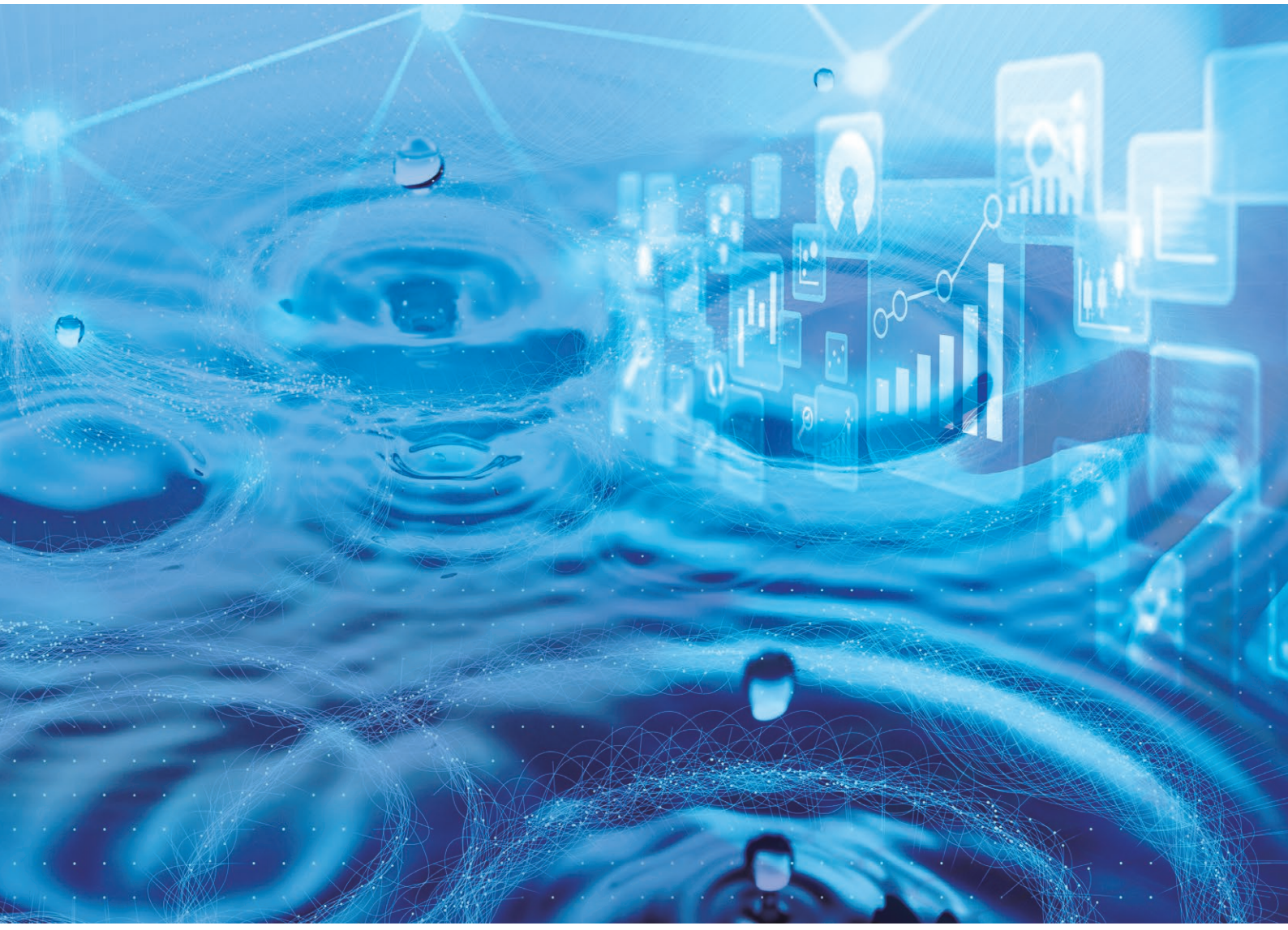
Hua Xia Water Group Limited

華夏水務集團有限公司

(formerly known as 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

2025-2026

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.

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This report, for which the directors (the "**Directors**") of Hua Xia Water 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

Mr. Yam Yuet Hang (任悦恒) *(Chairman)*
(appointed on 20 July 2026)
Ms. Cai Ying (蔡穎) *(Chief executive director)*
Mr. Lee Wing Leung Garlos
(Mr. Garlos Lee) (李永亮)
Ms. Li Qian Wen (李倩雯)
(appointed on 27 August 2026)
Mr. Wong Tsz Tuk Alexis (黃子鐸)
(appointed on 22 June 2026)
Mr. Zhang Yu (章榆) (appointed on 30 January 2026
and resigned on 27 August 2026)
Mr. Xie Cheng (謝成) (appointed on 22 October 2025
and resigned on 20 July 2026)
Mr. Fu Tao (伏淘) (appointed on 21 July 2025 and
resigned on 22 June 2026)
Ms. Cheung Lee (Ms. Jenny Cheung) (張莉)
(resigned on 30 January 2026)
Ms. Choi Sin Yi (蔡倩宜) (resigned on 31 October 2025)
Mr. Leung Wai Lun (梁偉倫) (resigned on 31 July 2025)

Independent Non-Executive Directors

Mr. Kwan Chi Hong (關志康)
Mr. Yiu Chun Wing (姚俊榮)
(appointed on 19 December 2025)
Ms. Wang Ting (王婷) (appointed on 12 August 2026)
Ms. Meng Mei (孟美) (appointed on 21 August 2025
and resigned on 31 July 2026)
Mr. Ho Ho Tung Armen (何浩東)
(resigned on 29 June 2026)
Mr. Fenn David (范德偉)
(resigned on 19 December 2025)

BOARD COMMITTEES

Audit Committee

Mr. Yiu Chun Wing (姚俊榮) *(Chairman)*
(appointed on 19 December 2025)
Mr. Kwan Chi Hong (關志康)
Ms. Wang Ting (王婷) (appointed on 12 August 2026)
Ms. Meng Mei (孟美) (appointed on 21 August 2025
and resigned on 31 July 2026)
Mr. Ho Ho Tung Armen (何浩東)
(resigned on 29 June 2026)
Mr. Fenn David (范德偉)
(resigned on 19 December 2025)

Remuneration Committee

Ms. Wang Ting (王婷) *(Chairman)*
(appointed on 12 August 2026)
Mr. Yiu Chun Wing (姚俊榮)
(appointed on 19 December 2025)
Ms. Li Qian Wen (李倩雯)
(appointed on 27 August 2026)
Mr. Zhang Yu (章榆) (appointed on 29 June 2026
and resigned on 27 August 2026)
Ms. Meng Mei (孟美) (appointed on 21 August 2025
and resigned on 31 July 2026)
Mr. Lee Wing Leung Garlos (李永亮)
(resigned on 29 June 2026)
Mr. Ho Ho Tung Armen (何浩東)
(resigned on 29 June 2026)
Mr. Fenn David (范德偉)
(resigned on 19 December 2025)

Nomination Committee

Mr. Kwan Chi Hong (關志康) *(Chairman)*
Mr. Yam Yuet Hang (任悦恒)
(appointed on 20 July 2026)
Mr. Yiu Chun Wing (姚俊榮)
(appointed on 19 December 2025)
Ms. Wang Ting (王婷) (appointed on 12 August 2026)
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Ms. Cheung Lee (Ms. Jenny Cheung) (張莉)
(resigned on 30 January 2026)
Mr. Fenn David (范德偉)
(resigned on 19 December 2025)

COMPLIANCE OFFICER

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

JOINT COMPANY SECRETARIES/COMPANY SECRETARY

Mr. Chan Chiu Hung Alex (陳釗洪)
Ms. Kung Wai Yin (龔慧賢), CPA
(resigned on 31 October 2025)

Corporate Information

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

Mr. Chan Chiu Hung Alex (陳釗洪)
(appointed on 31 October 2025)
Mr. Lee Wing Leung Garlos
(Mr. Garlos Lee) (李永亮)
Ms. Cheung Lee (Ms. Jenny Cheung) (張莉)
(resigned on 31 October 2025)

AUDITOR

Infinity CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

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

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

COMPANY'S WEBSITE

http://www.hwaxiawater.com

STOCK CODE

8401



Financial Highlights

For the fifteen months ended 30 June 2026 (the "**Relevant Period**"):

— The Group's revenue was approximately HK$65,569,000 for the Relevant Period, in comparing with approximately HK$13,157,000 for the year ended 31 March 2025 (the "**Previous Year**").

— The Group's gross profit was approximately HK$10,636,000 for the Relevant Period, in comparing with approximately HK$7,818,000 for the Previous Year.

— The Group's loss for the Relevant Period was approximately HK$18,791,000 compared to the loss of approximately HK$4,891,000 for the Previous Year.

— The board of directors of the Company does not recommend the payment of any dividend for the Relevant Period.

Chairman's Statement

To our shareholders,

OVERVIEW

On behalf of the board (the "**Board**") of directors (the "**Directors**") of Hua Xia Water Group Limited (the "**Company**"), together with its subsidiaries (collectively known as the "**Group**"), I hereby present to the shareholders of the Company (the "**Shareholders**") the audited consolidated results of the Group for the fifteen months ended 30 June 2026 (the "**Relevant Period**") together with the comparative figures for the year ended 31 March 2025 as set out for their consideration.

In the Relevant Period, the Group has experienced growth in revenue, however, the multi-media industry in the Greater China region is facing escalated enforcement. From an industry development perspective, when the economic costs of compliance risks become correlated with project investment scale, compliance management may evolve beyond a mere cost centre to become an integral part of the business model. Group may need to deeply consider how, amid increasingly stringent market access standards, building compliance capabilities can translate into a core competitive advantage in long-term competition and influence their standing during industry consolidation. Hence, the composition of the existing Board is to equip the management towards this edge.

Looking forward, the Group will continue to reasonably streamline our operations, and will reassess the exposure of Group's operation, liquidity risk and its financial position especially under the uncertain global economic environment from the expectation of the increase in interest rate.

APPRECIATION

On behalf of the Board, I would like to express my sincerest gratitude to our valued customers, business partners, and Shareholders for their persistent support, also expressing my appreciation to the management team and employees for their valuable contribution to the development of the Group.

Yam Yuet Hang
Chairman

Hong Kong, 30 September 2026

BUSINESS REVIEW

The Group principally engages in the provision of online advertising services, which consist of social viral service, engager service, mass blogging service and other related business. Its business primarily operates in the Asia-Pacific region including Hong Kong, Taiwan, the People's Republic of China (the "**PRC**"), Malaysia and the Philippines. The Group's services are primarily delivered via its self-developed platforms, which allow clients to match their advertising campaigns or content with the Group's relevant members based on their demographic details and behaviors, such as consumption patterns of certain products and services and brand preferences and provide one-stop advertising solutions to clients. During the Relevant Period, in addition to retaining strong relationships with existing clients and business partners, the Group has expanded its business footprint and successfully entered into long-term agreements with clients in across a mix of industries and regions and expanded the service scopes of their one-stop integrated advertisement solution to respond to the rapidly evolving industry demands.

On 19 December 2025, the Group had entered into a media services agreement (the "**Media Services Agreement**") with a high-tech enterprise established in Shenzhen, which focused on omni-channel new media operations and enterprise digital transformation services (the "**Business Partner**"). Pursuant to the Media Services Agreement, the Business Partner agreed to grant to the Group an exclusive right to host and display media content provided by the Group continuously (the "**Media Content**") on the smart display screens attached to IoT devices, including water dispensers, in the agreed region during the term of the Media Services Agreement for a fixed sum.

The Group considers that the Media Services Agreement represents a significant progression and continuation of the Group's strategic efforts to strengthen its position in China's evolving media and advertising sector. By securing exclusive rights to display dynamic Media Content on the Business Partner's established network of displays in community and urban areas, the Group can fully leverage on the Business Partner's expertise in omni-channel new media operations, KOL/KOC capabilities and digital platforms to broaden advertising reach both in the PRC and potentially overseas. This enables the independent operation and management of dedicated advertising inventory, facilitating innovative formats such as interactive content, data-driven targeting and refined consumer behaviour insights to enhance brand visibility, encourage meaningful interactions and support integrated online-offline campaigns.

As at 30 June 2026, the Media Content had been displayed on 100 smart display screens in the PRC.

On 5 May 2026, the name of the Company has been changed from "Stream Ideas Group Limited" to "Hua Xia Water Group Limited", and the dual foreign name in Chinese of the Company has been changed from "源想集團有限公司" to "華夏水務集團有限公司".

The change of company name was approved by the shareholders at the special general meeting (SGM) and has been registered by the Registrar of Companies in the Cayman Islands. The strategic changes to strengthen the corporate image and identity which will benefit the Group's growth strategies and better reflect the Group's business development and direction.

By geographical market

During the Relevant Period, approximately 75.1% of the Group's revenue (Previous Year: approximately 6.1%) was generated from clients from the Asia-Pacific region except Hong Kong and Taiwan, while approximately 19.2% (2025: approximately 67.9%) was generated from clients in Hong Kong. Taiwan contributed approximately 5.7% (2025: approximately 26.0%) of the revenue to the Group.

Asia-Pacific region except Hong Kong and Taiwan

Asia-Pacific region, excluding Hong Kong and Taiwan, mainly comprised of the PRC and South-east Asia countries. During the Relevant Period, revenue from Asia-Pacific region increased to approximately HK$49,259,000 from approximately HK$804,000 in the Previous Year, representing an increase of approximately 60.3 times. This performance was mainly attributable to the Group having pursued geographical expansion as part of its ongoing development direction to explore business opportunities and enhance market reach, following the completion of the rights issue of the Company during the Relevant Period. The Group has allocated resources to support geographical expansion in the PRC and South-east Asia countries, establishment of a regional sales team in Singapore and strengthened the Group's senior management team with personnel possessing in-depth PRC background networking and industry knowledge. In addition, the Group had targeted marketing initiatives to reach new business clients and offer them discount and incentive, recruiting influencers with accounts on key social media platform's (e.g. Xiaohongshu and Douyin/TikTok), and developing tailored digital advertising campaigns to leverage these social media platforms unique features and user demographics. As a result, the Group had entered into long-term master agreements with new clients in the PRC and South-east Asian countries which are expected to contribute stable revenue to the Group's online advertising business.

Following a comprehensive review of the performance in each South-east Asian countries the Group operates, the Group made a strategic decision to close down its operations in the Philippines and refocused its resources on the remaining growth markets in the region.

Hong Kong

During the Relevant Period, revenue from Hong Kong increased to approximately HK$12,552,000 from approximately HK$8,937,000 in the Previous Year, representing an increase of approximately 40.4%. This performance underscores the Group's continued successful execution of the strategies outlined in the last financial year. Despite ongoing shifts in consumption patterns among Hong Kong residents and visitors, as well as intensified competition from other online advertising service providers, the Group has remained agile and resilient. We further expanded our service mix to cater to clients' evolving needs, including the scaling of targeted promotions, trial incentives, and the extension of our offerings across emerging platforms. In addition, the Group has tried to provide website and mobile application production services to better support clients' digital transformation needs, further enhancing our value proposition and client engagement and enabling us to capture new business opportunities.

Taiwan

During the Relevant Period, the operating environment in Taiwan continued to be challenging, mainly attributable to the changing behavior of internet users and increasing competition from other online advertising service providers. The Group has responded to these changes by shifting its focus to different service types. One of the Group's major clients diverted its attention and resources to managing a public relations crisis and this led to a significant drop in their social media advertising budget in the first six months of the Relevant Period. Nevertheless, revenue from Taiwan increased from HK$3,416,000 in the Previous Year to approximately HK$3,758,000 for the Relevant Period.

PROSPECTS

Looking ahead, based on the rights to use water vending machines granted by 深圳大白時代科技有限公司, we have expanded its footprint in the PRC multi-media advertisement market. The Interactive multi-media display market is poised for significant growth, driven by advancements in technology and increasing demand for engaging user experiences. As businesses and educational institutions seek innovative ways to enhance communication and collaboration, the integration of interactive displays in various settings is on the rise. Market conditions currently favor interactive solutions that offer touch capabilities, high-resolution visuals, and seamless connectivity. However, challenges such as high initial investment costs and the need for continual software updates could hinder broader adoption. Opportunities lie in the burgeoning sectors of virtual and augmented reality, which can further enrich interactive experiences. Additionally, the growing emphasis on remote learning and hybrid work models presents fertile ground for interactive multi-media displays, as they facilitate better interaction and engagement among users. Overall, the market holds promising prospects, contingent on overcoming existing barriers and leveraging emerging technologies to meet evolving consumer expectations.

Future Outlook of Interactive Multi-Media Display Market

The Interactive multi-media display market is projected to experience significant growth, driven by advancements in display technology and the increasing demand for engaging consumer experiences across various sectors, including retail, education, and entertainment. Emerging trends include the integration of augmented reality (AR) and virtual reality (VR) into display solutions, enhancing interactivity and user engagement. Additionally, the rise of touch-enabled and voice-activated interfaces is transforming how users interact with digital content. As businesses seek to create immersive environments, the market is poised for innovation, with investments in smarter, more versatile display technologies.

Furthermore, Generative AI (GenAI) is fundamentally changing production, lowering costs by 30%–90% in core stages. By early 2026, regulators, including the National Radio and Television Administration, have begun regulating the micro-drama industry, promoting a "micro-drama plus" initiative to improve quality and ensure a healthy market. The Group is actively contemplating and blending the AI-related technical know-how into the multi-media display advertisement business enhance the creativity of the content of the advertisement and reduce production cost.

The management of the Company remains committed to rigorously evaluating the regional operations and financial benchmarks, taking decisive action to adjust the Group's business structure as required to drive sustainable profit growth and maximize value to the Shareholder. These strategic realignments will be executed alongside disciplined cost-management initiatives designed to optimize our overall cost structure and enhance long-term profitability. In addition, the management will continue to identify potential cooperation and acquisition opportunities to provide stable income growth and positive returns to the shareholders of the Company.

DIVIDEND

The Board does not recommend the payment of a final dividend for the Relevant Period (Previous Year: Nil).

FINANCIAL REVIEW

Revenue

The Group's revenue increased from approximately HK$13,157,000 for the Previous Year to approximately HK$65,569,000 for the Relevant Period, representing an increase of approximately 4.0 times, primarily attributable to the expansion to the Group's business scale resulting from the successful geographical expansion strategies by the Group in the PRC and South-east Asian countries.

Cost of Services

The Group's cost of services primarily consists of traffic acquisition costs, design and production costs for the media content. The cost of services increased from approximately HK$5,339,000 for the Previous Year to approximately HK$54,933,000 for the Relevant Period. The increase in costs of services was in line with the increase in revenue.

Gross Profit and Gross Profit margin

Gross profit of the Group increased from approximately HK$7,818,000 for the Previous Year to approximately HK$10,636,000 for the Relevant Period. Gross profit margin dropped from approximately 59.4% in the Previous Period to approximately 16.2% in the Relevant Period due to the adoption of penetration pricing strategy for new customers in new market and offering discounts to new customer to build brand awareness in the new markets.

Other Income and Gains

Other income of the Group mainly comprised bank interest income and other minor income including handling fee from customers.

Selling and Distribution Costs

Selling and distribution costs of the Group increased by approximately 74.6% from approximately HK$4,138,000 for the Previous Year to approximately HK$7,227,000 for the Relevant Period. Selling and distribution costs primarily consist of advertising and promotion expenses, commissions paid and staff costs including salaries, benefit and bonuses to our sales and marketing team. The increase was primarily attributable to attractive incentive offered to the agencies and customers.

Administrative and Other Operating Expenses

Administrative and other operating expenses of the Group increased by approximately 1.1 times from approximately HK$8,526,000 for the Previous Year to approximately HK$18,444,000 for the Relevant Period. Administrative and other operating expenses mainly consist of director remuneration, staff costs, legal and professional fees, depreciation of right-of-use assets related to leased properties, depreciation expenses related to the property, plant and equipment and intangible assets, short-terms rent and related expenses and other office expenses. The increase was mainly attributable to one-off professional and related expenses incurred in connection with the Rights Issue exercise during the Relevant Period.

Loss for the Relevant Period

The Group's net loss was approximately HK$18,791,000 for the Relevant Period as compared to approximately HK$4,891,000 for the Previous Year.

Use of proceeds from Rights Issue

On 15 May 2025, the Company raised gross proceeds of approximately HK$37.2 million by way of issue of 437,675,510 rights shares, at the subscription price of HK$0.085 per rights share on the basis of two (2) rights shares for every one (1) share of the Company held by the qualifying shareholders on the record date ("**Rights Issue**"). Upon completion of the Rights Issue, the net proceeds (after deducting all relevant expenses) from the Rights Issue were approximately HK$35.0 million. The Company intends to apply the net proceeds from the Rights Issue as to (i) approximately HK$23.2 million for the expansion and development in the business of online advertising services and promotion of the online platform of the Group; and (ii) approximately HK$11.8 million for the general working capital of the Group, as disclosed in the prospectus of the Company dated 28 March 2025.

The following table sets forth the information in relation to the use of the Net Proceeds raised from the Rights Issue as at 30 June 2026:

	Intended use of net proceeds from the Rights Issue as disclosed in the prospectus of the Rights Issue HK$ million	**Net proceeds from the Rights Issue utilised during the Relevant Period** HK$ million	**Unutilised net proceeds from the Rights Issue as at 30 June 2026** HK$ million	**Expected timeline for utilising the remaining net proceeds from the Rights Issue**
Geographical expansion in the PRC and South-east Asia	16.8	15.5	1.3	On or before 31 December 2026
Strengthen the existing network, enhancing infrastructure and technology capabilities	6.4	6.0	0.4	On or before 31 December 2026
General working capital	11.8	11.8	–	Used as intended
Total	35.0	33.3	1.7	

Liquidity and Financial Resources

As at 30 June 2026, the Group had total assets of approximately HK$41,669,000 (31 March 2025: HK$14,300,000), which were financed by total liabilities and totals' equity (comprising share capital and reserves) of approximately HK$20,319,000 (31 March 2025: HK$8,854,000) and approximately HK$21,350,000 (31 March 2025: HK$5,446,000) respectively. The current ratio, being the ratio of current assets to current liabilities, as at 30 June 2026 was approximately 2.0 times (31 March 2025: 1.6 times).

Capital Expenditure

Total capital expenditure for the Relevant Period was approximately HK$9,455,000 (31 March 2025: HK$241,000), which was mainly used in the purchase of property, plant and equipment and intangible assets.

Pledge of Group's Assets

As at 30 June 2026, the Group had not pledged any of its assets.

Gearing Ratio

The gearing ratio, being the ratio of bank and other borrowings to total equity, of the Group as at 30 June 2026 was nil (31 March 2025: nil) due to the absence of bank and other borrowings for the Relevant Period.

Foreign Exchange Exposure

The functional currency and reporting currency for the Company and its subsidiaries are Hong Kong dollar, except that the functional currencies of certain principal subsidiaries are Renminbi, New Taiwan dollar and Malaysian Ringgit. During the Relevant Period, the Group was not exposed to any significant currency risk. The management will monitor its foreign exchange exposure from time to time and will consider implementing hedging measures if and when necessary.

Capital Structure

The capital structure of the Company comprises of issued share capital and reserves. As at 30 June 2026, the issued share capital of the Company was approximately HK$6,777,000 and the number of issued ordinary shares was 677,675,506 of HK$0.01 each.

On 15 May 2025, a total of 437,675,510 new shares of the Company at nominal value of HK$0.01 each were issued by way of rights issue on the basis of two rights shares for every one share held by the qualifying shareholders on the record date at the subscription price of HK$0.085 per share. Upon the completion of the rights issue, the total number of issued shares of the Company increased from 239,999,996 shares of HK$0.01 each to 677,675,506 shares of HK$0.01 each.

Segmental Information

Segmental information of the Group is disclosed in note 6(b) of the audited consolidated financial statements.

Material Acquisitions and Disposals of Subsidiaries

Save as disclosed herein, the Group did not have any material acquisition and disposal of subsidiaries during the Relevant Period.

Employees and Emolument Policy

As at 30 June 2026, the Group employed a total of 29 employees (31 March 2025: 23 employees). The staff costs of our Group (including directors' remuneration, employees' salaries, wages, other benefits and contribution to defined contribution retirement plan) for the Relevant Period were approximately HK$11,466,000 (Previous Period: approximately HK$8,786,000).

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

Significant Investments Held

As at 30 June 2026, the Group had the following significant investment held which was classified as financial assets at fair value through profit or loss:

Name of investments	Percentage of shareholding held by the Group as at 30 June 2026	Investment costs HK$'000	Fair value as at 30 June 2026 HK$'000	Fair value gain for the twelve months ended 30 June 2026 HK$'000	Size as compared to the Group's total assets as at 30 June 2026 %
Unlisted shares					
— Asia Interactive Content Holdings Limited ("**Asia Interactive**") *(Note)*	1.6026	5,000	–	–	–

Note:

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.

Saved as disclosed herein, the Group did not hold other significant investments during the Relevant Period.

Future Plan for Material Investments and Capital and Capital Assets

There were no significant investments held as at 30 June 2026 nor were there any plans for material investments in capital assets as at the date of this report.

Change of financial year end date

On 19 December 2025, the Board resolved to change the financial year end date of the Company from 31 March to 30 June to enable the Group to avoid competition for resources with other listed companies with regard to results announcement and report-related external services during the market peak season and the first half of the calendar year includes the Chinese New Year holiday period and therefore the third quarter will be a better period for the Group to accommodate the audit field work.

EVENT AFTER THE REPORTING DATE

Placing of New Shares

Subsequent to 30 June 2026, on 15 July 2026, the Company entered into a placing agreement (the "**Placing Agreement**") with Grand China Securities Limited (the "**Placing Agent**"), pursuant to which the Company conditionally agreed to place, through the Placing Agent on a best effort basis, up to 135,535,101 placing shares of the Company of nominal value of HK$0.01 each (the "**Placing Share(s)**") at the price (the "**Placing Price**") of HK$0.026 per Placing Share to independent placee(s) (the "**Placing**"). The Placing Price represented a discount of approximately 18.75% to the closing price of HK$0.032 per Share as quoted on the Stock Exchange on 15 July 2026, being the date of the Placing Agreement and (ii) a discount of approximately 18,239% to the average closing price of approximately HK$0.0318 per Share as quoted on the Stock Exchange for the last five trading days of the Shares immediately prior to 15 July 2026. The Board considered that the Placing would strengthen the financial position of the Company and to widen the shareholder base of the Company, which may in turn enhance the liquidity of the Shares, and is in the interests of the Company and the Shareholders as a whole.

The completion of the Placing took place on 30 July 2026 and an aggregate of 135,535,101 Placing Shares were issued and allotted by the Company to an not less than six Placees at the Placing Price of HK$0.026 per Placing Share, representing approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately upon completion of the Placing. The gross proceeds from the Placing amount to approximately HK$3.52 million and the net proceeds from the Placing, after deducting the placing commission and other related expenses incurred in connection with the Placing, amounted to approximately HK$3.50 million, representing a net price of approximately HK$0.0258 per Placing Share, which were intended to be used as the Group's general working capital, in particular towards, among others, the settlement of staff costs and other employee related expenses of the Group; the settlement of marketing and promotional expenses incurred in connection with the expansion of the Group's online advertising and interactive multi-media display advertising businesses in the PRC and other markets; the settlement of costs relating to the production and procurement of media content for the Group's interactive multi-media display advertising business; the settlement of general administrative and operating expenses of the Group, including rental, utilities and professional fees; and the general working capital of the Group to support its daily business operations.

The following table sets forth the information in relation to the use of the Net Proceeds raised from the Placing as at annual report date:

	Intended use of net proceeds from the Placing as disclosed in announcement of the Placing HK$ million	**Net proceeds from the Placing utilised up to the announcement date** HK$ million	**Unutilised net proceeds from the Placing as at announcement date** HK$ million	**Expected timeline for utilising the remaining net proceeds from the announcement date**
General working capital	3.5	2.3	1.2	On or before 31 December 2026

Details of the Placing was previously disclosed in the announcements of the Company dated 15 July 2026 and 30 July 2026.

Changes of the composition of the Board

On 20 July 2026, Mr. Xie Cheng has resigned as an executive Director, the chairman of the Board (the "**Chairman**") and ceased to be a member of the nomination committee of the Board (the "**Nomination Committee**") due to his intention to focus on his other business pursuits and commitments and Mr. Yam Yuet Hang was appointed as an executive Director, the Chairman and a member of the Nomination Committee. Details of the changes are set out in the announcement of the Company dated 20 July 2026.

On 31 July 2026, Ms. Meng Mei has resigned as an independent non-executive Director, a member of the audit committee of the Company (the "**Audit Committee**"), a member of the Nomination Committee and chairman of the remuneration committee of the Company (the "**Remuneration Committee**") to pursue her other personal and business commitments and Mr. Yiu Chun Wing, an independent non-executive Director, has been appointed as the chairman of the Remuneration Committee. Details of the changes are set out in the announcement of the Company dated 31 July 2026.

On 12 August 2026, Ms. Wang Ting has been appointed as an independent non-executive Director, a members of Audit Committee and the Nomination Committee and the chairman of the Remuneration Committee and Mr. Yiu Chun Wing ceased to be the chairman of the Remuneration Committee and remains as a member of the Remuneration Committee. Details of the changes are set out in the announcement of the Company dated 12 August 2026.

On 27 August 2026, Mr. Zhang Yu has resigned as an executive Director and a member of the Remuneration Committee due to his other business commitments and Ms. Li Qianwen has been appointed as an executive Director and member of the Remuneration Committee. Details of the changes are set out in the announcement of the Company dated 27 August 2026.

Continuing Connected Transactions in Relation to the Product Supply Framework Agreement

On 11 September 2026, Guangxi Meianxin Supply Chain Management Company Limited* (廣西美安欣供應鏈管理有限公司) ("**Guangxi Meianxin**"), a non-wholly owned subsidiary of the Company, entered into the Product Supply Framework Agreement (the "**Product Supply Framework Agreement**") with Beihai Black Pearl Marine Biotechnology Company Limited* (北海黑珍珠海洋生物科技有限公司) ("**Beihai Black Pearl**"), a connected person of the Company at the subsidiary level by reason of its holding of 49% of the equity interest in Guangxi Meianxin, in relation to the purchase by the Group of skincare and beauty products (the "**Transactions**") from Beihai Black Pearl for a term commencing retrospectively on 28 November 2025 and ending on 27 November 2026 (the "**Historical Transactions**"). The Transactions are subject to a proposed annual cap of RMB10,000,000 for the entire term from 28 November 2025 to 27 November 2026, including the portion attributable to the Historical Transactions.

As the applicable percentage ratios (calculated by reference to the Proposed Annual Cap) in respect of the Transactions are more than 5%, the Transactions are subject to the reporting, announcement, annual review, circular, independent financial advice and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Details of the continuing connected transactions in relation to the product supply framework agreement are set out in the announcement of the Company dated 11 September 2026.

Save as disclosed in this report, there were no significant events subsequent to the Relevant Period and up to the date of this report which would materially affect the Group's operating and financial performance.

MAJOR RISKS AND UNCERTAINTIES

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

Major Risks Identified	Key Mitigations
Unfavourable fluctuation of foreign currencies resulting in realised/unrealised exchange losses	• Convert extra cash in foreign currencies (e.g. Malaysian Ringgit, New Taiwan dollar etc.) into Hong Kong Dollar ("**HKD**") • Monitor the currency movements and market performance on a daily and monthly basis • Maintain regular communications with the Head of Finance for up-to-date best measure to handle currency fluctuation and to identify the best timing to convert cash in foreign currencies to HKD • Explore options for conducting transactions in United States Dollar ("**USD**")
Market trend shift resulting in increased competition from micro-influencer	• Engage micro-influencers to develop business opportunities in all regions • Revamp existing package to attract interests from advertising agencies

Major Risks Identified	Key Mitigations
Loss of customers or members due to changes in social media preference	• 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
Rapid technological advancement makes current marketing campaigns obsolete	• Adopt agile marketing strategies and frameworks for campaign development, such as iterative planning and frequent testing to enable rapid responses to technology shifts derived from AI-driven platforms and new customer channels • Keep monitoring the market and technology changes, and perform regular review on marketing campaigns
Disruptions to operation due to difficulties in retaining employees	• Bi-annual appraisal and salary review of employees • Maintain good relationship with employees • Open communication and promote transparency between management and employees • Arrange teambuilding activities to maintain morale and loyalty • Promote a better working environment
Adverse changes in environmental, social and governance risks (including climate change risks) and regulatory changes	• Establish business contingency plans for operations of all regions • Continuously monitor profit or loss forecasts, identify cost reduction opportunities and formulate cost control measures
Losses on selling the online advertising solutions	• Conduct a competitive pricing analysis to ensure price aligns with perceived value and market norms • Regularly review previous sales history to refine the offerings
Non-compliance with the laws and regulations on data privacy, ad policy and intellectual property infringement	• Stay updated with regulatory changes for data privacy and intellectual property laws, and regularly review and update policies on a quarterly or bi-annually basis to ensure alignment with changing regulations

For other risks and uncertainties facing the Group, please refer to the section headed "Risk Factors" in the prospectus of the Company dated 16 March 2018.

An analysis of the Group's financial risk management (including credit risk and liquidity risk) objectives and policies is set out in note 27 to the consolidated financial statements.

Biographical Information of Directors and Senior Management

EXECUTIVE DIRECTORS

Mr. Yam Yuet Hang (任悦恒) aged 38, joined our Group as senior finance manager of a subsidiary of the Company in October 2025 and was appointed as Executive Director and the chairman of the Board on 20 July 2026. Mr. Yam has over 10 years of accounting, audit and finance experience.

Prior to joining our Group, Mr. Yam worked as an auditor junior in Akin CPA Limited for the period from May 2012 to May 2013; a global trust accounting in HSBC Trustee (Hong Kong) Limited for the period from August 2013 to July 2014; a senior financial analysis officer in Corporate Credit Information of Corporate Credit Management Center of Bank of China (Hong Kong) Limited for the period from August 2014 to August 2015; a contract teacher in Bethel High School for the period from September 2015 to August 2017; a financial manager in VMI Securities Limited for the period from August 2017 to December 2020; a senior vice-president in Venture Markit (Hong Kong) Limited for the period from January 2021 to October 2023 and a senior finance manager in Crosstec Business Management Limited for the period from November 2023 to November 2024. He is currently the managing director of Huiyou Business Services Limited since October 2021.

Mr. Yam obtained his master degree of science in data science and business statistic from The Chinese University of Hong Kong in November 2017 and bachelor degree of commerce in accounting from Macquarie University in April 2012. He has been Certified Practising Accountant (CPA Australia) since August 2015.

Mr. Yam is currently an independent non-executive Director of Futian Holdings Limited (stock code: 8196), a company listed on the GEM of the Stock Exchange since March 2025 and an independent director of The GrowHub Limited (stock code: TGHK), a company listed on the NASDAQ Stock Market LLC., since December 2025. He was the independent non-executive director of Litian Pictures Holdings Limited (stock code: 9958) from November 2024 to January 2026 and Fullwealth International Group Holdings Limited (a company delisted from the Stock Exchange in October 2025, stock code before the delisting: 1034) from January 2024 to March 2025. Each of the aforesaid two companies is/was listed on the main board of the Stock Exchange.

Ms. Cai Ying (蔡穎), aged 46, was appointed as executive Director on 8 January 2025 and the chief executive officer of the Company on 30 January 2026. Ms. Cai has over 20 years of experience in financial management.

Ms. Cai was an independent non-executive director of Jiading International Group Holdings Limited (formerly known as Farnova Group Holdings Limited, stock code: 8153), a company listed on the GEM of the Stock Exchange, since September 2022 and redesignated as an executive director from February 2023 to July 2023. Since April 2020, she is a supervisor of 智合新天(北京)傳媒廣告股份有限公司 (New Sky Union (Beijing) Media and Advertising Company Limited*), the shares of which was formerly listed on the National Equities Exchange and Quotations of China.

* *For identification purpose only*

Biographical Information of Directors and Senior Management

Mr. Lee Wing Leung Garlos (Garlos Lee, 李永亮), aged 42, 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.

As at the date of this annual report, Mr. Garlos Lee beneficially owns 33.33% of the issued share capital of JAG United Company Limited, whilst JAG United holds 50,826,000 shares of the Company, representing approximately 6.25% 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 Company Limited.

Ms. Li Qianwen (李倩雯), aged 35, was appointed as our executive Director on 27 August 2026. Ms. Li received and completed education in Engineering Management from the Beijing Jiaotong University.

Prior to joining our Group, Ms Li has over 10 years' experience in corporate finance on serving different financial institutions. Her early career involved developing and sales of specialized fund products, online fund platform and wealth management in the PRC. Afterwards, Ms. Li worked in a family office and took a senior position which widened her exposure on different aspects on wealth management. From July 2020 to April 2022, Ms. Li joined a PRC company listing on US stock market as chief financial officer and was involved in 3 rounds of pre-IPO fund raising activities, which raised approximately RMB350 million in aggregate. From May 2022 to August 2025, Ms. Li joined a consultancy company on assisting PRC company applying for listing on Hong Kong and US stock markets. From September 2025 onwards, Ms. Li also owns a trading business company in international trade.

As at the date of this report, Ms. Li holds 5,022,000 shares of the Company, representing approximately 0.6176% of the total issued share capital of the Company.

Mr. Wong Tsz Tuk Alexis (黃子鋕), aged 60, was appointed as our executive director on 22 June 2026. Mr. Wong has over 30 years of experience in corporate management, investment banking and corporate finance and consultancy.

Prior to joining our Group, Mr. Wong has worked at the consultancy division in reputable international accounting firms from 1988 to 1995. From 1995 to 2005, Mr. Wong took up senior positions in internal audit division of various reputable and sizeable financial institutions while his last position in this period was Head of Internal Audit Department, North and East Asia BNP Paribas, Hong Kong Branch. Mr. Wong served as the managing director and head of group internal audit division of Bank of China International Holdings Limited from September 2005 to August 2012. Mr. Wong was the chief operating officer in China Merchants Securities (Hong Kong) Limited from August 2012 to January 2016. Mr. Wong is currently the chief consultant of Star Canvas Limited. In China, Mr. Wong has been appointed as vice supervisor of Beijing Cultural Heritage Foundation since January 2026.

Mr. Wong obtained his bachelor's degree in Computer Science from The Imperial College of Science, Technology and Medicine, in 1988. Mr. Wong is a fellow member of the Institute of Chartered Accountants in England and Wales and is an associate member of Certified Information Systems Auditor and the Information Systems Audit and Control Association.

Biographical Information of Directors and Senior Management

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwan Chi Hong (關志康), aged 54, 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. Yiu Chun Wing (姚俊榮), aged 44, has was appointed as our independent non-executive Director on 19 December 2025. Mr. Yiu had 21 years of experience in the areas of audit, financial management and reporting and corporate governance and years of audit experience at a number of accounting firms in Hong Kong.

Mr. Yiu is currently the Financial Controller and Company Secretary at China Infrastructure & Logistics Group Ltd, a company listed on the Main Board of the Stock Exchange (Stock Code: 1719). Mr. Yiu is the independent non-executive director of SoftMedx Healthcare Limited (Stock Code: 0648), a company listed on the Main Board of the Stock Exchange.

Mr. Yiu is a member of the Hong Kong Institute of Certified Public Accountants and graduated from the Hong Kong University of Science and Technology with a Bachelor of business administration in accounting.

Ms. Wang Ting (王婷), aged 37, was appointed as our independent non-executive Director on 12 August 2026.

Ms. Wang received education in Business Administration, Guangdong Vocational College of Science and Trade. She has over 9 years' experience in corporate finance (involving the planning and development of various corporate finance solutions through different platforms) and wealth management in the PRC.

SENIOR MANAGEMENT

COMPANY SECRETARY

Mr. Chan Chiu Hung Alex (陳釗洪), aged 60, appointed on 8 January 2025 as our Joint Company Secretaries and act as Company Secretary since 31 October 2025. Mr. Chan is a Joint Company Secretary of KNT Holdings Limited (stock code: 1025), a company listed on the Main Board of the Stock Exchange, since November 2024 and a Joint Company Secretary of CMON Limited (stock code: 1792), a company listed on the Main Board of the Stock Exchange since 22 October 2025.

Mr. Chan has over 18 years of experience in managing companies listed in Hong Kong or overseas. Mr. Chan was an independent non-executive director of Allegro Culture Limited (formerly known as Kingkey Intelligence Culture Holdings Limited, stock code: 550), a company listed on the Main Board of the Stock Exchange, from March 2016 to August 2025, an independent non-executive director of China New Holdings Limited (formerly known as Royal Century Resources Holding Limited) (stock code: 8125), a company listed on the GEM of the Stock Exchange, from September 2015 to October 2023. He was a company secretary of CBK Holdings Limited (stock code: 8428), a company listed on the GEM of the Stock Exchange, from April 2021 to September 2024.

He obtained his Bachelor of Business Administration (honours) degree in finance from the Hong Kong Baptist University in 1990, and completed an advance diploma in specialist taxation from the Hong Kong Institute of Certified Public Accountants in 2012.

Mr. Chan is currently a fellow member of The Chartered Governance Institute, a fellow member of The Hong Kong Chartered Governance Institute, a fellow member of the Association of Chartered Certified Accountants, a fellow member of the Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants, and he possesses the requisite qualification and experience as required under Rule 5.14 of the GEM Listing Rules.

Report of Directors

The Directors hereby present this annual report and the audited consolidated financial statements of the Group for the fifteen months ended 30 June 2026.

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 of the Company dated 16 March 2018 ("**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.

CHANGE OF FINANCIAL YEAR END DATE

On 19 December 2025, the Board resolved to change the financial year end date of the Company from 31 December to 30 June to enable the Group to avoid competition of resources with other listed companies with regard to results announcement and report-related external services under the peak season in the market and the first half of calendar year covers the Chinese New Year and therefore the third quarter will be a better period for the Group to accommodate the audit field work.

RESULTS AND DIVIDENDS

The Group's results for the fifteen months ended 30 June 2026 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 49 to 50 of this annual report. The Board did not recommend any final dividend for the fifteen months ended 30 June 2026 (Year ended 31 March 2025: nil).

BUSINESS REVIEW

A review of the business of the Group for the fifteen months ended 30 June 2026, 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 its relationships with its stakeholders, its disclosed in the section headed "Management Discussion and Analysis" on pages 7 to 16 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 fifteen months ended 30 June 2026.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the fifteen months ended 30 June 2026 are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the fifteen months ended 30 June 2026 are set out in note 25 to the consolidated 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 fifteen months ended 30 June 2026 are set out in the consolidated statement of changes in equity on page 51 of this annual report.

As at 30 June 2026 and 31 March 2025, no reserve of the Company was available for distribution in accordance with the Companies Act of the Cayman Islands.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Relevant Period and up to the date of this 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/period ended 30 June 2026/31 March 2025 is set out on page 102 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 1 April 2024 and 31 March 2025 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.

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 8,132,106 shares, representing approximately 1% 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 of the Company 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 fifteen months ended 30 June 2026 divided by the weighted average number of Shares in issue for the year was nil.

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 Period or subsisted at the end of the Relevant Period.

DIRECTORS

The Directors during the Relevant Period and up to the date of this Report are as follows:

Executive Directors

Mr. Yam Yuet Hang (任悦恒) *(Chairman)* (appointed on 20 July 2026)
Ms. Cai Ying (蔡穎) *(chief executive officer)*
Mr. Lee Wing Leung Garlos (Garlos Lee) (李永亮)
Ms. Li Qianwen (李倩雯) (appointed on 27 August 2026)
Mr. Wong Sze Tuk Alexis (黃子鋕) (appointed on 22 June 2026)
Mr. Xie Cheng (謝成) *(Chairman)* (appointed on 22 October 2025 and resigned on 20 July 2026)
Mr. Zhang Yu (章榆) (appointed on 30 January 2026 and resigned on 27 August 2026)
Mr. Fu Tao (伏淘) (appointed on 21 July 2025 and resigned on 22 June 2026)
Ms. Cheung Lee (Ms. Jenny Cheung) (張莉) (resigned on 30 January 2026)
Ms. Choi Sin Yi (蔡倩宜) (resigned on 31 October 2025)
Mr. Leung Wai Lun (梁偉倫) (resigned on 31 July 2025)

Independent Non-Executive Directors

Mr. Kwan Chi Hong (關志康)
Mr. Yiu Chun Wing (姚俊榮) (appointed on 19 December 2025)
Ms. Wang Ting (王婷) (appointed on 12 August 2026)
Ms. Meng Mei (孟美) (appointed on 21 August 2025 and resigned on 31 July 2026)
Mr. Ho Ho Tung Armen (何浩東)(resigned on 29 June 2026)
Mr. Fenn David (范德偉) (resigned on 19 December 2025)

Pursuant to article 16.18 of the Articles of Association, one-third of the Directors shall retire from office by rotation and re-election at annual general meeting of the Company in accordance with the Company's Articles of Association, providing that every Director shall be retired at least once very three years.

Pursuant to article 16.2 of the Article of Association, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first annual general meeting of members after his appointment and be subject to re-election at such meeting.

Accordingly, Mr. Yam Yuet Hang, Ms. Li Qianwen, Mr. Wong Tsz Tuk Alexis, Mr. Yiu Chun Wing, Mr. Garlos Lee and Ms. Wang Ting shall retire at the forthcoming annual general meeting and shall be eligible for re-election.

Mr. Yam Yuet Hang, Ms. Li Qianwen, Mr. Wong Tsz Tuk Alexis, Mr. Fu Tao, Mr. Xie Cheng, Mr. Zhang Yu, Ms. Meng Mei, Mr. Yiu Chun Wing and Ms. Wang Ting have obtained the legal advise required under Rule 5.02D of the GEM Listing Rules before their appointment and had confirmed their understood their obligation as a director of a listed issuer.

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 17 to 20 of this annual report.

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 fifteen months ended 30 June 2026 or at any time during the fifteen months ended 30 June 2026.

DIRECTORS' SERVICE CONTRACTS

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

Each of our executive Directors, Mr. Yam Yuet Hang, Ms. Cai Ying, Ms. Li Qianwen, Mr. Fu Tao, Mr. Xie Cheng, Mr. Zhang Yu and Mr. Wong Sze Tuk Alexis, has entered into a service agreement with our Company for a term of three years and expiring on the third anniversary of the date of the service contract, during which either party may terminate the service agreement by giving the other not less than three months' written notice.

One of the independent Non-executive Directors, Mr. Kwan Chi Hong, has 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.

Each of our independent Non-executive Directors, Ms. Meng Mei, Mr. Yiu Chun Wing and Ms. Wang Ting, has signed letters of appointment with our Company for a term of three years and expiring on the third anniversary of the date of the letters of appointment. The letters of appointment are subject to termination in accordance with their respective terms by not less than on 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 10 and note 11 to the financial statements in this annual report.

EMOLUMENT POLICY

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

EMPLOYEES AND EMOLUMENT POLICY

As at 30 June 2026, the Group employed a total of 29 employees (31 March 2025: 23 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 Period were approximately HK$11,466,000 (Previous Year: HK$8,786,000).

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 Period.

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

As at 30 June 2026, 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*
Mr. Garlos Lee *(Note)*	Interest of a controlled corporation; interest held jointly with another person	50,826,000	7.50%

* The percentage represents the number of ordinary shares divided by the number of the Company's issued shares as at 30 June 2026 (i.e. 677,675,506 shares).

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

Save as disclosed above, as at 30 June 2026, 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 30 June 2026, 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 *(Note 1)*	Beneficial interest	50,826,000	7.50%
Ms. Jenny Cheung *(Note 1)*	Interest of a controlled corporation; interest held jointly with other person	50,826,000	7.50%
Mr. Anakin Law *(Note 1)*	Interest of a controlled corporation; interest held jointly with another person	50,826,000	7.50%
Mr. Szeto Man Wa *(Note 2)*	Interest of spouse	50,826,000	7.50%
Ms. Leung Kwok Mei *(Note 3)*	Interest of spouse	50,826,000	7.50%
Ms. Ng Ka Po *(Note 4)*	Interest of spouse	50,826,000	7.50%

* The percentage represents the number of ordinary shares divided by the number of the Company's issued shares as at 30 June 2026. (i.e. 677,675,506 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 50,826,000 shares of the Company through the interest of his spouse, Ms. Jenny Cheung.

3. Ms. Leung Kwok Mei was deemed to be interested in 50,826,000 shares of the Company through the interest of her spouse, Mr. Anakin Law.

4. Ms. Ng Ka Po was deemed to be interested in 50,826,000 shares of the Company through the interest of her spouse, Mr. Garlos Lee.

Save as disclosed above, as at 30 June 2026, the Directors are not aware of any other persons/entities (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

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

Save as disclosed above and as provided in the Share Option Scheme, at no time during the fifteen months ended 30 June 2026 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 fifteen months ended 30 June 2026 and year ended 31 March 2025, the percentage of revenue attributable to the Group's major customers is set out below:

Revenue

— The largest customer: 32.5% and 22.5% respectively

— The aggregate amount of the five largest customers: 64.6% and 48.0% respectively

For each of the fifteen months ended 30 June 2026 and year ended 31 March 2025, the percentage of cost of services attributable to the Group's major suppliers is set out below:

Cost of Services

— The largest supplier: 22.5% and 31.0% respectively

— The aggregate amount of the five largest suppliers: 59.1% and 62.3% 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

Reference is made to the announcement of the Company dated 11 September 2026 (the "**Announcement**") in relation to, among other things, the continuing connected transactions contemplated under the Product Supply Framework Agreement and the past non-compliance with Chapter 20 of the GEM Listing Rules. It came to the attention of the Company that Guangxi Meianxin Supply Chain Management Company Limited* (廣西美安欣供應鏈管理有限公司) ("**Guangxi Meianxin**"), a non-wholly owned subsidiary of the Company, had entered into transactions with Beihai Black Pearl Marine Biotechnology Company Limited* (北海黑珍珠海洋生物科技有限公司) ("**Beihai Black Pearl**") for the purchase of skincare and beauty products from November 2025 to June 2026. Beihai Black Pearl is a connected person of the Company at the subsidiary level by reason of its 49% equity interest in Guangxi Meianxin. As one or more of the applicable percentage ratios in respect of such historical transactions in aggregate exceeded 5%, the transactions constituted continuing connected transactions of the Company subject to the reporting, announcement, annual review, circular, independent financial advice and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. Due to an inadvertent oversight and a misunderstanding as to the aggregation requirement under Chapter 20 of the GEM Listing Rules, the Company failed to timely comply with the applicable requirements before the transactions were conducted.

Upon becoming aware of the non-compliance, the Company immediately ceased the transactions with effect from July 2026. On 11 September 2026, Guangxi Meianxin entered into the Product Supply Framework Agreement with Beihai Black Pearl with a retrospective term commencing on 28 November 2025 and ending on 27 November 2026 and subject to a proposed annual cap of RMB10,000,000, in order to govern the transactions and seek the approval, confirmation and ratification of the independent shareholders at an extraordinary general meeting. The Company will only resume the transactions after obtaining such approval and complying in full with the applicable requirements under Chapter 20 of the GEM Listing Rules.

To prevent recurrence of similar incidents and enhance corporate governance, the Group has taken remedial measures to strengthen its internal control system in relation to connected transactions. Such measures include maintaining and regularly updating a register of connected persons across the Group, implementing counterparty screening procedures, establishing a regular monitoring and reporting mechanism for transaction amounts against applicable caps, and providing compliance training to Directors, senior management and relevant operational personnel. For further details of the Product Supply Framework Agreement, the transactions and the remedial actions, please refer to the Announcement.

SUFFICIENCY OF PUBLIC FLOAT

During the fifteen months ended 30 June 2026 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 JAG United Company Limited, Ms. Jenny Cheung, Mr. Anakin Law 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 fifteen months ended 30 June 2026. None of the Directors, JAG United Company Limited, Ms. Jenny Cheung Mr. Anakin Law 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 fifteen months ended 30 June 2026, 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

Each of 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.

CORPORATE GOVERNANCE

The Company's corporate governance report is set out on pages 32 to 43 of this annual report.

AUDITOR

On 8 April 2026, OOP CPA & Co. ("**OOP CPA**") resigned as the auditor of the Company. Upon the recommendation of the audit committee of the Company, Infinity CPA Limited ("**Infinity CPA**") was appointed as the auditor of the Company to fill the vacancy following the resignation of OOP CPA. On 16 June 2026, the shareholders of the Company resolved to appoint Infinity CPA as the auditor of the Company at the general meeting.

The consolidated financial statements of the Company for the fifteen months ended 30 June 2026 have been audited by Infinity CPA, who will retire and, being eligible, offer themselves for re-appointment at the annual general meeting.

The financial statements of the Company for the years ended 31 March 2025 and 2024 were audited by OOP and CWK CPA Limited respectively.

By Order of the Board

Li Qian Wen
Executive Director

Hong Kong, 30 September 2026

Corporate Governance Report

The Board is pleased to report to the shareholders on the corporate governance of the Company for the fifteen months ended 30 June 2026.

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 Period, the Company has complied with all the code provisions ("**CP**") as set out in the Part 2 of the CG Code which are adopted by the Company with the exception of the following.

Following the resignation of Ms. Meng Mei as the independent non-executive Director on 31 July 2026, (i) the number of the independent non-executive Directors has fallen below the minimum number required under Rule 5.05(1) of the GEM Listing Rules; (ii) the number of members of the Audit Committee has fallen below the minimum number required under Rule 5.28 of the GEM Listing Rules; and (iii) the remuneration committee must comprise a majority of independent non-executive directors under Rule 5.34 of the GEM Listing Rules; and (iv) the Nomination Committee will only comprise members of a single gender, failing to meet the requirement of CP B.3.5 of the CG Code of Appendix C1 of the GEM Listing Rules. The Company has appointed Ms. Wang Ting as the independent non-executive Director on 12 August 2026. The Company has complied with the above requirements of the GEM Listing Rules after the appointment.

Under code provision C.2.1 of the CG Code, the roles of the chairman and the chief executive should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. During the period from 1 April 2025 to 29 January 2026, the Company does not have any director with the title of "chairman" and "chief executive officer" and 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 appointment of Mr. Xie Cheng as our chairman which focus on the business strategy and direction of the Company and provides leadership for the Board and Ms. Cai Ying as our chief financial officer which accountable to the Board for the overall implementation of the Company's strategies and the coordination of overall business operations on 30 January 2026, the Group re-complies with CP C.2.1 of the CG Code.

Save for the above, the Company had complied with all code provisions as set out in the CG Code throughout the Year and, where appropriate, the applicable recommended best practices of the CG Code. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

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 fifteen months ended 30 June 2026.

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

ROLE OF THE BOARD

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

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

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

Board Composition

Save as disclosed herein, during the Relevant Period 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 eight members, consisting of five executive Directors and three independent non-executive Directors:

Executive Directors:

Mr. Yam Yuet Hang *(Chairman)* (appointed on 20 July 2026) *(member of the Nomination Committee)*
Ms. Cai Ying *(Chief executive officer)*
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)
Ms. Li Qianwen (appointed on 27 August 2026)
Mr. Wong Sze Tuk Alexis (appointed on 22 June 2026)

Independent Non-executive Directors:

Mr. Kwan Chi Hong *(Chairman of the Nomination Committee and member of the Audit Committee)*
Ms. Wang Ting (appointed on 12 August 2026) *(Chairman of the Remuneration Committee, member of the Audit Committee and Nomination Committee)*
Mr. Yiu Chun Wing (appointed on 19 December 2025) *(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 17 to 19 of this annual 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, except Mr. Yam Yuet Hang, Ms. Cai Ying, Mr. Wong Tsz Tuk Alexis, Mr. Xie Cheng, Mr. Zhang Yu and Ms. Li Qianwen, 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. Mr. Yam Yuet Hang, Ms. Cai Ying, Mr. Wong Tsz Tuk Alexis, Mr. Xie Cheng, Mr. Zhang Yu and Ms. Li Qianwen entered into a service contract with the Company for a term of three years expiring on the third anniversary of the date of the service contract. 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, except Ms. Meng Mei, Mr. Yiu Chun Wing and Ms. Wang Ting 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. Ms. Meng Mei, Mr. Yiu Chun Wing and Ms. Wang Ting entered into a letter of appointment with the Company for a term of three years expiring on the third anniversary of the date of the letter of appointment. The appointment can be terminated by either party by giving one month prior notice in writing by either to the other.

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".

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, as well as 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.

The training records of the Directors for the fifteen months ended 30 June 2026 are summarised as follows:

Directors	Training activities including in-house activities/ briefings/seminars/talks held by professional organisations and/or reading materials on relevant topics
Executive Directors	
Mr. Yam Yuet Hang (Appointed on 20 July 2026)	✓
Ms. Cai Ying	✓
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)	✓
Ms. Li Qianwen (Appointed on 27 August 2026)	✓
Mr. Wong Sze Tuk Alexis (Appointed on 22 June 2026)	✓
Independent Non-Executive Directors	
Mr. Kwan Chi Hong	✓
Mr. Yiu Chun Wing (Appointed on 19 December 2025)	✓
Ms. Wang Ting (Appointed on 12 August 2026)	✓

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 pages 3 to 4.

Audit Committee

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Yiu Chun Wing, Ms. Wang Ting and Mr. Kwan Chi Hong. Mr. Yiu Chun Wing 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, http://www.hwaxiawater.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 external parties 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.

During the fifteen months ended 30 June 2026, the Audit Committee held five meetings to review the interim results for the six months ended 30 September 2025, 2nd interim results for the twelve months ended 31 March 2026 and the annual financial results for year ended 31 March 2025 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, Ms. Wang Ting and Mr. Yiu Chun Wing and an executive Director, Ms. Li Qianwen. Ms. Wang Ting 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, http://www.hwaxiawater.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 fifteen months ended 30 June 2026, the Remuneration Committee held eight meetings, to review and make recommendations to the Board on the remuneration packages of 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 fifteen months ended 30 June 2026 is set out below:

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

Nomination Committee

The Nomination Committee comprises three independent non-executive Directors, namely, Mr. Kwan Chi Hong, Mr. Yiu Chun Wing and Ms. Wang Ting, and an executive Director, Mr. Yam Yuet Hang. Mr. Kwan Chi Hong is the chairman of the Nomination Committee.

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

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

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

During the fifteen months ended 30 June 2026, the Nomination Committee held seven 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 appointment of Directors and 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 considers greater 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 the 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 when 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 their 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 annual report, (i) 5 Directors are male and (ii) 3 Directors are female. Out of the 29 employees of the Group, 9 of them are males and 20 of them are females.

Director Nomination Procedure

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

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 the nomination and appointment of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

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

- Character and integrity;
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- Diversity in 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 the 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.

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

Workforce Diversity Policy

The Company has adopted a workforce diversity policy. The Company considers workforce diversity as an important element in maintaining sustainable growth and operational success and driving high performance across the Group.

The Company is committed to fostering an inclusive, diverse, and supportive workplace where all employees, regardless of gender, age, family status, race ethnicity, religion, sexual orientation, disability or other characteristics protected by applicable laws, are valued, respected, and treated fairly with equal opportunities. The Company does not tolerate any form of bias, discrimination, harassment and violence in the workplace and in any work-related circumstances.

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.

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 fifteen months ended 30 June 2026 is set out in the table below:

	Attendance/Number of Meeting(s)				
Name of Directors	**Board**	**Audit Committee**	**Remuneration Committee**	**Nomination Committee**	**Shareholder Meeting**
Executive Directors					
Mr. Yam Yuet Hang (from 20 July 2026)	N/A	N/A	N/A	N/A	N/A
Ms. Cai Ying	19/20	N/A	N/A	N/A	4/4
Mr. Lee Wing Leung Garlos (Mr. Garlos Lee)	20/20	N/A	7/7	N/A	4/4
Ms. Li Qianwen (from 27 August 2026)	N/A	N/A	N/A	N/A	N/A
Mr. Wong Tsz Tuk Alexis (from 22 June 2026)	N/A	N/A	N/A	N/A	N/A
Mr. Zhang Yu (from 30 January 2026 to 27 August 2026)	4/4	N/A	N/A	N/A	2/2
Mr. Xie Cheng (from 22 October 2025 to 20 July 2026)	10/10	N/A	N/A	1/1	3/3
Mr. Fu Tao (from 21 July 2025 to 22 June 2026)	11/11	N/A	N/A	N/A	4/4
Ms. Cheung Lee (Ms. Jenny Cheung) (from 1 April 2025 to 30 January 2025)	16/16	N/A	N/A	5/5	2/2
Ms. Choi Sin Yi (from 1 April 2025 to 31 October 2025)	10/10	N/A	N/A	N/A	1/1
Mr. Leung Wai Lun (from 1 April 2025 to 31 July 2025)	8/8	N/A	N/A	N/A	N/A
Independent Non-executive Directors					
Mr. Kwan Chi Hong	18/20	5/5	N/A	7/7	3/4
Mr. Yiu Chun Wing (from 19 December 2025)	5/5	2/2	2/2	N/A	2/2
Ms. Wang Ting (from 12 August 2026)	N/A	N/A	N/A	N/A	N/A
Ms. Meng Mei (from 21 August 2025 to 31 July 2026)	10/11	3/4	4/4	4/4	4/4
Mr. Ho Ho Tung Armen (from 1 April 2025 to 29 June 2026)	19/20	5/5	8/8	7/7	2/4
Mr. Fenn David (from 1 April 2025 to 19 December 2025)	9/15	1/3	3/6	N/A	1/2

Six regular and fourteen ad-hoc board meetings were held during the fifteen months ended 30 June 2026.

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 44 to 48.

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

Risk management and Internal control

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and maintaining sound and effective risk management and internal control systems (including reviewing their effectiveness) to safeguard shareholders' investments 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 the staff responsible for the accounting, financial reporting, treasury, financial analysis and internal audit functions. Review of the effectiveness of the risk management and internal control systems 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; planning and implementing actions to manage these risks; and escalating the risks that exceed the tolerance limits to the executive management and Board.

2. The financial controller and company secretary conduct periodic review and identify 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 failing to achieve business objectives, and only provide reasonable, but 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 systems for the fifteen months ended 30 June 2026.

For the fifteen months ended 30 June 2026 under review, the Board considers that the risk management and internal control systems of the Group are adequate and effective and the Company has complied with the relevant code provisions in the CG Code on internal control.

Independent auditor

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

During the fifteen months ended 30 June 2026, 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	500
Non-audit service	–
Total	500

COMPANY SECRETARIES/COMPANY SECRETARY

Mr. Chan Chiu Hung Alex ("**Mr. Chan**") and Ms. Kung Wai Yin ("**Ms. Kung**") were the joint company secretaries of the Company from 1 April 2025 to 31 October 2025. Subsequent to the resignation of Ms. Kung as company secretary of the Company on 31 October 2025, Mr. Chan was serve as the company secretary of the Company. Mr. Chan has confirmed that he has taken no less than 15 hours of relevant professional training for the fifteen months ended 30 June 2026. Please refer to biographical details of Mr. Chan as set out on page 20 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: Mr. Yam Yuet Hang
Principal Place of Business: Unit 402A, 4/F, Benson Tower, 74 Hung To Road, Kwun Tong, Hong Kong
Email: rex.yam@stream-ideas.com

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 be accompanied by 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 Period given the above measures.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENTS

There were no change in the constitutional documents of the Company for the fifteen months ended 30 June 2026.

Independent Auditor's Report

Infinity CPA Limited
Room 1501, 15th Floor, Olympia Plaza
255 King's Road, North Point, Hong Kong

Independent auditor's report to the shareholders of Hua Xia Water Group Limited (formerly known as Stream Ideas Group Limited)
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Hua Xia Water Group Limited ("the Company") and its subsidiaries ("the Group") set out on pages 49 to 101, which comprise the consolidated statement of financial position as at 30 June 2026, 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 fifteen months ended 30 June 2026 and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance and its consolidated cash flows for the fifteen months ended 30 June 2026 in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Key audit matters identified in our audit are summarised as follows:

— Impairment assessment of trade receivables, deposits and other receivables; and

— impairment assessment of non-current assets relating to the provision of advertising business

Impairment assessment of trade receivables, deposits and other receivables

Key Audit Matter	How our audit addressed the Key Audit Matter
Refer to notes 4(d), 4(e), 5(b)(i) and 19 to the consolidated financial statements. We identified the impairment assessment of trade receivables, deposits and other receivables as a key audit matter due to the significant balances of these assets at the end of the reporting period and the significant judgements and estimates exercised by the Group's management. As at 30 June 2026, the net carrying amount of trade receivables, deposits and other receivables amounted to approximately HK$30,807,000 (net of the allowance for expected credit losses ("ECL") of approximately HK$663,000). These receivables represented 74% of the Group's total assets and were considered significant balances. Management estimated, with the assistance of an external valuer, the ECL by considering factors including the ageing profile, debtors' repayment history and the current and forward-looking information on macroeconomic factors that involve the exercise of management judgement.	Our audit procedures in relation to impairment assessment of trade receivables included: • obtained an understanding of the key controls over credit assessment procedures performed by management, including the periodic review of aged trade receivables and management's estimation of the allowance for ECL on these receivables; • evaluated the Group's policy for estimating the ECL with reference to the requirements of the prevailing accounting standard; • tested the accuracy of the ageing profile of these receivables by checking to supporting documents on a sample basis; • examined the estimation on the ECL of individual balances on sample basis and the expected loss rate of each category groups and evaluating the basis and factors used in the estimation to the appropriateness of the identification of significant increase in credit risk, defaults and credit-impaired receivables; • evaluated the independence, competence, objectivity and experience of the valuer engaged by management; • obtained an understanding of and evaluated the reasonableness of the methodology, key data inputs and assumptions used to determine the ECL; and • tested the mathematical accuracy of the calculation of ECL rates and the calculation of the allowance for ECL.

KEY AUDIT MATTERS (continued)

Impairment assessment of non-current assets relating to the provision of advertising business

Key Audit Matter	How our audit addressed the Key Audit Matter
Refer to notes 4(c), 5(b)(ii), 14, 15 and 16 to the consolidated financial statements. We identified the impairment assessment of non-current assets relating to the provision of online advertising services as a key audit matter because determination of the level of impairment, if any, involves a significant degree of management judgement and estimation. The management identified the advertising business as the cash-generating unit ("CGU") of the Group and determined the non-current assets relating to the advertising business comprise of property, plant and equipment, right-of-use assets and intangible assets. Having considered the loss-making performance of the Group as impairment indicator, the management engaged an external valuer to assist them in estimating recoverable amount of the assets allocated to the CGU. Management prepared discounted cash flow forecasts to estimate their value in use. The estimated recoverable amount was compared with the carrying amount of those assets allocated to the CGU to determine whether any impairment loss should be recognised. Based on this assessment, impairment losses to the CGU of approximately HK$303,000, HK$1,361,000 and HK$1,895,000, respectively, were allocated to property, plant and equipment, right-of-use assets and intangible assets during the fifteen months ended 30 June 2026.	Our audit procedures in relation to Impairment assessment of non-current assets relating to the advertising business: • obtained an understanding of the key controls over identification of CGU(s), allocation of assets to CGU(s) identified and the asset impairment assessment process; • assessed the reasonableness of management's identification of the advertising business as the CGU and the allocation of assets to the CGU with reference to our understanding of the Group's business and the requirements of the prevailing accounting standards; • assessed the reasonableness of data and key assumptions used in determining the value in use to estimate the recoverable amount of the identified CGU, and evaluated the methodology used in the valuer's report with reference to the requirements of the prevailing accounting standards; • tested the mathematical accuracy of the underlying calculations used in the impairment assessment and agreed the calculations to the financial budget and future forecasts. We compared actual results to budgeted results to assess the quality of management's forecast; and; • evaluated the independence, competence, objectivity and experience of the valuer engaged by management.

OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 March 2025 were audited by another auditor who expressed an unmodified opinion on those statements on 26 June 2025.

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 AND THE AUDIT COMMITTEE 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 HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

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

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

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

— 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.

— Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

Infinity CPA Limited
Certified Public Accountants
CHAN Kin Ming
Practising Certificate Number: P07802
Hong Kong
30 September 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the fifteen months ended 30 June 2026

	Note	**Fifteen months ended 30 June 2026 HK$'000**	Year ended 31 March 2025 HK$'000
Revenue	6	**65,569**	13,157
Cost of services		**(54,933)**	(5,339)
Gross profit		**10,636**	7,818
Other income and gains, net	7	**189**	59
Selling and distribution costs		**(7,227)**	(4,138)
Administrative and other operating expenses		**(18,444)**	(8,526)
Impairment loss on property, plant and equipment		**(303)**	–
Impairment loss on right-of-use assets		**(1,361)**	–
Impairment loss on intangible assets		**(1,895)**	–
Provision for expected credit losses ("ECL") on trade and other receivables		**(337)**	(87)
Loss from operations		**(18,742)**	(4,874)
Finance costs	8(c)	**(49)**	(17)
Loss before tax	8	**(18,791)**	(4,891)
Income tax expense	9(a)	**–**	–
Loss for the period/year		**(18,791)**	(4,891)
Other comprehensive loss			
Item that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		**(205)**	(199)
Other comprehensive loss for the period/year, net of tax		**(205)**	(199)
Total comprehensive loss for the period/year		**(18,996)**	(5,090)
Loss for the period/year attributable to:			
— Owners of the Company		**(17,754)**	(4,891)
— Non-controlling interests		**(1,037)**	–
		(18,791)	(4,891)
Total comprehensive expense for the period/year:			
— Owners of the Company		**(17,917)**	(5,090)
— Non-controlling interests		**(1,079)**	–
		(18,996)	(5,090)
		HK cents	HK cents (Restated)
Loss per share attributable to owners of the Company	13		
— Basic		**(2.77)**	(1.63)
— Diluted		**(2.77)**	(1.63)

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

	Note	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
Non-current assets			
Property, plant and equipment	14	**1,260**	45
Right-of-use assets	15	**944**	215
Intangible assets	16	**1,317**	–
		3,521	260
Current assets			
Inventories	18	**–**	409
Trade and other receivables	19	**30,807**	6,945
Contract assets	20	**–**	381
Tax recoverable		**–**	6
Cash and cash equivalents	21	**7,341**	6,299
		38,148	14,040
Current liabilities			
Trade and other payables	22	**17,909**	8,414
Contract liabilities	23	**95**	233
Lease liabilities	24	**1,200**	207
		19,204	8,854
Net current assets		**18,944**	5,186
Total assets less current liabilities		**22,465**	5,446
Non-current liabilities			
Lease liabilities	24	**1,115**	–
Net assets		**21,350**	5,446
Capital and reserves			
Share capital	25(a)	**6,777**	2,400
Reserves		**15,652**	3,046
Equity attributable to the owners of the company		**22,429**	5,446
Non-controlling interest		**(1,079)**	–
Total equity		**21,350**	5,446

The consolidated financial statements were approved by the Board of Directors on 30 September 2026 and were signed on its behalf by:

Mr. Yam Yuet Hang
Director

Ms. Li Qian Wen
Director

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the fifteen months ended 30 June 2026

	Equity attributable to the owners of the Company							
	Share capital HK$'000 Note 25(a)	**Share premium** HK$'000 Note 25(c)	**Capital reserve** HK$'000 Note 25(d)	**Exchange reserve** HK$'000 Note 25(e)	**Accumulated losses** HK$'000	**Sub-total** HK$'000	**Non-controlling interests** HK$'000 Note 17	**Total equity** HK$'000
At 1 April 2024	2,000	71,988	383	818	(69,713)	5,476	–	5,476
Changes in equity for the year ended 31 March 2025:								
Loss for the year	–	–	–	–	(4,891)	(4,891)	–	(4,891)
Other comprehensive loss for the year	–	–	–	(199)	–	(199)	–	(199)
Total comprehensive loss for the year	–	–	–	(199)	(4,891)	(5,090)	–	(5,090)
Issue of shares	400	4,660	–	–	–	5,060	–	(5,060)
At 31 March 2025 and 1 April 2025	2,400	76,648	383	619	(74,604)	5,446	–	5,446
Changes in equity for the fifteen months ended 30 June 2026:								
Loss for the period	**–**	**–**	**–**	**–**	**(17,754)**	**(17,754)**	**(1,037)**	**(18,791)**
Other comprehensive loss for the period	**–**	**–**	**–**	**(163)**	**–**	**(163)**	**(42)**	**(205)**
Total comprehensive loss for the period	**–**	**–**	**–**	**(163)**	**(17,754)**	**(17,917)**	**(1,079)**	**(18,996)**
Issue of shares	**4,377**	**30,523**	**–**	**–**	**–**	**34,900**	**–**	**34,900**
At 30 June 2026	**6,777**	**107,171**	**383**	**456**	**(92,358)**	**22,429**	**(1,079)**	**21,350**

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

For the fifteen months ended 30 June 2026

	Note	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Operating activities			
Loss before tax:		**(18,791)**	(4,891)
Adjustments for:			
Finance costs		**49**	17
Interest income		**(27)**	(59)
Depreciation of plant and equipment		**213**	55
Depreciation of right-of-use assets		**679**	348
Amortisation of intangible assets		**1,788**	–
Provision for impairment loss on property, plant and equipment		**303**	–
Provision for impairment loss on right-of-use assets		**1,361**	–
Provision for impairment loss on intangible assets		**1,895**	–
Net foreign exchange gains		**(42)**	(213)
Provision for ECL on trade and other receivables		**337**	87
Reversal of point provision		**(93)**	(193)
Operating result before changes in working capital		**(12,328)**	(4,849)
Decrease in inventories		**412**	205
Increase in trade and other receivables		**(24,117)**	(2,943)
Decrease/(increase) in contract assets		**397**	(218)
Increase/(decrease) in trade and other payables		**9,284**	(662)
(Decrease)/increase in contract liabilities		**(146)**	95
Cash used in operating activities		**(26,498)**	(8,372)
Income tax refund		**6**	–
Net cash used in operating activities		**(26,492)**	(8,372)
Investing activities			
Payment for the purchase of property, plant and equipment		**(1,690)**	(14)
Payment for the purchase of intangible assets		**(5,000)**	–
Interest received		**27**	59
Net cash (used in)/from investing activities		**(6,663)**	45
Financing activities			
Repayment of principal of lease liabilities		**(656)**	(347)
Interest paid on lease liabilities		**(49)**	(17)
Proceeds from issue of shares		**37,200**	5,060
Transaction cost attributable to issuance of shares		**(2,300)**	–
Net cash from financing activities		**34,195**	4,696
Net increase/(decrease) in cash and cash equivalents		**1,040**	(3,631)
Cash and cash equivalents at the beginning of the period/year		**6,299**	9,938
Effect of foreign exchange rate changes		**2**	(8)
Cash and cash equivalents at the end of the period/year	21	**7,341**	6,299

The accompanying notes form an integral part of these consolidated financial statements.

1 CORPORATE INFORMATION

Hua Xia Water Group Limited 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.

Pursuant to the special resolution of the shareholders of the Company on 6 March 2026, the English name of the Company has been changed from "Stream Ideas Group Limited" to "Hua Xia Water Group Limited", and the dual foreign name in Chinese of the Company has been changed from "源想集團有限公司" to "華夏水務集團有限公司".

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

2 BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and HK (IFRIC) Interpretations, HK Interpretations and HK (SIC) Interpretations (collectively referred to as "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 HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 to the consolidated financial statements 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 consolidated financial statements.

(b) Change of financial year end date

Pursuant to a resolution of the board (the "Board") of directors (the "Directors") of the Company passed on 24 December 2025, the Company's financial year end date was changed from 31 March to 30 June to enable the Group to rationalise and mobilise its resources with higher efficiency in planning and executing its financial reporting and audit timetable, to avoid competition of resources with other listed companies with regard to audit services in the peak financial reporting season in the market, and to remove the workflow pressure due to Chinese New Year public holidays for the preparation of results announcement as well as annual report. Accordingly, the current financial period covers a 15-months period from 1 April 2025 to 30 June 2026. The comparative figures cover a 12-months period from 1 April 2024 to 31 March 2025, which may not be comparable with amounts shown for the current period.

2 BASIS OF PREPARATION (continued)

(c) Basis of preparation of the consolidated financial statements

The consolidated financial statements for the fifteen months ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as the "Group").

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis.

The consolidated financial statements are presented in thousands of Hong Kong dollar ("HK$'000"), unless otherwise stated.

The preparation of financial statements in conformity with HKFRS Accounting Standards 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 HKFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 5 to the consolidated financial statements.

The material accounting policy information are disclosed in note 4 to the consolidated financial statements.

3 APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current period

The Group has applied the following amendments to HKFRS Accounting Standards 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 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

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

3 APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (continued)

New and amendments to HKFRSs in issue but not yet effective

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

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 — Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS Accounting Standards — Volume 11	1 January 2026
Amendments to HKFRS 9 and HKFRS 7 — Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendment to HKAS 21 — Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18 — Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 — Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKAS 28 — Fair Value Option for investments in Associates and Joint Ventures	1 January 2027
Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards are not expected to have any significant impact on the Group's consolidated financial statements.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements, carrying forward many of the requirements in HKAS 1 unchanged and complementing them with new requirements. HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings Per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs will be effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

4 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 30 June. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any accumulated foreign currency translation reserve relating to that subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holding to a proportional share of new assets of the relevant subsidiaries upon liquidation.

(b) Separate financial statements

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss. Cost includes direct attributable costs of investments. The result of the subsidiaries are accounted for by the Company on the basis of dividend received or receivable.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividends exceed the total comprehensive income of the subsidiaries in the period the dividends are declared or if the carrying amount of the investments in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investees' net assets including goodwill.

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(c) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the CGU.

Value in use is the present value of the estimated future cash flows of the asset/CGU. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/CGU whose impairment is being measured.

Impairment losses for CGUs are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the CGU. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(d) Impairment of financial assets and contract assets

HKFRS 9's impairment requirements use forward-looking information to recognise ECL — the "ECL model". Instruments within the scope included loans and other debt-type financial assets measured at amortised cost and trade receivables and contract assets recognised and measured under HKFRS 15.

The Group considers a broader range of information when assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

— financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ("Stage 1"); and

— financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ("Stage 2").

"Stage 3" would cover financial assets that have objective evidence of impairment at the end of the reporting period.

"12-month ECL" are recognised for the Stage 1 category while "lifetime ECL" are recognised for the Stage 2 category.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) Impairment of financial assets and contract assets (continued)

Trade receivables and contract assets

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECL and recognises a loss allowance based on lifetime ECL at the end of each reporting period. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. In calculating the ECL, the Group has assessed credit loss histories and external indicators, adjusted for forward-looking factors specific to the debtors and the economic environment.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the ECL rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Other financial assets measured at amortised cost

The Group measures the loss allowance for deposits and other receivables equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood of risk of default occurring since initial recognition.

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial assets at the end of the reporting period with the risk of default occurring on the financial assets at the date of initial recognition. In making this assessment, 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:

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

— significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;

— existing or forecast adverse changes in regulatory, business, financial, economic conditions, or technological environment that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations; and

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

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) Impairment of financial assets and contract assets (continued)

Significant increases in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, 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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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

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

— significant deterioration in external market indicators of credit risk for a particular financial instrument;

— existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

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

— significant increases in credit risk on other financial instruments of the same debtor; and

— an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) Impairment of financial assets and contract assets (continued)

Significant increases in credit risk (continued)

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(i) the financial instrument has a low risk of default,

(ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and

(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

— probable bankruptcy entered, breach of financial covenants by the counterparty; or

— information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) Impairment of financial assets and contract assets (continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

— significant financial difficulty of the issuer or the counterparty;

— a breach of contract, such as a default or past due event;

— the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;

— it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or

— the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are long-aged past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(e) 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 4(f)).

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 4(d)).

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(f) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 4(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 4(d) to the consolidated financial statements and are reclassified to receivables when the right to the consideration has become unconditional.

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 4(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 4(e)).

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 4(k)(ii)).

(g) 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.

(h) 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 4(d).

(i) Income tax

Income tax expenses represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before taxation because of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(i) Income tax (continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For lease transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss.

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(j) 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.

(k) 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.

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

(i) Sale of advertising services

Sales of the Group's 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 4(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.

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(l) 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.

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.

(m) Segment reporting

Operating segments, and the amounts of each segment item reported in these consolidated 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.

(n) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(n) Employee benefits (continued)

(ii) Retirement benefits schemes

The Group contributes to defined contribution retirement plans which are available for eligible employees in the People's Republic of China (the "PRC"), Taiwan and Hong Kong.

Pursuant to the relevant laws and regulations in the PRC, the Group has joined defined contribution retirement schemes for the employees arranged by local government labour and security authorities (the "PRC Retirement Schemes"). The Group makes contributions to the PRC Retirement Schemes at the applicable rates based on the amounts stipulated by the local government organisations. Upon retirement, the local government labour and security authorities are responsible for the payment of the retirement benefits to the retired employees.

Pursuant to the Labour Standards Law of Taiwan, employees of the Group in Taiwan participated in the Labour Pension Fund, which is a defined contribution plan managed by the Bureau of Labour Funds as governed by the Ministry of Labour in Taiwan ("Ministry of Labour"). Under such plan, the Group is required to make monthly contributions to the Bureau of Labour Insurance, Ministry of Labour at 6.0% of the employees' total monthly wages. Contributions made to such pension fund vest immediately.

The Group operates a Mandatory Provident Fund scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong) for employees employed under the jurisdiction of Hong Kong Employment Ordinance (Chapter 57 of the laws of Hong Kong). The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the employer and the employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000.

The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds. During the fifteen months ended 30 June 2026 and year ended 31 March 2025, the Group had no forfeited contributions under the PRC Retirement Scheme, Ministry of Labour and MPF Scheme and which may be used by the Group to reduce the existing level of contributions. There were also no forfeited contributions available at 30 June 2026 and 31 March 2025 under the PRC Retirement Scheme and MPF Scheme which may be used by the Group to reduce the contribution payable in future years.

For long service payment ("LSP") obligation, the Group accounts for the employer mandatory provident fund ("MPF") contributions expected to be offset as a deemed employee contribution towards the LSP obligation in term of HKAS 19 paragraph 93(a) and it is measured on a net basis. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

The Group's contributions under the above-mentioned defined contribution plans in the PRC, Taiwan and Hong Kong are expensed as incurred and not reduced by contributions forfeited by those employees who leave the defined contribution plans prior to vesting fully in the contributions.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits, and when the Group recognises restructuring costs and involves the payment of termination benefits.

5 CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Group's accounting policies, which are described in note 4 to the consolidated financial statements, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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.

(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 that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

(i) Significant increase in credit risk

ECL are measured as an allowance equal to 12m ECL for stage 1 assets except for trade receivables and contract assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward looking information.

(ii) Principal versus agent consideration

During the fifteen months ended 30 June 2026, the Group had sales of purchase, skincare and beauty products. The Group considered it acts as an agent for its contracts with customers relating to the sales of products when the Group did not obtain the control over the products before passing to customers, taking into consideration indicators such as the Group is not primarily responsible for fulfilling the promise and not exposed to inventory risk. When the Group satisfies the performance obligation, the Group recognises handling income in the net amount it expects to be entitled as specified in the contracts. During the fifteen months ended 30 June 2026, the Group recognised income at net amount relating to sales of products amounted to approximately HK$22,000 (year ended 31 March 2025: nil) in "other income and gains, net".

5 CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

(b) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(i) Calculation of loss allowance

When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As at 30 June 2026, the Group determines a loss allowance for trade receivables and deposits and other receivables amounting to approximately HK$430,000 (31 March 2025:HK$325,000) and HK$233,000 (31 March 2025: nil) respectively. Details are set out in notes 19 and 27(a) to the consolidated financial statements.

The carrying amount of trade receivables and deposits and other receivables are approximately HK$19,389,000 and HK$11,418,000 respectively (31 March 2025: HK$6,372,000 and HK$573,000 respectively).

(ii) Impairment of property, plant and equipment, right-of-use assets and intangible assets

Property, plant and equipment, right-of-use assets and intangible assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgment and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount which is higher of value in use and fair value less cost of disposal, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset and in the case of fair value less cost of disposal, income approach is used by referencing to recent market rents of comparable assets; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including growth rates, budgeted sales, gross margins and an appropriate discount rate in the cash flow projections and, market rents and market yield when determining the fair values. Changing the assumptions and estimates could materially affect the recoverable amounts. Furthermore, the cash flows projections, growth rate and discount rate are subject to greater uncertainties in the current year due to volatility in financial markets.

Details of the impairment assessment on property, plant and equipment, right-of-use assets, and intangible assets are disclosed in notes 14, 15 and 16 to the consolidated financial statements.

6 REVENUE AND SEGMENT REPORTING

(a) Revenue

Revenue represents revenue arising on advertising services and rental income for the fifteen months ended 30 June 2026 and year ended 31 March 2025. An analysis of the Group's revenue is as follows:

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Advertising services income	**64,969**	13,157
Revenue from other source		
Rental income	**600**	–
	65,569	13,157

Disaggregation of revenue from contracts with customers by timing of recognition:

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Timing of revenue recognition		
At a point in time	**64,969**	13,157

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 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.

6 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting

The Group determines its operating segment and measurement of segment results based on the internal reports to executive directors, the Group's chief operating decision makers (the "CODM"), for the purposes of resource allocation and performance assessment.

During the fifteen months ended 30 June 2026, the Group's reportable and operating segments are as follows:

Provision of advertising services (the management redefined the "Provision of online advertising services" segment to "Provision of advertising services" to reflect its strategic decision during the fifteen months ended 30 June 2026) — the social viral services, engager services, mass blogging services and other related business.

Others — primarily relate to the sales of beer dispensers and the provision of corporate services for investment holding companies. These activities are excluded from the reportable operating segments and are presented to reconcile to the totals included in the Group's consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment.

For the fifteen months ended 30 June 2026

	Provision of advertising services HK$'000	**Others** HK$'000	**Total** HK$'000
Revenue	65,569	–	65,569
Segment results	(12,097)	(6,694)	(18,791)
Loss before tax			(18,791)
Other information:			
Depreciation of property, plant and equipment	85	128	213
Depreciation of right-of-use assets	679	–	679
Amortisation of intangible assets	1,788	–	1,788
ECL on trade receivables	105	–	105
ECL on deposits and other receivables	137	95	232
Impairment loss on property, plant and equipment	303	–	303
Impairment loss on right-of-use assets	1,361	–	1,361
Impairment loss on intangible assets	1,895	–	1,895

For the year ended 31 March 2025, the Group is solely engaged in the provision of advertising services. Management reviews the operating results of the business as one segment to make decisions about resources to be allocated. Therefore, the executive directors of the Company regard that there is only one segment which is used to make strategic decisions. Revenue and loss before income tax are the measure reported to the executive directors of the Company for the purpose of resources allocation and performance assessment. Accordingly, only entity-wide disclosure, revenue from major customers and geographic information are presented for the year ended 31 March 2025.

6 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

Segment assets and liabilities

The CODM makes decisions according to operating results of each segment. No analysis of segment assets and segment liabilities are presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Revenue from major customers

Details of the customers individually representing 10% or more of the Group's revenue are as follows:

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Customer A	**21,310**	–
Customer B	**N/A***	2,960

* The corresponding revenue did not contribute over 10% of the total revenue of the Group during the fifteen months ended 30 June 2026.

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**	
	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000	**Fifteen months ended 30 June 2026 HK$'000**	Year ended 31 March 2025 HK$'000
Asia Pacific (excluding Hong Kong and Taiwan)	**49,259**	804	**1,038**	23
Hong Kong	**12,552**	8,937	**2,408**	124
Taiwan	**3,758**	3,416	**75**	113
	65,569	13,157	**3,521**	260

7 OTHER INCOME AND GAINS, NET

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Handling income	**22**	–
Interest income	**27**	59
Sundry income	**140**	–
	189	59

8 LOSS BEFORE TAX

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

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
(a) Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	**11,104**	8,464
Contributions to defined contribution retirement plans (Note)	**362**	322
	11,466	8,786

Note: 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 HK$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.

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.

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

8 LOSS BEFORE TAX (continued)

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
(b) Other items		
Depreciation charge		
— owned property, plant and equipment	**213**	55
— right-of-use assets	**679**	348
	892	403
Amortisation cost of intangible assets	**1,788**	–
Auditors' remuneration		
— audit service	**500**	450
— non-audit service	**–**	105
Impairment loss on property, plant and equipment	**303**	–
Impairment loss on right-of-use assets	**1,361**	–
Impairment loss on intangible assets	**1,895**	–
Net foreign exchange gains	**(42)**	(195)
Provision for ECL on trade and other receivables	**337**	87

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
(c) Finance costs		
Interest on lease liabilities	**49**	17

9 INCOME TAX

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

Tax charges on profits assessable elsewhere in other jurisdictions have been calculated at the rates of tax prevailing in the relevant jurisdictions in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Hong Kong Profits Tax is calculated at 16.5% on the estimated profit for the fifteen months ended 30 June 2026 and year ended 31 March 2025.

Under the Law of the PRC on Corporate Income Tax (the "CIT Law") and Implementation Regulation of the CIT Law, the tax rate of the PRC operation is 25% for the fifteen months ended 30 June 2026 and year ended 31 March 2025.

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 fifteen months ended 30 June 2026 and year ended 31 March 2025.

No provision for Hong Kong Profits Tax, PRC Corporate Income Tax and Taiwan Corporate Income Tax has been made for the fifteen months ended 30 June 2026 and year ended 31 March 2025 as the Group's did not have any assessable profits.

(b) Reconciliation between income tax expense and loss before tax per the consolidated statement of profit or loss and other comprehensive income at applicable tax rates:

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Loss before tax	**18,791**	(4,891)
Notional tax on loss before tax, calculated at the rates applicable to profits in the countries concerned	**(3,409)**	(960)
Tax effect of non-deductible expenses	**32**	62
Tax effect of non-taxable income	**(5)**	(35)
Tax effect of unrecognised temporary difference	**609**	14
Tax effect of unused tax losses not recognised	**2,773**	919
	–	–

9 INCOME TAX (continued)

(c) 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 period/year are as follows:

	Point provision HK$'000	Others HK$'000	Total HK$'000
At 1 April 2024	10	(10)	–
Debited/(credited) to profit or loss	56	(56)	–
Exchange realignment	(1)	1	–
At 31 March 2025 and 1 April 2025	65	(65)	–
(Credited)/debited to profit or loss	(66)	66	–
Exchange realignment	1	(1)	–
At 30 June 2026	–	–	–

(d) Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of cumulative tax losses of approximately HK$66,281,000 (31 March 2025: HK$51,320,000) and deductible temporary differences on ECL of financial assets of approximately HK$663,000 (31 March 2025: HK$325,000) 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 approximately HK$19,201,000 (31 March 2025: HK$12,991,000) which will expire within three to ten years, the remaining tax losses do not expire under current tax legislation.

10 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:

	Fifteen months ended 30 June 2026			
	Directors fee HK$'000	Salaries allowances and benefits in kind HK$'000	Retirement scheme contributions HK$'000	Total HK$'000
Executive Directors				
Mr. Wong Sze Tuk Alexis (appointed on 22 June 2026)	**6**	**–**	**–**	**6**
Mr. Fu Tao (appointed on 21 July 2025 and resigned on 22 June 2026)	**221**	**187**	**9**	**417**
Mr. Xie Cheng (appointed on 22 October 2025 and resigned on 20 July 2026)	**125**	**–**	**–**	**125**
Mr. Zhang Yu (appointed on 30 January 2026 and resigned on 27 August 2026)	**76**	**–**	**–**	**76**
Ms. Cheung Lee (resigned on 30 January 2026)	**15**	**285**	**14**	**314**
Mr. Lee Wing Leung Garlos	**225**	**825**	**23**	**1,073**
Mr. Leung Wai Lun (resigned on 31 July 2025)	**50**	**259**	**6**	**315**
Ms. Choi Sin Yi (resigned on 31 October 2025)	**11**	**267**	**10**	**288**
Ms. Cai Ying	**300**	**–**	**–**	**300**
Independent Non- Executive Directors				
Mr. Kwan Chi Hong	**120**	**–**	**–**	**120**
Mr. Fenn David (resigned on 19 December 2025)	**72**	**–**	**–**	**72**
Mr. Ho Ho Tung Armen (resigned on 29 June 2026)	**119**	**–**	**–**	**119**
Ms. Meng Mei (appointed on 21 August 2025 and resigned on 31 July 2026)	**83**	**–**	**–**	**83**
Ms. Wang Ting (appointed on 12 August 2026)	**–**	**–**	**–**	**–**
Mr. Yiu Chun Wing (appointed on 19 December 2025)	**51**	**–**	**–**	**51**
	1,474	**1,823**	**62**	**3,359**

10 DIRECTORS' EMOLUMENTS (continued)

	Year ended 31 March 2025				
	Directors fee HK$'000	Discretionary bonus HK$'000	Salaries, allowances and benefits in kind HK$'000	Retirement scheme contributions HK$'000	Total HK$'000
Executive directors					
Ms. Cheung Lee	86	–	686	17	789
Mr. Lee Wing Leung, Garlos	180	–	1,007	18	1,205
Mr. Leung Wai Lun	150	–	749	18	917
Ms. Choi Sin Yi	18	37	418	18	491
Ms. Cai Ying (appointed on 8 January 2025)	55	–	–	–	55
Independent non-executive directors					
Mr. Kwan Chi Hong	106	–	–	–	106
Mr. Fenn David	106	–	–	–	106
Mr. Ho Ho Tung Armen	106	–	–	–	106
	807	37	2,860	71	3,775

Ms. Cai Ying is also the chief executive of the Company and her emoluments disclosed above include those for services rendered by her as chief executive.

Directors fee, discretionary bonus, salaries, allowance and other benefits in kind paid to the executive directors of the Company are generally emoluments paid or payable in respect of the executive directors' services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were for their services as directors of the Company.

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 8(a) to the consolidated financial statements.

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 fifteen months ended 30 June 2026 and year ended 31 March 2025. No director waived or agreed to waive any emoluments during the fifteen months ended 30 June 2026 and year ended 31 March 2025.

11 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five highest paid individuals of the Group, three (year ended 31 March 2025: three) of these are directors, whose emoluments are disclosed in note 10 to the consolidated financial statements. The emoluments in respect of the remaining two (year ended 31 March 2025: two) individual are as follows:

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Salaries, allowances and benefits in kind	**1,186**	1,385
Discretionary bonuses	**–**	57
Retirement scheme contributions	**17**	34
	1,203	1,476

The emoluments of the aforesaid two (year ended 31 March 2025: two) individuals with the highest emoluments are within the following bands:

	Number of individuals	
	Fifteen months ended 30 June 2026	Year ended 31 March 2025
Nil to $1,000,000	**2**	2

12 DIVIDENDS

The board of directors does not recommend the payment of a dividend for the fifteen months ended 30 June 2026 and year ended 31 March 2025.

13 LOSS PER SHARE

(a) Basic loss per share

Basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the fifteen months ended 30 June 2026 and year ended 31 March 2025.

	Fifteen months ended 30 June 2026	Year ended 31 March 2025 (Restated)
Loss attributable to the owners of the Company (HK$'000)	**(17,754)**	(4,891)
Weighted average number of ordinary shares in issue (in thousands)	**640,786**	299,695

The weighted average number of ordinary shares for the purpose of basic loss per share for the fifteen months ended 30 June 2026 and year ended 31 March 2025 have been adjusted retrospectively for the effect of the bonus element of the rights issue completed on 15 May 2025, as if it had been effective on 1 April 2024.

(b) Diluted loss per share

During the fifteen months ended 30 June 2026 and year ended 31 March 2025, 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 fifteen months ended 30 June 2026 and year ended 31 March 2025.

14 PROPERTY, PLANT AND EQUIPMENT

	Machinery HK$'000	Office equipment HK$'000	Computer equipment HK$'000	Leasehold improvements HK$'000	Furniture and fixtures HK$'000	Motor vehicles HK$'000	Total HK$'000
Cost							
At 1 April 2024	–	25	433	67	53	78	656
Additions	–	–	14	–	–	–	14
At 31 March 2025 and 1 April 2025	–	25	447	67	53	78	670
Additions	1,121	3	6	560	–	–	1,690
Written off	–	–	(7)	–	(1)	–	(8)
Exchange realignment	45	1	35	(1)	(2)	–	78
At 30 June 2026	1,166	29	481	626	50	78	2,430
Accumulated depreciation and impairment:							
At 1 April 2024	–	25	391	67	48	39	570
Charge for the year	–	–	27	–	2	26	55
At 31 March 2025 and 1 April 2025	–	25	418	67	50	65	625
Charge for the period	129	–	23	46	2	13	213
Impairment loss recognised	–	–	–	303	–	–	303
Written off	–	–	(7)	–	(1)	–	(8)
Exchange realignment	5	1	34	(1)	(2)	–	37
At 30 June 2026	134	26	468	415	49	78	1,170
Net carrying amounts:							
At 30 June 2026	1,032	3	13	211	1	–	1,260
At 31 March 2025	–	–	29	–	3	13	45

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:

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

14 PROPERTY, PLANT AND EQUIPMENT (continued)

Impairment assessment

During the fifteen months ended 30 June 2026, the management identified the provision of advertising services as a CGU of the Group and considered there were impairment indicators of non-current assets relating to the provision of advertising services due to the loss-making performance of this business and hence conducted impairment assessment for the CGU. The management allocated the related non-current assets of property, plant and equipment, right-of-use assets, and intangible assets to the CGU, these assets do not generate independent cash inflows. The recoverable amount of CGU was determined based on the value in use.

The recoverable amount of the CGU has been determined based on the value-in-use calculation which use cash flow projections based on the latest budgets approved by the management covering a period of 5 years, a pre-tax discount rate of approximately 15%, terminal growth rate of approximately 2% and budgeted gross margin of ranging from 16% to 22%. Cash flow projections during the budget period were based on the projected revenue and expected gross margins and the budgeted revenue growths and margins have been determined based on past performance and management's expectations for the future changes in the market.

Based on the result of the assessment, management of the Group assessed the recoverable amount of the CGU as at 30 June 2026 to be approximately HK$2,472,000, which was lower than its carrying amount as at 30 June 2026. Accordingly, the impairment amount has been allocated to each class of non-current assets of the impaired CGU, which mainly comprise property, plant and equipment, right-of-use assets and intangible assets. Based on the allocation, impairment loss of approximately HK$303,000, HK$1,361,000 and HK$1,895,000, have been recognised against the carrying amount of property, plant and equipment, right-of-use assets and intangible assets, respectively.

15 RIGHT-OF-USE ASSETS

	Properties leased for own use HK$'000
At 1 April 2024	335
Additions	227
Depreciation	(348)
Exchange realignment	1
At 31 March 2025 and 1 April 2025	215
Additions	2,765
Depreciation charge	(679)
Impairment loss recognised (Note 14)	(1,361)
Exchange realignment	4
At 30 June 2026	944

15 RIGHT-OF-USE ASSETS (continued)

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Total cash outflow for leases (note)	**705**	364
Addition to right-of-use assets	**2,765**	227

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 3 years (31 March 2025: 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.

Details of the impairment are set out in note 14 to the consolidated financial statements.

16 INTANGIBLE ASSETS

	Computer software HK$'000
Cost	
At 1 April 2024, 31 March 2025 and 1 April 2025	4,027
Additions	5,000
At 30 June 2026	9,027
Accumulated amortisation and impairment	
At 1 April 2024, 31 March 2025 and 1 April 2025	4,027
Amortisation charge	1,788
Impairment loss recognised (Note 14)	1,895
At 30 June 2026	7,710
Net carrying amounts	
At 30 June 2026	1,317
At 31 March 2025	–

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

Computer software	33%

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

Details of the impairment are set out in note 14 of the consolidated financial statements.

17 SUBSIDIARIES

The following list contains only the particulars of subsidiaries which, in the opinion of the directors of the Company, principally affected the results, assets or liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Particulars of the Company's principal subsidiaries at 30 June 2026 and 31 March 2025 are as follows:

Name of company	Place of incorporation/ establishment and kind of legal entity	Particulars of issued and paid up capital/ quota capital	Proportion of ownership interest		Principal activities and place of operation
			2026	2025	
JAG Ideas (Malaysia) Sdn. Bhd.	Malaysia, limited liability company	50,000 shares of Malaysian Ringgit ("MYR") 1 each	100%	100%	Provision of advertisement services in Malaysia
JAG Ideas (Taiwan) Limited	Hong Kong, limited liability company	HK$9,000	100%	100%	Provision of advertisement services in Taiwan
JAG Ideas Company Limited	Hong Kong, limited liability company	HK$9,000	100%	100%	Provision of advertisement services in Hong Kong
J.A.G. Ideas Inc.	Philippines, limited liability company	1,056,200 shares of Philippine Pesos ("PHP") 10 each	100%	100%	Provision of advertisement services in Philippines
PT. JAG Ideas Indonesia (Note (a))	Indonesia, limited liability company	2,500 shares of Indonesian Rupiah ("IDR") 1,000,000 each	–	100%	Provision of advertisement services in Indonesia
Sky Ranger Limited (Note (c))	Hong Kong, limited liability company	HK$10,000	100%	–	Provision of advertisement services in Hong Kong
Chance Standard Limited (Note (b))	Hong Kong, limited liability company	HK$10,000	100%	–	Provision of advertisement services in Hong Kong
PureEvo Tech Limited (Note (c))	Hong Kong, limited liability company	HK$10,000	100%	–	Provision of advertisement services in Hong Kong
Shenzhen Hua Yuan Global Holding Company Limited* (Notes (c) and (d)) 深圳市華源寰球控股有限公司	The PRC, limited liability company	RMB3,000,000	100%	–	Engaged in the sale of beer dispensers and beer in the PRC

17 SUBSIDIARIES (continued)

Name of company	Place of incorporation/ establishment and kind of legal entity	Particulars of issued and paid up capital/ quota capital	Proportion of ownership interest 2026	2025	Principal activities and place of operation
Shenzhen Lang Lang Jing Chang Yin Kong Jian Technology Company Limited* ("SLLJ") (Note (c) and (d)) 深圳浪浪鯨暢飲空間科技有限公司	The PRC, limited liability company	RMB2,000,000	51%	–	Engaged in the sale of beer dispensers and beer in the PRC
Guangxi Meianxin Supply Chain Management Company Limited* ("Guangxi Meianxin") (Note (c) and (d)) 廣西美安欣供應鏈管理有限公司	The PRC, limited liability company	RMB1,000,000	51%	–	Engaged in the sale of skincare and beauty products

Note:

(a) PT. JAG Ideas Indonesia was deregistered on 29 April 2025.

(b) Acquired during the fifteen months ended 30 June 2026 for nil consideration, with nil net identifiable assets acquired.

(c) Newly incorporation.

(d) Registered as wholly foreign owned enterprise under the PRC law.

* For identification purpose only.

The following table shows information of subsidiaries that have non-controlling interests ("NCI") material to the Group. The summarised financial information represents amounts before inter-company eliminations.

	SLLJ
Principal place of business/country of establishment	The PRC
% of ownership interests/voting rights held by NCI	49%
	HK$'000
At 30 June 2026:	
Non-current assets	435
Current assets	2,755
Current liabilities	(5,294)
Net liabilities	(2,104)
Equity attributable to NCI	(1,079)
Fifteen months ended 30 June 2026:	
Loss for the period	(2,022)
Total comprehensive loss	(2,104)
Loss for the period attributable to NCI	(991)
Net cash from operating activities	1,094
Net cash from financing activities	–
Net increase in cash and cash equivalents	1,094

18 INVENTORIES

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

19 TRADE AND OTHER RECEIVABLES

	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
Trade receivables	**19,819**	6,697
Less: loss allowance	**(430)**	(325)
Trade receivables, net (Note (a))	**19,389**	6,372
Deposits, prepayments and other receivables	**11,651**	573
Less: loss allowance	**(233)**	–
Deposits, prepayments and other receivables, net (Note (b))	**11,418**	573
Total	**30,807**	6,945

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

Notes:

(a) 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:

	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
Within 30 days	**3,022**	4,049
31 to 60 days	**1,526**	1,174
61 to 90 days	**2,686**	439
91 to 180 days	**8,488**	530
Over 180 days	**3,667**	180
	19,389	6,372

Trade receivables are normally due within 60 to 130 days (31 March 2025: 60 to 130 days) from the date of billing.

(b) The deposits, prepayments and other receivables including:

	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
Prepayment (Note (i))	**6,262**	186
Deposits (Notes (ii) and (iii))	**4,509**	151
Other receivables	**880**	236
	11,651	573
Less: loss allowance	**(233)**	–
	11,418	573

Notes:

(i) As at 30 June 2026, the prepayments include prepayments made to service providers for contracted services of approximately HK$5,024,000 (31 March 2025: nil). These prepayments will be recognised as expenses over the respective service periods.

(ii) During the fifteen months ended 30 June 2026, the Group has entered into a non-binding memorandum of understanding (the "MOU") with a potential vendor in respect of not limited to acquisition, investment or co-operation. As at 30 June 2026, the deposits include the deposit paid to the potential vendor of approximately HK$3,000,000 (31 March 2025: nil).

(iii) As at 30 June 2026, the deposits include a deposit paid for leasehold improvements amounting to approximately HK$1,000,000 (31 March 2025: nil) in respect of the renovation of its office premises.

20 CONTRACT ASSETS

	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
Contract assets		
Arising from performance under advertising service contracts	–	381

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

— **Advertising service contracts**

The consideration of 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 in banks earn interests at floating rates based on daily bank deposit rates.

As at 30 June 2026, the bank and cash balances of the Group denominated in RMB and kept in the PRC amounted to approximately HK$1,218,000 (31 March 2025: nil). Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

22 TRADE AND OTHER PAYABLES

	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
Point provision (Note (i))	**4,567**	4,979
Other payables and accruals (Note (ii))	**13,342**	3,435
	17,909	8,414

All trade and other payables are expected to be settled within one year. Approximately HK$13,342,000 (31 March 2025: HK$3,435,000) included in trade and other payables are financial liabilities measured at amortised cost.

Notes:

(i) The point provision is analysed as follows:

	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
At the beginning of the period/year	**4,979**	5,577
Distribution for the period/year	**3,121**	3,378
Redemption during the period/year	**(3,485)**	(3,739)
Reversal during the period/year	**(93)**	(193)
Exchange realignment	**45**	(44)
At the end of the period/year	**4,567**	4,979

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.

(ii) As at 30 June 2026, the other payables and accruals include commission payables and deposits received from customers amounting to approximately HK$3,706,000 and HK$6,066,000 respectively (31 March 2025: nil and nil), and amounts due to directors of nil (31 March 2025: HK$45,000) which are unsecured, non-interest-bearing and repayable on demand.

23 CONTRACT LIABILITIES

	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
Contract liabilities		
Online advertising service contracts		
— Provision for volume sales rebates	**–**	202
— Sales deposits received	**95**	31
	95	233

23 CONTRACT LIABILITIES (continued)

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

— **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.

Movements in contract liabilities

	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
At the beginning of the period/year	**233**	137
Decrease in contract liabilities as a result of utilisation of provision for volume sales rebates during the period/year	**(202)**	(87)
Increase in contract liabilities as a result of increase in expected volume sales rebates during the period/year	**–**	202
Increase in contract liabilities as a result of receiving sales deposits during the period/year	**95**	–
Decrease in contract liabilities as a result of utilising sales deposits during the period/year	**(31)**	(19)
At the end of the period/year	**95**	233

24 LEASE LIABILITIES

	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
Lease liabilities payable:		
Within one year	**1,200**	207
More than one year but not more than two years	**1,115**	–
	2,315	207

The weighted average incremental borrowing rate applied to lease liabilities is 5% (31 March 2025: 5%).

25 CAPITAL AND RESERVES

(a) Share capital

	Number of shares '000	HK$'000
Ordinary shares of HK$0.01 each		
Authorised		
At 1 April 2024, 31 March 2025, 1 April 2025 and 30 June 2026	10,000,000	100,000
Ordinary shares, issued and fully paid		
At 1 April 2024	200,000	2,000
Issue of shares (Note (i))	40,000	400
At 31 March 2025 and 1 April 2025	240,000	2,400
Issue of shares (Note (ii))	437,676	4,377
At 30 June 2026	677,676	6,777

Notes:

(i) 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. The subscription of 39,999,996 shares was completed on 30 April 2024. The net proceeds after deduction of the other expenses amounted to approximately HK$5,060,000. Accordingly, the Company's share capital increased by approximately HK$400,000 and the remaining balance of the net proceeds of approximately HK$4,660,000 was credited to the share premium account. The closing price per share of the Company as quoted on the Stock Exchange on 30 April 2024, the date of completion of subscription, was HK$0.11.

(ii) On 28 March 2025, the Board proposed to conduct a Rights Issue (the "Rights Issue") on the basis of two rights shares (the "Rights Shares") for every one issued share of the Company (the "Shares") held at the subscription price of HK$0.0850 per Rights Share, to raise up to approximately HK$40,800,000 before expenses by issuing up to 479,999,992 Rights Shares. The Rights Issue was completed on 15 May 2025, pursuant to which a total of 8,391,510 Rights Shares were validly subscribed by qualifying shareholders under assured entitlements, while 429,284,000 unsubscribed Rights Shares were successfully placed to independent placees under the compensatory arrangements by the Placing Agent at a placing price of HK$0.0850 per Share. Consequently, an aggregate of 8,391,510 Rights Shares and 429,284,000 Placing Shares were allotted and issued, raising total net proceeds of approximately HK$34,900,000 (net of transaction costs of approximately HK$2,300,000). This transaction resulted in an increase in share capital of approximately HK$4,377,000 and share premium of approximately HK$30,523,000. The closing price per share of the Company as quoted on the Stock Exchange on 15 May 2025, the date of completion of Rights issue, was HK$0.126.

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.

25 CAPITAL AND RESERVES (continued)

(b) 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 HK$'000 (Note 25(a))	Share premium HK$'000 (Note 25(c))	Capital reserve HK$'000 (Note 25(d))	Accumulated loss HK$'000	Total equity HK$'000
At 1 April 2024	2,000	71,988	383	(74,172)	199
Change in equity for the year ended 31 March 2025:					
Loss for the year	–	–	–	(2,930)	(2,930)
Issue of shares	400	4,660	–	–	5,060
At 31 March 2025 and 1 April 2025	**2,400**	**76,648**	**383**	**(77,102)**	**2,329**
Change in equity for the fifteen months ended 30 June 2026:					
Loss for the period	**–**	**–**	**–**	**(35,797)**	**(35,797)**
Issue of shares	**4,377**	**30,523**	**–**	**–**	**34,900**
At 30 June 2026	**6,777**	**107,171**	**383**	**(112,899)**	**1,432**

(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.

25 CAPITAL AND RESERVES (continued)

(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 4(l) to the consolidated financial statements.

(f) Distributable reserves

At 30 June 2026 and 31 March 2025, 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.

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 to the consolidated financial statements, 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 30 June 2026 was 49% (31 March 2025: 62%). 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.

27 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Categories of financial instruments

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Financial assets		
At amortised cost	**31,886**	12,907
Financial liabilities		
At amortised cost	**13,342**	3,435

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.

Maximum exposure and year-end staging

The tables below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and staging classification as at 30 June 2026 and 31 March 2025. The amounts presented are gross carrying amounts for financial assets.

30 June 2026

	12-month ECLs	Lifetime ECLs			
	Stage 1 HK$'000	Stage 2 HK$'000	Stage 3 HK$'000	Simplified approach HK$'000	Total HK$'000
Trade receivables	–	–	–	19,819	19,819
Financial assets included in deposits, prepayments and other receivables	5,293	–	96	–	5,389
Cash and cash equivalents	7,341	–	–	–	7,341
	12,634	–	96	19,819	32,549

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

(a) Credit risk (continued)

Maximum exposure and year-end staging (continued)

31 March 2025

	12-month ECLs	Lifetime ECLs			
	Stage 1 HK$'000	Stage 2 HK$'000	Stage 3 HK$'000	Simplified approach HK$'000	Total HK$'000
Trade receivables	–	–	–	6,697	6,697
Financial assets included in deposits, prepayments and other receivables	387	–	–	–	387
Cash and cash equivalents	6,299	–	–	–	6,299
	6,905	–	–	6,697	13,602

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, 37% (31 March 2025: 44%) and 71% (31 March 2025: 69%) 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 or individuals assessment. 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).

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:

	Fifteen months ended 30 June 2026				
	Gross carrying amount HK$'000	**Provision on individual basis HK$'000**	**ECL rates**	**ECLs HK$'000**	**Loss allowance HK$'000**
Current (not past due)	**6,589**	**–**	**0.5%**	**(35)**	**(35)**
1–180 days past due	**10,292**	**–**	**0.9%**	**(88)**	**(88)**
181–365 days past due	**2,760**	**–**	**4.7%**	**(131)**	**(131)**
366–549 days past due	**2**	**–**	**28.2%**	**–**	**–**
Over 550 days past due	**176**	**(160)**	**100%**	**(16)**	**(176)**
	19,819	**(160)**		**(270)**	**(430)**

	Year ended 31 March 2025				
	Gross carrying amount HK$'000	Provision on individual basis HK$'000	ECL rates	ECLs HK$'000	Loss allowance HK$'000
Contract assets	381	–	–	–	–
Current (not past due)	5,572	–	1.4%	(80)	(80)
1–180 days past due	813	–	3.4%	(27)	(27)
181–365 days past due	104	–	27.2%	(28)	(28)
366–549 days past due	20	–	51.7%	(10)	(10)
Over 550 days past due	188	(104)	89.9%	(76)	(180)
	7,078	(104)		(221)	(325)

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.

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 estimated based on simplified approach under HKFRS 9 in respect of trade receivables and contract assets during the period/year is as follows:

	HK$'000
At 1 April 2024	238
Impairment losses during the year	230
Reversal of impairment losses during the year	(143)
At 31 March 2025 and 1 April 2025	325
Impairment losses recognised during the period	105
At 30 June 2026	430

Deposits and other receivables

The Group closely monitors these deposits and other receivables to ensure actions are taken to recover these balances in the case of any risk of default.

The Group uses four categories for deposits and other receivables which reflect their credit risk and how the allowance for impairment is determined for each of those categories. These internal credit risk ratings are aligned to external credit ratings.

A summary of the assumptions underpinning the Group's ECL model is as follows:

Category	Group definition of category	Basis for recognition of allowance for impairment
Performing	For financial assets where there has low risk of default or has not been a significant increase in credit risk since initial recognition and that are not credit impaired, such as government department and public section organisation (refer to as Stage 1)	12-month ECL
Doubtful	For financial assets where there has been a significant increase in credit risk since initial recognition but that are not credit impaired (refer to as Stage 2)	Lifetime ECL — not credit impaired
Default	Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred (refer to as Stage 3)	Lifetime ECL — credit impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

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

(a) Credit risk (continued)

Deposits and other receivables (continued)

Movement in the loss allowance account estimated based on general approach under HKFRS 9 in respect of deposits and other receivables and contract assets during the period is as follows:

	Stage 1 HK$'000	**Stage 2** HK$'000	**Stage 3** HK$'000	**Total** HK$'000
As at 1 April 2024, 31 March 2025 and 1 April 2025	–	–	–	–
Impairment losses recognised during the period	137	–	96	233
At 30 June 2026	137	–	96	233

(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 30 June 2026 and 31 March 2025 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 30 June 2026 and 31 March 2025) and the earliest date the Group can be required to pay:

	At 30 June 2026				
	Effective interest rate	**Carrying amount HK$'000**	**Total contractual undiscounted cash flow HK$'000**	**Within 1 year or on demand HK$'000**	**Over 1 year HK$'000**
Trade and other payables	**–**	**13,342**	**13,342**	**13,342**	**–**
Lease liabilities	**5%**	**2,315**	**2,435**	**1,288**	**1,147**
		15,657	**15,777**	**14,630**	**1,147**

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

(b) Liquidity risk (continued)

	At 31 March 2025			
	Effective interest rate	Carrying amount HK$'000	Total contractual undiscounted cash flow HK$'000	Within 1 year or on demand HK$'000
Trade and other payables	–	3,435	3,435	3,435
Lease liabilities	5%	207	212	212
		3,642	3,647	3,647

(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

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. 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 TWD, RMB, MYR and PHP. As at 30 June 2026 and 31 March 2025, the Group did not have significant foreign currency risk from its operations.

Management closely monitors foreign currency exchange exposure and will take measures to minimise the currency translation risk. The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposure. The Group has not used any hedging arrangement to hedge its foreign exchange risk exposure as management considers its exposure is not significant.

(e) Fair value of financial instruments

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis. The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

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 HK$'000 (Note 24)
At 1 April 2024	325
Changes from financing cash flows:	
Repayment of lease liabilities	(364)
Other changes:	
Increase in lease liabilities due to new leases entered during the year	227
Interest expenses (Note 8(c))	17
Effect of foreign exchange rate changes	2
Total other changes	246
At 31 March 2025 and 1 April 2025	207
Changes from financing cash flows:	
Repayment of lease liabilities	(705)
Other changes:	
Increase in lease liabilities due to new leases entered during the period	2,765
Interest expenses (Note 8(c))	49
Effect of foreign exchange rate changes	(1)
Total other changes	2,813
At 30 June 2026	2,315

29 RELATED PARTY TRANSACTIONS

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

For the fifteen months ended 30 June 2026 and year ended 31 March 2025, the directors are of the view that the following are related parties of the Group:

Name of party	Relationship with the Group
Beihai Black Pearl Marine Biotechnology Company Limited ("Beihai Black Pearl")*	Non-controlling shareholder of a subsidiary of the Group

(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 10 to the consolidated financial statements.

(b) Transactions with other related parties

The Group entered into the following material related party transactions:

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000
Handling income from Beihai Black Pearl (Note)	**22**	–

Note: During the fifteen months ended 30 June 2026, the Group procurement from Beihai Black Pearl amounted to approximately HK$7,665,000, which was intended for onward sales to independent third-party customers. Management evaluated the transaction terms under HKFRS 15 and determined that the Group acts as an agent rather than a principal in these transactions (see note 5(a)(ii)). Accordingly, the revenue of approximately HK$7,687,000 and the corresponding cost of purchase of approximately HK$7,665,000 have been recognised on a net basis, resulting in net handling income of approximately HK$22,000 included in "other income and gains, net" in the consolidated statement of profit or loss. Only the net handling income earned by the Group has been recorded as other income. Reference can be made to the announcement of the Group dated 11 September 2026.

The transaction is constituted as continuing connected transaction under Chapter 20 of the GEM Listing Rules.

* For identification purpose only.

30 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	Note	At 30 June 2026 HK$'000	At 31 March 2025 HK$'000
Non-current assets			
Interests in subsidiaries	17	**–**	2,170
Current assets			
Prepayment, deposits and other receivables		**2,930**	20
Cash and cash equivalents		**–**	139
		2,930	159
Current liabilities			
Other payables		**1,498**	–
Net current assets		**1,432**	159
NET ASSETS		**1,432**	2,329
CAPITAL AND RESERVES			
Share capital	25(a)	**6,777**	2,400
Reserves		**(5,345)**	(71)
TOTAL EQUITY	25(b)	**1,432**	2,329

The statement of financial position of the Company was approved by the Board of Directors on 30 September 2026 and was signed on its behalf.

Mr. Yam Yuet Hang
Director

Ms. Li Qian Wen
Director

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

(a) On 15 July 2026 the Company entered into a placing agreement (the "Placing Agreement") with a sole Placing Agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe for up to 135,535,101 ordinary Shares (the "Placing") at the placing price of HK$0.026 (the "Placing Price") per Share, representing approximately 16.67% of the issued share capital of the Company immediately after the completion of the Placing.

The Placing was completed on 30 July 2026 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 135,535,101 placing shares (the "Placing Shares"), representing approximately 16.67% of the issued share capital of the Company immediately after the completion of the Placing, have been successfully placed to not less than six placees at the Placing Price of HK$0.026 per Placing Share.

The net proceeds derived from the placing amounted to approximately HK$3.5 million (net of transaction costs of approximately HK$0.2 million) and resulted in the increase in share capital of approximately HK$1.4 million and share premium of approximately HK$2.1 million.

For details of the Placing, please refer to the announcements of the Company dated 15 July 2026 and 30 July 2026.

(b) On 11 September 2026, the Company entered into a product supply framework agreement with Beihai Black Pearl, a connected person of the Company at the subsidiary level by reason of its holdings of 49% of the equity interest in Guangxi Meianxin, a non-wholly owned subsidiary of the Company, in relation to the purchase by the Group of skincare and beauty products.

For details of the transactions, please refer to the note 29 to the consolidated financial statements and the announcement of the Company dated 11 September 2026.

33. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 30 September 2026.

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 of the Company is set out below:

	Fifteen months ended 30 June 2026 HK$'000	Year ended 31 March 2025 HK$'000	2024 HK$'000	2023 HK$'000	2022 HK$'000
RESULTS					
Revenue	**65,569**	13,157	11,767	15,105	18,320
Loss before tax	**(18,791)**	(4,891)	(13,206)	(15,997)	(13,069)
Income tax expense	**–**	–	(3)	(352)	(59)
Loss for the period/year	**(18,791)**	(4,891)	(13,209)	(16,349)	(13,128)
Attributable to:					
— Owners of the Company	**(17,754)**	(4,891)	(13,209)	(16,349)	(13,128)
— Non-controlling interest	**(1,037)**	–	–	–	–
	(18,791)	(4,891)	(13,209)	(16,349)	(13,128)

	At 30 June 2026	At 31 March 2025	2024	2023	2022
ASSETS AND LIABILITIES					
Non-current assets	**3,521**	260	421	436	3,575
Current assets	**38,148**	14,040	14,836	25,484	39,188
Non-current liabilities	**(1,115)**	–	(102)	–	(94)
Current liabilities	**(19,204)**	(8,854)	(9,679)	(8,226)	(9,168)
Net assets	**21,350**	5,446	5,476	17,694	33,501
CAPITAL AND RESERVES					
Share capital	**6,777**	2,400	2,000	2,000	2,000
Reserves	**15,652**	3,046	3,476	15,694	31,501
Equity attributable to owners of the Company	**22,429**	5,446	5,476	17,694	33,501
Non-controlling interest	**(1,079)**	–	–	–	–
Total equity	**21,350**	5,446	5,476	17,694	33,501