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UJU HOLDING LIMITED

优矩控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 1948)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2022

The board (the “**Board**”) of directors (the “**Directors**”) of UJU HOLDING LIMITED (the “**Company**”) is pleased to announce the audited consolidated financial results (the “**Annual Results**”) of the Company and its subsidiaries (together, the “**Group**”) for the year ended December 31, 2022 (the “**Reporting Period**”) together with the comparative figures for the year ended December 31, 2021 as follows. The Annual Results have been reviewed by the audit committee of the Company (the “**Audit Committee**”).

In this announcement, “we”, “us”, and “our” refer to the Company and where the context otherwise requires, the Group.

FINANCIAL RESULTS HIGHLIGHTS

	Year ended December 31,		Year-on-year
	2022	2021	change
	<i>(RMB in millions, except percentage)</i>		
Revenue	8,336.1	7,841.4	6.3%
Gross profit	219.8	429.4	-48.8%
Profit before income tax	148.7	332.5	-55.3%
Profit for the year attributable to owners of the Company	113.6	254.4	-55.3%

Business Review and Outlook

2022 was a challenging year, with the Federal Reserve's decision to raise interest rates, the Russian-Ukrainian War, and the disruptions in global supply chains, creating uncertainty in the global political and economic landscape.

In China, the highly transmissible Omicron variant posed a major challenge to the country's COVID-19 pandemic control measures and had a significant impact on the economy and livelihoods in major cities. Supply chains in multiple industries were disrupted and economic growth slowed down significantly. In December 2022, the number of domestic cases surged, with a decline in population mobility, further affecting economic activities.

The overall macro environment in China has suppressed consumer sentiment. According to McKinsey's China Consumer Report, the increased savings rate in 2022 reflected a generally cautious attitude towards consumption among China residents. Sales performance was weak in most sectors, leading to tighter marketing budgets. According to 2022 Data Report on China's Internet Advertisement issued by Interactive Marketing Laboratory in Zhongguancun, the size of China's internet advertising market was RMB508.8 billion in 2022, showing a certain cutdown compared to 2021, indicating a more pronounced structural adjustment in the market.

Despite the pandemic repeatedly constraining offline activities, consumer demand continued to shift towards online platforms, further promoting the integration of online applications with more scenarios, business models, and formats, and continuously creating opportunities. The 51st Statistical Report on the Development of China's Internet issued by the China Internet Network Information Center pointed out that as of December 2022, China's monthly active mobile internet users reached 1.07 billion, with an Internet penetration rate of 75.6%. Among many internet applications, the user base of short video applications reached 1.01 billion, with the most significant growth. In 2022, short video live-streaming e-commerce continued to accelerate its expansion, relying on its more cost-effective advantages, and has been favored by consumers, becoming an essential shopping channel for residents and an indispensable marketing battlefield for various brands.

Facing the complex and volatile situation in 2022, the Group has adjusted its strategy timely and maintained a steady growth in the total gross billings and revenue of short video marketing business, at the same time achieved substantial breakthrough in live-streaming e-commerce business. As China reopens after the pandemic and enters into the post-pandemic era, the economy becomes stable and improving, consumer confidence is expected to return to the right track. We will remain steadfast, seize opportunities, and progress forward with enthusiasm.

Short Video Marketing Services

The Group provides advertiser customers with cross-media one-stop online marketing solutions. We deploy AI and big data technologies in the planning and production of short video advertisements, and reach the target audience precisely with the help of algorithms-driven targeting solutions to maximize the marketing effort and facilitate advertisers' consumer acquisition, conversion and retention on various media platforms.

After over 20 years of rapid development, China's internet advertising market underwent structural adjustments in 2022 due to multiple macroeconomic factors, short videos were the only advertising format that experienced growth. Short video advertisement is becoming the mainstream marketing format and media platforms are placing more emphasis on the design and contents of short videos. With the significant advantages of short video marketing in attracting users, enriching traffic sources and increasing user, advertiser customers focus on advertising effectiveness rather than advertising coverage to improve marketing preciseness, despite the impact of COVID-19 and decline in consumer sentiment. In addition, the specialized work division of short video advertisement creation and the technological innovation of short video have promoted the great integration of the internet industry across scenarios, business models, and formats.

In 2022, the consumer market sentiment in China was negatively affected by a series of uncertainties, resulting in reduction of customers' marketing budgets and intensified competition in the online advertising industry. In addition, due to the pandemic situation, major cities in China such as Beijing, Shanghai, and Guangzhou experienced economic disruptions, the Group has adjusted its strategy timely to closely monitor the creditworthiness of the customers and align with the change in customer structure, which made our gross billing and revenue from short video marketing business during the year to remain stable and improve during the year, even though profitability was affected to a certain extent. The total gross billing increased from RMB11.0 billion for the year ended December 31, 2021 to RMB12.6 billion for the year ended December 31, 2022, representing a year-on-year increase of 14.5%; and the total revenue increased from RMB7.8 billion for the year ended December 31, 2021 to RMB8.3 billion for the year ended December 31, 2022, representing a year-on-year increase of 6.3%. The net profit decreased to RMB113.6 million for the year ended December 31, 2022, representing a year-on-year decrease of 55.3%, from RMB254.4 million for the year ended December 31, 2021.

As of December 31, 2022, the Group has cooperated with 19 media and was at the core of many media marketing businesses. With the Group's excellent short video marketing solutions and good reputation, our advertiser customers are generally top enterprises from various industries, resulting in a stable customer base. The retention rates of our advertiser customers with gross billing of over RMB10 million and RMB50 million were 92% and 96%, respectively, for the year ended December 31, 2022.

In 2022, the Group continued to increase its investment in the research and development of U-engine. The platform utilizes AI, big data and algorithm technologies to formulate intelligent, customized, and cross-scenarios online marketing solutions. In the same year, we conducted a small scale commercialization test on the platform. The platform can provide full-cycle digital management of advertisement content from idea, production to placement, which can enhance content exposure and conversion and meet users' demand for effective marketing.

Though the COVID-19 pandemic has passed, economy takes time to recover and adjust, in the short term, we will maintain a cautious attitude, continuously optimize our customer structure, integrate internal resources, expand cooperation with major customers, and consolidate our cooperation with media and customers. In the medium and long term, as the domestic economy stabilizes and improves, we will expand the modes of application and cooperation of U-engine platform to enhance our customers' marketing digitalization.

Live-streaming E-commerce Businesses

Leveraging our rich experience in online marketing and strong content production capabilities, together with our experience in serving e-commerce customers and in conjunction with the development of Douyin platform, the Group provides a one-stop solution for live-streaming e-commerce, covering the entire chain and all scenarios of e-commerce and local life.

After several years of development, the live-streaming e-commerce industry has entered into a mature stage of development in 2022 from the high-growth stage. The top-three live-streaming e-commerce platforms, Taobao, Douyin, and Kuaishou, have been differentiating their development paths and constantly integrating new forms, attempting to break through traditional boundaries and gradually entering a benign competition stage. In 2022, Douyin upgraded its initial "interest-based e-commerce" to "global interest-based e-commerce", deeply integrating short video and live-streaming content forms, while extensively penetrating the concept of "interest-based e-commerce" to more scenarios of people's livelihood. In addition, by introducing shelf forms, the platform has improved its marketing chain and enhanced the sustainability of e-commerce. Consumers getting used to live-streaming e-commerce has normalized live-streaming e-commerce as a sales channel, at the same time brand owners are benefited from data visualisation and branding through the live-streaming e-commerce platform, thereby providing consumers with better shopping experiences and achieving efficient marketing conversions.

In 2022, the Group’s live-streaming e-commerce business achieved substantial breakthrough in terms of service content and performance. We leveraged our strength in content creation to increase the exposure of the live-streaming room and effectively acquire users, and provided one-stop solutions to online stores which covered store design, product planning, store operation, live-streaming operation, data analysis, customer service and order fulfillment. In the local lifestyle service, we undertake event planning, connect with key opinion leaders (“**KOL**”), and combine offline store visits to enhance the recognition and penetration of cater, entertainment, tourism and accommodation brands. In the application of technologies, we focused on the improvement of user conversion and retention through quantifying the decision making process of user purchases with multi-dimensional data analysis of products, live-streaming hosts and consumers.

In the second half of 2022, we entered the “State Pavilion” e-commerce business on Douyin. We took the food category as our first attempt, and provided services like attracting enterprises, quality control, logistics, and warehousing. Together with brand IP image design and extended communication cycle, we helped to arouse consumers’ interest in foreign cultures. Meanwhile, with the business layout in multiple platforms, we accelerated the cultivation of private domain traffic through consumer data analysis and achieved a closed-loop self-operated e-commerce business.

As of December 31, 2022, we provided integrated live-streaming operations services to 31 brand customers, mainly involving mass consumption and local lifestyle categories, with a GMV of approximately RMB330.2 million, of which the self-operated e-commerce business generated revenue of RMB5.8 million and was elected as a gold service provider for Douyin e-commerce in 2022.

According to iResearch Consulting, the live streaming e-commerce market is expected to exceed RMB4.9 trillion in 2023. The penetration rate of live streaming e-commerce in the online shopping market will reach 24.3% in 2023, which is expected to have substantial growth potential. We will continue to deepen our live streaming e-commerce brand operations and self-operated e-commerce business, and expand our own brand live streaming e-commerce business based on years of successful experience and consumer insights.

In addition, we have noticed the development opportunities of cross-border e-commerce, and the government attaches great importance to cross-border e-commerce. According to iResearch Consulting, compared with cross-border live-streaming e-commerce business valued over hundred billions in 2022, the market scale from 2022 to 2024 will grow at a CAGR of around 115%. As the overseas e-commerce industry enters the decentralized stage, cross-border brands are moving from traditional e-commerce websites to platform-independent sites and focusing on emerging media platforms. The traffic dividend and influencer economy of TikTok meet the current needs of brands and provide broad development space for industry service providers. The Group is also actively deploying overseas e-commerce businesses and plans to launch overseas e-commerce businesses in regions with high platform activity and vast e-commerce development space to seize new opportunities for live streaming e-commerce going overseas.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

The following table sets forth our revenue by revenue streams for the years indicated:

	Year ended December 31,			
	2022		2021	
	(RMB'000)	% of the total	(RMB'000)	% of the total
Online marketing solutions business ^(Note)	8,288,088	99.4	7,835,439	99.8
Live-streaming E-commerce businesses	38,442	0.5	3,561	0.1
Others	9,539	0.1	2,417	0.1
Total	<u>8,336,069</u>	<u>100.0</u>	<u>7,841,417</u>	<u>100.0</u>

Note: Including revenue from provision of advertisement distribution services of approximately RMB25.2 million for the year ended December 31, 2022 (2021: RMB129.2 million).

We normally enter into annual framework agreements with our advertiser customers and charge them for our online marketing solutions based primarily on a mix of CPC (i.e. cost per click) and CPT (i.e. cost per time). Our revenue from online marketing solutions business increased by 5.8%, from approximately RMB7,835.4 million for the year ended December 31, 2021 to approximately RMB8,288.1 million for the year ended December 31, 2022. The increase in revenue is attributable to our technical advantage and content production capabilities, which in turn strengthened our leading position in the industry. For the year ended December 31, 2022, the revenue generated from our online marketing solutions business accounted for 99.4% of our total revenue.

Our revenue from the e-commerce businesses increased from approximately RMB3.6 million for the year ended December 31, 2021 to approximately RMB38.4 million for the year ended December 31, 2022. As a result of our pioneering vision, our revenue portfolio has improved, proving the efficacy of our expansion in year 2022.

Revenue from online marketing solutions business by type of advertiser customers

Our advertiser customers mainly include direct advertisers and, to a lesser extent, advertising agencies on behalf of their advertisers. The table below sets forth a breakdown of revenue generated from our online marketing solutions business by type of advertiser customers for the years indicated:

	Year ended December 31,			
	2022		2021	
	<i>(RMB'000)</i>	<i>% of the total</i>	<i>(RMB'000)</i>	<i>% of the total</i>
Direct advertisers	8,263,615	99.7	7,708,327	98.4
Advertising agencies	24,473	0.3	127,112	1.6
Total	<u>8,288,088</u>	<u>100.0</u>	<u>7,835,439</u>	<u>100.0</u>

Revenue from online marketing solutions business by industry

The advertiser customers we serve operate in a wide array of industries, which primarily include e-commerce, internet services, gaming, leisure & travelling, education, financial services and real estate & home furnishing. The table below sets forth a breakdown of revenue generated from our online marketing solutions business by industry of our direct advertisers for the years indicated:

	Year ended December 31,			
	2022		2021	
	<i>(RMB'000)</i>	<i>% of the total</i>	<i>(RMB'000)</i>	<i>% of the total</i>
E-commerce	3,827,727	46.3	3,946,457	51.2
Internet services	1,785,338	21.6	1,274,204	16.5
Gaming	1,675,035	20.3	1,226,098	15.9
Financial services	622,883	7.5	356,050	4.6
Leisure & Travelling	186,248	2.3	339,131	4.4
Education	71,912	0.9	478,988	6.2
Real Estate & Home Furnishing	36,449	0.4	45,066	0.6
Others ^(Note)	58,023	0.7	42,333	0.6
	<u>8,263,615</u>	<u>100.0</u>	<u>7,708,327</u>	<u>100</u>

Note: Others mainly include health care and other industries.

During the year ended December 31, 2022, the e-commerce industry remains our largest advertiser customer group. The revenue generated from the e-commerce industry has remained stable, with approximately RMB3,827.7 million for the year ended December 31, 2022, compared to approximately RMB3,946.5 million for the year ended December 31, 2021.

Our revenue generated from the internet services industry increased by 40.1%, from approximately RMB1,274.2 million for the year ended December 31, 2021 to approximately RMB1,785.3 million for the year ended December 31, 2022, attributable to the newly acquired internet services customers. Our revenue generated from the gaming industry increased by 36.6%, from approximately RMB1,226.1 million for the year ended December 31, 2021 to approximately RMB1,675.0 million for the year ended December 31, 2022 as a result of the growing business of our customers engaged in such industry.

Cost of services

The following table sets forth a breakdown of our cost of services by nature for the years indicated:

	Year ended December 31,	
	2022	2021
	(RMB'000)	(RMB'000)
Traffic acquisition and monitoring costs	7,951,800	7,248,283
Employee benefit expenses	102,897	119,015
Outsourcing video production, advertising and streamer costs	26,836	18,617
Costs of goods sold	3,003	—
Depreciation and amortisation expenses	10,478	11,344
Taxes and surcharges	14,684	7,189
Office expenses	1,493	1,297
Travelling expenses	1,062	873
Others	3,990	5,433
	<hr/>	<hr/>
Total	<u><u>8,116,243</u></u>	<u><u>7,412,051</u></u>

Our cost of services primarily consist of traffic acquisition and monitoring costs and employee benefit expenses. For the year ended December 31, 2022, traffic acquisition and monitoring costs constituted the largest portion of our cost of services, and employee benefit expenses constituted the second largest portion of our cost of services. Our traffic acquisition and monitoring costs increased by 9.7%, from approximately RMB7,248.3 million for the year ended December 31, 2021 to approximately RMB7,951.8 million for the year ended December 31, 2022, which was in line with our business expansion and growth in revenue. Our employee benefit expenses decreased by 13.5%, from approximately RMB119.0 million for the year ended December 31, 2021 to approximately RMB102.9 million for the year ended December 31, 2022. Such decrease in our employee benefit expenses was attributable to the efficiency improvement empowered by our U-engine platform.

Gross profit and gross profit margin

Our gross profit consists of our revenue less cost of services. The Group recorded gross profit of approximately RMB219.8 million for the year ended December 31, 2022, representing an decrease of approximately 48.8% as compared to approximately RMB429.4 million for the year ended December 31, 2021, which was mainly due to the growth in the traffic acquisition and monitoring costs.

Gross profit margin represents gross profit divided by total revenue, expressed as a percentage. Our gross profit margin decreased from 5.5% for the year ended December 31, 2021 to 2.6% for the year ended December 31, 2022, which was mainly due to the impact of the COVID-19 pandemic, which has led to a tighter control over advertising budgets by clients, who have become increasingly price-sensitive towards advertising placement. As the COVID-19 pandemic comes to an end in mainland China, it is expected that clients' advertising expenditures will gradually recover in the year 2023.

Selling expenses

Our selling expenses primarily consist of (i) employee benefit expenses; (ii) travelling expenses for the transportation and accommodation of business travels.

Our selling expenses decreased by approximately 10.4%, from approximately RMB27.5 million for the year ended December 31, 2021 to approximately RMB24.7 million for the year ended December 31, 2022, which was mainly attributable to the decrease in the employee benefit expenses of our sales and marketing team.

General and administrative expenses

Our general and administrative expenses primarily consist of (i) employee benefit expenses; (ii) professional and consulting service fees; (iii) depreciation and amortisation expenses; and (iv) office expenses.

Our general and administrative expenses increased by approximately 25.4% from approximately RMB65.4 million for the year ended December 31, 2021, to approximately RMB82.0 million for the year ended December 31, 2022. Such increase was primarily attributed to the Group's development of a self-operated e-commerce business, which required the establishment of a high-level management team and consequently led to additional employee benefit expenses.

Research and development expenses

Our research and development expenses primarily comprise of expense incurred for employee benefit expenses for our research and development staff.

Our research and development expenses increased by approximately 27.5% from approximately RMB13.7 million for the year ended December 31, 2021 to approximately RMB17.5 million for the year ended December 31, 2022, which was mainly attributable to the increase in number of employees dedicated in upgrading and developing the U-engine platform and integrated business and financial information systems.

Net impairment losses on financial assets

Our net impairment losses on financial assets comprise provision for impairment losses on accounts receivables, financial assets at fair value through other comprehensive income and other receivables, net of reversal. We recognized net impairment losses on financial assets of approximately RMB21.6 million for the year ended December 31, 2022, decreased by approximately 24.2% from approximately RMB28.4 million for the year ended December 31, 2021, which was maintained at comparable level despite the accounts receivable has been increased by approximately RMB443 million due to our business expansion mainly attributable to our continuous enhancement in the Group's credit control system and working capital management capability.

Other income

Our other income increased by approximately 164.3%, from approximately RMB43.8 million for the year ended December 31, 2021 to approximately RMB115.8 million for the year ended December 31, 2022, which was mainly attributable to the additional 10% deduction of value-added tax mainly enjoyed by Uju Interactive (Beijing) Technology Co., Ltd* (優矩互動(北京)科技有限公司), a subsidiary of the Group, amounting to approximately RMB91.5 million (2021: RMB36.5 million), and was recognized as other income for the year ended December 31, 2022.

Finance costs, net

Our finance costs, net decreased by approximately 34.3%, from approximately RMB24.4 million for the year ended December 31, 2021 to approximately RMB16.0 million for the year ended December 31, 2022, which was mainly attributable to the decrease in the interest expenses arising from borrowings from third parties by approximately RMB7.6 million.

Income tax expenses

Our income tax expenses decreased by approximately 55.0%, from approximately RMB78.2 million for the year ended December 31, 2021 to approximately RMB35.2 million for the year ended December 31, 2022, which was mainly due to the decrease in taxable profit for the year ended December 31, 2022. Our effective income tax rate slightly increased from 23.5% for the year ended December 31, 2021 to 23.6% for the year ended December 31, 2022.

Profit for the year attributable to owners of the Company

As a result of the above, our profit for the year attributable to owners of the Company decreased by approximately 55.3% from approximately RMB254.4 million for the year ended December 31, 2021 to approximately RMB113.6 million for the year ended December 31, 2022.

Our net profit margin decreased from 3.2% for the year ended December 31, 2021 to 1.4% for the year ended December 31, 2022.

Accounts receivables

There was an increase in accounts receivables as of December 31, 2022 of approximately RMB442.5 million as compared to December 31, 2021 which was in line with our business expansion.

Liquidity and financial resources

Our business operations and expansion plans require a significant amount of capital for acquiring user traffic from online media, enhancing our content production capabilities, improving our big data analytics capabilities and operation capacity, upgrading our U-engine platform as well as other working capital requirements.

During the year ended December 31, 2022, we financed our capital expenditure and working capital requirements mainly through bank and other borrowings, and capital contributions from shareholders of the Company (the “**Shareholders**”) and the proceeds received from the global offering of the Company’s shares in November 2021 (the “**Global Offering**”).

As at December 31, 2022, we had bank borrowings of approximately RMB280.4 million (2021: RMB100.1 million). The range of effective interest rates on the borrowings was 3.6% to 6% (2021: 3.9% to 4.5%) per annum for the year ended December 31, 2022. The Group's gearing ratio as at December 31, 2022, calculated based on total borrowings (including bank and other borrowings and lease liabilities) divided by total equity, was 0.3 (2021: 0.3) time.

Our cash and cash equivalents decreased from approximately RMB499.9 million as of December 31, 2021 to approximately RMB288.7 million as of December 31, 2022, mainly due to the increasing working capital required for our business expansion. The table below sets out our cash and cash equivalents as of December 31, 2022 and 2021, respectively:

	As of December 31,	
	2022	2021
	<i>(RMB in millions)</i>	
Cash and cash equivalents denominated in:		
— RMB	206.0	170.4
— USD	74.8	195.6
— HKD	7.9	133.9
	<u>288.7</u>	<u>499.9</u>

Key Financial Ratios

	Year ended/ As of December 31,	
	2022	2021
	<i>(%)</i>	<i>(%)</i>
Profitability ratios		
Gross profit margin ⁽¹⁾	2.6	5.5
Net profit margin ⁽²⁾	1.4	3.2
Return on equity ⁽³⁾	8.6	20.6
Return on assets ⁽⁴⁾	2.8	7.4

**Year ended/
As of December 31,**
2022 2021
(times) *(times)*

Liquidity ratios

Current ratio ⁽⁵⁾	1.5	1.5
Capital adequacy ratio		
Gearing ratio ⁽⁶⁾	0.3	0.3
Net debt-to-equity ratio ⁽⁷⁾	0.03	N/A

Notes:

- (1) Gross profit margin is calculated based on gross profit for the year divided by revenue for the respective year and multiplied by 100%.
- (2) Net profit margin is calculated based on profit for the year divided by revenue for the respective year and multiplied by 100%.
- (3) Return on equity is calculated based on profit for the year divided by the closing balances of total equity and multiplied by 100%.
- (4) Return on assets is calculated based on profit for the year divided by the closing balances of total assets and multiplied by 100%.
- (5) Current ratio is calculated based on total current assets divided by total current liabilities.
- (6) Gearing ratio is calculated based on total borrowings (including bank and other borrowings and lease liabilities) divided by total equity.
- (7) Net debt to equity ratio is calculated based on total borrowings (including bank and other borrowings and lease liabilities) less cash and cash equivalents and restricted cash divided by total equity. The Group is in a net cash position as at December 31, 2021 and hence is not applicable to present the net debt-to-equity ratio.

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

		Year ended December 31,	
		2022	2021
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	4	8,336,069	7,841,417
Cost of services	5	<u>(8,116,243)</u>	<u>(7,412,051)</u>
Gross profit		219,826	429,366
Selling expenses	5	(24,655)	(27,532)
General and administrative expenses	5	(81,989)	(65,365)
Research and development expenses	5	(17,506)	(13,728)
Net impairment losses on financial assets	6	(21,550)	(28,441)
Other income		115,836	43,835
Other (losses)/gains, net		<u>(25,187)</u>	<u>18,786</u>
Operating profit		164,775	356,921
Finance income		5,349	1,643
Finance costs		<u>(21,378)</u>	<u>(26,052)</u>
Finance costs, net		<u>(16,029)</u>	<u>(24,409)</u>
Profit before income tax		148,746	332,512
Income tax expenses	7	<u>(35,167)</u>	<u>(78,161)</u>
Profit for the year attributable to owners of the Company		<u>113,579</u>	<u>254,351</u>

		Year ended December 31,	
		2022	2021
	<i>Notes</i>	RMB'000	RMB'000
Other comprehensive (loss)/income			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax		—	2,483
Exchange differences on translation of foreign operations		<u>(45,406)</u>	<u>3,646</u>
		(45,406)	6,129
<i>Items that will not be reclassified to profit or loss</i>			
Exchange differences on translation of the financial statements of the Company		<u>72,319</u>	<u>(7,116)</u>
		<u>26,913</u>	<u>(987)</u>
Total comprehensive income for the year attributable to owners of the Company, net of tax		<u>140,492</u>	<u>253,364</u>
Earnings per share for profit attributable to owners of the Company (expressed in RMB per share)			
Basic earnings per share	9	<u>0.19</u>	<u>0.52</u>
Diluted earnings per share	9	<u>0.19</u>	<u>0.52</u>

CONSOLIDATED BALANCE SHEET

		As at December 31,	
		2022	2021
	Notes	RMB'000	RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		20,178	12,086
Right-of-use assets		19,471	15,395
Deferred income tax assets		32,752	27,998
Deposits		1,584	1,941
Total non-current assets		73,985	57,420
Current assets			
Inventories		10,435	—
Accounts receivables	10	2,704,930	2,262,400
Prepayments, deposits and other assets		869,462	523,243
Financial assets at fair value through other comprehensive income		6,420	17,576
Restricted cash		35,059	55,016
Cash and cash equivalents		288,660	499,943
Total current assets		3,914,966	3,358,178
Total assets		3,988,951	3,415,598

		As at December 31,	
		2022	2021
	<i>Notes</i>	RMB'000	RMB'000
LIABILITIES			
Non-current liabilities			
Lease liabilities		<u>11,156</u>	<u>5,398</u>
Total non-current liabilities		<u>11,156</u>	<u>5,398</u>
Current liabilities			
Accounts payables	<i>11</i>	1,679,626	1,275,045
Other payables and accruals		488,723	378,162
Borrowings		340,113	299,900
Lease liabilities		8,752	11,407
Contract liabilities		108,724	163,184
Current income tax liabilities		<u>28,065</u>	<u>49,018</u>
Total current liabilities		<u>2,654,003</u>	<u>2,176,716</u>
Total liabilities		<u>2,665,159</u>	<u>2,182,114</u>
EQUITY			
Equity attributable to owners of the Company			
Share capital		38,380	38,380
Share premium		714,884	765,068
Other reserves		57,003	22,330
Retained earnings		<u>513,525</u>	<u>407,706</u>
Total equity		<u>1,323,792</u>	<u>1,233,484</u>
Total liabilities and equity		<u>3,988,951</u>	<u>3,415,598</u>

1 GENERAL INFORMATION

UJU HOLDING LIMITED (the “**Company**”) was incorporated in the Cayman Islands on September 21, 2020 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The address of the Company’s registered office is P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands.

The Company has completed its listing on the Main Board of The Stock Exchange of Hong Kong Limited on November 8, 2021 (the “**Listing**”).

The Company is an investment holding company. The Company and its subsidiaries (together referred as the “**Group**”) are principally engaged in provision of one-stop cross-media online marketing solutions through media partners to market the products and services of the Group’s advertiser customers in the People’s Republic of China (the “**PRC**”). During the year ended December 31, 2022, the Group has also started to expand its business scope and engaged in the e-commerce businesses, including provision of live-streaming e-commerce services and sales of goods.

The ultimate holding company of the Company is Supreme Development Limited (“**Supreme Development**”), a company incorporated in the British Virgin Islands, and is controlled by Mr. Ma Xiaohui (“**Mr. Ma**”), the ultimate controlling shareholder (the “**Controlling Shareholder**”) of the Group.

Due to the Coronavirus Disease 2019 and Omicron variants outbreak (collectively the “**COVID-19 outbreak**”), a series of governmental precautionary and control measures were implemented across the PRC but there were still several rounds of rebound in the number of reported cases in certain cities during the year ended December 31, 2022. Management has assessed and concluded that there is not any material adverse effects on the Group’s financial position as of December 31, 2022 as a result of the COVID-19 outbreak but COVID-19 did affect indirectly to certain extent the profitability of the Group and hence the Group’s operating results for the year then ended. The Group will continue to closely monitor the development of the COVID-19 outbreak and take appropriate counter-measures if any adverse impact is arising.

2 BASIS OF PREPARATION

(i) Compliance with IFRS and HKCO

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

(ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets measured at fair value.

(iii) Amended standards and annual improvements adopted by the Group

The IASB has issued a number of amended standards and annual improvements which are effective for the first time for financial year commencing on or after January 1, 2022. The Group did not change its accounting policies or make retrospective adjustments as a result of adopting these amended standards or annual improvements.

(iv) New or amended standards not yet adopted

The following new or amended standards have been published (which may be applicable to the Group) but not mandatory for reporting periods ended on December 31, 2022 and have not been early adopted by the Group:

	New standards, amendments and annual improvements	Effective for annual periods beginning on or after
IFRS 17	Insurance Contracts	January 1, 2023
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies	January 1, 2023
Amendments to IAS 8	Definition of Accounting Estimates	January 1, 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities from a Single Transaction	January 1, 2023
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	January 1, 2024
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	January 1, 2024

The Group has already assessed the impact of these new or amended standards. According to the assessment made by the directors of the Company, no significant impact on the financial performance and position of the Group is expected when the abovementioned new or amended standards become effective.

3 SEGMENT INFORMATION

The Group is principally engaged in the provision of all-in-one online marketing solutions services (including traffic acquisition from top media platforms, content production, big data analysis and advertising campaign optimisation) and also advertisement distribution services to the customers (which are primarily providing traffic acquisition service only) to customers in the PRC. For the purpose of resources allocation and performance assessment, the chief operating decision maker (“**CODM**”) focuses on the operating results of the Group as a whole. As a result, the CODM considers that the Group’s business is operated and managed as a single reportable segment and accordingly no segment information is presented.

4 REVENUE FROM CONTRACTS WITH CUSTOMERS

An analysis of the Group's revenue from contracts with customers by category for the years ended December 31, 2022 and 2021 was as follows:

	Year ended December 31,	
	2022	2021
	RMB'000	RMB'000
All-in-one online marketing solution services	8,262,846	7,706,284
Advertisement distribution services	25,242	129,155
Live-streaming E-commerce businesses (<i>note</i>)	38,442	3,561
Provision of other services	9,539	2,417
Total	8,336,069	7,841,417

Note:

For the years ended December 31, 2022 and 2021, e-commerce business mainly includes the live-streaming e-commerce business and sales of goods.

An analysis of the Group's revenue from contracts with customers by the timing of revenue recognition for the years ended December 31, 2022 and 2021 is as follows:

	Year ended December 31,	
	2022	2021
	RMB'000	RMB'000
Revenue recognised:		
— at a point in time	7,035,394	6,667,390
— over time	1,300,675	1,174,027
Total	8,336,069	7,841,417

The Group has concentration of credit risk from a major customer A as the customer contributed approximately 43% and 45% of the Group's total revenue for the years ended December 31, 2022 and 2021, respectively.

As at December 31, 2022 and 2021, the accounts receivable balance from the aforesaid major customer A amounted to approximately RMB1,484,122,000 and RMB1,215,855,000, representing approximately 53% and 52% of the Group's total gross accounts receivable, respectively.

Except for the abovementioned major customer A, no other individual customer has contributed more than 10% of the Group's total revenue during the years ended December 31, 2022 and 2021.

5 EXPENSES BY NATURE

The details of cost of services, selling expenses, general and administrative expenses and research and development expenses are as follows:

	Year ended December 31,	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Traffic acquisition and monitoring costs	7,951,800	7,248,283
Employee benefit expenses	195,579	181,660
Outsourcing short video production, advertising and streamer costs	26,836	21,952
Costs of goods sold	3,003	—
Depreciation and amortisation expenses	17,403	15,406
Professional and consulting service fees	10,133	9,060
Taxes and surcharges	14,684	7,189
Office expenses	5,475	5,827
Travelling expenses	5,637	4,953
Listing expenses	—	17,026
Auditor's remuneration		
— audit services	3,000	2,500
— non-audit services	120	140
Others	6,723	4,680
Total	8,240,393	7,518,676

6 NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Year ended December 31,	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Provision/(reversal) of impairment losses		
— accounts receivables	8,671	(4,994)
— other receivables	38,351	(461)
— financial assets at fair value through other comprehensive income	(25,472)	33,896
Total	21,550	28,441

7 INCOME TAX EXPENSES

Income tax expense during the years presented comprise of:

	Year ended December 31,	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Current income tax expense	39,921	65,355
Deferred income tax (credit)/expense	(4,754)	12,806
	<hr/>	<hr/>
Income tax expenses	35,167	78,161
	<hr/> <hr/>	<hr/> <hr/>

(a) Cayman Islands Income Tax

The Company was incorporated as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands and is not subject to Cayman Islands income tax.

(b) Hong Kong Profits Tax

The Hong Kong two-tiered profits tax regime took effect on April 1, 2018 and the applicable Hong Kong profits tax rate is 8.25% for assessable profits on the first HK\$2 million and 16.5% for any assessable profits in excess of HK\$2 million. No Hong Kong profits tax has been provided as there were no taxable profits deriving from Hong Kong during the years ended December 31, 2022 and 2021.

(c) PRC Corporate Income Tax

Corporate income tax (“CIT”) in the PRC is calculated based on the statutory profit or loss of subsidiaries incorporated in the PRC in accordance with the PRC tax laws and regulations, after adjusting certain income and expense items, which are not assessable or deductible for income tax purposes. According to the PRC Corporate Income Tax Law promulgated by the PRC government, the tax rate for the Company’s PRC subsidiaries is 25% except that, Qingdao Uju Technology Co., Ltd. (青島優矩科技有限公司, “Qingdao Uju”) enjoys the CIT tax rate of 20% as a small and low-profit enterprise and Hainan Uju Technology Co., Ltd. (海南優矩科技有限公司, “Hainan Uju”) enjoys the preferential CIT tax rate of 15%.

(d) PRC Withholding Tax (“WHT”)

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after January 1, 2008 are generally subject to a 10% WHT. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%.

During the year ended December 31, 2021, the Group had distributed certain portion of Uju Interactive (Beijing) Technology Co., Ltd. (“**Uju Beijing**”) retained earnings to Guangzhou Uju Information Technology Co., Ltd. (“**Guangzhou Uju**”)(Note 8). After completion of the Reorganisation in March 2021, the Group does not have any plan to further distribute the retained earnings of all PRC subsidiaries and intends to retain them for the operation and expansion of the Group’s business in the PRC. Accordingly, no deferred income tax liability in connection with the undistributed retained earnings of the PRC subsidiaries has been recognised as at the end of each reporting period. As of December 31, 2022 and 2021, the undistributed retained earnings of those PRC subsidiaries amounted to approximately RMB577,223,000 and RMB416,897,000, respectively.

The taxation on the Group’s profit before income tax differs from the theoretical amount that would arise using the applicable corporate income tax rate of PRC, the principal place of the Group’s operations, as follows:

	Year ended December 31,	
	2022	2021
	<i>RMB’000</i>	<i>RMB’000</i>
Profit before income tax	148,746	332,512
Tax at the PRC statutory corporate income tax rate of 25%	37,187	83,128
Effects of preferential tax rates applicable to eligible subsidiaries	(3,726)	(9,314)
Effect of expenses not deductible for income tax purposes	1,936	2,686
Tax losses for which no deferred income tax asset was recognised	130	1,976
Others	(360)	(315)
Income tax expenses	<u>35,167</u>	<u>78,161</u>

8 DIVIDENDS

	Year ended December 31,	
	2022	2021
	<i>RMB’000</i>	<i>RMB’000</i>
Dividends declared by a subsidiary to its then holding company, Guangzhou Uju Information Technology Co., Ltd. (“ Guangzhou Uju ”), prior to the reorganization for the Listing	—	40,000
Dividends declared by the Company (<i>note</i>)	50,184	—
Total	<u>50,184</u>	<u>40,000</u>

Note:

On March 30, 2022, the Board resolved to propose a final dividend of HKD10 cents per ordinary share, totaling approximately HKD60,000,000 (equivalent to approximately RMB50,184,000), for the year ended December 31, 2021. The proposed final dividend has been approved by the shareholders of the Company at the annual general meeting held on May 31, 2022. As of December 31, 2022, all the dividends declared to the shareholders of the Company (the “**Shareholders**”) have been fully paid.

On March 30, 2023, the Board proposed the payment of a final dividend of HK2 cents per share, totaling approximately HKD12 million (equivalent to approximately RMB10.7 million, translated using the exchange rate as of December 31, 2022) for the year ended December 31, 2022. The proposed payment of the final dividend is subject to the consideration and approval of the Shareholders at the forthcoming annual general meeting (“**AGM**”) of the Company to be held on May 31, 2023.

9 EARNINGS PER SHARE

(a) Basic

The basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended December 31, 2022 and 2021.

	Year ended December 31,	
	2022	2021
Profit attributable to owners of the Company (<i>RMB'000</i>)	113,579	254,351
Weighted average number of ordinary shares in issue (thousand shares) (<i>note</i>)	600,000	488,942
Basic earnings per share (<i>expressed in RMB</i>)	<u>0.19</u>	<u>0.52</u>

Note:

In determining the weighted average number of ordinary shares in issue for the year ended December 31, 2021, a total of 1,800,000 shares were deemed to have been in issue since January 1, 2021 and the Company’s share subdivision in October 2021 has also been adjusted retrospectively as if the share subdivision was completed on January 1, 2021.

(b) Diluted

Diluted earnings per share as presented is the same as the basic earnings per share as no potentially dilutive ordinary shares were in issue during the years ended December 31, 2022 and 2021.

10 ACCOUNTS RECEIVABLES

	As at December 31,	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Accounts receivables	2,795,542	2,347,933
Less: credit loss allowance	(90,612)	(85,533)
Accounts receivables — net	2,704,930	2,262,400

Accounts receivables are all dominated in RMB and due to the short-term nature of these current receivables, their carrying amounts are considered to approximate their fair values.

An aging analysis of the gross accounts receivables as at December 31, 2022 and 2021, based on invoice date, is as follows:

	As at December 31,	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Within 90 days	2,228,757	2,163,912
91 days–180 days	390,365	113,945
181 days–270 days	96,054	20,034
271 days–1 year	21,282	5,200
Over 1 year	59,084	44,842
	2,795,542	2,347,933

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9 “Financial Instruments”.

11 ACCOUNTS PAYABLES

Aging analysis of the accounts payables as at December 31, 2022 and 2021, based on the date of recognition, are as follows:

	As at December 31,	
	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>
Less than 6 months	1,670,095	1,264,945
6 months to 1 year	1,097	2,952
Over 1 year	8,434	7,148
	1,679,626	1,275,045

Accounts payables are all denominated in RMB and the carrying amounts of which are considered to approximate their fair values due to their short-term in nature.

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the period under review. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that sufficient financial resources are available in order to meet its funding requirements and commitment timely.

Foreign exchange exposure

Foreign exchange risk refers to the risk of loss caused by the changes in foreign exchange rates. The operations of the Group are mainly located in the PRC with most transactions denominated and settled in Renminbi.

During the year ended December 31, 2022, no financial instrument was used for hedging purposes, and we did not commit to any financial instruments to hedge our exposure to foreign exchange risk, as the expected foreign exchange risk is not significant. The Directors and senior management of the Company will continue to closely monitor the foreign exchange exposure and take measures when necessary to ensure that the foreign exchange risk is within the controllable range.

Capital structure

The shares of the Company were listed on Main Board of the Stock Exchange on the Listing Date. There has been no major change in the capital structure of the Company since then.

Contingent liabilities

The Group did not have any material contingent liabilities as of December 31, 2022 and 2021.

Uju Interactive (Beijing) Technology Co., Ltd. ("**Uju Beijing**") and Hainan Uju Technology Co., Ltd. ("**Hainan Uju**") (both wholly-owned subsidiaries of the company) plan to enter into the 2023 Baidu Core Distributor Cooperation Contract with Baidu (China) Co., Ltd. ("**Baidu**") in the year 2023 pursuant to which the Company intends to agree to jointly and severally guarantee for all the claims of Uju Beijing and Hainan Uju in the business cooperation under their contracts with Baidu. The guarantee period will be three years from which the relevant debt performance period expires.

Charge on the Group's assets

As of December 31, 2022, a deposit paid to a third party guarantee company of RMB10.0 million were pledged as guarantee for borrowings from banks (2021: restricted cash balance of RMB45.0 million and other receivable balance of RMB15.0 million). As of December 31, 2022 and 2021, accounts receivables of RMB83.3 million and RMB950.6 million were respectively pledged as securities for the factoring borrowings. As of December 31, 2022, certain electronic equipment, furniture and fixtures with net book value of RMB3.0 million have been considered as a security pledged for the borrowing from a financial institution as obtained under a sale and leaseback arrangement.

USE OF THE NET PROCEEDS FROM THE GLOBAL OFFERING

The net proceeds received from the Global Offering, after deducting the underwriting fees and commissions and expenses payable by the Company in connection with the Global Offering, amounted to approximately HK\$748.5 million (equivalent to approximately RMB615.1 million). During the period from the Listing Date to December 31, 2022, the net proceeds from the Global Offering was utilized in the manner as follows:

	Approximate percentage of the total net proceeds	Net proceeds from the Global Offering <i>HKD million</i>	Net proceeds utilized as of December 31, 2022 <i>HKD million</i>	Remaining net proceeds as of December 31, 2022 <i>HKD million</i>	Expected time to utilize the remaining net proceeds in full
Upgrading the U-Engine platform with a focus on research, development and utilization of AI capabilities and SaaS technologies					
Connecting the U-Engine with enlarged advertiser customer and media partner bases	2.3%	17.0	11.4	5.6	By the end of the year ending December 31, 2023
Developing the digitalization services platform of the U-Engine platform	2.0%	14.8	6.5	8.3	By the end of the year ending December 31, 2024
Upgrading the internal management system	0.6%	4.4	3.7	0.7	By the end of the year ending December 31, 2023
Expanding business opportunities in e-commerce businesses on online short video platforms	3.3%	24.4	21.8	2.6	By the end of the year ending December 31, 2024
Enhancing the content production capacities with AI technologies	6.6%	49.6	16.3	33.3	By the end of the year ending December 31, 2024

	Approximate percentage of the total net proceeds	Net proceeds from the Global Offering <i>HKD million</i>	Net proceeds utilized as of December 31, 2022 <i>HKD million</i>	Remaining net proceeds as of December 31, 2022 <i>HKD million</i>	Expected time to utilize the remaining net proceeds in full
Enhancing our relationships with existing media partners and enlarging our advertiser customers and media partner bases					
Strengthening sales and marketing teams	3.4%	25.2	9.8	15.4	By the end of the year ending December 31, 2024
Enlarging media base	15.6%	117.0	108.7	8.3	By the end of the year ending December 31, 2024
Exploring new businesses with new advertiser customers and online media platforms	40.3%	302.1	302.1	—	By the end of the year ended December 31, 2022
Pursuit of strategic investments and acquisitions	16.0%	119.9	—	119.9	By the end of the year ending December 31, 2023
Working capital and general corporate purposes	9.9%	74.1	74.1	—	By the end of the year ended December 31, 2022
Total	100%	748.5	554.3	194.2	

As of December 31, 2022, the Group has utilized approximately HKD554.3 million of the net proceeds from the Global Offering, and the remaining net proceeds of approximately HK194.2 million was deposited with state-owned and reputable banks in Hong Kong or the PRC. The Group will further utilize the net proceeds from the Global Offering in the manner as set out in the section headed “Future Plans and Use of Proceeds” of the prospectus of the Company dated November 8, 2021 (the “**Prospectus**”).

SIGNIFICANT INVESTMENTS HELD

During the year ended December 31, 2022, the Group did not hold any significant investment in equity interest in any other company.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Prospectus and in the section headed “Use of Net Proceeds from the Global Offering” in this announcement, the Group did not have plan for material investments and capital assets as of the date of this announcement.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures during the year ended December 31, 2022.

SUBSEQUENT EVENTS

As of the date of this announcement, the Group had no material events subsequent to the Reporting Period.

DIVIDEND

The Board recommends the payment of a final dividend of HK2.0 cents per share for the year ended December 31, 2022, payable on or about Friday, June 30, 2023 to Shareholders whose names appear on the register of members of the Company at the close of business on Thursday, June 8, 2023, being the record date for determining Shareholders’ entitlement to the proposed final dividend. The proposed payment of the final dividend is subject to the consideration and approval of the Shareholders at the forthcoming annual general meeting (“AGM”) of the Company to be held on Wednesday, May 31, 2023.

INFORMATION ON EMPLOYEES

As of December 31, 2022, the Group had 598 (2021: 884) employees, including the executive Directors. Total staff costs (including Directors’ emoluments) were approximately RMB195.6 million, as compared to approximately RMB181.7 million for the year ended December 31, 2021. Remuneration is determined with reference to market norms and individual employees’ performance, qualification and experience.

The Group places high value on recruiting, training and retaining its employees. The Group maintains high recruitment standards and provide competitive compensation packages. Remuneration packages for the Group’s employees mainly comprise base salary, performance salary and bonus. The Group also provides both in-house and external trainings for our employees to improve their skills and knowledge. As required under PRC regulations, the Group participates in various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury, maternity, and unemployment benefit plans.

The salaries and benefits of the Group's employees are kept at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually. The Group also operates a share option scheme adopted by the Company on October 8, 2021.

CLOSURE OF REGISTER OF MEMBERS

For determining the Shareholders' entitlement to attend and vote at the AGM to be held on May 31, 2023, the register of members of the Company will be closed from May 25, 2023 to May 31, 2023, both days inclusive, during which no transfer of shares will be registered. To qualify for attending and voting at the AGM, Shareholders must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on May 24, 2023 for registration of the relevant transfer.

Conditional on the passing of the resolution approving the declaration of the proposed final dividend at the forthcoming AGM, the register of members of the Company will also be closed from Tuesday, June 6, 2023 to Thursday, June 8, 2023 (both days inclusive) for the purpose of determining the entitlement to the proposed final dividend. In order to be qualified for the proposed final dividend (subject to the approval of the Shareholders at the forthcoming AGM), Shareholders must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on June 5, 2023.

CORPORATE GOVERNANCE CODE

The Group is committed to maintaining a high standard of corporate governance to safeguard the interests of its shareholders and enhance its value and accountability. The Company has adopted the Corporate Governance Code (the "**Corporate Governance Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its governance code.

During the period from the Listing Date to the date of this announcement, the Company has always complied with all the applicable code provisions set out in the Corporate Governance Code.

The Group will continue to review and monitor its corporate governance practices in order to ensure the compliance with the Corporate Governance Code.

MODEL CODE FOR SECURITIES TRANSACTION

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Specific enquiry has been made to all the Directors and each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code from the Listing Date to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended December 31, 2022, none of the Company or any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

AUDIT COMMITTEE

The Audit Committee was established by the Company on October 8, 2021 in accordance with Rules 3.21 to 3.23 of the Listing Rules. The terms of reference of the Audit Committee were adopted in compliance with the Corporate Governance Code on October 8, 2021 and are available for inspection on the websites of the Company and the Stock Exchange. As at the date of this announcement, the Audit Committee has three members comprising Mr. Wang Wenping (Chairman), Mr. Zhang Peiao and Ms. Lin Ting, all of whom are independent non-executive Directors.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the financial results of the Group for the year ended December 31, 2022 set out in this announcement.

This announcement is prepared by extracting the relevant information from the Group’s audited consolidated financial statements for the year ended December 31, 2022.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated balance sheet, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2022 as set out in this results announcement have been agreed by the Company's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance has been expressed by PricewaterhouseCoopers on this results announcement.

PUBLICATION OF ANNUAL RESULTS AND 2022 ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.ujumedia.com). The annual report of the Company for the year ended December 31, 2022 containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the above websites in due course.

By order of the Board
UJU HOLDING LIMITED
MA Xiaohui

Chairman of the Board and Executive Director

Beijing, March 30, 2023

As at the date of this announcement, the Board of the Company comprises Mr. Ma Xiaohui, Mr. Peng Liang and Ms. Luo Xiaomei as executive Directors, and Mr. Zhang Peiao, Ms. Lin Ting, Mr. Wang Wenping as independent non-executive Directors.

* *For identification purpose only*