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環球戰略集團有限公司

**GLOBAL STRATEGIC GROUP LIMITED**

**環球戰略集團有限公司**

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

(Stock Code: 8007)

**FINAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “**Directors**”) of Global Strategic Group Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

The board of Directors (the “**Board**”) of the Company is pleased to present the audited consolidated results of the Company and its subsidiaries (collectively as the “**Group**”), which is audited by RSM Hong Kong, for the year ended 30 September 2023, together with the comparative figures for the year ended 30 September 2022, are as follows:

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

*For the year ended 30 September 2023*

	<i>Notes</i>	<b>2023</b> <b>HK\$’000</b>	2022 <i>HK\$’000</i>
Revenue	3	<b>166,077</b>	136,241
Cost of sales		<u><b>(138,816)</b></u>	<u>(115,954)</u>
<b>Gross profit</b>		<b>27,261</b>	20,287
Other income	4	<b>871</b>	962
Other gains and losses		<b>328</b>	139
Selling and distribution costs		<b>(9,800)</b>	(8,731)
General and administrative expenses		<b>(33,123)</b>	(32,960)
Reversal of impairment loss on property, plant and equipment		<b>20,343</b>	21,012
Reversal of impairment loss on intangible assets		<b>17,172</b>	16,565
Reversal of impairment loss on right-of-use assets		<b>158</b>	178
Allowance for trade and bills receivables		<b>(700)</b>	(1,823)
Reversal of allowance for loan receivables		<b>–</b>	1,173
Allowance for deposits and other receivables		<b>(295)</b>	(13)
Allowance for due from non-controlling shareholders of a subsidiary and its related parties		<b>(51)</b>	–
Reversal of allowance/(allowance) for due from a related party		<u><b>1</b></u>	<u>(6)</u>
<b>Profit from operations</b>		<b>22,165</b>	16,783
Finance costs	6	<b>(4,921)</b>	(2,603)
Share of loss from a joint venture		<u><b>(76)</b></u>	<u>(49)</u>
<b>Profit before tax</b>		<b>17,168</b>	14,131
Income tax expense	7	<u><b>(3,482)</b></u>	<u>(3,450)</u>
<b>Profit for the year</b>		<u><b>13,686</b></u>	<u>10,681</u>

	<i>Note</i>	<b>2023</b> <b>HK\$'000</b>	2022 HK\$'000
<b>Other comprehensive income after tax</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences arising on translation of financial statements to presentation currency		(4,233)	(991)
Exchange differences reclassified to profit or loss on deregistered foreign subsidiaries		<u>–</u>	<u>2</u>
<b>Other comprehensive income for the year, net of tax</b>		<u>(4,233)</u>	<u>(989)</u>
<b>Total comprehensive income for the year</b>		<u><b>9,453</b></u>	<u><b>9,692</b></u>
<b>(Loss)/profit for the year attributable to:</b>			
Owners of the Company		(12,229)	(15,504)
Non-controlling interests		<u>25,915</u>	<u>26,185</u>
		<u><b>13,686</b></u>	<u><b>10,681</b></u>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Company		(13,254)	(14,334)
Non-controlling interests		<u>22,707</u>	<u>24,026</u>
		<u><b>9,453</b></u>	<u><b>9,692</b></u>
<b>Loss per share</b>	<i>9</i>		
Basic ( <i>HK cents per share</i> )		<u>(2.68)</u>	<u>(3.40)</u>
Diluted ( <i>HK cents per share</i> )		<u>(2.68)</u>	<u>(3.40)</u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	<i>Notes</i>	<b>2023</b> <b>HK\$'000</b>	2022 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		<b>161,075</b>	121,577
Right-of-use assets		<b>7,908</b>	3,495
Goodwill		–	–
Intangible assets		<b>90,771</b>	80,976
Investment in a joint venture		<b>100</b>	183
Deposits for acquisition of property, plant and equipment		–	8,737
		<b>259,854</b>	214,968
<b>Current assets</b>			
Inventories		<b>565</b>	1,489
Trade and bills receivables	<i>10</i>	<b>8,086</b>	8,920
Prepayments, deposits and other receivables		<b>13,972</b>	8,073
Due from non-controlling shareholders of a subsidiary and its related parties		<b>3,183</b>	–
Bond receivables		–	–
Due from a related party		<b>1,234</b>	1,019
Value-added tax (“VAT”) recoverable		<b>3,059</b>	390
Bank and cash balances		<b>9,385</b>	4,998
		<b>39,484</b>	24,889
<b>Current liabilities</b>			
Trade payables	<i>11</i>	<b>3,608</b>	1,145
Accruals and other payables		<b>58,296</b>	40,608
Contract liabilities		<b>16,081</b>	10,798
Lease liabilities		<b>4,615</b>	1,580
Due to related parties		<b>4,579</b>	9,888
Due to directors		<b>8,772</b>	1,142
Non-convertible bonds		<b>19,757</b>	7,852
Bank and other borrowings		<b>16,520</b>	2,878
Current tax liabilities		–	20
		<b>132,228</b>	75,911
<b>Net current liabilities</b>		<b>(92,744)</b>	(51,022)
<b>Total assets less current liabilities</b>		<b>167,110</b>	163,946

	<b>2023</b>	2022
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
<b>Non-current liabilities</b>		
Accruals and other payables	–	3,209
Due to non-controlling shareholders of a subsidiary and its related parties	–	27,344
Lease liabilities	<b>2,981</b>	1,237
Non-convertible bonds	<b>3,000</b>	8,900
Bank and other borrowings	<b>46,646</b>	20,675
Deferred tax liabilities	<b>22,693</b>	20,244
	<u><b>75,320</b></u>	<u>81,609</u>
<b>NET ASSETS</b>	<u><b>91,790</b></u>	<u>82,337</u>
<b>CAPITAL AND RESERVES</b>		
Share capital	<b>4,559</b>	4,559
Reserves	<b>(2,037)</b>	11,217
	<u><b>2,522</b></u>	<u>15,776</u>
Equity attributable to owners of the Company	<b>2,522</b>	15,776
Non-controlling interests (“NCI”)	<b>89,268</b>	66,561
	<u><b>91,790</b></u>	<u>82,337</u>
<b>Total equity</b>	<u><b>91,790</b></u>	<u>82,337</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 30 September 2023*

## 1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622).

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting year of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting years reflected in these consolidated financial statements.

### **Basis of Going Concern**

As at 30 September 2023, the Group’s current liabilities exceeded its current assets by HK\$92,744,000 and the Group had operating cash outflow of HK\$3,926,000 for the year then ended. The Group had capital commitments amounting to HK\$4,167,000 at that date. In addition, the Group was also in default of non-convertible bonds of HK\$750,000 as of 30 September 2023.

These events and conditions indicate the existence of material uncertainties which may cast significant doubt about the Group’s ability to continue as a going concern and to realise its assets and discharge its liabilities in the normal course of business.

The directors have estimated the Group’s cash requirements by preparing a cashflow forecast of the Group for the eighteen months period ending 31 March 2025. Mr. Wu Guoming (“**Mr. Wu**”) and Mr. Wang Wenzhou (“**Mr. Wang**”), shareholders and directors of the Company, as at 30 September 2023, have agreed to provide sufficient funds to the Group so that the Group will be able to meet all current obligations as they fall due for the foreseeable future. Mr. Wu and Mr. Wang both agreed to pledge their properties as collaterals, if necessary, to borrow funds to provide financial support to the Group.

The directors of the Company therefore consider it appropriate to adopt the going concern basis in preparing these consolidated financial statements on the basis that Mr. Wu and Mr. Wang have agreed to provide continuous financial support to the Group. Should the Group be unable to operate as a going concern in the foreseeable future, adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments have not been reflected in these consolidated financial statements.

## **2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

### **(a) Application of new and revised HKFRSs**

The Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 October 2022 for the preparation of the consolidated financial statements:

Amendments to HKAS 16	Property, Plant and Equipment: Proceeds before Intended Use
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract
Amendments to HKFRS 3	Reference to the Conceptual Framework
Annual Improvements Project	Annual Improvements to HKFRS Standards 2018-2020

The Group did not change its accounting policies or make retrospective adjustments as a result of adopting the abovementioned amended standards or annual improvements.

**(b) New and revised HKFRSs in issue but not yet effective**

The Group has not applied any new standard, amendments to standards and interpretation that have been issued but are not yet effective for the financial year beginning 1 October 2022. The new standard, amendments to standards and interpretation include the following which may be relevant to the Group.

	<b>Effective for accounting periods beginning on or after</b>
Amendments to HKAS 1 – Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to HKAS 1 – Non-current Liabilities with Covenants	1 January 2024
Amendments to HKAS 1 and HKFRS Practice Statement 2 - Disclosure of Accounting Policies	1 January 2023
Amendments to HKAS 8 – Definition of Accounting Estimates	1 January 2023
Amendments to HKAS 12 – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1 January 2023
Amendments to HKFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to HKAS 7 and HKFRS 7 – Supplier Finance Arrangements	1 January 2024
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA
Hong Kong Interpretation 5 (2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2024
Amendments to HKAS 21 – Lack of Exchangeability	1 January 2025

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.



### 3. REVENUE

#### (a) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service line for the year is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Disaggregated by major products or service lines		
– Sales of natural gas	149,692	120,162
– Sales of steel support axial force servo system	–	5,787
– Sales of materials	2,003	–
– Rendering of services	7,793	6,482
– Commission income	–	20
	<u>159,488</u>	<u>132,451</u>
<b>Revenue from other sources</b>		
– Leasing income	<u>6,589</u>	<u>3,790</u>
	<u><b>166,077</b></u>	<u><b>136,241</b></u>

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

	Sales of natural gas		Sales of steel support axial force servo systems		Sales of materials		Pipeline installation services		Provision of technology support services		Independent financial advisory		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Primary geographical markets</b>														
– The People Republic of China (“PRC”) except Hong Kong	149,692	120,162	–	5,787	2,003	–	4,332	4,437	3,461	2,045	–	–	159,488	132,431
– Hong Kong	–	–	–	–	–	–	–	–	–	–	20	–	–	20
Revenue from external customers	<u>149,692</u>	<u>120,162</u>	<u>–</u>	<u>5,787</u>	<u>2,003</u>	<u>–</u>	<u>4,332</u>	<u>4,437</u>	<u>3,461</u>	<u>2,045</u>	<u>–</u>	<u>20</u>	<u>159,488</u>	<u>132,451</u>
<b>Timing of revenue recognition</b>														
Products transferred at a point in time	–	–	–	5,787	2,003	–	4,332	4,437	–	–	–	20	6,335	10,244
Products and services transferred over time	149,692	120,162	–	–	–	–	–	–	3,461	2,045	–	–	153,153	122,207
Total	<u>149,692</u>	<u>120,162</u>	<u>–</u>	<u>5,787</u>	<u>2,003</u>	<u>–</u>	<u>4,332</u>	<u>4,437</u>	<u>3,461</u>	<u>2,045</u>	<u>–</u>	<u>20</u>	<u>159,488</u>	<u>132,451</u>

**(b) Transaction price allocated to the remaining performance obligation for contracts with customers**

The Group has applied the practical expedient in paragraph 63 of HKFRS 15 such that the Group need not adjust the promised amount of consideration for the effects of a significant financing component if the Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Group has also applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts for provision of technology support services such that the Group need not disclose the information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations. The Group recognises the revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the Group's performance completed to date.

**4. OTHER INCOME**

	<b>2023</b>	2022
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Bank interest income	<b>18</b>	35
Interest income from loan to third parties	–	91
Government grants ( <i>note</i> )	<b>57</b>	453
Early redemption of non-convertible bond handling charge	<b>706</b>	–
Others	<b>90</b>	383
	<b>871</b>	962

*Note:* During the year, the Group recognised government grants of approximately HK\$48,000 (2022: HK\$453,000) relating to Employment Support Scheme provided by the Hong Kong government in respect of COVID-19. The remaining government grants represented government subsidy granted to enterprise, which had fulfilled certain requirements such as employing specific number of staff members.

## 5. SEGMENT INFORMATION

The Group has three (2022: three) operating segments as follows:

- Natural gas operations – including investment in natural gas projects, sales of natural gas, natural gas cooking appliance and accessories and pipeline installation
- Sales and leasing business – including sales and services rendered from leasing of materials, plant and machinery and technology support
- Independent financial advisory – including services rendered from independent financial advisory business

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Segment profits or losses do not include unallocated corporate expenses, certain other income, other gains and losses, reversal of allowance/(allowance) for certain deposits, other receivables and loan receivables, finance costs and income tax. Segment assets do not include bank and cash balances and unallocated assets. Segment liabilities do not include non-convertible bonds, some other borrowings and unallocated liabilities. Segment non-current assets do not include deposits for acquisitions.

(a) Information about operating segment profit or loss, assets and liabilities:

	Natural gas operations HK\$'000	Sales and leasing business HK\$'000	Independent financial advisory HK\$'000	Total HK\$'000
<b>Year ended 30 September 2023</b>				
Revenue from external customers	155,052	11,025	–	166,077
Segment profit/(loss)	37,925	(4,146)	(62)	33,717
Interest revenue	10	7	–	17
Interest expense	(2,654)	(599)	–	(3,253)
Depreciation and amortisation	(10,429)	(5,172)	–	(15,601)
Net foreign exchange gain	71	–	–	71
Other material non-cash items:				
Share of loss of a joint venture	(76)	–	–	(76)
Reversal of impairment loss/(impairment loss)				
on property, plant and equipment	22,471	(2,128)	–	20,343
Reversal of impairment loss on right-of-use assets	158	–	–	158
Reversal of impairment loss on intangible assets	17,172	–	–	17,172
Allowance for trade and bills receivables	(40)	(660)	–	(700)
Allowance for deposits and other receivables	(247)	(53)	–	(300)
Reversal of allowance for due from a related party	–	1	–	1
Allowance for due from non-controlling shareholders of a subsidiary and its related parties	(51)	–	–	(51)
Write-off of property, plant and equipment	1,353	–	–	1,353
Additions to segment non-current assets	<u>7,307</u>	<u>37,813</u>	<u>–</u>	<u>45,120</u>
<b>As at 30 September 2023</b>				
Segment assets	234,200	52,336	11	286,547
Segment liabilities	<u>(121,041)</u>	<u>(42,559)</u>	<u>(10)</u>	<u>(163,610)</u>

	Natural gas operations <i>HK\$'000</i>	Sales and leasing business <i>HK\$'000</i>	Independent financial advisory <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Year ended 30 September 2022</b>				
Revenue from external customers	124,599	11,622	20	136,241
Segment profit/(loss)	38,439	(1,989)	851	37,301
Interest revenue	29	6	–	35
Interest expense	(1,034)	(82)	–	(1,116)
Depreciation and amortisation	(9,526)	(2,151)	–	(11,677)
Net foreign exchange gain	136	–	–	136
Other material non-cash items:				
Share of loss of a joint venture	(49)	–	–	(49)
Reversal of impairment loss on property, plant and equipment	21,012	–	–	21,012
Reversal of impairment loss on right-of-use assets	178	–	–	178
Reversal of impairment loss on intangible assets	16,565	–	–	16,565
Reversal of allowance/(allowance) for trade and bills receivables	42	(1,865)	–	(1,823)
Allowance for deposits and other receivables	(3)	(3)	–	(6)
Allowance for due from a related party	–	(6)	–	(6)
Additions to segment non-current assets	<u>3,440</u>	<u>778</u>	<u>–</u>	<u>4,218</u>
<b>As at 30 September 2022</b>				
Segment assets	201,082	29,682	8	230,772
Segment liabilities	<u>(114,207)</u>	<u>(15,747)</u>	<u>(10)</u>	<u>(129,964)</u>

(b) Reconciliations of segment revenue and profit or loss:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<b>Revenue</b>		
Consolidated revenue	<u><u>166,077</u></u>	<u><u>136,241</u></u>
<b>Profit or loss</b>		
Total profit or loss of reportable segments	33,717	37,301
Unallocated amounts:		
General and administrative expenses	(15,625)	(23,369)
Reversal of allowance for loan receivables	–	1,173
Reversal of allowance/(allowance) for deposits and other receivables	5	(7)
Finance costs	(1,668)	(1,487)
Other income	754	497
Other gains and losses	<u>(15)</u>	<u>23</u>
Consolidated profit before tax	<u><u>17,168</u></u>	<u><u>14,131</u></u>
<b>Reconciliations of segment assets and liabilities:</b>		
<b>Assets</b>		
Total assets of reportable segments	286,547	230,772
Unallocated	<u>12,791</u>	<u>9,085</u>
Consolidated total assets	<u><u>299,338</u></u>	<u><u>239,857</u></u>
<b>Liabilities</b>		
Total liabilities of reportable segments	163,610	129,964
Unallocated	<u>43,938</u>	<u>27,556</u>
Consolidated total liabilities	<u><u>207,548</u></u>	<u><u>157,520</u></u>

***Geographical information***

All of the Group's revenue and non-current assets by location of customers or by location of assets are within the PRC, including Hong Kong.

(c) **Revenue from major customers:**

An analysis of revenue from major customers which account for 10 percent or more of the Group's revenue is as follows:

	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Customer A	<b>32,618</b>	–
Customer B	<b>17,041</b>	16,985
Customer C	–	18,859
Customer D	–	14,287
Customer E	–	13,883
	<u><b>–</b></u>	<u><b>13,883</b></u>

Each of the major customers represents a single external customer whose transaction is generated from natural gas operations segment (2022: natural gas operations segment).

**6. FINANCE COSTS**

	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Interest on bank and other borrowings	<b>3,178</b>	1,116
Interest on non-convertible bonds	<b>1,555</b>	1,296
Interest on lease liabilities	<b>188</b>	191
	<u><b>4,921</b></u>	<u><b>2,603</b></u>

**7. INCOME TAX EXPENSE**

Income tax has been recognised in profit or loss as following:

	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Current tax – the PRC		
Provision for the year	<u><b>33</b></u>	<u>34</u>
Deferred tax	<u><b>3,449</b></u>	<u>3,416</u>
	<u><b>3,482</b></u>	<u><b>3,450</b></u>

Pursuant to the rules and regulations of the Cayman Islands, Samoa, Seychelles and the British Virgin Islands (“**BVI**”), the Group is not subject to any income tax in these regions.

Under the Law of the PRC on Enterprise Income Tax (the “EIT”) and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2022: 25%). Pursuant to relevant laws and regulations in the PRC, the effective EIT rate for a subsidiary which qualified as small and micro enterprises is 2.5% for assessable profits below RMB1 million and 5% for assessable profits between RMB1 million and RMB3 million for the year ended 30 September 2023 and 2022.

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the year ended 30 September 2023 (2022: Nil).

## 8. DIVIDENDS

The directors do not recommend the payment of any dividend for the year ended 30 September 2023 (2022: Nil).

## 9. LOSS PER SHARE

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

	<b>2023</b>	2022
	<b>HK\$'000</b>	HK\$'000
Loss for the purpose of calculating basic and diluted loss per share	<u>(12,229)</u>	<u>(15,504)</u>
<b>Number of shares</b>	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	<u><b>455,860</b></u>	<u>455,860</u>

The weighted average numbers of ordinary shares used as denominators in calculating the basic and diluted loss per share are the same as the Company had no potential ordinary shares outstanding for the years ended 30 September 2022 and 2023.



## 10. TRADE AND BILLS RECEIVABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade receivables ( <i>note</i> )	16,032	13,350
Bills receivables	<u>–</u>	<u>3,223</u>
	16,032	16,573
Less: impairment losses	<u>(7,946)</u>	<u>(7,653)</u>
	<u><b>8,086</b></u>	<u><b>8,920</b></u>

*Note:* Included in trade receivables of HK\$798,000 was due from a related company controlled by a director of the Company as at 30 September 2022.

Generally there is no credit period for customers of sales of natural gas as the customers need to prepay before the usage of the natural gas. For a few specific customers they can use the gas on credit and the Group allows an average credit period of 60 days. The Group recognises revenue for natural gas pipeline installation service when the installation is completed and the Group allows an average credit period of 30 days upon completion. For sales and leasing business, the Group allows an average credit period of 180 days upon service rendered or goods sold. For independent financial advisory, the Group allows an average credit period of 30 days upon service rendered.

The ageing analysis of trade and bills receivables at the end of the reporting year based on the goods or services delivered is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0 to 90 days	5,188	2,830
91 to 180 days	850	–
181 to 365 days	1,036	5,457
Over 365 days	<u>1,012</u>	<u>633</u>
	<u><b>8,086</b></u>	<u><b>8,920</b></u>

Before accepting any new customer, the Group's finance and sales management team would assess the potential customer's credit quality and defines credit limits by customer. Credit limits attributable to customers are reviewed regularly with reference to past settlement history. The Group's finance and sales management team considers trade receivables that are neither past due nor impaired to be of good credit quality as continuous repayments have been received.

The carrying amounts of the Group's trade and bills receivables are denominated in RMB.

## 11. TRADE PAYABLES

Generally, there is no credit period for suppliers of natural gas as the Group need to prepay before the purchase of the natural gas. For liquefied natural gas, the credit period granted by supplier to the Group was 30 days. For other business, the credit period granted by suppliers to the Group ranged from 60 to 180 days.

The ageing analysis of trade payables, based on date of receipt of goods, is as follows:

	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0 to 90 days	<b>3,272</b>	621
91 to 180 days	<b>8</b>	–
181 to 365 days	<b>34</b>	109
Over 365 days	<b>294</b>	415
	<u><b>3,608</b></u>	<u>1,145</u>

The trade payables are non-interest bearing and normally settled on 30 to 180 days terms.

The carrying amounts of the Group's trade payables are denominated in the following currencies:

	<b>2023</b> <i>HK\$'000</i>	2022 <i>HK\$'000</i>
HK\$	<b>15</b>	15
RMB	<b>3,593</b>	1,130
	<u><b>3,608</b></u>	<u>1,145</u>

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL AND BUSINESS REVIEW

The Group recorded revenue of approximately HK\$166,077,000 for the year ended 30 September 2023 (“YE2023”) as compared with approximately HK\$136,241,000 for the year ended 30 September 2022 (“YE2022”), gross profit of approximately HK\$27,261,000 for YE2023 against approximately HK\$20,287,000 for YE2022 and net profit of approximately HK\$13,686,000 for YE2023 as compared to net profit of approximately HK\$10,681,000 for YE2022. The increase in profit was mainly attributed to (i) the increase in revenue of approximately HK\$29.8 million, representing an increase of approximately 21.9%, which was primarily attributable to the increase in sales of natural gas of approximately HK\$29.5 million; and (ii) the increase in gross profit of approximately HK\$7 million, representing an increase of approximately 34.4%.

An analysis of the performance of the Group including the revenue and results of natural gas operations, sales and leasing business and independent financial advisory before allocation of the corporate overheads is set out in note 5 “Segment Information” to the consolidated financial statements.

For YE2023 the Group generated revenue from sales of natural gas, pipeline installation services, sales of materials and leasing of materials of approximately HK\$149,692,000, HK\$4,332,000, HK\$929,000 and HK\$99,000 respectively, compared to approximately HK\$120,162,000, HK\$4,437,000, nil and nil for YE2022. The revenue generated from sales and leasing business and independent financial advisory business was in aggregate of HK\$11,025,000 and nil for YE2023 respectively as compared to YE2022, it recorded HK\$11,622,000 and HK\$20,000, in aggregate, respectively.

The total operating expenses, including selling and distribution costs, general and administrative expenses, for YE2023 was approximately HK\$42,923,000 as compared to approximately HK\$41,691,000 for the YE2022, representing an increase of 3% which was causing to increase in safety cost provision made for natural gas operations in accordance with PRC laws as well as the increase in depreciation charged upon reversal of impairment on non-current assets.

Finance costs of the Group were approximately HK\$4,921,000 for YE2023 (YE2022: approximately HK\$2,603,000), which mainly consisted of interest on bank and other borrowings and non-convertible bonds. The increase mainly came from an increase in interest on bank and other borrowings and non-convertible bonds due to additional loans and non-convertible bonds raised during FY2023.

## UPDATE ON NATURAL GAS BUSINESS

The Group acquired Yichang Biaodian, which is engaged in natural gas supply operation, in 2016. The performance of Yichang Biaodian significantly improved from the following reasons:

- (i) With the planning under the guiding ideology of the “14th Five-Year Plan” in 2021, the central government vigorously promotes the utilization of clean resources, and pipeline natural gas has become the best choice for new enterprises to use as heating energy; since 2017, Yaojiagang Chemical Industry Park has been successively rated as key supporting parks of circular transformation by the National Development and Reform Commission and the Ministry of Finance; has been rated as pilot parks for third-party governance of environmental pollution by the National Development and Reform Commission and the Ministry of Ecology and Environment; the Ministry of Industry and Information Technology’s green industrial parks and China’s smart chemical park pilot demonstration units. Yaojiagang Chemical Industry Park has been promoting the advantages of green industrial parks for many years, and the effect of attracting investment is remarkable, driving the demand for industrial pipeline natural gas in the region; and
- (ii) In recent years, many large chemical companies have settled in the park to establish production bases. As the companies have formulated and adapted to the operating model under the new crown epidemic, the overall production capacity of new and old customers has been efficiently recovered and achieved ideal growth.

By considering the reasons as aforesaid, the management of the Group performed impairment testing in accordance with Hong Kong Accounting Standard 36 “Impairment of Assets” (“**HKAS 36**”) on the assets that belong to Yichang Biaodian.

The key assumptions used in the value in use (“**VIU**”) calculation for impairment assessment based on a valuation prepared by an independent valuer are those regarding the expected average revenue growth rate, expected average net profit margin and discount rate for the next five years:

- Expected average revenue growth rate and expected average profit margin for the next five years were based on past practices and management’s expectations on market development; and
- Discount rate was estimated using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the cash generating unit (“**CGU**”), i.e. Yichang Biaodian.

The key assumptions used in the impairment assessment in 2023 changed from that of 2022:

- In 2023, the expected revenue growth rate estimated for the next five years was 3%. In 2022, the expected revenue growth rate estimated for the next five years was 8%; and
- In 2023, the expected average positive net profit margin estimated for the next five years was 9%. In 2022, the expected average positive net profit margin estimated for the next five years was 7%.

The valuation method of discounted cash flow was adopted for the calculation of the VIU of the CGU. In accordance with HKAS 36, the recoverable amount should be the higher of (i) the fair value less costs of disposal; or (ii) the VIU. After assessing both the VIU and the fair value, the valuation opted for the VIU because it was the higher between the two figures. VIU is based on the estimated future cash flows expected to be derived from the CGU discounted to their present value using a pre-tax discount rate of 12.64% (2022: 13.1%) that reflects current market assessments of the time value of money and the risks specific to the CGU. There is no change to the valuation method adopted in 2022 and 2023.

Based on the assessment, the recoverable amount of Yichang Biaodian was approximately HK\$203,362,000 and reversal of impairment losses on property, plant and equipment, intangible assets and right-of-use assets of approximately HK\$22,471,000, HK\$17,172,000 and the HK\$158,000 respectively in 2023.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's operations are being financed by internally generated cashflow, bank and other borrowings and external financing. The Group follows a policy of prudence in managing its working capital. The management will continue to closely monitor the financial position of the Group to maintain its financial capacity.

### Bank and other borrowings

The bank and other borrowings assigned RMB56,871,000 (equivalent to HK\$62,160,000) carry an interest at a fixed rate, with an effective interest rate of 5% to 10.50% per annum. The bank borrowings are pledged with natural gas supply exclusive rights of Yichang Biaodian and a property owned by Mr. Xiong Songgan (“**Mr. Xiong**”) and his spouse. The bank borrowings are also jointly guaranteed by Mr. Xiong and the non-controlling shareholders of Yichang Biaodian. Mr. Xiong is the controlling shareholder of Hubei Biaodian, which owns 20.92% of Yichang Binodian.

As at 30 September 2023,

- (a) the Group's aggregate amount of bank and cash balances was approximately HK\$9,385,000 (as at 30 September 2022: approximately HK\$4,998,000).
- (b) the Group's total borrowings comprised (i) bank and other borrowings; (ii) due to directors; (iii) non-convertible bonds; (iv) lease liabilities; and (v) due to related parties totalling approximately HK\$106,870,000 (as at 30 September 2022: HK\$81,496,000).
- (c) the Group's total gearing ratio was approximately 106% (as at 30 September 2022: 93%). The gearing ratio was calculated as the Group's borrowings net of cash available divided by total equity of the Group.
- (d) the current ratio of the Group was approximately 0.3 (as at 30 September 2022: 0.33). The management will continue to closely monitor the financial position of the Group to maintain its financial capacity.

## SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITIONS AND DISPOSALS

### Acquisition of Machinery

On 25 November 2022, 森籌環境科技(上海)有限公司 (Senchou Environmental Technology (Shanghai) Co., Ltd.\*) (“**Shanghai Senchou**”) has completed the acquisition of certain machinery with price of RMB24,270,000 from an independent third party vendor included in the contracts signed with the vendor on 29 March 2022 and 3 August 2022 as announced on respective dates. Deposits for acquisition of property, plant and equipment of RMB7,289,000 (equivalent to HK\$8,239,000) as at 30 September 2022 are utilized on that date. Details of the acquisition of machinery are disclosed in the Company’s announcements dated 29 March 2022 and 3 August 2022.

## LITIGATION

### Yichang Biaodian Natural Gas Utilisation Co., Ltd

During the year ended 31 December 2018, Yichang Biaodian had disputes with one of its suppliers regarding the quality of work performed by such supplier. Legal proceedings were initiated by the supplier (the “**Yichang Plaintiff**”).

On 13 March 2019, the Court issued civil mediation agreement which set out that the Yichang Plaintiff and Yichang Biaodian agreed with the repayment terms in relation to the amount of RMB8,787,000 (equivalent to HK\$10,413,000). However, Yichang Biaodian did not repay all the outstanding amount as scheduled in civil mediation agreement. Thus, the Yichang Plaintiff exercised its rights to apply for a court order to enforce Yichang Biaodian for settlement of amount overdue. On 19 May 2022, the Yichang Plaintiff and Yichang Biaodian signed another mediation agreement which set out that the outstanding balance would be repaid in 25 monthly installments of RMB300,000 from June 2022 to July 2024, and it would be guaranteed by Mr. Xiong Songgan, a key management personnel of Yichang Biaodian. If Yichang Biaodian fail to repay as scheduled, default interest would be charged at 12% per annum on the outstanding balance owed to the Yichang Plaintiff since 1 May 2019. The directors of the Company considered that as the full amount of the remaining debts of RMB2,787,000 (equivalent to HK\$3,046,000) claimed by Yichang Plaintiff are fully provided as liability of the Group as at 30 September 2023 and Yichang Biaodian repaid the amount owed to Yichang Plaintiff as scheduled, no further liability will be incurred.

## **PLEDGE OF ASSETS**

The Group pledged (i) natural gas supply exclusive rights amounted to approximately HK\$90,771,000 and property, plant and equipment of approximately HK\$40,303,000 for bank and other borrowings of approximately HK\$62,160,000 (as at 30 September 2022: natural gas supply exclusive rights amounted to approximately HK\$80,976,000 for bank borrowing of HK\$21,873,000); (ii) a property amounted to approximately HK\$1,707,000 (as at 30 September 2022: HK\$1,949,000) to an independent third party for obtaining an advance of RMB100,000 as at 30 September 2023.

## **FINAL DIVIDEND**

The Board does not recommend the payment of a final dividend for the year ended 30 September 2023 (2022: Nil).

## **PROSPECT**

Looking forward, the management believes that the economy will recover in an orderly manner in the coming year, which is expected to have a positive impact on the Group's two core businesses.

### **Natural gas operations**

Industrial customers welcome the supply and demand brought about by the domestic economic recovery, which will lead to an increase in natural gas consumption, and the revenue of this segment will continue to grow.

### **Sales and leasing business**

During the year, the Group acquired certain new equipment to launch new leasing projects. It is believed that the country's booming economy will drive an increase in infrastructure construction and renovation projects, which will lead to increase in leasing business income.

Management will be more cautious and conservative in seeking new potential merger and acquisition, business integration and expansion in order to sustain the growth and profitability of the Group.



## EVENTS AFTER REPORTING PERIOD

- (a) On 30 November 2023, the Group entered into a sales and purchase agreement with an independent third party to dispose its leased motor vehicle at consideration of HK\$1,200,000.
- (b) On 19 December 2023, the Company and Leeds Securities Investment Limited (“**Placing Agent**”) entered into a placing agreement (“**Placing Agreement**”) pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 91,172,000 new ordinary shares of par value of HK\$0.01 each (“**Placing Shares**”) to not less than six (6) placees at the placing price of HK\$0.69 per Placing Share who and whose ultimate beneficial owners shall be independent third parties. The Placing Shares will be allotted and issued pursuant to the general mandate granted to the directors of the Company at the annual general meeting held on 14 April 2023. None of the placees will become a substantial shareholder of the Company immediately upon completion of the placing. Details of the placing are disclosed in the Company’s announcements dated 19 December 2023.
- (c) On 26 December 2023, the Company announced that it has come to the attention of the board of directors of the Company that the Group’s 25% equity interest in Yichang Biaodian, amounting to RMB14.70 million (the “**Frozen Equity**”), is currently frozen by 山西省長治市監察委員會 (Shanxi Province Changzhi Municipal Supervision Commission)\* (the “**Freeze Action**”). The Group has engaged a PRC legal counsel (the “**PRC Legal Counsel**”) to provide relevant legal advice to the Group in relation to the Freeze Action and the Frozen Equity.

As advised by the PRC Legal Counsel, the ordinary course of business of Yichang Biaodian will not be restricted or adversely affected by the Freeze Action. During the period of the Freeze Action, however, the Group is unable to undertake any filing related to changes in ownership of the Frozen Equity or the registration of any pledge of the Frozen Equity. The Group is advised by the PRC Legal Counsel that the risk of impacting the Group’s entitlement to dividends of Yichang Biaodian is relatively low, given that Yichang Biaodian has not received any notice or notification or other legal documents explicitly freezing the dividends, bonuses and other proceeds to which the Group is entitled. The Board has instructed the PRC Legal Counsel to obtain further information and relevant documents, enquire the reasons for the Freeze Action and to advise on the potential legal consequences for the Group in relation to the Freeze Action.

As the Freeze Action is at the preliminary stage, the directors cannot estimate the financial effect on the Group.

- (d) On 27 December 2023, the Company entered into a non-legally binding memorandum of understanding with 華領能源有限公司 (Hualing Energy Co., Ltd.), in relation to potential cooperation for the development of electric vehicle charging station business. Details are disclosed in the Company’s announcements dated 27 December 2023.

## **FUND RAISING ACTIVITIES**

### **Placing of new shares**

On 19 December 2023, the Company entered into a placing agreement with Leeds Securities Investment Limited. Pursuant to the placing agreement, the Company appointed the Placing Agent to procure not less than six placees who are independent third parties to subscribe for up to 91,172,000 placing shares at a price of HK\$0.69 per placing share.

## **EXPOSURE TO EXCHANGE RATE FLUCTUATIONS**

The Group's foreign currency exposure is limited as most of its transactions, assets and liabilities are denominated in Hong Kong dollars and Renminbi.

## **HUMAN RESOURCES AND REMUNERATION POLICY**

As at 30 September 2023, the Group employed 61 staff members (at 30 September 2022: 58 staff). Remuneration is determined with reference to market terms and the performance, qualifications and experience of the individual employee. Remuneration includes monthly salaries, performance-linked bonuses, retirement benefits schemes and other benefits such as medical scheme and share option scheme. The Group's remuneration policies and packages are reviewed by management on regular basis. The Company has established a Human Resources and Remuneration Committee. The Directors' emoluments are determined with reference to Directors' duties, responsibilities and the operating performance of the Group.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 30 September 2023.

## **CORPORATE GOVERNANCE PRACTICES**

The Company is committed to maintaining a high standard of corporate governance practices. It met all the code provisions of the Corporate Governance Code ("CG Code") set out in Appendix 15 of the GEM Listing Rules in the year ended 30 September 2023 except for the following deviation:

Under code provision C.2.1 of the CG Code, the roles of chairman and the chief executive should be separate and should not be performed by the same individual. The Company did not appoint a chairman from 19 April 2018. The Board will keep reviewing the current structure from time to time and appoint candidate with suitable knowledge, skill and experience as chairman of the Company, if identified.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Required Standard of Dealings**”) as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they had fully complied with the Required Standard of Dealings during the year ended 30 September 2023.

## **AUDIT COMMITTEE**

The terms of reference of the Audit Committee, with the inclusion of the corporate governance functions, follow the guidelines set out in the Code. The Audit Committee is responsible for, among other things, having relationship with the Company’s auditors, reviewing the Group’s financial information and its financial reporting, financial reporting system, risk management and internal control systems and corporate governance, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group’s accounting and financial reporting function. The Audit Committee reports to the Board any significant issues relating to its terms of reference.

During the year ended 30 September 2023, the Audit Committee held four meetings and work performed included reviewing the Group’s quarterly, half-yearly and annual results, its risk management and internal control systems, and corporate governance matters for inclusion in the Company’s Annual Report.

## **OTHER INFORMATION**

### **Scope of work of RSM Hong Kong**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 30 September 2023 as set out in this annual results announcement have been agreed by RSM Hong Kong, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by RSM Hong Kong in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by RSM Hong Kong on this annual results announcement.

## **EXTRACTS FROM INDEPENDENT AUDITOR’S REPORT**

The followings are extracted from the independent auditors report on the consolidated financial statements of the Group for the year ended 30 September 2023.

## **Disclaimer of Opinion**

We were engaged to audit the consolidated financial statements of Global Strategic Group Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out in the 2023 Annual Report, which comprise the consolidated statement of financial position as at 30 September 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### **Basis for Disclaimer of Opinion**

We draw attention to note 1 to the consolidated financial statements, which indicates that as at 30 September 2023, the Group’s current liabilities exceeded its current assets by HK\$92,744,000 and the Group had operating cash outflow of HK\$3,926,000 for the year then ended. The Group had capital commitments amounting to HK\$4,167,000. The Group was also in default of non-convertible bonds of HK\$750,000 as of 30 September 2023.

These events and conditions indicate the existence of material uncertainties which may cast significant doubt about the Group’s ability to continue as a going concern and to realise its assets and discharge its liabilities in the normal course of business.

The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the continuous financial support of Mr. Wu Guoming (“**Mr. Wu**”) and Mr. Wang Wenzhou (“**Mr. Wang**”) as disclosed in note 1. However, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves that Mr. Wu and Mr. Wang had the financial resources to provide the required level of financial support to the Group. Mr. Wu and Mr. Wang both agreed to pledge their properties to provide financial support to the Group. Based on the market valuations of the properties, we considered that it was uncertain whether Mr. Wu and Mr. Wang would be able to borrow funds using their properties as collateral at the level necessary to support the Group’s liquidity requirements. In addition, we were unable to ascertain whether Mr. Wu and Mr. Wang had any personal liabilities which would affect their credit standing and ability to borrow against the pledged properties. Accordingly, we were unable to determine the appropriateness of preparing the consolidated financial statements on a going concern basis.

Should the Group be unable to operate as a going concern in the foreseeable future, adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments have not been reflected in these consolidated financial statements.

## **THE BOARD'S RESPONSE TO THE AUDITOR'S OPINION**

In order to address the auditor's concern, the Board is considering to take/has taken the following actions:

- (1) implementing stronger measures aiming at improving the liquidity and financial position of the Group, including but not limited to closely monitoring the operating costs;
- (2) reviewing and shortening the reporting intervals and improving follow up measures on receivables collection. As at 30 November 2023, approximately HK\$1,751,000, or 11% of our trade and bills receivables as at 30 September 2023 was settled;
- (3) negotiating with non-convertible bondholders to extend the maturity date of the bonds once mature;
- (4) negotiating with the Group's suppliers and related companies to extend the payment terms;
- (5) the Directors of the Company, Mr. Wu and Mr. Wang will continue to provide financial support to the Group including the availability to pledge various properties in Tianjin and Shanghai, the PRC. According to a preliminary valuation summary prepare by an independent valuer, these properties worth over RMB48,000,000. They have undertaken not to require the Company to repay the loans until such time when repayment will not affect the ability of the Group to repay other creditors in the normal course of business; and
- (6) looking for new bank facilities other borrowings from other banks and financial institutions.

Based on the above, and in preparing the consolidated financial statements, the Directors have reviewed the Group's financial and liquidity position, and planned to improve the liquidity by the above measures. As such, the Board considered the Group will have sufficient liquidity to finance its operations for the next eighteen months and therefore is of the view that the Group would be able to continue as a going concern.

## **PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY**

This announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.globalstrategicgroup.com.hk](http://www.globalstrategicgroup.com.hk). The Company's annual report for the year ended 30 September 2023 will be published on the above websites in due course.

By order of the Board  
**Global Strategic Group Limited**  
**Wang Wenzhou**  
*Executive Director and Chief Executive Officer*

Hong Kong, 29 December 2023

*As at the date of this announcement, the Executive Directors are Mr. Wang Wenzhou (Chief Executive Officer), Mr. Wu Guoming and Mr. Wu Chunyao; the Non-executive Director is Mr. Chen Long; and the Independent Non-executive Directors are Mr. Leung Oh Man, Martin, Dr. Chung Ling Cheong Dicky and Dr. Cheng Chak Ho.*

*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 of Hong Kong Limited 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](http://www.hkexnews.hk) for at least seven days from the day of its publication and on the Company's website at [www.globalstrategicgroup.com.hk](http://www.globalstrategicgroup.com.hk).*

\* *For reference purposes only, the Chinese names of the PRC entities and terms have been translated into English in this announcement. In the event of any discrepancies between the Chinese names of the PRC entities and terms and their English translation, the Chinese version shall prevail.*