

Goldway Education Group Limited

(incorporated in the Cayman Islands with limited liability)

Stock Code : 8160

2022 INTERIM REPORT



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

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

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*This report, for which the directors (the “**Director(s)**”) of Goldway Education Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules governing the Listing of Securities on the GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this 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.*

This report will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its publication. This report will also be published on the Company’s website at www.goldwayedugp.com.

FINANCIAL HIGHLIGHTS

For the six months ended 30 September 2022, unaudited operating results of the Group were as follows:

- revenue of approximately HK\$18.1 million, representing an increase of 9.8% comparing to the same period of previous financial year;
- loss for the six months ended 30 September 2022 amounted to approximately HK\$3.7 million, which represented an increase of 55.4% comparing to that of the same period of previous financial year; and
- the Directors do not recommend the payment of interim dividend for the six months ended 30 September 2022.

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2022

The board of Directors (the “**Board**”) is pleased to announce the unaudited results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 September 2022 (the “**Reporting Period**”) together with the comparative unaudited figures for the corresponding period in 2021 as follows:

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

For the six months ended 30 September 2022

	Notes	Three months ended 30 September		Six months ended 30 September	
		2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Revenue	3	7,977	8,426	18,121	16,510
Other income	3	687	–	1,308	1
Other losses	3	(1,444)	–	(1,444)	–
Advertising expenses		(71)	(5)	(82)	(35)
Building management fees and rates		(183)	(134)	(401)	(194)
Depreciation expenses		(94)	(1,559)	(1,922)	(2,848)
Employee benefit expenses		(6,096)	(6,855)	(13,079)	(12,221)
Other operating expenses		(3,615)	(1,999)	(5,989)	(3,314)
Finance costs		(98)	(124)	(197)	(274)
Loss before income tax expense		(2,937)	(2,250)	(3,685)	(2,375)
Income tax expense	5	(5)	–	(5)	–
Loss and total comprehensive income attributable to owners of the Company for the period		(2,942)	(2,250)	(3,690)	(2,375)
		HK cent	HK cent	HK cent	HK cent
Basic loss per share attributable to equity holders of the Company for the period	6	(0.56)	(0.43)	(0.71)	(0.45)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2022

	Notes	30 September 2022 HK\$'000 (unaudited)	31 March 2022 HK\$'000 (audited)
ASSETS AND LIABILITIES			
Non-current assets			
Plant and equipment	8	517	717
Right-of-use assets		2,868	1,634
Goodwill		10,697	–
Deposit		951	951
		15,033	3,302
Current assets			
Account receivables	9	750	588
Prepayments, deposits and other receivables	10	4,494	2,319
Financial assets at fair value through profit or loss		525	–
Restricted bank balance		14,506	14,506
Cash and cash equivalents		5,451	16,457
		25,726	33,870
Current liabilities			
Accruals, other payables and contract liabilities	11	5,267	1,923
Lease liabilities		3,344	3,788
Amount due to a substantial shareholder of the Company		–	221
Amount due to a related party		1,500	–
Tax payable		964	943
		11,075	6,875
Net current assets		14,651	26,995
Total assets less current liabilities		29,684	30,297

	Notes	30 September 2022 HK\$'000 (unaudited)	31 March 2022 HK\$'000 (audited)
Non-current liabilities			
Promissory note		2,000	–
Lease liabilities		2,950	2,121
		4,950	2,121
Net assets			
		24,734	28,176
EQUITY			
Equity attributable to owners of the Company			
Share capital	12	5,225	5,225
Reserves		19,261	22,951
		24,486	28,176
Non-controlling interests			
		248	–
Total equity			
		24,734	28,176

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six months ended 30 September 2022

	Attributable to owners of the Company					Non-controlling interests	Total
	Share capital	Share premium	Capital reserve	Retained profits	Total reserve		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
Balance as at 1 April 2021 (audited)	5,225	23,509	3,372	3,038	29,919	-	35,144
Loss and total comprehensive income for the year (audited)	-	-	-	(6,968)	(6,968)	-	(6,968)
At 31 March 2022 and 1 April 2022 (audited)	5,225	23,509	3,372	(3,930)	22,951	-	28,176
Loss and total comprehensive income for the period (unaudited)	-	-	-	(3,690)	(3,690)	-	(3,690)
Acquisition of subsidiaries (unaudited)	-	-	-	-	-	248	248
Balance as at 30 September 2022 (unaudited)	5,225	23,509	3,372	(7,620)	19,261	248	24,734
Balance as at 1 April 2021 (audited)	5,225	23,509	3,372	3,038	29,919	-	35,144
Loss and total comprehensive income for the period (unaudited)	-	-	-	(2,375)	(2,375)	-	(2,375)
Balance as at 30 September 2021 (unaudited)	5,225	23,509	3,372	663	27,544	-	32,769

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 September 2022

	Notes	Six months ended 30 September	
		2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Net cash generated from/(used in) operating activities		568	(2,772)
Net cash (used in)/generated from investing activities		(8,961)	4,368
Net cash used in financing activities		(2,613)	–
Net (decrease)/increase in cash and cash equivalents		(11,006)	1,596
Cash and cash equivalents at 1 April		16,457	30,028
Cash and cash equivalents at 30 September		5,451	31,624

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 19 October 2015 and its shares have been listed on the GEM of the Stock Exchange by way of placing and public offer of shares (the "**Share Offer**") on 2 December 2016 (the "**Listing**"). The Company's registered office and the principal place of business are at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Shop 203, Kin Sang Commercial Centre, Kin Sang Estate, Tuen Mun, New Territories, Hong Kong, respectively.

The Group is principally engaged in the provision of tutoring services in Hong Kong. The Group provides private tutoring services including primary and secondary tutoring services under the trade name of "Logic Tutorial Centre".

2. BASIS OF PRESENTATION AND PREPARATION

The consolidated statement of profit or loss and other comprehensive income and the consolidated statement of changes in equity of the Group for the period ended 30 September 2021 and 2022 include the financial performance of all companies now comprising the Group, as if the current structure had been in existence throughout the reporting periods, or since their respective dates of incorporation, where there is a shorter period.

All significant intra-group transactions and unrealised gains on transactions have been eliminated on consolidation. Unrealised losses are also eliminated unless the transactions provide evidence of an impairment of the asset transferred.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**"), which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("**HKASs**") and also included the applicable disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM Board ("**GEM Listing Rules**").

The consolidated financial statements have been prepared on the historical cost convention. It should be noted that accounting estimates and assumptions are used in the preparation of the consolidated financial statements. Although these estimates are based on the management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates.

The consolidated financial statements are presented in Hong Kong dollar (“HK\$”) which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

The accounting policies adopted in preparing the unaudited condensed consolidated financial statements were consistent with those applied for the financial statements of the Group for the year ended 31 March 2022.

The condensed consolidated financial statements have not been audited by the auditors of the Company but have been reviewed by the audit committee of the Company.

3. REVENUE AND OTHER INCOME

Revenue from the Group’s principal activities, which is also the Group’s turnover, represents the income from provision of tutoring services. Revenue and other income are analysed as follows:

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Revenue from contracts with customers				
Income from tutoring services	7,804	8,337	17,867	16,393
Income from continuing franchising income	173	89	254	117
	7,977	8,426	18,121	16,510
Other income				
Interest income	–	–	1	1
Others (Note)	687	–	1,307	–
	687	–	1,308	1
Other losses				
Unrealised loss on trading securities	(1,444)	–	(1,444)	–

Note: For the six months ended 30 September 2022, government grants amounted to HK\$1.2 million were rewarded to the Group for anti-epidemic.

4. SEGMENT INFORMATION

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Group's chief operating decision maker ("CODM") in order to allocate resources and assess performance of the segment. For the reporting period, management of the Company has determined that the Group has only one single business component/operating segment as the Group is only engaged in the provision of tutoring services which is the basis used by the CODM to allocate resources and assess performance. The Group's revenue from external customers is divided into the following types of services:

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Primary tutoring services	1,637	2,276	4,449	4,080
Secondary tutoring services	6,167	6,061	13,418	12,313
Income from continuing franchising income	173	89	254	117
	7,977	8,426	18,121	16,510

The Company is an investment holding company and the principal place of the Group's operation is in Hong Kong. For the purpose of segment information disclosures under HKFRS 8, the Group regarded Hong Kong as its place of domicile. All the Group's revenue and non-current assets are principally attributable to Hong Kong, being the single geographical region. During the six months ended 30 September 2022, there was no single external customer that contributed 10% or more of the Group's total revenue from external customers (2021: Nil).

5. INCOME TAX EXPENSES

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit during the six months ended 30 September 2021 and 2022.

6. LOSS PER SHARE

	Three months ended 30 September		Six months ended 30 September	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Loss				
Loss for the period attributable to the owners of the Company	(2,942)	(2,250)	(3,690)	(2,375)
Number of shares				
Weighted average number of shares for the purpose of calculating basic earnings per share	522,500,000	522,500,000	522,500,000	522,500,000

Diluted loss per share amount was the same as basic loss per share amount as there were no potential dilutive shares outstanding for the six months ended 30 September 2021 and 2022.

7. DIVIDEND

The Directors do not recommend the payment of interim dividend for the six months ended 30 September 2022.

8. PLANT AND EQUIPMENT

During the six months ended 30 September 2022, the Group acquired plant and equipment of approximately HK\$5,000 (six months ended 30 September 2021: HK\$832,000).

9. ACCOUNT RECEIVABLES

	30 September 2022 HK\$'000 (unaudited)	31 March 2022 HK\$'000 (audited)
Account receivables	750	588

For tutoring service income, there is no credit period granted as it is normally received in advance.

Ageing analysis of the Group's account receivables, based on the transaction dates which also presented the ageing analysis of account receivables which are past but not impaired, at the end of each reporting period.

	30 September 2022 HK\$'000 (unaudited)	31 March 2022 HK\$'000 (audited)
1 to 90 days past due	746	553
Over 90 days	4	35
	750	588

The Group's account receivables were interest-free and relate to a large number of diversified customers and there was no significant concentration of credit risk. At 30 September 2022, there were no allowances for bad and doubtful debts provided as there was no recent history of significant default in respect of these customers (31 March 2022: Nil).

The directors of the Company consider that the fair values of account receivables which are expected to be recovered within one year are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

The maximum exposure to credit risk at the reporting date is the carrying value of the receivables. The Group does not hold any collateral as security.

10. PREPAYMENT, DEPOSITS AND OTHER RECEIVABLES

	30 September 2022 HK\$'000 (unaudited)	31 March 2022 HK\$'000 (audited)
Prepayments	211	747
Deposits	5,234	2,258
Other receivables	514	779
	5,959	3,784
Loss: ECL on other receivables	(514)	(514)
	5,445	3,270
Less: Portions classified as non-current asset	(951)	(951)
	4,494	2,319

11. ACCRUALS, OTHER PAYABLES AND CONTRACT LIABILITIES

	30 September 2022 HK\$'000 (unaudited)	31 March 2022 HK\$'000 (audited)
Accruals	3,737	500
Other payables	423	336
Contract liabilities	1,107	1,087
	5,267	1,923

12. SHARE CAPITAL

	30 September 2022 HK\$'000 (unaudited)	31 March 2022 HK\$'000 (audited)
Authorised: 2,000,000,000 ordinary shares of HK\$0.01 each	20,000	20,000
Issued and fully paid: 522,500,000 ordinary shares of HK\$0.01 each	5,225	5,225

13. RELATED PARTY TRANSACTIONS

(a) Balances and transactions

Save as disclosed elsewhere in these consolidated financial statements, the Group had the following material transactions with related parties:

	Six months ended 30 September	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Operating lease charges paid to a director and close family members of a director (note)	-	60

Note: The operating leases are charged by the respective related parties at HK\$10,000 per month during the six months ended 30 September 2021 and the lease terms were expired on 31 March 2022.

(b) Commitments with related parties

In respect of the operating lease arrangements entered with related parties as disclosed in above, the future minimum rental payable under non-cancellable operating leases of the Group in respect of properties was HK\$60,000 (2021: HK\$60,000) as of 30 September 2022.

(c) Senior management's emoluments

The emoluments paid or payable to members of senior management of the Group and the Company (including directors' emoluments) are as follows:

	Six months ended 30 September	
	2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Salaries, allowances and benefits in kind	632	2,184
Pension scheme contributions	30	30
	662	2,214

14. ACQUISITION OF SUBSIDIARIES

On 6 September 2022, the Group entered into a sale and purchase agreement for the acquisition of 55% equity interest of Golden Path Developments Limited and its subsidiaries (the “Golden Path Group”) from an independent third party for gross consideration of HK\$11,000,000. The acquisition was completed on 28 September 2022. The Golden Path Group is principally engaged in the provision of art and painting education services in Shenzhen, China.

The fair value of the identifiable assets and liabilities acquired and the goodwill arising are as follows:

	HK\$'000
Account and other receivables	1,089
Cash and cash equivalents	44
Account and other payables	(561)
Tax payables	(21)
	551
Non-controlling interests at acquisition	(248)
Goodwill	10,697
	11,000
Satisfied by:	
Cash	9,000
Promissory note	2,000
	11,000
Net cash outflow arising on acquisition	
Cash consideration paid	(9,000)
Cash and cash equivalents acquired	44
	(8,956)

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Tutorial Business

During the six months ended 30 September 2022, the Group's principal business is the provision of tutoring services to secondary school students and primary school students in Hong Kong. During the six months ended 30 September 2022, the income from tutorial business was increased by approximately 9.0% as compared with the corresponding period in last year. Regarding the income from tutorial business, 24.9% of which was generated from primary school tutoring services and 75.1% was generated from secondary school tutoring services. Currently, we are operating 11 tutorial centres in Hong Kong.

Franchise Business

The income from franchise program was approximately HK\$0.25 million for the six months ended 30 September 2022. The income was increased by approximately 117.1% as compared with the corresponding period in last year. As at 30 September 2022, we have franchise centres covering in Kowloon and the New Territories.

OUTLOOK

Looking forward, the economic activities in Hong Kong should revive further provided that the local epidemic situation remains under control. Our management team will further strengthen our efforts in the business and will also look for suitable investment opportunities continuously to improve the Group's performance and to enhance the shareholder's return of the Group.

Financial Review

Revenue

For the six months ended 30 September 2022, the Group recorded total revenue of approximately HK\$18.1 million, representing an increase of approximately 9.8% as compared to approximately HK\$16.5 million for the six months ended 30 September 2021. The increase was mainly due to the increase of approximately HK\$1.1 million or 9.0% in revenue generated from secondary school tutoring services and approximately HK\$0.3 million or 9.0% in revenue generated from primary school tutoring services. Meanwhile, the franchise business also contributed approximately HK\$0.25 million to the revenue. (for the six month ended 30 September 2021: approximately HK\$0.1 million)

Other losses

Unrealised loss on trading securities for the six months ended 30 September 2022 amounted to approximately HK\$1.4 million (six month ended 30 September 2021: Nil) due to adverse capital market condition.

Depreciation expenses

Depreciation of property, plant and equipment comprises depreciation for right-of-use asset, leasehold improvement and other equipment. Depreciation of property, plant and equipment amounted to approximately HK\$1.9 million which was decreased by 32.1% compared that of the six months ended 30 September 2021 amounted to approximately HK\$2.8 million, mainly due to impairment loss on right-of-use assets recognised during the year ended 31 March 2022.

Employee benefit expenses

Employee benefit expenses mainly consist of wages and salaries, pension costs and other benefits to the staff and the Directors. Employee benefit expenses increased by 7.4% from approximately HK\$12.2 million for the six months ended 30 September 2021 to approximately HK\$13.1 million for the six months ended 30 September 2022, mainly due to increase in headcount and retention of talented staff.

Net loss

The Group recorded a loss attributable to owners of the Company amounted to approximately HK\$3.7 million for the six months ended 30 September 2022 (2021: approximately HK\$2.4 million). The increase in the net loss is mainly attributed to unrealised loss on trading securities of approximately HK\$1.4 million.

Cash and cash equivalents

As at 30 September 2022, the cash and cash equivalents amounted to approximately HK\$5.5 million (31 March 2022: approximately HK\$16.5 million). The decrease comparing to the balance as at 31 March 2022 was mainly due to cash outflow in investing activities.

Contingent liabilities

As at 30 September 2022, the Group did not have any significant contingent liabilities.

Liquidity and Financial Resources

During the Reporting Period, the Group mainly financed its operations with its own working capital. As at 30 September 2022 and 31 March 2022, the Group had net current assets of approximately HK\$14.7 million and HK\$27.0 million respectively, including cash and bank balances of approximately HK\$5.5 million and HK\$16.5 million respectively.

As at 30 September 2022, the Group's gearing ratio was approximately 8.1% (31 March 2022: nil). The gearing ratio is based on promissory note to total equity.

Foreign Currency Exposure

During the Reporting Period, most of the revenue-generating operations of the Group were transacted in Hong Kong Dollars which is the presentation currency of the Group. The Group did not engage in any hedging activities but will continue to closely monitor the situation and make necessary arrangement as and when appropriate.

Capital Structure

As at 30 September 2022, the Company's issued share capital was HK\$5,225,000 and the number of its ordinary shares was 522,500,000 of HK\$0.01 each.

Charges of Group Asset

As at 30 September 2022, the Group did not have charges on its assets (31 March 2022: Nil).

Significant Investments, Acquisitions and Disposals

During the Reporting Period, the Group acquired 55% issued shares in Golden Path Developments Limited at the consideration of HK\$11 million. Details of the acquisition are set out in the Company's announcements dated on 6 September 2022 and 31 October 2022.

As at 30 September 2022, there was no other significant investment held by the Group.

Further Plans for Material Investments and Capital Assets

Saved as disclosed in this interim report, the Group did not have any plans for material investments and capital assets.

Events after reporting period

On 21 October 2022, the Company entered into the placing agreement with the placing agent pursuant to which the placing agent has agreed to place, on a best effort basis, to not less than six independent placees for up to 104,500,000 new shares at a price of HK\$0.044 per placing share, for and on behalf of the Company.

On 4 November 2022, the placing agreement had been fulfilled and completed of the placing took place and a total of 104,500,000 placing shares were issued and allotted to not less than six placees pursuant to the placing agreement.

For more details information, please refer to the announcements of the Company dated 21 October 2022, 25 October 2022 and 4 November 2022.

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

As at 30 September 2022, the interests and short positions of the Directors and chief executive of the Company in the shares (the “**Shares**”), underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) (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 have 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 referred to therein, or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules required to be notified to the Company and the Stock Exchange, were as follows:

Long position in the Shares

Name of Director	Capacity/ Nature of interest	Number of Shares	Approximate percentage of issued share ^(Note 2)
Mr. Tao Wah Wai Calvin (“ Mr. Tao ”)	Interest in controlled corporation ^(Note 1)	28,762,000	5.50%

Notes:

- The entire issued share capital of Greet Harmony Global Limited is legally and beneficially owned by Mr. Tao. Mr. Tao is deemed to be interested in the Shares in which Greet Harmony Global Limited is interested in under Part XV of the SFO.
- The percentage represents the number of Shares interested divided by the number of the issued Shares as at 30 September 2022 (i.e. 522,500,000 Shares).

Save as disclosed above, as at 30 September 2022, none of the Directors and chief executive of the Company or their associates had any interest or short position 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 have 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 referred to therein, or pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules required to be notified to the Company and the Stock Exchange.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN THE SHARES OR UNDERLYING SHARES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 30 September 2022, so far as the Directors are aware, the interests or short positions owned by the following persons (other than the Directors or chief executive of the Company) in the Shares or underlying Shares of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

Long position in the Shares

Name of Shareholder	Capacity/ Nature of interest	Number of Shares	Approximate percentage of issued share ^(Note 2)
Greet Harmony Global Limited	Beneficial owner ^(Note 1)	28,762,000	5.50%

Notes:

1. The entire issued share capital of Greet Harmony Global Limited is legally and beneficially owned by Mr. Tao. Mr. Tao is deemed to be interested in the Shares in which Greet Harmony Global Limited is interested in under Part XV of the SFO.
2. The percentage represents the number of Shares interested divided by the number of the issued Shares as at 30 September 2022 (i.e. 522,500,000 Shares).

Save as disclosed above and as at 30 September 2022, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executive of the Company) in the Shares or underlying Shares of the Company which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

No Director had a material interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the six months ended 30 September 2022.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the six months ended 30 September 2022 and up to the date of this report, none of the Directors or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

SHARE OPTION SCHEMES

No share options have been granted or agreed to be granted during the Reporting Period.

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

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any securities of the Company during the Reporting Period.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors.

Having made specific enquiry to the Directors, the Company was not aware of any noncompliance with the required standard of dealings and its code of conduct regarding securities transaction by Directors during the Reporting Period.

CORPORATE GOVERNANCE PRACTICES

Throughout the period of six months ended 30 September 2022 and the up to the date of this report, the Company has complied with all the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules, except for the following deviation:

On 5 August 2022, Mr. Ho Kin retired as an independent non-executive Director and member of each audit committee, remuneration committee and nomination and corporate governance committee of the Company, the Company failed to meet the following requirements: (i) the requirement under 5.28 of the GEM Listing Rules and the terms of reference of the audit committee of the Company that the audit committee must comprise a minimum of three members; (ii) the requirement that the remuneration committee shall comprise a minimum of three members pursuant to the terms of reference of the remuneration committee of the Company; and (iii) the requirement that the nomination and corporate governance committee shall comprise a minimum of three members under the terms of reference of the nomination and corporate governance committee of the Company.

On 8 August 2022, Mr. Wong Chi Man was appointed as an independent non-executive Director, a member of audit committee and a member of remuneration committee. Mr. Yu Lap Pan, an independent non-executive Director of the Company, was appointed as a member of remuneration committee and a member of nomination and corporate governance committee. Mr. Hu Chao, an independent non-executive Director of the Company, was appointed as the chairman of remuneration committee, a member of audit committee and a member of nomination and corporate governance committee. After the appointment of independent non-executive Director and the change of composition of board committees, (i) the audit committee of the Company has three members and all members are independent non-executive Directors, thus meet the requirement under Rule 5.28 of the GEM Listing Rules and the terms of reference of the Audit Committee of the Company; (ii) the remuneration committee of the Company has three members and all members are independent non-executive Directors, thus meet the requirement the terms of reference of the remuneration committee of the Company; and (iii) the nomination and corporation governance committee of the Company has three members, thus meet the requirement under the terms of reference of the Nomination and corporate governance committee of the Company.

For the details information, please refer to the announcements of the Company dated 5 August 2022 and 8 August 2022.

CHANGES OF DIRECTORS' INFORMATION

The change in the Directors' information subsequent to the date of the annual report for the year ended 31 March 2022, as required to be disclosed pursuant to rule 17.50A(1) of the GEM Listing Rules, is as follows:

Name of Director	Details of Changes
Mr. Hou Haitao <i>Executive Director</i>	Resigned as executive Director on 27 May 2022.
Mr. Yan Ximao <i>Non-executive Director</i>	Resigned as non-executive Director on 27 May 2022.
Ms. Lee Yin Ting <i>Independent non-executive Director</i>	Resigned as independent non-executive Director on 27 May 2022.
Mr. Chen Ming <i>Independent non-executive Director</i>	Resigned as independent non-executive Director on 27 May 2022.
Mr. Yu Lap Pan <i>Independent non-executive Director</i>	Appointed as the independent non-executive Director on 27 May 2022.
Mr. Hu Chao <i>Independent non-executive Director</i>	Appointed as the independent non-executive Director on 27 May 2022.
Mr. Tao Wah Wai Calvin <i>Executive Director</i>	Appointed as executive Director on 13 June 2022.
Ms. Tse Pui Fong <i>Non-executive Director</i>	Retired as non-executive Director on 5 August 2022.
Mr. Ho Kin <i>Independent non-executive Director</i>	Retired as independent non-executive Director on 5 August 2022.

Name of Director	Details of Changes
Mr. Sek Ngo Chi <i>Independent non-executive Director</i>	Resigned as independent non-executive Director on 8 August 2022.
Mr. Wong Chi Man <i>Independent non-executive Director</i>	Appointed as independent non-executive Director on 8 August 2022
Mr. Cheung Hiu Fung <i>Executive Director</i>	Resigned as executive Director on 30 September 2022.

AUDIT COMMITTEE

The Audit Committee was established with written terms of reference in compliance with Rule 5.28 to 5.33 of the GEM Listing Rules pursuant to a resolution of the Directors passed on 3 November 2016. The primary duties of the audit committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors, review the financial statements and material advice in respect of financial reporting and oversee the internal control procedures of the Company. At present, the audit committee comprises Mr. Yu Lap Pan, Mr. Hu Chao and Mr. Wong Chi Man, all being the independent non-executive Directors of the Group. Mr. Yu Lap Pan is the chairman of the audit committee. The audit committee has reviewed the audited consolidated financial statements of the Group for the six months ended 30 September 2022 and was of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

By order of the Board
Goldway Education Group Limited
Tao Wah Wai Calvin
Executive Director

Hong Kong, 9 November 2022

As at the date of this report, the executive Directors are Mr. Hui Ka Fai, and Mr. Tao Wah Wai Calvin, and the independent non-executive Directors are Mr. Yu Lap Pan, Mr. Hu Chao and Mr. Wong Chi Man.