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LIFE CONCEPTS

Life Concepts Holdings Limited
生活概念控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8056)

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

The board of directors of Life Concepts Holdings Limited (the “**Company**” and the “**Board**”, respectively) hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries for the six months ended 30 September 2023. This announcement, containing the full text of the 2023/24 interim report of the Company (the “**Interim Report**”), complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of the interim results. The printed version of the Interim Report containing the information required by the GEM Listing Rules will be despatched to the shareholders of the Company in due course in the manner required by the GEM Listing Rules.

By Order of the Board

Life Concepts Holdings Limited

Xu Qiang

*Chairman, Executive Director and
Chief Executive Officer*

Hong Kong, 14 November 2023

As at the date of this announcement, the Board comprises Mr. Xu Qiang (Chairman and Chief Executive Officer) and Mr. Liu Guowei as executive Directors; and Mr. Hui Hung Kwan, Mr. Bian Hongjiang and Mr. Chen Wenrui as independent non-executive Directors.

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 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 publication. This announcement will also be published on the Company’s website at www.lifeconcepts.com.

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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 Life Concepts Holdings Limited (the “**Company**” and 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 Company and 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.*



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors:

Mr. Xu Qiang (*Chairman, Chief Executive Officer and Executive Director*) (appointed on 3 July 2023)

Mr. Liu Guowei (appointed on 4 August 2023)

Mr. James Fu Bin Lu (*Chairman and Chief Executive Officer*) (resigned Chairman and Chief Executive Officer on 3 July 2023 and resigned Executive Director on 12 July 2023)

Ms. Li Qing Ni (resigned on 12 July 2023)

Mr. Long Hai (resigned on 3 July 2023)

Mr. Yu Qinglong (appointed on 9 June 2023 and resigned on 12 October 2023)

Ms. Li Junping (appointed on 4 August 2023 and resigned on 12 October 2023)

Independent non-executive Directors:

Mr. Hui Hung Kwan (appointed on 4 August 2023)

Mr. Bian Hongjiang (appointed on 4 August 2023)

Mr. Chen Wenrui (appointed on 4 August 2023)

Mr. Lu Cheng (resigned on 12 July 2023)

Mr. Kim Jin Tae (resigned on 12 July 2023)

Mr. Shi Kangping (resigned on 12 July 2023)

COMPLIANCE OFFICER

Mr. Liu Guowei (appointed on 12 October 2023)

Mr. Long Hai (resigned on 3 July 2023)

Mr. Yu Qinglong (appointed on 3 July 2023 and resigned on 12 October 2023)

AUTHORISED REPRESENTATIVES

Mr. Xu Qiang (appointed on 12 July 2023)

Ms. Kwok Wai Chun (appointed on 13 June 2023)

Mr. James Fu Bin Lu (resigned on 12 July 2023)

Ms. Cheng Lucy (resigned on 12 June 2023)

COMPANY SECRETARY

Ms. Kwok Wai Chun (appointed on 13 June 2023)

Ms. Cheng Lucy (resigned on 12 June 2023)

AUDIT COMMITTEE

Mr. Hui Hung Kwan (*Chairman*) (appointed on 4 August 2023)

Mr. Bian Hongjiang (appointed on 4 August 2023)

Mr. Chen Wenrui (appointed on 4 August 2023)

Mr. Shi Kangping (*Chairman*) (resigned on 12 July 2023)

Mr. Kim Jin Tae (resigned on 12 July 2023)

Mr. Lu Cheng (resigned on 12 July 2023)

REMUNERATION COMMITTEE

Mr. Bian Hongjiang (*Chairman*) (appointed on 4 August 2023)

Mr. Xu Qiang (appointed as Chairman on 12 July 2023 and ceased as Chairman on 4 August 2023)

Mr. Hui Hung Kwan (appointed on 4 August 2023)

Mr. Chen Wenrui (appointed on 4 August 2023)

Mr. Lu Cheng (*Chairman*) (resigned on 12 July 2023)

Mr. Kim Jin Tae (resigned on 12 July 2023)

Mr. Long Hai (resigned on 3 July 2023)

Mr. Yu Qinglong (appointed on 9 June 2023 and resigned on 12 October 2023)

NOMINATION COMMITTEE

Mr. Xu Qiang (*Chairman*) (appointed on 3 July 2023)

Mr. Hui Hung Kwan (appointed on 4 August 2023)

Mr. Bian Hongjiang (appointed on 4 August 2023)

Mr. Chen Wenrui (appointed on 4 August 2023)

Mr. James Fu Bin Lu (*Chairman*) (resigned on 3 July 2023)

Mr. Lu Cheng (resigned on 12 July 2023)

Mr. Shi Kangping (resigned on 12 July 2023)

Mr. Yu Qinglong (appointed on 9 June 2023 and resigned on 12 October 2023)

REGISTERED OFFICE

Canon's Court, 22 Victoria Street,
Hamilton, HM 12,
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suites 1701-3, 17th Floor
Chinachem Hollywood Centre
1,3,5,7,9,11 and 13 Hollywood Road
Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Corporate Services (Bermuda) Ltd.
Canon's Court, 22 Victoria Street,
Hamilton, HM 12,
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F
148 Electric Road
North Point
Hong Kong

LEGAL ADVISER TO THE COMPANY

Sidley Austin

PRINCIPAL BANKER

The Hong Kong and Shanghai Banking Corporation
Limited

INDEPENDENT AUDITOR

McMillan Woods (Hong Kong) CPA Limited
(appointed on 3 April 2023)
24/F, Siu On Centre
188 Lockhart Road
Wan Chai
Hong Kong

COMPANY'S WEBSITE

<http://www.lifeconcepts.com>

GEM STOCK CODE

8056

The board of Directors (the “**Board**”) presents the unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2023, together with the unaudited comparative figures for the corresponding period in 2022 as set out below.

FINANCIAL HIGHLIGHTS

- The Group’s revenue for the six months ended 30 September 2023 was approximately HK\$9.3 million, representing a decrease of approximately 67.9% when compared with that of the corresponding period in 2022.
- Loss and total comprehensive loss attributable to owners of the Company for the six months ended 30 September 2023 was approximately HK\$4.6 million, representing a decrease in loss and total comprehensive loss attributable to owners of the Company of approximately 31.5% when compared with that of the corresponding period in 2022.
- The Board did not declare any dividend for the six months ended 30 September 2023 (for the six months ended 30 September 2022: Nil).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2023

	Notes	For the three months ended 30 September		For the six months ended 30 September	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Revenue	5	4,683	12,675	9,312	29,050
Cost of sales and inventories consumed		(3,845)	(2,757)	(7,566)	(5,653)
Loan referral and guarantee expenses		—	(167)	—	(325)
Employee benefit expenses		—	(7,677)	(4,460)	(17,266)
Depreciation of property, plant and equipment		3,905	(297)	(11)	(548)
Amortisation of intangible assets		—	(196)	—	(1,150)
Amortisation of right-of-use assets		—	(2,319)	—	(5,030)
Rental and related expenses		(490)	(1,040)	(945)	(1,459)
Utilities and consumables		(1,021)	(833)	(1,808)	(1,647)
Franchise and licensing fees		—	(349)	—	(349)
Government grants		—	780	—	3,170
Net impairment losses on financial instruments and contract assets		—	(2,645)	—	(5,509)
Other expenses		—	(2,032)	(7)	(7,375)
Other (losses)/gains, net		(8)	—	20	11
Finance income, net	6	439	1,250	1,142	3,289
(Loss)/profit before income tax		3,662	(5,607)	(4,324)	(10,791)
Income tax (expense)/credit	7	30	(80)	(99)	273
(Loss)/profit for the period	8	3,692	(5,687)	(4,423)	(10,518)
Other comprehensive income/(loss)					
Item that may be reclassified to profit or loss:					
Exchange differences on translation of foreign operations		(120)	1,268	(113)	2,449
Total comprehensive income/(loss) for the period		3,572	(4,419)	(4,536)	(8,069)
(Loss)/profit attributable to:					
Owners of the Company		3,766	(5,874)	(4,472)	(10,105)
Non-controlling interests		(74)	187	49	(413)
(Loss)/profit for the period		3,692	(5,687)	(4,423)	(10,518)
Total comprehensive income/(loss) attributable to:					
Owners of the Company		3,646	(4,133)	(4,585)	(6,692)
Non-controlling interests		(74)	(286)	49	(1,377)
		3,572	(4,419)	(4,536)	(8,069)
(Loss)/profit per share attributable to owners of the Company					
Basic and diluted (HK\$)	10	0.01	(0.01)	(0.01)	(0.01)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2023

	Notes	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	259	271
Right-of-use assets	11	9,476	9,479
Rental and utilities deposits		5,212	5,213
Deposit for property, plant and equipment		429	429
Restricted bank deposits	13	70,105	70,332
Contract assets	12	15,909	15,909
		101,390	101,633
Current assets			
Inventories		618	616
Trade and other receivables	12	29,037	24,413
Contract assets	12	9,980	10,065
Income tax recoverable		257	311
Cash and cash equivalents		2,226	2,214
		42,118	37,619
Total assets		143,508	139,252
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	14,791	14,791
Reserves		(119,206)	(119,757)
		(104,415)	(104,966)
Non-controlling interests		49	5,151
		(104,366)	(99,815)

	Notes	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
LIABILITIES			
Non-current liabilities			
Lease liabilities		5,803	5,805
Provision		819	819
Deferred tax liabilities		9,704	9,736
		16,326	16,360
Current liabilities			
Trade and other payables	14	30,961	21,695
Contract liabilities		390	390
Lease liabilities		11,921	11,923
Amounts due to related parties	16	60,594	60,791
Amounts due to directors	16	100,204	100,342
Bank borrowing	17	27,031	27,119
Current tax liabilities		447	447
		231,548	222,707
Total liabilities		247,874	239,067
Total equity and liabilities		143,508	139,252

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2023

	Attributable to owners of the Company						Attributable to non-controlling interests	Total
	Share capital	Share premium	Other reserve	Translation reserve	Accumulated losses	Subtotal		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2022 (audited)	63,037	28,785	27,313	(1,743)	(237,317)	(119,925)	9,510	(110,415)
Loss for the period	—	—	—	—	(10,105)	(10,105)	(413)	(10,518)
Exchange differences on translation of foreign operations	—	—	—	3,413	—	3,413	(964)	2,449
Total comprehensive loss for the period	—	—	—	3,413	(10,105)	(6,692)	(1,377)	(8,069)
Capital reorganisation (note i)	(56,733)	—	—	—	56,733	—	—	—
Reduction of share premium (note ii)	—	(28,785)	—	—	28,785	—	—	—
At 30 September 2022 (unaudited)	6,304	—	27,313	1,670	(161,904)	(126,617)	8,133	(118,484)
At 1 April 2023 (audited)	14,791	—	27,313	634	(147,704)	(104,966)	5,151	(99,815)
Loss for the period	—	—	—	—	(4,472)	(4,472)	(5,012)	(9,574)
Exchange differences on translation of foreign operations	—	—	—	—	5,023	5,023	—	5,023
Total comprehensive loss for the period	14,791	—	27,313	634	551	551	(5,012)	(4,551)
At 30 September 2023 (unaudited)	14,791	—	27,313	634	(147,153)	(104,415)	49	(104,366)

Notes:

- i. Pursuant to the extraordinary general meeting held on 15 August 2022, the resolutions involving the capital reorganisation were duly passed by way of poll. Upon the effective of capital reorganisation on 27 September 2022, issued share capital of the Company was applied by the Company to set off the accumulated losses of the Company in full. Details could be referred to the circular dated 28 June 2022 and the announcements dated 15 August 2022, 7 September 2022 and 27 September 2022.
- ii. By a special resolution passed at the extraordinary general meeting held on 15 August 2022, the Company was allowed to reduce the entire amount standing to the credit of the share premium to nil and to transfer the credits arising from such reduction to the contributed surplus account and then the entire amount in the contributed surplus account was applied to set off against the accumulated losses of the Company. The conditions of the reduction of share premium were fulfilled and it was effective from 27 September 2022.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2023

	For the six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	(387)	(15,191)
INVESTING ACTIVITIES		
Decrease of restricted bank deposits	—	535
Decrease in Right in use assets	(3)	—
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	(3)	535
FINANCING ACTIVITIES		
Repayment of bank borrowings	—	(1,233)
Repayment of lease liabilities	—	(7,882)
Advance from directors	—	23,800
Interest paid	(7)	(342)
Repayment of contract assets	85	—
Repayment of directors	138	—
Repayment of bank borrowing	88	—
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	311	14,343
NET DECREASE IN CASH AND CASH EQUIVALENTS	(79)	(313)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,214	2,522
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	91	301
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,226	2,510

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2023

1. GENERAL INFORMATION

Life Concepts Holdings Limited (the “**Company**”) was deregistered in the Cayman Islands and duly continued in Bermuda as an exempted company under the laws of Bermuda with limited liability upon the change of domicile of the Company from the Cayman Islands to Bermuda became effective on 6 September 2022. Its registered office has been changed to Canon’s Court, 22 Victoria Street, Hamilton, HM 12, Bermuda, and its principal place of business is at Suite 1701-3, 17/F, Chinachem Hollywood Centre 1, 3, 5, 7, 9, 11 and 13 Hollywood Road, Central, Hong Kong.

The Company is an investment holding company and its subsidiaries (together, the “**Group**”) are principally engaged in (i) catering operations, including operation of restaurants and trading of food and beverages; (ii) interior design and fitting-out business; (iii) provision of consulting services in relation to organic vegetables research and development, plantation and sales; and (iv) provision of financial institution intermediation services. Prior to 11 October 2018, the ultimate controlling shareholders were Total Commitment Holdings Limited (“**Total Commitment (HK)**”), Ideal Winner Investments Limited, Minrish Limited (“**Minrish**”), Indo Gold Limited (“**Indo Gold**”) and Mr. Jugdish Johnny Uttamchandani (“**Mr. Uttamchandani**”) (hereinafter as the “**former controlling shareholders**”). On and after 11 October 2018, its immediate and ultimate holding company is Strong Day Holdings Limited, a company incorporated in the British Virgin Islands with limited liability.

2. BASIS OF PREPARATION AND PRESENTATION

These unaudited condensed consolidated financial statements for the six months ended 30 September 2023 have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules and comply with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

In preparing the unaudited condensed consolidated financial statements, the Directors have given careful consideration to the future liquidity of the Group. While recognising that the Group had net current liabilities of approximately HK\$189,430,000 as at 30 September 2023 and incurred a net loss of approximately HK\$4,423,000 for the six months then ended, the Directors are of the opinion that, after due and careful enquiry taking into account the internally generated funds available to the Group, the Group has, in the absence of unforeseeable circumstances, sufficient financial resources to meet its financial obligations as they fall due for the foreseeable future.

Accordingly, the Directors believe that it is appropriate to prepare the unaudited condensed consolidated financial statements on a going concern basis without including any adjustments that would be required should the Group fail to continue as a going concern.

These unaudited condensed consolidated financial statements for the six months ended 30 September 2023 are presented in Hong Kong dollars (“**HK\$**”), which is the functional currency of the Company.

3. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current interim period, the Group has applied, for the first time, new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all HKFRSs, HKASs, Interpretations and Amendments) issued by the HKICPA that are mandatorily effective for the accounting period beginning on or after 1 April 2022.

The adoption of the new amendments to HKFRSs in the current interim period has had no significant effect on the amounts reported in these unaudited condensed consolidated financial statements and/or disclosures set out in these unaudited condensed consolidated financial statements.

The Group has not applied new and revised standards, amendments or interpretations that have been issued but are not yet effective. The Group is currently assessing the impact of the adoption of such new and revised standards, amendments or interpretations to the Group but is yet to be in a position to state whether they would have any material financial impact on the Group’s results of operations and financial position.

4. PRINCIPAL ACCOUNTING POLICIES

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements for the six months ended 30 September 2023 are consistent with those adopted in the preparation of audited consolidated financial statements included in the Company’s 2022/2023 annual report, except for the adoption of the new and revised HKFRSs issued by the HKICPA that are adopted for the first time for the current period’s unaudited condensed consolidated financial statements.

The unaudited condensed consolidated financial statements for the six months ended 30 September 2023 have been prepared on the historical cost basis.

The condensed consolidated financial statements have not been audited or reviewed by the Company’s independent auditor, but have been reviewed by the audit committee of the Board (the “**Audit Committee**”).

5. REVENUE AND SEGMENT INFORMATION

(i) Disaggregation of revenue from contracts with customers

	For the three months ended 30 September		For the six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Provision of Catering Services	3,509	10,959	6,641	24,148
Provision of financial institution intermediation services	1,174	1,716	2,671	4,902
	4,683	12,675	9,312	29,050
Geographical location				
Mainland China	1,174	1,716	2,671	4,902
Hong Kong	3,509	10,959	6,641	24,148
	4,683	12,675	9,312	29,050
Timing of revenue recognition				
A point in time	3,509	11,733	6,641	26,820
Over time	1,174	942	2,671	2,230
	4,683	12,675	9,312	29,050

For all contracts for provision of food and beverages and provision of interior design and fitting-out services for periods of one year or less, as permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

The transaction price allocated to the unsatisfied performance obligation for provision of organic vegetables consulting services is not disclosed because it is variable consideration and cannot be estimated as it is dependent on customers' future revenue.

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

(ii) Performance obligations for contracts with customers

Restaurants operations (revenue recognised at a point in time)

Revenue is recognised at a point in time upon the provision of food and beverages to customers. Payment of the transaction price is mostly due immediately at the point of providing food and beverages to customers. Customer deposits for corporate events are recognized as contract liability.

Provision of interior design and fitting-out services (revenue recognised over time)

The Group provides interior design and fitting-out services to customers. Such services are recognized as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced.

The progress towards complete satisfaction of a performance obligation is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of goods or services.

Provision of organic vegetables consulting services (revenue recognised over time)

The Group provides consulting services in relation to organic vegetables research and development, plantation and sales. Revenue is recognised for such consulting services on a monthly basis based on a pre-determined percentage of customer's monthly revenue amount as agreed in contracts.

Provision of financial institutions intermediation services

In all arrangements where the Group is not the loan originator, the Group also generates non-interest service fees by facilitating transactions between borrowers and financial institutions. The Group determines that it is not the legal lender and legal borrower in the loan origination and repayment process. Therefore, the Group does not record loans receivable and payable arising from the loans.

The Group's services consist of:

- Upfront loan facilitation service: matching potential qualified borrowers to financial institutions and facilitating the execution of loan agreements between the parties;
- Post loan facilitation service: providing repayment processing services for the financial institutions over the loan term, including following up on late repayments;
- Guarantee service provided to financial institutions, if applicable.

The Group does not receive upfront payments from borrowers and financial institutions at loan inception but receives subsequent payments from financial institutions over the term of the loan. The total service fees are first allocated to the guarantee liabilities at fair value which meets the definition of a financial guarantee under HKFRS 9. The remaining amount is then allocated to upfront loan facilitation service and post loan facilitation service using best estimated selling price, as neither vendor specific objective evidence or third party evidence of selling price is available.

Upfront loan facilitation service fees are recognised at loan inception. When the cash received is not equal to the fee allocated to the upfront loan facilitation service, a "contract asset" or "contract liability" is recognised. Post loan facilitation service fees are recognised over the term of the loan, which approximates the pattern of when the underlying services are performed. Gains from guarantee are recognised ratably over the term of the loan.

The Group expects to have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, the Group adjusts the transaction prices for the time value of money.

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment revenue and results

For the six months ended 30 September 2023 (unaudited)

The segment information provided to the Group's CODM for the reportable segments for the six months ended 30 September 2023 are as follow:

	Provision of catering services HK\$'000	Provision of financial intermediation services HK\$'000	Elimination HK\$'000	Total HK\$'000
REVENUE				
Total segment revenue	6,641	2,671	—	9,312
Inter-segment revenue	—	—	—	—
Revenue from external customers	6,641	2,671	—	9,312
Segment results	(704)	(368)	—	(1,072)
Loss before income tax				(4,324)
Income tax credit				(99)
Loss for the period				(4,423)

For the six months ended 30 September 2022 (unaudited)

	Italian style HK\$'000	Western style HK\$'000	Asian style HK\$'000	Chinese style HK\$'000	Catering management and design services and others HK\$'000	Provision of interior design and fitting-out services HK\$'000	Provision of organic vegetables consulting services HK\$'000	Provision of financial intermediation services HK\$'000	Elimination HK\$'000	Total HK\$'000
REVENUE										
Total segment revenue	4,065	20,083	—	—	1,451	—	—	4,902	(1,451)	29,050
Inter-segment revenue	—	—	—	—	(1,451)	—	—	—	1,451	—
Revenue from external customers	4,065	20,083	—	—	—	—	—	4,902	—	29,050
Segment results	(138)	(562)	(138)	—	(79)	(21)	(786)	(198)	—	(1,922)
Unallocated employee benefit expenses										(4,799)
Unallocated depreciation and amortisation										(358)
Unallocated rental and related expenses										(318)
Unallocated utilities and consumables										(212)
Unallocated other expenses										(3,179)
Finance costs, net										(3)
Loss before income tax										(10,791)
Income tax credit										273
Loss for the period										(10,518)

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

At 30 September 2023 (unaudited)

	As at 30 September 2023					Total HK\$'000
	Provision of catering services HK\$'000	Provision of financial intermediation services HK\$'000	Other services HK\$'000	Elimination HK\$'000		
Segment assets	421,023	124,618	34,396	(436,529)		143,508
Elimination of inter-segment receivables	(399,936)	(6,854)	(29,739)	436,529		—
	21,087	117,764	4,657	—		143,508
Segment liabilities	(430,861)	(117,820)	(35,518)	436,529		(147,670)
Elimination of inter-segment payables	399,936	13,708	22,885	(436,529)		—
	(30,925)	(104,112)	(12,633)	—		(147,670)
Amount due to directors						(100,204)
						(247,874)

At 31 March 2023

	As at 31 March 2023					Total HK\$'000
	Provision of catering services HK\$'000	Provision of financial intermediation services HK\$'000	Other services HK\$'000	Elimination HK\$'000		
Segment assets	421,023	120,362	34,396	(436,529)		139,252
Elimination of inter-segment receivables	(399,936)	(6,854)	(29,739)	436,529		—
	21,087	113,508	4,657	—		139,252
Segment liabilities	(430,861)	(108,875)	(35,518)	436,529		(138,725)
Elimination of inter-segment payables	399,936	13,708	22,885	(436,529)		—
	(30,925)	(95,167)	(12,633)	—		(138,725)
Amount due to directors						(100,342)
						(239,067)

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 4. Segment results represents the profit/loss earned by each segment without allocation of the common employee benefit expenses, depreciation and amortisation, rental and related expenses, utilities and consumables, other expenses, other gains and finance income/(costs), net incurred. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment. For the purposes of monitoring segment performances and allocating resources between segments, all assets and liabilities, other than amount due to directors, are allocated to operating segments.

Inter-segment sales are charged at cost-plus approach.

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Other information

The following is included in the measure of segment results and segment assets.

	Depreciation and amortisation For the six months ended 30 September		Additions to non-current assets For the six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Provision of catering services	—	5,367	—	12,895
Provision of organic vegetables consulting services and interior design and fitting-out services	—	782	—	—
Provision of financial intermediation services	3,905	272	—	—
	3,905	6,421	—	12,895

The unallocated depreciation and amortisation amounted to approximately HK\$11,000 (2022: HK\$358,000) for the six months ended 30 September 2023.

Non-current assets included property, plant and equipment, right-of-use assets and intangible assets.

Geographical information

The geographical location is based on the location at which the services were rendered or the goods delivered.

The amount of revenue from external customers broken down by geographical location is as follows:

	For the six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Hong Kong	6,641	24,148
Mainland China	2,671	4,902
	9,321	29,050

The non-current assets, other than rental and utilities deposits, deposit for property, plant and equipment, restricted bank deposits broken down by geographical location of the assets, is shown as below:

	Non-current assets	
	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Hong Kong	8,682	8,682
Mainland China	16,977	16,977
	25,659	25,659

5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Information about major customers

No revenue from individual customer contributed over 10% of total revenue of the Group for both periods.

6. FINANCE INCOME, NET

	For the three months ended 30 September		For the six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Interest income from contract assets	439	1,636	1,142	4,012
Bank interest income	—	47	—	94
Finance income	—	1,683	—	4,106
Interest expense on lease liabilities	—	(236)	—	(323)
Interest expense on accrued loan referral expenses	—	(193)	—	(475)
Interest expense on bank borrowings	—	(4)	—	(19)
Finance costs	—	(433)	—	(817)
Finance income, net	439	1,250	1,142	3,289

7. INCOME TAX (EXPENSE)/CREDIT

	For the three months ended 30 September		For the 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	—	—	—	—
PRC enterprise income tax	30	—	(99)	—
Deferred tax	30	(80)	(99)	273
Income tax (expense) credit	30	(80)	(99)	273

7. INCOME TAX CREDIT (CONTINUED)

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The 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%.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

No provision for Hong Kong Profits Tax has been made for Hong Kong subsidiaries, as there was no estimated assessable profit during the six months ended 30 September 2023 (2022: Nil).

Deferred tax expense of approximately HK\$99,000 for the six months ended 30 September 2023 (2022: HK\$273,000, credit) arose from the temporary differences in relation to amortisation of intangible assets and unrealised gains in the PRC.

8. (LOSS)/PROFIT FOR THE PERIOD

	For the three months ended 30 September		For the six months ended 30 September	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Loss/(profit) for the period has been arrived at after charging:				
Depreciation of property, plant and equipment	(3,905)	297	3,905	548
Depreciation of right-of-use assets	—	2,319	—	5,030
Amortisation of intangible assets	—	196	—	1,150
Loss on disposals of property, plant and equipment	—	—	—	—
Loss on disposals of intangible assets	—	—	—	—

9. DIVIDEND

The Board does not declare any dividend for the six months ended 30 September 2023 (2022: Nil).

10. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the period.

	For the three months ended 30 September		For the six months ended 30 September	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
(Loss)/profit for the period attributable to owners of the Company (HK\$'000)	3,766	(5,874)	(4,472)	(10,105)
Weighted average number of ordinary shares in issue (thousands)	1,898,290	810,250	1,898,290	810,250
Basic (loss)/profit per share (HK\$)	0.01	(0.01)	(0.01)	(0.01)

(b) Diluted

Diluted loss per share presented is the same as the basic loss per share as there was no potentially dilutive ordinary share outstanding as at 30 September 2023 and 2022.

11. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSETS

During the current interim period, the Group did not acquire property, plant and equipment and intangible assets (2022: Nil and Nil). In addition, the Group did not dispose property, plant and equipment and intangible assets (2022: Nil and Nil).

During the current interim period, the Group entered into new rental agreements for the use of restaurant operation and management office. The Group is required to make fixed monthly payments and additional variable payments depending on the relevant restaurants' turnover pursuant to the terms and conditions as set out in the respective rental agreements. On lease commencement, the Group recognised HK\$9,476,000 (2022: HK\$12,895,000) of right-of-use assets and HK\$5,803,000 (2022: HK\$12,895,000) of lease liabilities.

12. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Trade receivables	3,805	3,589
Other receivables and deposits	25,232	28,141
Contract assets	25,889	25,988
	54,926	57,718
Loss allowances	—	(1,689)
	54,926	56,029

Trade receivables from catering business are receivables from financial institutions in relation to the payment settled by credit cards by customers of which the settlement period is normally within 3 days from transaction date. Generally, for catering business, there is no credit period granted to customers, except for certain well-established corporate customers in which credit period of 20 to 30 days is granted by the Group. Trade receivables from the provision of interior design and fitting-out services and organic vegetables consulting services are normally settled within 30 days from invoice date. As at 30 September 2023, the ageing analysis at the gross trade receivables based on invoice date were as follows:

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
0 - 20 days	1,201	1,133
21 to 90 days	1,720	1,622
Over 90 days	884	834
	3,805	3,589
Loss allowances	532	(506)
	3,671	3,083

Before accepting any new corporate customers, management of the Group will base on the credit quality of the potential customers to define credit limits. Credit limits to customers are reviewed annually.

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. All of the trade receivables that are neither past due nor impaired are mainly from the reputable financial institutions.

12. TRADE AND OTHER RECEIVABLES AND CONTRACT ASSETS (CONTINUED)

As at 30 September 2023, included in the Group's trade receivables balances are debtors with an aggregate carrying amount of HK\$1,998,000 (31 March 2023: HK\$1,948,000) which are past due as at the reporting date. Out of the past due balances, HK\$378,000 (31 March 2023: HK\$328,000) has been past due 90 days or more and is not considered as default as the Group considered such balances could be recovered based on repayment history, the financial conditions and the current credit worthiness of each debtors.

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Other receivables and deposits:		
Prepayments for insurances, consumables and services	3,947	3,947
Prepayments for rental	100	100
Prepayments for loan guarantee expenses	11,837	11,837
Advance to employees	775	775
Rental and utilities deposits	5,271	5,271
Loan receivable	1,701	1,701
Deposits for property, plant and equipment	429	429
Others	4,081	4,081
Loss allowances	(1,169)	(1,169)
	34,636	34,636
Less: Other receivables and deposits-non-current portion	(9,012)	(9,012)
Other receivables and deposits-current portion	25,624	25,624
	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Contract assets		
Upfront loan facilitation service fees	25,988	25,988
Loss allowances	—	(14)
	25,889	25,974
Less: Contract assets-non-current portion	15,909	(15,909)
Contract assets-current portion	9,980	10,065

The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers contract assets to trade receivables upon achieving the specified milestones in the contracts. There are no past due as at the reporting date.

13. RESTRICTED BANK DEPOSITS

As at 30 September 2023, the restricted bank deposits represented variable rate deposits placed in banks pursuant to the Group's obligations under certain operating leases and service agreements in relation to the provision of financial institution intermediation services of HK\$70,105,000 (31 March 2023: HK\$70,332,000). The restricted bank deposits carry interest ranging from 1.8% to 4.1% (31 March 2023: from 1.8% to 4.1%) per annum. The deposits will be released upon termination or expiry of the agreements which is expected to be beyond one year from the end of respective reporting periods. Accordingly, the amounts are included in non-current assets.

14. TRADE AND OTHER PAYABLES

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Trade payables to third parties	4,891	4,891
Accruals and other payables:		
Accrued staff salaries	2,672	2,672
Franchise and licensing fee payables	2,314	2,314
Payable for property, plant and equipment	500	500
Audit fee accrual	1,380	1,380
Payable for repair and maintenance	1,449	1,449
Payable for utilities and consumables	1,071	1,071
Payable for cleaning suppliers	606	606
Other tax payables	232	232
Accrued loan referral expenses	1,619	1,619
Others	13,144	4,961
	24,987	16,804
Trade and other payables	30,961	21,695

The ageing analysis of the trade payables based on invoice date were are follows:

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
0 – 60 days	2,835	2,321
Over 60 days	3,139	2,570
	5,974	4,891

The credit period on purchases of goods and services is about 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

15. SHARE CAPITAL

AUTHORISED:

	Number of Shares	Amount US\$	HK\$'000
At 31 March 2023 of US\$0.001 each	100,000,000,000	100,000,000	778,000
At 30 September 2023 of US\$0.001 each	100,000,000,000	100,000,000	778,000

ISSUED AND FULLY PAID:

	Number of Shares	Amount US\$	HK\$'000
At 31 March 2023 of US\$0.001 each	1,898,290,908	1,898,290	14,791
At 30 September 2023 of US\$0.001 each	1,898,290,908	1,898,290	14,791

16. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Amounts due from/(to) related parties

Details of the amounts due from/(to) related parties are shown as follows:

	30 September 2023 HK\$'000 (Unaudited)	31 March 2023 HK\$'000 (Audited)
Loan to a related party (Note (iv))	(2,310)	2,431
Loss allowances (Note (iv))	(2,310)	(2,431)
	—	—
Advances to related parties (Note (i))	14,161	14,161
Loss allowances	(14,161)	(14,161)
	—	—
Total amounts due from related parties	—	—
Amounts due to directors (Note (ii))	(100,204)	(100,342)
Loan from related parties (Note (iii))	(53,061)	(53,061)
Other payables to a related party	(7,533)	(7,730)
Total amounts due to related parties	60,594	(60,791)

Notes:

- (i) Within the balance includes interest receivable in relation to loan to a related party, a company controlled by a non-controlling interest, in note (iv) of HK\$2,310,000 (31 March 2023: HK\$2,431,000). However, by considering recoverability from related party, loss allowance amounted to HK\$2,310,000 (31 March 2023: HK\$2,431,000). Loss allowance movement for the period ended 30 September 2023 is as follows:

	HK\$'000
Opening net book amount	2,431
Exchange realignment	(121)
Ending net book amount	2,310

- (ii) The amount due to directors is non-trade in nature, unsecured and interest-free.
- (iii) Loan from related parties, non-controlling interest of a subsidiary, is non-trade in nature, unsecured and interest-free.

16. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(a) Amounts due from/(to) related parties (continued)

- (iv) As at 30 September 2023, the loan to a related party, a company controlled by a non-controlling interest, is interest bearing at 4.785% per annum and is denominated in Renminbi ("RMB"). The balance is secured by the trade receivables, certain plant and equipment, certain inventories and equity interest of the related party. The balance is repayable on maturity date at 30 June 2022. However, the balance is not yet repaid by the related party subsequently. Loss allowances in relation to this balance amounted to HK\$14,161,000 (31 March 2023: HK\$14,161,000) as at 30 September 2023. Loss allowance movement for the six months ended 30 September 2023 is as follows:

	HK\$'000
Opening net book amount	14,161
Exchange realignment	—
Ending net book amount	14,161

17. BANK BORROWINGS

The loans carry interest at fixed market rates of 3.85% and are repaid in the current interim period. The proceeds were used as working capital.

MANAGEMENT DISCUSSION AND ANALYSIS

During the six months ended 30 September 2023 and up to the date of this report, the Group has been principally engaged in (i) operating restaurant in Hong Kong serving a variety of cuisines, mainly Western and Italian, targeting customers with a medium to high propensity to spend, as well as trading of food and beverages (the “**Provision of Catering Services**”); (ii) provision of consulting services in relation to organic vegetables research and development, plantation and sales in the PRC (the “**Organic Vegetables Consulting Services**”); and (iii) provision of financial institution intermediation services in the PRC (the “**Financial Institution Intermediation Services**”).

Business Review

Provision of Catering Services Business

During the six months ended 30 September 2023, the Group’s Provision of Catering Services Business maintained its focus on serving a variety of cuisines under different brands to a diversified customer base in Hong Kong. The Group has persevered to uphold its core value, “Value for Money”, through providing its customers with a boutique dining experience of delicious dishes, attentive services and a tranquil environment. During the six months ended 30 September 2023, the Provision of Catering Services Business has also commenced developing a new business of food and beverages trading, including but not limited to, wine.

During both six months ended 30 September 2022 and 2023, the operating results of our restaurants have been negatively impacted by the novel coronavirus pneumonia (COVID-19) (the “**COVID-19 Pandemic**”). Proportionate to number of confirmed cases in Hong Kong, stringent measures have been undertaken by the government in Hong Kong, including but not limited to, implementation of travel restrictions, several restrictions in relation to catering business and prohibition on group gathering, which has significantly disrupted the local economy, especially local food and beverage business. The “vaccine pass” arrangement and the tightening of social distancing measures upon the fifth wave of COVID-19 in Hong Kong since February 2022 led to a more challenging food and beverage business environment. We had also closed several restaurants due to the difficult business environment. As a result, the Company recorded a decrease in revenue for our Provision of Catering Services Business for the Year compared to that recorded for the six months ended 30 September 2022. As there is a re-opening from COVID-19 in PRC and relax of its border control, we are cautiously optimistic and preparing to capture the potential recovery of Hong Kong tourism and food and beverages industry economy.

To cope with the impact of the COVID-19 Pandemic, the Provision of Catering Services Business has kept maintaining our implemented comprehensive risk study and contingency plan, and communicated with the investors of each project on the progress of the projects in a timely manner. The management of the Provision of Catering Services Business will continue to actively deal with the possible adverse impact of the COVID-19 Pandemic on our business operations. We will also continue to adhere to our professionalism and stick to the bottom line of every investment to protect the funds of our investors and strive to minimise the impact of the COVID-19 Pandemic.

Organic Vegetables Consulting Services

During the six months ended 30 September 2023, the business suffered operating loss of approximately HK\$16,000 as the size of such business of the Group is relatively small with a narrow base of customers at the moment, the business was yet to generate any revenue.

Financial Institution Intermediation Services

The Group has laid out a one-stop and professional financial services platform for financial practitioners and financial institutions based on the macro background of China's consistent policy of vigorously supporting small and medium-sized enterprises. Currently, the Group cooperates with financial practitioners and financial institutions to contact potential qualified borrowers through financial practitioners, and then the Group recommends potential qualified borrowers to financial institutions and facilitates both parties to enter into loan agreements, and the financial institutions provide loans to the borrowers.

During the six months ended 30 September 2023, this business has been significantly affected by the downturn of macro-economy and the heightening of risk appetite in the PRC and globally. As a result, no new loans to borrowers had been facilitated by the Group during the Period and profit of approximately HK\$388,000 had been generated during the six months ended 30 September 2023.

Financial Review

Revenue

During the six months ended 30 September 2023, the Group's revenue was generated from (i) the operation of restaurants in Hong Kong; and (ii) provision of financial institution intermediation services in the PRC. As at 30 September 2023, we had 2 (2022: 5) restaurants in Hong Kong and 3 restaurants (2022: 2) was closed or had been disposed of.

The Group served mainly two categories of cuisines during the six months ended 30 September 2023. The table below sets forth a breakdown of the Group's revenue generated by (i) operation of restaurants by type of cuisines; (ii) provision of interior design and fitting-out services; (iii) provision of organic vegetables consulting services; and (iv) provision of financial institution intermediation services, and as a percentage of the total revenue during the six months ended 30 September 2023 (and 2022 for comparison purpose).

	For the three months ended 30 September				For the six months ended 30 September			
	2023		2022		2023		2022	
	Revenue (HK\$'000) (Unaudited)	% of total Revenue (%)	Revenue (HK\$'000) (Unaudited)	% of total Revenue (%)	Revenue (HK\$'000) (Unaudited)	% of total Revenue (%)	Revenue (HK\$'000) (Unaudited)	% of total Revenue (%)
Provision of Catering Services	3,132	67.7	10,959	86.5	6,641	71.3	24,148	83.1
Provision of financial institution intermediation services	1,496	32.3	1,716	13.5	2,671	28.7	4,902	16.9
	4,629	100.0	12,675	100	9,312	100	29,050	100

Provision of Catering Services Business

The revenue generated from provision of catering services decreased by approximately HK\$17.5 million, or approximately 72.6%, from approximately HK\$24.1 million for last year to approximately HK\$6.6 million for the Year. Such decrease was mainly due to (i) the occurrence of the fifth wave of COVID-19 Pandemic in Hong Kong.

Provision of organic vegetables consulting services

During the Year, no revenue was recognised in this segment as the size of such business of the Group is relatively small with a narrow base of customers at the moment. Besides, due to the COVID-19 Pandemic lockdown in Shanghai, which is the segment's principle place of business, in the first quarter ended 30 June 2023, there has been a lack of opportunities because of such closure and the significant downturn of macroeconomy since then.

Provision of Financial Institution Intermediation Services Business

The revenue generated from provision of Financial Institution Intermediation Services by the Group was approximately HK\$2.6 million for the Period (2022: approximately HK\$4.9 million).

The decrease was resulted from the unfavourable macro-economic environment in the PRC, particularly with the gigantic loan default events in 2021 with lasting impacts up to the date of this report, which led to no new loans facilitated for the Period. While income from early redemption penalty and service charges may also adversely affect future post loan facilitation service fees and future guarantee service fees.

Cost of sales and inventories consumed

Cost of sales and inventories consumed mainly represented the costs of food ingredients and beverages for the Provision of Catering Services Business for the Year. The major food ingredients purchased by the Group includes vegetable, meat, seafood, frozen food and wine. Cost of sales and inventories consumed is one of the major components of the Group's operating expenses which amounted to approximately HK\$7.6 million and HK\$0.6 million for the Period and the Period ended 30 September 2023, respectively, representing approximately 81.3% and 19.5% of the Group's total revenue for the corresponding period in 2023 and 2022. The decrease in cost of sales and inventories consumed was due to the closure of restaurants during the Year.

Loan referral and guarantee expenses

Loan referral and guarantee expenses, which represents the cost of Financial Institution Intermediation Services, including customer service cost and third party guarantee fee, which amounted to HK\$0 for the Period (2022: HK\$896,000).

Employee benefits expenses

Employee benefits expenses represented one of the major components of the Group's operating expenses, which primarily consisted of Directors' emoluments, salaries, retirement benefit scheme contributions and other benefits.

The employee benefits expenses decreased by approximately HK\$12.8 million from approximately HK\$17.3 million to approximately HK\$4.5 million for last period and the current period, respectively. The decrease was mainly due to the closure of restaurants and the continuous streamlining of organizational structure in the PRC.

Rental and related expenses

Our depreciation expense in respect of right-of-use assets plus rental and related expenses were mainly represented by lease of premises for the Group's restaurants operation and lease of office premises for the Group's PRC financial services operations.

Other expenses

Other expenses mainly include advertising, cleaning and laundry expenses, credit card commission, packing and printing materials, music performance show, repair and maintenance, legal and professional fee and insurance. During the Period and last Period, the Group recognised other expenses of approximately HK\$7,000 and HK\$7.4 million, respectively, representing approximately 0.08% and 25.39% of the Group's total revenue for the corresponding periods. The decrease in other expenses incurred in the Period was mainly due to (i) the closure of restaurants leading to reduced cleaning and laundry expenses, repair and maintenance expense and other operating costs; and (ii) the cost control policy adopted by the Group to maintain the Group's competitiveness.

Other gains/(losses), net

During the Period, the Group recognised net other gains of approximately HK\$20,000 (2022: net other gains of approximately HK\$11,000). Since there was no early termination of lease contracts during the Period and hence no such income was recognised, leading to a decrease in net other gains.

Finance income, net

Finance income mainly included interest income from contract assets and loan receivables.

The finance income is offsetted by finance costs, which mainly represent finance costs recognised in relation to the lease liabilities regarding the rental contracts upon adoption of HKFRS 16 "Leases".

The decrease in finance income, net for the Year is mainly caused by reduction in provision of Financial Institution Intermediation Services.

Loss attributable to owners of the Company

Loss attributable to owners of the Company for the Period was approximately HK\$4.5 million, while the loss attributable to owners of the Company for the period ended 30 September 2022 was approximately HK\$10.1 million.

The decrease of loss attributable to owners of the Company was primarily attributable to the following factors:

- (i) The closure of certain loss-making restaurants of the Group during the last and the current financial periods led to the decrease in the operating costs of our provision of Catering Services Business, comprising mainly cost of inventories consumed, employee benefit expenses, rental expenses and other operating expenses;

Which were offset by the following factor:

- (ii) A reduction of profit generated by our Financial Institution Intermediation Services during the Period compared to that generated during the year ended 30 September 2022.

Our management will continue to control costs in order to minimise the impact of such adverse factors on the Group.

Liquidity and Financial Resources

As at 30 September 2023, total assets of the Group amounted to approximately HK\$143.5 million (31 March 2023: HK\$139.3 million) and the cash and cash equivalents amounted to approximately HK\$2.2 million (31 March 2023: HK\$2.2 million). The cash and cash equivalents were denominated in HK\$ and RMB. The Group's working capital was approximately negative HK\$88.0 million (31 March 2023: negative HK\$84.8 million), represented by total current assets of approximately HK\$42.1 million (31 March 2023: HK\$37.6 million) against total current liabilities, net of amounts due to directors, of approximately HK\$131.3 million (31 March 2023: HK\$122.4 million). The current ratio, being the proportion of total current assets against total current liabilities, net of amounts due to directors, was 0.32 (31 March 2023: 0.31).

The gearing ratio (being net debt divided by the aggregate of net debt and total capital) of the Group as at 30 September 2023 was approximately 248.9% (31 March 2023: 244.4%). Net debt was approximately HK\$197.5 million (31 March 2023: HK\$168.9 million) which is calculated based on the sum of total lease liabilities, amounts due to directors, loans from related parties and bank borrowings, less cash and cash equivalents. Total deficit and net debt was approximately HK\$69.1 million (31 March 2023: HK\$69.1 million).

Outlook

Despite the keen competition and challenging operating environment in food and beverage industry in Hong Kong, the Group has emerged as one of the well-known restaurant chains in Hong Kong. During the six months ended 30 September 2023, the Group continued to maintain its focus on serving a variety of cuisines at varying prices under different brands to a diversified customer base in Hong Kong. As at 30 September 2023, the Group was operating 2 restaurants in Hong Kong.

The Group also provides organic vegetables consulting services and financial institution intermediation services in the PRC.

Consulting services in relation to organic vegetables research and development, plantation and sales rely on the extensive managerial experience of the operating team and advanced patents and technologies. As living standards are rising, the demands towards quality of food ingredients are increasing, which could be a critical component of the Group's diversified development.

The Group has established a one-stop and professional financial service platform with excellent performance for financial market practitioners. Small and micro enterprises, including their individual entrepreneurs and owners, are the major forces in absorbing employment, stimulating innovation, driving investment and promoting consumption, and are important contributors to the gross domestic product, national tax revenue and urban employment, but financing has always been a prominent problem limiting the development of small and micro enterprises. The financial service platform established by the Group helps to ease this problem. The Group will continue to observe the changes of business environment and government policies in this segment and adjust its business strategy in accordingly. With the opportunities that comes with the end of COVID-19 Pandemic, the Group will take opportunities to continue to invest in and develop new business.

Foreign Exchange Exposure

The Group mainly operates in Hong Kong and the PRC. The Directors consider that the Group's exposure to foreign currency exchange risk is insignificant as the Group collects most of the revenue and incur most of the expenditure in HK\$ and RMB, being the local currencies of the operating subsidiaries in Hong Kong and the PRC. Moreover, the Group adopted a conservative treasury policy with most of the bank deposits being kept in HK\$, or in RMB to minimise exposure to foreign exchange risks. The management will closely monitor the fluctuation in these currencies and take appropriate actions when needed.

Pledge of Assets

As at 30 September 2023, save for restricted bank deposits of approximately HK\$70,105,000 (31 March 2023: HK\$70,332,000) for the Group's obligations under certain operating leases or service agreements in relation to the provision of financial institution intermediation services, the Group did not pledge any other assets (31 March 2023: Nil).

Contingent Liabilities

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

Capital Commitments

As at 30 September 2023, the Group did not have any outstanding capital commitments (31 March 2023: Nil).

Interim Dividend

The Board has resolved not to declare any interim dividend for the six months ended 30 September 2023 (2022: Nil).

Employees and Remuneration Policies

As at 30 September 2023, the total number of employees of the Group was 46 (31 March 2023: 119). Total staff costs (including Directors' emoluments) were approximately HK\$6,561,000 for the six months ended 30 September 2023 (2022: HK\$17,266,000). Employees' remuneration (including Directors' emoluments) is commensurate with their job nature, qualifications and experience. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors. The Group continues to offer competitive remuneration packages and bonus to eligible staff, based on the performance of the Group and the individual employee. Furthermore, the Company has adopted a share option scheme as an incentive to the Directors and eligible employees. The Group also provides and arranges on-the-job training for the employees.

Significant Investments

As at 30 September 2023, the Group did not hold any significant investments or capital assets.

Future Plans for Material Investments or Capital Assets

The Group has no plan authorised by the Board for other material investments or additions of capital assets as at the date of this report.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the six months ended 30 September 2023.

DISCLOSURE OF ADDITIONAL INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, 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 or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register maintained by the Company pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long position in the Shares

Name of Directors and Chief Executives	Capacity/Nature of interests	No of Shares or Underlying Shares	Approximate percentage of shareholding
Ms. LI Junping ("Ms. LI") ^{Note} (resigned on 12 October 2023)	Beneficial owner	79,655,000	4.20%

Note: This is based on the total number of Shares in issue as at 30 September 2023, being 1,898,290,908.

Save as disclosed above, as at 30 September 2023, none of the Directors, the chief executive of the Company or their respective associates had any interest or short position 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) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuer as referred to in Rule 5.46 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2023, the interests and short positions of substantial shareholders and other persons (not being a Director or the chief executive of the Company) in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

Long positions in the shares of the Company:

Name of shareholders	Capacity/Nature of interests	No. of shares	Approximate percentage of shareholding
Strong Day ^{Note}	Beneficial owner/Personal interest	108,750,000	5.73%
Excel Precise International Limited ("Excel Precise") ^{Note}	Person having a security interest in shares/Others	99,235,000	5.23%
True Promise Investments Limited ("True Promise") ^{Note}	Interest in controlled corporation/ Corporate interest	99,235,000	5.23%
Mr. Law Fei Shing ("Mr. Law") ^{Note}	Interest in controlled corporation/ Corporate interest	99,235,000	5.23%

Note: These shares of the Company are held by Strong Day. Excel Precise is the lender of record which has direct interest on the shares of the Company pledged by Strong Day. Excel Precise is owned as to 73.50% by True Promise and 25% by Mr. Law. True Promise is wholly owned by Mr. Law. By virtue of the SFO, True Promise and Mr. Law are deemed to be interested in the shares of the Company pledged to Excel Precise.

Save as disclosed above, as at 30 September 2023, so far as it was known by or otherwise notified to the Directors or the chief executive of the Company, no other corporations or persons (other than a Director or the chief executive of the Company) had interest or short positions in the shares and the underlying shares of the Company, which/who would notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The Share Option Scheme was approved by the shareholders of the Company (the "Shareholders") on 14 July 2016 for attracting and retaining the best available personnel of our Group, and providing incentives or rewards to eligible persons of the Group for their contribution to the success of the Group's business.

During the six months ended 30 September 2023, no share options were granted, exercised or cancelled or lapsed under the Share Option Scheme and there was no share option outstanding as at 30 September 2023.

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

The Company did not redeem any of the shares of the Company listed on GEM nor did the Company or any of its subsidiaries purchase or sell any such shares of the Company during the six months ended 30 September 2023.

DIRECTORS' INTERESTS IN CONTRACTS

During the six months ended 30 September 2023, no Director had a significant beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or its holding company or any of its subsidiaries or fellow subsidiaries was a party.

COMPETING INTEREST

During the six months ended 30 September 2023, none of the Directors or substantial shareholders of the Company or any of their respective close associates (as defined in the GEM Listing Rules) has engaged in any business that competed or might compete with the business of the Group, or have any other conflict of interests with the Group, as required to be disclosed under Rule 11.04 of the GEM Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted the required standard of dealings in the securities (the "**Required Standard of Dealings**") as contained in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct for dealings in the securities of the Company by the Directors. Having made specific enquiries by the Company, all the Directors have confirmed that they had complied with the Required Standard of Dealings during the six months ended 30 September 2023.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

To the best knowledge of the Directors, the Directors consider that up to the date of this report, the Company has complied with all the applicable code provisions of the Corporate Governance Code as set out in Part 2 of Appendix 15 to the GEM Listing Rules (the "**CG Code**"), except for certain deviation as specified with considered reasons for such deviation as explained below.

Under code provision C.2.1 of the CG Code, the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual.

During the six months ended 30 September 2023 and up to the date of this report, the Company has not separated the roles of chairman and chief executive officer of the Company. During the six months ended 30 September 2023, Mr. James Fu Bin Lu is the chairman and also the chief executive officer of the Company and he has resigned as the chairman and the chief executive officer of the Company with effect from 12 July 2023. From 12 July 2023 to the date of this report, Mr. Xu Qiang is the chairman and also the chief executive officer of the Company. The Board believes that vesting the roles of both the chairman of the Board and the chief executive officer in the same person provides the Company with strong and consistent leadership, and allows for effective and efficient planning and implementation of business decisions and strategies. The Board considers that the structure currently operated by the Company does not undermine the balance of power and authority between the Board and the management as the decisions of the Board are made collectively by way of voting and therefore the chairman of the Board should not be able to monopolize the voting result. The Board shall nevertheless review the structure from time to time to ensure appropriate move is being taken should suitable circumstances arise.

AUDIT COMMITTEE

Pursuant to Rule 5.28 of the GEM Listing Rules, the Board has established an Audit Committee with written terms of reference aligned with the provision of the code provisions set out in the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. As at the date of this report, the Audit Committee comprises Mr. Hui Hung Kwan (chairman of the Audit Committee), Mr. Bian Hongjiang and Mr. Chen Wenrui, all of whom are independent non-executive Directors.

The unaudited condensed consolidated results of the Group for the six months ended 30 September 2023 and this report of the Company have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results and report comply with the applicable accounting standards, the GEM Listing Rules and legal requirements and that adequate disclosures have been made.

EVENT AFTER REPORTING PERIOD

1. Proposed Change of Company's Name

On 27 March 2023, the Board proposed to change the English name of the Company from "Life Concepts Holdings Limited" to "Jinyu Mantang Holdings Limited", and the secondary name in Chinese of the Company from "生活概念控股有限公司" to "金玉滿堂控股集團有限公司" ("**Change of Company's Name**").

As the special resolution approving the Change of Company's Name was duly passed by the shareholders of the Company at the annual general meeting held on 28 September 2023, subject to the approval of the Change of Company's Name by the Registrar of Companies in the Bermuda, the Change of Company's Name will take effect from the date on which the Registrar of Companies in the Bermuda registers the new English name in place of the existing English name of the Company and registers the secondary name of the Company as set out in the certificate of incorporation on change of name and the certificate of secondary name issued by the Registrar of Companies in Bermuda respectively.

The Company will make further announcement(s) on the effective date of the Change of Company's Name, the consequential change in the stock short names and website address of the Company as and when appropriate.

Details of the Change of Company's Name are set out in the announcements of the Company dated 27 March 2023 and 28 September 2023, and the circular of the Company dated 6 September 2023.

2. INSIDE INFORMATION IN RESPECT OF TERMINATION OF FRAMEWORK AGREEMENT AND RESIGNATION OF EXECUTIVE DIRECTORS AND CHANGE OF COMPLIANCE OFFICER

Reference is made to the announcement of the Company dated 28 February 2023 (the “**Announcement**”) in relation to the signing of a non-legally binding framework agreement (“**Framework Agreement**”) (previously referred to as “letter of intent” in the Announcement) for strategic cooperation with 深圳市金玉匯萃科技有限公司 (Shenzhen Jinyu Huicui Technology Co., Ltd.*) (“**Jinyu Huicui Technology**”). The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company announced that no formal agreement was signed in respect of the strategic cooperation with Jinyu Huicui Technology and that the Company served a notice to Jinyu Huicui Technology on 4 July 2023 terminating the Framework Agreement with effect from 3 October 2023. No payment or deposit of any kind has been made or committed by the Company to Jinyu Huicui Technology.

Mr. Yu Qinglong (“**Mr. Yu**”) has resigned as an executive Director, the compliance officer and a member of the remuneration committee and the nomination committee of the Company with effect from 12 October 2023.

Ms. Li Junping has resigned as an executive Director of the Company with effect from 12 October 2023.

Following the resignation of Mr. Yu, Mr. Liu Guowei, an executive Director, has been appointed as the compliance officer of the Company with effect from 12 October 2023.

For further details, please refer to the announcements of the Company dated 28 February 2023 and 13 October 2023.

Save as disclosed above, the Group does not have any material subsequent event after the six months ended 30 September 2023 and up to the date of this report.

By order of the Board

Life Concepts Holdings Limited

Xu Qiang

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 14 November 2023

As at the date of this announcement, the Board comprises Mr. Xu Qiang (Chairman and Chief Executive Officer) and Mr. Liu Guowei as executive Directors; and Mr. Hui Hung Kwan, Mr. Bian Hongjiang and Mr. Chen Wenrui as independent non-executive Directors