

**XINHUA**  
media.

**XINHUA NEWS MEDIA HOLDINGS LIMITED**

(Incorporated in the Cayman Islands with limited liability)  
Stock Code : 309

INTERIM REPORT  
**2024/2025**



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### *Executive Directors*

Lo Kou Hong (*Chairman*)

Tsui Kwok Hing (*Co-Chairman*)

Leung Cheung Hang (*resigned on 2 September 2024*)

#### *Non-executive Directors*

Wang Guan

Wang Chunping (*retired on 25 September 2024*)

#### *Independent Non-executive Directors*

Wang Qi

Yau Pak Yue

Leung Nga Tat

### AUDIT COMMITTEE

Yau Pak Yue (*Chairman*)

Wang Qi

Leung Nga Tat

### REMUNERATION COMMITTEE

Yau Pak Yue (*Chairman*)

Tsui Kwok Hing

Wang Qi

Leung Nga Tat

### NOMINATION COMMITTEE

Tsui Kwok Hing (*Chairman*)

Leung Cheung Hang (*resigned on 2 September 2024*)

Wang Qi

Yau Pak Yue

Leung Nga Tat

### STRATEGY AND DEVELOPMENT COMMITTEE

Tsui Kwok Hing (*Chairman*)

Yau Pak Yue

### EXECUTIVE COMMITTEE

Tsui Kwok Hing (*Chairman*)

Yau Pak Yue

Leung Nga Tat

### CORPORATE GOVERNANCE COMMITTEE

Tsui Kwok Hing (*Chairman*)

Yau Pak Yue

Leung Nga Tat

### COMPANY SECRETARY

Tam Hang Yin

### AUTHORISED REPRESENTATIVES

Tsui Kwok Hing

Tam Hang Yin

### AUDITORS

CCTH CPA Limited

### REGISTERED OFFICE

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 508B, 5/F, New East Ocean Centre

9 Science Museum Road, Tsim Sha Tsui

Kowloon, Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Suntera (Cayman) Limited

Suite 3204, Unit 2A, Block 3

Building D

P.O. Box 1586

Gardenia Court

Camana Bay

Grand Cayman

KY1-100

Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

### PRINCIPAL BANKERS

Dah Sing Bank, Limited

Chiyu Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited

Industrial and Commercial Bank of China Limited

### SOLICITOR

NGANS Lawyers

### STOCK CODE

309

### COMPANY'S WEBSITE

[www.XHNmedia.com](http://www.XHNmedia.com)

The board (the "Board") of directors (the "Directors") of Xinhua News Media Holdings Limited (the "Company") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2024. These condensed consolidated interim financial statements have not been audited, but have been reviewed by the audit committee of the Company (the "Audit Committee").

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

For the six months ended 30 September 2024

		For the six months ended	
		30 September	2023
		2024	(Unaudited)
	Notes	(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
<b>Revenue</b>	5	<b>179,307</b>	153,029
Other income and gains	6	<b>1,406</b>	1,278
Staff costs	7	<b>(121,436)</b>	(113,155)
Depreciation and amortisation		<b>(2,433)</b>	(2,742)
Gain/(loss) on fair value changes at financial assets at fair value through profit or loss		<b>254</b>	(1,005)
Other operating expenses		<b>(60,596)</b>	(45,492)
Finance costs	8	<b>(229)</b>	(296)
<b>Loss before income tax</b>	7	<b>(3,727)</b>	(8,383)
Income tax	9	<b>-</b>	-
<b>Loss for the period</b>		<b>(3,727)</b>	(8,383)
<b>Other comprehensive loss</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of financial statements of subsidiaries, net of tax		<b>(48)</b>	(209)
<b>Total comprehensive loss for the period</b>		<b>(3,775)</b>	(8,592)
<b>Loss for the period attributable to:</b>			
Owners of the Company		<b>(3,549)</b>	(8,212)
Non-controlling interests		<b>(178)</b>	(171)
		<b>(3,727)</b>	(8,383)
<b>Total comprehensive loss for the period attributable to:</b>			
Owners of the Company		<b>(3,594)</b>	(8,402)
Non-controlling interests		<b>(181)</b>	(190)
		<b>(3,775)</b>	(8,592)
<b>Loss per share attributable to the owners of the Company</b>	10		
-Basic and diluted		<b>(HK\$0.0018)</b>	(HK\$0.0043)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

		30 September 2024 (Unaudited) HK\$'000	31 March 2024 (Audited) HK\$'000
	<i>Notes</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	7,464	8,147
Right-of-use assets	12	2,532	3,843
Deposits paid for acquisition of property, plant and equipment		–	2,912
<b>Total non-current assets</b>		<b>9,996</b>	14,902
<b>Current assets</b>			
Inventories		47	47
Trade receivables	13	74,262	60,242
Prepayments, deposits and other receivables	14	15,679	12,647
Financial assets at fair value through profit or loss		6,781	6,527
Pledged time deposits	15	7,102	2,092
Cash and bank balances		49,744	65,280
<b>Total current assets</b>		<b>153,615</b>	146,835
<b>Total assets</b>		<b>163,611</b>	161,737
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	16	14,874	14,232
Other payables and accruals	17	42,989	38,920
Promissory notes payable	18	3,000	3,000
Amount due to a related company		1,055	1,055
Lease liabilities		3,099	3,125
Loans from directors		10,137	7,775
Tax payables		283	283
<b>Total current liabilities</b>		<b>75,437</b>	68,390

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION** (continued)

As at 30 September 2024

		30 September 2024 (Unaudited) HK\$'000	31 March 2024 (Audited) HK\$'000
	<i>Notes</i>		
<b>Net current assets</b>		<b>78,178</b>	78,445
<b>Total assets less current liabilities</b>		<b>88,174</b>	93,347
<b>Non-current liabilities</b>			
Lease liabilities		196	1,594
<b>Total non-current liabilities</b>		<b>196</b>	1,594
<b>NET ASSETS</b>		<b>87,978</b>	91,753
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	20	19,311	19,311
Reserves		69,625	73,219
<b>Non-controlling interests</b>		<b>88,936 (958)</b>	92,530 (777)
<b>TOTAL EQUITY</b>		<b>87,978</b>	91,753

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Attributable to owners of the Company										Non-controlling interests	Total equity
	Share capital	* Share premium	* Capital redemption reserve	* Merger reserve	* Share option reserve	* Contributed surplus	* Other reserve	* Accumulated losses	* Exchange fluctuation reserve	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
At 1 April 2023 (Audited)	19,311	563,658	254	47,063	6,805	26,591	(2,451)	(564,574)	9,453	106,110	(448)	105,662
Loss for the period	-	-	-	-	-	-	-	(8,212)	-	(8,212)	(171)	(8,383)
Other comprehensive loss for the period	-	-	-	-	-	-	-	-	(190)	(190)	(19)	(209)
Total comprehensive loss for the period	-	-	-	-	-	-	-	(8,212)	(190)	(8,402)	(190)	(8,592)
Lapse of share options	-	-	-	-	(1,031)	-	-	1,031	-	-	-	-
At 30 September 2023 (Unaudited)	19,311	563,658	254	47,063	5,774	26,591	(2,451)	(571,755)	9,263	97,708	(638)	97,070
<b>At 1 April 2024 (Audited)</b>	<b>19,311</b>	<b>563,658</b>	<b>254</b>	<b>47,063</b>	<b>5,378</b>	<b>26,591</b>	<b>(2,451)</b>	<b>(576,549)</b>	<b>9,275</b>	<b>92,530</b>	<b>(777)</b>	<b>91,753</b>
Loss for the period	-	-	-	-	-	-	-	(3,549)	-	(3,549)	(178)	(3,727)
Other comprehensive loss for the period	-	-	-	-	-	-	-	-	(45)	(45)	(3)	(48)
Total comprehensive loss for the period	-	-	-	-	-	-	-	(3,549)	(45)	(3,594)	(181)	(3,775)
Lapse of share options	-	-	-	-	(463)	-	-	463	-	-	-	-
At 30 September 2024 (Unaudited)	19,311	563,658	254	47,063	4,915	26,591	(2,451)	(579,635)	9,230	88,936	(958)	87,978

\* The reserve accounts comprise the consolidated reserves of approximately HK\$69,625,000 (31 March 2024: approximately HK\$73,219,000) 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 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
<b>Net cash flows used in operating activities</b>	<b>(12,106)</b>	(5,006)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of financial assets at fair value through profit or loss	-	(1,000)
Redemption of financial assets at fair value through profit or loss	-	939
Payment for the purchase of property, plant and equipment	<b>(398)</b>	(346)
Proceeds from disposal of property, plant and equipment	<b>1</b>	2
Decrease/(increase) in bank deposits with initial term over three months	<b>2,009</b>	(3,009)
Increase in pledged time deposits	<b>(5,010)</b>	(4)
Interest received	<b>980</b>	786
Dividend received	<b>109</b>	337
<b>Net cash flows used in investing activities</b>	<b>(2,309)</b>	(2,295)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal portion of lease payments	<b>(1,424)</b>	(1,577)
Advance from directors	<b>2,482</b>	-
Interest paid	<b>(109)</b>	(176)
<b>Net cash flows generated from/(used in) financing activities</b>	<b>949</b>	(1,753)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(13,466)</b>	(9,054)
Cash and cash equivalents at the beginning of the period	<b>63,271</b>	70,125
Effect of foreign exchange rate changes	<b>(61)</b>	(39)
<b>Cash and cash equivalents at the end of the period</b>	<b>49,744</b>	61,032
<b>ANALYSIS OF THE CASH AND BANK BALANCES:</b>		
Cash and cash equivalents	<b>49,744</b>	61,032
Time deposits with initial term over three months	<b>-</b>	3,009
Cash and bank balances at the end of the period	<b>49,744</b>	64,041

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2024

### 1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business of the Company is located at Unit 508B, 5/F, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During the interim period, the Group was principally engaged in the provision of cleaning and related services, the provision of waste treatment service and the provision of advertising media service.

The unaudited interim condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand ("HK\$'000"), unless otherwise stated.

### 2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 September 2024 ("Unaudited Interim Condensed Consolidated Financial Statements") have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosures requirements sets out in Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

These Unaudited Interim Condensed Consolidated Financial Statements have been prepared in accordance with the same accounting policies adopted in the audited consolidated financial statements for the year ended 31 March 2024 ("2024 annual financial statements") of the Group ("2024 Annual Report"), except for the adoption of the revised Hong Kong Financial Reporting Standards ("HKFRSs") for the first time as described in note 3.

The preparation of the Interim Financial Statements in accordance with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

These Unaudited Interim Condensed Consolidated Financial Statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 Annual Report. The Interim Financial Statements and notes thereon do not include all of the information and disclosure required for a full set of financial statements prepared in accordance with HKFRSs, and should be read in conjunction with the Group's 2024 Annual Report.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 3. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these Interim Financial Statements for the current accounting period:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

None of the above amendments have had a significant financial effect to the Group. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) the cleaning and related services segment engages in the provision of cleaning and related services for office buildings, public areas and residential areas;
- (b) the advertising media business segment engages in the provision of media strategy, planning and management, product launching and selling, brand building, event marketing as well as the development and operations of advertising media; and
- (c) the waste treatment business segment engages in the provision of organic waste treatment and sale of the by-products produced.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment result, which is a measure of adjusted loss before income tax. The adjusted loss before income tax is measured consistently with the Group's loss before income tax except that interest income, government subsidies, dividend income and gain or loss on fair value changes on financial assets at fair value through profit or loss, finance costs and unallocated head office and corporate expenses are excluded from such measurement.

Segment liabilities exclude loans from directors as these liabilities are managed on a group basis.

There are no inter-segment revenue and transfers between the segments.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS** (continued)

For the six months ended 30 September 2024

**4. OPERATING SEGMENT INFORMATION** (continued)*Segment revenue and results*

The following is an analysis of the Group's revenue and results by reportable segments:

	For the six months ended 30 September 2024			
	Cleaning and related services (Unaudited) HK\$'000	Advertising media business (Unaudited) HK\$'000	Waste treatment (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
<b>Segment revenue:</b>				
Service income from external customers recognised over time	179,307	-	-	179,307
<b>Segment results</b>	2,511	(364)	(595)	1,552
<b>Reconciliation:</b>				
Unallocated other income and gains				423
Interest income				980
Unallocated expenses				(6,453)
Finance costs				(229)
Loss before income tax				(3,727)
Income tax				-
Loss for the period				(3,727)
<b>Other segment information:</b>				
Capital expenditure	398	-	-	398
Depreciation and amortisation	1,803	109	521	2,433

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS** (continued)

For the six months ended 30 September 2024

**4. OPERATING SEGMENT INFORMATION** (continued)

The following is an analysis of the Group's assets and liabilities by reportable segments:

	Cleaning and related services (Unaudited) HK\$'000	Advertising media business (Unaudited) HK\$'000	Waste treatment (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
<b>As at 30 September 2024</b>				
<b>Segment assets:</b>	<b>145,429</b>	<b>13,379</b>	<b>4,803</b>	<b>163,611</b>
Total assets				<b>163,611</b>
<b>Segment liabilities:</b>	<b>43,002</b>	<b>15,782</b>	<b>6,712</b>	<b>65,496</b>
Reconciliation: Loans from directors				<b>10,137</b>
Total liabilities				<b>75,633</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 4. OPERATING SEGMENT INFORMATION (continued)

The following is an analysis of the Group's revenue and results by reportable segments:

	For the six months ended 30 September 2023			
	Cleaning and related services (Unaudited) HK\$'000	Advertising media business (Unaudited) HK\$'000	Waste treatment (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
<b>Segment revenue:</b>				
Service income from external customers recognised over time	153,029	-	-	153,029
<b>Segment results</b>	(504)	(1,007)	(570)	(2,081)
<b>Reconciliation:</b>				
Unallocated other income and gains				337
Interest income				786
Unallocated expenses				(7,129)
Finance costs				(296)
Loss before income tax				(8,383)
Income tax				-
Loss for the period				(8,383)
<b>Other segment information:</b>				
Capital expenditure	966	-	-	966
Depreciation and amortisation	1,921	295	526	2,742

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 4. OPERATING SEGMENT INFORMATION (continued)

The following is an analysis of the Group's assets and liabilities by reportable segments:

	Cleaning and related services (Audited) HK\$'000	Advertising media business (Audited) HK\$'000	Waste treatment (Audited) HK\$'000	Total (Audited) HK\$'000
<b>As at 31 March 2024</b>				
<b>Segment assets:</b>	143,255	13,440	5,042	161,737
Total assets				161,737
<b>Segment liabilities:</b>	40,789	15,073	6,347	62,209
Reconciliation:				
Loans from directors				7,775
Total liabilities				69,984

### Geographical information

	Revenue from external customers For the six months ended 30 September		Non-current assets As at	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000	30 September 2024 (Unaudited) HK\$'000	31 March 2024 (Audited) HK\$'000
Hong Kong	<b>179,307</b>	153,029	<b>4,834</b>	6,458
The People's Republic of China (the "PRC")	-	-	<b>5,162</b>	8,444
	<b>179,307</b>	153,029	<b>9,996</b>	14,902

The Group's revenue from external customers and non-current assets information above are based on the location to which the services and goods are delivered and that of the assets, respectively.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 5. REVENUE

The Group's revenue represents the net invoiced value of services rendered. An analysis of the Group's revenue is as follows:

	For the six months ended 30 September	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Cleaning and related service fee income	<b>179,307</b>	153,029

### 6. OTHER INCOME AND GAINS

	For the six months ended 30 September	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Interest income	<b>980</b>	786
Management fee income	<b>30</b>	30
Government subsidies (Note 1)	<b>60</b>	–
Dividend income on financial assets at fair value through profit or loss	<b>109</b>	337
Net gain on disposals of property, plant and equipment	<b>1</b>	1
Sundry income	<b>226</b>	124
	<b>1,406</b>	1,278

Note:

1. These represented subsidies received by the Group under the Employment Programme for the Elderly and Middle-aged of the Government of the Hong Kong Special Administrative Region for the six months ended 30 September 2024. There was no unfulfilled conditions and other contingencies attaching to the government subsidies that had been recognised.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 7. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at after charging:

	For the six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Employee benefit expenses (including directors' remuneration):		
Wages, salaries and other benefits	115,324	107,130
Contribution to defined contribution pension plans (Note 1)	5,063	4,697
Defined benefit plan obligation	(219)	318
Provision for untaken paid leave	1,268	1,010
<b>Total staff costs</b>	<b>121,436</b>	<b>113,155</b>
Cost of services rendered (Note 2)	169,209	145,845
Depreciation of property, plant and equipment	1,122	1,194
Depreciation of right-of-use assets	1,311	1,548
Net (gain)/loss on disposals of property, plant and equipment	(1)	4
Loss on write-off of property, plant and equipment	110	13

Note 1: There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions during the period and there was zero balance available at the end of reporting period for future use.

Note 2: The cost of services rendered includes employee benefit expenses of approximately HK\$114,233,000 (six months ended 30 September 2023: approximately HK\$105,919,000) incurred in the provision of services which has been included in the employee benefit expenses above.

### 8. FINANCE COSTS

	For the six months ended 30 September	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
Leases interest	109	176
Interest on promissory notes	120	120
	<b>229</b>	<b>296</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 9. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands or the British Virgin Islands.

Pursuant to the relevant tax law of the Hong Kong Special Administrative Region, the provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2023: 16.5%) to the six months ended 30 September 2024, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2023.

Subsidiaries of the Group located in the PRC are subject to the PRC Enterprise Income Tax at a rate of 25% (six months ended 30 September 2023: 25%) on their assessable profits.

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

#### *Basic loss per share*

The calculation of the basic loss per share is based on the loss for the interim period attributable to owners of the Company of approximately HK\$3,549,000 (six months ended 30 September 2023: approximately HK\$8,212,000), and the weighted average number of ordinary shares of 1,931,069,796 (six months ended 30 September 2023: 1,931,069,796) in issue during the interim period.

#### *Diluted loss per share*

The diluted loss per share is the same as the basic loss per share for the six months ended 30 September 2024 and 2023 because the Company's share options outstanding during these periods were anti-dilutive.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2024, the Group acquired items of property, plant and equipment with aggregate cost of approximately HK\$398,000 (six months ended 30 September 2023: approximately HK\$346,000). Items of property, plant and equipment with aggregate carrying amount of approximately HK\$110,000 were written off and disposed during the six months ended 30 September 2024 (six months ended 30 September 2023: approximately HK\$129,000), resulting in a net loss on write-off and disposal of property, plant and equipment of approximately HK\$109,000 (six months ended 30 September 2023: net loss on write-off and disposal of property, plant and equipment of approximately HK\$17,000).

### 12. RIGHT-OF-USE ASSETS

During the six months ended 30 September 2024, no lease agreements for the use of properties were entered into by the Group; therefore, no addition to right-of-use assets were recognised (six months ended 30 September 2023: HK\$620,000).

### 13. TRADE RECEIVABLES

The aged analysis of trade receivables, based on the invoice date and net of loss allowance at the end of the reporting period, is as follows:

	30 September 2024 (Unaudited) HK\$'000	31 March 2024 (Audited) HK\$'000
Within 30 days	29,827	27,551
31 to 60 days	28,310	23,616
61 to 90 days	13,733	7,665
91 to 120 days	1,347	347
Over 120 days	1,045	1,063
	<b>74,262</b>	60,242

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 September 2024 (Unaudited) HK\$'000	31 March 2024 (Audited) HK\$'000
Prepayments	2,746	2,065
Deposits	1,724	1,888
Other receivables	4,864	2,304
Amount due from a related company	6,977	7,020
Less: Impairment loss recognised on other receivables and deposits	(632)	(630)
	<b>15,679</b>	12,647

### 15. PLEDGED TIME DEPOSITS

At the end of the reporting period, the Group's banking facilities amounting to HK\$7,000,000 (31 March 2024: HK\$40,000,000) were secured by the pledge of certain of the Group's time deposits amounting to approximately HK\$7,102,000 (31 March 2024: time deposits amounting to approximately HK\$2,092,000 and a property owned by a related company which was controlled by a director of the Company). The facilities were not utilized to the extent of HK\$5,482,000 (31 March 2024: HK\$37,754,000).

### 16. TRADE PAYABLES

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

	30 September 2024 (Unaudited) HK\$'000	31 March 2024 (Audited) HK\$'000
Within 30 days	14,152	7,362
31 to 60 days	-	6,168
Over 90 days	722	702
	<b>14,874</b>	14,232

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 17. OTHER PAYABLES AND ACCRUALS

	30 September 2024 (Unaudited) HK\$'000	31 March 2024 (Audited) HK\$'000
Other payables	15,188	14,236
Accruals (Note)	27,801	24,684
	<b>42,989</b>	38,920

Note: Accruals mainly represent the accrued staff costs incurred in the Group.

### 18. PROMISSORY NOTES PAYABLE

During the year ended 31 March 2021, the Company issued three promissory notes to an investor in the aggregate principal sum of HK\$3,000,000 and bearing interest at 8% per annum. The promissory notes should be repayable in full by 31 January 2023 but the expiry date has been extended to 31 January 2024 and further extended to 31 January 2025 by the Company and the investor.

### 19. DIVIDEND

The Directors do not declare the payment of any interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: Nil).

### 20. SHARE CAPITAL

	Number of shares	Nominal value HK\$'000
<b>Authorised:</b> <i>Ordinary shares of HK\$0.01 each</i> As at 1 April 2023, 31 March 2024, 1 April 2024 and 30 September 2024	<b>4,000,000,000</b>	<b>40,000</b>
<b>Issued and fully paid:</b> <i>Ordinary shares of HK\$0.01 each</i> As at 1 April 2023 (Audited), 31 March 2024 and 1 April 2024 (Audited) and 30 September 2024 (Unaudited)	<b>1,931,069,796</b>	<b>19,311</b>

Note 1: Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 September 2024.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 21. RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these Interim Financial Statements, the Group had the following transactions and balances with related companies during the period.

(a) Transactions with related parties:

	For the six months ended 30 September	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Management fee income from a related company (Note)	30	30

Note: The management fee income from the provision of accounting and administrative services and the sharing of office space and facilities with the Group was received in a lump sum annually with reference to the actual costs incurred.

(b) Balances with related parties:

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
<b>Amount due from a related company</b>		
Honest Grand International Limited	6,977	7,020
Less: Impairment loss recognised	(178)	(178)
	<b>6,799</b>	6,842
<b>Amount due to a related company</b>		
Sky Merit International Limited	1,055	1,055
<b>Loans from directors</b>		
Within one year	10,137	7,775

The amounts due are unsecured and interest-free and should be repaid within one year.

(c) Compensation paid to key management personnel of the Group:

	For the six months ended 30 September	
	2024	2023
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Short-term employee benefits	1,720	1,145
Retirement scheme contributions	88	83
	<b>1,808</b>	1,228

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 22. FINANCIAL INSTRUMENTS BY CATEGORY

	As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
<b>Financial assets:</b>		
Financial assets at fair value through profit or loss	<b>6,781</b>	6,527
<i>Financial assets at amortised cost (including cash and cash equivalents):</i>		
Trade receivables	<b>74,262</b>	60,242
Financial assets included in prepayments, deposits and other receivables	<b>12,530</b>	10,172
Pledged time deposits	<b>7,102</b>	2,092
Cash and bank balances	<b>49,744</b>	65,280
	<b>150,419</b>	144,313
<b>Financial liabilities:</b>		
<i>Financial liabilities at amortised cost:</i>		
Trade payables	<b>14,874</b>	14,232
Financial liabilities included in other payables and accrued liabilities	<b>35,560</b>	32,064
Promissory notes payable	<b>3,000</b>	3,000
Amount due to a related company	<b>1,055</b>	1,055
Lease liabilities	<b>3,295</b>	4,719
Loans from directors	<b>10,137</b>	7,775
	<b>67,921</b>	62,845

The directors of the Company consider the carrying value of financial instruments carried at cost or amortised cost were not materially different from their fair values as at 30 September 2024 and 31 March 2024.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 23. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categories into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosures of level in fair value hierarchy at 30 September 2024:

Description	Fair value measurement using:			Total As at 30 September 2024 (Unaudited)
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	HK\$'000
Recurring fair value measurements: Financial assets at fair value through profit or loss Investments in funds	6,781	-	-	6,781
	6,781	-	-	6,781

Disclosures of level in fair value hierarchy at 31 March 2024:

Description	Fair value measurement using:			Total As at 31 March 2024 (Audited)
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	HK\$'000
Recurring fair value measurements: Financial assets at fair value through profit or loss Investment in funds	6,527	-	-	6,527
	6,527	-	-	6,527

For the six months ended 30 September 2024 and year ended 31 March 2024 there were no transfers of fair value measurements between Level 1 and Level 2, or transfers into or out of Level 3 for both financial assets and financial liabilities.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

For the six months ended 30 September 2024

### 23. FAIR VALUE MEASUREMENTS (continued)

- (b) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements:

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Directors determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The Directors work closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model and to understand the cause of fluctuations in the fair value of the assets and liabilities.

#### Level 1 fair value measurements

Description	Valuation technique	Inputs	Fair value	
			As at 30 September 2024 (Unaudited) HK\$'000	As at 31 March 2024 (Audited) HK\$'000
<b>Financial assets at fair value through profit or loss</b>	Market approach	Quoted prices	<b>6,781</b>	6,527

### 24. CONTINGENT LIABILITIES

At the end of the reporting period, the Group had contingent liabilities as follows:

- (a) The Group has executed performance guarantees to the extent of an aggregate amount of approximately HK\$1,518,000 (31 March 2024: approximately HK\$2,246,000) in respect of certain services provided to various customers; and
- (b) During the ordinary course of its business, the Group may from time to time be involved in litigation concerning personal injuries sustained by its employees or third party claimants. The Group maintains insurance cover and, in the opinion of the Directors, based on current evidence, any such existing claims should be adequately covered by the insurance as at 30 September 2024 and 31 March 2024.

### 25. APPROVAL OF INTERIM FINANCIAL STATEMENTS

The Interim Financial Statements were approved and authorised for issue by the Board on 28 November 2024.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

During the six months ended 30 September 2024 (the “reporting period”), the Group recorded a recovery in its cleaning business. The Group’s revenue increased by 17.2% to approximately HK\$179,307,000 (30 September 2023: approximately HK\$153,029,000). The Group’s net loss attributable to the owners of the Group was approximately HK\$3,549,000, whilst the loss attributable to the owners was approximately HK\$8,212,000 for the same period in 2023.

The Group is principally engaged in three business segments: (i) advertising media business, (ii) cleaning and related services business; and (iii) waste treatment business.

#### *Advertising Media Business*

The advertising media industry is undergoing profound changes, like traditional media is challenged by digital media, increasing demand for targeted marketing and emergence of new business models. Digital transformation is the overarching trend. The Group kept navigating carefully the evolving industry landscape for the interest of the Group.

#### *Cleaning and Related Services Business*

During the reporting period, one of the Group’s existing customers, which operates one of the largest flight kitchens in Hong Kong as well as operating other facilities at Hong Kong International Airport, increased its demand for our services by over 50% when compared to the same period last year because of the significant increase in its own services requirement and therefore contributed to the increase in turnover for the reporting period.

We have successfully renewed the contract for the provision of cleaning services to a prestigious grade A office building and shopping mall in Central for a term of three years. We have also successfully renewed the cleaning contracts for a basket of properties with a prestigious management company which included a Grade A Commercial Building in Central and a number of luxurious homes in Kowloon and the Southern district in Hong Kong Island. The Group has also obtained a cleaning contract for two years for a residential estate located on Hong Kong Island.

While renewal of cleaning contracts are fluctuating, the Group managed to increase the turnover by 17.2% during the reporting period.

#### *Waste Treatment Business*

The Group is continuing to look for suitable options in respect of this investment.

## FINANCIAL REVIEW

The Group's revenue for the reporting period amounted to approximately HK\$179,307,000 (30 September 2023: approximately HK\$153,029,000) represented a 17.2% increase as compared to the corresponding period in 2023. The increase in turnover was mainly due to the surge in demand of services by one of our major customers who operates the largest flight kitchen at Hong Kong International Airport because of the significant increase in international flights during the period when compared with the same period last year when air travel was still quite restricted due to COVID-19. The increase in air travel on a period-to-period basis was seven-fold. Furthermore, we also secured a new contract for providing services to its kitchen area for the same customer. This also contributed to the increase in turnover.

The Group's gain on fair value changes at financial assets at fair value through profit or loss for the reporting period was approximately HK\$254,000 (30 September 2023: loss of approximately HK\$1,005,000). The gain on fair value changes of our financial assets for the reporting period was because their values have improved during the reporting period while the loss on fair value changes of our financial assets for the same period last year was because their values had declined in the previous year. Other operating expenses, which amounted to approximately HK\$60,596,000 (30 September 2023: approximately HK\$45,492,000), represented a period-to-period 33% increase. Such expenses mainly included the costs of services rendered under cleaning and related services business, which accounted for 90.7% of other operating expenses in the reporting period and the turnover of the cleaning and related services business had increased significantly resulting in an increase in cost of labour. The Group's net loss attributable to the owners of the Group for the reporting period was approximately HK\$3,549,000 (30 September 2023: approximately HK\$8,212,000). Cleaning and related services business made a profit of approximately HK\$2,511,000, the advertising media business made a loss of approximately HK\$364,000, and the waste treatment business made a loss of approximately HK\$595,000.

## CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2024, the Group's cash and bank balances and pledged time deposits were approximately HK\$56,846,000 (31 March 2024: approximately HK\$67,372,000) and its current ratio was 2.0 (31 March 2024: 2.1).

The Group's net assets as at 30 September 2024 were approximately HK\$87,978,000 (31 March 2024: approximately HK\$91,753,000).

As at 30 September 2024, the Group's gearing ratio was 3.4% (31 March 2024: 3.3%), representing the total interest-bearing debts divided by total equity. The Group had lease liabilities and loans from directors of approximately HK\$3,295,000 and HK\$10,137,000 respectively (31 March 2024: approximately HK\$4,719,000 and HK\$7,775,000 respectively). The Group's shareholders' equity amounted to approximately HK\$88,936,000 as at 30 September 2024 (31 March 2024: approximately HK\$92,530,000).

The Group takes a prudent approach to cash management and risk control. Its revenues, expenses and capital expenditures in relation to cleaning and related services business are transacted in Hong Kong dollars, whereas those of the advertising media and waste treatment businesses are transacted in Renminbi ("RMB"). The Group's cash and bank balances are primarily denominated in HK\$, RMB and United States dollars. Foreign currency risks in relation to exchange rate fluctuations of RMB will be mitigated as future revenues from advertising media business, which are in RMB, can offset future liabilities and expenses.

## PROSPECTS

### *Advertising Media Business*

The industry keeps evolving and transforming to digital focus. The use of big data, VR, AR and AI technology reshapes the business landscape. The Group is adapting the dynamic industry landscape and exploring new opportunities. Should there be material progress, the Company will publish announcement as and when appropriate according to applicable rules and regulations.

### *Cleaning and Related Services Business*

The provision of cleaning and related services is a labour intensive business. As Hong Kong is currently suffering from labour shortage resulting in higher labour costs, our profit margins can be adversely affected. In order to fight labour shortage, the Group is exploring into importing labour from China via the Hong Kong Government's Enhanced Supplementary Labour Scheme.

On the positive side, the aviation industry's future looks promising as quite a few predictions indicate significant growth in both passengers and cargo sector. As one of our major customers is in the aviation industry, our Group would be able to benefit from such growth.

We intend to use technology to improve our efficiencies and to fight labour shortage in the future. Our Group is keeping pace with the times and apply various high-tech cleaning equipment and methods to improve work efficiency and effectiveness in cleanliness to meet challenges of the future.

### *Waste Treatment Business*

With the combination of growing demand, supportive policies around the world, technological advancements and the integration of waste treatment and new energy solutions, the business environment is expected to be favorable. The Group has been exploring ways to capture these trends for the development and the interest of the Group and its shareholders as a whole.

## FUND RAISING ACTIVITY

The Company has not conducted any fund raising activities during the six months ended 30 September 2024.

## INTERIM DIVIDEND

The Board do not recommend the payment of an interim dividend to the shareholders of the Company (the "Shareholders") for the six months ended 30 September 2024 (30 September 2023: Nil).

## PLEDGE OF ASSETS

As at 30 September 2024, the Group's banking facilities amounting to HK\$7,000,000 (31 March 2024: HK\$40,000,000) were secured by the pledge of certain of the Group's time deposits amounting to approximately HK\$7,102,000 (31 March 2024: time deposits amounting to approximately HK\$2,092,000 and a property owned by a related company which is controlled by a director of the Company). The facilities were not utilized to the extent of HK\$5,482,000 (31 March 2024: HK\$37,754,000).

### **CONTINGENT LIABILITIES**

At the end of the reporting period, the Group had contingent liabilities as follows:

- (a) The Group has executed performance guarantees to the extent of an aggregate amount of approximately HK\$1,518,000 (31 March 2024: approximately HK\$2,246,000) in respect of certain services provided to various customers by the Group.
- (b) During the ordinary course of its business, the Group may from time to time be involved in litigation concerning personal injuries sustained by its employees or third party claimants. The Group maintains insurance cover and, in the opinion of the Directors, based on current evidence, any such existing claims should be adequately covered by the insurance as at 30 September 2024 and 31 March 2024.

### **CAPITAL COMMITMENTS**

As at 30 September 2024, the Group had no capital commitment (31 March 2024: approximately HK\$Nil), contracted for but not provided in the consolidated financial statements.

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

It is the Group's corporate mission to continue to explore ways to improve its financial performance and to broaden the sources of revenue within acceptable risk level. Hence, the Company does not rule out the possibility of investing in or changing to other business as long as it is in the interest of the Company and the shareholders as a whole. Also, as part of its routine exercise, the Company reviews the performance of its existing business portfolio and evaluates possible investment opportunities available to the Company from time to time. Subject to the result of such review and the then market and economy situation, the Company may make suitable investment decisions which may involve the disposal of part of its existing business portfolio and/or change of the asset allocation of its business and investment portfolio and/or expanding its business portfolio with a view of realizing and/or optimizing the expected return and minimizing the risks. Meanwhile, the Company does not preclude the possibility that the Company may implement debt and/or equity fund raising plan(s) to satisfy the financing needs arising out of any business development of the Group as well as to improve its financial position in the event that suitable fund raising opportunities arise, as the Company has from time to time been approached by investors for potential investment projects. In these regards, the Company will publish announcement as and when appropriate according to applicable rules and regulations.

### **MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES**

There was no material acquisition and disposal of subsidiaries during the period ended 30 September 2024.

### **SIGNIFICANT INVESTMENTS**

As at 30 September 2024, the Group did not have any significant investment plans.

### **NO MATERIAL CHANGES**

Saved as disclosed in this report, during the reporting period, there were no material changes affecting the Group's performance that needs to be disclosed under Paragraphs 32 and 40(2) of Appendix 16 to the Listing Rules.

## **EVENTS SUBSEQUENT TO THE REPORTING PERIOD**

There have been no significant events occurring after the end of the reporting period and up to the date of this report.

## **EMPLOYEES AND REMUNERATION POLICIES**

The total number of employees of the Group as at 30 September 2024 was 1,220 (31 March 2024: 1,168). Total staff costs, including directors' emoluments and net pension contributions, for the reporting period amounted to approximately HK\$121,436,000 (30 September 2023: approximately HK\$113,155,000). The Group provides employees with training programmes to equip them with the latest skills and other benefits including share option scheme.

Remunerations are commensurate with individual job nature, work experience and market conditions, and performance related bonuses are granted to employees on discretionary basis.

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

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

## **SHARE OPTION SCHEME**

The share option scheme of the Company was approved and adopted by the Shareholders in the annual general meeting of the Company held on 25 September 2015 (the "Share Option Scheme") and shall be valid and effective for a period of 10 years up to 24 September 2025.

Pursuant to the Share Option Scheme, the Board may at its discretion offer options to any eligible participants including, but not limited to (i) any eligible employee as stated in the Share Option Scheme; (ii) any non-executive Director (including independent non-executive Directors) of the Company, any of its subsidiaries or any entity in which the Group holds any equity (the "Invested Entity"); (iii) any supplier of goods or services to the member of the Group or any Invested Entity; (iv) any customer of the Group or any Invested Entity; (v) any consultant, adviser, legal consultant, legal adviser, agent and contractor engaged by the Company, the Group or any Invested Entity; (vi) any shareholder and director of any member of the Group or any Invested Entity or (vii) any holder of any securities issued by any member of the Group or any Invested Entity; and (viii) any other classes of participants who have contributed or may contribute, whether by way of joint venture, business alliance, other business arrangement, or otherwise, to the development and growth of Group.

The purpose of the Share Option Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and to encourage the participants to perform their best in achieving the goals of the Group and at the same time allow the participants to enjoy the results of the Company attained through their efforts and contributions and to enable the Group to recruit and retain high-caliber employees and attract human resources that are valuable to the Group and any Invested Entity.

## SHARE OPTION SCHEME (continued)

Details of movements in the share options for the six months ended 30 September 2024 are as follows:

Name or Category of participants	Exercise price per share HK\$	During the period				As at 30 September 2024	Notes
		As at 1 April 2024	Granted	Lapsed	Reallocation		
<b>Directors</b>							
Mr. Lo Kou Hong	0.094	16,000,000	-	-	-	16,000,000	(1)
Mr. Tsui Kwok Hing	0.094	16,000,000	-	-	-	16,000,000	(1)
Mr. Leung Cheung Hang (resigned on 2 September 2024)	0.094	8,000,000	-	(8,000,000)	-	-	(1)
Mr. Wang Qi	0.094	1,600,000	-	-	-	1,600,000	(1)
Sub-total	-	41,600,000	-	(8,000,000)	-	33,600,000	
<b>Continuous Contracts Employees</b>							
	0.278	9,343,302	-	(343,000)	-	9,000,302	(2)
	0.094	38,000,000	-	(500,000)	-	37,500,000	(1)
Sub-total		47,343,302	-	(843,000)	-	46,500,302	
<b>All other eligible participants</b>							
	0.278	1,446,000	-	-	-	1,446,000	(2)
Sub-total		1,446,000	-	-	-	1,446,000	
<b>Total</b>		90,389,302	-	(8,843,000)	-	81,546,302	

### Notes:

- (1) The share options were granted and deemed to be accepted on 23 July 2020. There were no vesting period and the share options are exercisable at any time during the period from 23 July 2020 to 22 July 2030 (both days inclusive) and the exercise price is HK\$0.094.
- (2) The share options were granted and deemed to be accepted on 6 July 2018. The vesting period of the share options was from the date of grant and up to 5 July 2019 and the share options are exercisable at any time during the period from 6 July 2019 to 5 July 2028 (both days inclusive) and the exercise price is HK\$0.278.

As at the date of this report, 81,546,302 share options were outstanding under the Share Option Scheme, which were fully vested and exercisable.

## DIRECTORS' INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2024, the interests of the Directors in the shares (the "Shares") and underlying Shares of the Company and its associated corporations as recorded in the register required to be kept under Section 352 of Part XV of the Securities and Futures Ordinance (the "SFO"); or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, were as follows:

### A. INTERESTS IN SHARES OF THE COMPANY

Name of Director	Long/short positions	Capacity	Total interest in Shares	Total interest in underlying Shares	Aggregate interests	Approximate percentage of the Company's issued share capital
Mr. Tsui Kwok Hing ("Mr. Tsui") (Note 1)	Long position	Beneficial owner	69,190,090	16,000,000	85,190,090	4.41%
Mr. Lo Kou Hong ("Mr. Lo") (Note 2)	Long position	Beneficial owner	53,674,000	16,000,000	71,779,000	3.72%
	Long position	Interest of spouse	2,105,000			
Mr. Wang Qi ("Mr. Wang") (Note 3)	Long position	Beneficial owner	1,367,000	1,600,000	2,967,000	0.15%

#### Notes:

- Mr. Tsui is the beneficial owner of 69,190,090 Shares and 16,000,000 share options.
- Mr. Lo is the beneficial owner of 53,674,000 Shares and 16,000,000 share options. He is also deemed to be interested in 2,105,000 Shares through interest of his spouse, Ms. Ko Lok Ping, Maria Genoveffa ("Ms. Ko"), who personally and beneficially owned such 2,105,000 Shares.
- Mr. Wang is interested in share options which can be severally exercised to subscribe for 1,600,000 Shares.

**B.1) ASSOCIATED CORPORATION – PEIXIN GROUP LIMITED (“PEIXIN”), AN INDIRECT NON WHOLLY-OWNED SUBSIDIARY OF THE COMPANY**

Name of director	Long/short position	Capacity	Number of ordinary shares in Peixin	Percentage of Peixin’s issued share capital
Mr. Lo	Long position	Interest held by a controlled corporation	42 shares (Note)	30%

*Note:* The 42 shares in Peixin were held through a corporation controlled by Mr. Lo and Ms. Ko. As such, Mr. Lo and Ms. Ko were deemed to be interested in such shares pursuant to Part XV of the SFO.

**B.2) ASSOCIATED CORPORATION – SHUYANG ITAD ENVIRONMENTAL TECHNOLOGY LIMITED (“SHUYANG ITAD”), AN INDIRECT NON WHOLLY-OWNED SUBSIDIARY OF THE COMPANY**

Name of director	Long/short position	Capacity	Amount of registered capital in Shuyang ITAD	Percentage of Shuyang ITAD’s issued share capital
Mr. Lo	Long position	Interest held by a controlled corporation	RMB62,500,000 (Note)	30%

*Note:* The entire registered capital in Shuyang ITAD was beneficially owned by Peixin and 42 shares in Peixin were beneficially owned by a corporation controlled by Mr. Lo and Ms. Ko in equal shares. Such 42 shares in Peixin represent 30% of the entire issued share capital on Peixin. As such, Mr. Lo and Ms. Ko were deemed to be interested in such registered capital pursuant to Part XV of the SFO.

In addition to the above, as at 30 September 2024, Mr. Lo held 1 share in Lo’s Cleaning Services Ltd., an indirect wholly-owned subsidiary of the Company, in a non-beneficial capacity as nominee for Sinopoint Corporation.

Save as disclosed above, as at 30 September 2024, none of the Directors had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, nor had there been any grant or exercise of rights of such interests during the period ended 30 September 2024.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2024, the following person (other than the Directors and chief executive of the Company) had interests of 5% or more in the issued Shares and underlying Shares as recorded in the register required to be kept under Section 336 of the SFO:

### INTERESTS IN SHARES

Name of substantial shareholder	Long/short position	Capacity	Number of Shares	Percentage of the Company's issued share capital
WKI Partners (Holdings) Limited	Long position	Interest held by controlled corporation	179,315,000 <i>(Note)</i>	9.29%

*Note:* WKI Partners (Holdings) Limited is wholly-owned by Brave Venture Limited. Brave Venture Limited is wholly-owned by WKI Hong Kong Limited. WKI Hong Kong Limited is wholly-owned by WKI GP Limited. Accordingly, each of WKI Partners (Holdings) Limited, Brave Venture Limited, WKI Hong Kong Limited, WKI GP Limited was deemed to be interested in such Shares under Part XV of SFO.

## CORPORATE GOVERNANCE PRACTICES

### *Compliance with the Corporate Governance Code*

The Board recognises the vital importance of a good corporate governance to the Group's management, success and sustainability. Corporate governance practices would be reviewed from time to time to ensure compliance with the regulatory requirements and to meet the rising expectations of Shareholders and investors relating to corporate value, transparency and accountability of all its operations.

The Company strived to maintain a high standard of corporate governance and complied with the Corporate Governance Code (the "CG Code") as stated in Appendix C1 of the Listing Rules.

The Company has adopted the code provisions in the CG Code as its own code of corporate governance. During the six months ended 30 September 2024, the Directors consider that the Company has complied with all the relevant code provisions set out in the CG Code throughout the reporting period.

## CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of Directors, as notified to the Company, subsequent to the date of the annual report of the Company for the year ended 31 March 2024 or the date of announcements on appointment of the Director are set out below:

Directors	Details of Changes
Yau Pak Yue	With effect from 3 June 2024, appointed as an independent non-executive director of Jiayuan International Group Limited (stock code: 2768, listing status: delisted in October 2024)

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct governing Directors' dealings in the Company's securities (the "Code") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Specific enquiry has been made to all Directors and all of them have confirmed that they have complied with the Code and the Model Code throughout the six months ended 30 September 2024.

The Company has also established written guidelines on terms no less exacting than the Model Code (the "Employees Written Guidelines") for governing the securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

## REVIEW OF INTERIM RESULTS BY AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, namely Mr. Wang Qi, Mr. Yau Pak Yue (chairman) and Mr. Leung Nga Tat, and is responsible for reviewing the Group's financial information and overseeing the Group's financial reporting system and internal control procedures. The Audit Committee is also responsible for reviewing the interim and final results of the Group prior to recommending them to the Board for approval. In performing its duties, it has unrestricted access to personnel, records, and external auditors and senior management.

The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2024 have been reviewed by the Audit Committee, which was of the opinion that such financial statements complied with the applicable accounting standards and that adequate disclosures have been made.

On behalf of the Board  
**Xinhua News Media Holdings Limited**  
**Tsui Kwok Hing**  
*Co-Chairman*

Hong Kong, 28 November 2024