

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

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



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Financial Highlights



The Group's unaudited revenue for the six months ended 31st March 2023 amounted to approximately HK\$13.1 million, decreased by approximately 5.1% as compared to that of the same period in 2022.



The Group's unaudited gross profit for the six months ended 31st March 2023 amounted to approximately HK\$4.9 million, decreased by approximately 5.8% as compared to that of the same period in 2022.



The Group recorded an unaudited net loss of approximately HK\$7.5 million and approximately HK\$9.1 million for the six months ended 31st March 2023 and 2022 respectively.



The basic loss per share for the six months ended 31st March 2023 was HK0.75 cent (six months ended 31st March 2022: HK0.91 cent).



The board of Directors (the "**Board**") has resolved not to declare the payment of any dividend for the six months ended 31st March 2023 (six months ended 31st March 2022: HK\$Nil).



Interim Results

The Board announces the unaudited condensed consolidated financial results of the Company and its subsidiaries (collectively the “**Group**”) for the six months and three months ended 31st March 2023, together with the relevant comparative unaudited/audited figures.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the three months and six months ended 31st March 2023

	Note	For the three months ended 31st March		For the six months ended 31st March	
		2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Revenue	3	5,297	6,242	13,123	13,765
Cost of services		(3,669)	(4,008)	(8,221)	(8,587)
Gross profit		1,628	2,234	4,902	5,178
Other income		425	99	644	127
Selling expenses		(555)	(797)	(1,074)	(1,564)
Administrative expenses		(5,875)	(6,111)	(11,535)	(12,495)
Finance costs		(209)	(330)	(443)	(360)
Loss before tax		(4,586)	(4,905)	(7,506)	(9,114)
Income tax	5	—	—	—	—
Loss and total comprehensive loss for the period attributable to the owners of the Company	6	(4,586)	(4,905)	(7,506)	(9,114)
		HK cent	HK cent	HK cent	HK cent
Loss per share					
Basic and diluted	8	(0.46)	(0.49)	(0.75)	(0.91)



Condensed Consolidated Statement of Financial Position

As at 31st March 2023

	Note	As at 31st March 2023 HK\$'000 (Unaudited)	As at 30th September 2022 HK\$'000 (Audited)
Non-current Assets			
Property, plant and equipment	9	994	1,367
Right-of-use assets	10	14,436	18,638
Deferred tax assets		1,046	1,046
Total Non-current Assets		16,476	21,051
Current Assets			
Trade receivables	11	5,709	12,844
Contract assets		392	358
Prepayments, deposits and other receivables		3,057	3,046
Fixed deposits		37,409	44,668
Cash and cash equivalents		27,420	23,810
Total Current Assets		73,987	84,726
Current Liabilities			
Trade payables	12	3,261	5,050
Contract liabilities		12,147	11,868
Accruals		2,030	3,441
Lease liabilities	10	8,710	8,570
Tax liabilities		—	658
Total Current Liabilities		26,148	29,587
Net Current Assets		47,839	55,139
Total Assets less Current Liabilities		64,315	76,190
Non-current Liability			
Lease liabilities	10	6,684	11,053
Net Assets		57,631	65,137
Capital and Reserves			
Share capital	13	10,000	10,000
Reserves		47,631	55,137
Total Equity		57,631	65,137



Condensed Consolidated Statement of Changes in Equity

For the six months ended 31st March 2023

	Share Capital HK\$'000	Share Premium HK\$'000	Capital Reserve HK\$'000	Merger Reserve HK\$'000	Retained Profits HK\$'000	Total HK\$'000
(Unaudited)						
As at 1st October 2022	10,000	36,735	5,074	16	13,312	65,137
Loss and total comprehensive loss for the period	—	—	—	—	(7,506)	(7,506)
As at 31st March 2023	10,000	36,735	5,074	16	5,806	57,631
(Unaudited)						
As at 1st October 2021	10,000	36,735	5,074	16	16,093	67,918
Loss and total comprehensive loss for the period	—	—	—	—	(9,114)	(9,114)
As at 31st March 2022	10,000	36,735	5,074	16	6,979	58,804



Condensed Consolidated Statement of Cash Flows

For the six months ended 31st March 2023

	Six months ended 31st March	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Net cash from operating activities	665	1,981
Cash Flows from Investing Activities		
Withdrawal of fixed deposits	7,259	—
Interest received	449	55
Purchase of property, plant and equipment	(65)	—
Net cash from investing activities	7,643	55
Cash Flows from Financing Activities		
Repayments of interest element of lease liabilities	(469)	(401)
Repayments of principal element of lease liabilities	(4,229)	(5,152)
Net cash used in financing activities	(4,698)	(5,553)
Net increase/(decrease) in cash and cash equivalents	3,610	(3,517)
Cash and cash equivalents at the beginning of the period	23,810	65,908
Cash and cash equivalents at the end of the period	27,420	62,391



Notes to the Condensed Consolidated Financial Statements

For the six months ended 31st March 2023

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law of the Cayman Islands and registered as an exempted company with limited liability on 20th May 2016 and its issued shares were initially listed on GEM of The Stock Exchange of Hong Kong Limited (“**GEM**”) on 2nd February 2018 (the “**Listing Date**”). The address of the Company’s registered office is at the offices of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s principal place of business is located at 8/F., Wheelock House, 20 Pedder Street, Central, Hong Kong. In the opinion of the Directors, the parent and the ultimate holding company of the Company is Achiever Choice Limited (“**Achiever Choice**”), a company incorporated in the British Virgin Islands (the “**BVI**”). The ultimate controlling shareholder of the Company is Mr. Chan Tsang Tieh (“**Mr. Chan**”) as of the date of this report. Mr. Chan is also the chairman of the Board (the “**Chairman**”) and an executive Director.

The Company is an investment holding company and its principal subsidiaries are principally engaged in the provision of financial printing services in Hong Kong.

The unaudited condensed consolidated financial statements of the Group for the six months ended 31st March 2023 (the “**Unaudited Condensed Consolidated Financial Statements**”) are presented in Hong Kong Dollars (“**HK\$**”) which is also the functional currency of the Company and all values are rounded to the nearest thousand (“**HK\$’000**”) unless otherwise stated.

2. BASIS OF PREPARATION

The Unaudited Condensed Consolidated Financial Statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on GEM.

The accounting policies and methods of computation used in the preparation of the Unaudited Condensed Consolidated Financial Statements are consistent with those adopted in preparing the annual financial statements of the Group for the year ended 30th September 2022.

The Unaudited Condensed Consolidated Financial Statements have been prepared under the historical cost basis.

On 1st October 2022, the Group adopted all the amendments to Hong Kong Financial Reporting Standards (“**HKFRSs**”) that were relevant to the Group and were effective from that date. The adoption of these amendments to HKFRSs, does not result in changes to the Group’s accounting policies and has no material effect on the amounts reported for the current or prior period.



3. REVENUE

The following is an analysis of the Group's revenue from its provision of financial printing services during the three and six months ended 31st March 2022 and 2023:

	For the three months ended 31st March		For the six months ended 31st March	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Listing-related documents	1,515	1,915	2,827	3,676
Periodical reporting documents	1,337	943	4,763	3,151
Compliance documents	2,070	2,965	4,589	6,381
Miscellaneous and marketing collaterals (Note)	375	419	944	557
	5,297	6,242	13,123	13,765

Note: Miscellaneous and marketing collaterals mainly include corporate brochures, leaflets, calendars and other marketing materials.

4. SEGMENT INFORMATION

HKFRS 8 *Operating Segments* requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the executive Directors, being the chief operating decision maker of the Group, for the purpose of resources allocation and performance assessment. On this basis, the Group has determined that it has only one operating segment which is the provision of financial printing services.

In addition, all of the Group's revenue is generated in Hong Kong based on the location of services rendered and all of the Group's assets and liabilities are located in Hong Kong. Accordingly, the Group does not present separately segment information by geographical locations.

5. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

No provision of Hong Kong profits tax has been made in the Unaudited Condensed Consolidated Financial Statements as the Group had no assessable profits for both periods under review.



6. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging:

	For the three months ended 31st March		For the six months ended 31st March	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Employee benefits expense (including Directors' emoluments):				
Salaries and allowances	5,069	5,462	10,000	10,601
Pension scheme contributions	200	214	398	422
	5,269	5,676	10,398	11,023
Depreciation of property, plant and equipment included in administrative expenses	213	218	438	450
Depreciation of right-of-use assets included in cost of services	145	146	289	295
Depreciation of right-of-use assets included in administrative expenses	1,956	1,986	3,913	4,857
Finance costs — interest on lease liabilities included in cost of services	12	19	26	41
Finance costs — interest on lease liabilities included in finance costs	209	330	443	360
Expenses relating to short term leases	144	—	288	—

7. DIVIDENDS

The Board has resolved not to declare the payment of any dividend for the six months ended 31st March 2023 (six months ended 31st March 2022: HK\$Nil).



8. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	For the three months ended 31st March		For the six months ended 31st March	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Loss for the period attributable to owners of the Company for the purpose of calculating basic and diluted loss per share	(4,586)	(4,905)	(7,506)	(9,114)
Number of shares: Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	1,000,000	1,000,000	1,000,000	1,000,000
Basic and diluted loss per share	HK cent (0.46)	HK cent (0.49)	HK cent (0.75)	HK cent (0.91)

The diluted loss per share is equal to the basic loss per share as there were no potentially dilutive ordinary shares in issue during the periods.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31st March 2023, the Group acquired plant and equipment with an aggregate cost of approximately HK\$65,000 (six months ended 31st March 2022: HK\$Nil).



10. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

RIGHT-OF-USE ASSETS

The carrying amounts of the Group's right-of-use assets and the movements during the period are as follows:

	Leased premises HK\$'000	Office equipment HK\$'000	Total HK\$'000
As at 1st October 2022 (Audited)	17,608	1,030	18,638
Depreciation charge for the period	(3,913)	(289)	(4,202)
As at 31st March 2023 (Unaudited)	13,695	741	14,436
As at 1st October 2021 (Audited)	3,170	1,614	4,784
Additions	22,397	—	22,397
Depreciation charge for the period	(4,857)	(295)	(5,152)
As at 31st March 2022 (Unaudited)	20,710	1,319	22,029

For both periods, the Group leases its office, warehouse and equipment for its operations. Lease contracts for leased premises are entered into for fixed term of 2 to 3 years while the lease of equipment has a lease term of 5 years. Lease terms are negotiated on an individual basis and contain different terms and conditions. Generally, the Group is restricted from assigning and subleasing the leased assets. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.



10. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)

LEASE LIABILITIES

The lease liabilities are payable:

	As at 31st March 2023 HK\$'000 (Unaudited)	As at 30th September 2022 HK\$'000 (Audited)
Current		
Within one year	8,710	8,570
Non-current		
More than one year but not later than two years	6,674	8,835
More than two years but not later than five years	10	2,218
	6,684	11,053
	15,394	19,623

The total cash outflow for leases for the six months ended 31st March 2023 was approximately HK\$4,986,000 (six months ended 31st March 2022: HK\$5,553,000).

AMOUNTS RECOGNISED IN PROFIT OR LOSS

	For the three months ended 31st March		For the six months ended 31st March	
	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)	2023 HK\$'000 (Unaudited)	2022 HK\$'000 (Unaudited)
Depreciation of right-of-use assets	2,101	2,132	4,202	5,152
Interest on lease liabilities	221	349	469	401
Expenses relating to short term leases	144	—	288	—

The incremental borrowing rate applied to lease liabilities was 5.25% (six months ended 31st March 2022: 5.25%).



11. TRADE RECEIVABLES

	As at 31st March 2023 HK\$'000 (Unaudited)	As at 30th September 2022 HK\$'000 (Audited)
Trade receivables, gross	12,259	19,394
Less: Allowance for credit losses	(6,550)	(6,550)
	5,709	12,844

The Group's trading terms with its customers are mainly on credit. The credit period is generally 45-60 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	As at 31st March 2023 HK\$'000 (Unaudited)	As at 30th September 2022 HK\$'000 (Audited)
Within 30 days	1,950	6,808
31 to 60 days	1,633	841
61 to 90 days	714	1,125
91 to 180 days	685	3,083
181 days to one year	727	462
Over one year	—	525
	5,709	12,844



12. TRADE PAYABLES

An aging analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	As at 31st March 2023 HK\$'000 (Unaudited)	As at 30th September 2022 HK\$'000 (Audited)
Within 30 days	502	1,418
31 to 60 days	3	635
61 to 90 days	2	15
91 to 180 days	—	522
181 days to one year	677	755
Over one year	2,077	1,705
	3,261	5,050

The trade payables are non-interest-bearing and are normally settled on 30–60 day terms.

13. SHARE CAPITAL

	Number of ordinary shares	Share capital HK\$
Authorised ordinary shares of HK\$0.01 each As at 30th September 2022 and 31st March 2023	5,000,000,000	50,000,000
Issued and fully paid ordinary shares of HK\$0.01 each As at 30th September 2022 and 31st March 2023	1,000,000,000	10,000,000



Management Discussion and Analysis

BUSINESS REVIEW AND OUTLOOK

During the six months ended 31st March 2023, the revenue of the Group decreased by approximately 5.1% as compared to that of the same period of last year, which was mainly attributable to the decrease in revenue generated from printing (i) the listing-related documents of approximately HK\$0.9 million from approximately HK\$3.7 million for the six months ended 31st March 2022 to approximately HK\$2.8 million for the six months ended 31st March 2023 and (ii) compliance documents of approximately HK\$1.8 million from approximately HK\$6.4 million for the six months ended 31st March 2022 to approximately HK\$4.6 million for the six months ended 31st March 2023, whereas the revenue from printing periodical reporting documents increased by approximately HK\$1.7 million from approximately HK\$3.1 million for the six months ended 31st March 2022 to approximately HK\$4.8 million for the six months ended 31st March 2023. The revenue generated from printing of miscellaneous and marketing collaterals are relatively stable for the period.

Upon the good news of border opening between Hong Kong and China. The opening marks a step in Hong Kong's bid to rebuild its reputation as a financial hub connecting mainland China and the rest of the world. In the view that Hong Kong is on the way of returning to normality, which will help the city to retain its global financial hub status. The outlook of Hong Kong IPO market in long term stays positive on the back of strong IPO pipeline from biotech and homecoming listings. Local authorities are now reviewing the rules needed to accommodate listings of specialist technology enterprises that are still in their early stages of commercialization. EDICO has already laid solid foundation over the years to provide the best financial printing services in Hong Kong and we are able to capitalize any market opportunities once the demand for premium financial printing services resumed. Furthermore, we will explore the opportunities in new and innovative industries from Greater China and Southeast Asia for business expansions. Most importantly, we will continue to maintain our premium financial printing services model to our trusted customers in all times and create the long-term values of the shareholders.

FINANCIAL REVIEW

REVENUE

The Group's revenue decreased from approximately HK\$13.8 million for the six months ended 31st March 2022 to approximately HK\$13.1 million for the six months ended 31st March 2023, representing a decrease of approximately 5.1%. Revenue generated from printing (i) the listing-related documents decreased by approximately HK\$0.9 million and (ii) compliance documents decreased by approximately HK\$1.8 million whereas revenue related to printing periodical reporting documents increased by approximately 1.7 million. The revenue from printing of miscellaneous and marketing collaterals are relatively stable as compared to the same period last year. The decrease in revenue was mainly attributable to the delays and cancellations of certain projects during the six months ended 31st March 2023.



COST OF SERVICES

The Group's cost of services mainly included translation cost, printing cost and staff cost, which represented approximately 5.0%, 19.4% and 59.6%, respectively of the Group's total cost of services for the six months ended 31st March 2023. The Group's cost of services decreased from approximately HK\$8.6 million for the six months ended 31st March 2022 to approximately HK\$8.2 million for the six months ended 31st March 2023, representing an decrease of approximately 4.7%. The decrease in cost of services was generally in line with the decrease of the Group's revenue during the period under review.

GROSS PROFIT

The Group's gross profit decreased from approximately HK\$5.2 million for the six months ended 31st March 2022 to approximately HK\$4.9 million for the six months ended 31st March 2023, representing an decrease of approximately 5.8%. The decrease was generally in line with the decrease of the Group's revenue during the period under review.

OTHER INCOME

The Group's other income increased from HK\$0.1 million for the six months ended 31st March 2022 to HK\$0.6 million for the six months ended 31st March 2023. The change was mainly attributable to the increase of interest income from fixed deposits placed in licenced banks in Hong Kong during the six months ended 31st March 2023.

SELLING EXPENSES

The Group's selling expenses decreased from approximately HK\$1.6 million for the six months ended 31st March 2022 to HK\$1.1 million for the six months ended 31st March 2023. The decrease was mainly attributable to the decrease in staff cost.

ADMINISTRATIVE EXPENSES

The Group's administrative expenses decreased from approximately HK\$12.5 million for the six months ended 31st March 2022 to approximately HK\$11.5 million for the six months ended 31st March 2023.

The decrease was mainly attributable to the decrease in staff cost and the depreciation of right-of-use assets.

FINANCE COSTS

The Group's finance costs represented interest on lease liabilities for the six months ended 31st March 2022 and 2023 under HKFRS 16.



INCOME TAX

There was no income tax for the Group for the six months ended 31st March 2023 as the Group had no assessable profits for the periods under review (six months ended 31st March 2022: HK\$Nil).

LOSS FOR THE PERIOD

The Group recorded a loss for the period of approximately HK\$7.5 million for the six months ended 31st March 2023 as compared with that of approximately HK\$9.1 million for the six months ended 31st March 2022. The change was primarily due to the decrease in staff cost and depreciation of right-of-use assets during the six months ended 31st March 2023.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31st March 2023, our Group had cash and bank balances and time deposits of approximately HK\$64.8 million (30th September 2022: HK\$68.5 million) and did not have any bank borrowings (30th September 2022: HK\$Nil).

Our primary use of cash is to satisfy our working capital and capital expenditure needs. Historically, our Group's use of cash was mainly financed through a combination of cash received from the provision of services and financial support from our shareholder. Since the Listing, our liquidity requirements have been satisfied using a combination of cash generated from operating activities and net proceeds from the Listing. Our Directors believe that in the long term, our Group's operation will be funded by internally generated cash flows and, if necessary, additional equity and/or debt financing.

As at 31st March 2023, our Group's current assets amounted to approximately HK\$74.0 million (30th September 2022: HK\$84.7 million) and current liabilities amounted to approximately HK\$26.1 million (30th September 2022: HK\$29.6 million). Current ratio (calculated by dividing current assets by current liabilities) was 2.8 times as at 31st March 2023 (30th September 2022: 2.9 times).

CAPITAL EXPENDITURE

For the six months ended 31st March 2023, our capital expenditure amounted to approximately HK\$65,000.

USE OF NET PROCEEDS FROM THE LISTING

On 2nd February 2018 (the "**Listing Date**"), the Shares were listed on GEM of the Stock Exchange. A total of 250,000,000 Shares with nominal value of HK\$0.01 each were issued at HK\$0.22 per Share in relation to its Share Offer (as defined in the prospectus of the Company dated 23rd January 2018 (the "**Prospectus**")). The net proceeds received from the Listing, after deducting the underwriting commission and all related Listing expenses (the "**Net Proceeds**") were amounted to approximately HK\$28.7 million.

The Group has resolved to change the use of the unutilised Net Proceeds to general working capital and general corporate purpose for more efficient use of the resources, as detailed in the Company's announcement dated 15th December 2022.



The table below sets out the planned applications of the Net Proceeds and the actual usage:

Intended application of the Net Proceeds	Total expenditure of the planned applications (Note 1) (HK\$ million)	Planned use of the Net Proceeds (Note 2) (HK\$ million)	Actual usage from the Listing Date and up to 30th September 2022 (HK\$ million)	Actual usage during 1st October 2022 to 15th December 2022 (HK\$ million)	Revised	Actual usage from 15th December 2022 to 31st March 2023 (HK\$ million)	Unutilised Net Proceeds as at 31st March 2023 (HK\$ million)
					allocation of unutilised Net Proceeds on 15th December 2022 (Note 4) (HK\$ million)		
Upgrading the Central Office (Note 3) and setting up a new office	18.6	13.9	5.8	0.3	(7.8)	—	—
Expanding the workforce	10.0	7.5	7.5	—	—	—	—
Upgrading and acquiring equipment and software	6.0	4.5	2.2	0.4	(1.9)	—	—
Working capital and general corporate expenses	—	2.8	2.8	—	9.7	9.7	—

Notes:

- (1) Refers to the future plans as stated in the Prospectus.
- (2) Refers to the planned use of the Net Proceeds as stated in the Prospectus.
- (3) Central Office represents the Group's headquarters and principal place of business located at 8/F., Wheelock House, 20 Pedder Street, Central, Hong Kong.
- (4) The Group has resolved to change the use of the unutilised net proceeds to general working capital.

As at the date of this report, the unutilised Net Proceeds were deposited in a licensed bank Hong Kong.



COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL PROGRESS

The following is a comparison of the Group's business objectives as set out in the Prospectus with actual progress.

Business objectives as set out in the Prospectus

Actual progress up to 31st March 2023

– Upgrading the Central Office and setting up a new office	The renovation work of the Central Office had been completed by the end of December 2018 and a new office was relocated to a more spacious office located in New Kowloon Plaza, Hong Kong by the end of August 2020. The Group has resolved to change the use of the unutilised Net Proceeds for upgrading the Central Office and setting up a new office to working capital and general corporate purpose, as disclosed in the announcement dated 15th December 2022.
– Expanding the workforce	The Group has recruited additional staff to join the sales, services and operations departments.
– Upgrading and acquiring equipment and software	The Group has upgraded its computer, email system and existing server configuration, and acquired conference rooms' facilities for serving its customers. The Group has resolved to change the use of the unutilised Net Proceeds for upgrading and acquiring equipment and software to working capital and general corporate purpose, as disclosed in the announcement dated 15th December 2022.

GEARING RATIO

Gearing ratio is calculated as net debt (comprising contract liabilities, trade payables, accruals, and lease liabilities, less cash and cash equivalents) at the end of the respective period divided by total equity. Gearing ratio was not applicable to the Group as at 31st March 2023 and 30th September 2022 as the Group did not have net debt on both dates.

FOREIGN CURRENCY EXPOSURE

Since the Group's business activities are solely operated in Hong Kong and mainly denominated in Hong Kong Dollars, the Directors consider that the Group's risk in foreign exchange is insignificant.

CAPITAL COMMITMENTS

The Group had no significant capital commitments as at 31st March 2023 (30th September 2022: HK\$Nil).



CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 31st March 2023 (30th September 2022: HK\$Nil).

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There was no acquisition or disposal of subsidiaries, associates and joint ventures by the Group during the six months ended 31st March 2023.

SIGNIFICANT INVESTMENTS

As at 31st March 2023, the Group did not hold any significant investments or capital assets.

CHARGES ON THE GROUP'S ASSETS

As at 31st March 2023, the Group had no charges on the Group's assets.

EMPLOYEES AND REMUNERATION POLICIES

As at 31st March 2023, the Group had a total headcount of 56 full-time employees (31st March 2022: 55 full-time employees). The Group's employee benefit expenses mainly include salaries, wages, discretionary bonus, other staff benefits and contributions to retirement schemes. Remuneration is determined by reference to the market conditions and the performance, qualification and experience of individual employee.

Furthermore, the Company has adopted a share option scheme as an incentive or reward for the eligible participants for their contribution to the Group, and provides continuous training to its employees to improve their skills and develop their potential.

DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 31st March 2023 (six months ended 31st March 2022: HK\$Nil).

EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant events requiring disclosure that have occurred after 31st March 2023 and up to the date of this report.



Corporate Governance and Other Information

DISCLOSURE OF INTERESTS

(A) INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31st March 2023, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the “SFO”), which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long position in the Shares

Name of Director	Capacity	Nature of interests	Number of Shares held	Percentage of interest in the Company
Mr. Chan (Note)	Interest in a controlled corporation	Corporate interest	560,000,000	56%

Note: The Company is owned as to 56% by Achiever Choice which is wholly owned by Mr. Chan, the Chairman and an executive Director. Under the SFO, Mr. Chan is deemed to be interested in the same parcel of Shares held by Achiever Choice.

Long position in the ordinary shares of associated corporation

Name of Director	Name of associated corporation	Capacity	Nature of interests	Number of shares held	Percentage of interest in the company
Mr. Chan	Achiever Choice	Beneficial owner	Personal interest	1	100%

Save as disclosed above and so far as is known to the Directors, as at 31st March 2023, none of the Directors nor the chief executive of the Company had or was deemed to have any other interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which had been (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, entered in the register referred to therein; or (c) notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.



(B) INTERESTS OF SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

As at 31st March 2023, so far as is known to the Directors, the person and entity (not being a Director or the chief executive of the Company) had, or were deemed to have, interests or short positions (directly or indirectly) in the Shares or underlying Shares that would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Long position in the Shares

Name of shareholder	Capacity	Nature of interests	Number of Shares held	Percentage of interest in the Company
Achiever Choice (<i>Note</i>)	Beneficial owner	Personal interest	560,000,000	56%
Yuen Sin Yee Claudia	Beneficial owner	Personal interest	192,200,000	19%

Note: Achiever Choice is the beneficial owner of 560,000,000 Shares, representing 56% of the Company's issued share capital. Achiever Choice is wholly owned by Mr. Chan.

Save as disclosed above and so far as is known to the Directors, as at 31st March 2023, the Directors were not aware of any other entity which or person (other than a Director or the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares that had been disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

A share option scheme of the Company (the “**Share Option Scheme**”) was approved and conditionally adopted by the then sole Shareholder by way of written resolutions on 16th January 2018. The Share Option Scheme became effective on the Listing Date. For the principal terms of the Share Option Scheme, please refer to “D. Share Option Scheme” in Appendix IV to the Prospectus.

No options were granted, exercised, cancelled or lapsed by the Company under the Share Option Scheme during the six months ended 31st March 2023 and there were no outstanding share options under the Share Option Scheme during the period from the Listing Date to 31st March 2023. The number of options available for grant under the Share Option Scheme was 100,000,000 as at 1st October 2022 and as at 31st March 2023.



COMPETING INTERESTS

None of the Directors or the controlling shareholders (as defined in the GEM Listing Rules) of the Company or any of their respective close associates (as defined in the GEM Listing Rules) had any business or interest in a business that competed or might compete with the business of the Group and had or might have any other conflicts of interest with the Group during the six months ended 31st March 2023.

CORPORATE GOVERNANCE CODE

The Company endeavours to adopt prevailing best corporate governance practices. During the six months ended 31st March 2023, the Company had complied with all the code provisions of the Corporate Governance Code as contained in Appendix 15 to the GEM Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Required Standard of Dealings**”) as its own code of conduct governing the securities transactions by the Directors. The Company had made specific enquiries of all the Directors and each of them has confirmed that he/she had complied with the Required Standard of Dealings during the six months ended 31st March 2023.

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

During the six months ended 31st March 2023, the Company did not redeem any of its listed securities, nor did the Company and any of its subsidiaries purchase or sell such securities.



AUDIT COMMITTEE

The financial information contained in this report has not been audited by the independent auditor of the Company. Pursuant to Rule 5.28 of the GEM Listing Rules, the Company established the audit committee (the “**Audit Committee**”) with written terms of reference aligned with the code provisions set out in Appendix 15 to the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control and risk management systems of the Group. As at the date of this report, the Audit Committee comprises Mr. Li Wai Ming (chairman), Mr. Wan Chun Wai Andrew and Ms. Chan Chiu Yee Natalie, being the independent non-executive Directors.

The Audit Committee has reviewed the unaudited condensed consolidated results of the Group for the six months ended 31st March 2023 and this report and is of the opinion that such results have been prepared in compliance with the applicable accounting standards and the requirements under the GEM Listing Rules, and that adequate disclosures have been made.

By Order of the Board
EDICO Holdings Limited
Chan Tsang Tieh
Chairman and Executive Director

Hong Kong, 8th May 2023

As at the date of this report, the executive Directors are Mr. Chan Tsang Tieh (Chairman) and Mrs. Donati Chan Yi Mei Amy (Chief Executive Officer); and the independent non-executive Directors are Mr. Li Wai Ming, Mr. Wan Chun Wai Andrew and Ms. Chan Chiu Yee Natalie.

