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# GOAL FORWARD HOLDINGS LIMITED

## 展程控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1854)

### INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

The unaudited condensed consolidated interim results of Goal Forward Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) for the six months ended 30 September 2021, together with the comparative unaudited figures for the corresponding period in 2020, are as follows:

		<b>Unaudited</b>	
		<b>Six months ended 30 September</b>	
	Note	<b>2021</b>	<b>2020</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
Revenue	5	<b>68,242</b>	54,195
Cost of sales	7	<b>(57,070)</b>	(46,098)
<b>Gross profit</b>		<b>11,172</b>	8,097
Other income	6	<b>54</b>	2,726
Selling and administrative expenses	7	<b>(11,118)</b>	(9,377)
Impairment of trade receivables	7	<b>(911)</b>	(277)
<b>Operating (loss)/profit</b>		<b>(803)</b>	1,169
Finance income	8	<b>23</b>	26
Finance costs	8	<b>(379)</b>	(644)
Finance costs – net	8	<b>(356)</b>	(618)
Share of loss of a joint venture		<b>(74)</b>	(51)
<b>(Loss)/profit before income tax</b>		<b>(1,233)</b>	500
Income tax expense	9	<b>(145)</b>	(339)
<b>(Loss)/profit and total comprehensive (expense)/income for the period</b>		<b>(1,378)</b>	161

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021**

	Note	Unaudited Six months ended 30 September 2021 HK\$'000	2020 HK\$'000
(Loss)/profit and total comprehensive (expense)/income for the period attributable to:			
– Equity holders of the Company		<b>(1,375)</b>	165
– Non-controlling interest		<b>(3)</b>	(4)
		<hr/> <b>(1,378)</b>	161
(Loss)/earnings per share attributable to equity holders of the Company for the period			
– Basic and diluted (expressed in HK cents per share)	10	<hr/> <b>(0.10)</b>	0.01

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2021**

	Note	Unaudited As at 30 September 2021 HK\$'000	Audited As at 31 March 2021 HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	31,407	32,513
Right-of-use assets		46,080	46,985
Prepayments and deposits	13	651	17
Interest in a joint venture		201	275
<b>Total non-current assets</b>		<b>78,339</b>	<b>79,790</b>
<b>Current assets</b>			
Inventories		592	553
Trade receivables	13	26,704	19,747
Prepayments, other receivables and deposits	13	7,633	8,061
Cash and cash equivalents		67,099	37,431
<b>Total current assets</b>		<b>102,028</b>	<b>65,792</b>
<b>Total assets</b>		<b>180,367</b>	<b>145,582</b>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	14	15,120	12,600
Share premium		82,151	46,971
Other reserve		100	100
Retained earnings		32,233	33,611
		<b>129,604</b>	<b>93,282</b>
Non-controlling interest		–	(11)
<b>Total equity</b>		<b>129,604</b>	<b>93,271</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		–	2
Deferred tax liabilities		1,851	1,706
<b>Total non-current liabilities</b>		<b>1,851</b>	<b>1,708</b>
<b>Current liabilities</b>			
Trade payables	16	4,992	3,893
Accruals and other payables	16	3,174	3,190
Borrowings	15	40,734	43,395
Lease liabilities		12	20
Current income tax liabilities		–	105
<b>Total current liabilities</b>		<b>48,912</b>	<b>50,603</b>
<b>Total liabilities</b>		<b>50,763</b>	<b>52,311</b>
<b>Total equity and liabilities</b>		<b>180,367</b>	<b>145,582</b>

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021**

	Attributable to equity holders of the Company					Non- controlling interest	Total equity
	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000	Retained earnings HK\$'000	Total HK\$'000	HK\$'000	HK\$'000
Balance at 1 April 2020 (Audited)	12,600	46,971	100	41,851	101,522	(7)	101,515
Total comprehensive income Profit for the period	–	–	–	165	165	(4)	161
Balance at 30 September 2020 (Unaudited)	12,600	46,971	100	42,016	101,687	(11)	101,676
Balance at 1 April 2021 (Audited)	<b>12,600</b>	<b>46,971</b>	<b>100</b>	<b>33,611</b>	<b>93,282</b>	<b>(11)</b>	<b>93,271</b>
Acquisition of non-controlling interest	–	–	–	(3)	(3)	14	11
Issuance of new shares	<b>2,520</b>	<b>35,280</b>	–	–	<b>37,800</b>	–	<b>37,800</b>
Transaction cost on issuance of new shares	–	(100)	–	–	(100)	–	(100)
Total comprehensive expense Loss for the period	–	–	–	(1,375)	(1,375)	(3)	(1,378)
Balance at 30 September 2021 (Unaudited)	<b>15,120</b>	<b>82,151</b>	<b>100</b>	<b>32,233</b>	<b>129,604</b>	–	<b>129,604</b>

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### 1 GENERAL INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The address of its registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands. Its principal place of business in Hong Kong is located at Suite 2106A, 21/F., Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in the sourcing, processing and supplying of food ingredients.

On 6 July 2021, it was announced that (i) Classic Line Holdings Limited ("**Classic Line**"), a company incorporated in the British Virgin Islands and the then controlling shareholder of the Company, and Ace Source Holdings Limited ("**Ace Source**") entered into a share purchase agreement dated 29 June 2021 (the "**Share Purchase Agreement**") relating to the sale of 520,000,000 shares of the Company (the "**Share(s)**") beneficially owned by Classic Line at a cash consideration of HK\$78,000,000 (equivalent to HK\$0.15 per Share) (the "**Share Transfer**"); and (ii) the Company and Ace Source entered into a subscription agreement dated 29 June 2021 (the "**Subscription Agreement**"), pursuant to which Ace Source conditionally agreed to subscribe for, and the Company agreed to allot and issue 252,000,000 new Shares to Ace Source at a cash consideration of HK\$37,800,000 (equivalent to HK\$0.15 per Share) (the "**Share Subscription**"). The completion of each of the Share Transfer and the Share Subscription (collectively, the "**Completion**") took place on 16 August 2021. For details, please refer to the joint announcements of the Company and Ace Source dated 6 July 2021 and 16 August 2021, and the circular of the Company dated 28 July 2021 (the "**Circular**").

Upon Completion, Ace Source has become the immediate holding company of the Company (the "**Controlling Shareholder**") and was interested in 772,000,000 Shares, representing approximately 51.06% of the total issued share capital of the Company. An unconditional mandatory cash offer (the "**Offer**") was subsequently made on 19 August 2021 by Somerley Capital Limited on behalf of Ace Source to acquire all the issued Shares other than those already owned by Ace Source and parties acting in concert with it at HK\$0.15 per Share. The Offer was closed on 9 September 2021 with valid acceptance of a total of 245,080,000 Shares, representing approximately 16.21% of the total issued share capital of the Company. For details, please refer to the composite document and the announcement jointly issued by the Company and Ace Source on 19 August 2021 and 9 September 2021, respectively.

Upon completion of the Offer, a total of 294,920,000 Shares, representing approximately 19.50% of the total number of issued Shares, were held by the public and the minimum public float requirement of 25% as set out under Rule 8.08(1)(a) of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") was not satisfied. Subsequently on 19 October 2021, for the purpose of restoration of the public float, Ace Source completed a placing of 90,000,000 existing Shares at HK\$0.20 per Share to not less than six placees who are third parties independent of the Company and its connected person and are parties not acting in concert with Ace Source. Upon completion of the placing of 90,000,000 Shares by Ace Source on 19 October 2021 and as at the date of this announcement, the minimum public float has been restored. For details, please refer to the announcements of the Company dated 24 September 2021, 8 October 2021 and 19 October 2021.

These unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("**HK\$**"), unless otherwise stated.

## 2 BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) and the disclosure requirements of the Hong Kong Companies Ordinance (Cap.622). The unaudited condensed consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 March 2021.

The accounting policies used in preparing the interim financial statements are consistent with those of the previous financial year, except for the amended HKFRSs issued by the Hong Kong Institute of Certified Public Accountants which have become effective in this period as per below:

<b>Standard</b>	<b>Subject of amendment</b>
Amendment to HKFRS 16	Covid-19 Related Rent Concessions beyond 30 June 2021
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

The adoption of the above amended standards does not have significant financial effect to the condensed consolidated financial statements.

## 3 ESTIMATES

The preparation of interim unaudited condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim unaudited condensed consolidated financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements for the year ended 31 March 2021.

## 4 FINANCIAL RISK MANAGEMENT

### 4.1 Financial risk factors

The Group’s activities expose it to a variety of financial risks: credit risk, liquidity risk and interest rate risk. There have been no changes in the risk management policies since the year ended 31 March 2021.

### 4.2 Fair value estimation

As at 31 March 2021 and 30 September 2021, the Group did not have any financial assets or financial liabilities that are measured at fair value.

The directors of the Company (the “**Director(s)**”) consider that the carrying amounts of financial assets and financial liabilities recorded in amortised costs in the condensed consolidated financial statements approximate their fair values.

## 5 SEGMENT INFORMATION

The Group operates in a single operating segment. The single operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segment, has been identified as the executive Directors that make strategic decisions.

The Group is principally engaged in the sourcing, processing and supplying of food ingredients, which are carried out in Hong Kong.

Total revenue recognised during the period is as follows:

	<b>Unaudited</b>	
	<b>Six months ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Revenue, recognised at a point in time	<b>68,242</b>	54,195

The revenue from external parties is derived from numerous external customers and the revenue reported to management is measured in a manner consistent with that in the consolidated financial statements.

Revenue from transactions with external customers accounting for 10% or more of Group's total revenue is as follows:

	<b>Unaudited</b>	
	<b>Six months ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Customer A	<b>7,302</b>	N/A

## 6 OTHER INCOME

	<b>Unaudited</b>	
	<b>Six months ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Government grants (Note)	–	2,682
Sundry income	<b>54</b>	44
	<b>54</b>	2,726

Note: The amount represented government grants received from the Employment Support Scheme and other programs under Anti-Epidemic Fund in relation to the outbreak of novel coronavirus ("COVID-19"). There are no unfulfilled conditions or other contingents attached to the grants.

## 7 EXPENSES BY NATURE

	<b>Unaudited</b>	
	<b>Six months ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Cost of inventories	<b>43,948</b>	33,910
Employee benefit expenses	<b>8,732</b>	8,855
Commission	<b>230</b>	332
Auditor's remuneration	<b>480</b>	480
Depreciation of property, plant and equipment (Note 12)	<b>1,784</b>	1,665
Depreciation of right-of-use assets	<b>905</b>	920
Impairment of trade receivables	<b>911</b>	277
Lease expense (short-term and low-value leases)	<b>101</b>	377
Transportation expenses	<b>5,371</b>	4,903
Professional fees	<b>2,551</b>	1,148
Other expenses	<b>4,086</b>	2,885
	<b>69,099</b>	55,752

## 8 FINANCE COSTS – NET

	<b>Unaudited</b>	
	<b>Six months ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Interest expense on bank borrowings	<b>378</b>	642
Interest expense on lease liabilities	<b>1</b>	2
Finance costs	<b>379</b>	644
Interest income	<b>(23)</b>	(26)
Finance costs – net	<b>356</b>	618



## 9 INCOME TAX EXPENSE

For the six months ended 30 September 2021 and 2020, Hong Kong profits tax is calculated in accordance with the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of qualifying corporation will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at 16.5% on the estimated assessable profits.

The amount of income tax expense charged to the unaudited condensed consolidated statement of comprehensive income represents:

	<b>Unaudited</b>	
	<b>Six months ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Current income tax		
– Current year	–	252
Deferred income tax	145	87
	<hr/>	<hr/>
Income tax expense	<b>145</b>	<b>339</b>

## 10 (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY FOR THE PERIOD – BASIC AND DILUTED

### (a) Basic

Basic (loss)/earnings per Share is calculated by dividing the (loss)/profit attributable to the equity holders of the Company by the weighted average number of ordinary Shares in issue during the respective periods.

	<b>Unaudited</b>	
	<b>Six months ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
(Loss)/profit for the period attributable to the equity holders of the Company (HK\$'000)	(1,375)	165
Weighted average number of ordinary Shares for the purpose of basic (loss)/earnings per Share (in thousand)	1,321,967	1,260,000
(Loss)/earnings per Share (expressed in HK cents per Share)	<b>(0.10)</b>	<b>0.01</b>

### (b) Diluted

Diluted (loss)/earnings per Share is the same as basic (loss)/earnings per Share due to the absence of potential dilutive ordinary Shares during the respective periods.

## 11 DIVIDENDS

The board of Directors (the “**Board**”) does not recommend the payment of an interim dividend in respect of the six months ended 30 September 2021 (six months ended 30 September 2020: Nil).

## 12 PROPERTY, PLANT AND EQUIPMENT

	<b>Buildings</b> HK\$'000	<b>Leasehold improvements</b> HK\$'000	<b>Furniture, fixtures and equipment</b> HK\$'000	<b>Motor vehicles</b> HK\$'000	<b>Total</b> HK\$'000
<b>Unaudited</b>					
<b>Six months ended</b>					
<b>30 September 2021</b>					
Opening net book amount as at 1 April 2021	17,164	10,420	2,886	2,043	32,513
Additions	–	–	79	599	678
Depreciation (Note 7)	(305)	(470)	(534)	(475)	(1,784)
<b>Closing net book amount as at 30 September 2021</b>	<b>16,859</b>	<b>9,950</b>	<b>2,431</b>	<b>2,167</b>	<b>31,407</b>
<b>Audited</b>					
<b>Year ended 31 March 2021</b>					
Opening net book amount as at 1 April 2020	17,774	11,359	3,688	801	33,622
Additions	–	–	240	2,047	2,287
Depreciation	(610)	(939)	(1,042)	(805)	(3,396)
<b>Closing net book amount as at 31 March 2021</b>	<b>17,164</b>	<b>10,420</b>	<b>2,886</b>	<b>2,043</b>	<b>32,513</b>

### 13 TRADE RECEIVABLES, PREPAYMENTS, OTHER RECEIVABLES AND DEPOSITS

	Unaudited As at 30 September 2021 HK\$'000	Audited As at 31 March 2021 HK\$'000
Trade receivables (Note (a))		
– Related parties	106	54
– Third parties	26,598	19,693
	<b>26,704</b>	19,747
Other prepayments	7,344	7,792
Other receivables and deposits	293	286
Prepayment for property, plant and equipment	647	–
	<b>8,284</b>	8,078
Less non-current portion: prepayments and deposits	<b>(651)</b>	(17)
Prepayments, other receivables and deposits included in current assets	<b>7,633</b>	8,061

Note:

#### (a) Trade receivables

	Unaudited As at 30 September 2021 HK\$'000	Audited As at 31 March 2021 HK\$'000
Trade receivables	33,775	25,907
Less: loss allowance	<b>(7,071)</b>	(6,160)
	<b>26,704</b>	19,747

The carrying amounts of trade receivables approximate their fair values and are denominated in HK\$.

The Group normally grants credit terms to its customers ranging from 0 to 120 days. The ageing analysis of the trade receivables based on invoice dates is as follows:

	Unaudited As at 30 September 2021 HK\$'000	Audited As at 31 March 2021 HK\$'000
1 to 30 days	10,863	9,220
31 to 60 days	5,220	3,991
61 to 90 days	1,703	1,538
91 to 120 days	2,510	1,289
Over 120 days	13,479	9,869
Total	<b>33,775</b>	25,907

The Group does not hold any collateral as security.

## 14 SHARE CAPITAL

The share capital balance as at 30 September 2021 in the unaudited condensed consolidated statement of financial position represented the issued share capital of the Company. Details of the authorised and issued and fully paid share capital of the Company are summarised as follows:

	Number of Shares (in thousands)	Nominal amount HK\$'000
<b>Ordinary Shares of HK\$0.01 each</b>		
<b>Authorised:</b>		
At 31 March 2021 and 30 September 2021	2,000,000	20,000
<b>Issued and fully paid:</b>		
At 31 March 2021	1,260,000	12,600
Issuance of new Shares upon the completion of the Share Subscription	252,000	2,520
<b>At 30 September 2021</b>	<b>1,512,000</b>	<b>15,120</b>

## 15 BORROWINGS

	Unaudited As at 30 September 2021 HK\$'000	Audited As at 31 March 2021 HK\$'000
<b>Current, secured</b>		
Bank borrowings due for repayment within 1 year which contain a repayment on demand clause (Note)	5,404	5,353
Bank borrowings due for repayment after 1 year which contain a repayment on demand clause (Note)	35,330	38,042
<b>Total borrowings</b>	<b>40,734</b>	<b>43,395</b>

All borrowings, including the bank loans repayable on demand, are carried at amortised cost.

Note:

As at 30 September 2021, the total bank borrowings of approximately HK\$40,734,000 (31 March 2021: approximately HK\$43,395,000) are secured/guaranteed by:

- (i) corporate guarantee provided by the Company (31 March 2021: same); and
- (ii) buildings and right-of-use assets of approximately HK\$15,418,000 (31 March 2021: approximately HK\$15,590,000) and approximately HK\$40,940,000 (31 March 2021: approximately HK\$41,736,000) respectively held by the Group.

## 16 TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

	Unaudited As at 30 September 2021 HK\$'000	Audited As at 31 March 2021 HK\$'000
Trade payables (Note (a))		
– Related parties	5	7
– Third parties	4,987	3,886
	<b>4,992</b>	3,893
Accruals and other payables		
– Accruals for staff costs	1,692	1,960
– Commission payables	37	18
– Other accruals and other payables	1,445	1,212
	<b>3,174</b>	3,190
	<b>8,166</b>	7,083

Note:

### (a) Trade payables

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

	Unaudited As at 30 September 2021 HK\$'000	Audited As at 31 March 2021 HK\$'000
0 to 30 days	4,099	3,144
31 to 60 days	854	684
61 to 90 days	19	65
Over 90 days	20	–
	<b>4,992</b>	3,893

The carrying amounts of the Group's trade payables approximate their fair values.

## 17 RELATED PARTY TRANSACTIONS

### (a) Transactions with related parties

	<b>Unaudited</b>	
	<b>Six months ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Continuing related parties' transactions</b>		
Sales of goods to a related company		
– Winning Tender Limited (Note (i))	<b>329</b>	269
Purchase of goods from a related party		
– Au Kit Ying (Note (ii))	<b>10</b>	33

Notes:

- (i) Mr. Liu Chi Ching (“**Mr. Liu**”), a substantial shareholder of the Company and an executive Director, has beneficial interest in this company.
- (ii) The owners of this partnership business are related persons of Mr. Liu.

### (b) Key management compensation

Key management includes executive Directors. The compensation paid or payable to key management for employee services is disclosed as follows:

	<b>Unaudited</b>	
	<b>Six months ended 30 September</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Wages, salaries and allowances	<b>1,612</b>	1,612
Retirement benefit costs	<b>18</b>	18
	<b>1,630</b>	1,630

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

The Group is principally engaged in the sourcing, processing and supplying of food ingredients with a focus on the provision of vegetables and fruits to food service operators in Hong Kong. It supplies food ingredients to over 480 customer outlets and offers more than 1,300 types of food ingredients to its customers.

The Group recorded a net loss of approximately HK\$1.4 million for the six months ended 30 September 2021 as compared to a net profit of approximately HK\$0.2 million for the six months ended 30 September 2020, despite the increase in revenue and gross profit resulting from the improvement in general in the catering business environment. The aforesaid turning of profit to loss was mainly attributable to the recognition of the non-recurring government grants in relation to the outbreak of COVID-19 for the six months ended 30 September 2020 and the professional fees incurred in relation to the Offer in the current period. Facing the current challenges in the market in which it operates, the Group will continue to monitor the market conditions closely, fine-tune its product mix and implement cost management measures accordingly.

### **OUTLOOK**

2021 is a remarkable year for the Group, of which the completion of the Offer indicated the Group's significant step towards a new milestone in that it has not only strengthened the development of the existing food ingredients business but also facilitated the Group's exploration of further investment opportunities in other potential markets. Meanwhile, the Group will change its name to "China Wantian Holdings Limited" to reflect the change of the Group's status and to refresh its corporate image.

The Group will continue to carry on the food ingredients business and will allocate more resources to this business in order to consolidate its position in the existing markets. With the extensive business experience of the new management and their well-connected business network in China, the Group is reviewing the current business status, the network resources and is proactively examining the feasibility of expanding its scope of business upstream and downstream with the aim of looking for potential business in the Greater Bay Area to complement the national development strategies in the Greater Bay Area. By diversifying its business, the source of income of the Group will be broadened, which will maximise the value of the Group in the long run and the return of the shareholders of the Company.

### **FINANCIAL REVIEW**

#### **Revenue**

The Group's revenue for the six months ended 30 September 2021 was approximately HK\$68.2 million, representing an increase of approximately 25.8% from approximately HK\$54.2 million for the six months ended 30 September 2020, primarily attributable to the significant improvement in the catering business environment, particularly since the further relaxation of social distancing measures in the first quarter of 2021.

#### **Cost of sales**

The Group's cost of sales for the six months ended 30 September 2021 was approximately HK\$57.1 million, representing an increase of approximately 23.9% from approximately HK\$46.1 million for the six months ended 30 September 2020, which was in line with the revenue growth for the same period.

#### **Gross profit and gross profit margin**

The Group's gross profit for the six months ended 30 September 2021 was approximately HK\$11.2 million, which improved by approximately 38.3% from approximately HK\$8.1 million for the six months ended 30 September 2020. The Group's gross profit margin for the six months ended 30 September 2021 was approximately 16.4%, representing an increase of approximately 1.5 percentage points as compared to approximately 14.9% for the six months ended 30 September 2020, primarily attributable to the results of cost management measures, such as re-arrangements made to the operations on improving workflow efficiencies.

## Other income

The Group's other income for the six months ended 30 September 2021 was approximately HK\$54,000 as compared to approximately HK\$2.7 million for the six months ended 30 September 2020. Such decrease was primarily attributable to the non-recurring government grants of approximately HK\$2.7 million received from the Employment Support Scheme and other programs under Anti-Epidemic Fund for the six months ended 30 September 2020, which were absent in the current period.

## Selling and administrative expenses

The Group's selling and administrative expenses for the six months ended 30 September 2021 were approximately HK\$11.1 million, representing an increase of approximately 18.1% from approximately HK\$9.4 million for the six months ended 30 September 2020, primarily due to the professional fees of approximately HK\$1.1 million incurred in relation to the Offer for the six months ended 30 September 2021.

## (Loss)/profit for the period

For the six months ended 30 September 2021, the Group recorded a loss of approximately HK\$1.4 million as compared to a profit of approximately HK\$0.2 million for the six months ended 30 September 2020.

## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

The following is a comparison of the Group's business plan as set out in the prospectus of the Company dated 30 September 2016 (the "**Prospectus**") with its actual business progress up to 30 September 2021 in which the net proceeds from the listing of Shares on GEM of the Stock Exchange by way of placing (the "**Listing**") on 13 October 2016 (the "**Listing Date**") have not been fully utilised in these business plans.

### Business plan as set out in the Prospectus

### Progress up to 30 September 2021

#### Enhancement of sales channels

Enhance the sales channels such as the upgrade of mobile sales application and developing an internet sales platform.

Enhancement of sales channels requires modification of the existing mobile sales application, which took a longer time than expected, while the internet sales platform has been activated and requires further brand awareness activities.

## USE OF NET PROCEEDS FROM LISTING

The net proceeds from the issue of new Shares at the time of Listing through a placement of 320,000,000 Shares of HK\$0.01 each in the share capital of the Company at the price of HK\$0.225 per Share, after deduction of the underwriting commission and the actual expenses paid by the Group in connection thereto, were approximately HK\$47.8 million. Up to 30 September 2021, the net proceeds from the Listing had been applied as follows:

	Planned use of net proceeds from Listing Date to 30 September 2021 HK\$ million	Actual use of net proceeds from Listing Date to 30 September 2021 HK\$ million	Unutilised net proceeds up to 30 September 2021 HK\$ million
Acquisition of new processing base, facilities and equipment	23.7	23.7	–
Further strengthening the manpower	9.1	9.1	–
Expansion of logistic team	9.7	9.7	–
Enhancement of sales channels	0.5	0.3	0.2
General working capital	4.8	4.8	–
Total	47.8	47.6	0.2

The business objectives, future plans and planned use of proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied based on the actual development of the Group's business and the industry.



During the six months ended 30 September 2021, the net proceeds from the Listing were utilised and expected to be utilised in the manner as disclosed in the Prospectus and there has been no change in the use of the net proceeds.

As at 30 September 2021, approximately HK\$47.6 million out of the net proceeds from the Listing had been used. The remaining unutilised net proceeds were deposited in a licensed bank in Hong Kong and are expected to be utilised on or before 31 December 2022. The Directors will constantly evaluate the Group's business objectives and may change or modify the Group's plans against the changing market conditions to attain sustainable business growth of the Group.

## SHARE SUBSCRIPTION AND USE OF NET PROCEEDS

On 6 July 2021, the Company announced the Share Subscription to raise net proceeds of approximately HK\$37.7 million, the reasons for which are (i) to form part and parcel of the transactions contemplated under the Share Purchase Agreement to the completion of the Share Transfer; and (ii) to bring in new capital to the Group and broaden its capital base without incurring interest costs.

The Share Subscription was completed on 16 August 2021. The Company allotted and issued a total of 252,000,000 Shares to Ace Source with an aggregate nominal value of HK\$2.52 million and a total market value of HK\$35.28 million, based on the closing price of HK\$0.14 per Share on 29 June 2021, being the date of the Subscription Agreement.

As at 30 September 2021, approximately HK\$37.2 million out of the net proceeds from the Share Subscription had not been utilised. The remaining net proceeds are expected to be allocated as originally disclosed in the Circular and to be utilised on or before 31 December 2022. The utilisation of the net proceeds from the Share Subscription is summarised as follows:

	Planned use of net proceeds as shown in the Circular HK\$ million	Actual use of net proceeds up to 30 September 2021 HK\$ million	Unutilised net proceeds up to 30 September 2021 HK\$ million
Repayment of bank loans	22.0	0.5	21.5
Establishment of two retail outlets	10.0	–	10.0
General working capital	5.7	–	5.7
Total	37.7	0.5	37.2

## CAPITAL STRUCTURE

There has been no change in the capital structure of the Group during the six months ended 30 September 2021 and up to the date of this announcement. The capital of the Group only comprises ordinary Shares.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group has funded the liquidity and capital requirements principally from cash generated from operations and bank borrowings.

As at 30 September 2021, the Group had bank borrowings of approximately HK\$40.7 million, which were denominated in HK\$ (31 March 2021: approximately HK\$43.4 million). The Group's bank borrowings were primarily obtained at variable rates and used in financing the working capital requirement for its operations and the purchase of the existing premises.

As at 30 September 2021, the Group had approximately HK\$67.1 million in bank balance and cash (31 March 2021: approximately HK\$37.4 million). The Group had no bank overdraft as at 30 September 2021 (31 March 2021: Nil). The Directors believe that the Group is in a healthy financial position to expand its core business and to achieve its business objectives.

## **GEARING RATIO**

As at 30 September 2021, the gearing ratio of the Group, being total borrowings (including total lease liabilities) divided by total equity, decreased to approximately 31.4% (31 March 2021: approximately 46.5%) following the issuance of new Shares upon the completion of the Share Subscription.

## **CHARGE ON GROUP ASSETS**

As at 30 September 2021, the Group has pledged its leasehold land under right-of-use assets and buildings with net book value amounting to approximately HK\$56.4 million (31 March 2021: approximately HK\$57.3 million) for certain banking facilities granted to the Group.

## **SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSET**

Save as disclosed in this announcement, the Group had no significant investment with a value of 5% or more of the Group's total assets as at 30 September 2021. There was no material acquisition and disposal of subsidiaries, associates and joint ventures by the Group during the six months ended 30 September 2021. There were no other plans for material investment or capital asset as at 30 September 2021.

## **FOREIGN EXCHANGE EXPOSURE**

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is a food ingredients supplier and most of its transactions are settled in HK\$. As such, the Directors are of the view that the Group did not have significant exposure to foreign exchange risk. The Group currently does not have a foreign currency hedging policy.

## **TREASURY POLICY**

The Directors will continue to follow a prudent policy in managing the Group's cash balances and maintain strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

## **CONTINGENT LIABILITIES**

The Group did not have any material contingent liabilities as at 30 September 2021 (31 March 2021: Nil).

## **COMMITMENTS**

Contractual commitments mainly involve rental payable by the Group in respect of the processing facilities and parking lots under non-cancellable leases. As at 30 September 2021, the Group did not have any material lease commitments (31 March 2021: Nil).

As at 30 September 2021, there are no capital commitments in respect of acquisition of property, plant and equipment (31 March 2021: Nil).

## **SEGMENT INFORMATION**

The Group principally operates in one business segment, which is the sourcing, processing and supplying of food ingredients to food service operators in Hong Kong.

## **INFORMATION ON EMPLOYEES**

As at 30 September 2021, the Group had 76 employees working in Hong Kong (30 September 2020: 83). Employees are remunerated based on their qualifications, position and performance. The remuneration offered to employees generally includes salaries, allowances and discretionary bonuses. Various types of trainings were provided to the employees. The total staff cost (including remuneration of Directors and mandatory provident funds contributions) for the six months ended 30 September 2021 amounted to approximately HK\$8.7 million (30 September 2020: approximately HK\$8.9 million).

## INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 September 2021 (30 September 2020: Nil).

## EVENT AFTER REPORTING PERIOD

### Proposed Change of Company Name and Proposed Amendments to the Memorandum and Articles of Association

On 29 September 2021, it was announced that the Company proposed to (i) change the English name of the Company from “Goal Forward Holdings Limited” to “China Wantian Holdings Limited” and its dual foreign name in Chinese of the Company from “展程控股有限公司” to “中國萬天控股有限公司” (the “**Proposed Change of Company Name**”); and (ii) amend the memorandum of association and the articles of association of the Company to, inter alia, reflect the Proposed Change of Company Name, update the address of the registered office of the Company and insert the financial year end date of the Company (the “**Proposed Amendments to the Memorandum and Articles of Association**”). Each of the Proposed Change of Company Name and the Proposed Amendments to the Memorandum and Articles of Association has been approved by the shareholders of the Company by way of poll at the extraordinary general meeting held on 3 November 2021. The certificate of incorporation on change of name was issued by the Registrar of Companies in the Cayman Islands on 5 November 2021. The Company is in the process to carry out the necessary filing procedures with the Companies Registry of Hong Kong under Part 16 of the Companies Ordinance (Cap. 622). Further announcement(s) will be made by the Company in relation to the effective date of the Proposed Change of Company Name, the Proposed Amendments to the Memorandum and Articles of Association and the change of stock short names for trading in the Shares on the Stock Exchange.

### Sufficiency of Public Float

The Company was not able to satisfy the minimum public float requirement as set out under Rule 8.08(1)(a) of the Listing Rules immediately after the close of the Offer on 9 September 2021 following the acceptance of the Offer in respect of 245,080,000 Shares. Ace Source and parties acting in concert with it (including Classic Line) held an aggregate of 1,217,080,000 Shares, representing approximately 80.50% of the total issued share capital of the Company immediately after the close of the Offer. A temporary waiver was granted by the Stock Exchange on 24 September 2021 from strict compliance with Rule 8.08(1)(a) of the Listing Rules. As disclosed in the Company’s announcement dated 19 October 2021, upon completion of placing of 90,000,000 Shares by Ace Source on 19 October 2021, the minimum public float as required has been restored. For further details, please refer to the announcements of the Company dated 24 September 2021, 8 October 2021 and 19 October 2021.

### Change of Company Secretary, Authorised Representatives and Financial Management Position

On 21 October 2021, Ms. Yim Sau Ping has resigned and ceased to act as (i) the company secretary of the Company (the “**Company Secretary**”); (ii) the authorised representative of the Company under Rule 3.05 of the Listing Rules; (iii) the authorised representative of the Company to accept service of process and notices on the Company’s behalf in Hong Kong as required under Rule 19.05(2) of the Listing Rules and Part 16 of the Companies Ordinance (Cap.622) (collectively, the “**Authorised Representatives**”); and (iv) the financial controller of the Company. Mr. Lau Yau Chuen Louis was appointed as the Company Secretary, the Authorised Representatives and the chief financial officer of the Company effective from 21 October 2021.

### Change of Principal Place of Business in Hong Kong

On 30 September 2021, it was announced that the principal place of business of the Company in Hong Kong has been changed to Suite 2106A, 21/F., Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Hong Kong effective from 4 October 2021.

Save as disclosed in this announcement, there has been no other important event affecting the Group since 30 September 2021 and up to the date of this announcement.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2021.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as the code of conduct regarding Directors' securities transactions in the securities of the Company. Based on specific enquiries with the Directors, all Directors confirmed that they had complied with the required standard of dealings set out in the Model Code and there was no event of non-compliance during the six months ended 30 September 2021.

## CORPORATE GOVERNANCE PRACTICE

The Company is committed to achieving and maintaining high standards of corporate governance as the Board believes that good and effective corporate governance practices are key to obtaining and maintaining the trust of the shareholders and other stakeholders of the Company, and are essential for encouraging accountability and transparency so as to sustain the success of the Group and to promote the interests of the shareholders of the Company.

Accordingly, the Company has adopted sound corporate governance principles that emphasise a quality Board, effective internal control, stringent disclosure practices, transparency and accountability to all stakeholders.

The Company has applied the principles and code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 to the Listing Rules. In the opinion of the Board and to the best knowledge of the Directors, the Company has complied with the CG Code throughout the period, except for the deviations from code provisions A.6.7 and E.1.2 which are explained as follows:

Code provision A.6.7 provides that independent non-executive directors and non-executive directors should attend general meetings. Ms. Li On Lei ("**Ms. Li**"), being the then independent non-executive Director, was unable to attend the annual general meeting of the Company held on 16 September 2021 (the "**AGM**") due to her other overseas business engagement.

Code provision E.1.2 provides that the chairmen of the board and board committees should attend the annual general meeting to be available to answer questions. Each of Mr. Hooy Kok Wai, being the chairman of the Board and the nomination committee of the Company, and Ms. Li, being the then chairman of the remuneration committee of the Company, was unable to attend the AGM due to his or her other overseas business engagement. Despite this, Ms. Wu Shuk Kwan, being the then executive Director and the chief executive officer of the Company, took the chair at the AGM, and the chairman of the audit committee of the Company (the "**Audit Committee**") and the auditor of the Company attended the AGM. The Company considers that their presence was sufficient for effective communication with the shareholders of the Company at the AGM.

## AUDIT COMMITTEE

The Audit Committee was established on 26 September 2016 and comprises the three independent non-executive Directors, namely Mr. Ng Ki Man (Chairman), Mr. Leung Sui Chung and Mr. Siu Chun Pong Raymond. The written terms of reference of the Audit Committee are posted on the websites of the Stock Exchange and the Company.

The Company has complied with Rule 3.21 of the Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting related financial management expertise.

The primary duties of the Audit Committee are mainly to review the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Group's unaudited condensed consolidated financial statements for the six months ended 30 September 2021 have not been audited nor reviewed by the Company's independent auditor, but have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2021 comply with the applicable accounting standards and the Listing Rules, and that adequate disclosures have been made.

By order of the Board  
**Goal Forward Holdings Limited**  
**Hooy Kok Wai**  
*Chairman and executive Director*

Hong Kong, 23 November 2021

*As at the date of this announcement, the Board comprises Mr. Hooy Kok Wai, Mr. Liu Chi Ching and Mr. Zhong Xueyong as executive Directors; and Mr. Ng Ki Man, Mr. Leung Sui Chung and Mr. Siu Chun Pong Raymond as independent non-executive Directors.*