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OOH Holdings Limited
奧傳思維控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8091)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2023

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the “Directors”) of OOH Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on 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 announcement 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 announcement misleading.

HIGHLIGHTS

- Total revenue decreased by approximately 20.9% from approximately HK\$55.5 million for the year ended 31 March 2022 (“**FY2022**”) to approximately HK\$43.9 million for the year ended 31 March 2023 (“**FY2023**”). The decrease was mainly attributable to the decrease in revenue from Transportation Business from approximately HK\$54.4 million for FY2022 to approximately HK\$43.5 million for FY2023.
- Gross profit decreased by approximately 36.9% from approximately HK\$24.4 million for FY2022 to approximately HK\$15.4 million for FY2023, and gross profit margin decreased from approximately 44.0% for FY2022 to approximately 35.1% for FY2023.
- Loss attributable to owners of the Company amounted to approximately HK\$9.5 million for FY2023 compared to approximately HK\$3.1 million for FY2022.

ANNUAL RESULTS

The board of Directors (the “**Board**”) of the Company is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2023 together with the comparative figures for the year ended 31 March 2022, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2023

	<i>Notes</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Revenue	4,5	43,898	55,481
Cost of sales		(28,481)	(31,072)
Gross profit		15,417	24,409
Other income and gains, net		1,793	2,324
Change in fair value of financial assets at fair value through profit or loss (“ FVTPL ”)		(37)	(5,698)
Selling expenses		(7,085)	(6,954)
Administrative expenses		(14,936)	(14,960)
Other operating expenses		(2,866)	(384)
Finance costs	6	(1,663)	(1,381)
Loss before income tax expense	7	(9,377)	(2,644)
Income tax expense	8	(85)	(78)
Loss and total comprehensive loss for the year		(9,462)	(2,722)
Loss and total comprehensive loss for the year attributable to:			
Owners of the Company		(9,462)	(3,050)
Non-controlling interests		–	328
		(9,462)	(2,722)
		<i>HK cents</i>	<i>HK cents</i>
Loss per share			
Basic and diluted	10	(1.31)	(0.42)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

	<i>Notes</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		1,599	2,371
Right-of-use assets	<i>11</i>	42,489	30,933
Intangible assets	<i>12</i>	2,320	3,226
		<u>46,408</u>	<u>36,530</u>
Current assets			
Inventories		3,371	3,161
Financial assets at FVTPL	<i>13</i>	1,472	1,456
Trade receivables	<i>14</i>	3,977	5,370
Deposits, prepayments and other receivables	<i>15</i>	1,963	2,124
Tax recoverable		3	–
Cash and bank balances		32,928	37,019
		<u>43,714</u>	<u>49,130</u>
Assets classified as held for sale		<u>506</u>	–
		<u>44,220</u>	<u>49,130</u>
Current liabilities			
Trade payables	<i>16</i>	528	196
Accruals and other payables	<i>17</i>	1,712	1,389
Contract liabilities	<i>18</i>	6,550	5,594
Lease liabilities	<i>11</i>	13,581	11,209
Tax payables		–	23
		<u>22,371</u>	<u>18,411</u>
Net current assets		<u>21,849</u>	<u>30,719</u>
Total assets less current liabilities		<u>68,257</u>	<u>67,249</u>
Non-current liability			
Lease liabilities	<i>11</i>	<u>27,675</u>	<u>17,205</u>
Net assets		<u><u>40,582</u></u>	<u><u>50,044</u></u>
CAPITAL AND RESERVES			
Share capital	<i>19</i>	7,200	7,200
Reserves		<u>33,382</u>	<u>42,844</u>
Total equity		<u><u>40,582</u></u>	<u><u>50,044</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2023

1. GENERAL INFORMATION

OOH Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 28 June 2016 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands and its shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 5 January 2017 (“**Listing Date**”). The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business is Suite A5, 9/F, Jumbo Industrial Building, 189 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong.

The principal activity of the Company (together with its subsidiaries as the “**Group**”) is investment holding. The Group is principally engaged in the provision of advertising display services. The principal activities of the subsidiaries are set out in the annual report to be published in late June 2023.

As at 31 March 2023, the directors of the Company (the “**Directors**”) consider Goldcore Global Investments Limited (“**Goldcore**”), a company incorporated in the British Virgin Islands (“**BVI**”) with limited liability as the immediate and ultimate holding company.

2. ADOPTION OF NEW OR AMENDED HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

(a) Adoption of new or amended HKFRSs

In the current year, the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) has issued a number of new or amended HKFRSs. The adoption of these new or amended HKFRSs does not have any significant impact on the consolidated financial statements.

(b) New or amended HKFRSs that have been issued but are not yet effective

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new or amended HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Amendments to HKAS 1	Disclosure of Accounting Policies ¹
Amendments to HKAS 8	Definition of Accounting Estimates ¹
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹
HKFRS 17	Insurance Contracts ¹
Amendment to HKFRS 17	Initial Application of HKFRS 17 and HKFRS 9 — Comparative Information ¹
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ²
Amendments to HKAS 1	Non-current liabilities with Covenants ²
Amendments to HKFRS 16	Lease Liabilities in a Sale and Leaseback ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2023

² Effective for annual periods beginning on or after 1 January 2024

³ The effective date to be determined

The Directors are in the process of making an assessment of the possible impact on the future adoption of the new or amended HKFRSs. So far, the Directors are of the opinion the adoption of the new or amended HKFRSs in future periods will not have any material impact on the consolidated financial statements.

3. BASIS OF PREPARATION

3.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with HKFRSs, which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the HKICPA, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Companies Ordinance. In addition, the consolidated financial statements also comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”).

3.2 Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis except for financial assets at fair value through profit or loss which are measured at fair values as explained in the accounting policies set out in the annual report to be published in late June 2023.

All amounts have been rounded to the nearest thousand except when otherwise indicated.

3.3 Foreign currency translation

The consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”), which is the same as the functional currency of the Company.

Transactions entered into by group entities in currencies other than the currency of the primary economic environment in which they operate (the “**functional currency**”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to non-controlling interests as appropriate). Exchange differences recognised in profit or loss of group entities’ separate financial statements on the translation of long-term monetary items forming part of the Group’s net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the foreign exchange reserve.

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 defined on the basis of the internal management reporting information that is provided to and regularly reviewed by the executive Directors in order to allocate resources and assess performance of the segment.

The executive Directors consider the advertising display business from the perspective of advertising platforms available, and determine that the Group has the following reportable operating segments:

- Provision of advertising display services over the transportation media platforms (“**Transportation Business**”);
- Provision of advertising display services over the healthcare media platforms (“**Healthcare Business**”);
- Provision of advertising display services over the self-pickup lockers platforms (“**Logistic Advertising Business**”); and
- Sale of Mizimamei branded food and beverage products and franchise of Mizimamei brand in Hong Kong (“**Food and Beverage Business**”), which has franchised the Mizimamei brand to an independent third party in the mid of May 2021.

Segment revenue and results

Segment revenue below represents revenue from external customers. There was no inter-segment revenue during the year. The chief operating decision makers assess the performance of the operating segments mainly based on revenue and gross profit of each operating segment. Corporate and other unallocated expenses include selling expenses, administrative expenses and other expenses which are common costs incurred for the operating segments as a whole and therefore they are not included in the measure of the segments’ performance that is used by the chief operating decision makers as a basis for the allocation of resources and assessment of segment performance. Other income and gains, net, finance costs and income tax expense are also not allocated to individual operating segment.

There were no segment assets and liabilities information provided to the chief operating decision makers.

The segment revenue and results, and the totals presented for the Group’s operating segments reconciled to the Group’s key financial figures as presented in the consolidated financial statements are as follows:

	Transportation Business HK\$’000	Healthcare Business HK\$’000	Logistic Advertising Business HK\$’000	Food and Beverage Business HK\$’000	Total HK\$’000
Year ended 31 March 2023					
Revenue					
— From external customers	43,492	298	–	108	43,898
Cost of sales	(28,329)	(59)	–	(93)	(28,481)
Gross profit	<u>15,163</u>	<u>239</u>	<u>–</u>	<u>15</u>	15,417
Unallocated other income and gains, net					1,793
Corporate and other unallocated expenses					(24,924)
Finance costs					<u>(1,663)</u>
Loss before income tax expense					<u>(9,377)</u>

	Transportation Business HK\$'000	Healthcare Business HK\$'000	Logistic Advertising Business HK\$'000	Food and Beverage Business HK\$'000	Total HK\$'000
Year ended 31 March 2022					
Revenue					
— From external customers	54,430	656	166	229	55,481
Cost of sales	<u>(30,535)</u>	<u>(159)</u>	<u>(96)</u>	<u>(282)</u>	<u>(31,072)</u>
Gross profit/(loss)	<u>23,895</u>	<u>497</u>	<u>70</u>	<u>(53)</u>	24,409
Unallocated other income and gains, net					2,324
Corporate and other unallocated expenses					(27,996)
Finance costs					<u>(1,381)</u>
Loss before income tax expense					<u>(2,644)</u>

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical markets, major platforms and service lines and timing of revenue recognition.

	Transportation Business HK\$'000	Healthcare Business HK\$'000	Logistic Advertising Business HK\$'000	Food and Beverage Business HK\$'000	Total HK\$'000
Year ended 31 March 2023					
Primary geographical markets					
Hong Kong (place of domicile)	<u>43,492</u>	<u>298</u>	<u>–</u>	<u>108</u>	<u>43,898</u>
Major services lines					
Advertising display services					
— Bus	41,228	–	–	–	41,228
— Taxi	1,083	–	–	–	1,083
— Others	1,181	–	–	–	1,181
— Hospitals and clinics	–	298	–	–	298
— Self-pickup lockers	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
	43,492	298	–	–	43,790
Food and beverage services	<u>–</u>	<u>–</u>	<u>–</u>	<u>108</u>	<u>108</u>
	<u>43,492</u>	<u>298</u>	<u>–</u>	<u>108</u>	<u>43,898</u>
Timing of revenue recognition					
Transferred over time	43,492	298	–	–	43,790
At a point in time	<u>–</u>	<u>–</u>	<u>–</u>	<u>108</u>	<u>108</u>
	<u>43,492</u>	<u>298</u>	<u>–</u>	<u>108</u>	<u>43,898</u>

	Transportation Business <i>HK\$'000</i>	Healthcare Business <i>HK\$'000</i>	Logistic Advertising Business <i>HK\$'000</i>	Food and Beverage Business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 March 2022					
Primary geographical markets					
Hong Kong (place of domicile)	54,430	656	166	229	55,481
Major services lines					
Advertising display services					
— Bus	51,810	—	—	—	51,810
— Taxi	1,846	—	—	—	1,846
— Others	774	—	—	—	774
— Hospitals and clinics	—	656	—	—	656
— Self-pickup lockers	—	—	166	—	166
	54,430	656	166	—	55,252
Food and beverage services	—	—	—	229	229
	54,430	656	166	229	55,481
Timing of revenue recognition					
Transferred over time	54,430	656	166	—	55,252
At a point in time	—	—	—	229	229
	54,430	656	166	229	55,481

Geographical information

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 regards Hong Kong as its place of domicile.

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than financial instruments ("Specified non-current assets").

	Revenue from external customers		Specified non-current assets	
	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Hong Kong (place of domicile)	43,898	55,481	46,408	36,530

Information about major customers

No single customer contributed to 10% or more of the Group's revenue during the years ended 31 March 2023 and 31 March 2022.

5. REVENUE

Revenue is derived from provision of advertising display services, sale of food and beverage products and franchise of license right during the year. Further details are disclosed in note 4.

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Provision of services		
— At fixed price	40,792	51,713
— At variable price	2,998	3,539
Sale of food and beverage products	—	144
Franchise income	108	85
	<u>43,898</u>	<u>55,481</u>

The amount of revenue recognised for the year ended 31 March 2023 that was included in the contract liabilities at the beginning of the year is approximately HK\$5,567,000 (2022: approximately HK\$7,896,000).

The following table provides information about trade receivables and contract liabilities from contracts with customers.

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade receivables (<i>Note 14</i>)	<u>3,977</u>	<u>5,370</u>
Contract liabilities (<i>Note 18</i>)	<u>6,550</u>	<u>5,594</u>

The contract liabilities mainly relate to the advance payments received from customers.

As at 31 March 2023, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts was approximately HK\$15,601,000 (2022: approximately HK\$15,347,000), of which approximately HK\$15,313,000 (2022: approximately HK\$14,959,000) and approximately HK\$288,000 (2022: approximately HK\$388,000) are expected to be recognised as revenue within 12 months and 13–24 months respectively. This amount represents revenue expected to be recognised in the future from partially-completed advertising display service contracts and includes the contract liabilities as disclosed in note 18.

6. FINANCE COSTS

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Interest on lease liabilities	<u>1,663</u>	<u>1,381</u>

7. LOSS BEFORE INCOME TAX EXPENSE

Loss before income tax expense is arrived at after charging the following:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Amortisation of intangible assets	94	94
Auditor's remuneration	550	520
Costs of inventories recognised as cost of sales	–	25
Depreciation of property, plant and equipment	1,031	1,032
Depreciation of right-of-use assets		
— Advertising spaces (included in cost of sales)	19,080	18,601
— Rental premises	190	209
— Office equipment	19	16
Employee costs (including directors' emoluments)		
— Salaries and other benefits in kind	15,017	15,341
— Retirement scheme contributions	319	333
Loss on disposal of a subsidiary (included in other operating expenses)	–	384
Impairment loss on right-of-use assets (included in other operating expenses)	2,560	–
Impairment loss on intangible assets (included in other operating expenses)	306	–
Waiver of amount due from non-controlling interests	–	160
Write-off of inventories	–	56
Write-off of property, plant and equipment	–	34
Short-term lease expenses		
— Advertising spaces (included in cost of sales)	5,526	7,129
— Rental premises	431	460
	<u> </u>	<u> </u>

8. INCOME TAX EXPENSE

The amount of taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Current tax — Hong Kong Profits Tax		
— Tax for the year	85	78
	<u> </u>	<u> </u>

The Group companies incorporated in the Cayman Islands and BVI are tax-exempted as no business is carried out in the Cayman Islands and BVI under the laws of the Cayman Islands and BVI respectively.

Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of estimated assessable profits and at 16.5% for the portion of the estimated assessable profits above HK\$2 million for the years ended 31 March 2023 and 2022. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates continue to be taxed at a flat rate of 16.5%.

Income tax expense for the year can be reconciled to the loss before income tax expense in the consolidated statement of profit or loss and other comprehensive income as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Loss before income tax expense	<u>(9,377)</u>	<u>(2,644)</u>
Tax calculated at the domestic tax rate of 16.5% (2022: 16.5%)	(1,547)	(436)
Tax effect on adoption of two-tiered profits tax rates	(95)	(75)
Tax effect of non-deductible items	346	411
Tax effect of non-taxable items	(137)	(241)
Tax effect of temporary differences not recognised	526	14
Utilisation of unrecognised tax losses	(15)	(6)
Tax effect of tax losses not recognised	1,020	421
Others	<u>(13)</u>	<u>(10)</u>
Income tax expense	<u>85</u>	<u>78</u>

At the end of the reporting period, the Group had tax losses arising in Hong Kong of approximately HK\$16,912,000 (2022: approximately HK\$10,820,000) and deductible temporary differences of approximately HK\$2,560,000 (2022: Nil) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses/temporary differences arose. Deferred tax assets have not been recognised due to the unpredictability of future profits streams. The tax losses/deductible temporary differences have no expiry date.

9. DIVIDEND

The Board of Directors does not recommend the payment of a final dividend for the year ended 31 March 2023 (2022: Nil).

10. LOSS PER SHARE

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

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Loss		
Loss for the purposes of basic and diluted loss per share	<u>(9,462)</u>	<u>(3,050)</u>
	<i>'000</i>	<i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	<u>720,000</u>	<u>720,000</u>

The weighted average of 720,000,000 ordinary shares for the years ended 31 March 2023 and 31 March 2022 were the same as the number of ordinary shares of the Company in issue throughout the years.

Diluted loss per share were the same as the basic loss per share as the Group had no potential dilutive ordinary shares in issue during the years ended 31 March 2023 and 2022.

11. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

The Group leases office equipment, certain advertising spaces and rental premises in Hong Kong. The leases comprise only fixed payments over the lease term.

Restrictions or covenants

The Group is required to keep those advertising spaces and rental premises in a good state of repair and return them in their original condition at the end of the lease.

Extension and termination options

Certain lease contracts have granted lessee extension or termination options to the Group which are only exercisable by the Group but not by the respective lessor. These options aim to provide flexibility to the Group in managing the leased assets. The extension option in the leases of the advertising spaces is normally exercised because these advertising spaces are exclusive. The Group seldom exercises options that were not included in the lease liabilities. During the year ended 31 March 2023, about 21% (2022: 21%) of lease contracts contain an extension option. The undiscounted potential future lease payments not included in lease liabilities amounted to approximately HK\$5,800,000 (2022: approximately HK\$5,876,000).

Right-of-use Assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Leased for own use, carried at depreciated cost:		
Advertising spaces	42,343	30,680
Rental premises	63	253
Office equipment	83	–
	<u>42,489</u>	<u>30,933</u>

Movements of right-of-use assets during the year:

	Advertising spaces <i>HK\$'000</i>	Rental premises <i>HK\$'000</i>	Office equipment <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2021	34,769	462	16	35,247
Additions	2,256	–	–	2,256
Depreciation	(18,601)	(209)	(16)	(18,826)
Effect of lease modification	1,520	–	–	1,520
Reassessment of lease liabilities	10,736	–	–	10,736
	<u>30,680</u>	<u>253</u>	<u>–</u>	<u>30,933</u>
At 31 March and 1 April 2022	30,680	253	–	30,933
Additions	388	–	–	388
Depreciation	(19,080)	(190)	(19)	(19,289)
Impairment losses	(2,560)	–	–	(2,560)
Effect of lease modification	31,092	–	102	31,194
Reassessment of lease liabilities	1,823	–	–	1,823
	<u>42,343</u>	<u>63</u>	<u>83</u>	<u>42,489</u>
At 31 March 2023	<u>42,343</u>	<u>63</u>	<u>83</u>	<u>42,489</u>

The lease modification during the years ended 31 March 2023 and 2022 related to renewal of leases which did not contain extension options.

As at 31 March 2023, impairment loss of HK\$2,560,000 has been recognised on right-of-use assets belonged to the advertising display segment after an impairment assessment performed by management. The recoverable amount of the right-of-use assets is determined based on value in use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. The general annual and perpetual growth rate on revenue is estimated to be 2%. The cash flows are discounted using a discount rate of 8.3%, which is pre-tax and reflects specific risks relating to the cash generating unit (the “CGU”).

The estimated recoverable amount of the CGU of approximately HK\$43,142,000 fell short of its carrying amount by approximately HK\$2,560,000 and accordingly, impairment losses of HK\$2,560,000 was recognised in other operating expenses for the year ended 31 March 2023.

Lease liabilities

The analysis of the present value of future lease payments is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Current liabilities	13,581	11,209
Non-current liabilities	27,675	17,205
	41,256	28,414

Movements of lease liabilities during the year:

	Advertising spaces <i>HK\$'000</i>	Rental premises <i>HK\$'000</i>	Office equipment <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2021	33,712	476	17	34,205
Additions	2,256	–	–	2,256
Repayment of lease liabilities	(20,523)	(229)	(17)	(20,769)
Interest expenses	1,367	14	–	1,381
Rent concessions	(901)	–	–	(901)
Effect of lease modification	1,506	–	–	1,506
Reassessment of lease liabilities	10,736	–	–	10,736
At 31 March and 1 April 2022	28,153	261	–	28,414
Additions	388	–	–	388
Repayment of lease liabilities	(21,437)	(202)	(20)	(21,659)
Interest expenses	1,653	7	3	1,663
Rent concessions	(399)	–	–	(399)
Effect of lease modification	30,924	–	102	31,026
Reassessment of lease liabilities	1,823	–	–	1,823
At 31 March 2023	41,105	66	85	41,256

Future lease payments are due as follows:

At 31 March 2023

	Minimum lease payments <i>HK\$'000</i>	Interest <i>HK\$'000</i>	Present value <i>HK\$'000</i>
Not later than one year	15,062	1,481	13,581
Later than one year and not later than two years	17,533	756	16,777
Later than two years and not later than five years	11,136	238	10,898
	<u>43,731</u>	<u>2,475</u>	<u>41,256</u>

At 31 March 2022

	Minimum lease payments <i>HK\$'000</i>	Interest <i>HK\$'000</i>	Present value <i>HK\$'000</i>
Not later than one year	12,148	939	11,209
Later than one year and not later than two years	8,914	516	8,398
Later than two years and not later than five years	9,020	213	8,807
	<u>30,082</u>	<u>1,668</u>	<u>28,414</u>

The analysis of income and expense items in relation to leases recognised in profit or loss is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Depreciation of right-of-use assets	19,289	18,826
Interest on lease liabilities	1,663	1,381
Short-term lease expenses	5,957	7,589
Impairment loss of right-of-use assets (included in other operating expenses)	2,560	–
Gain on lease modification	(168)	(14)
Gain on rent concessions	(399)	(901)
Total amounts recognised in profit or loss	<u>28,902</u>	<u>26,881</u>

Commitments under leases

At 31 March 2023, the Group was committed to approximately HK\$1,310,000 (2022: approximately HK\$1,617,000) for short-term leases.

12. INTANGIBLE ASSETS

	Club membership <i>HK\$'000</i> <i>(Note (a))</i>	License right <i>HK\$'000</i> <i>(Note (b))</i>	Total <i>HK\$'000</i>
At 1 April 2021			
Cost	2,626	942	3,568
Accumulated amortisation and impairment	–	(842)	(842)
Net carrying amount	<u>2,626</u>	<u>100</u>	<u>2,726</u>
Year ended 31 March 2022			
Opening net carrying amount	2,626	100	2,726
Amortisation	–	(94)	(94)
Reversal of impairment loss	–	594	594
Closing net carrying amount	<u>2,626</u>	<u>600</u>	<u>3,226</u>
At 31 March and 1 April 2022			
Cost	2,626	942	3,568
Accumulated amortisation and impairment losses	–	(342)	(342)
Net carrying amount	<u>2,626</u>	<u>600</u>	<u>3,226</u>
Year ended 31 March 2023			
Opening net carrying amount	2,626	600	3,226
Amortisation	–	(94)	(94)
Impairment loss	(306)	–	(306)
Reclassified as held for sale	–	(506)	(506)
Closing net carrying amount	<u>2,320</u>	<u>–</u>	<u>2,320</u>
At 31 March 2023			
Cost	2,626	–	2,626
Accumulated amortisation and impairment	(306)	–	(306)
Net carrying amount	<u>2,320</u>	<u>–</u>	<u>2,320</u>

Notes:

- (a) The club membership represents the membership debenture of The Aberdeen Marina Club Limited which has no specific maturity date pursuant to the terms and conditions of the membership. It is tested for impairment annually and whenever there is an indication that may be impaired. The Directors consider that the recoverable amount of the club membership is determined by reference to market value less cost of disposal. The market value of the club membership is categorised as a Level 1 measurement in accordance with HKFRS 13.

The estimated recoverable amount of the club membership of HK\$2,320,000 fell short of its carrying amount by HK\$306,000 and accordingly, impairment loss of HK\$306,000 has been identified and recognised in other operating expenses.

- (b) The license right represents an exclusive right to distribute and market the Mizimamei branded food and beverage products and its retail brand in Hong Kong. On 3 May 2019, the Group entered into an agreement with an independent third party to acquire an exclusive right to distribute and market its branded food and beverage products and the retail brand of the individual third party in Hong Kong, including but not limited to the right to set up self-operated retail outlets in Hong Kong and the right to franchise the brand to potential local retailers in Hong Kong through franchising arrangement (the “**Agreement**”) at a consideration of US\$120,000 (equivalent to approximately HK\$942,000). This license right was recognised as an intangible asset as it became effective in 2019. Pursuant to a supplementary agreement entered into by the parties during the year ended 31 March 2021, the parties have agreed that the license right shall be extended for three more years (originally 6 years), i.e. 9 years in total, with other terms remain the same as stated in the Agreement. No additional consideration is required to be paid by the Group.

On 1 April 2023, the Group entered into a novation agreement with an independent third party and the owner of the license right to transfer the license right to the independent third party at a consideration of HK\$560,000. In the opinion of the Directors, the transfer of the license right is completed on 1 April 2023. The license right was classified as held for sale in accordance with HKFRS 5 and measured at the lower of carrying amount and fair value less costs to sell at the end of the reporting period.

13. FINANCIAL ASSETS AT FVTPL

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Listed debt investments	<u>1,472</u>	<u>1,456</u>

Listed debt investments represent corporate bonds publicly traded on Singapore Exchange with fixed coupon rates. Management has determined to hold these corporate bonds for trading and therefore classified these bonds as financial assets at FVTPL under current assets.

Subsequent to the end of the reporting period, the market prices of the financial assets at FVTPL decreased. Based on the quoted market prices as at 16 June 2023, the carrying amounts of the financial assets at FVTPL decreased from approximately HK\$1,472,000 as at 31 March 2023 to approximately HK\$737,000 as at 16 June 2023.

14. TRADE RECEIVABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade receivables	<u>3,977</u>	<u>5,370</u>

Analysis of trade receivables that are not impaired as of each reporting period is as follows:

Based on invoice date

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0–90 days	589	1,025
91–180 days	1,771	3,659
181–365 days	1,528	479
Over 365 days	<u>89</u>	<u>207</u>
	<u>3,977</u>	<u>5,370</u>

Based on revenue recognition date

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0–90 days	1,481	2,794
91–180 days	1,168	2,395
181–365 days	1,306	181
Over 365 days	22	–
	<u>3,977</u>	<u>5,370</u>

Trade receivables are mainly attributable to the provision of advertising display services of which advance payments are normally required. However, the Group might offer credit terms to certain customers ranging from 30 to 60 days from the end of the contract period. Overdue balances are reviewed regularly by senior management.

The maximum exposure to credit risk as at 31 March 2023 and 31 March 2022 was the carrying amount mentioned above. Trade receivables that were not impaired related to a large number of independent customers that had a good track record of credit with the Group. In general, the Group does not hold any collateral or other credit enhancements over these balances.

The Group applies the simplified approach to provide for expected credit losses (“ECLs”) prescribed by HKFRS 9, which permit the use of lifetime ECLs provision for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. ECLs also incorporate forward-looking information. As at 31 March 2023 and 31 March 2022, the Directors considered ECLs against the gross amounts of trade receivables as immaterial.

15. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Payments in advance	1,112	1,378
Deposits	349	346
Prepayments	502	400
	<u>1,963</u>	<u>2,124</u>

The maximum exposure to credit risk at the reporting date is the carrying amounts of each class of receivables mentioned above. The Group does not hold any collateral as security.

16. TRADE PAYABLES

Based on the receipts of services and goods, which normally coincided with the invoice dates, ageing analysis of the Group's trade payables as at the end of each reporting period is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
0–90 days	345	188
91–180 days	163	–
181–365 days	7	8
Over 365 days	13	–
	<u>528</u>	<u>196</u>

17. ACCRUALS AND OTHER PAYABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Accrued expenses	876	815
Other payables	836	574
	<u>1,712</u>	<u>1,389</u>

18. CONTRACT LIABILITIES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Contract liabilities arising from:		
Advertising display services	<u>6,550</u>	<u>5,594</u>

These contract liabilities represent advance payments received from customers for services that have not yet been performed to the customers which are rendered over the period of display of the advertisements.

During the fourth quarter of the year ended 31 March 2023, there was an increase in the advertising display business of the Group, thereby increasing the amounts arising from the receipt of advances.

As at 31 March 2023, there is no contract liabilities that were expected to be settled after more than 12 months (2022: Nil).

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Balance at beginning of the year	5,594	8,126
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(5,567)	(7,896)
Increase in contract liabilities as a result of billing in advance of advertising display service, excluding those recognised as revenue in the current year	<u>6,524</u>	<u>5,364</u>
Balance at end of the year	<u>6,550</u>	<u>5,594</u>

19. SHARE CAPITAL

	2023		2022	
	Number of shares '000	Amount HK\$'000	Number of shares '000	Amount HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each	<u>7,200,000</u>	<u>72,000</u>	<u>7,200,000</u>	<u>72,000</u>
			Number of shares '000	Amount HK\$'000
Issued:				
At 1 April 2021, 31 March 2022 and 31 March 2023			<u>720,000</u>	<u>7,200</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group has continued its principal business in the provision of out-of-home (“OOH”) advertising spaces and services to its customers, which comprise end users aiming to promote their brands, products or services, and advertising agents acting for such advertisers. While providing OOH advertising business to clients, we also offer our customers design, production and advertisement logistics services on the different advertising platforms.

During the year ended 31 March 2023, the Group has recorded a decrease of the overall revenue. Such decrease was mainly contributed by the fifth wave of COVID-19 pandemic which led to the poor market sentiment. With businesses closing down and the local consumer businesses as well as tourism being put in halt before the reopening of the border, the Group has recorded a decrease in revenue generated by direct clients and agency clients. Another major factor contributing to the decrease of overall revenue is the absence of revenue generated from the election campaign 2021 Hong Kong Legislative Council which ended in December 2021. Our overall revenue was being affected by the seasonal and the occasional advertising campaigns.

In October 2022, the Group has commenced the exclusive use of advertising spaces under certain categories and industries with an advertising billboard and TV wall owner. The Group’s new exclusive billboard advertising spaces are situated in Causeway Bay, Central, Tsim Sha Tsui, Mong Kok, Lai Chi Kok and Cheung Sha Wan which are the prime districts in Hong Kong. We are confident to find clients in the exclusive categories to place advertising campaigns in these new TV walls media platform and bring in new perspective to the Group’s advertising portfolio and further enhance the Group’s exposure in outdoor advertising industry.

Upon completion of the exclusive contracts for the use of advertising spaces with various logistic lockers stakeholders, the Group has recorded no further revenue generated from the Logistic Advertising Business since then. The Group shall conclude the segment of the Logistic Advertising Business and will focus the resources on the other existing segments for business efficacy. For Food and Beverage Business, the Group entered into a novation agreement on 1 April 2023 to transfer the license right of Mizimamei business to an independent third party. Hence, the Group shall cease the Food and Beverage Business.

Apart from the principal business in the provision of OOH advertising spaces and services to its customers, the Group has continued the business of pre-owned private vehicle trading which aims on car trading market, especially for vintage and classic automobile. As of the date herein, the Group has successfully traded some vehicles and recorded a reasonable profit for each transaction.

FINANCIAL REVIEW

Revenue

Total revenue of the Group decreased by approximately 20.9% from approximately HK\$55.5 million for the year ended 31 March 2022 to approximately HK\$43.9 million for that of 2023. Such decrease was mainly due to (i) the decrease of revenue generated from bus advertising; (ii) the decrease of revenue generated from taxi advertising; and (iii) the decrease of revenue generated from private hospital and clinics media.

Revenue generated from bus advertising decreased by approximately 20.5% from approximately HK\$51.8 million for the year ended 31 March 2022 to approximately HK\$41.2 million for that of 2023. Such decrease was mainly due to the decrease of revenue generated by election campaign and governmental tender projects. Revenue generated from taxi advertising decreased by approximately 38.9% from approximately HK\$1.8 million for the year ended 31 March 2022 to approximately HK\$1.1 million for that of 2023. Such decrease was mainly due to the decrease of revenue generated by election campaign and governmental tender projects. Revenue generated from private hospital and clinics media decreased from approximately HK\$0.7 million for the year ended 31 March 2022 to approximately HK\$0.3 million for that of 2023 mainly due to the decrease of revenue generated by direct clients.

No revenue was generated from Logistic Advertising Business for the year ended 31 March 2023 as compared to that of approximately HK\$0.2 million for the year ended 31 March 2022. Revenue generated from the provision of other types of advertising services (for example advertising spaces in other OOH media formats) increased from approximately HK\$0.7 million for the year ended 31 March 2022 to approximately HK\$1.2 million for that of 2023. Such increase was mainly due to the increase of revenue generated by direct clients.

Cost of Sales and Gross Profit Margin

While total revenue of the Group for the year ended 31 March 2023 decreased by approximately 20.9%, cost of sales for the period only decreased by approximately 8.3%, which was mainly due to the increase of depreciation in respect of the license fee for exclusive advertising rights payable to the operator of the New Lantao Bus which license commenced on 1 September 2021.

Accordingly, gross profit margin decreased by approximately 8.9 percentage points from approximately 44.0% for the year ended 31 March 2022 to approximately 35.1% for that of 2023, which was mainly due to (i) the decrease in gross profit margin of bus advertising from approximately 44.1% for the year ended 31 March 2022 to approximately 35.0% for that of 2023 as explained above; and (ii) the decrease in gross profit margin of taxi advertising from approximately 47.8% for the year ended 31 March 2022 to approximately 44.7% for that of 2023 as explained above.

Change in Fair Value of Financial Assets at FVTPL

The Group recorded change in fair value of financial assets at FVTPL of approximately HK\$37,000 for the year ended 31 March 2023, which was attributable to loss on corporate bonds (2022: approximately HK\$5.7 million).

Selling Expenses

Selling expenses remained stable at approximately HK\$7.1 million for the year ended 31 March 2023 as compared to approximately HK\$7.0 million for that of 2022.

Administrative Expenses

Administrative expenses remained stable at approximately HK\$14.9 million for the year ended 31 March 2023 as compared to approximately HK\$15.0 million for that of 2022.

Other Operating Expenses

The Group recorded other operating expenses of approximately HK\$2.9 million for the year ended 31 March 2023, which was mainly attributable to impairment losses on right-of-use assets and intangible assets. (2022: approximately HK\$384,000, which was attributable to loss on disposal of a subsidiary).

Finance Costs

Finance costs increased from approximately HK\$1.4 million for the year ended 31 March 2022 to approximately HK\$1.7 million for that of 2023.

Loss Attributable to Owners of the Company

We recorded loss attributable to owners of the Company of approximately HK\$9.5 million for the year ended 31 March 2023 as compared to approximately HK\$3.1 million for that of 2022.

Capital Structure

Details of the Company's share capital are set out in note 19 in this announcement.

Liquidity and Financial Resources

During the year ended 31 March 2023, the Group mainly financed its operations with its own working capital and the net proceeds from listing. As at 31 March 2023 and 31 March 2022, the Group had net current assets of approximately HK\$21.8 million and approximately HK\$30.7 million respectively, including cash and bank balances of approximately HK\$32.9 million and approximately HK\$37.0 million respectively. The Group did not have any pledged bank deposits as at 31 March 2023 and 31 March 2022.

As at 31 March 2023, the gearing ratio was 0% (2022: 0%), calculated on the Group's bank borrowings over the Group's total equity. As at 31 March 2023 and 31 March 2022, the Group had no bank borrowings.

Significant Investments Held

The Group did not have any significant investments held as at 31 March 2023 and 31 March 2022.

Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies

The Group did not have any material acquisition or disposal of subsidiaries and affiliated companies for the year ended 31 March 2023.

Future Plans for Material Investments and Capital Assets

Save as those disclosed in the prospectus of the Company dated 23 December 2016 (the "Prospectus"), the Group currently has no other future plans for material investments and capital assets.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 March 2023 and 31 March 2022.

Commitments

As at 31 March 2023, the Group did not have any capital commitments (2022: Nil).

Charge on Group's Asset

As at 31 March 2023, the Group did not pledge any of its assets as security for any facilities granted to the Group (2022: Nil).

Foreign Exchange Exposure

The Group mainly operated in Hong Kong with most of the transactions settled in HK\$ and did not have significant exposure to risk resulting from changes in foreign currency exchange rates.

Employees and Remuneration Policies

As at 31 March 2023, the Group had 30 employees (2022: 27 employees). The staff costs (including directors' emoluments) amounted to approximately HK\$15.3 million for the year ended 31 March 2023 (2022: approximately HK\$15.7 million).

Remuneration is determined with reference to market standard and individual employees' responsibilities, qualification, experience and performance. The Group has also adopted a share option scheme as an added incentive for the employees.

USE OF NET PROCEEDS FROM LISTING

The net proceeds from the issue of a total of 180,000,000 new ordinary shares of the Company at the placing price of HK\$0.27 per share under the placing as set out in the Prospectus, after deducting underwriting commission and other expenses relating to the Company's listing, amounted to approximately HK\$29.9 million. The net proceeds were intended to be applied in the same proportion and in the same manner as shown in the Prospectus. Accordingly, approximately 69.7% (HK\$20.9 million), 18.2% (HK\$5.4 million), 9.8% (HK\$2.9 million) and 2.3% (HK\$0.7 million) are applied for (i) expanding our coverage in the minibus advertising network; (ii) expanding our coverage in other transportation advertising platform; (iii) expanding our coverage in the healthcare-related advertising platform; and (iv) enhancing our information management system respectively. An analysis of the utilization of the net proceeds during the period from 5 January 2017 (the "Listing Date") to 31 March 2023 is set out below:

	Amount of usage of net proceeds from the Listing Date to 31 March 2023		Unutilized net proceeds as at 31 March 2023 HK\$ million	Expected timeline for full utilization of the unutilized net proceeds
	Estimated* HK\$ million	Actual HK\$ million		
(i) Expand our coverage in the minibus media	20.9	15.4	5.5	On or before 31 March 2025
(ii) Expand our coverage in other transportation	5.4	3.6	1.8	On or before 31 March 2025
(iii) Expand our coverage in the healthcare-related advertising	2.9	0	2.9	On or before 31 March 2025
(iv) Enhance our information management system	0.7	0.2	0.5	On or before 31 March 2025
Total	29.9	19.2	10.7	

Note: Business strategies are as set out in the Prospectus.

The unutilized net proceeds as at 31 March 2023 were placed as bank deposits with licensed bank in Hong Kong.

* The estimated amount of usage of net proceeds as at 31 March 2023 has been adjusted in the same proportion and in the same manner as stated in the Prospectus due to the above-mentioned difference between the estimated net proceeds and the actual net proceeds received.

An analysis comparing the business objective stated in the Prospectus with the Group's actual business progress as at 31 March 2023 is set out below:

Business objective and strategy

Actual business progress up to 31 March 2023

- (i) Expand our coverage in the minibus media

The Group has obtained advertising spaces on 868 additional green minibuses and 62 additional red minibuses.

For in-vehicle LCD panel advertising services, minibus operators are pessimistic of the advertising revenue to be generated to them because of the technical complexity of installing the LCD panels in particular to comply with the safety regulations of the Transport Department. In view of such difficulties, the Group will reallocate the resources of this segment into other segments or new business segments to maximize the effectiveness of the use of proceeds.

- (ii) Expand our coverage in other transportation

The exclusive contract for the use of advertising spaces of not less than 100 coach buses had completed on 31 March 2021.

The Group has obtained advertising spaces on 26 additional taxi with 50 additional Taxiboard media.

The Group has commenced the agreement for the exclusive use of advertising spaces on New Lantao Bus in September 2021. The Group has obtained advertising spaces on not less than 88 buses from New Lantao Bus.

- (iii) Expand our coverage in the healthcare-related advertising

Upon the completion of the agreement for the use of advertising spaces at the public hospitals on 30 April 2018 and the close down of the entire media platform in the health and beauty retail stores after 30 June 2018, the Group has assessed the effectiveness of expanding the coverage in the healthcare-related advertising. The Group has been considering the possibility of reallocating the resources of this segment into other segments or new business segments to maximize the effectiveness of the use of proceeds.

- (iv) Enhance our information management system

The Group has appointed a contractor to develop a new advertising information management system for the bus advertising inventory management system. The new system has commenced service in July 2022 and successfully enhanced the efficiency of the operation work flow. The remaining proceeds will be reserved for other information technology enhancement projects in future.

OUTLOOK

Throughout all the past six waves of the COVID-19 pandemic in Hong Kong, the Group has consistently demonstrated its resilience by effectively maintaining its business model, which revolves around providing OOH media and services to its valued customers.

Despite the harsh reality of COVID-19 crisis and its detrimental impact on business environment in Hong Kong and China, the Group remains steadfast in its commitment to expanding its market share in Hong Kong's OOH advertising field. The Group acknowledges the growing dependence on the digital world, particularly on social media platforms; as a result, it has recently expanded its presence on various social media platforms to enhance brand awareness and solidify its brand reputation in Hong Kong, as well as to invest effort and resources to use social media to push sales to capture more business opportunities through this recovery stage. The Group will expand our business reach through LinkedIn, Facebook, Twitter, Wechat, Weibo, and others to engage with more new target customers in the second half of 2023. Furthermore, the Group is actively investing in key words search for our media platforms to target more potential clients from Mainland China.

In addition to strengthening its online presence, the Group has undertaken a comprehensive restructuring of the entire website of the Company. This initiative aims to improve the company image and appeal to more prospective customers. As global conditions gradually improve, the Group eagerly welcomes back the resurgence of outdoor advertising activities and new business opportunities thereof.

The Group is optimistic of its outlook, given outdoor advertising remains an effective avenue for our customers in reaching their target audiences.

FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 March 2023 (2022: Nil).

ANNUAL GENERAL MEETING

The annual general meeting of the Company (“AGM”) will be held on Friday, 18 August 2023. For details of the AGM, please refer to the notice of AGM which is expected to be published in late June 2023.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 15 August 2023 to Friday, 18 August 2023, both days inclusive, during which period no transfer of shares of the Company shall be registered. In order to qualify for attending and voting at the AGM, all transfers accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 14 August 2023.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2023.

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 as the code of conduct regarding directors' securities transactions in securities of the Company. Based on specific enquiry made with the Directors, all Directors confirmed that they had fully complied with the required standard of dealings and there was no event of non-compliance during the year ended 31 March 2023.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the "CG Code") contained in Part 2 of Appendix 15 to the GEM Listing Rules. Save for the deviation from code provision C.2.1 of the CG Code, the Board viewed that the Company had complied with the CG Code during the year ended 31 March 2023.

In accordance with code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Ms. CHAU Wai Chu Irene currently holds both positions. In view of her experience and familiarity with the business operations of the Group, the Board considers that the roles of the Chairlady and Chief Executive Officer being performed by Ms. CHAU Wai Chu Irene would be appropriate to maintain the efficiency in the overall strategic planning, management and business development of the Group. The Board also considers that the balance of power and authority is adequately ensured by the operations of the Board, which comprises experienced and high caliber individuals including three Independent Non-Executive Directors which meets regularly to discuss issues affecting operations of the Group and all important decisions of the Group are made with the contribution of all Board members. The Board with the corporate governance committee of the Board will continue to review the Group's corporate governance policies and compliance with the CG Code each financial year/period.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") has discussed and reviewed with management the audited consolidated financial statements of the Group for the year ended 31 March 2023. The Audit Committee consists of all the three independent non-executive Directors being Mr. LAM Yau Fung Curt, Ms. SUEN Wan Nei Winnie and Ms. LAM Hiu Ying. Mr. LAM Yau Fung Curt serves as the chairman of the Audit Committee who has appropriate professional qualifications and experience as required by the GEM Listing Rules.

SCOPE OF WORK OF MAZARS CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2023 as set out in this announcement have been agreed by the Group's auditor, Mazars CPA Limited ("**Mazars**"), to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 March 2023. The work performed by Mazars in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Mazars on this announcement.

On behalf of the Board of
OOH Holdings Limited
CHAU Wai Chu Irene
Chairlady and Chief Executive Officer

Hong Kong, 20 June 2023

As at the date of this announcement, the directors of the Company are:

Executive Directors

Ms. CHAU Wai Chu Irene (*Chairlady and Chief Executive Officer*)

Mr. LEAN Chun Wai

Non-Executive Director

Mr. DA SILVA Antonio Marcus

Independent Non-Executive Directors

Mr. LAM Yau Fung Curt

Ms. SUEN Wan Nei Winnie

Ms. LAM Hiu Ying

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be published on the website of the Company at www.ooh.com.hk.