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飛道旅遊
Flydoo Technology

Flydoo Technology Holding Limited

飛道旅遊科技有限公司

(Formerly known as WWPKG Holdings Company Limited 縱橫遊控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8069)

**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 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 Flydoo Technology Holding Limited (the “Company”, together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Group. 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.

The board of Directors of the Company (the “Board”) hereby presents the audited consolidated financial results of the Group for the year ended 31 March 2024, together with the comparative figures for the corresponding period in 2023, as set out below.

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

For the year ended 31 March 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	4(a)	407,635	158,409
Cost of sales	6(a)	(326,300)	(129,731)
Gross profit		81,335	28,678
Other income and other (losses)/gains, net	5	(2,297)	545
Selling expenses	6(a)	(39,003)	(11,845)
Administrative expenses	6(a)	(48,046)	(24,825)
Operating loss		(8,011)	(7,447)
Finance costs, net	7	(224)	(617)
Share of results of a joint venture	11	(5,083)	2,074
Loss before income tax		(13,318)	(5,990)
Income tax expense	8	(242)	—
Loss and total comprehensive loss for the year from continuing operations		(13,560)	(5,990)
Discontinued operation			
Loss and total comprehensive loss for the year from a discontinued operation, after tax	6(b)	(198)	(1,682)
Loss and total comprehensive loss for the year		(13,758)	(7,672)
Loss and total comprehensive loss for the year attributable to:			
Owners of the Company			
— From continuing operations		(7,494)	(2,780)
— From a discontinued operation		(158)	(1,345)
		(7,652)	(4,125)
Non-controlling interests			
— From continuing operations		(6,066)	(3,210)
— From a discontinued operation		(40)	(337)
		(6,106)	(3,547)
		(13,758)	(7,672)
Loss per share from continuing and discontinued operations			
Basic and diluted loss per Share (expressed in HK cents)	9	(1.15)	(0.82)
Loss per share from continuing operations			
Basic and diluted loss per Share (expressed in HK cents)	9	(1.13)	(0.55)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

	<i>Notes</i>	2024	2023
		<i>HK\$'000</i>	<i>HK\$'000</i>
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		3,375	15,174
Intangible assets		324	–
Right-of-use assets		3,843	15,668
Goodwill		120	563
Other non-current assets		231	2,878
Interest in a joint venture	<i>11</i>	6,076	11,159
		<hr/> 13,969	<hr/> 45,442
Current assets			
Inventories		6,735	9,384
Trade receivables	<i>12</i>	3,440	–
Prepayments, deposits and other receivables		29,658	30,890
Due from a related company		380	495
Cryptocurrencies		1,276	746
Cash and cash equivalents		67,705	45,739
		<hr/> 109,194	<hr/> 87,254
Current liabilities			
Trade payables	<i>13</i>	9,049	3,600
Accruals and other payables		54,705	58,634
Derivative financial instruments		32	121
Due to non-controlling shareholders of subsidiaries		1,410	10,045
Lease liabilities		3,600	6,644
Bank borrowings	<i>14</i>	–	825
Current income tax liabilities		242	–
		<hr/> 69,038	<hr/> 79,869
Net current assets		<hr/> 40,156	<hr/> 7,385
Total assets less current liabilities		<hr/> 54,125	<hr/> 52,827

	<i>Notes</i>	2024 HK\$'000	2023 HK\$'000
Non-current liabilities			
Lease liabilities		257	9,817
Other non-current liabilities		<u>1,021</u>	<u>1,001</u>
		<u>1,278</u>	<u>10,818</u>
Net assets		<u>52,847</u>	<u>42,009</u>
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	6,806	5,681
Reserves		<u>48,716</u>	<u>40,177</u>
		<u>55,522</u>	<u>45,858</u>
Non-controlling interests		<u>(2,675)</u>	<u>(3,849)</u>
Total equity		<u><u>52,847</u></u>	<u><u>42,009</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

For the year ended 31 March 2024

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 8 June 2016 as an exempted company with limited liability under Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered address of the Company is at Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business in Hong Kong is located at Unit 706–8, 7th Floor, Lippo Sun Plaza, 28 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The Company is an investment holding company. The principal activities of the Group are:

- the design, development and sales of package tours, the sales of air tickets and/or hotel accommodations (the “FIT products”) and the sales of ancillary travel related products and services (collectively, the “Travel Related Products and Services”);
- investments in tourism and travel technology related businesses (the “Tourism and Travel Technology Investments”);
- the sales of lifestyle products, including toy figures and unused and second-hand luxury handbags and watches, via retail stores and/or e-commerce and any other business ancillary thereto (the “Retail Operations”);
- the catering business of selling food and drinks in Hong Kong (the “Catering Business”), which was disposed of on 28 March 2024.

The shares of the Company (the “Shares”) were listed on GEM of The Stock Exchange of Hong Kong Limited on 12 January 2017.

The ultimate holding company of the Group is WWPKG Investment Holdings Limited (“WWPKG Investment”), a company incorporated in the British Virgin Islands (the “BVI”).

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), the applicable disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, except for the derivative financial instruments, which were measured at fair value, at the end of the reporting period.

The HKICPA has issued new and revised HKFRSs that are first effective or available for early adoption for the current reporting period of the Group. Note 3 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 reporting periods in these consolidated financial statements.

3. ADOPTION OF NEW AND REVISED HKFRSs

3.1 Adoption of HKFRSs

The Group has applied for the first time the following new and amended HKFRSs issued by the HKICPA for the accounting period beginning on 1 April 2023:

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
Amendments to HKAS 12 — International Tax Reform — Pillar Two Model Rules
HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17) — Insurance Contracts

Except as described below, the application of the new and amended HKFRSs has had no material impact on the Group's results and financial position for the current or prior year and/or on the disclosures set out in these consolidated financial statements. The Group has not early applied any new or amended HKFRSs that is not yet effective for the current accounting period.

Impacts on application of Amendments to HKAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The Group has applied the amendments for the first time in the current year. The amendments narrow the scope of the recognition exemption of deferred tax liabilities and deferred tax assets in paragraphs 15 and 24 of HKAS 12 Income Taxes so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

In accordance with the transition provision: i) the Group has applied the new accounting policy retrospectively to leasing transactions that occurred on or after 1 April 2022; ii) the Group also, as at 1 April 2022, recognised a deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary difference associated with right-of-use-assets and lease liabilities.

The application of the amendments has had no material impact on the Group's financial position and performance, as the related deferred tax balances qualified for offsetting under HKAS 12.

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

The Group has applied the amendments 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 financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those 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 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 but has affected the disclosure of the Group’s accounting policies.

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

The Group has several subsidiaries operating in Hong Kong which are obliged to pay LSP to employees under certain circumstances. Meanwhile, the Group makes mandatory MPF contributions to the trustee who administers the assets held in a trust solely for the retirement benefits of each individual employee. Offsetting of LSP against an employee’s accrued retirement benefits derived from employers’ MPF contributions was allowed under the Employment Ordinance (Cap.57). In June 2022, the Government of the HKSAR gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “Amendment Ordinance”) which abolishes the use of the accrued benefits derived from employers’ mandatory MPF contributions to offset severance payment and LSP (the “Abolition”). The Abolition will officially take effect on 1 May 2025 (the “Transition Date”). In addition, under the Amendment Ordinance, the last month’s salary immediately preceding the Transition Date (instead of the date of termination of employment) is used to calculate the portion of LSP in respect of the employment period before the Transition 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 light of this, the Group has implemented the guidance published by the HKICPA in connection with the LSP obligation retrospectively so as to provide more reliable and more relevant information about the effects of the offsetting mechanism and the Abolition.

The Group considered the accrued benefits arising from employer MPF contributions that have been vested with the employee and which could be used to offset the employee’s LSP benefits as a deemed contribution by the employee towards the LSP. Historically, the Group has been applying the practical expedient in paragraph 93(b) of HKAS 19 to account for the deemed employee contributions as a reduction of the service cost in the period in which the related service is rendered.

Based on the HKICPA’s guidance, as a result of the Abolition, these contributions are no longer considered “linked solely to the employee’s service in that period” since the mandatory employer MPF contributions after the Transition Date can still be used to offset the pre-transition LSP obligation. Therefore, it would not be appropriate to view the contributions as “independent of the number of years of service” and the practical expedient in paragraph 93(b) of HKAS 19 is no longer applicable. Instead, these deemed contributions should be attributed to periods of service in the same manner as the gross LSP benefit applying paragraph 93(a) of HKAS 19. Accordingly, the Group has recognised a cumulative catch-up adjustment in profit or loss for the service cost, interest expense and remeasurement effect from changes in actuarial assumptions for the year ended 31 March 2024, with corresponding adjustment to the LSP obligation. The cumulative catch-up adjustment is calculated as the difference at the enactment date (16 June 2022) between the carrying amount of the LSP liability calculated under paragraph 93(b) of HKAS 19 before the Abolition and the carrying amount of the LSP liability calculated under paragraph 93(a) of HKAS 19 after the Abolition.

3.2 New or Amended HKFRSs that have been issued but are not yet effective

The following new or amended HKFRSs have been issued but are not yet effective and have not been early adopted by the Group:

	Effective for accounting year beginning on or after
Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Amendments to HKFRS 16 — Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to HKAS 1 — Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (the “2020 Amendments”)	1 January 2024
Amendments to HKAS 1 — Non-current Liabilities with Covenants (the “2022 Amendments”)	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

The directors of the Company is in the process of making an assessment of the impact of the new and amendments to HKFRSs in issue but not yet effective and anticipate that the application of these new and amendments to HKFRSs, which are not yet effective, will have no material impact on the consolidated financial statements in the foreseeable future.

4. REVENUE AND SEGMENT INFORMATION

(a) Revenue

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<i>Continuing operations</i>		
Sales of package tours	361,713	122,949
Margin income from sales of FIT products	568	821
Margin income from sales of ancillary travel related products and services	4,846	1,789
Sales of lifestyle and any other business ancillary thereto	32,366	32,171
Catering services	8,142	679
	<u>407,635</u>	<u>158,409</u>
<i>Discontinued operation</i>		
Revenue from Cryptocurrency Mining	–	195
	<u>407,635</u>	<u>158,604</u>

(b) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker that are used for making strategic decisions. The chief operating decision-maker has been identified as the executive Directors of the Company. They review the Group's internal reporting in order to assess performance and allocate resources.

The Group is organised into five reportable segments:

Continuing reportable segments:

- (i) Travel Related Products and Services;
- (ii) Tourism and Travel Technology Investments;
- (iii) Retail Operations and other business ancillary thereto; and
- (iv) Catering business

Discontinued reportable segment:

- (i) Cryptocurrency Mining;

The chief operating decision-maker assesses the performance of the operating segments based on a measure of profit before interest and tax. Information provided to the chief operating decision-maker is measured in a manner consistent with that in the consolidated financial statements.

Year ended 31 March 2024

	Continuing operations				Discontinued operations	Total HK\$'000
	Travel Related Products and Services HK\$'000	Tourism and Travel Technology Investments HK\$'000	Retail Operations and others HK\$'000	Catering Business HK\$'000	Cryptocurrency Mining HK\$'000	
Reportable segment revenue	<u>367,127</u>	<u>-</u>	<u>32,366</u>	<u>8,142</u>	<u>-</u>	<u>407,635</u>
Reportable segment profit/(loss)	<u>10,965</u>	<u>(5,083)</u>	<u>(6,644)</u>	<u>(9,206)</u>	<u>(199)</u>	<u>(10,167)</u>
Unallocated (expenses)/gains, net						(3,126)
Finance income						398
Finance costs						<u>(621)</u>
Loss before income tax						(13,516)
Income tax expense						<u>(242)</u>
Loss and total comprehensive loss for the year						<u><u>(13,758)</u></u>
Share of results of a joint venture	<u>-</u>	<u>(5,083)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,083)</u>
Depreciation of property, plant and equipment	(916)	-	(444)	(3,589)	-	(4,949)
Depreciation of intangible assets	(81)	-	-	-	-	(81)
Depreciation of right-of-use assets	(3,414)	-	(1,115)	(2,099)	-	(6,628)
Impairment loss on goodwill	-	-	(302)	-	-	(302)
Reversal of impairment on cryptocurrencies	-	-	-	-	530	530

Year ended 31 March 2023

	Continuing operations				Discontinued operation	Total HK\$'000
	Travel Related Products and Services HK\$'000	Tourism and Travel Technology Investments HK\$'000	Retail Operations and others HK\$'000	Catering Business HK\$'000	Cryptocurrency Mining HK\$'000	
Reportable segment revenue	<u>125,559</u>	<u>-</u>	<u>32,171</u>	<u>679</u>	<u>195</u>	<u>158,604</u>
Reportable segment profit/(loss)	<u>3,896</u>	<u>2,074</u>	<u>(4,994)</u>	<u>(2,984)</u>	<u>(1,677)</u>	<u>(3,685)</u>
Unallocated (expenses)/gains, net						(3,365)
Finance income						10
Finance costs						(632)
Loss before income tax						(7,672)
Income tax expense						-
Loss and total comprehensive loss for the year						<u>(7,672)</u>
Share of results of a joint venture	<u>-</u>	<u>2,074</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,074</u>
Depreciation of property, plant and equipment	(350)	-	(301)	(460)	(365)	(1,476)
Depreciation of right-of-use assets	(3,095)	-	(822)	(566)	(82)	(4,565)
Impairment loss on cryptocurrencies	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(507)</u>	<u>(507)</u>

For the years ended 31 March 2024, unallocated (expenses)/gains, net represent corporate (expenses)/gains (2023: same).

Segment assets and liabilities are as follows:

Year ended 31 March 2024

	Continuing operations				Discontinued operation		Total HK\$'000
	Travel Related Products and Services HK\$'000	Tourism and Travel Technology Investments HK\$'000	Retail Operations and others HK\$'000	Catering Business HK\$'000	Cryptocurrency Mining HK\$'000	Unallocated HK\$'000	
Reportable segment assets	<u>92,309</u>	<u>6,076</u>	<u>16,520</u>	<u>-</u>	<u>-</u>	<u>8,258</u>	<u>123,163</u>
Reportable segment liabilities	<u>(60,578)</u>	<u>-</u>	<u>(9,605)</u>	<u>-</u>	<u>-</u>	<u>(133)</u>	<u>(70,316)</u>
Capital expenditure	<u>4,047</u>	<u>-</u>	<u>2,281</u>	<u>353</u>	<u>-</u>	<u>-</u>	<u>6,681</u>

Year ended 31 March 2023

	Continuing operations				Discontinued operation		Total HK\$'000
	Travel Related Products and Services HK\$'000	Tourism and Travel Technology Investments HK\$'000	Retail Operations and others HK\$'000	Catering Business HK\$'000	Cryptocurrency Mining HK\$'000	Unallocated HK\$'000	
Reportable segment assets	<u>75,438</u>	<u>11,159</u>	<u>16,454</u>	<u>22,462</u>	<u>1,268</u>	<u>5,915</u>	<u>132,696</u>
Reportable segment liabilities	<u>(59,589)</u>	<u>-</u>	<u>(4,868)</u>	<u>(25,670)</u>	<u>(91)</u>	<u>(469)</u>	<u>(90,687)</u>
Capital expenditure	<u>3,581</u>	<u>-</u>	<u>2,038</u>	<u>14,324</u>	<u>-</u>	<u>-</u>	<u>19,943</u>

Capital expenditure comprises additions to property, plant and equipment and right-of-use assets.

Segment assets and liabilities are reconciled to the Group's assets and liabilities as follows:

	2024		2023	
	Assets HK\$'000	Liabilities HK\$'000	Assets HK\$'000	Liabilities HK\$'000
Reportable segment assets/(liabilities)	114,905	(70,183)	126,781	(90,218)
Unallocated:				
Prepayments, deposits and other receivables	231	-	187	-
Cash and cash equivalents	8,027	-	5,728	-
Accruals and other payables	-	(133)	-	(469)
	<u>123,163</u>	<u>(70,316)</u>	<u>132,696</u>	<u>(90,687)</u>

(c) **Geographic information**

The Group's business is domiciled in Hong Kong and all revenue was generated from customers located in Hong Kong and Macau. As at 31 March 2024, all non-current assets were located in Hong Kong (31 March 2023: same).

5. OTHER INCOME AND OTHER (LOSSES)/GAINS, NET

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<i>Continuing operations</i>		
Other income		
Referral income	20	23
Management services fee income	144	144
Rent concessions	–	384
Subsidies ^(Note i)	226	–
Gain on disposal of property, plant and equipment	71	–
Others	207	438
	<u>668</u>	<u>989</u>
	-----	-----
Other (losses)/gains, net		
Loss on disposal of subsidiaries	(2,426)	–
Exchange losses, net	(1,286)	(449)
Fair value losses on derivative financial instruments	(92)	(30)
Gain on lease modification	839	35
	<u>(2,965)</u>	<u>(444)</u>
	-----	-----
Other income and other (losses)/gains, net	<u>(2,297)</u>	<u>545</u>
	=====	=====
<i>Discontinued operation</i>		
Other gains/(losses), net		
Gain on lease modification	5	84
Loss on disposal of property, plant and equipment	–	(418)
	<u>5</u>	<u>(334)</u>
	=====	=====

Notes:

- (i) Subsidies mainly represent grants received from Hong Kong SAR Government. There are no unfulfilled conditions or contingencies relating to these grants.

6. EXPENSES BY NATURE

- (a) The Group's loss is stated after charging/(crediting) the following cost of sales, selling expenses and administrative expenses:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<i>Continuing operations</i>		
Land costs <i>(Note)</i>	167,944	51,452
Air fare costs	128,122	45,498
Cost of inventories	22,204	32,152
Catering service costs	2,934	386
Low-value assets leases expenses	215	235
Advertising and promotion	4,157	1,408
Credit card fees	4,522	2,118
Employee benefits expenses, excluding Directors' benefits and interests	41,916	16,536
Directors' benefits and interests	11,769	2,026
Depreciation of property, plant and equipment	4,949	1,111
Depreciation of intangible assets	81	–
Depreciation of right-of-use assets	6,628	4,483
Provision for slow-moving inventories	105	–
Reversal of impairment on cryptocurrencies	(573)	–
Impairment loss on goodwill	302	–
Office, telecommunication and utility expenses	1,551	931
Staff training	1,497	–
Exchange gains, net	(181)	–
Legal and professional fees	2,643	2,403
Auditor's remuneration		
— Audit services	686	1,890
— Non-audit services	–	47
Others	11,878	3,725
	<u>413,349</u>	<u>166,401</u>

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
<i>Discontinued operation</i>		
Employee benefits expenses, excluding Directors' benefits and interests	146	353
Depreciation of property, plant and equipment	–	365
Depreciation of right-of-use assets	–	82
Impairment loss on property, plant and equipment	–	–
Impairment loss on cryptocurrencies	43	–
Office, telecommunication and utility expenses	1	507
Legal and professional fees	6	144
Auditor's remuneration	–	7
— Audit services	–	50
— Non-audit services	–	15
Others	8	15
	<u>204</u>	<u>1,538</u>

Note:

Land costs mainly consist of direct costs incurred in the provision of package tours services such as land operator services, hotel accommodations, transportation expenses, meal expenses, admission tickets costs and booking services fees.

(b) Discontinued Operation

Due to the recent market and price volatility on the cryptocurrencies and the increasing cost of electricity, together with the increasing ETH-mining difficulty level, cryptocurrency mining was suspended and ceased operation as at 31 March 2023.

The revenue, results and cash flows of the discontinued operation were as follows:

	2024 HK\$'000	2023 HK\$'000
Revenue	–	195
Other income and other gains/(losses), net	5	(334)
Administration expenses	(204)	(1,538)
Finance income/(costs), net	1	(5)
	<hr/>	<hr/>
Loss for the year from a discontinued operation	(198)	(1,682)
Loss for the year from a discontinued operation attributable to:		
Owner of the company	(158)	(1,345)
Non-controlling interests	(40)	(337)
	<hr/>	<hr/>
	(198)	(1,682)
	<hr/> <hr/>	<hr/> <hr/>
Operating cash outflows	(468)	(284)
Investing cash flows	1	111
Financing cash outflows	–	(161)
	<hr/>	<hr/>
Total cash outflows	(467)	(334)
	<hr/> <hr/>	<hr/> <hr/>

7. FINANCE COSTS, NET

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<i>Continuing operations</i>		
Finance income		
Bank interest income	397	9
	-----	-----
Finance costs		
Imputed interest on loans from a shareholder	-	(121)
Interest expense on lease liabilities	(606)	(431)
Interest expense on long services payment	(11)	-
Interest expense on bank borrowings	(4)	(74)
	-----	-----
	(621)	(626)
	-----	-----
Finance costs, net	(224)	(617)
	=====	=====
<i>Discontinued operation</i>		
Finance income		
Bank interest income	1	1
	-----	-----
Finance costs		
Interest expense on lease liabilities	-	(6)
	-----	-----
Finance income/(costs), net	1	(5)
	=====	=====

8. INCOME TAX EXPENSE

Hong Kong Profits Tax has been provided for at the rate of 16.5% (2023: same) on the estimated assessable profit for the year ended 31 March 2024.

No overseas profits tax has been calculated as the group companies are incorporated in the BVI or the Cayman Islands and are exempted from tax.

9. BASIC AND DILUTED LOSS PER SHARE

From continuing and discontinued operations

(a) Basic

Basic loss per Share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.

	2024	2023
Loss attributable to owners of the Company (<i>HK\$'000</i>)		
— Continuing operations	(7,494)	(2,780)
— Discontinued operation	(158)	(1,345)
	<u>(7,652)</u>	<u>(4,125)</u>
Weighted average number of ordinary shares in issue (<i>'000</i>)	661,538	503,181
Basic loss per Share from continuing and discontinued operations (<i>HK cents per Share</i>)	(1.15)	(0.82)
Basic loss per share from continuing operations (<i>HK cents per Share</i>)	(1.13)	(0.55)
Basic loss per share from a discontinued operation (<i>HK cents per Share</i>)	<u>(0.02)</u>	<u>(0.27)</u>

(b) Diluted

Diluted loss per Share is the same as basic loss per Share due to the absence of potential dilutive ordinary shares during the year ended 31 March 2024 (2023: same).

The basic and diluted loss per Share have been adjusted to reflect the bonus element in the Placing Shares of the Company for the year ended 31 March 2023.

Details of the movements in share capital have been set out in Note 15.

10. DIVIDENDS

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

11. INTEREST IN A JOINT VENTURE

Share of net assets of a joint venture

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
As at 1 April	11,159	9,085
Share of post-tax results of a joint venture	<u>(5,083)</u>	<u>2,074</u>
As at 31 March	<u><u>6,076</u></u>	<u><u>11,159</u></u>

Details of the joint venture as at 31 March 2024 and 2023 is set out below:

Name of joint venture	Place of incorporation	Issued and fully paid capital	Effective equity interest	Principal activities
Triplabs (BVI) Limited	BVI	HK\$20,000,000	50%	Investments in tourism and travel technology related business through a wholly-owned subsidiary

12. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables	3,440	–
Less: loss allowance	<u>–</u>	<u>–</u>
Net carrying amount	<u><u>3,440</u></u>	<u><u>–</u></u>

The ageing analysis of the Group's trade receivables (net of loss allowance) as at 31 March 2024, based on invoice date and net of loss allowance, is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
1 to 30 days	942	–
31 to 60 days	910	–
61 to 90 days	463	–
91 to 120 days	350	–
Over 120 days	<u>775</u>	<u>–</u>
	<u><u>3,440</u></u>	<u><u>–</u></u>

The Group has a policy of granting trade customers with credit terms of generally 0 days to 30 days. The carrying amounts of trade receivables approximate their fair values as at 31 March 2024 and are denominated in HK\$.

In general, the Group does not hold any collateral or other credit enhancements over these balances.

13. TRADE PAYABLES

As at 31 March 2024 and 2023, the ageing analysis of trade payables based on invoice date are as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
1 to 30 days	6,785	1,139
31 to 60 days	605	981
61 to 90 days	901	–
91 to 120 days	502	–
Over 120 days	256	1,480
	<u>9,049</u>	<u>3,600</u>

The carrying amounts of trade payables approximate their fair values as at 31 March 2024 and are denominated in HK\$.

14. BANK BORROWINGS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Bank borrowings, secured and repayable on demand within one year ^(Note)	<u>–</u>	<u>825</u>

Note:

As at 31 March 2023, the bank borrowings were secured by undertakings provided by the executive Directors. The carrying amounts of bank borrowings approximate their fair values, denominated in HK\$ and interest-bearing at 2.75% per annum.

As at 31 March 2024, such bank borrowings were fully repaid and the pledge was released accordingly.

The contractual maturity of the bank borrowings that are repayable on demand as at 31 March 2023 and 2024 was as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within one year	<u>–</u>	<u>825</u>

15. SHARE CAPITAL

	Number of Shares	Share capital HK\$'000
Authorised:		
<i>Ordinary shares of HK\$0.01 each</i>		
As at 1 April 2022 , 31 March 2023, 1 April 2023 and 31 March 2024	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:		
<i>Ordinary shares of HK\$0.01 each</i>		
As at 1 April 2022	400,000,000	4,000
Issue of Shares upon placing ^{(Note (i))}	<u>168,095,000</u>	<u>1,681</u>
As at 31 March 2023 and 1 April 2023	568,095,000	5,681
Issue of Shares upon placing ^{(Note (ii))}	<u>112,500,000</u>	<u>1,125</u>
As at 31 March 2024	<u>680,595,000</u>	<u>6,806</u>

Note:

- (i) On 24 May 2022, 80,000,000 Shares were first placed and issued at a subscription price of HK\$0.281 each to not less than six placees at an aggregate consideration of HK\$22,480,000 of which HK\$800,000 was credited to share capital and the remaining balance of HK\$21,680,000 was credited to share premium account.

On 16 November 2022, 88,095,000 Shares were subsequently placed and issued at a subscription price of HK\$0.17 each to not less than six placees at an aggregate consideration of HK\$14,976,000 of which HK\$881,000 was credited to share capital and the remaining balance of HK\$14,095,000 was credited to share premium account.

- (ii) On 2 June 2023, 112,500,000 Shares were subsequently placed and issued at a subscription price of HK\$0.16 each to not less than six placees at an aggregate consideration of HK\$18,000,000 of which HK\$1,125,000 was credited to share capital and the remaining balance of HK\$16,875,000 was credited to share premium account.

16. EVENTS AFTER THE REPORTING PERIOD

There were no significant events subsequent to the end of the reporting period which would materially affect the Group's operating and financial performance as at the date of this report.

EXECUTIVE DIRECTOR'S STATEMENT

Dear Shareholders,

Global tourism recovery has been gaining momentum as the pandemic controls across the world were lifted. Our Travel Related Products and Services segment revealed a staggering three-fold increase in revenue for the year ended 31 March 2024 (“FY23/24”) as compared with the year ended 31 March 2023 (“FY22/23”). The Group’s loss for FY23/24, after accounting for approximately HK\$7.1 million increase in profit from the Travel Related Products and Services segment, increased by 79.3% from approximately HK\$7.7 million for FY22/23 to approximately HK\$13.8 million for FY23/24. The aforesaid increase in the Group’s loss was mainly attributable to the increase in the share of loss of the Group’s joint venture by approximately HK\$7.2 million as a result of an impairment loss recognised in an investment held by the joint venture and a net loss on disposal of subsidiaries of approximately HK\$2.4 million recorded during FY23/24.

BUSINESS REVIEW

Following the eased pandemic controls across the world, including restrictions on cross-boundary/border travel and rules that govern quarantine, mask-wearing and socialising, tourism continued to recover at a promising pace. On the supply side, the Group’s airline suppliers have gradually resumed their international flights, while on the demand side, leisure travel sentiment has been improving. As a result, the Group’s revenue generated from the Travel Related Products and Services segment for FY23/24 recorded a 192.3% increase from approximately HK\$125.6 million for FY22/23 to approximately HK\$367.1 million for FY23/24, and the corresponding segment profit increased by 181.4% from approximately HK\$3.9 million for FY22/23 to approximately HK\$11.0 million for FY23/24.

The Group had been striving to explore opportunities and seek to diversify its business portfolio in other industries in order to broaden its source of income and future earning capability and potential. The Group’s retail operations, mainly represented by the sales of lifestyle products, including toy figures and unused and second-hand luxury handbags and watches at outlets located at prime locations in Hong Kong and online, recorded segment revenue of approximately HK\$32.4 million and a segment loss of approximately HK\$6.6 million for FY23/24. The segment loss was mainly attributable to the low gross profit margins applied and considerable staff costs and staff training incurred to increase customer service quality and promote sales.

The Group initially tapped into the catering business of selling food and drinks in Hong Kong by setting up a restaurant at a leased property located in Tsim Sha Tsui via its 51%-owned subsidiary. Since its official opening in April 2023, the restaurant had received an accumulated funding of approximately HK\$14.6 million from the Group to support its operations and was yet to be profit-making. Considering the recent low sentiment and uncertain outlook of the catering industry in Hong Kong, on 28 March 2024, the Group disposed of such catering business so as to devote and reallocate its financial and other resources to other businesses of the Group and opportunities ahead.

OUTLOOK

Based on the UN Tourism World Tourism Barometer published by the World Tourism Organisation (“UNWTO”), international tourism recovered 88% of pre-pandemic levels in the calendar year 2023, supported by strong pent-up demand. The unleashing of the remaining pent-up demand, increased air connectivity and a stronger recovery of Asian markets and destinations are expected to underpin a full recovery by the end of 2024. Hence, we remain confident in the Group’s strategy and has faith that our outbound travel, tourism and hospitality activities will continue to thrive in the medium term. As the year ending 31 March 2025 commenced, we have been diversifying our package tour products by offering new destinations and itineraries, including South America, as well as further expanding our European landscape. We continue to put focus on digital marketing to enhance our brand awareness and to promote popularity and variety of our products. Following the success of our new concept store opened in June 2023 in Cheung Sha Wan, our Causeway Bay store will undergo a major facelift that will go beyond a traditional travel agent to offer exclusive in-store experiences to our customers.

We will continue to seek to diversify our business in other industries in order to expand the Group’s revenue and income sources. The Group will continue to put forth its best endeavor to drive business performance on its road to profitability. With our over 44 years of industry experience and business insights as well as a dedicated management team, we are confident that the Group is able to face the opportunities and challenges ahead.

APPRECIATION

I would like to extend my sincere appreciation to all of our business partners, customers and shareholders of the Company (the “Shareholders”) for their loyalty and support. I would also like to thank our management team and staff for their hard work and contribution. With the unfailing faith and effort of our staff of all levels, I have every confidence that the Group will be able to create more values for our investors and delightful travel experiences for our customers.

Flydoo Technology Holding Limited
Shawlain Ahmin
Executive Director

Hong Kong, 28 June 2024

MANAGEMENT DISCUSSION AND ANALYSIS

Founded in 1979, the Group is one of the long-established and well-known travel agents in Hong Kong. The Group's businesses include the sales of Travel Related Products and Services, Tourism and Travel Technology Investments, Retail Operations and Catering Business, which was disposed of on 28 March 2024.

FINANCIAL REVIEW

Revenue and gross profit

The following table sets out the Group's revenue and gross profit by business categories:

	FY23/24		FY22/23	
	Revenue	Gross Profit	Revenue	Gross profit
	<i>HK\$'</i>	<i>HK\$'</i>	<i>HK\$'</i>	<i>HK\$'</i>
	<i>million</i>	<i>million</i>	<i>million</i>	<i>million</i>
<i>Continuing operations</i>				
Package tours	361.7	65.5	123.0	25.8
FIT products ^{Note}	0.6	0.6	0.8	0.8
Ancillary travel related products and services ^{Note}	4.8	4.8	1.8	1.8
	<hr/>	<hr/>	<hr/>	<hr/>
Travel Related Products and Services	367.1	70.9	125.6	28.4
Retail Operations	32.4	5.2	32.1	–
Catering Business	8.1	5.2	0.7	0.3
	<hr/>	<hr/>	<hr/>	<hr/>
	407.6	81.3	158.4	28.7
<i>Discontinued operation</i>				
Cryptocurrency Mining	–	–	0.2	0.2
	<hr/>	<hr/>	<hr/>	<hr/>
	407.6	81.3	158.6	28.9
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Note: The Group's revenue from sales of FIT products and ancillary travel related products and services are recognised on net basis as the Group renders its services as an agent.

Package Tours

As compared with FY22/23, revenue from package tours increased by 194.1% to approximately HK\$361.7 million and gross profit from package tours increased by 153.9% to approximately HK\$65.5 million, owing to the re-launch of the Group's outbound package tours beginning 24 June 2022 and the number of tour participants, hence revenue from package tours, spiked since October 2022 when the Japan government resumed its visa-free tourist travel and the Hong Kong SAR government gradually lifted its boarding requirements and quarantine arrangements for inbound persons.

FIT products and ancillary travel related products and services

For FY23/24, sales of FIT products covered global destinations including Japan, United Kingdom, Canada, United States, Greece, Australia and countries in Asia. Ancillary travel related products and services generally include (i) travel insurance; (ii) admission tickets to attractions such as theme parks and shows; (iii) guided overseas day tours and excursions; (iv) local transportation such as airport transportation; (v) overseas transportation such as rail passes; (vi) car rental; (vii) prepaid telephone and internet cards; (viii) travel visa applications; and (ix) trading of merchandise. As compared with FY22/23, revenue from ancillary travel related products and services increased by 170.9% to approximately HK\$4.8 million, mainly due to the increase in (i) margin income from insurance companies for the sales of travel insurance to the Group's tour participants; and (ii) sales of admission tickets to theme parks and shows and day tours in Japan.

Retails Operations

For FY23/24, revenue from Retail Operations mainly represented the sales of lifestyle products at retail stores and online. Products that were in high demand included (i) the Bearbrick (stylised as Be@rbrick) figures, which have been prominent in the designer and art toy collector community; and (ii) unused and second-hand luxury handbags and watches.

Catering Business

On 13 December 2022, the Group via its wholly-owned subsidiary, Awesome Management Services Company Limited ("Awesome"), acquired 51% of the issued share capital of Well Fed International Limited ("Well Fed"). As part of its Catering Business, Well Fed set up a restaurant, Awesome Bar and Cafe, located in Tsim Sha Tsui, Hong Kong, which was officially opened in April 2023. On 28 March 2024, Awesome entered into a sale and purchase agreement with Mr. Chan Chun Hong (the "Purchaser"), pursuant to which Awesome had agreed to sell and the Purchaser had agreed to purchase 51% of the issued share capital of Well Fed at a total consideration of HK\$8.0 million (the "Sale and Purchase Agreement"). The Purchaser was a director of Well Fed, and Well Fed was owned as to 24.5% and 75.5% by the Purchaser immediately prior to and

upon the completion of the Sale and Purchase Agreement, respectively. The Group then ceased to own any issued share capital of Well Fed and Well Fed ceased to be a subsidiary of the Company, and the financial statements of Well Fed were no longer consolidated in the Group's consolidated financial statements. A loss on disposal of the subsidiary of approximately HK\$1.3 million was recorded for FY23/24.

Selling expenses

Selling expenses mainly consist of (i) advertising and promotion expenses, such as sponsoring television travel programs and films, online and offline media advertisements, participating in tourism fairs and organizing travel seminars; (ii) credit card and debit card charges in respect of payments from customers with credit cards and electronic payment services (EPS); (iii) staff costs, representing the salaries and benefits for the Group's tour escorts, the sales associates of its Retail Operations and the restaurant staff of its Catering Business; (iv) depreciation of right-of-use assets for the Group's travel agency branches, retail stores and restaurant; and (v) depreciation of property, plant and equipment.

For FY23/24, selling expenses increased by 229.3% to approximately HK\$39.0 million as compared with approximately HK\$11.8 million for FY22/23, mainly due to (i) the increase in credit card charges arising from the sales of Travel Related Products and Services; (ii) the increase in salaries for the Group's tour escorts; and (iii) the increase in staff costs arising from recruitment of the restaurant staff and depreciation of leasehold improvements and right-of-use assets incurred for the Catering Business.

Administrative expenses

Administrative expenses mainly consist of (i) staff costs, representing the Directors' remuneration and the salaries and benefits for the Group's administrative and operational staff; (ii) depreciation of right-of-use assets for the Group's office premises; (iii) depreciation of property, plant and equipment; (iv) office, telecommunication and utility expenses incurred in the Group's daily operations; (v) legal and professional fees; and (vi) other miscellaneous administrative expenses.

For FY23/24, administrative expenses increased by 93.5% to approximately HK\$48.0 million as compared with approximately HK\$24.8 million for FY22/23, mainly due to the increase in staff costs for the Travel Related Products and Services operation as a result of increase in employee headcount and salaries as well as annual discretionary bonuses awarded in respect of FY23/24.

Share of Results of a Joint Venture

The Group held investments in seven startup companies that engaged in tourism and travel technology related businesses via its 50%-owned joint venture. For FY23/24, the share of loss of the joint venture mainly arose from an impairment loss recognised on an investment held by the joint venture.

Loss for the year

The Group's loss for FY23/24 increased by 79.3% to approximately HK\$13.8 million as compared with approximately HK\$7.7 million for FY22/23, which was mainly attributable to the following:

- the increase in the Group's gross profit by approximately HK\$52.7 million mainly contributed by the sales of Travel Related Products and Services as discussed in the subsection headed "Financial Review — Revenue and Gross Profit — Package Tours" above; and
- the decrease in loss of the Group's Cryptocurrency Mining operations by approximately HK\$1.5 million, which has been suspended since June 2022; which was partially offset by:
- the increase in selling expenses by approximately HK\$27.2 million for reasons as discussed in the sub-section headed "Financial Review — Selling expenses" above;
- the increase in administrative expenses by approximately HK\$23.2 million for reasons as discussed in the sub-section headed "Financial Review — Administrative expenses" above;
- a loss of approximately HK\$2.4 million recognised from the disposal of subsidiaries, including the Catering Business, during FY2023/24; and
- the increase in share of loss of the Group's joint venture by approximately HK\$7.2 million for reasons as discussed in the subsection headed "Financial Review — Share of Results of a Joint Venture" above.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its liquidity requirements through internally generated resources and available banking facilities, when necessary. As at 31 March 2024, the Group's net asset value was approximately HK\$52.8 million (31 March 2023: approximately HK\$42.0 million). The Group had cash and cash equivalents as represented by cash on hand and at banks of approximately HK\$67.7 million (31 March 2023: approximately HK\$45.7 million). The Group's cash and bank balances were mainly denominated in Hong Kong dollars ("HK\$") and Japanese Yen ("JPY"), which accounted for 58.0% (31 March 2023: 91.4%) and 39.2% (31 March 2023: 3.9%) of the total balances, respectively.

To meet the needs of working capital for its Travel Related Products and Services operations, the Group had obtained bank loans under the SME Financing Guarantee Scheme of the Hong Kong SAR government in June 2020. As at 31 March 2024, such bank borrowings were fully repaid (31 March 2023: the carrying amounts of the bank borrowings were approximately HK\$0.8 million).

To support the working capital of its Retail Operations and Catering Business during FY23/24, the Group received advances from non-controlling shareholders of its subsidiaries that were interest-free and repayable on demand. As at 31 March 2024, the carrying amounts of the amounts due to non-controlling shareholders of the Group's subsidiaries amounted to approximately HK\$1.4 million (31 March 2023: approximately HK\$10.0 million).

To support the Group's general working capital for its businesses, the Company completed its placing of 112,500,000 new ordinary shares (the "June 2023 Placing Share(s)") to not less than six places at the placing price of HK\$0.160 per June 2023 Placing Share on 2 June 2023. The placing price of HK\$0.160 per June 2023 Placing Share represented a premium of approximately 14.3% over the closing price of HK\$0.140 per share of the Company (the "Share(s)") as quoted on the Stock Exchange on 10 May 2023, being the date on which the terms of the placing were fixed. The net proceeds (after deduction of commission and other expenses of the placing) from the placing of the June 2023 Placing Shares amounted to approximately HK\$17.6 million, representing a net issue price of HK\$0.157 per June 2023 Placing Share, which have been fully utilised for the Group's settlement of accrued leasehold improvements, procurement expenses, staff costs, rental expenses and general and administration expenses before 31 March 2024.

Current ratio is calculated as current assets divided by current liabilities. The Group's current ratio as at 31 March 2024 was 1.6 times (31 March 2023: 1.1 times).

GEARING RATIO

Gearing ratio is derived from total borrowings, comprising bank borrowings and amounts due to non-controlling shareholders of subsidiaries, to total assets. The Group's gearing ratio decreased from 8.2% as at 31 March 2023 to 1.1% as at 31 March 2024, which was mainly attributable to the following:

- net cash generated from the Group's outbound tours operations;
- the increase in cash and cash equivalents arising from the share placement exercise as discussed in the sub-section headed "Liquidity and Financial Resources" above; and
- proceeds received from the disposal of Well Fed.

CHARGE ON THE GROUP'S ASSETS

As at 31 March 2024, the Group did not pledge any of its assets as securities for facilities granted to the Group (31 March 2023: same).

CAPITAL EXPENDITURE

During FY23/24, the Group acquired property, plant and equipment, intangible assets and right-of-use assets at total costs of approximately HK\$6.7 million (FY22/23: approximately HK\$19.9 million), which was financed by internal resources of the Group or advances from non-controlling shareholders of subsidiaries.

CAPITAL STRUCTURE

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

FOREIGN EXCHANGE EXPOSURE

Regarding the Group's Travel Related Products and Services, revenue was mainly denominated in HK\$. However, the settlement of substantial portion of its land costs, such as hotel tariffs, transportation costs, meal expenses and admission ticket costs, is denominated in JPY. The Group is therefore exposed to foreign exchange risk primarily with respect to JPY. The Group has implemented foreign exchange risk management procedures to manage exposure to foreign exchange risk in relation to JPY. The procedures were established to control the foreign exchange risk to an acceptable level by ensuring that the Group is able to obtain sufficient amount of JPY at acceptable exchange rates for meeting its payment obligations arising from business operations and at the same time do not purchase unnecessary amounts of JPY more than it requires. The purchase amounts were limited to the corresponding costs of the travel elements payable in JPY for the Japan bound tours for the coming four weeks (or eight weeks during peak seasons). Such amounts were estimated based on the actual enrolment data (i.e. headcount enrolled for the Group's Japan bound tours) and the costs of travel elements payable in JPY per headcount, of which such costs were determined with reference to the historical spending and the effect of general inflation.

Although the Group may enter into foreign exchange forward contracts with major and reputable financial institutions and foreign currency services companies of long establishment history to manage its exposure to foreign exchange risk, it does not intend to speculate on the future direction of foreign exchange fluctuation. As at 31 March 2024, the Group had outstanding foreign exchange forward contracts denominated in JPY of notional principal amounts of approximately HK\$4.2 million (31 March 2023: approximately HK\$3.1 million). Management will continue to evaluate the Group's foreign exchange risk management procedures and take actions as appropriate to minimise the Group's exposure whenever necessary.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2024, the Group had a workforce of 91 employees (31 March 2023: 85), excluding the Directors. Salaries of employees are determined based on factors such as roles and responsibilities, years of experience, professional specialisation and other qualifications, and are maintained at competitive levels. The Group operates a defined contribution mandatory provident fund scheme for all its employees. The Group also offers discretionary bonuses to its employees by reference to the performance of individual employees and the overall performance of the Group. Total employee benefits expenses, excluding the Directors' emoluments, incurred by the Group for FY23/24 amounted to approximately HK\$42.1 million (year ended 31 March 2023: approximately HK\$16.9 million). The increase in the Group's employee benefits expenses was mainly due to reasons as discussed in the sub-sections headed "Financial Review — Selling expenses" and "Financial Review — Administrative expenses" above.

The Company has adopted a share option scheme on 16 December 2016 with a term of 10 years (the “Share Option Scheme”). The Share Option Scheme is designed to motivate eligible participants, including executives and key employees, who may make a contribution to the Group, and enables the Group to attract and retain individuals with experience and ability and to reward them for their contributions. During FY23/24, no share option had been granted, exercised, lapsed or cancelled under the Share Option Scheme.

The Group did not experience any significant labour disputes that led to any disruption of its normal business operations during FY23/24.

USE OF PROCEEDS

The Company completed its placing of 80,000,000 new ordinary shares (the “May 2022 Placing Share(s)”) to not less than six placees at the placing price of HK\$0.281 per May 2022 Placing Share on 24 May 2022. The net proceeds (after deduction of commission and other expenses of the placing) from the placing of the May 2022 Placing Shares amounted to approximately HK\$21.9 million, which have been used for the general working capital of the Group and general corporate purposes to support the Group’s strategies and had been fully utilised before 31 March 2024. The following table sets forth the details of the use of the proceeds from the placing of the May 2022 Placing Shares:

Objective	Amount utilised up to 31 March 2024 HK\$ million
Salary payments, including staff costs for the expected recruitment of additional staff when travel restrictions are relaxed	13.0
Rental expenses	3.5
General corporate expenses including legal and professional fees	3.0
Advertising and marketing expenses to promote Travel Related Products and Services when outbound tourism resumes	2.4
	21.9

The Company completed its placing of 88,095,000 new ordinary shares (the “November 2022 Placing Share(s)”) to not less than six places at the placing price of HK\$0.170 per November 2022 Placing Share on 16 November 2022. The net proceeds (after deduction of commission and other expenses of the placing) from the placing of the November 2022 Placing Shares amounted to approximately HK\$13.7 million, which have been used for the working capital of the Retail Operations and had been fully utilised before 31 March 2024. The following table sets forth the details of the use of the proceeds from the placing of the November 2022 Placing Shares:

Objective	Amount utilised up to 31 March 2024 HK\$ million
Procurement expenses in relation to the Retail Operations	7.4
Salary payments in relation to the Retail Operations	2.4
General and administration expenses in relation to the Retail Operations	1.8
Rental expenses in relation to the Retail Operations	1.2
Advertising and marketing expenses in relation to the Retail Operations	0.9
	<u>13.7</u>

The Company completed its placing of the June 2023 Placing Shares on 2 June 2023, details of which are disclosed in the sub-section headed “Financial Review — Liquidity and Financial Resources” above. The net proceeds from the placing of the June 2023 Placing Shares had been fully utilised before 31 March 2024. The following table sets forth the details of the use of the proceeds from the placing of the June 2023 Placing Shares:

Objective	Amount utilised up to 31 March 2024 HK\$ million
Settlement of accrued leasehold improvements	7.4
Procurement expenses	5.7
Staff costs	2.9
Rental expenses	1.4
General and administration expenses	0.2
	<u>17.6</u>

CHANGE OF COMPANY NAME

In order to provide the Company with a new corporate image and benefit the Company’s future business development, the Shareholders approved to change the English name of the Company from “WWPKG Holdings Company Limited” to “Flydoo Technology Holding Limited” and the dual foreign name in Chinese of the Company from “縱橫遊控股有限公司” to “飛道旅遊科技有限公司” (the “Change of Company Name”) at the EGM held on 13 November 2023. The Change of Company Name has become effective following the issue of the certificate of incorporation on change of name by the Registrar of Companies in the Cayman Islands on 17 November 2023. Please refer to the announcements of the Company dated 13 October 2023, 13 November 2023 and 20 December 2023 for more details.

DIVIDEND

In order to retain more cash to finance the working capital requirements and future development of the Group, the Board does not recommend the payment of final dividend for FY23/24 (FY22/23: nil). The Board will consider future dividend distribution according to the Company's dividend policy.

FUTURE PROSPECTS

As discussed in the sub-section headed "Executive Director's Statement — Outlook", the Group is well-positioned to drive business performance on its road to profitability as outbound tourism continues to flourish. Furthermore, the Group will continue to seek to diversify its business in other industries in order to expand its revenue and income sources.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report as set out in Appendix C1 to the GEM Listing Rules (the "CG Code"). The Board and the management of the Company are committed to maintaining and achieving a high standard of corporate governance practices with an emphasis on a quality Board, an effective accountability system and a healthy corporate culture in order to safeguard the interests of the Shareholders and enhance the business growth of the Group.

During FY23/24, the Company has complied with all the code provisions as set out in the CG Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding Directors' securities transactions. Having been enquired by the Company, all Directors confirmed that they had complied with the required standard of dealings and the code of conduct concerning securities transactions by the Directors during FY23/24.

DISTRIBUTABLE RESERVES

Under the Companies Law of the Cayman Islands, share premium is distributable to the Shareholders, subject to the condition that immediately following the date on which the distribution or dividend is proposed to be made, the Company is able to pay its debts as they fall due in the ordinary course of business. Distributable reserves of the Company as at 31 March 2024, calculated according to the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to HK\$44,987,000 (31 March 2023: HK\$28,358,000).

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sold of treasury shares) during FY23/24.

As at 31 March 2024, the Company did not hold any treasury shares.

COMPETING INTERESTS

Based on the information available to the Company and within the knowledge and belief of the Directors, none of the Directors or the controlling shareholders of the Company (as defined under the GEM Listing Rules) had any business or interest which competes or may compete with the business of the Group, or had any other conflict of interest with the Group during FY23/24.

REVIEW OF ANNUAL RESULTS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 March 2024 as set out in this annual results announcement have been agreed by the Group's auditor, AOGB CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by AOGB CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by AOGB CPA Limited on this announcement.

AUDIT COMMITTEE

The audit committee established by the Company (the "Audit Committee") currently comprises three independent non-executive Directors. The Audit Committee has reviewed the annual results of the Group for the year ended 31 March 2024 at a meeting held on 28 June 2024.

ANNUAL GENERAL MEETING

The AGM will be held on Friday, 20 September 2024. For details of the AGM, please refer to the notice of AGM which is expected to be published in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 16 September 2024 to Friday, 20 September 2024 (both dates inclusive), during which period no Share transfers will be effected. In order to qualify for attending and voting at the AGM, all Share transfers must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33th Floor, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Friday, 13 September 2024.

PUBLICATION OF FINAL RESULTS AND DESPATCH OF ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.flydoo.com.hk). The annual report for the year ended 31 March 2024 containing the information required by the GEM Listing Rules will be despatched to Shareholders and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
Flydoo Technology Holding Limited
飛道旅遊科技有限公司
Shawlain Ahmin
Executive Director

Hong Kong, 28 June 2024

As at the date of this announcement, the executive Directors are Mr. Cheng Kim, Ms. Shawlain Ahmin and Mr. Wong Shum Wai; and the independent non-executive Directors are Mr. Wong Chak Man; Mr. Juan Ruiz-Coello; and Ms. Rebecca Kristina Glauser.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the "Latest Listed Company Information" page for at least seven days from the day of its posting and will also be published on the website of the Company at <http://www.flydoo.com.hk>.