Ocean Star Technology Group Limited
海納星空科技集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8297)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024

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 Ocean Star Technology Group Limited (the "**Company**") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (the "**GEM Listing Rules**") of the Stock Exchange 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

- Turnover of the Group for the year ended 31 March 2024 was approximately HK$41.2 million, representing a decrease of approximately 7.8%, as compared with that for the year ended 31 March 2023.

- Loss attributable to equity shareholders of the Company was approximately HK$27.2 million for the year ended 31 March 2024, as compared with the loss of approximately HK$34.7 million for the year ended 31 March 2023.

- The board of the Directors does not recommend the payment of dividend for the year ended 31 March 2024.

The board of directors (the "**Board**") of the Company is pleased to announce the following annual consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 March 2024 together with the comparative audited figures for the preceding year ended 31 March 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2024

	Note	**2024** *HK$'000*	2023 *HK$'000*
Revenue	5	**41,173**	44,689
Cost of sales		**(11,042)**	(13,914)
Gross profit		**30,131**	30,775
Other income	6	**162**	2,603
Other gains and losses, net		**(5,424)**	(5,793)
Fair value losses on financial assets at fair value through profit or loss ("**FVTPL**")		**(2,295)**	(4,565)
Impairment losses for deposits and other receivables		**(166)**	(187)
Impairment losses for loan receivables		**(770)**	(107)
Selling expenses		**(20,163)**	(23,577)
Administrative and other operating expenses		**(27,842)**	(27,484)
Loss from operations		**(26,367)**	(28,335)
Finance costs	7	**(615)**	(1,225)
Share of loss of an associate		**–**	(4,967)
Impairment losses for interests in associates		**–**	(133)
Loss before tax		**(26,982)**	(34,660)
Income tax expense	8	**(179)**	(60)
Loss for the year		**(27,161)**	(34,720)

	Note	2024 HK$'000	2023 HK$'000
Other comprehensive loss for the year, net of tax:			
Item that will not be reclassified to profit or loss:			
Remeasurements gains on defined benefit pension plans		**28**	–
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translating foreign operations		**(316)**	(912)
Release of exchange differences upon the disposal of subsidiaries		**42**	–
Other comprehensive loss for the year		**(246)**	(912)
Total comprehensive loss for the year		**(27,407)**	(35,632)
Loss for the year attributable to owner of the Company per share			
Basic and diluted *(HK cents)*	11	**(2.67)**	(4.27)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2024

	Note	**2024** *HK$'000*	2023 *HK$'000*
Non-current assets			
Property, plant and equipment		**2,555**	4,179
Right-of-use assets		**5,205**	15,889
Intangible assets		**–**	894
Interests in an associate		**–**	–
Goodwill		**–**	1,600
Deposits	12	**1,109**	7,836
Loan receivables	13	**3,932**	–
		12,801	30,398
Current assets			
Inventories		**16,447**	21,139
Trade and other receivables	12	**17,649**	6,222
Loan receivables	13	**6,369**	6,492
Financial assets at FVTPL		**690**	3,215
Amount due from a shareholder		**173**	173
Pledged bank deposits		**201**	200
Cash and bank balances		**5,050**	25,556
		46,579	62,997
Current liabilities			
Trade and other payables	14	**7,583**	6,256
Contract liabilities		**53,475**	56,642
Lease liabilities		**4,800**	10,417
Current tax liabilities		**1,009**	853
		66,867	74,168
Net current liabilities		**(20,288)**	(11,171)
Total assets less current liabilities		**(7,487)**	19,227

	Note	2024 HK$'000	2023 HK$'000
Non-current liabilities			
Lease liabilities		**929**	5,956
Retirement benefit obligations		**659**	–
Deferred tax liabilities		**–**	59
		1,588	6,015
Net (liabilities)/assets		**(9,075)**	13,212
Equity			
Share capital	15	**10,363**	10,100
Reserves		**(19,438)**	3,112
(Capital deficiency)/total equity		**(9,075)**	13,212

NOTES

1. CORPORATE INFORMATION

Ocean Star Technology Group Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 27 May 2016. The address of its registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business in Hong Kong is located at 1F., Lok Kui Industrial Building, 6–8 Hung To Road, Kwun Tong, Kowloon, Hong Kong. The Company's shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 13 July 2017 (the "**Listing**").

The Company is an investment holding company. The principal activities of its subsidiaries are retailing of lingerie products.

The consolidated financial statements are presented in Hong Kong Dollars ("**HK$**"), which is also the functional and presentation currency of the Company.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). HKFRSs comprise all Hong Kong Financial Reporting Standards ("**HKFRS**"); Hong Kong Accounting Standards ("**HKAS**"); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Material accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 to the consolidated financial statements provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

Going concern assumption

The Group incurred net loss of approximately HK$27,161,000 for the year ended 31 March 2024 and as at 31 March 2024, the Group had net current liabilities and net liabilities of approximately HK$20,288,000 and HK$9,075,000, respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. In preparing these consolidated financial statements, the directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group. The validity of the Group to operate as a going concern is dependent upon the successful outcomes of the Group to (i) attain profitable and positive cash flows from operations; and (ii) obtain external source of funding, at a level sufficient to finance the working capital requirements of the Group for the next twelve months. In order to strengthen the Group's capital base and liquidity in the foreseeable future, the Group has taken the following measures:

- the directors of the Company have been taking various cost control measures to tighten the costs of operations and implementing various strategies to enhance the Group's revenue.

- proposed placing of new shares under general mandate to obtain external source of funding in order to finance the Group's operation and business development.

The management have prepared the cash flow projections of the Group for a period of twelve months from the reporting date after taken into account the available financial resources of the Group with the above measures, the directors of the Company are of the opinion that the Group is able to continue as a going concern and the Group will have sufficient financial to meet their financial liabilities as and when they fall due for the next twelve months. Accordingly, the directors of the Company are of the view that it is appropriate to adopt going concern basis in preparing these consolidated financial statements.

Should the Group be unable to continue as a going concern in the foreseeable future, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

3. ADOPTION OF NEW AND AMENDMENTS TO HKFRSs

(a) Application of new and amendments to HKFRSs

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
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 12	International Tax Reform – Pillar Two Model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

The application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's consolidated financial position and performance for the current and prior years and/or on the disclosures set out in this consolidated financial statements.

Impacts on application of Amendments to HKAS 1 and HKFRS Practice Statement 2 "Disclosure of Accounting Policies"

The Group has adopted Amendments to HKAS 1 and HKFRS Practice Statement 2 "Disclosure of Accounting Policies" for the first time in the current year. HKAS 1 "Presentation of Financial Statements" is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's consolidated financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose consolidated financial statements make on the basis of those consolidated financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

HKFRS Practice Statement 2 "Making Materiality Judgements" (the "**Practice Statement**") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its consolidated financial statements. Guidance and examples are added to the Practice Statement.

The application of the amendments has had no material impact on the Group's financial positions and performance and the disclosure of the Group's accounting policies information.

Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund ("MPF") – Long Service Payment ("LSP") offsetting mechanism in Hong Kong

In June 2022, the Hong Kong SAR Government (the "**Government**") gazetted the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "**Amendment Ordinance**"), which will come into effect from 1 May 2025 (the "**Transition Date**"). Once the Amendment Ordinance takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory contributions to mandatory provident fund ("**MPF**") scheme to reduce the long service payment ("**LSP**") in respect of an employee's service from the Transition Date (the abolition of the "**offsetting mechanism**"). In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

In July 2023, the HKICPA published "Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong" which provides guidance for the accounting for the offsetting mechanism and the impact arising from abolition of the MPF-LSP offsetting mechanism in Hong Kong. In particular, the guidance indicates that entities may account for the accrued benefits derived from mandatory MPF contributions that are expected to be used to reduce the LSP payable to an employee as deemed contributions by that employee towards the LSP.

Applying this approach, upon the enactment of the Amendment Ordinance in June 2022, it is no longer permissible to apply the practical expedient in paragraph 93(b) of HKAS 19 that previously allowed such deemed contributions to be recognised as reduction of service cost (negative service cost) in the period the contributions were made. Instead, these deemed contributions should be attributed to periods of service in the same manner as the gross LSP benefit. The Amendment Ordinance has no material impact on the Group's LSP liability and staff cost in prior year.

(b) Amendments to HKFRSs in issue but not yet effective

The Group has not early applied any new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning on or after 1 April 2023. These new and revised HKFRSs include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 1 – Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to HKAS 1 – Non-current Liabilities with Covenants	1 January 2024
Amendments to HKFRS 16 – Lease Liability in a Sales and Leaseback	1 January 2024
Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2024
Amendments to HKAS 7 and HKFRS 7 – Supplier Finance Arrangements	1 January 2024
Amendments to HKAS 21 – Lack of Exchangeability	1 January 2025
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The directors of the Company anticipate that the application of the above amendments to HKFRSs will not have material impact on the consolidated financial statements in the foreseeable future.

4. OPERATING SEGMENT INFORMATION

The chief operating decision maker ("**CODM**") has been identified as the executive directors of the Company ("**directors**"). The directors review the Group's internal reporting for the purposes of resource allocation and assessment of segment performance which focused on the category of services and products provided to external customers. The directors of the Company have determined that the Group has only one reportable segment, being sales of lingerie products.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The Group's other operating segments include provision of beauty services, provision of social influencers agency services through an online platform and money lending business. None of these segments meets any of the quantitative thresholds for determining reportable segments. The information of these other operating segments together with unallocated items are included in the "others" column.

The accounting policies of the operating segments are the same as those described in the consolidated financial statements. Segment result do not include certain other income, other gains and losses and unallocated corporate expenses. Segment assets and liabilities are not presented in the consolidated financial statements as they are not regularly reviews by the CODM.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments.

Year ended 31 March 2024

	Lingerie products *HK$'000*	**Others** *HK$'000*	**Total** *HK$'000*
Revenue – External customers	**38,756**	**2,417**	**41,173**
Segment results	**7,173**	**1,452**	**8,625**
Unallocated income and expenses, net			**(35,607)**
Loss before tax			**(26,982)**

Year ended 31 March 2023

	Lingerie products *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue – External customers	42,845	1,844	44,689
Segment results	5,381	670	6,051
Unallocated income and expenses, net			(40,711)
Loss before tax			(34,660)

Other segment information

The following is an analysis of the amounts included in the measure of segment information.

Year ended 31 March 2024

	Lingerie products *HK$'000*	**Others** *HK$'000*	**Total** *HK$'000*
Additions of property, plant and equipment	**61**	**47**	**108**
Additions of right-of-use assets	**504**	**–**	**504**
Depreciation of property, plant and equipment	**1,329**	**647**	**1,976**
Depreciation of right-of-use assets	**7,671**	**2,242**	**9,913**
Amortisation of intangible assets	**–**	**176**	**176**

Year ended 31 March 2023

	Lingerie products *HK$'000*	Others *HK$'000*	Total *HK$'000*
Additions of property, plant and equipment	1,426	2,085	3,511
Additions of right-of-use assets	11,258	4,740	15,998
Depreciation of property, plant and equipment	1,553	855	2,408
Write off of property, plant and equipment	67	169	236
Depreciation of right-of-use assets	10,944	2,658	13,602
Additions of intangible assets	–	389	389
Amortisation of intangible assets	–	63	63
Impairment losses for goodwill	–	1,489	1,489

Geographical information

The Group's revenue from external customers by location of operations and information about the its non-current assets (excluding intangible assets, investments in associates, goodwill, deposits and loan receivables) by location of assets are as follows:

	Revenue		**Non-current assets**	
	2024 *HK$'000*	2023 *HK$'000*	**2024** *HK$'000*	2023 *HK$'000*
Hong Kong	**37,863**	40,865	**6,445**	16,910
Macau	**3,274**	3,418	**1,075**	713
The PRC (other than Hong Kong and Macau)	**36**	406	**240**	2,445
	41,173	44,689	**7,760**	20,068

Information about major customers

There was no revenue from individual customers of the Group contributing over 10% of the Group's revenue during the years ended 31 March 2024 and 2023.

5. REVENUE

Revenue represents the aggregation of net amounts received and receivable during the year. An analysis of the Group's revenue for the year is as follows:

	2024	2023
	HK$'000	*HK$'000*
Products and services transferred at a point in time within the scope of HKFRS 15:		
Sales of lingerie products	**38,756**	42,845
Provision of beauty services	**–**	772
Provision of social influencers agency services through an online platform	**74**	74
	38,830	43,691
Revenue from other sources		
Interest income from loan financing	**2,343**	998
	41,173	44,689

6. OTHER INCOME

	2024	2023
	HK$'000	*HK$'000*
Bank interest income	**21**	5
Rent concessions received	**15**	93
Government grants *(note)*	**–**	1,510
Others	**126**	995
	162	2,603

Note: Government grants represent subsidies from government under the Employment Support Scheme and Subsidy Scheme for Beauty Parlours. At 31 March 2023, there was no unfulfilled conditions nor other contingencies attached to the government grants remain unsatisfied. No government grants was recognised during the year ended 31 March 2024.

7. FINANCE COSTS

	2024	2023
	HK$'000	*HK$'000*
Interest expenses on lease liabilities	**600**	1,186
Other interest expenses	**15**	39
	615	1,225

8. INCOME TAX EXPENSE

	2024	2023
	HK$'000	*HK$'000*
Current tax – Provision for the year		
– Hong Kong Profits Tax	**179**	65
Deferred tax	**–**	(5)
	179	60

Under the two-tiered Profits Tax regime, the first HK$2 million of profits of a Group's qualifying subsidiary established in Hong Kong will be taxed at 8.25%, and profits above that amount will be subject to the tax rate of 16.5%. The profits of the Group's entities not qualifying for the two-tiered Profit Tax rate regime will continue to be taxed at a rate of 16.5% for the years ended 31 March 2024 and 2023.

For the Group's subsidiary established and operated in Macau is subject to Macao Complementary Tax, under which taxable income up to MOP600,000 is exempted from taxation with taxable income beyond this amount to be taxed at the rate of 12% for the years ended 31 March 2024 and 2023.

For the Group's subsidiaries established and operated in the PRC are subject to PRC EIT at the rate of 25% (2023: 25%). No provision for EIT is made since the Group has no assessable profit for the years ended 31 March 2024 and 2023.

9. LOSS FOR THE YEAR

The Group's loss for the year is arrived at after charging/(crediting):

	2024	2023
	HK$'000	*HK$'000*
Auditor's remuneration		
– Audit service	**730**	700
Amortisation of intangible assets (included in administrative and other operating expenses)	**176**	63
Cost of inventories recognised as expenses	**11,042**	13,914
Depreciation of property, plant and equipment	**1,976**	2,408
Depreciation of right-of-use assets	**9,913**	13,602
Expenses relating to short-term lease (included in cost of sales, selling expenses and administrative and other operating expenses)	**3,016**	1,617
Expenses relating to variable lease payment (included in selling expenses)	**169**	111
Impairment losses for goodwill (included in other gains and losses)	**–**	1,489
Impairment losses for interests in associates	**–**	133
Impairment losses for deposits and other receivables	**166**	187
Impairment losses for loan receivables	**770**	107
Net foreign exchange gains	**(27)**	(5)
Staff costs (including directors' emoluments)		
– Salaries, bonuses and allowances	**21,707**	25,693
– Service costs of long service payments	**687**	–
– Retirement benefit scheme contributions	**730**	1,207
	23,124	26,900

Cost of inventories includes staff costs and depreciation of approximately HK$6,505,000 (2023: HK$8,575,000) which are included in the amounts disclosed separately.

10. DIVIDEND

No dividend had been paid or declared by the Company during the year (2023: Nil).

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share is based on the following:

	2024	2023
	HK$'000	*HK$'000*
Loss		
Loss for the year attributable to owner of the Company for the purpose of calculating basic and diluted loss per share	**(27,161)**	(34,720)

	2024	2023
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	**1,018,556**	812,888

(b) Diluted loss per share

No diluted loss per share is presented as the Company did not have any dilutive potential ordinary share during the two years ended 31 March 2024 and 2023.

12. TRADE AND OTHER RECEIVABLES

	2024	2023
	HK$'000	*HK$'000*
Trade receivables *(note (i))*	**424**	276
Prepayments *(note (ii))*	**8,818**	1,956
Rental deposits	**5,012**	6,012
Other deposits	**2,389**	5,525
Other receivables *(note (iii))*	**2,554**	562
	19,197	14,331
Allowance for deposits and other receivables	**(439)**	(273)
	18,758	14,058
Analysed as:		
Current assets	**17,649**	6,222
Non-current assets	**1,109**	7,836
	18,758	14,058

Notes:

(i) The Group allows a credit period of 0 to 30 days to its customers for its trade receivables.

The customers of the Group would usually settle payments by cash, EPS or credit cards. For EPS and credit card payments, the banks will normally settle the amounts received, net of handling charges, a few days after the trade date. The trade receivables balance mainly represents payments that are not yet settled by banks.

The ageing analysis of trade receivables based on the invoice date, and net of allowance, is as follows:

	2024	2023
	HK$'000	*HK$'000*
0–30 days	**424**	276

As of 31 March 2024, none of trade receivables were considered as past due but not impaired (2023: Nil).

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	2024	2023
	HK$'000	*HK$'000*
HK$	**17,900**	13,528
RMB	**824**	522
MOP	**34**	8
	18,758	14,058

(ii) The amount represented prepayment for purchases costs of lingerie products.

(iii) The amount represented mainly the receivable arising from disposal of subsidiaries amounting to HK$700,000 (2023: Nil), advance operating expenses amounting to approximately HK$1,127,000 (2023: HK$352,000) and various miscellaneous receivables amounting to HK$727,000 (2023: HK$210,000).

13. LOAN RECEIVABLES

	2024	2023
	HK$'000	*HK$'000*
Loan receivables – unsecured	**11,178**	6,599
Less: Allowance for loan receivables	**(877)**	(107)
	10,301	6,492

The Group's loan receivables, which arise from the money lending business in Hong Kong, had a loan period of 1 to 2 years. The loans provided to customers bore floating interest rate ranged from 17.63% to 41.88% (2023: 17.13% to 41.00%) per annum for the years ended 31 March 2024 and 2023 and were repayable according to the terms of the loan agreements.

The maturity profile of these loan and interest receivables from customers, at the end of the reporting period, net of allowance of ECL, analysed by remaining periods to their contracted maturity, is as follow:

	2024	2023
	HK$'000	*HK$'000*
Repayable:		
Less than 1 year	**6,369**	6,492
Between 1 year to 2 years	**3,932**	–
	10,301	6,492

The loan receivables as at 31 March 2024 and 2023 are denominated in HK$.

14. TRADE AND OTHER PAYABLES

	2024	2023
	HK$'000	*HK$'000*
Trade payables	**328**	489
Accruals and other payables	**7,255**	5,767
	7,583	6,256

The credit periods on trade payables offered by suppliers are within 60 days.

The ageing analysis of trade payables based on the date of receipt of goods is as follows:

	2024	2023
	HK$'000	*HK$'000*
0–60 days	**241**	489
Over 60 days	**87**	–
	328	489

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	2024	2023
	HK$'000	*HK$'000*
HK$	**5,927**	4,708
RMB	**1,642**	1,533
MOP	**14**	15
	7,583	6,256

15. SHARE CAPITAL

	Number of shares *'000*	Amount *HK$'000*
Authorised:		
Ordinary shares of HK$0.01 each		
At 1 April 2021, 31 March 2022, 1 April 2022 and 31 March 2023	4,000,000	40,000
Issued and fully paid:		
Ordinary shares of HK$0.01 each		
At 31 March 2022 and 1 April 2022	630,000	6,300
Issue of shares upon rights issue *(note (a))*	270,000	2,700
Placing of new shares under general mandate *(note (b))*	110,000	1,100
At 31 March 2023 and 1 April 2023	**1,010,000**	**10,100**
Placing of new shares under general mandate *(note (c))*	**26,315**	**263**
At 31 March 2024	**1,036,315**	**10,363**

Note:

(a) On 17 June 2022, the Company announced the rights issue (the "**Rights Issue**") on the basis of one rights share for every two shares held by the shareholders of the Company on the record date of 28 July 2022 to issue 315,000,000 rights shares at the subscription price of HK$0.1 per rights share. On 19 August 2022, the Company completed the Rights Issue and issued 270,000,000 rights shares. The net proceeds from the Rights Issue, after deducting the expenses involved of approximately HK$1.0 million, was approximately HK$26.0 million. Details of the Rights Issue were disclosed in announcements of the Company dated 17 June 2022 and 19 August 2022 and the prospectus of the Company dated 29 July 2022.

(b) On 23 February 2023, the Company and uSMART Securities Limited, entered into a placing agreement in respect of the placing of 120,000,000 ordinary shares at a price of HK$0.15 per share under general mandate. The placing was completed on 20 March 2023. An aggregate of 110,000,000 placing shares have been successfully placed to not less than six Placees at the placing price of HK$0.15 per placing share. The net proceeds from the Third Placing, after deduction of share issue expenses of approximately HK$0.3 million, was approximately HK$16.2 million. Details of the placing were disclosed in announcements of the Company dated 23 February 2023, 28 February 2023 and 20 March 2023.

(c) On 3 November 2023, the Company and uSMART Securities Limited entered into a placing agreement in respect of the placing of 200,000,000 ordinary shares at a price of HK$0.2 per placing share to not less than six placees who and whose beneficial owners shall be independent third parties. The placing was completed on 4 December 2023. An aggregate of 26,314,500 placing shares have been successfully placed at the placing price of HK$0.2 per placing share. The net proceeds from placing, after deduction of share issue expenses of approximately of HK$0.1 million, was approximately HK$5.1 million. Details of the placing shares were disclosed in announcements of the Company dated on 3 November 2023, 6 November 2023, 20 November 2023 and 4 December 2023.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance. The capital structure of the Group comprises all components of shareholders' equity.

The Group reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts. No change was made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 2023.

The Group monitors its capital structure on the basis of gearing ratio. The Group's gearing ratios at the end of reporting period were as follows:

	2024	2023
	HK$'000	*HK$'000*
Lease liabilities	**5,729**	16,373
Less: Cash and cash equivalents	**(5,050)**	(25,556)
Net debts/(cash and cash equivalents exceed the debts)	**679**	(9,183)
(Capital deficiency)/total equity	**(9,075)**	13,212
Gearing ratio	**N/A**	(70%)

The only externally imposed capital requirement for the Group is that in order to maintain its listing on the Stock Exchange, it has to have a public float of at least 25% of the shares. The Group has maintained a sufficient public float to comply with the GEM Listing Rules from the date of the Listing.

16. CAPITAL COMMITMENTS

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

17. LEASE COMMITMENT

The Group entered into short-term leases for retails stores during the reporting period. As at 31 March 2024, the outstanding lease commitments relating to these retails stores is approximately HK$986,000 (2023: HK$518,000).

18. EVENTS AFTER THE REPORTING PERIOD

On 29 May 2024, the Company entered into placing agreement and conditionally agreed to place through the placing agent up to 175,685,500 placing shares at the placing price of HK$0.1 per placing share to not less than six places who and whose ultimate beneficial owners(s) shall be independent third parties. An aggregate of 41,832,500 placing shares have been successfully placed to not less than six individual placees at the pricing price of HK$0.1 per placing shares. The net proceeds from the placing after deduction of share issue expenses of approximately HK$0.2 million, was approximately HK$4.0 million. Please refer to the announcements of the Company dated 29 May 2024 and 24 June 2024 for details.

EXTRACT OF THE AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's annual financial statements for the year ended 31 March 2024:

"In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2024, and of its consolidated financial performance and its consolidated 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred net loss of approximately HK$27,161,000 for the year ended 31 March 2024, and as at 31 March 2024, the Group had net current liabilities and net liabilities of approximately HK$20,288,000 and HK$9,075,000 respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Notwithstanding the above, the consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent upon the outcomes of the Group as set forth in note 2 to the consolidated financial statements to obtain source of funding in the immediate and longer term, at a level sufficient to finance the working capital requirements of the Group. Our opinion is not modified in respect of this matter."

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is one of the leading retailers of lingerie with shaping functions in Hong Kong and with production facility in Hong Kong. During the year ended 31 March 2024 and up to the date of this announcement, the Group is principally engaged in the designing, manufacturing and sales of core lingerie products under the core brand of "Bodibra" and sub-brands, namely "June", "ooobiki", "Bodicare" and "invisi". The Group principally offers a wide range of the Group's own branded lingerie that are designed with shaping functions which aim to achieve better body appearances, including bras and panties, body shaping underwear and chest support vests. The Group also sells other products without shaping functions, which primarily include breast cream, panties, nude bras, swimwear, bras straps and pads, and waist bands.

During the year under review, the uncertainties of political, military, economic and social factors directly affected the local consumer sentiment and make the overall local retail consumer market remain dull.

In view of the weak retail consumer market, the Group optimized its lingerie stores network coverage and changed from self-production of certain lingerie products in the production facility in the People's Republic of China to OEM in the year of 2022/23. During the year ended 31 March 2024, the Group shut down a lingerie store to further enhance the overall operational efficiency. Besides these, the Group effectively enforced the cost control measures and readjusted its business portfolio by terminating its noncore business in provision of social influencers agency service in an effort to refocus on its principal business and develop the great health business during the year.

PROSPECTS

The Directors foresee that the Hong Kong retail market remains challenging, retail market would continue to be affected by the continuous weak retail sentiment in the near term. The Group will closely monitor the trend of the business environment, maintain pragmatic approach for its business and take every chance to identify any suitable opportunity in the market for the Group. The Group will continue to concentrate on the consolidation of its retail network, optimisation of product mix and intensification of cost control, and will also continue to seize opportunities to stabilise growth through cautious strategic planning. The Group will continue to improve operational efficiency and actively optimize its existing resources so as to enhance the profitability and core competitiveness. In addition, parallel to its focus on the lingerie business, the Group will also focus to develop the great health business, with the objectives of generating additional return, broadening its revenue base, enhance the efficiency of capital use and further promote the performance of the Group in different areas. The Group will strive to maintain steady growth and to maximise returns for the investors.

FINANCIAL REVIEW

Revenue

For the year ended 31 March 2024, the Group's revenue principally derived from (1) sales of lingerie products of approximately HK$38.8 million, representing a decrease of approximately 9.3% as compared to previous financial year; (2) other operating segments of approximately HK$2.4 million, representing an increase of approximately 33.3% as compared to previous financial year. Details of the Group's segmental information is set out in note 4 to the consolidated financial statements. The total revenue of the Group decreased from approximately HK$44.7 million for the year ended 31 March 2023 to approximately HK$41.2 million as a result of weak retail sales of lingerie products caused by the weak consumer sentiment in Hong Kong.

Cost of Sales and Gross Profit

The Group's cost of sales recorded approximately HK$11.0 million for the year ended 31 March 2024, representing a decrease of approximately 20.9% compared with the cost of sales of approximately HK$13.9 million for the year ended 31 March 2023. The decrease in cost of sales was primarily due to the decrease in staff costs and the costs of materials as a result of the decrease in the quantity of lingerie products sold.

The gross profit decreased by approximately 2.3% from approximately HK$30.8 million for the year ended 31 March 2023 to approximately HK$30.1 million for the year ended 31 March 2024.

Selling Expenses

The Group's selling expenses decreased by approximately HK$3.4 million from approximately HK$23.6 million for the year ended 31 March 2023 to approximately HK$20.2 million for the year ended 31 March 2024, which was mainly due to the decrease in staff cost and depreciation of right-of-use assets in relation to rental of retail shops.

Administrative and Other Operating Expenses

The Group's administrative and other operating expenses increased by approximately HK$0.3 million from approximately HK$27.5 million for the year ended 31 March 2023 to approximately HK$27.8 million for the year ended 31 March 2024, which was primarily due to the net effect of the increase in legal and professional fee and directors' remuneration and decrease in staff costs.

Loss before Tax

As a result of the foregoing, the Group recorded a loss before tax of approximately HK$27.0 million for the year ended 31 March 2024 compared with a loss before tax of approximately HK$34.7 million for the year ended 31 March 2023, which was mainly due to the absent of share of loss of an associate of approximately HK$5.0 million which was incurred for the year ended 31 March 2023, the decrease in staff cost and depreciation of right-of-use assets.

Income Tax Expense

Income tax expense increased to approximately HK$0.2 million for the year ended 31 March 2024 (2023: HK$60,000).

Loss for the Year

As a result of the cumulative effect of the above factors, the Group had recorded a loss for the year of approximately HK$27.2 million for the year ended 31 March 2024, compared with a loss for the year of approximately HK$34.7 million for the year ended 31 March 2023.

DIVIDEND

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

RESULTS OF FINANCIAL POSITION

The Group's total assets decreased by approximately HK$34.0 million to approximately HK$59.4 million as at 31 March 2024 (2023: approximately HK$93.4 million).

The Group's total liabilities decreased by approximately HK$11.7 million to approximately HK$68.5 million as at 31 March 2024 (2023: approximately HK$80.2 million).

The equity of the Company decreased by approximately HK$22.3 million to a capital deficiency of approximately HK$9.1 million as at 31 March 2024 (2023: total equity approximately HK$13.2 million).

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2024, the Group had net current liabilities of approximately HK$20.3 million (31 March 2023: approximately HK$11.2 million). The Group had cash and bank balances of approximately HK$5.1 million as at 31 March 2024 (31 March 2023: approximately HK$25.6 million).

The Group closely monitors the cash flow position to ensure that the Group has sufficient working capital available to fulfill its operational requirement. The Group takes into account the trade receivables, trade payables, cash and bank balances, administrative and capital expenditures to prepare cash flow forecast to forecast the Group's future liquidity.

TREASURY POLICIES

The Group adopts a conservative treasury policy. As financial management, sales proceed from retail stores is deposited to reputable and creditworthy banks weekly to ensure security, liquidity and for meeting future funding requirements.

CAPITAL STRUCTURE

On 4 December 2023, placing of new shares under the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the Company's annual general meeting held on 29 August 2023 was completed in accordance with the terms of the placing agreement dated 3 November 2023. An aggregate of 26,314,500 placing shares have been successfully placed to not less than six independent third parties at the placing price of HK$0.2 per placing share. The net proceeds from the placing (after deducting the placing commission and other related expenses, including, among others, the professional fees) are approximately HK$5.1 million. The net proceeds are intended to be used for the development of great health business, operation and business enhancement of lingerie products segment and general working capital of the Group. Upon completion of the aforesaid placing of new shares, the total number of issued shares of the Company increased from 1,010,000,000 shares to 1,036,314,500 shares. Details of the placing shares were disclosed in announcements of the Company dated on 3 November 2023, 6 November 2023, 20 November 2023 and 4 December 2023. Save as disclosed above, there were no other material changes in the capital structure of the Group during the year. The share capital of the Group only comprises of ordinary shares.

As at 31 March 2024, the Company's issued share capital was HK$10,363,145 of HK$0.01 each and the number of its issued ordinary shares was 1,036,314,500.

GEARING RATIO

Gearing ratio is calculated based on the net debts divided by total equity at the respective reporting date. As the Group recorded a capital deficiency as at 31 March 2024, it is not meaningful to calculate the gearing ratio (31 March 2023: 70%).

SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITIONS AND DISPOSALS

There was no significant investment held by the Company or material acquisition or disposal of subsidiaries, associated companies or joint ventures made by the Company during the year.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group currently has no plans for material investments or capital assets.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2024, the Group had 68 full-time employees (31 March 2023: 73 full-time employees). The total staff cost amounted to approximately HK$23.1 million (2023: HK$26.9 million). Remuneration packages offered to the Group's employees are consistent with the prevailing market terms and are reviewed on a regular basis. Discretionary bonuses may be awarded to employees taking into consideration the Group's performance and that of the individual employee.

Pursuant to the applicable laws and regulations, the Group has participated in relevant defined contribution retirement schemes administrated by the responsible government authorities in Macau and the PRC for its employees in Macau and the PRC. For the Group's employees in Hong Kong, all the arrangements pursuant to the mandatory provident fund requirements prescribed by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) have been duly implemented.

(i) Employees of the Group in Hong Kong

In compliance with the Hong Kong Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong), employees of the Group in Hong Kong are required to participate in the Mandatory Provident Fund scheme of the Group (the "**MPF Scheme**"). The MPF Scheme is a defined contribution plan administered by an independent corporate trustee. Under the MPF Scheme, each of the Group and the employees are required to make contributions to the MPF Scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. Contributions made to the MPF Scheme vest immediately.

(ii) Employees of the Group in Macau

The Group participates social benefit scheme which is Social Security Benefits under the Social Security Fund of Government of the Macau SAR (the "**Macau Scheme**"). The Macau Scheme is the first tier of the two-tier social security system under the Macau SAR Law No. 4/2010 (Social Security System) effective on 1 January 2011. The current social security coverage covers all residents in Macau SAR to allow them to receive basic old-age security. As stipulated in the Executive Order of Macau SAR with effect from 1 January 2017, the contribution amounts for the long-term employee are MOP90 per month (employer's contribution: MOP60, employee's contribution: MOP30). In accordance with the provisions of Macau SAR Law No. 4/2010, the employer can deduct the employee's portion of contributions from his/her wages.

(iii) Employees of the Group in the PRC

Pursuant to the relevant labour rules and regulations in the PRC, employees of the Group in the PRC participated in the central pension scheme (the "**PRC Scheme**"), which is a defined contribution plan administered by the PRC government, whereby the Group is required to make contributions to the PRC Scheme based on certain percentages of the eligible employees' salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees. Contributions made to the PRC Scheme vest immediately.

The Group's contributions under the abovementioned defined contribution plans in Hong Kong, Macau and the PRC are expensed as incurred and not reduced by contributions forfeited by those employees who leave the defined contribution plans prior to vesting fully in the contributions.

FOREIGN CURRENCY EXPOSURE

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Hong Kong dollars, Macau Pataca and Renminbi, being in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy. Management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arises. As at 31 March 2024, the Directors considered the Group's foreign exchange risk remained minimal.

CAPITAL COMMITMENTS

As at 31 March 2024, the Group did not have any significant capital commitments.

CONTINGENT LIABILITIES

As at 31 March 2024, the Group did not have any significant contingent liabilities.

PLEDGE OF ASSETS

As at 31 March 2024, the Group did not have any other mortgage or charge over its assets, except for the pledged bank deposits to secure business credit card of the Group.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in note 18 to the consolidated financial statements, no other material subsequent events undertaken by the Company or by the Group after the reporting period.

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme (the "**Share Option Scheme**") on 19 June 2017 for the purpose of providing incentives or rewards to participants for their contribution to our Group and/or to enable our Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any invested entity.

Under the Share Option Scheme, the Board may grant options to eligible persons. Eligible persons of the Share Option Scheme include, among others, any employee (whether full-time or part-time employee), director (including non-executive director and independent non-executive director), supplier, customer, adviser (professional or otherwise), shareholder of any member of the Group (the "**Participants**").

The total number of shares in respect of which options may be granted under the Share Option Scheme and other schemes must not, in aggregate, exceed 10% of the Shares in issue on the listing date of the Company (the "**Listing Date**"). The Company may refresh the 10% limit by seeking prior approval from the Shareholders in a general meeting, provided that the total number of Shares which may be issued upon exercise of all options and any other share option schemes of the Company, in aggregate, must not exceed 10% of the total number of Shares in issue as at the date of such Shareholders' approval of the refreshed limit.

No Participant shall be granted options which if exercised in full would result in the total number of Shares already issued under all the options granted to him which have been exercised and issuable under all the options granted to him which are for the time being subsisting and unexercised in any 12-month period would exceed 1% of the total number of Shares in issue, provided that if approved by Shareholders in general meeting with such Participant and his close associates (or his associates if such Participant is a connected person) abstaining from voting, our Company may make further grant of options to such Participant (the "**Further Grant**") notwithstanding that the Further Grant would result in the total number of Shares already issued under all the options granted to such Participant which have been exercised and issuable under all the options granted to him which are for the time being subsisting and unexercised in any 12-month period exceed 1% of the total number of Shares in issue.

If a grant of option to a substantial Shareholder or an independent non-executive Director or their respective associates will result in the Shares issued and to be issued upon exercise of all options granted and to be granted (whether exercised, cancelled or and outstanding) to such person in the 12-month period up to and including the date of such grant: (i) representing in aggregate over 0.1% of the relevant class of Shares in issue; and (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK$5.0 million, then the proposed grant of options must be approved by the Shareholders in a general meeting.

Options may be exercised at any time during a period as the Directors may determine which shall not exceed ten years from the date of grant. The subscription price is determined by the Board in its absolution discretion at the time of the grant of the relevant option but in any case the relevant subscription price shall not be less than the highest of (i) the closing price of the Shares as stated in the daily quotation sheet of the Stock Exchange on the date of grant of the option, which must be a trading day; (ii) the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the five trading days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share.

The Share Option Scheme will remain in force for a period of ten years commencing on 19 June 2017, the adoption date and ending on the tenth anniversary of the adoption date (both dates inclusive) or unless terminated earlier by the Shareholders in general meeting.

Up to the date of this announcement, no share option had been granted by the Company under the Share Option Scheme.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving high standards of corporate governance to safeguard the interests of the shareholders of the Company and enhance its corporate value. The Company's corporate governance practices are based on the principles and code provisions as set out in part 2 of the Corporate Governance Code in Appendix C1 to the GEM Listing Rules (the "**CG Code**"). To the best knowledge of the Board, the Company has complied with the code provisions in the CG Code during the year ended 31 March 2024 (the "**Period**"), except for the deviations as specified below. The Board will keep reviewing and updating such practices from time to time to ensure compliance with legal and commercial standards.

Under 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 Company has not appointed chief executive officer and chairman since 27 October 2017 and 6 February 2018 respectively. On 13 July 2022, the Company appointed an executive director, Mr. Zheng Sihu, to perform the role of the chairman and on 31 July 2023, the Company appointed an executive director, Ms. Chen Lizhu, to perform the role of the chief executive officer.

Under Code Provision C.1.6 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings and to gain and develop a balanced understanding of the views of shareholders. During the Period, Mr. Xu Xue, the executive Director, and Mr. Tong Zhu and Mr. Lai Kim Fung, the independent non-executive Directors, did not attend the annual general meeting of the Company held on 29 August 2023 due to other prior business engagements.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors (the "**Code of Conduct**") on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Required Standard Dealings**"). The Company had also made specific enquiry of the Directors and to the best knowledge and the information available to the Board, each of them was in compliance with the Code of Conduct and the Required Standard Dealings during the Period. Further, the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the Period.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the year ended 31 March 2024 and up to the date of this announcement.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established by the Board on 13 July 2017 with written terms of reference, which was updated on 31 December 2018, in compliance with Rule 5.28 and Rule 5.29 of the GEM Listing Rules and paragraph C.3.3 of the CG Code. The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Tong Zhu, Mr. Lai Kim Fung and Mr. Tang Yiu Kay. Mr. Tang Yiu Kay is the chairman of the Audit Committee. The full terms of reference setting out details of the authority, duties and responsibilities of the Audit Committee is available on both the websites of the Stock Exchange and the Company.

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 March 2024 have been agreed by the Group's auditors, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group's annual consolidated financial statements for the year ended 31 March 2024.

The Audit Committee has reviewed the annual consolidated financial statements of the Group for the year ended 31 March 2024 and is of the opinion that such consolidated financial statements complied with the applicable accounting standards, the requirements under the GEM Listing Rules and that adequate disclosures have been made.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, McMillan Woods (Hong Kong) CPA Limited ("**McMillan Woods**"), to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by McMillan Woods 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 opinion or assurance conclusion has been expressed by McMillan Woods on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.bodibra.com). The annual report of the Company for the year ended 31 March 2024 containing all the information required by the GEM Listing Rules will be dispatched to the Company's shareholders and published on the above websites by end of July 2024.

By order of the Board
Ocean Star Technology Group Limited
Zheng Sihu
Chairman and Executive Director

Hong Kong, 28 June 2024

As at the date of this announcement, the executive Directors are Mr. Zheng Sihu, Ms. Chen Lizhu, Mr. Chiu G Kiu Bernard, Mr. Xu Xue and Mr. Sun Tian; and the independent non-executive Directors are Mr. Lai Kim Fung, Mr. Tang Yiu Kay and Mr. Tong Zhu.