



aeso

AESO HOLDING LIMITED

艾碩控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8341)

INTERIM
REPORT
2021



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

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

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

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*This report, for which the directors (“**Directors**”) of Aeso Holding Limited (“**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (“**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this 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 in this report misleading.*

FINANCIAL HIGHLIGHTS

For the six months ended 30 September 2021 (the “**Period**”):

- Revenue of the Group was approximately HK\$76.0 million, representing an increase by approximately 78.0% as compared to the corresponding period in 2020.
- Loss attributable to equity holders of the Company was approximately HK\$2.0 million (2020: loss of approximately HK\$7.3 million).
- The board of Directors do not recommend the payment of dividend for the Period.
- Loss per share of the Company was approximately HK\$0.26 cents (2020: loss per share of approximately HK\$3.63 cents).

The board of Directors (the “**Board**”) of the Company is pleased to announce the unaudited results of the Company and its subsidiaries (collectively the “**Group**”) for the Period, together with the unaudited comparative figures for the corresponding period in 2020, as follows:

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

For the three months and six months ended 30 September 2021

	Notes	Three months ended 30 September		Six months ended 30 September	
		2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)	2021 HK\$'000 (Unaudited)	2020 HK\$'000 (Unaudited)
Revenue	3	35,237	18,119	76,068	42,737
Cost of sales		(30,107)	(17,798)	(66,404)	(41,230)
Gross profit		5,130	321	9,664	1,507
Other income, gains or (losses)	4	11	1,726	22	1,768
Change in fair value of financial assets at fair value through profit or loss		61	38	123	115
Administrative expenses		(6,426)	(5,373)	(11,749)	(9,353)
Finance costs	5	(30)	(580)	(100)	(1,301)
Loss before taxation	6	(1,254)	(3,868)	(2,040)	(7,264)
Taxation	7	-	-	-	-
Loss and total comprehensive loss for the period		(1,254)	(3,868)	(2,040)	(7,264)
Loss per share, attribute to equity holders of the Company					
Basic and diluted (HK cents)	9	(0.16)	(1.93)	(0.26)	(3.63)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the six months ended 30 September 2021

	Notes	As at 30 September 2021 HK\$'000 (Unaudited)	As at 31 March 2021 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment		305	364
Right-of-use assets		1,709	2,991
		2,014	3,355
Current assets			
Account and other receivables	10	28,727	46,711
Contract assets		45,055	18,476
Financial assets at fair value through profit or loss		10,226	10,103
Pledged bank deposits		903	1,802
Bank balances and cash		2,950	7,843
		87,861	84,935
Current liabilities			
Account and other payables	11	(25,596)	(30,446)
Contract liabilities		(33,902)	(28,459)
Advances drawn on account receivables factored with recourse		(3,982)	–
Bank borrowings		(6,767)	(6,959)
Lease liabilities		(1,724)	(2,568)
		(71,971)	(68,432)
Net current assets		15,890	16,503
Total assets less current liabilities		17,904	19,858

	As at 30 September 2021 HK\$'000 (Unaudited)	As at 31 March 2021 HK\$'000 (Audited)
Non-current liability		
Lease liabilities	–	(433)
	–	(433)
Net assets	17,904	19,425
Capital and reserves		
Share capital	62,400	62,400
Reserves	(44,496)	(42,975)
Total equity	17,904	19,425

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2021

	Share capital HK\$'000	Share premium HK\$'000	Share option reserve HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 April 2021 (audited)	62,400	39,615	4,182	1,000	(87,772)	19,425
Loss and total comprehensive loss for the Period	-	-	-	-	(2,041)	(2,041)
Recognition of equity-settled share-based payments	-	-	520	-	-	520
As at 30 September 2021 (unaudited)	62,400	39,615	4,702	1,000	(89,813)	17,904
At 1 April 2020 (audited)	15,600	40,201	4,182	1,000	(82,118)	(21,135)
Loss and total comprehensive loss for the Period	-	-	-	-	(7,264)	(7,264)
As at 30 September 2020 (unaudited)	15,600	40,201	4,182	1,000	(89,382)	(28,399)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2021

	Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000
Net cash used in operating activities	(8,205)	(4,034)
Net cash generated from investing activities	899	1,771
Net cash generated from/(used in) financing activities	2,413	(25,268)
Net decrease in cash and cash equivalents	(4,893)	(27,531)
Cash and cash equivalents, at 1 April	7,843	34,782
Cash and cash equivalents, at 30 September	2,950	7,251
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	2,950	7,251

1. CORPORATE INFORMATION

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands on 10 December 2015. The address of the Company's registered office is 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands and its principal place of business is 18th Floor, The Pemberton, 22-26 Bonham Strand, Sheung Wan, Hong Kong.

The Company is an investment holding company. The Company's subsidiaries are principally engaged in the premise enhancement solution service in Hong Kong by providing contracting service for (i) the internal fitting out of newly built commercial premises and residential developments, and (ii) the renovation work as well as alteration and addition work for existing commercial premises.

The unaudited condensed consolidated financial statements have not been audited by the Company's independent auditor, but have been reviewed by the Company's audit committee.

The unaudited interim financial statements of the Group for the six months ended 30 September 2021 are presented in Hong Kong dollars ("**HK\$**"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSS**"), which collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKAS**") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure requirements under the GEM Listing Rules. The unaudited interim financial statements should be read in conjunction with the annual report for the year ended 31 March 2021.

The accounting policies adopted are consistent with those set out in the annual financial statements for the year ended 31 March 2021. The adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group for the current and prior periods.

3. REVENUE AND SEGMENT INFORMATION

An analysis of the Group's revenue recognised during the three months and six months ended 30 September 2021 and 2020 are as follows:

	Three months ended 30 September		Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
Disaggregation of revenue from contracts with customers				
Fitting-out projects	26,368	13,670	67,199	37,697
Renovation projects	8,869	4,449	8,869	5,040
Revenue recognised over time	35,237	18,119	76,068	42,737

The Group's reportable and operating segments under HKFRS 8 "Operating Segments" are as follows:

(i) **Fitting out work for new projects ("Fitting out Projects")**

Provision of fitting out work for construction of newly built commercial premises and residential developments either as a main contractor or subcontractor.

(ii) **Renovation work and alteration and addition work for old projects (“Renovation Projects”)**

Provision of renovation work and alteration and addition work for existing commercial premises as a main contractor.

For the three months ended 30 September 2021

	Fitting out projects HK\$'000	Renovation projects HK\$'000	Total HK\$'000
Revenue			
Segment revenue	26,368	8,869	35,237
Segment (loss)/profit	(213)	5,343	5,130
Unallocated income			11
Change in fair value of financial assets at fair value through profit or loss			61
Unallocated expenses			(6,456)
Loss before taxation			(1,254)

For the three months ended 30 September 2020

	Fitting out projects HK\$'000	Renovation projects HK\$'000	Total HK\$'000
Revenue			
Segment revenue	13,670	4,449	18,119
Segment (loss)/profit	(152)	473	321
Unallocated income			1,726
Change in fair value of financial assets at fair value through profit or loss			38
Unallocated expenses			(5,953)
Loss before taxation			(3,868)

For the six months ended 30 September 2021

	Fitting out projects HK\$'000	Renovation projects HK\$'000	Total HK\$'000
Revenue			
Segment revenue	67,199	8,869	76,068
Segment profit	4,321	5,343	9,664
Unallocated income			22
Change in fair value of financial assets at fair value through profit or loss			123
Unallocated expenses			(11,849)
Loss before taxation			(2,040)

For the six months ended 30 September 2020

	Fitting out projects HK\$'000	Renovation projects HK\$'000	Total HK\$'000
Revenue			
Segment revenue	37,697	5,040	42,737
Segment profit	952	555	1,507
Unallocated income			1,768
Change in fair value of financial assets at fair value through profit or loss			115
Unallocated expenses			(10,654)
Loss before taxation			(7,264)

Segment (loss)/profit represents the (loss)/profit from each segment before taxation without allocation of other income, change in fair value of financial assets at fair value through profit or loss, administrative expenses and finance costs.

Geographical information

The Group's revenue is all derived from operations in Hong Kong and the Group's non-current assets are all located in Hong Kong.

Information about major customers

Revenue from customers of the corresponding years individually contributing over 10% of the Group's revenue are as follows:

		Three months ended 30 September		Six months ended 30 September	
		2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Customer 1	Renovation Projects	- ¹	17,848	- ¹	29,676
Customer 2	Renovation Projects	26,523	NA	45,481	NA

¹ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

4. OTHER INCOME, GAINS OR (LOSSES)

	Three months ended 30 September		Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
Interest income	11	10	22	20
Other income	-	1,719	-	1,751
Loss on disposal of property, plant and equipment	-	(3)	-	(3)
	11	1,726	22	1,768

5. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
Interest on:				
Bank borrowings	19	56	74	151
Other borrowings	–	499	–	1,096
Lease liabilities	11	25	26	54
	30	580	100	1,301

6. LOSS BEFORE TAXATION

	Three months ended 30 September		Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
Loss before taxation has been arrived at after charging:				
Directors' emolument	894	833	1,788	1,722
Other staff costs:				
Salaries and other allowances	4,255	3,544	8,007	6,441
Retirement benefit scheme contributions	187	119	326	228
Total staff costs	5,336	4,496	10,121	8,391
Less: amounts included in cost of services	(1,988)	(2,133)	(3,556)	(4,279)
	3,348	2,363	6,565	4,112
Auditor's remuneration	157	195	315	390
Depreciation of property, plant and equipment	74	70	146	141
Depreciation of right-of-use assets	641	679	1,282	1,357
Equity-settled share-based payment	520	–	520	–

7. TAXATION

No provision for Hong Kong Profit Tax has been made as the Group had no assessable profit during the six months and three months ended 30 September 2021 and 2020.

8. DIVIDENDS

The Board does not recommend a payment of a dividend for the Period (2020: Nil).

9. LOSS PER SHARE

	Three months ended 30 September		Six months ended 30 September	
	2021 HK\$'000	2020 HK\$'000	2021 HK\$'000	2020 HK\$'000
Loss:				
Loss for the purpose of calculating basic loss per share	(1,254)	(3,868)	(2,040)	(7,264)
Number of shares:				
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	800,000,000	200,000,000	800,000,000	200,000,000

Diluted loss per share for the three months and six months 30 September 2021 and 2020 were not presented as the potential ordinary shares in issue for the three months and six months ended 30 September 2021 and 2020.

10. ACCOUNT AND OTHER RECEIVABLES

	As at 30 September 2021 HK\$'000 (Unaudited)	As at 31 March 2021 HK\$'000 (Audited)
Account receivables	30,370	52,273
Less: allowance for expected credit losses	(5,989)	(9,488)
	24,381	42,785
Other receivables, deposits and prepayments		
– Project deposits paid to sub-contractors	3,042	2,474
– Rental and utility deposits	832	930
– Prepayment	433	460
– Other receivables	39	62
	4,346	3,926
Total accounts and other receivables	28,727	46,711

Aging of account receivables

	As at 30 September 2021 HK\$'000 (Unaudited)	As at 31 March 2021 HK\$'000 (Audited)
within 30 days	13,653	35,371
31 to 60 days	2,289	5,901
61 to 120 days	–	22
121 to 365 days	7,635	703
Over 365 days	804	788
	24,381	42,785

11. ACCOUNT AND OTHER PAYABLES

	As at 30 September 2021 HK\$'000 (Unaudited)	As at 31 March 2021 HK\$'000 (Audited)
Account payables	2,688	8,583
Accruals	2,100	2,713
Advances from customers	8,000	8,000
Retention payables	12,808	11,150
	25,596	30,446

The average credit period on account payables is 30 days. The aging analysis of the account payables based on invoice dates at the end of each reporting period is as follows:

	As at 30 September 2021 HK\$'000 (Unaudited)	As at 31 March 2021 HK\$'000 (Audited)
0 to 30 days	2,686	8,583
31 to 60 days	-	-
61 to 90 days	-	-
Over 90 days	2	-
	2,688	8,583

MANAGEMENT DISCUSS AND ANALYSIS

Business Review

The Company is an investment holding company and the shares of the Company (the “**Shares**”) were listed on GEM of the Stock Exchange on 13 January 2017 by way of placing. The Company’s subsidiaries are principally engaged in the provision of fitting-out work for construction of newly built commercial premises and residential developments and renovation (including alteration and addition) work for existing commercial premises in Hong Kong. As a contracting service provider which offers high quality and value-added services to cater for our clients’ specification and satisfaction, the Group received continuing support from our customers over the years. We have also built-up reputation which attract many new customers.

During the Period, the Company submitted tenders amounting to approximately HK\$1,765.9 million (six months ended 30 September 2020: approximately HK\$1,387.9 million) and 4 projects were awarded (six months ended 30 September 2020: 9 projects were awarded) amounting to approximately HK\$31.9 million (six months ended 30 September 2020: approximately HK\$111.9 million), which included a fitting-out project for a residential development at Tai Po with total contract sum of approximately HK\$25.3 million. Most of the tenders are invited by the stable and long-term clients, including leading listed property developers in Hong Kong, based on their trust to our Company and some are from sizable developers from the PRC.

It is expected that the tenders awarded during the Period enables the Group to have strong and stable source of revenue in the forthcoming financial years. The Directors will deploy more resources to satisfy the capital needs for performing the projects and will consider different alternatives to raise additional funds if and when the need arises.

Financial Review

Revenue

The Group's overall revenue increased from approximately HK\$42.7 million for the six months ended 30 September 2020 to approximately HK\$76.1 million for the Period, representing an increase of approximately 78.2%. The increase in revenue is mainly contributed by the relatively larger amounts of tenders awarded during the year ended 31 March 2021 (amounting to approximately HK\$412.5 million) as compared to the amount of tenders awarded during the year ended 31 March 2020 (amounting to approximately HK\$184.4 million) and it led that more contract revenue was recognised during the Period as compared to the corresponding period in 2020.

The revenue for the Fitting out Projects for the six months ended 30 September 2021 was approximately HK\$67.2 million, represented an increase of approximately 78.3% from approximately HK\$37.7 million for the same period in 2020.

The revenue for the Renovation Projects for the six months ended 30 September 2021 was approximately HK\$8.9 million, represented an increase of approximately 76.0% from approximately HK\$5.0 million for the same period in 2020.

Cost of Services

The Group's direct cost increased from approximately HK\$41.2 million for the Period to approximately HK\$66.4 million for the Period, representing an increase of approximately 61.1%. The increase was in line with the increase in revenue.

Gross Profit

The gross profit amounted to approximately HK\$9.7 million and approximately HK\$1.5 million for the six months ended 30 September 2021 and 2020 respectively, representing an increase of approximately 5.4 times.

Administrative Expenses

The Group's administrative expenses amounted to approximately HK\$11.7 million and approximately HK\$9.4 million for the six months ended 30 September 2021 and 2020 respectively, representing an increase of approximately 25.6%. Such increase was mainly due to the increase in staff costs for administrative staffs for the Period.

Loss attributable to the owners of the Company

As a result of the aforesaid, the loss attributable to the owners of the Company was approximately HK\$2.0 million and approximately HK\$7.3 million for the six months ended 30 September 2021 and 2020 respectively.

Prospect and Outlook

The competitive strengths of the Company, such as (i) an established track record in the market with stable and long-term client relationships with the major clients that include listed property developers; (ii) strong and stable relationships with the major suppliers and subcontractors; (iii) integrated project execution for contracting services; and (iv) a strong and experienced management team with proven track record, continuously contribute to the success of the Group.

The Group will continue focusing on the opportunities in renovation works and fitting out works in Hong Kong, especially fitting-out projects for residential development and commercial premises. Since 1 April 2021 and up to the date of this report, the Group was awarded with three fitting-out projects with the total contract sum of approximately HK\$55.2 million and three renovation project with a total contract sum of approximately HK\$2.4 million. The Boards will keep to tender new fitting-out projects and renovation projects including those Mainland China based property developers which are currently very active in new property development in Hong Kong.

However, the outbreak of COVID-19 in Hong Kong since early 2020 are the major uncertainties about the economic growth in coming years which our management will pay more attention. Besides, the productivity of our materials suppliers in mainland China and Europe may be affected by the aforesaid reason which may in turn affect the progress of our on-going projects, our management was closely communicating with those suppliers to minimise our operating risks.

Liquidity and Financial Resources

The Group's operation and investments were financed principally by cash generated from its business operations and bank borrowings. As at 30 September 2021, the Group had net current assets of approximately HK\$15.9 million (31 March 2021: net current assets of approximately HK\$16.5 million), net assets of approximately HK\$17.9 million (31 March 2021: net assets of approximately HK\$19.4 million), bank balances and cash of approximately HK\$3.0 million (31 March 2021: approximately HK\$7.8 million) and pledged bank deposit of approximately HK\$0.9 million (31 March 2021: approximately HK\$1.8 million).

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Pledge of Assets

Certain cash deposits of the Group of approximately HK\$0.9 million as at 30 September 2021 (31 March 2021: approximately HK\$1.8 million) are charged to secure general banking facilities.

Capital Commitments

As at 30 September 2021, the Group did not have any material capital commitment.

Capital Structure

There has been no change in capital structure of the Company since 31 March 2021.

Significant Investments

As at 30 September 2021, there was no significant investment held by the Group (31 March 2021: Nil).

Acquisitions and Disposals of Subsidiaries

The Group did not have any acquisitions or disposals of subsidiaries and affiliated companies during the Period.

Foreign Exchange Exposure

The Group's business operations were conducted in Hong Kong and the transactions, monetary assets and liabilities of the Group were denominated in Hong Kong dollars and United States dollars. As at 30 September 2021, the Group had no significant exposure under foreign exchange contracts, interest, currency swaps or other financial derivatives.

Employees and Remuneration Policy

As at 30 September 2021, the Group had 46 employees. The remuneration policy of the employees of the Group was set up by the Board on the basis of their experience, qualifications and competence. Other employees' benefits include contributions to statutory mandatory provident funds, and housing allowance to its employees in Hong Kong.

A remuneration committee was set up for, inter alia, reviewing the Group's remuneration policy and structure for all Directors and senior management of the Group.

DIRECTOR'S AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2021, the interests of the Directors of the Company in shares, underlying shares 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) ("SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Long positions in shares and underlying shares of the Company

Name	Capacity	Number of ordinary Shares held	Approximate percentage of the issued share capital of the Company as at 30 September 2021
Chan Siu Chung	Beneficial owner	112,838,709	14.10%
Zhang Hai Wei – share options	Beneficial owner	10,838,709	1.35%
Cheung Hiu Tung – share options	Beneficial owner	2,838,709	0.35%

Mr. Chan held 106,000,000 Shares through Acropolis Limited in which Mr. Chan is the sole Director and shareholder. Also, Mr. Chan held 6,838,709 share options of the Company directly.

Save as disclosed above, none of the Directors and chief executive of the Company had any interests or short position in the shares, underlying shares or debentures of the Company or its associated corporation as at 30 September 2021.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

During the Period, none of the Directors (including their spouses and children under the age of 18) had any interest in or was granted any right to subscribe for the shares in, or debentures of, the Company or its associated corporations, or had exercised any such right.

SUBSTANTIAL SHAREHOLDERS AND OTHERS' INTERESTS IN THE SHARES OF THE COMPANY

As at 30 September 2021, so far as are known to any Directors of the Company, no person (other than the Directors or chief executive of the Company) had interests in the shares or underlying shares of the Company accounting to a substantial shareholder as recorded in the register required to be kept pursuant to section 336 of the SFO.

SHARE OPTION SCHEME

A share option scheme of the Company (the “Share Option Scheme”) was adopted in Company’s annual general meeting on 30 September 2019.

Details of the options outstanding for the Period are as follows:

Grantees	Date of grant	No. of shares comprised in options				As at 30 September 2021	Exercise price per share
		As at 1 April 2021	Granted	Exercised	Lapsed		
Executive directors							
Chan Siu Chung	15 November 2019	2,838,709	-	-	-	2,838,709	HK\$0.3135
	12 July 2021	-	4,000,000	-	-	4,000,000	US\$0.01
Cheung Hiu Tung	15 November 2019	2,838,709	-	-	-	2,838,709	HK\$0.3135
Zhang Hai Wei	15 November 2019	2,838,709	-	-	-	2,838,709	HK\$0.3135
	12 July 2021	-	8,000,000	-	-	8,000,000	US\$0.01
Other employees							
	15 November 2019	19,870,970	-	-	(5,677,420)	14,193,550	HK\$0.3135
	12 July 2021	-	8,000,000	-	-	8,000,000	US\$0.01
	Total	28,387,097	20,000,000	-	(5,677,420)	42,709,677	

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted procedures governing Directors' securities transactions on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

The Directors during the Period were Mr. Chan Siu Chung, Mr. Cheung Hiu Tung, Mr. Zhang Hai Wei, Mr. Yeung Chun Yue, David, Ms. Lai Wing Sze and Ms. Yu Wan Ki. The Company has made specific enquiries and all Directors have confirmed that they have complied with the required standards of dealings set out in the GEM Listing Rules during the Period.

MANAGEMENT CONTRACTS

No contracts, other than a contract of service with any Director or any person under the full-time employment of the Company, concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Period.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors or the substantial shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) had any interest in the business that competed or might compete or was likely to compete, either directly or indirectly, with the business of the Group during the Period.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the articles of association of the Company or the laws of Cayman which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

EVENTS AFTER THE REPORTING PERIOD

Up to the date of this report, there is no significant events occurred after the Period.

CORPORATE GOVERNANCE PRACTICES

The corporate governance principles of the Company emphasis a quality Board, sound internal controls, transparency and accountability to all shareholders. By applying rigorous corporate governance practices, the Company believes that its accountability and transparency will be improved thereby instilling confidence to the shareholders of the Company and the public. Throughout the Period, the Company has complied with the code provisions in the Corporate Governance Code ("**CG Code**") set out in Appendix 15 to the GEM Listing Rules except for the following deviations:

Provisions A.2.1 of the CG Code

Under provision A.2.1 of the CG Code, the role of the Chairman and the Chief Executive Officer should be performed by separate individuals. Mr. Chan Siu Chung is the Chairman who provides leadership for the Board. Mr. Chan Siu Chung as the Chairman ensures that all directors are properly briefed on issued arising at board meetings, and receive adequate information, both complete and reliable, in a timely manner. The executive directors of the Company collectively oversees the overall management of the Group in each of their specialized executive fields, which fulfils the function of Chief Executive Officer in substance. Therefore, the Company currently has not appointed its Chief Executive Officer to avoid the duplication of duties.

AUDIT AND RISK MANAGEMENT COMMITTEE

As at the date of this report, the Audit and Risk Management Committee was chaired by Mr. Yeung Chun Yue, David, an independent non-executive Director and the other members include Ms. Lai Wing Sze and Ms. Yu Wan Ki, all being independent non-executive Directors of the Company.

The Audit and Risk Management Committee's primary duties include ensuring that the Company's financial statements, annual, interim and quarterly reports and the auditor's report present a true and balanced assessment of the Company's and the Group's financial position; reviewing the Company's and the Group's financial control, internal control and risk management systems; and reviewing the Company's financial and accounting policies and practices. Other duties of the Audit and Risk Management Committee are set out in its specific terms of reference which are posted on the websites of the Company and of the Stock Exchange. The Audit and Risk Management Committee is provided with sufficient resources enabling it to discharge its duties.

The Audit and Risk Management Committee reviewed the Group's accounting principles, practices and compliance and financial report matters including the review of the unaudited condensed consolidated financial statements for the six months ended 30 September 2021.

For and on behalf of
Aeso Holding Limited
Chan Siu Chung
Chairman

Hong Kong, 12 November 2021

As at the date of this report, the Board comprises Mr. Chan Siu Chung, Mr. Cheung Hiu Tung and Mr. Zhang Hai Wei as Executive Directors, Mr. Yeung Chun Yue, David, Ms. Lai Wing Sze and Ms. Yu Wan Ki as Independent Non Executive Directors.