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Asia Grocery Distribution Limited

亞洲雜貨有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8413)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

The board (the “**Board**”) of directors (the “**Directors**”) of Asia Grocery Distribution Limited (the “**Company**”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries for the six months ended 30 September 2023. This announcement, containing the full text of the 2023 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited in relation to information to accompany the preliminary announcement of interim results.

By order of the Board
Asia Grocery Distribution Limited
Wong Siu Man
Chairman and Executive Director

Hong Kong, 9 November 2023

As at the date of this announcement, the executive Directors are Mr. Wong Siu Man (Chairman), Mr. Wong Siu Wa (Chief Executive Officer) and Mr. Yip Kam Cheong (Compliance Officer), the non-executive Director is Mr. Wong Chun Hung Hanson and the independent non-executive Directors are Mr. Ng Fan Kay Frankie, Mr. Wang Zhaobin and Ms. Chan Hoi Yee.

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 website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the website of the Company at www.agdl.com.hk.

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**Interim
Report
2023/24**

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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange takes no responsibility for the contents of this interim report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this interim report.

*This interim report, for which the directors (the “**Directors**”) of Asia Grocery Distribution 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 report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

HIGHLIGHTS

- The Group recorded revenue of approximately HK\$145,609,000 for the six months ended 30 September 2023 (six months ended 30 September 2022: approximately HK\$137,465,000).
- Loss attributable to owners of the Company for the six months ended 30 September 2023 amounted to approximately HK\$380,000 (profit attributable to owners of the Company for six months ended 30 September 2022 amounted to approximately HK\$3,427,000).
- The Directors do not recommend the payment of any interim dividend for the six months ended 30 September 2023 (six months ended 30 September 2022: nil).

INTERIM RESULTS

The board (the "Board") of Directors is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the three and six months ended 30 September 2023, together with the unaudited comparative figures for the corresponding periods in 2022, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three and six months ended 30 September 2023

	Notes	Three months ended 30 September		Six months ended 30 September	
		2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Revenue	3	72,089	73,900	145,609	137,465
Costs of sales		(56,058)	(55,898)	(113,325)	(103,261)
Gross profit		16,031	18,002	32,284	34,204
Other income	4	1,139	1,552	2,258	2,318
Other gain and losses, net	4	–	–	(109)	(421)
Selling and distribution expenses		(8,802)	(8,482)	(17,663)	(15,662)
Administrative expenses		(8,441)	(8,385)	(16,306)	(16,370)
Finance costs	5	(232)	(189)	(480)	(340)
(Loss)/profit before tax	6	(305)	2,498	(16)	3,729
Income tax expense	7	(224)	(196)	(364)	(302)
(Loss)/profit and total comprehensive (loss)/income for the period attributable to owners of the Company		(529)	2,302	(380)	3,427
(Loss)/earnings per share					
Basic (HK cents)	9	(0.05)	0.20	(0.03)	0.29

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2023

	Notes	As at 30 September 2023 HK\$'000 (unaudited)	As at 31 March 2023 HK\$'000 (audited)
Non-current Assets			
Property, plant and equipment	10	2,709	3,428
Right-of-use assets		15,745	18,726
Rental and other deposits	11	1,998	1,837
		20,452	23,991
Current Assets			
Inventories – merchandise at cost		28,405	32,112
Trade receivables	11	42,918	39,695
Other receivables, deposits and prepayments	11	3,178	4,128
Amount due from a related party		23	–
Tax recoverable		–	145
Pledged bank deposits		552	552
Cash and cash equivalents		36,578	34,981
		111,654	111,613
Current Liabilities			
Trade payables	12	10,080	11,989
Other payables and accrued charges	12	7,250	6,433
Contract liabilities		998	386
Tax payable		219	–
Lease liabilities		6,750	6,167
		25,297	24,975
Net current assets		86,357	86,638
Total asset less current liabilities		106,809	110,629
Non-current Liabilities			
Lease liabilities		10,182	13,622
Net assets		96,627	97,007
Capital and reserves			
Share capital	13	11,620	11,620
Reserves		85,007	85,387
Equity attributable to owners of the Company		96,627	97,007

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

	Attributable to owners of the Company					
	Share capital HK\$'000	Share premium HK\$'000	Share based- payment reserve HK\$'000	Other reserves HK\$'000	Accumulated profits HK\$'000	Total HK\$'000
At 1 April 2023 (audited)	11,620	62,742	–	5,584	17,061	97,007
Loss and total comprehensive loss for the period	–	–	–	–	(380)	(380)
At 30 September 2023 (unaudited)	11,620	62,742	–	5,584	16,681	96,627
At 1 April 2022 (audited)	11,620	62,742	15,419	5,584	6,050	101,415
Profit and total comprehensive income for the period	–	–	–	–	3,427	3,427
At 30 September 2022 (unaudited)	11,620	62,742	15,419	5,584	9,477	104,842

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

For the six months ended 30 September 2023

	Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Net cash generated from operating activities	5,017	4,203
Net cash used in investing activities	(83)	(2,927)
Net cash used in financing activities	(3,337)	(2,065)
Net increase/(decrease) in cash and cash equivalents	1,597	(789)
Cash and cash equivalents at the beginning of period	34,981	29,797
Cash and cash equivalents at the end of period, represented by bank balances and cash	36,578	29,008

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (2016 Revision) of the Cayman Islands on 29 September 2016. The shares of the Company (the “**Shares**”) have been listed on the GEM of the Stock Exchange (the “**Listing**”) since 13 April 2017. Its ultimate and immediate holding company is Sky Alpha Investments Limited (“**Sky Alpha**”), an entity incorporated in the British Virgin Islands. The address of the Company’s registered office and principal place of business in Hong Kong is P.O. Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands and The Whole of Upper Ground Floor, Mai Tong Industrial Building, No.22 Sze Shan Street, Kowloon, Hong Kong, respectively.

The Company is an investment holding company. The Group is principally engaged in trading and distribution of food and beverage grocery products. In prior years, the Group also engaged in the provision of food catering services through the operation of restaurant in Hong Kong which was closed in March 2022.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”) which is also the functional and presentation currency of the Company.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 September 2023 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**”) and accounting principles generally accepted in Hong Kong. The unaudited consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“**GEM Listing Rules**”) and by the Hong Kong Companies Ordinance.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements are consistent with those adopted in preparing the audited financial statements for the year ended 31 March 2023.

In the current period, the Group has adopted all the new and revised HKFRSs, amendments to HKAs and Interpretations (hereinafter collectively referred to as “**new and revised HKFRSs**”) issued by HKICPA that are relevant to the Group and effective for accounting periods beginning on or after 1 April 2023. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies and amounts reported for the current and prior periods.

The Group has not early adopted the new and revised HKFRSs issued by HKICPA that have been issued but are not yet effective for the current period.

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments that are measured at fair values as appropriate. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The preparation of the unaudited condensed consolidated financial statements in conformity with the HKFRSs requires the use of certain critical accounting estimates. It also requires the management to exercise their judgements in the process of applying the Group's accounting policies.

3. REVENUE

The Group is principally engaged in the food and beverage grocery distribution business. In prior years, the Group also engaged in the food catering services business through the operation of restaurant in Hong Kong which was closed in March 2022.

All revenue contracts are for period of one year or less, as permitted by practical expedient under HKFRS 15, the transaction price allocated to these unsatisfied performance obligations is not disclosed.

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

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Revenue from contracts with customers within the scope of HKFRS 15:				
Disaggregated by types of goods and service line:				
Commodities and cereal products <i>(note a)</i>	21,464	23,283	43,746	44,003
Packaged food <i>(note b)</i>	14,499	14,503	29,489	27,603
Sauce and condiment	14,579	15,367	30,126	28,068
Dairy products and eggs	8,985	9,088	18,261	17,614
Beverage and wine	6,571	6,226	12,074	10,424
Kitchen and hygiene products <i>(note c)</i>	5,991	5,433	11,913	9,753
	72,089	73,900	145,609	137,465
Time of revenue recognition within the scope of HKFRS 15:				
At a point in time	72,089	73,900	145,609	137,465

The customers of the Group are solely in Hong Kong.

Notes:

- (a) Commodities and cereal products include rice, wheat flour, noodle products such as ramen and pasta, edible oil as well as sugar and salt.
- (b) Packaged food includes processed products such as meat and vegetables in preserved, canned, frozen and other forms, as well as snacks and pre-packaged food items.
- (c) Kitchen and hygiene products include food wrap and food related products such as cling film, baking sheet, foil, cleaning products such as detergent, bleach, liquid soap and others such as tissue paper, toothpick and towel, hygiene products such as face masks and gloves.

4. OTHER INCOME AND GAIN AND LOSSES, NET

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Other income				
COVID-19 Related rent concessions	–	15	–	127
Government grant (<i>note</i>)	–	742	–	1,372
Handling fee	1,012	–	2,013	–
Interest income	17	20	112	42
Sundry income	110	775	133	777
	1,139	1,552	2,258	2,318
Other gain and losses, net				
Bad debts written off	–	–	(109)	(5)
Loss on disposal of property, plant and equipment	–	–	–	(416)
	–	–	(109)	(421)

Note: The government grant for the six months ended 30 September 2022 represents the grant in relation to the Employment Support Scheme of HK\$1,222,000 and Catering Business Subsidy Scheme of HK\$150,000 provided by the Government of the Hong Kong Special Administrative Region, of which the Group complied with all attached conditions and therefore such grants were recognized as other income during the period ended 30 September 2022.

5. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Interest on lease liabilities	232	189	480	340

6. (LOSS)/PROFIT BEFORE TAXATION

(Loss)/profit before tax has been arrived at after charging:

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Directors' remuneration	1,957	1,764	3,877	3,094
Other staff costs				
Salaries and other benefits	4,942	5,221	9,888	9,830
Retirement benefit scheme contributions	190	206	391	391
Total staff costs (including directors' emoluments)	7,089	7,191	14,156	13,315
Auditor's remuneration – audit service	145	140	290	290
Depreciation of property, plant and equipment	431	687	857	1,479
Depreciation of right-of-use assets	1,637	1,520	2,981	3,032
Expenses relating to short term lease	154	225	465	494
Cost of inventories recognised as an expense	56,058	55,898	113,325	103,261

7. INCOME TAX EXPENSE

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Hong Kong Profits Tax: – Current tax	224	196	364	302

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2,000,000 of assessable profits of qualifying group entities established in Hong Kong will be taxed at 8.25% (2022: 8.25%), and assessable profits above HK\$2,000,000 will be subject to the rate at 16.5% (2022: 16.5%). The assessable profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

8. DIVIDEND

No dividend has been paid or proposed by the Company during the six months ended 30 September 2023. The Board does not recommend the payments of any dividend in respect of the six months ended 30 September 2023 and 2022.

9. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share attributable to the owners of the Company is based on the following data:

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
(Loss)/earnings:				
(Loss)/profit for the period attributable to owners of the Company and (loss)/earnings for the purpose of calculating basic (loss)/earnings per share	(529)	2,302	(380)	3,427
	'000	'000	'000	'000
Number of shares				
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share	1,162,000	1,162,000	1,162,000	1,162,000
(Loss)/earnings per share (HK cent)	(0.05)	0.20	(0.03)	0.29

No diluted (loss)/earnings per share has been presented as there were no potential ordinary shares in issue for the six months ended 30 September 2023 and the outstanding share options were anti-dilutive for the six months ended 30 September 2022.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2023, the Group acquired property, plant and equipment at a total cost of approximately HK\$139,000 (six months ended 30 September 2022: approximately HK\$3,085,000). Such additions were mainly comprised of plant and machinery of approximately HK\$100,000 (six months ended 30 September 2022: approximately HK\$57,000). During the six months ended 30 September 2023, the Group did not write off or dispose any property, plant and equipment (six months ended 30 September 2022: A motor vehicle with a net carrying amount of approximately HK\$566,000 was disposed).

11. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30 September 2023 HK\$'000 (unaudited)	31 March 2023 HK\$'000 (audited)
Trade receivables	42,918	39,695
Rental and utilities deposits	2,024	1,864
Prepayments to suppliers	2,316	2,863
Other prepayments	476	846
Other receivables	360	392
	48,094	45,660
Presented as non-current assets	1,998	1,837
Presented as current assets	46,096	43,823
	48,094	45,660

The Group grants credit terms of 0-90 days to its customers from the date of invoices. Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limit attributable to customers are reviewed regularly.

An ageing analysis of the trade receivables is presented based on the invoice date, which approximates the date of delivery of goods, at the end of the reporting periods.

	30 September 2023 HK\$'000 (unaudited)	31 March 2023 HK\$'000 (audited)
0 – 30 days	20,177	20,766
31 – 60 days	13,340	9,924
61 – 90 days	1,891	1,753
91 – 180 days	665	331
181 – 365 days	6,845	6,921
	42,918	39,695

12. TRADE AND OTHER PAYABLES AND ACCRUED CHARGES

	30 September 2023 HK\$'000 (unaudited)	31 March 2023 HK\$'000 (audited)
Trade payables	10,080	11,989
Accrued charges	4,061	3,869
Salaries and bonus payables	3,189	2,564
	17,330	18,422

The average credit period for purchases of goods is 0 to 60 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of each reporting period:

	30 September 2023 HK\$'000 (unaudited)	31 March 2023 HK\$'000 (audited)
0 – 30 days	9,995	11,689
31 – 60 days	–	–
Over 60 days	85	300
	10,080	11,989

13. SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Authorised:		
At 1 April 2022, 31 March 2023, 1 April 2023 and 30 September 2023	2,000,000	20,000
Issue and fully paid:		
Ordinary shares of HK\$0.01 each		
At 1 April 2022, 31 March 2023, 1 April 2023 and 30 September 2023	1,162,000	11,620

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

14. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group had entered into the following transaction with its related party during the reporting period:

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Nature of transaction				
Sales of goods to Treasure Go Catering Limited (<i>Note i</i>)	142	–	142	–

Note:

- (i) Treasure Go Catering Limited is a limited entity incorporated in Hong Kong on 15 October 2021 which is 100% owned by Mr. Wong Siu Man. During the six months ended 30 September 2023, Treasure Go Catering Limited purchased goods from a subsidiary of the Group. Transactions were conducted with terms mutually agreed with Treasure Go Catering Limited.

Compensation of key management personnel

The remuneration of directors and other members of key management during the six months ended 30 September 2023 were as follows:

	Three months ended 30 September		Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Short term benefits	2,942	2,931	5,748	5,118
Post employment benefits	39	43	77	85
	2,981	2,974	5,825	5,203



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an established food and beverage grocery distributor in Hong Kong with over 40 years of experience in the food and beverage grocery distribution industry. The Group's customers include restaurants, non-commercial dining establishments, hotels and private clubs, food processing operators and wholesalers in Hong Kong. The Group also offers product sourcing, repackaging, quality assurance, warehousing and storage, transportation as well as other value-added services to provide one-stop food and beverage grocery distribution solutions to the customers. The Group's product portfolio ranges from food commodities, specialty food ingredients to kitchen products which can be broadly categorised into (i) commodities and cereal products; (ii) packaged food; (iii) sauce and condiment; (iv) dairy products and eggs; (v) beverage and wine; and (vi) kitchen and hygiene products.

Since the outbreak of the Coronavirus Disease (“COVID-19”) at the start of January 2020, the global business environment has been adversely affected. In late December 2021, Hong Kong has confirmed its first community transmission of the Omicron-variant of COVID-19, which is rumored to spread multiple times faster than previous major strains, therefore, social distancing rules in Hong Kong have been tightened again since 7 January 2022. The closure requirements on catering businesses and scheduled premises caused a revenue contraction to the Group in the first quarter of 2022, in line with the experience from prior lockdowns.

With the government's financial stimulus through consumption vouchers and the easing of the pandemic situation in Hong Kong since April 2022, the business of the Group recorded a rebound. Further, the government removed almost all anti-epidemic measures in December 2022 and reopened the city's border with mainland China in January 2023, our sales rose dramatically by comparison with 2022. Based on the unaudited financial information of our Group, our revenue was approximately HK\$145,609,000 for the six months ended 30 September 2023, representing an increase of approximately 5.9% as compared to approximately HK\$137,465,000 in the corresponding period of 2022.

The Directors are optimistic that 2023 and 2024 will be years of recovery for the Hong Kong economy. The Group will closely monitor the market conditions and seek suitable business opportunities to expand our business. The Directors expect that the competition of the market will be intense and the Group will devote more resources to sales and marketing activities and actively facilitate the business development of new products.

FINANCIAL REVIEW

Revenue

During the six months ended 30 September 2023, our revenue increased by approximately HK\$8,144,000 or approximately 5.9% to approximately HK\$145,609,000 (six months ended 30 September 2022: approximately HK\$137,465,000), mainly due to the increase in sales demand for our food and beverage products. With the removal of government's social distancing measures and the reopening of city's border with mainland China, there was an increase in the overall customer traffic of restaurants. Our customers ordered more food and beverage products from us to cope with the increased demand. Sales demand for our food and beverage products from local restaurants, hotels and private clubs increased dramatically during the current period.

In August 2022, the Group signed a contract with an independent third party in which the Group supplies stock and provides warehouse, office, sales consultancy and logistic support to the independent third party, in return, the independent third party gives 12% of its sales revenue to the Group. The customers of that independent third party mainly purchase soft drinks and kitchen and hygiene products, e.g. towel and rubbish bags, which contribute to the sharp increase in our sales of beverage and wine and kitchen and hygiene products during the current period.

Cost of sales

Our cost of sales solely represented cost of inventories sold, which represented the cost of finished goods purchased by us from suppliers. Our cost of sales represents the costs of products, net of discounts and rebates, charged by our suppliers. Our cost of sales increased by approximately HK\$10,064,000 or approximately 9.7% to approximately HK\$113,325,000 for the six months ended 30 September 2023, as compared to approximately HK\$103,261,000 for the six months ended 30 September 2022, mainly due to the increased sales volumes, increased price of stock purchased and written off of obsolete stock.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately 5.6% from approximately HK\$34,204,000 for the six months ended 30 September 2022 to approximately HK\$32,284,000 for the six months ended 30 September 2023. The decrease in gross profit was mainly due to the increased cost of goods purchased from suppliers and written off of obsolete stock, partially offset by the increased revenue resulted from the lifting of COVID-19 restrictions. For the six months ended 30 September 2023, the Group's gross profit margin decreased to approximately 22.2% as compared with the same period in previous year at approximately 24.9%.

Other income

Other income represented interest income from bank deposits, rent concession, government grant, handling fee and sundry income. Other income decreased slightly from approximately HK\$2,318,000 for the six months ended 30 September 2022 to approximately HK\$2,258,000 for the six months ended 30 September 2023. The Group received handling fee of approximately HK\$1,990,000 from an independent third party during the six months ended 30 September 2023 (six months ended 30 September 2022: approximately HK\$716,000). During the six months ended 30 September 2022, the Group received government grant of approximately HK\$1,372,000 from the Employment Support Scheme and the Catering Business Subsidy Scheme launched by the government. The two schemes aimed at providing time-limited financial support to employers to retain their employees who will otherwise be made redundant and providing relief to the sectors directly affected by the tightened social distancing measures. No such government grant was received in the current period.

Other gain and losses, net

The Group recorded net other losses of approximately HK\$109,000 for the six months ended 30 September 2023 which was attributable to written off of bad debts. During the six months ended 30 September 2022, the Group sold a motor vehicle to a third party at a loss of approximately HK\$417,000 in May 2022.



Selling and distribution expenses

Our selling and distribution expenses mainly comprised transportation expenses, commission expenses to sales persons based on a certain percentage of the gross profit on successful sales, staff costs for our sales team and entertainment expenses. The increase of selling and distribution expenses of the Group were in line with the revenue increment and were mainly due to the increase in transportation costs and increase in commission expenses to sales persons. The selling and distribution expenses accounted for approximately 12.1% and 11.4% of the total revenue for the six months ended 30 September 2023 and 2022 respectively.

Administrative expenses

For the six months ended 30 September 2023, the Group's administrative expenses primarily comprised staff costs for administrative and management personnel, directors' remuneration, depreciation on property, plant and equipment and depreciation on right-of-use assets. Administrative expenses decreased slightly from approximately HK\$16,370,000 for the six months ended 30 September 2022 to approximately HK\$16,306,000 for the six months ended 30 September 2023. The decrease of administrative expenses of the Group was mainly due to the combined effect of decrease in depreciation on property, plant and equipment and increase in directors' remuneration.

Finance costs

Finance costs amounted to approximately HK\$480,000 for the six months ended 30 September 2023, increased by approximately HK\$140,000 as compared to approximately HK\$340,000 for the six months ended 30 September 2022. Finance costs of the Group represented interest expenses on lease liabilities. The increase was mainly due to the increased interest expenses incurred for the newly rented Yau Tong warehouse since June 2023.

Income tax expense

For the six months ended 30 September 2023 and 2022, our income tax expenses were approximately HK\$364,000 and HK\$302,000, respectively.

(Loss)/profit and total comprehensive (loss)/income attributable to owners of the Company

For the six months ended 30 September 2023, the Group's loss and total comprehensive loss attributable to owners of the Company was approximately HK\$380,000. For the six months ended 30 September 2022, the Group's profit and total comprehensive income attributable to owners of the Company was approximately HK\$3,427,000. The decrease of profit and total comprehensive income attributable to owners of the Company was mainly attributable to increased cost of goods purchased from suppliers, written off of obsolete stock during the current period, decrease in receipt of government grant and increase in transportation costs, partially offset by increase in revenue and increase in receipt of handling fee.

Dividend

No dividend was paid, declared or proposed during the period. The Directors do not recommend the payment of any dividend for the six months ended 30 September 2023 (six months ended 30 September 2022: nil).

No shareholder of the Company has waived or agreed to waive any dividends during the period.

Trade and other receivables

Trade receivables increased from approximately HK\$39,695,000 as at 31 March 2023 to approximately HK\$42,918,000 as at 30 September 2023. The increase was mainly due to the increased sales order received from customers near period end to avoid shortage of stocks during the Mid-Autumn Festival and National Day holidays.

Other receivables, deposits and prepayment decreased by approximately HK\$950,000 from approximately HK\$4,128,000 as at 31 March 2023 to approximately HK\$3,178,000 as at 30 September 2023. The decrease was mainly due to the decrease in prepayments to suppliers near the period end.

Trade and other payables

Trade payables decreased by approximately 15.9% from approximately HK\$11,989,000 as at 31 March 2023 to approximately HK\$10,080,000 as at 30 September 2023. The decrease was mainly due to the repayment to suppliers before holidays near the current period end.

Other payables and accrued charges increased by approximately HK\$817,000 from approximately HK\$6,433,000 as at 31 March 2023 to approximately HK\$7,250,000 as at 30 September 2023. The increase was mainly due to the increase in salaries and bonus payable to sales persons and increase in accrued legal and professional fees.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2023, bank balances and cash of the Group amounted to approximately HK\$37,130,000 (As at 31 March 2023: approximately of HK\$35,533,000). The current ratios (current asset divided by current liabilities) of the Group were approximately 4.4 times and 4.5 times as at 30 September 2023 and 31 March 2023 respectively. The Group generally financed its daily operations from internally generated cash flows. The Group financed its business expansion and new business opportunities from the net proceeds from the Listing. The remaining unused net proceeds as at 30 September 2023 were placed as interest bearing deposits with licensed bank in Hong Kong.

CAPITAL STRUCTURE

The Shares were successfully listed on GEM on 13 April 2017. There has been no change in the capital structure of the Group since then. The share capital of the Group only comprises ordinary shares.

As at 30 September 2023, the Company's issued share capital was HK\$11,620,000 and the number of its issued ordinary shares was 1,162,000,000 of HK\$0.01 each.

FOREIGN EXCHANGE EXPOSURE RISKS

Our exposures to currency risk arise from its sales to and purchases from overseas, which are primarily denominated in United States Dollars and Euro. These are not the functional currencies of our entities to which these transactions relate. We currently do not have a group foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

FINANCIAL POLICIES

The Group is exposed to liquidity risk in respect of settlement of its trade payables and financing obligations, and also in respect of its cash flow management. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

GEARING RATIO

The total interest-bearing borrowing (i.e. lease liabilities arising from leased properties) of the Group as at 30 September 2023 was approximately HK\$16,932,000 (31 March 2023: approximately HK\$19,789,000). The Group's gearing ratio as at 30 September 2023 was approximately 17.5% (31 March 2023: approximately 20.4%), which is calculated as the Group's total borrowing over the Group's total equity.

CAPITAL EXPENDITURE

During the six months ended 30 September 2023, the Group invested approximately HK\$139,000 (During the six months ended 30 September 2022: approximately HK\$3,085,000) in property, plant and equipment, mainly represented additions of plant and machinery of approximately HK\$100,000. During the six months ended 30 September 2022, the Group purchased motor vehicles of approximately HK\$2,940,000 in view of the increased sales order to facilitate delivery of goods to customers.

CAPITAL COMMITMENTS

As at 30 September 2023, the Group had no significant capital commitments (31 March 2023: nil).

CHARGES ON THE GROUP'S ASSETS

There were no charges on the Group's assets as at 30 September 2023 and 31 March 2023.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the six months ended 30 September 2023, the Group did not have any significant investment, material acquisition nor disposal of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this report, the Group did not have other future plans for material investments or capital assets.

CONTINGENT LIABILITIES

As at 30 September 2023, the Group did not have any significant contingent liabilities (31 March 2023: nil).

INFORMATION ON EMPLOYEES

As at 30 September 2023, the Group employed 65 employees (31 March 2023: 76 employees) with total staff cost of approximately HK\$14,156,000 incurred for the six months ended 30 September 2023 (six months ended 30 September 2022: approximately HK\$13,315,000). The Group's remuneration packages are generally structured with reference to market terms and individual merits.

USE OF PROCEEDS AND ACTUAL PROGRESS OF THE GROUP'S BUSINESS OBJECTIVES

The net proceeds from the Listing (after deducting the underwriting fees and related expenses) amounted to approximately HK\$48,500,000. Following the Listing, in response to changing business environment and business development requirement of the Group, the Board has resolved to change the use of the unutilised net proceeds to deploy its financial resources more efficiently. For details, please refer to the Company's announcements dated 27 March 2019, 14 August 2020 and 18 February 2021. Set out below is the actual utilisation of net proceeds up to the date of this interim report:

	Allocation of net proceeds before 18 February 2021	Revised allocation of net proceeds as at 18 February 2021	Unutilised net proceeds as at the date of 2023 annual report	Amount utilised from the date of 2023 annual report up to the date of this report	Unutilised net proceeds as at the date of this report	Expected timeline for full utilisation of the unutilised net proceeds (Note)
Intended use of the net proceeds	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Leasing of warehouse facility in Kowloon:						
– Rental deposits	900	–	–	–	–	N/A
– Rental payments	7,400	3,278	–	–	–	N/A
– Renovation costs	7,000	–	–	–	–	N/A
– Start-up costs for warehouse facility	8,100	–	–	–	–	N/A
Development of the business in provision of food catering services through restaurants	–	9,000	5,936	–	5,936	On or before 31 December 2024
Upgrade of Enterprise Resource Planning ("ERP") system	12,560	8,330	4,907	(230)	4,677	On or before 31 December 2024
Conducting sales and marketing activities	5,540	4,444	4,230	(54)	4,176	On or before 31 December 2024
Installation of new repackaging equipment	3,500	–	–	–	–	N/A
General working capital	3,500	5,211	–	–	–	N/A
	48,500	30,263	15,073	(284)	14,789	

Note: The expected timeline for utilising the unutilised net proceeds is based on the best estimation of the future market conditions made by the Group. It is subject to change based on the current and future development of the market condition.

As disclosed in the prospectus of the Company dated 31 March 2017 (the “**Prospectus**”), the Group’s principal business objectives are to strengthen its position in the food and beverage grocery distribution industry and further expand its business operations with a view to creating long-term shareholders’ value. The Directors intend to achieve the objectives by (a) increasing warehouse facilities strategically located in certain districts of Hong Kong in proximity to the Group’s customers; (b) upgrading the ERP system to enhance the Group’s operation efficiency; (c) further penetrating the food and beverage grocery distribution market through sales and marketing activities and the Group’s quality value-added services; and (d) attracting and retaining quality personnel.

In light of the rise in number of customers and purchase orders, the Group had planned to lease two warehouse facilities, one in the New Territories and another on the Hong Kong Island for accommodating the increased inventory level. However, since the second half of 2017, the rent and the rent price index in the factory building rental market in Hong Kong showed a continuous uptrend and the Group had not yet identified suitable premises for the warehouse facilities in both areas, therefore the leasing was not yet commenced up to March 2019.

In early 2019, the Group surveyed a premise in Yau Tong, Kowloon, which size and location are suitable for our warehousing, and additionally, the proposed rental fee is relatively cost-effective. The Board evaluated that the premise in Yau Tong, Kowloon is meeting the Group’s requirements for fair and efficient use of financial resources. Therefore, the Board had decided to establish a new warehouse at the above mentioned premise and migrated all inventory from the existing warehouses to the new location.

In view of the conditions and expansion of the existing business, there is no urgent need to lease another warehouse facility as the current warehouse facility has met the needs of the Group. Therefore, on 18 February 2021, the Board has resolved to reallocate all unutilised net proceeds for leasing of warehouse facility in Kowloon to develop the business in provision of food catering services through restaurants and general working capital, except that approximately HK\$3,278,000 of the net proceeds are remained to settle the rental expenses of the Yau Tong premise. Up to 18 February 2021, a total of approximately HK\$5,052,000 was spent on rental deposits, renovation costs and start-up costs for the warehouse facility. Up to the date of this report, full amount of the net proceeds of approximately HK\$7,400,000 was utilised on rental payments.

The Group has planned to use approximately HK\$12,560,000 of the net proceeds to upgrade the ERP system, which is used to monitor the inventory level and minimise incidences of overstocking, so as to enhance the operational efficiency of the Group. Up to the date of this report, the Group selected a new ERP software for implementation and a total of approximately HK\$7,883,000 was spent on consultancy services and software and hardware acquisition for the upgrade of the ERP system.

The Group has planned to use approximately HK\$5,540,000 of the net proceeds to conduct sales and marketing activities to attract more customers and strengthen customer loyalty so as to further penetrate the food and beverage grocery distribution market. Up to the date of this report, a total of approximately HK\$1,364,000 was spent on advertising and participating in domestic food exhibition and sales exhibition to showcase our products to potential buyers. The Group is currently recruiting new marketing company for upcoming new sales campaign.

The Group has planned to use approximately HK\$3,500,000 to purchase new repackaging equipment to further automate the repackaging process and increase efficiency. Since outsourcing the repackaging is more cost-effective compared to acquiring and installing new repackaging equipment under the current market conditions, the Board has resolved to reallocate all unutilised net proceeds for installation of new repackaging equipment to develop the business in provision of food catering services through restaurants and general working capital on 18 February 2021. Up to 18 February 2021, a total of approximately HK\$237,000 was spent on purchasing new automatic repackaging machines.

In early 2021, the Group was planning to develop the business in provision of food catering services through restaurants in view of the low market rent under current economic conditions. The Board is of the view that such vertical expansion would give us a competitive advantage, given that it allows us to have better cost control of the supplies for the new restaurant business and improve the performance of our existing business. Approximately HK\$9,000,000 of the net proceeds is allocated for the start-up costs and renovation costs for the restaurants. Up to the date of this report, a total of approximately HK\$3,064,000 was spent on renovation and start-up of the new restaurant in Tsim Sha Tsui. However, due to the pandemic situation in Hong Kong during 2021, the Directors decided to close down the restaurant in Tsim Sha Tsui in March 2022 and are looking for opportunities to develop such segment.

An addition of HK\$5,211,000 of the net proceeds is allocated for the general working capital to support the daily operation of the Group and to maintain sufficient working capital in preparation of any market upheaval. Full amount was utilised as general working capital up to the date of this report.

Looking forward, the Group is still reasonably optimistic to sustain the core business given all the economic uncertainties with the latest epidemic situation of COVID-19 and the changes in government policy. However, the Directors are actively assessing and managing the uncertainties, and implementing, if necessary, measures to conquer this challenging time. At the same time, the Group remains committed to the strategies that we have promised our shareholders before being listed and will continue to seek for the best possible opportunities to grow our business by leveraging our current client base, offering a wide spectrum of products for customers and exercising careful cost controls.

The principal strategic, operational and financial risks faced by the Group are market competition, employee commitment and satisfaction, warehouse disruption, credit risk of customers and fund investments and returns. With the Group's proven track record, plus its experienced management team and reputation in the market, the Directors consider that the Group is well-positioned to compete against its competitors. The Directors will also continue to explore opportunities to diversify the Group's operation so that the customer base could be strengthened and diversified. The Directors will continue to review and evaluate the business objectives and strategies and make timely execution taking into account the business risks and market uncertainties. The Directors believe that the Group will continue to expand to become one of the leading food and beverage grocery distributors in Hong Kong.



OTHER INFORMATION

DISCLOSURE OF INTEREST

Directors' and chief executive's interests and short positions in shares and underlying shares and debentures of the Company and its associated corporations

As at 30 September 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance (the "SFO")) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of part XV of the SFO (including interests and short positions in which they have taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register kept by the Company; or (c) have to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long positions

Name of Director	Capacity/ Nature of interest	Number of Shares	Approximate percentage of shareholding ⁽¹⁾
Mr. Wong Siu Man ⁽²⁾	Interest in controlled corporation	602,800,000	51.88%
Mr. Wong Siu Wa ⁽²⁾	Interest in controlled corporation	602,800,000	51.88%

Notes:

- (1) The percentage has been computed based on 1,162,000,000 Shares, being the total number of Shares in issue as at the 30 September 2023.
- (2) This represents the Shares held by Sky Alpha, a company beneficially owned as to 58.38% by Mr. Wong Siu Man, 38.92% by Mr. Wong Siu Wa and 2.7% by Glory Concord Limited respectively, therefore, Mr. Wong Siu Man and Mr. Wong Siu Wa were deemed to be interested in 602,800,000 Shares under the SFO.

Save as disclosed above, as at 30 September 2023, none of the Directors or chief executive of the Company had an interest or short position in any shares or underlying shares and/or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) have to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

Substantial shareholders and other persons' interests and short positions in shares and underlying shares of the Company

As at 30 September 2023, the persons (other than Directors or chief executive of the Company) who had interests and short positions in the shares or underlying share of the Company as recorded in the register required to be kept pursuant to section 336 of the SFO were as follows:

Long positions

Name of shareholder	Capacity/ Nature of interest	Number of Shares	Approximate percentage of shareholding ⁽¹⁾
Sky Alpha ⁽²⁾	Legal and Beneficial owner	602,800,000	51.88%
Ms. Fan Wing ^{(2) & (3)}	Interest of spouse	602,800,000	51.88%
Ms. Chu Man ^{(2) & (4)}	Interest of spouse	602,800,000	51.88%

Notes:

- (1) The percentage has been computed based on 1,162,000,000 Shares, being the total number of Shares in issue as at the 30 September 2023.
- (2) Sky Alpha is beneficially owned as to 58.38% by Mr. Wong Siu Man, an executive Director, 38.92% by Mr. Wong Siu Wa, an executive Director, and 2.7% by Glory Concord Limited, respectively. Mr. Wong Siu Man and Mr. Wong Siu Wa are therefore deemed to be interested in 602,800,000 Shares under the SFO.
- (3) Ms. Fan Wing is the spouse of Mr. Wong Siu Man. Under the SFO, Ms. Fan Wing is deemed to be interested in the same number of Shares in which Mr. Wong Siu Man is interested.
- (4) Ms. Chu Man is the spouse of Mr. Wong Siu Wa. Under the SFO, Ms. Chu Man is deemed to be interested in the same number of Shares in which Mr. Wong Siu Wa is interested.

Save as disclosed above, as at 30 September 2023, the Directors were not aware of any other person (other than the Directors or chief executive of the Company) who had or is deemed to have interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

SHARE OPTION SCHEME

A share option scheme was adopted by the Company on 27 March 2017 (the "Share Option Scheme"). During the six months ended 30 September 2023, no share options were granted, exercised, lapsed or cancelled under the Share Option Scheme and there were no outstanding share options under the Share Option Scheme as at 1 April 2023, 30 September 2023 and as at the date of this interim report. The number of share options available for grant under the Share Option Scheme as at 1 April 2023 and 30 September 2023 was 116,200,000.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all the Directors, each of the Directors have confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the six months ended 30 September 2023.

In addition, the Company has also adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as written guidelines for relevant employees in respect of their dealings in the securities of the Company. Besides, the Company has adopted internal control policy in relation to the disclosure of inside information of the Company (the "**Inside Information Policy**").

No incident of non-compliance of the required standard of dealings regarding securities transactions by Directors or employees and/or the Inside Information Policy was noted by the Company during the six months ended 30 September 2023.

COMPETING INTEREST

During the six months ended 30 September 2023, none of the Directors or the controlling shareholders of the Company or their close associates (as defined in the GEM Listing Rules) had interest in any business which competes or may compete, either directly or indirectly, with the business of the Group nor any conflicts of interest which has or may have with the Group.

DEED OF NON-COMPETITION

The controlling shareholders of the Company, namely Mr. Wong Siu Man, Mr. Wong Siu Wa, Sky Alpha and Glory Concord, entered into a deed of non-competition dated 27 March 2017 ("**Deed of Non-Competition**") in favour of the Company (for itself and as trustee for each of its subsidiaries). For details of the Deed of Non-Competition, please refer to the section headed "Relationship with Controlling Shareholders – Non-competition Undertaking" in the Prospectus. Each of the controlling shareholders of the Company has confirmed that none of them is engaged in, had interest in any business (other than the Group) which, directly or indirectly, competes or may compete with the business of the Group.

The independent non-executive Directors have also reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-competition have been complied with by each of the controlling shareholders during the six months ended 30 September 2023.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries have purchased, sold or redeemed any listed securities of the Company during the six months ended 30 September 2023.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance. The Company believes that sound corporate governance practices are essential to the effective and transparent operation of the Company and to its ability to safeguard the interest of the shareholders of the Company. The Company has applied the principles and code provisions as set out in the Corporate Governance Code (the “**CG Code**”) as contained in Part 2 of Appendix 15 to the GEM Listing Rules to ensure that the Group’s business activities and decision-making processes are regulated in a proper and prudent manner.

In the opinion of the Board, the Company has complied with the CG Code during the six months ended 30 September 2023.

EVENT AFTER THE REPORTING PERIOD

The Directors are not aware of any significant event which had material effect on the Group subsequent to 30 September 2023 and up to the date of this interim report.

AUDIT COMMITTEE

The Group has established an audit committee (the “**Audit Committee**”) in compliance with the GEM Listing Rules and the CG Code.

The principle duties of the Audit Committee are to (i) monitor integrity of the Company’s financial statements, financial reports and accounts and to review the financial and accounting policies and practices of the Company; (ii) assist the Board in providing an independent view of the effectiveness of the Group’s financial controls, internal control and risk management systems; and (iii) to make recommendations to the Board on the appointment, re-appointment and removal of external auditors.

The Audit Committee currently consists of all three of our independent non-executive Directors, namely Mr. Ng Fan Kay Frankie, Mr. Wang Zhaobin and Ms. Chan Hoi Yee and the chairman is Mr. Ng Fan Kay Frankie, who holds the appropriate professional qualifications as required under the GEM Listing Rules.



The financial information contained in this interim report has not been audited by the auditor of the Company, but the Audit Committee has reviewed this report and the unaudited consolidated results of the Group for the six months ended 30 September 2023 and is of the opinion that such report and results have been prepared in compliance with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

By order of the Board
Asia Grocery Distribution Limited
Wong Siu Man
Chairman and Executive Director

Hong Kong, 9 November 2023

As at the date of this interim report, the executive Directors are Mr. Wong Siu Man (Chairman), Mr. Wong Siu Wa (Chief Executive Officer) and Mr. Yip Kam Cheong (Compliance Officer), the non-executive Director is Mr. Wong Chun Hung Hanson and the independent non-executive Directors are Mr. Ng Fan Kay Frankie, Mr. Wang Zhaobin and Ms. Chan Hoi Yee.