

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

2023-2024



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

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

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

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)
(resigned on 8 August 2023)
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee) (李永亮)
Mr. Leung Wai Lun (梁偉倫)
Ms. Choi Sin Yi (蔡倩宜)
(appointed on 8 August 2023)

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)

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)
(resigned on 8 August 2023)
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee) (李永亮)
(appointed on 8 August 2023)

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)
(resigned on 8 August 2023)
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee) (李永亮)
(appointed on 8 August 2023)

AUDITOR

CWK CPA Limited
Certified Public Accountants
Unit 2110–2111, 21/F
Cosco Tower
No. 183 Queen's Road Central
Hong Kong



Corporate Information

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road, Admiralty
Hong Kong

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, Zhongshan North Road
Zhongshan District Taipei City
Taiwan

COMPANY'S WEBSITE

www.stream-ideas.com

STOCK CODE

8401



Financial Highlights

For the year ended 31 March 2024 (the “Relevant Year”):

- The Group’s revenue amounted to approximately HK\$11,767,000, representing a decrease of 22.1% compared with that for the year ended 31 March 2023 (the “Previous Year”);
- The Group’s gross profit decreased from HK\$5,983,000 for the Previous Year to approximately HK\$4,012,000 for the Relevant Year, representing a decrease of approximately HK\$1,971,000 or 32.9%;
- The Group’s loss was approximately HK\$13,209,000 for the Relevant Year compared to the loss of approximately HK\$16,349,000 for the Previous Year, representing a decrease in loss of approximately HK\$3,140,000, mainly due to the decrease in other net loss 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 2024 on behalf of the board (the "Board") of directors of the Company (the "Directors").

The Relevant Year was filled with challenges for the Group as increasing competition from other online advertising service providers together with decrease in advertising budgets of the advertisers have made it difficult to sell our advertising services. As a result, the revenue of the Group declined by 22.1% as compared to that of the Previous Year.

Amidst a slower than expected economic recovery following the COVID-19 pandemic, advertisers have become more prudent with their advertising spending. Together with new competitors in the online advertising sector and changing behaviour of internet users, the Group has continued to experience hurdles in its rebounding efforts. To steer the ship in the right direction, the Group has formulated new strategies with emphasis on more face-to-face meetings both internally with colleagues and externally with clients. Additional efforts have been placed on selling our online advertising solutions to major media agencies. Last but not least, new online advertising services, including a new affiliate advertising service, has been launched to keep ourselves ahead in the market. The Group believes that with these strategies in place, the year ahead will be filled with new growth opportunities.

We would like to take this opportunity to express our gratitude to the Board, 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, Lee Wing Leung Garlos

Directors

Hong Kong, 20 June 2024

Management Discussion and Analysis

BUSINESS REVIEW

The Group principally engages in the provision of online advertising services, which consist of social viral service, engager service and mass blogging service. Its business primarily operates in Hong Kong, Taiwan, Malaysia and the Philippines. 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.

The Group has recorded approximately 22.1% decrease in revenue to approximately HK\$11,767,000 (2023: approximately HK\$15,105,000) for the Relevant Year.

Gross profit (after reversal of JAG points, i.e. the points which the Group distributes the reward to its members to participate in the Group's advertising campaigns) decreased by approximately 32.9% to approximately HK\$4,012,000 (2023: approximately HK\$5,983,000) for the Relevant Year. The Group recorded a loss for the Relevant Year of approximately HK\$13,209,000 (2023: loss of approximately HK\$16,349,000).

By geographical market

During the Relevant Year, approximately 71.8% of the Group's revenue (2023: approximately 73.0%) was generated from clients in Hong Kong, while approximately 23.9% (2023: approximately 20.6%) of the Group's revenue was generated from clients in Taiwan. Southeast Asia regions contributed approximately 4.3% (2023: approximately 6.4%) of the revenue to the Group.

Hong Kong

During the Relevant Year, revenue from Hong Kong decreased from approximately HK\$11,034,000 for the Previous Year to approximately HK\$8,450,000 for the Relevant Year, representing approximately 23.4% decrease. The changing consumption patterns of Hong Kong visitors and residents pose challenges to the overall economic and business environment. Hong Kong business was significantly impacted in the last quarter of the Relevant Year amidst the weak economic momentum and increasing competition from other online advertising service providers. The Group will continue to adjust its service mix while exploring new business opportunities 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 and instability of economy. The Group is also coping with a shift of focus on service type. With the various challenges encountered, the revenue from Taiwan for the Relevant Year decreased to approximately HK\$2,810,000 (2023: approximately HK\$3,114,000). The Group will continue to strengthen its relationship with its key partners to seize opportunities with more effort on reaching out to them as well as potential clients.

Southeast Asia

The post-pandemic recovery of advertising activities in Southeast Asia continue to be slower than expected. During the Relevant Year, revenue contribution from Southeast Asia markets fell to approximately HK\$507,000 from approximately HK\$957,000 in the Previous Year.



Management Discussion and Analysis

PROSPECTS

As a result of weaker economies following a slower than expected post-pandemic recovery, the advertising industry in those markets we operate in remain to be sluggish. Advertisers are reluctant to increase their advertising spending and are especially cautious about experimenting new media channels. Maintaining existing client spending and developing new customer base both present major challenges to the Group.

To weather through this adverse environment, the Group plans to rejuvenate sales with additional efforts to strengthen brand awareness and sales support. We intend to enhance spending on promotions and communications with advertisers and media agencies in order to become their preferred, top-of-mind choice for media platform. Extra trial incentives and offers will also be introduced to attract potential clients and strengthen our business development effort. Furthermore, we will explore new business opportunities and continue to invest in product development to ensure our advertising services remain competitive in the fast-changing digital advertising industry.

DIVIDEND

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

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

During the Relevant Year, the Group recorded a decrease of approximately 22.1% in revenue to approximately HK\$11,767,000 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 15.0% from approximately HK\$9,122,000 for the Previous Year to approximately HK\$7,755,000 for the Relevant Year. The decrease was mainly attributable to the decrease in sales.

Gross Profit

Gross profit of the Group decreased by approximately 32.9% from approximately HK\$5,983,000 for the Previous Year to approximately HK\$4,012,000 for the Relevant Year.

Selling and Distribution Costs

Selling and distribution costs of the Group decreased by approximately 14.0% from approximately HK\$6,908,000 for the Previous Year to approximately HK\$5,944,000 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 staff costs.

Administrative and Other Operating Expenses

Administrative and other operating expenses of the Group decreased by approximately 5.7% from approximately HK\$12,119,000 for the Previous Year to approximately HK\$11,430,000 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.

Other income/(loss), net

Other income/(loss), net of the Group increased from loss of approximately HK\$2,937,000 for the Previous Year to income of approximately HK\$170,000 for the Relevant Year. Other income/(loss), net mainly consist of realised and unrealised fair value loss or gain on financial assets at fair value through profit or loss and government grant. The increase in other income was mainly attributable to the increase in fair value gain on financial assets at fair value through profit or loss.

Income Tax

Income tax expense for the Group was approximately HK\$3,000 for the Relevant Year compared to income tax expense of approximately HK\$352,000 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\$13,209,000 for the Relevant Year compared to approximately HK\$16,349,000 net loss for the Previous Year. The decrease in net loss was mainly attributable to the decrease in other loss in the Relevant Year.

Management Discussion and Analysis

Liquidity and Financial Resources

As at 31 March 2024, the Group had total assets of approximately HK\$15,257,000 (2023: approximately HK\$25,920,000), which was financed by total liabilities and shareholders' equity (comprising share capital and reserves) of approximately HK\$9,781,000 (2023: approximately HK\$8,226,000) and approximately HK\$5,476,000 (2023: approximately HK\$17,694,000) respectively. The current ratio, being the ratio of current assets to current liabilities, as at 31 March 2024 was 1.5 times (2023: 3.1 times).

Capital Expenditure

Total capital expenditure of the Group for the Relevant Year was approximately HK\$31,000 (2023: HK\$119,000), which was mainly used in the purchase of property, plant and equipment.

Contingent Liabilities

As at 31 March 2024, the Group has no significant contingent liabilities.

Gearing Ratio

The gearing ratio, being the ratio of bank loan to total equity, of the Group as at 31 March 2024 was nil (2023: 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, Indonesian Rupiah and Philippine peso. 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. On 9 April 2024, the Company entered into 6 subscription agreements with 6 subscribers, pursuant to which the subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 39,999,996 shares in aggregate at the subscription price of HK\$0.1265 each. As at the date of this annual report, the Company's total number of issued shares was 239,999,996 of HK\$0.01 each.

Segment Information

Segmental information is presented for the Group as disclosed in note 5 of the financial statements.

Management Discussion and Analysis

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 2024.

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 2024 %	Investment costs HK\$'000	Fair value as at 31 March 2024 HK\$'000	Fair value gain for the year ended 31 March 2024 HK\$'000	Size as compared to the Group's total assets as at 31 March 2024 %
Unlisted shares					
— Asia Interactive Content Holdings Limited (“Asia Interactive”) (Note 1)	1.6026	5,000	—	—	0.0
Wealth management product					
— Wealth management product from UBS AG (Note 2)	N/A	—	—	103	0.0

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 subscribed for a wealth management product from UBS AG in the amount of USD2 million. The wealth management product will be invested 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. On 12 August 2022, the Company disposed of USD1,300,000 of the wealth management product on the market. The disposal constituted a discloseable transaction of the Company under the GEM Listing Rules. Details of the disposal of the wealth management product were set out in the announcement of the Company dated 15 August 2022. On 4 October 2023, the Company instructed UBS AG to dispose of all the remaining portion of the wealth management product on the market. The disposal constituted a discloseable transaction of the Company under the GEM Listing Rules. Details of the disposal of the wealth management product were set out in the announcement of the Company dated 11 October 2023.

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

Management Discussion and Analysis

EVENTS AFTER THE REPORTING DATE

On 9 April 2024, the Company entered into 6 subscription agreements with 6 subscribers, pursuant to which the subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 39,999,996 shares in aggregate at the subscription price of HK\$0.1265 per subscription share. All the conditions as set out in the subscription agreements have been fulfilled and completion of the subscription has taken place on 30 April 2024. Details of the issue of new shares under generate mandate are disclosed in the announcements of the Company dated 9, 10 and 30 April 2024.

The gross proceeds from the issue of new shares were approximately HK\$5.06 million and the net proceeds from the issue of new shares (after deduction of other expenses) were approximately HK\$5.01 million. HK\$1.93 million of the net proceeds were intended to be utilised for settlement of accounts payable and HK\$3.08 million of the net proceeds were intended to be utilised for general working capital of the Group. As at the date of this report:

- (a) 100% of the said net proceeds intended to be utilised for settlement of accounts payable have been utilised; and
- (b) 19% of the said net proceeds intended to be utilised for general working capital of the Group have been utilised and the remaining net proceeds are intended to be used by the end of 2024.

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	<ul style="list-style-type: none">• 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 professional and third-party vendor	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Regular back-up of data• Perform in-house disaster recovery test every year
Loss of customers or members due to changes of preference on social media	<ul style="list-style-type: none">• 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

Management Discussion and Analysis

Major Risks Identified

Disruptions to operation due to difficulty in retaining employees

Unfavourable fluctuation of foreign currencies resulting in realised/unrealised exchange losses

Adverse changes in environmental, social and governance risks (including climate change risks) and regulatory changes

Market trend shift resulting in increased competition from micro-influencer

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 set out in note 27 to the financial statements.

Key Mitigations

- 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 maintain morale and loyalty
- Promote better working environment
- 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”)
- Establish business contingency plan for operations of all regions
- Continuously monitor profit or loss forecast, identify cost reduction opportunities and formulate cost control measures
- Engage micro-influencer for business opportunities in all regions
- Revamp existing package to draw interests from advertising agencies

Biographical Information of Directors and Senior Management

The biographical information of the Directors and senior management and their shareholders in the Company as at the date of this annual report are as follows:

EXECUTIVE DIRECTORS

Ms. Cheung Lee (Jenny Cheung, 張莉), aged 40, 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 41.78% 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. Lee Wing Leung Garlos (Garlos Lee, 李永亮), aged 40, 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 41.78% 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.



Biographical Information of Directors and Senior Management

Mr. Leung Wai Lun (梁偉倫), aged 39, 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 14 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. Choi Sin Yi (蔡倩宜) (appointed on 8 August 2023), aged 34, joined our Group in June 2012 and was appointed as executive Director on 8 August 2023. Ms. Choi has over 11 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”), a wholly-owned subsidiary of the Company, from June 2012 to September 2015, and was promoted to an advertising manager at JAG Hong Kong since October 2015, and was further promoted to a senior advertising manager at JAG Hong Kong since October 2018, 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.

Biographical Information of Directors and Senior Management

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwan Chi Hong (關志康), aged 52, 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 and resigned on 15 October 2022.

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 43, 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 16 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 an independent non-executive director of Bradaverse Education (Int’l) Investments Limited (formerly known as 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 (resigned on 20 January 2023) and 11 December 2018 respectively.



Biographical Information of Directors and Senior Management

Mr. Ho Ho Tung Armen (何浩東), aged 48, 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 a 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 Diwang Industrial Holdings Limited (formerly known as Sunlight Technology Holdings Limited) (stock code: 1950) since the company's listing in March 2020. He has been the chief financial officer and the company secretary of Tianyun International Holdings Limited (stock code: 6836) between February 2015 and May 2024. 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.

SENIOR MANAGEMENT

Ms. Kung Wai Yin (龔慧賢), aged 34, 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 10 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 2024.

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 2024 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 44 to 87 of this annual report. The Board did not recommend any final dividend for the year ended 31 March 2024 (2023: nil).

BUSINESS REVIEW

A review of the business of the Group for the year ended 31 March 2024, which includes a description of the principal risks and uncertainties faced by 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 discussion on the Company's environmental policies and performance and the relationships with its stakeholders, are disclosed in the section headed "Management Discussion and Analysis" on pages 7 to 13 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.

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 2024.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 March 2024 are set out in note 13 to the financial statements.

Report of Directors

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 March 2024 are set out in note 25 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 2024 are set out in the consolidated statement of changes in equity on page 47 of this annual report.

As at 31 March 2024, in accordance with the Companies Act of the Cayman Islands, no reserve of the Company is available for distribution.

As at 31 March 2023, 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\$13,193,000.

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 2024 is set out on page 88 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 shareholders' resolution of the Company passed on 7 March 2018. The principal terms of the Share Option Scheme was set out in Appendix IV to the Prospectus. The Share Option Scheme is subject to 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 2024 and up to the date of this annual report, there was no outstanding share option not yet exercised under the Share Option Scheme.

Save for the Share Option Scheme, the Company has not adopted any other share schemes.

Report of Directors

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

Subject to the requirements under the GEM Listing Rules, 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 approximately 8.3% 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.

Subject to the requirements under the GEM Listing Rules, 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.

Subject to the requirements under the GEM Listing Rules and 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.

The number of Shares that may be issued in respect of options granted under all share schemes of the Company during the year ended 31 March 2024 divided by the weighted average number of Shares in issue for the year was nil.

Report of Directors

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements 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 2024 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) (resigned on 8 August 2023)
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)
Mr. Leung Wai Lun
Ms. Choi Sin Yi (appointed on 8 August 2023)

Independent Non-executive Directors

Mr. Kwan Chi Hong
Mr. Fenn David
Mr. Ho Ho Tung Armen

Pursuant to article 16.18 of the articles of association of the Company (the “Articles of Association”), Ms. Cheung Lee, Mr. Leung Wai Lun and Mr. Kwan Chi Hong shall retire at the forthcoming annual general meeting of the Company (the “AGM”) by rotation 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 14 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. Law Ka Kin has resigned as an executive director of the Company with effect from 8 August 2023 due to his other business commitment.

Ms. Choi Sin Yi has been appointed as an executive director of the Company with effect from 8 August 2023.

Mr. Ho Ho Tung Armen has resigned as an independent non-executive director of Diwang Industrial Holdings Limited (stock code: 1950) with effect from 1 October 2023 and the chief financial officer and the company secretary of Tianyun International Holdings Limited (stock code: 6836) with effect from 17 May 2024.

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.

Report of Directors

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 2024 or at any time during the year ended 31 March 2024.

DIRECTORS' SERVICE CONTRACTS

Three of our executive Directors, namely Ms. Jenny Cheung, Mr. Garlos Lee and Mr. Leung Wai Lun, have 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, Ms. Choi Sin Yi, has entered into a service agreement with our Company for an initial fixed term of 3 years commencing from 8 August 2023 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.

Each 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.

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 9 and note 10 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.

Report of Directors

EMPLOYEES AND EMOLUMENT POLICY

As at 31 March 2024, the Group employed a total of 25 employees (2023: 33 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\$11,475,000 (2023: HK\$12,737,000).

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 2024, 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 the ordinary shares of the Company:

Name	Capacity/Nature of interest	Number of shares held	Approximate percentage of issued share capital*
Ms. Jenny Cheung (<i>Note</i>)	Interest of a controlled corporation; interest held jointly with another person	100,280,000	50.14%
Mr. Garlos Lee (<i>Note</i>)	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 2024 (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.

Report of Directors

Save as disclosed above, as at 31 March 2024, 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 2024, 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 ordinary shares of the Company:

Name	Capacity/Nature of interest	Number of shares held	Approximate percentage of issued share capital*
JAG United Company Limited (<i>Note 1</i>)	Beneficial interest	100,280,000	50.14%
Mr. Anakin Law (<i>Note 1</i>)	Interest of a controlled corporation; interest held jointly with another person	100,280,000	50.14%
Mr. Szeto Man Wa (<i>Note 2</i>)	Interest of spouse	100,280,000	50.14%
Ms. Leung Kwok Mei (<i>Note 3</i>)	Interest of spouse	100,280,000	50.14%
Ms. Ng Ka Po (<i>Note 4</i>)	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 2024. (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 2024, 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.

Report of Directors

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 2024 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 2024 and 2023, the percentage of revenue attributable to the Group's major customers is set out below:

Revenue

- The largest customer: 11.7% and 14.5% respectively
- The aggregate amount of the five largest customers: 37.2% and 38.0% respectively

For each of the years ended 31 March 2024 and 2023, the percentage of cost of services attributable to the Group's major suppliers is set out below:

Cost of Services

- The largest supplier: 48.6% and 47.6% respectively
- The aggregate amount of the five largest suppliers: 79.0% and 81.3% 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 in note 29 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.



Report of Directors

SUFFICIENCY OF PUBLIC FLOAT

During the year ended 31 March 2024 and up to the date of this annual report, based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirm that the Company maintained sufficient 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 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 a 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 2024. 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 2024, 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 executed 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.



Report of Directors

CORPORATE GOVERNANCE

The Company's corporate governance report is set out on pages 28 to 39 of this annual report.

AUDITOR

The financial statements of the Company for the year ended 31 March 2024 have been audited by CWK CPA Limited, who will retire and, being eligible, offer themselves for re-appointment at the AGM.

The financial statements of the Company for the years ended 31 March 2022 and 2023 were audited by KPMG.

By Order of the Board

Lee Wing Leung Garlos
Executive Director

Hong Kong, 20 June 2024



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 2024.

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 C1 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 of 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 2024.

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.

Corporate Governance Report

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 seven members, consisting of four executive Directors and three independent non-executive Directors:

Executive Directors:

Ms. Cheung Lee (Ms. Jenny Cheung) (*member of the Nomination Committee*)
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee) (*member of the Remuneration Committee*)
Mr. Leung Wai Lun
Ms. Choi Sin Yi (appointed on 8 August 2023)

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*)

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 14 to 17 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 two executive Directors, Ms. Jenny Cheung and Mr. Garlos Lee collectively. Since the two 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 two executive Directors allows for efficient business planning and decisions. The Board is also of the view 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 the agenda for Board meetings, taking into account any matters proposed by Directors (CP C.2.4).



Corporate Governance Report

Independent Non-executive Directors

The independent non-executive Directors are highly skilled professionals with a wide range of expertise and experience in the fields of accounting, finance, legal and business. Their skills, expertise and number at 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 or as an addition to the existing Board shall hold office until the first annual general meeting after his/her appointment and shall then be eligible for re-election at such meeting.

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 to the Board by the nomination committee of the Company as set out below under the paragraph headed "Nomination Committee".



Corporate Governance Report

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 the 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 the 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 shall be responsible for arranging and funding suitable training, as well as placing an appropriate emphasis on the roles, functions and duties of the Directors.

Corporate Governance Report

The training records of the Directors for the year ended 31 March 2024 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) (from 1 April 2023 to 8 August 2023)	A
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)	A
Mr. Leung Wai Lun	A
Ms. Choi Sin Yi (from 8 August 2023)	A
Independent Non-Executive Directors	
Mr. Kwan Chi Hong	A
Mr. Fenn David	A
Mr. Ho Ho Tung Armen	A, B

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 an audit committee (the "Audit Committee"), a remuneration committee (the "Remuneration 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.

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.

Corporate Governance Report

The Audit Committee held four meetings to review the first quarterly results and the interim results for the year ended 31 March 2024 and the annual financial results for the year ended 31 March 2023 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. Lee Wing Leung Garlos. Mr. Fenn David is the chairman of the Remuneration Committee.

On 6 February 2023, the Board adopted the revised terms of reference of the Remuneration 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.

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; (iii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time; and (iv) reviewing and/or approving matters relating to share schemes of the Company.

During the year ended 31 March 2024, 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 Code Provision E.1.5 of the CG Code, the remuneration of the members of the senior management by band for the year ended 31 March 2024 is set out below:

Remuneration band	Number of individuals
Nil to HK\$1,000,000	1
HK\$1,000,001 to HK\$1,500,000	1

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.



Corporate Governance Report

During the year ended 31 March 2024, the Nomination Committee held two meetings, 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.

As at the date of this report, (i) 5 Directors and 1 senior management are male and (ii) 2 Directors and 1 senior management are female. Out of the 25 employees of the Group, 11 of them are males and 14 of them are females.

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.



Corporate Governance Report

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 various 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. With effect from 8 August 2023, Mr. Anakin Law resigned as an executive Director and Ms. Choi Sin Yi was appointed as an executive Director.

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 A.2 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, legal and regulatory requirements of the Group and the Company’s policies and practices on compliance matters.

Corporate Governance Report

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 2024 is set out in the table below:

Name of Directors	Attendance/Number of Meeting(s)				
	Board	Audit Committee	Remuneration Committee	Nomination Committee	Annual General Meeting
Executive Directors					
Ms. Cheung Lee (Ms. Jenny Cheung)	3/4	N/A	N/A	1/2	1/1
Mr. Law Ka Kin (Mr. Anakin Law) (from 1 April 2023 to 8 August 2023)	2/4	N/A	1/2	N/A	N/A
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)	4/4	N/A	1/2	N/A	1/1
Mr. Leung Wai Lun	4/4	N/A	N/A	N/A	1/1
Ms. Choi Sin Yi (from 8 August 2023)	2/4	N/A	N/A	N/A	1/1
Independent Non-executive Directors					
Mr. Kwan Chi Hong	4/4	4/4	N/A	2/2	1/1
Mr. Fenn David	4/4	3/4	2/2	N/A	1/1
Mr. Ho Ho Tung Armen	4/4	4/4	2/2	2/2	1/1

Three regular and one ad-hoc board meetings were held during the year ended 31 March 2024.

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 40 to 43.

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.

Corporate Governance Report

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 2024.

For the year ended 31 March 2024 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.

Corporate Governance Report

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 2024, 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	570

COMPANY SECRETARY

The company secretary of the Company is Ms. Kung Wai Yin, who is also the financial controller and an employee 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 2024. 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 one or more members holding together, as at the date of deposit of the requisition, shares representing not less than one-tenth of the voting rights, on a one vote per share basis, of the Company which carry the right of voting at general meetings of the Company. The written requisition shall be 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 the resolutions to be added to the meeting agenda, and signed by the requisitionist(s).

If the Board does not within 21 days from the date of deposit of the requisition proceed duly 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



Corporate Governance Report

Shareholders may send queries about their shareholdings to Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong, 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 shall 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 enables the Company's shareholders to have timely and updated information of the Group.

The Company has reviewed its communication policy and its implementation and considered the same to be effective during the Relevant Year given the above measures.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

There were no change in the constitutional documents of the Company for the year ended 31 March 2024.

Independent Auditor's Report



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 87, which comprise the consolidated statement of financial position as at 31 March 2024, 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 material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("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 ("HKSA") 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.

Independent Auditor's Report

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 19 to the consolidated financial statements and the accounting policies Note 3(c)(i) and 3(d).

The Key Audit Matter

As disclosed in Note 19 to the consolidated financial statements, the Group has gross trade receivables amounting to approximately HK\$3,840,000 as at 31 March 2024, against which an allowance of HK\$238,000 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.

How the matter was addressed in our audit

Our audit procedures to assess ECL allowances for trade receivables included the following:

- 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 2024 based on the Group's ECL allowance policies.

Independent Auditor's Report

OTHER INFORMATION

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.

Those charged with governance are responsible 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 HKSAAs 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 HKSAAs, 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.

Independent Auditor's Report

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

- 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.
- 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 Kwan Kai Chun.

CWK CPA Limited

Certified Public Accountants

Kwan Kai Chun

Practising Certificate Number: P06957

Hong Kong

20 June 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 March 2024

(Expressed in Hong Kong dollars)

	Note	2024 \$'000	2023 \$'000
Revenue	5	11,767	15,105
Cost of services		(7,755)	(9,122)
Gross profit		4,012	5,983
Other income/(loss), net	6	170	(2,937)
Selling and distribution costs		(5,944)	(6,908)
Administrative and other operating expenses		(11,430)	(12,119)
Loss from operations		(13,192)	(15,981)
Finance costs	7(c)	(14)	(16)
Loss before taxation	7	(13,206)	(15,997)
Income tax expense	8(a)	(3)	(352)
Loss for the year		(13,209)	(16,349)
Other comprehensive income, net of tax			
<i>Item that may be reclassified subsequently to profit or loss (nil of tax effect):</i>			
Foreign currency translation differences for foreign operations		991	542
Total comprehensive income for the year		(12,218)	(15,807)
Loss per share	12		
— Basic		\$ (0.07)	\$ (0.08)
— Diluted		\$ (0.07)	\$ (0.08)

The notes on pages 49 to 87 form part of these financial statements.

Consolidated Statement of Financial Position

(Expressed in Hong Kong dollars)

	Note	At 31 March	
		2024 \$'000	2023 \$'000
Non-current assets			
Property, plant and equipment	13	86	105
Right-of-use assets	14	335	213
Intangible assets	15	–	118
		421	436
Current assets			
Inventories	18	615	586
Trade and other receivables	19	4,115	5,799
Contract assets	20	163	398
Tax recoverable	8(c)	5	7
Financial assets at fair value through profit or loss	16	–	5,699
Cash and cash equivalents	21	9,938	12,995
		14,836	25,484
Current liabilities			
Trade and other payables	22	9,319	7,916
Lease liabilities	23	223	205
Contract liabilities	24	137	105
		9,679	8,226
Net current assets			
		5,157	17,258
Total assets less current liabilities			
		5,578	17,694
Non-current liabilities			
Lease liabilities	23	102	–
NET ASSETS			
		5,476	17,694

Consolidated Statement of Financial Position

(Expressed in Hong Kong dollars)

	Note	At 31 March	
		2024 \$'000	2023 \$'000
CAPITAL AND RESERVES			
Share capital	25(b)	2,000	2,000
Reserves		3,476	15,694
TOTAL EQUITY		5,476	17,694

Approved and authorised for issue by the board of directors on 20 June 2024.

)	
Lee Wing Leung, Garlos)	
)	
)	Directors
Cheung Lee)	
)	
)	

The notes on pages 49 to 87 form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 31 March 2024

(Expressed in Hong Kong dollars)

	Share capital \$'000 Note 25(b)	Share premium \$'000 Note 25(c)	Capital reserve \$'000 Note 25(d)	Exchange reserve \$'000 Note 25(e)	Accumulated losses \$'000	Total equity \$'000
At 1 April 2022	2,000	71,988	383	(715)	(40,155)	33,501
Changes in equity for the year ended 31 March 2023:						
Loss for the year	-	-	-	-	(16,349)	(16,349)
Other comprehensive income	-	-	-	542	-	542
Total comprehensive income	-	-	-	542	(16,349)	(15,807)
At 31 March 2023 and 1 April 2023	2,000	71,988	383	(173)	(56,504)	17,694
Changes in equity for the year ended 31 March 2024:						
Loss for the year	-	-	-	-	(13,209)	(13,209)
Other comprehensive income	-	-	-	991	-	991
Total comprehensive income	-	-	-	991	(13,209)	(12,218)
At 31 March 2024	2,000	71,988	383	818	(69,713)	5,476

The notes on pages 49 to 87 form part of these financial statements.

Consolidated Cash Flow Statement

For the Year Ended 31 March 2024

(Expressed in Hong Kong dollars)

Note	2024 \$'000	2023 \$'000
Operating activities		
Loss before taxation:	(13,206)	(15,997)
Adjustments for:		
Finance costs	14	16
Interest income	(61)	(6)
Depreciation of plant and equipment	50	75
Depreciation of right-of-use assets	340	331
Amortisation of intangible assets	118	716
Loss on disposals of property and equipment	–	(3)
Net foreign exchange losses	1,174	865
Fair value (gain)/loss on financial assets at FVTPL	(103)	3,153
Loss allowance provision for trade receivables, net of reversal	(131)	(32)
Reversal of point provision	(354)	(589)
Operating loss before changes in working capital	(12,159)	(11,471)
(Increase)/decrease in inventories	(38)	149
Decrease in trade and other receivables	1,764	60
Decrease in contract assets	235	209
Increase/(decrease) in trade and other payables	1,867	(178)
Increase in contract liabilities	32	2
Cash used in operating activities	(8,299)	(11,229)
Overseas tax paid	–	(4)
Net cash used in operating activities	(8,299)	(11,233)
Investing activities		
Payment for the purchase of property, plant and equipment	(31)	(119)
Proceeds from the disposal of property, plant and equipment	–	20
Proceeds from the disposal of financial assets at FVTPL	5,723	10,205
Interest received	61	6
Net cash generated from investing activities	5,753	10,112
Financing activities		
Repayment of lease liabilities	(357)	(350)
Net cash used in financing activities	(357)	(350)
Net decrease in cash and cash equivalents	(2,903)	(1,471)
Cash and cash equivalents at the beginning of the year	12,995	14,712
Effect of foreign exchange rate changes	(154)	(246)
Cash and cash equivalents at the end of the year	9,938	12,995

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The notes on pages 49 to 87 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 APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the June 2020 and December 2021 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform-Pillar Two model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of Amendments to HKAS 8 Definition of Accounting Estimates

The Group has applied the amendments for the first time in the current year. The amendments define accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty”. An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. The amendments to HKAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors.

The application of the amendments in the current year had no material impact on the consolidated financial statements.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

2 APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

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

The Group has applied the amendments for the first time in the current year. HKAS 1 Presentation of Financial Statements is amended to replace all instances of the term “significant accounting policies” with “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

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

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

The application of the amendments has had no material impact on the Group’s financial positions and performance but has affected the disclosure of the Group’s accounting policies set out in Note 3 to the consolidated financial statements.

Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current ²
Amendments to HKAS 1	Non-current Liabilities with Covenants ²
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ²
Amendments to HKAS 21	Lack of Exchangeability ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2024.

³ Effective for annual periods beginning on or after 1 January 2025.

The directors of the Company anticipate that the application of all other amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL 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. Material accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2 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 2024 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.

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 4.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL ACCOUNTING POLICIES (continued)

(c) 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 3(e)).

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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL ACCOUNTING POLICIES (continued)

(c) 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 550 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 3(k)(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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL ACCOUNTING POLICIES (continued)

(c) 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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL ACCOUNTING POLICIES (continued)

(c) 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.

(d) 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 3(e)).

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 3(c)(i)).

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL ACCOUNTING POLICIES (continued)

(e) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 3(k)) 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 3(c)(i) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 3(d)).

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 3(k)). 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 3(d)).

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 3(k)(ii)).

(f) 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.

(g) 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 3(c)(i).

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL ACCOUNTING POLICIES (continued)

(h) 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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL ACCOUNTING POLICIES (continued)

(h) 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.

(i) 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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL ACCOUNTING POLICIES (continued)

(j) 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 3(e)). 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.

(k) 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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

3 MATERIAL ACCOUNTING POLICIES (continued)

(k) 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.

(l) 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.

4 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 19 and 20 respectively. If the financial condition of the customers or the future economic conditions were to deteriorate, actual loss allowance would be higher than estimated.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

5 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 2024 and 2023 is recognised in accordance with HKFRS 15, *Revenue from Contracts with Customers*.

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 (2023: one) customer with whom transactions had exceeded 10 percent of the Group's revenue. For the year ended 31 March 2024, revenue to the customer amounted to \$1,376,000 (2023: \$2,191,000). Details of concentrations of credit risk arising from customers are set out in Note 27(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	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Hong Kong	8,450	11,034	381	306
Taiwan	2,810	3,114	24	115
Southeast Asia	507	957	16	15
	11,767	15,105	421	436

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

6 OTHER INCOME/(LOSS), NET

	2024 \$'000	2023 \$'000
Interest income	61	6
Fair value gain/(loss) on financial assets at fair value through profit or loss	103	(3,153)
Government grant (Note)	–	288
Sundry income/(loss)	6	(78)
	170	(2,937)

Note: During the year ended 31 March 2023, the Group successfully applied for funding support of \$288,000 from the Employment Support Scheme under the Anti-epidemic Fund, set up by the Government of the Hong Kong Special Administrative Region. The purpose of the funding is to provide financial support to employers to retain their current employees or hire more employees when the business revives. Under the terms of the grant, the Group is required to employ a sufficient number of employees with reference to its proposed employee headcounts in each subsidy month.

7 LOSS BEFORE TAXATION

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

	2024 \$'000	2023 \$'000
(a) Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	11,086	12,347
Contributions to defined contribution retirement plans (Notes (i) and (ii))	389	390
	11,475	12,737

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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

7 LOSS BEFORE TAXATION (continued)

	2024 \$'000	2023 \$'000
(b) Other items		
Depreciation charge		
— owned property, plant and equipment (Note 13)	50	75
— right-of-use assets (Note 14)	340	331
	390	406
Amortisation cost of intangible assets (Note 15)	118	716
Loss allowance provision for trade receivables, net of reversal (Note 27(a))	(131)	(32)
Auditors' remuneration		
— audit services	570	960
Net foreign exchange loss	1,131	667
Gain on disposal of property, plant and equipment	—	(3)
	2024	2023
	\$'000	\$'000
(c) Finance costs		
Interest on lease liabilities (Note 28)	14	16

8 INCOME TAX

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

	2024 \$'000	2023 \$'000
Current tax — Overseas		
Provision for the year	—	—
Under-provision in respect of prior years	3	22
	3	22
Deferred tax		
Origination and reversal of temporary differences	—	330
	3	352

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 2024 and 2023.
- (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 2024 (2023: 20%).
- (iv) Taxation for overseas subsidiaries is charged at the applicable current rates of taxation in the relevant countries.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

8 INCOME TAX (continued)

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

	2024 \$'000	2023 \$'000
Loss before taxation	(13,206)	(15,997)
Notional tax on loss before taxation, calculated at the rates applicable to profits in the countries concerned	(2,271)	(2,792)
Effect of non-deductible expenses	144	958
Effect of non-taxable income	(42)	(167)
Derecognition of deferred tax assets recognised in prior years	–	373
Tax effect of unused tax losses not recognised	2,169	1,958
Under-provision in prior years	3	22
Actual tax expense	3	352

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

	2024 \$'000	2023 \$'000
Balance of corporate income tax paid in overseas relating to prior years	(5)	(7)
	(5)	(7)
Tax recoverable	(5)	(7)

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

8 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 2022	409	15	71	(69)	(72)	354
(Debited)/credited to profit or loss	(359)	(14)	(52)	50	45	(330)
Exchange adjustments	(28)	(1)	–	–	5	(24)
At 31 March 2023 and 1 April 2023	22	–	19	(19)	(22)	–
(Debited)/credited to profit or loss	(12)	–	(19)	19	12	–
Exchange adjustments	–	–	–	–	–	–
At 31 March 2024	10	–	–	–	(10)	–

(e) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 3(h), the Group has not recognised deferred tax assets in respect of cumulative tax losses of \$47,302,000 (2023: \$37,168,000) 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 \$11,234,000 (2023: \$8,860,000) which will expire within three to ten years, the tax losses do not expire under current tax legislation.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

9 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 2024				
	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 (resigned on 8 August 2023)	63	–	1,299	18	1,380
Ms. Cheung Lee	180	–	1,167	18	1,365
Mr. Lee Wing Leung, Garlos	180	–	1,492	18	1,690
Mr. Leung Wai Lun	150	–	749	18	917
Ms. Choi Sin Yi (appointed on 8 August 2023)	12	37	435	18	502
Independent non-executive directors					
Mr. Kwan Chi Hong	120	–	–	–	120
Mr. Fenn David	120	–	–	–	120
Mr. Ho Ho Tung Armen	120	–	–	–	120
	945	37	5,142	90	6,214
Year ended 31 March 2023					
	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 (resigned on 8 August 2023)	180	–	1,101	18	1,299
Ms. Cheung Lee	180	–	1,167	18	1,365
Mr. Lee Wing Leung, Garlos	180	–	1,492	18	1,690
Mr. Leung Wai Lun	150	–	665	18	833
Ms. Xu Xiuhong (resigned on 14 March 2023)	–	–	229	11	240
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 (resigned on 11 February 2023)	83	–	–	–	83
Mr. Xu Jianguo (appointed on 13 April 2022 and resigned on 15 March 2023)	89	–	–	–	89
	1,222	–	4,654	83	5,959

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 7(a).

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

9 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 2024 and 2023. No director waived or agreed to waive any emoluments during the years ended 31 March 2024 and 2023.

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five highest paid individuals of the Group, four (2023: four) of these are directors, whose emoluments are disclosed in Note 9. The emoluments in respect of the remaining one (2023: one) individual are as follows:

	2024 \$'000	2023 \$'000
Salaries, allowances and benefits in kind	658	1,092
Discretionary bonuses	57	–
Retirement scheme contributions	18	18
	733	1,110

The emoluments of the aforesaid one (2023: one) individual(s) with the highest emoluments are within the following bands:

	2024 Number of individuals	2023 Number of individuals
Nil to \$1,000,000	1	–
\$1,000,001–\$1,500,000	–	1

11 DIVIDENDS

The board of directors does not recommend the payment of a dividend for the years ended 31 March 2024 and 2023.

12 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 \$13,209,000 (2023: \$16,349,000) and the weighted average of 200,000,000 ordinary shares (2023: weighted average of 200,000,000 ordinary shares) in issue during the year.

(b) Diluted loss per share

During the years ended 31 March 2024 and 2023, there were 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 2024 and 2023.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

13 PROPERTY, PLANT AND EQUIPMENT

	Office equipment \$'000	Computer equipment \$'000	Leasehold improvements \$'000	Furniture and fixtures \$'000	Motor vehicles \$'000	Total \$'000
Cost						
At 1 April 2022	26	369	67	48	98	608
Additions	–	41	–	–	78	119
Disposals	–	(1)	–	–	(98)	(99)
Exchange realignment	(1)	–	–	(1)	–	(2)
At 31 March 2023	25	409	67	47	78	626
At 1 April 2023	25	409	67	47	78	626
Additions	–	25	–	6	–	31
Exchange realignment	–	(1)	–	–	–	(1)
At 31 March 2024	25	433	67	53	78	656
Accumulated depreciation:						
At 1 April 2022	26	339	67	41	56	529
Charge for the year	–	33	–	4	38	75
Written back on disposals	–	(1)	–	–	(81)	(82)
Exchange realignment	(1)	–	–	–	–	(1)
At 31 March 2023	25	371	67	45	13	521
At 1 April 2023	25	371	67	45	13	521
Charge for the year	–	21	–	3	26	50
Exchange realignment	–	(1)	–	–	–	(1)
At 31 March 2024	25	391	67	48	39	570
Net book value:						
At 31 March 2024	–	42	–	5	39	86
At 31 March 2023	–	38	–	2	65	105

The above items of property, plant and equipment, after taking into account the residual values, are depreciated on a straight-line basis at the following rates per annum:

Office equipment	33%
Computer equipment	33%
Leasehold improvements	33%
Furniture and fixtures	25%
Motor vehicles	33%

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

14 RIGHT-OF-USE ASSETS

	Properties leased for own use \$'000	
At 31 March 2024		
Carrying amount		335
At 31 March 2023		
Carrying amount		213
For the year ended 31 March 2024		
Depreciation charge		340
For the year ended 31 March 2023		
Depreciation charge		331
	2024	2023
	\$'000	\$'000
Expenses relating to short-term leases	1	125
Total cash outflow for leases (note)	357	350
Addition to right-of-use assets	465	242

Note: Total cash outflow for leases included the repayment of lease liabilities and interest paid.

The Group leases various offices for both years, and extended the office rental for the current reporting period for its operations. Lease contracts are entered into for fixed term of 1 year to 2 years (2023: 1 year to 2 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

17 SUBSIDIARIES

The following list contains the particulars of subsidiaries of the Group. The class of shares held is ordinary unless otherwise stated.

Name of company	Place of incorporation/ establishment	Particulars of issued and paid up capital	Proportion of ownership interest			Principal activities and place of operation
			Group's effective interest	Held by the Company	Held by a subsidiary	
JAG Ideas Holding Company Limited	British Virgin Islands ("BVI")	United States dollars ("USD") 49,500	100%	100%	–	Investment holding in Hong Kong
JAG Ideas (Taiwan) Company Limited	BVI	USD50,000	100%	–	100%	Investment holding in Taiwan
JAG Ideas (Hong Kong) Company Limited	BVI	USD50,000	100%	–	100%	Investment holding in Hong Kong
JAG Ideas (Asia) Company Limited	BVI	USD1,000	100%	–	100%	Investment holding in Hong Kong
JAG Ideas (Malaysia) Sdn. Bhd.	Malaysia	50,000 shares of Malaysian Ringgit ("MYR") 1 each	100%	–	100%	Provision of advertisement services in Malaysia
JAG Ideas (Taiwan) Limited	Hong Kong	HK\$9,000	100%	–	100%	Provision of advertisement services in Taiwan
JAG Ideas Company Limited	Hong Kong	HK\$9,000	100%	–	100%	Provision of advertisement services in Hong Kong
JAG Ideas (SEA) Company Limited	Hong Kong	HK\$10,000	100%	–	100%	Investment holding in Hong Kong
JAG Creative Ideas Company Limited	Hong Kong	HK\$9,900	100%	–	100%	Inactive
Creative Mind Limited	BVI	USD100	100%	100%	–	Investment holding in Hong Kong
J.A.G. Ideas Inc.	Philippines	1,056,200 shares of Philippine Pesos ("PHP") 10 each	100%	–	100%	Provision of advertisement services in Philippines
PT. JAG Ideas Indonesia	Indonesia	2,500 shares of Indonesian Rupiah ("IDR") 1,000,000 each	100%	–	100%	Provision of advertisement services in Indonesia
Cong Ty TNHH JAG Ideas (Vietnam)	Vietnam	Vietnam Dong 459,540,000	99.9%	–	99.9%	Inactive

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

18 INVENTORIES

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

19 TRADE AND OTHER RECEIVABLES

	2024	2023
	\$'000	\$'000
Trade receivables	3,840	5,527
Less: loss allowance	(238)	(384)
	3,602	5,143
Deposits, prepayments and other receivables	513	656
	4,115	5,799

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

\$3,840,000 (2023: \$5,488,000) 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:

	2024	2023
	\$'000	\$'000
Within 30 days	974	1,707
31 to 60 days	722	1,070
61 to 90 days	234	463
91 to 180 days	1,092	1,252
Over 180 days	580	651
	3,602	5,143

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 27(a).

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

20 CONTRACT ASSETS

	2024 \$'000	2023 \$'000
Contract assets		
Arising from performance under online advertising service contracts	163	398
Receivables from contracts with customers within the scope of HKFRS 15, which are included in "Trade and other receivables" (Note 19)	3,602	5,143

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.

21 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise:

	2024 \$'000	2023 \$'000
Cash at bank and on hand	9,938	12,995

Cash at bank carry interest at prevailing market rates of approximately 0.01% per annum (2023: 0.01% per annum) during the year.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

22 TRADE AND OTHER PAYABLES

	2024	2023
	\$'000	\$'000
Point provision (Note (ii))	5,577	6,354
Other payables and accruals (Note (iii))	3,742	1,562
	9,319	7,916

Notes:

(i) All trade and other payables are expected to be settled within one year. \$3,742,000 (2023: \$1,562,000) included in trade and other payables are financial liabilities measured at amortised cost.

(ii) The point provision is analysed as follows:

	2024	2023
	\$'000	\$'000
Balance at beginning of the year	6,354	7,133
Exchange adjustments	(86)	(237)
Distribution for the year	3,707	4,734
Redemption during the year	(4,044)	(4,687)
Reversal during the year	(354)	(589)
	5,577	6,354

(iii) \$191,000 (2023: \$106,000) included in other payables and accruals is amounts due to directors, which are 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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

23 LEASE LIABILITIES

	2024 \$'000	2023 \$'000
Lease liabilities payable:		
Within one year	223	205
Within a period of more than one year but not more than two years	102	–
	325	205
Less: Amounts due within one year shown under current liabilities	(223)	(205)
Amounts shown under non-current liabilities	102	–

The weighted average incremental borrowing rate applied to lease liabilities is 5% (2023: 5%).

24 CONTRACT LIABILITIES

	2024 \$'000	2023 \$'000
Contract liabilities		
Online advertising service contracts		
— Provision for volume sales rebates	87	84
— Sales deposits received	50	21
	137	105

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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

24 CONTRACT LIABILITIES (continued)

Movements in contract liabilities

	2024 \$'000	2023 \$'000
Balance at 1 April	105	103
Decrease in contract liabilities as a result of utilisation of provision for volume sales rebates during the year	(84)	(100)
Increase in contract liabilities as a result of increase in expected volume sales rebates during the year	87	84
Increase in contract liabilities as a result of receiving sales deposits during the year	29	21
Decrease in contract liabilities as a result of utilising sales deposits during the year	–	(3)
Balance at 31 March	137	105

25 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 25(b))	Share premium \$'000 (Note 25(c))	Capital reserve \$'000 (Note 25(d))	Accumulated loss \$'000	Total equity \$'000
Balance at 1 April 2022	2,000	71,988	383	(49,871)	24,500
Change in equity for the year ended 31 March 2023:					
Loss for the year	–	–	–	(9,307)	(9,307)
Balance at 31 March 2023	2,000	71,988	383	(59,178)	15,193
	Share capital \$'000 (Note 25(b))	Share premium \$'000 (Note 25(c))	Capital reserve \$'000 (Note 25(d))	Accumulated loss \$'000	Total equity \$'000
Balance at 1 April 2023	2,000	71,988	383	(59,178)	15,193
Change in equity for the year ended 31 March 2024:					
Loss for the year	–	–	–	(14,994)	(14,994)
Balance at 31 March 2024	2,000	71,988	383	(74,172)	199

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

25 CAPITAL AND RESERVES (continued)

(b) Share capital

	Number of shares '000	\$'000
Authorised		
At 1 April 2022, 31 March 2023, 1 April 2023 and 31 March 2024	10,000,000	100,000
Ordinary shares, issued and fully paid		
At 1 April 2022, 31 March 2023, 1 April 2023 and 31 March 2024	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 3(l).

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(Expressed in Hong Kong dollars unless otherwise indicated)

25 CAPITAL AND RESERVES (continued)

(f) Distributable reserves

At 31 March 2024, in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, no reserve of the Company is available for distribution.

At 31 March 2023, 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 \$13,193,000.

26 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes lease liabilities disclosed in Note 23, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, accumulated losses and other reserves.

The management reviews the capital structure on a semi-annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. 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 2024 was 64% (31 March 2023: 32%). Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Categories of financial instruments

	2024 \$'000	2023 \$'000
Financial assets		
At fair value through profit or loss	–	5,699
At amortised cost	13,779	18,484
Financial liabilities		
At amortised cost	3,742	1,562

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.

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, 17% (2023: 14%) and 38% (2023: 42%) 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).

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

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

(a) Credit risk (continued)

Trade receivables and contract assets (continued)

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

	2024				
	Gross carrying amount \$'000	Provision on individual basis \$'000	ECL rates	ECLs \$'000	Loss allowance \$'000
Contract assets	163	–	–	–	–
Current (not past due)	2,020	(15)	0.4%	(9)	(24)
1–180 days past due	1,415	(6)	2.0%	(28)	(34)
181–365 days past due	254	(7)	13.4%	(33)	(40)
366–549 days past due	21	–	47.6%	(10)	(10)
Over 550 days past due	130	(97)	100.0%	(33)	(130)
	4,003	(125)		(113)	(238)
	2023				
	Gross carrying amount \$'000	Provision on individual basis \$'000	ECL rates	ECLs \$'000	Loss allowance \$'000
Contract assets	398	–	–	–	–
Current (not past due)	2,951	–	1.0%	(29)	(29)
1–180 days past due	1,964	–	2.7%	(54)	(54)
181–365 days past due	337	(2)	26.0%	(87)	(89)
366–549 days past due	135	–	53.3%	(72)	(72)
Over 550 days past due	140	(98)	100.0%	(42)	(140)
	5,925	(100)		(284)	(384)

Expected loss rates are based on actual loss experience over the past three 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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

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

(a) Credit risk (continued)

Trade receivables and contract assets (continued)

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 2022	492
Impairment losses during the year	312
Reversal of impairment losses during the year	(344)
Amounts written off during the year	(76)
Balance at 31 March 2023 and 1 April 2023	384
Impairment losses during the year	153
Reversal of impairment losses during the year	(284)
Amounts written off during the year	(15)
Balance at 31 March 2024	238

(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 2024 and 2023 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 2024 and 2023) and the earliest date the Group can be required to pay:

	At 31 March 2024			
	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	3,742	3,742	3,742	–
Lease liabilities	325	332	229	103
	4,067	4,074	3,971	103

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

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

(b) Liquidity risk (continued)

	At 31 March 2023			
	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	1,562	1,562	1,562	–
Lease liabilities	205	209	209	–
	1,767	1,771	1,771	–

(c) Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on its variable-rate bank balances (see note 21). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated. It is the Group's policy to keep its deposits at floating rate of interests so as to minimise the fair value interest rate risk. The management of the Group considered that the exposure to cash flow in interest rate risk in relation to bank balances is minimal and no sensitivity analysis is presented accordingly.

(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, MYR, PHP and IDR.

The Group currently does not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

The currency risk of PHP and IDR is considered to be insignificant during the relevant year.

As at 31 March 2024, if HKD had weakened/strengthened 5% against TWD and MYR with all other variables held constant, pre-tax loss for the year would have been HKD116,000 (2023: HKD192,000) and HKD32,000 (2023: HKD25,000) lower/higher respectively, arising mainly as a result of the foreign exchange gains/losses on translation of TWD and MYR denominated cash and cash equivalents of the subsidiaries of the Company.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

27 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.

As at 31 March 2024, the financial assets at fair value through profit or loss is \$nil. (2023: HK\$5,699,000).

	Fair value at 31 March 2023 \$'000	Fair value measurement at 31 March 2023 categorised into Level 1 \$'000
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Recurring fair value measurement

Assets

Investment in the wealth management product	5,699	5,699
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Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

27 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 2024 and 2023, 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.

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 2022	2,003
Fair value adjustment	(2,003)
At 31 March 2023 and 2024	–

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.

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

28 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 23)
At 1 April 2022	300
Changes from financing cash flows:	
Repayment of lease liabilities	(350)
Other changes:	
Increase in lease liabilities due to lease modifications	240
Interest expenses (Note 7(c))	16
Effect of foreign exchange rate changes	(1)
Total other changes	255
At 31 March 2023 and 1 April 2023	205
Changes from financing cash flows:	
Repayment of lease liabilities	(357)
Other changes:	
Increase in lease liabilities due to new leases entered during the year	465
Interest expenses (Note 7(c))	14
Effect of foreign exchange rate changes	(2)
Total other changes	477
At 31 March 2024	325

Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

29 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 2024 and 2023, 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 are disclosed in Note 9.

(b) Transactions with other related parties

The Group entered into the following material related party transactions:

	2024 \$'000	2023 \$'000
Staff remuneration to Ms. Ng Ka Po	176	1,110

30 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

(Expressed in Hong Kong dollars)

	Note	2024 \$'000	2023 \$'000
Non-current assets			
Interests in subsidiaries	17	56	2,736
Current assets			
Other receivables		–	100
Financial assets at fair value through profit or loss		–	5,699
Cash and cash equivalents		143	6,660
		143	12,459
Current liabilities			
Other payables		–	2
		–	2
Net current assets		199	12,457
NET ASSETS		199	15,193
CAPITAL AND RESERVES			
Share capital	25(b)	2,000	2,000
Reserves		(1,801)	13,193
TOTAL EQUITY		199	15,193



Notes to the Financial Statements

(Expressed in Hong Kong dollars unless otherwise indicated)

31 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.

32 EVENTS AFTER THE REPORTING DATE

On 9 April 2024, the Company entered into 6 subscription agreements with 6 subscribers, pursuant to which the subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 39,999,996 subscription shares in aggregate at the subscription price of HK\$0.1265 per subscription share. All the conditions as set out in the subscription agreements have been fulfilled and completion of the subscription took place on 30 April 2024.

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				
	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000	2021 HK\$'000	2020 HK\$'000
RESULTS					
Revenue	11,767	15,105	18,320	23,408	24,907
Loss before taxation	(13,206)	(15,997)	(13,069)	(9,417)	(5,414)
Income tax (expense)/credit	(3)	(352)	(59)	(118)	73
Loss for the year attributable to owners of the Company	(13,209)	(16,349)	(13,128)	(9,535)	(5,341)
ASSETS AND LIABILITIES					
Non-current assets	421	436	3,575	4,733	8,847
Current assets	14,836	25,484	39,188	51,510	57,474
Non-current liabilities	(102)	–	(94)	–	(94)
Current liabilities	(9,679)	(8,226)	(9,168)	(9,400)	(9,744)
Net assets	5,476	17,694	33,501	46,843	56,483
Equity attributable to owners of the Company:					
Share capital	2,000	2,000	2,000	2,000	2,000
Reserves	3,476	15,694	31,501	44,843	54,483
Total equity	5,476	17,694	33,501	46,843	56,483