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Ocean One Holding Ltd.

大洋環球控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8476)

**ANNOUNCEMENT OF INTERIM RESULTS FOR
THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

Characteristics of GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

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

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

This announcement, for which the directors (the “Directors”) of Ocean One Holding Ltd. (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (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

- The Group recorded revenue of approximately HK\$240.6 million for the six months ended 30 September 2023, representing a decrease of approximately HK\$7.5 million or 3.1% as compared to the six months ended 30 September 2022.
- The Group recorded a net profit attributable to the owners of the Company of approximately HK\$21.4 million for the six months ended 30 September 2023, representing a decrease of approximately HK\$8.1 million as compared to the Group's net profit of approximately HK\$29.5 million for the six months ended 30 September 2022. The decrease was mainly attributable to the decreases in revenue and gross profit generated during the period.
- The Board does not recommend the payment of dividend for the six months ended 30 September 2023.

The Board of Directors (the “Board”) of the Company is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months and six months ended 30 September 2023, together with the respective unaudited comparative figures for the corresponding periods in 2022, as follows:

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	NOTES	Three months ended		Six months ended	
		30.9.2023 HK\$'000 (unaudited)	30.9.2022 HK\$'000 (unaudited)	30.9.2023 HK\$'000 (unaudited)	30.9.2022 HK\$'000 (unaudited)
Revenue	4	117,628	123,503	240,563	248,137
Cost of goods sold		(100,683)	(103,214)	(205,567)	(204,492)
Gross profit		16,945	20,289	34,996	43,645
Other income		740	270	999	451
Other (loss) gain		(278)	585	(394)	1,242
Selling and distribution costs		(2,795)	(2,882)	(5,581)	(5,552)
Administrative expenses		(2,176)	(2,168)	(4,320)	(4,122)
Finance costs		(20)	(23)	(43)	(45)
Profit before taxation	5	12,416	16,071	25,657	35,619
Taxation	6	(2,091)	(2,852)	(4,211)	(6,113)
Profit and total comprehensive income for the period		10,325	13,219	21,446	29,506
Earnings per share — basic (HK cents)	8	3.69	4.72	7.66	10.54

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 SEPTEMBER 2023

	<i>NOTES</i>	At 30.9.2023 HK\$'000 (unaudited)	At 31.3.2023 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	9	51,388	52,913
Right-of-use assets		1,626	2,168
Investment property		3,573	3,647
		<u>56,587</u>	<u>58,728</u>
Current assets			
Inventories		41,994	51,321
Trade and other receivables	10	78,301	60,707
Bank deposit with original maturity of more than three months		48,000	20,000
Cash and cash equivalents		40,457	59,371
		<u>208,752</u>	<u>191,399</u>
Current liabilities			
Trade and other payables	12	15,017	11,729
Taxation payable		6,512	4,320
Lease liabilities		1,084	1,038
		<u>22,613</u>	<u>17,087</u>
Net current assets		<u>186,139</u>	<u>174,312</u>
Total assets less current liabilities		<u>242,726</u>	<u>233,040</u>

		At 30.9.2023 <i>HK\$'000</i> (unaudited)	At 31.3.2023 <i>HK\$'000</i> (audited)
Non-current liabilities			
Lease liabilities		571	1,130
Deferred tax liabilities		80	81
		<u>651</u>	<u>1,211</u>
Net assets		<u>242,075</u>	<u>231,829</u>
Capital and reserves			
Share capital	13	2,800	2,800
Reserves		239,275	229,029
Total equity		<u>242,075</u>	<u>231,829</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Special reserve <i>HK\$'000</i> <i>(Note 1)</i>	Other reserve <i>HK\$'000</i> <i>(Note 2)</i>	Accumulated profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2023 (audited)	2,800	72,851	3,000	12,000	141,178	231,829
Profit and total comprehensive income for the period	-	-	-	-	21,446	21,446
Dividend recognised as distribution	-	-	-	-	(11,200)	(11,200)
	<u>2,800</u>	<u>72,851</u>	<u>3,000</u>	<u>12,000</u>	<u>151,424</u>	<u>242,075</u>
At 30 September 2023 (unaudited)	<u>2,800</u>	<u>72,851</u>	<u>3,000</u>	<u>12,000</u>	<u>151,424</u>	<u>242,075</u>
At 1 April 2022 (audited)	2,800	72,851	3,000	12,000	100,266	190,917
Profit and total comprehensive income for the period	-	-	-	-	29,506	29,506
Dividend recognised as distribution	-	-	-	-	(9,240)	(9,240)
	<u>2,800</u>	<u>72,851</u>	<u>3,000</u>	<u>12,000</u>	<u>120,532</u>	<u>211,183</u>
At 30 September 2022 (unaudited)	<u>2,800</u>	<u>72,851</u>	<u>3,000</u>	<u>12,000</u>	<u>120,532</u>	<u>211,183</u>

Notes:

- (1) The special reserve of the Group represents the difference between the nominal amount of the share capital of Quality Products (H.K.) Limited (“Quality Products”) and the nominal amount of share capital of Ocean One (BVI) Holding Ltd. pursuant to the group reorganisation in the prior years.
- (2) The other reserve represents the capitalisation of amount due to a director of HK\$12,000,000 pursuant to a written resolution passed by the sole shareholder of Quality Products on 5 June 2017.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Six months ended	
	30.9.2023	30.9.2022
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash from operating activities	<u>19,495</u>	<u>3,867</u>
Net cash used in investing activities		
Withdrawal of bank deposits with original maturity of more than three months	60,000	–
Placement of bank deposits with original maturity of more than three months	(88,000)	–
Interest received	1,380	28
Purchases of property, plant and equipment	<u>(32)</u>	<u>(64)</u>
	<u>(26,652)</u>	<u>(36)</u>
Net cash used in financing activities		
Repayments of bank borrowings	–	–
Dividends paid	(11,200)	(9,240)
Interest paid	(43)	(45)
Repayments of lease liability	<u>(514)</u>	<u>(437)</u>
	<u>(11,757)</u>	<u>(9,722)</u>
Net decrease in cash and cash equivalents	(18,914)	(5,891)
Cash and cash equivalents at beginning of the period	<u>59,371</u>	<u>48,765</u>
Cash and cash equivalents at end of the period	<u><u>40,457</u></u>	<u><u>42,874</u></u>
Cash and cash equivalents at end of the period, represented by bank balances	<u><u>40,457</u></u>	<u><u>42,874</u></u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company acts as an investment holding company and its subsidiaries are principally engaged in importing and wholesaling of frozen seafood products and property holding. The Company's immediate and ultimate holding company is Karlson Holding Limited which was incorporated in the British Virgin Islands and controlled by Mr. Chan Kin Fung ("Mr. Chan").

The condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

3. PRINCIPAL ACCOUNTING POLICIES

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

The amounts included in the condensed consolidated financial statements have been computed in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA applicable to interim periods.

Other than accounting policies resulting from application of amendments to HKFRSs, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2023 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2023.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following 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 Group's condensed consolidated financial statements:

HKFRS 17	Insurance Contracts
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The application of the amendments to HKFRSs in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

The Group recognises revenue from trading of frozen seafood products.

The revenue of the Group is recognised at a point in time. Under the transfer-of-control approach in HKFRS 15 “Revenue from Contracts with Customers”, revenue from trading of frozen seafood products is generally recognised when goods are delivered, which is the point of time when the customer has the ability to direct the use of products and obtain substantially all of the remaining benefits of the products. A receivable is recognised by the Group when the goods are delivered to the customers as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

The Group is engaged in importing and wholesaling of frozen seafood products. Information reported to the members of executive directors of the Company, being the chief operating decision makers (the “CODM”), for the purposes of resources allocation and assessment of performance focuses on revenue analysis by products and by geographic locations of customers. In addition, the CODM reviews the results of the Group as a whole to make decisions. Accordingly, only entity-wide disclosures, major customers and geographic information are presented.

All sales contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

The disaggregated information of revenue is as follows:

Revenue from major products

The following is an analysis of the Group’s revenue from its major products which is recognised at a point in time:

	Three months ended		Six months ended	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	HK\$’000	HK\$’000	HK\$’000	HK\$’000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Crabs and roe	8,828	19,244	18,776	32,504
Fishes	11,706	18,575	26,725	34,402
Octopuses and cuttlefishes	3,475	4,727	6,498	8,117
Prawn	36,563	28,584	68,578	59,880
Processed seafood products	15,010	12,094	32,445	25,273
Scallops, oysters and surf clams	35,823	34,520	76,389	76,749
Miscellaneous products	6,223	5,759	11,152	11,212
	117,628	123,503	240,563	248,137

Revenue by types of customers

The following is an analysis of the Group's revenue by types of customers:

	Three months ended		Six months ended	
	30.9.2023 <i>HK\$'000</i> (unaudited)	30.9.2022 <i>HK\$'000</i> (unaudited)	30.9.2023 <i>HK\$'000</i> (unaudited)	30.9.2022 <i>HK\$'000</i> (unaudited)
Frozen seafood resellers	114,391	119,868	233,781	240,528
Frozen seafood catering services providers	3,237	3,635	6,782	7,609
	<u>117,628</u>	<u>123,503</u>	<u>240,563</u>	<u>248,137</u>

Geographical information

Information about the Group's revenue from external customers presented based on the geographical location of the customers is as follows:

	Three months ended		Six months ended	
	30.9.2023 <i>HK\$'000</i> (unaudited)	30.9.2022 <i>HK\$'000</i> (unaudited)	30.9.2023 <i>HK\$'000</i> (unaudited)	30.9.2022 <i>HK\$'000</i> (unaudited)
Hong Kong	81,142	96,971	168,967	197,537
Mainland China	26,447	15,938	50,821	29,669
Macau	9,909	10,399	20,403	20,530
Japan	130	195	372	401
	<u>117,628</u>	<u>123,503</u>	<u>240,563</u>	<u>248,137</u>

5. PROFIT BEFORE TAXATION

	Three months ended		Six months ended	
	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Profit before taxation has been arrived at after charging (crediting):				
Staff costs, including directors' emoluments	1,811	1,708	3,598	3,302
Cost of inventories recognised as expenses	100,683	103,214	205,567	204,492
Depreciation of property, plant and equipment	779	772	1,557	1,542
Depreciation of investment property	37	37	74	74
Depreciation of right of use asset	271	212	542	424
Operating lease rentals in respect of rented premises:				
— Minimum lease payments	16	7	32	14
— Contingent rent (<i>Note</i>)	480	648	1,007	1,224
	<u>496</u>	<u>655</u>	<u>1,039</u>	<u>1,238</u>
Interests on:				
— bank borrowings	—	—	—	—
— bank overdrafts	3	5	5	10
— finance charge under lease liability	17	18	38	35
	<u>20</u>	<u>23</u>	<u>43</u>	<u>45</u>
Government grants included in other income	—	(218)	—	(346)
Interest income	(663)	(16)	(886)	(28)
Net exchange loss (gain)	<u>278</u>	<u>(585)</u>	<u>394</u>	<u>(1,242)</u>

Note: The contingent rent refers to the operating lease rentals based on weight of the goods stored in the warehouse calculated on pre-determined rate.

No diluted earnings per share is presented as there are no potential ordinary shares during the three months and six months ended 30 September 2023 and 2022, respectively.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2023, the Group spent HK\$32,000 (six months ended 30 September 2022: HK\$64,000) on purchase of property, plant and equipment.

10. TRADE AND OTHER RECEIVABLES

	At 30.9.2023 <i>HK\$'000</i> (unaudited)	At 31.3.2023 <i>HK\$'000</i> (audited)
Trade receivables	62,627	51,069
Prepayments	15,518	8,988
Deposits	156	156
Interest receivables	–	494
	<u>78,301</u>	<u>60,707</u>

The Group usually allows a credit period ranging from 0 to 90 days to its trade customers. The following is an aging analysis of trade receivables presented based on the invoice dates at the end of each reporting period:

	At 30.9.2023 <i>HK\$'000</i> (unaudited)	At 31.3.2023 <i>HK\$'000</i> (audited)
Within 30 days	39,222	29,078
31 to 60 days	21,331	21,864
61 to 90 days	974	66
Over 90 days	1,100	61
	<u>62,627</u>	<u>51,069</u>

11. IMPAIRMENT ASSESSMENT ON FINANCIAL ASSETS SUBJECT TO EXPECTED CREDIT LOSS (“ECL”) MODEL

The Group assessed the ECL for the trade receivables and other receivables with significant balance individually as at 31 March 2023 and 30 September 2023. No ECL allowance for trade receivables and other receivables were provided since the loss given default and exposure at default are low based on historical credit loss experience. The directors of the Company has also assessed all available forward looking information, including but not limited to market data on merchandise trade industry.

For bank balances, no allowance for impairment was made since the directors of the Company consider the probability of default is negligible as such amounts are receivable from or placed in banks in Hong Kong having good reputation.

12. TRADE AND OTHER PAYABLES

	At 30.9.2023 HK\$'000 (unaudited)	At 31.3.2023 HK\$'000 (audited)
Trade payables	11,872	8,704
Accruals	1,816	1,676
Rental deposit received	32	32
Others (Note)	1,297	1,317
	<u>15,017</u>	<u>11,729</u>

Note: The amount includes payable for acquisition of property, plant and equipment of HK\$1,200,000 (31 March 2023: HK\$1,200,000)

The credit period of trade payables is ranging from 0 to 30 days.

The following is an aging analysis of trade payables presented based on invoice dates at the end of each reporting period:

	At 30.9.2023 HK\$'000 (unaudited)	At 31.3.2023 HK\$'000 (audited)
Within 30 days	10,915	8,626
31 to 60 days	843	–
Over 60 days	114	78
	<u>11,872</u>	<u>8,704</u>

13. SHARE CAPITAL

	Number of shares	Amount HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2022, 30 September 2022, 31 March 2023 and 30 September 2023	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:		
At 1 April 2022, 30 September 2022, 31 March 2023 and 30 September 2023	<u>280,000,000</u>	<u>2,800</u>

14. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group entered into the following related party transactions:

Name of related party	Nature of transaction	Three months	Six months
		ended	ended
		30.9.2023	30.9.2023
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Eastern Mark Limited ("Eastern Mark")	Expenses related to a short term lease	–	–
	Interest expenses on lease liabilities	18	38

As at 30 September 2023, included in lease liabilities is an amount of HK\$1,655,000 (unaudited) (31 March 2023: HK\$2,168,000 (audited)) due to Eastern Mark.

Eastern Mark is a related company controlled by Mr. Chan.

Compensation of key management personnel

The remuneration of key management of the Group during the periods was as follows:

	Three months	Six months
	ended	ended
	30.9.2023	30.9.2023
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Salaries and allowances	582	1,164
Retirement benefit schemes contributions	13	27
	<u>595</u>	<u>1,191</u>

15. FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an established frozen seafood importer and wholesaler in Hong Kong with over 21 years of experience in the frozen seafood import and wholesale industry. It supplies a diverse and wide range of frozen seafood products with more than 100 product varieties to over 360 customers which are mainly frozen seafood resellers and frozen seafood catering service providers.

For the six months ended 30 September 2023, the Group recorded a net profit of approximately HK\$21.4 million as compared to a net profit of approximately HK\$29.5 million for the six months ended 30 September 2022. The Directors are of the view that the decrease in net profit was mainly due to the decreases in gross profit and gross profit margin during the period.

In view of the decreases in revenue and net profit generated for the six months ended 30 September 2023, despite the expected recovery in the Hong Kong economy and retail sales led by revival of inbound tourism and improved labor market, the management will strengthen the Group's business development efforts and will monitor the business operations closely.

OUTLOOK

Looking forward, the Directors expect that this year will remain to be challenging to the Group's business despite the expected recovery in the Hong Kong economy. The release of radioactive waste water from the Fukushima nuclear plant into the sea by Japan since 24 August 2023 have led to banning of seafood imports from ten Japanese prefectures by the Hong Kong Government, and consumers may lose their appetite for Japanese food due to concerns in food safety. The Group will continue to assess the impact on the Group's operations and financial performance, and will closely monitor the Group's exposure to the risks and uncertainties in connection with the release of radioactive waste water by Japan, and will strengthen the cost savings initiatives in view of the challenging conditions.

The Directors believe that the Listing status of the Group enhances the Group's profile and further strengthens the Group's reputation in the industry, which in turn helps maintaining the business relationship with the existing suppliers and customers, and exploring potential business opportunities with new suppliers and customers.

The net proceeds from the Share Offer have been providing financial resources to the Group to meet and achieve its business opportunities and strategies which will further strengthen the Group's market position in the frozen seafood import and wholesale industry in Hong Kong.

The Group has obtained sale agency arrangements with a number of new foreign suppliers since its Listing, and will continue to pursue for additional exclusive agency or sale agency arrangements with existing and new foreign suppliers to further enrich our product portfolio and to maintain our competitiveness by carrying a broader product portfolio. The Group shall continue to strive and achieve the business objectives as stated in the prospectus issued by the Company dated 29 September 2017 (“Prospectus”).

FINANCIAL REVIEW

Revenue

The Group’s revenue slightly decreased by approximately 3.1% from approximately HK\$248.1 million for the six months ended 30 September 2022 to approximately HK\$240.6 million for the six months ended 30 September 2023, primarily due to the decrease in sales of products such as Canada snow crab sections, king crab legs, seasoned salmon fish roe, flying fish roe, roasted eel and black cod.

Cost of goods sold

Our cost of goods sold mainly represents the costs of products sold net of purchases discounts, shipping handling charges and transportation costs. The Group’s cost of goods sold for the six months ended 30 September 2023 was approximately HK\$205.6 million, representing a slight increase of approximately 0.5% from approximately HK\$204.5 million for the six months ended 30 September 2022, despite the slight decrease in our revenue.

Gross profit and gross profit margin

The Group’s gross profit for the six months ended 30 September 2023 was approximately HK\$35.0 million, representing a decrease of approximately 19.8% from approximately HK\$43.6 million for the six months ended 30 September 2022. The Group’s gross profit margin for the six months ended 30 September 2023 was approximately 14.5%, representing a decrease of approximately 3.1 percentage points as compared to approximately 17.6% for the six months ended 30 September 2022. The decrease in gross profit and gross profit margin was mainly due to the selling of various low margin products such as king crab legs, Canada snow crab sections, smoked salmon, black cod, Canada spot prawn, Maruha Brand red shrimp, Japan sashimi scallop and Clearwater arctic clams and Greenland cockle during the period, together with higher proportion in sales to Mainland China customers at lower margin owing to bulk orders and shipment in containers.

Selling and distribution costs

Our selling and distribution costs mainly comprise of warehouse rental, staff costs of our logistics and warehouse team, warehouse utilities, depreciation of our warehouse facilities and transportation expenses. The Group's selling and distribution costs for the six months ended 30 September 2023 remained relatively stable at approximately HK\$5.6 million, which slightly increased by approximately 0.5% as compared to approximately HK\$5.6 million for the six months ended 30 September 2022. The selling and distribution costs accounted for approximately 2.3% and 2.2% of the total revenue for the six months ended 30 September 2023 and 2022 respectively.

Administrative expenses

For the six months ended 30 September 2023, the Group's administrative expenses primarily comprised of staff costs for administrative and management personnel, directors' remuneration, auditor's remuneration, listing compliance expenses, rent rates and management fee for office, office utilities, depreciation and insurance. The Group's administrative expenses for the six months ended 30 September 2023 was approximately HK\$4.3 million, which increased by approximately 4.8% as compared to approximately HK\$4.1 million for the six months ended 30 September 2022.

Finance costs

Finance costs represented interests on bank borrowings, lease liability and bank overdrafts. Finance costs slightly decreased from approximately HK\$45,000 for the six months ended 30 September 2022 to approximately HK\$43,000 for the six months ended 30 September 2023.

Taxation

For the six months ended 30 September 2023 and 2022, our tax expenses were approximately HK\$4,211,000 and HK\$6,113,000 respectively, decreased by approximately HK\$1,902,000 or 31.1%, which was consistent with the decrease in the estimated assessable profits for the period.

Profit for the period

For the six months ended 30 September 2023, the Group's profit and total comprehensive income attributable to the owners of the Company was approximately HK\$21.4 million as compared to approximately HK\$29.5 million for the six months ended 30 September 2022. The decrease was mainly due to the decrease in gross profit generated during the period.

CAPITAL STRUCTURE

As at 30 September 2023, the Group's total equity attributable to the owners of the Company amounted to approximately HK\$242.1 million (31 March 2023: HK\$231.8 million).

On 19 October 2017, 21,000,000 and 49,000,000 ordinary shares of HK\$0.01 each of the Company were issued at HK\$1.22 per share by way of public offer and placing, respectively. On the same date, the Company's shares were listed on the GEM of the Stock Exchange.

The net proceeds from the Listing amounted to approximately HK\$63.0 million. The Directors believe that with the new capital from the share offer, the Group is in a healthy financial position to expand its business and achieve its business objectives.

BORROWINGS AND GEARING RATIO

As at 30 September 2023, the Group had no bank borrowings (31 March 2023: Nil).

As at 30 September 2023, the gearing ratio of the Group, calculated by dividing lease liabilities with total equity and multiplied by 100%, was approximately 0.7% (31 March 2023: 0.9%).

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

During the six months ended 30 September 2023, the Group did not have any significant investment, material acquisition or disposal of subsidiaries and affiliated companies.

DIVIDEND

The Board does not recommend the payment of any dividend for the six months ended 30 September 2023 (six months ended 30 September 2022: Nil).

OTHER INFORMATION

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the date of this announcement, the interests or short positions of the Directors or chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which are taken or deemed to have under such provisions), or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which are required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules (“Model Code”), are as follows:

Long positions in Shares of associated corporation

Name	Capacity/nature	No. of Shares held	Approximate % of Shareholding
Chan Kin Fung (“Mr. Chan”)	Interest of controlled corporation	201,600,000 (Note 1)	72%
Tse Chun Ha Amy (“Ms. Tse”)	Interest of spouse	201,600,000 (Note 2)	72%

Notes:

1. These Shares are held by Karlson Holding Limited, the entire issued share capital of which is held by Mr. Chan. Accordingly, Mr. Chan is deemed to be interested in the Shares held by Karlson Holding Limited by virtue of the SFO.
2. Ms. Tse is the spouse of Mr. Chan. Accordingly, Ms. Tse is deemed to be interested in Mr. Chan’s interest in the Company by virtue of the SFO.

As at the date of this announcement, none of the Directors or chief executive of the Company had any interests in the underlying Shares in respect of physically settled, cash settled or other equity derivatives of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Save as disclosed above, as at the date of this announcement, none of the Directors or chief executive of the Company had any interests or short positions in the Shares or underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at the date of this announcement, the following persons/entities (other than the Directors and chief executive of the Company) had or were deemed to have an interest or a short position in the Shares or the underlying Shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under section 336 of the SFO, or who were directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

Long positions in the Shares

Name	Capacity/nature	No. of Shares held	Approximate % of Shareholding
Karlson Holding Limited	Beneficial owner	201,600,000	72%
Chan Kin Fung	Interest in a controlled corporation	201,600,000 (Note 1)	72%
Tse Chun Ha Amy	Interest of spouse	201,600,000 (Note 2)	72%

Notes:

1. These Shares are held by Karlson Holding Limited, which is wholly-owned by Mr. Chan. Accordingly, Mr. Chan is deemed to be interested in these Shares by virtue of the SFO.
2. Ms. Tse is the spouse of Mr. Chan. Accordingly, Ms. Tse is deemed to be interested in Mr. Chan's interest in the Company by virtue of the SFO.

Save as disclosed above, as at the date of this announcement, none of the substantial or significant shareholders or other persons, other than the Directors and chief executive of the Company whose interests are set out in the section "Other Information — Interests of Directors and chief executive and short positions in Shares, underlying Shares and debentures" above, had any interest or a short position in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2023.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, the Controlling Shareholders or substantial shareholders of the Company or any of its respective close associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, as defined in the GEM Listing Rules, or has any other conflict of interests with Group during the six months ended 30 September 2023.

DIRECTORS' SECURITIES TRANSACTIONS

The Group has adopted the required standard of dealing, as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for securities transactions by the Directors in respect of the Shares. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard of dealing and the code of conduct for securities transactions by the Directors from the Listing Date up to the date of this announcement.

SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to recognize and acknowledge the contributions of the eligible participants to the Group by granting options to them as incentives or rewards. The Directors consider the Share Option Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. The Company has adopted a Share Option Scheme on 21 September 2017. Further details of the Share Option Scheme are set in the section headed "Statutory and General Information — 5. Share Option Scheme" in Appendix V to the Prospectus.

For the six months ended 30 September 2023, no share option was granted, exercised, expired or lapsed and there is no outstanding share option under the Share Option Scheme.

CORPORATE GOVERNANCE PRACTICE

The Directors recognize the importance of good corporate governance in management and internal procedures so as to achieve effective accountability. The Company's corporate governance practices are based on the principles and the code provisions as set out in the Corporate Governance Code in Appendix 15 to the GEM Listing Rules (the "CG Code") and in relation to, among others, the Directors, Chairman and Chief Executive Officer, Board composition, the appointment, re-election and removal of Directors, their responsibilities and remuneration and communications with the shareholders of the Company.

The Company was listed on the GEM of the Stock Exchange on 19 October 2017. To the best knowledge of the Board, the Company has complied with the code provisions in the CG Code from the Listing Date up to the date of this announcement.

AUDIT COMMITTEE

The audit committee was established on 21 September 2017 with written terms of reference in accordance with Rule 5.28 of the GEM Listing Rules and in compliance with code provision D.3 of the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules. The audit committee currently consists of three independent non-executive Directors and is chaired by Mr. So Yuk Ki. The other members are Mr. Lee Kam Wan and Dr. Leung Wai Ping Noel. The written terms of reference of the audit committee are posted on the GEM website and on the Company's website.

The primary duties of the audit committee are to make recommendations to the Board on the appointment and dismissal of the external auditor, review the financial statements and information and provide advice in respect of financial reporting and oversee the internal control procedures of the Group.

The audit committee has reviewed the unaudited condensed consolidated financial statements and the results for the six months ended 30 September 2023 with the management, and are of the view that such results comply with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

By order of the Board
Ocean One Holding Ltd.
Chan Kin Fung

*Chairman of the Board, Chief Executive Officer
and Executive Director*

Hong Kong, 9 November 2023

As at the date of this announcement, the Board comprises Mr. Chan Kin Fung and Ms. Tse Chun Ha Amy as executive Directors; Mr. So Yuk Ki, Mr. Lee Kam Wan and Dr. Leung Wai Ping Noel as independent non-executive Directors.

This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange website at www.hkexnews.hk for at least 7 days from the date of its posting and on the Company's website at www.oceanoneholding.com.