories	814	354
	20,395	20,049
Change in fair value of financial asset measured at fair value through profit or loss	558	117
Depreciation of property, plant and equipment <sup>*</sup>	381	274
Depreciation of right-of-use assets <sup>*</sup>	1,771	1,998
Employee costs (including directors' emoluments)		
— Salaries, allowances and other benefits	10,040	9,168
— Contributions to defined contribution retirement plan <sup>&lt;</sup>	302	267
	10,342	9,435
Bank interest income	(789)	(768)
Exchange difference, net	102	190
Research and development expenditure <sup>^</sup>	1,909	1,534

<sup>#</sup> Included in cost of revenue

<sup>\*</sup> Included in administrative and other operating expenses

<sup>^</sup> Included in research and development expenditure are staff costs amounted to approximately HK\$1,900,000 for the six months ended 30 September 2024 (six months ended 30 September 2023: HK\$1,100,000) which have been included in the employee costs above.

<sup><</sup> For the six months ended 30 September 2024, no forfeited contribution in respect of the defined contribution retirement plans were utilised by the Group to reduce the contribution payable to the plans (six months ended 30 September 2023: nil). As at 30 September 2024, no forfeited contribution under these plans is available to reduce future contribution (six months ended 30 September 2023: nil).

## 8. INCOME TAX EXPENSE

The amount of income tax expense in the condensed consolidated statement of comprehensive income represents:

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Current tax for the period		
— Hong Kong Profits Tax	1,136	1,011
Deferred tax	(24)	89
	<b>1,112</b>	1,100

The Group has no income subject to taxation in the Cayman Islands, the British Virgin Islands and United Kingdom. The Company and its Hong Kong incorporated subsidiaries are subject to Hong Kong Profits Tax, which is calculated at tax rate of 16.5% on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Company which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

## 9. DIVIDENDS

The Board resolved not to declare the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Interim dividend for the year ended 31 March 2024 of HK0.25 cent per share (2023: HK0.4 cent per share)	2,000	3,200

Note:

An interim dividend of HK0.25 cent per ordinary share for the year ended 31 March 2024 was declared by the Board, which was paid on Monday, 12 August 2024 to the shareholders of the Company whose names appear on the register of members on Friday, 19 July 2024.

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic and diluted earnings per share is based on the following data:

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
<b>Earnings</b>		
Profit for the period attributable to owners of the Company	3,439	2,846
	'000	'000
<b>Weighted average number of ordinary shares in issue</b>		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	800,000	800,000

For the purpose of calculating diluted earnings per share for the six months ended 30 September 2023, no adjustment has been made as the exercise of the outstanding share options has an anti-dilutive effect of the basic earnings per share. There were no share options outstanding as at 30 September 2024.

## 11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2024, property, plant and equipment with a cost approximately HK\$12,000 were acquired by the Group (six months ended 30 September 2023: HK\$992,000).

During the six months ended 30 September 2023 and 2024, no property, plant and equipment was disposed by the Group.

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

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
<b>Non-current</b>		
Unlisted investments	<b>2,028</b>	2,792
<b>Current</b>		
Listed equity securities	<b>685</b>	478
	<b>2,713</b>	3,270

The above unlisted equity investments represent investments in unlisted equity instruments issued by private entities incorporated in Hong Kong and Singapore. Investments in listed equity securities represent the investments of the Group in companies listed in Hong Kong. These investments in unlisted equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, the Directors have elected to designate these investments in equity instruments as at financial assets at fair value through profit and loss and classified as non-current asset as the Group does not intend to dispose the unlisted investments in the near future.

There has been no change from valuation technique used and described in the Group's annual financial statements for the year ended 31 March 2024 during the period. There were no transfers between levels of fair value hierarchy during the period.

### 13. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Trade receivables	13,232	15,414
Less: Allowance for impairment	(1,418)	(1,471)
Trade receivables, net ( <i>note</i> )	11,814	13,943
Other receivables	543	1,383
Deposits and prepayments	7,909	2,877
	<b>20,266</b>	18,203

*Note:*

The credit period granted to trade debtors ranged from 0 to 30 days.

As at 30 September 2024 and 31 March 2024, the allowance for impairment has been recognised for trade receivables in accordance with the simplified approach, i.e. lifetime ECLs set out in HKFRS 9. The movements in loss allowance of trade receivables during the six months ended 30 September 2024 and 30 September 2023 are as below:

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
As at 1 April 2024 and 1 April 2023	1,424	1,453
(Reversal)/provision of allowance for impairment during the period	(6)	78
As at 30 September 2024 and 30 September 2023	<b>1,418</b>	1,531



The ageing analysis of the trade receivables (net), based on invoice date, as of the end of the reporting period is as follows:

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
0–30 days	5,376	5,797
31–60 days	1,308	2,433
61–90 days	1,825	294
Over 90 days	3,305	5,419
	<b>11,814</b>	13,943

#### 14. TRADE AND OTHER PAYABLES

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
Trade payables	3,987	3,875
Accruals and other payables	2,073	5,529
	<b>6,060</b>	9,404

The credit period granted by suppliers ranged from 0 to 90 days.

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

	As at 30 September 2024 HK\$'000 (Unaudited)	As at 31 March 2024 HK\$'000 (Audited)
0–30 days	1,895	2,866
31–60 days	106	131
61–90 days	–	112
Over 90 days	1,986	766
	<b>3,987</b>	3,875

## 15. CONTRACT LIABILITIES

The movement in contract liabilities during the reporting period is as follows:

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Balance as at 1 April 2024 and 1 April 2023	1,626	760
Decrease in contract liabilities as a result of recognising revenue during the reporting period that was included in the contract liabilities at the beginning of the reporting period	(1,626)	(760)
Increase in contract liabilities as a result of receipt in advance from sales of medical devices and products and rendering of maintenance services	1,243	1,626
Balance as at 30 September 2024 and 30 September 2023	1,243	1,626

The contract liabilities mainly relate to the advance consideration received from customers for (i) sales of medical devices and products and (ii) rendering of maintenance services. The Group will recognise the expected revenue in future when such performance obligation is satisfied, which is expected to occur in the next 12 months.

The Group has applied the practical expedient to its sales contracts for medical devices and products and rendering of maintenance services and therefore the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for rendering of maintenance services that had an original expected duration of one year or less.

## 16. SHARE CAPITAL

Ordinary shares	Number of shares	Amount HK\$'000
<b>Authorised:</b>		
Ordinary shares of HK\$0.01 each		
At 31 March 2024 and 30 September 2024	8,000,000,000	80,000
<b>Issued and fully paid:</b>		
Ordinary shares of HK\$0.01 each		
At 31 March 2024 and 30 September 2024	800,000,000	8,000

## 17. SHARE BASED PAYMENT TRANSACTIONS

The Company has adopted a share option scheme ("Share Option Scheme") on 1 March 2018 to enable the Company to grant options to selected participants as incentives or rewards for their contribution to the Group and continuing efforts to promote the interest of the Group. The terms of the Share Option Scheme are in accordance with Chapter 23 of the GEM Listing Rules.

The number of options available for grant under the Share Option Scheme as at 1 April 2024 and 30 September 2024 are 50,980,000 and 71,940,000 respectively.

A total of 71,940,000 Shares are available for issue under the Share Option Scheme, representing 8.99% of the total issued capital of the Company as at 30 September 2024.

Details of Share Options and their movements during the six months ended 30 September 2024 are as follows:

	Date of Grant	Exercise price per Share HK\$	Number of Shares issuable under the options				as at 30/09/2024
			as at 01/04/2024	granted during the period	exercised during the period	lapsed during the period	
<b>Director</b>							
Ms. Wong Bik Kwan Bikie ("Ms. Wong")	18/04/2019	0.12	7,980,000	-	-	(7,980,000)	-
<b>Employees of the Group</b>							
In aggregate	18/04/2019	0.12	12,980,000	-	-	(12,980,000)	-
			20,960,000	-	-	(20,960,000)	-

Save as disclosed above, no options were granted, exercised, forfeited, cancelled or lapsed during the six months ended 30 September 2024.

## 18. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these consolidated financial statements, the Group had the following transactions with its related parties during the reporting periods:

	For the six months ended	
	30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Rental expense paid to a related company (note (i))	560	560
Compensation of key management personnel (note (ii))		
Fees, salaries, allowances and other benefits	3,710	3,563
Contributions to defined contribution retirement plan	47	47
	<b>3,757</b>	3,610

Notes:

- (i) The Group entered into a lease agreement of warehouse with Solaire International Limited ("Solaire"). Solaire is held by Ms. Wong, Chairman, Chief Executive Officer and Executive Director of the Company. The transaction is conducted on normal commercial terms or better and is a connected transaction. The transaction is a de minimis transaction in accordance with GEM Listing Rules 20.74(1) fully exempt from the reporting, annual review, announcement, circular (including independent financial advice) and shareholders' approval requirements.
- (ii) The compensation represents the remuneration paid and was payable to the directors and other members of key management during the reporting periods.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

We are an established medical device distributor and one-stop medical device solutions provider with over 20 years of experience in the medical device market in Hong Kong.

For the six months ended 30 September 2024, the Group continued to implement our business strategy to solidify our position as a major medical device distributor in Hong Kong.

During the period under review, Hong Kong's economy generally remained stable and showed positive momentum despite a complex and challenging global environment. The Group achieved its business growth through diversifying the product portfolio and enhance our research and development ability. The Group will further expand the product portfolio and enhance the customer services to improve our one-stop medical device solutions services.

Looking ahead, we continue to be optimistic on the outlook of the medical and healthcare industry, attributable to the increase of aging population and rising healthcare awareness of the public in Hong Kong together with our automation solution to eliminate the medical manpower shortage crisis in Hong Kong. The Group is looking for suitable investment opportunities to diversify business and bring better investment return to the shareholders of the Company.

## FINANCIAL REVIEW

### Revenue

The Group's revenue remain stable and increased slightly by approximately 0.9%, from approximately HK\$41.3 million for the six months ended 30 September 2023 to approximately HK\$41.7 million for the six months ended 30 September 2024.

### Gross profit and gross profit margin

The Group recorded gross profit of approximately HK\$20.4 million and HK\$20.3 million for the six months ended 30 September 2024 and 2023 respectively.

Gross profit margin decreased slightly from approximately 49.2% for the six months ended 30 September 2023 to approximately 48.9% for the six months ended 30 September 2024.

### Administrative and other operating expenses

Administrative and other operating expenses mainly included auditor's remuneration, advertising and marketing expenses, depreciation, Directors' remuneration, legal and professional fee, rent, rates and management fee for office and warehouses, staff costs, travelling and entertainment expenses and other miscellaneous expenses.

Administrative and other operating expenses for the six months ended 30 September 2024 amounted to approximately HK\$16.8 million, representing an increase by approximately HK\$0.6 million or 3.6%, as compared to approximately HK\$16.2 million for the six months ended 30 September 2023. The increase was primarily attributable to the increase in marketing activities and general increase in wages of the Group.

### **Income tax expenses**

Income tax expenses for the six months ended 30 September 2024 amounted to approximately HK\$1.1 million (six months ended 30 September 2023: approximately HK\$1.1 million).

### **Profit for the period**

The Group's profit increased by approximately HK\$0.6 million from approximately HK\$2.8 million for the six months ended 30 September 2023 to approximately HK\$3.4 million for the six months ended 30 September 2024. The increase was primarily attributable to receipts of government grants of approximately HK\$1,550,000, after netting off the increase in administrative and other operating expenses as discussed above.

### **Dividend**

The Board resolved not to declare the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

As at 30 September 2024, current assets amounted to approximately HK\$103.8 million (31 March 2024: approximately HK\$104.2 million). Current liabilities were approximately HK\$9.0 million (31 March 2024: approximately HK\$11.2 million).

As at 30 September 2024, the Group had total cash and bank balances of approximately HK\$57.9 million (31 March 2024: approximately HK\$60.0 million).

The gearing ratio of the Group as at 30 September 2024 was nil (31 March 2024: nil) as the Group had no material debt financing.

There has been no change in the capital structure of the Company during the six months ended 30 September 2024.

## **COMMITMENTS**

As at 30 September 2024 and 31 March 2024, the Group did not have any significant capital commitments.

## **SEGMENT INFORMATION**

Segment information is disclosed in note 3 to the condensed consolidated financial statements.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

Save as disclosed in the Prospectus, the Group did not have other plans for material investments and capital assets as at 30 September 2024.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES**

During the six months ended 30 September 2024, the Group did not have any material acquisitions or disposals of subsidiaries and affiliated companies.

## **SIGNIFICANT INVESTMENTS**

As at 30 September 2024, there was no significant investment held by the Group (31 March 2024: Nil).

## **CONTINGENT LIABILITIES**

As at 30 September 2024, the Group had no material contingent liabilities (31 March 2024: Nil).

## **FOREIGN EXCHANGE EXPOSURE**

The Group operates in Hong Kong with certain business transactions being settled in HK\$, United States dollars ("US\$") or Euro. As HK\$ is pegged to US\$, the Directors do not expect any significant movement in the US\$/HK\$ exchange rate. The Group monitors its foreign currency exposure closely and will consider undertake foreign exchange hedging activities to reduce the impact of foreign exchange rate movements on the Group's operating result.

## **CHARGE OF GROUP'S ASSETS**

No Pledged bank deposits was placed in bank to secure the bank facilities of the Group as at 30 September 2024 and 31 March 2024.



## **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 September 2024, the Group has a total of 50 employees (31 March 2024: 46 employees). Staff costs, including Directors' remuneration, of the Group were approximately HK\$10.3 million for the six months ended 30 September 2024 (six months ended 30 September 2023: approximately HK\$9.4 million). Remuneration is determined with reference to factors such as comparable market salaries and work performance, qualification and experience of individual employees. In addition to a basic salary, year-end discretionary bonuses are offered to employees with outstanding performance to attract and retain eligible employees to contribute to the Group.

## **USE OF PROCEEDS**

The actual net proceeds from the Share Offer, after deducting the listing-related expenses, were approximately HK\$31.2 million, compared to the estimated net proceeds of approximately HK\$33.1 million as disclosed in the Prospectus. The difference of HK\$1.9 million between the actual and estimated amount of the net proceeds has been adjusted in the same manner as stated in the Prospectus.

As set out in the announcement of the Company dated 24 November 2021 ("the Announcement"), the Board resolved to change in the use of unutilised Net Proceeds as of 24 November 2021.

As at 30 September 2024, the net proceeds had been applied and utilised as follows:

<b>Intended use of proceeds</b>	<b>Unutilised proceeds as at 31 March 2024</b>	<b>Utilised proceeds during the six months ended 30 September 2024</b>	<b>Unutilised proceeds as at 30 September 2024</b>
	HK\$ million	HK\$ million	HK\$ million
General working capital	–	–	–
Develop own brand autonomous mobile robot solution to reduce the medical manpower shortage	0.4	0.4	–
	0.4	0.4	–

The business objectives, future plans and planned use of proceeds as stated in the Prospectus and the Announcement were based on the best estimation and assumption of the future market conditions made by the Group at the time of preparing the Prospectus and the Announcement, while the proceeds were applied based on the actual development of the Group's business and the market.

The discrepancy between the planned use of the net proceeds and the actual use mainly arose as a result of the actual market conditions affecting the Group. The continuing trade conflict between the U.S. and the PRC and the PRC's gradual economic slowdown have presented the Group with uncertainties and multiple challenges, rendering the need for the Group to be prudent in implementing its future plans as set out in the Prospectus and the Announcement.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2024, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which shall have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which shall be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein or which shall be required to notify the Company and the Hong Kong Stock Exchange pursuant to Rule 5.46 to Rule 5.67 of the GEM Listing Rules, were as follows:

### Long position in the shares and shares in the Company and associated corporations

Name of Director/ chief executive	Name of Group member/associated corporation	Nature of Interest	Number of shares	Approximate percentage of shareholding
Ms. Wong (Note 1)	The Company	Interest in a controlled corporation	568,028,001	71.00%
	B&A Success	Beneficial owner	100 shares of US\$1.00 each	100%
Dr. Miu Yin Shun Andrew ("Dr. Miu") (Note 2)	The Company	Interest of spouse	568,028,001	71.00%
Mr. Chiu Man Wai ("Mr. Chiu") (Note 3)	The Company	Interest in a controlled corporation	9,620,000	1.20%
	Infinite Crystal Limited	Beneficial owner	900 shares of US\$1.00 each	100%
Mr. Chow Ming Po Aaron	The Company	Beneficial owner	7,810,000	0.98%

*Notes:*

1. The shares are registered in the name of B&A Success, the entire issued share capital of which is legally and beneficially owned by Ms. Wong. Under the SFO, Ms. Wong is deemed to be interested in the same number of shares held by B&A Success.
2. Dr. Miu is the spouse of Ms. Wong. Under the SFO, Dr. Miu is deemed to be interested in the same number of shares deemed to be held by Ms. Wong.
3. The shares are registered in the name of Infinite Crystal Limited, the entire issued share capital of which is legally and beneficially owned by Mr. Chiu. Under the SFO, Mr. Chiu is deemed to be interested in the same number of shares held by Infinite Crystal Limited.

Save as disclosed above, as at 30 September 2024, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares and debenture of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required to be notified to the Company and the Hong Kong Stock Exchange, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## **SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES OR UNDERLYING SHARES OF THE COMPANY**

As at 30 September 2024, so far as the Directors are aware, other than the Directors or chief executive of the Company whose interests are disclosed under the paragraph headed "Directors' and chief executive's interest and short positions in shares, underlying shares or debentures of the Company or any associated corporation" above, the following persons had an interest or short position in the shares or underlying shares of the Company which shall be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, were interested in 5.0% or more of the issued voting shares of any member of the Group:

### **Long position in the shares**

<b>Name of shareholders</b>	<b>Nature of Interest</b>	<b>Total number of shares</b>	<b>Approximate percentage of shareholding</b>
B&A Success	Beneficial owner	568,028,001	71.00%

Saved as disclosed above and so far as is known to the Directors, the Directors were not aware of any other persons other than the Directors or chief executive of the Company who held an interest or short positions in the shares and underlying shares of the Company as at 30 September 2024 which required to be recorded pursuant to section 336 of the SFO.

### **SHARE OPTION SCHEME**

The Company has adopted the share option scheme (the "Share Option Scheme") on 1 March 2018 to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group and continuing efforts to promote the interest of the Group. The terms of the Share Option Scheme are in accordance with Chapter 23 of the GEM Listing Rules.

Details of Share Options granted and their movements during the six months ended 30 September 2024 are disclosed in note 17 to the condensed consolidated financial statements.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2024.

## **DIRECTORS' SECURITIES TRADING TRANSACTIONS**

The Group has adopted a code of conduct set out in the "required standard of dealings" in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors have confirmed that they have been complying with the required standard of dealings and the related code of conduct regarding directors' securities transactions during the six months ended 30 September 2024.

As far as the Group is aware, the Directors and employees of the Group have not breached the required standard of dealings and the code of conduct.

## **DIRECTORS' INTEREST IN COMPETING BUSINESS**

None of the Directors and directors of the Company's subsidiaries, or any of their respective associates, as defined in the GEM Listing Rules, had interest in any business that competes or may compete, either directly or indirectly, with the businesses of the Group or has any other conflict of interests with the Group (other than being a director of the Company and/or its subsidiaries and their respective associates) during the six months ended 30 September 2024.

## **CORPORATE GOVERNANCE PRACTICE**

The Group has adopted the principles and code provisions of the Corporate Governance Code (the "CG Code") as set out in the Appendix C1 to the GEM Listing Rules. During the six months ended 30 September 2024, the Group has complied with all the code provisions of the New Code, except for the deviation stipulated below.

## **CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

According to the code provision C.2.1 of the CG Code, the roles of the chairman and chief executive should be separate and should not be performed by the same individual.

For the six months ended 30 September 2024, the roles of chairman of the Board were performed by the chief executive officer, Ms. Wong. As the chairman of the Board, Ms. Wong is responsible for the formulating, planning and directing the Group's overall strategy and always seeks for Board approval for any significant decisions and transactions.

Although Ms. Wong performs both roles, the Board has conducted an assessment and believed that the independence, effectiveness and functionality of the Board and the Group's operations has been and will be highly maintained together with independent check and balance measures in place as the Board has sufficient number of Directors who have diversified background and expertise.

## **AUDIT COMMITTEE**

The Company established the Audit Committee on 1 March 2018 with written terms of reference in compliance with the GEM Listing Rules which are available on the websites of the GEM and the Company. The Audit Committee currently consists of two independent non-executive Directors, namely Mr. Mui Wai Sum and Mr. Chow Ming Po Aaron, and one non-executive Director, namely Dr. Miu Yin Shun Andrew. Mr. Mui Wai Sum has the appropriate accounting and financial related management expertise and serves as the chairman of the Audit Committee.

The Audit Committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2024, and is of the opinion that such statements complied with the applicable accounting standards, the requirements under the GEM Listing Rules, and that adequate disclosures have been made.

By order of the Board  
**Grand Brilliance Group Holdings Limited**  
**Wong Bik Kwan Bikie**  
*Chairman and Chief Executive Officer*

Hong Kong, 8 November 2024

*As at the date of this report, the executive Director is Ms. Wong Bik Kwan Bikie; the non-executive Directors are Dr. Miu Yin Shun Andrew and Mr. Chiu Man Wai; and the independent non-executive Directors are Mr. Ng Leung Sing SBS, JP, Mr. Chow Ming Po Aaron and Mr. Mui Wai Sum.*