

# TARGET

## Intelligence Report

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### **GOLDWAY EDUCATION GROUP LTD: TRYING TO SCAN THIS COMPANY'S HISTORY COULD BE AKIN TO READING DUBITABLE INFORMATION**

For the past five Financial Years, ended March 31, 2024, with regard to shareholders of the Company, Goldway Education Group Ltd (金滙教育集團有限公司) (Code: 8160, The Growth Enterprise Market – The **GEM** – The Stock Exchange of Hongkong Ltd) has had an unbroken string of losses, aggregating \$HK24,106,000.00.

At Page 54 of the 2024 Annual Report of the Company, under the heading, '**GENERAL INFORMATION**,' Management of Goldway Education Group Ltd took it upon itself to explain the following intelligence in just two paragraphs:

*'Goldway Education Group Limited (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 GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**GEM Board**") 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 B10, 1/F, Goodrich Shopping Arcade, Tuen Mun, New Territories, Hong Kong, respectively.*

*'The Group is principally engaged in the provision of tutoring services, franchising services and management services in Hong Kong and the People's Republic of China ("**PRC**"). The Group provides private tutoring services including primary and secondary tutoring services under the trade name of "**Logic Tutorial Centre**" and "**Pedagog Education Centre**".'*

At Page Nine of the 2024 Annual Report of the Company, under the heading, '**FUND RAISING ACTIVITIES AND USAGE OF FUND PROCEEDS**,' one was informed in respect of the following three separate paragraphs:

*'On 15 February 2023, Grand Popular Limited, a wholly owned subsidiary of the Company, entered into the sale and purchase agreement*

*with Rainbow Kingdom Limited for the acquisition of 7.43% of the issued shares of Orange Financial Printing Limited (奧盈財經印刷有限公司), a company incorporated in Hong Kong at the consideration of HK\$9 million to be settled in cash and 129,629,630 new shares to be issued by the Company at the issue price of HK\$0.054 per share pursuant to the agreement by the allotment and issue of the consideration shares ...*

*‘On 25 August 2023, the Company entered into the placing agreement with Cheong Lee Securities Limited (昌利證券有限公司) (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 151,325,926 new Shares at a price of HK\$0.034 per placing share, for and on behalf of the Company. On 19 September 2023, the Company completed placing of 151,320,000 shares at the placing price (“**Placing**”). The net proceeds from the Placing (after deducting professional fees and other relevant expenses) amounted to approximately HK\$5.1 million, were intended to be used for the purpose of general working capital of the Company. As of the date of this report, all of the net proceeds were utilised as intended, including the settlement of loan professional fees, staff costs and general office expenses ...*

*‘On 30 April 2024, The Company proposed to implement the share consolidation pursuant to which every five (5) issued and unissued Shares of HK\$0.0001 each will be consolidated into one (1) Consolidated Share of HK\$0.0005 each. The Company also proposed to implement right issue on the basis of three rights shares for every one consolidated share held on the record date at the subscription price of HK\$0.145 per rights share, to raise gross proceeds of approximately HK\$15.8 million before deducting the costs and expenses ...’.*

As history has proved, the above fund-raising exercises have only a smattering of materiality of assistance when sized up against the historical failing financials of Management of Goldway Education Group Ltd, come what might of hope.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### ***‘BUSINESS REVIEW***

#### ***‘Tutorial Business***

*‘During the year ended 31 March 2024 (the “**Year**”), the Group remained to focus on provision of tutoring services to secondary school students and primary school students in Hong Kong.*

*‘During the Year, the revenue generated from tutoring services has decreased to approximately HK\$36.2 million, representing a decrease of 6.0% comparing to that of the same period last financial year.*

*‘As at 31 March 2024, the Group had a total of 11 centres.’*

### ***‘Management Service Business***

*‘The Group is principally engaged in the provision of management services to 深圳市借山館藝術有限公司 (**Shenzhen Jieshanguan Art Co. Ltd.**) (“**JSG**”), a company, incorporated in the PRC with limited liability. JSG is principally engaged in the provision of art and painting education services to children under the brand “借山畫館” (“**Jieshan Gallery**”) in Shenzhen, China.*

*‘The Group recorded approximately HK8.6 million of revenue for the Year, representing an increase of 86.6%, the increase was mainly due to full year income recognised during the year. The Group will continue to expand the customer base and explore more business opportunities ...*

### ***‘OUTLOOK***

*‘According to the student enrolment statistics published by the Hong Kong Education Bureau, the number of student enrolment for primary and secondary school exhibited a downward trend in recent years. The impact of decreasing number of students was reflected in the soft demand for tutoring services in Hong Kong for ... [CLICK TO ORDER FULL ARTICLE](#)*

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