Stream Ideas Group Limited

源想集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8401

ANNUAL REPORT

2021-2022

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.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors (the "Directors") of Stream Ideas Group Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company and its subsidiaries (collectively referred to as the "Group"). The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report 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 report misleading.

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Ms. Cheung Lee (Ms. Jenny Cheung) (張莉)
Mr. Law Ka Kin (Mr. Anakin Law) (羅嘉健)
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee) (李永亮)
Mr. Leung Wai Lun (梁偉倫)
Ms. Xu Xiuhong (徐秀紅)

Independent Non-Executive Directors

Mr. Kwan Chi Hong (關志康)
Mr. Fenn David (范德偉)
Mr. Ho Ho Tung Armen (何浩東)
Ms. Guo Hongyan (郭紅艷)
Mr. Xu Jianguo (徐建國)
(appointed on 13 April 2022)

BOARD COMMITTEES

Audit Committee

Mr. Ho Ho Tung Armen (何浩東) *(Chairman)*
Mr. Fenn David (范德偉)
Mr. Kwan Chi Hong (關志康)

Remuneration Committee

Mr. Fenn David (范德偉) *(Chairman)*
Mr. Ho Ho Tung Armen (何浩東)
Mr. Law Ka Kin (Mr. Anakin Law) (羅嘉健)

Nomination Committee

Mr. Kwan Chi Hong (關志康) *(Chairman)*
Mr. Ho Ho Tung Armen (何浩東)
Ms. Cheung Lee (Ms. Jenny Cheung) (張莉)

COMPLIANCE OFFICER

Mr. Lee Wing Leung Garlos (Mr. Garlos Lee) (李永亮)

COMPANY SECRETARY

Ms. Kung Wai Yin (龔慧賢), CPA

REGISTERED OFFICE

Maples Corporate Services Limited
PO Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 402A, 4/F
Benson Tower
74 Hung To Road
Kwun Tong
Hong Kong

AUTHORISED REPRESENTATIVES

Ms. Cheung Lee (Ms. Jenny Cheung) (張莉)
Mr. Law Ka Kin (Mr. Anakin Law) (羅嘉健)

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong

Corporate Information

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong*

* *The address of Tricor Investor Services Limited, the Hong Kong Branch Share Registrar and Transfer Office, will be changed to 17/F, Far East Finance Centre,16 Harcourt Road, Admiralty, Hong Kong with effect from 15 August 2022*

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
China Insurance Group Building
141 Des Voeux Road Central
Hong Kong

Bank of Communications Co., Ltd
20 Pedder Street, Central
Hong Kong

E.Sun Commercial Bank, Ltd.
No. 145, Section 1, Jhongshan North Road
Jhongshan District Taipei City
Taiwan

UBS
52/F, Two International Finance Centre
8 Finance Street, Central
Hong Kong

COMPANY'S WEBSITE

www.stream-ideas.com

STOCK CODE

8401

Financial Highlights

For the year ended 31 March 2022 (the "Relevant Year"):

— The Group's revenue amounted to approximately HK$18,320,000, represented a decrease of 21.7% compared with that for the year ended 31 March 2021 (the "Previous Year");

— The Group's gross profit decreased from HK$11,265,000 for the Previous Year to approximately HK$7,072,000 for the Relevant Year, representing a decrease of approximately HK$4,193,000 or 37.2%;

— The Group's loss was approximately HK$13,128,000 for the Relevant Year compared to the loss of approximately HK$9,535,000 for the Previous Year, representing an increase in loss of approximately HK$3,593,000 mainly due to the decrease in revenue for the Relevant Year; and

— The Board does not recommend the payment of any dividend for the Relevant Year.

Directors' Statement

To our shareholders,

We are pleased to present the annual report of Stream Ideas Group Limited (the "Company") and its subsidiaries (the "Group") for the financial year ended 31 March 2022 on behalf of the board (the "Board") of directors of the Company (the "Directors").

The Relevant Year was another challenging year for the Group as COVID-19 lockdowns in our operating markets frequently disrupt business flow, interrupt advertising campaigns and restrict advertising spending. To combat the challenges that arose due to the COVID-19 pandemic, the Group continued with the digital workforce strategy and relied more than ever before on video conferencing for new client development and internal meetings. The Group also strengthened its investment in new markets and platform upgrades. Despite the Group's efforts, revenue declined by 21.7% compared to that of the Previous Year.

Most of the markets in which we currently operate have experienced multiple COVID-19 lockdowns this year. Although our work from home flexibility has enabled us to ensure business continuity, these lockdowns have affected numerous advertising campaigns including but not limited to shipment delays that affected product trial activities and local travel restrictions that significantly reduced participation of non-digital based advertising campaigns. To minimise the impact on sales, the Group emphasised on promoting advertising services that can be executed on-line such as social viral services and focused more on developing new clients with increased advertising needs during the pandemic by using e-commerce platforms. Furthermore, to better prepare for post-lockdown phases, we have invested and launched a much-improved version of our mobile application which greatly enhances user-experience.

The Group believes that the year ahead will continue to be full of challenges from the COVID-19 pandemic. To solidify our business and strengthen our foothold in the industry, the Group has prioritised to drive growth in those newly entered markets. Philippines has emerged to become the largest market for the Group in terms of member base size, while Indonesia has overtaken Hong Kong and Malaysia as the third largest member base. The Group will continue to look for new expansion opportunities in Southeast Asia and Mainland China. Furthermore, the Group will invest in technological development to keep us ahead in the market.

Going forward, we will be strengthening our talent pool and workforce to seize opportunities in the enormous online advertising industry in Southeast Asia. We will also explore co-operation and acquisition opportunities where suitable in the pursuit of growth. Most importantly, we will continue to monitor and respond to the needs of our customers, and remain committed to our mission to become their preferred partner for online advertising solutions.

We would like to take this opportunity to appreciate the Board of Directors, the Group's management team, and all of our dedicated and hardworking employees for their unwavering support and commitment. Furthermore, we are grateful for the continued support of our members and clients, without whom none of our accomplishments would have been possible. We look forward to many years of success working together with all of you.

Cheung Lee, Law Ka Kin, Lee Wing Leung Garlos
Directors

Hong Kong, 20 June 2022

Management Discussion and Analysis

BUSINESS REVIEW

Despite the Group's efforts to expand into the markets of Southeast Asia, its overall performance was hampered by the COVID-19 pandemic, which significantly slowed down the advertising industry in all the markets it operates in. The Group has recorded approximately 21.7% decrease in revenue to approximately HK$18,320,000 (2021: approximately HK$23,408,000) for the Relevant Year.

Gross profit (after reversal of JAG points, i.e. the points which the Group awards to its members to participate in the Group's advertising campaigns) decreased by approximately 37.2% to approximately HK$7,072,000 (2021: approximately HK$11,265,000) for the Relevant Year. The Group recorded a loss for the Relevant Year of approximately HK$13,128,000 (2021: loss of approximately HK$9,535,000).

The Group principally engages in the provision of online advertising services, which mainly consist of social viral service, engager service and mass blogging service. It primarily operates in Hong Kong, Taiwan, Malaysia, Indonesia, the Philippines and Singapore. The Group's services are delivered via its self-developed platforms, which allow clients to match their advertising campaigns or contents with the Group's relevant members based on their demographic details and behaviours, such as consumption patterns of certain products and services and brand preferences.

By geographical market

During the Relevant Year, approximately 69.2% of the Group's revenue (2021: approximately 62.5%) was generated from clients in Hong Kong, while approximately 21.4% (2021: approximately 25.3%) of the Group's revenue was generated from clients in Taiwan. Southeast Asia regions contribute approximately 9.4% (2021: approximately 12.2%) of the revenue to the Group.

Hong Kong

During the Relevant Year, revenue from Hong Kong decreased from approximately HK$14,629,000 for the Previous Year to approximately HK$12,674,000 for the Relevant Year, representing approximately 13.4% decrease. Hong Kong business was severely affected in the last quarter of the Relevant Year amidst the fifth wave COVID-19 outbreak. Some of our clients either suspended, postponed or cancelled their campaigns in light of the unstable economic environment. Increasing competition from other online advertising service providers also make the business environment even more challenging. The Group will continue to adjust the service mix to better meet clients' needs.

Taiwan

During the Relevant Year, the operating environment in Taiwan continued to be challenging, mainly attributable to the changing behaviour of internet users, increasing competition from other online advertising service providers, instability of economy and the impact of COVID-19 pandemic. The Group is dealing with the change with a shift of focus on service type. We also encountered clients withdrawing campaigns due to the COVID-19 pandemic which caused significant impact to the business. With the various challenges encountered, the revenue for Taiwan for the Relevant Year decreased to approximately HK$3,920,000 (2021: approximately HK$5,920,000).

Southeast Asia

The COVID-19 pandemic continues to affect daily business in Southeast Asian countries. Malaysia, Indonesia and the Philippines experienced varying levels of lockdown measures, which affected the advertising industry as well. During the Relevant Year, revenue contribution from Southeast Asian markets fell to approximately HK$1,726,000 from approximately HK$2,859,000 in the Previous Year.

PROSPECTS

It is anticipated that the COVID-19 pandemic will continue to affect the advertising industry in the near future. Nevertheless, as soon as those governments in our operating markets ease lockdown measures, the Group remains confident in its ability to rejuvenate sales with our experienced sales team, differentiated advertising services, our strengthened member base, our upgraded mobile application and our extensive relationship with reputable clients in various industries. Leveraging on the good relations with media agencies, the Group also expects substantial opportunities such as referrals by media agencies with extensive client base, which will ensure stable and continuous demands for the Group's services. The Group's self-developed platforms have also served as an excellent tool for realising clients' performance targets while driving business growth. Looking ahead, the Group will focus on developing our new operations to maturity and driving our business in core markets to new heights.

To accomplish these objectives, the Group also plans to recruit more talents, especially for the business development segment, to strengthen its workforce. This will enable the Group to better cater for the ever-changing needs of various industries, as well as those of the existing and potential clients. In addition, the Group will focus on enriching its member base from different segments such as age group, interest and lifestyle to enhance the diversity of the Group's membership base and thereby attract more clients.

With years of experience and well-established reputation, the Group will leverage on such strengths to reinforce its leading position in the industry. At the same time, by further developing these attributes, the Group remains committed to its vision of becoming the preferred online marketing partner for advertising agencies and brand owners.

DIVIDEND

The Board does not recommend the payment of any dividend for the Relevant Year.

FINANCIAL REVIEW

Revenue

During the Relevant Year, the Group recorded a decrease of approximately 21.7% in revenue to approximately HK$18,320,000 as compared with that for the Previous Year, primarily attributable to the decrease in sales.

Cost of Services

The Group's cost of services decreased by approximately 7.4% from approximately HK$12,143,000 for the Previous Year to approximately HK$11,248,000 for the Relevant Year. The decrease was mainly attributable to the decrease in sales, netted off by the higher cost in system maintenance.

Gross Profit

Gross profit of the Group decreased by approximately 37.2% from approximately HK$11,265,000 for the Previous Year to approximately HK$7,072,000 for the Relevant Year.

Selling and Distribution Costs

Selling and distribution costs of the Group slightly decreased by approximately 2.6% from approximately HK$7,302,000 for the Previous Year to approximately HK$7,109,000 for the Relevant Year. Selling and distribution costs primarily consist of the advertising and promotion expenses and staff costs. The decrease was mainly attributable to the decrease in promotional expenses on other media platforms.

Management Discussion and Analysis

Administrative and Other Operating Expenses

Administrative and other operating expenses of the Group decreased by approximately 0.7% from approximately HK$13,246,000 for the Previous Year to approximately HK$13,152,000 for the Relevant Year. Administrative and other operating expenses mainly consist of staff costs, professional fees, office supplies and stationery and others. The decrease was mainly attributable to the decrease in professional fees, netted off by the increase in staff costs.

Income Tax

Income tax expenses for the Group was approximately HK$59,000 for the Relevant Year compared to income tax expenses of approximately HK$118,000 for the Previous Year. The decrease was mainly attributable to the decrease in deferred tax charged for the Relevant Year.

Loss for the Relevant Year

The Group's net loss was approximately HK$13,128,000 for the Relevant Year compared to approximately HK$9,535,000 net loss for the Previous Year. The increase in net loss was mainly attributable to the decrease in revenue in the Relevant Year.

Liquidity and Financial Resources

As at 31 March 2022, the Group had total assets of approximately HK$42,763,000 (2021: approximately HK$56,243,000), which was financed by total liabilities and shareholders' equity (comprising share capital and reserves) of approximately HK$9,262,000 (2021: approximately HK$9,400,000) and approximately HK$33,501,000 (2021: approximately HK$46,843,000) respectively. The current ratio, being the ratio of current assets to current liabilities, as at 31 March 2022, was 4.3 times (2021: 5.5 times).

Capital Expenditure

Total capital expenditure for the Relevant Year was approximately HK$5,000 (2021: HK$673,000), which was mainly used in the purchase of property, plant and equipment.

Contingent Liabilities

As at 31 March 2022, the Group did not have significant contingent liabilities.

Gearing Ratio

The gearing ratio, being the ratio of bank loan to total equity, of the Group as at 31 March 2022 was nil (2021: nil) due to the absence of bank borrowings for the Relevant Year.

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Relevant Year. The Group strives to reduce exposure to credit risk by performing ongoing evaluation of the financial status of its customers. To manage liquidity risk, the management closely monitors the Group's liquidity position and maintains sufficient cash and cash equivalents and an adequate amount of committed credit facilities to settle the payables of the Group.

Foreign Exchange Exposure

The functional currency and reporting currency for the Company and its subsidiaries is Hong Kong dollar, except that the functional currencies of certain subsidiaries are New Taiwan dollar, Malaysian Ringgit, Singapore dollar, Indonesian Rupiah, Philippine Peso and Chinese Renminbi. During the Relevant Year, the Group was not exposed to any significant currency risk.

Capital Structure

The shares of the Company were listed on GEM of the Stock Exchange on 28 March 2018 (the "Listing Date"). As at the date of this annual report, the Company's total number of issued shares was 200,000,000 of HK$0.01 each.

Segment Information

Segmental information of the Group are disclosed in Note 4 of the financial statements.

Future Plans for Material Investments and Capital Assets

Except for the implementation plans disclosed in the section headed "Management Discussion and Analysis" of this annual report and save as disclosed herein, the Group did not have other plans for material investments or capital assets as of 31 March 2022.

Material Acquisitions and Disposals of Subsidiaries

Save as disclosed herein, there was no material acquisition and disposal of subsidiaries by the Company during the Relevant Year.

Significant Investments Held

During the Relevant Year, the Group had the following significant investments held which were classified as financial assets at fair value through profit or loss:

Name of investment	Percentage of shareholding held by the Group as at 31 March 2022	Investment costs	Fair value as at 31 March 2022	Fair value gain/ (loss) for the year ended 31 March 2022	Size as compared to the Group's total assets as at 31 March 2022
	%	HK$'000	HK$'000	HK$'000	%
Unlisted shares					
— Asia Interactive Content Holdings Limited ("Asia Interactive") *(Note 1)*	1.6026	5,000	2,003	118	4.7
Wealth management product					
— Wealth management product from UBS AG *(Note 2)*	N/A	15,503	17,143	(101)	40.1

Notes:

1. Asia Interactive principally provides marketing agency services, including brand building, digital and social media marketing, video production, online and offline strategies and event management. The Directors expect that not only can the investment in Asia Interactive bring synergies by forming closer strategic relationship between the Group and Asia Interactive for extending social media coverage and providing business referral opportunities, but can also assist the business of the Group to gain access to the China market. It is also expected that the Group can benefit from the growth of marketing agency services of Asia Interactive in the coming years.

2. On 12 June 2020, the Company has subscribed for a wealth management product from UBS AG in the amount of USD2 million. The wealth management product will invest in investment instruments (such as liquidity, bonds and equities). The portfolio does not include hedge funds, real estates and commodities. The subscription amount has been settled in cash in one lump sum. Details of the subscription of the wealth management product are set out in the announcement of the Company dated 12 June 2020.

Saved as disclosed above and the investment in its subsidiaries, the Group did not hold other significant investments during the Relevant Year.

EVENTS AFTER THE REPORTING DATE

There is no significant event subsequent to 31 March 2022 which would materially affect the Group's operating and financial performance.

MAJOR RISK AND UNCERTAINTIES

The Group believes that the risk management practices are important and uses its best effort to ensure it is sufficient to mitigate the risks present in our operations and financial position as efficiently and effectively as possible. The followings are the major risks and uncertainties of our business:

Major Risks Identified	Key Mitigations
Significant revenue is contributed from the business relationship with advertising agencies	• Diversify the customer base by approaching more direct customers
	• Expand target to modest brands
	• Proactive communication with advertising agencies
Self-developed platform can be disrupted with insufficient support from information technology professionals and third-party vendors	• Monthly security review
	• Data encryption to prevent hacking
	• Proactive recruitment of additional information technology professionals
Risk of malfunction of data centre, server or social media platforms that may affect operations	• Regular back-up
	• Perform annual in-house disaster recovery test
Loss of customers or members due to changes of preference on social media	• Maintain good relationship with members and ensure all their feedbacks/complaints are properly addressed
	• Organise member gatherings on a periodic basis
	• Launch new rewards programmes to members and provide special rewards to long-term members

Major Risks Identified	Key Mitigations
Disruptions to operation due to difficulty in retaining employees	• Bi-annual appraisal and salary review of employees • Maintain good relationship with employees • Open communication and promote transparency between management and employees • Arrange teambuilding activities to build up morale and loyalty • Promote better working environment
Unfavourable fluctuation of foreign currencies resulting in realised/unrealised exchange losses	• Convert extra cash in foreign currencies (e.g. Malaysian Ringgit, New Taiwan dollar etc.) into Hong Kong Dollar ("HKD") • Monitor the currency movements and market performance on daily and monthly basis • Regular communications with the Finance Controller for up-to-date best measure to handle the currency fluctuation and identify the best timing to convert cash in foreign currencies to HKD • Explore the options to trade in United States Dollar ("USD")
Adverse changes in external environment including social unrest and pandemic	• Establish business contingency plan for operations in all regions • Continuously monitor profit or loss forecast, identify cost reduction opportunities and formulate cost control measures
Market trend shift resulting in increased competition from micro-influencer	• Engage micro-influencer for business opportunities in all regions • Revamp existing package to draw interests from advertising agencies
Business resilience responding to occupational health and safety measure impacted by COVID-19 pandemic	• Establish business contingency plan for operations in all regions • Continuously monitor profit or loss forecast, identify cost reduction opportunities and formulate cost control measures

For other risks and uncertainties facing the Group, please refer to the section headed "Risk Factors" in the Prospectus.

An analysis of the Group's financial risk management (including credit risk and liquidity risk) objectives and policies are disclosed in Note 24 to the financial statements.

Biographical Information of Directors and Senior Management

EXECUTIVE DIRECTORS

Ms. Cheung Lee (Jenny Cheung, 張莉), aged 38, co-founded our Group in May 2010 and was appointed as our Hong Kong general manager on 7 July 2014 and executive Director on 18 August 2017. She is responsible for the overall management of our Group overseeing all operations including sales, marketing, client services, human resources and finance of our Group. Ms. Jenny Cheung has over 10 years of working experience in the marketing and advertising industry.

Prior to the establishment of our Group, Ms. Jenny Cheung has worked at L'Oreal H.K. Ltd., an international beauty products brand in Hong Kong, with the last position as a group product manager in the luxury products division from April 2013 to July 2014; and Parfums Christian Dior Hong Kong Limited, a retailer of skin care products, perfume, cosmetics and make-up products of an international fashion brand in Hong Kong, as a group product manager of the Skincare division from October 2011 to April 2013. Ms. Jenny Cheung has also worked at Neo Derm (HK) Ltd., a medical aesthetic solution provider and skincare products distributor in Hong Kong and China with last position as product manager from April 2010 to September 2011, primarily responsible for building brand image, analysing business trends and developing marketing plans; and Johnson & Johnson (Hong Kong) Limited, an international consumer products, pharmaceuticals and medical devices brand in Hong Kong as a brand manager from March 2009 to April 2010; an assistant brand manager from May 2007 to February 2009; and a marketing trainee from May 2006 to April 2007.

Ms. Jenny Cheung obtained her bachelor degree of business administration with honours from The Chinese University of Hong Kong in March 2006.

Ms. Jenny Cheung beneficially owns 33.33% of the issued share capital of JAG United Company Limited ("JAG United"), whilst JAG United holds 100,280,000 shares of the Company, representing approximately 50.14% of the total issued share capital of the Company. She is deemed to be interested in the shares of the Company held by JAG United.

Mr. Law Ka Kin (Anakin Law, 羅嘉健), aged 39, co-founded our Group in May 2010 and was appointed as our Taiwan general manager on 1 April 2014 and executive Director on 18 August 2017. He is responsible for the overall management of our Group, overseeing all operations including sales, marketing, client services, human resources and finance of our Group. Mr. Anakin Law has over 10 years of working experience in the marketing and advertising industry.

Prior to establishment of our Group, Mr. Anakin Law has worked at GlaxoSmithKline Limited, an international healthcare company that provides medicines, vaccines, and other healthcare products in Hong Kong as a category marketing manager in the consumer healthcare business division from June 2012 to April 2013. Mr. Anakin Law has also worked at (i) Hongkong International Theme Parks Limited, an international brand theme park in Hong Kong from June 2010 to June 2012 as an associate manager; and from August 2008 to May 2010 as a senior marketing executive in the marketing line of business; (ii) Johnson & Johnson (Hong Kong) Limited, an international consumer products, pharmaceuticals and medical devices brand in Hong Kong as an assistant brand manager from June 2008 to August 2008; a marketing executive from July 2007 to May 2008; and a logistics planner from May 2006 to July 2007, primarily responsible for supply and distribution of products; and (iii) Watsons' The Chemist (Hong Kong), a division of A.S. Watson Group (HK) Limited, an international health and beauty retail chain in Hong Kong as an assistant supply chain officer from July 2005 to April 2006; and a supply chain trainee from May 2004 to June 2005.

Mr. Anakin Law obtained his bachelor degree of business administration with honours from The Chinese University of Hong Kong in December 2004.

Mr. Anakin Law beneficially owns 33.33% of the issued share capital of JAG United, whilst JAG United holds 100,280,000 shares of the Company, representing approximately 50.14% of the total issued share capital of the Company. He is deemed to be interested in the shares of the Company held by JAG United.

Mr. Lee Wing Leung Garlos (Garlos Lee, 李永亮), aged 38, co-founded our Group in May 2010 and was appointed as our general manager since April 2014 and appointed as executive Director on 18 August 2017. He is responsible for the overall management of our Group, overseeing all operations including sales, marketing, client services, human resources and finance of our Group. From April 2015 to mid-February 2017, Mr. Garlos Lee only took the role of decision making and participated in the overall strategic development on a part-time basis, with no involvement in the day-to-day operations of our Group. Since 15 February 2017, he has been working for the Group on a full-time basis and become responsible for our Group's business operations in the Southeast Asia region. Mr. Garlos Lee has over 10 years of working experience in the marketing and advertising industry.

Prior to the establishment of our Group, Mr. Garlos Lee has worked at Johnson & Johnson (Hong Kong) Limited, an international consumer products, pharmaceuticals and medical devices brand in Hong Kong from August 2006 to May 2010 with the last position as a brand manager.

Mr. Garlos Lee obtained his bachelor of commerce degree with honours from The University of British Columbia in May 2006.

Mr. Garlos Lee beneficially owns 33.33% of the issued share capital of JAG United, whilst JAG United holds 100,280,000 shares of the Company, representing approximately 50.14% of the total issued share capital of the Company. He is deemed to be interested in the shares of the Company held by JAG United.

Mr. Leung Wai Lun (梁偉倫), aged 37, joined our Group as our information technology director in February 2017 and was appointed as executive Director on 18 August 2017. He is responsible for the development and management of all information technology systems of our Group including our Platforms. Mr. Leung has over 10 years of working experience in the information technology industry.

Prior to joining our Group, Mr. Leung has worked at (i) Kobo Design Ltd., a digital branding agency based in Hong Kong, from November 2010 to June 2017 as the lead programmer, where he was primarily responsible for the provision of its day-to-day programming requirements, maintenance of its server, building and maintenance of the database systems, electronic commerce systems and websites for its clients; (ii) Lemowork Limited, a web design company based in Hong Kong, from January 2010 to December 2010 as a director; and (iii) Open Creative Limited, a multimedia consultancy company in Hong Kong and China, from December 2008 to January 2010 as a web developer.

Mr. Leung graduated with a bachelor of engineering degree in computer science with honours from The Hong Kong University of Science and Technology in May 2009.

Ms. Xu Xiuhong (徐秀紅), aged 51, was appointed as the President of Greater China Business of the Group on 1 January 2021 and appointed as executive Director on 5 March 2021.

Ms. Xu has extensive experiences in marketing and sales management. She was a general manager of Dongguan City Yaqing Industrial Co., Ltd.* (東莞市雅卿實業有限公司) ("Dongguan Yaqing"), a company which engages in the provision of the service of design, production, development and sales of various models of aluminium alloy air outlets and ABS air outlets, from 2017 to 2020. She was mainly responsible for market development management, customer after-sales service and formulation of corporate market strategies for Dongguan Yaqing. She was also a general manager of marketing department in Dongguan City Wanjiang Fengda Jingcheng Air Conditioning Parts Factory* (東莞市萬江豐達精誠空調配件廠) ("Wanjiang Fengda"), a company which supplies central air-conditioning system, duct ventilation system and other supporting equipment for domestic large and medium sized enterprises, from 2017 to 2020. She was mainly responsible for, inter alia, formulating sales strategy, sourcing raw materials, procurement negotiation for Wanjiang Fengda.

* *For identification purpose only*

Biographical Information of Directors and Senior Management

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwan Chi Hong (關志康), aged 50, was appointed as our independent non-executive Director on 7 March 2018. He is responsible for supervising, providing independent advice to our Board, serving as chairman of nomination committee, and member of audit committee for our Group.

Mr. Kwan was appointed as an independent non-executive director of BExcellent Group Holdings Limited (the shares of which are listed on the Main Board of the Stock Exchange, stock code: 1775) and China Brilliant Global Limited (formerly known as Prosten Health Holdings Limited) (the shares of which are listed on GEM of the Stock Exchange, stock code: 8026) on 17 November 2017 and 12 February 2018 respectively. Mr. Kwan was also appointed as a director of Bamboos Health Care Holdings Limited ("Bamboos Health Care") (the shares of which were listed on GEM, stock code: 8216, and subsequently, were listed on the Main Board of the Stock Exchange, stock code: 2293) on 23 November 2012 and redesignated as an executive director on 28 March 2014, responsible for monitoring and evaluating the business, strategic planning and major decision making. Mr. Kwan has resigned as an executive director of Bamboos Health Care on 5 January 2019 and resigned as an independent non-executive director of China Brilliant Global Limited on 12 November 2021. Mr. Kwan became an independent non-executive director of Janco Holdings Limited (the shares of which are listed on GEM of the Stock Exchange, stock code: 8035) on 7 May 2021.

Prior to the establishment of Bamboos Health Care, Mr. Kwan had over 10 years of managerial experience in the public sector, from February 1995 to April 2008, including working as an executive officer in various governmental departments in Hong Kong, including Registration and Electoral Office, Urban Services Department, Home Affairs Department, Hong Kong Police Force and Chief Secretary for Administration's Office Government Secretariat, mainly responsible for human resources management including manpower and succession planning, financial resources management including planning and allocating financial resources and exercising control over revenue and expenditure, policy support including analysing the information collected and liaising with parties concerned to facilitate the formulation of policies, and general administration.

Mr. Kwan obtained a bachelor degree in economics and a master degree in economics from The University of Hong Kong in January 1995 and December 2005 respectively. Mr. Kwan completed a programme in executive master of business administration and obtained a master degree in business administration from The Chinese University of Hong Kong in December 2007. Mr. Kwan was awarded the young entrepreneur of the year 2012 from the Hong Kong Business Awards hosted by DHL Express and South China Morning Post and the EY Entrepreneur of the Year 2013 China — Emerging Entrepreneur hosted by Ernst & Young.

Mr. Fenn David (范德偉), aged 41, was appointed as our independent non-executive Director on 7 March 2018. He is responsible for supervising, providing independent advice to our Board, serving as chairman of remuneration committee, and member of audit committee for our Group.

Mr. Fenn has over 15 years of experience in the legal industry. He was admitted as a solicitor in Hong Kong in September 2005. Mr. Fenn is currently the principal of David Fenn & Co., a solicitors' firm in Hong Kong.

Mr. Fenn obtained his bachelor of laws degree with honours from The University of Hong Kong in December 2002. He was awarded a postgraduate certificate in laws from The University of Hong Kong in June 2003. Mr. Fenn further obtained a master of laws degree in banking and finance from University College London, University of London in the United Kingdom in November 2006. Mr. Fenn has been appointed as a disciplinary panel member of the HKICPA since February 2016. He was an adjudicator of the Registration of Persons Tribunal of Hong Kong from November 2013 to November 2019, and a member of the Housing Appeal Panel of Hong Kong from April 2017 to April 2021. Mr. Fenn has been appointed as the chairman of the Building Appeal Tribunal Panel of Hong Kong since December 2021. Mr. Fenn has been appointed as an independent non-executive director of Hong Kong Education (Int'l) Investments Limited (stock code: 1082), a company listed on the Main Board of the Stock Exchange and Sun Kong Holdings Limited (stock code: 8631), a company listed on GEM of the Stock Exchange since 10 May 2018 and 11 December 2018 respectively.

Mr. Fenn is also the company secretary of Wai Chun Bio-Technology Limited (stock code: 660) and Wai Chun Group Holdings Limited (stock code: 1013) since 4 February 2022, both companies of which are listed on the Main Board of the Stock Exchange.

Biographical Information of Directors and Senior Management

Mr. Ho Ho Tung Armen (何浩東), aged 46, was appointed as our independent non-executive Director on 7 March 2018. He is responsible for supervising, providing independent advice to our Board, serving as chairman of the audit committee and member of each of remuneration and nomination committee for our Group.

Mr. Ho received an MBA degree from the University of Chicago Booth School of Business, Master of Science degree in financial economics from University of London and Bachelor of Arts (Honours) degree in accountancy from City University of Hong Kong. He is currently a member of the Hong Kong Institute of Certified Public Accountants.

Mr. Ho has been an independent non-executive director of Sunlight Technology Holdings Limited (stock code: 1950) since the company's listing in March 2020. He is also the chief financial officer and company secretary of Tianyun International Holdings Limited (stock code: 6836) since February 2015. Prior to that, Mr. Ho was the chief financial officer of Tuenbo Group Limited and held various senior positions in Wisdom Asset Management Limited, Hermes Capital Limited and Evolution Group Limited (now known as Investec Group) specialised in asset management, private equity, and corporate finance. Mr. Ho also worked for PricewaterhouseCoopers Hong Kong, KPMG UK and Grant Thornton Corporate Finance UK from 1998 to 2006 specialising in audit, advisory and corporate finance.

Ms. Guo Hongyan (郭紅艷), aged 43, was appointed as our independent non-executive Director on 5 March 2021. She is responsible for supervising and providing independent advice to our Board.

Ms. Guo holds a Bachelor of Educational Information Technology degree from East China Normal University. Ms. Guo has almost 20 years of marketing and operation experience in information technology platform. Ms. Guo also has extensive experiences in providing cloud service solutions to customers, including but not limited to various large cable network and telecom companies and internet platforms operators. From 2000 to 2003, she served as an engineer in the presales department in Hanyang Solar (Shanghai) Co., Ltd.* (漢陽光電(上海)有限公司). She was then working as a marketing specialist in Yuanmei Information Technology (Shanghai) Co., Ltd.* (元鎂信息科技(上海)有限公司) from 2003 to 2004. From 2004 to 2010, she served as a pre-sales and project manager in Shanghai Siqian Digital Technology Co., Ltd.* (上海思遷數碼科技有限公司), a subsidiary of NASDAQ-listed company, SeaChange International, Inc. (stock code: SEAC). She then served as a key account solutions manager in Shanghai Sihua Technology Co., Ltd.* (上海思華科技股份有限公司) from 2011 to 2015. After that, she served as a manager of business cooperation department in Shanghai Shata Information Technology Co., Ltd.* (上海沙塔信息科技有限公司) from 2015 to 2019.

Mr. Xu Jianguo (徐建國), aged 46, was appointed as our independent non-executive Director on 13 April 2022. He is responsible for supervising and providing independent advice to our Board.

Mr. Xu is a founder of a number of schools in the People's Republic of China. He is the legal representative, managing director and a shareholder of a vocational school, 成都市郫都區弘德苑智信錦華職業技能培訓學校有限公司. He is a shareholder and supervisor of an education consultant company, 成都弘德苑國學啟蒙教育諮詢有限公司. He is responsible for managing the finance of a kindergarten, 成都市郫都區弘德苑幼兒園. He was an engineer at Huawei Technologies Co. Ltd. during the period from 2000 to 2017.

Mr. Xu obtained a bachelor's degree in electrical engineering from Chengdu Education Institute of Technology (now known as Chengdu University of Technology) (成都理工學院, now known as 成都理工大學) in 1998.

* *For identification purpose only*

SENIOR MANAGEMENT

Ms. Choi Sin Yi (蔡倩宜), aged 32, joined our Group in June 2012. Ms. Choi has over 8 years of working experience in the online advertising industry. Ms. Choi was a social media marketing executive at JAG Ideas Company Limited ("JAG Hong Kong") from June 2012 to September 2015, and was promoted to an advertising manager at JAG Hong Kong since October 2015, mainly responsible for the management of the Hong Kong sales team. Ms. Choi graduated with a bachelor degree in business administration from the Hong Kong Baptist University in November 2012.

Ms. Kung Wai Yin (龔慧賢), aged 32, joined our Group as the financial controller in January 2020 and was appointed as our company secretary on 31 March 2020. She is responsible for management of the finance team of our Group. Ms. Kung has over 8 years of working experience in accounting and financial management.

Prior to joining our Group, Ms. Kung has worked for (i) Deloitte Touche Tohmatsu, an international professional services firm in Hong Kong, from January 2016 to January 2020 with the last position as audit manager; (ii) FTW & Partners CPA Limited, a professional services firm in Hong Kong, from September 2013 to January 2016 with the last position as semi senior accountant; (iii) Advanced Integration Systems Limited, a service provider in the application of information technology to commercial clients in Hong Kong, from May 2011 to July 2013 as business analyst.

Ms. Kung graduated with a bachelor of science degree in enterprise engineering with management with honours from the Hong Kong Polytechnic University in June 2011 and a postgraduate diploma in professional accountancy from the Chinese University of Hong Kong in June 2014. Ms. Kung is a member of the Hong Kong Institute of Certified Public Accountants since March 2017.

COMPANY SECRETARY

Ms. Kung Wai Yin is our company secretary. Please refer to the above paragraph for her biography.

Report of Directors

The Directors hereby present this annual report and the audited consolidated financial statements of the Group for the year ended 31 March 2022.

CORPORATE REORGANISATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 22 May 2017.

In preparing for the listing, the Company became the holding company of the companies comprising the Group upon the completion of the reorganisation on 7 March 2018. Details of the reorganisation are set out in the Prospectus.

The shares of the Company were listed on the GEM of the Stock Exchange with effect from 28 March 2018.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activity of the Group is the provision of online advertising services.

RESULTS AND DIVIDENDS

The Group's results for the year ended 31 March 2022 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 44 to 89 of this annual report. The Board has not recommended any final dividend for the year ended 31 March 2022 (2021: nil).

BUSINESS REVIEW

A review of the business of the Group for the year ended 31 March 2022, which includes a description of the principal risks and uncertainties facing the Group, an analysis using financial key performance indicators of the Group's business, particulars of important events affecting the Group, an indication of likely future developments in the Group's business, and a discussion on the Company's environmental policies and performance and the relationships with its stakeholders, can be found in the section headed "Management Discussion and Analysis" on pages 7 to 12 of this annual report. The review forms part of this directors' report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group strives to operate in compliance with the applicable environmental protection laws and methods to minimise the adverse effects of its existing business activities on the environment. For details of the Group's environmental policies and performance, please refer to the Environmental, Social and Governance Report of the Group to be published in due course.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of the Directors' knowledge, information and belief, the Group has complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the year ended 31 March 2022.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 March 2022 are set out in Note 12 to the financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 March 2022 are set out in Note 23 to the financial statements.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the shareholders by reason of their holding of the Company's securities.

PRE-EMPTIVE RIGHTS

There is no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders and there are no restrictions against such rights under the laws of the Cayman Islands.

DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Group during the year ended 31 March 2022 are set out in the consolidated statement of changes in equity on page 47 of this annual report.

As at 31 March 2022, the Company's reserves available for cash distribution and/or distribution in specie, computed in accordance with the Companies Act of the Cayman Islands, amounted to approximately HK$22,500,000 (2021: HK$59,831,000).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Relevant Year and up to the date of this annual report, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group, as extracted from the consolidated financial statements of the Company for each of the last five years ended 31 March 2022 is set out on page 90 of this annual report. This summary does not form part of the audited financial statements.

SHARE OPTION SCHEME

The Company's share option scheme (the "Share Option Scheme") was approved by a resolution of the Company's shareholders passed on 7 March 2018. The principal terms of the Share Option Scheme, a summary of which was set out in Appendix IV to the Prospectus, are in compliance with the provisions under Chapter 23 of the GEM Listing Rules.

During the Relevant Year and up to the date of this annual report, there was no options granted, exercised, lapsed or cancelled under the Share Option Scheme. As at 31 March 2022 and up to the date of this annual report, there was no outstanding share option not yet exercised under the Share Option Scheme.

The following is a summary of the principal terms of the Share Option Scheme:

The Board may, at its discretion, offer to grant an option to any person belonging to any of the following classes of participants (the "Eligible Participants"), to take up options to subscribe for the shares:

(i) any full-time or part-time employees of our Group;

(ii) any directors (including executive Directors, non-executive Directors and independent non-executive Directors) of our Group; and

(iii) any consultants and advisers or any substantial shareholder of our Group.

Unless terminated by the Company by resolution in general meeting, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date on which the Share Option Scheme is adopted by shareholders in general meeting (i.e. 6 March 2028).

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees, the business directors, consultants or advisers of our Group and to promote the success of our Group.

Total number of securities available for issue under the Share Option Scheme as at the date of this annual report is 20,000,000 shares, representing 10% of the total shares in issue of the Company as of the date of this annual report.

The total number of shares issued and to be issued upon exercise of the options granted to any grantee (including both exercised and outstanding options) under the Share Option Scheme in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

Unless the Board specifies otherwise, there is no general requirement on the minimum period for which a share option must be held or the performance targets which must be achieved before a share option can be exercised under the terms of the Share Option Scheme.

The amount payable by the grantee of an option to our Company on acceptance of the offer for the grant of an option is HK$1.00.

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheets on the date of grant; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a share on the date of grant of the option.

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme, no equity-linked agreement that will or may result in the Company issuing shares or that require the Company to enter into any agreement that will or may result in the Company issuing shares were entered into by the Company during the Relevant Year or subsisted at the end of the Relevant Year.

DIRECTORS

The Directors of the Company during the year ended 31 March 2022 and up to the date of this annual report were as follows:

Executive Directors

Ms. Cheung Lee (Ms. Jenny Cheung)
Mr. Law Ka Kin (Mr. Anakin Law)
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)
Mr. Leung Wai Lun
Ms. Xu Xiuhong

Independent Non-executive Directors

Mr. Kwan Chi Hong
Mr. Fenn David
Mr. Ho Ho Tung Armen
Ms. Guo Hongyan
Mr. Xu Jianguo (appointed with effect from 13 April 2022)

Pursuant to article 16.2 and 16.18 of the articles of association of the Company (the "Articles of Association"), Ms. Cheung Lee, Mr. Leung Wai Lun, Mr. Kwan Chi Hong, Mr. Fenn David and Mr. Xu Jianguo shall retire at the forthcoming annual general meeting of the Company (the "AGM") and being eligible, have offered themselves for re-election at the AGM.

The Company has received annual confirmation from each of the independent non-executive Directors regarding their independence to the Company pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers that each of the independent non-executive Directors is independent from the Company.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of Directors and senior management are set out on pages 13 to 17 of this annual report.

DISCLOSURE OF CHANGE OF DIRECTORS' INFORMATION

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, the change and update in Directors' information are as follows:

Mr. Kwan Chi Hong has resigned as an independent non-executive director of China Brilliant Global Limited (stock code: 8026) on 12 November 2021.

Mr. Fenn David has retired from a member of the Housing Appeal Panel of Hong Kong from April 2017 to April 2021. Mr. Fenn has been appointed as the chairman of the Building Appeal Tribunal Panel of Hong Kong since December 2021. Mr. Fenn has been appointed as the company secretary of Wai Chun Bio-Technology Limited (stock code: 660) and Wai Chun Group Holdings Limited (stock code: 1013) since 4 February 2022, both companies of which are listed on the Main Board of the Stock Exchange.

Mr. Xu Jianguo has been appointed as an independent non-executive director of the Company with effect from 13 April 2022.

Save as disclosed above, the Directors are not aware of any other change in Directors' information required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this annual report, no transactions, arrangements or contracts of significance to which the Company, any of its subsidiaries, fellow subsidiaries or its parent company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 March 2022 or at any time during the year ended 31 March 2022.

DIRECTORS' SERVICE CONTRACTS

Four of our executive Directors, namely Mr. Anakin Law, Ms. Jenny Cheung, Mr. Garlos Lee and Mr. Leung Wai Lun, has entered into a service agreement with our Company on 7 March 2018 for a term of three years commencing from 28 March 2018 and renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term until terminated in accordance with the terms of the service agreements, during which either party may terminate the service agreement by giving the other not less than three months' written notice.

One of our executive Directors, namely Ms. Xu Xiuhong, has entered into a service agreement with our Company for a term of three years commencing from 5 March 2021, during which either party may terminate the service agreement by giving the other not less than three months' written notice.

Three of the independent non-executive Directors, namely Mr. Kwan Chi Hong, Mr. Fenn David and Mr. Ho Ho Tung Armen, have signed letters of appointment on 7 March 2018 for an initial term of three years commencing from 28 March 2018 and renewable automatically for successive terms of one year each commencing from the day next after the expiry of the then current term until terminated in accordance with the terms of the letters of appointment. The letters of appointment are subject to termination in accordance with their respective terms by not less than one month's written notice.

One of the independent non-executive Directors, namely Ms. Guo Hongyan, has entered into a letter of appointment with the Company for a term of three years commencing from 5 March 2021. The letter of appointment is subject to termination in accordance with its terms by not less than one month's written notice.

One of the independent non-executive Directors, namely Mr. Xu Jianguo, has entered into a letter of appointment with the Company for a term of three years commencing from 13 April 2022. The letter of appointment is subject to termination in accordance with its terms by not less than one month's written notice.

Save as disclosed above, none of the Directors has entered into any service contracts with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment compensation other than the statutory compensation.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association and subject to the laws of the Cayman Islands, the Board may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director so becoming liable for the payment of any sum primarily due from the Company. The Company has arranged appropriate insurance cover in respect of legal action against the Directors.

EMOLUMENTS OF THE DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals of the Company are set out in Note 8 and Note 9 to the financial statements in this annual report.

EMOLUMENT POLICY

The remuneration committee will review and determine the remuneration and compensation packages of the Directors with reference to their responsibilities, workload, time devoted to the Group and the performance of the Group.

EMPLOYEES AND EMOLUMENT POLICY

As at 31 March 2022, the Group employed a total of 33 employees (2021: 35 employees). The staff costs of the Group (including directors' remuneration, employees' salaries, wages, other benefits and contribution to defined contribution retirement plan) for the Relevant Year were approximately HK$14,083,000 (2021: HK$13,215,000).

The remuneration packages for our employees generally include salary and bonus. Our employees also receive welfare benefits, including retirement benefits and medical insurance. We conduct annual review of the performance of our employees for determining the level of salary adjustment and promotion of our employees. Our executive Directors will also conduct research on the remuneration packages offered for similar positions in Hong Kong in order to keep our remuneration packages at a competitive level.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the Relevant Year.

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 31 March 2022, the interests and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong)("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in ordinary shares of the Company:

Name	Capacity/Nature of interest	Number of shares held	Approximate percentage of issued share capital*
Ms. Jenny Cheung *(Note)*	Interest of a controlled corporation; interest held jointly with another person	100,280,000	50.14%
Mr. Anakin Law *(Note)*	Interest of a controlled corporation; interest held jointly with another person	100,280,000	50.14%
Mr. Garlos Lee *(Note)*	Interest of a controlled corporation; interest held jointly with another person	100,280,000	50.14%

* The percentage represents the number of ordinary shares divided by the number of the Company's issued shares as at 31 March 2022. (i.e. 200,000,000 shares)

Note: Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee beneficially own 33.33%, 33.33% and 33.33% of the issued share capital of JAG United Company Limited respectively. By virtue of the SFO, each of Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee is deemed to be interested in such shares held by JAG United Company Limited.

Save as disclosed above, as at 31 March 2022, none of the Directors of the Company had any interest or short position in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which are required to be recorded in the register required to be kept by the Company under Section 352 of the SFO, or which shall be, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY

As at 31 March 2022, to the knowledge of the Directors, the following persons/entities (other than the Directors or chief executive of the Company) who had or were deemed to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long position in the shares:

Name	Capacity/Nature of interest	Number of shares held	Approximate percentage of issued share capital*
JAG United Company Limited *(Note 1)*	Beneficial interest	100,280,000	50.14%
Mr. Szeto Man Wa *(Note 2)*	Interest of spouse	100,280,000	50.14%
Ms. Leung Kwok Mei *(Note 3)*	Interest of spouse	100,280,000	50.14%
Ms. Ng Ka Po *(Note 4)*	Interest of spouse	100,280,000	50.14%
Mr. Wang Zenglin	Beneficial interest	14,000,000	7.00%

* The percentage represents the number of ordinary shares divided by the number of the Company's issued shares as at 31 March 2022. (i.e. 200,000,000 shares)

Notes:

1. Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee beneficially own 33.33%, 33.33% and 33.33% of the issued share capital of JAG United Company Limited respectively. By virtue of the SFO, each of Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee was deemed to be interested in such shares held by JAG United Company Limited.

2. Mr. Szeto Man Wa was deemed to be interested in 100,280,000 shares of the Company through the interest of his spouse, Ms. Jenny Cheung.

3. Ms. Leung Kwok Mei was deemed to be interested in 100,280,000 shares of the Company through the interest of her spouse, Mr. Anakin Law.

4. Ms. Ng Ka Po was deemed to be interested in 100,280,000 shares of the Company through the interest of her spouse, Mr. Garlos Lee.

Save as disclosed above, as at 31 March 2022, the Directors are not aware of any other persons/entities (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the above paragraph under "Directors' Interests in Shares, Underlying Shares and Debentures of the Company and its Associated Corporation", at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any directors or their respective spouse or children under 18 years of age, or were any rights exercised by them; or was the Company, or any of its subsidiaries a party to any arrangement to enable to the Directors to acquire such rights in any other body corporation.

Save as disclosed above and as provided in the Share Option Scheme, at no time during the year ended 31 March 2022 and up to the date of this annual report was the Company, any of its subsidiaries, its associated companies or its holding companies a party to any arrangements to enable the Directors or the chief executive of the Company to hold any interests or short positions in the shares or underlying shares in, or debentures of, the Company and/or its associated corporations (within the meaning of the SFO).

MAJOR CUSTOMERS AND SUPPLIERS

For each of the years ended 31 March 2022 and 2021, the percentage of revenue attributable to the Group's major customers is set out below:

Revenue

— The largest customer: 10.0% and 8.3% respectively

— The aggregate amount of the five largest customers: 27.8% and 32.8% respectively

For each of the years ended 31 March 2022 and 2021, the percentage of cost of services attributable to the Group's major suppliers is set out below:

Cost of Services

— The largest supplier: 40.3% and 36.8% respectively

— The aggregate amount of the five largest suppliers: 77.1% and 80.8% respectively

None of the Directors, their close associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major customers and major suppliers noted above.

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION

The related party transactions stated at Note 25 of the financial statements fall under the definition of "continuing connected transaction" in Chapter 20 of the GEM Listing Rules. They are exempted under Rule 20.71 of the GEM Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

During the year ended 31 March 2022 and up to the date of this annual report, based on information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirm that the Company maintained the public float as required under the GEM Listing Rules.

DIVIDEND POLICY

The Company has adopted a dividend policy (the "Dividend Policy"), pursuant to which the Company may distribute dividends to the shareholders of the Company by way of cash or shares. Any distribution of dividends shall be in accordance with the Articles of Association of the Company and the laws of the Cayman Islands and the distribution shall achieve continuity, stability and sustainability. The recommendation of the payment of any dividend is subject to the absolute discretion of the Board. In proposing any dividend payout, the Board shall also take into account, inter alia, the Group's earnings per share, the reasonable return in investment of the investors and the shareholders in order to provide incentive to them to continue to support the Group on long-term basis, the financial conditions and business plan of the Group, and the market sentiment and circumstances. The Dividend Policy will be reviewed from time to time and there is no assurance that a dividend will be proposed or declared in any specific periods.

COMPETING AND CONFLICT OF INTERESTS

The Directors are not aware of any business or interests of the Directors nor the controlling shareholder of the Company nor any of their respective associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Company and any other conflicts of interest which any such person has or may have with the Group during the year ended 31 March 2022. None of the Directors, the controlling shareholders or substantial shareholders of the Company or any of its respective close associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, as defined in the GEM Listing Rules, or has any other conflict of interests with the Group during the year ended 31 March 2022, and the Directors confirm that none of them is engaged in any business which directly or indirectly, competes or is likely to compete with the business of the Company and any of its subsidiaries or has interest in such business.

NON-COMPETITION UNDERTAKING BY THE CONTROLLING SHAREHOLDERS

Each of the controlling shareholders, namely JAG United Company Limited, Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee entered into a Deed of Non-competition in favour of the Company on 7 March 2018, the details of which have been set out in the Prospectus.

CORPORATE GOVERNANCE

The Company's corporate governance report is set out on pages 28 to 38 of this annual report.

AUDITOR

The financial statements for the year ended 31 March 2022 have been audited by KPMG, who will retire and, being eligible, offer themselves for re-appointment at the AGM.

By Order of the Board

Law Ka Kin
Executive Director

Hong Kong, 20 June 2022

Corporate Governance Report

The Board is pleased to report to the shareholders on the corporate governance of the Company for the year ended 31 March 2022.

CORPORATE GOVERNANCE PRACTICES

The Board of the Company is committed to achieving and maintaining high corporate governance standards to safeguard the interests of the shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix 15 to the GEM Listing Rules as the basis of the Company's corporate governance practices.

The Board is of the view that throughout the Relevant Year, the Company has complied with all the code provisions ("CP") as set out in the CG Code which are adopted by the Company with the exception of the deviations set out in the section headed "Chairman and Chief Executive Officer" on page 29 of this annual report.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Securities Dealing Code").

Specific enquiry has been made to all the Directors and the Directors have confirmed that they have complied with the required standards set out in Rules 5.48 to 5.67 of the GEM Listing Rules regarding their securities transaction throughout the year ended 31 March 2022.

The Company has also adopted the Securities Dealing Code for securities transactions by relevant employees of the Group who are likely to possess inside information in relation to the Company or its securities. No incident of non-compliance with the Securities Dealing Code by the relevant employees was noted by the Company.

ROLE OF THE BOARD

The Board oversees the management of the business and affairs of the Company. The Directors are accountable for making decisions objectively in the best interest of the Company and the shareholders as a whole.

The Board is responsible for making decisions on all major aspects of the Company's affairs, including the approval and monitoring of key policy matters, overall strategies, business plans and annual budgets, internal control and risk management systems, material transactions, major capital expenditure, appointment of Directors and other significant financial and operational matters.

The Board may delegate certain aspects of its management and administration functions to the management. In particular, the day-to-day management of the Company is delegated to the executive Directors of the Company and the management team of the Group.

Board Composition

During the year under review, the Company has at all times met the requirements of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors, representing one-third of the Board with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Board currently comprises ten members, consisting of five executive Directors and five independent non-executive Directors:

Executive Directors:

Ms. Cheung Lee (Ms. Jenny Cheung) *(member of the Nomination Committee)*
Mr. Law Ka Kin (Mr. Anakin Law) *(member of the Remuneration Committee)*
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)
Mr. Leung Wai Lun
Ms. Xu Xiuhong

Independent Non-executive Directors:

Mr. Kwan Chi Hong *(Chairman of the Nomination Committee and member of the Audit Committee)*
Mr. Fenn David *(Chairman of the Remuneration Committee and member of the Audit Committee)*
Mr. Ho Ho Tung Armen *(Chairman of the Audit Committee and member of the Remuneration Committee and Nomination Committee)*
Ms. Guo Hongyan
Mr. Xu Jianguo

The Board members have no financial, business, family or other material/relevant relationships with each other.

The biographies of the Directors are set out on pages 13 to 16 of this annual report.

Chairman and Chief Executive Officer

Under the Code Provision C.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Code Provisions C.2.2 to C.2.9 further stipulate the roles of chairman for good corporate governance practices. As the Company does not have any director with the title of "chairman" and "chief executive officer", the Company has deviated from the aforesaid Code Provisions.

The roles of chairman and chief executive officer have been performed by the three executive Directors, Ms. Jenny Cheung, Mr. Anakin Law and Mr. Garlos Lee collectively. Since the three executive Directors are the founders of the Company and have in-depth knowledge about the management as well as the business operations of the Company, the Board believes that vesting the roles of chairman and chief executive officer in the three executive Directors allows the efficient business planning and decisions. The Board is also of the opinion that the following matters can still be carried out properly under the current management structure:

(i) all Directors are properly briefed on issues arising at board meetings (CP C.2.2);

(ii) all Directors receive accurate and adequate information in a timely manner (CP C.2.3);

(iii) establishment of corporate governance practice and procedures (CP C.2.5);

(iv) effective communication with shareholders (CP C.2.8);

(v) full and active contribution of all Directors to the affairs of the Board and constructive relations between executive and non-executive directors (CP C.2.6 and C.2.9).

The company secretary has been delegated to compile agenda for Board meetings, taking into account any matters proposed by the Directors (CP C.2.4).

Independent Non-executive Directors

The independent non-executive Directors are highly skilled professionals with a broad range of expertise and experience in the fields of accounting, finance, legal and business. Their skills, expertise and number in the Board ensure that strong independent views and judgement are brought in the Board's deliberations and that such views and judgement carry weight in the Board's decision-making process. Their presence and participation also enable the Board to maintain high standards of compliance in financial and other mandatory reporting requirements, and provide adequate checks and balances to safeguard the interests of the shareholders.

Each independent non-executive Director has given the Company an annual confirmation of his/her independence. The Company considers such Directors to be independent under the guidelines set out in Rule 5.09 of the GEM Listing Rules.

Each independent non-executive Director, upon reasonable request, is given access to independent professional advice in circumstances he/she may deem appropriate and necessary for the discharge of his/her duties to the Company, at the expense of the Company.

Appointment and Re-election and Rotation of Directors

Each of the executive Directors entered into a service agreement with the Company for a term of three years, which is renewable automatically for successive terms of one year thereafter until terminated in accordance with the terms of the service agreement. The appointment of the executive Directors can be terminated by either party by giving not less than three months' prior notice in writing to the other.

Each of the independent non-executive Directors entered into a letter of appointment with the Company for a term of three years, which is renewable automatically for successive terms of one year thereafter until terminated in accordance with the terms of the letter of appointment.

Pursuant to the Articles of Association, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next annual general meeting of the Company and shall then be eligible for re-election.

According to the Articles of Association, one-third of the Directors of the time being (if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he/she retires and shall be eligible for re-election thereat.

Where vacancies arise at the Board, candidates will be proposed and put forward to the Board by the nomination committee of the Company as set out below under the paragraph headed "Nomination Committee".

Responsibilities, Accountabilities and Contributions of the Board and Management

The Board should assume responsibility for leadership and control of the Company; and is collectively responsible for directing and supervising the Company's affairs.

The Board directly, and indirectly through its committees, leads and provides direction to the management by formulating strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting and disclosure of the Company and providing a balance on the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices or major appointments held by them.

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and co-ordinating the daily operation and management of the Company are delegated to the management.

Training, Induction and Continuous Professional Development of Directors

Each newly appointed Director receives comprehensive, formal and tailored induction upon his/her appointment so as to ensure that he/she has appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the GEM Listing Rules and relevant regulatory requirements.

According to the Code Provision C.1.4 of the CG Code, all Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding suitable training, as well as placing an appropriate emphasis on the roles, functions and duties of the Directors.

The training records of the Directors for the year ended 31 March 2022 are summarised as follows:

Directors	Type of Training Note
Executive Directors	
Ms. Cheung Lee (Ms. Jenny Cheung)	A
Mr. Law Ka Kin (Mr. Anakin Law)	A
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)	A
Mr. Leung Wai Lun	A, B
Ms. Xu Xiuhong	A
Independent Non-Executive Directors	
Mr. Kwan Chi Hong	A
Mr. Fenn David	A
Mr. Ho Ho Tung Armen	A, B
Ms. Guo Hongyan	A

Note:

Types of Training

A: Attending training sessions, including but not limited to, briefings, seminars, conferences and workshops
B: Reading relevant news alerts, newspapers, journals, magazines and relevant publications

BOARD COMMITTEES

The Company has established a remuneration committee (the "Remuneration Committee"), an audit committee (the "Audit Committee") and a nomination committee (the "Nomination Committee"), for overseeing particular aspects of the Company's affairs.

The list of the chairman and members of each Board committee is set out under "Corporate Information" on page 3 of this annual report.

Audit Committee

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Ho Ho Tung Armen, Mr. Fenn David and Mr. Kwan Chi Hong. Mr. Ho Ho Tung Armen is the chairman of the Audit Committee.

On 8 November 2018, the Board adopted the revised terms of reference of the Audit Committee by a resolution passed on the same date. Such revised terms of reference had been posted on the Stock Exchange's website and the Company's website, www.stream-ideas.com.

Under its terms of reference, the primary duties of the Audit Committee are to assist our Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of our Group, overseeing the audit process and performing other duties and responsibilities as assigned by our Board.

The Audit Committee is authorised by the Board to obtain external legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary in the performance of its functions. The Audit Committee is provided with sufficient resources by the Company to discharge its duties.

The Audit Committee held four meetings to review the first quarterly results, the interim results and the third quarterly results for the year ended 31 March 2022 and the annual financial results for the year ended 31 March 2021 and to discuss and report to the Board any significant issues on the financial reporting, operational and compliance controls, the effectiveness of the risk management and internal control systems and internal audit function, appointment of external auditors and relevant scope of works and arrangements for employees to raise concerns about possible improprieties. For this annual report, the Audit Committee has met the external auditors to discuss auditing, internal control, statutory compliance and financial reporting matters before recommending it to the Board for approval.

Remuneration Committee

The Remuneration Committee comprises two independent non-executive Directors, namely, Mr. Fenn David and Mr. Ho Ho Tung Armen and an executive Director, Mr. Anakin Law. Mr. Fenn David is the chairman of the Remuneration Committee.

The primary duties of the remuneration committee include, without limitation, (i) making recommendations to the Board on our policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (ii) determining the specific remuneration packages of all Directors and senior management; and (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time.

During the year ended 31 March 2022, the Remuneration Committee held two meetings, to review and make recommendation to the Board on the remuneration package of executive Directors and other related matters.

Pursuant to paragraph E.1.5 of the CG Code, the remuneration of the members of the senior management by band for the year ended 31 March 2022 is set out below:

Remuneration band	Number of individuals
Nil to HK$1,000,000	2

Nomination Committee

The Nomination Committee comprises two independent non-executive Directors, namely, Mr. Kwan Chi Hong and Mr. Ho Ho Tung Armen, and an executive Director, Ms. Jenny Cheung. Mr. Kwan Chi Hong is the chairman of the Nomination Committee.

The primary functions of the Nomination Committee include, without limitation, reviewing the structure, size and composition of the Board, assessing the independence of independent non-executive Directors and making recommendations to our Board on matters relating to the appointment of Directors.

In assessing the Board composition, the Nomination Committee would take into account various aspects as well as factors concerning board diversity as set out in the Company's Board Diversity Policy.

Where vacancy on the Board exists, the Nomination Committee will carry out a selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations, and select or make recommendations to the Board on the selection of candidates for directorship.

During the year ended 31 March 2022, the Nomination Committee held one meeting, to review the structure, size and composition of the Board and assess the independence of the independent non-executive Directors and to consider and recommend to the Board on the re-election of Directors at the annual general meeting. The Nomination Committee considered that an appropriate balance of diversity perspectives of the Board is maintained.

Board Diversity Policy

The Company has adopted a Board Diversity Policy which sets out the approach to achieve diversity of the Board and is available on the website of the Company. The Company recognises and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining the Company's competitive advantage.

Pursuant to the Board Diversity Policy, the Nomination Committee will report annually on the Board's composition under diversified perspectives, and monitor the implementation of this Board Diversity Policy.

The Company aims to maintain an appropriate balance of diversity of perspectives that are relevant to the Company's business growth and is also committed to ensuring that recruitment and selection practices at all levels (from the Board downwards) are appropriately structured so that a diverse range of candidates are considered. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of Directors. These differences will be taken into account in determining the optimum composition of the Board.

The Nomination Committee will discuss and agree annually measurable objectives for implementing diversity on the Board and recommend them to the Board for adoption. The Company aims to build and maintain a Board with a diversity of Directors, in terms of skills, experience, knowledge, expertise, culture, independence, age and gender.

At present, the Nomination Committee considered that the Board has sufficient diversity.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness.

Director Nomination Procedure

The Board has delegated its responsibilities and authority for selection and appointment of Directors to the Nomination Committee of the Company.

The Company has adopted a nomination procedure in June 2018 which sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Director nomination procedure adopted by the Company (the "Director Nomination Procedure") sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- Diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- Requirements of independent non-executive Directors on the Board and independence of the proposed independent non-executive Directors in accordance with the GEM Listing Rules; and
- Commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

The Director Nomination Procedure also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings. During the year ended 31 March 2022, there was no change in the composition of the Board.

The Nomination Committee will review the Director Nomination Procedure, as and when appropriate, to ensure its effectiveness.

Corporate Governance Functions

The Board is responsible for performing the functions as set out in the Code Provision D.3.1 of the CG Code.

During the Relevant Year, the Board has reviewed and developed policies and practices on corporate governance, monitored the training and continuous professional development of Directors and senior management, as well as reviewed the compliance with the CG Code, disclosure in this annual report and legal and regulatory requirements of the Group.

ATTENDANCE RECORDS OF DIRECTORS

The attendance record of each Director at the Board and Board Committee meetings and the annual general meeting of the Company held during the year ended 31 March 2022 is set out in the table below:

	Attendance/Number of Meeting(s)				
Name of Directors	**Board**	**Audit Committee**	**Remuneration Committee**	**Nomination Committee**	**Annual General Meeting**
Executive Directors					
Ms. Cheung Lee (Ms. Jenny Cheung)	4/4	N/A	N/A	1/1	1/1
Mr. Law Ka Kin (Mr. Anakin Law)	4/4	N/A	2/2	N/A	1/1
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)	4/4	N/A	N/A	N/A	1/1
Mr. Leung Wai Lun	4/4	N/A	N/A	N/A	1/1
Ms. Xu Xiuhong	4/4	N/A	N/A	N/A	1/1
Independent Non-executive Directors					
Mr. Kwan Chi Hong	4/4	4/4	N/A	1/1	1/1
Mr. Fenn David	3/4	3/4	2/2	N/A	1/1
Mr. Ho Ho Tung Armen	4/4	4/4	2/2	1/1	1/1
Ms. Guo Hongyan	4/4	N/A	N/A	N/A	1/1

Four regular board meetings were held during the year ended 31 March 2022.

FINANCIAL REPORTING, RISK MANAGEMENT AND INTERNAL AUDIT

Financial reporting

The Directors acknowledge their responsibility for the preparation of the financial statements of the Company to ensure that these financial statements give a true and fair presentation in accordance with the Hong Kong Financial Reporting Standards.

The statement by the auditor about their reporting responsibilities is set out in the independent auditor's report on pages 39 to 43 of this annual report.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Risk management and Internal control

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and maintaining sound and effective risk management and internal control systems (including reviewing their effectiveness) to safeguard shareholders' investment and the Group's assets.

Through the Audit Committee, the Board continues to review the effectiveness of risk management and internal control systems which include financial, operational, compliance, risk identification and assessment and risk response implementation controls. This process consists of (i) assessment of such systems by the Group's outsourced internal audit function; (ii) operational management's assurance of their maintenance of effective risk management systems and internal controls; and (iii) identification of control issues by the external auditor during statutory audit. The Audit Committee reviews the adequacy of resources, qualifications, experiences and training requirements of staff responsible for accounting, financial reporting, treasury, financial analysis and internal audit functions. Review of the effectiveness of the risk management and internal control system has been conducted by the management who provides the confirmation to the Board through the Audit Committee.

The Group engaged an external professional firm for providing internal audit function and performing independent review of the adequacy and effectiveness of the risk management and internal control systems. The Group's risk management framework is based on the "Three Lines of Defense" model.

1. The executive Directors and our management team are responsible for the ongoing identification, assessment, monitoring and reporting of risks and opportunities in their respective areas; the planning and implementation of actions to manage these risks; and escalation of these risks to the executive management and Board that exceed the tolerance limits.

2. The financial controller and company secretary conducts periodic review and identifies top risks affecting the Group's strategic objectives; escalates the top risks to the Executive Directors and through them, to the Audit Committee and the Board for their review; and facilitates the risk evaluation process.

3. The outsourced internal audit function provides assurance on the effectiveness of controls in place to manage risks.

The Board acknowledges that it has the overall responsibility for maintaining sound and effective risk management and internal control systems to safeguard the Group's assets and shareholders' interests, as well as for reviewing their effectiveness. However, the Group's risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and only provide reasonable and not absolute assurance against material misstatement or loss.

The Group is fully aware of its obligations under the GEM Listing Rules and the Securities and Futures Ordinance, which has established the internal policy to regulate the handling and dissemination of inside information. The Group conducts its affairs with close regard to the disclosure requirement under the GEM Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Future Commission. The internal policy is updated whenever required and adopted accordingly to guide its stakeholder communications and the determination of inside information in order to ensure consistent and timely disclosure.

The Group has established an ongoing process for identifying, evaluating and managing the significant risks faced, including strategic planning, corporate governance, financial reporting, core business processes, and compliance and risk management. Review of the significant risks faced has been conducted to ensure the effectiveness and adequacy of the risk management and internal control system for the year ended 31 March 2022.

For the year ended 31 March 2022 under review, the Board considers that the risk management and internal control systems of the Group are adequate and effective and the Company has complied with the relevant code provisions in the CG Code on internal control.

Independent auditor

The Audit Committee reviews and monitors the independent auditor's independence, objectivity and effectiveness of the audit process. It receives letter from the independent auditor confirming their independence and objectivity and holds meetings with representatives of the independent auditor to consider the scope of its audit, approve its fees, and the scope and appropriateness of non-audit services, if any, to be provided by it. The Audit Committee also makes recommendations to the Board on the appointment and retention of the independent auditor.

During the year ended 31 March 2022, the remuneration paid or payable to the external auditor of the Company in respect of the audit and non-audit services was as follows:

	HK$'000
Audit service	942

COMPANY SECRETARY

The company secretary of the Company is Ms. Kung Wai Yin, the financial controller of the Company. Ms. Kung Wai Yin has confirmed that she has taken no less than 15 hours of relevant professional training for the year ended 31 March 2022. Please refer to her biographical details as set out on page 17 of this annual report.

RIGHTS OF SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

Pursuant to article 12.3 of the Articles of Association, the Board may call extraordinary general meetings whenever it thinks fit. General meetings shall also be convened on the written requisition of any two or more members deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists hold as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist holds as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company.

If the Board does not within 21 days from the date of deposit of the requisition proceed to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

SENDING ENQUIRIES TO THE BOARD AND PROCEDURES FOR PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

Shareholders or investors can contact the Company in the following manner to make enquiry or to provide suggestions:

Contact Person: Ms. Kung Wai Yin
Principal Place of Business: Unit 402A, 4/F, Benson Tower, 74 Hung To Road, Kwun Tong, Hong Kong
Email: iris@stream-ideas.com

Shareholders may send queries about their shareholdings to Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (to be changed to 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong with effect from 15 August 2022), the Company's branch share registrar in Hong Kong. The requests should accompany with their full name and contact details for identification purpose.

To put forward proposals at a general meeting, the shareholders should submit a written notice of those proposals with detailed contact information to the contact person at the Company's principal place of business stated above.

COMMUNICATIONS WITH SHAREHOLDERS

In every general meeting, in respect of each substantially separate issue, a separate resolution would be proposed by the Chairman of that meeting.

The Board and senior management maintain a continuing dialogue with the Company's shareholders and investors through various channels including general meeting. Our Company's website, which contains corporate information, annual reports, announcements and circulars issued by the Company as well as the recent developments of the Group enable the Company's shareholders to have timely and updated information of the Group.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

There were no change in the constitutional documents of the Company for the year ended 31 March 2022.

The Company will propose amendments to its constitutional documents at the forthcoming annual general meeting in order to comply with the amended GEM Listing Rules.

Independent auditor's report to the shareholders of Stream Ideas Group Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Stream Ideas Group Limited ("the Company") and its subsidiaries ("the Group") set out on pages 44 to 89, which comprise the consolidated statement of financial position as at 31 March 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2022 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* ("the Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Expected credit loss allowances for trade receivables

Refer to Note 17 to the consolidated financial statements and the accounting policies Note 2(i)(i) and 2(k).

The Key Audit Matter	How the matter was addressed in our audit
As disclosed in Note 17 to the consolidated financial statements, the Group has gross trade receivables amounting to approximately HK$5,738,000 as at 31 March 2022, against which an allowance of HK$492,000 for expected credit losses (ECLs) was recorded. Loss allowances for trade receivables are based on management's estimate of the lifetime ECLs to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue trade receivables, customers' repayment history, customers' financial position and an assessment of both the current economic conditions and forward-looking information, all of which involve a significant degree of management judgement. We identified assessing the ECL allowances for trade receivables as a key audit matter because determining the level of the loss allowance is inherently subjective and require significant management judgement, which increases the risk of error or potential management bias.	Our audit procedures to assess ECL allowances for trade receivables included the following: • evaluating the design, implementation and operating effectiveness of key internal controls which govern credit control, debt collection and estimate of expected credit losses; • evaluating the Group's policy for estimating the credit loss allowance with reference to the requirements of the prevailing accounting standard; • assessing, on a sample basis, whether items in the trade receivables ageing report were classified within the appropriate ageing bracket by comparing individual items in the report with the relevant sales invoices; • assessing the appropriateness of management's estimates of loss allowance by examining the information used by management to derive such estimates, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions and forward-looking information; and • re-performing the calculation of the loss allowance as at 31 March 2022 based on the Group's ECL allowance policies.

KEY AUDIT MATTERS (continued)

Assessment of measurement of point provision

Refer to Note 20 to the consolidated financial statements and the accounting policies Note 2(r).

The Key Audit Matter	How the matter was addressed in our audit
The Group operates a membership point programme that provides point rewards to programme members when members have completed missions related to advertising campaigns held by the Group or the Group's customers. Points accumulated by programme members can be redeemed for rewards within a limited time period, after which they expire. The Group estimates the unit fair value of points and uses this estimate to make a provision for the estimated cost to the Group of points accumulated under the membership point programme ("the point provision"). If the points expire unexercised then the respective amount of the provision is reversed as a reduction to the cost of services. As disclosed in Note 20 to the consolidated financial statements, the carrying amount of the point provision as at 31 March 2022 amounted to approximately HK$7,133,000. Reversal of point provision of HK$603,000 was recognised during the year ended 31 March 2022. We identified the measurement of the point provision as a key audit matter because the estimation of the unit fair value of points involves judgement on a number of assumptions arising from the redemption of points, including estimated costs of purchase of inventories to be used for settlement of points redeemed and estimated future redemption pattern.	Our audit procedures to assess the measurement of the point provision included the following: • assessing the design, implementation and operating effectiveness of key internal controls over the point provision; • inspecting the underlying documentation and comparing to the purchase information used in estimating the purchase costs of inventories to be used for settlement of points redeemed, on a sample basis; • performing analytical procedures on the point provision, which included forming an expectation based on historical information and comparing the results with the point provision recognised by the Group; and • challenging the key assumptions and critical judgements made by management which impacted their estimations of the point provision, considering key terms and conditions of membership terms of service and performing retrospective review on actual redemption pattern to assess whether there is an indication of management bias.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

— Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

— Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

— Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Lee Ling Tak Maggie.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

20 June 2022

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 March 2022
(Expressed in Hong Kong dollars)

	Note	**2022** **$'000**	2021 $'000
Revenue	4	**18,320**	23,408
Cost of services		**(11,248)**	(12,143)
Gross profit		**7,072**	11,265
Other income/(loss), net	5	**134**	(118)
Selling and distribution costs		**(7,109)**	(7,302)
Administrative and other operating expenses		**(13,152)**	(13,246)
Loss from operations		**(13,055)**	(9,401)
Finance costs	6(c)	**(14)**	(16)
Loss before taxation	6	**(13,069)**	(9,417)
Income tax	7(a)	**(59)**	(118)
Loss for the year		**(13,128)**	(9,535)
Other comprehensive income, net of tax			
Item that may be reclassified subsequently to profit or loss (nil of tax effect):			
Foreign currency translation differences for foreign operations		**(214)**	(105)
Total comprehensive income for the year		**(13,342)**	(9,640)
Loss per share	11		
— Basic		**$ (0.07)**	$ (0.05)
— Diluted		**$ (0.07)**	$ (0.05)

The notes on pages 49 to 89 form part of these financial statements.

Consolidated Statement of Financial Position

(Expressed in Hong Kong dollars)

	Note	At 31 March 2022 $'000	2021 $'000
Non-current assets			
Property, plant and equipment	12	**384**	386
Intangible assets	13	**834**	2,070
Financial assets at fair value through profit or loss	14	**2,003**	1,885
Deferred tax assets	7(d)	**354**	392
		3,575	4,733
Current assets			
Inventories	16	**747**	807
Trade and other receivables	17	**5,933**	7,228
Contract assets	18	**628**	465
Tax recoverable	7(c)	**25**	87
Financial assets at fair value through profit or loss	14	**17,143**	17,356
Cash and cash equivalents	19	**14,712**	25,567
		39,188	51,510
Current liabilities			
Trade and other payables	20	**8,859**	8,987
Lease liabilities	21	**206**	208
Contract liabilities	22	**103**	205
		9,168	9,400
Net current assets		**30,020**	42,110
Total assets less current liabilities		**33,595**	46,843
Non-current liabilities			
Lease liabilities	21	**94**	–
NET ASSETS		**33,501**	46,843

Consolidated Statement of Financial Position

(Expressed in Hong Kong dollars)

		At 31 March	
		2022	2021
	Note	**$'000**	$'000
CAPITAL AND RESERVES			
Share capital	23(b)	**2,000**	2,000
Reserves		**31,501**	44,843
TOTAL EQUITY		**33,501**	46,843

Approved and authorised for issue by the board of directors on 20 June 2022.

Lee Wing Leung, Garlos)
) Directors
Law Ka Kin)

The notes on pages 49 to 89 form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 31 March 2022
(Expressed in Hong Kong dollars)

	Share capital $'000 Note 23(b)	Share premium $'000 Note 23(c)	Capital reserve $'000 Note 23(d)	Exchange reserve $'000 Note 23(e)	Accumulated losses $'000	Total equity $'000
At 1 April 2020	2,000	71,988	383	(396)	(17,492)	56,483
Changes in equity for the year ended 31 March 2021:						
Loss for the year	–	–	–	–	(9,535)	(9,535)
Other comprehensive income	–	–	–	(105)	–	(105)
Total comprehensive income	–	–	–	(105)	(9,535)	(9,640)
At 31 March 2021 and 1 April 2021	**2,000**	**71,988**	**383**	**(501)**	**(27,027)**	**46,843**
Changes in equity for the year ended 31 March 2022:						
Loss for the year	**–**	**–**	**–**	**–**	**(13,128)**	**(13,128)**
Other comprehensive income	**–**	**–**	**–**	**(214)**	**–**	**(214)**
Total comprehensive income	**–**	**–**	**–**	**(214)**	**(13,128)**	**(13,342)**
At 31 March 2022	**2,000**	**71,988**	**383**	**(715)**	**(40,155)**	**33,501**

The notes on pages 49 to 89 form part of these financial statements.

Consolidated Cash Flow Statement

For the Year Ended 31 March 2022
(Expressed in Hong Kong dollars)

	Note	**2022 $'000**	2021 $'000
Operating activities			
Cash used in operations	19(b)	**(10,666)**	(5,950)
Hong Kong profits tax refunded		**54**	656
Overseas tax refunded		**8**	333
Net cash used in operating activities		**(10,604)**	(4,961)
Investing activities			
Payment for the purchase of property, plant and equipment		**(5)**	(140)
Payment for the purchase of intangible assets		**–**	(533)
Payment for the purchase of financial assets at fair value through profit or loss		**–**	(15,503)
Interest received		**3**	261
Decrease in deposits with banks		**–**	18,088
Net cash (used in)/generated from investing activities		**(2)**	2,173
Financing activities			
Capital element of lease rentals paid	19(c)	**(336)**	(339)
Interest element of lease rentals paid	19(c)	**(14)**	(16)
Net cash used in financing activities		**(350)**	(355)
Net decrease in cash and cash equivalents		**(10,956)**	(3,143)
Cash and cash equivalents at the beginning of the year		**25,567**	28,644
Effect of foreign exchange rate changes		**101**	66
Cash and cash equivalents at the end of the year	19(a)	**14,712**	25,567

The notes on pages 49 to 89 form part of these financial statements.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

1 CORPORATE INFORMATION

Stream Ideas Group Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The registered office of the Company is located at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business of the Company is located at Unit 402A, 4/F, Benson Tower, 74 Hung To Road, Kwun Tong, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in the provision of online advertising services.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited. Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 March 2022 comprise the Company and its subsidiaries (together referred to as the "Group").

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the investments in equity securities are stated at their fair value as explained in the accounting policies set out in Note 2(e).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Changes in accounting policies

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group:

- Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, *Interest rate benchmark reform — phase 2*
- Amendment to HKFRS 16, *Covid-19-related rent concessions beyond 30 June 2021*

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An interest in a subsidiary is included in these financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing these financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in the former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as fair value on initial recognition of a financial asset.

In the Company's statement of financial position, interests in subsidiaries are stated at cost less impairment losses (see Note 2(i)(ii)).

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Investments in equity securities

The Group's policies for investments in equity securities, other than interests in subsidiaries, are set out below.

Investments in equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss (FVPL) for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see Note 24(e). These investments are subsequently accounted for as follows, depending on their classification.

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an irrevocable election to designate the investment at FVOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in Note 2(s)(iii).

(f) Property, plant and equipment

Property, plant and equipment, including right-of-use assets arising from leases over leasehold properties when the Group is not the registered owner of the property interest, is stated at cost less accumulated depreciation and impairment losses (see Note 2(i)(ii)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

— Office equipment	$3^1/_3$ years
— Computer equipment	3 years
— Leasehold improvements	3 years
— Furniture and fixtures	4 years
— Motor vehicles	3 years

— The Group's interests in buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and the buildings' estimated useful lives, being no more than 50 years after the date of completion.

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 2(i)(ii)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

— Computer software 3 years

Both the period and method of amortisation are reviewed annually.

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost. Which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(f) and 2(i)(ii)).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'Property, plant and equipment' and presents lease liabilities separately in the statement of financial position.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses (ECLs) on the following items:

— financial assets measured at amortised cost (including deposits with bank, cash and cash equivalents and trade and other receivables); and

— contract assets as defined in HKFRS 15 (see Note 2(l)).

Other financial assets measured at fair value, including equity securities measured at FVPL, are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

— fixed-rate financial assets, trade and other receivables and contract assets: effective interest rate determined at initial recognition or an approximation thereof;

— variable-rate financial assets: current effective interest rate.

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

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

— 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and

— lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (ii) the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

— failure to make payments of principal or interest on their contractually due dates;

— an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);

— an actual or expected significant deterioration in the operating results of the debtor; and

— existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Basis of calculation of interest income

Interest income recognised in accordance with Note 2(s)(ii) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments and contract assets (continued)

Basis of calculation of interest income (continued)

Evidence that a financial asset is credit-impaired includes the following observable events:

— significant financial difficulties of the debtor;

— a breach of contract, such as a default or delinquency in interest or principal payments;

— it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;

— significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or

— the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that property, plant and equipment (including right-of-use assets), intangible assets and interests in subsidiaries in the Company's statement of financial position may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the asset's recoverable amount is estimated.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(ii) Impairment of other non-current assets (continued)

— *Calculation of recoverable amount*

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

— *Recognition of impairment losses*

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

— *Reversals of impairment losses*

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(j) Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the first-in-first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see Note 2(l)).

Trade receivables that do not contain a significant financing component are initially measured at their transaction price. All receivables are subsequently stated at amortised cost, using the effective interest method and including an allowance for credit losses (see Note 2(i)(i)).

(l) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 2(s)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECLs in accordance with the policy set out in Note 2(i)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 2(k)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(s)). A contract liability would also be recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 2(k)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 2(s)(ii)).

(m) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at invoice amounts.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statements of cash flows. Cash and cash equivalents are assessed for ECLs in accordance with the policy set out in note 2(i)(i).

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(p) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available. Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Income tax (continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

— in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

— in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:

— the same taxable entity; or

— different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(q) Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(r) Membership point programme

The Group operates a JAG membership point programme (the "Programme"). Members of the Programme accumulate points by completing missions related to the advertising campaigns held by the Group or Group's customers. Points accumulated by the members can be redeemed for rewards, such as coupons and gifts.

The Group estimates the unit fair value of points and uses this estimate to make a provision for the estimated cost to the Group of points accumulated under the Programme on which the estimation involves judgement and a number of assumptions arising from the redemption of points, including estimated costs of purchase of inventories to be used for settlement of points redeemed and estimated future redemption pattern.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) Revenue and other income

Income is classified by the Group as revenue when it arises from the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts and rebates.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Sale of online advertising services

Sales of the Group's online advertising services are recognised as follows:

Revenue is recognised when the control of such services is transferred to the customer, which was taken to be point in time. The contract asset (either partially or in full) is reclassified to receivables when the entitlement to payment for that amount has become unconditional (see Note 2(l)). If the services are a partial fulfilment of a contract covering other services, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the services promised under the contract on a relative stand-alone selling price basis.

(ii) Interest income

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset.

(iii) Dividend income

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

(t) Translation of foreign currencies

Foreign currency transactions during the periods are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Company initially recognises such non-monetary assets or liabilities.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the closing foreign exchange rates at the end of each reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Translation of foreign currencies (continued)

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(u) Related parties

(1) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or the Group's parent.

(2) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (1).

(vii) A person identified in (1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) Segment reporting

Operating segments, and the amounts of each segment item reported in these financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

(a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

(i) Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision of matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various debtors that have similar loss patterns. The provision matrix is based on management's estimate of the lifetime ECLs to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue trade receivables, customers' repayment history and customers' financial position and an assessment of both the current economic conditions and forward looking information, all of which involve a significant degree of management judgement.

The provision of ECLs is sensitive to changes in circumstances and of future economic conditions. The information about the ECLs and the Group's trade receivables and contract assets are disclosed in Notes 17 and 18 respectively. If the financial condition of the customers or the future economic conditions were to deteriorate, actual loss allowance would be higher than estimated.

(ii) Estimation of point provision

The estimation of the unit fair value of points involves judgement on a number of assumptions arising from the redemption of points, including estimated costs of purchase of inventories to be used for settlement of points redeemed and estimated future redemption pattern. As the redemption pattern is continually changing as a result of change in members' preference, it is possible that the historical experience that is used in estimation is not indicative of estimated future redemption pattern. Any increase or decrease in the provision would affect profit or loss in the future years.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activity of the Group is the provision of online advertising services.

Revenue represents online advertising services income. All of the revenue for the year ended 31 March 2022 and 2021 is recognised in accordance with HKFRS 15.

The Group has one reportable segment which is the provision of online advertising services. The Group's chief operating decision maker, which has been identified as the board of directors, reviews the consolidated results of the Group for the purposes of resource allocation and performance assessment. Therefore, no additional reportable segment information has been presented.

The Group's customer base is diversified and includes only one (2021: nil) customer with whom transactions had exceeded 10 percent of the Group's revenue. For the year ended 31 March 2022, revenue to the customer amounted to $1,837,000 (2021: $1,954,000). Details of concentrations of credit risk arising from customers are set out in Note 24(a).

Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts for online advertising services to exempt the disclosure of revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date with performance obligation being part of a contract that has an original expected duration of one year or less.

(b) Segment reporting

Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and intangible assets ("Specified non-current assets"). The geographical location of customers is based on the location at which the service was provided. The geographical location of the specified non-current assets is based on the physical location of the operation to which they are allocated or acquired.

	Revenue from external customers		Specified non-current assets	
	2022 $'000	2021 $'000	**2022 $'000**	2021 $'000
Hong Kong	**12,674**	14,629	**1,184**	2,318
Taiwan	**3,920**	5,920	**18**	120
Southeast Asia	**1,726**	2,859	**16**	18
	18,320	23,408	**1,218**	2,456

5 OTHER INCOME/(LOSS), NET

	2022 **$'000**	2021 $'000
Interest income	**3**	261
Fair value gain/(loss) on financial assets at fair value through profit or loss	**17**	(1,332)
Government grant (Note)	**99**	943
Sundry income	**15**	10
	134	(118)

Note: There were neither material unfulfilled conditions nor other contingencies attached to the receipt of those grants. There is no assurance that the Group will continue to receive such grant in the future.

6 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

	2022 **$'000**	2021 $'000
(a) Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	**13,666**	12,820
Contributions to defined contribution retirement plans (Notes (i) and (ii))	**417**	395
	14,083	13,215

Notes:

(i) The Group operates a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject a cap of monthly relevant income of $30,000. Contributions to the plan vest immediately. There is no forfeited contributions that may be used by the Group to reduce the existing level of contribution.

(ii) The Group also operates a defined contribution retirement benefit scheme under the Labour Pension Act (the "Act") for its employees employed by the Group's operation in Taiwan. Based on the Act, the Group's monthly contribution to individual pension accounts of employees covered by the defined contribution plan is at 6% of monthly salaries and wages. The funds are deposited in individual labour pension accounts at the Bureau of Labour Insurance.

(iii) The Group has no other material obligation for the payment of retirement benefits beyond the annual contribution described above.

6 LOSS BEFORE TAXATION (continued)

	2022 $'000	2021 $'000
(b) Other items		
Depreciation charge (Note 12)		
— owned property, plant and equipment	**93**	108
— right-of-use assets	**343**	344
	436	452
Amortisation cost of intangible assets (Note 13)	**1,236**	1,220
Impairment loss on trade receivables (Note 24(a))	**78**	316
Auditors' remuneration		
— audit services	**942**	940
— other services	**–**	80
Net foreign exchange gain	**(382)**	(40)

	2022 $'000	2021 $'000
(c) Finance costs		
Interest on lease liabilities (Note 19(c))	**14**	16

7 INCOME TAX

(a) Income tax in the consolidated statement of profit or loss and other comprehensive income represents:

	2022 $'000	2021 $'000
Current tax — Overseas		
Provision for the year	**–**	–
Under/(over)-provision in respect of prior years	**1**	(15)
	1	(15)
Deferred tax		
Origination and reversal of temporary differences	**58**	133
	59	118

Notes:

(i) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in these jurisdictions.

(ii) No provision for Hong Kong Profits Tax has been made in the financial statements as the Group sustained loss for Hong Kong Profits Tax for the years ended 31 March 2022 and 2021.

(iii) In accordance with the relevant Taiwan rules and regulations, the Taiwan Corporate Income Tax rate applicable to the Group's subsidiary in Taiwan is 20% for the year ended 31 March 2022 (2021: 20%).

(iv) Taxation for overseas subsidiaries is charged at the applicable current rates of taxation in the relevant countries.

7 INCOME TAX (continued)

(b) Reconciliation between income tax expense and accounting loss before taxation at applicable tax rates:

	2022 $'000	2021 $'000
Loss before taxation	**(13,069)**	(9,417)
Notional tax on loss before taxation, calculated at the rates applicable to profits in the countries concerned	**(2,153)**	(1,661)
Effect of non-deductible expenses	**699**	1,041
Effect of non-taxable income	**(41)**	(562)
Tax effect of unused tax losses not recognised	**1,553**	1,315
Under/(over)-provision in prior years	**1**	(15)
Actual tax expense	**59**	118

(c) Income tax in the consolidated statement of financial position represents:

	2022 $'000	2021 $'000
Balance of Profits Tax paid relating to prior years	**–**	(54)
Provision for corporate income tax in other countries	**–**	–
Provisional corporate income tax in other countries paid	**–**	(8)
	–	(8)
Balance of corporate income tax paid in other countries relating to prior years	**(25)**	(25)
	(25)	(33)
Tax recoverable	**(25)**	(87)

7 INCOME TAX (continued)

(d) Deferred tax assets/(liabilities) recognised:

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the years are as follows:

Deferred tax assets/(liabilities) arising from:	Point provision $'000	Provision for sales rebate $'000	Tax losses $'000	Intangible assets $'000	Others $'000	Total $'000
At 1 April 2020	451	100	235	(227)	(45)	514
(Debited)/credited to profit or loss	(59)	(83)	(58)	57	10	(133)
Exchange adjustments	10	2	–	–	(1)	11
At 31 March 2021 and 1 April 2021	402	19	177	(170)	(36)	392
(Debited)/credited to profit or loss	(13)	(5)	(106)	101	(35)	(58)
Exchange adjustments	20	1	–	–	(1)	20
At 31 March 2022	409	15	71	(69)	(72)	354

(e) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(p), the Group has not recognised deferred tax assets in respect of cumulative tax losses of $22,948,000 (2021: $12,697,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity. Except for tax loss of the Group's subsidiaries of $2,321,000 (2021: $1,658,000) which will expire within two to five years, the tax losses do not expire under current tax legislation.

8 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	Year ended 31 March 2022				
	Directors fee $'000	**Discretionary bonus $'000**	**Salaries, allowances and benefits in kind $'000**	**Retirement scheme contributions $'000**	**Total $'000**
Executive directors					
Mr. Law Ka Kin	**180**	**300**	**1,181**	**23**	**1,684**
Ms. Cheung Lee	**180**	**300**	**1,167**	**18**	**1,665**
Mr. Lee Wing Leung, Garlos	**180**	**300**	**1,492**	**18**	**1,990**
Mr. Leung Wai Lun	**150**	**–**	**626**	**18**	**794**
Ms. Xu Xiuhong	**–**	**–**	**240**	**13**	**253**
Independent non-executive directors					
Mr. Kwan Chi Hong	**120**	**–**	**–**	**–**	**120**
Mr. Fenn David	**120**	**–**	**–**	**–**	**120**
Mr. Ho Ho Tung Armen	**120**	**–**	**–**	**–**	**120**
Ms. Guo Hongyan	**96**	**–**	**–**	**–**	**96**
	1,146	**900**	**4,706**	**90**	**6,842**

	Year ended 31 March 2021				
	Directors fee $'000	Discretionary bonus $'000	Salaries, allowances and benefits in kind $'000	Retirement scheme contributions $'000	Total $'000
Executive directors					
Mr. Law Ka Kin	180	–	1,182	18	1,380
Ms. Cheung Lee	180	300	1,167	18	1,665
Mr. Lee Wing Leung, Garlos	180	300	1,492	18	1,990
Mr. Leung Wai Lun	150	–	588	18	756
Ms. Xu Xiuhong (appointed on 5 March 2021)	–	–	17	–	17
Independent non-executive directors					
Mr. Kwan Chi Hong	120	–	–	–	120
Mr. Fenn David	120	–	–	–	120
Mr. Ho Ho Tung Armen	120	–	–	–	120
Ms. Guo Hongyan (appointed on 5 March 2021)	7	–	–	–	7
	1,057	600	4,446	72	6,175

Certain directors of the Company received emoluments from the subsidiaries now comprising the Group which was included in the staff costs as disclosed in Note 6(a).

8 DIRECTORS' EMOLUMENTS (continued)

No director received any emoluments from the Group as an inducement to join or upon joining the Group or as compensation for loss of office for the years ended 31 March 2022 and 2021. No director waived or agreed to waive any emoluments during the years ended 31 March 2022 and 2021.

9 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five highest paid individuals of the Group, four (2021: four) of these are directors, whose emoluments are disclosed in Note 8. The emoluments in respect of the remaining one (2021: one) individual are as follows:

	2022 **$'000**	2021 $'000
Salaries, allowances and benefits in kind	**1,092**	1,040
Discretionary bonuses	**–**	–
Retirement scheme contributions	**18**	18
	1,110	1,058

The emoluments of the aforesaid one (2021: one) individual(s) with the highest emoluments are within the following bands:

	2022 **Number of individuals**	2021 Number of individuals
$1,000,000–$1,500,000	**1**	1

10 DIVIDENDS

The board of directors does not recommend the payment of a dividend for the years ended 31 March 2022 and 2021.

11 LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share is based on the loss for the year attributable to equity shareholders of the Company of loss of $13,128,000 (2021: $9,535,000) and the weighted average of 200,000,000 ordinary shares (2021: weighted average of 200,000,000 ordinary shares) in issue during the year.

(b) Diluted loss per share

During the years ended 31 March 2022 and 2021, there was no dilutive potential ordinary shares in issue.

The amount of dilutive loss per share is the same as basic loss per share for the years ended 31 March 2022 and 2021.

12 PROPERTY, PLANT AND EQUIPMENT

	Office equipment $'000	Computer equipment $'000	Leasehold improvements $'000	Furniture and fixtures $'000	Motor vehicles $'000	Properties leased for own use $'000	Total $'000
Cost							
At 1 April 2020	25	325	67	43	–	535	995
Additions	–	42	–	–	98	–	140
Exchange realignment	1	1	–	1	–	4	7
Lease modifications	–	–	–	–	–	245	245
At 31 March 2021	26	368	67	44	98	784	1,387
At 1 April 2021	26	368	67	44	98	784	1,387
Additions	–	1	–	4	–	378	383
Disposals	–	–	–	–	–	(587)	(587)
Exchange realignment	–	–	–	–	–	13	13
Lease modifications	–	–	–	–	–	47	47
At 31 March 2022	26	369	67	48	98	635	1,243
Accumulated depreciation:							
At 1 April 2020	17	226	54	27	–	221	545
Charge for the year	4	62	12	6	24	344	452
Exchange realignment	1	1	–	1	–	1	4
At 31 March 2021	22	289	66	34	24	566	1,001
At 1 April 2021	22	289	66	34	24	566	1,001
Charge for the year	3	50	1	7	32	343	436
Written back on disposals	–	–	–	–	–	(587)	(587)
Exchange realignment	1	–	–	–	–	8	9
At 31 March 2022	26	339	67	41	56	330	859
Net book value:							
At 31 March 2022	–	30	–	7	42	305	384
At 31 March 2021	4	79	1	10	74	218	386

12 PROPERTY, PLANT AND EQUIPMENT (continued)

Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

	2022 **$'000**	2021 $'000
Properties leased for own use carried at depreciated cost	**305**	218

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

	2022 **$'000**	2021 $'000
Depreciation charge of right-of-use assets by class of underlying asset:		
Properties leased for own use carried at depreciated cost	**343**	344
Interest on lease liabilities (Note 6(c))	**14**	16
Expense relating to short-term leases	**56**	108

During the year ended 31 March 2022, additions to right-of-use assets were $378,000 (2021: nil). The amount was primarily related to the capitalised lease payments payable under new tenancy agreements.

During the year ended 31 March 2022, the lease modifications were $47,000 (2021: $245,000). The amount was primarily related to the renewal of tenancy agreements.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Notes 19(d) and 24(b) respectively.

The Group has obtained the right to use properties as its offices through tenancy agreements. The leases typically run for an initial period of 1 to 2 years. None of the leases includes variable lease payments.

13 INTANGIBLE ASSETS

	Computer software $'000
Cost:	
At 1 April 2020	3,494
Additions	533
At 31 March 2021	4,027
At 1 April 2021	4,027
Additions	–
At 31 March 2022	4,027
Accumulated amortisation:	
At 1 April 2020	737
Charge for the year	1,220
At 31 March 2021	1,957
At 1 April 2021	1,957
Charge for the year	1,236
At 31 March 2022	3,193
Net book value:	
At 31 March 2022	834
At 31 March 2021	2,070

The amortisation charge for the year is included in "cost of services" in the consolidated statement of profit or loss and other comprehensive income.

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	**2022** **$'000**	2021 $'000
Non-current:			
Investment in Asia Interactive Content Holdings Limited	(a)	**2,003**	1,885
Current:			
Investment in a wealth management product	(b)	**17,143**	17,356

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes:

(a) Investment in Asia Interactive Content Holdings Limited ("Asia Interactive") as at 31 March 2022 and 2021 represent the 1.6026% equity interest (the "Sale Shares") of Asia Interactive. The principal business activity of Asia Interactive and its subsidiaries is to provide marketing agency services, including brand building, digital and social media marketing, video production, online and offline strategies and event management.

On 24 October 2019, Creative Mind Limited, a wholly-owned subsidiary of the Company, entered into a share purchase agreement with, among others, Cyber Credit Technology (Hong Kong) Limited, as the seller of the Sale Shares, for the purchase of 1.6026% of shareholdings in Asia Interactive at a consideration of $5,000,000. The transaction was completed as all the conditions had been fulfilled or waived on 30 October 2019. During the year ended 31 March 2022, fair value gain of $118,000 (2021: fair value loss of $3,241,000) was recognised in profit or loss.

(b) Investment in a wealth management product (the "wealth management product") as at 31 March 2022 and 2021 invested in investment instruments (such as liquidity, bonds and equities). The portfolio does not include hedge funds, real estate and commodities. The subscription amount of United States dollar ("USD") 2,000,000 has been settled in cash in one lump sum in June 2020. During the year ended 31 March 2022, fair value loss of $101,000 (2021: fair value gain of $1,000,000) was recognised in profit or loss.

15 INTERESTS IN SUBSIDIARIES

	2022 $'000	2021 $'000
Investment, at cost	**772**	384
Amounts due from subsidiaries (Note)	**36,851**	29,193
	37,623	29,577
Provision for impairment	**(36,897)**	–
	726	29,577

Note: The amounts due from subsidiaries are unsecured, non-interest bearing and has no fixed terms of repayment. In the opinion of the directors, the amounts will not be recoverable within twelve months from the end of the reporting period and are classified as non-current assets accordingly.

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

			Proportion of ownership interest			
Name of company	**Place of incorporation/ establishment**	**Particulars of issued and paid up capital**	**Group's effective interest**	**Held by the Company**	**Held by a subsidiary**	**Principal activities**
JAG Ideas (Malaysia) Sdn. Bhd.	Malaysia	50,000 shares of Malaysian Ringgit ("MYR") 1 each	100%	–	100%	Provision of online advertisement services
JAG Ideas (Taiwan) Limited	Hong Kong	9,000 shares	100%	–	100%	Provision of online advertisement services
JAG Ideas Company Limited	Hong Kong	9,000 shares	100%	–	100%	Provision of online advertisement services
Creative Mind Limited	British Virgin Islands	100 shares of USD1 each	100%	–	100%	Investment holding

16 INVENTORIES

Inventories in the consolidated statement of financial position represent coupons and gifts for redemption.

17 TRADE AND OTHER RECEIVABLES

	2022 $'000	2021 $'000
Trade receivables	**5,738**	6,357
Less: loss allowance	**(492)**	(414)
	5,246	5,943
Deposits, prepayments and other receivables	**687**	1,285
	5,933	7,228

All of the trade and other receivables are expected to be recovered or recognised as expense within one year.

$5,456,000 (2021: $6,488,000) included in trade and other receivables are financial assets measured at amortised cost.

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

	2022 $'000	2021 $'000
Within 30 days	**1,100**	1,351
31 to 60 days	**979**	1,262
61 to 90 days	**1,082**	1,181
91 to 180 days	**689**	1,529
Over 180 days	**1,396**	620
	5,246	5,943

Trade receivables are normally due within 60 to 130 days from the date of billing. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 24(a).

18 CONTRACT ASSETS

	2022 $'000	2021 $'000
Contract assets		
Arising from performance under online advertising service contracts	**628**	465
Receivables from contracts with customers within the scope of HKFRS 15, which are included in "Trade and other receivables" (Note 17)	**5,246**	5,943

Typical payment terms which impact on the amount of contract assets recognised are as follows:

— **Online advertising service contracts**

The consideration of online advertising service contracts is payable on the earlier of the completion of the whole contract and notice from the customer to cancel the contract. If the customer cancels the contract then the Group is immediately entitled to receive payment for work done to date.

All of the contract assets are expected to be recovered within one year.

19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

	2022 $'000	2021 $'000
Cash at bank and on hand	**14,712**	14,742
Time deposits	**–**	10,825
	14,712	25,567

19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

(b) Reconciliation of loss before taxation to cash used in operations:

	Note	2022 $'000	2021 $'000
Loss before taxation		**(13,069)**	(9,417)
Adjustments for:			
Depreciation charge	6(b)	**436**	452
Amortisation cost of intangible assets	6(b)	**1,236**	1,220
Interest income	5	**(3)**	(261)
Fair value (gain)/loss on financial assets at fair value through profit or loss	5	**(17)**	1,332
Exchange gain, net		**(174)**	(138)
Reversal of point provision	20(ii)	**(603)**	(559)
Impairment loss on trade receivables	6(b)	**78**	316
Finance costs	6(c)	**14**	16
Changes in working capital:			
Decrease/(increase) in inventories		**69**	(86)
Decrease in trade and other receivables		**1,268**	870
Increase in trade and other payables		**364**	443
(Increase)/decrease in contract assets		**(163)**	178
Decrease in contract liabilities		**(102)**	(316)
Cash used in operations		**(10,666)**	(5,950)

19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

(c) Reconciliation of liabilities arising from financing activities:

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	Lease liabilities $'000 (Note 21)
At 1 April 2020	301
Changes from financing cash flows:	
Capital element of lease rentals paid	(339)
Interest element of lease rentals paid	(16)
Total changes from financing cash flows	(355)
Other changes:	
Increase in lease liabilities due to lease modifications	245
Interest expenses (Note 6(c))	16
Effect of foreign exchange rate changes	1
Total other changes	262
At 31 March 2021 and 1 April 2021	208
Changes from financing cash flows:	
Capital element of lease rentals paid	(336)
Interest element of lease rentals paid	(14)
Total changes from financing cash flows	(350)
Other changes:	
Increase in lease liabilities due to new leases entered during the year	378
Increase in lease liabilities due to lease modifications	47
Interest expenses (Note 6(c))	14
Effect of foreign exchange rate changes	3
Total other changes	442
At 31 March 2022	300

19 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

(d) Total cash outflow for leases

Amounts included in the consolidated statement of cash flows for leases comprise the following:

	2022 $'000	2021 $'000
Within operating cash flows	**56**	108
Within financing cash flows	**350**	355
	406	463

These amounts of $406,000 (2021: $463,000) relate to lease rentals paid.

20 TRADE AND OTHER PAYABLES

	2022 $'000	2021 $'000
Point provision (Note (ii))	**7,133**	7,115
Other payables and accruals (Note (iii))	**1,726**	1,872
	8,859	8,987

Notes:

(i) All trade and other payables are expected to be settled within one year. $1,726,000 (2021: $1,872,000) included in trade and other payables are financial liabilities measured at amortised cost.

(ii) The point provision is analysed as follows:

	2022 $'000	2021 $'000
Balance at beginning of the year	**7,115**	7,375
Exchange adjustments	**90**	80
Distribution for the year	**6,346**	7,963
Redemption during the year	**(5,815)**	(7,744)
Reversal during the year	**(603)**	(559)
	7,133	7,115

(iii) $174,000 (2021: $nil) included in other payables and accruals is amount due to a director, which is unsecured, non-interest-bearing and repayable on demand.

A provision for points accumulated under the advertising campaigns held by the Group or the Group's customers is recognised when members have completed missions related to the advertising campaigns. Points accumulated by the members can be redeemed for the Group's inventories. Provision is therefore made for the best estimate of the cost arising from the redemption of points. Reversal represents reversal of provision in relation to points which is not probable that an outflow of economic benefits will be required to settle the obligation. It is recognised in profit or loss as a reduction to the cost of services.

21 LEASE LIABILITIES

At 31 March 2022, the lease liabilities were repayable as follows:

	2022 $'000	2021 $'000
Within 1 year	**206**	208
After 1 year but within 2 years	**94**	–
	300	208

22 CONTRACT LIABILITIES

	2022 $'000	2021 $'000
Contract liabilities		
Online advertising service contracts		
— Provision for volume sales rebates	**100**	164
— Sales deposits received	**3**	41
	103	205

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

— **Online advertising service contracts**

Certain customers are entitled to volume rebates based on aggregate sales over a 12-month period. Revenue from sales to these customers is recognised based on the price specified in the contract net of estimated volume rebates. Accumulated experience is used to estimate and provide for the rebates and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability is recognised for expected volume rebate payable to the customers in relation to sales made throughout the reporting period.

The Group receives 50% of the contract value as a deposit from certain customers when they sign the service contracts. This deposit is recognised as a contract liability until the service contract is completed. The rest of the consideration is typically paid after the completion of the whole service contract.

22 CONTRACT LIABILITIES (continued)

Movements in contract liabilities

	2022 $'000	2021 $'000
Balance at 1 April	**205**	521
Decrease in contract liabilities as a result of utilisation of provision for volume sales rebates during the year	**(197)**	(589)
Increase in contract liabilities as a result of increase in expected volume sales rebates during the year	**133**	252
Increase in contract liabilities as a result of receiving sales deposits during the year	**3**	41
Decrease in contract liabilities as a result of utilising sales deposits during the year	**(41)**	(20)
Balance at 31 March	**103**	205

23 CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity.

Details of the changes of the Company's individual components of equity are set out below:

	Share capital $'000 (Note 23(b))	Share premium $'000 (Note 23(c))	Capital reserve $'000 (Note 23(d))	Accumulated loss $'000	Total equity $'000
Balance at 1 April 2020	2,000	71,988	383	(14,413)	59,958
Change in equity for the year ended 31 March 2021:					
Profit for the year	–	–	–	1,873	1,873
Balance at 31 March 2021	2,000	71,988	383	(12,540)	61,831

	Share capital $'000 (Note 23(b))	**Share premium $'000 (Note 23(c))**	**Capital reserve $'000 (Note 23(d))**	**Accumulated loss $'000**	**Total equity $'000**
Balance at 1 April 2021	**2,000**	**71,988**	**383**	**(12,540)**	**61,831**
Change in equity for the year ended 31 March 2022:					
Loss for the year	**–**	**–**	**–**	**(37,331)**	**(37,331)**
Balance at 31 March 2022	**2,000**	**71,988**	**383**	**(49,871)**	**24,500**

23 CAPITAL AND RESERVES (continued)

(b) Share capital

	Number of shares '000	$'000
Authorised		
At 1 April 2020, 31 March 2021, 1 April 2021 and 31 March 2022	10,000,000	100,000
Ordinary shares, issued and fully paid		
At 1 April 2020, 31 March 2021, 1 April 2021 and 31 March 2022	200,000	2,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(c) Share premium

The share premium represents the difference between the nominal value of the shares of between the nominal value of the shares of the Company and proceeds received from the issuance of the shares of the Company.

The share premium account is governed by the Companies Law of the Cayman Islands and may be applied by the Company subject to the provisions, if any, of its memorandum and articles of association in paying distributions or dividends to equity shareholders.

No distribution or dividend may be paid to the equity shareholders out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

(d) Capital reserve

The capital reserve represents the difference between the amount of the Company's shares issued and the net assets of JAG Ideas Holding Company Limited acquired under a group reorganisation.

(e) Exchange reserve

The reserve comprises all foreign exchange differences arising from the translation of the financial statements of subsidiaries with functional currencies other than Hong Kong dollars. The reserve is dealt with in accordance with the accounting policies set out in Note 2(t).

23 CAPITAL AND RESERVES (continued)

(f) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to fund its business and provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors capital with reference to its debt position. The Group's strategy was to maintain the equity and debt in a balanced position and ensure there was adequate working capital to serve its debt obligations. The ratio of the Group's total liabilities over its total assets as at 31 March 2022 was 22% (31 March 2021: 17%).

Neither the Company nor any of its subsidiaries are subject to any externally imposed capital requirements.

(g) Distributable reserves

At 31 March 2022, the Company's reserves available for distribution, calculated in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately $22,500,000 (2021: $59,831,000).

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables and contract assets. The Group's exposure to credit risk arising from deposits with bank and cash and cash equivalents is limited because the counterparties are banks for which the Group considers to have low credit risk.

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 7% (2021: 15%) and 26% (2021: 48%) of the total trade receivables and contract assets was due from the Group's largest customer and the five largest customers respectively within the online advertising service segment.

Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 60 to 130 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience indicates different loss patterns for different customer segments, the loss allowance is calculated based on days past due from various customer segments which are grouped with similar patterns (i.e. by geographic region and customer type).

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and contract assets:

	2022				
	Gross carrying amount $'000	Provision on individual basis $'000	ECL rates	ECLs $'000	Loss allowance $'000
Contract assets	628	–	0.1%	–	–
Current (not past due)	2,376	–	1.5%	(35)	(35)
1–180 days past due	2,750	–	2.5%	(68)	(68)
181–365 days past due	243	–	18.5%	(45)	(45)
366–549 days past due	50	–	50.0%	(25)	(25)
Over 550 days past due	319	(148)	100.0%	(171)	(319)
	6,366	(148)		(344)	(492)

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(a) Credit risk (continued)

Trade receivables and contract assets (continued)

	2021				
	Gross carrying amount $'000	Provision on individual basis $'000	ECL rates	ECLs $'000	Loss allowance $'000
Contract assets	465	–	0.1%	–	–
Current (not past due)	3,376	–	0.7%	(24)	(24)
1–180 days past due	2,317	–	0.9%	(21)	(21)
181–365 days past due	223	–	7.6%	(17)	(17)
366–549 days past due	134	(15)	25.2%	(30)	(45)
Over 550 days past due	307	(170)	100.0%	(137)	(307)
	6,822	(185)		(229)	(414)

Expected loss rates are based on actual loss experience over the past five years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Movement in the loss allowance account in respect of trade receivables and contract assets during the year is as follows:

	$'000
Balance at 1 April 2020	98
Impairment losses recognised during the year	316
Balance at 31 March 2021 and 1 April 2021	414
Impairment losses recognised during the year	78
Balance at 31 March 2022	492

An increase in days past due over 180 days resulted in an increase in loss allowance of $16,000.

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient cash to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The following table shows the remaining contractual maturities of non-derivative financial liabilities as at 31 March 2022 and 2021 of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at 31 March 2022 and 2021) and the earliest date the Group can be required to pay:

	At 31 March 2022			
	Carrying amount $'000	**Total contractual undiscounted cash flow $'000**	**Within 1 year or on demand $'000**	**More than 1 year but less than 2 years $'000**
Trade and other payables	**1,726**	**1,726**	**1,726**	**–**
Lease liabilities	**300**	**311**	**216**	**95**
	2,026	**2,037**	**1,942**	**95**

	At 31 March 2021			
	Carrying amount $'000	Total contractual undiscounted cash flow $'000	Within 1 year or on demand $'000	More than 1 year but less than 2 years $'000
Trade and other payables	1,872	1,872	1,872	–
Lease liabilities	208	212	212	–
	2,080	2,084	2,084	–

(c) Interest rate risk

As at 31 March 2022 and 2021, the Group is not exposed to any significant interest rate risk.

(d) Foreign currency risk

The functional currency and reporting currency for the Company and its subsidiaries is Hong Kong dollar, except that the functional currencies of certain subsidiaries are New Taiwan dollar, Malaysian Ringgit, Chinese Renminbi, Singapore dollar, Philippine Peso and Indonesian Rupiah.

As at 31 March 2022 and 2021, the Group was not exposed to any significant currency risk.

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(e) Fair value measurement

Financial assets measured at fair value

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The Group has a team performing valuations for the investment in Asia Interactive at fair value through profit or loss which are categorised into Level 3 of the fair value hierarchy. The team reports directly to the financial controller. Analysis of changes in fair value measurement is prepared by the team at the end of each reporting period and is reviewed by financial controller.

		Fair value measurement at 31 March 2022 categorised into		
	Fair value at 31 March 2022 $'000	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**
Recurring fair value measurement				
Assets				
Investment in the wealth management product	**17,143**	**17,143**	**–**	**–**
Investment in Asia Interactive	**2,003**	**–**	**–**	**2,003**
	19,146	**17,143**	**–**	**2,003**

		Fair value measurement at 31 March 2021 categorised into		
	Fair value at 31 March 2021 $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Recurring fair value measurement				
Assets				
Investment in the wealth management product	17,356	17,356	–	–
Investment in Asia Interactive	1,885	–	–	1,885
	19,241	17,356	–	1,885

24 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

(e) Fair value measurement (continued)

Financial assets measured at fair value (continued)

Fair value hierarchy (continued)

During the year ended 31 March 2022 and 2021, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which it occurs.

Information about Level 3 fair value measurements

	Valuation technique	**Significant unobservable inputs**	%
Investment in Asia Interactive	Market comparable companies	Discount for lack of marketability	25

The fair value of investment in Asia Interactive is determined using the price/earning ratios of comparable listed companies adjusted for lack of marketability discount. The fair value measurement is negatively correlated to the discount for lack of marketability. As at 31 March 2022, it is estimated that with all other variables held constant, an increase/decrease in discount for lack of marketability by 5% would have increased/decreased the Group's loss for the year by $13,000 (2021: $126,000).

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 March 2022 and 2021 because of the immediate or short-term maturity of the financial instruments.

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

	$'000
Investment in Asia Interactive:	
At 1 April 2020	**5,126**
Fair value adjustment	**(3,241)**
At 31 March 2021	**1,885**
Fair value adjustment	**118**
At 31 March 2022	**2,003**

Fair value adjustment of financial assets at fair value through profit or loss is recognised in the line item "other income/(loss), net" on the face of the consolidated statement of profit or loss and other comprehensive income.

All the gains or losses recognised in profit or loss for the year arise from the financial assets at fair value through profit or loss held at the end of the reporting period.

25 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions.

For the years ended 31 March 2022 and 2021, the directors are of the view that the following are related parties of the Group:

Name of party	Relationship with the Group
Ms. Ng Ka Po	Spouse of Mr. Lee Wing Leung, Garlos

(a) Transactions with key management personnel

All members of key management personnel are the directors of the Company and their emoluments is disclosed in Note 8.

(b) Transactions with other related parties

The Group entered into the following material related party transactions:

	2022 $'000	2021 $'000
Staff remuneration to Ms. Ng Ka Po	**1,110**	1,058

26 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

(Expressed in Hong Kong dollars)

	Note	**2022 $'000**	2021 $'000
Non-current assets			
Interests in subsidiaries	15	**726**	29,577
Current assets			
Other receivables		**–**	13
Financial assets at fair value through profit or loss		**17,143**	17,356
Cash and cash equivalents		**7,070**	17,821
		24,213	35,190
Current liabilities			
Other payables		**2**	–
Amount due to subsidiaries		**437**	2,936
		439	2,936
Net current assets		**23,774**	32,254
NET ASSETS		**24,500**	61,831
CAPITAL AND RESERVES			
Share capital	23(b)	**2,000**	2,000
Reserves		**22,500**	59,831
TOTAL EQUITY		**24,500**	61,831

(Expressed in Hong Kong dollars unless otherwise indicated)

27 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

The directors consider the immediate parent of the Group to be JAG United Company Limited which is incorporated in the BVI and the ultimate controlling party of the Group to be the controlling shareholders of the Company. None of the parties produces financial statements available for public use.

28 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 MARCH 2022

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and a new standard, HKFRS 17, *Insurance contracts*, which are not yet effective for the year ended 31 March 2022 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 3, *Reference to the Conceptual Framework*	1 January 2022
Amendments to HKAS 16, *Property, Plant and Equipment: Proceeds before Intended Use*	1 January 2022
Amendments to HKAS 37, *Onerous Contracts — Cost of Fulfilling a Contract*	1 January 2022
Annual Improvements to HKFRSs 2018-2020 Cycle	1 January 2022
Amendments to HKAS 1, *Classification of liabilities as current or non-current*	1 January 2023
Amendments to HKAS 1 and HKFRS Practice Statement 2, *Disclosure of accounting policies*	1 January 2023
Amendments to HKAS 8, *Definition of accounting estimates*	1 January 2023
Amendments to HKAS 12, *Deferred tax related to assets and liabilities arising from a single transaction*	1 January 2023

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published financial statements and the Prospectus is set out below:

	Year ended 31 March				
	2022	2021	2020	2019	2018
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
RESULTS					
Revenue	**18,320**	23,408	24,907	28,174	28,940
(Loss)/profit before taxation	**(13,069)**	(9,417)	(5,414)	6,379	(24,380)
Income tax (expense)/credit	**(59)**	(118)	73	(1,007)	(1,913)
(Loss)/profit for the year attributable to owners of the Company	**(13,128)**	(9,535)	(5,341)	5,372	(26,293)
ASSETS AND LIABILITIES					
Non-current assets	**3,575**	4,733	8,847	1,372	824
Current assets	**39,188**	51,510	57,474	71,127	73,344
Non-current liabilities	**(94)**	–	(94)	(71)	–
Current liabilities	**(9,168)**	(9,400)	(9,744)	(10,625)	(17,603)
Net assets	**33,501**	46,843	56,483	61,803	56,565
Equity attributable to owners of the Company:					
Share capital	**2,000**	2,000	2,000	2,000	2,000
Reserves	**31,501**	44,843	54,483	59,803	54,565
Total equity	**33,501**	46,843	56,483	61,803	56,565