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LIFE CONCEPTS

Life Concepts Holdings Limited

生活概念控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8056)

**ANNOUNCEMENT OF THE INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

The board of directors of Life Concepts Holdings Limited (the “Company” and the “Board”, respectively) hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries for the six months ended 30 September 2024. This announcement, containing the full text of the 2024/25 interim report of the Company (the “Interim Report”), complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) in relation to information to accompany preliminary announcement of the interim results. The printed version of the Interim Report containing the information required by the GEM Listing Rules will be despatched to the shareholders of the Company in due course in the manner required by the GEM Listing Rules.

For and on behalf of

Life Concepts Holdings Limited

Xu Qiang

Chairman, Executive Director and Chief Executive Officer

Hong Kong, 29 November 2024

As at the date of this announcement, the Board comprises Mr. Xu Qiang (Chairman and Chief Executive Officer) and Mr. Liu Guowei and Ms. Wu Liyu as executive Directors; and Mr. Hui Hung Kwan, Mr. Bian Hongjiang and Mr. Chen Wenrui as independent non-executive Directors.

This announcement, for which the Directors 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 for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, 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.

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at www.lifeconcepts.hk.

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*This report, for which the directors (the “**Directors**”) of Life Concepts Holdings Limited (the “**Company**” and 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 Company and the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report 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 report misleading.*

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors:

Mr. Xu Qiang (*Chairman and Chief Executive Officer*)

Mr. Liu Guowei

Ms. Wu Liyu

Mr. Yu Quansheng (resigned on 17 September 2024)

Independent non-executive Directors:

Mr. Hui Hung Kwan

Mr. Bian Hongjiang

Mr. Chen Wenrui

COMPLIANCE OFFICER

Mr. Liu Guowei

AUTHORISED REPRESENTATIVES

Mr. Xu Qiang

Ms. Kwok Wai Chun

COMPANY SECRETARY

Ms. Kwok Wai Chun

AUDIT COMMITTEE

Mr. Hui Hung Kwan (*Chairman*)

Mr. Bian Hongjiang

Mr. Chen Wenrui

REMUNERATION COMMITTEE

Mr. Bian Hongjiang (*Chairman*)

Mr. Xu Qiang

Mr. Hui Hung Kwan

Mr. Chen Wenrui

NOMINATION COMMITTEE

Mr. Xu Qiang (*Chairman*)

Mr. Hui Hung Kwan

Mr. Bian Hongjiang

Mr. Chen Wenrui

REGISTERED OFFICE

Canon's Court, 22 Victoria Street,
Hamilton, HM 12,
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 806, 8/F
Stelux House
698 Prince Edward East
San Po Kong, Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Corporate Services (Bermuda) Ltd.
Canon's Court, 22 Victoria Street,
Hamilton, HM 12,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F
148 Electric Road
North Point
Hong Kong

PRINCIPAL BANKER

The Hong Kong and Shanghai Banking Corporation
Limited

INDEPENDENT AUDITOR

McMillan Woods (Hong Kong) CPA Limited
24/F, Siu On Centre
188 Lockhart Road
Wan Chai
Hong Kong

COMPANY'S WEBSITE

<http://www.lifeconcepts.hk>

GEM STOCK CODE

8056

The board of Directors (the “**Board**”) presents the unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2024, together with the unaudited comparative figures for the corresponding period in 2023 as set out below.

FINANCIAL HIGHLIGHTS

- The Group’s revenue for the six months ended 30 September 2024 was approximately HK\$6.5 million, representing a decrease of approximately 29.7% when compared with that of the corresponding period in 2023.
- Total comprehensive loss attributable to owners of the Company for the six months ended 30 September 2024 was approximately HK\$2.6 million, representing a decrease in total comprehensive loss attributable to owners of the Company of approximately 43.6% when compared with that of the corresponding period in 2023.
- The Board does not declare any dividend for the six months ended 30 September 2024 (for the six months ended 30 September 2023: Nil).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	Notes	For the six months ended 30 September	
		2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Revenue	5	6,545	9,312
Cost of sales and inventories consumed		(4,965)	(7,566)
Employee benefit expenses		(1,588)	(4,460)
Depreciation of property, plant and equipment		(11)	(11)
Amortisation of right-of-use assets		(178)	–
Rental and related expenses		(92)	(945)
Utilities and consumables		(89)	(1,808)
Other expenses		(2,408)	(7)
Other gains, net		–	20
Finance income, net	6	377	1,142
Loss before income tax		(2,409)	(4,324)
Income tax (expense)	7	(44)	(99)
Loss for the period	8	(2,453)	(4,423)
Other comprehensive loss			
Item that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		–	(113)
Total comprehensive loss for the period		(2,453)	(4,535)
Loss attributable to:			
Owners of the Company		(2,588)	(4,472)
Non-controlling interests		135	49
Loss for the period		(2,453)	(4,423)
Total comprehensive loss attributable to:			
Owners of the Company		(2,588)	(4,585)
Non-controlling interests		135	49
		(2,453)	(4,535)
Loss per share attributable to owners of the Company			
Basic and diluted (HK\$)	10	(0.001)	(0.01)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2024

	Notes	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	–	11
Right-of-use assets	11	352	563
Rental and utilities deposits		143	129
Restricted bank deposits	13	66,027	66,214
Contract assets	12	15,152	15,152
		81,674	82,069
Current assets			
Inventories		241	278
Trade and other receivables	12	27,884	31,654
Contract assets	12	6,597	6,496
Income tax recoverable		389	401
Cash and cash equivalents		368	1,343
		35,479	40,172
Total assets		117,153	122,241
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	17,674	14,791
Reserves		(137,636)	(137,493)
		(119,962)	(122,702)
Non-controlling interests		5,112	4,977
		(114,850)	(117,725)

	Notes	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
LIABILITIES			
Non-current liabilities			
Lease liabilities		204	356
Provisions		819	819
Deferred tax liabilities		9,458	9,414
		10,481	10,589
Current liabilities			
Trade and other payables	14	113,481	52,817
Lease liabilities		447	464
Amounts due to related parties	16	44,492	44,427
Amounts due to former directors	16	28,298	98,298
Guarantee liabilities	17	32,165	32,924
Amounts due to current directors		2,192	–
Current tax liabilities		447	447
		221,522	229,377
Total liabilities		232,003	239,966
Total equity and liabilities		117,153	122,241

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Attributable to owners of the Company						Attributable to non-controlling interests	Total
	Share capital	Share premium	Other reserve	Translation reserve	Accumulated losses	Subtotal		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2023 (audited)	14,791	-	27,313	634	(147,704)	(104,966)	5,151	(99,815)
Loss for the period	-	-	-	-	(4,472)	(4,472)	(5,012)	(9,574)
Exchange differences on translation of foreign operations	-	-	-	-	5,023	5,023	-	5,023
Total comprehensive loss for the period	14,791	-	27,313	634	551	551	(5,012)	(4,551)
At 30 September 2023 (unaudited)	14,791	-	27,313	634	(147,153)	(104,415)	139	(104,366)
At 1 April 2024 (audited)	14,791	-	27,313	2,456	(167,262)	(122,702)	4,977	(117,725)
Loss for the period	-	-	-	-	(2,588)	(2,588)	135	(2,453)
Share placing (note a)	2,883	2,415	-	-	-	5,298	-	5,298
Issuance cost of shares placing (note a)	-	30	-	-	-	30	-	30
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	2,883	2,445	-	-	(2,588)	2,740	135	2,875
At 30 September 2024 (unaudited)	17,674	2,445	27,313	2,456	(169,850)	(119,962)	5,112	(114,850)

Noted:

- (a) On 2 August 2024, placing of new Shares under the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the Company's annual general meeting held on 28 September 2023 was completed in accordance with the terms of the placing agreement dated 11 July 2024. An aggregate of 370,000,000 placing shares have been successfully placed to not less than six independent third parties at the placing price of HK\$0.0144 per placing share.

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)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	64,599	(387)
INVESTING ACTIVITIES		
Decrease in Right in use assets	211	(3)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	211	(3)
FINANCING ACTIVITIES		
Repayments to amount due to directors	2,192	–
Reclass to other payables	(66,000)	85
Repayments to other payables	(4,000)	–
Proceeds from borrowings	(860)	138
Proceeds from placing	2,883	88
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	(65,785)	304
NET DECREASE IN CASH AND CASH EQUIVALENTS	(975)	(79)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,343	2,214
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	–	91
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	368	2,226

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2024

1. GENERAL INFORMATION

Life Concepts Holdings Limited (the “**Company**”) was deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda with limited liability upon the change of domicile of the Company from the Cayman Islands to Bermuda became effective on 6 September 2022. Its registered office has been changed to Canon’s Court, 22 Victoria Street, Hamilton, HM 12, Bermuda, and its principal place of business is at Room 806, 8/F, Stelux House, 698 Prince Edward Road East, San Po Kong, Kowloon, Hong Kong.

The Company is an investment holding company and its subsidiaries (together, the “**Group**”) are principally engaged in (i) catering operations, including operation of restaurants and trading of food and beverages; and (ii) provision of financial institution intermediation services. Prior to 11 October 2018, the ultimate controlling shareholders were Total Commitment Holdings Limited (“**Total Commitment (HK)**”), Ideal Winner Investments Limited, Minrish Limited (“**Minrish**”), Indo Gold Limited (“**Indo Gold**”) and Mr. Jugdish Johnny Uttamchandani (“**Mr. Uttamchandani**”) (hereinafter as the “**former controlling shareholders**”). On and after 11 October 2018, its immediate and ultimate holding company is Strong Day Holdings Limited, a company incorporated in the British Virgin Islands with limited liability.

2. BASIS OF PREPARATION AND PRESENTATION

These unaudited condensed consolidated financial statements for the six months ended 30 September 2024 have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules and comply with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

In preparing the unaudited condensed consolidated financial statements, the Directors have given careful consideration to the future liquidity of the Group. While recognising that the Group had net current liabilities of approximately HK\$186,043,000 as at 30 September 2024 and incurred a net loss of approximately HK\$2,454,000 for the six months then ended, the Directors are of the opinion that, after due and careful enquiry taking into account the internally generated funds available to the Group, the Group has, in the absence of unforeseeable circumstances, sufficient financial resources to meet its financial obligations as they fall due for the foreseeable future.

Accordingly, the Directors believe that it is appropriate to prepare the unaudited condensed consolidated financial statements on a going concern basis without including any adjustments that would be required should the Group fail to continue as a going concern.

These unaudited condensed consolidated financial statements for the six months ended 30 September 2024 are presented in Hong Kong dollars (“**HK\$**”), which is the functional currency of the Company.

3. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current interim period, the Group has applied, for the first time, new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all HKFRSs, HKASs, Interpretations and Amendments) issued by the HKICPA that are mandatorily effective for the accounting period beginning on or after 1 April 2022.

The adoption of the new amendments to HKFRSs in the current interim period has had no significant effect on the amounts reported in these unaudited condensed consolidated financial statements and/or disclosures set out in these unaudited condensed consolidated financial statements.

The Group has not applied new and revised standards, amendments or interpretations that have been issued but are not yet effective. The Group is currently assessing the impact of the adoption of such new and revised standards, amendments or interpretations to the Group but is yet to be in a position to state whether they would have any material financial impact on the Group’s results of operations and financial position.

4. PRINCIPAL ACCOUNTING POLICIES

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements for the six months ended 30 September 2024 are consistent with those adopted in the preparation of audited consolidated financial statements included in the Company’s 2023/2024 annual report, except for the adoption of the new and revised HKFRSs issued by the HKICPA that are adopted for the first time for the current period’s unaudited condensed consolidated financial statements.

The unaudited condensed consolidated financial statements for the six months ended 30 September 2024 have been prepared on the historical cost basis.

The condensed consolidated financial statements have not been audited or reviewed by the Company’s independent auditor, but have been reviewed by the audit committee of the Board (the “**Audit Committee**”).

5. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue from contracts with customers

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Provision of catering services	5,254	6,641
Provision of financial institution intermediation services	1,291	2,671
	6,545	9,312
Geographical location		
Mainland China	1,291	2,671
Hong Kong	5,254	6,641
	6,545	9,312
Timing of revenue recognition		
A point in time	5,254	6,641
Over time	1,291	2,671
	6,545	9,312

For all contracts for provision of food and beverages for periods of one year or less, as permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(ii) Performance obligations for contracts with customers

Provision of catering services (revenue recognised at a point in time)

Revenue is recognised at a point in time upon the provision of food ingredient to customers. Payment of the transaction price is mostly due immediately at the point of providing food ingredient to customers. Customer deposits for corporate events are recognized as contract liability.

Provision of financial institutions intermediation services

In all arrangements where the Group is not the loan originator, the Group also generates non-interest service fees by facilitating transactions between borrowers and financial institutions. The Group determines that it is not the legal lender and legal borrower in the loan origination and repayment process. Therefore, the Group does not record loans receivable and payable arising from the loans.

The Group's services consist of:

- Upfront loan facilitation service: matching potential qualified borrowers to financial institutions and facilitating the execution of loan agreements between the parties;
- Post loan facilitation service: providing repayment processing services for the financial institutions over the loan term, including following up on late repayments;
- Guarantee service provided to financial institutions, if applicable.

The Group does not receive upfront payments from borrowers and financial institutions at loan inception but receives subsequent payments from financial institutions over the term of the loan. The total service fees are first allocated to the guarantee liabilities at fair value which meets the definition of a financial guarantee under HKFRS 9. The remaining amount is then allocated to upfront loan facilitation service and post loan facilitation service using best estimated selling price, as neither vendor specific objective evidence or third party evidence of selling price is available.

Upfront loan facilitation service fees are recognised at loan inception. When the cash received is not equal to the fee allocated to the upfront loan facilitation service, a "contract asset" or "contract liability" is recognised. Post loan facilitation service fees are recognised over the term of the loan, which approximates the pattern of when the underlying services are performed. Gains from guarantee are recognised ratably over the term of the loan.

The Group expects to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, the Group adjusts the transaction prices for the time value of money.

The segment information reported to the executive Directors, being the chief operating decision maker (the "CODM"), is being regularly reviewed in order to allocate resources to segments and to assess their performance is prepared under HKFRSs. The CODM reviews performance of provision of catering services, provision of financial institution intermediation services and provision of other services, which includes provision of interior design and fitting-out service and provision of organic vegetables consulting services, for resources allocation.

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenue and results

For the six months ended 30 September 2024 (unaudited)

The segment information provided to the Group's CODM for the reportable segments for the six months ended 30 September 2024 are as follow:

	Provision of catering services HK\$'000	Provision of financial intermediation services HK\$'000	Other services HK\$'000	Elimination HK\$'000	Total HK\$'000
Revenue					
Total segment revenue	5,254	1,291	–	–	6,545
Inter-segment revenue	–	–	–	–	–
Revenue from external customers	5,254	1,291	–	–	6,545
Segment results	(2,374)	228	(63)	–	(2,209)
Unallocated employee benefit expenses					(200)
Loss before income tax					(2,409)
Income tax expense					(44)
Loss for the period					(2,453)

For the six months ended 30 September 2023 (unaudited)

	Provision of catering services HK\$'000	Provision of financial intermediation services HK\$'000	Other services HK\$'000	Elimination HK\$'000	Total HK\$'000
REVENUE					
Total segment revenue	6,641	2,671	–	–	9,312
Inter-segment revenue	–	–	–	–	–
Revenue from external customers	6,641	2,671	–	–	9,312
Segment results	(704)	(368)	–	–	(1,072)
Loss before income tax					(4,324)
Income tax expenses					(99)
Loss for the period					(4,423)

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

At 30 September 2024 (unaudited)

	Provision of catering services HK\$'000	Provision of financial intermediation services HK\$'000	Other services HK\$'000	Elimination HK\$'000	Total HK\$'000
Segment assets	403,183	115,760	32,837	434,626	986,406
Elimination of inter-segment receivables	(399,936)	(6,522)	(28,169)	(434,626)	(869,253)
	3,247	109,238	4,668	–	(117,153)
Segment liabilities	(459,587)	(141,654)	(37,090)	(434,626)	(1,072,957)
Elimination of inter-segment payables	399,936	13,044	21,646	434,626	869,252
	(59,651)	(128,610)	(15,444)	–	(203,705)
Amount due to former directors					(28,298)
					(232,003)

At 31 March 2024 (unaudited)

	Provision of catering services HK\$'000	Provision of financial intermediation services HK\$'000	Other services HK\$'000	Elimination HK\$'000	Total HK\$'000
Segment assets	401,871	122,159	32,837	(434,626)	122,241
Elimination of inter-segment receivables	(399,936)	(6,522)	(28,168)	434,626	–
	1,935	115,637	4,669	–	122,241
Segment liabilities	(428,427)	(110,777)	(37,090)	434,626	(141,668)
Elimination of inter-segment payables	399,936	13,044	21,646	(434,626)	–
	(28,491)	(97,733)	(15,444)	–	(141,668)
Amount due to directors					(98,298)
					(239,966)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 4. Segment results represents the profit/loss earned by each segment without allocation of the common employee benefit expenses, depreciation and amortisation, rental and related expenses, utilities and consumables, other expenses, other gains and finance income/(costs), net incurred. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment. For the purposes of monitoring segment performances and allocating resources between segments, all assets and liabilities, other than amount due to directors, are allocated to operating segments.

Inter-segment sales are charged at cost-plus approach.

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Other information

The following is included in the measure of segment results and segment assets.

	Additions to non-current assets For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Provision of catering services	–	–
Provision of financial intermediation services	(11)	(11)
	(11)	(11)

The unallocated depreciation and amortisation amounted to approximately HK\$11,000 (2023: HK\$11,000) for the six months ended 30 September 2024.

Non-current assets included property, plant and equipment, right-of-use assets and intangible assets.

Geographical information

The geographical location is based on the location at which the services were rendered or the goods delivered.

The amount of revenue from external customers broken down by geographical location is as follows:

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Hong Kong	5,254	6,641
Mainland China	1,291	2,671
	6,545	9,312

The non-current assets, other than rental and utilities deposits, deposit for property, plant and equipment, restricted bank deposits broken down by geographical location of the assets, is shown as below:

	Non-current assets	
	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Hong Kong	–	–
Mainland China	15,504	15,726
	15,504	15,726

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Information about major customers

No revenue from individual customer contributed over 10% of total revenue of the Group for both periods.

6. FINANCE INCOME, NET

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Interest income from contract assets	482	1,142
Bank interest income	4	–
Finance income	486	–
Interest expense on lease liabilities	(52)	–
Interest expense on accrued loan referral expenses	(57)	–
Finance costs	(109)	–
Finance income, net	377	1,142

7. INCOME TAX (EXPENSE)

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Current tax		
Hong Kong profits tax	–	–
PRC enterprise income tax	–	–
Deferred tax	(44)	(99)
Income tax (expense) credit	(44)	(99)

7. INCOME TAX (EXPENSE) (CONTINUED)

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

No provision for Hong Kong Profits Tax has been made for Hong Kong subsidiaries, as there was no estimated assessable profit during the six months ended 30 September 2024 (2023: Nil).

Deferred tax expense of approximately HK\$44,000 for the six months ended 30 September 2024 (2023: HK\$99,000) arose from the temporary differences in relation to amortisation of intangible assets and unrealised gains in the PRC.

8. (LOSS)/PROFIT FOR THE PERIOD

	For the six months ended 30 September	
	2024 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)
Loss for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	11	11
Amortisation of right-of-use assets	178	–

9. DIVIDEND

The Board does not declare any dividend for the six months ended 30 September 2024 (2023: Nil).

10. LOSS PER SHARE

(a) Basic

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

	For the six months ended 30 September	
	2024 (Unaudited)	2023 (Unaudited)
(Loss) for the period attributable to owners of the Company (HK\$'000)	(2,588)	(4,472)
Weighted average number of ordinary shares in issue (thousands)	2,268,291	1,898,290
Basic (loss) per share (HK\$)	(0.001)	(0.01)

(b) Diluted

Diluted loss per share presented is the same as the basic loss per share as there was no potentially dilutive ordinary share outstanding as at 30 September 2024 and 2023.

11. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSETS

During the current interim period, the Group did not acquire property, plant and equipment and intangible assets (2023: Nil and Nil). In addition, the Group did not dispose property, plant and equipment and intangible assets (2023: Nil and Nil).

During the current interim period, the Group did not enter into new rental agreements for the use of restaurant operation.

12. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Trade receivables	1,655	1,139
Other receivables and deposits	26,229	32,295
Contract assets	21,749	21,651
	49,633	55,085
Loss allowances	–	(1,654)
	49,633	53,431

Trade receivables from catering business are receivables from financial institutions in relation to the payment settled by credit cards by customers of which the settlement period is normally within 3 days from transaction date. Generally, for catering business, there is no credit period granted to customers, except for certain well-established corporate customers in which credit period of 20 to 30 days is granted by the Group. As at 30 September 2024, the ageing analysis at the gross trade receivables based on invoice date were as follows:

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
0 – 30 days	756	426
31 to 90 days	–	15
Over 90 days	899	698
	1,655	1,139
Loss allowances	–	(482)
	1,655	657

Before accepting any new corporate customers, management of the Group will base on the credit quality of the potential customers to define credit limits. Credit limits to customers are reviewed annually.

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. All of the trade receivables that are neither past due nor impaired are mainly from the reputable financial institutions.

12. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS (CONTINUED)

As at 30 September 2024, included in the Group's trade receivables balances are debtors with an aggregate carrying amount of HK\$1,655,000 (31 March 2024: HK\$657,000) which are past due as at the reporting date. Out of the past due balances, HK\$899,000 (31 March 2024: HK\$698,000) has been past due 90 days or more and is not considered as default as the Group considered such balances could be recovered based on repayment history, the financial conditions and the current credit worthiness of each debtors.

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Other receivables and deposits:		
Prepayments for insurances, consumables and services	3,770	3,770
Prepayments for rental	–	–
Prepayments for loan guarantee expenses	13,203	13,203
Advance to employees	747	747
Rental and utilities deposits	197	197
Loan receivable	5,708	5,708
Deposits for property, plant and equipment	–	–
Others	2,604	8,670
Loss allowances	–	(1,169)
	26,229	31,126
Less: Other receivables and deposits-non-current portion	–	(129)
Other receivables and deposits-current portion	26,229	30,997
	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Contract assets		
Upfront loan facilitation service fees	21,749	21,651
Loss allowances	–	(3)
	21,749	21,648
Less: Contract assets-non-current portion	(15,152)	(15,152)
Contract assets-current portion	6,597	6,496

The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers contract assets to trade receivables upon achieving the specified milestones in the contracts. There are no past due as at the reporting date.

13. RESTRICTED BANK DEPOSITS

As at 30 September 2024, the restricted bank deposits represented variable rate deposits placed in banks pursuant to the Group's obligations under certain operating leases and service agreements in relation to the provision of financial institution intermediation services of HK\$66,027,000 (31 March 2024: HK\$66,214,000). The restricted bank deposits carry interest ranging from 1.8% to 4.1% (31 March 2024: from 1.8% to 4.1%) per annum. The deposits will be released upon termination or expiry of the agreements which is expected to be beyond one year from the end of respective reporting periods. Accordingly, the amounts are included in non-current assets.

14. TRADE AND OTHER PAYABLES

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Trade payables to third parties	5,363	4,857
Accruals and other payables:		
Accrued staff salaries	3,526	3,526
Franchise and licensing fee payables	2,314	2,314
Payable for property, plant and equipment	500	500
Audit fee accrual	–	1,000
Payable for repair and maintenance	1,444	1,444
Payable for utilities and consumables	1,071	1,071
Payable for cleaning suppliers	606	606
Other tax payables	232	232
Other payables arising from defaults on lease liabilities	16,762	16,762
Others	81,663	20,505
	108,118	47,960
Trade and other payables	113,481	52,817

The ageing analysis of the trade payables based on invoice date were are follows:

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
0 – 60 days	682	582
Over 60 days	4,681	4,275
	5,363	4,857

The credit period on purchases of goods and services is about 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

15. SHARE CAPITAL

AUTHORISED:

	Number of Shares	Amount US\$	HK\$'000
At 31 March 2024 of US\$0.001 each	100,000,000,000	100,000,000	778,000
At 30 September 2024 of US\$0.001 each (note a)	5,000,000,000	100,000,000	778,000

ISSUED AND FULLY PAID:

	Number of Shares	Amount US\$	HK\$'000
At 31 March 2024 of US\$0.001 each	1,898,290,908	1,898,290	14,791
At 30 September 2024 of US\$0.02 each	113,414,545	2,268,291	17,674

- (a) On 3 September 2024, Share consolidation of every twenty (20) issued and unissued ordinary shares of par value of US\$0.001 each in the share capital of the company into one (1) consolidated share of par value of US\$0.02.

16. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Amounts due from/(to) related parties

Details of the amounts due from/(to) related parties are shown as follows:

	30 September 2024 HK\$'000 (Unaudited)	31 March 2024 HK\$'000 (Audited)
Advances to related parties (i)	2,314	2,314
Loss allowance	(2,314)	(2,314)
Loan to a related party (iv)	13,475	13,475
Loss allowances (iv)	(13,475)	(13,475)
Total amounts due from related parties	–	–
Amount due to former directors (ii)	(28,298)	(98,298)
Loans from related parties (iii)	(36,949)	(36,949)
Other payables to a related party	(7,543)	(7,478)
Amount due to a related party	(44,492)	(44,427)

16. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(a) Amounts due from/(to) related parties (continued)

Notes:

- (i) Within the balance includes interest receivable in relation to loan to a related party, a company controlled by a non-controlling interest, in note (iv) of HK\$2,314,000 (31 March 2024: HK\$2,314,000). However, by considering recoverability from related party, loss allowance amounted to HK\$2,314,000 (31 March 2024: HK\$2,314,000). Loss allowance movement for the period ended 30 September 2024 is as follows:

	HK\$'000
Opening net book amount	2,314
Exchange realignment	–
Ending net book amount	2,314

- (ii) The amount due to former directors is non-trade in nature, unsecured and interest-free.
- (iii) Loan from related parties, non-controlling interest of a subsidiary, is non-trade in nature, unsecured and interest-free.
- (iv) As at 30 September 2024, the loan to a related party, a company controlled by a non-controlling interest, is interest bearing at 4.785% per annum and is denominated in Renminbi (“RMB”). The balance is secured by the trade receivables, certain plant and equipment, certain inventories and equity interest of the related party. The balance is repayable on maturity date at 30 June 2022. However, the balance is not yet repaid by the related party subsequently. Loss allowances in relation to this balance amounted to HK\$13,475,000 (31 March 2024: HK\$13,475,000) as at 30 September 2024. Loss allowance movement for the six months ended 30 September 2024 is as follows:

	HK\$'000
Opening net book amount	13,475
Exchange realignment	–
Ending net book amount	13,475

17. GUARANTEE LIABILITIES

	30 September 2024 HK\$'000	31 March 2024 HK\$'000
Opening net book value	32,924	27,119
Increase in guarantee liabilities	–	7,119
Exchange difference	(759)	(1,314)
Ending net book amount	32,165	32,924

MANAGEMENT DISCUSSION AND ANALYSIS

During the six months ended 30 September 2024 and up to the date of this report, the Group has been principally engaged in (i) trading of food ingredients (the “**Provision of Catering Services**”); and (ii) provision of financial institution intermediation services in the PRC (the “**Financial Institution Intermediation Services**”).

Business Review

Provision of Catering Services Business

In November 2022, the Group successfully launched the frozen meat sales business, which has continuously generated stable income. For the six months ended 30 September 2024, the revenue generated from the food ingredient sales business was approximately HK\$5.3 million. In April 2024, the Group successfully signed cooperation agreements with other food suppliers and customers. In addition to our existing suppliers and customer base, the Group will invest more resources in the food ingredient sales business and will actively seek more suppliers and customers for long-term collaboration.

With the lifting of COVID-19 pandemic restrictions and the re-opening of Hong Kong-Mainland borders, the economy is steadily recovering in Hong Kong. The Group believes that the ongoing recovery of inbound tourism and the Government’s various support initiatives shall benefit restaurant business of the Group. To embrace the changing local consumption market, the Group decided during the period ended 30 September 2024 (“**the Period**”) to open a new Chinese restaurant located in Hong Kong. The restaurant is being decorated and expected to be opened in the first quarter of 2025.

Design of the new restaurant



Storefront



Food Counter

Provision of Financial Institution Intermediation Services

The Group has laid out a one-stop and professional financial services platform for financial practitioners and financial institutions based on the macro background of China's consistent policy of vigorously supporting small and medium-sized enterprises. Currently, the Group cooperates with financial practitioners and financial institutions to contact potential qualified borrowers through financial practitioners, and then the Group recommends potential qualified borrowers to financial institutions and facilitates both parties to enter into loan agreements, and the financial institutions provide loans to the borrowers.

During the six months ended 30 September 2024, this business has been significantly affected by the downturn of macro-economy and the heightening of risk appetite in the PRC and globally. As a result, no new loans to borrowers had been facilitated by the Group during the six months ended 30 September 2024 and approximately HK\$1.3 million of revenue had been generated during the six months ended 30 September 2024.

Financial Review

Revenue

During the six months ended 30 September 2024, the Group's revenue was generated from (i) the provision of catering services in Hong Kong; and (ii) provision of financial institution intermediation services in the PRC. The Group decided during the Period to open a new restaurant in Hong Kong. Meanwhile, the Group proactively sought other business development directions and shifted its investment to the food ingredient sales business.

The table below sets forth a breakdown of the Group's revenue generated by business segments, as a percentage of the total revenue during the six months ended 30 September 2024 (and 30 September 2023 for comparison purpose).

The table below sets forth a breakdown of the Group's revenue generated by (i) provision of catering services; (ii) provision of financial institution intermediation services, and as a percentage of the total revenue during the six months ended 30 September 2024 (and 2023 for comparison purpose).

	For the six months ended 30 September			
	2024		2023	
	Revenue (HK\$'000) (Unaudited)	% of total Revenue (%)	Revenue (HK\$'000) (Unaudited)	% of total Revenue (%)
Provision of catering services	5,254	80.3	6,641	71.3
Provision of financial institution intermediation services	1,291	19.7	2,671	28.7
	6,545	100.0	9,312	100.0

Provision of Catering Services Business

The revenue generated from provision of catering services decreased by approximately HK\$1.4 million, or approximately 20.9%, from approximately HK\$6.7 million for last year to approximately HK\$5.3 million for the Period. Such decrease was mainly due to (i) the negative impact by the weak market sentiment amidst the COVID-19 Pandemic in prior years; and (ii) suspended operation of the Group's restaurants during the Period.

Provision of Financial Institution Intermediation Services Business

The revenue generated from provision of Financial Institution Intermediation Services by the Group was approximately HK\$1.3 million for the Period (2023: approximately HK\$2.7 million).

The decrease was resulted from the unfavourable macro-economic environment in the PRC, particularly with the gigantic loan default events in 2021 with lasting impacts up to the date of this report, which led to no new loans facilitated for the Period. While income from early redemption penalty and service charges may also adversely affect future post loan facilitation service fees and future guarantee service fees.

Cost of sales and inventories consumed

Cost of sales and inventories consumed mainly represented the costs of food ingredients for the Provision of Catering Services Business for the six months ended 30 September 2024. The major food ingredient purchased by the Group is frozen food. Cost of sales and inventories consumed is one of the major components of the Group's operating expenses which amounted to approximately HK\$5.0 million and HK\$7.6 million for the Period and the six months ended 30 September 2023, respectively, representing approximately 75.9% and 81.3% of the Group's total revenue for the corresponding period in 2024 and 2023. The decrease in cost of sales and inventories consumed was due to the closure of restaurants and transfer of investment by the Group to the sales of food ingredient business during the Period.

Loan referral and guarantee expenses

Loan referral and guarantee expenses, which represents the cost of Financial Institution Intermediation Services, including customer service cost and third party guarantee fee, which amounted to Nil for the Period (2023: Nil).

Employee benefits expenses

Employee benefits expenses represented one of the major components of the Group's operating expenses, which primarily consisted of Directors' emoluments, salaries, retirement benefit scheme contributions and other benefits.

The employee benefits expenses decreased by approximately HK\$2.9 million from approximately HK\$4.5 million to approximately HK\$1.6 million for last period and the current period, respectively. The decrease was mainly due to the closure of restaurants and the continuous streamlining of organizational structure in the PRC.

Rental and related expenses

Our depreciation expense in respect of right-of-use assets plus rental and related expenses were mainly represented by lease of office premises for the Group's operations.

Other expenses

Other expenses mainly include legal and professional fee, staff cost, amortisation of right-of-use-asset. During the Period and last Period, the Group recognised other expenses of approximately HK\$2.4 million and HK\$7,000, respectively, representing approximately 36.8% and 0.1% of the Group's total revenue for the corresponding periods. The increase in other expenses incurred in the Period was mainly due to the increase in legal and professional fee.

Other gains, net

During the Period, the Group recognised nil net other gains (2023: net other gains of approximately HK\$20,000). Since there was no early termination of lease contracts during the Period and hence no such income was recognised, leading to a decrease in net other gains.

Finance income, net

Finance income mainly included interest income from contract assets and loan receivables.

The finance income is offsetted by finance costs, which mainly represent finance costs recognised in relation to the lease liabilities regarding the rental contracts upon adoption of HKFRS 16 "Leases".

The decrease in finance income, net for the Period is mainly caused by reduction in provision of Financial Institution Intermediation Services.

Loss attributable to owners of the Company

Loss attributable to owners of the Company for the Period was approximately HK\$2.6 million, while the loss attributable to owners of the Company for the period ended 30 September 2023 was approximately HK\$4.5 million.

The decrease of loss attributable to owners of the Company was primarily attributable to the following factors:

- (i) The closure of certain loss-making restaurants of the Group during the last and the current financial periods led to the decrease in the operating costs of our provision of Catering Services Business, comprising mainly cost of inventories consumed, employee benefit expenses, rental expenses and other operating expenses;

Which were offset by the following factor:

- (ii) A reduction of profit generated by our Financial Institution Intermediation Services during the Period compared to that generated during the period ended 30 September 2023.

Our management will continue to control costs in order to minimise the impact of such adverse factors on the Group.

Liquidity and Financial Resources

As at 30 September 2024, total assets of the Group amounted to approximately HK\$117.2 million (31 March 2024: HK\$122.2 million) and the cash and cash equivalents amounted to approximately HK\$368,000 (31 March 2024: HK\$1.3 million). The cash and cash equivalents were denominated in HK\$ and RMB. The Group's working capital was approximately negative HK\$155.6 million (31 March 2024: negative HK\$90.1 million), represented by total current assets of approximately HK\$35.5 million (31 March 2024: HK\$40.2 million) against total current liabilities, net of amounts due to directors, of approximately HK\$191.0 million (31 March 2024: HK\$131.1 million). The current ratio, being the proportion of total current assets against total current liabilities, net of amounts due to directors, was 0.19 (31 March 2024: 0.31).

The gearing ratio (being net debt divided by the aggregate of net debt and total capital) of the Group as at 30 September 2024 was approximately 279.1% (31 March 2024: 792.5%). Net debt was approximately HK\$75.3 million (31 March 2024: HK\$134.7 million) which is calculated based on the sum of total lease liabilities, amounts due to directors, loans from related parties and bank borrowings, less cash and cash equivalents. Total deficit and net debt was approximately HK\$35.1 million (31 March 2024: HK\$17.0 million).

Foreign Exchange Exposure

The Group mainly operates in Hong Kong and the PRC. The Directors consider that the Group's exposure to foreign currency exchange risk is insignificant as the Group collects most of the revenue and incur most of the expenditure in HK\$ and RMB, being the local currencies of the operating subsidiaries in Hong Kong and the PRC. Moreover, the Group adopted a conservative treasury policy with most of the bank deposits being kept in HK\$, or in RMB to minimise exposure to foreign exchange risks. The management will closely monitor the fluctuation in these currencies and take appropriate actions when needed.

Pledge of Assets

As at 30 September 2024, save for restricted bank deposits of approximately HK\$66,027,000 (31 March 2024: HK\$66,214,000) for the Group's obligations under certain operating leases or service agreements in relation to the provision of financial institution intermediation services, the Group did not pledge any other assets (31 March 2024: Nil).

Contingent Liabilities

As at 30 September 2024, the Group did not have any significant contingent liabilities (31 March 2024: Nil).

Capital Commitments

As at 30 September 2024, the Group did not have any outstanding capital commitments (31 March 2024: Nil).

Interim Dividend

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

Employees and Remuneration Policies

As at 30 September 2024, the total number of employees of the Group was 17 (31 March 2024: 28). Total staff costs (including Directors' emoluments) were approximately HK\$1,588,000 for the six months ended 30 September 2024 (2023: HK\$4,460,000). Employees' remuneration (including Directors' emoluments) is commensurate with their job nature, qualifications and experience. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors. The Group continues to offer competitive remuneration packages and bonus to eligible staff, based on the performance of the Group and the individual employee. Furthermore, the Company has adopted a share option scheme as an incentive to the Directors and eligible employees. The Group also provides and arranges on-the-job training for the employees.

Significant Investments

As at 30 September 2024, the Group did not hold any significant investments or capital assets.

Future Plans for Material Investments or Capital Assets

The Group has no plan authorised by the Board for other material investments or additions of capital assets as at the date of this report.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the six months ended 30 September 2024.

DISCLOSURE OF ADDITIONAL INFORMATION

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 11 July 2024, the Company entered into a placing agreement with a third party placing agent, pursuant to which the placing agent, as the agent of the Company, agreed to place on a best effort basis up to 370,000,000 Placing Shares at placing price of HK\$0.0144 (representing a discount of approximately 10.00% to the closing price of HK\$0.016 per share on 11 July 2024). The placing was completed on 2 August 2024. A total of 370,000,000 Placing Shares have been successfully placed by the Placing Agent to not fewer than six Placees at the Placing Price of HK\$0.0144 per Placing Share pursuant to the terms and conditions of the Placing Agreement and the Supplemental Agreement. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placees are professional, institutional or other investors (i) independent of; and (ii) not connected with the Company, the connected persons of the Company and their respective associates, and who and whose ultimate beneficial owners are independent third parties. The net proceeds from the Placing, after deduction of applicable costs and expenses including commission and levies, amounted to approximately HK\$5.1 million. The Company intends to apply (i) approximately HK\$4.0 million or 78.43% of net proceeds from the Placing towards repayment of debt of the Group; and (ii) approximately HK\$1.1 million or 21.57% of net proceed from Placing towards replenishment of the working capital of the Group.

Details of the above were disclosed in the announcements of the Company dated 11 July 2024 and 2 August 2024.

As at 30 September 2024, the net proceeds from the Placing under general mandate had been applied as follows:

	Net amount available on 2 August 2024 HK\$ million	Actual net amount utilised as at 30 September 2024 HK\$ million	Unutilised net amount on 30 September 2024 HK\$ million	Expected timeline for utilising the remaining net proceeds (Note)
Repayment of debt of the Group	4.0	4.0	–	N/A
Replenishment of the working capital of the Group	1.1	0.9	0.2	By 31 December 2024
Total	5.1	4.9	0.2	

Note: The expected timeline for utilising the remaining net proceeds is based on the best estimation of future market conditions and is consistent with that as described in the Placing Announcement. It might be subject to changes based on the current and future development of the market conditions.

SHARE CONSOLIDATION

On 23 July 2024, the Board proposed that every twenty (20) shares in the issued and unissued share capital of the Company be consolidated into one (1) consolidated share. The Share Consolidation was approved by the shareholders at the special general meeting of the Company held on 30 August 2024 and the same became effective on 3 September 2024. Upon the Share Consolidation becoming effective, there were 94,914,545 consolidation shares in issue which were fully paid or credited as fully paid.

Details of the Share Consolidation were set out in the announcement of the Company dated 23 July 2024 and the circular of the Company dated 15 August 2024.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2024, none of the Directors and chief executive of the Company or their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

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

As at 30 September 2024, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, no person (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The Share Option Scheme was approved by the shareholders of the Company (the “**Shareholders**”) on 14 July 2016 for attracting and retaining the best available personnel of our Group, and providing incentives or rewards to eligible persons of the Group for their contribution to the success of the Group’s business.

During the six months ended 30 September 2024, no share options were granted, exercised or cancelled or lapsed under the Share Option Scheme and there was no share option outstanding as at 30 September 2024.

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

The Company did not redeem any of the shares of the Company listed on GEM nor did the Company or any of its subsidiaries purchase or sell any such shares of the Company during the six months ended 30 September 2024.

DIRECTORS’ INTERESTS IN CONTRACTS

During the six months ended 30 September 2024, no Director had a significant beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or its holding company or any of its subsidiaries or fellow subsidiaries was a party.

COMPETING INTEREST

During the six months ended 30 September 2024, none of the Directors or substantial shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) has engaged in any business that competed or might compete with the business of the Group, or have any other conflict of interests with the Group, as required to be disclosed under Rule 11.04 of the GEM Listing Rules.

DIRECTORS’ SECURITIES TRANSACTIONS

The Group has adopted the required standard of dealings in the securities (the “**Required Standard of Dealings**”) as contained in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct for dealings in the securities of the Company by the Directors. Having made specific enquiries by the Company, all the Directors have confirmed that they had complied with the Required Standard of Dealings during the six months ended 30 September 2024.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

To the best knowledge of the Directors, the Directors consider that up to the date of this report, the Company has complied with all the applicable code provisions of the Corporate Governance Code as set out in Part 2 of Appendix 15 to the GEM Listing Rules (the “**CG Code**”), except for certain deviation as specified with considered reasons for such deviation as explained below.

Under code provision C.2.1 of the CG Code, the roles of the chairman of the Board and chief executive officer of the Company should be separated and should not be performed by the same individual.

During the six months ended 30 September 2024 and up to the date of this report, the Company has not separated the roles of chairman of the Board and chief executive officer of the Company. During the six months ended 30 September 2024, Mr. Xu Qiang is the chairman of the Board and also the chief executive officer of the Company responsible for overseeing the operations of the Group during the period. The Board believes that vesting the roles of both the chairman of the Board and the chief executive officer of the Company in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies. The Board considers that the structure currently operated by the Company does not undermine the balance of power and authority between the Board and the management as the decisions of the Board are made collectively by way of voting and therefore the chairman of the Board should not be able to monopolize the voting result. The Board shall nevertheless review the structure from time to time to ensure appropriate move is being taken should suitable circumstances arise.

AUDIT COMMITTEE

Pursuant to Rule 5.28 of the GEM Listing Rules, the Board has established an Audit Committee with written terms of reference aligned with the provision of the code provisions set out in the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. As at the date of this report, the Audit Committee comprises Mr. Hui Hung Kwan (chairman of the Audit Committee), Mr. Bian Hongjiang and Mr. Chen Wenrui, all of whom are independent non-executive Directors.

The unaudited condensed consolidated results of the Group for the six months ended 30 September 2024 and this report of the Company have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results and report comply with the applicable accounting standards, the GEM Listing Rules and legal requirements and that adequate disclosures have been made.

EVENT AFTER REPORTING PERIOD

Save as disclosed, no significant event has occurred subsequent on 30 September 2024 and up to date of this report.

By order of the Board
Life Concepts Holdings Limited
Xu Qiang

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 29 November 2024

As at the date of this report, the Board comprises Mr. Xu Qiang (Chairman and Chief Executive Officer), Mr. Liu Guowei and Ms. Wu Liyu as executive Directors; and Mr. Hui Hung Kwan, Mr. Bian Hongjiang and Mr. Chen Wenrui as independent non-executive Directors.