



**WWPKG Holdings Company Limited**  
**縱橫遊控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

Stock Code: 8069

**2017/2018**

Interim Report



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### **Executive Directors:**

Mr. Yuen Sze Keung (*Chairman*)  
Ms. Chan Suk Mei  
Mr. Yuen Chun Ning (*Chief Executive Officer*)

#### **Independent Non-executive Directors:**

Mr. Ho Wing Huen  
Mr. Lam Yiu Kin  
Mr. Yen Yuen Ho Tony

### AUDIT COMMITTEE

Mr. Lam Yiu Kin (*Chairman*)  
Mr. Ho Wing Huen  
Mr. Yen Yuen Ho Tony

### REMUNERATION COMMITTEE

Mr. Yen Yuen Ho Tony (*Chairman*)  
Mr. Ho Wing Huen  
Mr. Lam Yiu Kin  
Mr. Yuen Sze Keung

### NOMINATION COMMITTEE

Mr. Ho Wing Huen (*Chairman*)  
Mr. Lam Yiu Kin  
Mr. Yen Yuen Ho Tony  
Mr. Yuen Sze Keung

### COMPANY SECRETARY

Ms. Ng Ka Man, *ACS, ACIS*

### COMPLIANCE OFFICER

Mr. Yuen Chun Ning

### AUTHORISED REPRESENTATIVES

Mr. Yuen Sze Keung  
Mr. Yuen Chun Ning

### REGISTERED OFFICE

P.O. Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 706-8, 7/F., Lippo Sun Plaza  
28 Canton Road  
Tsim Sha Tsui  
Kowloon  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

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

### BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

### COMPLIANCE ADVISER

Lego Corporate Finance Limited

### LEGAL ADVISER TO THE COMPANY AS TO HONG KONG LAW

Fairbairn Catley Low & Kong

### PRINCIPAL BANKERS

The Hong Kong and Shanghai Banking Corporation  
Hang Seng Bank Limited  
Standard Chartered Bank (Hong Kong) Limited

### AUDITOR

PricewaterhouseCoopers  
*Certified Public Accountants*

### STOCK CODE

8069

### COMPANY'S WEBSITE

<http://www.wwpkg.com.hk>

## MANAGEMENT DISCUSSION AND ANALYSIS

The board of Directors of the Company (the “Board”) is pleased to announce the unaudited interim financial results of the Group for the six months ended 30 September 2017, together with the comparative figures for the corresponding period in 2016, as set out below.

### BUSINESS REVIEW

Founded in 1979, the Group is one of the long-established and well-known travel agents in Hong Kong. The Group markets its travel related products under the brand “縱橫遊”. The Group’s businesses include (i) the design, development and sales of outbound package tours; (ii) the sales of air tickets and hotel accommodations (the “FIT products”); and (iii) the provision of ancillary travel related products and services. The Group’s major business is the provision of outbound package tours to various destinations with particular focus on Japan bound tours.

The shares of the Company (the “Shares”) were successfully listed on GEM of the Stock Exchange (the “Listing”) by way of placing and public offer (collectively, the “Share Offer”) on 12 January 2017 (the “Listing Date”).

For the six months ended 30 September 2017, the Group recorded an increase in revenue of 29.9% as compared to the corresponding period in 2016, which was mainly due to the following:

- sales of package tours for the six months ended 30 September 2017 improved substantially, when the number of tour participants increased by 30.7% and that the Group was able to adjust the selling prices of certain package tours upwards, especially during the Easter holidays’ period coupled with the cherry blossom season in Japan in April 2017, as compared to the corresponding period in 2016; and
- sales of package tours bound for Japan during the six months ended 30 September 2016 was first negatively impacted by the Kumamoto Earthquake that occurred in April 2016, when the Group’s package tours bound for Kyushu during the period from 15 April 2016 to 27 June 2016 were completely suspended, and then the appreciation of Japanese Yen (“JPY”) against Hong Kong Dollars (“HK\$”) during the second quarter ended 30 September 2016 led to the decrease in demand of customers who were cost conscious of the Group’s Japan bound tours, especially during the summer holidays’ months of July and August.

The increased revenue, coupled with the fact that no Listing expenses were charged for the six months ended 30 September 2017 (six months ended 30 September 2016: approximately HK\$9.8 million), mainly contributed to the significant decrease in the Group’s loss from approximately HK\$15.3 million for the six months ended 30 September 2016 to approximately HK\$0.8 million for the six months ended 30 September 2017.

Going forward, the Directors expect that the overall financial performance of the Group for the year ending 31 March 2018 will continue to improve given the upcoming peak holiday seasons of Christmas and Chinese New Year as well as benefit from the absence of the adversities affecting the Group’s operations in the previous year (namely, natural disasters and substantial appreciation of JPY against HK\$) and the non-recurring Listing expenses.

On 6 November 2017, the Company noted that an unauthorised party accessed the Group’s customer database on its system (the “Issue”). Further details of the Issue are set out in the announcement of the Company dated 7 November 2017. As at the date of this report, the Directors consider that the Issue does not have material adverse impact on the Group’s operation and financial condition. The Group will continue to assess the potential impact arising from the Issue and will notify investors and shareholders through issue of announcements when any material change in circumstances is identified.

## FINANCIAL REVIEW

### Revenue and gross profit

For the six months ended 30 September 2017 and 2016 and the three months ended 30 September 2017 and 2016, the Group's revenue was approximately HK\$217.5 million, HK\$167.5 million, HK\$93.6 million and HK\$85.1 million respectively. The tables below show the breakdown of the Group's revenue, gross profit and gross profit margin by major category of services/products:

	Six months ended 30 September				Three months ended 30 September			
	2017		2016		2017		2016	
	Revenue HK\$ million	%	Revenue HK\$ million	%	Revenue HK\$ million	%	Revenue HK\$ million	%
Package tours	213.4	98.1	163.7	97.8	92.2	98.5	83.4	98.0
FIT products <i>Note</i>	1.0	0.5	1.4	0.8	0.4	0.4	0.7	0.8
Ancillary travel related products and services <i>Note</i>	3.1	1.4	2.4	1.4	1.0	1.1	1.0	1.2
Total	217.5	100.0	167.5	100.0	93.6	100.0	85.1	100.0

	Six months ended 30 September				Three months ended 30 September			
	2017		2016		2017		2016	
	Gross profit HK\$ million	Gross profit margin %	Gross profit HK\$ million	Gross profit margin %	Gross profit HK\$ million	Gross profit margin %	Gross profit HK\$ million	Gross profit margin %
Package tours	24.5	11.5	15.6	9.5	10.3	11.2	6.9	8.3
FIT products <i>Note</i>	1.0	N/A	1.4	N/A	0.4	N/A	0.7	N/A
Ancillary travel related products and services <i>Note</i>	3.1	N/A	2.4	N/A	1.0	N/A	1.0	N/A
Total	28.6	13.1	19.4	11.6	11.7	12.5	8.6	10.1

*Note:* The Group's revenue from sales of FIT products and ancillary travel related products and services are recognised on net basis as the Group renders its services as an agent.

#### Package tours

The Group's revenue from package tours increased by 30.4% from approximately HK\$163.7 million for the six months ended 30 September 2016 to approximately HK\$213.4 million for the six months ended 30 September 2017. As discussed in the sub-section headed "Business Review" above, the increase in revenue was mainly due to increases in both the number of tour participants and the selling prices of the Group's certain package tours during the six months ended 30 September 2017, as well as the absence of the negative impact imposed by the Kumamoto Earthquake and the comparatively high HK\$:JPY rate on the corresponding period in 2016. For the six months ended 30 September 2017, the depreciation of JPY against HK\$ also contributed to the reduction in land costs, being one of the major components of the Group's package tours' cost of sales, as compared to the corresponding period in 2016. As a result, gross profit margin improved from 9.5% for the six months ended 30 September 2016 to 11.5% for the six months ended 30 September 2017, and from 8.3% for the three months ended 30 September 2016 to 11.2% for the three months ended 30 September 2017.

#### *FIT products*

FIT products generally include air tickets, hotel accommodations and combination of both. The Group's revenue from the sales of FIT products decreased from approximately HK\$1.4 million for the six months ended 30 September 2016 to approximately HK\$1.0 million for the six months ended 30 September 2017 mainly due to continuous keen competition from online agencies, booking platforms of hotels and budget airlines, as well as the fact that the Group's new online sales platform, one of the key purposes for which is to cater for the increasing trend of booking air tickets and hotel accommodations online, was subject to further major enhancements to be completed by the end of 2017.

#### *Ancillary travel related products and services*

Ancillary travel related products and services mainly include travel insurance, admission tickets to attractions such as theme parks and shows, local transportation such as airport transportation, railway tickets and transportation passes. The Group's revenue from the sales of ancillary travel related products and services increased from approximately HK\$2.4 million for the six months ended 30 September 2016 to approximately HK\$3.1 million for the six months ended 30 September 2017 mainly due to (i) the increase in sales of Japan rail passes; (ii) the Group's appointment as the exclusive ticketing agency for Legoland Japan in Hong Kong with admission ticket sales commenced in February 2017; and (iii) the increase in margin income from insurance companies for the sales of travel insurance to customers.

#### **Selling expenses**

Selling expenses mainly consist of (i) advertising and promotion expenses, such as sponsoring television travel programmes and films, online and offline media advertisements, participating in tourism fairs and organising travel seminars; (ii) credit card and debit card charges in respect of payments from customers with credit cards and electronic payment services (EPS); and (iii) rental and related expenses for the Group's branches. Selling expenses for the six months ended 30 September 2017 remained consistent as compared to the corresponding period in 2016, as the increase in the branches' rental expenses, particularly as a result of the Group's expansion of its Shatin branch in October 2016, was offset by the decrease in advertising and marketing expenses due to recognition of non-recurring expense on the Group's sponsored television travel programme "Kansai Raider" for the six months ended 30 September 2016.

#### **Administrative expenses**

Administrative expenses mainly consist of (i) staff costs, representing the Directors' remuneration and the salaries and benefits for the Group's administrative staff; (ii) rental and related expenses for the Group's office premises; (iii) office, telecommunication and utility expenses incurred in the Group's daily operations; (iv) legal and professional fees; and (v) non-recurring Listing expenses and other miscellaneous administrative expenses. Administrative expenses decreased by 27.2% from approximately HK\$27.9 million for the six months ended 30 September 2016 to approximately HK\$20.3 million for the six months ended 30 September 2017 mainly due to the recognition of non-recurring Listing expenses of approximately HK\$9.8 million during the corresponding period in 2016, partially offset by the increase in legal and professional fees and auditor's remuneration incurred following the Listing and the increase in depreciation of property, plant and equipment.

#### **Loss and total comprehensive loss for the period**

The Group's loss and total comprehensive loss for the six months and the three months ended 30 September 2017 decreased significantly by 94.8% to approximately HK\$0.8 million and by 74.3% to approximately HK\$1.9 million respectively as compared to the corresponding periods in 2016. The significant decrease in the Group's loss for the six months ended 30 September 2017 was mainly due to the increase in gross profit of approximately HK\$9.2 million because of the increase in revenue as discussed in the sub-section headed "Revenue and gross profit" above

and the decrease in administrative expenses of approximately HK\$7.6 million for reasons as discussed in the sub-section headed “Administrative expenses” above, partially offset by the charge of income tax expense amounting to approximately HK\$0.1 million (six months ended 30 September 2016: tax credit of approximately HK\$1.1 million).

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2017, the Group’s cash and cash equivalents represented cash and bank balances of approximately HK\$102.8 million (31 March 2017: HK\$138.6 million), which included unutilised net proceeds from the Share Offer of approximately HK\$48.6 million. The cash and bank balances of the Group were mainly denominated in HK\$, which accounted for 96.1% (31 March 2017: 98.3%) of the total balances.

The Group’s current ratio (current assets/current liabilities) as at 30 September 2017 was approximately 2.5 times, which was comparable to that as at 31 March 2017 (2.8 times). Management considers the financial position of the Group is healthy with adequate working capital for daily operations.

As at 30 September 2017, the Company provided unlimited guarantee to financial institutions in connection with banking facilities granted to one of its subsidiaries (31 March 2017: nil).

## CAPITAL STRUCTURE

Details of changes in the Company’s share capital are set out in note 15 to the interim condensed consolidated financial information in this report.

## SIGNIFICANT INVESTMENTS

As at 30 September 2017, the Group did not hold any significant investments.

## MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES

During the six months ended 30 September 2017, the Group did not have any acquisitions or disposals of subsidiaries.

## CHARGE OVER THE GROUP’S ASSETS

As at 30 September 2017, the finance lease liabilities amounted to approximately HK\$0.1 million (31 March 2017: approximately HK\$0.3 million) were secured by the Group’s motor vehicles with aggregate net book amount of approximately HK\$0.5 million (31 March 2017: approximately HK\$0.7 million).

## FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the prospectus of the Company dated 30 December 2016 (the “Prospectus”) and in this report, the Group did not have other plans for material investments or capital assets as at 30 September 2017.



## GEARING RATIO

Gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the interim condensed consolidated statement of financial position) less trade related debts and cash and cash equivalents. Total capital is calculated as 'equity', as shown in the interim condensed consolidated statement of financial position. As at 30 September 2017, the Group was not at a net debt position (31 March 2017: same).

## USE OF PROCEEDS

As stated in the section headed "Future Plans and Use of Proceeds" in the Prospectus, the Group intends to use the proceeds from the Share Offer (i) to promote its brand recognition and awareness; (ii) to strengthen and enhance its sales channels; (iii) to improve its operational efficiency; and (iv) for general corporate and working capital purposes.

The net proceeds from the Share Offer, after deducting underwriting commissions and all related expenses, was approximately HK\$57.0 million (the "Net Proceeds"). As at 30 September 2017, the unutilised Net Proceeds amounted to HK\$48.6 million and the Group intends to continue to apply the remaining Net Proceeds in accordance with the proposed applications set out above.

The following table sets out the status of the use of the Net Proceeds as at 30 September 2017:

	Allocation of the Net Proceeds HK\$ million	Amount utilised up to 30 September 2017 HK\$ million	Balance as at 30 September 2017 HK\$ million
Promoting brand recognition and awareness	25.4	(2.4)	23.0
Strengthening and enhancing sales channels	14.2	(2.3)	11.9
Improving operational efficiency	11.7	(2.0)	9.7
General corporate and working capital purposes	5.7	(1.7)	4.0
	57.0	(8.4)	48.6

## FOREIGN EXCHANGE EXPOSURE

The Group's revenue was mainly denominated in HK\$. However, the settlement of substantial portion of its land costs, such as hotel tariffs, transportation costs, meal expenses and admission ticket costs, is denominated in JPY. The Group is therefore exposed to foreign exchange risk primarily with respect to JPY. The Group has implemented foreign exchange risk management procedures to manage exposure to foreign exchange risk in relation to JPY. The procedures were established to control the foreign exchange risk to an acceptable level by ensuring that the Group is able to obtain sufficient amount of JPY at acceptable exchange rates for meeting its payment obligations arising from business operations and at the same time do not purchase unnecessary amounts of JPY more than it requires. The purchase amounts were limited to the corresponding costs of the travel elements payable in JPY for the Japan bound tours for the coming four weeks (or eight weeks during peak seasons). Such amounts were estimated based on the actual enrolment data (i.e. headcount enrolled for the Group's Japan bound tours) and the costs of travel elements payable in JPY per headcount, of which such costs were determined with reference to the historical spending and the effect of general inflation.

Although the Group may enter into foreign exchange forward contracts with major and reputable financial institutions and foreign currency services companies of long establishment history to manage its exposure to foreign exchange risk, it does not intend to speculate on the future direction of foreign exchange fluctuation. As at 30 September 2017, the Group had outstanding foreign exchange forward contracts denominated in JPY of notional principal amounts of approximately HK\$3.5 million (31 March 2017: approximately HK\$4.8 million). Management will continue to evaluate the Group's foreign exchange risk management procedures and take actions as appropriate to minimise the Group's exposure whenever necessary.

## EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2017, the Group had a workforce of 157 employees (31 March 2017: 159), excluding the Directors. Salaries of employees are maintained at competitive levels. The Group operates a defined contribution mandatory provident fund scheme for all its employees. The Group also offers discretionary bonuses to its employees by reference to the performance of individual employees and the overall performance of the Group. Total employee benefits expenses, excluding Directors' emoluments, incurred by the Group for the six months ended 30 September 2017 amounted to approximately HK\$11.5 million (six months ended 30 September 2016: approximately HK\$11.9 million).

The Company has adopted a share option scheme on 16 December 2016 with a term of 10 years (the "Share Option Scheme"). The Share Option Scheme is designed to motivate eligible participants, including executives and key employees, who may make a contribution to the Group, and enables the Group to attract and retain individuals with experience and ability and to reward them for their contributions. During the six months ended 30 September 2017, no share options had been granted, exercised, lapsed or cancelled under the Share Option Scheme.

## BUSINESS OBJECTIVES AND PROGRESS

The table below sets out the progress of the Group's achievement of its business objectives as disclosed in the Prospectus during the period from the Listing Date up to 30 September 2017:

Business objective	Implementation plan	Actual business progress
Promoting brand recognition and awareness	— Placing advertisements	— Advertisements were made on newspapers, travel and lifestyle magazines and public transportation.
	— Sponsoring television travel programmes and films	— The Group sponsored two series of television travel programme in April 2016 and November 2016, titled "Kansai Raider" and "Kansai Raider II" respectively. The Group agreed to sponsor another programme titled "Kyushu Raider" in October 2017.
	— Implementing and monitoring a digital marketing campaign	— The Group's digital marketing campaign has been on-going since August 2016; — The Group plans to boost its digital marketing efforts upon completion of the further major enhancements to the online sales platform.
	— Organising travel seminars and participating in tourism fairs	— Travel seminars were organised to introduce the Group's special tours and deluxe tours to potential customers; — The Group participated in tourism fairs to promote its travel products destined for Japan, Korea and Taiwan.
	— Cooperating with credit card companies and banks to offer promotion and discounts on products and services	— The Group has been closely cooperating with a major bank to offer promotions, special discounts and year-round discounts on its travel products.

Business objective	Implementation plan	Actual business progress
Strengthening customer relationship management efforts	<ul style="list-style-type: none"> <li>— Reviewing customers' feedback and monitoring members' movements and redemption activities on existing membership system</li> <li>— Evaluating and improving our membership system such as expanding the redemption scheme to offer additional benefits, souvenirs and gift vouchers</li> <li>— Adopting a customer relationship management system to conduct customer data analysis</li> </ul>	<ul style="list-style-type: none"> <li>— Customers' feedback were reviewed on a timely basis, and movement of members and redemption activities were reviewed on a monthly basis.</li> <li>— Evaluation of the membership system will be initiated when further major enhancements to the online sales platform, including those relating to the membership system are completed.</li> <li>— Customer relationship management system will be adopted after evaluation of and improvements on the membership system are completed.</li> </ul>
Developing new products and services	<ul style="list-style-type: none"> <li>— Researching for new destinations or new travel elements for existing tours</li> <li>— Developing one to two new destination(s) for package tours</li> </ul>	<ul style="list-style-type: none"> <li>— The Group has been appointed as the exclusive ticketing agency for Legoland Japan in Hong Kong, which opened in April 2017.</li> <li>— The Group engaged with one of its major airline suppliers on a new exclusive flight route, whereby charter flights destined for Kumamoto in Japan will be launched on a bi-weekly basis during the period from 16 November 2017 to 17 May 2018.</li> </ul>
Strengthening and enhancing sales channels	<ul style="list-style-type: none"> <li>— Revamping website and incorporating an integrated online sales platform with package tours, tickets, and hotels modules and online membership system</li> <li>— Incorporating "ticket plus hotel" FIT packages module, enhancement of existing modules and more sales and marketing functions including online chat function into the integrated online sales platform</li> <li>— Opening an additional branch in strategic location</li> </ul>	<ul style="list-style-type: none"> <li>— A number of further major enhancements to the online sales platform, in particular the FIT-air tickets module, the FIT-hotel accommodations module and the ancillary travel related products and services (當地享樂) module, are in progress or in the pipeline.</li> <li>— Feasibility studies in connection with the additional module and enhancements will be conducted after the further major enhancements as described above are completed.</li> <li>— The Group has already set up branches at prime locations in Hong Kong and has continued to identify locations for an additional branch that is strategically justified and with reference to the retail leasing market trend.</li> </ul>
Increasing operational efficiency by improving information systems	<ul style="list-style-type: none"> <li>— Upgrading or replacing hotlines telephone system</li> <li>— Commencing upgrade or replacement of our existing accounting system and sourcing for service providers to upgrade or replace our existing tour operating system with integrated management information functions</li> </ul>	<ul style="list-style-type: none"> <li>— Replacement of the Group's hotlines telephone system was completed.</li> <li>— Sourcing processes have been on-going with the ideal service providers to be identified.</li> </ul>

Business objective	Implementation plan	Actual business progress
Expanding staff team	<ul style="list-style-type: none"> <li>— Recruiting a general manager to oversee the business operations</li> <li>— Recruiting one to two experienced IT specialist(s) to support the new online sales platform</li> <li>— Recruiting one to two advertising officer(s) to plan and manage advertising campaigns</li> <li>— Recruiting one to two accounting officer(s) to support the chief financial officer to meet financial reporting requirements</li> </ul>	<ul style="list-style-type: none"> <li>— Recruitment process has been on-going with the ideal candidate to be identified.</li> <li>— Recruitment process has been on-going with the ideal candidate(s) to be identified.</li> <li>— Recruitment process has been on-going with the ideal candidate(s) to be identified.</li> <li>— Recruitment process has been on-going with the ideal candidate(s) to be identified.</li> </ul>

## FUTURE PROSPECTS

With its long-established brand name, well-maintained business relationship with suppliers, ability to respond to adversities, and healthy net assets position, the Group will continue to execute its business strategy to expand both revenue streams and customer base. In particular, the Group has been offered a new exclusive flight route destined for Kumamoto in Japan for the period of departure between 16 November 2017 and 17 May 2018, which marked a new era for its business development. The Group will continue to put forth its best efforts to drive business performance and growth by:

- introducing new routes (including collaboration with airline suppliers to develop charter flights and/or charter routes), itineraries, activities and hotel accommodations from time to time in order to offer new and/or better travel experience to its customers;
- enhancing its integrated online sales platform through a number of further major enhancements so that such platform will eventually satisfy most of the travel needs of the Group's customers as a user-friendly and informative one-stop shop;
- boosting its marketing efforts (i) on digital marketing, including advertising on social media and search engine marketing, so as to increase online channel presence and online traffic and drive online inquiry to the Group's product offerings; and (ii) through collaboration with its spokesperson to raise the awareness of the Group's brand and enhance the popularity of its products through travel television programme, social media and other conventional media advertisements such as newspapers and television commercials; and
- exploring investment opportunities that could create operating synergies.

In response to the Issue, details of which are set out in the announcement of the Company dated 7 November 2017, the Group will implement appropriate upgrading of its systems to defend against further cyber attacks and continue to strengthen the security of its systems to safeguard its customers' information and privacy.

## OTHER INFORMATION

### DISCLOSURE OF INTERESTS

#### A. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at 30 September 2017, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meanings 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 any such director or chief executive is taken or deemed to have under such provision of the SFO) or which were required pursuant to section 352 of the SFO, to be entered in the register of members of the Company, or which were required, pursuant to standard of dealings by Directors as referred to the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

##### (i) Long Positions in the Company's Shares

Name of Director	Capacity/Nature	Number of Shares held/ interested in	Percentage of shareholding
Ms. Chan Suk Mei ("Ms. Chan") (Note)	Interest in a controlled corporation	300,000,000	75%
Mr. Yuen Sze Keung ("Mr. SK Yuen") (Note)	Interest in a controlled corporation	300,000,000	75%

Note: WWPKG Investment Holdings Limited ("WWPKG Investment") is an investment holding company incorporated in the British Virgin Islands ("BVI") and is owned as to 68.02%, 23.42% and 8.56% by Ms. Chan, Mr. SK Yuen and Mr. Yuen Chun Ning ("Mr. CN Yuen") respectively. Ms. Chan and Mr. SK Yuen are parties acting jointly and are therefore deemed to be interested in all the Shares held by WWPKG Investment under the SFO.

##### (ii) Long Positions in the ordinary shares of Associated Corporations

Name of Director	Name of associated corporation	Capacity/Nature	Number of Shares held/ interested in	Percentage of shareholding
Ms. Chan	WWPKG	Beneficial owner	6,802	68.02%
	Investment	Interest of spouse	2,342	23.42%
Mr. SK Yuen	WWPKG	Beneficial owner	2,342	23.42%
	Investment	Interest of spouse	6,802	68.02%
Mr. CN Yuen	WWPKG Investment	Beneficial owner	856	8.56%

Save as disclosed above, as at 30 September 2017, none of the Directors and chief executive of the Company had any other interests or short positions in any Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required pursuant to Section 352 of the SFO, to be entered in the register of members of the Company or which were required to be notified to the Company and the Stock Exchange, pursuant to standard of dealings by Directors as referred to the GEM Listing Rules.

## **B. SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

As at 30 September 2017, the interest and short positions of the persons (other than the Directors or 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 recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

### *Long Position in the Company's Shares*

Name of Shareholder	Capacity/Nature	Number of Shares held/ interested in	Percentage of shareholding
WWPKG Investment ( <i>Note</i> )	Beneficial owner	300,000,000	75%

*Note:* WWPKG Investment is an investment holding company incorporated in the BVI and is owned as to 68.02%, 23.42% and 8.56% by Ms. Chan, Mr. SK Yuen and Mr. CN Yuen respectively. Ms. Chan and Mr. SK Yuen are parties acting jointly and are therefore deemed to be interested in all the Shares held by WWPKG Investment under the SFO.

Save as disclosed above, as at 30 September 2017, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES**

Save as disclosed in the sub-section headed "Disclosure of Interests" above, at no time during the six months ended 30 September 2017 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company (including their spouses or children under 18 years of age) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate.

## INTERIM DIVIDEND

The Board does not declare any interim dividend for the six months ended 30 September 2017 (six months ended 30 September 2016: nil).

## CORPORATE GOVERNANCE PRACTICES AND COMPLIANCE

The Company's corporate governance practices are based on principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 to the GEM Listing Rules (the "CG Code"). The Board and the management of the Company are committed to maintaining and achieving a high standard of corporate governance practices with an emphasis on a quality Board, an effective accountability system and a healthy corporate culture in order to safeguard the interests of the shareholders of the Company and enhance the business growth of the Group. During the six months ended 30 September 2017, the Company has complied with all the code provisions as set out in the CG Code.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors' securities transactions. Having been enquired by the Company, all Directors confirmed that they had complied with the required standard of dealings and the code of conduct concerning securities transactions by the Directors during the six months ended 30 September 2017.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2017.

## DIRECTORS' AND CONTROLLING SHAREHOLDERS' COMPETING INTERESTS

For the six months ended 30 September 2017, each of the Directors, the controlling shareholders of the Company and their respective close associates (as defined in the GEM Listing Rules) has confirmed that none of them had any business or interests in any company that competes or may compete with the business of the Group and any other conflict of interests which any such person has or may have with the Group.

## INTERESTS OF THE COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Lego Corporate Finance Limited as its compliance adviser, which provides advices and guidance to the Company in respect of compliance with the GEM Listing Rules including various requirements relating to the Directors' duties. Except for the compliance adviser agreement entered into between the Company and the compliance adviser dated 5 July 2016, neither the compliance adviser nor its directors, employees or close associates had any interests in relation to the Company which is required to be notified to the Group pursuant to Rule 6A.32 of the GEM Listing Rules as at 30 September 2017.

## SHARE OPTION SCHEME

The Share Option Scheme was adopted pursuant to a resolution passed by the Company's then shareholders on 16 December 2016. No share option was granted, lapsed, exercised or cancelled by the Company under the Share Option Scheme during the six months ended 30 September 2017 and there was no outstanding share option as at the date of this report.

## AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") on 16 December 2016 with written terms of reference in compliance with the requirements as set out in Rules 5.28 to 5.33 of the GEM Listing Rules and the CG Code. The Audit Committee reviews, amongst others, the financial information of the Group; the relationship with and terms of appointment of the external auditors; and the Group's financial reporting system, risk management and internal control systems, and provides advices and comments to the Board. The Audit Committee consists of three independent non-executive Directors, chaired by Mr. Lam Yiu Kin, and the other two members are Mr. Ho Wing Huen and Mr. Yen Yuen Ho Tony. The unaudited interim financial results of the Group for the six months ended 30 September 2017 have been reviewed by the Audit Committee together with the Group's management.



## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2017

	Note	For the six months ended 30 September		For the three months ended 30 September	
		2017	2016	2017	2016
		HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Revenue	5	217,508	167,515	93,615	85,128
Cost of sales	7	(188,956)	(148,095)	(81,926)	(76,535)
Gross profit		28,552	19,420	11,689	8,593
Other income and other (losses)/gains, net	6	(67)	926	(43)	240
Selling expenses	7	(8,906)	(8,812)	(3,491)	(4,137)
Administrative expenses	7	(20,324)	(27,881)	(10,237)	(12,755)
<b>Operating loss</b>		(745)	(16,347)	(2,082)	(8,059)
Finance income/(costs), net	8	43	(10)	23	(4)
<b>Loss before income tax</b>		(702)	(16,357)	(2,059)	(8,063)
Income tax (expense)/credit	9	(140)	1,079	195	656
<b>Loss and total comprehensive loss for the period</b>		(842)	(15,278)	(1,864)	(7,407)
<b>Loss and total comprehensive loss attributable to:</b>					
Owners of the Company		(818)	(15,065)	(1,860)	(7,294)
Non-controlling interests		(24)	(213)	(4)	(113)
		(842)	(15,278)	(1,864)	(7,407)
Basic and diluted loss per share for loss attributable to owners of the Company (expressed in HK cents)	10	(0.20)	(5.02)	(0.47)	(2.43)

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2017

	Note	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	6,558	7,655
Prepayments, deposits and other receivables	14	1,281	650
Deferred income tax assets		872	510
		8,711	8,815
<b>Current assets</b>			
Inventories		1,912	1,698
Trade receivables	13	8	199
Prepayments, deposits and other receivables	14	41,908	30,933
Derivative financial assets		—	38
Current income tax recoverable		3,446	3,986
Cash and cash equivalents		102,793	138,588
		150,067	175,442
<b>Total assets</b>		158,778	184,257
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	15	4,000	4,000
Reserves		80,537	80,537
Retained earnings		14,058	34,876
		98,595	119,413
Non-controlling interests		598	622
<b>Total equity</b>		99,193	120,035

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 September 2017

	Note	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Obligations under finance leases	18	65	107
Other non-current liabilities	17	657	743
Deferred income tax liabilities		—	38
		722	888
<b>Current liabilities</b>			
Trade payables	16	4,914	6,556
Accruals and other payables	17	52,380	55,361
Dividend payable to minority shareholders of a subsidiary		—	105
Obligations under finance leases	18	83	151
Derivative financial liabilities		51	—
Amounts due to related companies	22(c)	1,435	1,161
		58,863	63,334
<b>Total liabilities</b>		<b>59,585</b>	<b>64,222</b>
<b>Total equity and liabilities</b>		<b>158,778</b>	<b>184,257</b>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2017

	Attributable to owners of the Company					Non-	Total
	Share Capital HK\$'000	Share Premium HK\$'000	Capital Reserve HK\$'000 (Note)	Retained earnings HK\$'000	Sub-total HK\$'000	controlling interests HK\$'000	
Balance at 1 April 2017	4,000	69,166	11,371	34,876	119,413	622	120,035
<b>Total comprehensive loss (unaudited)</b>							
Loss for the six months ended 30 September 2017	—	—	—	(818)	(818)	(24)	(842)
<b>Total transactions with owners (unaudited)</b>							
Dividend paid (Note 11)	—	—	—	(20,000)	(20,000)	—	(20,000)
<b>Balance at 30 September 2017 (unaudited)</b>	4,000	69,166	11,371	14,058	98,595	598	99,193
Balance at 1 April 2016	—	—	11,371	49,108	60,479	802	61,281
<b>Total comprehensive loss (unaudited)</b>							
Loss for the six months ended 30 September 2016	—	—	—	(15,065)	(15,065)	(213)	(15,278)
Issue of Share	—	—	—	—	—	—	—
<b>Balance at 30 September 2016 (unaudited)</b>	—	—	11,371	34,043	45,414	589	46,003

Note: Capital reserve represents the difference between the value of net assets of the subsidiaries acquired by the Company and the share capitals in acquired subsidiaries under common control.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2017

	Note	For the six months ended 30 September	
		2017	2016
		HK\$'000 (unaudited)	HK\$'000 (unaudited)
<b>Cash flows from operating activities</b>			
Cash used in operations	19	(15,088)	(23,986)
Interest paid		(5)	(10)
Net cash used in operating activities		(15,093)	(23,996)
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(535)	(75)
Interest received		48	—
Net cash used in investing activities		(487)	(75)
<b>Cash flows from financing activities</b>			
Repayment of obligations under finance leases		(110)	(175)
Dividend paid to equity shareholders		(20,000)	—
Dividend paid to minority shareholders of a subsidiary		(105)	—
Payment for professional fees incurred in connection with the Listing		—	(8,136)
Net cash used in financing activities		(20,215)	(8,311)
<b>Net decrease in cash and cash equivalents</b>		(35,795)	(32,382)
Cash and cash equivalents at beginning of the period		138,588	71,622
Cash and cash equivalents at end of the period		102,793	39,240

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

### 1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 8 June 2016 as an exempted company with limited liability under Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered address of the Company is at P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business in Hong Kong is located at Unit 706–8, 7/F, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company is an investment holding company. The principal activities of the Group are (i) the design, development and sales of package tours; (ii) the sales of FIT products; and (iii) the sales of ancillary travel related products and services.

The Shares were listed on GEM of the Stock Exchange on 12 January 2017.

The ultimate holding company of the Group is WWPKG Investment Holdings Limited, a company incorporated in the British Virgin Islands ("BVI").

The interim condensed consolidated financial information is presented in HK\$, which is the same as the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated.

### 2 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 September 2017 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual consolidated financial statements for the year ended 31 March 2017, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

### 3 ACCOUNTING POLICIES

Except as described below, the accounting policies adopted are consistent with those adopted in the Company's annual consolidated financial statements for the year ended 31 March 2017.

#### (a) New standards and amendments to standards adopted by the Group

The Group has adopted, for the first time, the following new HKFRSs and amendments to HKAS which are mandatory for the accounting periods beginning on or after 1 April 2017:

- Amendments to HKAS 7 — Disclosure Initiative
- Amendment to HKAS 12 — Recognition of Deferred Tax Assets for Unrealised Losses
- Annual Improvement Project — Annual Improvement 2014–2016 Cycle

The adoption of these new standards and amendments to standards did not have any impact on the interim condensed consolidated financial information or result in any significant changes in the Group's significant accounting policies.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 3 ACCOUNTING POLICIES (CONTINUED)

#### (b) New standards and amendments to standards not yet adopted by the Group

The following are new standards and amendments to standards that have been issued, but are not effective for the annual period beginning on 1 April 2017 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
HKAS 40 (Amendment)	Investment Property	1 April 2018
HK (IFRIC) Int 22	Foreign Currency Transactions and Advance Consideration	1 April 2018
HKFRS 2 (Amendment)	Classification and Measurement of Share-based Payment Transactions	1 April 2018
HKFRS 4 (Amendment)	Insurance Contracts	1 April 2018
HKFRS 9	Financial Instruments	1 April 2018
HKFRS 15	Revenue from Contracts with Customers	1 April 2018
HKFRS 15 (Amendment)	Clarification to HKFRS 15 Revenue from Contracts with Customers	1 April 2018
HKFRS 16	Leases	1 April 2019
HK (IFRIC) Int 23	Uncertainty over Income Tax Treatment	1 April 2019
HKFRS 10 and HKAS 28 (Amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not yet established by HKICPA

Under HKAS 17, lessees were required to make a distinction between a finance lease (on the interim condensed consolidated statement of financial position) and an operating lease (off balance sheet). HKFRS 16 requires lessees to recognise a lease liability reflecting future lease payments and a right-of-use asset for virtually all lease contracts. The new standard will impact both the consolidated statement of financial position and related ratios (capital adequacy ratio and leverage ratio), but the impact will not be material. If the Group early adopts HKFRS 16, as at 30 September 2017, the amount of operating lease commitment amounted to HK\$5,386,000 (31 March 2017: HK\$7,522,000) (Note 21(b)) would be recognised on the interim condensed consolidated statement of financial position as asset and liability. It would have immaterial influences on total assets and liabilities. The impact on capital adequacy ratio and leverage ratio will also be immaterial.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 3 ACCOUNTING POLICIES (CONTINUED)

#### (b) New standards and amendments to standards not yet adopted by the Group (Continued)

HKFRS 15 replaces the previous revenue standards: HKAS 18 Revenue and HKAS 11 Construction Contracts, and the related Interpretations on revenue recognition. HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations; and (5) Recognise revenue when performance obligation is satisfied. The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an “earnings processes” to an “asset-liability” approach based on transfer of control. HKFRS 15 provides specific guidance on capitalisation of contract cost, license arrangements and principal versus agent commissions. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers. HKFRS 15 is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The Group does not plan to early adopt HKFRS 15. The Group assessed the impact of the adoption of HKFRS 15 by analysing the Group’s key revenue streams against the 5-step approach and did not expect the adoption would have a material impact other than presenting more disclosures.

HKFRS 9, “Financial Instruments”, addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss.

For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. The Group assessed that adopting HKFRS 9 would not have a material impact on the Group’s results of operations and financial position.

Management is in the process of making an assessment on the impact of other new standards and amendments to standards and is not yet in a position to state whether they will have a significant impact on the Group’s results of operations and financial position.

### 4.1 ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgements, 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 this interim condensed consolidated financial information, the significant judgements 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 annual consolidated financial statements for the year ended 31 March 2017.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 4.2 FAIR VALUE ESTIMATION

The table below analyses the Group's financial instruments carried at fair value by level of the inputs to valuation techniques used to measure fair value.

	Level 2 HK\$'000
<b>As at 30 September 2017</b>	
<b>Liabilities</b>	
Forward exchange contracts	51
<b>As at 31 March 2017</b>	
<b>Assets</b>	
Forward exchange contracts	38

The fair value of financial instruments in level 2 that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. As at 30 September 2017 and 31 March 2017, instruments included in level 2 represent forward exchange contracts issued by a financial institution and foreign currency services company in Hong Kong, which were classified as financial assets/liabilities at fair value through profit or loss, and the fair values are determined using forward exchange rates at the date of the consolidated statement of financial position.

There were no transfers between levels 1, 2 and 3 during the six months ended 30 September 2017.

## 5 REVENUE AND SEGMENT INFORMATION

### (a) Revenue

The Group's businesses include (i) the design, development and sales of package tours; (ii) the sales of FIT products; and (iii) the sales of ancillary travel related products and services. Revenue recognised are as follows:

	For the six months ended 30 September		For the three months ended 30 September	
	2017	2016	2017	2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Sales of package tours	213,365	163,748	92,173	83,449
Margin income from sales of FIT products	1,013	1,408	451	656
Margin income from sales of ancillary travel related products and services	3,130	2,359	991	1,023
	217,508	167,515	93,615	85,128

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 5 REVENUE AND SEGMENT INFORMATION (CONTINUED)

#### (b) Segment information

Management has identified the Group's operating segments based on the reports reviewed by the chief operating decision makers that are used for making strategic decisions. The chief operating decision makers are identified as the executive Directors of the Company. The only component in internal reporting to the chief operating decision makers are the Group's travel and travel-related services business for the six months and the three months ended 30 September 2017 (six months and three months ended 30 September 2016: same). In this regard, management considers there is only one operating segment under the requirements of HKFRS 8 Operating Segments.

There is no single external customer that contributed to more than 10% revenue of the Group's revenue for the six months and the three months ended 30 September 2017 (six months and three months ended 30 September 2016: same).

The Group's business is domiciled in Hong Kong and all revenue was generated from customers located in Hong Kong and Macau. As at 30 September 2017 and 31 March 2017, all non-current assets were located in Hong Kong.

### 6 OTHER INCOME AND OTHER (LOSSES)/GAINS, NET

	For the six months ended 30 September		For the three months ended 30 September	
	2017	2016	2017	2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Other income</b>				
Referral income	33	75	20	49
<b>Other (losses)/gains, net</b>				
Exchange (losses)/gains, net	(136)	669	(29)	27
Fair value gains/(losses) on derivative financial instruments	37	184	(33)	166
Loss on disposal of property, plant and equipment	(1)	(2)	(1)	(2)
	(100)	851	(63)	191
<b>Other income and other (losses)/gains, net</b>	(67)	926	(43)	240

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 7 EXPENSES BY NATURE

The Group's loss is stated after charging/(crediting) the following cost of sales, selling expenses and administrative expenses:

	For the six months ended 30 September		For the three months ended 30 September	
	2017	2016	2017	2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Land costs (Note)	109,016	83,883	47,025	42,276
Air fare costs	79,493	62,716	34,674	34,097
Auditor's remuneration				
— Audit service	573	300	298	150
Employee benefits expenses, excluding Directors' benefits and interests				
— Salaries, discretionary bonuses and allowances	10,707	11,045	5,322	5,317
— Pension costs — defined contribution plan	652	689	316	335
— Other employee benefits	106	149	42	69
	11,465	11,883	5,680	5,721
Directors' benefits and interests	2,411	2,157	1,204	1,078
Depreciation of property, plant and equipment (Note 12)	1,085	610	530	313
Office, telecommunication and utility expenses	837	693	405	380
Operating lease rentals of:				
— Office and branches premises	5,083	4,096	2,584	2,054
— Equipment rental	139	212	44	100
Advertising and promotion	3,349	3,704	1,160	1,594
Credit card fees	1,688	1,747	484	839
Exchange losses/(gains), net	51	1,184	36	(7)
Legal and professional fees	1,420	213	818	12
Professional expenses incurred in connection with the Listing	—	9,818	—	4,086
Others	1,576	1,572	712	734
	218,186	184,788	95,654	93,427

Note:

Land costs mainly consist of direct costs incurred in the provision of package tours services such as land operator services, hotel accommodations, transportation expenses, meal expenses and admission tickets costs.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 8 FINANCE INCOME/(COSTS), NET

	For the six months ended 30 September		For the three months ended 30 September	
	2017	2016	2017	2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Finance income</b>				
Bank interest income	48	—	25	—
<b>Finance costs</b>				
Interest expense on obligations under finance leases	(5)	(9)	(2)	(4)
Bank overdraft	—	(1)	—	—
	(5)	(10)	(2)	(4)
<b>Finance income/(costs), net</b>	<b>43</b>	<b>(10)</b>	<b>23</b>	<b>(4)</b>

### 9 INCOME TAX (EXPENSE)/CREDIT

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the six months and the three months ended 30 September 2017 (six months and three months ended 30 September 2016: 16.5%).

No overseas profits tax has been calculated as the Group companies are incorporated in the BVI or the Cayman Islands and are exempted from tax.

Income tax (expense)/credit (charged)/credited to the interim condensed consolidated statement of comprehensive income represents:

	For the six months ended 30 September		For the three months ended 30 September	
	2017	2016	2017	2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Current income tax (expense)/credit	(540)	(245)	120	(245)
Deferred income tax credit	400	1,324	75	901
	(140)	1,079	195	656

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 10 BASIC AND DILUTED LOSS PER SHARE

#### (a) Basic

Basic loss per Share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods. In determining the weighted average number of ordinary shares, the additional 299,990,000 Shares issued pursuant to the capitalisation issue in respect of the Listing were treated as if they had been in issue since 1 April 2016.

	For the six months ended 30 September		For the three months ended 30 September	
	2017 (unaudited)	2016 (unaudited)	2017 (unaudited)	2016 (unaudited)
Loss attributable to owners of the Company (HK\$'000)	(818)	(15,065)	(1,860)	(7,294)
Weighted average number of ordinary shares in issue ('000)	400,000	299,995	400,000	300,000
Basic loss per Share (HK cents per Share)	(0.20)	(5.02)	(0.47)	(2.43)

#### (b) Diluted

Diluted loss per Share is the same as basic loss per Share due to the absence of potential dilutive ordinary shares during the six months and the three months ended 30 September 2017 (six months and three months ended 30 September 2016: same).

### 11 DIVIDENDS

The Board does not recommend the payment of any dividend for the six months ended 30 September 2017 (six months ended 30 September 2016: nil). A final dividend in respect of the year ended 31 March 2017 of HK5 cents per ordinary Share, amounting to a total dividend of HK\$20,000,000, was declared on 29 June 2017 and paid on 22 September 2017.

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

## 12 PROPERTY, PLANT AND EQUIPMENT

	HK\$'000 (unaudited)
<b>Six months ended 30 September 2017</b>	
<b>Opening net book amount as at 1 April 2017</b>	7,655
Additions	23
Depreciation (Note 7)	(1,085)
Disposals	(35)
<b>Closing net book amount as at 30 September 2017</b>	6,558
<b>Six months ended 30 September 2016</b>	
<b>Opening net book amount as at 1 April 2016</b>	3,073
Additions	3,090
Depreciation (Note 7)	(610)
Disposals	(2)
<b>Closing net book amount as at 30 September 2016</b>	5,551

Motor vehicles include the following amounts where the Group is a lessee under finance leases:

	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
Costs	1,508	1,508
Accumulated depreciation	(1,003)	(828)
Net book amount	505	680

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 13 TRADE RECEIVABLES

Trade receivables represent income receivables from travel agents. The credit terms granted by the Group generally ranged up to 90 days.

The carrying amounts of trade receivables approximate their fair values as at 30 September 2017 and 31 March 2017.

As at 30 September 2017 and 31 March 2017, the ageing analysis of trade receivables based on invoice date were as follows:

	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
1 to 30 days	8	148
31 to 60 days	—	51
	8	199

As at 30 September 2017 and 31 March 2017, no trade receivables were considered past due nor impaired.

The maximum exposure to credit risk is the carrying amounts of trade receivables and the Group does not have any collateral as security.

### 14 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
<b>Non-current portion</b>		
Rental deposits	769	650
Prepayments for website development costs	512	—
	1,281	650
<b>Current portion</b>		
Trade deposits	22,003	25,965
Rental, utilities and other deposits	2,017	2,040
Amounts due from employees	335	1,633
Other prepayments	1,451	940
Other current assets ( <i>Note</i> )	16,102	355
	41,908	30,933

*Note:*

As at 30 September 2017, other current assets included the unrecognised costs for an exclusive flight route arrangement.

The carrying amounts of deposits and other receivables approximate their fair values as at 30 September 2017 and 31 March 2017.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 15 SHARE CAPITAL

	Number of shares	Share capital HK\$'000
<b>Authorised:</b>		
<i>Ordinary Shares of HK\$0.01 each</i>		
As at 30 September 2017 and 31 March 2017	10,000,000,000	100,000
<b>Issued and fully paid:</b>		
<i>Ordinary Shares of HK\$0.01 each</i>		
As at 30 September 2017 and 31 March 2017	400,000,000	4,000

### 16 TRADE PAYABLES

As at 30 September 2017 and 31 March 2017, the ageing analysis of trade payables based on invoice date were as follows:

	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
1 to 30 days	4,202	4,773
31 to 60 days	148	1,390
61 to 90 days	290	200
91 to 120 days	155	29
Over 120 days	119	164
	4,914	6,556

The carrying amounts of trade payables approximate their fair values as at 30 September 2017 and 31 March 2017.



## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 17 ACCRUALS AND OTHER PAYABLES AND OTHER NON-CURRENT LIABILITIES

	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
<b>Other non-current liabilities</b>		
Provisions for reinstatement cost	447	560
Long service payment	210	183
	657	743
<b>Accruals and other payables</b>		
Advanced receipts from customers	31,964	50,016
Accrued staff costs	1,338	1,670
Deferred revenue	269	166
Other payables ( <i>Note</i> )	18,809	3,509
	52,380	55,361

*Note:*

As at 30 September 2017, other payables included the obligation of an exclusive flight route arrangement signed with an airline supplier.

The carrying amounts of accruals and other payables approximate their fair values as at 30 September 2017 and 31 March 2017.

### 18 OBLIGATIONS UNDER FINANCE LEASES

	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
<b>Gross finance lease liabilities — minimum lease payments</b>		
No later than 1 year	88	159
Later than 1 year and no later than 2 years	66	110
	154	269
Future finance charges on finance leases	(6)	(11)
Present values of finance lease liabilities	148	258
<b>The present values of finance lease liabilities are as follows:</b>		
No later than 1 year	83	151
Later than 1 year and no later than 2 years	65	107
Total obligations under finance leases	148	258

Assets arranged under finance leases represent motor vehicles. As at 30 September 2017, the lease terms are 3 to 4 years with effective interest rate of 5.52% (as at 31 March 2017: 5.52%) per annum.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 19 CASH GENERATED FROM OPERATIONS

	For the six months ended 30 September	
	2017	2016
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Loss before income tax	(702)	(16,357)
Adjustments for:		
Depreciation of property, plant and equipment	1,085	610
Loss on disposal of property, plant and equipment	1	2
Finance (income)/costs, net	(43)	10
Fair value losses on derivative financial instruments	89	—
Operating cash flows before changes in working capital	430	(15,735)
Changes in working capital:		
Inventories	(214)	(871)
Trade receivables	191	193
Prepayments, deposits and other receivables	(11,094)	(19,975)
Amounts due from/(to) related companies	274	(363)
Trade payables	(1,642)	2,792
Accruals, other payables and other non-current liabilities	(3,033)	9,973
Cash used in operations	(15,088)	(23,986)

### 20 CONTINGENCIES

As at 30 September 2017, the Group did not have any significant contingent liabilities (31 March 2017: same).

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 21 COMMITMENTS

#### (a) Capital commitment

Capital expenditure contracted for as at 30 September 2017 and 31 March 2017 but not yet provided is as follows:

	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
Website development	476	563

#### (b) Operating lease commitments

*As a lessee*

As at 30 September 2017 and 31 March 2017, the Group leases a number of premises under non-cancellable operating leases, except for office premises under cancellable operating lease agreements with a related company (Note 22(a)). The leases terms are for 3 years and are renewable at the end of the lease period at market rate. The Group can terminate the leases by giving a 3-month written notice to the landlord.

The Group also leases various office equipment under cancellable operating lease agreements. The Group is required to give a 1-month notice for the termination of these agreements. The operating lease expenditure charged during the period is disclosed in Note 7.

The future aggregate minimum lease payments under non-cancellable operating leases, including 3-month non-cancellable leases for office premises and 1-month non-cancellable leases for office equipment, are as follows:

	As at 30 September 2017 HK\$'000 (unaudited)	As at 31 March 2017 HK\$'000 (audited)
No later than 1 year	3,591	5,642
Later than 1 year and no later than 5 years	1,795	1,880
	5,386	7,522

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 22 RELATED PARTY TRANSACTIONS

The ultimate parent of the Company is WWPKG Investment Holdings Company Limited, a company incorporated in the BVI.

The Directors are of the view that the following individuals and companies were related parties that had transactions or balances with the Group as at 30 September 2017 and 31 March 2017, and during the six months and the three months ended 30 September 2017 and 30 September 2016:

Name of related party	Relationship with the Group
Ms. Chan Suk Mei	Director of the Company
Mr. Yuen Sze Keung	Director of the Company
Mr. Yuen Chun Ning	Director of the Company
Sky Right Investment Limited	Controlled by a Director of the Company
HCNY Consultancy Limited	Controlled by a Director of the Company
JCS Limited	Controlled by a connected person of the Director of the Company
Y's Japan Limited	Controlled by a connected person of the Director of the Company

Other than those transactions and balances disclosed elsewhere in the interim condensed consolidated financial information, the following transactions were carried out with related parties during the periods:

#### (a) Transactions with related parties

	For the six months ended 30 September		For the three months ended 30 September	
	2017	2016	2017	2016
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
<b>Rental expenses</b>				
Sky Right Investment Limited	1,410	1,356	705	678
<b>Venue fee</b>				
HCNY Consultancy Limited	159	133	70	67
<b>Tour bus services fee</b>				
JCS Limited	4,725	7,088	2,178	3,323
<b>Booking services fee</b>				
Y's Japan Limited	1,268	1,329	639	682

All of the above transactions with related parties were conducted in the ordinary course of the business of the Group based on the terms mutually agreed between the relevant parties.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

### 22 RELATED PARTY TRANSACTIONS (CONTINUED)

#### (b) Key management compensation

The remuneration of the Directors and other members of key management, who have the responsibility for planning, directing and controlling the activities of the Group, are set out below.

	For the six months ended 30 September		For the three months ended 30 September	
	2017	2016	2017	2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Salaries and allowances	3,288	3,006	1,645	1,503
Discretionary bonuses	—	—	—	—
Pension costs — defined contribution plan	30	45	13	22
	3,318	3,051	1,658	1,525

#### (c) Amounts due to related companies

	As at 30 September 2017	As at 31 March 2017
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Amounts due to related companies		
— Y's Japan Limited	713	339
— JCS Limited	702	793
— HCNV Consultancy Limited	20	29
	1,435	1,161

Amounts due to related companies arise from trading activities and were unsecured, interest-free, repayable on demand.

### 23 EVENTS AFTER THE REPORTING PERIOD

On 6 November 2017, the Company noted that an unauthorised party accessed the Group's customer database on its system (the "Issue"). Further details of the Issue are set out in the announcement of the Company dated 7 November 2017. As at the date of this interim report, the Directors consider that the Issue does not have material adverse impact on the Group's operation and financial condition. The Group will continue to assess the potential impact arising from the Issue and will notify investors and shareholders through issue of announcements when any material change in circumstances is identified.