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OOH Holdings Limited
奧傳思維控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8091)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2019

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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

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

*This announcement, for which the directors (the "**Directors**") of OOH Holdings Limited (the "**Company**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

HIGHLIGHTS

- Total revenue increased by 7.6% from approximately HK$56.9 million for the year ended 31 March 2018 ("**FY2018**") to approximately HK$61.2 million for the year ended 31 March 2019 ("**FY2019**"). Total revenue from transportation segment increased by 12.2% from approximately HK$42.6 million for FY2018 to approximately HK$47.8 million for FY2019, total revenue from healthcare segment decreased by 86.0% from approximately HK$14.3 million for FY2018 to approximately HK$2.0 million for FY2019. Total revenue from new segments of Logistic Advertising Business, Digital Media Business and Digital Event Management Business amounted to approximately HK$0.4 million, approximately HK$5.7 million and approximately HK$5.4 million for FY2019 respectively.

- Gross profit decreased by 13.7% from approximately HK$21.9 million for FY2018 to approximately HK$18.9 million for FY2019, and gross profit margin decreased from 38.4% for FY2018 to 30.9% for FY2019.

- Profit attributable to owners of the Company amounted to approximately HK$0.6 million for FY2019 compared to approximately HK$3.4 million for FY2018.

ANNUAL RESULTS

The board of directors (the "**Board**") of the Company is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2019 together with the comparative figures for the year ended 31 March 2018, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2019

	Notes	2019 HK$'000	2018 HK$'000
Revenue	4, 5	**61,192**	56,946
Cost of sales		**(42,301)**	(35,062)
Gross profit		**18,891**	21,884
Other income and gains, net		**2,200**	408
Selling expenses		**(7,223)**	(7,276)
Administrative expenses		**(13,075)**	(10,489)
Share of loss of an associate	9	**—**	(2)
Profit before income tax credit/(expense)	6	**793**	4,525
Income tax credit/(expense)	7	**15**	(1,086)
Profit and total comprehensive income for the year		**808**	3,439
Profit and total comprehensive income for the year attributable to:			
Owners of the Company		**644**	3,439
Non-controlling interests		**164**	—
		808	3,439
		HK cents	*HK cents*
Earnings per share for profit attributable to owners of the Company			
Basic and diluted	8	**0.09**	0.48

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

	Notes	2019 HK$'000	2018 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**1,527**	924
Club membership		**2,626**	2,626
Goodwill		**39**	—
Interest in an associate	*9*	**—**	—
Prepayment	*11*	**942**	—
		5,134	3,550
Current assets			
Trade receivables	*10*	**5,561**	4,369
Deposits, prepayments and other receivables	*11*	**6,545**	5,160
Tax recoverable		**716**	1,166
Pledged bank deposits		**1,029**	1,927
Cash and bank balances		**62,331**	61,489
		76,182	74,111
Current liabilities			
Trade payables	*12*	**841**	2,157
Accruals, deposits received and other payables	*13*	**4,381**	12,648
Contract liabilities	*14*	**12,078**	—
Amount due to an associate	*9*	**57**	70
Tax payable		**29**	—
		17,386	14,875
Net current assets		**58,796**	59,236
Total assets less current liabilities/Net assets		**63,930**	62,786
CAPITAL AND RESERVES			
Capital and reserves attributable to owners of the Company			
Share capital	*15*	**7,200**	7,200
Reserves		**56,230**	55,586
		63,430	62,786
Non-controlling interests	*16*	**500**	—
Total equity		**63,930**	62,786

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2019

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 28 June 2016 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands and its shares had 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 is investment holding. The Group is principally engaged in the provision of advertising display services and esports event management services.

As at 31 March 2019, the directors of the Company 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 HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of new or revised HKFRSs — effective from 1 April 2018

Annual Improvements to HKFRSs 2014–2016 Cycle	Amendments to HKAS 28, Investments in Associates and Joint Ventures
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration

Annual Improvements to HKFRSs 2014–2016 Cycle — Amendments to HKAS 28, Investments in Associates and Joint Ventures

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 28, "Investments in Associates and Joint Ventures", clarifying that a venture capital organisation's permissible election to measure its associates or joint ventures at fair value is made separately for each associate or joint venture.

The adoption of these amendments has no impact on these financial statements as the Group is not a venture capital organisation.

HKFRS 9 — Financial Instruments

HKFRS 9 replaces HKAS 39 "Financial Instruments: Recognition and Measurement" for annual periods beginning on or after 1 April 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment and (3) hedge accounting. The adoption of HKFRS 9 from 1 April 2018 has resulted in changes in accounting policies of the Group and the amounts recognised in the consolidated financial statements.

(i) *Classification of financial assets and financial liabilities*

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at fair value through profit or loss ("**FVTPL**"), where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group's accounting policies related to financial liabilities. The impact of HKFRS 9 on the Group's classification and measurement of financial assets is set out below.

Under HKFRS 9, except for certain trade receivables (that the trade receivables do not contain a significant financing component in accordance with HKFRS 15), an entity shall, at initial recognition, measure a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs. A financial asset is classified as: (i) financial assets at amortised cost ("**amortised cost**"); (ii) financial assets at fair value through other comprehensive income ("**FVTOCI**"); or (iii) financial assets at FVTPL. The classification of financial assets under HKFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the "solely payments of principal and interest" criterion, also known as "**SPPI criterion**").

A financial asset is measured at amortised cost if it meets both of the following conditions and it has not been designated as at FVTPL:

— It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

— The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

A debt investment is measured at FVTOCI if it meets both of the following conditions and it has not been designated as at FVTPL:

— It is held within a business model whose objective is to achieved by both collecting contractual cash flows and selling financial assets; and

— The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

The following accounting policies would be applied to the Group's financial assets as follows:

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 following table summarises the original measurement categories under HKAS 39 and the new measurement outgoing under HKFRS 9 for each class of the Group's financial assets as at 1 April 2018:

Financial assets	**Original classification under HKAS 39**	**New classification under HKFRS 9**	**Carrying amount as at 1 April 2018 under HKAS 39**	**Carrying amount as at 1 April 2018 under HKFRS 9**
			HK$'000	*HK$'000*
Trade receivables	Loans and receivables	Amortised cost	4,369	4,369
Deposits and other receivables	Loans and receivables	Amortised cost	110	110
Pledged bank deposits	Loans and receivables	Amortised cost	1,927	1,927
Cash and bank balances	Loans and receivables	Amortised cost	61,489	61,489

The adoption of HKFRS 9 did not have a significant impact on the classification and measurement of the Group's financial assets. Trade receivables, deposits and other receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group analysed the contractual cash flow characteristics of those instruments and concluded that they meet the criteria for amortised cost measurement under HKFRS 9. Therefore, reclassification for these instruments is not required. These financial assets continue to be measured at amortised cost and are subsequently measured using effective interest rate method.

There was no impact on the Group's accounting for financial liabilities as at 1 April 2018, as the new requirement under HKFRS 9 only affect the accounting for financial liabilities that are designated at FVTPL of which the Group did not have any as of that date.

(ii) *Impairment of financial assets*

The adoption of HKFRS 9 has changed the Group's impairment model by replacing the HKAS 39 "incurred loss model" to the "expected credit losses ("**ECLs**") model". HKFRS 9 requires the Group to recognise ECLs for trade receivables and financial assets at amortised cost earlier than HKAS 39. Cash and cash equivalents are subject to ECLs model but the impairment was immaterial for the current year.

Under HKFRS 9, the losses allowances 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.

Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due 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. The 12-months ECLs is the portion of the lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. 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 and 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 other financial assets has increased significantly if it is more than 30 days past due unless reasonable and supportable information demonstrate 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.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Presentation of ECLs
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Impact of the ECLs model
Impairment of trade receivables:

As mentioned above, the Group applies the HKFRS 9 simplified approach to measure ECLs which adopts a lifetime ECLs for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. No additional impairment for these receivables as at 1 April 2018 and during the year ended 31 March 2019 is recognised as the amount of additional impairment measured under the ECLs model is insignificant.

Impairment of other financial assets at amortised cost:

Other financial assets at amortised cost of the Group include deposits and other receivables and all cash and bank balances (including pledged bank deposits). No additional impairment for these financial assets as at 1 April 2018 and during the year ended 31 March 2019 is recognised as the amount of additional impairment measured under the ECLs model is insignificant.

(iii) *Hedge accounting*
Hedge accounting under HKFRS 9 has no impact on the Group as the Group does not apply hedge accounting in its hedging relationships.

(iv) *Transition*

The Group has applied the transitional provision in HKFRS 9 such that HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the statement of financial position as at 31 March 2018, but are recognised in the statement of financial position on 1 April 2019. Based on the management's assessment, there was no material difference in the carrying amount of financial assets and financial liabilities resulting from the adoption of HKFRS 9 recognised in retaining earnings and reserves as at 1 April 2018.

HKFRS 15 — Revenue from Contracts with Customers

HKFRS 15 supersedes HKAS 11 "Construction Contracts", HKAS 18 "Revenue" and related interpretations. HKFRS 15 has established a five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group has adopted HKFRS 15 using the cumulative effect method with practical expedients. The Group has recognised the cumulative effect of initially applying HKFRS 15 as an adjustment to the opening balance of retained profits at the date of initial application, i.e. 1 April 2018. As a result, the financial information presented for the year ended 31 March 2018 has not been restated.

The details of the nature and effect of the changes on application of HKFRS 15 are set out below:

Timing of revenue recognition

Previously, revenue from provision of advertising display services is recognised on a straight line basis over the performance period for which the advertisement are displayed.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised goods or services in the contract. This may be at a single point in time or over a period of time. HKFRS 15 identifies the following three situations in which control of the promised goods or services is regarded as being transferred over time:

- When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;

- When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced; or

- When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these three situations, then under HKFRS 15 the entity recognises revenue for the sale of that goods or services at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The adoption of HKFRS 15 does not have a significant impact on the recognition of revenue from advertising display services and esports event management services.

Based on the management's assessment, revenue arising from advertising display services and esports event management services is recognised over time as the customer simultaneously receives and consumes the benefit provided by the Group's performance as the Group performs.

Principal versus agent considerations
HKFRS 15 requires an entity to determine whether it is the principal in the transaction or the agent on the basis of whether it controls the goods or services before they are transferred to the customer. Prior to the adoption of HKFRS 15, based on the existence of credit risks and other factors, the management concluded that they have an exposure to the significant risks and rewards associated with their sale arrangements to their customers, and accounted for the advertising display contracts and esports event management contracts as if they were acting as a principal. In applying the new guidance, the Group determined that it controls the goods or services before they are transferring to customers, and hence, is a principal in these contracts. The Group concluded that the adoption of HKFRS 15 has no material impact on the consolidated financial statements as at 1 April 2018 and 31 March 2019 in this respect.

Volume rebate
Some of the Group's contracts with customers from the advertising display contracts provide customers a volume rebate if the customer hit the sales volume hurdles and settled all the invoice due within the contract period.

Under HKAS 18, the Group estimated the most likely amount of volume rebates and no such provision for rebate was required as at 31 March 2018.

Under HKFRS 15, 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.

No provision of rebate as at 1 April 2018 and during the year ended 31 March 2019 is recognised as the expected amount of volume rebates is insignificant.

Presentation of contract liabilities
Under HKFRS 15, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue. For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Previously, contract balances relating to "Advance received from customers" were presented in the consolidated statement of financial position under "Accruals, deposits received and other payables".

To reflect these changes in presentation, the Group has made the reclassification adjustment as at 1 April 2018. As a result of the adoption of HKFRS 15, "Accruals, deposits received and other payables — Advance received from customers" amounted to approximately HK$11,398,000 as at 1 April 2018 is now classified as contract liabilities.

The following table summarised the impact of affected individual line item of the consolidated statement of financial position as at 31 March 2019 following the adoption of HKFRS 15. There was no material impact on the consolidated statement of profit or loss and other comprehensive income and consolidated statement of cash flow for the year ended 31 March 2019.

	Before adoption of HKFRS 15	**Impact of adoption of HKFRS 15 as at 31 March 2019**	**As reported**
	HK$'000	*HK$'000*	*HK$'000*
Contract liabilities	—	12,078	12,078
Accruals, deposits received and other payables	16,459	(12,078)	4,381

Except for the above, there is no significant impact on the consolidated financial statements as at 1 April 2018 upon the adoption of HKFRS 15. The reclassification has no impact on the consolidated statement of cash flows since the movements of the above items are still presented as cash flows from operating activities.

Amendments to HKFRS 15 — Revenue from Contracts with Customers (Clarifications to HKFRS 15)

The amendments to HKFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

The adoption of these amendments has no impact on these financial statements as the Group had not previously adopted HKFRS 15 and took up the clarifications in this, its first, year.

HK(IFRIC)-Int 22 — Foreign Currency Transactions and Advance Consideration

The interpretation provides guidance on determining the date of the transaction for determining an exchange rate to use for transactions that involve advance consideration paid or received in a foreign currency and the recognition of a non-monetary asset or non-monetary liability. The interpretation specifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part thereof) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The adoption of this interpretation has no material impact on these consolidated financial statements as all the times the Group determines the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

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

The following new or revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKFRS 3 "Business Combinations"[1]
Annual Improvements to HKFRSs 2015–2017 Cycle	Amendments to HKAS 12 "Income Taxes"[1]
Amendments to HKAS 1 and HKAS 8	Definition of Material[2]
Amendments to HKFRS 3	Definition of a Business[3]
Amendments to HKFRS 9	Prepayment Features with Negative Compensation[1]
HKFRS 16	Leases[1]
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments[1]
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]

1 Effective for annual periods beginning on or after 1 January 2019

2 Effective for annual periods beginning on or after 1 January 2020

3 Effective for business combinations where the acquisition date is on or after 1 January 2020

4 The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted.

HKFRS 16 — Leases

HKFRS 16, which upon the effective date will supersede HKAS 17 "Leases" and related interpretations, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

Application of HKFRS 16 will result in the Group's recognition of right-of-use assets and corresponding liabilities in respect of its operating lease arrangements. These assets and liabilities are currently not required to be recognised. The adoption of HKFRS 16 will therefore result in an increase in right-of-use assets and an increase in lease liabilities in the Group's consolidated statement of financial position. In the Group's consolidated statement of profit or loss and other comprehensive income, the annual rental under otherwise identical circumstances will decrease, while amortisation of right-of-use of assets and interest expenses arising from the financial liabilities will increase.

The Group will apply the standard from its mandatory adoption date of 1 April 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group is still in the process of assessing the impact of HKFRS 16. However, the application of the HKFRS 16 may result in changes in measurement, presentation, and disclosure as indicated above.

Except as described above, the directors of the Company anticipate that the application of the new or amended HKFRSs below will have no material impact on the consolidated financial statements.

Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKFRS 3 "Business Combinations"

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKAS 12 "Income Taxes"

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

Amendments to HKAS 1 and HKAS 8 — Definition of Material

The amendments clarify the definition of material and align the definition used across the HKFRSs. Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. Materiality depends on the nature or magnitude of information, or both. An entity assesses whether information, either individually or in combination with other information, is material in the context of its financial statements taken as a whole.

Amendments to HKFRS 3 — Definition of a Business

The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a transaction should be accounted for as a business combination or as an asset acquisition. An entity shall apply these amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2020 and to asset acquisitions that occur on or after the beginning of that period.

Earlier application of these amendments is permitted, including in annual reporting periods beginning before 18 January 2019 (the date of issuance of these amendments). If an entity applies these amendments for an earlier period, it shall disclose that fact.

Amendments to HKFRS 9 — Prepayment Features with Negative Compensation

The amendments clarify that prepaid financial assets with negative compensation can be measured at amortised cost or at FVTOCI if specified conditions are met instead of at FVTPL.

HK(IFRIC)-Int 23 — Uncertainty over Income Tax Treatments

The interpretation supports the requirements of HKAS 12 "Income Taxes" by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes. Under the interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the "most likely amount" or the "expected value" approach, whichever better predicts the resolution of the uncertainty.

Amendments to HKAS 28 — Long-term Interests in Associates and Joint Ventures

The amendment clarifies that HKFRS 9 applies to long-term interests ("**LTI**") in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

3. BASIS OF PREPARATION

3.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with all HKFRSs, Hong Kong Accounting Standards ("**HKASs**") and Interpretations (hereinafter collectively referred to as the "**HKFRS**") and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include disclosures required by the GEM Listing Rules.

3.2 Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis.

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.

4. SEGMENT INFORMATION

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is defined on the basis of the internal management reporting information that is provided to and regularly reviewed by the executive directors in order to allocate resources and assess performance of the segment.

The executive directors considered the business from the perspective of advertising platforms available, and determined that the Group has the following reportable operating segments:

— Provision of advertising display services over the transportation media platforms (“**Transportation Business**”);

— Provision of advertising display services over the healthcare media platforms (“**Healthcare Business**”);

— Provision of advertising display services over the digital and online media platforms (“**Digital Media Business**”);

— Provision of advertising display services over the self-pickup lockers platforms (“**Logistic Advertising Business**”); and

— Provision of esports event management services (“**Digital Event Management Business**”).

Segment revenue and results

Segment revenue below represents revenue from external customers. There was no inter-segment revenue during the year. The chief operating decision makers assess the performance of the operating segments mainly based on revenue and gross profit of each operating segment. Corporate and other unallocated expenses include selling expenses, administrative expenses and other expenses which are common costs incurred for the operating segments as a whole and therefore they are not included in the measure of the segments’ performance that is used by the chief operating decision makers as a basis for the allocation of resources and assessment of segment performance. Other income and gains, net, share of loss of an associate and income tax credit/(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	**Healthcare Business**	**Digital Media Business**	**Logistic Advertising Business**	**Digital Event Management Business**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Year ended 31 March 2019						
Revenue						
— From external customers	**47,771**	**1,978**	**5,683**	**403**	**5,357**	**61,192**
Cost of sales	**(31,362)**	**(1,873)**	**(4,317)**	**(240)**	**(4,509)**	**(42,301)**
Gross profit	**16,409**	**105**	**1,366**	**163**	**848**	**18,891**
Unallocated other income and gains, net						**2,200**
Corporate and other unallocated expenses						**(20,298)**
Profit before income tax credit						**793**

	Transportation Business	Healthcare Business	Total
	HK$'000	*HK$'000*	*HK$'000*
Year ended 31 March 2018			
Revenue			
— From external customers	42,647	14,299	56,946
Cost of sales	(27,975)	(7,087)	(35,062)
Gross profit	14,672	7,212	21,884
Unallocated other income and gains, net			408
Corporate and other unallocated expenses			(17,765)
Share of loss of an associate			(2)
Profit before income tax expense			4,525

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*	Digital Media Business *HK$'000*	Logistic Advertising Business *HK$'000*	Digital Event Management Business *HK$'000*	Total *HK$'000*
Year ended 31 March 2019						
Primary geographical markets						
Hong Kong (place of domicile)	**47,771**	**1,978**	**5,683**	**403**	**769**	**56,604**
Taiwan	**—**	**—**	**—**	**—**	**4,588**	**4,588**
	47,771	**1,978**	**5,683**	**403**	**5,357**	**61,192**
Major service lines						
Advertising display services						
— Minibus	**45,738**	**—**	**—**	**—**	**—**	**45,738**
— Taxi	**762**	**—**	**—**	**—**	**—**	**762**
— Others	**1,271**	**—**	**—**	**—**	**—**	**1,271**
— Hospitals and clinics	**—**	**1,307**	**—**	**—**	**—**	**1,307**
— Health and beauty retail stores	**—**	**671**	**—**	**—**	**—**	**671**
— Digital and online media	**—**	**—**	**5,683**	**—**	**—**	**5,683**
— Self-pickup lockers	**—**	**—**	**—**	**403**	**—**	**403**
	47,771	**1,978**	**5,683**	**403**	**—**	**55,835**
Esports event management services	**—**	**—**	**—**	**—**	**5,357**	**5,357**
	47,771	**1,978**	**5,683**	**403**	**5,357**	**61,192**
Timing of revenue recognition						
Transferred over time	**47,771**	**1,978**	**5,683**	**403**	**5,357**	**61,192**

	Transportation Business *HK$'000*	Healthcare Business *HK$'000*	Total *HK$'000*
Year ended 31 March 2018			
Primary geographical market			
Hong Kong (place of domicile)	42,647	14,299	56,946
Major platforms/services			
Advertising display services			
— Minibus	40,811	—	40,811
— Taxi	835	—	835
— Others	1,001	—	1,001
— Hospitals and clinics	—	11,494	11,494
— Health and beauty retail stores	—	2,805	2,805
	42,647	14,299	56,946
Timing of revenue recognition			
Transferred over time	42,647	14,299	56,946

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 regarded 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 asset ("Specified non-current assets").

	Revenue from external customers		**Specified non-current assets**	
	2019	2018	**2019**	2018
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong (place of domicile)	**56,604**	56,946	**5,134**	3,550
Taiwan	**4,588**	—	**—**	—
	61,192	56,946	**5,134**	3,550

Information about major customers

No single customer contributed to 10% or more of the Group's revenue during the years ended 31 March 2019 and 31 March 2018.

5. REVENUE

Revenue is derived from provision of advertising display services and esports event management services during the year. Further details are disclosed in note 4.

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

	31 March 2019	1 April 2018
	HK$'000	*HK$'000*
Trade receivables *(note 10)*	**5,561**	4,369
Contract liabilities *(note 14)*	**12,078**	11,398

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

As at 31 March 2019, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is HK$12,078,000. This amount represents revenue expected to be recognised in the future from partially-completed advertising display service contracts. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to occur in the next 12 months.

6. PROFIT BEFORE INCOME TAX CREDIT/(EXPENSE)

Profit before income tax credit/(expense) is arrived at after charging the following:

	2019	2018
	HK$'000	*HK$'000*
Auditor's remuneration	**540**	500
Provision for impairment of trade receivables	**—**	61
Depreciation of property, plant and equipment	**352**	188
Write off of property, plant and equipment	**—**	9
Employee costs (including directors' emoluments)	**17,859**	11,362
Operating lease rental in respect of:		
— Advertising spaces (included in cost of sales)	**29,116**	30,886
— Premises	**413**	333

7. INCOME TAX (CREDIT)/EXPENSE

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

	2019	2018
	HK$'000	*HK$'000*
Current tax-Hong Kong Profits Tax		
— Tax for the year	**158**	1,153
— Over-provision in respect of prior years	**(173)**	(67)
	(15)	1,086

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

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year ended 31 March 2018; and 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 year ended 31 March 2019.

Taiwan Profit Seeking Enterprise Income Tax arising from operations in Taiwan is calculated at 20% on the estimated assessable profits for the year ended 31 March 2019. During the year, no assessable profit was derived from the operation in Taiwan (2018: Nil).

No deferred tax has been recognised as there were no material temporary differences during the year (2018: Nil).

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

	2019	2018
	HK$'000	*HK$'000*
Profit before income tax (credit)/expense	**793**	4,525
Tax calculated at the domestic tax rate of 16.5% (2018: 16.5%)	**131**	747
Tax effect an adoption of two-tiered profits tax rates regime	**(132)**	—
Tax effect of different tax rate of a foreign operation	**9**	—
Tax effect of non-deductible items	**288**	454
Tax effect of non-taxable items	**(35)**	(12)
Tax effect of temporary differences not recognised	**(83)**	(16)
Over-provision in respect of prior years	**(173)**	(67)
Others	**(20)**	(20)
Income tax (credit)/expense	**(15)**	1,086

8. EARNINGS PER SHARE

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

	2019	2018
	HK$'000	*HK$'000*
Earnings		
Earnings for the purposes of basic and diluted earnings per share	**644**	3,439
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	**720,000**	720,000

The weighted average of 720,000,000 ordinary shares for the years ended 31 March 2019 and 31 March 2018 were same as the number of ordinary shares of the Company in issue throughout the years.

Diluted earnings per share were the same as the basic earnings per share as the Group had no potential dilutive ordinary shares during the years ended 31 March 2019 and 2018.

9. INTEREST IN AN ASSOCIATE

	2019	2018
	HK$'000	*HK$'000*
Share of net assets	**—**	—
Amount due to an associate	**57**	70

(a) Details of the associate as at 31 March 2019 and 31 March 2018 are as follows:

Name	**Place of incorporation**	**Issued capital**	**Percentage of ownership interest attribute to the Group**	**Principal activities**
M Savvy Media Limited ("**M Savvy Media**")	Hong Kong	HK$10,000	20%	Inactive/no business operation

The associate was a former subsidiary indirectly owned by the Company and has become an associate since 14 November 2017. Further details of the disposal of 80% equity interests are set out in note 17.

(b) The carrying amount of the associate was nil as at 31 March 2019 and 31 March 2018. During the year ended 31 March 2018, the Group shared HK$2,000 of the associate's loss and total comprehensive income. There are no other contingent liabilities related to the Group's interest in the associate.

(c) The amount due to an associate was unsecured, interest free and repayable on demand.

10. TRADE RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Trade receivables	**5,561**	4,430
Provision of impairment of trade receivables	**—**	(61)
	5,561	4,369

Analysis of trade receivables that are not impaired as of each reporting period based on revenue recognition date, is as follows:

	2019	2018
	HK$'000	*HK$'000*
0–90 days	**3,809**	2,784
91–180 days	**1,332**	1,505
181–365 days	**420**	76
Over 365 days	**—**	4
	5,561	4,369

The Group has no specified credit terms for its customers since advanced payments are normally required. The Group grants its customers for esports event management services with credit terms of generally 30 days. Overdue balances are reviewed regularly by senior management.

The following table reconciled the impairment loss of trade receivables for the year:

	2019	2018
	HK$'000	*HK$'000*
At beginning of the year	**61**	57
Write off	**(61)**	(57)
Impairment loss recognised	**—**	61
At end of the year	**—**	61

The maximum exposure to credit risk as at 31 March 2019 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 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. The ECLs also incorporate forward-looking information. As at 31 March 2019, the directors of the Company considered ECLs against the gross amounts of trade receivables is immaterial.

As at 31 March 2018, impairment loss of HK$61,000 was recognised in accordance with the Group's accounting policy prior to the adoption of HKFRS 9.

As at 31 March 2018, the ageing analysis of the Group's trade receivables that were not impaired, based on due date is as follows:

	HK$'000
Neither past due nor impaired	1,069
Past due less than 3 months	2,339
Past due more than 3 months but less than 6 months	539
Past due more than 6 months	422
	4,369

At 31 March 2018, the Group had trade receivables of HK$3,300,000 that were past due but not impaired as there was no recent history of default in respect of these trade debtors. Trade receivables that were neither past due nor impaired related to a large number of independent customers that had a good track record of credit with the Group. In general, the Group did not hold any collateral or other credit enhancements over these balances.

11. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Non-current asset		
Prepayment for acquisition of an intangible asset *(note)*	**942**	—
Current assets		
Payments in advance	**5,597**	4,611
Deposits	**169**	101
Prepayments	**377**	439
Other receivables	**402**	9
	6,545	5,160

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.

Note: During the year ended 31 March 2019, the Group entered into a non-binding agreement with an independent third party to acquire an exclusive right to distribute and market its branded food and beverage products and retail brand in Hong Kong through franchising arrangement at a consideration of US$120,000 (equivalent to approximately HK$942,000). The consideration was fully paid and recorded as prepayments as at 31 March 2019. This transaction became legally binding pursuant to a final agreement entered into between the Group and the independent third party on 3 May 2019.

12. 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:

	2019	2018
	HK$'000	*HK$'000*
0–90 days	**376**	1,786
91–180 days	**134**	12
181–365 days	**—**	359
Over 365 days	**331**	—
	841	2,157

13. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

	2019	2018
	HK$'000	*HK$'000*
Accrued expenses	**1,460**	863
Advance received from customers *(note 14)*	**—**	11,398
Other payables	**2,921**	387
	4,381	12,648

14. CONTRACT LIABILITIES

	31 March 2019	1 April 2018	31 March 2018
	HK$'000	*HK$'000*	*HK$'000*
Contract liabilities arising from:			
Advertising display services	**12,078**	11,398	—

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

The Group expects to render services to satisfy the remaining obligations of these contract liabilities within the next 12 months.

	2019
	HK$'000
Balance at beginning of the year	**11,398**
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	**(11,027)**
Increase in contract liabilities as a result of billing in advance of advertising display service, excluding those recognised as revenue in the current year	**11,707**
Balance at end of the year	**12,078**

The Group has initially applied HKFRS 15 using the cumulative effect method and adjusted the opening balance at 1 April 2018. Upon the adoption of HKFRS 15, amounts previously included as "advance received from customers" (note 13) have been reclassified to "contract liabilities".

15. SHARE CAPITAL

	2019		2018	
	Number of shares '000	***Amount HK$'000***	*Number of shares '000*	*Amount HK$'000*
Authorised:				
At the beginning and end of the year	**7,200,000**	**72,000**	7,200,000	72,000

	Number of shares	**Amount**
	'000	*HK$'000*
Issued:		
At 1 April 2017, 31 March 2018 and 31 March 2019	720,000	7,200

16. NON-CONTROLLING INTERESTS

The total non-controlling interests as at 31 March 2019 is HK$500,000 (2018: Nil), of which profits of HK$104,000 (2018: Nil) is attributable to the non-controlling interest of Toppa Media Savvy Limited ("**Toppa**"), profits of HK$62,000 (2018: Nil) is attributable to the non-controlling interest of OOH La La Printing and Production Limited and loss of HK$2,000 (2018: Nil) is attributable to the non-controlling interest of MSMM Company Limited. The non-controlling interests of these subsidiaries that are not 100% owned by the Group are considered to be immaterial.

During the year ended 31 March 2019, total capital injection from non-controlling interests was HK$353,000. Capital injection of HK$3,000 was paid by cash and the remaining HK$350,000 was settled through the current account with the subsidiaries.

17. DISPOSAL OF A SUBSIDIARY

On 14 November 2017, the Company's wholly owned subsidiaries, Media Savvy Limited and Medic Savvy Media Limited, disposed of their aggregated 80% equity interests in M Savvy Media to an independent third party. M Savvy Media was incorporated in Hong Kong and was inactive in prior years. Upon the disposal, the Group remains holding 20% equity interests in M Savvy Media which has been accounted for as an associate thereafter (note 9). The net assets of M Savvy Media at the date of disposal was as follows:

	HK$'000
Amount due from immediate holding company	105
Accrued expenses	(5)
Amount due to a fellow subsidiary	(35)
	65
Fair value of assets retained	(2)
Loss on disposal of a subsidiary	(55)
Satisfied by cash	8

18. ACQUISITION OF A SUBSIDIARY

On 26 July 2018, the Group completed the acquisition of 70% equity interests in Toppa from an independent third party at a cash consideration of HK$70. Toppa was incorporated in Hong Kong on 14 March 2018 and its principal activity is provision of esports event management services.

The fair value of identifiable assets and liabilities of Toppa as at the date of acquisition were:

	HK$
Net assets acquired:	
Trade receivables	1,009,096
Other receivables, deposits and prepayments	984,844
Cash and cash equivalents	106,498
Other payables and accruals	(2,155,838)
The fair value of net assets acquired	(55,400)
Add: non-controlling interests	16,620
	(38,780)
Goodwill arising on acquisition	38,850
Fair value of consideration	70
Consideration satisfied by:	
Cash	70
Net cash inflows arising on acquisition	106,498

The above cash consideration of HK$70 remained outstanding and is included in other payables as at 31 March 2019.

(a) The fair value of trade receivables and other receivables, deposits and prepayments amounted to HK$1,009,096 and HK$984,844 respectively. The gross amount and recoverable amount of these receivables are HK$1,009,096 and HK$984,844 respectively. None of these receivables have been impaired and it is expected that the full contractual amount can be collected.

(b) Goodwill of HK$38,850 arose on this acquisition, which is not deductible for tax purposes, comprises the acquired workforce and the expected synergies arising from the acquisition. The directors of the Company believe that this will diversify the source of income and enhance future development of the Group.

(c) The acquisition-related costs were considered to be immaterial.

(d) The acquired business contributed revenue of approximately HK$5,357,000 and profit after tax of approximately HK$347,000 to the Group for the period from 26 July 2018 to 31 March 2019.

(e) Had the acquisition occurred on 1 April 2018, the Group's revenue and profit after tax would have been approximately HK$62,173,000 and HK$807,644 respectively for the year ended 31 March 2019.

(f) This pro forma information is for illustrative purpose and is not necessarily an indication of revenue and the results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2018, nor is it intended to be a projection of future results.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a leading out-of-home ("**OOH**") advertising space and service provider in Hong Kong. During the year ended 31 March 2019, the Group continued to engage in the operation of advertising business on transportation and outdoor sector.

BUSINESS REVIEW

The Group continued its principal business in the provision of OOH advertising spaces and services to its customers, which comprise end users aiming to promote their brands, products or services, and advertising agents acting for such advertisers. We also offer our customers design and production, advertisement logistics, installation and dismantling services on the different advertising platforms.

During the year, the Group also started to provide (i) advertising display services over the self-pickup lockers platforms ("**Logistic Advertising Business**"); (ii) advertising display services over the digital and online media platforms ("**Digital Media Business**"); and (iii) esports event management services ("**Digital Event Management Business**"). The Logistic Advertising Business, Digital Media Business and Digital Event Management Business have recorded a margin of 40.4%, 24.0% and 15.8% respectively. Since the operation of the hospital media and health and beauty retail stores platforms have ceased in mid 2018, the Group has reallocated resources to develop Digital Media Business and Logistic Advertising Business. For Digital Event Management Business, the Group has received a termination notice from the principal operating the esports event management facilities in Taiwan subsequent to the year end date. Due to their business restructuring, they have decided to exercise their right of termination pursuant to the service agreement entered with the non wholly-owned subsidiary of the Group with effect from 31 May 2019. The Group will continue to identify and evaluate new opportunities in the market and strive to bring in new lines of business to the Group in the foreseeable future. The Group has been diversifying the coverage of our OOH advertising spaces from traditional display of advertisement through public transportation and poster frame to digitalization through internet and social media.

Apart from the increased number of exclusive minibus advertising spaces in our fixed route minibus network from 1,227 for the year ended 31 March 2018 to 1,356 for the year ended 31 March 2019, the Group has further developed our Transportation Business by strengthening the Group's exposure in the printing business. The Group has acquired printing machines for the production of advertising stickers for the minibus and taxi advertising spaces. As of the date herein, more than 50% of the production of advertising stickers for the minibus and taxi advertising spaces were printed at the printing factory located at the same floor of the Group's main office. The Group has also managed to enhance the efficiency of the printing machines by using our in-house developed technique for programming and printing layout of advertising stickers. When those printing machines reach its optimal capacity, the Group will achieve higher operational efficiency in terms of better control of the delivery time of the production of advertising stickers and further cost savings on the artwork production cost.

FINANCIAL REVIEW

Revenue

Total revenue of the Group increased by 7.6% from approximately HK$56.9 million for the year ended 31 March 2018 to approximately HK$61.2 million for that of 2019. Such increase of revenue was mainly contributed by (i) the increase of revenue generated from minibus advertising from approximately HK$40.8 million for the year ended 31 March 2018 to approximately HK$45.7 million for that of 2019; and (ii) the realization of the new business development of the Logistic Advertising Business, Digital Media Business and Digital Event Management Business.

Revenue generated from minibus advertising increased by 12.0% from approximately HK$40.8 million for the year ended 31 March 2018 to approximately HK$45.7 million for that of 2019. Such increase was mainly due to the fact that the Group has expanded the coverage of exclusive advertising spaces from 1,227 minibuses as at 31 March 2018 to 1,356 minibuses as at 31 March 2019 in accordance with the expansion plan and the use of net proceeds stated in the prospectus of the Company dated 23 December 2016 (the "**Prospectus**"). Revenue generated from taxi advertising decreased slightly by approximately HK$73,000 for the year ended 31 March 2019 as compared to that of 2018. Revenue generated from the provision of other types of advertising services (for example advertising spaces in other OOH media formats) increased by approximately HK$0.3 million for the year ended 31 March 2019 as compared to that of 2018.

Revenue generated from hospital advertising decreased from approximately HK$10.7 million for the year ended 31 March 2018 to approximately HK$0.7 million for that of 2019. Revenue generated from the health and beauty retail stores advertising decreased from approximately HK$2.8 million for year ended 31 March 2018 to approximately HK$0.7 million for that of 2019. Such decrease was due to the completion of the agreements for the use of advertising spaces at the public hospitals and the health and beauty retail stores on 30 April 2018 and 30 June 2018 respectively.

Revenue generated from (i) Digital Media Business; (ii) Digital Event Management Business; and (iii) Logistic Advertising Business were approximately HK$5.7 million, approximately HK$5.4 million and approximately HK$0.4 million respectively.

Cost of Sales and Gross Profit Margin

In general, cost of sales increased by 20.5% from approximately HK$35.1 million for the year ended 31 March 2018 to approximately HK$42.3 million for that of 2019. The increase was mainly due to (i) the increase of license fees paid for the exclusive minibus advertising spaces; (ii) the new license fees paid for the advertising spaces of the self-pickup lockers advertising and digital media advertising; and (iii) the operational expenses of the new Digital Event Management Business.

The gross profit margin decreased by 7.5 percentage points from approximately 38.4% for the year ended 31 March 2018 to approximately 30.9% for that of 2019.

In the minibus sub-segment, the Group has maintained a consistent gross profit margin of approximately 35.3% for the year ended 31 March 2019 of that approximately 35.6% for the year ended 31 March 2018.

In the hospitals and clinics sub-segment, gross profit margin decreased from approximately 72.8% for the year ended 31 March 2018 to approximately 33.1% for that of 2019 due to the completion of the agreement with the authority operating the public hospitals.

In the health and beauty retail stores sub-segment, gross loss margin increased by 7.7 percentage points for the year ended 31 March 2019 as compared with that of 2018 due to the completion of the said agreement.

The Group recorded a gross profit margin of approximately 24.0%, approximately 15.8% and approximately 40.4% for the year ended 31 March 2019 for new segments of Digital Media Business, Digital Event Management Business and Logistic Advertising Business respectively.

Selling Expenses

Selling expenses decreased slightly from approximately HK$7.3 million for the year ended 31 March 2018 to approximately HK$7.2 million for that of 2019 due to the decrease of sponsorship expenses for one of our major minibus exclusive licensors of approximately HK$0.1 million.

Administrative Expenses

Administrative expenses increased from approximately HK$10.5 million for the year ended 31 March 2018 to approximately HK$13.1 million for that of 2019. The increase was mainly attributable to (i) increase of directors' remuneration of approximately HK$1.0 million; (ii) increase in motor car expenses and depreciation of approximately HK$0.5 million; and (iii) expenses for exploring overseas business opportunities of approximately HK$0.4 million.

Profit Attributable to Owners of the Company

As a result, we recorded profit attributable to owners of the Company of approximately HK$0.6 million for the year ended 31 March 2019 as compared to approximately HK$3.4 million for 2018.

Capital Structure

Details of the Company's share capital are set out in note 15 in this announcement.

Liquidity and Financial Resources

During the year ended 31 March 2019, the Group mainly financed its operations with its own working capital and the net proceeds from listing. As at 31 March 2019 and 31 March 2018, the Group had net current assets of approximately HK$58.8 million and approximately HK$59.2 million respectively, including cash and bank balances of approximately HK$62.3 million and approximately HK$61.5

million respectively. The Group's pledged bank deposits of approximately HK$1.0 million as at 31 March 2019 (2018: approximately HK$1.9 million) represented cash at bank held by the Group and pledged for letters of guarantee issued by bank.

As at 31 March 2019, the gearing ratio was 0% (2018: 0%), calculated on the Group's bank borrowings over the Group's total equity. As of 31 March 2019 and 31 March 2018, the Group had no bank borrowings.

Significant Investments Held

The Group did not have any significant investments held as at 31 March 2019 and 31 March 2018.

Material Acquisitions or Disposals of Subsidiaries and Affiliated Companies

Details of the acquisition of a subsidiary are set out in note 18 in this announcement.

Future Plans for Material Investments and Capital Assets

Save as those disclosed in the Prospectus, the Group currently has no other plan for material investments and capital assets.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 31 March 2019 and 31 March 2018.

Commitments

The Group's contractual commitments primarily related to the leases of its office equipment, advertising spaces and office premises. The Group's operating lease commitments amounted to approximately HK$51.2 million and approximately HK$49.4 million as at 31 March 2019 and 31 March 2018 respectively. As at 31 March 2019, the Group did not have any capital commitments (2018: Nil).

Charge on Group's Asset

As at 31 March 2019, save for the pledged bank deposits, the Group did not pledge any of its assets (2018: Nil) as securities for any facilities granted to the Group.

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.

Use of Net Proceeds from Listing

The net proceeds from the issue of a total of 180,000,000 new ordinary shares of the Company at the placing price of HK$0.27 per share under the placing as set out in the Prospectus, after deducting underwriting commission and other expenses relating to the 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) will be 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 the Listing Date to 31 March 2019 is set out below:

	Amount of usage of net proceeds from the Listing Date to 31 March 2019		**Unutilized net proceeds as at 31 March 2019**
	Estimated*	**Actual**	
	HK$ million	*HK$ million*	*HK$ million*
(i) Expand our coverage in the minibus media	20.9	12.2	8.7
(ii) Expand our coverage in other transportation	5.4	0.2	5.2
(iii) Expand our coverage in the healthcare-related advertising	2.9	0.0	2.9
(iv) Enhance our information management system	0.7	0.1	0.6
Total	29.9	12.5	17.4

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

The unutilized net proceeds as at 31 March 2019 were placed as bank balances with licensed bank in Hong Kong and will be applied according to the intended usage stated in the Prospectus.

* The estimated amount of usage of net proceeds as at 31 March 2019 has been adjusted in the same proportion and in the same manner as stated in the Prospectus due to the above-mentioned difference between the estimated net proceeds and the actual net proceeds received.

An analysis comparing the business objective stated in the Prospectus with the Group's actual business progress as at 31 March 2019 is set out below:

Business objective and strategy	Actual business progress up to 31 March 2019
(i) Expand our coverage in the minibus media	The Group has obtained advertising spaces on 658 additional green minibuses and 49 additional red minibuses. For the in-vehicle LCD panel advertising services, the Group has made progress with the minibus operators for the in-vehicle LCD panel but minibus operators take a conservative approach to expand into the in-vehicle LCD panel advertising services due to the technical problem for the installation of LCD panel and its associated system to the brand new 19 seats vehicle platform (model code BB70). Since the outgoing 16 seats vehicle platform (model code BB42/BB50) is fading out and will be gradually replaced by the new 19 seats vehicle platform, the Group has been working closely with the minibus operators for the integration of the in-vehicle LCD panel advertising services in the new 19 seats vehicle platform.
(ii) Expand our coverage in other transportation	The Group has obtained advertising spaces on 26 additional taxi with 50 additional taxi for Taxiboard media. The Group was informed by the two light goods trucks operators that the Group has been in-touched with have already set up their own marketing department instead of sub-contracting out their advertising service. The Group will continue to search for other light goods trucks operators for the expansion. The Group has executed an exclusive contract for the use of advertising spaces with a subsidiary of a prominent tour/coach bus operator in Hong Kong and obtained advertising spaces on not less than 100 tour/coach bus. The said contract will commence on 1 April 2019.

Business objective and strategy	Actual business progress up to 31 March 2019
(iii) Expand our coverage in the healthcare-related advertising	Upon the completion of the agreement for the use of advertising spaces at the public hospitals on 30 April 2018 and the close down of the entire media platform in the health and beauty retail stores after 30 June 2018, the Group has assessed the effectiveness of expanding the coverage in the healthcare-related advertising. The Group has been considering the possibility of reallocating the resources of this segment into other segments to maximize the effectiveness of the use of proceeds.
(iv) Enhance our information management system	The Group has made progress with the vendor of the information management system by exploring the feasibility of revamping & upgrading our existing information management system or to develop a brand new information management system to replace the existing one. The Group has already received the quotations from the vendors.

Employees and Remuneration Policies

As at 31 March 2019, the Group had 53 employees (2018: 26 employees). The staff costs (including Directors' emoluments) amounted to approximately HK$17.9 million for the year ended 31 March 2019 (2018: approximately HK$11.4 million). The increase in the number of employee was mainly due to the additional employees recruited for the Digital Event Management Business in Taiwan.

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.

OUTLOOK

Since the world's two biggest economic powers crossed swords over bilateral trade several weeks ago, the row has escalated and Hong Kong sees a chunk of its economy hanging in the balance. From steel and aluminum to fashion, food and fruit, the United States has imposed tariffs on a total of US$250 billion worth of Chinese goods. Hong Kong, which has served as the re-export hub between the two nations for decades, and whose biggest trade partner is China, is inevitably sandwiched between the two sides. Undoubtedly, the city's traders would be "the first to bear the brunt" of the trade war and the latest round of tariffs that the US imposed worth of Chinese goods would hit Hong Kong harder by substantially jacking up the cost of business. Whether the extra costs will be shouldered by the exporter or importers is too early to say, but ultimately it will be shouldered by consumers. Hong Kong's financial markets instantly felt the pinch of the trade war, which sent the local stock market on a roller-coaster ride and soured investor sentiment. Given the dark cloud over the Hong Kong's economic growth, the Group expects the advertisers will cut their marketing budget and strengthen their cost control so the coming year will be one of the most challenging years to come. To encounter the challenge and to increase the Group's competitive advantage, the Group will offer a more flexible and accommodating service which will enhance the user experience of the advertisers and its clients. For instance, the in-house printing facility is on the same floor of the Group's main office to offer services to clients so any adjustment to the advertising layout and color can be made instantly. The Group's new advertising regimes will offer product differentiation to our clients and the Group will offer packages across different platforms which enables cross-selling. The Group's commitment to increase the number of exclusive minibus advertising spaces remains unchanged so the Group's coverage on minibus advertising will be further enhanced. The Group will also explore any other business opportunities that will benefit to the Group's revenue with respectable profit margin. Despite the challenges ahead, the Group will strive for excellence and continue to adhere to its strategy of growing its market share in Hong Kong's OOH advertising arena.

FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 March 2019 (2018: Nil).

ANNUAL GENERAL MEETING

The annual general meeting ("**AGM**") will be held on Friday, 23 August 2019. For details of the AGM, please refer to the notice of AGM which is expected to be published in late June 2019.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Tuesday, 20 August 2019 to Friday, 23 August 2019, both days inclusive, during which period no transfer of shares of the Company shall be registered. In order to qualify for attending and voting at the AGM, all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 19 August 2019.

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 2019.

DIRECTORS' SECURITIES TRANSACTIONS

The Company 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 2019.

INTERESTS OF THE COMPLIANCE ADVISER AND ITS DIRECTORS, EMPLOYEES AND CLOSE ASSOCIATES

Neither the compliance adviser of the Company nor its directors, employees or associates had any interests in relation to the Company as at 31 March 2019 which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 15 to the GEM Listing Rules. Save for the deviation from the code provision A.2.1 of the CG Code, the Board viewed that the Company had complied with the CG Code during the year ended 31 March 2019.

Pursuant to A.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Ms. CHAU Wai Chu Irene currently holds both positions. In view of her experience and familiarity with the business operations of our Group, the Board considers that the roles of the Chairlady and Chief Executive Officer being performed by Ms. CHAU Wai Chu Irene would be appropriate to maintain the efficiency in the overall strategic planning, management and business development of the Group. The Board with the corporate governance committee of the Company will review our Group's corporate governance policies and compliance with the CG Code each financial year.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") has discussed and reviewed with management the audited consolidated financial statements of the Group for the year ended 31 March 2019. The Audit Committee consists of all the three independent non-executive Directors being Ms. AU Shui Ming Anna, Mr. LIANG Man Kit Jerry and Mr. HO Alfred Chak Wai. Ms. AU Shui Ming Anna serves as the chairlady of the Audit Committee who has appropriate professional qualifications and experience as required by the GEM Listing Rules.

SCOPE OF WORK OF BDO LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2019 as set out in this announcement have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on this announcement.

CHANGE OF ADDRESS OF HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

With effect from 11 July 2019, the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited (the "**Branch Share Registrar**"), will change its address from Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong to:

Level 54, Hopewell Centre,
183 Queen's Road East,
Hong Kong.

All telephone and facsimile numbers of the Branch Share Registrar will remain unchanged.

By Order of the Board of
OOH Holdings Limited
CHAU Wai Chu Irene
Chairlady and Chief Executive Officer

Hong Kong, 19 June 2019

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

Executive Directors
Ms. CHAU Wai Chu Irene *(Chairlady and Chief Executive Officer)*
Ms. CHEUNG Kit Yi
Mr. LEAN Chun Wai

Non-Executive Director
Mr. DA SILVA Antonio Marcus

Independent Non-Executive Directors
Ms. AU Shui Ming Anna
Mr. LIANG Man Kit Jerry
Mr. HO Alfred Chak Wai

This announcement will remain on the "Latest Company Announcements" page of the GEM website (www.hkgem.com) for at least 7 days from the date of its publication and on the website of the Company (www.ooh.com.hk).