

# OOH Holdings Limited 奧傳思維控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8091



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*This report, 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 report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### 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

## AUDIT COMMITTEE

Mr. LAM Yau Fung Curt *(Chairman)*  
Ms. SUEN Wan Nei Winnie  
Ms. LAM Hiu Ying

## REMUNERATION COMMITTEE

Mr. LAM Yau Fung Curt *(Chairman)*  
Ms. SUEN Wan Nei Winnie  
Ms. CHAU Wai Chu Irene

## NOMINATION COMMITTEE

Ms. SUEN Wan Nei Winnie *(Chairlady)*  
Ms. LAM Hiu Ying  
Mr. LEAN Chun Wai

## CORPORATE GOVERNANCE COMMITTEE

Ms. LAM Hiu Ying *(Chairlady)*  
Mr. LAM Yau Fung Curt  
Mr. DA SILVA Antonio Marcus

## COMPANY SECRETARY

Ms. FUNG Suk Han

## AUTHORISED REPRESENTATIVES

Ms. CHAU Wai Chu Irene  
Ms. FUNG Suk Han

## AUDITOR

Mazars CPA Limited  
42nd Floor, Central Plaza  
18 Harbour Road, Wanchai  
Hong Kong

## REGISTERED OFFICE

Cricket Square  
Hutchins Drive, PO Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

# CORPORATE INFORMATION

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite A5, 9/F, Jumbo Industrial Building  
189 Wai Yip Street  
Kwun Tong, Kowloon  
Hong Kong

## PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Nanyang Commercial Bank Ltd.

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
P.O. Box 2681, Grand Cayman  
KY1-1111, Cayman Islands

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## COMPANY WEBSITE

[www.ooh.com.hk](http://www.ooh.com.hk)

## PLACE OF LISTING

The Stock Exchange of Hong Kong Limited

## STOCK CODE

8091

# CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board of Directors (the “**Board**”), I am pleased to present this year’s annual report and the audited consolidated financial statements of OOH Holdings Limited and its subsidiaries (the “**Group**”) for the year ended 31 March 2024.

The Group continues to be a leading out-of-home (“**OOH**”) advertising company in Hong Kong, with a strong focus on transportation media advertising. Over the past financial year, our core advertising solutions and services have consistently served clients within the public transport advertising sector, specifically targeting minibus, taxi, and bus media advertisement. Our exclusive collaboration with many of the public transport companies showcase the strength of our market positioning, as it demonstrates our ability to secure exclusive partnerships and highlights our competitive advantage in offering first hand and exclusive advertising opportunities in the market.

As the economy recovers from the impact of the pandemic, people are getting back to normalcy while consumer behavior has undergone a positive shift, resulting in increased shopping, travelling, dining out and engagement in leisure activities. In this context, businesses endeavor to reconnect with their target audiences has been crucial, and outdoor media advertising has always been the client’s choice as an effective and impactful approach to reach their wide range of consumers especially with our “moving banners” like format in captivating their end-user consumers. Effective promotion and advertising play vital roles to spark people’s interests in the diverse cultural and entertainment offerings in Hong Kong. Additionally, with people’s increased inclination to travel, particularly frequent short trips to Mainland China, outdoor media advertising provides a significant opportunity for the Group to effectively promote Mainland China’s restaurants, consumer retails, and medical services etc, thus expanding our client base.

Furthermore, in the wake of the pandemic, there has been a notable upsurge in individuals’ prioritization of health and well-being. The global health crisis has heightened awareness regarding the significance of maintaining good health and adopting preventive measures. As a result, there has been a corresponding increase in healthcare-related organizations seeking advertisement placement, presenting us with exceptional business opportunities.

In addition to the trust placed in us by various Government Departments in utilizing our advertising platforms to promote their campaigns and the contract renewals from existing clients, the Group has witnessed an overall improvement in business performance, presenting us with growing opportunities. With these positive developments, we are confident in the Group’s ability to expand its client base and maintain its success in the industry.

Lastly, together with my board, I would like to express my sincere gratitude to our exceptional team for their unwavering dedication and outstanding performances as we successfully navigated the challenges posed by the pandemic. Their resilience and commitment have been crucial in overcoming the obstacles we faced and driving the Group towards recovery and growth. As for our shareholders, investors, customers, suppliers, and business partners, I would like to express my heartfelt gratitude to you all for your unwavering support. Your trust and steadfast belief on our vision have been instrumental in our collective accomplishments. As economies rebound and regain stability, we eagerly embrace the opportunities that lie ahead and remain committed to delivering long-term value for all our stakeholders.

For and on behalf of the Board

**CHAU Wai Chu Irene**  
*Chairlady*

Hong Kong, 27 June 2024

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

The Group has maintained its primary focus on offering OOH advertising spaces and services to its customers. These customers include end users who seek to promote their brands, products, or services, as well as advertising agents who represent such advertisers. In addition to providing OOH advertising, we also extend our services to customers by offering design, production and advertisement logistics assistance across various advertising platforms.

During the year ended 31 March 2024, the Group experienced promising growth, with an overall increase in total revenue. Such increase was mainly contributed by the increase in revenue generated from bus advertising. The Group has also recorded an increase in revenue generated from the provision of other types of advertising services in particular the increase of revenue generated from TV walls media platform and railway advertising. This increase was driven by the relaxation of pandemic-related preventive measures, which led to a more optimistic economic outlook. The easing of COVID-19 restrictions and the gradual recovery of business and consumer activities contributed to an improvement in market sentiment. This created more favorable conditions for the Group's core OOH advertising business. The Group was able to capitalize on the renewed market vibrancy and secure more advertising contracts from both direct clients and agency advertisers. Indeed, the increase of total revenue was also attributed from promotional activities in relation to the District Council Election in December 2023.

The Group is poised to benefit from the gradual return to normalcy in the global economy. The easing of restrictions and resumption of regular business activities provide a conducive environment for growth. The Group's strategic focus on prime advertising locations and diversified media formats positions it well to capture emerging opportunities. The Hong Kong Government's increased use of OOH media for public messaging further underscores the potential for future growth. The Group's robust client relationships and reputation for effective advertising solutions will be critical in leveraging these opportunities.



# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Revenue

Total revenue of the Group increased by approximately 16.4% from approximately HK\$43.9 million for the year ended 31 March 2023 to approximately HK\$51.1 million for that of 2024. Such increase was mainly due to (i) the increase of revenue generated from bus advertising; and (ii) the increase of revenue generated from the provision of other type of advertising services.

Revenue generated from bus advertising increased by approximately 13.8% from approximately HK\$41.2 million for the year ended 31 March 2023 to approximately HK\$46.9 million for that of 2024. Such increase was mainly due to the increase of revenue generated by advertisements in relation to the district council election campaign in December 2023. Revenue generated from the provision of other types of advertising services (for example advertising spaces in other OOH media formats) increased by approximately 91.7% from approximately HK\$1.2 million for the year ended 31 March 2023 to approximately HK\$2.3 million for that of 2024. Such increase was mainly due to the increase of revenue generated by direct clients (mainly district council election campaign candidates) that aimed at the advertising spaces in the railway system, franchised bus and the outdoor digital billboards.

Revenue generated from taxi advertising increased by approximately 27.3% from approximately HK\$1.1 million for the year ended 31 March 2023 to approximately HK\$1.4 million for that of 2024. Such increase was mainly due to the increase of revenue generated by direct clients. Revenue generated from private hospital and clinics media increased from approximately HK\$0.3 million for the year ended 31 March 2023 to approximately HK\$0.4 million for that of 2024 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 2024 increased by approximately 16.4%, cost of sales for the year increased by approximately 9.4%.

Accordingly, gross profit margin increased by approximately 3.9 percentage points from approximately 35.1% for the year ended 31 March 2023 to approximately 39.0% for that of 2024, which was mainly due to the increase in gross profit margin of bus advertising from approximately 35.0% for the year ended 31 March 2023 to approximately 39.7% for that of 2024 as a result of significant increase in revenue as explained above.

### Change in Fair Value of Financial Assets at Fair Value Through Profit or Loss ("FVTPL")

The Group recorded change in fair value of financial assets at FVTPL of approximately HK\$1.2 million for the year ended 31 March 2024, which was attributable to loss on corporate bonds (2023: approximately HK\$37,000).

### Selling Expenses

Selling expenses increased by approximately 8.5% from approximately HK\$7.1 million for the year ended 31 March 2023 to approximately HK\$7.7 million for that of 2024 mainly due to the increase of commission paid to our sales team corresponding to the increase of revenue for the year ended 31 March 2024.

### Administrative Expenses

Administrative expenses remained fairly stable at approximately HK\$15.5 million for the year ended 31 March 2024 as compared to approximately HK\$14.9 million for that of 2023.



# MANAGEMENT DISCUSSION AND ANALYSIS

## Other Operating Expenses

The Group recorded other operating expenses of approximately HK\$5.6 million for the year ended 31 March 2024, which represented the impairment losses on right-of-use assets (2023: approximately HK\$2.9 million, which was mainly attributable to impairment losses on right-of-use assets and intangible assets).

## Finance Costs

Finance costs remained stable at approximately HK\$1.6 million for the year ended 31 March 2024 as compared 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\$10.5 million for the year ended 31 March 2024 as compared to approximately HK\$9.5 million for that of 2023.

## Capital Structure

Details of the Company's share capital are set out in note 26 to the consolidated financial statements in this report.

## Liquidity and Financial Resources

During the year ended 31 March 2024, the Group mainly financed its operations with its own working capital and the net proceeds from listing. As at 31 March 2024 and 31 March 2023, the Group had net current assets of approximately HK\$16.1 million and approximately HK\$21.8 million respectively, including cash and bank balances of approximately HK\$31.6 million and approximately HK\$32.9 million respectively. The Group did not have any pledged bank deposits as at 31 March 2024 and 31 March 2023.

As at 31 March 2024, the gearing ratio was 0% (2023: 0%), calculated on the Group's bank borrowings over the Group's total equity. As at 31 March 2024 and 31 March 2023, the Group had no bank borrowings.

## Significant Investments Held

The Group did not have any significant investments held as at 31 March 2024 and 31 March 2023.

## 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 2024 and 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 2024 and 31 March 2023.

## Commitments

As at 31 March 2024, the Group did not have any capital commitments (2023: Nil).

# MANAGEMENT DISCUSSION AND ANALYSIS

## Charge on Group's Asset

As at 31 March 2024, the Group did not pledge any of its assets as security for any facilities granted to the Group (2023: 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 2024, the Group had 30 employees (2023: 30 employees). The staff costs (including Directors' emoluments) amounted to approximately HK\$16.2 million for the year ended 31 March 2024 (2023: approximately HK\$15.3 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 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 2024 is set out below:

	Amount of usage of net proceeds from the Listing Date to 31 March 2024		Unutilized net proceeds as at 31 March 2024 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	15.9	5.0	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
<b>Total</b>	<b>29.9</b>	<b>19.7</b>	<b>10.2</b>	

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

The unutilized net proceeds as at 31 March 2024 were placed as bank deposits with licensed bank in Hong Kong.

\* The estimated amount of usage of net proceeds as at 31 March 2024 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.

# MANAGEMENT DISCUSSION AND ANALYSIS

An analysis comparing the business objective stated in the Prospectus with the Group's actual business progress as at 31 March 2024 is set out below:

Business objective and strategy	Actual business progress as at 31 March 2024
(i) Expand our coverage in the minibus media	<p>The Group has obtained advertising spaces on 932 additional green minibuses and 62 additional red minibuses.</p> <p>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.</p>
(ii) Expand our coverage in other transportation	<p>The exclusive contract for the use of advertising spaces of not less than 100 coach buses had completed on 31 March 2021.</p> <p>The Group has obtained advertising spaces on 26 additional taxi with 50 additional Taxiboard media.</p> <p>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.</p>
(iii) Expand our coverage in the healthcare-related advertising	<p>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.</p> <p>The Group has signed a memorandum with a media company who has a platform with more than 150 clinics in Hong Kong to use the in-clinic advertising spaces with LCD TVs installed in the clinics. In consideration of the cooperation, the Group will invest a new media system to ensure the reliability of the display of advertisements and to maintain the LCD TVs in the clinics. The Group will install new LCD TVs if the old screens are out of order.</p>
(iv) Enhance our information management system	<p>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.</p>

# MANAGEMENT DISCUSSION AND ANALYSIS

## OUTLOOK

The outdoor media advertising industry has showcased remarkable resilience and adaptability despite the challenges posed by the pandemic. As economies gradually recover and individuals resume their daily routines, outdoor media advertising is positioned to play a crucial role again in reconnecting brands with consumers and driving business growth.

The Group specifically acknowledges the significant potential of the Mainland China client base and actively seeks business opportunities within this market. We recognize the emerging trend of Mainland catering, retail and medical services brands entering the Hong Kong market for the increasing number of northbound travelers from Hong Kong. This trend is supported by astonishing records which indicate the number of Hongkongers traveling northbound in a single month has exceeded 5 million recently. Given the captivating opportunity to expand our business, the Group is committed to capitalize on this momentum; therefore we are actively pursuing partnerships and collaborations with several Mainland Chinese counterparties and agencies to find clients in the sector. Together, we want to leverage our expertise in Hong Kong outdoor advertising industry, to provide Mainland advertisers who want to effectively reach and engage their target audience using our platform. The Group's strategic focus is to provide comprehensive advertising solutions tailored made to these Mainland brands entering the Hong Kong market, ensuring maximum exposure and brand visibility for them.

Furthermore, it is undeniable that reliance on the digital world is crucial in shaping the future growth and success of a company. In today's technologically driven landscape, businesses need to embrace digital strategies hence our need of digital platforms to remain competitive for the evolving needs of customers. In addition to our ongoing efforts to strengthen our presence through expanding our coverage of exclusive advertising spaces, we are actively exploring the use of Artificial Intelligence ("AI") to further enhance our digital advertising spaces and capabilities. For example, by adopting AI analytical tools, we can analyze the effectiveness of client's target audiences for their advertisements' campaigns. By doing so, we can improve our ability to match our clients' need with their advertisement strategies, effectively promoting their products and services. This, in turn, enhances our clients' experience when utilizing our services.

All in all, the Group is enthusiastic about embarking on further business expansion, new initiatives, to hold an optimistic outlook for the near future.

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## DIRECTORS

### Executive Directors

**Ms. CHAU Wai Chu Irene (周慧珠)**, aged 74, is the Chairlady of the Board, an Executive Director, the Chief Executive Officer and a controlling shareholder of the Company. She is also a member of Remuneration Committee. Ms. Chau is responsible for providing leadership to the Board and advising on the business strategies of the Group. She was appointed as a Director on 28 June 2016. Ms. Chau had been a director of the Company's subsidiaries, Media Savvy Limited ("MSL") and Media Savvy Marketing Limited ("MSML") since July 2007 and December 2012, respectively. Ms. Chau was a co-founder of the Group and prior to becoming a director of MSL, Ms. Chau was a senior management of the Group responsible for managing the relationships with minibus route operators and taxi owners, and securing of advertising space with these operators. Ms. Chau also holds directorships in a number of the other subsidiaries within the Group, namely Media Savvy Marketing International Limited ("MSBVI"), Media Savvy In-Store Media Limited, Medic Savvy Media Limited ("MedicSML"), A1 Advertising & Production Company Limited ("AAPCL") and OOH La La Printing And Production Limited ("OOH La La"). Ms. Chau has over 24 years of experience in the outdoor media advertising industry. She has gained experience in the marketing field since the late 90's where she has held a senior role in the commercial field and also worked in non-profit organizations.

**Mr. LEAN Chun Wai (梁俊威)**, aged 53, is an Executive Director. He is also a member of the Nomination Committee. He was appointed as a Director on 28 June 2016. Mr. Lean is responsible for providing leadership in the operation department and managing the relationships and securing advertising space with the Group's advertising space providers in the healthcare media platform. Mr. Lean supervises the information management system of advertising spaces of the Group and also manages the design and production department of the Group, responsible for printing and installation of advertising materials, procurement and supplier's relationship. Mr. Lean joined the Group in June 2011 and served as marketing consultant. He was appointed as a director of the Company's subsidiaries, MSL and MSML, in December 2012. He was later appointed as a director of certain subsidiaries of the Company, MSBVI, MedicSML, AAPCL, OOH La La, Auto Savvy Limited, Vehicle Savvy Limited and M Savvy Media Limited. Mr. Lean has over 27 years of marketing experience.

### Non-Executive Director

**Mr. DA SILVA Antonio Marcus (施冠駒)**, aged 52, is a Non-Executive Director and a substantial shareholder of the Company. He is also a member of Corporate Governance Committee. Mr. Da Silva was appointed as a Director on 28 June 2016. Mr. Da Silva is responsible for providing corporate governance guidance to the Board and advising on the business strategies of the Group. Mr. Da Silva is the co-founder of the Group and has been a director of MSL and MSML since April 2014. Mr. Da Silva graduated from Carnegie Mellon University in the United States with the degrees of Bachelor of Science and Master of Information Systems, double majors in Information and Decision Systems and Industrial Management in 1996. Mr. Da Silva is now a business development director of Jet-Speed Air Cargo Forwarders (Hong Kong) Limited and is responsible for business development. Mr. Da Silva has over 22 years of business experience.

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## Independent Non-Executive Directors

**Mr. LAM Yau Fung Curt (林右烽)**, aged 55, was appointed as an Independent Non-Executive Director on 23 August 2019. He is the chairman of each of the Audit Committee and the Remuneration Committee and also a member of the Corporate Governance Committee. He is the general manager of Wanda Hotel Development Company Limited (stock code: 00169), which is listed on the Main Board of the Stock Exchange and a member of the Dalian Wanda Group. He was an executive director of Yuexiu Property Company Limited (stock code: 00123), a company listed on the Main Board of the Stock Exchange, and also the chief financial officer of the Yue Xiu Group. Mr. Lam was previously the head of corporate finance and business development at GOME Electrical Appliances Holding Limited (now known as GOME Retail Holdings Limited) (stock code: 00493) (“**GOME**”), one of China’s largest electronics retailers, which is listed on the Main Board of the Stock Exchange. Prior to joining GOME, he spent about 10 years working in investment banking and capital markets at Schroders Asia, ABN AMRO Rothschild, and Deutsche Bank. He is a Chartered Financial Analyst (CFA) and holds a Master of Business Administration (MBA) degree from Rice University in the United States. Mr. Lam has extensive experience in corporate finance, financial and accounting fields.

Mr. Lam has been appointed as an independent non-executive director of Asia Allied Infrastructure Holdings Limited (stock code: 00711), a company listed on the Main Board of the Stock Exchange, since January 2017 and is also currently the chairman of its remuneration committee and a member of its audit committee and nomination committee. Mr. Lam was also an independent non-executive director of The Hong Kong Building and Loan Agency Limited (now known as CCIAM Future Energy Limited) (stock code: 00145), a company listed on the Main Board of the Stock Exchange from 19 October 2020 to 31 March 2023.

**Ms. SUEN Wan Nei Winnie (孫韻妮)**, aged 49, was appointed as an Independent Non-Executive Director on 22 June 2021. She is the chairlady of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee. She is the general manager of Galerie E (Hong Kong) Limited. Ms. Suen is the owner and founder of Florentino & Co. Ltd, a wholesaler of luxury handbags and European high end fashions. She has extensive experience in sales and marketing and had previously worked for high end retailers including The Swank Group and Tiret (Hong Kong) Limited. Ms. Suen is a graduate of London College of Fashion, University of the Arts London.

**Ms. LAM Hiu Ying (林曉盈)**, aged 51, was appointed as an Independent Non-Executive Director on 20 August 2021. She is the chairlady of the Corporate Governance Committee and a member of each of the Audit Committee and the Nomination Committee. She is the founder and chairman of Julius Group Holdings Limited, an OEM gloves manufacturer. She has over 20 years of manufacturing experience in gloves and accessories industries. Ms. Lam is also the founder and president of INNOTIER, an innovation-driven company with a mission to develop products that help people live a more sustainable life with the global top technologies as foundation. She is working tirelessly to reinvent and build a sustainable business through technologies and innovative solutions. She was the only female award winner among the few Young Industrialist Awards of Hong Kong in year 2014. She is the first female president of The Association of Hong Kong Gloves Traders Limited. She is also currently council member of The Better Hong Kong Foundation, director and executive committee member of Green Monday, director of Intangible Cultural Heritage Earthpulse Society Limited, Executive Vice President and Vice Treasurer and President of Sustainability Committee of Greater Bay Area Hong Kong Women Entrepreneurs Association, Standing Committee Member of Guangdong-Hong Kong-Macau Greater Bay Area Industry and Commerce Federation, Convenor of Industrial Committee (Textile Printing & Dyeing Industry) of The Chinese Manufacturers’ Association of Hong Kong, Head of Hong Kong Chapter of Cartier Red Club, Chairman of Healthy Lifestyle Fund of Hong Kong Adventist Hospital Foundation (Stubbs Road and Tsuen Wan), Member of Board of Governors (Stubbs Road) of Hong Kong Adventist Hospital Foundation, Director of Board of Governors (Tsuen Wan) of Hong Kong Adventist Hospital Foundation, Member of Award Council of The Hong Kong Award for Young People, Member of CreateSmart Initiative Vetting Committee, Programme Management Committee of BUD Fund of Hong Kong Productivity Council and Board Member, Peace and Development Foundation of Official Partner of United Nations Development Programme (UNDP). Ms. Lam graduated from University of Toronto, Canada, majoring in Economics, and obtained an Executive MBA at Ivey Business School, the University of Western Ontario, Canada.

# PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

## SENIOR MANAGEMENT

**Mr. HUNG Kay Man (洪啟文)**, aged 59, is the Sales and Marketing Director of the Group. He joined the sales and marketing department of the Group in December 2011. He is responsible for providing leadership in our sales and marketing department, as well as building relationships with customers. Mr. Hung is responsible for setting up annual advertising rates for all media platforms and setting annual sales targets for the Group's sales team. He has over 27 years of sales experience.

**Ms. CHAN Fung Yee Boogie (陳鳳儀)**, aged 39, is the Financial Controller of the Group. Ms. Chan joined the Group in January 2018. She was a manageress of the accounts department and later promoted to the Financial Controller in July 2020. Ms. Chan is currently in charge of the finance and accounts department of the Group. She has over 16 years of accounting and finance experience.

## COMPANY SECRETARY

**Ms. FUNG Suk Han (馮淑嫻)**, aged 50, was appointed as the company secretary of the Company on 7 July 2017. She joined the Group in May 2017. Ms. Fung holds a Master degree in business administration from The Open University of Hong Kong (now known as Hong Kong Metropolitan University). She is currently an associate member of The Chartered Governance Institute in the United Kingdom and The Hong Kong Chartered Governance Institute. She has over 26 years of experience in company secretarial field and extensive experience in corporate governance practices with listed companies.



# CORPORATE GOVERNANCE REPORT

## CORPORATE GOVERNANCE PRACTICES

The Board is committed to uphold a high standard of corporate governance practices appropriate to the conduct and growth in the Company's business in accordance with all applicable rules and regulations. The Board believes that good corporate governance is important in balancing the interests of shareholders, customers and employees and the success of business. The Board continues to review and improve the Company's corporate governance practices from time to time.

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 C1 to the GEM Listing Rules. Save for the deviation as disclosed under the section headed "CHAIRMAN AND CHIEF EXECUTIVE" below, the Board viewed that the Company has complied with the CG Code during the year ended 31 March 2024 (the "**Year**").

## CORPORATE CULTURE

The Group recognises that a good corporate culture is vital to its corporate governance and has gradually developed a pragmatic and prudent corporate culture since its establishment, which has been reflected in the overall operations and management of the Group, in order to facilitate the long-term sustainability of the Group.

The Group believes that a corporate culture of high integrity is one of the key to its continued success, therefore the Group values the importance of anti-corruption work. In order to establish a healthy corporate culture and promote high ethical standards within the Group, the Group has established the anti-corruption policy and whistleblowing policy with aims to allow all employees to report on any possible improprieties, misconducts, malpractices, or irregularities to the Group, so as to build an incorruptness and transparent corporate culture, facilitate the establishment of a good image of the Group and strengthen the sense of recognition and trust of all stakeholders of the Group. The Company conducts anti-corruption trainings in order to reinforce the necessary standards of ethics and integrity.

## 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 2024.

# CORPORATE GOVERNANCE REPORT

## BOARD OF DIRECTORS

### Composition

As at 31 March 2024, the Board comprised two Executive Directors, one Non-Executive Director and three Independent Non-Executive Directors. The composition of the Board is set out as follows:

#### 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

### Functions, Roles and Responsibilities of the Board

The Board is responsible for leadership and control of the Group and is collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board focuses on formulating the Group's overall strategies; authorizing the development plan and budget; monitoring financial and operating performance; reviewing the effectiveness of the internal control systems; supervising and managing management's performance of the Group; and setting the Group's values and standards. The Board delegates the day-to-day management, administration and operation of the Group to the Chief Executive Officer and senior management. The delegated functions are reviewed by the Board periodically to ensure that they accommodate the needs of the Group. The abovementioned personnel should report back and obtain prior approval from the Board before making any significant commitments on the Company's behalf, and they may not exceed any authority given to them by resolutions of the Board or the Company.

The Non-Executive Director does not involve in general management and day-to-day operation of the Group. However, he provides advice on strategic direction for the Group in the Board meetings.

The Independent Non-Executive Directors bring a wide range of business and financial expertise, experience and independent judgement to the Board, on issues of strategic direction, policies, development, performance and risk management. Through active participation in Board meetings, taking the lead in managing issues involving potential conflict of interests and serving on Board committees, they scrutinize the Company's performance in achieving corporate goals and objectives and monitor performance reporting. By doing so, they are able to contribute positively to the Company's strategy and policies through independent, constructive and informed comments at Board and Board committee meetings.

Each Director has confirmed that he/she can give sufficient time and attention to the Company's affairs, and has regularly provided information on the number and nature of offices held in public companies or organizations and other significant commitments, including the identity of such companies or organizations and an indication of the time involved.

# CORPORATE GOVERNANCE REPORT

There is no relationship, including financial, business, family or other material/relevant relationship(s) between members of the Board.

The Company has arranged appropriate insurance cover for Directors' liabilities in respect of legal actions against them for corporate activities.

## Confirmation of Independence of Independent Non-Executive Directors

Each of the Independent Non-Executive Directors has made an annual confirmation of independence in each of the factors set out in Rule 5.09 of the GEM Listing Rules. The Company considered that all Independent Non-Executive Directors are independent.

## Board Independence

The Company has established "Mechanisms Ensuring Independent Views Available to the Board", including but not limited to, (i) the compositions of the Board and the Board committees comply with the requirements of the GEM Listing Rules; (ii) the criteria of independence assessment for nomination and appointment of Independent Non-Executive Directors are executed by the Nomination Committee and affirmed by the Board; and (iii) the independent views of inputs on the matters to be discussed at Board meetings can be sought by the Board members. The Board has reviewed the implementation and effectiveness of such mechanisms during the Year.

## Term of Appointment of Non-Executive Directors

The Non-Executive Director and each of the Independent Non-Executive Directors have entered into a letter of appointment with the Company for a term of three years, subject to retirement by rotation and re-election at the annual general meeting at least once every three years in accordance with the Company's articles of association (the "**Articles of Association**").

## Board/Board Committee Meetings

The Board is scheduled to meet in person or through other electronic means of communication at least four times a year to, among other matters, review past financial and operating performance and discuss the Group's directions and strategies. An agenda and accompanying papers together with all appropriate information are sent to all Directors at least three days before each Board meeting or Board committee meetings so as to ensure timely access to relevant information. Appropriate notice of at least 14 days for regular Board meetings and reasonable notice for other Board committee meetings are given to all Directors, who are all given an opportunity to attend and include matters in the agenda for discussion. Senior management are invited to join all Board meetings to enhance communication between the Board and management whenever necessary; the Board and each Director can also have separate and independent access to senior management whenever necessary. The Company Secretary takes minutes of the meetings and keeps records of matters discussed and decisions resolved at the meetings, including any concerns raised by Directors or dissenting views expressed, and the voting results of Board meetings fairly reflect Board consensus. Both draft and final versions of the minutes are sent to all Directors for their comments and records respectively, within a reasonable time after each meeting, and such minutes are open for inspection with reasonable advance notice by any Director. Directors are entitled to have access to board papers and related materials, and any queries will be responded to fully.

Upon reasonable request to the Board, the Directors can seek independent professional advice in performing their duties at the Company's expense, if necessary. According to the current Board's practice and mechanisms, should a potential conflict of interest involving a substantial shareholder of the Company or Director or its close associate(s) arise, the matter will be discussed in a Board meeting, as opposed to being dealt with by written resolution. Independent Non-Executive Directors (as other Directors) with no conflict of interest will be present at such meetings. When the Board considers any proposal or transaction in which a Director has a conflict of interest, the Director concerned will declare his/her interests and abstain from voting.

During the Year, the Board held 4 meetings and the attendance of each Director is listed under the section heading "Meetings Held and Attendance" below on a named basis.

# CORPORATE GOVERNANCE REPORT

## Meetings Held and Attendance

During the Year, the composition of the Board and each of the Board committees, and the individual attendance records of each Director at the Board meetings, the respective Board committee meetings and the Company's annual general meeting held on 18 August 2023 ("**2023 Annual General Meeting**") are set out below:

Name of Directors	Meetings attended/Eligible to attend meetings during the Year					
	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Corporate Governance Committee Meeting	2023 Annual General Meeting
<b>Executive Directors:</b>						
Ms. CHAU Wai Chu Irene <i>(Chairlady and Chief Executive Officer)</i>	4/4	N/A	1/1	N/A	N/A	1/1
Mr. LEAN Chun Wai	4/4	N/A	N/A	2/2	N/A	1/1
<b>Non-Executive Director:</b>						
Mr. DA SILVA Antonio Marcus	2/4	N/A	N/A	N/A	1/1	1/1
<b>Independent Non-Executive Directors:</b>						
Mr. LAM Yau Fung Curt	4/4	4/4	1/1	N/A	1/1	1/1
Ms. SUEN Wan Nei Winnie	4/4	4/4	1/1	2/2	N/A	1/1
Ms. LAM Hiu Ying	3/4	3/4	N/A	1/2	1/1	1/1

# CORPORATE GOVERNANCE REPORT

## Continuing Professional Development

Pursuant to code provision C.1.4 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant.

According to the records maintained by the Company, during the Year, training sessions on the updates of the GEM Listing Rules and directors' responsibilities and relevant reading materials on the latest regulatory updates were arranged to the Directors and the Directors' participated in continuous professional development in following manner:

Name of Directors	Attending training sessions	Reading materials
<b>Executive Directors:</b>		
Ms. CHAU Wai Chu Irene ( <i>Chairlady and Chief Executive Officer</i> )	✓	✓
Mr. LEAN Chun Wai	✓	✓
<b>Non-Executive Director:</b>		
Mr. DA SILVA Antonio Marcus	✓	✓
<b>Independent Non-Executive Directors:</b>		
Mr. LAM Yau Fung Curt	✓	✓
Ms. SUEN Wan Nei Winnie	✓	✓
Ms. LAM Hiu Ying	✓	✓

## CHAIRMAN AND CHIEF EXECUTIVE

Ms. CHAU Wai Chu Irene ("**Ms. Chau**") is the Chairlady of the Board who is primarily responsible for formulating overall corporate strategies. Ms. Chau is also the Chief Executive Officer who is primarily responsible for day-to-day management of the Group. 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 the chief executive should be clearly established and set out in writing. In view of her experience and familiarity with the business operations of the Group, the Board considers that the roles of Chairlady and Chief Executive Officer being performed by Ms. Chau 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 who 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 will continue to review the Group's corporate governance policies and compliance with the CG Code each financial year/period.

Code provision C.2.7 of the CG Code requires the chairman of the Board to hold meetings at least annually with the independent non-executive directors without the presence of other Directors. During the Year, a meeting between the Chairlady of the Board and the Independent Non-Executive Directors was held.

# CORPORATE GOVERNANCE REPORT

## BOARD COMMITTEES

The Board has established four committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee, to oversee particular aspects of the Company's affairs. All Board committees are established with written terms of reference, which are available on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.ooh.com.hk](http://www.ooh.com.hk). The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense. The Board committees will report back to the Board on their decisions or recommendations.

### Audit Committee

The Audit Committee has been established with written terms of reference in compliance with the CG Code from time to time. The Audit Committee currently consists of all Independent Non-Executive Directors, namely, 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. The primary responsibilities of the Audit Committee include but without limitation the following: (i) assisting the Board in providing an independent view of the effectiveness of the Group's financial reporting process, internal control and risk management systems; (ii) overseeing the audit process; and (iii) performing other duties and responsibilities as assigned by the Board.

The Audit Committee held four meetings during the Year and the attendance of each member of Audit Committee is listed under the section heading "Meetings Held and Attendance" above on a named basis. During the Year, the Audit Committee reviewed the Group's audited annual results for the year ended 31 March 2023 and the unaudited first quarterly and interim results for the year ended 31 March 2024, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure had been made. The Audit Committee discussed with the Auditor the audit plan in relation to the nature of scope of audit and reporting obligation before commencing of the audit of annual results 2022/23, the audit fee for the year ended 31 March 2023 and recommended the same to the Board. The Audit Committee also reviewed the internal control review report of the Group and also considered the effectiveness on the risk management and internal control systems under the GEM Listing Rules. The terms of reference of the Audit Committee was reviewed by the Audit Committee.

As at the date of this annual report, the Audit Committee has discussed and reviewed with management the audited consolidated financial statements of the Group for the Year and also reviewed and approved the Group's audit fee for the Year.

### Remuneration Committee

The Remuneration Committee has been established with written terms of reference in compliance with the CG Code from time to time. The Remuneration Committee currently consists of two Independent Non-Executive Directors and one Executive Director, namely, Mr. LAM Yau Fung Curt, Ms. SUEN Wan Nei Winnie and Ms. Chau. Mr. LAM Yau Fung Curt is the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee include but without limitation to review on the remuneration packages of the Directors and senior management, and to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.

# CORPORATE GOVERNANCE REPORT

During the Year, the Remuneration Committee held one meeting and the attendance of each member of the Remuneration Committee is listed under the section heading “Meetings Held and Attendance” above on a named basis. The Remuneration Committee reviewed the remuneration packages of the Directors and senior management and its terms of reference during the Year. No Director or any of his/her associates is involved in deciding his/her own remuneration.

The Remuneration Committee is responsible for making recommendations to the Board on the Company’s emolument policy as and when necessary. Directors’ emoluments are determined by the Board with reference to factors including Director’s duties and responsibilities with the Company and the Group as a whole, the Company’s remuneration policy as well as the prevailing market rates. Details of the remuneration paid to the senior management of the Group (including the Directors) by band for the year ended 31 March 2024 are set out in note 13 to the Consolidated Financial Statements.

## Nomination Committee

The Nomination Committee has been established with written terms of reference in compliance with the CG Code from time to time. The Nomination Committee currently consists of two Independent Non-Executive Directors and one Executive Director, namely, Ms. SUEN Wan Nei Winnie, Ms. LAM Hiu Ying and Mr. LEAN Chun Wai. Ms. SUEN Wan Nei Winnie is the chairlady of the Nomination Committee. The primary duties of the Nomination Committee include but without limitation to review and monitor the structure, size and composition of the Board and make recommendations on any proposed changes to the Board to complement of the Group’s strategy; to identify individuals suitably qualified to become members of the Board; to assess the independence of Independent Non-Executive Directors; and to make recommendations to the Board on the appointment or re-appointment of Directors, succession planning for Directors and to review the board diversity policy and the nomination policy of the Company.

During the Year, the Nomination Committee held two meetings and the attendance of each member of the Nomination Committee is listed under the section heading “Meetings Held and Attendance” above on a named basis. The Nomination Committee reviewed the Board’s structure and composition, its terms of reference and the independence of the Independent Non-Executive Directors; considered the re-election of retiring Directors; and also reviewed the existing board diversity policy and recommended the same to the Board during the Year.

## Nomination Policy

The Company adopted a nomination policy, which establishes written guidelines to Nomination Committee to identify individuals suitably qualified to become Board members and to make recommendations to the Board on the selection of individuals nominated for directorships with reference to the formulated criteria.

## Selection Criteria

In assessing the suitability of a proposed candidate, the Nomination Committee would consider the certain factors including but not limited to the proposed candidate’s reputation for integrity, accomplishment, experience and reputation in the industry which the Group operates, commitment in respect of sufficient time, interest and attention to the Company’s business and diversity in all aspects as set out in the board diversity policy adopted by the Company from time to time, the ability to assist and support management and make significant contributions to the Company’s success, and whether the candidates would be considered independent with reference to the independence guidelines as set out in the GEM Listing Rules in case of selection of Independent Non-Executive Directors. The Nomination Committee and the Board have the discretion to nominate any person, as it considers appropriate.



# CORPORATE GOVERNANCE REPORT

## Nomination Procedures

Proposed candidates will be asked to submit the necessary personal information, together with their written consent to be appointed as a director and to the public disclosure of their personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as a director. The Nomination Committee may request candidates to provide additional information and documents, if considered necessary. The secretary of the Nomination Committee shall convene a meeting of the Nomination Committee, and invite nominations of candidates from Board members if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members. For filling a casual vacancy and/or as an addition to the Board, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.

## Board Diversity Policy

The Board adopted the board diversity policy (the "**Board Diversity Policy**") in accordance with the requirements set out in the CG Code. The Board Diversity Policy is available on the Company's website at [www.ooh.com.hk](http://www.ooh.com.hk) under the section of "Investor Relations". According to the Board Diversity Policy, in designing the Board's composition and selecting candidates to the Board, board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Board recognises the benefits of gender diversity. The composition of the Board has different genders since the Listing Date. The gender ratio in existing Board is 3 (male):3 (female). While the Board considers that gender diversity may bring more diversified views at the Board level, gender is not the only factor to be taken into account in considering appointment to the Board. Appointment is made on merits after considering a number of factors including the educational background, professional experience, skills and knowledge of the candidate. Hence, the Board does not set any particular targets on the gender ratio on the Board. The Board and the Nomination Committee will closely monitor and review from time to time the composition of the Board and will take into account the board diversity policy including gender diversity in considering appointment to the Board with an aim to maintaining gender diversity at the Board.

In respect of succession plan for maintaining gender diversity at board level, the Board ensures, by providing equal opportunities for all candidates regardless of gender in respect of recruitment and staff promotion and selecting the right candidates for appointment to the Board based on a range of diversity perspectives as well as merits and contribution that the selected candidates will bring the Board, that it has a pipeline of candidates ready to step into leadership positions when vacancies arise to achieve gender diversity.

As at 31 March 2024, gender ratio in workforce (including senior management) is 12 (male): 18 (female). The Company has not set any objectives for gender ratio in workforce (including senior management). Appointment is primarily made on merits of the candidate after considering a number of factors including the educational background, professional experience, skills and knowledge of the candidate.

The Nomination Committee, delegated by the Board, reviewed the Board's composition under diversified perspectives, and monitored the implementation of the Board Diversity Policy during the Year.

# CORPORATE GOVERNANCE REPORT

As at the date of this annual report, the Board's composition under major diversified perspectives was summarised as follows:

## Board Diversity

Designation	Executive Director		Non-Executive Director	Independent Non-Executive Director		
Gender	Male			Female		
Ethnicity	Chinese					
Age group	41-50	51-60			61 or above	
Length of service	Less than 10 years			Over 10 years		
Number of Directors	1	2	3	4	5	6

## Corporate Governance Committee

The Corporate Governance Committee has been established with written terms of reference in compliance with the relevant code provisions from time to time. The Corporate Governance Committee currently consists of two Independent Non-Executive Directors and the Non-Executive Director, namely, Ms. LAM Hiu Ying, Mr. LAM Yau Fung Curt and Mr. DA SILVA Antonio Marcus. Ms. LAM Hiu Ying is the chairlady of the Corporate Governance Committee. The primary duties of the Corporate Governance Committee include but without limitation to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; to review and monitor the training and continuous professional development of directors and senior management; to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and to review the Company's compliance with the code and disclosure in the corporate governance report contained in the annual report.

During the Year, the Corporate Governance Committee held one meeting and the attendance of each member of the Corporate Governance Committee is listed under the section heading "Meetings Held and Attendance" above on a named basis. The Corporate Governance Committee reviewed the corporate government report for the year ended 31 March 2023, the risk management and internal control systems of the Company, its terms of reference, the training and continuous professional development of Directors, the shareholders' communication policy of the Company, the mechanisms ensuring independent views available to the Board; and considered and reviewed the separation roles of the Chairlady and the Chief Executive Officer during the Year.

# CORPORATE GOVERNANCE REPORT

## ACCOUNTABILITY AND AUDIT

The Directors are responsible for the preparation of financial statements for each financial year with a view to ensuring such financial statements give a true and fair view of the state of affairs of the Group and of the results and cash flow for that year. The Company's financial statements are prepared in accordance with all relevant statutory requirements and suitable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; judgements and estimates made are prudent and reasonable; and the financial statements are prepared on a going concern basis.

The responsibility statement of the Company's auditor, Mazars CPA Limited ("Mazars"), in respect of the consolidated financial statements is set out in the section headed "Independent Auditor's Report" on pages 50 to 55 of this annual report. For the year ended 31 March 2024, the fees in respect of the audit service and non-audit service provided to the Group by Mazars, are set out as follows:

Nature of services	For the year ended 31 March 2024 HK\$
Audit service	570,000
Non-audit service — Tax compliance services	61,000
<b>Total:</b>	<b>631,000</b>

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the Group's risk management and internal control systems and reviewing their effectiveness on an ongoing basis. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The main features of the risk management and internal control systems are to provide a clear governance structure, policies and procedures, as well as reporting mechanism to facilitate the Group to manage its risks across business operations. The Group has established a risk management framework, which consists of the Board, the Audit Committee and the senior management. The Board determines the nature and extent of risks that shall be taken in achieving the Group's strategic objectives, and has the overall responsibility for monitoring the design, implementation and the overall effectiveness of risk management and internal control systems. At least on an annual basis, the senior management should identify risks that would adversely affect the achievement of the Group's objectives, and assess and prioritize the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners should then be established for those risks considered to be significant.

The Group's internal audit function is performed by the management of the Company, including analysing and appraising the adequacy and effectiveness of the Group's risk management and internal control systems. For the enhancement of the quality of the internal audit, the Company has engaged an external consultant to execute a certain agreed scope of internal audit function. Deficiencies in the design and implementation of internal controls were identified and recommendations to be proposed for improvement. Significant internal control deficiencies should be reported to the Audit Committee and the Board to ensure prompt remediation actions should be taken.

# CORPORATE GOVERNANCE REPORT

During the year ended 31 March 2024, the Board has performed annual review on the effectiveness of the Group's risk management and internal control systems, including but not limited to the Group's ability to cope with its business transformation and changing external environment; the scope and quality of management's review on risk management and internal control systems; result of internal audit work; the extent and frequency of communications with the Board in relation to result of risk and internal control review; significant failures or weaknesses identified and their related implications; and status of compliance with the GEM Listing Rules. The Board considers the Group's risk management and internal control systems are effective and adequate.

## Procedures and Internal Controls for the Handling and Dissemination of Inside Information

The Company has adopted its information disclosure policy and related procedures with regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission. The policy stipulates the responsibilities of the Group, key disclosure requirements under Part XIVA of the Securities and Futures Ordinance and Rules 17.10, 17.11 and 17.11A of the GEM Listing Rules, control measures and reporting procedures of handling confidential information and monitoring information disclosure. The Group adopts an upward reporting approach within the Group for identifying and escalating any potential inside information to the Board. The policy is reviewed regularly and all reasonable measures have to be taken from time to time to ensure proper safeguards to prevent any breach of disclosure requirements and to maintain strict confidentiality of information.

## COMPANY SECRETARY

Ms. FUNG Suk Han ("**Ms. Fung**") is the company secretary of the Company. Ms. Fung reports to the Executive Directors and is responsible for advising the Board on corporate governance and other company secretarial matters. Please refer to her biographical details as set out on page 14 of this annual report.

During the Year, Ms. Fung has undertaken not less than 15 hours of relevant professional training in accordance with Rule 5.15 of the GEM Listing Rules.

## SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the shareholder(s) of the Company ("**Shareholder(s)**") and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting ("**EGM**").

### Right to Convene EGM and Procedures

Pursuant to Article 58 of the Articles of Association, the Board may whenever it thinks fit call an EGM. Any one or more member(s) of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting, on a one vote per share basis, at general meetings of the Company shall at all times have the right, by written requisition to the Company's principal place of business in Hong Kong at Suite A5, 9/F, Jumbo Industrial Building, 189 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong for the attention of the company secretary of the Company, to require an EGM to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed duly to convene such EGM, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to him/them by the Company.

# CORPORATE GOVERNANCE REPORT

## Right to Put Enquiries to the Board

Shareholders have the right to put enquiries to the Board. All such enquiries shall be in writing and sent by post to the Company's principal place of business in Hong Kong for the attention of the company secretary of the Company.

Shareholders may also make enquiries with the Board at the general meetings of the Company.

Shareholders should direct their questions about their shareholdings, share transfer, registration and payment of dividend (if any) to the Company's Hong Kong branch share registrars and transfer office.

## Right to Put Forward Proposals at General Meetings

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Companies Act (as revised) of the Cayman Islands, as amended, modified and supplemental from time to time.

However, pursuant to the Articles of Association, Shareholders who wish to move a resolution may by means of requisitions convene an EGM following the procedures set out above.

## Right to Propose a Person for Election as a Director

If a Shareholder wishes to propose a person other than a Director retiring for election as a Director at a general meeting ("**GM**"), the Shareholder should deposit a written notice (the "**Notice**") of nomination at the Company's principal place of business in Hong Kong or the Company's Hong Kong branch share registrar at least fourteen (14) days prior to the date of GM of election but no earlier than the day after despatch the notice of the GM appointed for such election.

The Notice must state clearly the name, the contact information of Shareholder and his/her/their shareholdings, the full name of the person proposed for election as a Director, including the person's biographical details as required by Rule 17.50(2) of the GEM Listing Rules, and be signed by the Shareholder concerned (other than the person to be proposed). The Notice must also be accompanied by a written notice of consent (the "**Consent letter**") signed by the person proposed to be elected on his/her willingness to be elected as a Director.

The Notice will be verified with the Company's Hong Kong branch share registrar and upon their confirmation that the request is proper and in order, the company secretary of the Company will ask the Nomination Committee and the Board to consider to include the resolution in the agenda for GM proposing such person to be elected as a Director.

## SHAREHOLDERS' COMMUNICATION POLICY

The Company has established a range of communication channels between itself and its Shareholders, investors and other stakeholders. These include the general meetings, the annual, interim and quarterly reports (if required), notices, announcements and circulars and the Company's website at [www.ooh.com.hk](http://www.ooh.com.hk).

The Board encourages Shareholders to attend general meetings to communicate any concerns they might have with the Board or management directly. The Company has also maintained a shareholders' communication policy (the "**Policy**"), details of which are available on the Company's website under the section of "Investor Relations".

# CORPORATE GOVERNANCE REPORT

The Company believes that maintaining a high level of transparency is crucial to the enhancement of investor relations. It is committed to the Policy of effective and timely dissemination of corporate information to its Shareholders and potential investors. The Company's updated information is communicated to its Shareholders on its latest business developments and financial performance through its announcements, annual, interim and quarterly reports. The corporate website of the Company has provided an effective communication platform to the public and the Shareholders.

In addition, the annual general meeting of the Company is an important channel for regular face-to-face communications between the Board and the Shareholders. It provides a forum where Shareholders may communicate their views on various matters affecting the Company and the Board may solicit and understand the views of Shareholders and stakeholders. Directors are encouraged to attend the annual general meeting. All directors, including but not limited to the Chairlady of the Board, namely Ms. Chau, the chairmen of the Audit Committee and the Remuneration Committee, namely Mr. LAM Yau Fung Curt, the chairlady of the Nomination Committee, namely Ms. SUEN Wan Nei Winnie, and the chairlady of the Corporate Governance Committee, namely Ms. LAM Hiu Ying, attended 2023 Annual General Meeting. Mazars, the independent auditor of the Company, also attended 2023 Annual General Meeting.

In view of this, the Company considered the Policy by way of regular updates on the business and financial information of the Group through the publication of announcements, annual, interim and first quarterly reports and face-to-face communications at annual general meeting were effective and adequate during the Year.

## DIVIDEND POLICY

The Company adopted a dividend policy on 11 February 2019. Pursuant to the policy, the Company should maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value in recommending or declaring dividends. The Company does not have any pre-determined dividend distribution ratio. The proposal of payment and the amount of dividends will be made at the discretion of the Board and will depend on the Group's results of operations, earnings, financial condition, cash requirements and availability, future capital expenditure and development requirements, business conditions and strategies, interests of shareholders, any restrictions on payment of dividends and any other factors that the Board may consider relevant. The Board will review the dividend policy as appropriate from time to time.

## CONSTITUTIONAL DOCUMENTS

During the Year, the Company has amended the memorandum and articles of association of the Company in order to (i) conform to the core standards for shareholder protections and the relevant requirements of the applicable laws of the Cayman Islands; and (ii) incorporate certain housekeeping changes. Such amendments and the adoption of the second amended and restated memorandum and articles of association of the Company were approved by way of a special resolution at 2023 Annual General Meeting. For details, please refer to the announcements of the Company dated 20 June 2023 and 18 August 2023 and the circular of the Company dated 30 June 2023.

The latest memorandum and articles of association of the Company is available on the website of the Stock Exchange and the Company's website.

Save as disclosed above, there had been no change in the Company's constitutional documents during the Year.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Board would like to present the environmental, social and governance (“ESG”) report (“ESG Report”) for the year ended 31 March 2024 (the “Year” or “2023/24”), in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix C2 to the GEM Listing Rules. This report aims to provide the Group’s stakeholders with an overview of the Group’s efforts regarding ESG impacts arising from its daily operations.

## ESG GOVERNANCE STRUCTURE

The Group is dedicated to put sustainability as our long-term business development goals and combine the environmental, social and governance elements into our operation strategies and planning. In this respect, the Board is responsible to oversee the Group’s ESG performance and review the progress of the identified material ESG issues regularly. The Board is also responsible to ensure the effectiveness of the Group’s risk management and internal control mechanism as well as review and approve the ESG Report on annual basis.

The Group has designated our management to systematically identify and cater to ESG issues. Our management are responsible to collect and analyze relevant ESG data and identify the Group’s ESG issues, review the progress of the goals and targets which are set to minimize the environmental impacts from the Group’s operational. In addition, our management will periodically report to the Board for the evaluation and subsequent implementation or revision of the Group’s strategies.

## REPORTING PRINCIPLES

This ESG Report has been prepared in accordance with the ESG Reporting Guide as set out in Appendix C2 to the GEM Listing Rules.

During the preparation of this ESG Report, the Group has applied the reporting principles stipulated in the ESG Reporting Guide as follows:

**Materiality:** The materiality assessment was conducted to identify material issues during the Year, thereby adopting the confirmed material issues as the focus for the preparation of this ESG Report. The materiality of issues was reviewed and confirmed by the Board.

**Quantitative:** The Group has disclosed its environmental and social key performance indicators calculation and numeric presentation, where appropriate.

**Consistency:** The approach adopted for the preparation of this ESG Report was substantially consistent with last financial year, and explanations were provided regarding data with changes in the scope of disclosure and calculation methodologies.

The information disclosed in this ESG Report is taken from the Group’s internal documents and statistical data. The ESG Report has been confirmed and approved by the Board on 27 June 2024.

## REPORTING BOUNDARY

The Group is principally engaged in the operation of advertising business on transportation and outdoor sector. The scope of this ESG Report focuses on the environmental and social performance within the operational boundaries of the Group in Hong Kong during the Year and it covers the data and information from the Group’s head office and in-house printing facilities, in which all of them are located in Hong Kong.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## STAKEHOLDERS ENGAGEMENT

The Group continues to maintain the relationships and communicate with its key stakeholders, including but not limited to employees, customers, suppliers, investors, Shareholders, government bodies and communities through various channels such as conferences, electronic platforms and public events so as to understand the concerns of various stakeholders. To formulate the operational strategies and ESG measures, the Group takes into account the expectations of stakeholders and strives to improve its performance through mutual cooperation with the stakeholders, resulting in creating greater value for the community.

## A. ENVIRONMENTAL

### A1. Emissions

Environmental protection and sustainable development rely on concerted and continuous efforts from all industries and society. The Group has continued to refine and improve its mitigation policies to reduce both its direct and indirect negative environmental impacts arising from its business operations.

The Group was not aware of any material non-compliance with laws and regulations relating to air and greenhouse gas (“GHG”) emissions and the generation of hazardous and non-hazardous waste that would have a significant impact on the Group during the Year. The relevant laws and regulations include, but not limited to Air Pollution Control Ordinance, Water Pollution Control Ordinance, Water Disposal Ordinance, Environmental Impact Assessment Ordinance, Ozone Layer Protection Ordinance, and Product Eco-responsibility Ordinance.

#### A1.1 Emissions from vehicle usage

During the Year, air pollutants for nitrogen oxides (“NOx”), sulphur oxides (“SOx”) and particulate matter (“PM”) were mainly generated from motor vehicles of the Group. The key environmental performance indicators of NOx, SOx and PM produced from the Group’s operation are shown in the following table:

Type of air pollutants	Unit	2023/24	2022/23
NOx	kg	<b>8.18</b>	8.02
SOx	kg	<b>0.25</b>	0.23
PM	kg	<b>0.60</b>	0.54

The level of the air pollutants from vehicle usage was remain stable during the Year. The Group would continue the work to ensure the efficient usage of passenger cars. The Group has implemented the following measures so as to achieve the environmental friendly approach: (i) avoid peak hour traffic; (ii) encourage taking public transport; and (iii) utilize the vehicle usage by carpooling with different staff.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## A1.2 GHG Emissions

GHG emissions are categorised into direct and indirect emissions. The main sources of direct GHG emission from operations are the use of motor vehicles owned by the Group. The main sources of indirect GHG emission from operations are the use of purchased electricity and the paper waste disposed at landfills. The key environmental performance indicators of GHG emissions produced by the Group's operation are shown as below:

GHG emissions	2023/24		2022/23	
	tCO <sub>2</sub> e	Intensity — tCO <sub>2</sub> e per employee	tCO <sub>2</sub> e	Intensity — tCO <sub>2</sub> e per employee
Scope 1 — Direct emission by combustion of fuels in mobile sources ( <i>Note 1</i> )	46.61	1.55	42.30	1.41
Scope 2 — Energy indirect emission by electricity consumption ( <i>Note 2</i> )	19.79	0.66	19.33	0.64
Scope 3 — Other indirect emissions ( <i>Note 3</i> )	1.05	0.03	0.96	0.03
<b>Total GHG emissions</b>	<b>67.45</b>	<b>2.24</b>	62.59	2.08

Notes:

1. Direct GHG emissions from combustion of fuels in mobile sources refer to the sum of carbon dioxide ("CO<sub>2</sub>") emission and the emissions of methane ("CH<sub>4</sub>") and nitrous oxide ("N<sub>2</sub>O"). The data is sourced from the petrol consumption on purchasing volume of unleaded petrol of the Group's passenger cars.
2. The electricity consumption data is sourced from electricity bills issued by China Light & Power.
3. Other indirect emissions data is consisted of paper waste disposed at landfills arising from the Group's head office and in-house printing facilities.

During the Year, the Group's total GHG emissions amounted to 67.45 tonnes (2023: 62.59 tonnes) and the total GHG emission per employee was 2.24 tonnes (2023: 2.08 tonnes). The Group's total GHG emissions and the GHG emission per employee were increased by approximately 7.76% and approximately 7.69% respectively compared to the corresponding period in 2022/23.

The Group will continue to further manage environmental performance attributable to its operations to enhance fuels and electricity usage efficiency. The Group has implemented a number of measures to mitigate energy consumption such as turning off the lighting and the air-conditioning system at night or when leaving office, paperless processing in internal communications, duplex printing and copying etc..

The Group has aimed to reduce the total GHG emissions by 2% in five years starting from 1 April 2023. However, the Group may revise the emissions targets upon any unforeseeable future changes in the Group's business scope and its operations.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## A1.3 Hazardous Waste

During the Year, hazardous waste from the Group was mainly from inks used for in-house printing facilities. The amount of hazardous waste generation was insignificant, thus related data is not reported.

The Group required the related employees to handle the hazardous wastes properly. Clear instructions and the protection equipment are provided to employees handling the wastes and the hazardous wastes are stored in rigid containers to avoid spillage and at designed storage area.

## A1.4 Non-Hazardous Waste

Non-hazardous waste from the Group's operation was mainly the stickers for the advertising materials and the plastic sheet for the display of advertisement on the advertising board ("**Advertising Waste**") and paper waste. During the Year, the consumption volume generated by the Group was shown as below:

Category of Non-hazardous waste	2023/24		2022/23	
	Quantity (tonnes)	Intensity — Unit per employee	Quantity (tonnes)	Intensity — Unit per employee
Advertising Waste	18.07	0.602	10.32	0.344
Paper waste	0.22	0.007	0.20	0.007
<b>Total non-hazardous waste</b>	<b>18.29</b>	<b>0.609</b>	10.52	0.351

During the Year, total quantity of non-hazardous waste was increased by approximately 73.86% compared to the corresponding period in 2022/23 due to our increased demand of advertising materials as a result of the increase of revenue from election campaigns.

The Group continuously improves the efficiency of resources and disposal of waste in reasonable manner. We have implemented paperless processing in its internal communications, including for employee time sheets, payrolls and memorandum, etc.. Moreover, duplex printing and copying has become the norm within the Group, which is greatly reducing paper consumption and saving costs. Usage data of office printing machines is regularly collected and assessed to monitor the efficiency of a paperless environment. Besides, the Group will consider to adopt the waste management plan to ensure appropriate handling of the Advertising Waste.

The Group has continued to make its best endeavors to protect the environment from its business activities and workplace during the Year. Although the Group's principal business does not generate significant hazardous emissions, wastes or pollutants, the Board recognizes that as a world citizen, we should combat climate change and adopt green practices in our operations and activities. The Group educates its employees on their awareness of promoting a "green" environment. The Group seeks to identify and manage environmental impacts attributable to its operation in order to minimize the impacts. The relevant measures have been taken during the daily operation and we have formulated policies and procedures relating the environmental management to govern limited greenhouse gas emissions, hazardous and non-hazardous wastes generated from our operations.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## A2. Use of Resources

### A2.1 Energy consumption

During the Year, the Group's energy consumption by type in total and intensity were shown as below:

Type of Energy	Unit	2023/24	2022/23
Direct energy consumption			
— Diesel	kWh	<b>166,808</b>	151,631
Indirect energy consumption			
— Electricity purchased	kWh	<b>50,738</b>	49,557
Total energy consumption	kWh	<b>217,546</b>	201,188
Intensity per unit of employee	kWh/person	<b>7,251.53</b>	6,706.27

During the Year, the Group's total energy consumption was increased by approximately 8.13% compared to the corresponding period in 2022/23.

The Group tries to reduce the energy consumption through specific measures. We strive to utilize telephone conference to minimize face-to-face meetings in order to reduce petrol consumption in travelling and unnecessary business trip. The Group encourages resources saving in daily office operation and proactively fosters a low-carbon corporate culture, which further increase our employees' awareness in energy conservation.

With the above measures on energy-saving initiatives, the Group has aimed to reduce the total energy consumption by 2% in five years starting from 1 April 2023. However, the Group may revise the energy use efficiency targets upon any unforeseeable future changes in the Group's business scope and its operations.

### A2.2 Water consumption and use of packaging materials

For the Group's head office and in-house printing facilities, our water usage arises mainly from water tap and drinking water. During the Year, we operated in leased premises in Hong Kong of which both of the water supply and discharge are solely controlled by the respective building management which considered that provision of water withdrawal and discharge data or sub-meter for individual occupant not feasible. Hence, the relevant data for water consumption are therefore not disclosed.

To avoid unnecessary water consumption from daily operation, we promote good staff behavior by encouraging employees to always turn taps off tightly so they do not drip and giving priority to effective water-saving products.

Besides, the Group did not generate significant packaging materials and hence the disclosure is immaterial to the Group during the Year.

To strengthen the "green" environment launched by the Group, the Group will implement a systematic data collection strategy in future.

## A3. The Environment and Natural Resources

The Group strives to promote environmental protection and make effective use of its resources and adopts the concepts of reduce, reuse, recycle and replacement.

The Group aims to maximize energy conservation by promoting efficient use of resources and adopting green technologies. For instance, for our Transportation Business, we have encouraged our suppliers to use solvent based ink and recyclable sticker/backsheets to minimize the impact to the environment. To minimize the wastage of the materials, we have given directions to our design department to maximize usage of the printable area of each sticker and to reduce the test-print outputs by encouraging the advertisers to approve the design layout via electronic copies rather than physical hardcopies. Also, the establishment of the in-house printing facilities enabled the Group a better control on the material used for the printing. It includes the solvent to be used for the printing machines; the advertising stickers and the packaging materials. Since the Group has been operating the printing facilities internally, packaging materials have been minimized. The Group has been using recycled material and/or discarded stickers as the test print for internal use.

The Group regularly reviews, measures and actions to reduce significant impact on the environment and natural resources and ensure that the relevant laws and regulations are complied with.

## A4. Climate Change

The Group recognizes that climate change has been affecting its stakeholders, business operations and our community. Principally, the Group aims to ensure smooth business operations even during such conditions and to mitigate the risks and impacts posed to the Group. The Group has been closely monitoring the impact of climate change to mitigate these potential risks as follows:

### Physical Risks

For the acute physical risks, weather-related events such as typhoons, rainstorms and natural disasters may disrupt the business operation. Hence, we have developed comprehensive typhoon and rainstorm arrangements to safeguard the health and safety of our employees under extreme weather conditions. The work arrangements included reporting for duty, early release from work, the resumption of work, and the special arrangements in respect of essential staff in situations of adverse weather. The Group also gives consideration as much as possible to the different situations faced by individual employees, such as their place of residence, the road and traffic conditions in the vicinity, and adopts a flexible approach with due regard to their actual difficulties and needs.

### Transition Risks

For the transition risks, the potential risks on climate change may include the shift of customer needs for our transportation media platform, being the Group's principal business. Customers may choose to advertise on the digital media advertising instead of our traditional transportation media platform which focuses on printed media. The Group will monitor the change of business environment from time to time and explore the business opportunity to cope with the transition risks.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## B. SOCIAL

### B1. Employment

The Group believes that a motivated and balanced workforce is crucial for building a sustainable business model and delivering long-term returns. The employees of the Group are the most valuable resources.

We aim to provide a harmonious working environment for our employees through competitive remuneration packages that are comparable to the market standard and structured to commensurate with individual responsibilities, qualifications, experiences and performance. Annual review on staff performance is conducted and the appraisal result provides basis for salary review. We treasure staff who share the same values and aspirations with the Company, and provide adequate development opportunities accordingly.

During the Year, the Group was not aware of any material non-compliance relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, including but not limited to Employment Ordinance, Minimum Wage Ordinance, Sex Discrimination Ordinance and Family Status Discrimination Ordinance of Hong Kong.

As at 31 March 2024, the Group has a total of 30 employees and the number of employees and the employee turnover rate by gender and by age group distribution are as follows:

	As at 31 March 2024		As at 31 March 2023	
	Number of employees	Employee turnover rate	Number of employees	Employee turnover rate
<i>By gender</i>				
Female	18	22.22%	18	50.00%
Male	12	33.33%	12	16.67%
<i>By age group</i>				
Under 30 years old	7	28.57%	5	120%
30–50 years old	12	33.33%	14	35.71%
Over 50 years old	11	18.18%	11	0%

The Group's employee turnover rate is calculated by dividing number of employees in the specified category leaving employment by number of employees in the specified category.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## B2. Health and Safety

The Group values the health and well-being of staff. In order to provide employees with health coverage, staff are entitled to benefits including medical subsidies, provident funds and other competitive fringe benefits.

The Group believes that maintaining a work-life balance is essential for sustainability and a sound body and mind for every employee. To support employees in maintaining work-life balance, the Group actively provides a variety of staff activities including company lunch, sales quarterly dinner and festival gathering for our staff and their family members. These activities are enhanced to strengthen relationships between employees, and foster a healthy and harmonious working environment.

The Group strives to provide a safe and healthy working environment for the employees under reasonable and practical conditions. During the Year, the Group was not aware of any material non-compliance with health and safety-related laws and regulations, including but not limited to the Occupational Safety and Health Ordinance and Employee Compensation Ordinance of Hong Kong that would have a significant impact on the Group. There were no reported work-related fatalities that occurred in each of the past three reporting years, i.e. for the years ended 31 March 2022, 2023 and 2024.

## B3. Development and Training

The Group recognizes the importance of skilled and professionally trained employees to its business growth and future success. The Group encourages and provides subsidies to employees at all levels to pursue educational or training opportunities that achieve personal growth and professional development.

The Group holds regular weekly meeting and also provides trainings to our sales staff including trainings on sales technique, advertisement content vetting for regulatory compliance and intellectual property-related issue.

During the Year, a total of 23 employees, representing 76.67% of total employees, took part in trainings and conducted 7.4 average training hours that each employee received. The breakdown of the percentage of employees trained and the average training hours completed per employee by gender and employment category are as follows:

	Percentage of employee trained	Average training hours
<i>By gender</i>		
Female	60.87%	5.6 hours
Male	39.13%	10.2 hours
<i>By Employment Category</i>		
Management	39.13%	5.4 hours
Frontline and other employees	60.87%	8.3 hours



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The percentage of employees trained is calculated by dividing number of employees trained in the specified category for the corresponding year by total number of employees trained for the corresponding year and multiplied by 100.

The average training hours per employee is calculated by dividing training hours of employees in the specified category for the corresponding year by total number of employees in the specified category as at the end of the corresponding year.

## B4. Labour Standards

The Group strictly prohibits employing any child labour or forced labour in its operations in Hong Kong. The Group has established a well-defined recruitment process which examines the background of candidates. During the recruitment process, the job applicant is required to provide valid identity documents to ensure that applicants are lawfully employable. Besides, the Group conducts regular reviews and inspections to prevent any child labour or forced labour in operation.

During the Year, the Group was not aware of any non-compliance with relevant laws and regulations on preventing child labour or forced labour, including but not limited to the Employment of Children Regulations (Chapter 57B of the Laws of Hong Kong) under the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

## B5. Supply Chain Management

The Group values mutually beneficial and longstanding relationships with its suppliers. The Group works closely with a number of suppliers in providing services for enabling our media platforms such as the printers for our advertising materials; LCD panel providers and the media system integrators; contractors for the installation and removal of advertising materials, etc. The selection of suppliers is based on criteria such as price, stability of manpower dedicated to the Group, flexibility of delivering advertising materials, customer service team responsiveness, capability and experience, with preference given to potential suppliers that demonstrate their commitment to the environment. The establishment of our in-house printing facilities allowed the Group a better control on the processing time of the advertising materials and gained flexibility on entertaining the requests of the advertisers.

The Group maintains close liaison with its suppliers to monitor its performance to ensure that it is consistent with its service commitment.

The Group expects suppliers to maintain high standards of business ethics, communicates with suppliers and encourages them to use more environmentally friendly products and services. In the process of selecting and evaluating new suppliers, we would consider environmental and social performance as evaluation criteria to identify environmental and social risks in the supply chain. For example, we will examine whether candidate suppliers comply with environmental laws and regulations.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Year, the Group engaged 116 suppliers, mainly principals of advertising spaces, and the geographical distribution of the Group's suppliers was as follows:

Region	Number of suppliers	
	2023/24	2022/23
— Hong Kong	114	101
— China	2	2
	116	103

The Group was not aware of any significant incidents and irregularities relating to business ethics, environmental protection and employment practices of our suppliers during the Year.

## B6. Product Responsibilities

The Group has earned trusted relationships with its broad customer base through providing dedicated customer services.

The Group makes every effort to promptly and fairly investigate and resolve all disputes and complaints lodged by customers, according to clearly written internal procedures.

The Group has set up designated channels — including hotline, facsimile and email — for clients to lodge complaints. All complaints received through these channels are diverted to and handled by the head of the department and the management. The hotline numbers and email address are shown on the Group's letterhead, to ensure clients are aware of the communication channels for lodging complaints. Upon receipt of a complaint, the department head and the management will investigate in a timely manner. Senior management shall review the complaint and determine whether internal controls and procedures need to be enhanced or other appropriate action is required to be taken. During the Year, the Group did not receive any material complaints from clients.

The Group places its utmost importance on protecting the privacy of its customers, partners and staff in the collection, processing and use of their personal data. The Group adheres to the applicable data protection regulations and ensures appropriate technical measures are in place to protect personal data against unauthorized use or access. The Group also ensures that customers' personal data is securely kept and processed only for the purposes for which it has been collected. Staff are provided with adequate training in compliance with the Personal Data (Privacy) Ordinance, to strengthen their knowledge regarding safeguarding of personal data.

The Group builds up and protects its intellectual property rights by prolonged use and registration of domain names and various trademarks. The Group has registered trademarks in various classes in Hong Kong. In addition, the Group's trademarks and domain names are constantly monitored and renewed upon their expiration. For any infringement of the Group's intellectual property rights, the Group will urge infringers to cease such action and will take further action should such infringement continue.

During the Year, the Group was not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the Group concerning health and safety, advertising, labelling and privacy matters relating to products and services provided.

## B7. Anti-corruption

The Group believes that integrity is one of our core values. The staff handbook provides in details of our policies towards anti-corruption, bribery, blackmail, money laundering and other related fraudulent activities as well as preventive measures. In addition, the Group's strong stance against corruption and fraud is communicated to all employees so as to ensure they are fully aware.

The Group formulates the whistleblowing policy to encourage to reports suspected illegal activities, dishonest practices and other misconducts. The identity of the whistleblower will be kept strictly confidential where possible. The Company Secretary is responsible for handling all complaints and reports in a prompt and fair manner. Relevant evidence will be evaluated, and the chairman of the Audit Committee will determine whether a thorough investigation is required. The Group will appoint external investigators to investigate the accusations of wrongdoing if necessary.

The Group formulates the anti-corruption policy. To strengthen the anti-corruption practice and enhance its employees' awareness on conflicts of interest and integrity issues, internal training and relevant materials relating to anti-money laundering and anti-corruption are provided to the employees. During the Year, the Group has carried out 2 anti-corruption trainings to all employees, including all Directors and the management, with a total of 16 training hours, covering topics such as anti-bribery, avoiding conflict of interest and business ethics.

During the Year, the Group was not aware of any material non-compliance with the laws and regulations pertaining to the prevention of bribery, extortion, fraud and money laundering including the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) enforced by the Independent Commission Against Corruption. No concluded legal case regarding corrupt practices was brought against the Group or its employees and no whistleblowing concerning a criminal offence or misconduct was reported.

## B8. Community Investment

The Group is committed to the improvement of community well-being and social services. As a good corporate citizen, the Group strives to improve society through community commitment. We continue to find ways to align citizenship initiatives on our platform and we take an active role in participating in various communities and charitable events in Hong Kong to help and support the local communities.

In recognition of the Group's continuous contribution to the community, the Group has been awarded "Caring Company" certificate for fifteen consecutive years (2009–2024) by the Hong Kong Council of Social Service. During the Year, the Group did not make sizeable donation or participate in volunteer activities. The Group will consider to re-initiate the community activities in coming year.

# DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited consolidated financial statements (the “**Consolidated Financial Statements**”) of the Group for the year ended 31 March 2024.

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and those of the principal subsidiaries of the Company are set out in note 30 to the Consolidated Financial Statements.

## SEGMENT INFORMATION

An analysis of the segment results and geographical area of operations of the Group for the year ended 31 March 2024 is set out in note 6 to the Consolidated Financial Statements.

## BUSINESS REVIEW

The business review of the Group for the year ended 31 March 2024 and its future business development as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) can be found in the “Management Discussion and Analysis” as set out on pages 6 to 11 of this annual report. These discussions form part of this Directors' Report. Description of the principal risks and uncertainties facing the Group are set out in the section headed “Risk and Uncertainties” below and in the section headed “Climate Change” under “Environmental, Social and Governance Report”.

## COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year ended 31 March 2024, as far as the Board and management are aware, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the business and operation of the Group.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE

A discussion on the Group's environmental policies and performance, key relationships with the Group's employees, customers and suppliers and others that have a significant impact on the Company are set out in the “Environmental, Social and Governance Report” on pages 28 to 38 of this annual report.

## RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. The following are the key risks and uncertainties identified by the Group.

# DIRECTORS' REPORT

## Economic risks

- A severe or prolonged downturn of the global economy;
- Fluctuations in foreign currency exchange rate, inflation and fluctuations of interest rates would adversely affect the customers' spending sentiment and the Group's profit margin; and
- Uncertainty of market demand of recently developed businesses.

## Operational risks

- Failure to compete in the competitive environment which the Group operated in;
- Unable to maintain or expand the operations if the license agreements for advertising spaces are terminated or not renewed or if failing to obtain additional spaces;
- Failure to attract, train, retain, and motivate qualified managerial, sales, marketing, operating, and technical personnel, the loss of key personnel, or the inability to find additional qualified personnel; and
- The service agreement was terminated by the principal pursuant to the termination clause of the agreement which the Group is no longer an eligible party to perform its services under the service agreement.

## Regulatory risks

- Failure to adhere to laws, regulations and rules, or to obtain or maintain all applicable permits and approvals;
- Infringement of valid patents, copyrights or other intellectual property rights held by third parties;
- Any change in laws and regulations in different customers' and suppliers' countries; and
- Any change in laws of foreign countries which the Group has operation and business.

## Financial risks

- Details of financial risks are set out in note 34 to the Consolidated Financial Statements.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2024 are set out in the Consolidated Financial Statements on pages 56 to 113 of this annual report.

The Board does not recommend the payment of final dividend for the year ended 31 March 2024 (2023: Nil).

# DIRECTORS' REPORT

## FINANCIAL SUMMARY

A summary of the published results, assets and liabilities of the Group for the last five financial years is set out on page 114 of this annual report. The summary does not form part of the Consolidated Financial Statements.

## SHARE CAPITAL

Details of share capital of the Company during the year are set out in note 26 to the Consolidated Financial Statements.

## RESERVES

Details of movements in reserves of the Group and the Company during the year are set out in the Consolidated Statement of Changes in Equity and in note 28 to the Consolidated Financial Statements respectively.

## DISTRIBUTABLE RESERVES

As at 31 March 2024, the Company had no distribution reserves available for distribution to the shareholders of the Company (2023: Nil).

## MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2024, sales to the Group's five largest customers accounted for approximately 15.9% of the total sales for the year and sales to the largest customer included therein amounted to approximately 5.5%.

For the year ended 31 March 2024, purchases from the Group's five largest suppliers accounted for approximately 44.1% of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 17.1%.

To the best knowledge of the Directors, none of the Directors, their respective close associates or any shareholders of the Company who owned more than 5% of the Company's issued share capital, had any beneficial interest in any of the Group's five largest customers or suppliers during the year ended 31 March 2024.

## PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment during the year are set out in note 15 to the Consolidated Financial Statements.

# DIRECTORS' REPORT

## DIRECTORS

The Directors during the year and up to the date of this report 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

In accordance with article 84(1) of the Company's articles of association, at each annual general meeting one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Accordingly, Ms. SUEN Wan Nei Winnie and Ms. LAM Hiu Ying shall retire at upcoming annual general meeting of the Company (the "AGM"). Ms. LAM Hiu Ying has informed the Company of her intention not to seek for re-election and shall retire from the Board with effect from the conclusion of the AGM. Ms. SUEN Wan Nei Winnie, being eligible, has offered herself for re-election at the AGM.

## DIRECTORS' SERVICE CONTRACTS

Each of the Executive Directors has entered into a service agreement with the Company for a term of three years, subject to the retirement by rotation and re-election at the annual general meeting at least once every three years pursuant to the Company's articles of association, and continuing thereafter until terminated by either party by giving not less than three months' notice in writing to the other.

The Non-Executive Director and each of the Independent Non-Executive Directors have entered into a letter of appointment with the Company for a term of three years, subject to the retirement by rotation and re-election at the annual general meeting and at least once every three years pursuant to the Company's articles of association, provided that either the Company or the Non-Executive Director and the Independent Non-Executive Directors may terminate such appointment at any time by giving notice in writing to the other.

None of the Directors has or is proposed to enter into a service contract or letter of appointment with the Company or any of its subsidiaries (other than contracts expiring or determinable by the Group within one year without the payment of compensation (other than statutory compensation)).

# DIRECTORS' REPORT

## INDEPENDENCE FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company considered that all Independent Non-Executive Directors are independent in accordance with the factors set out in Rule 5.09 of the GEM Listing Rules.

## PERMITTED INDEMNITY PROVISIONS

Pursuant to the Company's articles of association, every Director shall be entitled to be indemnified out of assets of the Company against all losses or liabilities incurred or sustained by him/her about the execution of the duties of his/her office or otherwise in relation thereto. The Company has arranged appropriate Directors' and Officers' liability insurance coverage for the Directors and officers of the Group.

## DIRECTORS' INTERESTS IN CONTRACTS

Save as aforesaid, there was no contract of significance to which the Company or its holding company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interests, whether directly or indirectly, subsisted during or at the end of the year.

## DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management are disclosed in the section headed "Profile of Directors and Senior Management" on pages 12 to 14 of this annual report.

## EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The Remuneration Committee is responsible for making recommendations to the Board on the Company's emolument policy as and when necessary. Directors' emoluments are determined by the Board with reference to factors including Director's duties and responsibilities with the Company and the Group as a whole, the Company's remuneration policy as well as the prevailing market rates.

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in notes 13(a) and 13(b) to the Consolidated Financial Statements respectively.

## RETIREMENT BENEFIT SCHEME

Details of retirement benefit scheme of the Group for the year ended 31 March 2024 are set out in note 33 to the consolidated financial statements.

## MANAGEMENT CONTRACTS

No management contracts concerning the whole or any substantial part of the business of the Company were entered into or existed during the year.



## RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group during the year are set out in note 31 to the Consolidated Financial Statements. None of the related party transactions constituted a connected transaction or continuing connected transaction subject to independent shareholder's approval, annual review and all disclosure requirements under Chapter 20 of the GEM Listing Rules.

## SHARE OPTION SCHEME

The Company's share option scheme (the "**Scheme**") was conditionally adopted by resolutions in writing passed by the shareholders of the Company on 19 December 2016. The principal terms of the Scheme were summarized in the sections headed "Share Option Scheme" in Appendix IV to the Prospectus.

The purpose of the Scheme is to enable the Company to grant options to selected participants as incentives or rewards for their contribution to the Group. Pursuant to the Scheme, the Board is authorized, at its absolute discretion and subject to the terms of the Scheme, to grant options to subscribe the Shares to any employees (whether full-time or part-time including any executive director but excluding any non-executive director), non-executive directors, consultants or advisers of the Group, or any substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of the Group.

The Scheme shall be valid and effective for a period of ten years commencing on 19 December 2016, subject to early termination provisions contained in the Scheme.

An option may be accepted by a participant within 21 days from the date of the offer for the grant of options. A nominal consideration of HK\$1 is payable by the grantee of an option to the Company on acceptance of the grant of an option. The subscription price for the Shares under the Scheme shall be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a Share.

The total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the Shares in issue on the Listing Date, being 72,000,000 Shares. The Company may at any time refresh such limit, subject to the shareholders' approval and issue of a circular in compliance with the GEM Listing Rules, provided that the total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under all the share option schemes of the Company does not exceed 30% of the Shares in issue from time to time.

The total number of Shares which issued and which may fall to be issued upon exercise of the options granted under the Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the Shares in issue unless approved by the shareholders of the Company and issue of a circular and all other information in compliance with the GEM Listing Rules.

# DIRECTORS' REPORT

An option may be exercised in accordance with the terms of the Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than ten years from the date of grant subject to the provisions of early termination thereof.

No share option has been granted, exercised, cancelled or lapsed under the Scheme since its adoption.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 31 March 2024, the interests and short positions of the Directors and the chief executive of the Company in 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 (Chapter 571 of the laws of Hong Kong) (the "SFO")) which were required to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO), or as recorded in the register maintained by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Name of Director	Capacity/Nature of interest	Number and class of securities <sup>(1)</sup>	Approximate percentage of shareholding interest
Ms. CHAU Wai Chu Irene ("Ms. Chau")	Beneficial owner	278,640,000 ordinary shares (L)	38.70%
Ms. Chau <sup>(2)</sup>	Interest in a controlled corporation	278,640,000 ordinary shares (L)	38.70%
Mr. DA SILVA Antonio Marcus ("Mr. Da Silva")	Beneficial owner	93,960,000 ordinary shares (L)	13.05%
Mr. Da Silva <sup>(3)</sup>	Interest in a controlled corporation	93,960,000 ordinary shares (L)	13.05%

# DIRECTORS' REPORT

## Notes:

- (1) The letter "L" denotes the entity/person's long position in ordinary shares of the Company (the "**Shares**").
- (2) The Company was directly owned as to 38.70% (being 278,640,000 Shares) by Goldcore Global Investments Limited ("**Goldcore**"). By virtue of her 100% shareholding of Goldcore, Ms. Chau is deemed to be interested in the same number of Shares held by Goldcore.
- (3) The Company was directly owned as to 13.05% (being 93,960,000 Shares) by Silver Pro Investments Limited ("**Silver Pro**"). By virtue of his 100% shareholding of Silver Pro, Mr. Da Silva is deemed to be interested in the same number of Shares held by Silver Pro.

## Long Positions in Shares of Associated Corporation

Name of Director	Name of associated corporation	Capacity/ Nature of interest	Percentage of interest
Ms. Chau	Goldcore	Beneficial owner	100%
Mr. Da Silva	Silver Pro	Beneficial owner	100%

All issued shares in Goldcore are solely owned by Ms. Chau. Accordingly, Ms. Chau is deemed to be interested in all the Shares held by Goldcore by virtue of the SFO.

All issued shares in Silver Pro are solely owned by Mr. Da Silva. The spouse of Mr. Da Silva is Ms. CHU Sau Kuen Jeanny. Accordingly, Mr. Da Silva and Ms. CHU Sau Kuen Jeanny are both deemed to be interested in all the Shares held by Silver Pro by virtue of the SFO.

Save as disclosed above, as at 31 March 2024, none of the Directors and the chief executive of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have 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 were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

# DIRECTORS' REPORT

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to the Directors, as at 31 March 2024, the following persons/entities had the interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or as recorded in the register of the Company required to be kept under Section 336 of the SFO as follows:

Name of Shareholder	Capacity/Nature of interest	Number and class of securities <sup>(1)</sup>	Approximate percentage of shareholding interest
Goldcore <sup>(2)</sup>	Beneficial owner	278,640,000 ordinary shares (L)	38.70%
Ms. Chau <sup>(2)</sup>	Interest in a controlled corporation	278,640,000 ordinary shares (L)	38.70%
AL Capital Limited <sup>(3)</sup> ("AL Capital")	Beneficial owner	139,968,000 ordinary shares (L)	19.44%
Mr. LAU Anthony Chi Sing <sup>(3)</sup> ("Mr. Lau")	Interest in a controlled corporation	139,968,000 ordinary shares (L)	19.44%
Silver Pro <sup>(4)</sup>	Beneficial owner	93,960,000 ordinary shares (L)	13.05%
Mr. Da Silva <sup>(4)</sup>	Interest in a controlled corporation	93,960,000 ordinary shares (L)	13.05%
Ms. CHU Sau Kuen Jeanny <sup>(4)</sup>	Interest of spouse (spouse of Mr. Da Silva)	93,960,000 ordinary shares (L)	13.05%

Notes:

- (1) The letter "L" denotes the entity/person's long position in the Shares.
- (2) All issued shares in Goldcore are solely owned by Ms. Chau. Accordingly, Ms. Chau is deemed to be interested in all the Shares held by Goldcore by virtue of the SFO.
- (3) All issued shares in AL Capital are solely owned by Mr. Lau. Accordingly, Mr. Lau is deemed to be interested in all the Shares held by AL Capital by virtue of the SFO.
- (4) All issued shares in Silver Pro are solely owned by Mr. Da Silva. The spouse of Mr. Da Silva is Ms. CHU Sau Kuen Jeanny. Accordingly, Mr. Da Silva and Ms. CHU Sau Kuen Jeanny are both deemed to be interested in all the Shares held by Silver Pro by virtue of the SFO.

Save as disclosed above and so far as is known to the Directors, as at 31 March 2024, no other interests or short positions 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 were recorded in the register required to be kept by the Company under Section 336 of the SFO.

# DIRECTORS' REPORT

## DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Its Associated Corporation" above, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective associates (as defined in the GEM Listing Rules), or were any rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

## NON-COMPETE UNDERTAKINGS

As disclosed in the Prospectus, the Controlling Shareholders (as defined in the Prospectus) (collectively, the "**Covenantors**") have given non-compete undertakings (the "**Non-Compete Undertakings**") in favor of the Company which are contained in the share swap agreement dated 30 November 2016. The Covenantors have provided the Group with written confirmation that they and their respective close associates and/or companies controlled by them (other than the Group) have fully complied with the Non-Compete Undertakings throughout the year ended 31 March 2024.

The Independent Non-Executive Directors conduct an annual review on the Covenantors' compliance with the Non-Compete Undertakings by the Controlling Shareholders and if any, the options, pre-emptive rights or first rights of refusals provided by the Controlling Shareholders and/or their respective close associates on their existing or future competing businesses.

During the year ended 31 March 2024, the Covenantors and their respective close associates did not direct any Restricted Activity (as defined in the Prospectus) to the Group. Hence, the Independent Non-Executive Directors did not conduct any review on the decision made in relation to Restricted Activity.

## COMPETING INTERESTS

None of the Directors, the directors of the Company's subsidiaries or controlling shareholders of the Company, or any of its respective close associates (as defined in the GEM Listing Rules) had interest in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, or had any other conflict of interests with the Group (other than being a Director and/or a director of its subsidiaries and their respective associates) during the year ended 31 March 2024.

## 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 2024.

## PRE-EMPTIVE RIGHTS

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

# DIRECTORS' REPORT

## SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this report, the Company has maintained the prescribed public float under the GEM Listing Rules.

## CORPORATE GOVERNANCE

A report on the principal corporate governance practices adopted by the Company is set out on pages 15 to 27 of this annual report.

## AUDIT COMMITTEE

The Consolidated Financial Statements have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the Consolidated Financial Statements comply with applicable accounting standards, the GEM Listing Rules and that adequate disclosures have been made.

## RELIEF OF TAXATION

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares.

## EVENTS AFTER THE REPORTING PERIOD

The Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 March 2024 and up to the date of this annual report.

## AUDITOR

Mazars CPA Limited ("Mazars") was appointed as the auditor of the Company by the Board on 7 February 2022 to fill the casual vacancy following the resignation of BDO Limited. Save as disclosed above, there was no other change in auditor of the Company in the preceding three years.

The Consolidated Financial Statements have been audited by Mazars, who will retire and, being eligible, offer themselves for reappointment at the upcoming AGM. A resolution will be proposed at the upcoming AGM to reappoint Mazars as the auditor of the Company.

On behalf of the Board of  
**OOH Holdings Limited**

**CHAU Wai Chu Irene**  
*Chairlady*

Hong Kong, 27 June 2024

# INDEPENDENT AUDITOR'S REPORT



## MAZARS CPA LIMITED

中審眾環(香港)會計師事務所有限公司

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香港灣仔港灣道18號

中環廣場42樓

Tel 電話 : (852) 2909 5555

Fax 傳真 : (852) 2810 0032

Email 電郵 : info@mazars.hk

Website 網址 : www.mazars.hk

### To the shareholders of OOH HOLDINGS LIMITED

*(incorporated in the Cayman Islands with limited liability)*

## OPINION

We have audited the consolidated financial statements of OOH Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 56 to 113, which comprise the consolidated statement of financial position as at 31 March 2024, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 March 2024, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS *(Continued)*

Key audit matters identified in our audit are summarised as follows:

Key audit matter	How the matter was addressed in our audit
<p><b><i>Assessment of lease term and incremental borrowing rates under HKFRS 16</i></b></p> <p><i>Relevant disclosures are made in notes 5 and 16 to the consolidated financial statements</i></p> <p>As at 31 March 2024, the Group had recognised right-of-use assets and lease liabilities of approximately HK\$22,830,000 and HK\$26,633,000 respectively.</p> <p>We have identified the assessment of lease term and incremental borrowing rates under HKFRS 16 as a key audit matter because of the significance of the amounts of the right-of-use assets and lease liabilities to these consolidated financial statements. In addition, the measurement of the right-of-use assets and the lease liabilities requires the use of significant judgements and estimates in the assessment of lease term where the leases contain extension or termination options and in determination of the appropriate discount rates.</p>	<p>Our key audit procedures in relation to management assessment of lease term and incremental borrowing rates included:</p> <ul style="list-style-type: none"><li>— Understanding the established policies and procedures with respect to the identification and recognition of leases;</li><li>— Assessing the reasonableness of the data and assumptions adopted by management to determine the discount rates based on the length of lease term and our knowledge of the business;</li><li>— Assessing the reasonableness of judgements and assumptions adopted by the management when determining the length of the lease term where the lease contains extension or termination options or has been modified; and</li><li>— Performing re-calculation of the right-of-use assets and lease liabilities, on a sample basis, and testing of the accuracy of the data used in the calculation compared to the associated lease agreements and other relevant documents.</li></ul>



# INDEPENDENT AUDITOR'S REPORT

## KEY AUDIT MATTERS *(Continued)*

Key audit matters identified in our audit are summarised as follows: (Continued)

Key audit matter	How the matter was addressed in our audit
<p><b><i>Impairment assessment of right-of-use assets</i></b></p> <p><i>Relevant disclosures are made in notes 5 and 16 to the consolidated financial statements</i></p> <p>As at 31 March 2024, the carrying amount of the Group's right-of-use assets amounted to approximately HK\$22,830,000. The carrying amount of the Group's right-of-use assets are written down to their estimated recoverable amount if in excess of their carrying amount.</p> <p>During the year ended 31 March 2024, an impairment loss of approximately HK\$5,590,000 was recognised for the right-of-use assets in the consolidated financial statements in accordance with the impairment assessment. The recoverable amount of the right-of-use assets are determined by value-in-use calculations using cash flow projections based on the financial budgets approved by management.</p> <p>We have identified the impairment assessment of the right-of-use assets as a key audit matter because significant estimates and judgements by management are involved.</p>	<p>Our key audit procedures in relation to management assessment of impairment on the right-of-use assets included:</p> <ul style="list-style-type: none"><li>— Understanding and evaluating management's key controls over the impairment assessment process;</li><li>— Assessing the methodologies and assumptions adopted by management in the recoverable amount calculation;</li><li>— Comparing the actual performance to the forecasted performance in prior year in the cash flow projections;</li><li>— Considering the relevance and reasonableness of key assumptions (including projected revenue, growth rate, estimated expenses and discount rate) applied, and the relevance and accuracy of the source data used by management in assessing the recoverable amount; and</li><li>— Verifying the mathematical accuracy of the data used in the recoverable amount calculation.</li></ul>

# INDEPENDENT AUDITOR'S REPORT

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the 2024 annual report of the Company but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

# INDEPENDENT AUDITOR'S REPORT

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

# INDEPENDENT AUDITOR'S REPORT

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and is therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Mazars CPA Limited**

*Certified Public Accountants*

Hong Kong, 27 June 2024

The engagement director on the audit resulting in this independent auditor's report is:

**Eunice Y M Kwok**

Practising Certificate number: P04604

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 March 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Revenue	7	<b>51,079</b>	43,898
Cost of sales		<b>(31,146)</b>	(28,481)
<b>Gross profit</b>		<b>19,933</b>	15,417
Other income and gains, net	8	<b>1,224</b>	1,793
Change in fair value of financial assets at fair value through profit or loss ("FVTPL")		<b>(1,248)</b>	(37)
Selling expenses		<b>(7,695)</b>	(7,085)
Administrative expenses		<b>(15,472)</b>	(14,936)
Other operating expenses		<b>(5,590)</b>	(2,866)
Finance costs	9	<b>(1,592)</b>	(1,663)
<b>Loss before income tax expense</b>	10	<b>(10,440)</b>	(9,377)
Income tax expense	11	<b>(68)</b>	(85)
<b>Loss and total comprehensive loss for the year</b>		<b>(10,508)</b>	(9,462)
<b>Loss and total comprehensive loss for the year attributable to owners of the Company</b>		<b>(10,508)</b>	(9,462)
<b>Loss per share</b>		<b>HK cents</b>	HK cents
Basic and diluted	14	<b>(1.46)</b>	(1.31)

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15	1,592	1,599
Right-of-use assets	16	22,830	42,489
Intangible assets	17	2,320	2,320
		<b>26,742</b>	46,408
<b>Current assets</b>			
Inventories	18	3,289	3,371
Financial assets at FVTPL	19	250	1,472
Trade receivables	20	2,184	3,977
Deposits, prepayments and other receivables	21	2,053	1,963
Tax recoverable		23	3
Cash and bank balances	22	31,620	32,928
		<b>39,419</b>	43,714
Asset classified as held for sale	17(b)	–	506
		<b>39,419</b>	44,220
<b>Current liabilities</b>			
Trade payables	23	943	528
Accruals and other payables	24	1,925	1,712
Contract liabilities	25	6,586	6,550
Lease liabilities	16	13,848	13,581
		<b>23,302</b>	22,371
<b>Net current assets</b>		<b>16,117</b>	21,849
<b>Total assets less current liabilities</b>		<b>42,859</b>	68,257
<b>Non-current liabilities</b>			
Lease liabilities	16	12,785	27,675
<b>Net assets</b>		<b>30,074</b>	40,582

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	<b>2023</b> <b>HK\$'000</b>
<b>CAPITAL AND RESERVES</b>			
Share capital	26	<b>7,200</b>	7,200
Reserves	28	<b>22,874</b>	33,382
<b>Total equity</b>		<b>30,074</b>	40,582

These consolidated financial statements on pages 56 to 113 were approved and authorised for issue by the Board of Directors on 27 June 2024 and signed on its behalf by:

**Ms. CHAU Wai Chu Irene**  
*Director*

**Mr. LEAN Chun Wai**  
*Director*

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2024

	Attributable to owners of the Company				Total equity
	Share capital (Note 26) HK\$'000	Share premium* (Note 28(a)) HK\$'000	Other reserve* (Note 28(b)) HK\$'000	Retained earnings/ (Accumulated losses)* HK\$'000	
<b>At 1 April 2022</b>	7,200	35,371	(90)	7,563	50,044
Loss and total comprehensive loss for the year	–	–	–	(9,462)	(9,462)
<b>At 31 March and 1 April 2023</b>	<b>7,200</b>	<b>35,371</b>	<b>(90)</b>	<b>(1,899)</b>	<b>40,582</b>
Loss and total comprehensive loss for the year	–	–	–	<b>(10,508)</b>	<b>(10,508)</b>
<b>At 31 March 2024</b>	<b>7,200</b>	<b>35,371</b>	<b>(90)</b>	<b>(12,407)</b>	<b>30,074</b>

\* The total of these accounts represents “Reserves” in the consolidated statement of financial position.



# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
<b>Operating activities</b>			
Loss before income tax expense		<b>(10,440)</b>	(9,377)
Adjustments for:			
Amortisation of intangible assets		–	94
Bank interest income		<b>(1,115)</b>	(284)
Depreciation of property, plant and equipment		<b>892</b>	1,031
Depreciation of right-of-use assets		<b>19,654</b>	19,289
Loss/(Gain) on modification of leases		<b>71</b>	(168)
Gain on rent concessions		–	(399)
Gain on disposal of asset held for sale		<b>(54)</b>	–
Impairment loss on right-of-use assets		<b>5,590</b>	2,560
Impairment loss on intangible assets		–	306
Interest income from financial assets at FVTPL		<b>(25)</b>	(52)
Interest on lease liabilities		<b>1,592</b>	1,663
Operating profit before working capital changes		<b>16,165</b>	14,663
Decrease/(Increase) in financial assets at FVTPL		<b>1,222</b>	(16)
Decrease/(Increase) in inventories		<b>82</b>	(210)
Decrease in trade receivables		<b>1,793</b>	1,393
(Increase)/Decrease in deposits, prepayments and other receivables		<b>(90)</b>	161
Increase in trade payables		<b>415</b>	332
Increase in accruals and other payables		<b>213</b>	323
Increase in contract liabilities		<b>36</b>	956
Cash generated from operations		<b>19,836</b>	17,602
Income tax paid		<b>(88)</b>	(111)
Net cash generated from operating activities		<b>19,748</b>	17,491

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 March 2024

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
<b>Investing activities</b>			
Purchase of property, plant and equipment		(885)	(259)
Proceeds from sale of assets held for sale		560	–
Decrease/(Increase) in fixed deposits with original maturity over three months	22	20,693	(10,683)
Interest received		1,140	336
Net cash generated from/(used in) investing activities		21,508	(10,606)
<b>Financing activities</b>			
Repayment of principal portion of lease liabilities		(20,279)	(19,996)
Interest paid on lease liabilities		(1,592)	(1,663)
Net cash used in financing activities		(21,871)	(21,659)
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>19,385</b>	<b>(14,774)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>8,017</b>	<b>22,791</b>
<b>Cash and cash equivalents at end of the year</b>		<b>27,402</b>	<b>8,017</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 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 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 note 30 to the consolidated financial statements.

As at 31 March 2024, the directors of the Company (the “Directors”) consider Goldcore Global Investments Limited, 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 the following new or amended HKFRSs that are relevant to the Group does not have any significant impact on the consolidated financial statements:

Amendments to HKAS 1	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

#### Amendments to HKAS 1: Disclosure of Accounting Policies

The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies.

#### Amendments to HKAS 8: Definition of Accounting Estimates

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.

#### Amendments to HKAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments narrow the scope of the recognition exemption in paragraphs 15 and 24 of HKAS 12 so that it no longer applies to transactions that, on recognition, give rise to equal taxable and deductible temporary differences.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

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

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

At the date of authorisation of these consolidated financial statements for the year ended 31 March 2024, 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	Classification of Liabilities as Current or Non-current <sup>1</sup>
Amendments to HKAS 1	Non-current Liabilities with Covenants <sup>1</sup>
Amendments to HK Interpretation 5	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>1</sup>
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements <sup>1</sup>
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback <sup>1</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2024

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>3</sup> 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 that 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 for the year ended 31 March 2024 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 note 4 to the consolidated financial statements.

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 3. BASIS OF PREPARATION *(Continued)*

### 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 the 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 the reporting period. Exchange differences arising are recognised in the foreign exchange reserve.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

### 4.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the dates of acquisition or up to the dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group.

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss or other comprehensive income, as appropriate. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.2 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, interest in a subsidiary is stated at cost less impairment loss, if any. The result of subsidiary is accounted for by the Company on the basis of dividend received and receivable.

### 4.3 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

### 4.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of property, plant and equipment includes its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other costs, such as repairs and maintenance, are recognised as an expense in profit or loss during the financial period in which they are incurred.

Property, plant and equipment are depreciated so as to write off their cost over their estimated useful lives on a straight-line basis. The useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of the reporting period. The useful lives are as follows:

Display monitors and devices	5 years
Furniture and fixtures	5 years
Leasehold improvements	Shorter of 5 years or unexpired lease term
Motor vehicles	5 years

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

Gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.5 Intangible assets

Intangible assets acquired separately are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Club membership with indefinite life is carried at cost less any subsequent accumulated impairment losses.

#### Impairment

Intangible assets with finite lives are tested for impairment when there is an indication that an asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually, irrespective of whether there is any indication that they may be impaired. Intangible assets are tested for impairment by comparing their carrying amounts with their recoverable amounts.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is recognised as an expense immediately.

### 4.6 Leasing

#### Accounting as a lessee

All leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the consolidated statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term of less than 12 months. The lease payments associated with those leases are expensed on a straight-line basis over the lease term.

#### ***Right-of-use asset***

The right-of-use asset is initially recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to the commencement date, under the cost model, the Group measures the right-of-use asset at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability. Unless the Group is reasonably certain to obtain ownership of the lease asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of estimated useful lives and lease term.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.6 Leasing *(Continued)*

#### Accounting as a lessee *(Continued)*

##### **Lease liability**

The lease liability is initially recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

The following payments for the right-to-use of the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

When the Group revises its estimate of the term of any lease, (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease. In all other cases, where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount. If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date and the right-of-use asset is adjusted by the same amount.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.7 Financial instruments

#### (i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

#### ***Debt instruments***

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

The Group's financial assets at amortised cost include trade receivables, deposits and other receivables, and cash and bank balances.

**Fair value through profit or loss ("FVTPL"):** Financial assets at FVTPL include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

The Group's financial assets at FVTPL include listed debt investments.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.7 Financial instruments *(Continued)*

#### (i) Financial assets *(Continued)*

##### ***Impairment loss on financial assets***

The Group recognises loss allowances for expected credit losses (“ECLs”) on trade receivables and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12-months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets’ original effective interest rate.

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due unless reasonable and supportable information demonstrates the otherwise.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due unless reasonable and supportable information demonstrate the otherwise.

As detailed in note 34(a) to the consolidated financial statements, other receivables and bank balances are determined to have low credit risk.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.7 Financial instruments *(Continued)*

#### (i) Financial assets *(Continued)*

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial instrument meets any of the following criteria:

- (i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or
- (ii) there is a breach of financial covenants by the counterparty.

The Group considers that default has occurred when a financial asset is more than 90 days past due unless reasonable and supportable information suggested otherwise.

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non-credit-impaired financial assets, interest income is calculated based on the gross carrying amount.

#### (ii) Financial liabilities

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments. The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

##### ***Financial liabilities at amortised cost***

Financial liabilities at amortised cost including trade payables, accruals and other payables are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

#### (iii) Effective interest method

Effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. Effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.7 Financial instruments *(Continued)*

#### (iv) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

#### (v) Equity instruments

Shares issued by the Company are recorded at the proceeds received, net of direct issue cost.

### 4.8 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 4.9 Cash and cash equivalents

Cash and cash equivalents represent cash at bank and in hand, demand deposits with banks and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

### 4.10 Revenue and other income recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customer, or the lessee has the right to use the asset, at an amount that reflects consideration to which the Group is expected to be entitled, in exchange for those goods or services excluding those amounts collected on behalf of third parties. Revenue excludes value-added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or services may be transferred over time or at a point in time. Control of the goods or services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or services.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.10 Revenue and other income recognition *(Continued)*

#### Advertising display services

Revenue from advertising display services is recognised on a straight-line basis over the performance period for which the advertisements are displayed.

Some of the Group's advertising display contracts provide customers a volume rebate if the customer hit the sales volume hurdles and settled all the invoices due within the contract period. The volume rebates give rise to variable consideration. The Group applies the most likely amount method to estimate the variable consideration. A refund liability would be recognised based on the estimate of the most likely amount to be paid to customer's volume-based rebate. The Group estimates the most likely amount of volume rebates and recognises it as a reduction of revenue as the sales are recognised. A provision of rebate, if any, will be recognised in other payables.

#### Franchise income

Franchise income, representing fee charged for the use of license right granted by a franchise agreement, or for other services provided during the period of a franchise agreement, is recognised at the point in time when the right is used.

#### Interest income

Interest income is accrued on a time basis on the principal outstanding at the applicable interest rate.

#### Contract liabilities

Upon entering into a contract with a customer, the Group obtains right to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer. The combination of those rights and performance obligations give rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. Contract liabilities are recognised for services to be provided to customers and represented the excess of consideration received from the customers over the cumulative revenue recognised.

### 4.11 Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for recognised assets and liabilities that affect neither accounting nor taxable profits or loss and do not give rise to equal taxable and deductible temporary differences, deferred tax liabilities are recognised for all taxable temporary differences.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.11 Income taxes *(Continued)*

Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

### 4.12 Employee benefits

#### (i) Short-term employee benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are recognised in the year when the employees render the related service.

#### (ii) Defined contribution retirement plan

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity.

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. Contributions are made based on a percentage of the employees' basic salaries to the maximum mandatory contribution as required by the MPF Scheme. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short-term nature. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

Contributions to the defined contribution retirement plan are recognised as an expense in profit or loss in the period when the services are rendered by the employees.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.12 Employee benefits *(Continued)*

#### (iii) Long service payments

The Group's net obligation in respect of long service payments under the Employment Ordinance is the amounts of future benefit that employees have earned in return for their services in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including those retirement scheme benefits.

### 4.13 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of the property, plant and equipment, intangible assets and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased.

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value in use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Value in use is based on the estimated future cash flows expected to be derived from the asset or a cash generating unit ("CGU"), discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.14 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

### 4.15 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable and are recognised as other revenue, rather than reducing the related expense.

### 4.16 Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's chief operating decision maker, namely, the executive Directors, for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products or services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 4. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES *(Continued)*

### 4.17 Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
  - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Company's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the Directors are required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

### (a) Critical accounting judgement

#### Principal versus agent considerations

Determination of whether the Group is acting as a principal or as an agent in the provision of advertising display services requires judgements and considerations of all relevant facts and circumstances. The Group is a principal in a transaction if the Group obtains control of services provided before they are transferred to customers. Indicators that the Group controls the specified service before it is transferred to the customer include, but are not limited to the following: (a) the Group is primarily responsible for fulfilling the promise to provide the specified service; (b) the Group has inventory risk before the specified service has been transferred to a customer or after transfer of control to the customer; and (c) the Group has discretion in establishing the price for the specified service. If control is unclear, when the Group is primarily obligated in a transaction, and has latitude in establishing prices and deciding how the services are performed, or has several but not all of these indicators, the Group records revenues on a gross basis. Otherwise, the Group records the net amount earned as commissions from services provided. For the years ended 31 March 2024 and 31 March 2023, all revenue was recognised on gross basis as the Group has acted as a principal in relation to the services provided.

### (b) Key sources of estimation uncertainty

In addition to information disclosed elsewhere in these financial statements, other key sources of estimation uncertainty that have significant risks of resulting in a material adjustment to the carrying amounts of assets and liabilities within next financial year are as follows:

#### (i) Loss allowance for ECLs

The Group determines the loss allowance for trade receivables based on assumptions about risk of default and expected loss rates. The provision matrix is determined based on the Group's historical observed default rates over the expected life of the trade receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. In making the judgement, management considers available reasonable and supportable forward-looking information such as actual or expected significant adverse changes in business and customers' financial position. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed by the management. Details of the key assumptions and inputs used in estimating ECL are set out in note 34 to the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

### (b) Key sources of estimation uncertainty *(Continued)*

#### (ii) Determination of lease term and incremental borrowing rates of lease contracts

In determining the lease term at the commencement date for leases that include renewal options or early termination options exercisable by the Group, the Group exercises judgement to evaluate the likelihood of exercising the renewal options or early termination options taking into account all relevant facts and circumstances that create economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken, penalties for early termination and the importance of that underlying asset to the Group's operation. Any changes in the lease term would affect the amount of right-of-use assets and lease liabilities recognised. The Group also exercises judgement to determine whether there is a significant event or change in circumstance that is within the Group's control that would require the lease term to be reassessed.

In determining incremental borrowing rates of lease contracts, the Group applies judgement to determine the applicable rates, taking into account the nature of the underlying assets, the terms and condition of the leases, creditworthiness of the relevant group entities and economic environment, at both the commencement date and the effective date of the modification to calculate the present value of lease payments. The incremental borrowing rates of the Group applied significantly affect the amounts of lease liabilities and right-of-use assets recognised.

#### (iii) Impairment of non-financial assets

Non-financial assets are tested for impairment when indicators exist. Where an impairment indicator exists, the recoverable amount of the asset is determined based on value-in-use calculations prepared on the basis of management's assumptions and estimates about future events, which are subject to uncertainty and might materially differ from the actual results. In making these key estimates and judgements, the Group takes into consideration assumptions that are mainly based on market condition existing at the end of the reporting period and appropriate market and discount rates.

#### (iv) Net realisable value of inventories

The Group's management reviews the inventory aging analysis periodically, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for sale. The assessment of the provision amount required involves management judgements and estimates. Where the actual outcome or expectation in future is different from the original estimate, such difference will have an impact on the carrying value of the inventories and provision charge/write-back in the period in which estimate has been changed.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 5. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

### (b) Key sources of estimation uncertainty *(Continued)*

#### (v) Fair value measurement

Certain financial assets included in the Group's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Group's financial assets utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs; and
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period as they occur.

## 6. 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"); and
- Prior to 1 April 2023, the Group also operated the business of sales of Mizimamei branded food and beverage products and franchise of Mizimamei brand in Hong Kong ("Food and Beverage Business"), which the license right was novated to a third party pursuant to the novation agreement dated 1 April 2023. The Group ceased the Food and Beverage Business since then.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 6. SEGMENT INFORMATION *(Continued)*

### 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 are not included in the measurement 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	Food and Beverage Business HK\$'000	Total HK\$'000
<b>Year ended 31 March 2024</b>				
Revenue				
— From external customers	50,658	421	–	51,079
Cost of sales	(31,077)	(69)	–	(31,146)
Gross profit	19,581	352	–	19,933
Impairment loss on right-of-use assets	(5,590)	–	–	(5,590)
Segment profit	13,991	352	–	14,343
Unallocated other income and gains, net				1,224
Corporate and other unallocated expenses				(24,415)
Finance costs				(1,592)
Loss before income tax expense				(10,440)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 6. SEGMENT INFORMATION *(Continued)*

### Segment revenue and results *(Continued)*

	Transportation Business HK\$'000	Healthcare Business HK\$'000	Food and Beverage Business HK\$'000	Total HK\$'000
<b>Year ended 31 March 2023</b>				
Revenue				
— From external customers	43,492	298	108	43,898
Cost of sales	(28,329)	(59)	(93)	(28,481)
Gross profit	15,163	239	15	15,417
Impairment loss on right-of-use assets	(2,560)	—	—	(2,560)
Segment profit	12,603	239	15	12,857
Unallocated other income and gains, net				1,793
Corporate and other unallocated expenses				(22,364)
Finance costs				(1,663)
Loss before income tax expense				(9,377)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 6. SEGMENT INFORMATION *(Continued)*

### 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	Food and Beverage Business HK\$'000	Total HK\$'000
<b>Year ended 31 March 2024</b>				
<b>Primary geographical markets</b>				
Hong Kong (place of domicile)	50,658	421	–	51,079
<b>Major services lines</b>				
Advertising display services				
— Bus	46,923	–	–	46,923
— Taxi	1,387	–	–	1,387
— Others	2,348	–	–	2,348
— Hospitals and clinics	–	421	–	421
	50,658	421	–	51,079
Food and beverage franchise	–	–	–	–
	50,658	421	–	51,079
<b>Timing of revenue recognition</b>				
Transferred over time	50,658	421	–	51,079



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 6. SEGMENT INFORMATION *(Continued)*

### Disaggregation of revenue *(Continued)*

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 6. SEGMENT INFORMATION *(Continued)*

### 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	
	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
Hong Kong (place of domicile)	<b>51,079</b>	43,898	<b>26,742</b>	46,408

### Information about major customers

No single customer contributed to 10% or more of the Group's revenue during the years ended 31 March 2024 and 31 March 2023.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 7. REVENUE

Revenue is derived from provision of advertising display services and franchise of license right during the year. Further details are disclosed in note 6 to the consolidated financial statements.

	2024 HK\$'000	2023 HK\$'000
Provision of advertising display services		
— At fixed price	<b>49,298</b>	40,792
— At variable price	<b>1,781</b>	2,998
Franchise income	—	108
	<b>51,079</b>	43,898

The amount of revenue recognised for the year ended 31 March 2024 that was included in the contract liabilities at the beginning of the year is approximately HK\$6,324,000 (2023: approximately HK\$5,567,000).

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

	2024 HK\$'000	2023 HK\$'000
Trade receivables (Note 20)	<b>2,184</b>	3,977
Contract liabilities (Note 25)	<b>6,586</b>	6,550

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

As at 31 March 2024, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts was approximately HK\$16,501,000 (2023: approximately HK\$15,601,000), of which approximately HK\$16,176,000 (2023: approximately HK\$15,313,000) and approximately HK\$325,000 (2023: approximately HK\$288,000) are expected to be recognised as revenue within 12 months and 13–24 months respectively. These amounts represent revenue expected to be recognised in the future from partially-completed advertising display service contracts and include the contract liabilities as disclosed in note 25 to the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 8. OTHER INCOME AND GAINS, NET

	2024 HK\$'000	2023 HK\$'000
Bank interest income	1,115	284
Gain on rent concessions	–	399
Interest income from financial assets at FVTPL	25	52
Gain on disposal of asset held for sale	54	–
Gain on leases modification	–	168
Government subsidies	–	617
Management fee income	–	105
Others	30	168
	<b>1,224</b>	1,793

## 9. FINANCE COSTS

	2024 HK\$'000	2023 HK\$'000
Interest on lease liabilities	1,592	1,663

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 10. LOSS BEFORE INCOME TAX EXPENSE

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

	2024 HK\$'000	2023 HK\$'000
Amortisation of intangible assets	–	94
Auditor's remuneration	570	550
Depreciation of property, plant and equipment	892	1,031
Depreciation of right-of-use assets		
— Advertising spaces (included in cost of sales)	19,444	19,080
— Rental premises	190	190
— Office equipment	20	19
Employee costs (including directors' emoluments)		
— Salaries and other benefits in kind	15,911	15,017
— Retirement scheme contributions	327	319
Impairment loss on right-of-use assets (included in other operating expenses)	5,590	2,560
Impairment loss on intangible assets (included in other operating expenses)	–	306
Short-term lease expenses		
— Advertising spaces (included in cost of sales)	6,205	5,526
— Rental premises	550	431

## 11. INCOME TAX EXPENSE

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

	2024 HK\$'000	2023 HK\$'000
Current tax — Hong Kong Profits Tax		
— Tax for the year	68	85

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 2024 and 31 March 2023. 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%.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 11. INCOME TAX EXPENSE *(Continued)*

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:

	2024 HK\$'000	2023 HK\$'000
Loss before income tax expense	<b>(10,440)</b>	(9,377)
Tax calculated at the domestic tax rate of 16.5% (2023: 16.5%)	<b>(1,723)</b>	(1,547)
Tax effect on adoption of two-tiered profits tax rates	<b>(75)</b>	(95)
Tax effect of non-deductible items	<b>512</b>	346
Tax effect of non-taxable items	<b>(192)</b>	(137)
Tax effect of temporary differences not recognised	<b>625</b>	526
Utilisation of unrecognised tax losses	<b>–</b>	(15)
Tax effect of tax losses not recognised	<b>933</b>	1,020
Others	<b>(12)</b>	(13)
Income tax expense	<b>68</b>	85

At the end of the reporting period, the Group had tax losses arising in Hong Kong of approximately HK\$17,354,000 (2023: approximately HK\$11,697,000) and deductible temporary differences of approximately HK\$5,931,000 (2023: HK\$2,560,000) 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 profit streams. The tax losses/deductible temporary differences have no expiry date.

## 12. DIVIDEND

The Board of Directors does not recommend the payment of a final dividend for the years ended 31 March 2024 and 31 March 2023.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 13. DIRECTORS' EMOLUMENTS, HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT'S EMOLUMENTS

### (a) Directors' emoluments

Directors' emoluments are disclosed as follows:

	Notes	Fees HK\$'000	Salaries and other benefits in kind HK\$'000	Retirement scheme contributions HK\$'000	Total HK\$'000
<b>Year ended 31 March 2024</b>					
<b>Executive Directors</b>					
Ms. CHAU Wai Chu Irene	(i)	–	2,649	–	2,649
Mr. LEAN Chun Wai		–	1,140	18	1,158
<b>Non-Executive Director</b>					
Mr. DA SILVA Antonio Marcus		240	–	–	240
<b>Independent Non-Executive Directors</b>					
Mr. LAM Yau Fung Curt		96	–	–	96
Ms. SUEN Wan Nei Winnie		96	–	–	96
Ms. LAM Hiu Ying		96	–	–	96
		<b>528</b>	<b>3,789</b>	<b>18</b>	<b>4,335</b>
<b>Year ended 31 March 2023</b>					
<b>Executive Directors</b>					
Ms. CHAU Wai Chu Irene	(i)	–	2,640	–	2,640
Mr. LEAN Chun Wai		–	1,140	18	1,158
<b>Non-Executive Director</b>					
Mr. DA SILVA Antonio Marcus		240	–	–	240
<b>Independent Non-Executive Directors</b>					
Mr. LAM Yau Fung Curt		96	–	–	96
Ms. SUEN Wan Nei Winnie		96	–	–	96
Ms. LAM Hiu Ying		96	–	–	96
		<b>528</b>	<b>3,780</b>	<b>18</b>	<b>4,326</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 13. DIRECTORS' EMOLUMENTS, HIGHEST PAID INDIVIDUALS AND SENIOR MANAGEMENT'S EMOLUMENTS *(Continued)*

### (a) Directors' emoluments *(Continued)*

Notes:

- (i) Ms. CHAU Wai Chu Irene is the chairlady and chief executive of the Company and her emoluments disclosed above included those for services rendered by her as the chief executive.
- (ii) There was no arrangement under which a director waived or agreed to waive any emoluments during the years ended 31 March 2024 and 31 March 2023.

No remuneration was paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as a compensation for loss of office. None of the directors of the Company had waived any remuneration during both years.

### (b) The five highest paid individuals

Of the five individuals with the highest emoluments in the Group, two (2023: two) are directors of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining three (2023: three) individuals are as follows:

	2024 HK\$'000	2023 HK\$'000
Salaries and other benefits in kind	3,917	3,344
Retirement scheme contributions	54	52
	<b>3,971</b>	<b>3,396</b>

The emoluments paid or payable to the three individuals with the highest emoluments in the Group who are not directors are within the following bands:

	2024 Number of individuals	2023 Number of individuals
Nil–HK\$1,000,000	1	2
HK\$1,000,001 to HK\$1,500,000	1	1
HK\$2,000,001 to HK\$2,500,000	1	–

No emoluments were paid by the Group to the five highest-paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office for both years.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 14. LOSS PER SHARE

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

	2024 HK\$'000	2023 HK\$'000
<b>Loss</b>		
Loss for the purposes of basic and diluted loss per share	<b>(10,508)</b>	(9,462)
	'000	'000
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	<b>720,000</b>	720,000

The weighted average of 720,000,000 ordinary shares for the years ended 31 March 2024 and 31 March 2023 were the same as there were no changes in 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 2024 and 31 March 2023.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 15. PROPERTY, PLANT AND EQUIPMENT

	Display monitors and devices HK\$'000	Furniture and fixtures HK\$'000	Leasehold improvements HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
<b>At 1 April 2022</b>					
Cost	1,793	979	1,032	2,673	6,477
Accumulated depreciation and impairment losses	(1,773)	(664)	(452)	(1,217)	(4,106)
<b>Net carrying amount</b>	<b>20</b>	<b>315</b>	<b>580</b>	<b>1,456</b>	<b>2,371</b>
<b>Year ended 31 March 2023</b>					
Opening net carrying amount	20	315	580	1,456	2,371
Additions	–	259	–	–	259
Depreciation	(20)	(147)	(344)	(520)	(1,031)
<b>Closing net carrying amount</b>	<b>–</b>	<b>427</b>	<b>236</b>	<b>936</b>	<b>1,599</b>
<b>At 31 March and 1 April 2023</b>					
Cost	1,793	1,238	1,032	2,673	6,736
Accumulated depreciation and impairment losses	(1,793)	(811)	(796)	(1,737)	(5,137)
<b>Net carrying amount</b>	<b>–</b>	<b>427</b>	<b>236</b>	<b>936</b>	<b>1,599</b>
<b>Year ended 31 March 2024</b>					
Opening net carrying amount	–	427	236	936	1,599
Additions	–	47	–	838	885
Depreciation	–	(148)	(233)	(511)	(892)
<b>Closing net carrying amount</b>	<b>–</b>	<b>326</b>	<b>3</b>	<b>1,263</b>	<b>1,592</b>
<b>At 31 March 2024</b>					
Cost	1,793	1,285	1,032	3,511	7,621
Accumulated depreciation and impairment losses	(1,793)	(959)	(1,029)	(2,248)	(6,029)
<b>Net carrying amount</b>	<b>–</b>	<b>326</b>	<b>3</b>	<b>1,263</b>	<b>1,592</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 16. RIGHT-OF-USE ASSETS/LEASE LIABILITIES

The Group leases office equipment, 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 2024, about 15% (2023: 21%) of lease contracts contain an extension option. The undiscounted potential future lease payments not included in lease liabilities amounted to approximately HK\$2,158,000 (2023: approximately HK\$5,800,000).

### Right-of-use assets

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

	2024 HK\$'000	2023 HK\$'000
Leased for own use, carried at depreciated cost:		
Advertising spaces	22,324	42,343
Rental premises	443	63
Office equipment	63	83
	<b>22,830</b>	42,489

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 16. RIGHT-OF-USE ASSETS/LEASE LIABILITIES *(Continued)*

### Right-of-use assets *(Continued)*

Movements of right-of-use assets during the year are as follows:

	Advertising spaces HK\$'000	Rental premises HK\$'000	Office equipment HK\$'000	Total HK\$'000
At 1 April 2022	30,680	253	–	30,933
Additions	33,303	–	102	33,405
Depreciation	(19,080)	(190)	(19)	(19,289)
Impairment losses	(2,560)	–	–	(2,560)
At 31 March and 1 April 2023	42,343	63	83	42,489
Additions	5,015	570	–	5,585
Depreciation	(19,444)	(190)	(20)	(19,654)
Impairment losses	(5,590)	–	–	(5,590)
<b>At 31 March 2024</b>	<b>22,324</b>	<b>443</b>	<b>63</b>	<b>22,830</b>

During the year ended 31 March 2024, impairment losses of approximately HK\$5,590,000 (2023: approximately HK\$2,560,000) had been recognised on the right-of-use assets 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 growth rate on revenue is estimated to be 2% (2023: 2%). The cash flows are discounted using a pre-tax discount rate of 12.3% (2023: 8.3%).

The estimated recoverable amount of approximately HK\$22,830,000 (2023: approximately HK\$42,489,000) fell short of the carrying amount by approximately HK\$5,590,000 (2023: approximately HK\$2,560,000) and accordingly, impairment loss of approximately HK\$5,590,000 (2023: approximately HK\$2,560,000) was recognised in other operating expenses for the year ended 31 March 2024.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 16. RIGHT-OF-USE ASSETS/LEASE LIABILITIES *(Continued)*

### Lease liabilities

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

	2024 HK\$'000	2023 HK\$'000
Current liabilities	<b>13,848</b>	13,581
Non-current liabilities	<b>12,785</b>	27,675
	<b>26,633</b>	41,256

Movements of lease liabilities during the year:

	Advertising spaces HK\$'000	Rental premises HK\$'000	Office equipment HK\$'000	Total HK\$'000
At 1 April 2022	28,153	261	–	28,414
Additions	33,135	–	102	33,237
Repayment of lease liabilities	(21,437)	(202)	(20)	(21,659)
Interest expenses	1,653	7	3	1,663
Rent concessions	(399)	–	–	(399)
At 31 March and 1 April 2023	41,105	66	85	41,256
Additions	5,086	570	–	5,656
Repayment of lease liabilities	(21,646)	(202)	(23)	(21,871)
Interest expenses	1,575	14	3	1,592
<b>At 31 March 2024</b>	<b>26,120</b>	<b>448</b>	<b>65</b>	<b>26,633</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 16. RIGHT-OF-USE ASSETS/LEASE LIABILITIES *(Continued)*

### Lease liabilities *(Continued)*

Future lease payments are due as follows:

#### At 31 March 2024

	Minimum lease payments HK\$'000	Interest HK\$'000	Present value HK\$'000
Not later than one year	14,742	894	13,848
Later than one year and not later than two years	10,171	292	9,879
Later than two years and not later than five years	2,945	39	2,906
	<b>27,858</b>	<b>1,225</b>	<b>26,633</b>

#### At 31 March 2023

	Minimum lease payments HK\$'000	Interest HK\$'000	Present value HK\$'000
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
	<b>43,731</b>	<b>2,475</b>	<b>41,256</b>

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

	2024 HK\$'000	2023 HK\$'000
Depreciation of right-of-use assets	19,654	19,289
Interest on lease liabilities	1,592	1,663
Short-term lease expenses	6,755	5,957
Impairment loss of right-of-use assets (included in other operating expenses)	5,590	2,560
Loss/(Gain) on lease modification	71	(168)
Gain on rent concessions	–	(399)
Total amounts recognised in profit or loss	<b>33,662</b>	<b>28,902</b>

### Commitments under leases

At 31 March 2024, the Group was committed to approximately HK\$1,619,000 (2023: approximately HK\$1,310,000) for short-term leases.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 17. INTANGIBLE ASSETS

	Club membership HK\$'000 (Note (a))	License right HK\$'000 (Note (b))	Total HK\$'000
<b>At 1 April 2022</b>			
Cost	2,626	942	3,568
Accumulated amortisation and impairment	–	(342)	(342)
<b>Net carrying amount</b>	<b>2,626</b>	<b>600</b>	<b>3,226</b>
<b>Year ended 31 March 2023</b>			
Opening net carrying amount	2,626	600	3,226
Amortisation	–	(94)	(94)
Impairment loss	(306)	–	(306)
Reclassified as held for sale	–	(506)	(506)
<b>Closing net carrying amount</b>	<b>2,320</b>	<b>–</b>	<b>2,320</b>
<b>At 31 March and 1 April 2023</b>			
Cost	2,626	–	2,626
Accumulated amortisation and impairment losses	(306)	–	(306)
<b>Net carrying amount</b>	<b>2,320</b>	<b>–</b>	<b>2,320</b>
<b>Year ended 31 March 2024</b>			
Opening and <b>Closing net carrying amount</b>	<b>2,320</b>	<b>–</b>	<b>2,320</b>
<b>At 31 March 2024</b>			
Cost	<b>2,626</b>	<b>–</b>	<b>2,626</b>
Accumulated amortisation and impairment losses	<b>(306)</b>	<b>–</b>	<b>(306)</b>
<b>Net carrying amount</b>	<b>2,320</b>	<b>–</b>	<b>2,320</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 17. INTANGIBLE ASSETS *(Continued)*

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 it may be impaired. The Directors determine the recoverable amount of the club membership 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.

As at 31 March 2023, 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 had been recognised in other operating expenses. As at 31 March 2024, no further impairment loss had been identified by the Directors with reference to market value.

- (b) The license right represented an exclusive right to distribute and market the Mizimamei branded food and beverage products and its retail brand in Hong Kong. The Group had 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. The transfer of the license right was completed on 1 April 2023. The license right was therefore classified as held for sale in accordance with HKFRS 5 and measured at the lower of the carrying amount and the fair value less costs to sell as at 31 March 2023.

## 18. INVENTORIES

	2024 HK\$'000	2023 HK\$'000
Motor vehicle and accessories	3,289	3,371

## 19. FINANCIAL ASSETS AT FVTPL

	2024 HK\$'000	2023 HK\$'000
Listed debt investments	250	1,472

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.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 20. TRADE RECEIVABLES

	2024 HK\$'000	2023 HK\$'000
Trade receivables	2,184	3,977

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

### Based on invoice date

	2024 HK\$'000	2023 HK\$'000
0–90 days	929	589
91–180 days	950	1,771
181–365 days	305	1,528
Over 365 days	–	89
	2,184	3,977

### Based on revenue recognition date

	2024 HK\$'000	2023 HK\$'000
0–90 days	1,580	1,481
91–180 days	516	1,168
181–365 days	88	1,306
Over 365 days	–	22
	2,184	3,977

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 2024 and 31 March 2023 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 2024 and 31 March 2023, the Directors considered ECLs against the gross amounts of trade receivables as immaterial.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 21. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2024 HK\$'000	2023 HK\$'000
Payments in advance	1,219	1,112
Deposits	349	349
Prepayments	485	502
	<b>2,053</b>	1,963

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.

## 22. CASH AND BANK BALANCES

	2024 HK\$'000	2023 HK\$'000
Cash at banks and in hand	8,528	8,017
Fixed deposits	23,092	24,911
Total cash and bank balances as stated in consolidated statement of financial position	31,620	32,928
Less: Fixed deposits with original maturity over three months	(4,218)	(24,911)
Total cash and bank balances as stated in consolidated statement of cash flows	<b>27,402</b>	8,017

The Group's cash and bank balances consist of bank deposits carrying interests at floating rates based on daily bank deposit rates and short-term bank deposits carrying interests at prevailing market interest rates ranging from 2.75% to 5.4% (2023: 2.65% to 4.9%) per annum as at 31 March 2024.

## 23. 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:

	2024 HK\$'000	2023 HK\$'000
0-90 days	521	345
91-180 days	275	163
181-365 days	18	7
Over 365 days	129	13
	<b>943</b>	528

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 24. ACCRUALS AND OTHER PAYABLES

	2024 HK\$'000	2023 HK\$'000
Accrued expenses	1,121	876
Other payables	804	836
	1,925	1,712

## 25. CONTRACT LIABILITIES

	2024 HK\$'000	2023 HK\$'000
<b>Contract liabilities arising from:</b>		
Advertising display services	6,586	6,550

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

As at 31 March 2024 and 31 March 2023, no contract liabilities were expected to be settled after more than 12 months.

	2024 HK\$'000	2023 HK\$'000
Balance at beginning of the year	6,550	5,594
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	(6,324)	(5,567)
Increase in contract liabilities as a result of billing in advance of advertising display service, excluding those recognised as revenue in the current year	6,360	6,523
Balance at end of the year	6,586	6,550

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 26. SHARE CAPITAL

	2024		2023	
	Number of shares '000	Amount HK\$'000	Number of shares '000	Amount HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each	<b>7,200,000</b>	<b>72,000</b>	7,200,000	72,000
			Number of shares '000	Amount HK\$'000
Issued:				
At 1 April 2022, 31 March 2023 and 31 March 2024			<b>720,000</b>	7,200

## 27. SHARE OPTION SCHEME

A share option scheme (the "Scheme") was approved and adopted by the Company on 19 December 2016.

The Scheme is effective for a period of 10 years commencing on the Listing Date of the Company. Under the Scheme, the board of directors may in its absolute discretion determine the subscription price at the time of grant of the relevant option but the subscription price shall not be less than whichever is the highest of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the granting of the option; (ii) the average closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the granting of the option; and (iii) the nominal value of a share. An offer of grant of an option may be accepted by a participant within the date as specified in the offer letter issued by the Company, being a date not later than 21 days from the date upon which it is made, by which the participant must accept the offer or be deemed to have declined it, provided that such date shall not be more than 10 years after the date of adoption of the Scheme. A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an option.

The period as the board of directors may in its absolute discretion determine and specify in relation to any particular option holder in his option agreement during which the option may be exercised (subject to such restriction on exercisability specified therein), which shall be not greater than the period prescribed by the GEM Listing Rules from time to time (which is, as at the date of adoption of the Scheme, a period of 10 years from the date of the granting of the option).

The limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes must not exceed 30% of the shares in issue from time to time. No options may be granted under any schemes of the Company if this will result in the limit being exceeded. The total number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other schemes of the Company must not in aggregate exceed 10% of the shares in issue. Options lapsed in accordance with the terms of the Scheme or any other schemes will not be counted for the purpose of calculating the 10% limit. Share options do not confer rights to the holders to dividends or to vote at shareholders' meetings.

No share options were granted or exercised under the Scheme during the years ended 31 March 2024 and 31 March 2023 or outstanding as at 31 March 2024 and 31 March 2023.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 28. RESERVES

### The Group

Please refer to the consolidated statement of changes in equity on page 59 for reserves of the Group.

#### (a) Share premium

This represents the premium arising from the issue of shares, net of placing expenses.

#### (b) Other reserve

This represents the difference between the nominal value of the share capital of the subsidiaries acquired and the nominal value of the shares of the Company issued in exchange thereof pursuant to the Group Reorganisation in 2016 prior to the listing of the Company.

### The Company

	Share premium HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 April 2022	35,371	(100)	(19,542)	15,729
Loss for the year	–	–	(1,173)	(1,173)
At 31 March and 1 April 2023	35,371	(100)	(20,715)	14,556
Loss for the year	–	–	(889)	(889)
<b>At 31 March 2024</b>	<b>35,371</b>	<b>(100)</b>	<b>(21,604)</b>	<b>13,667</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 29. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Investment in a subsidiary	30	1	1
<b>Current assets</b>			
Prepayments		225	221
Amount due from a subsidiary		8,593	9,670
Cash and bank balances		13,548	11,874
		<b>22,366</b>	21,765
<b>Current liabilities</b>			
Amount due to a subsidiary		1,489	–
Accruals		11	10
		<b>1,500</b>	10
<b>Net current assets</b>		<b>20,866</b>	21,755
<b>Net assets</b>		<b>20,867</b>	21,756
<b>CAPITAL AND RESERVES</b>			
Share capital	26	7,200	7,200
Reserves	28	13,667	14,556
<b>Total equity</b>		<b>20,867</b>	21,756

This statement of financial position was approved and authorised for issue by the Board of the Directors on 27 June 2024 and signed on its behalf by:

**Ms. CHAU Wai Chu Irene**  
*Director*

**Mr. LEAN Chun Wai**  
*Director*

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 30. INVESTMENTS IN SUBSIDIARIES

Details of the subsidiaries as at 31 March 2024 are as follows:

Name of company	Place of incorporation and/or operation	Particulars of issued and paid up capital	Percentage of effective interests held by the Company	Principal activities
Media Savvy Marketing International Limited*	BVI	100 shares totalling US\$100	100%	Investment holding
Media Savvy Limited	Hong Kong	10,000 shares totalling HK\$10,000	100%	Investment holding
Media Savvy Marketing Limited	Hong Kong	100 shares totalling HK\$100	100%	Provision of advertising display services
Media Savvy In-Store Media Limited	Hong Kong	10,000 shares totalling HK\$10,000	100%	Inactive/No business operation
Medic Savvy Media Limited	Hong Kong	10,000 shares totalling HK\$10,000	100%	Investment holding
A1 Advertising & Production Company Limited	Hong Kong	10,000 shares totalling HK\$10,000	100%	Investment holding
OOH La La Printing And Production Limited	Hong Kong	10,000 shares totalling HK\$10,000	100%	Provision of printing services
Auto Savvy Limited	Hong Kong	1,000 shares totalling HK\$1,000	100%	Sale of pre-owned private vehicle
Vehicle Savvy Limited	Hong Kong	1 share totalling HK\$1	100%	Sale of pre-owned private vehicle
M Savvy Media Limited	Hong Kong	10,000 shares totalling HK\$10,000	100%	Inactive/No business operation

\* Issued capital held directly by the Company

None of the subsidiaries had issued any debt securities at the end of the reporting period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 31. RELATED PARTY TRANSACTIONS

(i) Save as disclosed elsewhere in the consolidated financial statements, the Group did not have any transactions with the related parties during the years ended 31 March 2024 and 31 March 2023.

### (ii) Compensation of key management personnel

	2024 HK\$'000	2023 HK\$'000
Short-term benefits	5,723	5,652
Post-employment benefits	54	54
	<b>5,777</b>	5,706

## 32. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Group's capital management objectives include:

- (i) to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns;
- (ii) for benefits of members and for other stakeholders; and
- (iii) to provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and member returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, capital expenditures and strategic investment opportunities.

Management of the Group regards total equity as capital. The amount of capital attributable to the owners of the Company as at 31 March 2024 amounted to approximately HK\$30,074,000 (2023: approximately HK\$40,582,000), which the management considers as optimal having considered the projected capital expenditures and the projected strategic investment opportunities.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 33. RETIREMENT SCHEME

Under the Mandatory Provident Fund Schemes Ordinance regulated by the Mandatory Provident Fund (“MPF”) Schemes Authority in Hong Kong, with effect from 1 December 2000, the Group participates in a MPF scheme operated by an approved trustee in Hong Kong and makes contributions for its eligible employees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income. The cap of monthly relevant income has been increased from HK\$25,000 to HK\$30,000 since 1 June 2014. Contributions to the MPF Scheme vest immediately.

For the year ended 31 March 2024, the aggregate amounts of employer’s contributions made by the Group were approximately HK\$327,000 (2023: approximately HK\$319,000). No forfeited contribution is available for offset against existing contributions during the year.

## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group’s business.

### (a) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms and cause a financial loss to the Group.

The Group’s exposure to credit risk mainly arises from granting credits to customers in the ordinary course of its operations and is limited to the carrying amounts of financial assets recognised at the end of the reporting period, as summarised in note 34(f) to the consolidated financial statements.

The Group’s trade and other receivables are actively monitored to avoid significant concentrations of credit risk. The Group is not exposed to any significant credit risk from any single counterparty or any group of counterparties having similar characteristics. The Group’s bank balances are deposited with major banks with good credit rating in Hong Kong. The Group has no other significant exposure to credit risk.

At the end of the reporting period, the Group had a concentration of credit risk as 18% (2023: 20%) and 61% (2023: 68%) of the total trade receivables was due from the Group’s largest customer and the five largest customers respectively.

The Group applies the simplified approach to provide for ECLs prescribed by HKFRS 9, which permits the use of the lifetime ECLs provision for all trade receivables. The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables is estimated based on a provision matrix by reference to past default experience of the debtor and current market condition in relation to each debtor’s exposure. The ECLs also incorporate forward-looking information with reference to general macro-economic conditions that may affect the ability of the debtors to settle. To measure the ECLs, the trade receivables have been grouped based on shared credit risk characteristics and the days past due.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

### (a) Credit risk *(Continued)*

The information about the exposure to credit risk and ECL for trade receivables using a provision matrix is summarised below.

**As at 31 March 2024**

	Expected loss rate %	Gross carrying amount HK\$	Loss allowance HK\$	Credit-impaired
Not past due	0	679	–	No
1–90 days past due	0	1,137	–	No
91–180 days past due	0	365	–	No
181–270 days past due	0	3	–	No
		<b>2,184</b>	–	

As at 31 March 2023

	Expected loss rate %	Gross carrying amount HK\$	Loss allowance HK\$	Credit-impaired
Not past due	0	720	–	No
1–90 days past due	0	2,182	–	No
91–180 days past due	0	654	–	No
181–270 days past due	0	421	–	No
		<b>3,977</b>	–	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

### **(a) Credit risk** *(Continued)*

The Directors considered that the loss allowance provision for trade receivables arising from the ECL model was immaterial during the year. No impairment loss had been recognised during the years ended 31 March 2024 and 31 March 2023.

The Group takes into account the historical default experience and forward-looking information, as appropriate. The Group considers the consistently low historical default rates of counterparties, and concludes that credit risk inherent in the Group's other receivables is insignificant. The Group has assessed that other receivables do not have a significant increase in credit risk since initial recognition and risk of default is insignificant. Therefore, the ECLs for these receivables were immaterial under the 12-month ECLs method and no loss allowance provision was recognised during the year.

Expected loss rates are based on actual loss experience over the past two years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The Group expects that there is no significant credit risk associated with cash at bank since they are deposited with credit worthy financial institutions.

The credit policies have been followed by the Group during the year and are considered to be effective.

### **(b) Liquidity risk**

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

The Group monitors and maintains a level of cash and bank balances deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The Group's policy is to regularly monitor current and expected liquidity requirements in the short and long terms. The liquidity of the Group is primarily dependent on its ability to maintain adequate cash inflows from operations to meet its debt obligations. The Group relies on internally generated funds as a significant source of liquidity.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

### (b) Liquidity risk *(Continued)*

The maturity profile of the financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

	Carrying amount HK\$'000	Total contractual undiscounted cash flows HK\$'000	On demand HK\$'000	Within 1 year HK\$'000	1-2 years HK\$'000	2-5 years HK\$'000
<b>At 31 March 2024</b>						
<b>Non-derivatives:</b>						
Trade payables	943	943	943	–	–	–
Accruals and other payables	1,772	1,772	414	1,358	–	–
Lease liabilities	26,633	27,858	–	14,742	10,171	2,945
	<b>29,348</b>	<b>30,573</b>	<b>1,357</b>	<b>16,100</b>	<b>10,171</b>	<b>2,945</b>
<b>At 31 March 2023</b>						
<b>Non-derivatives:</b>						
Trade payables	528	528	528	–	–	–
Accruals and other payables	1,480	1,480	189	1,291	–	–
Lease liabilities	41,256	43,731	–	15,062	17,533	11,136
	<b>43,264</b>	<b>45,739</b>	<b>717</b>	<b>16,353</b>	<b>17,533</b>	<b>11,136</b>

### (c) Interest rate risk

As of 31 March 2024 and 31 March 2023, the Group had no bank borrowings. The interest rate risk on the bank balances are considered minimal as they are short-term instruments with maturities of less than 1 year.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

### (d) Currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group mainly operates in Hong Kong. The functional currency of the Company and its subsidiaries is HK\$. Most of the Group's business transactions are settled in the functional currencies of the Company and its subsidiaries, except for financial assets at FVTPL that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk are primarily United States dollars ("US\$"). Since HK\$ is pegged to US\$, the Group does not expect any significant movements in US\$/HK\$ exchange rate. The Group does not have significant exposure to risk resulting from changes in foreign currency exchange rates.

### (e) Fair value

Financial assets measured at fair value in the consolidated statement of financial position are required to disclose their fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset that are not based on observable market data (unobservable inputs).

At 31 March 2024 and 31 March 2023, all financial assets at FVTPL were classified as level 1. There were no transfers between levels during the years ended 31 March 2024 and 31 March 2023.

The fair value of financial assets at FVTPL which are traded on active markets are determined with reference to quoted market prices.

Due to the short-term nature, the carrying values of other financial instruments are not measured at fair value of financial instruments approximate fair value and are detailed in note 34(f) to the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2024

## 34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(Continued)*

### (f) Summary of financial assets and liabilities by category

The carrying amounts presented in the consolidated statement of financial position related to the following categories of financial assets and financial liabilities:

	2024 HK\$'000	2023 HK\$'000
<b>Financial assets</b>		
<i>Financial assets at FVTPL:</i>		
Listed debt investments	250	1,472
<i>Financial assets measured at amortised cost:</i>		
Trade receivables	2,184	3,977
Deposits and other receivables	349	349
Cash and bank balances	31,620	32,928
	<b>34,153</b>	37,254
	<b>34,403</b>	38,726
<b>Financial liabilities</b>		
<i>Financial liabilities measured at amortised cost:</i>		
Trade payables	943	528
Accruals and other payables	1,772	1,480
	<b>2,715</b>	2,008

# FINANCIAL SUMMARY

The consolidated results of the Group for the five years ended 31 March 2020, 2021, 2022, 2023 and 2024 and the consolidated assets, liabilities and equity of the Group as at 31 March 2020, 2021, 2022, 2023 and 2024 are set out in the audited consolidated financial statements.

## RESULTS

	Year ended 31 March				
	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000	2020 HK\$'000
REVENUE	<b>51,079</b>	43,898	55,481	47,197	56,755
LOSS BEFORE INCOME TAX EXPENSE	<b>(10,440)</b>	(9,377)	(2,644)	(5,068)	(5,742)
INCOME TAX EXPENSE	<b>(68)</b>	(85)	(78)	(52)	(135)
LOSS FOR THE YEAR	<b>(10,508)</b>	(9,462)	(2,722)	(5,120)	(5,877)
LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY	<b>(10,508)</b>	(9,462)	(3,050)	(4,692)	(5,687)

## ASSETS AND LIABILITIES

	As at 31 March				
	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000	2020 HK\$'000
NON-CURRENT ASSETS	<b>26,742</b>	46,408	36,530	41,120	43,434
CURRENT ASSETS	<b>39,419</b>	44,220	49,130	55,947	61,634
TOTAL ASSETS	<b>66,161</b>	90,628	85,660	97,067	105,068
NON-CURRENT LIABILITY	<b>12,785</b>	27,675	17,205	19,299	17,651
CURRENT LIABILITIES	<b>23,302</b>	22,371	18,411	25,031	29,544
TOTAL LIABILITIES	<b>36,087</b>	50,046	35,616	44,330	47,195
NET ASSETS	<b>30,074</b>	40,582	50,044	52,737	57,873
<b>EQUITY</b>					
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	<b>30,074</b>	40,582	50,044	53,051	57,743