

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

Yik Wo International Holdings Limited

易和國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8659)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

The board (“**Board**”) of directors (“**Directors**”) of Yik Wo International Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited results of the Group for the nine months ended 30 September 2023. This announcement, containing the full text of the 2023 third quarterly 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 preliminary announcements of third quarterly results.

By order of the Board
Yik Wo International Holdings Limited
Xu Youjiang
Chairman and Executive Director

Hong Kong, 14 November 2023

As at the date of this announcement, the executive Directors are Mr. Xu Youjiang, Ms. Xu Liping and Mr. Zhang Yuansheng; and the independent non-executive Directors are Mr. Chang Eric Jackson, Mr. Liu Dajin and Mr. Deng Zhihuang.

This announcement, for which the Directors of 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 of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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

Yik Wo International Holdings Limited

易和國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code: 8659

Third Quarterly Report

2023



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

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

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

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this 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 report.

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

This report will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least seven days from the date of its publication and the Company’s website at www.yikwo.cn.

CONTENTS

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	2
Unaudited Condensed Consolidated Statement of Changes in Equity	3
Notes to the Unaudited Condensed Consolidated Financial Statements	4
Management Discussion and Analysis	10

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

For the three and nine months ended 30 September 2023

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2023 RMB'000 (unaudited)	2022 RMB'000 (unaudited)	2023 RMB'000 (unaudited)	2022 RMB'000 (unaudited)
Revenue	4	87,527	73,909	234,866	202,943
Cost of sales		(61,621)	(52,422)	(165,952)	(144,186)
Gross profit		25,906	21,487	68,914	58,757
Other income		309	81	1,091	257
Selling expenses		(5,829)	(3,293)	(15,250)	(9,901)
Administrative and other operating expenses		7,768	(5,645)	(24,235)	(14,672)
Change in fair value of financial assets at fair value through profit or loss		-	-	(947)	-
Profit from operations		12,618	12,630	29,573	34,441
Finance costs		(51)	(54)	(150)	(164)
Profit before income tax	5	(12,567)	12,576	29,423	34,277
Income tax expense	6	(3,790)	(3,489)	(9,756)	(9,729)
Profit for the period		8,777	9,087	19,667	24,548
Other comprehensive income/(expenses), net of tax:					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operation recognised		49	195	(74)	(124)
Total comprehensive income for the period		8,826	9,282	19,593	24,424
Earnings per share attributable to equity holders of the Company					
Basic and diluted	8	RMB1.17 cents	RMB 1.21 cents	RMB2.63 cents	RMB 3.63 cents

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2023

	Share capital RMB'000 (unaudited)	Share premium* RMB'000 (unaudited)	Other reserve* RMB'000 (unaudited)	Translation reserve* RMB'000 (unaudited)	Retained profits* RMB'000 (unaudited)	Total RMB'000 (unaudited)
As at 1 January 2022	5,418	52,086	16,867	518	90,550	165,439
Profit for the period	-	-	-	-	24,548	24,548
Other comprehensive expenses:						
- Exchange differences on translation of foreign operation recognised	-	-	-	(124)	-	(124)
Total comprehensive income for the period	-	-	-	(124)	24,548	24,424
Transaction with owner						
Issuance of ordinary shares pursuant to the acquisition of June Pictures & Media Limited	621	14,920	-	-	-	15,541
Issuance of ordinary shares pursuant to the acquisition of Youpinhui Enterprise Limited	628	16,342	-	-	-	16,970
As at 30 September 2022 (unaudited)	6,667	83,348	16,867	394	115,098	222,374
As at 1 January 2023	6,667	83,348	23,679	(362)	120,315	233,647
Profit for the period	-	-	-	-	19,667	19,667
Other comprehensive expenses:						
- Exchange differences on translation of foreign operation recognised	-	-	-	(74)	-	(74)
Total comprehensive income for the period	-	-	-	(74)	19,667	19,593
As at 30 September 2023 (unaudited)	6,667	83,348	23,679	(436)	139,982	253,240

* The reserves accounts comprise the Group's reserves of approximately RMB246,573,000 in the condensed consolidated statement of financial position as at 30 September 2023 (as at 31 December 2022: RMB226,980,000).



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

1. CORPORATE INFORMATION

Yik Wo International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) was incorporated as an exempted company in the Cayman Islands on 13 December 2018 with limited liability. The addresses of the Company’s registered office and principal place of business are at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and Wukeng Industrial Zone, Longhu Town, Jinjiang City, Fujian Province, People’s Republic of China (the “**PRC**”), respectively.

The Company is an investment holding company and its subsidiaries are principally engaged in the design and development, manufacturing and sales of disposable plastic food storage containers and the sales of daily necessities and other household goods on e-commerce platform in the PRC.

The ultimate controlling party of the Group is Mr. Xu Youjiang (“**Mr. Xu**” or the “**Controlling Shareholder**”)

The unaudited condensed consolidated financial statements (the “**Quarterly Financial Statements**”) are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company and all values are rounded to the nearest thousand (RMB’000), unless otherwise stated.

2. BASIS OF PREPARATION

The Quarterly Financial Statements for the nine months ended 30 September 2023 have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the accounting principles generally accepted in Hong Kong which include the Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (collectively, “**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The Quarterly Financial Statements does not include all of the information required in the annual consolidated financial statements and should be read in conjunction with the annual report of the Group for the year ended 31 December 2022.

The Quarterly Financial Statements for the nine-month period ended 30 September 2023 have not been audited by the Group’s auditors but have been reviewed by the Company’s audit committee.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

3. SIGNIFICANT ACCOUNTING POLICIES

The Quarterly Financial Statements for the nine months ended 30 September 2023 have been prepared in accordance with the accounting policies adopted in the Group's consolidated financial statements for the year ended 31 December 2022, except for the adoption of the following new and amended HKFRSs issued by the HKICPA effective for the annual period beginning on 1 January 2023.

Adoption of new and amended HKFRSs

The Group has adopted the following new and amended HKFRSs that have become effective for accounting period beginning on 1 January 2023 and are relevant to the Group:

HKFRS 17	Insurance Contracts with related amendments
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform — Pillar Two Model Rules

The adoption of the new and amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

The Group has not applied any new standards, interpretations or amendments to standards and interpretations that is not yet effective for the current accounting period.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

4. REVENUE

The Group derives revenue from sales of products in the following brand and nature.

	Three months ended 30 September		Nine months ended 30 September	
	2023 RMB'000 (unaudited)	2022 RMB'000 (unaudited)	2023 RMB'000 (unaudited)	2022 RMB'000 (unaudited)
Brand:				
Products under "JAZZIT" brand	72,531	67,905	194,240	183,342
Non-branded products	7,115	6,004	20,892	19,601
Disposable plastic food storage containers	79,646	73,909	215,132	202,943
Non-branded e-commerce: daily necessities and other household goods	7,881	-	19,734	-
	87,527	73,909	234,866	202,943
Nature:				
Regular products	49,134	45,047	141,248	133,308
Customised products	29,754	28,478	71,467	67,477
Others	758	384	2,417	2,158
Disposable plastic food storage containers	79,646	73,909	215,132	202,943
Non-branded e-commerce: daily necessities and other household goods	7,881	-	19,734	-
	87,527	73,909	234,866	202,943

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

5. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

	Three months ended 30 September		Nine months ended 30 September	
	2023 RMB'000 (unaudited)	2022 RMB'000 (unaudited)	2023 RMB'000 (unaudited)	2022 RMB'000 (unaudited)
Depreciation				
- Owned used	2,794	1,944	8,953	6,867
- Held under leases	443	271	1,256	813
Amortisation of intangible assets included in administrative and other operating expenses	767	660	2,751	1,704
Short-term lease charges in respect of office	240	-	720	-
Cost of inventories recognised as an expense	49,782	68,444	131,710	147,106
Research and development cost (including staff costs)	2,734	2,316	6,586	5,311
Loss on disposals of property, plant and equipment	-	26	-	196
Change in fair value of financial assets at FVTPL	-	-	947	-
Transfer of listing and related expenses	2,260	-	7,584	-
Staff costs (including directors' emoluments)				
- Salaries, allowances and other benefits	3,103	3,696	13,278	11,670
- Contributions to defined contribution retirement plans	583	130	1,357	453

6. INCOME TAX EXPENSE

No provision for profits tax has been provided by the Company as the Company had no assessable profits subject to taxation in any jurisdiction. No provision for Hong Kong profits tax has been provided as the Group had no assessable profits arising from Hong Kong during the nine months ended 30 September 2023 and 2022.

The provision for PRC enterprise income tax has been provided at the applicable tax rate of 25% (2022: 25%) on the assessable profits of the PRC subsidiaries.

	Three months ended 30 September		Nine months ended 30 September	
	2023 RMB'000 (unaudited)	2022 RMB'000 (unaudited)	2023 RMB'000 (unaudited)	2022 RMB'000 (unaudited)
Current tax				
Provision for PRC enterprise income tax	3,790	3,489	9,756	9,729

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

7. DIVIDENDS

The directors of the Company (the “**Director(s)**”) do not recommend the payment of a dividend for the nine months ended 30 September 2023 (30 September 2022: Nil).

8. EARNINGS PER SHARE

The basic earnings per share is calculated based on the profit for the period attributable to equity holders of the Company and the weighted average number of ordinary shares.

	Three months ended 30 September		Nine months ended 30 September	
	2023 (unaudited)	2022 (unaudited)	2023 (unaudited)	2022 (unaudited)
Earnings:				
Profit for the period attributable to equity holders of the Company for purpose of basic earnings per share (RMB'000)	8,777	9,087	19,667	24,548
Number of shares:				
Number of ordinary shares for purpose of basic earnings per share (in thousand)	748,483	748,483	748,483	675,631

The diluted earnings per share equal to basic earnings per share. No adjustment has been made to the basic earnings per share amounts presented for both periods as there was no potential ordinary share in issue.



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2023

9. SHARE CAPITAL

	No. of ordinary shares	RMB'000
Authorised: As at 31 December 2022 (audited) and 30 September 2023 (unaudited)	5,000,000,000	45,147

	No. of ordinary shares	RMB'000
Issued and fully paid: As at 31 December 2022 (audited) and 30 September 2023 (unaudited)	748,482,760	6,667

Note: The ordinary shares of the Company has a par value of HK\$0.01 each.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK AND PROSPECTS

The Group is principally engaged in the design and development, manufacturing and sales of disposable plastic food storage containers and to a lesser extent, the development and operation of mobile app and e-commerce platform in the PRC. Mr. Xu, the chairman and executive Director of the Company is responsible for the overall management, strategic development and major decision-making of the Group.

The Group facilitates production of a comprehensive range of disposable plastic food storage containers, including the design and production of moulds, which are mainly sold to customers in the PRC.

For the nine months ended 30 September 2023, the revenue of the Group recorded an increase primarily due to (i) the demands for the Group's disposable plastic food storage containers having increased and remaining at a high level; and (ii) contribution of revenue from our new e-commerce segment.

Looking forward, the Directors consider that the Group will continue to be affected by external opportunities and challenges such as the popularity of environmentally friendly disposable plastic food storage containers, advances in production technologies and competition from substitutes, such as disposable food storage containers in the market made of other materials. The Directors are of the view that maintaining product safety and focusing on environmental protection, brand promotion, expansion of sales channels and product customisation remain to be the key drivers for the growth of the disposable plastic storage container business. With the Group's experienced management team and reputation in the market, the Directors consider that the Group is well-positioned to compete against its competitors under such future challenges that are commonly faced by all competitors, and the Group will continue to strengthen its market position in the industry and expand its market share by the implementation of the Group's business plans through utilisation of the Group's cash and cash equivalents and cash generated from operating activities.

In view of the rapidly growing trend over the past few years of the film industry and enhancement of regulatory environment and favorable policies in the PRC, the Directors believe that the investment in film projects at this moment will enable it to leverage the opportunities that the pandemic in the PRC has gradually eased and popular entertainment needs will rebound, and seize the opportunity in the emerging film industry. For which, the Group entered into the equity sale and purchase agreements dated 10 September 2021 and supplemental agreements (the "**Supplemental Agreements**") dated 20 January 2022, to acquire 100% equity interest of June Pictures & Media Limited ("**June Pictures**") with total consideration RMB20,571,430. This acquisition was completed on 27 April 2022. The Directors believe that this investment will bring considerable income to the Group and is a suitable investment, which will also expand the business scope of the Group.

In addition, the e-commerce market in the PRC has continued to grow over the past few years. The Group acquired 100% interest in Beijing Youpinhui Trading Co., Ltd.* (北京優拼匯商貿有限公司) ("**Beijing Youpinhui**") through acquisition of Youpinhui Enterprise Limited ("**Youpinhui Enterprise**"), which held Beijing Youpinhui, on 1 June 2022. Beijing Youpinhui is engaged in the development and operation of mobile app and e-commerce platform, enabling its users to purchase daily necessities and agricultural products via the mobile app. In July 2022, the Group launched a new e-commerce APP platform Yihe Tianxia* (易和天下), which is an online shopping platform covering daily necessities, beauty and skin care products, household appliances, domestic special agricultural products and other products. For the nine months ended 30 September 2023, the Group started to provide advertising spaces on our e-commerce APP platform Yihe Tianxia* (易和天下) and charge service fees against third party advertisers.

* For identification purposes

The Group will continue to develop commercial business, continuously optimise customer experience, broaden its revenue stream and ultimately maximise shareholder returns.

FINANCIAL REVIEW

Revenue

The revenue increased from approximately RMB202.9 million for the nine months ended 30 September 2022 to approximately RMB234.9 million for the nine months ended 30 September 2023, representing an increase of approximately RMB32.0 million or approximately 15.8%. Such increase was mainly due to the increase in sales orders for the Group's disposable plastic food storage containers and contribution of revenue from our new e-commerce segment for the nine months ended 30 September 2023.

Cost of sales

The cost of sales increased from approximately RMB144.2 million for the nine months ended 30 September 2022 to approximately RMB166.0 million for the nine months ended 30 September 2023, representing an increase of approximately RMB21.8 million or approximately 15.1%. Such increase was in line with the increase in revenue.

Gross Profit

Gross profit of the Group increased by approximately RMB10.1 million or approximately 17.2% from approximately RMB58.8 million for the nine months ended 30 September 2022 to approximately RMB68.9 million for the nine months ended 30 September 2023. The overall gross profit margin slightly increases from approximately 29.0% for the nine months ended 30 September 2022 to approximately 29.3% for the nine months ended 30 September 2023.

Selling expenses

Selling expenses for the nine months ended 30 September 2023 amounted to approximately RMB15.3 million (nine months ended 30 September 2022: RMB9.9 million), representing an increase of approximately 54.0%. Such increase was attributable to (i) the increase of revenue from disposable plastic food storage containers which incurred more sales staff costs and transportation expenses; and (ii) the increase in selling expenses, including sales staff costs and promotional expenses incurred by the new e-commerce segment.

Administrative and Other Operating Expenses

Administrative and other operating expenses of the Group increased by approximately RMB9.5 million or approximately 64.6% from approximately RMB14.7 million for the nine months ended 30 September 2022 to approximately RMB24.2 million for the nine months ended 30 September 2023.

Administrative and other operating expenses primarily consist of staff costs, research and development cost, amortisation expense on intangible assets, legal and professional service fees and other costs incurred for the Group's daily operation. The increase was primarily attributable to the legal and professional expenses incurred arising from the Company's proposed transfer of listing from GEM to the Main Board of the Stock Exchange. The increase in administrative and other operating expenses was also contributed by the administrative and other operating expenses incurred by the new e-commerce segment.



MANAGEMENT DISCUSSION AND ANALYSIS

Finance Costs

During the nine months ended 30 September 2023, finance costs for the Group was approximately RMB150,000 (30 September 2022: approximately RMB164,000). It was mainly due to the lease arrangement in respect of the machinery and equipment at the end of lease term.

Income Tax Expense

Income tax expense for the Group increased by approximately RMB0.1 million or approximately 1.0% from approximately RMB9.7 million for the nine months ended 30 September 2022 to approximately RMB9.8 million for the nine months ended 30 September 2023. Income tax expense was solely arisen from provision for the PRC enterprise income tax at applicable tax rate of 25% on the assessable profits of the PRC subsidiaries.

Profit for the Period

Profit for the period decreased by approximately RMB4.8 million or approximately 19.6% from approximately RMB24.5 million for the nine months ended 30 September 2022 to approximately RMB19.7 million for the nine months ended 30 September 2023. The decrease was mainly due to the increase in selling expenses and transfer of listing and related expenses incurred during the nine months ended 30 September 2023.

Listing on GEM and proposed transfer of listing

The shares of the Company were listed on GEM of the Stock Exchange on 13 July 2020 with a total of 150,000,000 Shares issued at HK\$0.4 each by way of share offer, raising net proceeds of HK\$22.8 million (approximately RMB20.4 million) after deducting underwriting commissions and all related expenses.

On 23 February 2023, the Company has appointed professional parties to proceed with the preparation of the Company's proposed transfer of the listing of the Company's shares from GEM to the Main Board of the Stock Exchange. Formal application has been made to the Stock Exchange on 31 May 2023. For detail, please refer to the Company's announcement dated 31 May 2023.

DISCLOSURE OF INTERESTS

A. Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

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

Long/Short Position in the Company's Shares

Name of Director	Capacity/Nature of interest	Number and class of securities	Long/short position	Approximate percentage of shareholding in the Company
Mr. Xu	Interest in a controlled corporation ^[Note 1] Beneficial Owner	301,500,000 ordinary shares	Long	40.28%
		74,482,760 ordinary shares	Long	9.95%
		375,982,760 ordinary shares		50.23%
Ms. Xu Liping ("Ms. Xu")	Interest of spouse ^[Note 2]	375,982,760 ordinary shares	Long	50.23%

Notes:

- Mr. Xu holds the entire issued share capital of Prize Investment. Accordingly, Mr. Xu is deemed to be interested in the Shares held by Prize Investment under the SFO.
- Ms. Xu Liping is the spouse of Mr. Xu and is therefore deemed to be interested in the Shares in which Mr. Xu is interested under the SFO.

MANAGEMENT DISCUSSION AND ANALYSIS

B. Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 September 2023, the interests and short positions of the person (other than the Directors or chief executive of the Company) or company in the Shares, underlying Shares and debentures of the Company which was required to be recorded in the register required to be kept under Section 336 of the SFO were as follows:

Name	Capacity	Number and class of securities	Long/short position	Approximate percentage of shareholding in the Company
Prize Investment Limited	Beneficial owner	301,500,000 ordinary shares	Long	40.28%
Mr. Xu	Beneficial owner	74,482,760 ordinary shares	Long	9.95%
		375,982,760 ordinary shares	Long	50.23%
Merit Winner Limited ("Merit Winner")	Beneficial owner	67,500,000 ordinary shares	Long	9.02%
Mr. Hui Man Kit ("Mr. Hui")	Interest of a controlled corporation ^(Note 1)	67,500,000 ordinary shares	Long	9.02%
Ms. Hui Mei Nga	Interest of spouse ^(Note 2)	67,500,000 ordinary shares	Long	9.02%
Youpinhui Investment	Beneficial owner	64,000,000 ordinary shares	Long	8.55%
Mr. Hu Kun	Interest of a controlled corporation ^(Note 3)	64,000,000 ordinary shares	Long	8.55%

Notes:

1. The entire issued share capital of Merit Winner was held by Mr. Hui. Accordingly, Mr. Hui is deemed to be interested in the Shares held by Merit Winner under the SFO.
2. Ms. Hui Mei Nga is the spouse of Mr. Hui and is therefore deemed to be interested in the Shares in which Mr. Hui is interested under the SFO.
3. The entire issued share capital of Youpinhui Investment was held by Mr. Hu Kun. Accordingly, Mr. Hu Kun is deemed to be interested in the Shares held by Youpinhui Investment under the SFO.

Save as disclosed above, as at the date of this report 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 "A. Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" and other persons whose interests are set out in the section "B. Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had notified the Company of an interest or short position in the Shares or underlying shares and/or the debentures of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Sections 352 or 336 of the SFO.

COMPETING AND CONFLICTS OF INTERESTS

The Directors are not aware of any business or interest of the Directors nor the controlling shareholder of the Company nor any of their respective associates (as defined in the GEM Listing Rules) that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group during the nine months ended 30 September 2023.

PURCHASE, SALES 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 nine months ended 30 September 2023.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

On 10 September 2021, the Company entered into the equity sale and purchase agreements with Mr. Xu, Yeewo Pictures & Media Limited ("**Yeewo Pictures**") and Mr. Gong Zongfan ("**Mr. Gong**"), pursuant to which, the Company has conditionally agreed to acquire, and Mr. Xu, Yeewo Pictures and Mr. Gong have conditionally agreed to collectively sell 100% of the issued share capital of June Pictures, at a consideration of RMB72,000,000 (equivalent to HK\$86,400,000). The Consideration shall be satisfied by the Company by way of: (i) issue and allotment of 336,000,000 new shares of the Company to Mr. Xu; (ii) issue and allotment of 72,000,000 new shares of the Company to Yeewo Pictures; and (iii) issue and allotment of 72,000,000 new shares of the Company to Mr. Gong, at an issue price of HK\$0.18 per new share, resulting in the total value of HK\$86,400,000 (equivalent to approximately RMB72,000,000).

On 20 January 2022, the Company, Mr. Xu, Yeewo Pictures and Mr. Gong entered into the Supplemental Agreements to adjust certain terms of the acquisition of June Pictures, given that the interest of film project held by June Pictures has been lowered from 35% to 10% by mutual agreements among the parties. Pursuant to the Supplemental Agreements, the total consideration of RMB20,571,430 shall be satisfied by the Company by way of: (i) issue and allotment of 74,482,760 new shares of the Company to Mr. Xu; (ii) issue of a debt instrument in the sum of RMB3,085,714 to Yeewo Pictures; and (iii) issue of a debt instrument in the sum of RMB3,085,714 to Mr. Gong. The completion of the transaction is conditional upon fulfilment or waiver (as the case may be) of certain conditions. Upon the completion, the Company will hold 100% equity interest in June Pictures and the financial statements of June Pictures will be consolidated into the consolidated financial statements of the Group. This acquisition was completed on 27 April 2022.

Details of the above transaction were set out in the announcements of the Company dated 10 September 2021, 20 January 2022 and 27 April 2022 and the circular of the Company dated 16 March 2022.

On 29 April 2022, the Company entered into the sale and purchase agreement with Youpinhui Investment Holdings Limited ("**Youpinhui Investment**"), pursuant to which, the Company has conditionally agreed to acquire, and Youpinhui Investment has conditionally agreed to sell the entire issued share capital of Youpinhui Enterprise, at a consideration of HK\$18,500,000. The consideration shall be satisfied by the allotment and issue of 74,000,000 ordinary shares of the Company to Youpinhui Investment. This acquisition was completed on 1 June 2022. Details of the transaction were set out in the announcement of the Company dated 29 April 2022 and supplemental announcement of the Company dated 19 May 2022.

Pursuant to the announcements of the Company dated 26 July 2022 and 31 March 2023, Beijing Youpinhui, an indirectly wholly owned subsidiary of the Company, has established a new joint venture, Beijing Yihe Tianxia Network Technology Co., Ltd.* (北京易和天下網絡科技有限公司) ("**Beijing Yihe**") through a series of contractual arrangements and a "Variable interest entity" (the "**VIE**") structure was arranged to enable Beijing Youpinhui to control 100% beneficial interest of Beijing Yihe due to foreign ownership restrictions concerning an enterprise holding a value-added telecommunications business permit for internet information service in the PRC. In order to hold the maximum permitted interest in Beijing Yihe under the foreign ownership restrictions in the PRC, the shareholding structure of Beijing Yihe was changed to 50% being held by Beijing Youpinhui and 50% being held by Mr. Cheng Denan on 11 May 2023.



MANAGEMENT DISCUSSION AND ANALYSIS

Save as disclosed above, during the nine months ended 30 September 2023, the Group did not make any other significant investments, acquisitions or disposal during the period ended 30 September 2023 which would constitute a discloseable transaction under GEM Listing Rules.

* For identification purposes

CORPORATE GOVERNANCE CODE

Ms. Xu is the chief executive officer of the Group, while Mr. Xu is the chairman. The roles of the chairman and chief executive officer are separated and performed by different individuals.

During the nine months ended 30 September 2023, the Company has complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 of the GEM Listing Rules.

DIRECTORS’ SECURITIES TRANSACTIONS

The Group has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standards of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had also made specific enquiries of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors throughout the nine months ended 30 September 2023.

DIVIDEND

The board (the “Board”) of Directors does not recommend the payment of a dividend for the nine months ended 30 September 2023 (30 September 2022: Nil).

AUDIT COMMITTEE

The Company established an audit committee (“Audit Committee”) with its written terms of reference in compliance with the GEM Listing Rules, in accordance with provisions set out in the CG Code which are available on the websites of the Stock Exchange and the Company. The primary duties of the Audit Committee are mainly (i) to review and supervise the financial reporting process and to oversee the audit process of the Group; (ii) to oversee internal control procedures and corporate governance of the Group; (iii) to supervise internal control systems of the Group; and (iv) to monitor any continuing connected transactions. The Audit Committee consists of three members, namely Mr. Chang Eric Jackson, Mr. Liu Dajin and Mr. Deng Zhihuang, all being independent non-executive Directors of the Company. Mr. Chang Eric Jackson currently serves as the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the nine months ended 30 September 2023 before the results were submitted to the Board for approval.

By order of the Board
Yik Wo International Holdings Limited
Xu Youjiang
Chairman and Executive Director

Hong Kong, 14 November 2023

As at the date of this report, the executive Directors are Mr. Xu Youjiang, Ms. Xu Liping and Mr. Zhang Yuansheng, and the independent non-executive Directors are Mr. Chang Eric Jackson, Mr. Liu Dajin and Mr. Deng Zhihuang.