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**WMHW Holdings Limited**  
**萬民好物控股有限公司**

*(formerly known as “Luen Wong Group Holdings Limited 聯旺集團控股有限公司”)  
(Incorporated in the Cayman Islands with limited liability)  
(Stock code: 8217)*

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

The board (the “**Board**”) of directors (the “**Directors**”) of WMHW Holdings Limited (formerly known as “Luen Wong Group Holdings Limited”) (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited results of the Group 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 (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcements of interim results.

By order of the Board  
**WMHW Holdings Limited**  
**Yu Xiao**  
*Executive Director*

Hong Kong, 14 November 2023

*As at the date of this announcement, the executive Directors are Mr. Chen Jian and Ms. Yu Xiao and the independent non-executive Directors are Mr. Wong Chi Kan, Ms. Lao In Iam and Mr. Liao Honghao.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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 in this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the website of GEM of the Stock Exchange’s website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of 7 days from the date of its posting and on the website of the Company at [www.todayir.com/en/showcases.php?code=8217](http://www.todayir.com/en/showcases.php?code=8217).*



# WMHW Holdings Limited

# 萬民好物控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
Stock Code : 8217

## 2023

## INTERIM REPORT

## **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.

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

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

Mr. Chen Jian (Appointed on 3 October 2023)  
Ms. Lau Wing Yu (Resigned on 3 October 2023)  
Ms. Yu Xiao

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Liao Honghao  
Ms. Lao In lam  
Mr. Wong Chi Kan

#### COMPANY SECRETARY

Mr. So Pan

#### AUDIT COMMITTEE

Mr. Wong Chi Kan (*Chairman*)  
Ms. Lao In lam  
Mr. Liao Honghao

#### REMUNERATION COMMITTEE

Mr. Wong Chi Kan (*Chairman*)  
Ms. Yu Xiao  
Mr. Liao Honghao

#### NOMINATION COMMITTEE

Mr. Liao Honghao (*Chairman*)  
Mr. Wong Chi Kan  
Ms. Lao In lam

#### REGISTERED OFFICE

PO Box 1350  
Clifton House 75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 2202, 22/F  
Causeway Bay Plaza I  
489 Hennessy Road  
Causeway Bay  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited  
PO Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## AUDITORS

Elite Partners CPA Limited

## PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited  
The Hongkong and Shanghai Banking Corporation Limited

## WEBSITE ADDRESS

[www.todayir.com/en/showcases.php?code:8217](http://www.todayir.com/en/showcases.php?code:8217)

## STOCK CODE

8217

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW AND OUTLOOK

The Group has over 23 years of experience in providing civil engineering works as a subcontractor in Hong Kong. The civil engineering works undertaken by the Group are mainly related to (i) roads and drainage works (including construction and improvement of local road, carriageway with junction improvement and the associated footpaths, planting areas, drains, sewers, water mains and utilities diversion); (ii) structural works (including construction of reinforced concrete structures for bridges and retaining walls); and (iii) site formation works (including excavation and/or filling works for forming a new site or achieving designed formation level for later development).

The Group experienced a decrease in revenue for the six months ended 30 September 2023 compared with the corresponding period in 2022. Such decrease was mainly due to some large constructions projects reaching completion stage and the keen competition in the industry.

In the 2023-24 Budget Speech, the Government reiterated its commitment to infrastructure and announced the average annual capital works expenditure will exceed HK\$100 billion from 2024 to 2028. While the recurrent government expenditure is expected to grow at a rate between 3.3 per cent and 5 per cent per annum. However, challenges like delaying in budget approval due to filibustering, delaying in progress due to social demonstration and shortage of manpower will continue to strike the civil engineering industry.

As to the Group, we are confident with the prospects of the Group for the next few years as we have recently secured few projects. These projects could ensure sustainability of the Group and increase employees' loyalty towards the Group.

2024 is expected to be full of opportunities and challenges. The planned commitment in the Government's public expenditure on infrastructure will result in more business opportunities being presented to the market. Whilst factors including but not limited to difficult geological conditions, adverse weather conditions, variations to the construction plans instructed by customers and other unforeseen problems or circumstances that occur during project implementation continue being threats that likely affect the Group's profit as a subcontractor.

Looking forward, the Group will continue to strengthen the competitive edge of the Group over the competitors in the civil engineering industry and at the same time carefully evaluate each projects and control the Group's overall costs to a reasonable level; which in turn is expected to increase shareholders' return. Besides, in order to increase shareholders' return, the Group will put efforts to evaluate the feasibility of obtaining necessary licenses to carry out civil engineering works and related operations in other countries, such as Japan and Thailand.

## SIGNIFICANT INVESTMENT

Financial asset at FVTPL Significant Investments	For the six months ended 30 September 2023 Realised and unrealised loss HK\$'000	As at 30 September 2023		Approximately percentage to the total asset	As at 1 April 2023 Fair value HK\$'000
		Number of shares held '000	Fair value HK\$'000		
WLS Holdings Limited ("WLS")	(10,304)	381,660	14,885	16.0%	25,189
<b>Other listed equity securities</b> (note 1)			<u>8,327</u>	<u>8.9%</u>	<u>10,874</u>
<b>Total</b>			<u>23,212</u>	<u>24.9%</u>	<u>36,063</u>

Note:

- As at 30 September 2023, other listed equity securities comprised 8 listed equity securities in Hong Kong. None of the other listed equity securities was more than 5% of the total assets of the Group as at 30 September 2023.

WLS is principally engaged in provision of scaffolding and fitting out services and other services for construction and buildings work, provision of gondolas, parapet railings and access equipment installation and maintenance services, money lending business, securities investment business, and assets management business. Based on WLS's first quarterly report for the three months ended 31 July 2023, revenue and profit after income tax of WLS was approximately HK\$25.4 million and HK\$5.5 million respectively.

As at 30 September 2023, the Company held a significant investment, with a value of over 5% of the Company's total assets as at 30 September 2023, in WLS Holdings Limited (the "Investment"), which is listed on the GEM Board of the Stock Exchange. The Group's total investment in the Investment was approximately HK\$9,762,000. As at 30 September 2023, the Group owned 381,660,000 shares in the Investment, representing 2.66% equity interests in the Investment with a carrying amount of the Group's interest in the Investment of approximately HK\$14,885,000, representing approximately 16.0% of the total assets of the Company as at 30 September 2023. Up to 30 September 2023, no dividends was received from the Investment. The fair value of the Investment is based on quoted market prices.

The future performance of the listed securities may be influenced by the Hong Kong stock market. In this regard, the Group will continue to maintain a diversified investment portfolio and closely monitor the performance of its investments and the market trends to adjust its investment strategies.

## FINANCIAL REVIEW

### Revenue

All of the Group's revenue was generated from the provision of civil engineering works. The total revenue of the Group decreased by approximately HK\$17,254,000 from approximately HK\$37,787,000 for the six months ended 30 September 2022 to approximately HK\$20,533,000 for the six months ended 30 September 2023. Such decrease was mainly due to some large constructions projects reaching completion stage and the keen competition in the industry.

### Gross Profit and Gross Profit Margin

The Group's gross result turnaround from loss of approximately HK\$4,143,000 for the six months ended 30 September 2022 to profit of approximately HK\$583,000 for the six months ended 30 September 2023.

The gross profit margin varied substantially from project to project and is mainly attributable to its pricing strategy, which is determined based on a cost-plus pricing model in general with mark-up determined on a project-by-project basis. Details are set out in the paragraph headed "Gross Profit and Gross Profit Margin" in the section headed "Management Discussion and Analysis" in the Company's 2023 annual report dated 27 June 2023.

### Other Gain/(Loss)

Other gain/(loss) of the Group turnaround from gain of approximately HK\$15,137,000 for the six months ended 30 September 2022 to loss of approximately HK\$12,639,000 for the six months ended 30 September 2023. The turnaround was mainly due to the decrease of the unrealised loss of investments in listed securities, decrease in refund of severance payment and decrease in the subsidies received from Employment Support Scheme launched by HKSAR Government for the six months ended 30 September 2022.

### Administrative Expenses

Administrative expenses of the Group decreased by approximately HK\$3,425,000 from approximately HK\$10,642,000 for the six months ended 30 September 2022 to approximately HK\$7,217,000 for the six months ended 30 September 2023. Administrative expenses consist mainly of staff costs, professional fees and other administrative expenses. Such decrease was the net effect of the decrease in professional fee, and the decrease in expected credit loss of approximately HK\$5,348,000 recognised (2022: HK\$7,485,000).

### Finance Costs

Finance costs for the Group decreased by approximately HK\$361,000 from approximately HK\$721,000 for the six months ended 30 September 2022 to approximately HK\$360,000 for the six months ended 30 September 2023.



## **Income Tax Expense**

Income tax expense for the Group remained at HK\$Nil for the six months ended 30 September 2022 and 2023 as no assessable profit generated during the period.

## **Loss for the Period**

Result for the period increased from loss of approximately HK\$369,000 for the six months ended 30 September 2022 to loss of approximately HK\$19,633,000 for the six months ended 30 September 2023. Such increase was primarily attributable to the net effect of the increase in realised and unrealised loss on fair value change on financial assets at fair value through profit or loss and decrease in administrative expenses for the six months ended 30 September 2023 as discussed above.

## **LIQUIDITY AND FINANCIAL RESOURCES**

Cash and bank balances are denominated in Hong Kong dollar. The current ratio of the Group remain steady as at 30 September 2023 and was approximately 1.5 times as compared to that of approximately 1.9 times as at 31 March 2023.

The total interest bearing debts of the Group, including bank overdraft and finance lease liabilities, remain steady at approximately HK\$12,000,000 as at 31 March 2023 and 30 September 2023 respectively. All borrowings are denominated in Hong Kong dollar and are repayable within 5 years. The Group did not carry out any hedging for its floating borrowings.

As at 30 September 2023, the Group had no general banking facilities. As at 30 September 2023, the finance lease liabilities amounted at Nil (31 March 2023: approximately HK\$Nil).

The gearing ratio, calculated based on all interest-bearing borrowings and obligations under finance leases divided by total equity at the end of the period and multiplied by 100%, stood at approximately 32.4% as at 30 September 2023 (31 March 2023: approximately 7.6%). With available bank balances and cash, the Group has sufficient liquidity to satisfy its funding requirements.

## **CAPITAL STRUCTURE**

As at 30 September 2023, the Company's issued and fully paid capital and total equity attributable to equity holders of the Company amounted to approximately HK\$48,298,000 and HK\$30,917,000 respectively.

## **COMMITMENTS**

As at 30 September 2023, there was no capital commitment for the Group (31 March 2023: HK\$Nil).

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

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

## **CONTINGENT LIABILITIES**

As at 30 September 2023, the Group did not have any material contingent liabilities (31 March 2023: HK\$Nil).

## **SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS**

Save as disclosed in the section headed "SIGNIFICANT INVESTMENT" in this report, the Group did not have any significant investments, acquisitions or disposals of subsidiaries and affiliated companies during the six months ended 30 September 2023.

## **EXPOSURE TO EXCHANGE RATE FLUCTUATION**

The Group's business operations were conducted in Hong Kong and the transactions, monetary assets and liabilities of the Group were denominated in Hong Kong dollars and United States dollars. Since United States dollars is linked to Hong Kong dollars at the rate of United States dollars 1 to Hong Kong dollars 7.80, the directors therefore consider the impact of foreign exchange exposure to the Group is minimal. The Group current does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities.

## **CHARGE OVER GROUP'S ASSETS**

The total interest bearing debts of the Group, including finance lease liabilities amounted at Nil (31 March 2023: HK\$Nil) as at 30 September 2023.

As at 31 March 2023, the Group had no general banking facilities. As at 31 March 2023, the finance lease liabilities amounted to approximately HK\$Nil.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 September, the Group had approximately 26 employees (31 March 2023: 33 employees). The total staff costs incurred, including Directors' emoluments, of the Group were approximately HK\$2,898,000 for the six months ended 30 September 2023 (six months ended 30 September 2022: approximately HK\$5,115,000). Remuneration is determined based on each employee's qualifications, position and seniority. In addition to a basic salary, year-end discretionary bonuses were offered with reference to the Group's performance as well as individual's performance to attract and retain appropriate and suitable personnel to serve the Group. Furthermore, the Group offers other staff benefits like provision of retirement benefits, various types of trainings and sponsorship of training courses. The Group has also adopted an annual review system to assess the performance of its staff, which forms the basis of its decisions with respect to salary raises and promotions.

## **INTERIM DIVIDEND**

The board of directors (the "Board") did not recommend a payment of an interim dividend for the six months ended 30 September 2023 and 2022.

## PRINCIPAL RISK AND UNCERTAINTIES

The Group's financial position, results of operations and business prospects may be affected by a number of risks and uncertainties directly and indirectly pertaining to the Group's business. The following are the key risks and uncertainties identified by the Group:

- (i) A significant portion of the Group's revenue was derived from a small number of customers. The five largest customers' revenue contribution for the six months ended 30 September 2023 was approximately 100% (six months ended 30 September 2022: 100.0%) of its total revenue, while the largest customer accounted for approximately 75.4% during the six months ended 30 September 2023 (six months ended 30 September 2022: 74.3%). There is no assurance that the Group will be able to retain its customers upon expiry of the contract period and to obtain suitable projects of a comparable size and quantity as replacement, failing to do so will have a material impact on the Group's financial conditions and operating results;
- (ii) If the Group cannot factor accounts receivables to obtain funds or if the Group is unable to generate sufficient cash flow for its operations or otherwise unable to obtain sufficient funds to finance its business in the future, the liquidity and financial condition may be materially and adversely affected;
- (iii) Error or inaccurate estimation of project duration and costs when determining the tender price or increase in construction costs may adversely affect the Group's profitability or result in substantial loss;
- (iv) If net cash outflows to pay certain operating expenditures do not align with progress payments to be received at any particular period of time, the Group's cash flow position may be adversely affected;
- (v) The Group's success is attributable to the contribution of, among others, its senior management personnel and in-house professional. The Group relies on the professional knowledge, experience and expertise of its senior management and in-house professional to facilitate the formulation of competitive tenders and in deciding the best suitable construction methodology in order to carry out our project works in an efficient manner while being able to meet customers' demand. Fail to hire in a timely manner and to retain suitable, skilled and qualified senior management personnel and in-house professional to meet construction needs could adversely impact our business, results of operation and profitability of the Group; and
- (vi) The Group's operations are conducted outdoors and are affected by weather conditions. If the Group has to halt operations during inclement weather conditions or a natural disaster, it may continue to incur operating expenses while experience reduced revenues and profitability, financial conditions and growth potentials of the Group will be adversely affected.

## DISCLOSURE OF INTERESTS

### A. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 September 2023, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required 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 which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, are as follows:

#### Long position in the shares and underlying shares of the Company

<b>Name of Director</b>	<b>Number of issued ordinary shares/ underlying shares of the Company</b>	<b>Personal interests</b>	<b>Total</b>	<b>Percentage of the issued shares capital of the Company</b>
Yu Xiao				
– Ordinary shares	780,000		1,671,540	0.55%
– Unlisted share options	891,540			
Liao Honghao				
– Ordinary shares	780,000		780,000	0.26%
Lao In lam				
– Ordinary shares	780,000		780,000	0.26%

Save as disclosed above, none of the Directors nor chief executive of the Company has registered an interest or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required 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 which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## **B. SUBSTANTIAL SHAREHOLDERS' INTEREST AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES**

As at 30 September 2023 and so far as is known to the Directors, no person, other than the Directors and chief executive of the Company whose interests are set out in the section headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company" above, had notified the Company of an interest or short position in the shares or underlying shares of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## **COMPETING INTERESTS**

The Directors confirm that none of the then Controlling Shareholders or the Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the Group's business during the six months ended 30 September 2023 and up to the date of this report.

## **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 six months ended 30 September 2023.

## **CORPORATE GOVERNANCE CODE**

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "Code") contained in Appendix 15 of the GEM Listing Rules. The Directors consider that during the six months ended 30 September 2023 and up to the date of this report, the Company has complied with all the applicable code provisions set out in the Code.

## **CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors in respect of the shares of the Company (the "Code of Conduct"). The Company has made specific enquiry to all Directors, and all Directors have confirmed that they have fully complied with the required standard of dealings set out in the Code of Conduct during the six months ended 30 September 2023 and up to the date of this report.

## **DISCLOSURE REQUIRED UNDER RULE 17.50(2) OF THE GEM LISTING RULES**

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, there are no other matters with respect to the appointment of the Directors that need to be brought to the attention of the Shareholders and there was no information in relation to the Directors that is required to be disclosed pursuant to Rules 17.50(2) of the GEM Listing Rules as at the date of this report.

## SHARE OPTION SCHEME

The share option scheme of the Company (the "Share Option Scheme") has been adopted by way of shareholder's written resolution passed on 24 March 2016. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

As at 30 September 2023, 26,974,800 share options has been granted by the Company pursuant to such Share Option Scheme. The options are unlisted. Each option gives the holder the right to subscribe for one share of HK\$0.16 each of the Company.

	Date of grant	Exercise price per option	Exercise period	Vesting period	Balance as at 1 April 2023	Granted during the period	Exercised during the period	Lapsed during the period	Balance as at 30 September 2023
<b>Directors</b>									
Yu Xiao	11 July 2019	HK\$1.414	5 years from the date of grant	No	891,540	-	-	-	<b>891,540</b>
<b>Other employees</b>									
	11 July 2019	HK\$1.414	5 years from the date of grant	No	3,566,160	-	-	-	<b>3,566,160</b>
									(note (i))
	21 July 2021	HK\$0.315	5 years from the date of grant	No	10,698,480	-	-	-	<b>10,698,480</b>
									(note (ii))
	18 March 2022	HK\$0.163	5 years from the date of grant	No	9,144,000	-	-	-	<b>9,144,000</b>
									(note (iii))
<b>Consultants</b>									
	11 July 2019	HK\$1.414	5 years from the date of grant	No	2,674,620	-	-	-	<b>2,674,620</b>
									(note (iv))
Total					<u>26,974,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<b><u>26,974,800</u></b>

Notes:

- (i) The share options have been granted to 4 employees and each of them hold 891,540 share options.
- (ii) The share options have been granted to 10 employees and each of them hold 1,069,848 share options.
- (iii) The share options have been granted to 4 employees and each of them hold 2,286,000 share options.
- (iv) The share options have been granted to 3 consultants and each of them hold 891,540 share options.

Each consultant provides consultancy services and business development support to the Group, including but not limited to provision of consultancy services in relation to the construction projects, sourcing potential construction projects and business development opportunity to the Group.

The management consider that in view of the limited resources of the Group and to maintain a long-term growth, the options granted to the consultants can help to retain and motivates these non-employees to generate growth in company value. The options were granted as in incentive for these consultants to provide ongoing service to the Group and to maintain a long-term relationship with them so that the Group can maintain a streamline operation with stability. Apart from the options granted, the Company has not provided any other remuneration to these consultants for their services provided.

## EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, the Board is not aware of any significant event requiring disclosure that has been taken place subsequent to 30 September 2023 and up to the date of this report.

## AUDIT COMMITTEE

An audit committee has been established with its terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, and paragraphs C.3.3 and C.3.7 of the Code. The audit committee consists of three members, namely Mr. Liao Honghao, Mr. Wong Chi Kan and Ms. Lao In lam, all being independent non-executive Directors. Mr. Wong Chi Kan currently serves as the chairman of the audit committee.

The committee is to assist the Board in fulfilling its responsibilities by providing an independent review and supervision of financial reporting, by satisfying themselves as to the effectiveness of the internal controls of our Group, and as to the adequacy of the external and internal audits.

The audit committee has reviewed the unaudited consolidated financial statements of the Group for the six months ended 30 September 2023 and is of the view that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

By order of the Board  
**WMHW Holdings Limited**  
**Yu Xiao**  
*Executive Director*

Hong Kong, 14 November 2023

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the three months and six months ended 30 September 2023

	Note	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)
<b>Revenue</b>	3	<b>7,882</b>	17,891	<b>20,533</b>	37,787
Cost of sales		<b>(7,962)</b>	(19,548)	<b>(19,950)</b>	(41,930)
<b>Gross profit/(loss)</b>		<b>(80)</b>	(1,657)	<b>583</b>	(4,143)
Other gain/(loss)	5	<b>(7,438)</b>	17,490	<b>(12,639)</b>	15,137
Administrative and other operating expenses		<b>(2,174)</b>	(5,732)	<b>(7,217)</b>	(10,642)
<b>Profit/(loss) from operations</b>		<b>(9,692)</b>	10,101	<b>(19,273)</b>	352
Finance costs	6	<b>–</b>	(360)	<b>(360)</b>	(721)
<b>Profit/(loss) before income tax</b>	7	<b>(9,692)</b>	9,741	<b>(19,633)</b>	(369)
Income tax expense	8	<b>–</b>	–	<b>–</b>	–
<b>Profit/(loss) for the period</b>		<b>(9,692)</b>	9,741	<b>(19,633)</b>	(369)
<b>Total comprehensive income/(loss) for the period attributable to equity holders of the Company</b>		<b>(9,692)</b>	9,741	<b>(19,633)</b>	(369)
		<b>HK cents</b>	HK cents	<b>HK cents</b>	HK cents
<b>Earnings/(loss) per share attributable to equity holders of the Company</b>					
Basic and diluted	11	<b>(3.21)</b>	3.23	<b>(6.50)</b>	(0.12)



## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 September 2023

	Note	As at 30 September 2023 HK\$'000 (unaudited)	As at 31 March 2023 HK\$'000 (audited)
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	281	323
		<b>281</b>	<b>323</b>
<b>Current assets</b>			
Contract assets	13	28,711	24,429
Contract cost		1,521	1,521
Trade and other receivables	14	37,121	35,026
Financial assets at fair value through profit or loss		23,212	36,063
Cash and cash equivalents		1,973	8,152
		<b>92,538</b>	<b>105,191</b>
<b>Current liabilities</b>			
Contract liabilities		1,517	1,517
Trade and other payables	15	39,242	30,787
Amount due to a former shareholder		8,516	10,033
Bond payables		12,000	12,000
Tax payable		627	627
		<b>61,902</b>	<b>54,964</b>
<b>Net current assets</b>		<b>30,636</b>	<b>50,227</b>
<b>Total assets less current liabilities</b>		<b>30,917</b>	<b>50,550</b>
<b>Net assets</b>		<b>30,917</b>	<b>50,550</b>
<b>CAPITAL AND RESERVES</b>			
Share capital	16	48,298	48,298
Reserves		(17,381)	2,252
<b>Total equity attributable to equity holders of the Company</b>		<b>30,917</b>	<b>50,550</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 September 2023

	Total equity attributable to equity holders of the Company						Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Share-based payment reserve HK\$'000	Other reserve HK\$'000	Capital reserve HK\$'000	Accumulated losses HK\$'000	
Balance as at 1 April 2022 (audited)	48,298	60,696	6,462	10,400	3,820	(69,163)	60,513
Lapse of share options during the period	-	-	(433)	-	-	433	-
Loss and total comprehensive loss for the period	-	-	-	-	-	(369)	(369)
<b>Balance as at 30 September 2022 (unaudited)</b>	<b>48,298</b>	<b>60,696</b>	<b>6,029</b>	<b>10,400</b>	<b>3,820</b>	<b>(69,099)</b>	<b>60,144</b>
Balance as at 1 April 2023 (audited)	48,298	60,696	6,030	10,400	3,820	(78,694)	50,550
Loss and total comprehensive loss for the period	-	-	-	-	-	(19,633)	(19,633)
<b>Balance as at 30 September 2023 (unaudited)</b>	<b>48,298</b>	<b>60,696</b>	<b>6,030</b>	<b>10,400</b>	<b>3,820</b>	<b>(98,327)</b>	<b>30,917</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six months ended 30 September 2023

	Six months ended 30 September	
	2023 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)
Net cash used in operating activities	(6,179)	(3,605)
Net cash generated from investing activities	–	–
Net cash generated from financing activities	–	–
<b>Net decrease in cash and cash equivalents</b>	<b>(6,179)</b>	<b>(3,605)</b>
Cash and cash equivalents at the beginning of the period	<b>8,152</b>	8,201
<b>Cash and cash equivalent at the end of the period</b>	<b>1,973</b>	4,596

## NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 16 October 2015. The address of the Company's registered office and principal place of business are P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands and Unit 2202, 22/F, Causeway Bay Plaza I, 489 Hennessy Road, Causeway Bay, Hong Kong respectively.

The Company is an investment holding company and the Group is principally engaged in the provision of civil engineering works and investment holding.

The Company's shares are listed on the GEM of the Stock Exchange on 12 April 2016.

### 2. BASIS OF PREPARATION

The unaudited interim financial report of the Group for the six months ended 30 September 2023 has been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the GEM Listing Rules.

The unaudited interim financial report should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 March 2023. The accounting policies used in the preparation of the unaudited interim financial report are consistent with those adopted in the annual consolidated financial statements of the Group for the year ended 31 March 2023.

As at the date of authorisation of the unaudited interim financial report, HKICPA has issued a number of new and amended HKFRSs. For those which are effective for accounting period beginning on 1 April 2023, the adoption of these new and amended HKFRSs had no material impact on how the results and financial position of the Group for the current or prior accounting periods have been prepared and presented. The Group has not early adopted any new and amended HKFRSs that are relevant to the Group have been issued but are not yet effective for the current accounting period.

The unaudited interim financial report has been prepared on the historical cost basis, except investments in debt and equity securities are stated at their fair value.

The unaudited interim financial report is presented in Hong Kong Dollars ("HK\$"), which is the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousands ("HK\$'000"), except when otherwise indicated.

The preparation of the unaudited interim financial report in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the accounting policies of the Group.

The unaudited interim financial report has not been audited by the Company's auditors, but has been reviewed by the Company's audit committee.

### 3. REVENUE

Revenue represents the consideration received and receivable from the provision of civil engineering works.

#### 4. SEGMENT INFORMATION

The Group's operating activities are attributable to a single reportable and operating segment focusing primarily on the provision of civil engineering works. This operating segment has been identified on the basis of internal management reports reviewed by the chief operating decision maker ("CODM"), being the executive directors of the Company. The CODM mainly reviews revenue derived from the provision of civil engineering works. The CODM reviews the overall results of the Group as a whole to make decisions about resources allocation. Accordingly other than the entity-wide disclosure, no segment analysis is presented.

##### (a) Geographical information

The Group's operations are located in Hong Kong and all the revenue of the Group were derived from Hong Kong customers. The Group's non-current assets are located in Hong Kong.

##### (b) Major customers

Revenue from customers which individually contributed over 10% of the Group's revenue 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)
Customer 1	2,567	2,916	3,010	8,493
Customer 2	–	–	1,240	–
Customer 3	5,315	13,765	15,483	28,084

\* The corresponding revenue did not individually contribute over 10% of the Group's revenue during the corresponding periods.

There is no other single customer contributing over 10% of total revenue of the Group for the three and six months ended 30 September 2023 and 2022.

#### 5. OTHER GAIN/(LOSS)

	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)
Over-provision of severance payment	–	450	–	1,080
Realised and unrealised gain/(loss) on fair value change on financial assets at fair value through profit or loss	(7,438)	16,953	(12,785)	13,102
Subsidies granted by HKSAR government	–	72	–	512
Refund of employees' compensation claim	–	–	–	413
Sundry income	–	15	146	30
	<b>(7,438)</b>	<b>17,490</b>	<b>(12,639)</b>	<b>15,137</b>

## 6. 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 bond payables	–	360	360	720
Finance charges on obligations under finance leases	–	–	–	1
	–	360	360	721

## 7. PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(loss) before income tax is 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)
Depreciation	41	70	41	140
Impairment loss recognised under expected credit loss model, net of reversal	1,754	4,624	5,348	7,485
Site equipment rental costs (included in cost of sales)	61	701	85	1,374

## 8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 8.25% and 16.5% on the estimated assessable profit for the periods ended 30 September 2023 and 2022 respectively.

	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)
Current tax				
– Hong Kong profits tax	–	–	–	–
– Deferred tax	–	–	–	–
Income tax expense	–	–	–	–

**9. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)**

	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)
Salaries, wages and other benefits	1,309	2,397	2,831	4,965
Contributions to defined contribution retirement plan	31	69	67	150
	<b>1,340</b>	<b>2,466</b>	<b>2,898</b>	<b>5,115</b>

**10. DIVIDEND**

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2023 and 2022.

**11. EARNINGS/(LOSS) PER SHARE**

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

	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)
<b>Earnings/(loss)</b>				
Earnings/(loss) for the period attributable to equity holders of the Company	(9,692)	9,741	(19,633)	(369)
<b>Number of shares</b>				
Weighted average number of ordinary shares (in thousands)	301,860	301,860	301,860	301,860

There were no dilutive potential ordinary shares during the periods ended 30 September 2023 and 2022 and therefore, diluted loss per share equals to the basic loss per share.

**12. PROPERTY, PLANT AND EQUIPMENT**

During the six months ended 30 September 2023, the Group did not acquire or dispose any property, plant and equipment (six months ended 30 September 2022: HK\$Nil).

### 13. CONTRACT ASSETS

	As at 30 September 2023 HK\$'000 (unaudited)	As at 31 March 2023 HK\$'000 (audited)
<b>Contract assets</b>		
Retention receivables of construction contracts	34,951	30,592
Less: allowances on credit loss	<u>(6,240)</u>	<u>(6,163)</u>
	<b>28,711</b>	<b>24,429</b>

Upon the adoption of HKFRS 9, opening adjustments were made as at 1 April 2018 to recognise additional expected credit losses (ECLs) on contract assets. This has resulted in a decrease in this balance as at that date.

Typical payment terms which impact on the amount of contract assets recognised are as follows:

The Group's construction contracts include payment schedules which require stage payments over the construction period once milestones are reached. These payment schedules prevent the build-up of significant contract assets. The Group also typically agrees to a twelve months retention period for 5% to 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection.

The amount of contract assets that is expected to be recovered after more than one year is HK\$18,100,000 (31 March 2023: HK\$15,854,000), all of which relates to retentions.

### 14. TRADE AND OTHER RECEIVABLES

	As at 30 September 2023 HK\$'000 (unaudited)	As at 31 March 2023 HK\$'000 (audited)
Trade receivables	49,826	46,778
Less: allowances on credit loss	<u>(21,543)</u>	<u>(16,445)</u>
	<b>28,283</b>	<b>30,333</b>
Receivables from securities brokers	551	551
Deposits for surety bonds	3,004	3,177
Other receivables, deposits and prepayments	<u>5,283</u>	<u>965</u>
	<b>37,121</b>	<b>35,026</b>
Less: prepayment classified as non-current portion	<u>-</u>	<u>-</u>
	<b>37,121</b>	<b>35,026</b>



The ageing analysis of trade receivables based on invoice date is as follows:

	<b>As at 30 September 2023 HK\$'000 (unaudited)</b>	As at 31 March 2023 HK\$'000 (audited)
0 – 30 days	1,525	1,890
31 – 60 days	1,164	926
61 – 90 days	177	–
91 – 180 days	3,496	4,130
181 – 365 days	1,076	–
Over 365 days	20,845	23,387
	<b>28,283</b>	<b>30,333</b>

The Group usually grants customers a credit period ranging from 30 to 45 days.

#### 15. TRADE AND OTHER PAYABLES

	<b>As at 30 September 2023 HK\$'000 (unaudited)</b>	As at 31 March 2023 HK\$'000 (audited)
Trade payables	15,831	10,011
Retention monies payables	14,899	14,990
Provision for long services payment	965	965
Amounts due to directors of certain subsidiaries	24	24
Accruals and other payables	7,523	4,797
	<b>39,242</b>	<b>30,787</b>

The ageing analysis of trade payables based on invoice date is as follows:

	<b>As at 30 September 2023 HK\$'000 (unaudited)</b>	As at 31 March 2023 HK\$'000 (audited)
0 – 30 days	2,233	2,558
31 – 60 days	1,778	488
61 – 90 days	241	–
Over 90 days	11,579	6,965
	<b>15,831</b>	<b>10,011</b>

The Group is granted by its suppliers a credit period ranging from 0 to 30 days.

## 16. SHARE CAPITAL

	<b>Number of shares</b> <i>'000</i>	<b>Nominal value of shares</b> <i>HK\$'000</i>
Authorised: Share capital of HK\$0.16 each <b>As at 1 April 2023 and 30 September 2023</b>	<u>500,000</u>	<u>80,000</u>
Issued and fully paid: Share capital of HK\$0.16 each <b>As at 1 April 2023 and 30 September 2023</b>	<u>301,860</u>	<u>48,298</u>